KPMG

African Parks Network

(Association incorporated under S21)

Annual Financial Statements

for the year ended 31 December 2009

AUDIT ■ TAX ■ ADVISORY

KPMG

African Parks Network
(Association incorporated under S21)

Annual Financial Statements
for the year ended 31 December 2009

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Directors' responsibility statement

The directors are responsible for the preparation and fair presentation of the group annual financial statements and annual financial statements of African Parks Network, comprising the statements of financial position at 31 December 2009, and the statements of comprehensive income, the statements of changes in equity and statements of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the directors' report, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa.

The directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these 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.

The directors' responsibility also includes maintaining adequate accounting records and an effective system of risk management.

The directors' have made an assessment of the group and company's ability to continue as a going concern and there is no reason to believe the businesses will not be going concerns in the year ahead.

The auditor is responsible for reporting on whether the group annual financial statements and annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of the annual financial statements

The group annual financial statements and annual financial statements of African Parks Network, as identified in the first paragraph, were approved by the board of directors on 10 April 2010 and are signed on its behalf by:

P Fearnhead

RJ van Ogtrop

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KPMG Crescent
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Private Bag 9, Parkview, 2122, South Africa

Telephone +27 (11) 647 7111
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Docex 472 Johannesburg
Internet http://www.kpmg.co.za/

Independent auditor's report

To the member of African Parks Network

We have audited the group annual financial statements and the annual financial statements of African Parks Network, which comprise the statements of financial position at 31 December 2009, and the statements of comprehensive income, the statements of changes in equity and statements of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the directors' report as set out on pages 4 to 37.

Directors' responsibility for the financial statements

The company's 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 South Africa. 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 to 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.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the consolidated and separate financial position of African Parks Network as at 31 December 2009, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa.

KPMG Inc.

Per D Read
Chartered Accountant (SA)
Registered Auditor
Director
10 April 2010

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Directors' report
For the year ended 31 December 2009

The directors have pleasure in presenting their report on the activities of the company and the group for the year ended 31 December 2009.

General

The nature of the business of the entities within the group is to ensure the long term sustainability of parks within Africa. African Parks Network has a direct investment in Majete Wildlife Reserve 98,98% and Liuwa Plain National Park (70%).

The following parks are managed by African Parks Network:
Majete Wildlife Reserve (Malawi)
Liuwa Plain National Park (Zambia)
Garamba National Park (Democratic Republic of Congo)
Bangweulu Wetlands (Zambia)
Akagera National Park (Rwanda) – management contract entered into during the current financial year.
West Lunga National Park (Zambia) – operations were ceased during the current financial year.

Financial results

The results for the year are clearly set out in of the annual financial statements.

The year 2009 was a satisfactory year for African Parks Network.

The group showed a net profit of USD268 750 (2008: USD2 982 665).

Directors

The directors of the company throughout the year and at the date of this report are:

H Boumeester	Chairman	(resigned 28 September 2009)
P Fearnhead	Chief Executive Officer	
P Klaver	Chairman	(resigned 2 December 2009)
R van Ogtrop	Chairman	(appointed 2 December 2009)
M Msimang		
C Ramaphosa		
Hon. J Lembeli		
Justice R Banda		
V Chitalu		

The current local representative addresses are as follows:

Business address

Regent Hill Office Park
Leslie & Turley Roads
Lonehill
2032

Postal address

PO Box 2336
Lonehill
2062

Subsequent events

No material fact or circumstance has occurred between the reporting date and the date of this report, which requires disclosure or adjustment in these annual financial statements.

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Statements of financial position

at 31 December 2009

	Note	Group 2009 $	Group 2008 $	Company 2009 $	Company 2008 $
Assets					
Non-current assets		**2 747 360**	2 318 548	**312 891**	277 190
Property, plant and equipment	3	**2 746 441**	2 317 774	**311 969**	78 782
Investment in subsidiary parks		**–**	–	**3**	197 634
Intangible assets	4	**919**	774	**919**	774
Current assets		**2 279 446**	2 678 602	**1 229 749**	1 386 294
Inventories	5	**17 868**	12 672	**–**	–
Trade and other receivables	6	**1 462 395**	2 277 844	**790 925**	1 337 427
Cash and cash equivalents	7	**799 183**	388 086	**438 824**	48 867
Total assets		**5 026 806**	4 997 150	**1 542 640**	1 663 484
Equity and liabilities					
Capital and reserves					
Equity capital contribution		**–**	–	**–**	197 631
Foreign currency translation reserve	8	**127 087**	(53 870)	**59 537**	(24 034)
Retained earnings		**3 192 693**	2 980 246	**529 001**	171 553
Total equity attributable to equity holders of the company		**3 319 780**	2 926 376	**588 538**	345 150
Minority interest in equity		**58 542**	2 419	**–**	–
Total equity		**3 378 322**	2 928 795	**588 538**	345 150
Current liabilities					
Trade and other payables	9	**1 648 484**	2 068 355	**954 102**	1 318 334
Total equity and liabilities		**5 026 806**	4 997 150	**1 542 640**	1 663 484

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Statements of comprehensive income
for the year ended 31 December 2009

		Group		Company	
	Note	**2009** **$**	16 months ended 2008 $	**2009** **$**	16 months ended 2008 $
Revenue	*10*	**7 386 232**	7 579 968	**1 959 595**	1 287 030
Other operating income	*12*	**245 768**	268 461	**18 598**	–
Employee benefit expenses		**(2 707 257)**	(1 894 362)	**(707 885)**	(174 052)
Depreciation		**(722 082)**	(970 373)	**(27 680)**	(8 051)
Amortisation		**(237)**	(167)	**(237)**	(167)
Administrative expenses		**(627 796)**	(73 145)	**(244 768)**	(37 587)
Foreign exchange losses		**(229 481)**	(31 332)	**(193 891)**	(19 680)
Other operating expenses		**(3 250 706)**	(1 929 045)	**(479 130)**	(882 024)
Results from operating activities	*11*	**94 441**	2 950 005	**324 602**	165 469
Finance income	*13*	**180 842**	32 660	**32 846**	6 084
Profit before income tax		**275 283**	2 982 665	**357 448**	171 553
Income tax expense		**(6 713)**	–	**–**	–
Total comprehensive income for the period		**268 570**	2 982 665	**357 448**	171 553
Profit attributable to:					
Equity holder of parent		**212 447**	2 980 246	**357 448**	171 553
Minority interest		**56 123**	2 419	**–**	–
Profit for the year		**268 570**	2 982 665	**357 448**	171 553

