

CONSERVATION LOWER ZAMBEZI

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER 2019

P. PONYA & ASSOCIATES
(CHARTERED ACCOUNTANTS OF ZAMBIA)
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CONSERVATION LOWER ZAMBEZI

Financial Statements for the year ended 31st December 2019

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CONSERVATION LOWER ZAMBEZI

Board members' report

The Board members submit their report for the year ended 31st December 2019

1. Review of activities

The body corporate came into being to conserve wild life in the Lower Zambezi.

Financial Results	2019	2018
	Zm W	Zm W
Revenue	15,928,755	10,125,446
Profit / (loss) for the year	2,524,613	2,022,085

2. Post Balance Sheet events

The trustees are not aware of any matter or circumstance arising since the end of the Financial year.

3. Contributions / Donations

Contributions paid by members and donations and grants received during the year totalling Zm W15,928,755 were sufficient to meet expenditure of Zm W14,083,718 resulting in a net surplus of Zm W2,524,613. in comparison to a surplus of Zm W2,022,084. for the previous year.

4. Trustees

The trustees of the body corporate during the year and to the date of this report are as follows:-

Name

Chairperson:	Anita Balletto
Vice Chairperson:	Riccardo Garbaccio
Treasurer:	Alan R. Harkness
Secretary:	Keira Langford Johnson
C.E.O.	Ian Stevenson

Members:

Grant Cummings
Jill Morse
Jealous Nyandowo
Carrol Fleming
Sarah Davies
Juri van Zyl
Chileya Kasuba
Brett Brannigan
Luke Evans

5. Auditors

P. Ponya and Associates were appointed for the year 2019.

CONSERVATION LOWER ZAMBEZI

Statement of the Board Members` Responsibility for Annual Financial Statements

The Board Members 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 the report.

It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the body corporate as at 31st December 2019 and the results of its operations and cashflows for the period then ended , are in conformity with the International Accounting Standards.

The external auditors are engaged to express an independent opinion on the annual financial statements.

The trustees acknowledge that they are ultimately responsible for the system of internal financial control environment. To enable the trustees meet these responsibilities , the board of trustees set 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 body corporate and endeavours to minimize it by ensuring that appropriate infrastructure control 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. These statements have been examined by external auditors and their report is presented on page 5.

The annual financial statements set out on pages 9 to 12 which have been prepared on the going concern basis were approved by the board of trustees and were signed on their behalf by :



.....
Anita Balletto
Chairperson



.....
Alan R. Harkness
Treasurer

CONSERVATION LOWER ZAMBEZI

STATEMENT OF ACCOUNTING POLICIES

1.0 Presentation of Annual Statement

The annual financial statements have been prepared in accordance with the International Accounting standards. The financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below.

1.1 Income and expenditure

The body corporate is a non-profit making concern.
Income is derived from members and donations from well-wishers.

1.2 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost or valuation. Buildings are depreciated on straight line basis at 2%.

1.3 Deferred Taxation

Deferred taxation arising from temporary timing differences between income reflected in the financial statement and taxable income is provided for using the liability method except where it can reasonably be demonstrated that no income tax will arise in the foreseeable future.

1.4 Assets and Liabilities Denominated in Foreign Currency

Assets and Liabilities expressed in foreign Currency are translated at the rate of exchange arising in the normal course of business and credited or charged to the income and expenditure account in the year in which they are realized.

1.5 Revenue Recognition

Revenue is recognized when it is possible that the economic benefits associated with the transaction will flow to the company and the revenue can be measured reliably; interest income is recognized as it accrues.

CONSERVATION LOWER ZAMBEZI

Statement of Accounting Policies (continued)

1.6 Financial Instruments

Initial recognition

The body corporate classifies financial instruments or their component parts , on initial recognition as a financial asset , a financial liability or an equity instrument in accordance with substance of the contractual arrangement.

Financial assets and financial liabilities are recognized on the corporate balance sheet when the body corporate becomes party to the contractual provision of the instrument.

Trade receivables

Trade receivables are carried at anticipated realizable value. An estimate is made for doubtful receivables based on a review of any outstanding amounts at the year end. Bad debts are written off during the year in which they are identified.

Provisions

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events , where it is possible that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Trade payables

Trade payables are carried at anticipated realizable value.

