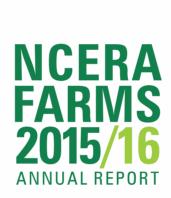


NCERA FARMS 2015/16

ANNUAL REPORT



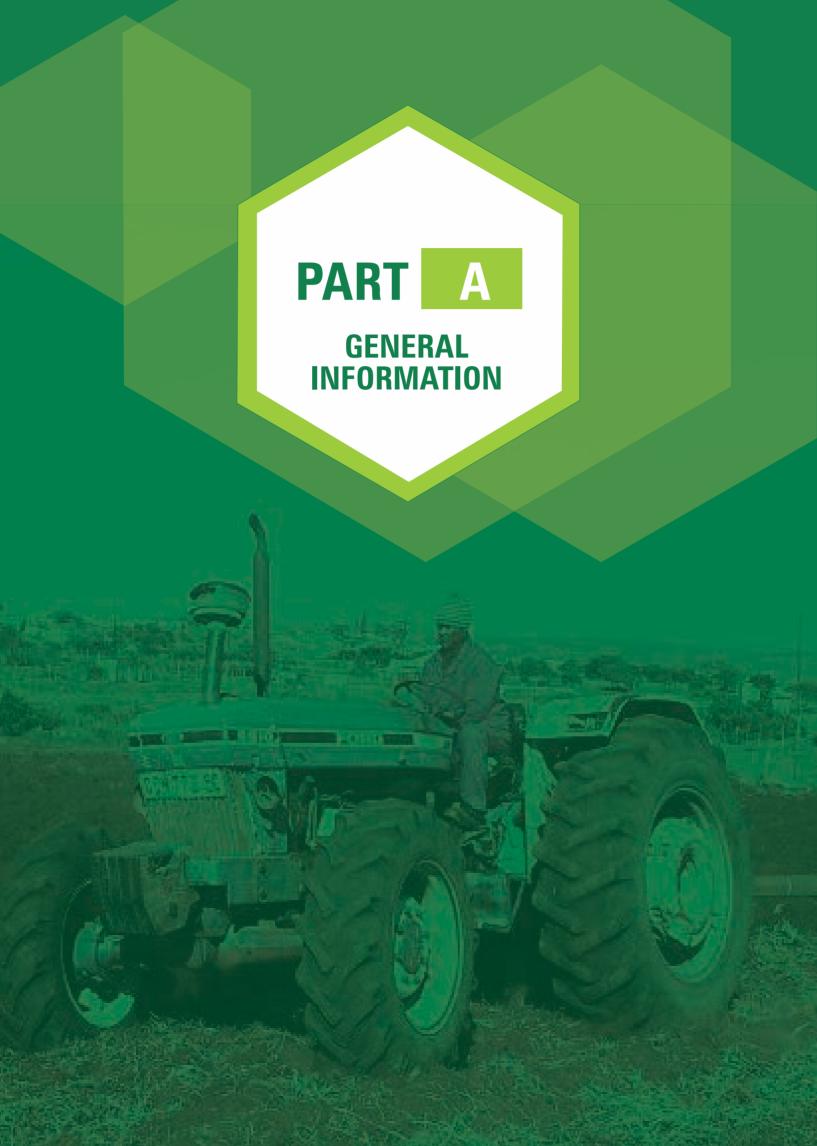


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## 1. PUBLIC ENTITY'S GENERAL INFORMATION

NCERA FARMS SOC LIMITED

REGISTERED NAME:

REGISTRATION NUMBER:	1965/004352/32
PHYSICAL ADDRESS:	Welcome Home Farm Kidds Beach 5264
POSTAL ADDRESS:	P.O BOX 5 KIDDS BEACH 5264
TELEPHONE NUMBER:	043 492 0033
EMAIL ADDRESS:	mzi@ncerafarms.co.za
EXTERNAL AUDITORS:	Pricewaterhouse Coopers Inc Acacia House, Palm Square Bonza Bay Road Beacon Bay 5241
BANKERS:	ABSA Bank Limited
COMPANY SECRETARY	Gerrit van den Heever



## 2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA Auditor General of South Africa

BBBEE Broad Based Black Economic Empowerment

CEO Chief Executive Officer

CFO Chief Financial Officer

MEC Member of Executive Council

MTEF Medium Term Expenditure Framework

PFMA Public Finance Management (Act 1 of 1999)

PPPFA Preferential Procurement Policy Framework Act

TR Treasury Regulations

SMME Small Medium and Micro Enterprises

SCM Supply Chain Management

IFRS International Financial Reporting Standards

SA GAAP South African Generally Accepted Accounting Practice

ARC Agriculture Research Council

DAFF Department of Agriculture Forestry & Fisheries



## FOREWORD BY THE CHAIRPERSON

Ncera Farms is a Stale Owned Enterprise. a public company listed under the schedule 313 of the PFMA with Department of Agriculture Forestry and Fisheries as a sole shareholder. Ncera Farms Is subdivided into two sections, the Ncera Centre, which Is registered as Ncera Farms SOC Limited, to manage state owned land In the Kidds Beach area. The second area is the ten portions of farms around the Centre.

The Entity has four distinct areas of focus, the Finance and Administration, Livestock, Mechanization and Crop production. Livestock however is the main enterprise specializing on Nguni cattle and goats, while Administration ensures the smooth running of the organization. Mechanization however concentrates in assisting small holder farmers in cultivating their lands, and contributing towards food security.

The Department of Agriculture, Forestry and Fisheries is in the process of transferring the Entity to the Agricultural Research Councill. This is done with the consultation with Treasury and ARC, so as to have a smooth transition between all parties involved.

Although this has been a very difficult year in all agricultural related enterprises and projects, because of the severe drought, Ncera Farms has survived. This is through proper livestock management and enthusiasm of all staff members ensuring that feed and forage, and water Is available to animals at all times. No mortalities were reported relating to the drought.

