

TULI CONSERVATION TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

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**TULI CONSERVATION TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

CORPORATE INFORMATION

Country of incorporation and domicile:	Botswana
Type of Organization:	Trust
Trust registration number:	3/2001 (Notarial Trust)
Date of incorporation:	<p>The Trust is in the process of re-registering with the Master of High Court as required by the Trust Property Control Act, 2018.</p> <p>04 January 2001</p>
Nature of business:	Charitable trust established to protect and enhance the Northern Tuli Game Reserve, Greater Mapungubwe Transfrontier Conservation Area and neighbouring communities through conservation and community empowerment.
Board of Trustees:	Colin Salmon Harald Harvey Geoff Norris (resigned 16 May 2019) Tanya McKenzie Stephen Lansdown PJ Janse van Rensburg Pete Le Roux (appointed 25 Nov 2019)
Postal address:	P. O. Box 101991, Meerensee Richards Bay South Africa 3901
Registered office:	Northern Tuli Game Reserve Tuli Block Central District Botswana
Bankers:	Standard Chartered Bank Botswana Limited Nedbank Limited (South Africa)
Independent auditors:	IAMS.CA Chartered Accountants Unit 3, Block 5 Plot 64511, Fairgrounds Office Park P.O. Box 1874, Gaborone Botswana.

**TULI CONSERVATION TRUST
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BOARD OF TRUSTEES' REPORT

The Trustee takes pleasure in submitting the report and financial statements of the Tuli Conservation Trust for year ended 29 February 2020.

Principal objective of the Trust

The main objective of Tuli Conservation Trust is to receive donations to fund projects involved with the development and use of conservation in the Northern Tuli Game Reserve, Greater Mapungubwe Transfrontier Conservation Area (GMTFCA) and neighboring communities, within an acceptable ecological framework to the best benefit of the land, the people, and the country.

Trust Re-registration

The Trust is in the process of re-registering with the Master of High Court as required by the Trust Property Control Act, 2018.

Results for the year

During the year, the Trust received Pula 4,754,097 (2019 – Pula 5,410,768) in donations and expended Pula 4,520,340 (2019 – Pula 3,514,903) towards its conservation effort.

The net surplus for the year amounted to Pula 255,731 (2019- Pula 1,914,802) which is carried to the next year.

Events after the reporting date

In December 2019, a novel strain of coronavirus disease ("COVID-19") was first reported in Wuhan, China. Less than four months later, on March 11, 2020, the World Health Organization declared COVID-19 a pandemic. The extent of COVID19's effect on the Trust's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. As a result, it is not currently possible to ascertain the overall impact of COVID-19 on the Trust's operations. However, if the pandemic continues to evolve into a severe worldwide health crisis, the disease could have a material adverse effect on the Trust's operations, results of operations, financial condition and cash flows.

The Trustees will continue to monitor the developments and respond accordingly.

Board of Trustees

The Board of Trustees comprised of the following persons during the year and up to the date of approval of the financial statements:

Colin Salmon
Harald Harvey
Tanya McKenzie
Stephen Lansdown
PJ Janse van Rensburg
Pete Graham Le Roux (appointed 25 November 2019)
Geoff Norris (resigned 16 May 2019)

Trustees are responsible for the management of the Trust and for all decisions leading to the disbursements of funds towards deserving projects. The Trustees serve voluntarily.

Risk Management

The Trustees monitor the principal risks facing the Trust including security and liquidity of assets, the receipt of funds and the allocation of funds to various developmental projects. The investment objectives and developmental strategies are considered at each meeting of the Trustees.

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BOARD OF TRUSTEES' STATEMENT OF RESPONSIBILITY AND APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The Board of Trustees is responsible for the preparation, integrity and fair presentation of the financial statements of Tuli Conservation Trust. The financial statements comprise of the statement of financial position at 29 February 2020, the statement of income and expenditure and other comprehensive income, the statement of changes in Trust's funds and the statement of cash flows for the year ended and, the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with the International Financial Reporting Standards for Small and Medium Enterprises (IFRS for SMEs) and in manner required by the Trust Property Control Act 2018 and the Notarial Deed of Trust.

The Board of Trustees are required by the Notarial Deed of Trust to maintain adequate accounting records and are responsible for the content and integrity and the related financial information included in these financial statements.