Cash and Cash equivalents

For the purpose of the cashflow statement , cash and cash equivalents comprise of cash in hand and deposits held on call at banks, cash and cash equivalent is stated at cost which is equivalent to fair value

P. PONYA AND ASSOCIATES

Chartered Accountants of Zambia

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Permanent House Cairo Road

P. O. Box 32620 LUSAKA

email: hlmconsult@yahoo.co.uk

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CONSERVATION LOWER ZAMBEZI

Report on the financial statements

We have audited the financial statements of **CONSERVATION LOWER ZAMBEZI** which comprise of the statement of financial position as at 31st December 2019 and the income statement and statement of cashflow for the year then ended, and the notes to the financial statements, which includes a summary of significant accounting policies and other explanatory notes as set on pages 9 to 12

Board members' responsibility for the financial statements

The Board members are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, presentation of financial statements that are free from material misstatement, whether due to error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the 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 opinion.

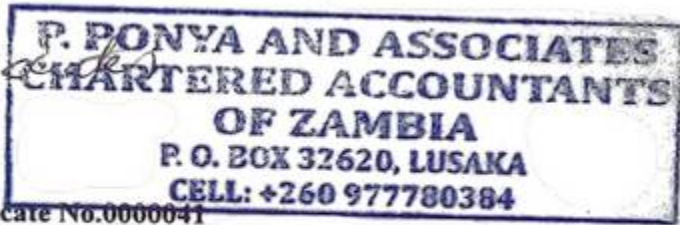
Opinion

In our opinion the financial statements present fairly, in all material respects, the financial position of **CONSERVATION LOWER ZAMBEZI** as at 31st December 2019 and its financial performance and cash flow for the period then ended in accordance with the International Financial Reporting Standards.

Report on the legal and regulatory requirements

In accordance with the Company's Act 2017, we report that, in our opinion, the required accounting records, other records and registers have been properly kept in accordance with the Act.

P. Ponya & Associates
P. Ponya & Associates
Chartered Accountants



Senior Partner - Practicing certificate No.0000041

Date.....*02/04/21*.....

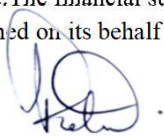
CONSERVATION LOWER ZAMBEZI**SUMMARISED INCOME STATEMENT FOR THE YEAR ENDED 31 ST DECEMBER 2019**

	Note	31.12.2019 <i>ZMW</i>	31.12.2018 <i>ZMW</i>
INCOME	1	15,928,756	10,125,446.00
OTHER INCOMES	2a	222	116,137.00
TOTAL INCOME		15,928,977	10,241,583.00
LESS COST OF SALES	2b	(48,135)	(21,308.00)
GROSS PROFIT		15,880,843	10,220,275.00
LESS OPERATIONAL EXPENSES		(14,083,719)	(9,036,668.00)
EXCHANGE GAIN / (LOSS)	2c	727,489	838,477.00
NET SURPLUS / (DEFICIT) BEFORE TAX		2,524,613	2,022,084.00
TAXATION		-	-
NET SURPLUS / (DEFICIT) AFTER TAX		2,524,613	2,022,084.00
SURPLUS / (DEFICIT) BROUGHT FORWARD		3,920,374	1,898,289.00
SURPLUS / (DEFICIT) CARRIED FORWARD		6,444,987	3,920,374.00

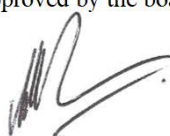
CONSERVATION LOWER ZAMBEZI
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2019

	Notes	31.12.2019 <i>ZM W</i>	31.12.2018 <i>Zm W</i>
ASSETS			
Non current assets			
Property, Plant and Equipment	10	5,866,608	6,014,505
Current assets			
Trade receivables		-	-
Bank and Cash	6	8,515,358	5,354,514
Total Current Assets		8,515,358	5,354,514
NET ASSETS		<u>14,381,965</u>	<u>11,369,019</u>
<u>EQUITY & LIABILITIES</u>			
Equity			
Share capital	7	7,345,584	7,345,584
Retained earnings	8	6,444,987	3,920,374
Total Equity		13,790,572	11,265,958
Current Liabilities			
Trade payables	9	488,192	7,500
Accruals	9	103,202	95,561
		591,393	103,061
TOTAL EQUITY & LIABILITIES		<u>14,381,965</u>	<u>11,369,019</u>

The responsibilities of the Trustees` with regard to the preparation of the financial statements are set out on page 2. The financial statements on pages 6 through to 12 were approved by the board of trustees and were signed on its behalf by :