As the Caretaker of the Board I would like to take this opportunity to thank the management of Ncera Farms, for their good work, especially during the difficult times of the drought spells experienced in this region. I further more would like to extend my condolences to the Jongilanga Family for the passing of Chief Jongilanga of the Imidushane and also thank Chief Phato of the Amagqunukhwebe aseLwandle the formal and informal structures in and around the Ncera Farms.

KCM MANNYA

Caretaker of the Board

Ncera Farms SOC Limited

Date: 31 May 2016



## 4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

Ncera Farms is a state Owned Company under the Department of Agriculture, Forestry and Fisheries. It is situated in the Eastern Cape about 40 km from East London, close to Kidd's Beach. The entity boasts with breeding good quality Nguni Cattle as the primary enterprise, followed by Boer goats and vegetables like green peppers and tomatoes.

It cannot be over emphasized that the year under review was hard hit by drought all over the country. The institution is no exception to the rest of the province. However, the fact that Nguni cattle are drought resistant by nature, no mortalities have been experienced as a result of the drought spells over the financial year. It was also a deliberate undertaking that Ncera Farms considered Nguni over other European breeds.

Although all the farms were affected by the drought, no significant amount of money was spent on supplementary feeding. This is also the case with goats, although some of the older ones lost condition, but no mortalities were directly linked to drought. The condition of all animals on the farm has been lost but the situation stayed under control. The scarcity of water in the drinking troughs was a major challenge. As a result there was an increase in fuel expenses to cart the water closer to the livestock at all times.

The fact that the farm has up to 80% grass coverage, has contributed positively to ease veld management during this difficult period. If the entity had enough funding to deal with debushing, which would have promoted regrowth, Ncera Farms would produce even better quality animals and animals would not have lost condition.

The entity remains vigilant in its objectives of producing good quality Nguni Cattle and Boer goats. The entity contributes positively to food security as one of the priorities of the department, while at the same time assisting smallholder farmers in food gardens, in and around the Ncera Farms catchment area which consists of about 9 villages, on the Mechanization program. Ncera Farms produces tomatoes and green peppers which are sold to the market and to the communities at large.

General financial review of the public entity

Ncera Farms SOC received an allocation of R5,6m from DAFF of which 95% was used for compensation of employees and the remainder for maintenance and other overheads. However an additional amount of R879 000 from reserves was approved by the Caretaker of the Board to be utilised to cover the shortfall.

Spending trends of the public entity

Spending patterns did not vary much as the only increase received by the entity was an inflation-related increase of 5 %.

Financial constraints and challenges facing the public entity



The entity is still facing challenges of being under funded when it comes to projects; however the Department of Agriculture Forestry and Fisheries is in the process of transferring the entity to Agricultural Research Council.

Supply chain management

The entity has a Chief Financial Officer who is making sure that the entity complies with any regulations, including those that relates to SCM. The finance section also prevents the occurrence of irregular, unauthorised and fruitless and wasteful expenditure by making sure that they are fully updated with the changes in PPPFA and other treasury prescripts.

Audit report matters in the previous year and how would be addressed

The entity had only one significant finding relating to Governance. The issue of the audit committee and internal audit not in place was raised.

During the 2015/16 financial year Internal Auditors were appointed and performed the internal audit.

Events after the reporting date

There were no events after the reporting date

Audit reports

The entity has maintained the status of an unmodified audit report

M.M Titimani

Chief Executive Officer
Ncera Farms SOC Limited

Date: 31 May 2016



## 5. STRATEGIC OVERVIEW

## 5.1 Vision

To contribute towards an industry focused farm management training, farmer support services and the design of franchise type agricultural business models for farmers in general and beneficiaries of land and agrarian reform in particular within the immediate catchment area of the centre.

## 5.2 Value

Drive - Driven to deliver excellent services

Attitude - Being an ambitious, passionate, reliable and dedicated workforce

Fairness – Acting with objectivity, empathy, integrity and transparency

Focus – Focus on people, economic and rural development



## 6. LEGISLATIVE AND OTHER MANDATES

Ncera Farms SOC Limited is a schedule 3B entity as per the PFMA.

The entity is guided by the following laws & regulations and policies:

Public Finance Management Act

**Treasury Regulation** 

Preferential Procurement Policy Framework Act

**Human Resource Management Policy** 

Supply Chain Management Policy

Performance Management Policy

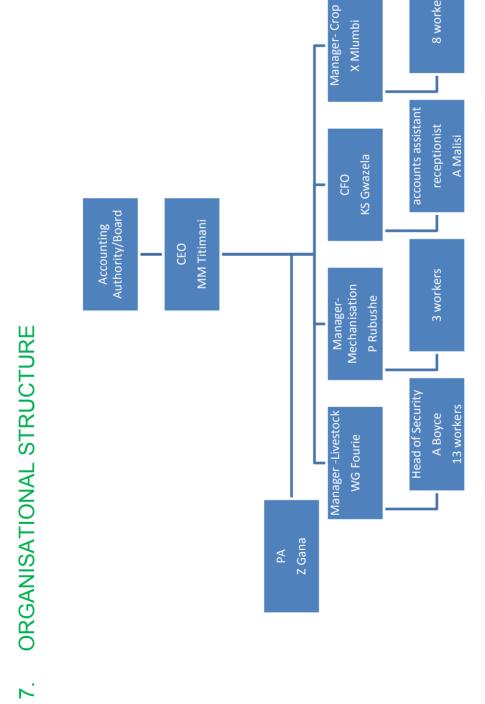
Financial Procedure Manual & Policy

Strategic Risk Management Policy

Fraud Prevention Plan & Policy

Companies Act









## AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The external auditor currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

## SITUATIONAL ANALYSIS

## 9.1 Service Delivery Environment

The objective of this chapter is to locate the Ncera Farms SOC Limited area in terms of its geographical location within South Africa. Physical factors such as climate, soils, water resources and vegetation are explored to explain the agricultural potential of the area.

