



2018/19

ANNUAL REPORT



Western Cape
Government

BETTER TOGETHER.

Casidra is a Provincial Government Business Enterprise for the Western Cape



Casidra

**“We Deliver Project
Management Excellence”**

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COMPANY SECRETARY:	FJ van Zyl

AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
B-BBEE	Broad-Based Black Economic Empowerment
BGCMA	Breede-Gouritz Catchment Management Agency
CASIDRA	Cape Agency for Sustainable Integrated Development in Rural Areas
CASP	Comprehensive Agricultural Support Programme
CEO	Chief Executive Officer
CPAC	Commodity Project Allocation Committee
CRDP	Comprehensive Rural Development Programme
DEA	Department of Environmental Affairs
DEA&DP	Department of Environmental Affairs and Development Planning
DEDAT	Department of Economic Development and Tourism
DESP	Departmental Equitable Share Projects
DPAC	Departmental Project Allocation Committee
DRDLR	Department of Rural Development and Land Reform
DWS	Department of Water and Sanitation
EPWP	Expanded Public Works Programme
FET	Further Education and Training
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
HTC	Haarlem Transformation Committee
IT	Information Technology
LED	Local Economic Development
LTD	Limited
LARP	Land and Agrarian Reform Programme
LREAD	Land Reform Advisory Desk
MoA	Memorandum of Agreement
MTEF	Medium-Term Expenditure Framework
PFMA	Public Finance Management Act (Act 1 of 1999)
PPPF	Preferential Procurement Policy Framework Act (Act 5 of 2000)
PR	Public Relations
PSO	Provincial Strategic Objective
PTY	Proprietary
SG	Strategic Goal
SETA	Sectoral Education and Training Authority
SMME	Small Medium and Micro Enterprises
SOC	State-Owned Company
SUSPI	Stellenbosch University Sport Performance Institute
UTA	Unit for Technical Assistance
WCDoA	Western Cape Department of Agriculture



Partnerships are at the heart of what we do as the Department of Agriculture, and the relationships we have built between ourselves, **Casidra**, the private sector and our farmers have driven our achievements in this sector.

In this past financial year, we released the results of an independent study that showed a 72% success rate among smallholder farmers who we support in the province. This improvement from 62% in the previous study was made possible through the support, training and market access initiatives provided by the Department, through our Commodity Approach, which is supported by the private sector and implemented with assistance from **Casidra**.

Thanks to **Casidra**, farmers receive financial record-keeping training and access to markets, which are key to their success.

The agricultural sector has faced many challenges in the year, but by working with our partners, we have been able to tackle these head on.

The drought continued to be a major concern in areas of the province in the financial year, and **Casidra**'s assistance in the allocation of drought relief has been valuable, helping many farmers survive these difficult times.

Casidra has also played an integral role in food security in the province, rolling out 867 household food gardens and 64 community food gardens. These food gardens provide a varied and nutritious diet for many of our residents.

In this financial year, **Casidra** appointed new leadership, with a new CEO and new Board Chairperson who joined the organisation. It is my belief that they will provide a fresh, new perspective that will invigorate **Casidra** and drive the development of agriculture in this province with energy and commitment.

I would like to thank the leadership and staff of **Casidra** for their commitment over the period for helping us as a department to achieve our goals, to grow agriculture, to create jobs and to benefit the rural and agricultural economies of this province.

A handwritten signature in black ink, appearing to read 'Ivan Meyer', written over a horizontal line.

Dr. Ivan Meyer
Minister of Agriculture
19 August 2019



Introduction

During the 2018/19 financial year, **Casidra** continued to facilitate project implementation in the battle against poverty and inequality in many of the Western Cape's rural areas on behalf of our institutional funder and Partner, the Western Cape Department of Agriculture. Our primary focus remains being the leading partner and catalyst in the development of rural areas through agricultural and economic development programmes as well as sustainable land reform.

Overview of the public entity's strategy and the performance of the public entity in its respective sector

This financial year brought many changes in our organisational structure both externally and internally. Firstly, there were changes within the Ministerial portfolios as the Executive Authority of **Casidra**, Mr Alan Winde, moved to a new portfolio of Community Safety, and Ms Beverley Schäfer became our new Minister of Economic Opportunities until the National elections in May 2019; whereby Dr Ivan Meyer took over as a new Minister of Agriculture.

On our macro-organisational level, we bade farewell to our former chairperson, Dr Leonie Coetzee. Dr Coetzee joined the Board in 2013 and we thank her for the valuable contributions she made over the past five years. It was also a huge pleasure to welcome two new Non Executive Directors, namely Messrs Werner Abrahams and Marius Wüst, to our Board. We are delighted to have them as Board members and look forward to their valuable contributions.

Our former Chief Executive Officer, Michael Brinkhuis, tendered his resignation in November 2018 and vacated his position at the end of December 2018 to pursue his career further. The Board wished him well and expedited the process to appoint a new CEO, which took place before the end of the 2018/19 financial year. At the beginning of March 2019, we were happy to announce and welcomed Ashley Seymour to take over the reins as our new CEO. Mr Seymour is highly experienced in both the private and public sectors. The Board, Management and Staff extended a very warm welcome and look forward to him leading **Casidra**.

Service delivery at **Casidra** remains paramount. Both our Executive Authority and stakeholders including the projects' beneficiaries in the Western Cape hold us to account. The 2018/19 Shareholder's Compact was signed between the Board of Directors and Executive Authority as per the Cabinet Mandate of 2007. **Casidra's** Board of Directors continued to support and encourage Management to demonstrate **Casidra's** positive impact in rural communities.

During this financial year, **Casidra** continued to play a key role in implementing CASP funded projects, which supported a substantial number of new farmers in the Western Cape. Many of these projects are not without its challenges, of which key are resource and infrastructure requirements to establish economic and productive farming units. Addressing these matters are important to achieve meaningful impact. We maintained our proud and accomplished history with the management of public funding during this period.

The management of the Anhalt farm was transferred to the Haarlem Communal Property Association (CPA) that will manage the farm on behalf of the community.

This is after the CPA established a private company, Anhalt Boerdery (Pty) Ltd, which is an operating Company of the farming enterprise. **Casidra** has in the meantime, continued to manage the Waaikraal and Amalienstein farms as per agreement with the WCDoA. The management of government farms has been within **Casidra's** mandate since the early nineties, and while the transition of these farms to sustainable business units remains challenging with limited success, **Casidra** remains committed to finding solutions which will lead to a successful transition to the rightful landowners in the near future.

Strategic Relationships

There is value in **Casidra** establishing and nurturing strategic relationships across the public and private sectors. This should support rural development and various models for co-operation with commercial partners going forward. We continued to build, maintain and expand strategic relationships with Government Departments, Corporates and other relevant stakeholders across the Province to deliver the expected level of services to beneficiaries. We explored mechanisms to unlock future funding to support rural development and transformation programmes. **Casidra's** relationship with various Government Departments, entities, etc. remains positive.

Strategic Opportunities for Casidra

Management, supported by the Board, continued to actively explore the potential of strategic opportunities with commercial partners who share a common objective. We believe there is a strong willingness from commercial entities to partner with credible, trustworthy entities like **Casidra** to meet the objectives of, in particular, the agricultural sector. Should we be successful in this regard, it would allow **Casidra** to have an additional revenue source in addition to our publicly funded revenue to drive rural development.

Acknowledgements /Appreciation

We are thankful to our Shareholder for the continuous support. We have received good guidance from both former Ministers and look forward interacting with Minister Ivan Meyer. **Casidra** always strives for excellence and most significantly to meet the expectation of the shareholder and WCDoA as our institutional funder.

We are honoured to work alongside the Head of the Western Cape Department of Agriculture, Senior Management and entire staff for a greater impact to our beneficiaries and service delivery excellence. We thank them for their co-operation in this regard.

I am grateful and thank the **Casidra** Board of Directors for their vote of confidence in me to take the reins. Your continued strategic leadership and contribution towards **Casidra** meeting our objectives in support of rural development is highly appreciated.

Management and staff continue to demonstrate great commitment in making a difference in the lives of the rural communities that we serve. Thank you for your ongoing and tireless efforts.

Conclusion

We are extremely passionate about delivering on our mandate, namely 'Agricultural and Economic Development within a Rural and Land Reform context' and are enthusiastic about what we do to positively impact the lives of our Western Cape rural communities.

Ainsley Moos
Chairperson of the Board
Casidra SOC Ltd
19 August 2019



During the past financial year, **Casidra** continued to position itself as an integral role-player in the implementation of State funded projects, especially considering the recognition that rural development is an important focus. The capacity and project management skills & resources for stimulating economic development and job creation as well as the practical implementation of projects in rural areas are limited, therefore the ability of **Casidra** to move speedily and be adaptable in a highly regulated environments coupled with limited resources as well as hands-on project implementation abilities to deliver on its mandate and provide state funded programs with a cost effective and proficient service remains important and relevant.

An annual Shareholder's Compact was entered between **Casidra**'s Board of Directors as the Accounting Authority and the Executive Authority on behalf of the Western Cape Government. This forms the foundation of the operational arrangement and is further underscored by the Cabinet Mandate of 2007.

During the year, the severe drought that engrossed the Western Cape Province, remained one of the critical challenges. However, that forced a creative spirit amongst our people and many individuals realised how resourceful they are when faced with tough challenges. **Casidra** continued to play an important role in the rollout of Disaster Management grants and assistance to drought stricken farmers in most areas of the Western Cape.

Climate change remains one of the biggest challenges facing the agriculture sector and therefore requires a climate smart and sustainable approach. To ensure ongoing productive agricultural systems and more importantly, food security in South Africa the country needs a greater focus on environmental resource protection coupled with the sustainable exploitation of natural ecosystems and water resources.

Casidra implemented the Comprehensive Agricultural Support Programme (CASP) on behalf of the WCDoA. Due to the projected national fiscal constraints, the support initiatives for the immediate future have been reduced and will focus on the advancing of current beneficiaries to a higher level of operations and in so doing attempt to enhance the impact of government grant support.