Statements of changes in equity
for the year ended 31 December 2009

Group	Foreign currency translation reserve $	Retained earnings $	Attributable to equity holder of parent $	Minority interest $	Total $
Balance at 31 December 2007	–	–	–	–	–
Profit for the year	–	2 980 246	2 980 246	2 419	2 982 665
Foreign currency translation differences	(53 870)	–	(53 870)	–	(53 870)
Balance at 31 December 2008	(53 870)	2 980 246	2 926 376	2 419	2 928 795
Profit for the year	–	**212 447**	**212 447**	**56 123**	**268 570**
Foreign currency translation differences	**180 957**	–	**180 957**	–	**180 957**
Balance at 31 December 2009	**127 087**	**3 192 693**	**3 319 780**	**58 542**	**3 378 322**

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Statements of changes in equity

for the year ended 31 December 2009 (continued)

Company	Equity capital contribution $	Foreign currency translation reserve $	Retained earnings $	Total $
Balance at 31 December 2008	–	–	–	–
Profit for the year	–	–	171 553	171 553
At acquisition investment	197 631	–	–	197 631
Foreign currency translation differences	–	(24 034)	–	(24 034)
Balance at 31 December 2008	197 631	(24 034)	171 553	345 150
Profit for the year	–	–	**357 448**	**357 448**
Write off of at acquisition investment	**(197 631)**	–	–	**(197 631)**
Foreign currency translation differences	–	**83 571**	–	**83 571**
Balance at 31 December 2009	–	**59 537**	**529 001**	**588 538**

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Statements of cash flows

for the year ended 31 December 2009

	Note	Group 2009 $	Group 16 months ended 2008 $	Company 2009 $	Company 16 months ended 2008 $
Cash flows from operating activities					
Cash generated by operations	*14.1*	**1 261 909**	2 570 266	**555 716**	143 519
Finance income	*13*	**180 842**	32 660	**32 846**	6 084
Net cash from operating activities		**1 442 751**	2 602 926	**588 562**	149 603
Net cash from investing activities		**(1 031 654)**	(2 214 840)	**(198 605)**	(100 736)
Acquisition of property, plant and equipment		**(1 135 867)**	(2 714 759)	**(281 090)**	(99 668)
Proceeds from disposal of property, plant and equipment	*14.2*	**104 373**	192 004	**82 645**	–
Acquisition of subsidiary		**–**	308 983	**–**	–
Acquisition of intangible assets		**(160)**	(1 068)	**(160)**	(1 068)
Net cash flow from financing activities		**–**	–	**–**	–
Net increase in cash and cash equivalents		**411 097**	388 086	**389 957**	48 867
Cash and cash equivalents at beginning of year		**388 086**	–	**48 867**	–
Cash and cash equivalents at end of year	*7*	**799 183**	388 086	**438 824**	48 867

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Notes to the financial statements

for the year ended 31 December 2009

1. Significant accounting policies

African Parks Network is a company domiciled in South Africa. The consolidated financial statements for the year ended 31 December 2009 comprise the company and its subsidiaries (collectively referred to as "the group").

1.1 Statement of compliance

The consolidated financial statements for the group are prepared in accordance with International Financial Reporting Standards ("IFRS"), its interpretations adopted by the International Accounting Standards Board ("IASB") and the South African Companies Act (Act no.61 of 1973), as amended.

1.2 Basis of preparation

The financial statements are presented in US Dollars, which is the presentation currency of the group. They are prepared on the basis that the group is a going concern, using the historical cost basis of measurement unless otherwise stated.

The accounting policies set out below have been applied consistently in all material respects to all periods presented in these consolidated financial statements, except where the group has adopted the IFRS statements, IFRIC interpretations and amendments that became effective during the year.

1.3 Significant accounting estimates and assumptions

The preparation of the financial statements in conformity with IFRS's requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

1.4 Basis of consolidation

The group financial statements include the financial statements of the company and its subsidiaries.

Subsidiaries are those entities over who's financial and operating policies the group has the power, directly or indirectly, to exercise control, so as to obtain benefits from their activities. In assessing control, potential voting rights that are currently exercisable are taken into account. The financial results of subsidiaries are included in the consolidated financial statements from the date that control was acquired and, where applicable, up to the date that control ceases.

The company carries its investments in subsidiaries at cost less accumulated impairment.

1. Significant accounting policies

1.4 Basis of consolidation *(continued)*

Special purpose entity

Garamba National Park was established for trading and investment purposes. The group does not have any direct or indirect shareholdings in this entity. Garamba National park is consolidated into the group as the substance of its relationship with the group and is that the group controls the Special Purpose Entity. The terms under which the entity was established resulted in the group receiving the majority of the benefits related to the entity's operations and net assets, exposure to the majority of the risks incidental to the entity's activities and it retains the majority of the residual or ownership risks related to the entity's activities and assets.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

1.5 Foreign currency

Functional and presentation currency

All items in the financial statements of the group's subsidiaries are measured using the currency of the primary economic environment in which the subsidiary operates ("the functional currency"). The group's consolidated financial statements are presented in US Dollars, which is African Parks Network, functional and presentation currency.

