

Reg. No. T06FC6835J

Friends Provident International Limited,
Singapore Branch

Investment-Linked Funds

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

Friends Provident International Limited, Singapore Branch

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



Marcus Adams

Director

Director



John van der Wielen

29 September 2014

Friends Provident International Limited, Singapore Branch
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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 June 2014, the Capital and Income Account for the year from 1 July 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 June 2014, and a summary of significant accounting policies and other explanatory information, as set out on pages 5 to 20.

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

29 September 2014

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
For the year 1 July 2013 to 30 June 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>
Amundi Absolute Volatility World Equities (R86)	30 September 2010
Amundi Equity ASEAN (R17)	2 February 2009
Amundi Equity Global Aqua (P98)	2 February 2009
CF Miton Special Situations (GBP) (R141)	29 August 2012
CF Miton Special Situations (USD) (R116)	22 February 2012
Franklin US Government (M84)	2 February 2009
Henderson Horizon Asia-Pacific Property Equities (P61)	2 February 2009
Henderson Horizon China (R98)	30 September 2010
JPM Emerging Markets Small Cap (R61)	31 July 2009
JPM Emerging Markets Small Cap (R150)	22 January 2014
JPM Global Consumer Trends (L18)	25 February 2011
JPMorgan Taiwan (R09)	2 February 2009
JPMorgan USD Money Market (J42) (previously reported as 'JPMorgan USD')	30 September 2010
Mellon Global Bond (GBP) (R142)	29 August 2012
Templeton Asian Bond (R129)	25 April 2012
Templeton BRIC (R119)	22 February 2012
Templeton Emerging Markets (R110)	5 October 2011
Templeton Global (J72)	31 August 2008
Templeton Global (R159)	15 May 2014
Templeton Global Bond (SGD HDG) (R123)	29 March 2012
Templeton Global Bond (USD) (R131)	27 June 2012
Templeton Global Total Return (EUR) (L03)	30 September 2010
Templeton Global Total Return (SGD HDG) (R124)	29 March 2012
Templeton Global Total Return (USD) (R115)	22 February 2012
Templeton Latin America (R138)	29 August 2012

With the exception of the CF Miton Special Situations (GBP), CF Miton Special Situations (USD), JPM Emerging Markets Small Cap, Mellon Global Bond (GBP), Templeton Asian Bond, Templeton BRIC, Templeton Emerging Markets, Templeton Global, Templeton Global Bond (USD), Templeton Global Total Return (USD) and Templeton Latin America (R141, R116, R150, R142, R129, R119, R110, R159, R131, R115 and R138) 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.

JPM Emerging Markets Small Cap (R150) and Templeton Global (R159) are part of an on-going fund segregation project and the segregation was completed during the financial year. Customers of the Singapore Branch will now have their own sub-funds (R150) and (R159) as opposed to being a part of a larger sub-fund.

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
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	Amundi Absolute Volatility World Equities (R86)	Amundi Equity ASEAN (R17)
	S\$	S\$
Capital and Income Account		
For the year 1 July 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 June 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	162,671	386,205
Amounts received by the Fund for creation of units	131,897	309,724
Amounts paid by the Fund for liquidation of units	(53,878)	(182,125)
Net amounts received by the Fund	78,019	127,599
Unrealised diminution in value of investments	(43,172)	(65,820)
Gain on sale of investments	12,940	54,257
Other income	-	-
Management fees	(2,296)	(5,083)
Other expenses	(36)	(47)
Decrease in net asset value for the year	(32,564)	(16,693)
Value of Fund As at 30 June 2014	208,126	497,111
Statement of Assets and Liabilities		
As at 30 June 2014		
<u>Assets</u>		
Investments in funds	207,713	497,784
Cash and bank balances	413	-
Other debtors	-	8,935
Total assets	208,126	506,719
<u>Liabilities</u>		
Other creditors	-	9,608
Total liabilities	-	9,608
Value of Fund As at 30 June 2014	208,126	497,111