In order to broaden our revenue base, stronger focus was placed on marketing **Casidra**'s project management services to other government departments and institutions during the year under review. There were a few projects secured and implemented under the Sub-Programme: Other Project Management, which do not have a specific relationship to a commodity. **Casidra**'s SMME service facilitated the support and development of job creation projects, development of new businesses and existing businesses, leveraging partnership funding and unlocking business opportunities. Projects were implemented for clients such as LandCare, the Department of Water & Sanitation (DWS), Department of Environmental Affairs, CapeNature, Market Access, Financial Record-keeping, Department of Agriculture, Forestry & Fisheries (DAFF) and Breede-Gouritz Catchment Management Agency (BGCMA). These projects range from the mechanised clearing of alien vegetation along the Berg River, the conversion of biomass to economic products in the Green Economy, the renovation of eco-tourism facilities and the establishment of water harvesting infrastructure for rural households and as part of the food security initiative.

Casidra continues to manage the Waaikraal and Amalienstein farms on behalf of the WCDoA until a suitable exit strategy for direct state involvement is finalised. The activities at these two farms were extremely limited due to the drought challenges experienced during the period. At Amalienstein, the new farm manager was appointed. The Jongensland Dam reached its lowest level in decades and Amalienstein's farming activities have subsequently been severely hampered by the amount of available water for irrigation. Fodder was purchased to see the herd through this period until cultivated pastures can be restored. The farm received assistance from the WCDoA to purchase feed for the animals. Despite the challenges with limited irrigation water, a record onion seed crop was harvested.

At Waaikraal, very little irrigation was possible and the WCDoA approved drought relief funds, which were utilised for the drilling of a borehole in an attempt to secure water for production during droughts. Unfortunately, the water is unusable due to its high salt content. The onion seed crop was negatively impacted by the drought, all lucerne died and no tomatoes were planted. During this period, the official transfer of the Anhalt farm to the Community Property Association (CPA) has been progressing well. **Casidra** handed over the operations of the farm to the newly established Anhalt Boerdery (Pty) Ltd in September 2018. The farm is, therefore, operated by Anhalt Boerdery (Pty) Ltd with an Executive Committee consisting of the DRDLR, WCDoA, **Casidra** and the CPA having an oversight role.

During the year, the scope of work in the Local Economic and Business Development Programme changed due to refocusing by the programme funder. Therefore, **Casidra**'s work for its strategic objectives 1 and 2 was not achieved. The funding for Sub-Programmes 4.1: Farm Worker Development and 4.2: Rural Nodal Development were discontinued by the WCDoA for the 2018/2019 financial year and the planned targets were not achieved.

This financial year ended with a couple of movements and there was a need for transition. These included the change of our Executive Authority, appointments of **Casidra**'s new Board Chairperson and Vice-Chairperson as well as new appointments of the Chief Executive Officer and Chief Officer: Technical.

Our appreciation and acknowledgment are extended to the two former Executive Authorities and their dedicated office staff who acknowledged and recognised **Casidra**'s work and continued to encourage our staff to remain focused.

We thank the HOD of the Western Cape Department of Agriculture, Ms J Isaacs, and her entire Senior Management team for always believing in us - that **Casidra** is a significant vehicle to the WCDOA.

Our gratitude goes to the Chairperson and the entire Board of Directors for their belief, support and guidance in steering the Company in the right direction. Your collective leadership is invaluable and pertinent for our success.

To **Casidra**'s Management and staff, your commitment and dedication in doing your work to make a difference in the lives of rural communities of the Western Cape is highly acknowledged and appreciated. You are winners and should feel proud of yourselves. I thank you all for the warm welcome you gave me and support rendered in the continued **Casidra** success and look forward to the journey for the next year.

Ashley Seymour
Chief Executive Officer
Casidra SOC Ltd
19 August 2019

PART A: GENERAL INFORMATION STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, we confirm the following:

All information and amounts disclosed in the Annual Report are consistent with the Annual Financial Statements audited by Auditor General South Africa.

The Annual Report is complete, accurate and free from any omissions.

The Annual Report has been prepared in accordance with the guidelines in the Annual Report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the GRAP standards applicable to the public entity.

The Accounting Authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control, which has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources' information and the Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, the Annual Report fairly reflects the operations, performance information, human resources' information and financial affairs of the public entity for the financial year ended 31 March 2019.

Yours faithfully

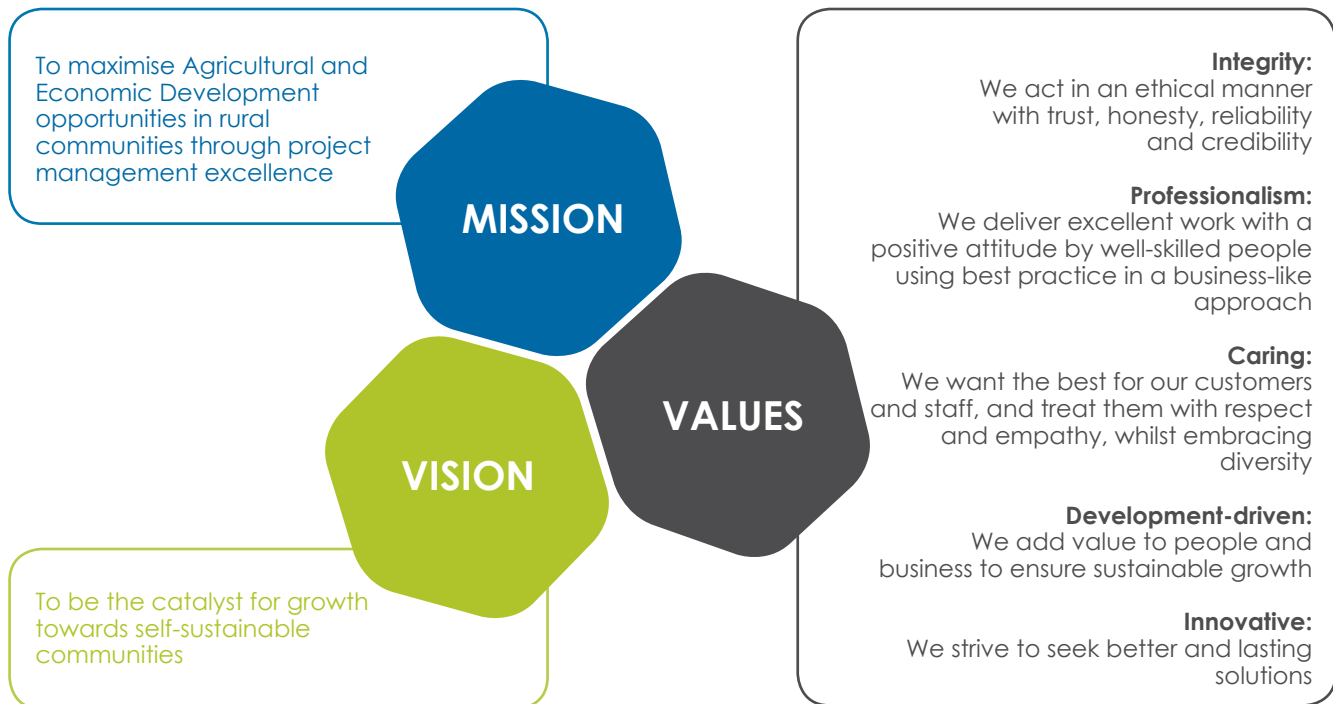


Ashley Seymour
Chief Executive Officer
19 August 2019



Ainsley Moos
Chairperson
19 August 2019

PART A: GENERAL INFORMATION STRATEGIC OVERVIEW



CONSTITUTIONAL MANDATES

Constitution of the Republic of South Africa, 1996 and the Western Cape Provincial Constitution (Act 1 of 1998):

- Functional areas of concurrent National and Provincial legislative competence:
 - Agriculture
 - Regional Planning and Development
 - Soil Conservation
 - Tourism
 - Trade
 - Rural Development
 - Environmental Affairs
- Functional areas of exclusive provincial legislative competence:
 - Provincial Planning

POLICY MANDATES

- National Outcomes 4, 5, 6, 7 and 10
- Provincial Strategic Goals 1, 2, 3, 4 and 5
- **Casidra** Cabinet mandate: 'Agricultural and Economic Development within a Rural and Land Reform context' in terms of Resolution 271/2007 of the Provincial Cabinet
- Land and Agrarian Reform Programme (LARP)
- Integrated Food Security and Nutrition Strategy
- Ilima Letsema Programme
- Comprehensive Rural Development Programme (CRDP)
- Provincial Growth and Development Strategy
- Provincial Spatial Development Strategy
- Integrated Development Plans of Municipalities
- Comprehensive Agricultural Support Programme (CASP)
- Integrated Food Security and Nutrition Programme
- Integrated Food Security Strategy
- National Development Plan
- SA National Disaster Management Framework.

LEGISLATIVE MANDATES

Staff Matters:

- Basic Conditions of Employment Act (Act 75 of 1997)
- Employment Equity Act (Act 55 of 1998)
- Labour Relations Act (Act 66 of 1995)
- Occupational Health and Safety Act (Act 85 of 1993)
- Pension Funds Act (Act 24 of 1956)
- Public Holidays Act (Act 6 of 1994)
- Skills Development Act (Act 97 of 1998)
- Skills Development Levies Act (Act 9 of 1999)
- Tobacco Products Control Act (Act 83 of 1993)

Financial Matters:

- Companies Act (Act 71 of 2008)
- Income Tax Act (Act 58 of 1962)
- Preferential Procurement Policy Framework Act (Act 5 of 2000)
- Public Finance Management Act (Act 1 of 1999)
- Financial Intelligence Centre Act (Act 38 of 2001)

Other Legislative Mandates:

- Broad-Based Black Economic Empowerment Act (Act 53 of 2003)
- Conservation of Agricultural Resources Act (Act 43 of 1983)
- Consumer Protection Act (Act 68 of 2008)
- National Credit Act (Act 34 of 2005)
- Promotion of Access to Information Act (Act 2 of 2000)
- Sub-division of Agricultural Land Act (Act 70 of 1970)
- Regulation of Interception of Communications and Provision of Communication-related Information Act (Act 70 of 2002)
- Annual Sectoral Determination 13: Farm Worker Sector, South Africa

EXECUTIVE AUTHORITY



DR. IVAN MEYER
Minister of Agriculture

BOARD OF DIRECTORS



AINSLEY MOOS
Chairperson



ELTON JEFFHAS
Vice-Chairperson



JOHANN KIRSTEN



WERNER ABRAHAMS



ZAREENA NACKERDIEN



GUGU NTULI



ESTIAN CALITZ



GERARD MARTIN



MARIUS WÜST

MANAGEMENT TEAM



ASHLEY SEYMOUR
Chief Executive Officer



FREEK VAN ZYL
Chief Financial Officer



MASIBONGE SILEVU
Chief Officer: Technical



DAVID NEFDT
Chief Officer: Projects



LOINICE SECONDS
Human Resources Manager



EXPERIENCE MATSHEDISO
Public Relations/
Communications Manager



JOHAN BRONKHORST
Manager: Regional



CARL BORAINÉ
Accountant

The AGSA currently performs certain 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.

