

FOOD AND TREES FOR AFRICA (NPC)
(REGISTRATION NUMBER 1991/001061/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2020

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Food and Trees for Africa is a social environmental enterprise that realises sustainable development through greening, climate change action, sustainable natural resource management, permaculture food security programmes, bamboo and organic farming.
Directors	NP Mahanyele (Chairman) MBP Edwards IM Feldman JL Limson JM Mahlangu DM Mncube TG Visser CE Wild (Executive Director)
Registered office	94 Bessemer Street Wendywood Sandton 2090
Postal address	P O Box 2035 Gallo Manor 2052
Bankers	Nedbank Limited
Auditors	Attest it Inc. Chartered Accountants (SA) Registered Auditors
Secretary	MBP Edwards
Company registration number	1991/001061/08
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were prepared under the supervision of: CE Wild - Executive Director

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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 annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the 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 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 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 board of directors sets 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 annual 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 30 September 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 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 4 to 5.

The annual financial statements set out on pages 9 to 19, which have been prepared on the going concern basis and the directors' report on pages 6 to 8, were approved by the board of directors on 24 November 2020 and were signed on its behalf by:



Director



Director

Independent Auditor's Report

To the directors of Food and Trees for Africa (NPC)

Opinion

We have audited the financial statements of Food and Trees for Africa (NPC) (the company) set out on pages 9 to 19, which comprise the statement of financial position as at 30 September 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Food and Trees for Africa (NPC) as at 30 September 2020, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Food and Trees for Africa financial statements for the year ended 30 September 2020", which includes the Director's Report as required by the Companies Act 71 of 2008 and the Detailed Income Statement, which we obtained prior to the date of this report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Pieter Hoogwerf
Director
Registered Auditor
Attest it Inc.

24 November 2020
Johannesburg

Food and Trees for Africa (NPC)

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Annual Financial Statements for the year ended 30 September 2020

DIRECTORS' REPORT

The directors have pleasure in submitting their report on the annual financial statements of Food and Trees for Africa (NPC) for the year ended 30 September 2020.

1. Nature of business

Food and Trees for Africa NPC (FTFA) remains one of South Africa's leading Non-Profit social enterprises and continues to pursue our founding purpose of promoting: food security; urban greening; environmental conservation; skills and education and environmental awareness.

We continue to adapt our programmes in order to address the ever-changing socio-economic landscape and the needs of the historically disadvantaged communities we were created to serve.

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

2. Operational review 2019/2020

COVID-19

It would be inappropriate to report on this financial year without first contextualising the impact of the COVID-19 pandemic on the company.

The World Health Organisation declared COVID-19 a pandemic on 11 March 2020. A National State of Disaster was declared in South Africa and a nationwide lockdown was implemented on 27 March 2020 to reduce the spread of this deadly virus. Even though FTFA fell under essential services, the national lockdown significantly affected the company's ability to conduct normal operations. Whilst the country has moved from lockdown level 5 to level 1, at the financial year end of FTFA, South Africa remained in a State of Disaster.

COVID-19 affected FTFA's ability to generate revenue and it took significant operational effort to pivot whilst maintaining the full staff contingent. It is also worth noting that FTFA's ability to generate revenue, through donations, correlates with the performance and cash strategies of other companies and the economy in general. Unfortunately, FTFA experienced donors withdrawing funding as they sought to retain cash during this time of economic uncertainty.

Stakeholders will note a change to the five-year positive trend, with FTFA recording a loss for the first time since 2014 but can rest assured that FTFA has utilised the pandemic to optimise operational elements of the business in order to bounce back stronger as the economy recovers.

Overview

The 2020 financial year end saw a decline in donations revenue by approximately 16%. Whilst we were conscious of appropriately managing expenses, the company is tied into long-term commitments, which allowed us to reduce expenses by only 10%, leading to an overall loss for the year of R 1.2 million. On a positive note, the net cash position remains similar to the previous financial year.

As with previous years, we draw attention to the income received in advance. Again, it is important to note that our financial year end does not necessarily correlate with the financial years of our partners or projects. Income received in advance merely represents funds advanced in relation to future commitments to our beneficiaries and partners that still need to be fulfilled. However, it does render our cash position positive and aid with the fundraising anxiety in trying times.