The Trustees' responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The Trustees are also responsible for the maintenance of an effective system of corporate governance and risk management and ethical behavior of the Trust.

In light of the financial position and the projected operations, the Trustees are satisfied that Tuli Conservation Trust will continue to operate into the foreseeable future, at least the year ahead, and have continued to adopt the going concern basis in preparing the financial statements.

The Trust's external auditors, IAMS.CA, have audited the financial statements and their report appears on page 5 - 7. The Trustees believe that all representations made to the independent auditors during the audit are valid and appropriate.

Approval of Financial Statements

The financial statements of the Trust, which appear on pages 8 to 22 were approved by the Board of Trustees and signed on its behalf by:


Chairman
2020 -11- 03


Trustee
2020 -11- 03

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees

Opinion

We have audited the financial statements of Tuli Conservation Trust (herein after "the Trust"), which comprise the statement of financial position as at 29 February 2020, the statement of income and expenditure and other comprehensive income, the statement of changes in Trust's funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, judgements and estimates, as set out in pages 8 to 22.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Trust as at 29 February 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small Medium Enterprises (IFRS for SMEs) and in the manner required by the Trust Property Control Act, 2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Botswana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no key audit matters to be communicated in our report.

Emphasis of Matter- Going Concern

We draw attention to note 15 to the financial statements and the Trustees' report, which indicates the measures taken by both the management and the Government of Botswana as a result of the Covid-19 crisis which will have an impact on the future operation of the Trust.

The financial statements are prepared on the basis that the Trust will continue to operate in the foreseeable future. The going concern basis is only appropriate if the Trust continues to receive donations from respective stakeholders.



Other matter

The Trust is in the process of re-registering with the Master of High Court as required by the Trust Property Control Act, 2018.

Other information

The Board of Trustees are responsible for other information. The other information comprises the corporate profile of the Trust, the Board of Trustees' report and the detailed income statement, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of opinion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appear to be materially misstated. If based on the work we have performed, we conclude that there is material misstatement of this other information we then are required to report that fact. We have nothing to report in this regard.

Responsibilities of Trustees and Those Charged with Governance for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Board of Trustees is responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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.
- 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 management.
- Conclude on the appropriateness of management's 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 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 financial statements, 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 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 we identify during our audit.

From the matters communicated with the Board of Trustees, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

IAMS.CA

Audit Firm of Public Interest Entity: FAP 006 2020

Practicing member: K R SriDaran

Certified Auditor of Public Interest Entity

BAOA Certificate Number: CAP 0018 2020

IAUS

3 Nov 2020
Gaborone

TULI CONSERVATION TRUST
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STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 29-Feb-20 Pula	Year ended 28-Feb-19 Pula
Income	1	4,754,097	5,410,768
Grants made	2	(4,462,412)	(3,487,082)
Other income	3	21,974	18,937
Administrative and operating expenses	4	(57,928)	(27,821)
Surplus for the year		255,731	1,914,802
Taxation	5	-	-
Net surplus for the year		255,731	1,914,802
Other comprehensive income			
Currency translation differences		(6,686)	(11,550)
Total comprehensive surplus for the year		249,045	1,903,252

TULI CONSERVATION TRUST
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STATEMENT OF FINANCIAL POSITION

		As at 29-Feb-20 Pula	As at 28-Feb-19 Pula
	Notes		
NON CURRENT ASSETS			
Plant and equipment	6	538	-
CURRENT ASSETS			
Receivables	7	6,977	10,491
Cash and cash equivalents	8	2,456,938	2,155,154
		<u>2,463,915</u>	<u>2,165,645</u>
TOTAL ASSETS		<u>2,464,453</u>	<u>2,165,645</u>
CAPITAL AND LIABILITIES			
CAPITAL AND RESERVES			
Foreign currency translation reserve		6,316	13,002
Accumulated surplus		<u>2,331,747</u>	<u>2,076,016</u>
		<u>2,338,063</u>	<u>2,089,018</u>
CURRENT LIABILITIES			
Payables	9	<u>126,390</u>	<u>76,627</u>
TOTAL CAPITAL AND LIABILITIES		<u>2,464,453</u>	<u>2,165,645</u>

