

Two Oceans Aquarium Education Foundation
(Registration number IT0004322017)

**Annual Financial Statements
for the year ended 31 March 2020**

Hudson Accounting
Chartered Accountants (SA)
Registered Auditors
Issued 26 March 2021

Two Oceans Aquarium Education Foundation

(Registration number: IT0004322017)

Annual Financial Statements for the year ended 31 March 2020

General Information

Country of incorporation and domicile	South Africa
Trustees	P Garratt M Farquhar
Registered office	Dock Road V&A Waterfront Cape Town 8002
Auditors	Hudson Accounting Chartered Accountants (SA) Registered Auditors IRBA 949639 47 Upper De Waal Road Corner 11th Avenue / Kommetjie Road Fish Hoek 7974
Trust registration number	IT0004322017
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Trust Property Control Act 57 of 1988.
Preparer	The annual financial statements were independently compiled by: T Hickman Chartered Accountant (SA)
Issued	26 March 2021

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Trustees' Responsibilities and Approval

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

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


The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the trustees 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 trust and all employees are required to maintain the highest ethical standards in ensuring the trust's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the trust is on identifying, assessing, managing and monitoring all known forms of risk across the trust. While operating risk cannot be fully eliminated, the trust endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

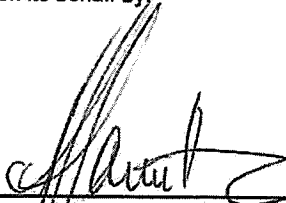
The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

The trustees have reviewed the trust's cash flow forecast for the year to 31 March 2021 and, in the light of this review and the current financial position, They are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the trust's annual financial statements. The annual financial statements have been examined by the trust's external auditors and their report is presented on pages 6 to 11.

The annual financial statements set out on pages 4 to 12, which have been prepared on the going concern basis, were approved by the board on 09 April 2021 and were signed on its behalf by:


Trustee M. FARQUHAR


Trustee P. A. GARRATT

Cape Town
09 April 2021

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Trustees' Report

The trustees have pleasure in submitting their report on the annual financial statements of Two Oceans Aquarium Education Foundation for the year ended 31 March 2020.

1. Nature of business

Two Oceans Aquarium Education Foundation was formed in South Africa. The principal activity of the trust is marine education, conservation and research. The trust operates in Cape Town, South Africa.

There have been no material changes to the nature of the trust's business from the prior year.

2. Review of financial results and activities

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

3. Trustees

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

Trustees
P Garratt
M Farquhar

4. Events after the reporting period

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

5. Going concern

Despite the current COVID-19 pandemic, the trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The founder of the Two Oceans Aquarium Education Foundation, being the Two Oceans Aquarium Trust, has undertaken to provide financial support in the form of donations to enable the trust to operate at its current level of activity for a period not less than 12 months from the signing date of the financial statements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the trust.

6. Auditors

Hudson Accounting were appointed as auditors for the trust for 2020.

Independent Auditor's Report

To the trustee of Two Oceans Aquarium Education Foundation

Opinion

We have audited the annual financial statements of Two Oceans Aquarium Education Foundation (the trust) set out on pages 7 to 12, which comprise the statement of financial position as at 31 March 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Two Oceans Aquarium Education Foundation as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Trust Property Control Act 57 of 1988.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the trust in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "Two Oceans Aquarium Education Foundation annual financial statements for the year ended 31 March 2020", which includes the Trustees' Report as required by the Trust Property Control Act 57 of 1988 and the Statement of Comprehensive Income, which we obtained prior to the date of this report. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual 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 annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of the trustees for the Annual Financial Statements

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

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

Independent Auditor's Report

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

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

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

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual 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 annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Hudson Accounting

Hudson Accounting
DL Hickman
Chartered Accountants (SA)
Registered Auditors
IRBA 949639

09 April 2021

47 Upper De Waal Road
Corner 11th Avenue / Kommetjie Road
Fish Hoek
7974

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Statement of Financial Position as at 31 March 2020

