I. Message From the Director

II. Our Work Programme and Achievements

III. Our Team

IV. Our Financial Summary

Our mission is to inspire and mobilise society to safeguard and restore wetlands for people and nature.

https://malaysia.wetlands.org
The year 2020 was a ‘Black Swan’ event dominated by the Covid-19 pandemic. The impact of the pandemic in Malaysia began to worsen and on 18th March 2020 the government had to impose the Movement Control Order (MCO). Our office had to close and our Staff had to “Work from home” or #WFH. This became the new norm for the rest of the year except for some brief periods when we could reopen the office on a 3 days a week basis. Our staff has adapted to this quite well, thanks to advances in Information Technology. We would like to thank WI Global office for their financial support to purchase additional ICT hardware and software for this purpose. One unfortunate consequence of working from home is that we could not carry out field work and this has somewhat adversely affected progress as well as the timelines for our projects.

Datuk Paduka Ir Hj Keizrul bin Abdullah
Chairman of Council
II. Our Programmes and Activities

**Orang Asli Project – Yayasan Hasanah**

Wetlands International and our partner, Jungle School Gombak Malaysia are helping the Orang Asli (OA) community at Kampung Batu 12 and Kampung Batu 16, Gombak to find alternative yet sustainable activities that could generate income or extra income for them during this challenging pandemic time. This project is funded by Yayasan Hasanah.

Capacity building is provided to the local community in order to impart knowledge and skills to conserve the river and streams at their area and also to restore degraded sites to its natural state. From this it is anticipated that they will be able to earn an alternative income from a healthy river and also through replanting of non-timber forest products. This will instil a sense of ownership and responsibility in the local community to protect the environment they rely on.

Collecting materials that can be reused or recycled.

Discussion with the local community
Environmental Awareness through Nature Appreciation Builds Sustainable Business Model

A nature appreciation programme was designed for the staff of Cargill Malaysia to promote environmental awareness through nature appreciation among the staff members especially from the management level so that they can make informed decisions and lead them to be practice more environment friendly methods and to cultivate a sustainable business model.

The programme included a walk through the recreational forest at Tanjung Tuan, Malacca which is a popular raptor watch site, beach cleaning and wetlands treasure hunt.

We hope to encourage that more corporate sectors will join such CSR programmes which will be beneficial to the environment and society at large.
Environmental Awareness through Nature Appreciation  
Builds Sustainable Business Model  

Cargill Mangrove replanting activity
Accelerating adaptation through Building with Nature Asia Initiative

Floods in Malaysia are regular natural disasters which happen nearly every year during the monsoon season. This circumstance is exacerbated with the rapid urbanisation and economic growth in cities and along the coastlines of Malaysia.

In view of this, Wetlands International is promoting to governments and donors throughout Asia to adopt Building with Nature (BwN) or Nature-based Solutions (NBS) to reduce hazards, mitigate and adapt to the impacts of climate change and to improve water management and limit heat stress. Wetlands International Malaysia office has been appointed as the Regional Coordinator with the assistance from Global Office for this initiative.

To accelerate implementation of BwN in Malaysia, starting from December 2019, several stakeholders were identified to raise awareness and to garner their strong support. Amongst the stakeholders include the Department of Irrigation and Drainage, Forestry Department, National Hydraulic Research Institute of Malaysia, Forest Research Institute of Malaysia, Ministry of Energy and Natural Resources and Ministry of Environment and Water. On 18th February 2020, a National Expert Stakeholder Workshop was organised where representatives from government agencies, research institute, academic and international funders in the country were invited to share their opinion and knowledge on application of BwN.
II. Our Programmes and Activities

**Accelerating adaptation through Building with Nature Asia Initiative**

The participants worked collaboratively in identifying barriers, enablers and relevant policies in implementing BwN in Malaysia. A BwN core group was formed and the core group members consists of representatives from DID, NAHRIM, FRIM, UM, UMT & USM. Other activities were planned to promote the BwN initiative, however most of them had to put on-hold and shifted to on-line platforms due to the COVID-19 pandemic. In June 2020, a two-hour online Expert workshop for the BwN Asia initiative was done where a total of 75 participants from six countries (Malaysia, Indonesia, India, China, The Philippines and Japan) participated. The awareness on the need of Climate Change Adaptation was raised and the concepts of BwN was introduced. Apart from that, a Regional Expert Workshop was convened in Sept 2020 where a total of 45 representatives from five countries (Malaysia, Indonesia, India, The Philippines and Japan) participated. Guidelines on landscape proposition for each country have been shared to empower the local experts to test the BwN at country level.
II. Our Programmes and Activities

Accelerating adaptation through Building with Nature Asia Initiative

BwN Asia Expert workshop Oct 2020
The peat swamp along Jalan Badas located in the Belait District of Brunei Darussalam has been under pressure due to the drainage arising from the construction of canal, cutting through the peat dome. This issue has been addressed in various projects commissioned by Brunei Shell Petroleum (BSP) to Wetlands International; the Biodiversity Action Plan (project) which ran from 2012 to 2014 aiming to mitigate the actual impact and develop an implementation plan for restoring the degraded peatlands which consequently led to the canal blocking project in 2017 with the aim to restore the water table of the affected area.

