

Reg. No. T06FC6835J

**Friends Provident International Limited,
Singapore Branch**

Investment-Linked Funds

**Report for the year 1 May 2014 (or the date of
commencement of the respective Investment-Linked Funds,
whichever is later) to 30 April 2015**

Friends Provident International Limited, Singapore Branch

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Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 May 2014 to 30 April 2015

Statement by Directors

In our opinion, the financial statements of the Investment-Linked Funds of Friends Provident International Limited, Singapore Branch (the "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 2015 and the capital movements for the year 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 April 2015, in accordance with the stated accounting policies.



Director **KEVIN CRACKNELL**



CAROLINE JUNE CORNISH

31 July 2015

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 May 2014 to 30 April 2015

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 April 2015, the Capital and Income Account for the year from 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 April 2015, 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 2014 to 30 April 2015**

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 April 2015 and the capital movements for the year 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 April 2015, 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

31 July 2015

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 May 2014 to 30 April 2015

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>
Baring Australia (M56)	02 February 2009
Baring Eastern Europe (P48)	02 February 2009
Baring High Yield Bond (R117)	22 February 2012
Baring Hong Kong & China (R125)	25 April 2012
Baring International Bond (USD) (R109)	24 August 2011
Fidelity America (R163)	13 November 2014
Fidelity Euro Blue Chip (R149)	22 January 2014
Fidelity Euro Bond (J87)	30 September 2010
Fidelity Global Multi Asset Tactical Moderate (EUR) (R27) <i>(previously reported as Fidelity Multi Asset Strategic (EUR) (R27))</i>	02 February 2009
Fidelity Global Multi Asset Tactical Moderate (USD) (R26) <i>(previously reported as Fidelity Multi Asset Strategic (USD) (R26))</i>	02 February 2009
Fidelity Global Property (USD) (P78)	01 September 2008
Fidelity Global Telecommunications (J97)	30 September 2010

With the exception of Baring High Yield Bond, Baring Hong Kong & China, Baring International Bond (USD) and Fidelity Euro Blue Chip (R117, R125, R109 and R149) 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 Singapore Branch. The segregated Investment-Linked Funds and sub-funds are, in turn, invested in the underlying funds.

Fidelity America (R163) was a new fund launched during the year exclusively for Singapore policyholders.

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 May 2014 to 30 April 2015

Financial Statements

	Baring Australia (M56)	Baring Eastern Europe (P48)
	S\$	S\$
Capital and Income Account		
For the year 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 April 2015		
Value of Fund as at 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later)	331,245	386,116
Amounts received by the Fund for creation of units	52,842	351,169
Amounts paid by the Fund for liquidation of units	(80,292)	(115,358)
Net amounts (paid)/ received by the Fund	(27,450)	235,811
Unrealised appreciation/ (diminution) in value of investments	8,947	(61,096)
(Loss)/ gain on sale of investments	(27,257)	23,901
Other income	7,712	2,519
Management fees	(4,098)	(5,825)
Other expenses	(30)	(19)
Decrease in net asset value for the year	(14,726)	(40,520)
Value of Fund		
As at 30 April 2015	289,069	581,407
Statement of Assets and Liabilities		
As at 30 April 2015		
<u>Assets</u>		
Investments in funds	289,964	582,842
Cash and bank balances	6,678	-
Other debtors	-	-
Total assets	296,642	582,842
<u>Liabilities</u>		
Other creditors	7,573	1,435
Total liabilities	7,573	1,435
Value of Fund		
As at 30 April 2015	289,069	581,407

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 May 2014 to 30 April 2015

Financial Statements

	Baring High Yield Bond (R117)	Baring Hong Kong & China (R125)
	S\$	S\$
Capital and Income Account		
For the year 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 April 2015		
Value of Fund as at 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later)	2,599,879	1,714,597
Amounts received by the Fund for creation of units	964,118	454,714
Amounts paid by the Fund for liquidation of units	(1,080,174)	(435,135)
Net amounts (paid)/ received by the Fund	(116,056)	19,579
Unrealised appreciation in value of investments	4,429	859,154
(Loss)/ gain on sale of investments	(28,123)	31,817
Other income	168,655	12,895
Management fees	(32,588)	(24,932)
Other expenses	(478)	(347)
Increase in net asset value for the year	111,895	878,587
Value of Fund		
As at 30 April 2015	2,595,718	2,612,763
Statement of Assets and Liabilities		
As at 30 April 2015		
<u>Assets</u>		
Investments in funds	2,597,494	2,606,588
Cash and bank balances	-	6,175
Other debtors	17,219	-
Total assets	2,614,713	2,612,763
<u>Liabilities</u>		
Other creditors	18,995	-
Total liabilities	18,995	-
Value of Fund		
As at 30 April 2015	2,595,718	2,612,763

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 May 2014 to 30 April 2015

Financial Statements

	Baring International Bond (USD) (R109)	Fidelity America (R163)
	S\$	S\$
Capital and Income Account		
For the year 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 April 2015		
Value of Fund as at 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later)	1,745,471	-
Amounts received by the Fund for creation of units	922,105	178,784
Amounts paid by the Fund for liquidation of units	(722,231)	(7,571)
Net amounts received by the Fund	199,874	171,213
Unrealised (diminution)/ appreciation in value of investments	(8,869)	460
Loss on sale of investments	(25,266)	(139)
Other income	23,315	270
Management fees	(21,711)	(476)
Other expenses	(436)	-
(Decrease)/ increase in net asset value for the year	(32,967)	115
Value of Fund		
As at 30 April 2015	1,912,378	171,328
Statement of Assets and Liabilities		
As at 30 April 2015		
<u>Assets</u>		
Investments in funds	1,914,589	169,825
Cash and bank balances	9,710	14,748
Other debtors	-	-
Total assets	1,924,299	184,573
<u>Liabilities</u>		
Other creditors	11,921	13,245
Total liabilities	11,921	13,245
Value of Fund		
As at 30 April 2015	1,912,378	171,328

