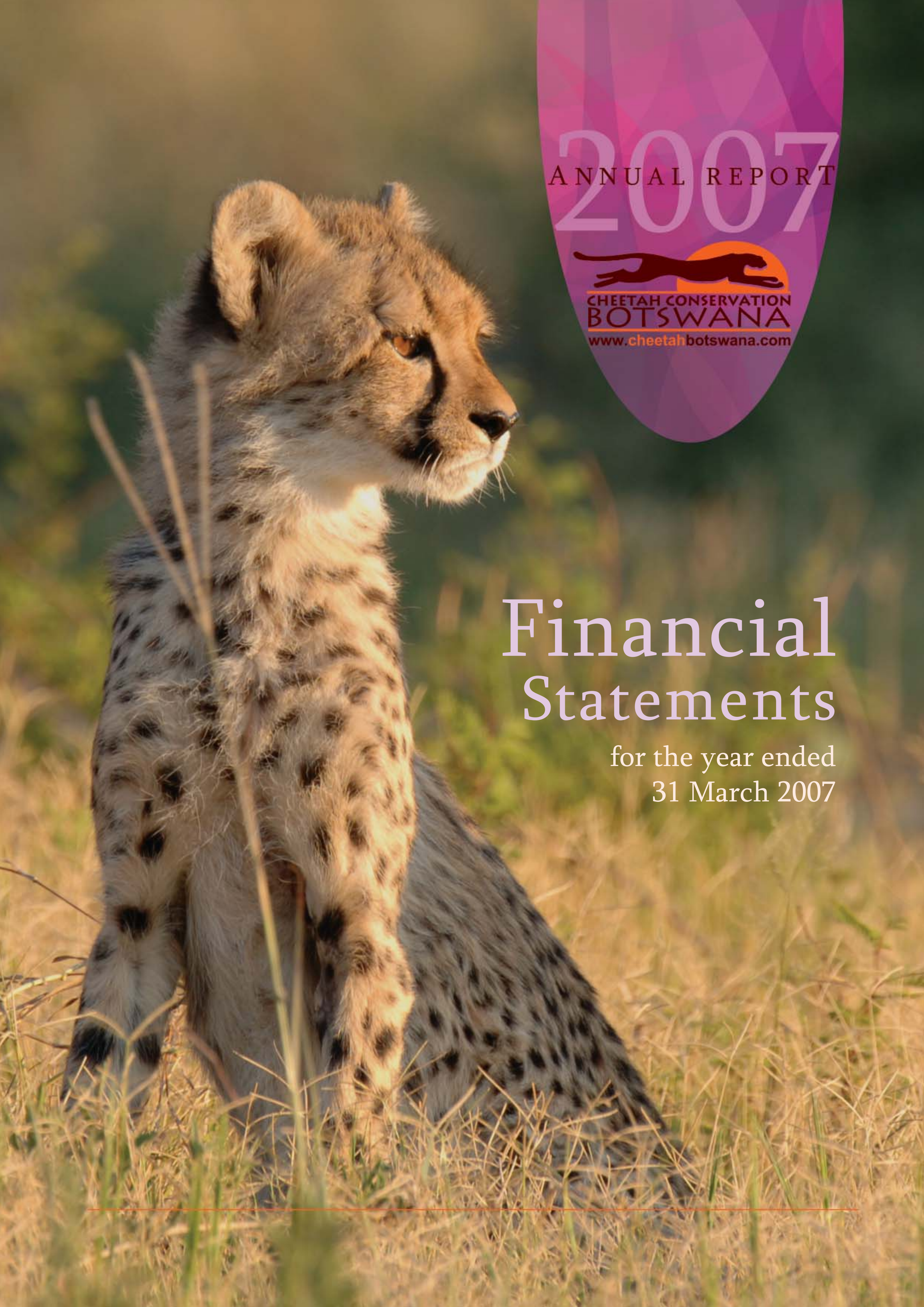

2007 ANNUAL REPORT

CHEETAH CONSERVATION BOTSWANA

www.cheetahbotswana.com

Financial Statements

for the year ended 31 March 2007

2007 ANNUAL REPORT

CHEETAH CONSERVATION BOTSWANA
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Results for the financial year of 2006/2007 illustrate the continuing growth of Cheetah Conservation Botswana and the increases in income and expenditure necessary to enable the project to meet its conservation objectives.

