

**THE ZULULAND CONSERVATION TRUST
(REGISTRATION NUMBER IT175/2011/PMB)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2018**

R.I. Kennedy & Associates
Chartered Accountant (SA)
Registered Auditor
Issued 26 February 2019

The Zululand Conservation Trust
(Registration number: IT175/2011/PMB)
Annual Financial Statements for the year ended 28 February 2018

General Information

Country of incorporation and domicile	South Africa
Type of trust	Discretionary inter-vivos
Trustees	David Lance Attenborough Todani Moyo Donald William Airton Murray Russell Collins
Registered office	Unit 10, Rydall Vale Park Rydall Crescent La Lucia Ridge 4051
Auditor	R.I. Kennedy & Associates Chartered Accountant (S.A.) Registered Auditor
Trust registration number	IT175/2011/PMB

The reports and statements set out below comprise the annual financial statements presented to the trustees:

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The trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the trust as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the trustees sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the trust and all employees are required to maintain the highest ethical standards in ensuring the trust's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the trust is on identifying, assessing, managing and monitoring all known forms of risk across the trust. While operating risk cannot be fully eliminated, the trust endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The trustees have reviewed the trust's cash flow forecast for the year to 28 February 2019 and, in the light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the trust's annual financial statements. The annual financial statements have been examined by the trust's external auditor and their report is presented on page 4.

The annual financial statements set out on pages 6 to 13, which have been prepared on the going concern basis, were approved by the trustees on 26 February 2019 and were signed on its behalf by:

David Lance Attenborough

Durban

26 February 2019

R.I. KENNEDY & ASSOCIATES
CHARTERED ACCOUNTANTS (SOUTH AFRICA)
REGISTERED AUDITORS

PHYSICAL ADDRESS

2 Wilford Court
5 Miller Grove, Berea
Durban 4001
South Africa

POSTAL ADDRESS

P.O. Box 20708
Durban North
4016
South Africa

Independent Auditor's Report

To the trustees of The Zululand Conservation Trust

Opinion

I have audited the annual financial statements of The Zululand Conservation Trust set out on pages 7 to 12, which comprise the statement of financial position as at 28 February 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In my opinion, the annual financial statements present fairly, in all material respects, the financial position of The Zululand Conservation Trust as at 28 February 2018, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Trust Property Control Act 57 of 1988.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of my report. I am independent of the trust in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. I have fulfilled my other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The trustees are responsible for the other information. The other information comprises the Trustees' Report and Audit Committee Report as required by the Trust Property Control Act 57 of 1988, which we obtained prior to the date of this report. Other information does not include the annual financial statements and my auditor's report thereon.

My opinion on the annual financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

In connection with my audit of the annual financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

PARTNER: R.I. KENNEDY C.A.(S.A.) - PRACTICE NO: PR944912

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Independent Auditor's Report

Responsibilities of the trustees for the Annual Financial Statements

The trustees are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Trust Property Control Act 57 of 1988, and for such internal control as the trustees determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the trustees are responsible for assessing the trust'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 trustees either intend to liquidate the trust or to cease operations, or have no realistic alternative but to do so.

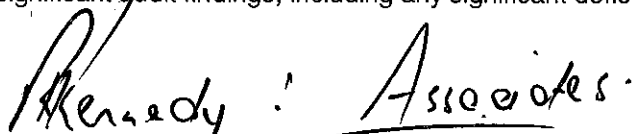
Auditor's responsibilities for the audit of the Annual Financial Statements

My objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 annual financial statements.

As part of an audit in accordance with International Standards on Auditing, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the annual financial statements, 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 my 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.
- 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 trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 trust's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



R.I. Kennedy & Associates
R.I. Kennedy
Partner
Chartered Accountant (SA)
Registered Auditor

26 February 2019
Durban

The trustees have pleasure in submitting their report on the annual financial statements of The Zululand Conservation Trust for the year ended 28 February 2018.

1. The trust

The trust was formed in terms of a trust settlement by Mr D.W Airton dated 08 February 2011 and subsequently amended by a deed of amendment dated 16 May 2013.