The Ncera Farms area includes the Service Centre which is situated at Welcome Home Farm, Rocklands Cash Store and the following farms at Silverdale, Yellowwoods, Hilltop, Rocklands, Springvale, Flintham, Ferndale and Lillyvale farm. This is under the Amathole District Municipality (ADM) region in the central Eastern Cape of the former Ciskei. These farms are situated near East London in the vicinity of Buffalo City Metropole.

## 9.2 Key policy developments and legislative changes

There were no major changes in the entity's policies.

## 9.3 Strategic Outcome Oriented Goals

Strategic Goal 1: Development and implementation of effective and efficient Ncera

management and governance systems and procedures

Strategic Goal 2: Livestock – To produce good quality livestock for livestock improvement

Strategic Goal 3: Mechanisation – To ensure that the workshop operates effectively, efficiently

and provides support to the surrounding villages

Strategic Goal 4: Crop production – Enhance food security



## Programme 1: Finance & Administration unit – R6 346 258

## Strategic Goal

Development and implementation of effective and efficient Ncera management and governance systems and procedures.

## The purpose of the programme

The purpose of this programme is to ensure that Ncera is effectively managed and governed within dictates of legislation and corporate governance that governs public entities. Its aim is also to provide an enabling environment for staff members as they implement Ncera's programmes, through proper systems, policies and procedures.

## Strategic Goal 1: Development and Implementation of Effective and Efficient Governance Systems and Procedures for the entity

Strategic Objective 1: Good Governance practices and effective, efficient support systems Measurable Objective

- 1.1. To provide support to the entire entity
- 1.2. Strengthens internal controls so as to achieve an unqualified audit report
- 1.3. Remuneration of employees



# PERFORMANCE INFORMATION BY PROGRAMME/ACTIVITY/OBJECTIVE

Programme 1: Finance & Administration - R6 346 258

Performance Indicator	Annual Achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviations
Reporting	Quarterly report	Produce 4 quarterly	Produced quarterly	None	None
	produced	expenditure, performance	expenditure, performance		
		reports, Annual Performance	reports, Annual Performance		
		Report	Report		
Unqualified audit report	1	Maintain unqualified audit report	Maintained unqualified audit report	None	None



Performance Indicator	Annual Achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviations
Implementation of Performance management	1	All signed performance agreements for all employees are in place	All performance agreements were signed and in place	None	None
9y9tell	_	Reviews conducted twice a year	Performance reviews were conducted	None	None
Risk Management system		One risk review performed and risk register updated	Risk review was performed and register updated	None	None



Performance Indicator	Annual Achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviations
Annual Performance and expenditure reports		Produce Annual Performance and expenditure reports	Produce Annual Performance and expenditure reports	None	None
To provide Supported the efficient support entity so to the entire entity to achieve the objectives	Supported the entire entity so as to achieve the objectives	Support the entire entity so as to achieve the objectives	Support the entire entity so as to achieve the objectives		



# Programme 2: Livestock - R50 000

Strategic Goal 2: To produce good quality livestock for livestock improvement

Strategic Objective 1: Promotion of good quality livestock towards a livestock improvement program

Measurable Objective

1.1. Healthy Livestock



Performance Indicator	Annual Achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviations
Healthy livestock is produced	Produced healthy animals	Produce healthy animals Sell kapaters, culls and goats	Produced heathy animals Sold kapaters, culls and goats	None	None
Camps fenced	1	Camps fenced	3 camps fenced	None	None
Camps planted	_	Rye grass planted	3 camps planted rye grass	None	None



# Programme 3: Mechanisation - R50 000

Strategic Goal 3: To ensure that the workshop operates effectively, efficiently and provides support to the surrounding villages

Strategic Objective 1: Ensure mechanisation program is enhanced

- 1. Measurable Objective:
- 1.1. Repairs, maintenance and provide service for tractors and bakkie



Performance Indicator	Annual Achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviations
Number of motor	Maintained 5 Motor	Maintenance and repairing of 7	Maintained and repaired 8 motor	1 motor vehicle repaired	Repairs and
vehicles, tractors,	vehicles, 5 tractors	motor vehicles, 8 tractors, 2	vehicles, 6 tractors and	and maintained	maintenance are
trucks and	and 1 truck and	truck and equipment	equipment		performed when
equipment	equipment				necessary
maintained and				2 tractors not repaired	
repaired				and maintained	



# Programme 4: Crop Production – R30 000

Strategic Goal 4: Enhance food security

Strategic Objective 1: Good quality crops produced

1. Measurable Objective:

1.1 Good quality vegetables produced

Strategic Objective 2: Mechanisation services accessible to the villagers

2. Measurable Objective:

2.1. Assist villages with mechanisation services



Performance Indicator	Annual Achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviations
Good quality	Good quality	Good quality tomatoes and	Good quality tomatoes and	None	None
vegetables	vegetables	greenpeppers produced	greenpeppers produced		
produced	produced				
Number villages assisted with mechanisation	7 villages supported with mechanisation services	Assist 9 villages with mechanisation services	9 villages assisted with mechanisation services	None	None



## ANNEXURE

## ADDITIONAL SUMMARY CROP SECTION

Performance Indicator	Annual Target for 2015/16 as per APP	2015/2016Estimate R'000	АРР	Annual Report	Additional notes
Good quality vegetables	Good quality vegetables Good quality tomatoes Refer	Refer above	Selling of	Tomatoes sold to	The entity sold average of 700 bags (5kg) of
produced	and green peppers		tomatoes	the market	tomatoes and average of 101 bags(5kg)
	produced				



Performance Indicator	Annual Target for 2015/16 as per APP	2015/2016 Estimate R'000	APP	Annual Report	Additional Notes
Number villages assisted 9 villages assisted with	9 villages assisted with	Refer above	Assist 9 villages	9 villages assisted	Assist 9 villages   9 villages assisted   9 villages (covers 60,2 hectares) were
with mechanisation	mechanisation services		assist with	with	assisted with mechanisation services
services			mechanisation	mechanisation	
			services	services	



## LIVESTOCK

Performance Indicator	Annual Target for 2015/16 as per APP	2015/2016Estimate R'000	APP	Annual Report	Additional Notes
Livestock is healthy	Produce healthy	Refer above	Produce Healthy	Produced Healthy	GOATS
	animals		animals	animals	95,5% kidding rate
					CATTLE
					80% calving rate
					33% of the Nguni Bulls passed inspection
					93% of the Nguni Heifers passed inspection





## 1. INTRODUCTION

Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. In addition to legislative requirements based on a public entity's enabling legislation, and the Companies Act, corporate governance with regard to public entities is applied through the precepts of the PFMA and run in tandem with the principles contained in the King Report on Corporate Governance.