Friends Provident International Limited, Singapore Branch
Investment-Linked Funds
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	Amundi Equity Global Aqua (P98)	CF Miton Special Situations (GBP) (R141)
	S\$	S\$
Capital and Income Account		
For the year 1 July 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 June 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	334,206	822,755
Amounts received by the Fund for creation of units	96,836	1,074,386
Amounts paid by the Fund for liquidation of units	(64,703)	(399,255)
Net amounts received by the Fund	32,133	675,131
Unrealised appreciation in value of investments	14,006	31,797
Gain on sale of investments	81,483	4,530
Other income	-	432
Management fees	(4,867)	(13,664)
Other expenses	(31)	(379)
Increase in net asset value for the year	90,591	22,716
Value of Fund		
As at 30 June 2014	456,930	1,520,602
Statement of Assets and Liabilities		
As at 30 June 2014		
<u>Assets</u>		
Investments in funds	456,559	1,521,661
Cash and bank balances	371	9,599
Other debtors	-	-
Total assets	456,930	1,531,260
<u>Liabilities</u>		
Other creditors	-	10,658
Total liabilities	-	10,658
Value of Fund		
As at 30 June 2014	456,930	1,520,602

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

	CF Miton Special Situations (USD) (R116)	Franklin US Government (M84)
	S\$	S\$
Capital and Income Account		
For the year 1 July 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 June 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	1,778,126	416,815
Amounts received by the Fund for creation of units	1,650,847	92,785
Amounts paid by the Fund for liquidation of units	(431,774)	(153,425)
Net amounts received/ (paid) by the Fund	1,219,073	(60,640)
Unrealised appreciation/ (diminution) in value of investments	49,421	(34,724)
Gain on sale of investments	14,365	28,117
Other income	-	8,954
Management fees	(28,583)	(4,458)
Other expenses	(583)	(43)
Increase/ (decrease) in net asset value for the year	34,620	(2,154)
Value of Fund		
As at 30 June 2014	3,031,819	354,021
Statement of Assets and Liabilities		
As at 30 June 2014		
<u>Assets</u>		
Investments in funds	3,035,366	354,382
Cash and bank balances	12,660	-
Other debtors	-	-
Total assets	3,048,026	354,382
<u>Liabilities</u>		
Other creditors	16,207	361
Total liabilities	16,207	361
Value of Fund		
As at 30 June 2014	3,031,819	354,021

Friends Provident International Limited, Singapore Branch
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	Henderson Horizon Asia- Pacific Property Equities (P61)	Henderson Horizon China (R98)
	S\$	S\$
Capital and Income Account		
For the year 1 July 2013 (or the date of commencement of the respective investment-Linked Funds, whichever is later) to 30 June 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	362,819	53,974
Amounts received by the Fund for creation of units	155,368	77,707
Amounts paid by the Fund for liquidation of units	(76,042)	(32,518)
Net amounts received by the Fund	79,326	45,189
Unrealised (diminution)/ appreciation in value of investments	(27,777)	1,988
Gain on sale of investments	30,980	9,626
Other income	220	265
Management fees	(4,734)	(1,024)
Other expenses	(44)	(11)
(Decrease)/ increase in net asset value for the year	(1,355)	10,844
Value of Fund		
As at 30 June 2014	440,790	110,007
Statement of Assets and Liabilities		
As at 30 June 2014		
<u>Assets</u>		
Investments in funds	441,518	110,585
Cash and bank balances	-	-
Other debtors	-	-
Total assets	441,518	110,585
<u>Liabilities</u>		
Other creditors	728	578
Total liabilities	728	578
Value of Fund		
As at 30 June 2014	440,790	110,007

Friends Provident International Limited, Singapore Branch
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Financial Statements

	JPM Emerging Markets Small Cap (R61) S\$	JPM Emerging Markets Small Cap (R150)* S\$
Capital and Income Account		
For the year 1 July 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 June 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	506,298	-
Amounts received by the Fund for creation of units	641,109	1,130,137
Amounts paid by the Fund for liquidation of units	(1,093,170)	(210,549)
Net amounts (paid)/ received by the Fund	(452,061)	919,588
Unrealised (diminution)/ appreciation in value of investments	(74,612)	139,696
Gain on sale of investments	25,111	13,945
Other income	-	-
Management fees	(4,707)	(5,063)
Other expenses	(29)	(6,909)
(Decrease)/ increase in net asset value for the year	(54,237)	141,669
Value of Fund		
As at 30 June 2014	-	1,061,257
Statement of Assets and Liabilities		
As at 30 June 2014		
<u>Assets</u>		
Investments in funds	-	1,059,996
Cash and bank balances	-	1,261
Other debtors	-	-
Total assets	-	1,061,257
<u>Liabilities</u>		
Other creditors	-	-
Total liabilities	-	-
Value of Fund		
As at 30 June 2014	-	1,061,257

* Note: The financial period for this investment-linked fund is from 22 January 2014 to 30 June 2014, as this fund was segregated from the 'JPM Emerging Markets Small Cap (R61)' fund on 22 January 2014.