.....
Anita Balletto
Chairman



.....
Alan R. Harkness
Treasurer

CONSERVATION LOWER ZAMBEZI

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2019

	Share Capital <i>Zm W</i>	Retained Earnings <i>Zm W</i>	Total <i>Zm W</i>
Balance as at 01.01.2019	7,345,584	3,920,374	11,265,958
Movement / adjustment	-	-	-
Profit (Loss) for the period	-	2,524,613	2,524,613
Balance as at 31.12.2012	7,345,584	6,444,987	13,790,572

**CONSERVATION LOWER ZAMBEZI
STATEMENT OF CASHFLOW AS AT 31ST DECEMBER 2019**

	31.12.2019	31.12.2018
	<i>Zm W</i>	<i>Zm W</i>
CASHFLOW FROM OPERATING ACTIVITIES		
Surplus / (Deficit) before Tax	2,524,613	2,022,085
Adjustment for items not affecting cash flows;		
Depreciation	147,868	147,898
Profit on sale of non current assets	-	(116,100)
Interest receivable	(222)	(37)
	<u>2,672,260</u>	<u>2,053,846</u>
Working Capital Adjustments		
(Increase) / Decrease in accounts payable	(495,973)	(105,553)
(Increase) / Decrease in accounts accruals	7,641	14,791
Cash flows from Operating Activities	<u>3,160,623</u>	<u>1,963,084</u>
Interest Paid		-
Cash flows from investing Activities		
Sale of Non current assets	-	116,100
Interest Receivable	222	37
Net cash flow from Investment Activities	<u>222</u>	<u>116,137</u>
Cash flow from Financing Activities		
Proprietors' Fund	-	-
Net Cash flow from Financing Activities	-	-
Increase (Decrease) in cash and cash equivalents	3,160,844	2,079,221
Cash and Cash equivalents as at the beginning of the year	5,354,513	3,275,292
Cash and cash equivalents as at the ending of the year	<u><u>8,515,357</u></u>	<u><u>5,354,513</u></u>
REPRESENTED BY:		
FNB Kwacha	277,905	
FNB Second Kwacha	21,454	100,531
FNB Call Account Dollar	2,765,931	2,611,282
FNB Bank Dollar	5,421,131	2,549,064
Cash in Hand - Kwacha	28,811	106
- Dollar	125	20,515
Supplier Control Account	-	73,016
	<u><u>8,515,357</u></u>	<u><u>5,354,514</u></u>

CONSERVATION LOWER ZAMBEZI

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2019

Note	31.12.2019 <i>Zm W</i>	31.12.2018 <i>Zm W</i>
1 INCOME		
Donations	533,468	421,586
Change for Conservation	-	-
Operator Additional Donations	112,067	62,646
Membership fees	1,514,909	1,476,850
Member Additional Donations	-	-
Grants	12,886,434	7,763,468
Training & exams	102,347	66,181
Camp facilities	438,994	185,211
Fund raisers	331,211	147,327
In Kind Donations	-	-
Merchandise sales	9,147	2,676
Sales - Services	180	2,500
Bank Interest received	-	-
	15,928,756	10,125,446
2a OTHER INCOME		
Interest Received	222	37
Profit from sale of non current assets	-	116,100
	222	116,137
2b COST OF SALES		
Purchases / C.O.S - Merchandise	6,650	-
Purchases / C. O. S. Fund Raisers	41,485	21,308
	48,135	21,308
2c GAINS AN LOSSES		
Other gains and losses comprise of the following:		
Profit / Loss on foreign exchange	727,489	838,477
Unrealised profit / loss on foreign exchange	-	-
	727,489	838,477
3 REPAIRS & MAINTENANCE		
Building	360,168	141,990
Electrical Appliances	27,008	54,768
General	17,744	18,308
Plane	676,920	75,264
Motor Vehicle & Boats	532,595	356,648
	1,614,434	646,978
4 REPLACEMENTS		
Linen	7,108	9,599
Other	160,407	325,662
Uniforms	42,224	364,119
Kitchen equipment	-	-
Furniture and fitting	-	-
	209,739	699,380

CONSERVATION LOWER ZAMBEZI

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2019 (CONTINUED)