Since the block construction along the canal, the peatland at Jalan Badas has observed no fires below the peat surface due to the rising water table however due to the lack of canopy cover there is a possibility of the occurrence of surface fires. This has led to follow-up projects, i.e., the setting up of a nursery to produce high quality selected tree species seedlings for the future forestation and seed collection projects.

Some of the project activities and awareness was delayed due to the COVID19 pandemic which hit Brunei Darussalam in March 2020. A few activities were realised in February, 2020 such as a talk at Institute for Biodiversity and Environmental Research (IBER) and also nursery skill training for students of Panaga International Schools.
II. Our Programmes and Activities

BRUNEI

NURSERY DEVELOPMENT PROJECT

Figure 1 Dr Jonathan Davies from Wetlands International giving talk at IBER

Figure 1 Nursery skills training at Panaga International School by Dr Jonathan Davies from Wetlands International
II. Our Programmes and Activities

BRUNEI

Figure 1 Nursery skills training for BRC team

Figure 1 Seed collection training with BRC team
II. Our Programmes and Activities

BRUNEI

NURSERY DEVELOPMENT PROJECT

To date, the team has managed to raise seedlings not only from peat swamp forest but also from several habitats found at Badas peat dome namely Mangrove forest, beach forest, freshwater swamp forest as well as Kerangas/Kerapah forest.
BRUNEI

SEED COLLECTION PROJECT

With regards to the recurrence of surface fire at Jalan Badas, reforestation is seen as the next logical step after the significant raise of water table following the canal blocking project. Reforestation mean producing closed canopy which will keep the peat surface moist especially during the prolonged dry spells. It is then important to have an adequate supply of healthy seedlings/saplings of targeted species is hence crucial to ensure success of any reforestation activities.

Collecting washed up seeds at Pantai Jubli

Seeds monitoring trip at Kuala Balai
Khadijah Binti Ahmad

Khadijah obtained her BSc. (Social Science) in Accounting and Economics from Southampton University, UK. In 1996, she joined Wetlands International Malaysia as a Finance Officer. Currently, she is in charge of all the Accounts administration of the Malaysia and Brunei office.

Flora George

Flora George is the current Administration Officer at Wetlands International Malaysia. She has an Executive Diploma in Secretarial studies. She gradually progressed in ranks from Secretary to Administration Officer.

Yong Huaimei

Huaimei joined Wetlands International Malaysia as a Technical Officer in 2014. Her main focus is on peatland conservation and management for Malaysia and Brunei. Huaimei graduated with a Bachelor degree in Conservation Biology and a Masters degree in Ecology & Herpetology.
III. Our Team

Aziah Binti Muhamad
Aziah graduated from the University of Brunei Darussalam with a Bachelor degree in Biological Science and a Masters degree. She is involved with follow up projects from the Biodiversity Action Plan (BAP) project 2012 - 2014, a collaboration between Brunei Shell Petroleum (BSP) and Wetlands International (WI).

Nadirah Abd Manaf
Nadirah holds an MSc in Forestry from University Malaysia Sabah. She did her thesis research on the sugar production, reproductive phenology and spatial distribution of Nipah palm (*Nypa fruticans*). Her BSc in Biological Science is from Universiti Brunei Darussalam.

Mohammad Shahrul Bin Shahpuan
Shahrul has a Master in Science (Ecological Processes). He was a Technical Officer Trainee at Wetlands International. He assisted the technical team on fieldwork, research, and to develop several project proposals which led to the success of securing a community project under Yayasan Hasanah.
IV. 2020 Financial Summary
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WETLANDS INTERNATIONAL
(A Company Limited By Guarantee And Not Having A Share Capital)
(Company No. 394031-D)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Wetlands International, which comprise the statement of financial position as at 31 December 2020, and the statement of comprehensive income, statement of changes in members' funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 5 to 29.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ('By-Laws') and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.
INDEPENDENT AUDITORS’ REPORT TO THE MEMBERS OF
WETLANDS INTERNATIONAL (CONTINUED)
(A Company Limited By Guarantee And Not Having A Share Capital)
(Company No. 394031-D)