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of group entities at rates of exchange ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to functional currency at the rates of exchange ruling at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for the effective interest and payments during the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign exchange differences arising on translation are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to US Dollar at exchange rates at the reporting date. The income and expenses of foreign operations are translated to US Dollar at exchange rates at the dates of the transactions.

For all prior periods such differences have been recognised in the foreign currency translation reserves.

1. Significant accounting policies

1.6 Financial instruments

Financial instruments are initially recognised at fair value less transaction costs except for financial instruments that are classified as being carried at fair value through profit and loss. Subsequent to initial recognition, these instruments are classified according to their nature and are measured at either amortised cost or fair value, as appropriate to their financial instrument category. The subsequent measurement of each financial instrument is explained in more detail below.

Offset

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the group has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Trade and other receivables and loans receivable

Trade and other receivables are categorised as loans and receivables. These financial assets originate by the group providing goods, services or money directly to a debtor and are initially recognised at fair value plus any directly attributable transaction costs. Subsequently these financial assets are measured at amortised cost using the effective interest rate method less any accumulated impairment losses.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and bank balances, all of which are available for use by the group unless otherwise stated.

Outstanding cheques are included in trade and other payables.

Trade and other payables

Initially such financial liabilities are recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement these financial liabilities are measured at amortised cost using the effective interest method.

De-recognition

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

1. Significant accounting policies *(continued)*

1.7 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Installation and other costs, which comprise materials and direct labour costs necessarily incurred in order to acquire or bring the property, plant and equipment to a working condition for their intended use, are also included in cost.

When parts of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Borrowing costs are expensed as incurred.

Gains or losses on the disposal of property, plant and equipment, comprising the difference between the net disposal proceeds and the carrying amount of the asset, are recognised net within other income in profit or loss.

Subsequent costs

Subsequent expenditure relating to an item of property, plant and equipment is capitalised when it is probable that future economic benefits embodied within the item will flow to the group and its cost can be measured reliably. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Depreciation

Depreciation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of the assets in order to reduce the cost of the asset to its residual value. Residual value is the net amount expected to be recovered from disposal of the asset at the end of its estimated useful life. Residual values and useful lives are reassessed annually.

The estimated useful lives for the current and comparative periods are as follows:

Computer equipment	3 years
Furniture and fittings	5 years
Office equipment	5 years
Aircraft	10 years
Motor vehicles	4 years
Plant and machinery	5 years
Infrastructural improvements	10 years
Other	4 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

1. Significant accounting policies *(continued)*

1.8 Leases

Leases of assets under which substantially all of the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Minimum lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

1.9 Intangible assets (other than goodwill)

Intangible assets (other than goodwill) are initially recognised at cost if acquired externally, or at fair value if acquired as part of a business combination.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit and loss as incurred.

Intangible assets which have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment. Intangible assets that are assessed as having a finite useful life, are amortised over their useful lives on a straight-line basis and tested for impairment if indications exist that they may be impaired.

Intangible assets which have infinite useful lives are measured at cost less accumulated impairment. Intangible assets that are assessed as having an infinite useful life, are tested for impairment if indications exist that they may be impaired.

The estimated useful lives for the current and comparative periods are as follows:

Acquired computer software licences	3 years.

Amortisation method, residual values and remaining useful lives of intangible assets with finite useful lives are reassessed annually and adjusted if appropriate.

1.10 Goodwill

In respect of business acquisitions that have occurred on or after 31 March 2004, business combinations are accounted for by applying the purchase method.

Goodwill represents the premium on acquisition arising from the difference between the purchase price paid and the group's interest in the fair value of the net identifiable assets acquired at the date of the transaction.

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Notes to the financial statements
for the year ended 31 December 2009 (continued)

1. Significant accounting policies *(continued)*

1.10 Goodwill *(continued)*

Goodwill arising from a business combination is included in intangible assets.

Goodwill is stated at cost less any accumulated impairment losses. It is not amortised, but is tested annually for impairment.

Negative goodwill arising on an acquisition is recognised directly in the statement of comprehensive income.

The calculation of the gain or loss on disposal of a subsidiary includes the balance of the goodwill relating to the subsidiary disposed of.

1.11 Inventories

Consumables have been valued on the first-in first-out basis and are stated at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition and is stated net of purchase incentives. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs to complete and sell the product. The cost of consumables sold includes normal shrinkage, wastage and inventory losses. Obsolete, redundant and slow moving inventories are identified on a regular basis and are written down to their net realisable value.

1.12 Impairment of assets

Non-financial assets

The carrying amounts of the group's non-financial assets other than inventories (see accounting policy note for inventories) 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.

For goodwill, intangible assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date.

Whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount, an impairment loss is recognised in the statement of comprehensive income.

As goodwill is not capable of generating cash flows independently of other assets, in assessing the recoverable amount of goodwill, the goodwill is allocated to cash-generating units on a reasonable and consistent basis. Where appropriate, corporate assets are also allocated to cash-generating units on a reasonable and consistent basis. The recoverable amount of the cash-generating unit (including an allocation of goodwill and corporate assets) is assessed with reference to the future cash flows of the cash-generating unit. Where an impairment is identified for a cash-generating unit, the impairment is applied first to the goodwill allocated to the cash-generating unit and then to other assets on a pro rata basis comprising the cash-generating unit provided that each identifiable asset is not reduced to below its recoverable amount.

1. Significant accounting policies *(continued)*

1.12 Impairment of assets *(continued)*

Non-financial assets (continued)

Recoverable amount

The recoverable amount of an asset is the greater of its fair value less cost to sell and its value in use. Recoverable amounts are estimated for individual assets or, if an asset does not generate largely independent cash flows, for a cash-generating unit. A cash-generating unit is the smallest collection of assets capable of generating cash flows independent of other assets or cash-generating units.

The fair value less cost to sell is the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash-generating unit and from its disposal at the end of its useful life. The estimated future cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Reversal of impairment losses

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or has decreased; either as a result of an event occurring after the impairment loss was recognised or if there has been a change in the estimates used to calculate the recoverable amount.

