

Reg. No. T06FC6835J

**Friends Provident International Limited,
Singapore Branch**

Investment-Linked Funds

Report for the year 1 October 2013 (or the date of
commencement of the respective Investment-Linked Funds,
whichever is later) to 30 September 2014

Friends Provident International Limited, Singapore Branch


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Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 October 2013 to 30 September 2014

Statement by Directors

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 16 present fairly, in all material respects, the state of affairs of the Investment-Linked Funds of the Singapore Branch as at 30 September 2014 and the capital movements for the year 1 October 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 September 2014, in accordance with the stated accounting policies.


Marcus Adams
Director


Director John Van Der Wiebe

23 December 2014

**Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 October 2013 to 30 September 2014**

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

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 September 2014, the Capital and Income Account for the year from 1 October 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 September 2014, and a summary of significant accounting policies and other explanatory information, as set out on pages 5 to 16.

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 October 2013 to 30 September 2014**

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

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 September 2014 and the capital movements for the period 1 October 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 September 2014, 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

23 December 2014

**Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 October 2013 to 30 September 2014**

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

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>
Aberdeen Global Asia-Pacific Equity (R111)	05 October 2011
Aberdeen Global Chinese Equity (R143)	17 July 2013
Aberdeen Global Emerging Markets Smaller Cos. (R132)	27 June 2012
Aberdeen Global Indian Equity (R128)	25 April 2012
Aberdeen Global Technology Equity (R144)	17 July 2013
Allianz BRIC Equity (R62)	01 September 2008
Allianz Emerging Asia Equity (J48)	02 February 2009
Allianz Japan Equity (R63)	01 September 2008
Allianz Little Dragons (J08)	31 July 2009
Allianz Oriental Income (P50)	31 July 2009
Allianz Total Return Asian Equity (R147)	17 July 2013
F&C Global Convertible Bond (R84)	31 July 2009
F&C Stewardship International (USD) (L01)	30 September 2010
Jupiter Global Financials (S112)	30 September 2010
Jupiter Global Financials (R158)	15 May 2014
Jupiter Merlin International Equities Portfolio (R161)	23 September 2014
Jupiter New Europe (R50)	02 February 2009

With the exception of Aberdeen Global Asia-Pacific Equity, Aberdeen Global Chinese Equity, Aberdeen Global Emerging Markets Smaller Cos., Aberdeen Global Indian Equity, Aberdeen Global Technology Equity, Allianz Total Return Asian Equity and Jupiter Global Financials (R111, R143, R132, R128, R144, R147 and R158) 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.

Jupiter Global Financials (R158) is part of an on-going fund segregation project and its segregation was completed during the financial year. Customers of the Company's Singapore Branch will now have their own sub-fund (R158) as opposed to being a part of a larger sub-fund.

Jupiter Merlin International Equities Portfolio (R161) was a new fund launched during the year that is dedicated to customers of the Branch. This fund, in turn, invested in the underlying fund.

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
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	Aberdeen Global Asia-Pacific Equity (R111) S\$	Aberdeen Global Chinese Equity (R143) S\$
Capital and Income Account		
For the year 1 October 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 September 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 October 2013, whichever is later	7,490,864	912,096
Amounts received by the Fund for creation of units	3,781,805	484,010
Amounts paid by the Fund for liquidation of units	(1,826,266)	(293,883)
Net amounts received by the Fund	1,955,539	190,127
Unrealised appreciation/ (diminution) in value of investments	470,784	(5,329)
Gain/ (loss) on sale of investments	47,390	(574)
Other income	-	2,456
Management fees	(103,809)	(11,484)
Other expenses	(661)	(457)
Increase/ (decrease) in net asset value for the year	413,704	(15,388)
Value of Fund		
As at 30 September 2014	9,860,107	1,086,835
Statement of Assets and Liabilities		
As at 30 September 2014		
<u>Assets</u>		
Investments in funds	9,871,209	1,089,496
Cash and bank balances	213,351	40,699
Other debtors	-	-
Total assets	10,084,560	1,130,195
<u>Liabilities</u>		
Other creditors	224,453	43,360
Total liabilities	224,453	43,360
Value of Fund		
As at 30 September 2014	9,860,107	1,086,835

