

**WILDLIFE AND ENVIRONMENT
SOCIETY OF SOUTH AFRICA (RF) NPC
Registration No. 1933/004658/08
(Incorporated Association not for Gain)
and its Subsidiaries
Non-Profit Organisation Number 000716 NPO**

**AUDITED ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020**

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries
Registration number: 1933/004658/08**

**AUDITED ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020**

CONTENTS	Pages
Directors' statement of responsibility	2
Preparer of the annual financial statements	2
Directors' approval of the annual financial statements	2
Corporate governance statement	3
Directors' report	4
Independent auditors' report	5 - 7
Specific funds statements of surplus or deficit and other comprehensive income	8
General funds statements of surplus or deficit and other comprehensive income	9 - 10
Statements of financial position	11
Statements of changes in funds and reserve	12 - 13
Statements of cash flows	14
Accounting policies	15 - 18
Notes to the annual financial statements	19 - 30
 Annexure:	
A: Analysis of specific funds income and expenditure	31 - 32

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020**

DIRECTORS' STATEMENT OF RESPONSIBILITY

The annual financial statements of The Wildlife and Environment Society of South Africa (RF) NPC and its subsidiaries, together with the other financial information included in the annual financial statements, have been prepared by the company's directors in conformity with the International Financial Reporting Standards and the Companies Act of South Africa, applied on a basis consistent with the previous year.

The manner of presentation of the annual financial statements, the selection of accounting policies and the integrity of the financial information are the responsibility of the directors.

The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The independent external auditor, Deloitte & Touche, have audited the annual financial statements and their qualified report appears on pages 5 to 7.

The directors are also responsible for the systems of internal control. These are designed to provide reasonable but not absolute assurance as to the reliability of the annual financial statements, to adequately safeguard, verify and maintain accountability of assets and recorded liabilities, and to prevent and detect material misstatement and loss. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred in the year under review.

The annual financial statements have been prepared on the going concern basis. Nothing has come to the attention of the directors to indicate that the Society will not continue as a going concern for the foreseeable future.

PREPARER OF THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements were prepared by Ms S Govender the Chief Financial Officer.

DIRECTORS' APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements set out on pages 8 to 30 and the supplementary information presented on pages 31 to 32 were approved by the board of directors on 2 October 2020 and are signed on their behalf.

J O Carstens
Chairman

J T BURGER
Chief Executive Officer

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**CORPORATE GOVERNANCE STATEMENT
for the year ended 31 March 2020**

**Statement by the board of directors of The Wildlife and Environment Society of South Africa (RF)
NPC ("The Society")**

Although Wessa does not fall within the ambit of organisations that are obliged to meet the requirements of the King Code of Corporate Practices and Conduct, the board of directors is of the opinion that the Society should nonetheless strive to attain the ideals set out in the King Code. By supporting the code, the directors recognise the need to conduct the business of the society with integrity and in accordance with generally accepted corporate practices as far as is possible in a not-for-profit organisation. In particular, we wish to report on the following matters.

Annual financial statements

The directors acknowledge that it is their responsibility to prepare annual financial statements that fairly present the state of affairs of the Society at the end of the financial year, including the surplus or deficit for that year. The financial statements in these reports have been prepared by management in accordance with the International Financial Reporting Standards and on a basis consistent with the prior year.

The external auditor is responsible for independently reviewing and reporting on the fair presentation of the annual financial statements.

Board of directors

The board of directors retains the full and effective control over the Society, monitors executive management and ensures that decisions on material matters are in the hands of the board.

Details of the executive and non-executive directors appear in the directors' report.

Financial and risk committee

The financial and risk committee was recently constituted and meets quarterly to provide effective executive decision-making for the management of cash, financial instruments and business risks.

Internal control

In order to fulfil its responsibilities, management has developed and continues to implement, maintain and improve a system of internal controls throughout the Society to ensure the safeguarding of its assets.

Going concern

At the date of approval of the annual financial statements, the board of directors is satisfied that the Society has adequate strategic, financial and operational resources to continue in business for the foreseeable future. The board continues to adopt the going concern basis for preparing the annual financial statements.

Code of ethics

As an integral part of its mission statement, the Society has a code of ethics ("our values") which commits it to act with integrity in all matters.

Subsequent Events

The first case of COVID 19 was found in March 2020 in South Africa. Measures were taken to contain the virus. On the 27 March South Africa was under lock down conditions. This significantly impacted the South African economy with reduced economic activity. This is a global pandemic that has affected several economies around the globe. Management took measures to reduce costs. Staff costs were impacted and reduced. Project activities continued unaffected. Management put in to place a Business, Resilience and financing tracker identifying the key areas that required to be monitored and tracked.

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**DIRECTORS' REPORT
for the year ended 31 March 2020**

The directors have pleasure in presenting their annual report which forms part of the consolidated and separate financial statements of the company and of the group for the year ended 31 March 2020.

General review

The principal activities of the group, which have remained unchanged during the year under review, are to promote public participation in caring for the earth.

Financial results

Full details of the financial results are set out on pages 8 to 30. The consolidated total comprehensive profit of the group for the year was R1 072 163 (2019: R3 398 682). These were achieved as follows:

	<u>2020</u> R	<u>2019</u> R
Specific funds statements of surplus or deficit and other comprehensive income	-	-
General funds statements of surplus or deficit and other comprehensive income	<u>1 072 163</u>	<u>(3 398 681)</u>
	<u><u>1 072 163</u></u>	<u><u>(3 398 681)</u></u>

Directors and secretary

The directors during the year under review and at the date of this report were:

Mr J O Carstens	Chairman
Dr H Hendricks	Vice Chairman - resigned
Mr A Steyn	National Treasurer
Dr J T Burger	Chief Executive Officer - resigned
Ms S Govender	Chief Financial Officer - resigned
Mr HW Mandlana	Non-Executive Director
Ms J R Gon	Non-Executive Director - resigned
Mr L S Naidoo	Non-Executive Director - resigned
Prof M A Kidd	Non-Executive Director - resigned
Mr R Kisten	Non-Executive Director
Mr DM Ramaphosa	Non-Executive Director - resigned
Ms N Sibisi	Non-Executive Director - resigned
Mr P Burger	Non-Executive Director
Mrs RI Singo	Non-Executive Director – resigned
Mr G Koekemoer	Non-Executive Director – appointed in June 2020

The registered office business and postal addresses are as follows:

Umgeni Valley Project	P O Box 394
1 Karkloof Road	Howick
Howick	3290
3290	

Subsidiaries

Details of the company's wholly-owned subsidiaries are as follows:

Wildlife Marketing Services Proprietary Limited

This company continues to perform trading activities. It has issued share capital of R3 comprising 3 shares of R1 each.

Wildlife House Proprietary Limited

This company owns commercial property in Durban. The property is occupied by the group's KwaZulu-Natal regional office staff. It has issued share capital of R3 000 which is made up of 3 000 shares of R1 each.

Wildlife Heritage Trust Fund NPC

Wildlife Heritage Trust Fund NPC owns Charles Humphries Proprietary Limited.