Parliament as well as the Executive and the Accounting Authority of the public entity are responsible for corporate governance.

## 2. EXECUTIVE AUTHORITY

The entity's Strategic Plan, Annual Performance Plan and Annual Reports are submitted to the Executive Authority for approval. The Executive Authority recommended that the institution must be funded for salaries and wages, maintenance of the assets and other overheads.

## 3. THE ACCOUNTING AUTHORITY / BOARD

The entity does not have a Board of Directors. A Caretaker of the Board serves as the Board.

## RISK MANAGEMENT

Ncera Farms has a Risk Management Policy in place. Regular risk assessments are conducted.

Ncera Farms conducts regular risk assessments in order to determine the effectiveness of its risk management strategy and identifying new and emerging risks. This assessment is conducted twice a year.

## INTERNAL AUDIT AND AUDIT COMMITTEES

The entity does not have an audit committee. Internal Auditors, Lunika Inc. carried out the internal audit activities in the entity.

## COMPLIANCE WITH LAWS AND REGULATIONS

The entity operates under the PFMA, other Treasury Regulations and PPPFA. It has a fully functioning finance unit that ensures compliance with all the said regulations and any amendments in the Supply Chain Management Policy.



## 7. FRAUD AND CORRUPTION

The public entity has a fraud prevention plan and policy in place. All fraud and corruption related matters are reported using Department of Agriculture, Forestry and Fisheries' hotline.

No fraud cases during the financial year.

## 8. MINIMISING CONFLICT OF INTEREST

Ncera Farms reserves the right to exclude anyone where it deems any such relationship to be in conflict with the best interests of the entity.

## 9. CODE OF CONDUCT

In order to ensure that employees understand, respect and uphold Ncera Farms' values, it is necessary to integrate the interests of Ncera Farms with those of its employees. Ncera Farms ensures compliance with applicable human rights legislation and does not permit conduct that creates an intimidatory or offensive work environment.

## 10. AUDIT COMMITTEE REPORT

The entity does not have an audit committee.





## 1. HUMAN RESOURCE OVERSIGHT STATISTICS

During the financial year the service of one employee was terminated due to retirement.

There were no new appointments in the 2015/16 financial year. On the budget allocation of R5 622 000, 95% is allocated to salaries and wages.





## 1. Director's Responsibilities and Approval

The director is required by the Companies Act 71 of 2008, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is her responsibility to ensure that the annual 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 Standards.

The external auditors are engaged to express an independent opinion on the annual financial statements. The annual financial statements are prepared in accordance with the International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The director acknowledges that she is ultimately responsible for the system of internal financial control established by the company and places considerable importance on maintaining a strong control environment. To enable the director to meet these responsibilities, the board 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 director is of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The director has reviewed the company's cash flow forecast for the year to 31 March 2017 and, in light of this review and the current financial position, she is satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 31 to 33.

The external auditors were given unrestricted access to all financial records and related data, including minutes of all meetings of the board of director. The director believes that all representations made to the independent auditors during their audit are valid and appropriate.

The annual financial statements set out on pages 35 to 51, which have been prepared on the going concern basis, were approved on behalf of the board on 2 August 2016 and were signed by the director, Nokuvela Lebohang Ngubelanga.



## 2. Director's Report

The director submits her report for the year ended 31 March 2016.

## 1. Review of activities

## Main business and operations

Ncera Farms is a State Owned Company under the Department of Agriculture, Forestry and Fisheries. It is situated in the Eastern Cape about 40 km from East London, close to Kidd's Beach. The entity boasts with breeding good quality Nguni Cattle as the primary enterprise, followed by Boer goats and vegetables like green peppers and tomatoes.

Net loss of the company was R 667 297 (2015: net profit of R180 864). No tax was raised during the prior and current year as the entity is in an assessed loss position.

## 3. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, will occur in the ordinary course of business.

### Director

The director of the company during the year and to the date of this report are as follows: Nokuvela Ngubelanga

## Auditors

PricewaterhouseCoopers Inc. will continue in office in accordance with section 90 of the Companies Act 71 of 2008



### 3. REPORT OF THE EXTERNAL AUDITOR

This is the audit report as issued by the external auditor.







### INDEPENDENT AUDITOR'S REPORT TO PARLIAMENT ON THE NCERA FARMS SOC LIMITED REPORT ON THE FINANCIAL STATEMENTS

### Introduction

1. We have audited the financial statements of the Ncera Farms SOC Limited set out on pages 35 to 51, which comprise the statement of financial position as at 31 March 2016, the statement of financial performance, statement of changes in equity and statement of cash flows for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

### Director's responsibility for the financial statements

2. The board of directors, which constitutes the accounting authority, is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRS) and the requirements of the Public Finance Management Act of South Africa No. 1 of 1999 (PFMA) and the Companies Act of South Africa No. 71 of 2008, and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

- 3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 4. 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.
- 5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

6. In our opinion, the financial statements present fairly, in all material respects, the financial position of the Ncera Farms SOC Limited as at 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with IFRS and the requirements of the PFMA and the Companies Act.