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DIRECTORS' REPORT

Impact

It is during times of crisis that non-profit companies really show their ability to support society and the impact of this organisation continues to astound. Through our partners, FTFA now manages and implements the largest school gardening and marketing gardening programmes in the country. The total land area of vegetable and orchard production country wide now approaches 1000ha. The levels of food security and stability that were provided to communities during lockdown was unprecedented - even by our standards. The "Grow-Your-Own" programme, initiated as a COVID-19 response, saw an additional 3000 households, schools and farmers supported with seeds, seedlings, and other planting materials. We estimate that we delivered approximately 1.5 million seedlings alone over the lockdown period. We will continue to push the boundaries of our impact.

Data project

With the mid-term strategy focus of technological innovation starting to yield results, we can now announce officially that FTFA will be moving into data as a future core of our business. Our data-aided development platform will be complete over the next financial year and we are already seeing exciting possibilities and applications materialising from this.

Carbon project

Whilst there were some setbacks this year, FTFA continues to develop in the area of Carbon. The Carbon Company project will soon be ready to be moved into its own empowerment vehicle as originally envisioned and this will be an exciting milestone to look out for in the next financial year.

Future outlook

We hope to see green shoots within the first quarter of the new financial year. The trading environment will likely remain tough and competitive, but we are confident in the team's ability to pursue new innovations. It is likely that the company will continue to diversify revenue streams and offer additional services and products. FTFA has already created strong value propositions for both beneficiaries and donors and will continue to do so in and out of the non-profit sector.

3. Events after the reporting period

The directors are not aware of any material events or changes in circumstance between financial year end to the date of this report, which would require adjustments to the annual financial statements.

4. Directors

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

Directors

NP Mahanyele (Chairman)

MBP Edwards

IM Feldman

JL Limson

JM Mahlangu

DM Mncube

TG Visser

CE Wild (Executive Director)

There have been no changes to the directorate for the period under review.

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DIRECTORS' REPORT

5. Going concern

We draw attention to the fact that at 30 September 2020, the company had an accumulated surplus of R 4,304,152 and that the company's total assets exceed its liabilities by R 4,330,781. The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The 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.

As a non-profit / public benefit organisation, Food & Trees for Africa relies on companies generosity and profits for donations. Even prior to COVID-19 South Africa was experiencing tough trading conditions, due to a sluggish economy, which were only exacerbated by the pandemic. Adaptation, innovation and efficiency have been key to sustaining the organisation over this period.

The financial statements reflect the organization's ability to adapt under highly strenuous external conditions which are reflected in the closure of multiple non-profit and profit-seeking companies over this period. Whilst the organization did have to pivot away from normal operations in order to adapt to the conditions created by the pandemic, the directors believe that the efficiencies and knowledge gained over this period will make the organisation stronger in the long run. This will particularly be seen as the trading conditions gradually shift back to normal.

6. Auditors

Attest it Inc. continued in office as auditors in accordance with section 90 of the Companies Act of South Africa, and they have accepted this appointment.

7. Liability of members

FTFA is a company incorporated without share capital and therefore the contingent liability of each member is limited to R1, repayable in the event of the company being wound up.

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STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020

	Notes	2020 R	2019 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	2,611,166	2,657,795
Investment in subsidiary	3	1	1
		2,611,167	2,657,796
Current Assets			
Trade and other receivables	4	449,567	1,611,183
Cash and cash equivalents	5	19,378,837	19,000,163
		19,828,404	20,611,346
Total Assets		22,439,571	23,269,142
Equity and Liabilities			
Equity			
Pre-incorporation surplus		26,629	26,629
Accumulated surplus		4,304,152	5,513,847
		4,330,781	5,540,476
Liabilities			
Current Liabilities			
Trade and other payables	6	2,989,996	3,132,006
Income received in advance	7	15,118,794	14,596,660
		18,108,790	17,728,666
Total Liabilities		18,108,790	17,728,666
Total Equity and Liabilities		22,439,571	23,269,142

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STATEMENT OF COMPREHENSIVE INCOME

	Notes	2020 R	2019 R
Revenue	8	21,135,294	25,087,010
Other income		574,436	599,305
Operating expenses		(23,762,413)	(26,376,086)
Operating deficit	9	(2,052,683)	(689,771)
Investment revenue	10	842,988	856,903
(Deficit) surplus for the year		(1,209,695)	167,132
Other comprehensive income		-	-
Total comprehensive (loss) income for the year		(1,209,695)	167,132

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STATEMENT OF CHANGES IN EQUITY