Charles Humphries Proprietary Limited

This company owns grassland property as well as wildlife in Howick which is occupied by the group's Umgeni Valley Reserve. The company has issued share capital of R1 000 comprising of 190 ordinary shares.

**INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Wildlife and Environment Society of South Africa (RF) NPC**

Report on the Consolidated and Separate Financial Statements

Qualified Opinion

We have audited the consolidated and separate financial statements of Wildlife and Environment Society of South Africa (RF) NPC set out on pages 11 to 30, which comprise the consolidated and separate statements of financial position as at 31 March 2020, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and Company as at 31 March 2020, and their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Companies Act of South Africa.

Basis for Qualified Opinion

In common with similar organisations, it is not feasible for the company and the group to institute accounting controls over certain income (bequests, donations and grants) prior to the initial entry of that income in the accounting records. Accordingly, it was impractical for us to extend our examination beyond the receipts actually recorded.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group 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 financial statements in South Africa. We have fulfilled our 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). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Wildlife and Environment Society of South Africa (RF) NPC (continued)

Other Information

The directors are responsible for the other information. The other information comprises Statement of Directors' Responsibility and Approval, Corporate Governance Statement and the Directors' Report as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements 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 this other information, we are required to report that fact. We have nothing to report in this regard.

Supplementary schedule

The supplementary schedule set out on pages 31 to 32 does not form part of the consolidated and separate financial statements and is presented as additional information. We have not audited this schedule and accordingly do not express an opinion on the schedule.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and 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 Group and/or Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Wildlife and Environment Society of South Africa (RF) NPC (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 Group's and 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 auditor's report to the related disclosures in the consolidated and separate 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 Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.

Deloitte & Touche

Registered Auditor

Per: Camilla Howard-Browne CA (SA), RA

Partner

THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries

SPECIFIC FUNDS STATEMENTS OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
for the year ended 31 March 2020

	<u>Notes</u>	<u>Company</u>		<u>Group</u>	
		<u>2020</u> R	<u>2019</u> R	<u>2020</u> R	<u>2019</u> R
Income		83 693 618	76 544 445	83 693 618	76 544 445
Project income		83 693 618	76 544 445	83 693 618	76 544 445
Expenditure		83 693 618	76 544 445	83 693 618	76 544 445
Administration and office expenses		-	73	-	73
Auditors' remuneration	1	10 000	-	10 000	-
Computer expenses		138 189	73 426	138 189	73 426
Conferences, seminars and workshops		17 205 416	6 046 068	17 205 416	6 046 068
Education and training		16 899 341	11 071 186	16 899 341	11 071 186
Entertainment		-	-	-	-
Equipment hire		205 998	153 812	205 998	153 812
Management fees		3 602 881	7 532 481	3 602 881	7 532 481
Marketing expenses		131 924	145 794	131 924	145 794
Membership and registration fees		238 550	413 442	238 550	413 442
Office equipment expenses		185 010	457 554	185 010	457 554
Printing, stationery and postage		143 138	300 934	143 138	300 934
Professional fees		14 826 169	18 057 535	14 826 169	18 057 535
Project Management		6 552 639	5 629 126	6 552 639	5 629 126
Project operating expenses		4 383 200	5 246 436	4 383 200	5 246 436
Resources		-	2 000	-	2 000
Salaries and wages		11 492 968	14 265 891	11 492 968	14 265 891
Telephone		184 118	317 536	184 118	317 536
Travel, accommodation and transport		7 494 077	6 831 150	7 494 077	6 831 150
Total specific funds surplus or deficit and other comprehensive income for the year	1	-	-	-	-

THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries

GENERAL FUNDS STATEMENTS OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
for the year ended 31 March 2020

	<u>Notes</u>	<u>Company</u>		<u>Group</u>	
		<u>2020</u> R	<u>2019</u> R	<u>2020</u> R	<u>2019</u> R
Income		45 450 150	45 425 515	48 056 051	50 476 444
Administration and management fees		3 637 513	7 319 429	3 637 513	7 374 485
Bequests, donations and grants		8 243 785	2 512 765	8 243 785	2 557 400
Course fees		7 757 021	7 069 043	7 757 021	7 069 043
Education centre income		-	-	6 650 972	7 292 547
Fair value adjustment – biological assets		-	-	-	-
Investment income	1	3 130 515	3 850 313	3 130 515	3 850 313
Magazine income		114 645	147 822	114 645	147 822
Membership income		541 811	402 844	541 811	402 844
Other income		898 458	1 184 450	1 837 842	1 611 113
Profit on sale of property, plant & equipment	1	28 299	-	28 299	748 189
Project income		11 939 449	15 968 598	14 525 074	17 472 813
Registration fees		1 429 377	1 357 355	1 429 377	1 357 355
Rental income		48 500	32 242	159 196	234 909
Salaries Recovered		7 680 777	5 580 653	-	357 611
Sales		-	-	-	-
Expenditure		45 716 069	46 026 380	48 971 778	50 378 164
Administration and office expenses		1 622 975	1 395 329	1 633 168	1 407 554
Auditors' remuneration	1	841 000	792 000	841 000	792 000
Bad debts		276 001	-	276 001	-
Building operating expenses		1 147 755	1 937 168	1 147 755	1 996 432
Computer expenses		498 485	552 567	547 836	573 707
Conferences, seminars and workshops		637 310	507 369	637 310	507 369
Depreciation	3	1 192 988	935 699	1 430 836	1 270 720
Education center expenses		54 235	147 945	2 070 235	2 214 756
Entertainment		-	604	-	604
Equipment hire		438 998	184 378	528 282	184 378
Fair value adjustment – biological assets	1	-	-	34 000	74 000
Insurance		362 717	524 047	572 144	673 629
Interest and finance charges	1	111 706	28 411	111 841	28 419
Loss on sale of property, plant and equipment		-	754 169	-	-
Marketing expenses		164 006	304 711	225 273	426 687
Membership and registration fees		190 368	207 069	275 626	269 415
Motor vehicle expenses		452 837	661 065	964 376	1 038 293
Operating expenses		-	-	1 277 651	1 153 702
Other staff costs	1	132 687	308 334	253 847	324 433
Sub-total carried forward		8 124 069	9 240 865	12 827 181	12 936 098

THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries

GENERAL FUNDS STATEMENTS OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
(continued)
for the year ended 31 March 2020

	<u>Notes</u>	<u>Company</u>		<u>Group</u>	
		<u>2020</u> R	<u>2019</u> R	<u>2020</u> R	<u>2019</u> R
Sub-total brought forward		8 124 069	9 240 865	12 827 181	12 936 098
Printing, stationery and postage		292 843	417 046	364 348	449 064
Professional consulting fees		794 391	698 798	898 810	835 657
Provision for impairment		2 395 699	-	-	-
Resources		47 745	367 717	90 790	367 717
Salaries and wages	1	32 412 593	33 297 296	32 395 422	33 336 521
Telephone		497 521	668 423	732 825	865 167
Travel, accommodation and transport		1 151 208	1 336 236	1 662 401	1 587 941
(Loss)/Surplus before tax		(265 919)	(600 865)	(915 727)	98 280
Taxation expense	18	-	-	-	(125 463)
(Loss)/Surplus after tax for the year		(265 919)	(600 865)	(915 727)	(27 183)
Other comprehensive income					
Revaluation of investments to fair value		46 050	(5 138 687)	46 050	(5 138 687)
Write back revaluation of assets sold		1 941 840	2 339 720	1 941 840	2 339 720
Appropriation of funds		-	(572 533)	-	(572 533)
Total general funds loss and other comprehensive loss for the year	1	1 721 971	(3 972 365)	1 072 163	(3 398 681)

THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries

STATEMENTS OF FINANCIAL POSITION
as at 31 March 2020

	<u>Notes</u>	<u>Company</u>		<u>Group</u>	
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
		R	R	R	R
ASSETS					
Non-current assets					
		32 859 168	36 359 256	38 693 525	42 315 797
Property, plant and equipment	2	2 157 307	2 230 823	7 805 291	7 966 992
Right-of-use Asset	20	694 338	-	694 338	-
Biological assets	3	-	-	110 000	144 000
Goodwill		-	-	82 151	82 151
Investment in subsidiaries	4	5 779	5 779	-	-
Other investments	5	30 001 744	34 122 654	30 001 744	34 122 654
Current assets					
		54 995 989	49 647 099	49 508 389	45 216 186
Inventories	7	-	-	-	18 034
Accounts receivables	8	6 549 175	6 351 769	7 667 856	6 165 095
Current loan receivable	6	(118 585)	2 452 625	2 275 114	2 452 625
Loan to subsidiaries	4	9 007 985	4 265 631	-	-
Fixed deposit		11 357 177	11 357 177	11 357 177	11 357 177
Bank balances and cash		28 200 237	25 219 898	28 208 244	25 223 255
		<u>87 855 157</u>	<u>86 006 356</u>	<u>88 201 917</u>	<u>87 531 982</u>
FUNDS AND LIABILITIES					
Funds and reserve					
		62 267 164	62 487 033	63 625 764	64 504 963
General funds		27 797 669	26 121 748	29 165 789	28 139 676
Non-distributable reserve		13 962 500	13 962 500	13 962 500	13 962 500
Other distributable reserve		4 511 724	4 511 724	4 511 724	4 511 724
Fair value reserve		15 995 271	17 891 061	15 995 271	17 891 061
Current liabilities					
		25 587 993	23 519 322	24 566.633	23 027 023
Funds received in advance	10	18 953 432	16 333 669	18 953 432	16 443 633
Current portion of finance lease liability	9	-	-	-	-
Operating lease liability	12	783 257	30 506	783 257	30 506
Current loan payable	6	9 929	10 894	9 929	10 894
Loan from subsidiaries	4	1 194 682	1 194 682	-	-
Accounts payable	11	2 268 812	2 688 192	2 293 519	3 131 987
Provisions	13	2 377 880	3 261 379	2 377 880	3 261 379
Current tax payable	18	-	-	148 624	148 624
		<u>87 855 157</u>	<u>86 006 354</u>	<u>88 192 397</u>	<u>87 531 986</u>

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**STATEMENTS OF CHANGES IN FUNDS AND RESERVE
for the year ended 31 March 2020**

		<u>General funds</u> R	<u>Non distributable reserve</u> R	<u>Other distributable reserve</u> R	<u>Fair value reserve</u> R	<u>Total</u> R
Company	Note					
2020						
At beginning of year		26 121 748	13 962 500	4 511 724	17 891 061	62 487 033
Current year movements		1 675 921	-	-	(1 895 790)	(219 869)
Total comprehensive deficit for the year		(265 919)	-	-	-	(265 919)
Revaluation of investments to fair value		-	-	-	46 050	46 050
Writeback revaluation on asset sold		1 941 840	-	-	(1 941 840)	-
Appropriation of funds		-	-	-	-	-
Sale of listed investments		-	-	-	-	-
At end of year		<u>27 797 669</u>	<u>13 962 500</u>	<u>4 511 724</u>	<u>15 995 271</u>	<u>62 267 164</u>
2019						
At beginning of year		24 382 893	13 962 500	4 648 319	25 369 468	68 363 180
Current year movements		1 738 855	-	(136 595)	(7 478 407)	(5 876 147)
Total comprehensive deficit for the year		(600 865)	-	(572 533)	-	(1 173 398)
Revaluation of investments to fair value		-	-	-	(5 138 687)	(5 138 687)
Writeback revaluation on asset sold		2 339 720	-	-	(2 339 720)	-
Appropriation of funds		-	-	435 938	-	435 938
Sale of listed investments		-	-	-	-	-
At end of year		<u>26 121 748</u>	<u>13 962 500</u>	<u>4 511 724</u>	<u>17 891 061</u>	<u>62 487 033</u>

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**STATEMENTS OF CHANGES IN FUNDS AND RESERVE (continued)
for the year ended 31 March 2020**

	<u>General funds</u> R	<u>Non distributable reserve</u> R	<u>Other distributable reserve</u> R	<u>Fair value reserve</u> R	<u>Total</u> R
Group					
2020					
At beginning of year	28 139 675	13 962 500	4 511 724	17 891 061	64 504 961
Current year movements	1 026 113	-	-	(1 895 790)	(869 677)
Total comprehensive loss for the year	(915 727)	-	-	-	(915 727)
Revaluation of investments to fair value	-	-	-	46 050	46 050
Write-back revaluation on asset sold	1 941 840	-	-	(1 941 840)	-
Appropriation of funds	-	-	-	-	-
Sale of listed investments	-	-	-	-	-
At end of year	<u>29 165 789</u>	<u>13 962 500</u>	<u>4 511 724</u>	<u>15 995 271</u>	<u>63 635 284</u>
2019					
At beginning of year	25 827 139	13 962 500	4 648 319	25 369 468	69 807 426
Current year movements	2 312 538	-	(136 595)	(7 478 407)	(5 302 466)
Total comprehensive loss for the year	(27 183)	-	(572 533)	-	(599 715)
Revaluation of investments to fair value	-	-	-	(5 138 687)	(5 138 687)
Write-back revaluation on asset sold	2 339 720	-	-	(2 339 720)	-
Appropriation of funds	-	-	435 938	-	435 938
Sale of listed investments	-	-	-	-	-
At end of year	<u>28 139 676</u>	<u>13 962 500</u>	<u>4 511 724</u>	<u>17 891 061</u>	<u>64 504 961</u>

THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries

STATEMENTS OF CASH FLOWS
for the year ended 31 March 2020

	<u>Company</u>		<u>Group</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	R	R	R	R
Cash flow resulting from operating activities				
(Loss)/Surplus for the year	(265 919)	(600 865)	(915 727)	(27 183)
Income from investing activities	(3 130 515)	(3 850 313)	(3 130 515)	(3 850 313)
Interest and finance charges	111 706	28 411	111 841	28 419
Deficit for year before investment income, finance costs and adjusting for non-cash items:	(3 284 728)	(4 422 767)	(3 934 401)	(3 849 077)
Items not requiring cash	323 728	480 737	595 575	(487 137)
(Decrease)/Increase in provisions	(883 498)	(1 072 536)	(883 499)	(1 072 536)
Fair value of biological assets	-	-	34 000	74 000
Depreciation	1 192 988	935 699	1 430 836	1 270 722
Taxation expense	-	-	-	125 463
Decrease in funds and reserves	-	(136 595)	-	(136 597)
Revaluation of investments to fair value	46 050	-	46 050	-
Fair Value gain on investments	(3 513)	-	(3 513)	-
Loss on sale of game	-	-	-	-
Loss/(Profit) on sale of property, plant & equipment	(28 299)	754 169	(28 299)	(748 189)
Cash utilised by operations	(2 961 000)	(3 942 030)	(3 338 827)	(4 336 214)
Income from investing activities	3 130 515	3 850 313	3 130 515	3 850 313
Changes in working capital	2 755 726	(27 759 855)	939 342	(27 037 413)
Decrease in inventories	-	125 204	18 034	107 170
(Increase)/Decrease in accounts receivable	(197 406)	(2 158 380)	(1 502 763)	(1 971 660)
Decrease in funds received in advance	2 619 763	(23 711 141)	2 509 792	(23 601 177)
Increase in operating lease liability	752 751	30 506	752 751	30 506
(Decrease)/Increase in accounts payable	(419 381)	(2 046 044)	(838 471)	(1 602 251)
Cash utilised by operating activities	2 925 243	(27 851 572)	731 031	(27 523 314)
Interest and finance costs	(111 706)	(28 411)	(111 840)	(28 418)
Cash outflow from operating activities	2 813 536	(27 879 983)	619 191	(27 551 732)
Cash Inflow/(Outflow) from investing activities				
Proceeds of sale of property, plant & equipment	62 559	2 536 726	62 564	4 170 199
Acquisition of property, plant & equipment	(320 526)	(663 162)	(470 190)	(1 524 727)
Decrease/(Increase) in Fixed Deposit	-	1 755 799	-	1 755 799
Increase in loan receivable	2 571 211	(681 343)	177 512	(681 343)
Decrease in subsidiary loans	(4 742 354)	1 096 799	-	-
Decrease in loan payable	(965)	(115 629)	(965)	(115 629)
Proceeds on sale of listed investments	4 124 423	-	4 124 422	-
Acquisition of listed investments	-	(171 993)	-	(171 993)
Cash Inflow/(Outflow) from investing activities	1 694 348	3 757 197	3 893 340	3 432 306
Cash flow resulting from financing activities				
Decrease in non-current liabilities	-	-	-	-
Decrease in current portion lease liability	(1 527 544)	(55 852)	(1 527 544)	(55 852)
Cash outflow/(inflow) from financing activities	(1 527 544)	(55 852)	(1 527 544)	(55 852)
Net decrease in cash and cash equivalents	2 980 340	(24 178 638)	2 984 987	(24 175 278)
Cash and cash equivalents at beginning of year	25 219 898	49 398 536	25 223 255	49 398 533
Cash and cash equivalents at end of year	28 200 237	25 219 898	28 208 242	25 223 255

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**ACCOUNTING POLICIES
for the year ended 31 March 2020**

The annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) using the historical cost convention except for biological assets and other investments that are stated at fair value they incorporate the following principal accounting policies which are consistent with those of the previous year, except for new and revised standards and interpretations adopted.

Consolidation

The annual financial statements of the company include those of its national office, regions, education projects and nature reserves and those branches that have reported to the company. The group annual financial statements include those of the company and its wholly owned subsidiary companies. All significant inter-company transactions and balances have been eliminated.

Goodwill

Goodwill arising on acquisition of the company's subsidiaries shares, Wildlife Heritage Trust Fund NPC and Wildlife House Proprietary Limited, are recognised as an asset. Goodwill is measured as the excess of the purchase consideration over the amounts of identifiable assets acquired and liabilities assumed. Goodwill is not believed to be impaired as the subsidiaries own properties.

Revenue recognition

Donations and bequests are recognised on the cash basis. Dividends are recognised when the right to receive payment is established. Interest income is accrued on a time basis by reference to the principal amount outstanding and at the applicable interest rate. Sales of goods, exclusive of value added taxation, are recognised when legal title has passed. Subscriptions are recognised on a time basis relating to the year for which members have subscribed. The portion of the subscriptions for the period that is not included in the financial year is accounted for as funds received in advance.

Project income is accounted for on the percentage of completion basis relative to the stages of completion of the various projects undertaken by the group. Amounts received from project funders are initially recorded in the statements of financial position as funds received in advance. The funds are released to the statements of comprehensive income on a systematic basis to the extent that expenditure is incurred on the various projects. The funds that are not utilised are recognised in the statements of financial position as funds received in advance.

Property, plant and equipment

Land and buildings are stated at historical cost less accumulated depreciation on buildings in accordance with IAS 16: Land is not depreciated.

Plant and equipment is stated at cost or valuation less accumulated depreciation and is depreciated on the straight line basis using rates appropriate to write off the cost of each asset over its estimated useful life. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Assets in excess of R7 000 are capitalised.

	Useful life <u>in years</u>
Buildings	25
Vehicles	5
Furniture and Equipment	3 to 5

Gains or losses arising from the revaluation of plant and equipment are recognised in equity through other comprehensive income. Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in the statements of surplus or deficit.

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**ACCOUNTING POLICIES (continued)
for the year ended 31 March 2020**

Biological assets

Biological assets are measured at their fair value less cost to sell, with any change therein recognised in surplus and deficit. Costs to sell include costs that would be necessary to sell the asset such as commission payable.

Investments

Investments classified as available for sale are stated at fair value. Gains and losses arising from a change in the fair value of investments available for sale are recognised in equity through other comprehensive income until the investment is disposed of or until the financial asset is determined to be impaired, in which case it is released to the statements of surplus or deficit.

Inventories

Inventories are stated at the lower of cost and net realisable value determined on the first-in first-out basis. Cost comprises costs that have been incurred in bringing the inventory to its present location and condition. Net realisable value represents the estimated selling price less all estimated costs to be incurred in the marketing, selling and distribution thereof.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, call and notice deposits and money market funds held with various institutions.

Provisions

Provisions are recognised where the company has a present legal or constructive obligation as a result of a past event, a reliable estimate of the obligation has been made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Financial instruments

In the current year, the company has applied IFRS 9 Financial Instruments (as revised in July 2014) and the related consequential amendments to other IFRSs. IFRS 9 replaces IAS 39 Financial Instruments and introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) impairment for financial assets and 3) general hedge accounting. Details of these new requirements as well as their impact on the group's financial statements are described below.

Financial assets

The principal financial assets are investments, bank balances, cash on hand and accounts receivable. Accounts receivable are initially recognised at fair value and reduced by appropriate allowances for estimated irrecoverable amounts.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Financial liabilities include finance leases, instalment sale agreements, accounts payable and funds received in advance.

Accounts payable and funds received in advance are stated at cost which approximates fair value.

Fair value estimation

Financial instruments that are measured in the statement of financial position at fair value or where the fair value of financial instruments have been disclosed in notes to the financial statements require disclosure of fair value measurements by level based on the following fair value measurement hierarchy:

- level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The significant inputs required to fair value all of the entity's financial instruments are either quoted prices or are observable. The entity only holds level 1 and 2 financial instruments and therefore does not hold any financial instruments categorised as level 3 financial instruments. There have also been no transfers of assets or liabilities between levels of the fair value hierarchy during the year.