2. Nature of trust

The Zululand Rhino Reserve Foundation Trust is a discretionary inter-vivos trust which is committed to the conservation of endangered species whilst maintaining and supporting partnerships with neighbouring zulu communities and operates principally in South Africa.

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the trust are set out in these annual financial statements.

4. Trustees

The trustees in office at the date of this report are as follows:

Name

David Lance Attenborough
Todani Moyo
Donald William Airton
Murray Russell Collins

5. Events after the reporting period

The trustees are not aware of any material event which occurred after the reporting date and up to the date of this report.

The Zululand Conservation Trust
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Annual Financial Statements for the year ended 28 February 2018

Statement of Financial Position as at 28 February 2018

	Note(s)	2018 R	2017 R
Assets			
Current Assets			
Cash and cash equivalents	2	1,586,868	1,088,657
Total Assets		1,586,868	1,088,657
Equity and Liabilities			
Equity			
Trust capital	3	100	100
Accumulated surplus		1,586,768	1,088,557
Total Equity and Liabilities		1,586,868	1,088,657

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Statement of Comprehensive Income

	Note(s)	2018 R	2017 R
Other income		3,037,079	1,936,716
Operating expenses		(2,538,868)	(2,440,082)
Operating surplus (deficit)		498,211	(503,366)
Surplus (deficit) for the year		498,211	(503,366)
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		498,211	(503,366)

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Statement of Changes in Equity

	Trust capital	Accumulated surplus	Total equity
	R	R	R
Balance at 01 March 2016	100	1,591,923	1,592,023
Deficit for the year	-	(503,366)	(503,366)
Other comprehensive income	-	-	-
Total comprehensive deficit for the year	-	(503,366)	(503,366)
Balance at 01 March 2017	100	1,088,557	1,088,657
Surplus for the year	-	498,211	498,211
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	498,211	498,211
Balance at 28 February 2018	100	1,586,768	1,586,868
Note(s)	3		

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Statement of Cash Flows

	Note(s)	2018 R	2017 R
Cash flows from operating activities			
Cash generated from (used in) operations	5	498,211	(503,366)
Total cash movement for the year		498,211	(503,366)
Cash at the beginning of the year		1,088,657	1,592,023
Total cash at end of the year	2	1,586,868	1,088,657

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Other income

Other income consists of donations received. All donations received are issued with receipts in terms of S18A of the Income Tax Act.

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	2018 R	2017 R
2. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	1,586,868	1,088,657
3. Trust capital		
Founders donation		
Donation made by Mr D. W. Airton on 8 February 2011	100	100
4. Taxation		
The trust has been approved as a public benefit organisation (PBO Exemption no:930 035 847) in terms of Section 30 of the Income Tax Act, and the receipts and accruals are exempt from income tax in terms of Section 10(1)(cN) of the Act.		
5. Cash generated from (used in) operations		
Surplus (deficit) before taxation	498,211	(503,366)

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Statement of Financial Performance

	Note(s)	2018 R	2017 R
Other income			
Admin Donations		303,688	203,042
Community Donations		327,672	199,575
Conservation Donations		28,188	336,163
DSC Donations		-	356,200
Gala Dinner Donations		406,612	-
Rhino Orphanage Donations		953,265	-
Rhino Ride Donations		1,017,654	792,236
Wild Dog Donations		-	49,500
		3,037,079	1,936,716
Operating expenses			
Administration expenses		(318,997)	(231,320)
Bank charges		(7,270)	(5,627)
Community expenses incurred		(337,867)	(259,604)
Compiler's remuneration		(5,700)	(7,296)
Conservation expenses incurred		(110,597)	(493,112)
DSC donations expenditure		(302,383)	-
Gala dinner expenses incurred		(171,129)	-
Rhino orphanage expenses incurred		(1,073,858)	-
Rhino ride expenses incurred		(192,456)	(1,433,693)
Wild dog expenses incurred		(18,611)	(9,430)
		(2,538,868)	(2,440,082)
Surplus (deficit) for the year		498,211	(503,366)