PricewaterhouseCoopers Inc., Palm Square Office Park, Acacia House, Bonza Bay Road, Beacon Bay 5241 PO Box 13069, Vincent 5217

T: +27 (43) 707 9600, F: +27 (43) 707 9700, www.pwc.co.za

Chief Executive Officer: T D Shango Management Committee: S N Madikane, J S Masondo, P J Mothibe, C Richardson, F Tonelli, C Volschenk The Company's principal place of business is at 2 Eglin Road, Sunninghill where a list of directors' names is available for inspection. Reg. no. 1998/012055/21, VAT reg.no. 4950174682





### Other reports

7. As part of our audit of the financial statements for the year ended 31 March 2016, we have read the Foreword by the Caretaker, the Chief Executive Officer's Overview and the Director's Report for the purpose of identifying whether there are material inconsistencies between these reports and the audited financial statements. These reports are the responsibility of the respective preparers. Based on reading these reports we have not identified material inconsistencies between these reports and the audited financial statements. We have not audited the reports and accordingly do not express an opinion on them.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

8. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, we have a responsibility to report findings on the reported performance information against predetermined objectives for the selected objectives presented in the annual report, non-compliance with legislation and internal control. The objective of our tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, we do not express an opinion or conclusion on these matters.

### Predetermined objectives

- 9. We performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the public entity for the year ended 31 March 2016:
- Programme 1: Finance & Administration on page 13
- 10. We evaluated the reported performance information against the overall criteria of usefulness and reliability.
- 11. We evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned objectives. We further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPI).

### Usefulness and reliability of reported performance information

12. We did not identify any material findings on the usefulness and reliability of the Finance and Administration programme.

### Achievement of planned targets

13. Refer to the annual performance report on pages 12 to 25 for information on the achievement of the planned targets for the year.

### Unaudited supplementary information

14. The supplementary information set out on page 48 does not form part of the annual performance report and is presented as additional information. We have not audited this schedule and, accordingly, we do not report thereon.





### Compliance with legislation

15. We performed procedures to obtain evidence that the public entity had complied with legislation regarding financial matters, financial management and other related matters. Our findings on material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

### **Audit committee**

16. The entity did not appoint an audit committee in the current year in accordance with section 51(1)(a)(ii) and section 77(c) of the PFMA and section 94 of the Companies Act.

### Internal control

17. We considered internal control relevant to our audit of the financial statements, performance information and compliance with legislation. Except for the matter noted in paragraph 16, we did not identify any other deficiencies in internal control which we considered sufficiently for inclusion in this report.

### Governance

18. Appropriate structures were not implemented to ensure that there is an audit committee that promotes accountability and service delivery.

PricewaterhouseCoopers Inc.

riculaterhanse Coopers Unc

Director: JM Mauer Registered Auditor East London 2 August 2016



### 4. ANNUAL FINANCIAL STATEMENTS

Preparer: Khayakazi Gwazela (Chief Financial Officer)

Sign:



### Statement of Financial Position

for the year ended 31 March 2016

		R	R	R
	Notes	2016	2015	2014
Assets				
Non-current assets		2 688 056	2 777 130	2 783 486
Property, plant and equipment	2	1 790 605	1 879 729	2 086 057
Intangible Assets	3	1	1	1 629
Biological Assets	7	897 450	897 400	695 800
Current Assets		1 227 309	1 687 787	1 310 424
Inventory	6	5 314	5 853	8 602
VAT receivable		17 147	16 366	36 966
Cash and cash equivalents	8	1 204 848	1 665 568	1 264 856
	-			
Total Assets	•	3 915 365	4 464 917	4 093 910
Equity and Liabilities	•			
Capital and Reserves		3 275 526	3 942 823	3 761 959
Share Capital	9	1 000	1 000	1 000
Non-distributable reserves		60 715 847	55 093 847	49 673 847
Accumulated loss		(57 441 321)	(51 152 024)	(45 912 888)
Current liabilities		639 839	522 094	331 951
Accruals	10.1	264 994	159 824	155 025
Provision	10.2	353 495	303 877	169 694
Trade and other payables from exchange				
transactions	10.3	21 350	58 393	7 232
Total Equity and Liabilities		3 915 365	4 464 917	4 093 910



### Statement of Financial Performance

for the year ended 31 March 2016

		2016	2015
	Notes	R	R
Gross revenue from exchange transactions		231 339	133 354
Cost of sales		(17 529)	(13 686)
Gross profit	•	213 810	119 668
Gross revenue from non-exchange transactions	12	5 622 000	5 420 000
Other revenue	_	30 150	400 673
Other revenue from exchange transactions		-	164 823
Fair value adjustments on biological assets		30 150	235 850
Total expenses	_	(6 558 286)	(5 785 543)
Employee benefits	18	(5 317 456)	(4 444 158)
Depreciation & amortisation	13	(89 650)	(199 304)
Other operating expenses		(1 151 180)	(1 142 081)
	·		
Operating (loss)/profit	•	(692 326)	154 798
Finance income		25 029	26 066
(Loss)/profit before tax	-	(667 297)	180 864
Taxation	14	-	-
(Loss)/profit for the year	-	(667 297)	180 864
Other comprehensive income		-	-
Total comprehensive (loss)/income for the year	-	(667 297)	180 864



### Statement of Changes in Equity

for the year ended 31 March 2016

Balance at 31 March 2014

Total comprehensive income for the year

Transfers to non-distributable reserve

Balance at 31 March 2015

Total comprehensive income for the year

Transfers to non-distributable reserve

Balance at 31 March 2016

	Non-	Accumulated loss	Total
	distributable		
Share capital	reserves		
œ	٣	œ	٣
1 000	49 673 847	(45 912 888)	3 761 959
•	ı	180 864	180 864
•	5 420 000	(5 420 000)	ı
1 000	55 093 847	(51 152 024)	3 942 823
•	ı	(667 297)	(667 297)
•	5 622 000	(5 622 000)	1
1 000	60 715 847	(57 441 321)	3 275 526