Friends Provident International Limited, Singapore Branch
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	JPM Global Consumer Trends (L18)	JPMorgan Taiwan (R09)
	S\$	S\$
Capital and Income Account		
For the year 1 July 2013 (or the date of commencement of the respective investment-Linked Funds, whichever is later) to 30 June 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	76,939	54,450
Amounts received by the Fund for creation of units	27,387	11,365
Amounts paid by the Fund for liquidation of units	(27,704)	(11,610)
Net amounts paid by the Fund	(317)	(245)
Unrealised appreciation in value of investments	2,050	4,303
Gain on sale of investments	9,336	5,920
Other income	-	-
Management fees	(896)	(673)
Other expenses	(8)	(3)
Increase in net asset value for the year	10,482	9,547
Value of Fund		
As at 30 June 2014	87,104	63,752
Statement of Assets and Liabilities		
As at 30 June 2014		
<u>Assets</u>		
Investments in funds	87,221	63,766
Cash and bank balances	507	-
Other debtors	-	-
Total assets	87,728	63,766
<u>Liabilities</u>		
Other creditors	624	14
Total liabilities	624	14
Value of Fund		
As at 30 June 2014	87,104	63,752

Friends Provident International Limited, Singapore Branch
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	JPMorgan USD Money Market (J42)*	Mellon Global Bond (GBP) (R142)
	S\$	S\$
Capital and Income Account		
For the year 1 July 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 June 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	236,742	532,012
Amounts received by the Fund for creation of units	567,813	415,122
Amounts paid by the Fund for liquidation of units	(340,534)	(234,541)
Net amounts received by the Fund	227,279	180,581
Unrealised (diminution)/ appreciation in value of investments	(35,430)	25,282
Gain/ (loss) on sale of investments	23,291	(8,371)
Other income	-	5,788
Management fees	(4,015)	(7,463)
Other expenses	(18)	(1,373)
(Decrease)/ increase in net asset value for the year	(16,172)	13,863
Value of Fund		
As at 30 June 2014	447,849	726,456
Statement of Assets and Liabilities		
As at 30 June 2014		
<u>Assets</u>		
Investments in funds	438,137	728,851
Cash and bank balances	9,712	-
Other debtors	-	-
Total assets	447,849	728,851
<u>Liabilities</u>		
Other creditors	-	2,395
Total liabilities	-	2,395
Value of Fund		
As at 30 June 2014	447,849	726,456

* Note: The financial period for this investment-linked fund is from 01 August 2013 to 30 June 2014, as there was a change in reporting year end from 31 July to 30 June.

Friends Provident International Limited, Singapore Branch
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Financial Statements

	Templeton Asian Bond (R129)	Templeton BRIC (R119)
	S\$	S\$
Capital and Income Account		
For the year 1 July 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 June 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	1,286,660	965,802
Amounts received by the Fund for creation of units	411,405	405,385
Amounts paid by the Fund for liquidation of units	(759,979)	(401,833)
Net amounts (paid)/ received by the Fund	(348,574)	3,552
Unrealised appreciation in value of investments	28,203	167,793
Gain/ (loss) on sale of investments	8,754	(27,336)
Other income	-	-
Management fees	(13,973)	(13,309)
Other expenses	(483)	(492)
Increase in net asset value for the year	22,501	126,656
Value of Fund		
As at 30 June 2014	960,587	1,096,010
Statement of Assets and Liabilities		
As at 30 June 2014		
<u>Assets</u>		
Investments in funds	957,810	1,095,859
Cash and bank balances	10,257	8,878
Other debtors	-	-
Total assets	968,067	1,104,737
<u>Liabilities</u>		
Other creditors	7,480	8,727
Total liabilities	7,480	8,727
Value of Fund		
As at 30 June 2014	960,587	1,096,010

Friends Provident International Limited, Singapore Branch
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Financial Statements