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
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Financial Statements

	Aberdeen GlobalEmerging Markets Smaller Cos. (R132) S\$	Aberdeen Global Indian Equity (R128) S\$
Capital and Income Account		
For the year 1 October 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 September 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 October 2013, whichever is later	1,907,352	1,282,832
Amounts received by the Fund for creation of units	49,111	926,996
Amounts paid by the Fund for liquidation of units	(584,307)	(731,696)
Net amounts (paid)/ received by the Fund	(535,196)	195,300
Unrealised appreciation in value of investments	13,847	544,346
Gain on sale of investments	28,580	56,538
Other income	-	-
Management fees	(19,246)	(20,977)
Other expenses	(295)	(588)
Increase in net asset value for the year	22,886	579,319
Value of Fund		
As at 30 September 2014	1,395,042	2,057,451
Statement of Assets and Liabilities		
As at 30 September 2014		
<u>Assets</u>		
Investments in funds	1,398,715	2,052,639
Cash and bank balances	-	4,812
Other debtors	-	-
Total assets	1,398,715	2,057,451
<u>Liabilities</u>		
Other creditors	3,673	-
Total liabilities	3,673	-
Value of Fund		
As at 30 September 2014	1,395,042	2,057,451

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
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Financial Statements

	Aberdeen Global Technology Equity (R144)	Allianz BRIC Equity (R62)
	S\$	S\$
Capital and Income Account		
For the year 1 October 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 September 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 October 2013, whichever is later	1,019,272	34,411
Amounts received by the Fund for creation of units	1,562,804	257,126
Amounts paid by the Fund for liquidation of units	(313,463)	(32,075)
Net amounts received by the Fund	1,249,341	225,051
Unrealised appreciation/ (diminution) in value of investments	127,095	(22,663)
Gain on sale of investments	15,233	32,580
Other income	-	-
Management fees	(21,642)	(2,173)
Other expenses	(969)	(16)
Increase in net asset value for the year	119,717	7,728
Value of Fund		
As at 30 September 2014	2,388,330	267,190
Statement of Assets and Liabilities		
As at 30 September 2014		
<u>Assets</u>		
Investments in funds	2,378,605	267,204
Cash and bank balances	26,304	-
Other debtors	-	-
Total assets	2,404,909	267,204
<u>Liabilities</u>		
Other creditors	16,579	14
Total liabilities	16,579	14
Value of Fund		
As at 30 September 2014	2,388,330	267,190

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 October 2013 to 30 September 2014

Financial Statements

	Allianz Emerging Asia Equity (J48)	Allianz Japan Equity (R63)
	S\$	S\$
Capital and Income Account		
For the year 1 October 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 September 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 October 2013, whichever is later	223,449	209,115
Amounts received by the Fund for creation of units	151,039	461,180
Amounts paid by the Fund for liquidation of units	(38,747)	(141,145)
Net amounts received by the Fund	112,292	320,035
Unrealised appreciation in value of investments	51,962	11,652
Gain/ (loss) on sale of investments	2,444	(11,891)
Other income	-	182
Management fees	(3,646)	(4,733)
Other expenses	(22)	(483)
Increase/ (decrease) in net asset value for the year	50,738	(5,273)
Value of Fund		
As at 30 September 2014	386,479	523,877
Statement of Assets and Liabilities		
As at 30 September 2014		
<u>Assets</u>		
Investments in funds	387,027	524,058
Cash and bank balances	-	-
Other debtors	7,729	-
Total assets	394,756	524,058
<u>Liabilities</u>		
Other creditors	8,277	181
Total liabilities	8,277	181
Value of Fund		
As at 30 September 2014	386,479	523,877

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
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Financial Statements