An impairment loss is reversed only to the extent that the carrying amount of the affected asset is not increased to an amount higher than the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised in prior years. The reversal is recorded as income in the statement of comprehensive income.

An impairment loss in respect of goodwill is never reversed.

Financial assets

At each reporting date, an assessment is made as to whether objective evidence exists that a financial asset or a group of financial asset is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of the asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in profit or loss.

1. Significant accounting policies *(continued)*

1.13 Taxation

As the company is registered as an organisation not for gain under S21 of the Income Tax Act, the company is exempt from tax.

1.14 Employee benefits

Short-term employee benefits

The cost of all short-term employee benefits is recognised as an expense during the period in which the employee renders the related service.

Accruals for employee entitlements to wages, salaries, bonuses, annual and sick leave represent the amount which the group has a present obligation to pay as a result of employees' services provided to the reporting date. The accruals have been calculated at undiscounted amounts based on current wage and salary rates.

Long-term employee benefits

Liabilities for long-term employee benefits, other than pension plans, which are not expected to be settled within twelve months, are discounted to present value using the market yields, at the reporting date, on high quality bonds with maturity dates that most closely match the terms of maturity of the group's related liabilities.

Defined benefit plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.15 Revenue

Revenue comprises donations, which is broken down into the following categories:

Amounts received to fund specific projects
The donor requires the funds contributed to be utilised for a specific project. The donations are recognised as income to the extent that they have been utilised in the relevant projects. Amounts not utilised at year end are included in trade payables.

Amounts received to fund operating expenses
The donor indicates that the funds contributed be used to fund the operating expenses of African Parks Network. The donations are recognised as income upon receipt.

Other donations
The donor does not specify how the funds should be used. These are typically ad hoc donations from the general public. The donations are recognised as income upon receipt.

1.16 Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

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Notes to the financial statements

for the year ended 31 December 2009 (continued)

2. Changes in accounting policy

The annual financial statements have been prepared in accordance with International Financial Reporting Standards on a basis consistent with the prior year except for the adoption of the following new or revised standards.

IAS 1 (AC 101) Presentation of Financial Statements Revised

During the current year, the company adopted IAS I (AC 101) Presentation of Financial Statements – Revised.

The revisions resulted in several changes, including terminology changes. As such, the balance sheet will now be referred to as the statement of financial position and the cash flow statement as the statement of cash flows.

In accordance with the revisions, all non owner changes in equity are now presented in a single statement of comprehensive income.

The revisions also introduced the concept of other comprehensive income and require disclosure to be made of all reclassification adjustments and all taxation implications of each component of other comprehensive income. This information has been disclosed in the notes to the annual financial statements.

In addition, a statement of financial position and related notes have been presented for the earliest comparative period. This is in accordance with the requirements of the revised Standard to present such a statement of financial position whenever there is a retrospective restatement to the annual financial statements.

Dividend information will now only be disclosed either on the face of the statement of changes in equity or in the notes.

The standard did not provide for any transitional provisions for the stated revisions. The changes are required to be applied retrospectively.

The change has been applied retrospectively.

3. Property, plant and equipment

Group

2009	**Cost** $	**Accumulated depreciation** $	**Carrying amount** $
Plant and machinery	171 533	(110 947)	60 586
Office equipment	66 134	(26 912)	39 222
Furniture and fittings	131 236	(72 854)	58 382
Infrastructural improvements	2 241 016	(695 969)	1 545 047
Computer equipment	29 301	(10 345)	18 956
Other	297 072	(177 485)	119 587
Aircraft	463 640	(119 367)	344 273
Motor vehicles	1 251 353	(690 965)	560 388
	4 651 285	(1 904 844)	2 746 441

3. Property, plant and equipment *(continued)*

Group *(continued)*	**Cost $**	**Accumulated depreciation $**	**Carrying amount $**
2008			
Plant and machinery	728 181	(617 273)	110 908
Office equipment	193 674	(172 790)	20 884
Furniture and fittings	103 005	(37 984)	65 021
Infrastructural improvements	2 811 827	(1 252 888)	1 558 939
Computer equipment	16 670	(1 762)	14 908
Capital work in progress	36 768	–	36 768
Other	104 076	(33 290)	70 786
Aircraft	125 914	(10 747)	115 167
Motor vehicles	1 968 183	(1 643 790)	324 393
	6 088 298	(3 770 524)	2 317 774
Company			
2009			
Office equipment	**3 875**	**(1 085)**	**2 790**
Furniture and fittings	**17 039**	**(5 733)**	**11 306**
Computer equipment	**18 253**	**(8 013)**	**10 240**
Other	**555**	**(277)**	**278**
Aircraft	**312 086**	**(24 731)**	**287 355**
	351 808	**(39 839)**	**311 969**
2008			
Office equipment	3 247	(286)	2 961
Furniture and fittings	11 841	(2 410)	9 431
Computer equipment	11 195	(1 762)	9 433
Other	453	(127)	326
Aircraft	60 097	(3 466)	56 631
	86 833	(8 051)	78 782

3. Property, plant and equipment *(continued)*

Reconciliation of the movement on property, plant and equipment for the year

Group

2009	**Plant and equipment $**	**Furniture and fittings $**	**Office equipment $**	**Infra-structural improve-ments $**	**Computer equipment $**	**Capital work in progress $**	**Other $**	**Aircraft $**	**Motor vehicles $**	**Total $**
Carrying value at beginning of year	110 908	65 021	20 884	1 558 939	14 908	36 768	70 786	115 167	324 393	2 317 774
Additions	6 395	32 731	15 611	252 215	16 891	–	43 461	357 158	411 405	1 135 867
Disposals	–	–	(1 007)	–	–	–	–	(64 414)	(5 422)	(70 843)
Transfers	–	–	–	35 293	–	(35 293)	–	–	–	–
Foreign exchange differences	(35 063)	5 270	14 238	(9 261)	1 059	(1 475)	39 813	43 463	27 681	85 725
Depreciation charge	(21 654)	(44 640)	(10 504)	(292 139)	(13 902)	–	(34 473)	(107 101)	(197 669)	(722 082)
Carrying value at end of year	60 586	58 382	39 222	1 545 047	18 956	–	119 587	344 273	560 388	2 746 441

