

**Harry Gwala Agri NPC**

(Registration number 2016/140997/08)

Annual Financial Statements  
for the year ended 29 February 2020

*Colenbrander Inc*

## Harry Gwala Agri NPC

(Registration number: 2016/140997/08)

Annual Financial Statements for the year ended 29 February 2020

### General Information

<b>Company registration number</b>	2016/140997/08
<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	To assist with the education and development of emerging farmers.
<b>Directors</b>	P D Christianson R G Stapylton-Smith J A H Bredin P C Button R J L Bryden (Chairperson) L L Hauff P Z Mkhize R Dandala
<b>Registered office</b>	Myhill Farm Ixopo KwaZulu Natal 3276
<b>Business address</b>	Myhill Farm Ixopo KwaZulu Natal 3276
<b>Postal address</b>	P O Box 88 Ixopo 3276
<b>Bankers</b>	Standard Bank Limited
<b>Tax reference number</b>	9944041160
<b>Reviewers</b>	Colenbrander Incorporated Chartered Accountants (SA) Registered Auditors
<b>Preparer</b>	The financial statements were independently compiled by: I S Colenbrander Chartered Accountant (SA)
<b>Level of assurance</b>	These financial statements have been independently reviewed in compliance with the applicable requirements of the Companies Act 71 of 2008.

## Harry Gwala Agri NPC

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The reports and statements set out below comprise the annual financial statements presented to the shareholders:

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## Harry Gwala Agri NPC

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### Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company 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 directors are responsible for preparing the directors' report.

The 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 judgements and estimates.

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

The directors 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 28 February 2021 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The independent reviewer is responsible for independently reviewing and reporting on the company's financial statements. The financial statements have been examined by the company's independent reviewer and their report is presented on pages 6 to 7.

The financial statements set out on pages 8 to 13, which have been prepared on the going concern basis,  
19 May 2020 | 14:16 SAST  
and the directors' report on pages 4 to 5 were approved by the directors on \_\_\_\_\_  
and were signed by:

*Peter Christianson*

\_\_\_\_\_  
P D Christianson

*Colenbrander Inc*

## Harry Gwala Agri NPC

(Registration number: 2016/140997/08)

Annual Financial Statements for the year ended 29 February 2020

### Directors' Report

The directors have pleasure in submitting their report on the financial statements of Harry Gwala Agri NPC for the year ended 29 February 2020.

#### 1. Incorporation

The company was incorporated on 11 April 2016 and obtained its certificate to commence business on the same day.

#### 2. Nature of business

Harry Gwala Agri NPC was incorporated in South Africa with interests in the non-profit industry. The company operates in South Africa.

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

#### 3. Review of financial results and activities

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

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

#### 4. Directors

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

Directors	Changes
-----------	---------

P D Christianson	
R G Stapylton-Smith	
J A H Bredin	
P C Button	
R J L Bryden (Chairperson)	
L L Hauff	
P Z Mkhize	
R Dandala	

#### 5. Events after the reporting period

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

#### 6. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors 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 company.

#### 7. Review

The financial statements are subject to an independent review and have been reviewed by Colenbrander Incorporated.

## **Harry Gwala Agri NPC**

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Annual Financial Statements for the year ended 29 February 2020

### **Directors' Report**

#### **8. Independent Accounting Professional**

Colenbrander Incorporated will continue in office as the Independent Accounting Professional.



Registered Auditors • Chartered Accountants (SA)

PO BOX 456, Hilton 3245  
28 Hilton Avenue, Hilton 3245

Tel: 033 343 0800

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Web: [www.colenbrander.co.za](http://www.colenbrander.co.za)

Tax Practitioners No: PR - 0007575

Practice No: 964107

## Independent Reviewer's Report

### To the shareholders of Harry Gwala Agri NPC

We have reviewed the financial statements of Harry Gwala Agri NPC, set out on pages 8 to 13, which comprise the statement of financial position as at 29 February 2020 and the statement of comprehensive income and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies.

### 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 the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Independent Reviewer's Responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements (ISRE 2400 (Revised)). ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects the financial position of Harry Gwala Agri NPC as at 29 February 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 Companies Act 71 of 2008.

Proprietor: Colenbrander Incorporated | Reg 2000/002149/21

Directors: Steve Colenbrander • Gary Banfield • Genevieve Chubb • Matthew Black  
Heather Gouweloos • Richard Lawrence • Ernest Pretorius

A handwritten signature in black ink that reads "Colenbrander Inc". The signature is written in a cursive, flowing style.



Registered Auditors • Chartered Accountants (SA)

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Web: www.colenbrander.co.za

Tax Practitioners No: PR - 0007575

Practice No: 964107

## Independent Reviewer's Report

### Other reports required by the Companies Act

The financial statements include the Directors' Report as required by the Companies Act 71 of 2008. The directors are responsible for the Directors' Report. Our conclusion on the financial statements does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our independent review of the financial statements, we have read the Directors' Report and, in doing so, considered whether the Directors' Report is materially inconsistent with the financial statements or our knowledge obtained in the independent review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we will report that fact. We have nothing to report in this regard.

A handwritten signature in black ink that reads "Colenbrander Inc". The signature is written in a cursive style and is positioned above a horizontal line.