	Allianz Little Dragons (J08)	Allianz Oriental Income (P50)
	S\$	S\$
Capital and Income Account		
For the year 1 October 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 September 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 October 2013, whichever is later	113,323	29,601
Amounts received by the Fund for creation of units	28,615	49,173
Amounts paid by the Fund for liquidation of units	(44,601)	(13,792)
Net amounts (paid)/ received by the Fund	(15,986)	35,381
Unrealised appreciation in value of investments	13,782	3,188
Gain/ (loss) on sale of investments	2,606	(2,673)
Other income	-	141
Management fees	(1,345)	(551)
Other expenses	(7)	(5)
Increase in net asset value for the year	15,036	100
Value of Fund	112,373	65,082
As at 30 September 2014	112,373	65,082
Statement of Assets and Liabilities		
As at 30 September 2014		
<u>Assets</u>		
Investments in funds	112,398	65,406
Cash and bank balances	-	-
Other debtors	-	-
Total assets	112,398	65,406
<u>Liabilities</u>		
Other creditors	25	324
Total liabilities	25	324
Value of Fund	112,373	65,082
As at 30 September 2014	112,373	65,082

Friends Provident International Limited, Singapore Branch
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	Allianz Total Return Asian Equity (R147)	F&C Global Convertible Bond (R84)
	S\$	S\$
Capital and Income Account		
For the year 1 October 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 September 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 October 2013, whichever is later	605,851	75,220
Amounts received by the Fund for creation of units	281,960	89,946
Amounts paid by the Fund for liquidation of units	(176,393)	(13,490)
Net amounts received by the Fund	105,567	76,456
Unrealised appreciation/ (diminution) in value of investments	86,921	(2,625)
Gain on sale of investments	19,593	2,436
Other income	1,380	1,210
Management fees	(8,905)	(1,251)
Other expenses	(336)	(128)
Increase/ (decrease) in net asset value for the year	98,653	(358)
Value of Fund		
As at 30 September 2014	810,071	151,318
Statement of Assets and Liabilities		
As at 30 September 2014		
<u>Assets</u>		
Investments in funds	810,422	154,175
Cash and bank balances	26,430	-
Other debtors	-	5,394
Total assets	836,852	159,569
<u>Liabilities</u>		
Other creditors	26,781	8,251
Total liabilities	26,781	8,251
Value of Fund		
As at 30 September 2014	810,071	151,318

Friends Provident International Limited, Singapore Branch
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	F&C Stewardship International (USD) (L01)	Jupiter Global Financials (S112)
	S\$	S\$
Capital and Income Account		
For the year 1 October 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 September 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 October 2013, whichever is later	12,372	371,541
Amounts received by the Fund for creation of units	10,391	1,019,353
Amounts paid by the Fund for liquidation of units	(2,332)	(1,369,279)
Net amounts received/ (paid) by the Fund	8,059	(349,926)
Unrealised appreciation/ (diminution) in value of investments	70	(101,468)
Gain on sale of investments	1,169	85,593
Other income	-	-
Management fees	(203)	(5,699)
Other expenses	(9)	(41)
Increase/ (decrease) in net asset value for the year	1,027	(21,615)
Value of Fund		
As at 30 September 2014	21,458	-
Statement of Assets and Liabilities		
As at 30 September 2014		
<u>Assets</u>		
Investments in funds	21,472	-
Cash and bank balances	299	-
Other debtors	-	-
Total assets	21,771	-
<u>Liabilities</u>		
Other creditors	313	-
Total liabilities	313	-
Value of Fund		
As at 30 September 2014	21,458	-