3. Property, plant and equipment *(continued)*

Reconciliation of the movement on property, plant and equipment for the year

Group

2008	Plant and equipment $	Furniture and fittings $	Office equipment $	Infra-structural improve-ments $	Computer equipment $	Capital work in progress $	Other $	Aircraft $	Motor vehicles $	Total $
Opening balance	–	–	–	–	–	–	–	–	–	–
Subsidiaries acquired	218 095	–	5 400	679 289	–	783 562	11 828	–	174 223	1 872 397
Additions	96 531	37 873	67 049	1 532 480	12 731	247 143	70 395	158 829	491 728	2 714 759
Disposals	(92 203)	–	(2 969)	(29 468)	–	–	–	–	(62 758)	(187 398)
Re–allocation	–	–	–	977 186	–	(977 186)	–	–	–	–
Foreign exchange differences	(109 509)	65 132	(1 467)	(1 001 076)	3 939	(16 751)	63	(32 915)	(19 027)	(1 111 611)
Depreciation charge	(2 006)	(37 984)	(47 129)	(599 472)	(1 762)	–	(11 500)	(10 747)	(259 773)	(970 373)
Carrying value at end of year	110 908	65 021	20 884	1 558 939	14 908	36 768	70 786	115 167	324 393	2 317 774

3. Property, plant and equipment *(continued)*

Reconciliation of the movement on property, plant and equipment for the year

Company 2009	Furniture and fittings $	Office equipment $	Computer equipment $	Other $	Aircraft $	Total $
Carrying value at beginning of year	9 430	2 962	9 433	326	56 631	78 782
Additions	2 122	–	3 837	–	275 131	281 090
Disposals	–	(191)	–	–	(64 414)	(64 605)
Foreign exchange differences	2 513	707	2 398	76	38 688	44 382
Depreciation charge	(2 759)	(688)	(5 428)	(124)	(18 681)	(27 680)
Carrying value at end of year	11 306	2 790	10 240	278	287 355	311 969

Notes to the financial statements
for the year ended 31 December 2009 (continued)

3. Property, plant and equipment *(continued)*

Reconciliation of the movement on property, plant and equipment for the year

Company 2008	Furniture and fittings $	Office equipment $	Computer equipment $	Other $	Aircraft $	Total $
Opening balance	–	–	–	–	–	–
Additions	13 377	3 731	12 731	506	69 323	99 668
Foreign exchange differences	(1 536)	(484)	(1 536)	(53)	(9 226)	(12 835)
Depreciation charge	(2 410)	(286)	(1 762)	(127)	(3 466)	(8 051)
Carrying value at end of year	9 431	2 961	9 433	326	56 631	78 782

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Notes to the financial statements
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4. Intangible assets

The carrying amount of the group and company intangible assets can be reconciled as follows:

2009	**Group Computer software licences $**	**Company Computer software licences $**
Carrying amount as at 1 January 2009	**774**	**774**
Additions	**160**	**160**
Amortisation	**(237)**	**(237)**
Foreign exchange gains	**222**	**222**
Carrying amount as at 31 December 2009	**919**	**919**
Cost	**1 300**	**1 300**
Accumulated amortisation and impairment	**(381)**	**(381)**
Carrying amount as at 31 December 2009	**919**	**919**

2008	**Group Computer software licences $**	**Company Computer software licences $**
Carrying amount as at 1 January 2008	–	–
Additions	1 068	1 068
Amortisation	(167)	(167)
Foreign exchange gains	(127)	(127)
Carrying amount as at 31 December 2008	774	774
Cost	918	918
Accumulated amortisation and impairment	(144)	(144)
Carrying amount as at 31 December 2008	774	774

	Group		Company	
	2009 $	2008 $	**2009 $**	2008 $
5. Inventories				
Consumables	**17 868**	12 672	–	–

	Group 2009 $	Group 2008 $	Company 2009 $	Company 2008 $
6. Trade and other receivables				
Receivables due from related parties	**1 028 357**	179 162	**417 922**	56 181
Other receivables	**434 038**	2 098 682	**373 003**	1 281 246
	1 462 395	2 277 844	**790 925**	1 337 427
7. Cash and cash equivalents				
Bank balances	**719 776**	352 381	**438 631**	48 708
Cash on hand	**79 407**	35 705	**193**	159
	799 183	388 086	**438 824**	48 867
8. Foreign currency translation reserve				
The foreign currency translation reserve comprises all foreign currency differences arising from the translation of transactions denominated in foreign currencies.	**127 087**	(53 870)	**59 537**	(24 034)
9. Trade and other payables				
Amount owing to related parties	**715 897**	1 354 123	**723 795**	1 276 089
Trade payables	**10 952**	59 614	**10 925**	4 557
Other accounts payable and accrued expenses	**921 635**	654 618	**219 350**	37 688
	1 648 484	2 068 355	**954 070**	1 318 334

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Notes to the financial statements
for the year ended 31 December 2009 (continued)