Refer to pages 51 to 53 of the Report of the Auditor-General, published as Part E: Financial Information.

PART B: PERFORMANCE INFORMATION SITUATIONAL ANALYSIS: SERVICE DELIVERY ENVIRONMENT

During the 2018/19 financial year, **Casidra** continues to render services to the Western Cape Provincial Departments, Government entities and the private sector as per its mandate, namely 'agricultural and economic development within a rural and land reform context'. **Casidra** is a Provincial Business Enterprise of the Western Cape. It is the leading partner and catalyst in the battle against poverty and inequality in many of these rural areas, which are mainly characterised by a lack of resources, suitable financial, institutional and developmental support.

Casidra's competitive advantage that the Company works in line with the Public Finance Management Act (PFMA), Procurement Preferential Policies framework, etc. with a solid and sound reputation and relationships within the Western Cape Government sector. Equally important is the high premium the company places on due processes and by applying the National and Provincial Treasury regulations that underpin and govern all our engagements within the work we do, which includes compliance, supply chain management (SCM), project implementation, etc. Despite all of this, **Casidra** is able to move quickly, be adaptable in an environment with such challenges and do hands-on project implementation.

Casidra's core capabilities are structured in three approaches, namely:

- Project Management
- Agri Technical Advisory and Land Reform Advisory
- Local Economic and Rural Development

In 2018/19, **Casidra** issued, evaluated and awarded approximately 300 tenders abiding by legal and transparent processes, which are of utmost importance to us. Many projects were implemented as per Memoranda of Agreements (MoAs) signed with various clients, and regularly monitored and reported against.

CASP and Ilima Letsema Projects

During this financial year-end, **Casidra** supported a substantial number of new farmers through the CASP and Ilima Letsema funded projects of the WCDoA. These projects were funded by the Government for agriculture development initiatives in the Province. They have the overarching aim of job creation while at the same time reaching the objectives of sustainable resource utilisation and productive use of land. This is a substantially large budget implemented by **Casidra**.

The primary needs of these beneficiaries differ from farm to farm. These include typical infrastructure requirements such as implements, farm structures, irrigation material, boreholes, fencing, production inputs, resource conservation works and primary processing facilities while at the same time posing serious challenges during the implementation phase, particularly when their planning is inaccurate and the timeous delivery of this support can be negatively influenced by several factors, especially when funds are not transferred on time. Transfers from National to Provincial Treasury are in unequal tranches of 20/30/30/20 per cent of the grant funding per quarter.

DEA Projects/Alien Clearing and Working for Water Programme

During the 2018/19 financial year, **Casidra** was re-appointed as an Implementing Agent by the Department of Environment Affairs (DEA) and, therefore, continued with the rollout of the Programme for clearing of alien and invasive plant species in the rivers. This followed on a three-year agreement for the managing of the Working for Water Programme for the Berg River and Breede River riparian zones, which was successfully concluded in 2016/17.

The Programme was even bigger than before. While the Clearing Programme focuses on alien eradication and control in the riparian zone along riverbanks, **Casidra** did the exploration to convert the biomass to useful products to manufacture furniture and charcoal. These products were then tested and prepared for the market during this financial year. The Rehabilitating Environmental Areas for Prosperity (REAP) logo was designed to be instantly recognisable as the symbol associated with the development of a sustainable and transformative process where alien trees' wood is converted into environmentally friendly products that will contribute towards an enhanced experimental user- and nature-centric trade result for large scale socio-economic upliftment.

LandCare Programme

Casidra implemented the LandCare Programme for the WCDoA. This Programme aims to conserve and rehabilitate natural ecosystems and alleviate the burden on water resources, and through the Programme many rural communities benefited from short-term work opportunities and training. During the implementation, a substantial number of communities were reached and sufficient job opportunities were created. Projects varied from labour intensive projects to the latest research and highly technical projects in the conservation of natural resources.

Disaster Management Funds and Climate/Environment

Although disasters cannot be predicted, **Casidra** has played an integral role in the rollout of Disaster Management grants and assistance to drought stricken farmers in most areas of the Western Cape. Its effective systems and ability to expeditiously procure and administer payments ensures service delivery of the Disaster Management Programmes.

Casidra received approval to roll out some disaster relief funds made available by the WCDoA during the 2018/19 financial year. These funds were aimed to assist farmers whose farms suffered infrastructure damage during floods. The Flood Damage Repair Programmes are further augmented by support from the Catchment Management Agencies and LandCare Programmes. The total funding of R377,9 million was applied at the end of the 2018/19 financial year. Environmental Impact Assessments (EIA) were concluded and implementation took place during the financial year.

Drakenstein Municipality Project

Casidra continued to embark on a renewed effort to assist local municipalities with the implementation of their local development agendas. Implementation of service delivery products developed over a number of years by **Casidra**, for communities residing in rural municipal areas, have been hampered by a lack of available funding for implementation. During this financial year, **Casidra** managed to assist the Drakenstein Municipality with the implementation of the clearing of the Berg River project.

Commodity Project Allocation Committee Approach

Casidra continually supported various Commodity Project Allocation Committees (CPAC) with procedures and standard documentation thus importing its knowledge of project implementation to these structures. A joint CPAC was formed for the beef and sheep, poultry and pigs, as well as the CPAC, with the delegations to award CASP funding to the applicants who meet the set criteria. The CPACs ensure that recommended projects comply with the applicable selection criteria and that the allocations are prioritised in terms of the key deliverables of the WCDoA.

Unit for Technical Assistance and the Land Reform Advisory Desk

The Unit for Technical Assistance (UTA) at **Casidra** has been inundated with requests for professional services and assistance. The service requests ranged from small-farmer applicants requests and to inform them about farm planning, policies and do outcome measurement, to bigger businesses requiring assistance to structure shareholding and other business arrangements.

To give impact in the area of Land Reform and Transformation, the Minister of Economic Opportunities created a Land Reform Advisory Desk (LREAD) at **Casidra** to provide guidance to farmers, businesses, municipalities and land owners to structure sustainable land reform deals for agricultural transformation within the context of the NDP. This is another game changer initiative to approach Land Reform challenges differently. LREAD's objectives are to provide advice to clients with the structuring of business models that will contribute to the attainment of NDP goals, to support the District Land and Agriculture Committees in the delivery of land reform, as defined within the NDP, i.e. identification and allocation of a minimum of 20% farming land, to provide institutional guidance to the CPACs that deliver support to projects, to ensure that **Casidra** is in accordance with this process as the implementer and to strengthen the UTA to deliver on the mandate of the Land Reform Desk's mandate.

The LREAD continued to provide assistance to all stakeholders, such as land owners, with transformation requests. The LREAD is funded by the WCDoA and assists the sector to facilitate towards the delivery of the transfer of 20% of land to black farmers by 2030. The unsatisfactory skills and knowledge base of new entrants in the agricultural sector have been identified as some of the major reasons for Land Reform projects not to succeed.

Management of Government Farms

Casidra continued to manage the Waaikraal and Amalienstein farms on behalf of the WCDoA until a suitable exit strategy for direct state involvement is finalised. The sustainability of Waaikraal and Amalienstein is dependent on sufficient funding being made available to implement the turnaround strategies as produced by **Casidra** and submitted to Province way back in 2010. However, **Casidra** is still waiting for the approval and funding of the turnaround strategies.

The drought experienced since 2016 resented another setback for both Waaikraal and Amalienstein, with the gains made since 2010 being a loss to some extent. These farms are currently unsustainable and need an extension of farming activities, but due to them being government farms, commercial finance cannot be accessed.

The lack of strategic direction in transformation and committed funding has become a reputational risk liability for **Casidra** and the WCDoA, and has been addressed by an agreement with the Department of Transport and Public Works that a high level business case will be presented to Cabinet for the way in which direct state involvement with resultant empowerment and land reform can be achieved.

The management contract for Anhalt was handed to the Community Property Association (CPA) at the end of September 2018 and **Casidra** continued to facilitate the official transfer of the farm and responsibilities to the CPA. An empowerment plan, which was initiated by **Casidra** and accepted by the CPA, was monitored to ensure that everything went ahead as planned.

Assistance was received from the Jobs Fund, in the interim, to establish 14 hectares of fruit, which was successfully sourced for Anhalt. This gave a boost to the farm that is already sustainable and was managed with their own funding without any loans.

Rural Infrastructure and Poverty Alleviation

Casidra's business development projects led to economic growth and build social security, especially in the rural towns.

Casidra facilitates a number of Further Education Training (FET) and Vocational Training Programmes that develop key capabilities and skills among the people involved in the beneficiary programmes.

Community Household Food Security

The Community Household Food Security Programme has continued to support community and household gardens with basic garden tools and production inputs in the five-year period. During this financial year, 867 household and 63 community food gardens were reached by **Casidra** and the WCDoA. To ensure increased sustainability, a strategy has been initiated whereby service providers are appointed who support the households twice per week, run training programmes and offer marketing opportunities. A high priority is sustainability both in terms of production and organic self-sustaining systems. Grey water recycling and composting form the backbone of the initiative. The CPAC for food security co-ordinated efforts for relief between governmental role-players. **Casidra** operates as the secretariat and drives the adoption of more strategic interventions for sustainability and water conservation to be implemented in line with its environmental focus. The continuing drought and the decision that no municipal water may be used for any garden projects had influence in the rollout of the assistance and enforced initiatives for optimum water utilisation and crop production techniques.

Local Economic and Business Development

This Programme was aimed at enhancing business growth and the creation of employment in rural areas through the leveraging and encouraging of investment from the private sector and support for local economic and business development in general. However, during the 2018/19 financial year the scope of **Casidra**'s work to achieve the Strategic Objectives 1 and 2 changed due to refocusing by the Programme funder. Therefore, the funding for Sub-programmes 4.1: Farm Worker Development and 4.2: Rural Nodal Development were discontinued by the WCDoA for the 2018/2019 financial year and the planned targets were, therefore, not be achieved.