Financial Statements

for the year ended 31 March 2007

CORPORATE INFORMATION

Country of Incorporation & Domicile:	Botswana
Company Registration Number:	CO 2004/6104
Date of Incorporation:	09 August 2004
Nature of Business:	To conserve Botswana's cheetah population and other related predators.
Board of Directors:	Mr. Sedia Modise (Chairman, non-executive Director) Dr. Kyle Good (Executive Director) Ms. Rebecca Klein (Executive Director) Ms. Ann Marie Houser (Executive Director)
Governing Board of Members:	Mr. Harold Hester Dr. Gabotsewe B. Sekgororoane Ms. Brigid Taylor Mr. Neil Whitson Mr. Felix Monggae Ms. Jeanetta Selier Ms. Nancy Kgengwenyane
Address:	Mokolodi Nature Reserve Private Bag 0457 Gaborone Botswana
Registered Office:	Plot 213 Independence Avenue & Moremi Road Gaborone Botswana
Bankers:	First National Bank Botswana Ltd Gaborone Botswana
Company Secretary:	Accord Business Developments (Pty) Ltd Private Bag 00352 Gaborone Botswana
Independent Auditors:	IAMS Dayani SriDaran & Co. Certified Public Accountants Plot 766 Ikageng Way P.O. Box 1874 Gaborone Botswana

DIRECTORS' REPORT

The Board of Directors takes pleasure in submitting the report and accounts for the year ended 31 March 2007.

Principle Activities and Review of Business

The Company's principle objective is to conserve Botswana's cheetah population and other related predators and to provide facilities to support the running of educational and training activities to both adults and children.

Results

The company recorded a net surplus of P635,184 for the year (20 months to 2006 surplus P860,819).

Events after the Balance Sheet

There have been no significant events since the balance sheet date.

Directors

The Directors who served during the year are as follows:

Mr. Sedia Modise (Chairman)
Dr. Kyle Good
Ms. Rebecca Klein
Ms. Ann Marie Houser

In terms of the Memorandum & Articles of Association, the members are liable up to the sum of P100 for any debts incurred by the organization during their tenure and up to a period of twelve months from the date of their retirement.

Directors' Responsibilities for the Financial Statements & Annual Report

In preparing the accompanying financial statements, International Reporting Standards have been used and applied consistently, and prudent judgements and estimates have been made. The financial statements also comply with the requirements of the Botswana Companies Act. The financial statements incorporate full and responsible disclosure in line with the stated philosophy of the organization.

These financial statements are prepared on the basis that the organization will be a going concern for the foreseeable future. In light of the current financial position, the directors are satisfied that Cheetah Conservation Botswana (Limited by Guarantee) is a going concern and have continued to adopt the going concern basis in preparing the financial statements. The organization's external auditors, IAMS, have audited the financial statements and their report appears on page 4. The directors believe that all representations made to the independent auditors, during the audit, are valid and appropriate.

The Board' recognizes and acknowledges its responsibility for the organization's systems of internal financial control. Cheetah Conservation Botswana's policies on business conduct, which cover ethical behaviour, compliance with legislation and sound accounting practice, underpin the Company's internal financial control process.

Approval of Financial Statements

The Annual Financial Statements of the organization, which appear on pages 5 to 15, were approved by the Board of Directors and are signed on its behalf by:

Mr. Sedia C. Modise
DIRECTOR

Dr. Kyle Good
DIRECTOR

REPORT OF THE INDEPENDENT AUDITOR

TO THE MEMBERS OF CHEETAH CONSERVATION BOTSWANA (LIMITED BY GUARANTEE)

Report on the Financial Statements
We have audited the accompanying financial statements of Cheetah Conservation Botswana (Limited by Guarantee), as set out on pages 5 to 14, which comprise the balance sheet as at March 31 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements
The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of Botswana (Companies Act, 2003).

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's 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 audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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 audit opinion.

Qualification
In common with similar organizations, it is not feasible for the Company to institute accounting controls over cash collection from donations prior to the initial entry of the collection in the accounting records. Accordingly, it was impractical for us to extend our examinations beyond receipts actually recorded and the estimates in kind provided.