### Statement of Cash Flows

for the year ended 31 March 2016

		2016	2015
	Notes	R	R
Cash flows from operating activities			
Cash utilised in operating activities	15	(6 107 222)	(5 205 480)
Net cash flows from operating activities	•	(6 107 222)	(5 205 480)
Cash flows from investing activities			
Additions to property, plant and equipment		(526)	(1 447)
Additions to biological assets		· · ·	(3 250)
Proceeds on sale of assets		-	164 823
Interest received		25 029	26 066
Net cash flows from investing activities		24 503	186 192
Cash flows from financing activities			
Funds received from Department of Agriculture, Forestry			
and Fisheries		5 622 000	5 420 000
Net cash flows from financing activities		5 622 000	5 420 000
Net (decrease)/increase in cash and cash equivalents		(460 720)	400 712
Cash and cash equivalents at the beginning of the year		1 665 568	1 264 856
Cash and cash equivalents at the end of the year	8	1 204 848	1 665 568



### **Notes to the Annual Financial Statements**

for the year ended 31 March 2016

### 1. Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IFRS') and the Companies Act, 2008 in South Africa. IFRS 1, First-time Adoption of International Financial Reporting Standards ('IFRS 1'), has been applied in preparing these financial statements. These financial statements are the Company's first financial statements to be prepared in accordance with IFRS.

The policies set out below have been consistently applied to all the years presented. The financial statements of the Company until 31 March 2015 had been prepared in accordance with Generally Accepted Accounting Principles in South Africa ('SA GAAP'). When preparing the financial statements, management have not amended any of the accounting or valuation methods applied in the SA GAAP financial statements as they did not differ from IFRS. As a result the comparative figures in respect of the financial statements at 31 March 2015 and 1 April 2016 were not restated.

### 1.1 Transition to IFRS

IFRS 1 requires full retrospective application of IFRS. However, the standard allows for exceptions and exemptions from full retrospective application of IFRS. The mandatory exceptions from full retrospective application of IFRS are not applicable, other than the estimates exception in respect of which no adjustments were made. The Company has not elected any of the exemptions from full retrospective application of IFRS.

### Reconciliations between IFRS and SA GAAP

The conversion of the financial results of the Company from SA GAAP to IFRS did not result in any adjustments to the Company's previously reported financial position, financial performance or cash flows. As such no reconciliations are presented.

### 1.2 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Motor vehicles and tractors are depreciated on a usage basis of kilometres driven and hours used respectively; with maximum units imposed based on expected useful lives.



### **Notes to the Annual Financial Statements**

for the year ended 31 March 2016

Depreciation on assets other than motor vehicles and tractors is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

ItemAverage useful lifeTunnels15%Plant and machinery10 – 20%Office furniture and equipment10%-15%Intangible assets50 %

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, where there is an indication of a significant change since the last reporting date.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item and has significantly different patterns of consumption of economic benefits is depreciated separately over its useful life.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

### 1.3 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

Separately acquired licences are shown at historical cost.

Intangible assets are initially recognised at cost and subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date if there are indicators present that there is a change from the previous estimate.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Computer software licence

6 years

### 1.4 Financial instruments

### Financial instruments at amortised cost

Financial instruments may be designated to be measured at amortised cost less any impairment using the effective interest method. These include trade and other receivables, loans and trade and other payables. At the end of each reporting period date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised in profit and loss.

### Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss.



### **Notes to the Annual Financial Statements**

for the year ended 31 March 2016

### Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

### Cash and cash equivalents

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

### Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### 1.5 Inventory

Consumable stores are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

### 1.6 Revenue recognition

Sales are recorded in the financial statements at the date goods are delivered to customers or services provided.

Revenue is shown net of value-added tax, estimated returns, rebates and discounts.

### 1.7 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

### 1.8 Non – Distributable Reserves

Non Distributable Reserves represent the cumulative historical government support received by the entity. An amount equal to grant funding received is transferred on an annual basis from the accumulated surplus/loss to the Non distributable Reserve.

### 1.9 Biological assets

The entity recognises a biological asset when and only when:

- the entity controls the asset as a result of a past event;
- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably.



### **Notes to the Annual Financial Statements**

for the year ended 31 March 2016

Biological assets are measured at fair value less costs to sell.

The fair value of livestock is determined based on market prices of livestock of similar age, breed, and genetic merit.

A gain or loss arising on initial recognition of agricultural produce at fair value less costs to sell is recognised as income in the period in which it arises.

When market prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined rate is used to determined fair value.

### 1.10 Tax

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

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

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

### Deferred income tax assets and liabilities

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

A deferred income tax asset is recognised for all deductible temporary differences.

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

A tax valuation allowance is recognised against deferred income tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current and future taxable profit. The deferred income tax balance reflects the effect of the possible outcomes of a review by the tax authorities.

### Tax expenses

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.



# Notes to the Annual Financial Statements

at the year ended 31 March 2016

## 2. Property, plant and equipment

				Office	
	Land and	Plant and	Motor	furniture and	
2016	puildings	machinery	vehicles	equipment	Total
	œ	œ	œ	œ	~
Carrying value - opening balance	1 511 807	113 120	70 678	184 124	1 879 729
Cost	1 673 417	378 738	1 007 147	607 467	3 666 769
Accumulated depreciation	(161 610)	(265 618)	(936 469)	(423 343)	(1 787 040)
Additions		ı	•	525	525
Deprecation	(4 230)	(16 892)	(40 204)	(28 324)	(89 620)
Carrying value – closing balance	1 507 577	96 229	30 474	156 325	1 790 605
Cost	1 673 417	378 738	1 007 147	607 992	3 667 294
Accumulated depreciation	(165 840)	(282 509)	(976 673)	(451 667)	(1 876 689)

As at 31 March 2016, fully depreciated assets with a gross carrying amount of R1 180 492 were still in use.