	Pre- Incorporation surplus R	Accumulated surplus R	Total equity R
Balance at 1 October 2018	26,629	5,346,715	5,373,344
Surplus for the year	-	167,132	167,132
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	167,132	167,132
Balance at 1 October 2019	26,629	5,513,847	5,540,476
Deficit for the year	-	(1,209,695)	(1,209,695)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(1,209,695)	(1,209,695)
Balance at 30 September 2020	26,629	4,304,152	4,330,781

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STATEMENT OF CASH FLOWS

	Notes	2020 R	2019 R
Cash flows from operating activities			
Cash (used in) generated from operations	12	(341,256)	2,718,696
Interest revenue		842,988	856,903
Net cash from operating activities		501,732	3,575,599
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(123,058)	(243,660)
Proceeds on sale of property, plant and equipment	2	-	24,999
Investment in subsidiary		-	(1)
Net cash from investing activities		(123,058)	(218,662)
Total cash movement for the year		378,674	3,356,937
Cash at the beginning of the year		19,000,163	15,643,226
Total cash at end of the year	5	19,378,837	19,000,163

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ACCOUNTING POLICIES

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

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

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation 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 as follows:

Item	Depreciation method	Average useful life
Buildings - structure	Straight line	50 years
Furniture and equipment	Straight line	10 years
Computer equipment	Straight line	3 years

Land is not depreciated.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

Gains and losses on disposals are recognised in profit or loss.

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.

1.2 Intangible assets

Research and development costs are recognised as an expense in the period incurred.

1.3 Investment in subsidiary

Investment in subsidiary is measured at cost less any accumulated impairment losses.

1.4 Financial instruments

Initial measurement

Financial instruments consisting of trade and other receivables, cash and cash equivalents, trade and other payables and income received in advance 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).

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ACCOUNTING POLICIES

1.4 Financial instruments (continued)

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.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.6 Impairment of assets

The company assesses at each reporting date whether there is any indication that any assets may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its 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.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.7 Revenue

Revenue is brought into account when it is probable that future economic benefits will flow to the company.

Donations received for specific projects are not recognised as revenue until the amounts have been expended.

Revenue is recognised on the accrual basis in accordance with the substance of the relevant agreements.

Interest is recognised, in profit or loss, using the effective interest rate method.

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ACCOUNTING POLICIES

1.8 Non-distributable reserves

The Company is registered under the Companies Act, as a company limited by guarantee and as such no part of its income and assets shall be transferred to members, directly or indirectly. All reserves of the company are therefore non-distributable.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020			2019		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	2,057,940	(487,047)	1,570,893	2,057,940	(445,888)	1,612,052
Computer equipment	739,138	(387,434)	351,704	616,080	(259,251)	356,829
Furniture and equipment	286,973	(284,384)	2,589	286,973	(284,039)	2,934
Land	685,980	-	685,980	685,980	-	685,980
Total	3,770,031	(1,158,865)	2,611,166	3,646,973	(989,178)	2,657,795

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Depreciation	Closing balance
Buildings	1,612,052	-	(41,159)	1,570,893
Computer equipment	356,829	123,058	(128,183)	351,704
Furniture and equipment	2,934	-	(345)	2,589
Land	685,980	-	-	685,980
	2,657,795	123,058	(169,687)	2,611,166

Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Buildings	1,653,211	-	-	(41,159)	1,612,052
Computer Equipment	265,870	243,660	(21,247)	(131,454)	356,829
Furniture and equipment	3,279	-	-	(345)	2,934
Land	685,980	-	-	-	685,980
	2,608,340	243,660	(21,247)	(172,958)	2,657,795

Details of properties

The property is described as Erf 398 in the Township of Wendywood City of Johannesburg, situated in registration division IR, Gauteng and is held under title deed number T78263/2009.

3. Investment in subsidiary

Name of subsidiary	% holding 2020	% holding 2019	Carrying amount 2020	Carrying amount 2019
K2017272608 (South Africa) Proprietary Limited	100.00	%100.00	1	1

K2017272608 (South Africa) Proprietary Limited has not yet commenced trading as such the fair value of the investment is deemed to be the purchase price.

The entity is incorporated in South Africa and share the year end of the company. As the entity is dormant the cost of preparing consolidated financial statements exceeds the benefit thereof.