	Group 2009 $	Group 16 months ended 31 December 2008 $	Company 2009 $	Company 16 months ended 31 December 2008 $
10. Revenue				
Donation income	**7 386 232**	7 579 968	**1 959 595**	1 287 030
Below is a break down of the donations received and the specific donor:				
Stichting African Parks Foundation	**957 329**	1 019 801	**208 768**	–
Family Fentener van Vlissingen	**1 555 107**	1 232 865	**1 555 106**	1 232 865
Stichting DOEN	**393 855**	522 506	–	–
WWF Netherlands	**1 403 402**	579 939	–	–
Adessium Foundation	**684 641**	734 691	–	–
Liberty Wildlife Fund	**27 325**	425 736	–	–
European Commission	**899 275**	2 251 549	–	–
Spanish Government	**612 686**	282 500	–	–
US AID	–	159 145	–	–
De Koornzaayer Foundation	**278 831**	233 651	–	–
Other	**573 781**	137 585	**195 721**	54 165
	7 386 232	7 579 968	**1 959 595**	1 287 030

11. Results from operating activities

Operating profit before dividend and financing costs is arrived at after taking into account:

	Group 2009 $	Group 16 months ended 31 December 2008 $	Company 2009 $	Company 16 months ended 31 December 2008 $
	245 768	268 461	**18 598**	–
Net gain on sale of property, plant and equipment	**33 530**	4 606	**18 040**	–
Operating income	**212 238**	263 855	**558**	–
Auditors' remuneration – audit fees	**124 352**	76 628	**32 886**	9 396
Depreciation of property, plant and equipment	**722 082**	970 373	**27 680**	8 051

	Group 2009 $	Group 16 months ended 31 December 2008 $	Company 2009 $	Company 16 months ended 31 December 2008 $
11. Results from operating activities *(continued)*				
Amortisation	**237**	167	**237**	167
Consulting fees	**–**	491 211	**21 341**	491 211
Negative goodwill	**–**	2 246 726	**–**	–
– African Parks Zambia Limited (Liuwa)	**–**	415 432	**–**	–
– African Parks Majete Limited	**–**	1 633 663	**–**	–
– Garamba National Park	**–**	197 631	**–**	–
Salary costs and pension contributions	**1 816 765**	1 866 867	**707 884**	174 052
12. Other income				
Net gain on sale of property, plant and equipment	**33 530**	4 606	**18 040**	–
Operating income	**212 238**	263 855	**558**	–
	245 768	268 461	**18 598**	–
13. Finance income				
Interest received on bank balances	**180 842**	32 600	**32 846**	6 084

	Group 2009 $	Group 16 months ended 31 December 2008 $	Company 2009 $	Company 16 months ended 31 December 2008 $
14. Notes to the statement of cash flows				
14.1 Cash (utilised)/generated by operations				
Profit before income tax	**275 283**	2 982 665	**357 448**	171 553
Adjustments for –				
– negative goodwill	**–**	(2 246 726)	**–**	–
– finance income	**(180 842)**	(32 660)	**(32 846)**	(6 084)
– depreciation	**722 082**	970 373	**27 680**	8 051
– amortisation of intangible assets	**237**	167	**237**	167
– foreign exchange differences on operating activities	**(92 660)**	1 145 812	**(44 604)**	12 959
– Gain on sale of property, plant and equipment	**(33 530)**	(4 606)	**(18 040)**	–
Operating profit before working capital changes	**690 570**	2 815 025	**289 875**	186 646
Increase in inventories	**(5 196)**	(12 672)	**–**	–
Increase/(decrease) in trade and other receivables	**815 449**	(2 277 844)	**546 502**	(1 337 427)
(Decrease)/increase in trade and other payables	**(419 871)**	2 068 355	**(364 232)**	1 318 334
Foreign currency translation reserve	**180 957**	(22 598)	**83 571**	(24 034)
	1 261 909	2 570 266	**555 716**	143 519
14.2 Proceeds from disposal of property, plant and equipment				
Carrying value of property, plant and equipment disposed	**70 843**	187 398	**64 605**	–
Profit on disposal of property, plant and equipment	**33 530**	4 606	**18 040**	–
	104 373	192 004	**82 645**	–

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15. Lease commitments

Operating lease commitments

The group leases premises under an operating lease.

Future minimum lease payments under non-cancellable operating leases due:

	Group		Company	
	2009	2008	**2009**	2008
	$	$	**$**	$
Less than one year	**42 850**	22 360	**42 850**	22 360
Between one and five years	**42 850**	85 800	**42 850**	85 800
	85 700	108 160	**85 700**	108 160

16. Financial instruments

The group's activities expose it to a variety of financial risks:

- Market risk
- Liquidity risk
- Credit risk

This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

16.1 Market risk

16.1.1 Foreign currency exposure

The group incurs currency risk as a result of transactions which are denominated in a currency other than the entities' functional currencies.

The settlement of these transactions takes place within a normal business cycle. Speculative use of financial instruments is not permitted and no such use occurred during any of the periods presented. The local company has a policy of not taking out forward exchange contracts for foreign transactions entered into.

16. Financial instruments *(continued)*

16.2 Interest rate risk

As the group has no significant interest bearing assets, the group's income and operating cash flows are substantially independent of changes in market interest rates.

The group is exposed to interest rate risk arising from cash and cash equivalents. The group is not exposed to fair value interest rate risk as they do not have any fixed interest bearing financial instruments carried at fair value. Interest rate risks are managed by positioning the interest rate characteristics of new borrowings and the refinancing of existing borrowings according to expected movements in interest rates.

The interest rate risk profile of the interest bearing financial instruments was:

	Group		Company	
	2009	2008	**2009**	2008
	$	$	**$**	$
Variable rate instruments				
– cash and cash equivalents	**799 183**	388 086	**438 824**	48 867

Sensitivity analysis for variable-rate instruments

A change in 100 basis points in interest rate at the reporting date would have increased/(decreased) profit or loss by the amounts shown below for a period of one year compounded monthly. This analysis assumes that all other variables, in particular foreign exchange rates, remain constant. This analysis is performed on the same basis for 2008.