**TULI CONSERVATION TRUST
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STATEMENT OF CHANGES IN TRUST'S FUNDS

	Foreign currency translation reserve Pula	Accumulated surplus Pula	Total Pula
Balance as at 1 March 2018	24,552	161,214	185,766
Total comprehensive surplus for the year	(11,550)	1,914,802	1,903,252
Balance as at 28 February 2019	13,002	2,076,016	2,089,018
Total comprehensive surplus for the year	(6,686)	255,731	249,045
Balance as at 29 February 2020	6,316	2,331,747	2,338,063

TULI CONSERVATION TRUST
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STATEMENT OF CASH FLOWS

		Year ended 29-Feb-20 Pula	Year ended 28-Feb-19 Pula
	Notes		
OPERATING ACTIVITIES			
Net surplus for the year before taxation		255,731	1,914,802
Adjustment for			
Interest received	3	(21,896)	(18,937)
		<u>233,835</u>	<u>1,895,865</u>
Working capital changes			
Decrease in receivables		3,514	20,917
Increase in payables		49,763	73,540
Net cash generated from operating activities		<u>287,112</u>	<u>1,990,322</u>
INVESTING ACTIVITIES			
Purchase of plant and equipment		(538)	-
Interest received	3	21,896	18,937
Net cash generated from investing activities		<u>21,358</u>	<u>18,937</u>
Net increase in cash and cash equivalents		308,470	2,009,259
Currency translation adjustment		(6,686)	(11,550)
Cash and cash equivalents at the beginning of the year		2,155,154	157,445
Cash and cash equivalents at the end of the year	8	<u>2,456,938</u>	<u>2,155,154</u>

SUMMARY OF ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

1. General information

Tuli Conservation Trust ('the Trust') is a Charitable Trust incorporated and registered in Botswana under the Notarial Deed Trust 3/2001 in January 2001. The Trust was established to protect and enhance the Northern Tuli Game Reserve, Greater Mapungubwe Transfrontier Conservation Area and neighbouring communities through conservation and community empowerment.

The re-registration of the Trust with the Master of High Court as required under the Trust Property Control Act, 2018 is on-going.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements have been prepared in accordance with the 'International Financial Reporting Standard for Small and Medium-sized Entities' (IFRS for SMEs).

The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Trust's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in note 3.

2.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Trust operates ('the functional currency'). The financial statements are presented in Pula, which is the Trust's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(c) Foreign operations

The results and financial position of all of the Trusts' entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the reporting date;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the exchange rates at the dates of the transactions, in which case income and expense items are translated at the exchange rates at the dates of the transactions);
- (iii) all resulting exchange differences are recognised in other comprehensive income.

SUMMARY OF ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES (continued ...)

c) Foreign operations (cont...)

(iv) The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy on foreign currency translation.

2.3 Income recognition

Donations and grants

The Trust's revenue arises from donations and grants received. Grants are recognised at their fair value when there is a reasonable assurance that the grant will be received and the Trust has complied with all attached conditions. Grants received where the Trust has yet to comply with all attached conditions are recognised as a liability (and included in deferred income within payables) and released to income when all attached conditions have been complied with.

Interest income

Interest income is recognised using the effective interest method and are included in 'other income' in profit or loss.

2.4 Expenditure recognition

Expenses are recognized in the statement of profit or loss and other comprehensive income on the basis of a direct association between the cost incurred and the earning of specific items of income.

2.5 Current and deferred tax

The income tax expense or credit for the period is the tax payable on the current period's taxable surplus based on the Trust's business income and capital gains at applicable income tax rate in Botswana. The Trust has very little of such surpluses.

2.6 Financial instruments

The Trust's financial instruments consist of receivables, cash and cash equivalents and payables. The financial instruments are recognized, measured and valued as follows:

2.6.1 Receivables

Receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables.