Opinion
In our opinion, except for the effects on the financial statements of the matter referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of Cheetah Conservation Botswana (Limited by Guarantee) as of March 31, 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of Botswana (Companies Act, 2003).

Supplementary Information
The supplementary schedule set out on page 16 does not form part of the annual financial statement and is presented as additional information. We have not audited this schedule and accordingly we do not wish to express an opinion on it.

IAMS

iams
Certified Public Accountants
Gaborone
27 July 2007

INCOME STATEMENT

	Note	2007	20 Months 2006
Income	1	**1,384,480**	**1,632,839**
Other Income		210,807	148,806
Administrative Expenses		(959,249)	(920,150)
Surplus before taxation	2	**636,038**	**861,550**
Taxation	3	(854)	(731)
Net surplus after taxation for the year/period		**635,184**	**860,819**

BALANCE SHEET

	Note	2007	20 Months 2006
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	4	327,391	528,643
Total non-current assets		**327,391**	**528,643**
CURRENT ASSETS			
Receivables and prepayments	5	39,135	22,854
Assets held for sale	6	228,654	-
Cash and cash equivalents	8.b	1,823,040	949,331
Total current assets		**2,090,829**	**972,185**
Total Assets		**2,418,220**	**1,500,828**
EQUITY AND LIABILITIES			
EQUITY			
Capital grants		398,978	307,381
Accumulated funds		1,778,205	1,143,021
Total equity		**2,177,183**	**1,450,402**
CURRENT LIABILITIES			
Trade and other payables	7	240,300	49,696
Taxation payable		737	731
Total current liabilities		**241,037**	**50,427**
Total Equity and Liabilities		**2,418,220**	**1,500,828**

CASH FLOW STATEMENT

	Note	2007	20 Months 2006
CASH FLOW GENERATED BY OPERATING ACTIVITIES		**894,349**	**941,365**
Net cash generated by operations	**8.a**	881,362	922,772
Interest received	**2**	13,835	18,593
Taxes paid		(848)	-
CASH FLOW UTILIZED IN INVESTING ACTIVITIES		**(177,935)**	**(598,549)**
Acquisition of plant and machinery		(182,935)	(598,549)
Sale proceeds on disposal of property, plant & equipment		5,000	-
CASH FLOW GENERATED BY FINANCING ACTIVITIES		**157,294**	**606,516**
Capital grant received		157,294	341,326
Surplus funds received from Mokolodi Nature Reserve		-	265,190
NET INCREASE IN CASH EQUIVALENTS FOR THE YEAR/PERIOD		**873,708**	**949,331**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR/PERIOD		**949,331**	**-**
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		**1,823,040**	**949,331**

STATEMENT OF CHANGES IN EQUITY

	Accumulated Funds (Pula)	Capital Grants (Pula)	Total (Pula)
Changes in Equity			
Surplus for the period ended 31 March 2006	860,819	-	860,819
Grant received during the period	-	341,326	341,326
Amortisation of the grant	-	(33,945)	(33,945)
Surplus fund from Mokolodi Nature Reserve	282,202	-	282,202
Balance at 31 March 2006	**1,143,021**	**307,381**	**1,450,402**
Surplus for the year ended 31 March 2007	635,184	-	635,184
Grant received during the year	-	157,294	157,294
Amortisation of the grant	-	(66,697)	(66,697)
Balance at 31 March 2007	**1,778,205**	**398,978**	**2,177,183**

ACCOUNTING POLICIES

Presentation of financial statements

These financial statements are presented in Pula, the currency of Botswana.

The annual financial statements are prepared on the going concern basis, using historical cost convention as modified by the re-statement of certain financial instruments to fair value, in conformity with International Financial Reporting Standards, and incorporate the following principle accounting policies.

The preparation of financial statements in conformity with International Financial Reporting Standards, requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results ultimately may differ from the estimates.

The principle accounting policies adopted are set out below:

Revenue recognition

Revenue comprises of campaign income, grants, donations and international volunteer programmes.

Grants from funding partners and donations are recognized in the income statement in the period in which they are receivable, but taking into account uncertainties on collection ability.