Effect:

Group	**Increase in equity from 100 bp increase**	**Decrease in equity from 100 bp decrease**	**Increase in profit from 100 bp increase**	**Decrease in profit from 100 bp decrease**
2009	**$**	**$**	**$**	**$**
US Dollar	**1 808**	**(1 808)**	**1 808**	**(1 808)**
2008				
US Dollar	327	(327)	327	(327)

Company	**Increase in equity from 100 bp increase**	**Decrease in equity from 100 bp decrease**	**Increase in profit from 100 bp increase**	**Decrease in profit from 100 bp decrease**
2009	**$**	**$**	**$**	**$**
US Dollar	**328**	**(328)**	**328**	**(328)**
2008				
US Dollar	61	(61)	61	(61)

16. Financial instruments *(continued)*

16.3 Fair values of financial instruments

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

		31 December 2009		31 December 2008	
Group		**Carrying value**	**Fair value**	Carrying value	Fair value
		$	**$**	$	$
Financial assets					
Trade and other receivables	Loans and receivables	**1 462 395**	**1 462 395**	2 277 844	2 277 844
Cash and cash equivalents	Loans and receivables	**799 183**	**799 183**	388 086	388 086
Financial liabilities					
Trade and other payables	Other liabilities	**(1 648 484)**	**(1 648 484)**	(2 068 355)	(2 068 055)

		31 December 2009		31 December 2008	
Company		**Carrying value**	**Fair value**	Carrying value	Fair value
		$	**$**	$	$
Financial assets					
Trade and other receivables	Loans and receivables	**790 925**	**790 925**	1 337 427	1 337 427
Cash and cash equivalents	Loans and receivables	**438 824**	**438 824**	48 867	48 867
Financial liabilities					
Trade and other payables	Other liabilities	**(954 070)**	**(954 070)**	(1 318 334)	(1 318 334)

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Notes to the financial statements
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16. Financial instruments *(continued)*

16.3 Fair values of financial instruments *(continued)*

The carrying values of short term financial instruments are assumed to approximate their fair values.

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table.

Trade and other receivables and loans and other borrowings
For receivables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value. All other receivables are discounted to determine the fair value.

Cash and cash equivalents
The carrying amount of cash and mutual accounts approximate fair value due to relatively short-term maturity of these financial instruments.

Trade and other payables and borrowings
The carrying amount approximates fair value because of the short period to maturity of these instruments.

16.4 Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the group. The group is exposed to credit risk arising from cash equivalents as well as trade and other receivables. The concentrations of credit risk with respect to trade receivables are limited due to the cash nature of the business. For banks and financial institutions cash balances are only placed with highly reputable financial institutions. Trade and other receivables are limited to amounts owing from external funders with good credit ratings.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Group Carrying amount		Company Carrying amount	
	2009	2008	**2009**	2008
	$	$	**$**	$
Trade and other and receivables	**1 462 395**	2 277 844	**790 925**	1 337 427
Cash and cash equivalents	**799 183**	388 086	**438 824**	48 867
	2 261 578	2 665 930	**1 229 749**	1 386 294

16. Financial instruments *(continued)*

16.4 Credit risk management *(continued)*

The maximum exposure to credit risk for trade and other receivables at the reporting date by geographic region was:

	Group		Company	
	2009	2008	**2009**	2008
	$	$	**$**	$
Foreign	**1 462 395**	2 277 844	**790 925**	1 337 427
Domestic	**–**	–	**–**	–

The majority of cash and cash equivalents are foreign. The group utilises a reputable banking institution with a good credit rating.

All receivables for the years ended 31 December 2008 and 31 December 2009 for group and company are current.

There was no allowance for impairment in respect of trade receivables during the current or comparative year.

16.5 Liquidity risk management

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to the group's reputation. The group makes use of external funding facilities to meet its requirements.

Liquidity and interest risk tables

The following tables detail the group's remaining contractual maturity for its financial liabilities, including interest payments and excluding the impact of netting agreements:

The group and company hold no derivative financial instruments.

Group 2009	**Interest terms**	**Carrying amount $**	**Contractual cash flows $**	**1 year or less $**	**1 to 5 years $**	**Over 5 year $**
Non derivative-liabilities						
Trade and other payables	None	(1 648 484)	(1 648 484)	(1 648 484)	–	–

16. Financial instruments *(continued)*

16.5 Liquidity risk management *(continued)*

Liquidity and interest risk tables (continued)

Group 2008	Interest terms	Carrying amount $	Contractual cash flows $	1 year or less $	1 to 5 years $	Over 5 year $
Non derivative-liabilities						
Trade and other payables	None	(2 068 355)	(2 068 355)	(2 068 355)	–	–

Company 2009	Interest terms	Carrying amount $	Contractual cash flows $	1 year or less $	1 to 5 years $	Over 5 year $
Non derivative-liabilities						
Trade and other payables	None	**(954 070)**	**(954 0070)**	**(954 0070)**	–	–

Company 2008	Interest terms	Carrying amount $	Contractual cash flows $	1 year or less $	1 to 5 years $	Over 5 year $
Non derivative-liabilities						
Trade and other payables	None	(1 318 334)	(1 318 334)	(1 318 334)	–	–

17. Related parties

17.1 Identity of related parties

Group

Related party	**Relationship**	**2009 $**	2008 $
African Parks Foundation – Netherlands for Garamba National Park	Special purpose entity	**883 006**	(1 276 089)
Bangweulu Wetland Management Board from African Parks Foundation – Netherlands	Subsidiary	**36 851**	(4 212)
Liuwa Plain National Park from African Parks Foundation – Netherlands	Subsidiary	**108 500**	179 162
African Parks Foundation – Netherlands for African Parks Network – Bangweulu	Funding partner	**–**	(34 225)
African Parks Foundation for West Lunga Park	Subsidiary	**(715 897)**	(39 597)
		312 460	(1 174 961)
Total amount owing to related parties		**(715 897)**	(1 354 123)
Total amount due from related parties		**1 028 357**	179 162
		312 460	(1 174 961)

Fees paid to directors as listed in the directors' report are disclosed in note 11.