2.6.2 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

2.6.3 Payables

Payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

SUMMARY OF ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES (continued)

3. Key sources of estimation uncertainty

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

Income taxes

Judgment is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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NOTES TO THE FINANCIAL STATEMENTS

	Year ended 29-Feb-20 Pula	Year ended 28-Feb-19 Pula
1. INCOME		
Donations received	4,565,948	5,050,141
Donations received specifically for Children in the Wilderness (CITW)	188,149	360,627
	4,754,097	5,410,768
2. GRANTS MADE		
Grant to Afzelia (Pty) Ltd re Capital Expenditure *	2,862,233	2,100,000
Grant to Afzelia (Pty) Ltd re Operational Expenditure *	1,270,382	1,075,500
Grants made specifically to Children in the Wilderness (CITW)	258,997	311,582
Elephant safety and conflict mitigation projects	10,112	-
Motlhabaneng Village Hall Renovation Project	26,697	-
4*4 Outfar- community Eye Test Project	30,526	-
Motlhabaneng Rock Art Project	3,465	-
	4,462,412	3,487,082
* Grants made to Afzelia (Pty) Ltd in respect of establishing and operating the Anti Poaching Unit plus the construction of the Western Boundary Fence.		
3. OTHER INCOME		
Interest received	21,896	18,937
Other income	78	-
	21,974	18,937
4. ADMINISTRATIVE AND OPERATING EXPENSES		
Accounting and secretarial fees	5,886	11,216
Audit fees	33,600	-
Advertising and promotional material	-	14,625
Bank charges	1,053	-
Other administrative and operating expenses	17,390	1,980
	57,928	27,821

5. TAXATION

The Trust is liable for tax on its business income (i.e. interest income) not utilized for its primary objective. The unutilized portion can be carried forward to the subsequent year and utilized.

No provision for taxation has been recognized as the Trust has estimated tax losses amounting to Pula 12,554 (2019 - Pula 13,731).

No deferred tax asset has been recognized on these losses as the Trust does not expect to report taxable income at least for the period prior to expiry of these losses.

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NOTES TO THE FINANCIAL STATEMENTS (CONT.)

6. PLANT AND EQUIPMENT

	Furniture and Fittings Pula	Total Pula
Balance at 29 February 2020		
Cost	538	538
Accumulated depreciation	-	-
Closing net book value	538	538

RECONCILED AS FOLLOWS:

Opening net book value	-	-
Additions during the year	538	538
Depreciation	-	-
Closing net book value	538	538

Balance at 28 February 2019

Cost	-	-
Accumulated depreciation	-	-
Closing net book value	-	-

7. RECEIVABLES

Related party receivables (see note 10)	6,977	10,304
Withholding tax receivable	-	187
	6,977	10,491

8. CASH AND CASH EQUIVALENTS

Cash at bank - Nedbank Limited (CITW* funds)	182,407	162,439
Cash at bank - Standard Chartered Bank Botswana Limited	2,274,531	1,992,715
	2,456,938	2,155,154

* The Trust signed a Memorandum of Understanding with CITW in September 2019 governing the relationship between the two parties with regard to co-operation and support on environmental education programmes for schoolchildren in the Bobirwa area.

9. PAYABLES

Accrued expenses	33,600	-
Other payables	-	5,987
Related party payables (see note 10)	92,790	70,640
	126,390	76,627

10. RELATED PARTY TRANSACTIONS

Related parties comprise Board of Trustees and other entities with common management and ownership. The following entities/persons are considered related parties:

**TULI CONSERVATION TRUST
FINANCIAL STATEMENTS
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NOTES TO THE FINANCIAL STATEMENTS (CONT.)

10. RELATED PARTY TRANSACTIONS (CONT..)

Relationships	Party	Domicile
Founding Member	Northern Tuli Game Reserve Association	Botswana
Company with common interest:	Afzelia (Proprietary) Limited Greater Mapungubwe Transfontier Conservation Area NPC	Botswana South Africa
Board of Trustees:	Colin Salmon Harald Harvey Geoff Norris (16 May 2019) Tanya McKenzie Stephen Lansdown PJ Janse van Rensburg Pete Graham Le Roux (appointed 25 November 2019)	South Africa South Africa South Africa South Africa Guernsey South Africa Botswana
Common directorship and interests:	Pula Properties Limited	Guernsey
Projects with common interests:	Children in the Wilderness (CITW)	South Africa
Landowner/ Member of Northern Tuli Game Reserve Association.	Loensa La Moridi Bushfillan Game Reserve/Pula Properties Dopotta Game Reserve Eaglesvale (Pty) Limited - Roosdal & Eaglesvale Fairfield Helena & Uitspan Westcott Hatari Game Reserve Jwala Game Lodge Mashatu Nature Reserve Naledi Game Reserve Nitani Game Reserve Redshield Estate (Pty) Limited Roosdal Santhatha Ranches (Pty) Limited Shalimpo Shashe Farm/ Langonda Investments Tuli Safari Lodge (Pty) Limited	Botswana Botswana Botswana Botswana Botswana Botswana Botswana Botswana Botswana Botswana Botswana Botswana Botswana Botswana Botswana Botswana Botswana Botswana

TULI CONSERVATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS (CONT.)