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

a) Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal control relevant to the audit 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 Company’s internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
INDEPENDENT AUDITORS’ REPORT TO THE MEMBERS OF WETLANDS INTERNATIONAL (CONTINUED)

(A Company Limited By Guarantee And Not Having A Share Capital)
(Company No. 394031-D)


d) Conclude on the appropriateness of the Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ZAMZURI & CO.
(No. AF: 1315)
Chartered Accountants

MOHD ZAMZURI BIN DARUS
(No. 02107/11/2022 (J))
Chartered Accountant

28 MAY 2021
Selangor Darul Ehsan
STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Revenue by Project

- WI-Netherlands
- Mangrove Replanting (Malaysian Government)
- Wetlands Design Guidelines (Sime Darby Elmina Sdn Bhd)
- CSR Work (Cargill Feed Sdn Bhd)
- Trainer for RSPO Drainability Assessment Procedure (Roundtable on Sustainable Palm Oil)
- Capacity Building Empowerment og Gombak Orang Asli in Transforming Illegal Dumping Site for Sustainable Community Use (Yayasan Hasanah)
- Nursery Development (Brunei Shell Petroleum)
- Seed Collection Program (Brunei Shell Petroleum)
- Canal Blocking Phase 3 (Brunei Shell Petroleum)
STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Administrative costs

- Salary & staff related cost (Malaysia)
- Office rent
- Direct management cost
- Depreciation
- Property Assessment Cost
- Audit fee
- Other office running costs
- Brunei office Admin Costs
# STATEMENT OF COMPREHENSIVE INCOME FOR THE
# FINANCIAL YEAR ENDED 31 DECEMBER 2020

<table>
<thead>
<tr>
<th></th>
<th>2020 (RM)</th>
<th>2019 (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,057,630</td>
<td>1,192,840</td>
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<tr>
<td>Direct Project Costs</td>
<td>(496,305)</td>
<td>(547,849)</td>
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<tr>
<td>Gross (deficit)/surplus</td>
<td>561,325</td>
<td>644,991</td>
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<tr>
<td>Other operating income</td>
<td>40,343</td>
<td>122,177</td>
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<tr>
<td>Administrative expenses *</td>
<td>(392,563)</td>
<td>(548,553)</td>
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<tr>
<td>Other operating expenses</td>
<td>(2,349)</td>
<td>(4,752)</td>
</tr>
<tr>
<td>Surplus before taxation</td>
<td>206,756</td>
<td>213,863</td>
</tr>
<tr>
<td>Taxation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Surplus for the financial year</td>
<td>206,756</td>
<td>213,863</td>
</tr>
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## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

<table>
<thead>
<tr>
<th></th>
<th>2020 (RM)</th>
<th>2019 (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NON-CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>473,096</td>
<td>479,378</td>
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<tr>
<td><strong>CURRENT ASSETS</strong></td>
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<tr>
<td>Trade Receivables</td>
<td>430,840</td>
<td>488,303</td>
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<tr>
<td>Other receivables, deposits and prepayments</td>
<td>28,510</td>
<td>22,535</td>
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<tr>
<td>Due from a customer</td>
<td>5,667</td>
<td>144,033</td>
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<tr>
<td>Tax recoverable</td>
<td>25,057</td>
<td>25,068</td>
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<tr>
<td>Cash and bank balances</td>
<td>796,087</td>
<td>340,017</td>
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<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>1,286,161</td>
<td>1,019,956</td>
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<td><strong>LESS: CURRENT LIABILITIES</strong></td>
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<tr>
<td>Trade payables</td>
<td>61,536</td>
<td>93,781</td>
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<tr>
<td>Other payables and accruals</td>
<td>150,166</td>
<td>63,511</td>
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<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td>211,702</td>
<td>157,292</td>
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<tr>
<td><strong>NET CURRENT ASSETS</strong></td>
<td>1,074,459</td>
<td>862,664</td>
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<tr>
<td><strong>REPRESENTED BY</strong></td>
<td>1,547,555</td>
<td>1,342,042</td>
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<td>Members’ contribution funds</td>
<td>300</td>
<td>300</td>
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<tr>
<td>Reserve Fund</td>
<td>200,000</td>
<td>200,000</td>
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<tr>
<td>Surplus in accumulated funds</td>
<td>1,347,255</td>
<td>1,141,742</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,547,555</td>
<td>1,342,042</td>
</tr>
</tbody>
</table>