17. Related parties *(continued)*

17.1 Identity of related parties *(continued)*

Company

Related party	**Relationship**	**2009 $**	2008 $
Garamba National Park	Special purpose entity	**369 877**	(1 276 089)
African Parks Majete Limited	Subsidiary	**11 194**	28
Garamba National Park	Special purpose entity	**–**	6 409
West Lunga National Park	Subsidiary	**(594 715)**	11 058
Bangweulu National Park	Subsidiary	**36 851**	34 011
Liuwa Plain National Park	Subsidiary	**(7 898)**	4 675
African Parks Majete Limited	Subsidiary	**(121 182)**	–
		(305 873)	(1 219 908)
Total amount owing to related parties		**(723 795)**	(1 276 089)
Total amount due from related parties		**417 922**	56 181
		(305 873)	(1 219 908)

18. Relevant standards and interpretations becoming effective for years ending after 31 December 2009

At the date of authorisation of the financial statements of African Parks Network for the year ended 31 December 2009, the following Standards and Interpretations were in issue but not yet effective:

Standard/Interpretation		**Effective date**
IAS 24 (revised)	*Related Party Disclosures*	Annual periods commencing on or after 1 January 2011
IAS 27 (AC 132) amendment	*Consolidated and Separate Financial Statements*	Annual periods commencing on or after 1 July 2009
IAS 32 (AC 125) amendment	*IAS 32 (AC 125) Financial Instruments: Presentation: Classification of Rights Issues*	Annual periods commencing on or after 1 February 2009
IAS 39 (AC 133) amendment	*Eligible Hedged Items*	Annual periods commencing on or after 1 July 2009
Improvement IFRS 5 (AC 142)	*Improvements to IFRSs 2008 – Amendments to IFRS 5 Non-current Assets Held for Sale and Discontinued Operations*	Annual periods commencing on or after 1 July 2009

18. Relevant standards and interpretations becoming effective for years ending after 31 December 2009 *(continued)*

Standard/Interpretation		Effective date
15 individual amendments to 12 standards.	*Improvements to International Financial Reporting Standards 2009*	Annual periods commencing on or after 1 July 2009
IFRS 1 (AC 138) (revised)	*First-time adoption of International Financial Reporting Standards*	Annual periods commencing on or after 1 July 2009
IFRS 1 (AC 138) amendment	*Additional Exemptions for First-time Adopters*	Annual periods commencing on or after 1 January 2010
IFRS 1 (AC 138) amendment	*First-time Adoption of International Financial Reporting Standards*	Annual periods commencing on or after 1 July 2010
IFRS 2 (AC 139)	*Amendments to IFRS 2 – Group Cash-settled Share-based Payment Transactions*	Annual periods commencing on or after 1 January 2010
IFRS 3 (AC 140)	*Business Combinations*	Annual periods commencing on or after 1 July 2010
IFRS 9 (AC 146)	*Financial Instruments*	Annual periods commencing on or after 1 January 2013
IFRIC 14 (AC 447) amendment	*Prepayments of a Minimum Funding Requirement*	Annual periods commencing on or after 1 January 2011
IFRIC 17 (AC 450)	*Distributions of Non-cash Assets to Owners*	Annual periods commencing on or after 1 July 2009
IFRIC 19	*Extinguishing Financial Liabilities with Equity Instruments*	Annual periods commencing on or after 1 July 2010

All Standards will be adopted at their effective date (except for the effect of those standards that are not applicable to the entity).

IAS 27 (AC 132), IAS 23 (AC 125), IAS 39 (AC 133), IFRS 5 (AC 142), IFRS 1 (AC 138), IFRS 2 (AC 139), IFRS 9 (AC 146), IFRIC 14 (AC 447), IFRIC 17 (AC 450) and IFRIC 19 (AC 452) are not applicable to the business of the entity and will therefore have no impact on future financial statements. The directors are of the opinion that the impact of the application of the remaining Standards and Interpretations will be as follows:

18. Relevant standards and interpretations becoming effective for years ending after 31 December 2009 *(continued)*

IFRS 3 (AC 140) amendment to IAS 27 (AC 132)

The revised IFRS 3 (AC 140) and the amended IAS 27 (AC 132) will be adopted by African Parks Network for the first time for its financial reporting period ending 31 December 2010.

IFRS 3 (AC 140) changes significantly how business combinations are accounted for, including: a revised definition of a business combination which focuses on control; new treatment of contingent purchase considerations; changes is how the cost of acquisition is measured; an alternative treatment option when measuring non-controlling interests (minority interests) and new disclosures. The standard only applies to business combinations with acquisition dates after the 1 January 2010.

IAS 27 (AC 132) changes the accounting for non-controlling (minority) interest and deals primarily with changes in the parents' ownership interest in a subsidiary that do not result in a loss of control, loss of control of a subsidiary, and the allocation of losses (including negative "other comprehensive income") to the non-controlling interest even if doing so causes the non-controlling interest to be in a deficit position.

The IAS 27 (AC 132) amendments apply retrospectively except for the requirements to attribute total comprehensive income between controlling and non-controlling interests even if this results in non-controlling interest having a negative balance; accounting for changes in ownership interests after control is obtained; and remeasuring to fair value any retained non-controlling equity investment upon a loss of control.

IAS 24 (AC 126)

The revised IAS 24 (AC 126) *Related Party Disclosures* will be adopted for the first time by the entity for the financial reporting period beginning 1 January 2011.

The changes introduced in the revised IAS 24 (AC 126), include amendments to the definition of a related party and related party disclosure requirements for by government-related entities.

Amendments to the definition of a related party

The definition of a related party has been amended, such that if one entity is identified as a related party in another entity's financial statements, then the other entity also will be a related party in the first entity's financial statements.

References to "significant voting power" have been removed and the revised standard clarifies that any references to associates and joint ventures include the subsidiaries of those associates and joint ventures.