	Templeton Emerging Markets (R110)	Templeton Global (J72)
	S\$	S\$
Capital and Income Account		
For the year 1 July 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 June 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	2,482,805	159,061
Amounts received by the Fund for creation of units	2,796,824	1,645,748
Amounts paid by the Fund for liquidation of units	(1,054,732)	(1,833,667)
Net amounts received/ (paid) by the Fund	1,742,092	(187,919)
Unrealised appreciation/ (diminution) in value of investments	141,243	(57,731)
Gain on sale of investments	13,127	92,660
Other income	-	-
Management fees	(40,694)	(6,044)
Other expenses	(651)	(27)
Increase in net asset value for the year	113,025	28,858
Value of Fund		
As at 30 June 2014	4,337,922	-
Statement of Assets and Liabilities		
As at 30 June 2014		
<u>Assets</u>		
Investments in funds	4,323,166	-
Cash and bank balances	45,923	-
Other debtors	-	-
Total assets	4,369,089	-
<u>Liabilities</u>		
Other creditors	31,167	-
Total liabilities	31,167	-
Value of Fund		
As at 30 June 2014	4,337,922	-

Friends Provident International Limited, Singapore Branch
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	Templeton Global (R159)*	Templeton Global Bond (SGD HDG) (R123)
	S\$	S\$
Capital and Income Account		
For the year 1 July 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 June 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	-	1,727,488
Amounts received by the Fund for creation of units	2,290,157	552,384
Amounts paid by the Fund for liquidation of units	(13,273)	(908,718)
Net amounts received/ (paid) by the Fund	2,276,884	(356,334)
Unrealised appreciation in value of investments	36,898	44,821
Gain on sale of investments	603	1,331
Other income	7,683	36,133
Management fees	(3,031)	(18,771)
Other expenses	(29)	(421)
Increase in net asset value for the year	42,124	63,093
Value of Fund		
As at 30 June 2014	2,319,008	1,434,247
Statement of Assets and Liabilities		
As at 30 June 2014		
<u>Assets</u>		
Investments in funds	2,316,672	1,434,094
Cash and bank balances	119,523	-
Other debtors	-	52,000
Total assets	2,436,195	1,486,094
<u>Liabilities</u>		
Other creditors	117,187	51,847
Total liabilities	117,187	51,847
Value of Fund		
As at 30 June 2014	2,319,008	1,434,247

* Note: The financial period for this investment-linked fund is from 15 May 2014 to 30 June 2014, as this fund was segregated from the 'Templeton Global (J72)' fund on 15 May 2014.

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	Templeton Global Bond (USD) (R131) S\$	Templeton Global Total Return (EUR) (L03) S\$
Capital and Income Account		
For the year 1 July 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 June 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	1,355,103	25,426
Amounts received by the Fund for creation of units	748,719	160,158
Amounts paid by the Fund for liquidation of units	(562,329)	(15,061)
Net amounts received by the Fund	186,390	145,097
Unrealised appreciation in value of investments	41,192	1,549
Gain on sale of investments	20,817	1,579
Other income	-	-
Management fees	(17,710)	(1,343)
Other expenses	(496)	(19)
Increase in net asset value for the year	43,803	1,766
Value of Fund		
As at 30 June 2014	1,585,296	172,289
Statement of Assets and Liabilities		
As at 30 June 2014		
<u>Assets</u>		
Investments in funds	1,593,862	172,403
Cash and bank balances	10,134	3,340
Other debtors	-	-
Total assets	1,603,996	175,743
<u>Liabilities</u>		
Other creditors	18,700	3,454
Total liabilities	18,700	3,454
Value of Fund		
As at 30 June 2014	1,585,296	172,289

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	Templeton Global Total Return (SGD HDG) (R124)*	Templeton Global Total Return (USD) (R115)
	S\$	S\$
Capital and Income Account		
For the year 1 July 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 June 2014		
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	1,969,761	3,992,248
Amounts received by the Fund for creation of units	3,137,550	2,080,057
Amounts paid by the Fund for liquidation of units	(709,186)	(1,335,258)
Net amounts received by the Fund	2,428,364	744,799
Unrealised appreciation in value of investments	81,142	158,292
(Loss)/ gain on sale of investments	(560)	49,426
Other income	111,790	-
Management fees	(38,361)	(53,442)
Other expenses	(810)	(590)
Increase in net asset value for the year	153,201	153,686
Value of Fund As at 30 June 2014	4,551,326	4,890,733
Statement of Assets and Liabilities		
As at 30 June 2014		
<u>Assets</u>		
Investments in funds	4,602,147	4,886,869
Cash and bank balances	71,179	71,184
Other debtors	-	-
Total assets	4,673,326	4,958,053
<u>Liabilities</u>		
Other creditors	122,000	67,320
Total liabilities	122,000	67,320
Value of Fund As at 30 June 2014	4,551,326	4,890,733

* Note: The Value of Fund as at 1 July 2013 has been restated from S\$ 1,958,942 to S\$ 1,969,761 to include seed money of S\$ 10,819 which was not included in the prior year financial statements as at 30 June 2013.