Comprehensive Rural Development Programme and Farm Worker Development Programme

During 2018/19, **Casidra** planned to roll out the Comprehensive Rural Development Programme (CRDP) to focus on creating partnerships in the rural development nodes. The Farm Worker Development Programme initiatives provide essential interventions dealing with social ills and wellness matters. These initiatives and programmes were aimed at potentially being augmented by training initiatives and be focussed on supporting fewer businesses with more services. Due to unforeseen circumstances by the Programme funder, this Strategic Objective one was removed during this financial year.

Agri Worker Development

Casidra planned to support the WCDoA with the rollout of the Farm Worker Development Programme as well as play a facilitation and co-ordination role between the various non-profit organisations, private sector, the WCDoA and other stakeholders in implementing the Programme. This includes operational and business support to non-profit organisations funded by the WCDoA that implements skills and social development projects to capacitate agri workers. Due to the unforeseen circumstances by the Programme funder, this Strategic Objective one was removed during this financial year.

Rural Nodal Development

During the previous financial years, **Casidra** played an integral role as facilitator of the Rural Co-ordination Programme and utilises the position to lobby support from various entities and stakeholders to leverage the resources of the WCDoA. This Programme, funded by the WCDoA, has made a significant impact on the socio-economic development and stability of the rural areas. In the 2018/19 financial year, **Casidra**'s services were discontinued for this Programme.

PERFORMANCE INFORMATION SITUATIONAL ANALYSIS: SERVICE DELIVERY ENVIRONMENT

Other Project Management Services

Casidra made a commitment under this Sub-programme to provide services to new and existing clients where a need exists to project manage, administer and procure services for the identified projects with the emphasis on job creation activities. During this financial year, the following projects were implemented as outlined below:

Market Access and Financial Record-keeping Programmes

Casidra facilitated the Financial Record-keeping Programme on behalf of the WCDoA. The Programme assisted emerging farmers with financial literacy training and bookkeeping support.

During this financial year, further support was provided to the BEE farmers through the Market Access Programme, which enabled black businesses to access markets through trade missions and shows, where South African produce was showcased. The black businesses were supported to reach domestic and international markets to market their produce.

Rural Development Strategic Projects

During this financial year, **Casidra** continued to implement previous multi-year projects which were incomplete at the end of the 2017/2018 financial year. Five strategic projects to address the needs of Western Cape rural communities based on the outcomes of the Agri Worker Household Census were implemented. The focus was on career opportunities, Rural Youth Female Mentorship, Social Support to Substance, Abuse, Early Childhood Development and Technical Skills Development. The overall completion of these projects was 48% at the end of this financial year.

Entrepreneur Support Fund

During this financial year, a new Financial Support Fund was established in December 2018 between **Casidra** and the Department of Economic Development and Tourism (DEDAT). The purpose of the Fund was to distribute bridging loans to SMMEs. At the end of this financial year, the number of loan applications approved and disbursed were 47 to the total value of R3 028 335.

PERFORMANCE INFORMATION SITUATIONAL ANALYSIS: ORGANISATIONAL ENVIRONMENT

Casidra has a team of passionate multi-disciplinary professionals committed to meaningfully impact rural development and working with partners in both the public and private sectors. Because the requirement for technical advice and support is growing, the personnel involved in technical support have also been grouped in the Technical Management Unit (TMU), while the project managers were grouped in the Project Management Unit (PMU).

The PMU within **Casidra** consolidates all project related programmes and enables the implementation of deliverables for various agricultural, land reform, business development support, enterprise development, and environmental management and job creation projects for a wide selection of clients. The TMU, on the other hand, focuses on the implementation of infrastructure projects of an agricultural nature and also provides a technical, administrative and procurement support service to Units within the Company.

These processes enhanced the Company's internal operations and enabled **Casidra** deliver effective and efficient project management excellence in 2018/19. It is imperative that **Casidra** remains in sync with a relatively constant changing legislative and business environment while ensuring the best possible service delivery outcome. The internal processes are geared towards updating and improving **Casidra**'s internal policies so as to align them with the strategic intent of focusing on project management excellence for efficient service delivery.

The funding model agreed between **Casidra** and the WCDoA has ensured financial stability and sustainability in the medium term.

Rising input costs and inflation factored against the institutional funding that are increasingly placed under pressure due to budget constraints and poor economic growth, place a huge burden on **Casidra**'s operational funding position. Hence **Casidra** markets its services to all government departments and external institutions to create new income streams and grow project revenue.

Casidra's recruitment is guided by the aim of being the Project Management Company of choice and, therefore, **Casidra** endeavours to source suitably qualified and driven individuals to be recruited. Staff development programmes are a prominent feature within the organisation and focuses on enhancing skills and improving qualifications of organisational team members.

During the year, **Casidra** invested significantly in employee wellness through various initiatives. The focus for 2018/19 was emotional wellness and had positive spin-offs from the annual organisational staff satisfaction surveys that measure various elements of organisational health.

Our Human Resources Unit continued to maintain a succession plan with the aim of developing and ensuring planned succession when personnel retire or vacate positions. **Casidra** has been able to recruit, attract and place EE candidates in positions that have been previously proven difficult to fill by suitable EE candidates. The recruitment of physically challenged individuals features strongly whenever positions need to be filled.

Casidra maintains the green initiative strategy with the intention of reducing carbon usage. Various initiatives have been constantly monitored and measured accordingly at our Regional Office, the farms and Head Office. These measures are drafted into a Green Initiatives Report, which covers paper usage, travelling costs, and water and electricity consumption.

Casidra's web-based project management information and procurement application, Casper, continues to operate successfully as a business tool. This system allows all stakeholders the functionality to access project information through accessing the relevant project on the web-based system. More functionalities are added as the system is tested and being refined as well as being put into operational use in all programmes within the organisation.

The value of the application lies in the readily available project information that is at the disposal of all stakeholders with access to the internet and at the click of a button. This tool helps to expedite service delivery, improves communication and is environmentally friendly while reducing the carbon footprint. During 2018/19, the system was enhanced to extract performance reporting for audit reporting purposes.

Due to the tough economic times and budget cuts faced by Government, Cost Containment Measures, as outlined by National Treasury, were implemented at **Casidra**. This was to ensure that the Company is more responsible for the effective, efficient, economical and transparent use of its resources.

We ensure that all employees are mindful of the current economic realities and intensify efforts to improve efficiency in expenditure. Furthermore, we closely monitor budgets to improve cost-efficiencies, effectiveness of supply chain/ procurement processes and procedures as well as the avoidance of wasteful expenditure to ensure that value for money is achieved in the delivery of programmes and services. Activities are strictly scrutinised with a view to preventing any irregular, unauthorised or wasteful expenditure.

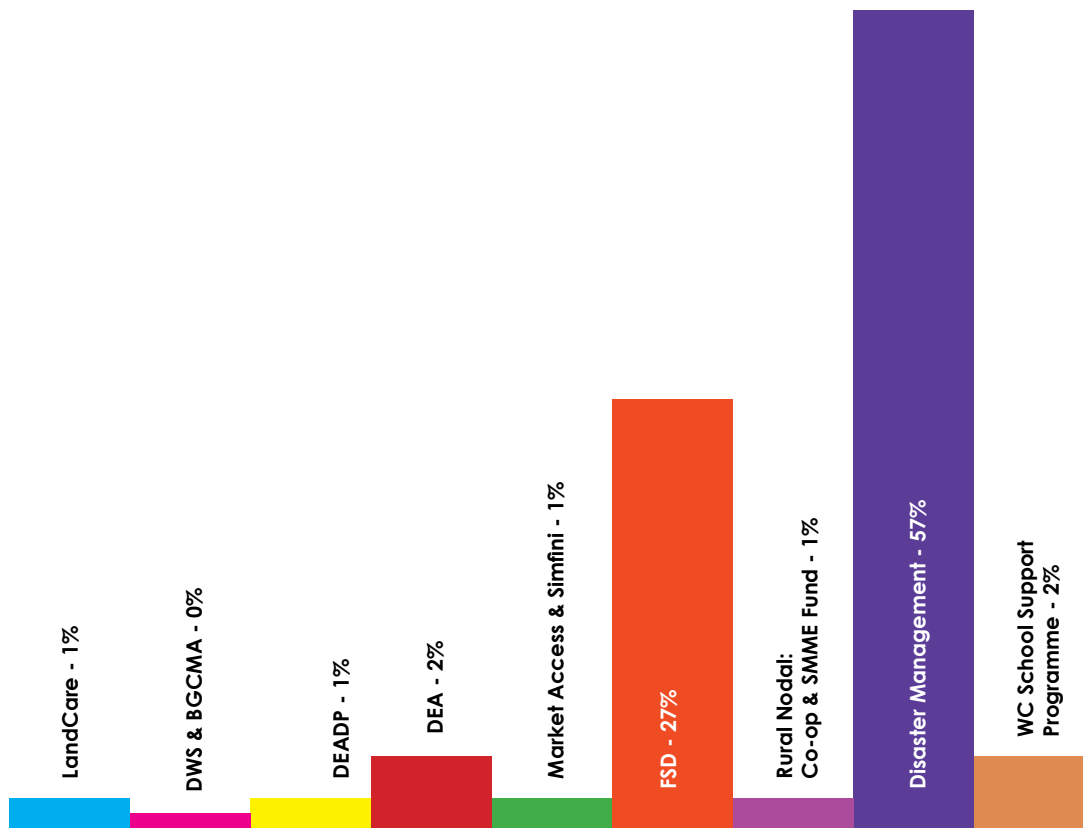
Budget constraints will necessitate **Casidra** to continually explore the environment for business opportunities and to expand income. Personnel cost is the major cost driver and through mentorship and training, better utilisation of human capacity is pursued.

The Government's Central Supplier Database for registering the service providers/suppliers has been stabilised, with many suppliers able to register themselves online. However, **Casidra**'s personnel continued to receive requests for assistance from those who do not have access to the system.

We continued to create brand awareness for the Company through various platforms in the public/stakeholder relations, marketing, communications, media relations, advertising and corporate social responsibility.

A web-based Electronic Quarterly Performance Reporting System (EQPRS), which was established by the Department of the Premier's Performance and Monitoring Directorate, to officially replace the old Microsoft Excel reporting system, has been stabilised with minimal glitches.

PERFORMANCE INFORMATION
REMAINING BUDGET UNDER MANAGEMENT FOR 2018/19



PERFORMANCE INFORMATION
KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

None.