10. RELATED PARTY TRANSACTIONS (CONT..)

The following transactions were carried out with related parties:

	As at 29-Feb-20 Pula	As at 28-Feb-19 Pula
Donations received from Northern Tuli Game Reserve (NOTUGRE)	2,245,043	2,303,971
Donations received from Pula Properties Limited	2,245,043	2,746,170
Annual donation from CITW SA	188,149	274,300
Donations from Mashatu Nature Reserve	47,082	66,455
	4,725,317	5,116,596

Grants made to Afzelia (Proprietary) Limited	4,134,508	3,175,500
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Year-end balances

Receivable from related party

Loensa La Moridi (note 7)	6,977	10,304
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The receivables are unsecured in nature and bear no interest. There are no provisions held against receivables from related parties (2019 - nil).

Payable to related parties (note 9)

Mashatu Nature Reserve (Pty) Ltd	2,810	-
Pete Graham Le Roux	3,460	-
Fairfield Helena	54,961	-
Children in the Wilderness South Africa	428	-
Greater Mapungubwe Transfontier Conservation Area NPC	31,130	-
Northern Tuli Game Reserve Association (NOTUGRE)	-	70,640
	92,790	70,640

11. FINANCIAL RISK MANAGEMENT

The Trust is exposed to market risk, credit risk and liquidity risk. These risks arise in the ordinary course of the Trust's business.

Credit risk

Credit risk is the risk of financial loss to the Trust if a counterparty to the financial instruments fails to meet its contractual obligations. The Trust's exposure to credit risk arises from cash held with banks. The risks are not considered to be material as the cash has been deposited with subsidiary banks of reputable financial institutions, Nedbank Group Limited and Standard Chartered Bank. Despite the Nedbank Limited downgrade from Baa3 as at November 2019 to Ba1 in March 2020, the bank reportedly has adequate capitalization and liquidity buffers. Standard Chartered bank had an A1/P-1 credit rating as at 29 May 2020, implying the bank has superior ability to repay short term obligations (i.e. short term deposits) (Source: Moody's).

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NOTES TO THE FINANCIAL STATEMENTS (CONT.)

11. FINANCIAL RISK MANAGEMENT (CONT..)

Market risk

The Trust has exposure to foreign currency fluctuations, through cash held in South Africa Rands (ZAR)) denominated bank account. At the reporting date, the Trust exposure was Pula 182,407 (2019 - Pula 162,439).

Sensitivity analysis

The sensitivity of profit or loss to changes in the exchange rates arises mainly from these ZAR denominated bank balance.

	Impact on post tax profit	
	29-Feb-20	28-Feb-19
	Pula	Pula
Rand/Pula exchange rate – increase 1% *	(1,807)	(1,608)
Rand/Pula exchange rate – decrease 1% *	1,842	1,641
* Holding all other variables constant		

Liquidity risk

Liquidity risk is the risk that the Trust will encounter in meeting its obligations on the committed projects. The Trust manages this by committing to projects only when funds are available or when there is a definitive confirmation that funds will be received.

The table below summaries the maturity profiles of the financial liabilities based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Due not later than one month	Due later than one month and not later than one year	Due later than one year not than five years	Due after five years	Total
<u>29-Feb-20</u>	<u>Pula</u>	<u>Pula</u>	<u>Pula</u>	<u>Pula</u>	<u>Pula</u>
Liabilities					
Payables	-	92,790	-	-	92,790
Total	-	92,790	-	-	92,790
<u>28-Feb-19</u>					
Liabilities					
Payables	-	76,627	-	-	76,627
Total	-	76,627	-	-	76,627

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

12. CATEGORIES OF FINANCIAL INSTRUMENTS

12.1 Classification of financial instruments

	Amortized cost	
	29-Feb-20	28-Feb-19
Assets		
Other receivables	6,977	10,304
Cash and cash equivalents	2,456,938	2,155,154
	2,463,915	2,165,458
Liabilities		
Other payables	92,790	76,627

12.2 Net gains and losses by financial instrument category

Interest income	21,896	18,937
Interest expenses	-	-
	21,896	18,937

Financial instruments designed at fair value through profit or loss

There were no financial assets designated at fair value through profit or loss.