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	Templeton Latin America (R138)
	S\$
Capital and Income Account	
For the year 1 July 2013 (or the date of commencement of the respective Investment-Linked Funds, whichever is later) to 30 June 2014	
Value of Fund as at date of commencement of the respective Investment-Linked Funds or 1 July 2013, whichever is later	1,026,259
Amounts received by the Fund for creation of units	448,059
Amounts paid by the Fund for liquidation of units	(380,255)
Net amounts received by the Fund	67,804
Unrealised appreciation in value of investments	55,045
Loss on sale of investments	(30,263)
Other income	2,624
Management fees	(12,919)
Other expenses	(400)
Increase in net asset value for the year	14,087
Value of Fund	
As at 30 June 2014	1,108,150
Statement of Assets and Liabilities	
As at 30 June 2014	
<u>Assets</u>	
Investments in funds	1,109,992
Cash and bank balances	5,638
Other debtors	-
Total assets	1,115,630
<u>Liabilities</u>	
Other creditors	7,480
Total liabilities	7,480
Value of Fund	
As at 30 June 2014	1,108,150

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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 June 2014 comprise:

<u>Funds</u>	<u>Commencement date</u>	<u>Units in issue as at 30 June 2014</u>	<u>Net asset value per unit S\$</u>
Amundi Absolute Volatility World Equities (R86)	30 September 2010	226,213	0.92
Amundi Equity ASEAN (R17)	2 February 2009	472,150	1.05
Amundi Equity Global Aqua (P98)	2 February 2009	345,190	1.32
CF Miton Special Situations (GBP) (R141)	29 August 2012	759,084	2.00
CF Miton Special Situations (USD) (R116)	22 February 2012	2,346,439	1.29
Franklin US Government (M84)	2 February 2009	257,882	1.37
Henderson Horizon Asia-Pacific Property Equities (P61)	2 February 2009	316,605	1.39
Henderson Horizon China (R98)	30 September 2010	103,623	1.06
JPM Emerging Markets Small Cap (R61)	31 July 2009	-	-
JPM Emerging Markets Small Cap (R150)	22 January 2014	709,575	1.50
JPM Global Consumer Trends (L18)	25 February 2011	55,518	1.57
JPMorgan Taiwan (R09)	2 February 2009	45,500	1.40
JPMorgan USD Money Market (J42) (previously reported as 'JPMorgan USD')	30 September 2010	308,729	1.45
Mellon Global Bond (GBP) (R142)	29 August 2012	291,237	2.49
Templeton Asian Bond (R129)	25 April 2012	689,699	1.39
Templeton BRIC (R119)	22 February 2012	658,196	1.67
Templeton Emerging Markets (R110)	5 October 2011	2,400,925	1.81
Templeton Global (J72)	31 August 2008	-	-
Templeton Global (R159)	15 May 2014	1,082,892	2.14
Templeton Global Bond (SGD HDG) (R123)	29 March 2012	1,409,513	1.02
Templeton Global Bond (USD) (R131)	27 June 2012	1,119,389	1.42
Templeton Global Total Return (EUR) (L03)	30 September 2010	81,326	2.12
Templeton Global Total Return (SGD HDG) (R124)	29 March 2012	4,308,881	1.06
Templeton Global Total Return (USD) (R115)	22 February 2012	3,120,452	1.57
Templeton Latin America (R138)	29 August 2012	453,490	2.44

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

Notes to the Financial Statements

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The financial statements of the Investment-Linked Funds 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.

JPM Emerging Markets Small Cap (R150) and Templeton Global (R159) are part of an on-going fund segregation project and the segregation was completed during the financial year. Customers of the Singapore Branch will now have their own sub-funds (R150) and (R159) 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.

Friends Provident International Limited, Singapore Branch
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For the year 1 July 2013 to 30 June 2014

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.