STRATEGIC GOAL 1	
Strategic Outcome Oriented Goal 1	Casidra to provide management services to the Western Cape Department of Agriculture to achieve their goals.
Goal Statement	<p>In the policy for the Department of Rural Development and Land Reform (DRDLR) Recapitalisation Programme, published in May 2011, it is stated as fact that most of the six million hectares of agricultural land transferred through the Land Reform Programme are no longer in production and have failed.</p> <p>One reason for this is that, in many cases, land has been allocated to large groups of beneficiaries without successful institutional arrangements to enable productive and sustainable use of the land. A second reason is that not enough structured support was given to beneficiaries who, in most cases, have very little agricultural and management experience and skills.</p> <p>A third reason is that there was a misalignment between the Comprehensive Agricultural Support Programme (CASP) and the Land Reform Programme, and the support offered did not address all the needs of new entrants in the agricultural production arena in a structured and comprehensive way. It was stated that there is insufficient capacity in government for full-scale implementation of these programmes.</p> <p>By combining agricultural experience and knowledge with project management capabilities and efficient financial and governance systems, Casidra will continue to support the Department with the disbursement of funds from the CASP. An estimated 230 active Land Reform projects are supported by the WCDoA with procurement from grant funding for physical infrastructure delivery on approved project business plans.</p> <p>Another initiative to support this goal is the involvement in the Agricultural Production Strategy of the DAFF within the context of rural development and tied to the objective of agrarian reform. Institutional arrangements for an integrated support strategy are based upon the commodities' approach. Practical product specific and marketing experience is brought together in the CPAC for each of the nine commodities, and is used to evaluate projects for viability and to award CASP funding to applicants.</p> <p>Casidra will play an integral role in the facilitation of the processes within specific commodities, act as a secretariat for them, and implement the approved business plans for commodities where Casidra is involved.</p> <p>Three government-owned farms (owned by the Department of Rural Development and Land Reform and the Provincial Department of Transport and Public Works), dating back to the 1980's as land restitution projects, were managed by Casidra. The Anhalt farm is in the process of being transferred to the community of Haarlem and Casidra assisted with empowering them to independence. Although the land is not yet transferred, the business was transferred to Anhalt Boerdery Pty Ltd, a company with directors from the community. From 1 April 2019 Casidra will only be in a supporting role as part of the Management Committee of the farm, until the land is transferred.</p> <p>The WCDoA is responsible for the facilitation of the CRDP in selected nodes in the Western Cape with the objective to create vibrant, sustainable rural communities.</p> <p>The Strategic Objectives of the Programme are defined as follows:</p> <ul style="list-style-type: none"> • All provincial departments and local government authorities delivering services in a co-ordinated and cohesive way through the establishment of interdepartmental steering committees. • Institutionalisation of community organisational structures to empower communities in terms of the identification and implementation of new projects. • Establishment of economic, social development and infrastructure projects to facilitate economic growth. • Skills training for unemployed people. • Sustainable employment created for unemployed people. • Improvement of food security through interventions at household level. <p>Whereas the Department will focus on the citizen-facing role in preparing the institutional environment for implementation, Casidra will focus on the implementation of identified projects by offering excellent project management services.</p> <p>Link to Public Sector Scorecard: Customer (External)</p>

STRATEGIC GOAL 2	
Strategic Outcome Oriented Goal 2	Give support for local economic and business development initiatives in rural areas to create and facilitate an enabling environment, facilitate economic growth and job creation, by promoting the implementation of green initiatives, by providing economic support and mentoring.
Goal Statement	<p>The Western Cape economy, as a significant contributor to the national economy, emphasises the importance of government Interventions and policy to sustain and direct economic growth.</p> <p>Although the agricultural sector may be the logical and sensible cornerstone of rural development, the environment for successful agricultural economic, social and environmental activity is what contributes holistically to rural development.</p> <p>When considering rural development, cognisance must be taken of the actual development potential of municipal areas in order to create an environment that supports private sector investment that will create sustainable job opportunities for rural communities. Rural development cannot be the sole mandate of one department. Interventions from various state agencies, parastatals and the private sector will be needed to make a significant impact.</p> <p>In this regard, the main components of an enabling environment for economic development initiatives must include:</p> <ul style="list-style-type: none"> • Increased skills levels • Access to a full range of business development services • Market readiness and access. <p>Accessibility of business information to both small farmers and entrepreneurs in the rural areas can be a catalyst for economic growth and job creation, but the reality of the Western Cape is that the current 14 prominent business support sites are concentrated in the greater Cape Town area, compared to only one in the vast rural areas.</p> <p>The Strategic Objectives of the Programme are defined as follows:</p> <ul style="list-style-type: none"> • To facilitate economic empowerment of emerging entrepreneurs and small businesses. • To facilitate awareness of economic opportunities through improving access to financial and non-financial initiatives. • To assist in creating an environment that supports private sector investment through appropriate public sector planning and investment within rural communities. • To promote the implementation of green initiatives. • To create an enabling environment and facilitate economic support and mentoring. <p>Casidra will play a project management role in any identified projects that underpin the above Strategic Objectives.</p> <p>Link to Public Sector Scorecard: Customer (External)</p>
STRATEGIC GOAL 3	
Strategic Outcome Oriented Goal 3	Manage resources effectively and ensure good corporate governance to achieve an unqualified audit in each financial year.
Goal Statement	<p>An entity such as Casidra is about efficient service delivery in support of government departments for a specific purpose. It should, therefore, be enabled to have the necessary capacity and to be able to focus on the task at hand. The Company's support services (finance and administration, human resources, public relations and communication, and information technology) need to be organised in such a manner that they support the project delivery departments in an efficient and effective manner. In addition, retention of staff will be a strategic priority area.</p> <p>Casidra's corporate governance, its Board and committees are organised and informed by the principles of the King IV Report. Casidra also takes its people practices and green strategy seriously. Sustainability of the organisation is of primary concern to the Board and management team.</p> <p>Link to Public Sector Scorecard: Financial; Internal Process and Employee Learning and Growth (Internal).</p>

STRATEGIC GOAL 4	
Strategic Outcome Oriented Goal 4	Develop and implement the Casidra Development Model by 2020.
Goal Statement	<p>Casidra's present deliverables have been built around:</p> <ul style="list-style-type: none"> • Project management capabilities • Efficient governance structures • Efficient financial systems • Competitive edge due to a business-oriented model • A reactive culture in responding to needs. <p>In the past, clients have been mostly limited to two provincial departments, namely the WCDoA and DEDAT with deliverables to individual beneficiaries through specific programmes run by the two departments.</p> <p>Based on its track record, skills and composition, Casidra is able to market its services to other government departments.</p> <p>Casidra has developed a blue-print in developing and implementing developmental initiatives in the rural areas of the Western Cape.</p> <p>Casidra has reached a stage in its journey where it wants to reach out externally and capacitate especially community role-players to implement results-driven development initiatives. The Company intends establishing a training and development arm that can provide an additional revenue stream to Casidra.</p> <p>The Company underwent a comprehensive organisation design investigation in 2015, which assessed the current structure's alignment with the strategic intent of the Company. The outcome of the investigation highlighted some reshuffling of functions. The recommendations from this investigation were approved by the Board for implementation in a phased approach. Casidra intends exploring the full establishment of a project management organisational structure by 2020.</p> <p>Link to Public Sector Scorecard: Customer (External); Internal Process and Employee Learning & Growth (Internal).</p>
STRATEGIC GOAL 5	
Strategic Outcome Oriented Goal 5	Maintain and expand project management capability as implementing agent in general through project management training and information systems.
Goal Statement	<p>Casidra needs to continually 'sharpen the saw' by ensuring continuous cutting-edge project management training to its staff members to assist the Company in becoming a high performance team excelling in project excellence. Casidra cannot deliver a good service if it neglects the human capital development of its own staff members. The 'learning organisation' concept also needs to be supported by information technology support to the project managers and an effective knowledge management system.</p> <p>Link to Public Sector Scorecard: Customer (External); Internal Process and Employee Learning and Growth (Internal).</p>
STRATEGIC GOAL 6	
Strategic Outcome Oriented Goal 6	Develop and grow new markets on a cost-recovery basis at an annual rate of 3 per cent.
Goal Statement	<p>Casidra SOC Limited should be proactive to market its services to other government departments. To ensure future sustainability, the Company needs to identify and develop new markets to generate additional income. This will be done without losing sight of the Company's primary focus based on its mandate. Casidra's unique capabilities and strengths can allow it to position itself as a service provider of choice to provincial and national departments.</p> <p>Link to Public Sector Scorecard: Customer (External); Financial (Internal).</p>

PURPOSE

The provision of leadership, strategic direction and relevant support services to the respective programmes of **Casidra**.

SUB-PROGRAMMES

- 1.1 Public Relations, Marketing and Communications
- 1.2 Financial Management
- 1.3 Human Resources Management
- 1.4 Strategic Training
- 1.5 Corporate Governance

LIST OF STRATEGIC OBJECTIVES

Programme 1: Corporate Services	
Sub-Programme 1.1: Public Relations, Marketing and Communications	
Strategic Objective 1	Provide an internal and external communication service for the Company and projects (SG 3, 4 and 6)
Objective Statement	Create brand awareness by promoting the Company, projects and its services through the provision of an internal and external communication service.
Baseline	<p>Develop and implement a marketing and communication strategy and action plan by managing the compilation and publishing of all publications for corporate compliance through quality editorial services.</p> <p>The Company's publicity will be focused on free or inexpensive marketing opportunities. The Company's corporate identity will be constantly monitored. The marketing and promotion of the Company will be geared towards the right target market, as outlined in the strategy.</p> <p>Advocacy and lobbying have also proven to be an integral part when sourcing new business for the Company.</p>
Justifications and Links	Strategic Goals 3, 4 and 6
Sub-Programme 1.2: Financial Management	
Strategic Objective 2	Render an effective and efficient financial management service to the Company and projects (SG 4)
Objective Statement	Ensure compliance with all relevant financial statutes and regulations, notably the Public Finance Management Act and the Companies Act.
Baseline	<p>All statutory reporting deadlines are met.</p> <p>Tighter budget constraints are expected in 2019 and will result in more stringent care on expenses.</p>
Justifications and Links	Strategic Goal 4
Sub-Programme 1.3: Human Resources Management	
Strategic Objective 3	Provide an efficient and effective human resources' service to the Company and projects (SG 3 and 5)
Objective Statement	To provide an efficient and effective human resources' management service by: <ul style="list-style-type: none"> • Promoting staff wellbeing • Sound labour relations • A fully optimised staff structure
Baseline	<ul style="list-style-type: none"> • 4 wellness and team-building initiatives implemented • 4 worker committee meetings and 4 personnel forum meetings scheduled • 2 performance reviews implemented
Justifications and Links	Strategic Goals 3 and 5