Friends Provident International Limited, Singapore Branch
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	Jupiter Global Financials (R158)*	Jupiter Merlin International Equities Portfolio (R161)
	S\$	S\$
Capital and Income Account		
For the year 1 October 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 September 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 October 2013, whichever is later	-	-
Amounts received by the Fund for creation of units	1,795,419	12,753
Amounts paid by the Fund for liquidation of units	(153,146)	-
Net amounts received by the Fund	1,642,273	12,753
Unrealised appreciation/ (diminution) in value of investments	9,418	(202)
Gain on sale of investments	4,051	-
Other income	4,450	-
Management fees	(6,350)	(4)
Other expenses	-	-
Increase/ (decrease) in net asset value for the year	11,569	(206)
Value of Fund		
As at 30 September 2014	1,653,842	12,547
Statement of Assets and Liabilities		
As at 30 September 2014		
<u>Assets</u>		
Investments in funds	1,655,562	12,550
Cash and bank balances	60,770	12,750
Other debtors	-	-
Total assets	1,716,332	25,300
<u>Liabilities</u>		
Other creditors	62,490	12,753
Total liabilities	62,490	12,753
Value of Fund		
As at 30 September 2014	1,653,842	12,547

* Note: The financial period for this investment-linked fund is from 15 May 2014 to 30 September 2014, as this fund was segregated from the 'Jupiter Global Financials (S112)' fund on 15 May 2014.

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	Jupiter New Europe (R50)
	S\$
Capital and Income Account	
For the year 1 October 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 September 2014	
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 October 2013, whichever is later	40,173
Amounts received by the Fund for creation of units	34,324
Amounts paid by the Fund for liquidation of units	(8,644)
Net amounts received by the Fund	25,680
Unrealised diminution in value of investments	(9,552)
Loss on sale of investments	(656)
Other income	-
Management fees	(691)
Other expenses	(13)
Decrease in net asset value for the year	(10,912)
Value of Fund	
As at 30 September 2014	54,941
Statement of Assets and Liabilities	
As at 30 September 2014	
<u>Assets</u>	
Investments in funds	54,776
Cash and bank balances	165
Other debtors	-
Total assets	54,941
<u>Liabilities</u>	
Other creditors	-
Total liabilities	-
Value of Fund	
As at 30 September 2014	54,941

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 October 2013 to 30 September 2014

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 (the "Singapore Branch") as at 30 September 2014 comprise:

<u>Funds</u>	<u>Commencement</u> <u>date</u>	<u>Units in issue</u> <u>as at 30</u> <u>September</u> <u>2014</u>	<u>Net asset</u> <u>value per</u> <u>unit S\$</u>
Aberdeen Global Asia-Pacific Equity (R111)	05 October 2011	5,448,803	1.81
Aberdeen Global Chinese Equity (R143)	17 July 2013	247,368	4.39
Aberdeen Global Emerging Markets Smaller Cos. (R132)	27 June 2012	738,094	1.89
Aberdeen Global Indian Equity (R128)	25 April 2012	637,256	3.23
Aberdeen Global Technology Equity (R144)	17 July 2013	5,360,650	0.45
Allianz BRIC Equity (R62)	01 September 2008	383,995	0.70
Allianz Emerging Asia Equity (J48)	02 February 2009	636,409	0.61
Allianz Japan Equity (R63)	01 September 2008	461,387	1.14
Allianz Little Dragons (J08)	31 July 2009	20,270	5.54
Allianz Oriental Income (P50)	31 July 2009	32,797	1.98
Allianz Total Return Asian Equity (R147)	17 July 2013	800,591	1.01
F&C Global Convertible Bond (R84)	31 July 2009	93,990	1.61
F&C Stewardship International (USD) (L01)	30 September 2010	12,822	1.67
Jupiter Global Financials (S112)	30 September 2010	-	-
Jupiter Global Financials (R158)	15 May 2014	1,152,304	1.44
Jupiter Merlin International Equities Portfolio (R161)	23 September 2014	10,753	1.17
Jupiter New Europe (R50)	02 February 2009	46,293	1.19

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Notes to the Financial Statements

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The financial statements of the 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.

Jupiter Global Financials (R158) is part of an on-going fund segregation project and its segregation was completed during the financial year. Customers of the Company's Singapore Branch will now have their own sub-fund (R158) as opposed to being a part of a larger sub-fund.

Customers invested in the fund that went through segregation will have been informed by the Company's customer services department.

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.

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2. Summary of significant accounting policies (cont)

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.

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.