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**ACCOUNTING POLICIES (continued)
for the year ended 31 March 2020**

Financial instruments (continued)

Specific valuation methodologies used to value financial instruments include:

Biological assets

Biological assets are measured at their fair value by using the average auction price of the wildlife for the financial year less the estimated average cost of transportation, game capture and veterinarian costs for the type of game held, less the cost to sell which includes commission payable. The wildlife is held at Umgeni Valley and maintained by the reserve manager. The births and deaths of animals are monitored and recorded, with yearly counts being performed.

Other Investments

The Society's investments in shares are fair valued by independent third parties, who in turn calculate the fair values as the present value of expected future cash flows based on observable market data; and

Other techniques, including discounted cash flow analysis, are used to determine the fair values of other financial instruments. The adjustment to the fair value is shown under other comprehensive income.

Post-retirement benefits

The policy of the group is to provide retirement benefits to all its employees who are eligible for membership through a defined contribution plan. The fund is governed by the Pension Funds Act, 1956 (Act 24 of 1956). The employer contributions to the pension fund are charged to the statements of comprehensive income.

Taxation

The company is exempt from income taxation in terms of section 10(1)(cN) of the Income Tax Act. The subsidiary companies are registered as taxpayers and are subject to normal company taxation.

Offsetting a financial asset and a financial liability

A financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when, and only when, WESSA:

- (a) currently has a legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

Impairment

The carrying amounts of the company's assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in surplus or deficit.

The recoverable amount of the company's receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

Reversal of impairment

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**ACCOUNTING POLICIES (continued)
for the year ended 31 March 2020**

Key sources of estimation uncertainty

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that the group's directors have assessed as having a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Judgements made by management

Preparing financial statements in accordance with IFRS requires estimates and assumptions that affect reported amounts and related disclosures. Certain accounting policies have been identified as involving particularly complex or subjective judgements or assessments. The items for consideration have been identified as follows:

Useful lives and residual values

Property, plant and equipment are depreciated over their estimated useful lives taking into account residual values where appropriate. The useful lives and residual values of assets are assessed annually taking into account factors such as technological innovation, product life cycles and maintenance programmes. Residual value assessments consider issues such as future market conditions, the remaining life of the assets and projected disposal values.

Impairment of assets

Ongoing assessments are made regarding any potential impairment of assets using assumptions made in terms of the models allowed under IFRS.

Biological assets

Biological assets are measured at their fair value by using the average auction price of the wildlife for the financial year, less cost to sell, estimated by the average cost of transportation, game capture and veterinarian costs for the type of game held. The wildlife is held at Umgeni Valley and maintained by the reserve manager, the births and deaths of animals are monitored and recorded, with yearly counts being performed.

New or revised International Financial Reporting Standards and International Accounting Standards applicable to future periods

The following relevant standards were in issue at the date of approval of these financial statements. The Society is in the process of evaluating the effects of these new standards and interpretations, but they are not expected to have a significant impact on the Society's results and disclosures:

		Effective for annual periods beginning on or after	Expected Impact
IFRS 16	Leases	1 January 2019	No material impact
IFRS 9	Financial instruments	1 January 2018	None
IFRS15	Revenue from contracts with customers	1 January 2018	None

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2020**

1. TOTAL SURPLUS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR

The total surplus and other comprehensive income for the year is arrived at after taking the following items:

	<u>2020</u> R	<u>Company</u> <u>2019</u> R	<u>2020</u> R	<u>Group</u> <u>2019</u> R
Income				
Investment income	3 130 515	3 850 313	3 130 515	3 850 313
(Loss)/Profit on sale of property, plant and equipment	28 299	(754 169)	28 299	748 189
(Loss)/profit on sale of listed investments	-	-	-	-
Fair value adjustment - biological assets	-	-	-	-
Expenditure				
Auditors' remuneration	851 000	792 000	851 000	792 000
Specific funds	10 000	-	10 000	-
General funds	841 000	792 000	841 000	792 000
Depreciation	1 192 988	935 699	858 070	1 270 720
Specific Funds	-	-	-	-
General funds	1 192 988	935 699	858 070	1 270 720
Directors' emoluments	3 573 122	3 028 538	3 573 122	3 028 538
Fair value adjustment – biological assets	-	-	34 000	74 000
Interest and finance charges	111 706	28 411	111 841	28 419
Staff costs	40 465 125	44 954 783	40 569 115	45 010 107
Specific funds	11 492 968	14 265 891	11 492 968	14 265 891
General funds	28 972 157	30 688 892	29 076 147	30 744 216

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020**

2. PROPERTY, PLANT AND EQUIPMENT

	<u>Land and buildings</u> R	<u>Motor vehicles</u> R	<u>Furniture and equipment</u> R	<u>Total</u> R
<u>Company</u>				
<u>2020</u>				
At the beginning of year				
Cost	1 396 233	1 874 372	5 100 536	8 371 141
Accumulated depreciation	<u>(507 341)</u>	<u>(1 416 574)</u>	<u>(4 216 403)</u>	<u>(6 140 318)</u>
Carrying value	888 892	457 798	884 133	2 230 823
Current year movements				
Additions at cost	-	-	320 526	320 526
Depreciation	-	(125 273)	(234 509)	(359 782)
Disposals - cost	-	-	(51 055)	(51 055)
Disposals – accumulated depreciation	<u>-</u>	<u>-</u>	<u>16 795</u>	<u>16 795</u>
At end of year	<u>888 892</u>	<u>332 525</u>	<u>935 890</u>	<u>2 157 306</u>
Made up as follows:				
Cost	1 396 233	1 874 372	5 370 007	8 640 612
Accumulated depreciation	<u>(507 341)</u>	<u>(1 541 847)</u>	<u>(4 434 117)</u>	<u>(6 483 305)</u>
Carrying value	<u>888 892</u>	<u>332 525</u>	<u>935 890</u>	<u>2 157 307</u>
<u>Company</u>				
<u>2019</u>				
At the beginning of year				
Cost	10 967 569	3 741 195	8 609 942	23 318 706
Accumulated depreciation	<u>(1 920 565)</u>	<u>(3 087 864)</u>	<u>(7 447 254)</u>	<u>(12 455 683)</u>
Carrying value	9 047 004	653 332	1 162 688	10 863 022
Current year movements				
Additions at cost	22 885	72 525	567 751	663 162
Depreciation	(291 044)	(163 407)	(481 248)	(935 699)
Disposals - cost	(9 594 221)	(1 939 349)	(4 077 157)	(15 610 726)
Disposals – accumulated depreciation	<u>1 704 268</u>	<u>1 834 697</u>	<u>3 712 099</u>	<u>7 251 064</u>
At end of year	<u>888 892</u>	<u>457 798</u>	<u>884 133</u>	<u>2 230 823</u>
Made up as follows:				
Cost	1 396 233	1 874 372	5 100 536	8 371 141
Accumulated depreciation	<u>(507 341)</u>	<u>(1 416 574)</u>	<u>(4 216 403)</u>	<u>(6 140 318)</u>
Carrying value	<u>888 892</u>	<u>457 798</u>	<u>884 133</u>	<u>2 230 823</u>

A register of land and buildings is available for inspection at the company's registered office.

