

FOOD AND TREES FOR AFRICA (NPC)

(REGISTRATION NUMBER 1991/001061/08)

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

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) *deceased during the financial year
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

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

INDEX

The reports and statements set out below comprise the annual financial statements presented to the board of directors:

Index	Page
Directors' Responsibilities and Approval	3
Independent Auditor's Report	4 - 5
Directors' Report	6 - 8
Statement of Financial Position	9
Statement of Comprehensive Income	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Accounting Policies	13 - 15
Notes to the Annual Financial Statements	16 - 19

The following supplementary information does not form part of the annual financial statements and is unaudited:

Detailed Income Statement	20
---------------------------	----

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

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 2022 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 8 March 2022 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 2021, 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 2021, 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 [N6]. 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 2021", 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.

8 March 2022
Johannesburg

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

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 2021.

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 2020/2021

COVID-19

It remains difficult to report on the performance of the financial year without contextualising the impact that the pandemic has had on operations and programmes.

Whilst the knowledge-base around the virus has increased significantly since the start of the pandemic, waves and lockdowns remain a challenge within and to the organisation, with the programmes most affected relating to tree-planting and events. Whilst FTFA has adapted to the new conditions and been excellent with respect to rolling out appropriate policy and protocols, our large tree distributions remain curbed due to the gathering sizes.

Furthermore, COVID-19 and lockdowns have also had a devastating impact on the economy and business confidence. This is worth noting because FTFA's ability to generate revenue through donations correlates directly with the performance and cash strategies of other companies and the economy in general. Unfortunately, although donations increased by nearly 10%, income is still significantly decreased when compared to the period(s) prior to the pandemic.

Stakeholders will note that FTFA again recorded a loss for this financial period but we remain confident that optimisation of operational elements undertaken since the start of the pandemic will continue to provide greater resilience in uncertain times.

Overview

On a positive note, the 2021 financial year end saw an increase in donations revenue by approximately 10%. On the other hand, other income, unfortunately, dropped by approximately 54% over the period. Whilst we were conscious of appropriately managing expenses, the company remains tied into long-term commitments and capital expenditure projects which resulted in expenses increasing by 9.2%. The net effect resulted in an overall loss for the year of R 1.98 million. The reduction in cash is largely proportionate to the other salient figures in the financial statements.

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.

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

DIRECTORS' REPORT

Organisation impact

Through all of this situational turmoil and with the support of our loyal donors, FTFA continues to be one of the most impactful non-profits in South Africa. We now run close to 200 community and market gardens and continue to manage the largest school food gardening programme in the country. The total land area of vegetable and orchard production country wide remains close to 1000ha. As a general trend we have seen that COVID-19 has spurred a renewed interest in food security and environment from communities in particular. We hope that we continue to find donors and sponsors for the thousands of applications we have received in the last 18 months.

Data project

The Data Project now has a name, Footprint. The platform is up and running but remains in development. In order to deal with the increase in data flows, we have decided to restructure and introduce a department at FTFA which specifically deals with data and our assessments. This department will be up and running within the next financial period. We continue to see exciting possibilities and applications materialising from this.

Individual donor strategy

One of the areas identified in the last financial year was a need to improve our individual donor offerings. Unlike other non-profits in the space, FTFA does not receive a lot of unobligated donor support, which is an area we wish to explore further in line with our revenue diversification strategy. Therefore we will be looking to develop a more robust individual donor strategy in the next financial year.

Future outlook

We are pleased to note that this financial year saw some renewed interest in food security and environment from new and old donors. Whilst the trading environment will likely remain tough and competitive, we believe that this is a positive sign for the next financial year, where we hope to return to pre-covid levels of revenue. 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	Changes
NP Mahanyele (Chairman)	
MBP Edwards	
IM Feldman	
JL Limson	
JM Mahlangu	Deceased
DM Mncube	
TG Visser	
CE Wild (Executive Director)	

During the period under review, JMF Mahlangu passed away.

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

DIRECTORS' REPORT

5. Going concern

We draw attention to the fact that at 30 September 2021, the company had an accumulated surplus of R 2,320,829 and that the company's total assets exceed its liabilities by R 2,347,458. 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, FTFA relies on company 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.

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	Notes	2021 R	2020 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	2,470,994	2,611,166
Investment in subsidiary	3	1	1
		2,470,995	2,611,167
Current Assets			
Trade and other receivables	4	1,509,263	449,567
Cash and cash equivalents	5	17,520,857	19,378,837
		19,030,120	19,828,404
Total Assets		21,501,115	22,439,571
Equity and Liabilities			
Equity			
Pre-incorporation surplus		26,629	26,629
Accumulated surplus		2,320,829	4,304,152
		2,347,458	4,330,781
Liabilities			
Current Liabilities			
Trade and other payables	6	4,073,915	2,989,996
Income received in advance	7	15,079,742	15,118,794
		19,153,657	18,108,790
Total Liabilities		19,153,657	18,108,790
Total Equity and Liabilities		21,501,115	22,439,571

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2021 R	2020 R
Revenue	8	23,199,824	21,135,294
Other income		265,634	574,436
Operating expenses		(25,953,141)	(23,762,413)
Operating deficit	9	(2,487,683)	(2,052,683)
Investment revenue	10	504,360	842,988
Deficit for the year		(1,983,323)	(1,209,695)
Other comprehensive income		-	-
Total comprehensive loss for the year		(1,983,323)	(1,209,695)

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

STATEMENT OF CHANGES IN EQUITY

	Pre- Incorporation surplus R	Accumulated surplus R	Total equity R
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 1 October 2020	26,629	4,304,152	4,330,781
Deficit for the year	-	(1,983,323)	(1,983,323)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(1,983,323)	(1,983,323)
Balance at 30 September 2021	26,629	2,320,829	2,347,458

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

STATEMENT OF CASH FLOWS

	Notes	2021 R	2020 R
Cash flows from operating activities			
Cash used in operations	12	(2,306,410)	(341,256)
Interest revenue		504,360	842,988
Net cash from operating activities		(1,802,050)	501,732
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(55,930)	(123,058)
Total cash movement for the year		(1,857,980)	378,674
Cash at the beginning of the year		19,378,837	19,000,163
Total cash at end of the year	5	17,520,857	19,378,837

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

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).