Financial assets pledged as collateral

There were no financial assets pledged as collateral.

Financial assets received as collateral

The Trust has not received any financial assets as collateral.

13.0 CONTINGENCIES AND COMMITMENTS

There are no other significant commitments and contingent liabilities that exist at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (CONT..)

14. EVENTS AFTER THE REPORTING DATE

The Trust's operations may be affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19) which was declared a pandemic by the World Health Organization in March 2020. Many countries around the world, including Botswana, have implemented significant governmental measures to control the spread of the virus, including temporary closure of businesses, severe restrictions on travel and the movement of people, and other material limitations on the conduct of business. These measures have resulted in work stoppages across the world and other disruptions. The extent to which the coronavirus impacts the Trust will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration and severity of the outbreak, and the actions that may be required to contain the coronavirus or treat its impact. In particular, the continued spread of the coronavirus globally, could adversely impact Trust's ability to raise capital and/or to receive donations from landowners as their income generating activities may also be adversely affected, which in turn could have an adverse impact on the Trust's financial condition and operations.

The Trustees evaluation of the events and conditions and the Trustees plans to mitigate these matters are also described in Note 15 below.

15. GOING CONCERN

The Trust has an agreement with the NOTUGRE Landowners to contribute an amount of Pula 6,794,057 over a period of 3 years beginning in the financial year 2018/2019. These contributions are matched by Pula Properties Ltd in the same financial years. At the end of the reporting period, as reflected in the note 10 to these financial statements, the Trust has thus far received Pula 9,540,227. For the ensuing financial year, at the time of approving those financial statements, the Trust has received a further amount of Pula 4,490,086 towards this commitment.

Subsequent to the reporting period, the Trust's operations have been affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19) which was declared a pandemic by the World Health Organization in March 2020. Significant governmental measures have been implemented including a country-wide shutdown which has resulted in the reduction of the Trust's operations.

The Trust continues to monitor developments, including government requirements and recommendations to evaluate possible extensions to all or part of such closures. In addition, the Trust has taken several steps to further strengthen its financial position and balance sheet, and maintain financial liquidity and flexibility, such as regular review of the expenditure and cash flow projections. The Trust is confident that it will be able to withstand any negative impacts that it may experience with the support of the Northern Tuli Game Reserve landowners' donations as detailed above.

On the above basis, the Trustees are satisfied that the Trust has sufficient funds to continue to operate for the foreseeable future, at least until 28 February 2021. Therefore, in the opinion of the Trustees the going concern basis of preparation is appropriate for these financial statements.

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

DETAILED INCOME AND EXPENDITURE STATEMENT

	Year ended 29-Feb-20 Pula	Year ended 28-Feb-19 Pula
INCOME		
Donations received	4,565,948	5,050,141
Donations received specifically for CITW	188,149	360,627
	4,754,097	5,410,768
GRANTS MADE		
Grant to Afzelia re (Pty) Ltd capital expenditure	2,862,233	2,100,000
Grant to Afzelia re (Pty) Ltd operational expenditure	1,270,382	1,075,500
Grants made specifically to Children in the Wilderness (CITW)	258,997	311,582
Elephant safety and conflict mitigation projects	10,112	-
Motlhabaneng Village Hall Renovation Project	26,697	-
Outfar- community Eye Test Project	30,526	-
Motlhabaneng Rock Art Project	3,465	-
	(4,462,412)	(3,487,082)
OTHER INCOME		
Interest received	21,896	18,937
Other income	78	-
	21,974	18,937
ADMINISTRATIVE AND OPERATING EXPENSES		
Accounting, secretarial and audit fees	39,486	11,216
Advertising and promotional material	-	14,625
Bank charges	1,053	-
Courier and postage	1,889	-
Printing and stationery	3,244	-
Travel and accommodation	11,756	-
Other expenses	500	1,980
	(57,928)	(27,821)
SURPLUS FOR THE YEAR	255,731	1,914,802