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020**

2. PROPERTY, PLANT AND EQUIPMENT (continued)

	<u>Land and buildings</u> R	<u>Motor vehicles</u> R	<u>Furniture and equipment</u> R	<u>Total</u> R
<u>Group – 2020</u>				
At the beginning of year				
Cost	7 731 508	3 979 044	9 577 564	20 988 155
Accumulated depreciation	<u>(1 605 935)</u>	<u>(3 335 677)</u>	<u>(8 079 511)</u>	<u>(13 021 123)</u>
Carrying value	5 825 573	643 367	1 498 053	7 966 992
Current year movements				
Additions at cost	20 915	-	449 276	470 191
Depreciation	-	(162 387)	(435 243)	(597 630)
Disposals – cost	-	-	(51 055)	(51 055)
Disposals – accumulated depreciation	<u>-</u>	<u>-</u>	<u>16 795</u>	<u>16 795</u>
At end of year	<u>5 846 488</u>	<u>480 980</u>	<u>1 477 826</u>	<u>7 805 293</u>
Made up as follows:				
Cost	7 452 423	3 979 044	9 992 578	21 424 044
Accumulated depreciation	<u>(1 605 935)</u>	<u>(3 498 064)</u>	<u>(8 514 754)</u>	<u>(13 618 753)</u>
Carrying value	<u>5 846 488</u>	<u>480 980</u>	<u>1 477 824</u>	<u>7 805 291</u>
<u>Group – 2019</u>				
At the beginning of year				
Cost	11 239 536	3 741 195	8 609 942	23 590 673
Accumulated depreciation	<u>(1 920 565)</u>	<u>(3 087 863)</u>	<u>(7 447 254)</u>	<u>(12 455 682)</u>
Carrying value	9 318 971	653 332	1 162 688	11 134 991
Current year movements				
Additions at cost	216 853	237 849	1 070 026	1 524 728
Depreciation	(291 044)	(247 814)	(731 863)	(1 270 722)
Disposals – cost	(4 024 882)	-	(102 405)	(4 127 286)
Disposals – accumulated depreciation	<u>605 674</u>	<u>-</u>	<u>99 606</u>	<u>705 280</u>
At end of year	<u>5 825 573</u>	<u>643 367</u>	<u>1 498 053</u>	<u>7 966 992</u>
Made up as follows:				
Cost	7 431 508	3 979 044	9 577 564	20 988 115
Accumulated depreciation	<u>(1 605 935)</u>	<u>(3 335 677)</u>	<u>(8 079 511)</u>	<u>(13 021 123)</u>
Carrying value	<u>5 825 573</u>	<u>643 367</u>	<u>1 498 053</u>	<u>7 966 992</u>

A register of land and buildings is available for inspection at the company's registered office.

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020**

3. BIOLOGICAL ASSETS

	<u>Level</u>	<u>Group</u>	
		<u>2020</u> R	<u>2019</u> R
Wild game	2		
Opening balance		144 000	218 000
Revaluation during year		-	-
Change in fair value less cost to sell		(34 000)	(74 000)
At end of year	2	<u>110 000</u>	<u>144 000</u>

Various wild game is owned by Umgeni Valley. These animals are considered biological assets in terms of the IAS 41: Agriculture, and hence should be accounted as such in the financial statements and accounting records of the entity. The inputs used to determine the fair value of the biological assets are as follows:

The current bid price on general public auction as at 31 March 2020:

Blesbok	1 850	-
Blue Wildebeest - Male	3 522	3 200
Blue Wildebeest - Female	2 278	2 650
Bushbuck	-	9 000
Reedbuck	13 000	-
Giraffe	13 300	12 000
Impala	1 341	13 000
Nyala	8 063	10 000
Zebra	2 469	4 500
Less the cost of the veterinarian, transport to get the animals to market	35%	35%
Cost to sell (commission):	25%	25%
Wild game	Per head	Per head
Opening balance	69	89
Nativity(Births)	13	7
Mortality(Deaths)	(5)	(27)
Purchase/Sales	-	-
Closing balance	<u>77</u>	<u>69</u>

4. INVESTMENT IN SUBSIDIARIES

	<u>Company</u>	
	<u>2020</u> R	<u>2019</u> R
Shares at cost		
Wildlife Marketing Services Proprietary Limited	3	3
Wildlife House Proprietary Limited	5 776	5 776
	<u>5 779</u>	<u>5 779</u>
Loans (from)/to subsidiaries		
Wildlife Marketing Services Proprietary Limited	9 002 780	4 260 427
Wildlife Heritage	(33 259)	(33 259)
Charles Humphries	5 205	5 205
Wildlife House Proprietary Limited	1 161 423	(1 161 423)
	<u>7 819 082</u>	<u>3 076 728</u>
Less the current portion of loan to subsidiaries	<u>(7 813 303)</u>	<u>(3 070 949)</u>
	<u>5 779</u>	<u>5 779</u>

The number of shares in and the nature of the subsidiaries are disclosed in the directors' report. The amounts due by the subsidiaries are classified as loans and receivables and their carrying value approximates fair value.

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020**

5. OTHER INVESTMENTS

	<u>Level</u>	<u>Company</u>		<u>Group</u>	
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
		<u>R</u>	<u>R</u>	<u>R</u>	<u>R</u>
Listed investments available for sale					
Shares, gifts and unit trusts – Cost		17 203 319	16 231 593	17 203 319	16 231 593
Adjustment for fair value		12 798 425	17 891 061	12 798 425	17 891 061
Market value	1	<u>30 001 744</u>	<u>34 122 654</u>	<u>30 001 744</u>	<u>34 122 654</u>

Investments available for sale are measured at fair value on a recurring basis, using the quoted price in an active market. These investments are categorised as a Level 1 on the fair value hierarchy. The Level 1 investments reflects an increase in the fair value of listed shares.

Reconciliation

Opening balance		34 122 654	39 089 348	34 122 654	39 089 348
Unit trust acquired			171 993		171 993
Unit trusts withdrawal		(4 271 765)	-	(4 271 765)	-
Fair value gain		132 928	26 952	132 928	26 952
Fair value loss		(42 556)	(5 165 639)	(42 556)	(5 165 638)
Reinvestment Income		60 484		60 484	
Closing balance		<u>30 001 744</u>	<u>34 122 653</u>	<u>30 001 744</u>	<u>34 122 654</u>

A donor has stipulated specific restrictions on the sale of the following shares which are included above, they are to remain as core reserves to Wessa and as such are non-distributable in nature.