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	2020 R	2019 R
3. Investment in subsidiary (continued)		
The carrying amount of the subsidiary is shown net of impairment losses.		
4. Trade and other receivables		
Trade receivables	62,750	931,847
Other receivables	48,312	13,239
Prepayments and deposits	30,674	343,057
Staff loans	12,403	26,037
VAT	295,428	297,003
	449,567	1,611,183
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	1,331	3,885
Bank balances	19,377,506	18,996,278
	19,378,837	19,000,163
Included in the bank balance is R1 million which has been allocated towards the education foundation (refer to note 6).		
6. Trade and other payables		
Trade payables	427,504	286,225
Leave pay provision	409,662	203,470
Bonus provision	792,201	762,858
Accruals	360,629	879,453
Allocated to education foundation	1,000,000	1,000,000
	2,989,996	3,132,006
7. Income received in advance		
The following is a summary of the income received in advance on projects.		
Action 24 (EU Project)	166,495	1,234,877
African Climate Reality	1,079,894	946,706
Carbon Project	582,620	891,902
EduPlant	2,702,931	752,732
Food Gardens	9,759,806	10,204,943
Trees for All	478,937	535,500
Trees for Homes	348,111	30,000
	15,118,794	14,596,660

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	2020 R	2019 R
8. Revenue		
Donations	21,135,294	25,087,010
Revenue reconciliation		
Donations received/receivable	21,657,428	27,313,734
Prior year income received in advance	14,596,660	12,369,936
Current year income received in advance (note 7)	(15,118,794)	(14,596,660)
	21,135,294	25,087,010
9. Operating deficit		
Operating deficit for the year is stated after accounting for the following:		
Profit on disposal of property, plant and equipment	-	3,752
Depreciation on property, plant and equipment	169,687	172,958
Employee costs	6,322,675	5,874,961
Research and development costs	1,585,575	779,548
10. Investment revenue		
Interest revenue		
Bank	842,988	856,903
11. Taxation		
No provision for income tax has been made as the company was granted exemption from liability for income tax in terms of Section 10(1) of the Income Tax Act, as amended.		
12. Cash (used in) generated from operations		
(Deficit) surplus before taxation	(1,209,695)	167,132
Adjustments for:		
Depreciation	169,687	172,958
Profit on disposal of property, plant and equipment	-	(3,752)
Interest revenue	(842,988)	(856,903)
Changes in working capital:		
Trade and other receivables	1,161,616	844,954
Trade and other payables	(142,010)	167,583
Income received in advance	522,134	2,226,724
	(341,256)	2,718,696

Food and Trees for Africa (NPC)

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Annual Financial Statements for the year ended 30 September 2020

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
13. Commitments		
Operating leases – as lessee (expense)		
Minimum lease payments due		
1 year	271,182	429,154
2-3 years	60,896	269,585
	332,078	698,739

Operating lease payments represent rentals payable by the company for motor vehicles, PABX, multi-function printer and short term office leases.

14. 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, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is the continued support of the company's donors. Refer to the Directors report regarding the going concern.

15. Directors' remuneration

Executive

2020

	Emoluments	Bonus and performance related payments	Travel allowance	Total
CE Wild	887,324	109,608	101,407	1,098,339

2019

	Emoluments	Bonus and performance related payments	Travel allowance	Total
CE Wild	825,565	99,220	94,349	1,019,134

No remuneration is paid to the non-executive directors.

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Annual Financial Statements for the year ended 30 September 2020

DETAILED INCOME STATEMENT

	Notes	2020 R	2019 R
Revenue			
Donations		21,135,294	25,087,010
Other income			
Sundry income		574,436	595,553
Interest revenue	10	842,988	856,903
Profit on disposal of property, plant and equipment		-	3,752
		1,417,424	1,456,208
Operating expenses			
Accounting fees		(20,281)	(49,453)
Advertising		(429,983)	(210,274)
Bank charges		(41,699)	(40,862)
Beneficiary training and learnerships		(1,314,149)	(1,354,974)
Computer expenses		(222,288)	(180,083)
Consulting and professional fees		(206,390)	(82,429)
Depreciation		(169,687)	(172,958)
Fines and penalties		-	7,109
Insurance		(121,113)	(127,725)
Legal expenses		(25,659)	(352,464)
Motor vehicle expenses		24,935	(16,143)
Printing and stationery		(30,657)	(80,734)
Project development expenses		(12,351,575)	(16,303,086)
Repairs and maintenance		(72,500)	(189,879)
Research and development costs		(1,585,575)	(779,548)
Salaries		(6,322,675)	(5,874,961)
Security		(36,719)	(17,477)
Telephone and fax		(121,834)	(82,189)
Training		(353,788)	(279,449)
Travel - local		(304,897)	(121,621)
Utilities		(55,879)	(66,886)
		(23,762,413)	(26,376,086)
(Deficit) surplus for the year		(1,209,695)	167,132