2015	Land and buildings	Plant and machinery	Motor vehicles	Office furniture and equipment	Total
Carrying value - opening balance	1 536 683	132 697	194 133	222 544	2 086 057
Cost	1 673 417	391 126	1 007 147	631 787	3 703 477
Accumulated depreciation	(136 734)	(258 429)	(813 014)	(409 243)	(1 617 420)
Additions		1 447	1		1 447
Disposals – cost	1	(13 835)	1	$(24\ 320)$	$(38\ 155)$
Disposals – accumulated depreciation		13 833	1	13 626	27 459
Depreciation written back		•	1	298	598
Depreciation	(24 876)	(21 021)	(123455)	(28 324)	(197 676)
Carrying value – closing balance	1 511 807	113 120	70 678	184 123	1 879 729
Cost	1 673 417	378 738	1 007 147	607 467	3 666 769
Accumulated depreciation	(161 610)	(265 618)	(936 469)	$(423\ 343)$	(1 787 040)

As at 31 March 2015, fully depreciated assets with a gross carrying amount of R782 533 were still in use.

2014	Land and buildings	Plant and machinery	Motor vehicles	Office furniture and equipment	Total
Carrying value - opening balance	1 561 560	147 584	309 516	237 128	2 255 788
Cost	1 673 417	384 992	696 266	618 387	3 674 755
Accumulated depreciation	(111 857)	(237 408)	(688 443)	(381 259)	(1 418 967)
Additions	•	6 134	9 188	16 509	31 831
Disposals – cost	•	•	1	(3 110)	(3 110)
Disposals – accumulated depreciation	•	•	•	829	829
Deprecation	(24 876)	(21 021)	(124570)	(28 814)	(199 281)
Carrying value – closing balance	1 536 683	132 697	194 133	222 544	2 086 057
Cost	1 673 417	391 126	1 007 147	631 787	3 703 477
Accumulated depreciation	(136 734)	(258 429)	(813 014)	(409 243)	(1 617 420)

As at 31 March 2014, fully depreciated assets with a gross carrying amount of R782 533 were still in use.



### 3. Intangible Assets

2016	R
Carrying value – opening balance Cost Accumulated amortisation Amortisation	9 772 (9 771)
Carrying value – closing balance Cost Accumulated amortisation Intangible assets comprise the Pastel Accounting Software	9 772 (9 771)
2015	
Carrying value – opening balance Cost Accumulated amortisation Amortisation	1 629 9 772 (8 143) (1 628)
Carrying value – closing balance Cost Accumulated amortisation	9 772 (9 771)
Intangible assets comprise the Pastel Accounting Software	
2014	
Carrying value – opening balance Cost Accumulated amortisation Amortisation	6 515 9 772 (3 257) (4 866)
Carrying value – closing balance Cost Accumulated amortisation	<b>1 629</b> 9 772 (8 143)

Intangible assets comprise the Pastel Accounting Software



### 4. Financial liabilities by category

	Financial liabilities at amortised	
2016	cost	Total
Trade and other payables Accruals and provisions Total	21 350 618 489 <b>639 839</b>	21 350 618 489 <b>639 839</b>
2015	639 639	639 639
Trade and other payables Accruals and provisions	58 393 463 701	58 393 463 701
Total	522 094	522 094
<b>2014</b> Trade and other payables	7 232	7 232
Accruals and provisions Total	324 719 <b>331 951</b>	324 719 331 951
	001 001	001001
5. Financial assets by category	Loans and receivables	Total
<b>2016</b> Trade and other receivables	-	- 1 204
Cash and cash equivalents	1 204 848	848
Total	1 204 848	1 204 848
<b>2015</b> Trade and other receivables	-	-
Cash and cash equivalents	1 685 568	1 685 568
Total	1 685 568	1 685 568
<b>2014</b> Trade and other receivables	-	-
Cash and cash equivalents	1 264 856	1 264 856
Total	1 264 856	1 264 856



	2016 R	2015 R	2014 R
6. Inventories			
Consumables	5 314	5 853	8 602
	5 314	5 853	8 602
The entity is not exposed to interest rate risk.			
7. Biological Assets			
Cattle			
Opening balance	792 550	556 700	456 200
Additions	850	123 850	-
Disposals	-	-	-
Fair value adjustments	29 300	112 000	100 500
Closing balance	822 700	792 550	556 700
Goats			
Opening balance	104 850	139 100	56 900
Additions	-	-	-
Disposals	(900)	-	-
Fair value adjustment	(29 200)	(34 250)	82 200
Closing balance	74 750	104 850	139 100
Total biological assets	897 450	897 400	695 800

Livestock was fairly valued by Elliot Brothers Auctioneers. There was a R30 150 fair value adjustment for cattle (2014: R235 850, 2013: R100 500). The fair value of goats was written down by R29 200 (2014: R34 250, 2013: R82 200 increase).

### 8. Cash and cash equivalents

		1 664	1 262
Cash and balances with banks	1 204 319	944	175
Petty cash	529	624	2 681
		1 665	1 264
	1 204 848	568	856
9. Share capital Authorised			
1 000 ordinary shares of R1 each	1 000	1 000	1 000
<b>Issued</b> 1 000 ordinary shares of R1 each	1 000	1 000	1 000
1 000 ordinary shares of KT each	1 000	1 000	1 000



10. Trade and other payables from exchange transactions	2016 R	2015 R	2014 R
10.1. Accruals			
Leave pay accrual	199 456	128 284	129 743
Accrual for 13 <sup>th</sup> cheque	65 538	31 540	25 283
	264 994	159 824	155 025
10.2. Provisions			
Performance bonus	353 495	303 877	169 694
	353 495	303 877	169 694
<b>10.3. Other trade and other payables</b> Other trade and other payables from			
exchange transactions	21 350	58 393	7 232
one lange deliberation	21 350	58 393	7 232

The entity's exposure to liquidity risk related to trade and other payables is disclosed in note 16.