Non-distributable shares – cost		13 962 500	13 962 500	13 962 500	13 962 500
Adjustment for fair value		15 931 000	15 931 000	15 931 000	15 931 000
		<u>29 893 500</u>	<u>29 893 500</u>	<u>29 893 500</u>	<u>29 893 500</u>

6. CURRENT LOAN RECEIVABLE/(PAYABLE)

Loan receivable		2 277 114	2 452 625	2 275 114	2 452 625
Provision for impairment		(2 395 699)			
Loan payable		(9 929)	(10 894)	(9 929)	(10 894)
		<u>(128 514)</u>	<u>2 441 731</u>	<u>2 265 185</u>	<u>2 441 731</u>

This loan is to a related party. It is classified as a loan payable and is receivable and its carrying value approximates fair value. The loan payable is carried at amortised cost and approximates fair value.

The loan receivable and the loan payable bear no interest and have no fixed terms of repayment, there is no expectation of the settlement of these loans in the next financial year.

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020**

7. INVENTORIES

	<u>Company</u>		<u>Group</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	R	R	R	R
Merchandise	-	-	-	18 034
Provision for obsolescence	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>18 034</u>

8. ACCOUNTS RECEIVABLE

Project funding and trade debtors	3 425 351	4 184 900	4 480 229	3 421 615
Allowance for doubtful debts	(276 001)	-	(276 001)	-
	<u>3 149 350</u>	<u>4 184 900</u>	<u>4 204 228</u>	<u>3 421 615</u>
Credit balances allocated to				
Accounts payable	316 971	314 363	316 971	314 363
Accounts Payable with debit balances	207 479	-	207 479	-
Vat receivable	434 427	135 831	470 852	685 063
Other debtors and prepayments	2 440 947	1 716 675	2 468 327	1 744 054
	<u>6 549 175</u>	<u>6 351 769</u>	<u>7 667 856</u>	<u>6 165 095</u>

Reconciliation of allowance for doubtful debts

Opening balance	-	-	-	-
Debts written off	-	-	-	-
Increase/(Decrease) in allowance	<u>276 001</u>	<u>-</u>	<u>276 001</u>	<u>-</u>
	<u>276 001</u>	<u>-</u>	<u>276 001</u>	<u>-</u>

Trade and other receivables are classified as loans and receivables and their carrying amount approximates fair value. They are predominantly non-interest bearing. The majority of accounts receivable comprises project funding. Intercompany balances are eliminated for the group.

Concentrations of credit risk are limited as a result of the group's customer base being large and unrelated. Because of this the directors believe there is no further credit risk provision required in excess of the allowance for doubtful debts. Any expected credit losses make use of a provision matrix if necessary.

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020**

9. CAPITALISED FINANCE LEASE LIABILITY

	<u>Company</u>		<u>Group</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	R	R	R	R
Total liability	-	-	-	-
Portion payable within one year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The capitalised finance lease liability was carried at amortised cost and its carrying value approximated fair value. The liability was fully paid up in the prior year.

10. FUNDS RECEIVED IN ADVANCE

Specific funds	17 975 887	13 095 749	17 975 887	13 095 749
General funds	977 546	3 237 920	977 538	3 347 884
	<u>18 953 432</u>	<u>16 333 669</u>	<u>18 953 424</u>	<u>16 443 633</u>

11. ACCOUNTS PAYABLE

Trade payables	1 714 285	2 320 222	1 715 506	2 605 826
Accruals	30 076	53 607	51 204	211 798
VAT payable	-	-	-	-
Debit Balance allocated to Accounts receivable	207 479		209 838	
Accounts receivable credit balance	316 971	314 363	316 971	314 363
	<u>2 268 812</u>	<u>2 688 192</u>	<u>2 293 519</u>	<u>3 131 987</u>

Trade and other payables are measured at amortised cost and their carrying value approximates fair value. They are predominantly non-interest bearing. The average credit period of purchases from suppliers is 30 days. The group has financial risk management policies in place to ensure that all payables are settled within the pre-agreed credit terms.

12. OPERATING LEASE LIABILITY

Right of use Liability	758 582	-	758 582	-
Operating lease liability	24 675	30 506	24 675	30 506
	<u>783 257</u>	<u>30 506</u>	<u>783 257</u>	<u>30 506</u>
Minimum Lease Payments				
Within one year	-	1 518 369	-	1 518 369
2-5 years	-	793 023	-	793 023
	<u>-</u>	<u>2 311 392</u>	<u>-</u>	<u>2 311 392</u>

Lease obligations on rents paid using the fair value method based on the duration of the various leases.

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020**

13. PROVISIONS

	<u>Company</u>		<u>Group</u>	
	<u>2020</u> R	<u>2019</u> R	<u>2020</u> R	<u>2019</u> R
Audit provision	816 000	740 000	816 000	740 000
Leave pay	1 561 880	1 419 107	1 561 880	1 419 107
Bonus	-	1 102 272	-	1 102 272
Workman's compensation	-	-	-	-
	<u>2 377 880</u>	<u>3 261 379</u>	<u>2 377 880</u>	<u>3 261 379</u>
Reconciliation of provisions				
Leave pay				
Opening balance	1 419 107	1 600 529	1 419 107	1 600 529
Leave paid out	(133 534)	(561 258)	(133 534)	(561 258)
Increase in provision	276 307	379 836	276 307	379 836
	<u>1 561 880</u>	<u>1 419 107</u>	<u>1 561 880</u>	<u>1 419 107</u>
Leave was not fully utilised in the current year				
Bonus				
Opening balance	1 002 552	1 002 552	1 002 552	1 002 552
Bonus paid to employees	(1 002 552)	(1 002 552)	(1 002 552)	(1 002 552)
(Decrease)/Increase in provision	-	1 102 272	-	1 102 272
	<u>-</u>	<u>1 102 272</u>	<u>-</u>	<u>1 102 272</u>
Workman's compensation				
Opening balance	-	1 010 834	-	1 010 834
(Decrease)/Increase in provision	(1 010 834)	(1 010 834)	(1 010 834)	(1 010 834)
	<u>(1 010 834)</u>	<u>-</u>	<u>(1 010 834)</u>	<u>-</u>

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020**

14. FINANCIAL RISK MANAGEMENT

Credit risk

Potential concentrations of credit risk consist mainly of trade debtors, project funding and bank balances. Trade debtors comprise a large, widespread customer base of project funders. The Society reviews the debtors and their balances on an ongoing basis to evaluate the recoverability of the debtors. Bank balances are maintained at large, reputable financial institutions. At the reporting date the Society did not consider there to be any significant concentration of credit risk that had not been adequately provided for. A breakdown of debtors past due but not impaired is contained in note 8.

The group has been granted the following credit facilities by its banker, First National Bank, which are reviewed in April each year.

	<u>2020</u> R	<u>2019</u> R
Overdraft facility	50 000	50 000
Group credit card facility	300 000	300 000
Settlement – On Line Collection	9 000	9 000
Auto Card Facility	150 000	150 000
	<u>509 000</u>	<u>509 000</u>

Security Held as at 31 March 2020

Cession of Creditor Balances dated 17/04/2015 for R150 000

Account Number – 71532289678.

Resolution by the Board Members dated 7/06/2007

Interest rate risk

In the normal course of business, the group is exposed to the effect of movements in interest rates. Decisions on interest rates are made according to short, medium and long-term expectations.