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

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.

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

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.

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
--	-----------	-----------

2. Property, plant and equipment

	2021			2020		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	2,057,940	(528,206)	1,529,734	2,057,940	(487,047)	1,570,893
Computer equipment	795,068	(542,032)	253,036	739,138	(387,434)	351,704
Furniture and equipment	286,973	(284,729)	2,244	286,973	(284,384)	2,589
Land	685,980	-	685,980	685,980	-	685,980
Total	3,825,961	(1,354,967)	2,470,994	3,770,031	(1,158,865)	2,611,166

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Closing balance
Buildings	1,570,893	-	(41,159)	1,529,734
Computer equipment	351,704	55,930	(154,598)	253,036
Furniture and equipment	2,589	-	(345)	2,244
Land	685,980	-	-	685,980
	2,611,166	55,930	(196,102)	2,470,994

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

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 2021	% holding 2020	Carrying amount 2021	Carrying amount 2020
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.

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 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	1,177,502	62,750
Other receivables	89,186	48,312
Prepayments and deposits	32,727	30,674
Staff loans	649	12,403
VAT	209,199	295,428
	1,509,263	449,567
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	1,099	1,331
Bank balances	17,519,758	19,377,506
	17,520,857	19,378,837
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	1,132,621	427,504
Leave pay provision	426,301	409,662
Bonus provision	814,364	792,201
Accruals	700,629	360,629
Allocated to education foundation	1,000,000	1,000,000
	4,073,915	2,989,996
7. Income received in advance		
The following is a summary of the income received in advance on projects.		
Action 24 (EU Project)	-	166,495
African Climate Reality	1,431,641	1,079,894
Carbon Project	-	582,620
EduPlant	1,547,699	2,702,931
Food Gardens	12,100,402	9,759,806
Trees for All	-	478,937
Trees for Homes	-	348,111
	15,079,742	15,118,794

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
8. Revenue		
Donations	23,199,824	21,135,294
Revenue reconciliation		
Donations received/receivable	23,160,772	21,657,428
Prior year income received in advance	15,118,794	14,596,660
Current year income received in advance (note 7)	(15,079,742)	(15,118,794)
	23,199,824	21,135,294
9. Operating deficit		
Operating deficit for the year is stated after accounting for the following:		
Depreciation on property, plant and equipment	196,102	169,687
Employee costs	6,671,721	6,322,675
Research and development costs	1,601,144	1,585,575
10. Investment revenue		
Interest revenue		
Bank	504,360	842,988
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 operations		
Deficit before taxation	(1,983,323)	(1,209,695)
Adjustments for:		
Depreciation	196,102	169,687
Interest revenue	(504,360)	(842,988)
Changes in working capital:		
Trade and other receivables	(1,059,696)	1,161,616
Trade and other payables	1,083,919	(142,010)
Income received in advance	(39,052)	522,134
	(2,306,410)	(341,256)

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
13. Commitments		
Operating leases – as lessee (expense)		
Minimum lease payments due		
1 year	314,863	271,182
2-3 years	5,325	60,896
	320,188	332,078

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

2021

	Emoluments	Bonus and performance related payments	Travel allowance	Total
CE Wild	930,631	161,843	106,356	1,198,830

2020

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

No remuneration is paid to the non-executive directors.

Food and Trees for Africa (NPC)

(Registration number: 1991/001061/08)

Annual Financial Statements for the year ended 30 September 2021

DETAILED INCOME STATEMENT

	Notes	2021 R	2020 R
Revenue			
Donations		23,199,824	21,135,294
Other income			
Sundry income		265,634	574,436
Interest revenue	10	504,360	842,988
		769,994	1,417,424
Operating expenses			
Accounting fees		(46,250)	(20,281)
Advertising		(490,570)	(429,983)
Bank charges		(56,615)	(41,699)
Beneficiary training and learnerships		(1,093,166)	(1,314,149)
Computer expenses		(132,531)	(222,288)
Consulting and professional fees		(213,519)	(206,390)
Depreciation		(196,102)	(169,687)
Insurance		(142,326)	(121,113)
Legal expenses		(1,365)	(25,659)
Motor vehicle expenses		29,243	24,935
Printing and stationery		(203,441)	(30,657)
Project development expenses		(14,608,372)	(12,351,575)
Repairs and maintenance		(75,299)	(72,500)
Research and development costs		(1,601,144)	(1,585,575)
Salaries		(6,671,721)	(6,322,675)
Security		(37,341)	(36,719)
Telephone and fax		(151,389)	(121,834)
Training		(107,515)	(353,788)
Travel - local		(109,259)	(304,897)
Utilities		(44,459)	(55,879)
		(25,953,141)	(23,762,413)
Deficit for the year		(1,983,323)	(1,209,695)