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 May 2014 to 30 April 2015

Financial Statements

	Fidelity Euro Blue Chip (R149)	Fidelity Euro Bond (J87)
	S\$	S\$
Capital and Income Account		
For the year 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 April 2015		
Value of Fund as at 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later)	4,582,355	24,029
Amounts received by the Fund for creation of units	3,577,300	82,689
Amounts paid by the Fund for liquidation of units	(1,847,602)	(4,420)
Net amounts received by the Fund	1,729,698	78,269
Unrealised appreciation/ (diminution) in value of investments	74,296	(277)
Gain/ (loss) on sale of investments	94,658	(3,603)
Other income	-	-
Management fees	(65,563)	(794)
Other expenses	(653)	(19)
Increase/ (decrease) in net asset value for the year	102,738	(4,693)
Value of Fund		
As at 30 April 2015	6,414,791	97,605
Statement of Assets and Liabilities		
As at 30 April 2015		
<u>Assets</u>		
Investments in funds	6,586,773	97,938
Cash and bank balances	-	-
Other debtors	262,711	-
Total assets	6,849,484	97,938
<u>Liabilities</u>		
Other creditors	434,693	333
Total liabilities	434,693	333
Value of Fund		
As at 30 April 2015	6,414,791	97,605

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 May 2014 to 30 April 2015

Financial Statements

	Fidelity Global Multi Asset Tactical Moderate (EUR) (R27)	Fidelity Global Multi Asset Tactical Moderate (USD) (R26)
	S\$	S\$
Capital and Income Account		
For the year 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 April 2015		
Value of Fund as at 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later)	82,139	150,526
Amounts received by the Fund for creation of units	5,940	115,979
Amounts paid by the Fund for liquidation of units	(535)	(132,043)
Net amounts received/ (paid) by the Fund	5,405	(16,064)
Unrealised appreciation in value of investments	1,216	2,642
Loss on sale of investments	(185)	(1,419)
Other income	-	87
Management fees	(1,022)	(1,612)
Other expenses	(7)	(5)
Increase/ (decrease) in net asset value for the year	2	(307)
Value of Fund		
As at 30 April 2015	87,546	134,155
Statement of Assets and Liabilities		
As at 30 April 2015		
<u>Assets</u>		
Investments in funds	87,604	134,595
Cash and bank balances	-	-
Other debtors	577	-
Total assets	88,181	134,595
<u>Liabilities</u>		
Other creditors	635	440
Total liabilities	635	440
Value of Fund		
As at 30 April 2015	87,546	134,155

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 May 2014 to 30 April 2015

Financial Statements

	Fidelity Global Property (USD) (P78)	Fidelity Global Telecommunications (J97)
	S\$	S\$
Capital and Income Account		
For the year 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 April 2015		
Value of Fund as at 1 May 2014 (or the date of commencement of the respective Investment-Linked Funds, whichever is later)	383,115	128,601
Amounts received by the Fund for creation of units	250,864	93,053
Amounts paid by the Fund for liquidation of units	(94,289)	(419)
Net amounts received by the Fund	156,575	92,634
Unrealised appreciation in value of investments	95,457	19,786
Gain on sale of investments	439	2,373
Other income	-	-
Management fees	(6,303)	(2,174)
Other expenses	(62)	(24)
Increase in net asset value for the year	89,531	19,961
Value of Fund		
As at 30 April 2015	629,221	241,196
Statement of Assets and Liabilities		
As at 30 April 2015		
<u>Assets</u>		
Investments in funds	629,600	241,515
Cash and bank balances	-	970
Other debtors	48,803	-
Total assets	678,403	242,485
<u>Liabilities</u>		
Other creditors	49,182	1,289
Total liabilities	49,182	1,289
Value of Fund		
As at 30 April 2015	629,221	241,196

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 May 2014 to 30 April 2015

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 April 2015 comprise:

<u>Funds</u>	<u>Commencement date</u>	<u>Units in issue as at 30 April 2015</u>	<u>Net asset value per unit S\$</u>
Baring Australia (M56)	02 February 2009	23,308	12.40
Baring Eastern Europe (P48)	02 February 2009	380,333	1.53
Baring High Yield Bond (R117)	22 February 2012	736,651	3.52
Baring Hong Kong & China (R125)	25 April 2012	24,312	107.47
Baring International Bond (USD) (R109)	24 August 2011	255,771	7.48
Fidelity America (R163)	13 November 2014	132,688	1.29
Fidelity Euro Blue Chip (R149)	22 January 2014	2,704,186	2.37
Fidelity Euro Bond (J87)	30 September 2010	43,819	2.23
Fidelity Global Multi Asset Tactical Moderate (EUR) (R27) (previously reported as Fidelity Multi Asset Strategic (EUR) (R27))	02 February 2009	51,257	1.71
Fidelity Global Multi Asset Tactical Moderate (USD) (R26) (previously reported as Fidelity Multi Asset Strategic (USD) (R26))	02 February 2009	111,787	1.20
Fidelity Global Property (USD) (P78)	01 September 2008	549,623	1.14
Fidelity Global Telecommunications (J97)	30 September 2010	272,406	0.89

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 May 2014 to 30 April 2015

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.

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.

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 May 2014 to 30 April 2015

Notes to the Financial Statements

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.