LIST OF STRATEGIC OBJECTIVES

Sub-Programme 1.4: Strategic Training	
Strategic Objective 4	Provide strategic training within the Company (SG 4 and 5)
Objective Statement	To ensure the future sustainability of Casidra as an excellent project management company.
Baseline	<ul style="list-style-type: none"> Internal project management course accredited 120 employees trained 3 project management qualification bursaries
Justifications and Links	Strategic Goals 4 and 5
Sub-Programme 1.5: Corporate Governance	
Strategic Objective 5	Ensure corporate governance (SG 4)
Objective Statement	To deliver an efficient and effective service in compliance with best practice in corporate governance.
Baseline	Casidra's corporate governance actions in the way the Board and its committees are organised are informed by the principles of the King III Report. Casidra also takes its people practices and Green strategy seriously. Sustainability of the organisation is of primary concern to the Board and Management team.
Justifications and Links	Strategic Goal 4

STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2018/19

Programme 1: Corporate Services					
Strategic Objective	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of internal and external communication services interventions	8	8	8	-	
Number of effective and efficient financial management services	15	1	1	-	
Number of efficient and effective human resource services	14	11	11	-	
Number of strategic training interventions	24	29	29	-	
Number of corporate governance support service	10	10	10	-	

Sub-Programme 1.1: Public Relations, Marketing and Communications

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of publications compiled and published	7	7	7	7	7	-	
Number of events organised/ co-ordinated	1	1	1	1	1	-	

Sub-Programme 1.2: Financial Management

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Audit opinion obtained from AGSA in respect of previous financial year	1	1	1	1	1	-	

Sub-Programme 1.3: Human Resources Management

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of wellness and team-building initiatives implemented	-	4	4	3	4	1	Operational requirements increased.
Number of worker committee and personnel forum meetings	-	8	8	6	6	-	
Number of company-wide performance assessments co-ordinated	3	3	2	2	2	-	

Sub-Programme 1.4: Strategic Training

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Project Management course accredited	-	-	-	1	1	-	
Number of development and training initiatives aligned with Casidra's strategy	23	24	24	28	29	1	Operational training requirements.

KEY PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Sub-Programme 1.5: Corporate Governance							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of governance documents submitted as per Treasury prescripts	10	10	10	10	10	-	

PROGRAMME PERFORMANCE

Sub-Programme 1.1: Public Relations, Marketing and Communications

The Public Relations, Marketing and Communications Unit continues to provide relevant support services to the respective Programmes and projects of **Casidra**. The implementation of performance indicators' targets was achieved as planned in our 2018/19 Corporate Plan. All publications, which include the Corporate Plan, Annual Report, Quarterly newsletters and various marketing brochures, were compiled, published and distributed to all stakeholders timeously.

Sub-Programme 1.2: Financial Management

Casidra has achieved its 30th unqualified audit report on Financial Statements.

Sub-Programme 1.3: Human Resources Management

Casidra firmly believes that if we grow our people, we grow our business. Staff development programmes are a prominent feature within the organisation and focus on enhancing skills and improving qualifications of organisational team members.

These include self development workshops/coaching, support team members' journeys of self-discovery and help to gain insight into behavioural styles, how to modify behaviour to strengthen relationships and enjoy better outcomes in situations.

Human Resources invest significantly in holistic employee wellness initiatives. A sound labour relations climate is maintained through open communication channels, worker committee meetings, personnel forum meetings and effective internal grievance handling procedures. **Casidra** has a performance driven culture aimed at optimising every employee's output in terms of quality and quantity, which is aimed at overall performance and service delivery.

Sub-Programme 1.4: Strategic Training

During this financial year, **Casidra** received accreditation from Services Seta to facilitate a short course in Project Management.

Sub-Programme 1.5: Corporate Governance

Casidra has complied with Treasury's regulations and submitted its Annual Financial Statements, CIPC, B-BBEE annual returns, budgets, Corporate Plan and Shareholder's Compact on time.

STRATEGY TO OVERCOME AREAS OF UNDER-PERFORMANCE

None.

CHANGES TO PLANNED TARGETS

None.

LINKING PERFORMANCE WITH BUDGETS

Programme	2017/2018			2018/2019		
	Budget	Actual Expenditure	(Over)/ Under Expenditure	Budget	Actual Expenditure	Under Expenditure
Corporate Services	R	R	R	R	R	R
Financial Management	4 014 883	7 692 805	(3 677 922)	4 345 000	4 105 372	239 628
Information Technology	357 420	243 031	114 389	570 000	371 959	198 041
Human Resources Management	13 420 814	10 835 686	2 585 128	14 475 000	11 122 879	3 352 121
Legal and Corporate Governance	75 029	17 442	57 587	79 000	6 882	72 118
Public Relations, Marketing and Communications	326 138	308 404	17 734	358 000	329 654	28 346
CAPITAL	1 132 792	1 276 887	(144 095)	2 027 000	947 959	1 079 041
TOTAL	19 327 076	20 374 255	(1 047 179)	21 854 000	16 884 705	4 969 295

=This Programme has primarily a support function. Its value is in supporting the line functions to provide a professional service.

PURPOSE

- To manage specific government farms (i.e. Anhalt, Amalienstein and Waaikraal) in a sustainable manner to transfer to a relevant receiving entity.
- To ensure a sustainable support mechanism for new and established farmers (including land reform beneficiaries and farm workers).

SUB-PROGRAMMES

- 2.1 Management of Government Farms
- 2.2 Farmer Support and Development

LIST OF STRATEGIC OBJECTIVES

Strategic Objective 1	Manage government farms in a sustainable manner for transfer to a relevant receiving entity (SG 1)
Objective Statement	To provide a farm management capacity, physical and financial, to two identified government owned farms in the Western Cape so that they can be developed according to the accepted initiatives as identified in the turnaround strategy plans and funded by the WCDoA and own generated funds; to reach sustainability within the five-year contract periods.
Baseline	<p>Waaikraal and Amalienstein have been under Casidra's management for many years, but since 2010, the two farms are under the management responsibility of the WCDoA. Before 2010, the farms were structurally unprofitable and needed investment to extend the farming operations. The WCDoA requested Casidra to draft turnaround strategies, which were completed in 2010, but the WCDoA could not fund these strategies fully (Waaikraal was partially funded as part of the CRDP nodal development and Amalienstein received CASP funding in 2017 to upgrade the farm's irrigation system). The aim of the turnaround strategy was to reach profitability and sustainability, and funding was needed to initiate new ventures, but also to cover operational shortfalls until the new ventures were in full production and past breakeven. That ideal was not reached, as funding was insufficient to implement all new developments as proposed by the turnaround strategy. The shortfall is exacerbated by the fact that VAT cannot be claimed by the farms. Casidra's responsibilities are, therefore, to optimise the existing ventures within the resource capabilities and preserve the assets against vandalism.</p> <p>During this reporting period, Amalienstein was negatively affected by the drought and irrigation had to be limited from time to time, and since the beginning of 2019 it was completely stopped, resulting in fodder being purchased that led to additional expenses. The farm had to supply Zoar with water for human consumption. At the end of the period, the situation was still serious with one dam still empty and the other at 7%. The WCDOA approved additional funding of R1.4 million for the farm for 2018/19 due to the impact of the drought.</p> <p>The current drought situation also affects Waaikraal very negatively and all water quota allocations have been terminated. This led to very little production since 2017/18, and lucerne fields all died and cattle were sold. Waaikraal had Nguni cattle, but had to be sold because there was no market for this kind of breed and, therefore, the plan is to replace the cattle with a profitable breed.</p>
Justifications and Links	Strategic Goal 1
Strategic Objective 2	Facilitate and implement agricultural projects for agrarian beneficiaries through government funding (SG 1)
Objective Statement	To implement agricultural infrastructure and production grant support to beneficiary farms in the Western Cape by means of employees who apply project management tools and skills so that delivery can be effective and efficient and within the time schedule allowed for the intervention.
Baseline	<p>During the preceding years, the funding transferred to Casidra for the purpose of assisting farms with infrastructure, excluding the funds for the commodities operating independently, has been in the region of R68 million per annum. The number of projects that can be financed with these funds has decreased due to the size of the grant applications received and is approximately 76. It is anticipated that funding will be under pressure in the coming year and budget cuts are expected. Projects are distributed all over the Province and cannot be limited to only one geographical region.</p> <p>Due to the seasonality of agriculture, many of these projects are multi-year projects and due to funding being transferred from the National Department in four tranches spread over the year, projects are carried over to the next year for continuation of implementation. The number of projects being carried over has dramatically reduced each year, but cannot be avoided with still about 30 to be carried over each year.</p> <p>Casidra supplies institutional support to two commodity groups to ensure compliance and implementation, and assists eight others with secretariat services.</p> <p>The services of the UTA to applicants in the CASP grant framework have stabilised and very few applications for complete business plans to be developed are received. The real need is for input on a specific resource, shareholding in terms of the BEE codes and financial planning with each year. A Land Reform Advisory Desk has been established for facilitating advice on land reform initiatives.</p>
Justifications and Links	Strategic Goal 1

STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2018/19

Programme 2: Agriculture and Land Reform					
Strategic Objective	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of government farms managed in a sustainable manner for transfer to a relevant receiving entity	3	2	3	1	Anhalt farm not yet transferred.
Number of agricultural projects facilitated and implemented for agrarian beneficiaries through government funding	146*	83*	142	59	Demand driven target. More requests received than anticipated.

*= Targets are demand driven and output is not within **Casidra**'s sphere of influence.

KEY PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Sub-Programme 2.1: Management of Government Farms							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of individual farm plans developed for government farms	3	3	3	2	3	1	Anhalt farm not yet transferred. Casidra has to compile a budget and is still managing the farm.
Number of monthly farm financial statements and cash flow estimates produced	36	36	36	24	24	-	
Number of monthly monitoring and evaluation site visits to projects	34	33	20	20	22	2	Due to the drought, more visits were needed.
Number of monthly management and staff meetings on site	33	33	20	20	22	2	Farm Managers felt the need for more interactions.

Sub-Programme 2.2: Farmer Support and Development							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of CPAC projects assisted with agricultural physical infrastructure in current year	51	46*	64	25*	37	-12	Demand driven target.