Interest rate profile	<u>2020</u> %	<u>2019</u> %
Capitalised finance lease liability	-	-
Bank and Investments	6.3	9.2
Interest rate sensitivity analysis		
+1%	181 097	207 419
-1%	181 097	207 419

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020**

14 FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

The group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate borrowing facilities are maintained. The directors may from time to time at their discretion borrow moneys for the purposes of the group as they deem fit. The borrowing limits in the articles of association are determined by the directors.

Current Liabilities analysis

Company	Less than 1 year R	Between 1 to 3 years R	Total R
At 31 March 2020			
Instalment sale and lease liabilities	783 257	-	783 257
Accounts payable	4 410 061	-	4 410 061
	<u>4 923 317</u>	<u>-</u>	<u>4 923 317</u>
At 31 March 2019			
Instalment sale and lease liabilities	30 506	-	30 506
Accounts payable	2 688 192	-	2 688 192
	<u>2 718 698</u>	<u>-</u>	<u>2 718 698</u>
Group	Less than 1 year R	Between 1 to 3 years R	Total R
At 31 March 2020			
Instalment sale and lease liabilities	783 257	-	783 257
Accounts payable	1 769 069	-	1 769 069
	<u>2 552 326</u>	<u>-</u>	<u>2 552 326</u>
At 31 March 2019			
Instalment sale and lease liabilities	30 506	-	30 506
Accounts payable	3 131 987	-	3 131 987
	<u>3 162 493</u>	<u>-</u>	<u>3 162 493</u>

15. POST-RETIREMENT BENEFITS

The group participates in a pension fund which covers its employees. The fund is a defined contribution fund and is registered in terms of the Pension funds Act, 1956. All pension fund contributions form part of employees' cost to company and therefore no liability arises for the provision of post-retirement benefits.

The average number of contributors and total contributions to the group pension fund are as follows:

	2020 R	2019 R
Total contributions to group pension fund	<u>2 591 743</u>	<u>2 591 707</u>
Average number of contributors	89	97

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020**

16. COMMITMENTS FOR EXPENDITURE

There are no commitments for the acquisition of non-current assets after the reporting period.

17. CONTINGENT LIABILITIES

The Society does from time to time consider it necessary to enter into litigation against parties who, in the opinion of the Society, are acting contrary to legislation and that such actions may have a negative impact on the environment. Litigation of this nature can give rise to counter claims by the respondents. Any resultant liability to the Society is not quantifiable until such counter claims arise and are capable of being quantified. Accordingly, no provision is made in the annual financial statements in this regard.

18. TAXATION

	<u>2020</u> R	<u>Group</u>	<u>2019</u> R
Reconciliation of the tax expense for the group			
Reconciliation between applicable tax rate and average effective tax rate			
Net Profit before tax	(915 727)		98 280
Tax at domestic income tax rate of 28%	<u>(256 403)</u>		<u>27 519</u>
Tax effects of adjustments:			
Tax exempt entities	-		168 242
Assessed loss not recognised	(953 075)		(96 497)
Tax on capital gains	<u>-</u>		<u>(10 359)</u>
	<u>(953 075)</u>		<u>88 905</u>
Applicable tax rate	28%		28%
Assessed loss not raised	<u>-</u>		<u>-</u>
Effective tax rate	<u>28%</u>		<u>28%</u>
Wildlife House Proprietary Limited	<u>-</u>		<u>6 280</u>
Wildlife Heritage Trust Fund	<u>-</u>		<u>9 274</u>

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**ANALYSIS OF SPECIFIC FUNDS INCOME AND EXPENDITURE
for the year ended 31 March 2020**

	Income R	Expenditure R	Unexpended funds at end of year R
Income over R1 million	75 345 187	75 345 187	14 871 987
Department of Environmental Affairs – DEA NRM	16 873 766	16 873 766	3 491 044
Department of Environmental Affairs - YES	15 251 905	15 251 905	(206 865)
Tourism Green Coast project	14 137 275	14 137 275	2 182 684
Work skills training	9 685 059	9 685 059	235 220
Tourism Blue Flag	4 367 764	4 367 764	3 803 858
Chris Hani District Municipality	3 826 732	3 826 732	3 239 186
Sishen	3 677 582	3 677 582	991 598
Balwin	2 942 731	2 942 731	292 519
Africa Germany Youth Initiative	2 892 373	2 892 373	879 444
Tourism Green Coast	1 690 000	1 690 000	(36 791)
Income R100 000 to R999 999	7 678 303	6 760 191	4 990 881
Glencore	918 112	-	154 291
EEESAY	874 620	874 620	950
AECI	783 396	783 396	712 444
Independently Registered schools	480 179	480 179	20 923
DeBeers Trust	456 411	456 411	625 642
Sasol	437 376	437 376	412 563
Rand Merchant Bank	410 865	410 865	456 833
Childhood foundation	369 556	369 556	423 246
Old Projects	353 593	353 593	1 085 103
Mr Price	315 177	315 177	175 308
HeadStart and HHH	285 575	285 575	-
Rustenberg Community Development Trust	271 769	271 769	66 609
Bakwena	226 786	226 786	91 294
Rose Foundation	220 717	220 717	8 279
UVNR-Investment project	191 707	191 707	123 677
#OMY	171 659	171 659	-
N3TC	168 173	168 173	10 358
SAPPI	166 818	166 818	-
Italtile	166 664	-	237 809
Capricorn District Municipality	151 482	151 482	222 759
Strategic Investments	140 383	140 383	73 291
NC Working for the coast	117 287	117 287	(500)

**THE WILDLIFE AND ENVIRONMENT SOCIETY OF SOUTH AFRICA (RF) NPC
(Incorporated Association not for Gain) and its Subsidiaries**

**ANALYSIS OF SPECIFIC FUNDS INCOME AND EXPENDITURE
for the year ended 31 March 2020**

	Income R	Expenditure R	Unexpended funds at end of year R
Income R10 000 to R99 999	653 118	653 118	1 352 747
Orion	159 584	159 584	155 465
Afrika Tikkun	82 100	82 100	539 000
Ceramic Industries	70 556	70 556	200 315
Suntory	69 844	69 844	37 428
Go Goals Game	58 151	58 151	18 089
Nampak	44 263	44 263	-
ANB Investments	29 545	29 545	16 300
i4Water	29 503	29 503	348 890
National Lotteries	26 690	26 690	1 500
Botanical Society	26 562	26 562	17 157
Anglo	23 357	23 357	-
Van Staden	12 345	12 345	5 710
Impumelelo	10 618	10 618	12 893
PnP	10 000	10 000	-
Income under R10 000	17 011	17 011	15 996
Nestle	8 695	8 695	-
Richards Bay Minerals	7 571	7 571	-
LIM476	6 882	6 882	-
Engagement Global	4 908	4 908	5 540
Rise for climate	3 269	3 26	-
Eco-Campus	518	518	10 455
SAB	(14 833)	(14 833)	-
Other funds	-	-	1 186 284
Moss Trust	-	-	633 629
YRE Registration fees	-	-	47 142
uMnngeni Resilience	-	-	434 500
EDTEACare	-	-	23 007
Exxon-Mobil	-	-	1 045
USAID	-	-	7 346
Greening	-	-	8 732
Giant Sable	-	-	30 883