### 11. Deferred Income Tax

	Deferred Tax		
	Accelerated capital allowances	66 599	57 538
	Accruals	(179 232)	(146 269)
	Biological assets	251 364	251 905
	Unrecognised deferred tax asset	(138 731)	(163 174)
		-	-
	Reconciliation of the deferred tax		
	At the beginning of the year	-	58 158
	Accelerated capital allowances	9 061	(4 555)
	Accruals	(32 963)	(53 240)
	Biological assets	(541)	55 572
	Increase in unrecognised deferred tax		
	asset	24 443	(55 935)
		-	
12.	Gross Revenue		
	Government Grant	5 622 000	5 420 000
		5 622 000	5 420 000

The entity received government funding income from the Department of Agriculture, Forestry and Fisheries. There are no unfulfilled conditions or other contingencies relating to the government grant.



13. Operating profit	2016 R	2015 R		
Operating profit for the year is stated after accounting for the following:				
Audit fees Director's remuneration Depreciation Employee costs Fair value adjustment on biological assets Biological assets written down	(95 193) (1 392 105) (89 650) (5 317 456) 30 150 (30 100)	(81 591) (921 470) (199 304) (4 444 158) 235 850 (37 500)		
14. Taxation				
Major components of income tax expense				
Current SA Normal tax	-	-		
<b>Deferred</b> Originating and reversing temporary differences	-	-		
Reconciliation of income tax expense Reconciliation between accounting profit and income tax expense				
Accounting (loss)/profit	(667 297)	180 864		
Tax at the applicable tax rate of 28% (2014: 28%)	(186 843)	50 642		
Tax effect of adjustments on taxable income Non-taxable income Increase in unrecognised deferred tax asset	(1 573 600) 1 760 443	(1 405 600) 1 354 958		
15. Net cash outflows from operating activities				
Cash flows generated from operations (Loss)/profit before tax	(667 297)	180 864		
Adjustment for:	90.050	100 204		
Depreciation Government grants	89 650 (5 622 000)	199 304 (5 420 000)		
Interest received	(25 029)	(26 066)		
Loss and impairment on assets	-	10 098		
Profit on sale of assets	(20.450)	(164 823)		
Fair value adjustments Write down on biological assets	(30 150) 30 100	(235 850) 37 500		
Movement in accruals	105 171	4 798		
Movement in provisions	49 618	134 183		
Changes in working capital				
Decrease in trade and other payables (Decrease)/increase in VAT receivable	- (782)	20 601		
Increase in inventory	539	2 749		
(Decrease)/increase in trade payables	(37 043)	51 162		
	(6 107 222)	(5 205 480)		



### 16. Financial instruments

15.1 Credit risk

Financial assets which potentially subject the entity to concentrations of credit risk consist principally of cash, short term deposits and trade receivables. The entity's cash equivalents and short term deposits are placed with high credit quality financial institutions. Credit risk relating to trade receivables is minimal due to repayment by debtors within normal credit terms.

15.2 Market Risk

15.2.1 Interest rate risk

The entity is not exposed to interest rate risk.

15.2.2 Commodity Risk

As at 31 March 2016, the carrying amounts of cash and short term deposits and accounts payable approximated their fair values due to the short term maturities of these asset and liabilities.

15.3 Liquidity Risk

Cash flow forecasting is performed to ensure that the entity has sufficient cash to meet operational needs. The timing of the receipt of government grants has the most significant impact on liquidity.

### 17. Related party transactions

### **Controlling entity**

The immediate holding entity is the National Department of Agriculture, Forestry and Fisheries, a department incorporated in the Republic of South Africa.

2016 2015

Grant income 5 622 000 5 420 000

### **Key Management**

Remuneration to key management personnel is fully disclosed in note 18.



### 18. Salaries include the following

2016	Position	Basic Salary	Subsistence & Travelling	Allowances	Bonuses	Total
M. M. Titimani Mr M. Mannya	Chief Executive Officer Caretaker of the Board	1 292 921	5 028	24 000	70 157	1 392 105
Other employees	Various	3 644 647	•	46 070	234 634	3 925 351
Total		4 937 568	5 028	70 070	304 790	304 790 5 317 456
2015	Position	Basic Salary	Subsistence & Travelling	Allowances	Bonuses	Total
M. M. Titimani Mr M. Mannya	Chief Executive Officer Caretaker of the Board	845 260	475	24 000	51 734	921 470
Other employees	Various	3 320 690	•	46 070	155 928	3 522 688
Total		4 165 950	475	70 070	207 663	4 444 158



for the financial year 2015/16

### **Detailed Statement of Financial Performance**

for the year ended 31 March 2016

	2016	2015
	R	R
Revenue		
Sales:	231 339	133 354
		(13
Less: Cost of Sales	(17 529)	686)
Gross profit	213 810	119 668
Government grants	5 622 000	5 420 000
Other revenue:		
Interest received	25 029	26 066
Profit on sale of assets	-	164 823
Fair value adjustment	30 150	235 850
Gross Revenue	5 890 989	5 966 407
Expenses	(6 558 286)	(5 785 543)
Accounting fee	(1 750)	-
Advertising	(112)	(13 035)
Audit fees	(95 193)	(81 591)
Bank charges	(35 637)	(31 341)
Meeting cost	(5 976)	(23 118)
Cleaning and teas	(13 459)	(15 120)
Computer services	(14 294)	(21 695)
Consulting and professional services	-	(490)
Depreciation	(89 650)	(197 676)
Amortisation	-	(1 628)
Electricity and water	(161 217)	(152 949)
General office costs	(60 947)	(27 859)
Insurance	(59 349)	(80 324)
Feeds & Medicines	(49 390)	(40 567)
Loss on or impairment of assets	-	(10 076)
Postage and courier	(2 819)	(3 921)
Printing and stationery	(56 313)	(56 479)
Communications	(16 577)	(7 088)
Inventory written down	(30 100)	(37 500)
Repairs and maintenance	(93 765)	(34 771)
Salaries and wages	(5 317 456)	(4 444 158)
Security services	(6 575)	(6 736)
Rent paid	(15 351)	(12 500)
Fuel	(225 720)	(240 000)
Telephone and fax	(21 575)	(22 968)
Training	(20 145)	(14 386)
Travel and accommodation	(164 915)	(207 567)
Total (Deficit)/Surplus	(667 297)	180 864