Figures in Rand	Note(s)	2020	2019
Assets			
Current Assets			
Cash and cash equivalents	2	1,097,216	748,664
Total Assets		1,097,216	748,664
Equity and Liabilities			
Equity			
Accumulated (deficit) surplus		(124,478)	198,664
Liabilities			
Non-Current Liabilities			
Other financial liabilities	3	1,209,732	550,000
Current Liabilities			
Trade and other payables	4	11,962	-
Total Liabilities		1,221,694	550,000
Total Equity and Liabilities		1,097,216	748,664

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2020	2019
Revenue			
Sale of goods		10,908	-
Direct costs			
The Aquarium Trust		(287,693)	(550,000)
Turtles and books		(42,522)	-
		(330,215)	(550,000)
Gross deficit		(319,307)	(550,000)
Donations			
Donations for conservation		154,024	144,810
Donation - The Aquarium Trust		620,097	550,000
Donations - other		41,736	55,307
		815,857	750,117
Operating expenses			
Bank charges		7,410	1,453
Commission paid		150	-
Employee costs		754,373	-
IT expenses		158	-
Office expenses		1,530	-
Staff welfare		182	-
Telephone and fax		6,979	-
Training		48,910	-
		819,692	1,453
(Deficit) surplus for the year		(323,142)	198,664

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Statement of Changes in Equity

Figures in Rand	Trust capital	Accumulated (deficit) surplus	Total equity
Surplus for the year	-	198,664	198,664
Balance at 01 April 2019	-	198,664	198,664
Deficit for the year	-	(323,142)	(323,142)
Balance at 31 March 2020	-	(124,478)	(124,478)

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Statement of Cash Flows

Figures in Rand	Note(s)	2020	2019
Cash flows from operating activities			
Cash (used in) generated from operations	6	<u>(311,180)</u>	<u>198,664</u>
Cash flows from financing activities			
Repayment of other financial liabilities		<u>659,732</u>	<u>550,000</u>
Net cash from financing activities		<u>659,732</u>	<u>550,000</u>
Total cash movement for the year		348,552	748,664
Cash at the beginning of the year		<u>748,664</u>	<u>-</u>
Total cash at end of the year	2	<u>1,097,216</u>	<u>748,664</u>

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Accounting Policies

1. Basis of preparation and summary of significant accounting policies

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

These accounting policies are consistent with the previous period.

1.1 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

1.2 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable surplus will be available against which the deductible temporary difference can be utilised.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused STC credits to the extent that it is probable that future taxable surplus will be available against which the unused tax losses and unused STC credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.3 Revenue

Revenue is recognised to the extent that the trust has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the trust. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

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Notes to the Annual Financial Statements

Figures in Rand	2020	2019
2. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	1,097,216	748,664
3. Other financial liabilities		
At amortised cost		
Two Oceans Aquarium Trust	1,209,732	550,000
This loan is unsecured, interest free and has no terms of repayment. By intent, the loan is long term in nature.		
Non-current liabilities		
At amortised cost	1,209,732	550,000
4. Trade and other payables		
Trade payables	158	-
Conservation Fund	9,735	-
Deposits received	2,000	-
Other payables	68	-
	11,961	-
5. Taxation		
No provision has been made for 2020 tax as the trust has no taxable income. The trust is an approved Public Benefit Organisation set out in section 30(3) of the Income Tax Act and is therefore tax exempt. The estimated tax loss available for set off against future taxable income is R - (2019: R -).		
6. Cash (used in) generated from operations		
(Deficit) surplus before taxation	(323,142)	198,664
Changes in working capital:		
Trade and other payables	11,962	-
	(311,180)	198,664
7. Related parties		
Relationships		
Trust Founder	Two Oceans Aquarium Trust	
Related party balances and transactions		
Related party balances		
Loan accounts - Owing (to) by related parties		
Two Oceans Aquarium Trust	(1,209,732)	(550,000)