Interest income is accrued on a timely basis by reference to the principal outstanding and the interest rate applicable.

Plant and equipment

Plant and equipment are included at cost. Cost includes all costs directly attributable to bringing the assets to working condition for their current intended use.

Depreciation is recorded by a charge to income, computed on a straight line basis, to write off the cost of the assets over their expected useful lives. The expected useful lives are as follows:

Aircraft	500 hours
Motor vehicles	4 years
Office and other equipment	6-10 years

Plant and equipment are periodically reviewed for impairment.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the income statement.

Repairs and maintenance are charged to the income statement during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset, when it is probable that the future economic benefit in excess of the originally assessed standard of performance of the existing asset, will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

Impairment

Plant and equipment and other non-current assets are reviewed for impairment losses, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds their recoverable amount, which is the higher of an asset's net selling price and the value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

ACCOUNTING POLICIES (continued)

Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and deposits held at banks, net of bank overdrafts. In the balance sheet, bank overdrafts are included under current liabilities.

Foreign currencies

Transactions in currencies other than Botswana Pula are initially recorded at rates of exchange ruling on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are translated into Pula at the rates approximating those at the balance sheet date.

Profits and losses arising on exchange are dealt with in the income statement.

Receivables and prepayments

Receivables are carried at their original amount less an estimate made for specific doubtful receivables, based on a review of all outstanding amounts at the year end. Bad debts are written off during the year in which they are identified. Receivables arise in the normal course of activities and are stated at lower of cost and net realizable value.

Current taxation

In terms of the Income Tax Act (Chapter 52:01) and subsequent amendments, the Company will be subject to income tax.

Taxation is provided in the financial statements using the gross method of taxation. Current taxation is charged on the net income for the year, after taking into account income and expenditure that is not subject to taxation and capital allowances on plant and equipment.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer, substantially, all the risk and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

Retirement benefits

The Company has no pension fund arrangements for its employees.

Provisions

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

Share capital

The Company is limited by members' guarantee and as such, there is no share capital (see note 12)

Financial instruments

Financial instruments carried in the balance sheet consist of trade and other receivables, cash and bank balances, investments, trade and other payables and other financial liabilities resulting from normal business transactions.

Financial assets and financial liabilities are recognized in the balance sheet, when the Company has become a party to the contractual provisions of the instrument. Financial instruments are initially measured at cost, and re-measured at subsequent reporting dates, as set out on the next page:

ACCOUNTING POLICIES (continued)

Receivables

Receivables are carried at original amounts less provisions made for impairment of these receivables. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect amounts due, according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at the market rate of interest for similar borrowers.

Cash and cash equivalents

Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the balance sheet date.

Trade and other payables

Trade and other payables are stated at their nominal values.

Impairment of financial assets

At each balance sheet date, an assessment is made of whether there is any objective evidence of impairment of the financial assets. If there is any evidence, then the recoverable amount is estimated and an impairment loss (referred to as fair value adjustment) is recognized in accordance with International Accounting Standard No.36.

Gains and losses on subsequent measurements

Gains and losses form a change in fair value of financial instruments, that are not part of a hedging relationship, and are included in net profit or loss in the period in which the change arises.

Related party transaction

Related parties comprise directors of the Company and companies with a common ownership and/or directors. Transactions with related parties are in the normal course of business and on an arms length basis.

NOTES TO THE FINANCIAL STATEMENTS

	2007	20 Months 2006
1. INCOME		
Income comprises of campaign income, promotional sales, international volunteers programme and donations from donors	**1,384,480**	**1,632,893**
2. SURPLUS BEFORE TAXATION		
Surplus before taxation is arrived at after taking into account the following:		
OTHER INCOME		
Exchange gain on translation of foreign currencies	198,706	130,213
Loss on sale of assets	(1,734)	-
Interest received on call deposits	13,835	18,593
	210,807	**148,806**
ADMINISTRATIVE EXPENSES		
Depreciation	148,800	69,906
Executive Directors remuneration	250,348	298,879
Expensed equipment	47,456	39,073
Fuel expenses	85,960	105,283
Insurance	41,523	72,034
Repairs and maintenance	77,629	54,648
Research expenses	63,961	25,376
Subsistence and other staff costs	66,538	49,677
Supplies	51,566	31,179
Telephone, fax and postage	43,942	41,191
Travel and entertainment	41,474	32,761
Wages	17,525	71,905
Other administrative expenses	22,529	28,237
	959,249	**920,150**
The Company receives certain non-cash benefits from various donors and volunteers for rent free office accommodation and research services respectively. These benefits are not reflected in the expenses for the organization.		
3. TAXATION		
Taxation charge for the period		
Basic Tax @ 15%	512	439
Additional tax @ 10%	342	292
Taxation expenses charge for the year/period	**854**	**731**