**KEY PERFORMANCE INDICATORS,
PLANNED TARGETS AND ACTUAL ACHIEVEMENTS**

Sub-Programme 2.2: Farmer Support and Development

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Percentage of projects that does not exceed completion date within three-month timeframe measured against the baseline project plan	60%	(82/180) 45.56%	47.74%	(324/541) 60%	37.03%	- 22.97%	The drought and deficiency in planning of approved projects hampered implementation.
Number of CPACs assisted with project implementation and/or secretarial services	9	9	8	9	9	-	
Minimum average qualitative score (1-5) by beneficiaries for evaluation of service rendered by implementer	4.66	4.52	4.71	4	4.68	0.68	Project Managers were scored more.
Number of business plans reviewed/ developed and legal inputs given by UTA	4	33*	29	15*	38	23	Demand driven target.
Number of queries resolved (technical/ Financial/ EIA/ Impact studies) by UTA	98	36*	31	30*	34	4	The verified actual number of queries resolved is 34.
Number of land reform interventions assisted by LREAD	-	36*	43	20*	48	28	Demand driven target. More requests received than planned.
Number of agricultural projects implemented approved by the DPAC	13	17*	9	8*	22	14	Demand driven target.
Number of quarterly progress reports on all projects and commodities	4	4	4	4	4	-	
Number of agricultural projects funded from previous years, implemented on a multi-year basis	36	53	71	50	83	33	More projects completed from previous years.

* Targets are demand driven and output is not within Casidra's sphere of influence.

Sub-Programme 2.1 Management of Government Farms

AMALIENSTEIN AND WAAIKRAAL

Amalienstein and Waaikraal are managed on behalf of the WCDoA, and both are currently unsustainable farms due to their farming operations being too limited (due to funding limitations) to carry the overhead costs of the farms. This is especially true for Amalienstein that has extensive buildings and infrastructure.

This is exacerbated by the fact that the farms, due to being funded by government, cannot re-claim VAT on inputs. VAT is charged on most inputs, but not on revenue (seed, lucerne and milk). Theft and vandalism also impact on these farms' financial performances, not only due to the replacement costs of stolen and vandalised items, but also the cost of employing guards at night and over weekends. Drought experienced by both farms, since 2017/18, put further strain on the farms' sustainability.

The farms received annual funding (Amalienstein R2 103 151 plus R1 400 000 drought funding and Waaikraal R1 730 849 for 2018/19) from government, but over the years this was insufficient for the replacement of capital assets, let alone new ventures with the current drought making things even worse.

The updating of the water report for the Amalienstein area and drafting of a document indicating the process and steps to transfer state land to a community were completed as part of a future envisaged high level business plan for the farm. As Waaikraal currently has no receiving entity, the Land Reform Desk at **Casidra** was tasked to commence talks in this regard.

Labour relations and employee wellness are addressed on the farms with personnel forums and wellness programmes established. The wellness programmes extend beyond the farms to the communities with empowerment programmes, assistance to learners with internet facilities and a small library at Waaikraal. Amalienstein has a full-time Community Development Officer.

Casidra had to put succession strategies in place for the Farm Managers. The risk of resignations is being addressed by employing and training assistants. Not being able to offer these incumbents permanent positions, presents a challenge. The farming activities at Amalienstein are too small for an Assistant Manager, but a Supervisor was appointed who was trained to equip him to take over the basic functions of the Farm Manager, should the need arise. Unfortunately, the incumbent resigned. Due to the financial position of the farm as a result of the drought, it was decided not to replace him.

AMALIENSTEIN

Amalienstein farms with dairy cattle, lucerne, pastures and vegetable seed, and has a guesthouse and country stall. The latter is leased to a private entrepreneur, but she decided to opt out of the contract. A suitable replacement could not be found as yet.

The following **Casidra** personnel are employed on the farm: A Farm Manager and 13 employees on fixed term contracts that were extended until 31 March 2020 (an Admin Clerk, a Community Development Facilitator, 3 Dairy workers and 7 General workers for irrigation and 1 gardener). Four people were employed on a part-time basis as Night Guards and Weekend Milkers). 12 Government employees were employed at Amalienstein.

Up to 35 seasonal workers were employed for onion production, the carting of lucerne bales and general work.

On average, 95 cows were in milk per day, which is less than the budgeted 120. This was due to selling as many problematic cows as possible to alleviate pressure on the pastures as well as many cows taking longer to get in calf in 2017 due to the drought. This will lead to a high number of cows in milk in 2019.

The production per cow per day was 18.7 litres, which is more than the budgeted 18 litres. The less than budgeted cows and purchasing of additional fodder impacted heavily on the income of the dairy. The margin for the year was negative. Mortalities of suckling calves were 0%, which is lower than the 10% budgeted. There were 10 mortalities of older animals, which is lower than the budgeted 11.

Vegetable seed production was introduced at Amalienstein in 2013. It must be taken into account that the farm does not have drip irrigation and had to improvise an irrigation system from old micro sprayers that were used in the orchards. Therefore, the results thus far are commendable. Onion seed bulbs (1.92 ha) were established in 2018 on contract with Klein Karoo Seed and harvested in December 2018.

Amalienstein harvested 3780 kg of seed (1 968 kg per hectare), which far exceeded the budgeted 800 kg and is a record for the farm. The germination of the seed was more than 90% and the expected income will be more than R400 000. Despite certain challenges, the seed production created numerous jobs in a poor community.

The drought since 2017 impacted heavily on the expenses of the farm, as feed had to be purchased to replace pastures that could not be irrigated. On 25 December 2018, Zoar ran out of water and Amalienstein started supplying drinking water to the town on a daily basis.

In January 2019, the farm dam level dropped to less than 10% and irrigation was further restricted and eventually stopped. Some rain fell in February 2019 and Zoar was able to get water from their own dam again, but this only stabilised the Amalienstein dam and did not change the lack of irrigation water.

Due to the lack of irrigation water, pastures do not produce and feed has to be bought, resulting in the farm running out of funds in March 2019. The WCDoA approved vouchers of R1.313 million to purchase feed under the Drought Funding Scheme with the first voucher issued on 28 March 2019.

WAAIKRAAL

Waaikraal produces cattle, lucerne, vegetable seed and essential oils. Implements/ mechanisation of emerging farmers around Waaikraal are serviced from the government mechanisation centre, and Waaikraal also makes use of the tractors and implements at the set tariff.

The following **Casidra** personnel are employed on the farm: A Project Manager and 14 staff (a Production Assistant, Clerk, Supervisor and 11 General Workers) whose contracts are until 31 March 2020.

Up to 10 casual or seasonal workers were employed for the harvesting of the onion seed and carting of bales. There is only one government employee on the farm.

The farm is still experiencing a severe drought that started in 2016. The main source of irrigation water for Waaikraal, the Stompdrift Dam, ran dry in early 2017. The quota from the dam was reduced to 0% for only the second time in 22 years and all irrigation had to be stopped, except for water that was kept in the farm's storage dam and some water that was received in 2018, but it was only sufficient to see the onion seed harvest through in 2017 and 2018 and establish some oats and teff in 2018.

The 5.5 ha of Rosemary for essential oil production were merely kept alive and had no production in 2018, resulting in a loss of revenue of approximately R148 500.

Sub-Programme 2.1 Management of Government Farms

No tomatoes could be established in 2017 and 2018 and, as a result, up to 100 seasonal workers were not appointed. The loss of revenue amounted to approximately R675 000 per annum.

In early 2019, the farm had no water and could not even establish onions. The drought has placed a severe strain on finances. The drought funding received in 2017 included measures to reduce the impact of future droughts including drilling for water, which was done in 2019. It was decided not to lay off staff.

The cattle herd had to be reduced in 2017 and calves were sold at an earlier than optimal age resulting in a lower income per animal. In March 2019, it was decided to sell the entire herd and use the income to purchase cows when the drought has ended. This is in line with the decision to replace the Nguni cows with another breed due to the low prices per kilogram attained by the Nguni.

Irrigation on all of the lucerne fields was stopped at the end of 2016, resulting in almost no production since then. The 56 hectares of flood lucerne produced only 2 tons in 2018/19 versus a budget of 282 tons. Lucerne on the 22 hectares of pivot land was discontinued.

When a little bit of water was received, oats and teff were established, which produced 150 tons (6.8 tons per ha). Some oats and teff were fed to the cattle due to a lack of fodder and most were sold. The loss of revenue for the lucerne, due to the revenue of the oats and teff being discounted, amounts to R1 573 782 for 2018/19.

The onion seed was harvested in December 2018 and delivered to the buyer in January 2019. The final weight of the cleaned seed was 379.35 kg (190 kg per hectare), which is much less than the budgeted 300 kg per hectare, and is due to the female plants that were less than the previous year (on advice of the client). The income was R152 108, much less than the budget of R234 000 and the price per kilogram was higher than budgeted.

ANHALT

Anhalt produces apples and pears, and utilises and manages the Haarlem pack house, which is the property of the Department of Public Works and Transport, for the packing of the farm's fruit. The farm is profitable and farms on a cash basis.

Since September 2018, the farm employs its own personnel except for one staff member who was only transferred from **Casidra** to Anhalt (Pty) Ltd on 1 March 2019.

The orchards in production consist of 58.57 hectares of apples and 6.93 hectares of pears. Orchards that are not yet in production amount to 10.27 hectares. The re-establishment of orchards demands a big capital investment and is, therefore, a slow process, but the farm managed to become part of the Jobs Fund initiative of Hortgro to establish 14.15 ha of new cultivars.

The 2019 harvest started in January 2019 and will be completed in June 2019. The outlook is good, but it is doubtful that the record harvest of 2018 will be surpassed. As for the 2018 harvest, the following can be reported.

Both the 2018 yield of 9110 bins and the yield per hectare of 50.71 ton were the highest ever (previous year 38.47 ton/ha). The record yield can partially be attributed to the so-called on-off year tendency, as the previous year had a low yield, but probably mainly due to good management practices and technical inputs done over the past few years.

The export percentage of 45.42% was not the highest ever achieved, but is above the five-year rolling average. There is a welcome reverse of the downward trend of the past three years. Given the high yield, the total export was amongst the highest ever achieved. This, coupled with the increase in export prices, led to the dramatic increase in revenue.