Colenbrander Incorporated

Per: R A Lawrence

Director

Registered Auditors

Chartered Accountants (SA)

Hilton

Date:

19/5/2020

Proprietor: Colenbrander Incorporated | Reg 2000/002149/21

Directors: Steve Colenbrander • Gary Banfield • Genevieve Chubb • Matthew Black  
Heather Gouweloos • Richard Lawrence • Ernest Pretorius



**Harry Gwala Agri NPC**

(Registration number: 2016/140997/08)

Annual Financial Statements for the year ended 29 February 2020

**Statement of Financial Position as at 29 February 2020**

	Notes	2020 R	2019 R
<b>Assets</b>			
<b>Current Assets</b>			
Trade and other receivables	2	62 392	242 246
Cash and cash equivalents	3	135 028	477 388
		<u>197 420</u>	<u>719 634</u>
<b>Total Assets</b>		<u>197 420</u>	<u>719 634</u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		<u>182 306</u>	<u>705 591</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	4	15 114	14 043
<b>Total Equity and Liabilities</b>		<u>197 420</u>	<u>719 634</u>



**Harry Gwala Agri NPC**

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Annual Financial Statements for the year ended 29 February 2020

**Statement of Comprehensive Income**

	Notes	2020 R	2019 R
<b>Turnover</b>	5	<b>721 293</b>	<b>1 405 627</b>
<b>Operating expenses</b>			
Accounting fees		38 049	25 749
Advertising		2 329	-
Bank charges		4 755	5 478
Computer expenses		9 894	6 872
Employee costs	6	676 289	640 525
Insurance		19 339	19 439
Legal expenses		-	12 172
Meeting costs		4 255	-
Motor vehicle expenses		15 356	603
Printing and stationery		7 915	5 711
Project expenses		120 953	-
Student stipend		291 000	336 000
Sundry expenses		824	1 785
Telephone and fax		1 435	1 284
Travel - local		49 635	42 892
Workmens compensation		2 550	2 902
		<b>1 244 578</b>	<b>1 101 412</b>
<b>(Loss) profit for the year</b>		<b>(523 285)</b>	<b>304 215</b>

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**Statement of Cash Flows**

	Notes	2020 R	2019 R
<b>Cash flows from operating activities</b>			
Cash (used in) generated from operations	8	<u>(342 360)</u>	<u>422 832</u>
<b>Total cash movement for the year</b>		<b>(342 360)</b>	<b>422 832</b>
Cash at the beginning of the year		<u>477 388</u>	<u>54 556</u>
<b>Total cash at end of the year</b>	3	<b><u>135 028</u></b>	<b><u>477 388</u></b>



## Harry Gwala Agri NPC

(Registration number: 2016/140997/08)

Annual Financial Statements for the year ended 29 February 2020

### Accounting Policies

#### 1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The 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.

#### 1.1 Significant judgements and sources of estimation uncertainty

##### Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

#### 1.2 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 profit or loss) 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.

##### Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

#### 1.3 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

#### 1.4 Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

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**Notes to the Financial Statements**

	2020 R	2019 R
<b>2. Trade and other receivables</b>		
Trade receivables	62 392	242 246
<b>3. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Bank balances	135 028	477 388
<b>4. Trade and other payables</b>		
Trade payables	15 114	14 043
<b>Trade payables comprises of:</b>		
Colenbrander Incorporated	2 196	1 423
South African Revenue Service - PAYE	12 917	12 620
	<b>15 113</b>	<b>14 043</b>
<b>5. Turnover</b>		
Donations	721 293	1 405 627
<b>Donations comprises of:</b>		
Panaar Seed (Pty) Ltd	-	467 500
De Heus (Pty) Ltd	138 510	117 192
Dairy Farmers of South Africa (Pty) Ltd	60 000	50 000
Astral Operations Ltd t/a Meadow Feeds	125 922	56 588
The Community Restoration Charitable Trust	20 000	-
Standard Bank SA Ltd	-	410 000
P Trimborn Agency CC	80 000	80 000
Ixopo Highflats Farmers Association	-	20 000
Link Seed	90 000	-
Individual Farmers - HGA is issuer	206 861	204 347
	<b>721 293</b>	<b>1 405 627</b>
<b>6. Employee cost</b>		
<b>Employee costs</b>		
Consulting fees	450 000	425 000
PAYE & UIF	155 009	144 245
Salary - S Firth	71 280	71 280
	<b>676 289</b>	<b>640 525</b>
<b>7. Taxation</b>		

In terms of Section 10(1)(e) of the Income Tax Act, the company is subject to tax on investment income only, less attributable expenses. No provision has been made for the 2020 tax as the company has no taxable income.



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**Notes to the Financial Statements**

	2020 R	2019 R
<b>8. Cash (used in) generated from operations</b>		
(Loss) profit before taxation	(523 285)	304 215
<b>Changes in working capital:</b>		
Trade and other receivables	179 854	125 956
Trade and other payables	1 071	(7 339)
	<u>(342 360)</u>	<u>422 832</u>

**9. Related parties****Relationships**

R G Stapylton-Smith	Director
J A H Bredin	Director
P C Button	Director
P D Christianson	Director
L L Hauff	Director
P Z Mkhize	Director
R J L Bryden	Director

**10. Going concern**

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.

**11. Events after the reporting period**

The directors are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the financial statements.