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. PLANT AND EQUIPMENT

	Aircraft	Motor Vehicle	Office & other Equipment	Total
Year ended 31 March 2007				
Cost	-	317,909	208,264	**526,173**
Accumulated depreciation	-	(148,842)	(49,941)	**(198,783)**
Net carrying value	**-**	**169,067**	**158,324**	**327,391**
Period ended 31 March 2006				
Cost	251,220	227,909	119,420	**598,549**
Accumulated depreciation	(18,763)	(28,361)	(22,782)	**(69,906)**
Net carrying value	**232,457**	**199,548**	**96,638**	**528,643**
RECONCILED AS FOLLOWS:				
Net carrying value at the beginning of the year	232,457	199,548	96,638	**528,643**
Additions	-	95,000	87,935	**182,935**
Disposal	-	(4,556)	(2,178)	**(6,734)**
Transfers	(3,235)	-	3,235	**-**
Transferred to assets held for disposal (see note 6)	(228,654)	-	-	**(228,654)**
Depreciation charge	(568)	(120,925)	(27,307)	**(148,800)**
Net carrying value at year end	**-**	**169,067**	**158,324**	**327,391**

	2007	20 Months 2006
5. RECEIVABLES AND PREPAYMENTS		
Other receivables	31,048	17,012
Prepayments	8,087	5,842
Receivables and prepayments at end of year/period	**39,135**	**22,854**
6. ASSETS HELD FOR SALE	**228,654**	-

Management has committed to a plan to sell the aircraft at a value above the carrying value. In the opinion of the Directors, based on the market, such an amount is realizable through an arms length sale.

	2007	20 Months 2006
7. TRADE AND OTHER PAYABLES		
Trade payables	7,666	30,174
Deferred income	232,633	19,522
Trade and other payables at end of the year/period	**240,300**	**49,696**

NOTES TO THE FINANCIAL STATEMENTS (continued)

	2007	20 Months 2006
8. NOTES TO THE CASH FLOW STATEMENT		
8.a RECONCILIATION OF NET SURPLUS BEFORE TAXATION TO CASH GENERATED BY OPERATIONS		
Surplus for the tax year before taxation	636,038	861,550
Adjustment for:		
Depreciation	148,800	69,906
Amortisation of capital grant	(65,697)	(33,945)
Loss on disposal of property and plant & equipment	1,734	-
Interest received	(13,835)	(18,593)
	71,001	17,368
Operating surplus before working capital changes	**707,039**	**878,918**
Increase in receivables and prepayments	(16,281)	(5,842)
Increase in trade and other payables	190,604	49,696
Net cash generated by operations	**881,362**	**922,772**
8.b RECONCILIATION OF CASH AND CASH EQUIVALENTS		
Bank and cash balances	1,823,040	949,331
Cash and cash equivalents per cash flow statement	**1,823,040**	**949,331**

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. FINANCIAL RISK MANAGEMENT

Exposure to currency, liquidity, fair value and interest rate risks arise in the normal course of the Company's business.

Currency risk
The Company is exposed to currency risk (US Dollar:Pula and South African Rand:Pula) through the US Dollar and South African Rand accounts maintained by the Company.

The Company maintains US Dollar and South African Rand accounts and at 31 March 2007, the balance on the US Dollar and South African Rand call accounts amounted to P264,819 and P10,198 respectively.

Interest rate risk
The financial instruments that are sensitive to interest rate risk are cash and cash equivalents. Interest rates applicable to these instruments fluctuate with movements in the prime interest rate and are comparable with rates currently available on the market.