Note	31.12.2019 <i>Zm W</i>	31.12.2018 <i>Zm W</i>
5 FUEL AND LUBRICANTS		
Fuel	933,806	184,329,160
Petrol	-	23,251,449
Motor oils	5,700	-
Other Vehicle Costs	-	450,000
	939,506	208,030,609
6 BANK		
FNB Kwacha	277,905	6,233,313
FNB (Second) Kwacha	21,454	-
FNB US Dollar Call Account	2,765,931	-
FNB US Dollar	5,421,131	400,115,661
	8,486,422	406,348,974
CASH ON HAND - Kwacha	28,811	-
- USD	125	1,621,920
	28,936	1,621,920
BANK AND CASH	8,515,358	407,970,894
7 SHARE CAPITAL		
RDE - DeMerger Reserve	7,345,584	7,345,584,376
	7,345,584	7,345,584,376
8 RETAINED EARNINGS		
Retained Earnings as at 01.01.2019	3,920,374	1,898,289
Surplus / (Deficit) for the period	2,524,613	2,022,085
Retained Earnings as at 31.12.2019	6,444,987	3,920,374
9 PAYABLES / ACCRUALS		
Supplier Control Accounts	474,442	-
Sundry customers	13,750	4,862,000
	488,192	4,862,000
ACCRUALS - NAPSA	30,075	-
- PAYE	21,931	-
- Oher Accruals	34,400	13,400,000
- Nat. Health Ins.	2,796	-
- Audit fees	14,000	5,000,000
	103,202	18,400,000

CONSERVATION LOWER ZAMBEZI**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2019****Note****10 FIXED ASSET SCHEDULE**

Cost/Valuation	Land and Buildings <i>Zm W</i>	Total <i>Zm W</i>
As at 01/01/19	7,394,884	7,394,884
Additions	-	-
Disposals	-	-
As at 31/12/19	7,394,884	7,394,884
Depreciation		
As at 01/01/19	1,380,379	1,380,379
Charge for the year	147,898	147,898
As at 31/12/19	1,528,277	1,528,277
Net Book Value		
As at 31/12/19	5,866,608	5,866,608
As at 30/03/18	6,014,505	6,014,505

CONSERVATION LOWER ZAMBEZI
DETAILED STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2019

	NOTE	31.12.2019 <i>Zm W</i>	31.12.2018 <i>Zm W</i>
INCOME	1	15,928,756	10,125,446
COST OF SALES	2b	(48,135)	(21,308)
GROSS PROFIT		15,880,621	10,104,138
OTHER INCOME	2a	222	116,137
		15,880,843	10,220,275
LESS OPERATING EXPENSES			
Accountancy / Audit fees		14,000	21,000
Bank charges		53,629	38,644
Cleaning		84,581	67,668
Computer expenses		79,765	49,131
Scholarships		63,249	55,232
Food		984,452	607,666
Depreciation		147,898	147,898
Gas		27,060	-
Entertainment expenses		47,997	29,758
Insurance		230,646	178,990
Consulting fees		376,636	-
Licences		36,412	52,542
CRB Contributions		27,130	29,506
Printing & Stationery		69,433	75,252
Courier and Postage		22,420	8,047
Professional Fees		5,500	-
Repairs & Maintenance	3	1,614,434	646,978
Replacements	4	209,739	699,380
Salaries & Wages		2,974,304	2,114,166
Staff Training		756,533	691,463
Medical Fees		176,724	231,267
Security		25,000	34,620
Telephone & fax		234,752	21,882
Travel & Accommodation		820,307	378,671
Admin Fee		45,640	-
AV Gas		133,847	183,572
Customs Duties		133,338	52,689
Internet Costs		71,127	18,653
Hire of Equipment		37,433	6,008
Fuel , Oil and Lubricants	5	939,506	648,033
Motor Vehicle & Boat Purchases		1,934,731	1,034,288
New Building		326,605	-
DNPW Incentives		162,475	110,083
Staff Recruitment		1,691	15,008
Staff Welfare		4,962	8,741
Funeral Grants		6,375	6,135
Marketing Costs		5,457	47,125
Subscriptions		648	304
General Expenses		-	30,000
Firearm Repairs & Ammunition		22,942	(35,024)
AMSCO Management Fee		1,149,100	711,856
Interest Paid		-	(74)
Workers Compensation		25,241	19,412
Park Fees		-	100
TOTAL OPERATIONAL EXPENSES		14,083,719	9,036,670
Exchange Gain / (Loss)		727,489	838,477
NET SURPLUS / (DEFICIT) BEFORE TAX		2,524,613	2,022,082