Liquidity risk
Liquidity risk arises from the possibility that donors might not be able to provide further funding. To manage this risk, the Company periodically assesses its financial viability and alternative methods of fund raising.

Fair value risk
The carrying value of financial instruments reported in the financial statements approximate their values due to their short maturity periods. These financial instruments are held in the ordinary course of activities.

10.SEGMENTAL REPORTING

The Company's activities are concentrated in the segment of conserving the cheetah population and other related predators within the geographical region of Botswana, therefore, segmental information is not considered necessary.

11.POST BALANCE SHEET EVENTS

Other than facts and developments in these financial statements, there have been no material changes in the affairs or financial position of the Company between the period end and the date of approval of these financial statements.

12.COMPANY LIMITED BY GUARANTEE

As a Company Limited by Guarantee, the liabilities of its members are limited. Every member of the association undertakes to contribute to the assets of the association, in the event of the same being wound up while he/she is a member, or within one year after he/she ceases to be a member, for payment of debts and liabilities of the association contracted before he/she ceases to be a member, and of the costs charges and expenses of winding up, and for the adjustment of the right of the contributories amongst themselves, up to the sum of P100.

If upon the winding up or dissolution of the association, any remaining assets after the satisfaction of all debts and liabilities shall be given or transferred to some other institution or institutions, having objects similar to those of the Company, determined by its members.

13.COMPARATIVE FIGURES

The Company commenced operations in August 2004. The comparative figures include 20 months transactions, covering the period from August 2004 to March 2006.

14.GOING CONCERN

As stated under the accounting policy, these financial statements are prepared on the basis that the Company will be a going concern for the foreseeable future. This basis presumes that support will be available from donors. The ability of the Company to continue as a going concern is dependent on the necessary support being made available to the Company by donors.

In the opinion of the Directors, the use of the going concern basis of preparation is appropriate for these financial statements.

DETAILED INCOME STATEMENT

This detailed income statement does not form part of the financial statements covered by the audit opinion on page 4 and is included only to provide supplementary information.

	2007	20 Months 2006
INCOME	**1,384,480**	**1,632,893**
Campaign income	1,081,283	927,792
Promotional sales	10,462	6,045
Restricted grants	224,116	293,937
Donations	-	177,643
International Volunteer Programme	68,618	227,477
OTHER INCOME	**210,807**	**148,806**
Exchange gain	198,706	130,213
Loss on sale of assets	(1,734)	-
Interest received	13,835	18,593
ADMINISTRATIVE EXPENSES	**(959,249)**	**(920,150)**
Bank charges	4,655	6,936
Books and publications	16,549	840
Consumables	12,061	12,287
Depreciation	148,800	69,906
Less: Amortisation of capital grants	(65,697)	(33,945)
Executive Directors remuneration	250,348	298,879
Electricity and water	1,150	100
Expensed equipment	47,456	39,073
Fuel expenses	85,960	105,283
Insurance	41,523	72,034
License and permits	3,176	3,334
Printing and stationary	10,026	7,730
Professional fees	13,760	5,273
Programme expenses	-	25,683
Repairs and maintenance	77,629	54,648
Research expenses	63,961	25,376
Rent	5,050	
Subsistence and other staff costs	66,538	49,677
Supplies	51,566	31,179
Telephone, fax and postage	43,942	41,191
Travel and entertainment	41,474	32,761
Workshop expenses	21,798	
Wages	17,525	71,905
NET SURPLUS BEFORE TAXATION	**636,038**	**861,550**

2007 ANNUAL REPORT

CHEETAH CONSERVATION BOTSWANA
www.cheetahbotswana.com

Prepared for Cheetah Conservation Botswana by

iAMS

CERTIFIED PUBLIC ACCOUNTANTS

766 TATI ROAD
OFF IKENENG WAY
P.O.BOX 1874
GABORONE
BOTSWANA

Tel: +(267) 395 6455
Telefax: +(267) 397 5378
e-mail: iams@info.bw

PHOTOGRAPHY
Front & rear cover: Willie Blackstock
Inside cover: Thabang Segaetsho

CHEETAH CONSERVATION BOTSWANA
Annual Report 2007 and Financial Statements

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Brian Jones
Marketing Development Officer
Cheetah Conservation Botswana
2007


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