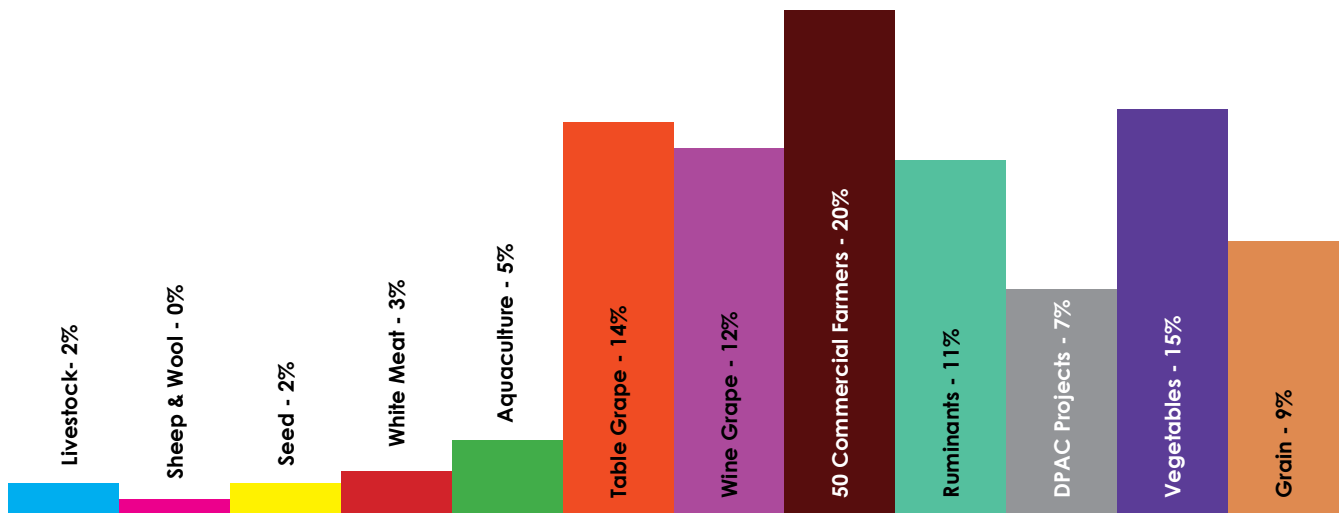
The farm gate income was R20 588 639 versus the budget of R13 235 359. The 2018 income increased with 100% from 2017 and was the highest revenue ever, with the previous highest being R14 488 218.

Export contributed 74.5% of the income, but only 45.4% of the volume, indicating the importance of exporting as much as possible. This is due to the average income per kilogram for export being R10.07 and for local fruit R5.10 and for juice fruit R1.17. The export price was 16% higher than the previous year and the local price less than 1% higher.

Sub-Programme 2.2 Farmer Support and Development

The beneficiary quality measurement for the project management service of **Casidra** indicates a 4.68 client satisfaction. The timeous completion of the service delivery was, however, very negatively influenced by the administrative and compliance procedures that are beyond our control.

The workload of project managers also impacts on the speed of delivery. Only 41% of projects could be completed within the agreed timeframes set during the project planning.



STRATEGY TO OVERCOME AREAS OF UNDER-PERFORMANCE

None.

CHANGES TO PLANNED TARGETS

None.

LINKING PERFORMANCE WITH BUDGETS

Programme	2017/2018			2018/2019		
	Budget	Actual Expenditure	Under Expenditure	Budget	Actual Expenditure	Over Expenditure
	R	R	R	R	R	R
Agriculture and Land Reform	8 891 627	8 632 738	258 889	9 418 000	9 430 828	(12 828)
TOTAL	8 891 627	8 632 738	258 889	9 418 000	9 430 828	(12 828)

= The Programme's performance was in line with the budgeted financial resources.

PURPOSE

To provide a project management service for specific rural development projects and agricultural initiatives with the aim of improving the standard of living of people in rural areas, to holistically address the socio-economic needs of rural communities and to create employment in rural areas.

SUB-PROGRAMMES

- 3.1: Infrastructure Development Services
- 3.2: Community and Household Food Security
- 3.3: Other Project Management Services

LIST OF STRATEGIC OBJECTIVES

Strategic Objective 1	Provide a project management service to respond to rural agricultural infrastructure programmes and initiatives (SG 1, 3)
Objective Statement	To provide a project management and facilitation service to promote and implement rural development projects in the identified CRDP nodes as well as identified areas outside of the nodes.
Baseline	The CRDP Programme only started in 2010 and does not as yet have a track record to indicate a trend. New funding from National Government for the identified areas has been allocated to DRDLR or reallocated priorities within Departmental budgets. The Agri-processing industry has been supported in low numbers every year.
Justifications and Links	Strategic Goals 1 and 3
Strategic Objective 2	Assist vulnerable communities and households with the means of producing their own food (SG 2, 3)
Objective Statement	To identify needs, support solutions and procure services and goods to assist vulnerable households and communities in selected regions of the Western Cape in the production of their own food, by initiating and cultivating gardens within the limits of the seasonal requirements of vegetables.
Baseline	During the preceding years, the target for gardens has slowly increased to 2000, but due to funding shortages during this and the 2017 year, it is expected that it will stabilise at around 1500 and lower supported. With additional funding being made available at the end of every year from savings in other programmes, these targets can increase. As with the other agricultural projects, seasonality and the timeous availability of funds will result in projects being carried over to the next financial year. This figure has varied dramatically from around 900 to 500 to 839 due to a concerted effort since 2015 to expedite the approval and delivery process, but overflow to finalise delivery in the next year cannot be avoided. With almost all previous years' households completed and all households started in the year, this leaves only the continued support for production items until the projects are finalised. The Community gardens have been around 110 per annum, but a decrease was expected due to less funding being available. The performance for 2016/17 was 88 and 72 in 2017.
Justifications and Links	Strategic Goals 2 and 3
Strategic Objective 3	Provide a project management service to respond to agricultural initiatives (SG 1, 2, 3, 5)
Objective Statement	To respond to requests from new and existing clients to project manage, administer and procure services for the identified programmes aimed at agricultural beneficiaries of the Western Cape.
Baseline	A major part of project management services of the past three years has been based on the administration of disaster relief grant funding. The occurrence of this cannot be predicted and will be administered if and when it happens. The disaster funding for Floods of 2011 and 2013 of approximately R266 million will be implemented well into 2019, as it comprises major civil engineering works with environmental impact approval needed. The droughts of 2015 and again in 2017 have, and will further result in additional funding being made available for this purpose. During 2017, a total of R97 million was allocated for this purpose. Special projects from the WCDoA that do not have a relationship with a specific commodity, but render a service overall, get approved by the Departmental Project Allocation Committee (DPAC). These projects are all linked to the deliverables for the sub-programme.

LIST OF STRATEGIC OBJECTIVES

Strategic Objective 3	Provide a project management service to respond to agricultural initiatives (SG 1, 2, 3, 5)
Objective Statement	To respond to requests from new and existing clients to project manage, administer and procure services for the identified programmes aimed at agricultural beneficiaries of the Western Cape.
Baseline	<p>Further Education and Training works very closely with the WCDoA to respond to the achievement of the Departmental Strategic Goals, National Outcomes and Provincial Strategic Objectives. This Programme received approximately R9 million per annum. The Programme has to include more vocational training that is more expensive and targets smaller groups. Expectations for funding in the three-year cycle are similar.</p> <p>During the previous term, programmes that have a close relationship with the Farmer Support Programme from the WCDoA have been contracted with the DWS, DEA and BGCMA. These programmes will continue in the next term with further transfers of funding, and the possibilities of expanding the assistance are well received. A three-year agreement for the Rainwater Harvesting Programme has been signed. CapeNature is assisted with project management for new tourism developments on their nature reserves.</p> <p>Since 2013, project management of the LandCare Programme was contracted with the WCDoA. This added another R9 million worth of projects under management at Casidra.</p> <p>The Programme includes both infrastructure creation, mainly fencing and river protection works, as well as job creation type projects such as alien clearing. This initiative will continue during the next term, but the extent of it is estimated at 50 projects and will operate on a demand-driven basis.</p>
Justifications and Links	Strategic Goals 1, 2, 3 and 5

STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2018/19

Programme 3: Rural Infrastructure Development and Poverty Alleviation					
Strategic Objective	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of Project Management Services provided to respond to Rural Agricultural Programmes and Initiatives e.g. CRDP, etc.	3	2*	0	-2	No new applications received and older projects not completed.
Number of Community and Household Food Security projects assisted	1 778	1 478*	1 657	179	More projects from older years were completed than planned.
Number of Other Project Management Services	124*	105*	100*	-5	Projects completed later than planned due to problems for selling biomass.
* = Targets are demand driven and output is not within Casidra 's sphere of influence.					

KEY PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Sub-Programme 3.1: Infrastructure Development Services

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of rural development projects planned and implemented in current year	-	-	3	1*	0	-1	No application for projects received for implementation.
Number of projects funded from previous years, implemented on a multi-year basis	-	-	-	1*	0	-1	Older projects not yet completed.

*= Targets are demand driven and output is not within **Casidra's** sphere of influence.

Sub-Programme 3.2: Community and Household Food Security

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of community food security projects delivered in current year	121	88	72	68*	63	-5	Implementation was hampered by drought.
Number of household food security projects delivered in current year	1 227	1 056*	875	810*	867	57	Implementation of water tanks was more.
Number of food security awareness campaigns assisted	1	1	1	1	1	-	
Number of quarterly progress reports on all projects and commodities	4	4	4	4	4	-	
Number of community and household food security's projects implemented on a multi-year basis	1 077	942	839	600	727	127	Funding was received.

*= Targets are demand driven and output is not within **Casidra's** sphere of influence.

Sub-Programme 3.3: Other Project Management Services

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Value of disaster funding assistance to farmers per MoA instruction	R58.15M	R53.607M*	R108.939M	R80M*	R167.510M	R79.832M	Due to drought and fires, more money was made available for the disaster projects.
Number of projects funded from previous years, implemented on a multi-year basis	102	22	54	34	29	-5	Funding has not been received.

KEY PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Sub-Programme 3.3: Other Project Management Services

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of new projects implemented in current year	69	57*	70	60*	71	11	More funding was received.
Number of farmers trained in accredited courses facilitated	2 378	2 830*	4 138	2 400*	1 490	-910	Training is demand driven from WCDoA.
Number of farmers trained in non-accredited courses facilitated	3 586	2 833*	3 745	2 500*	2 140	-360	Training is demand driven from WCDoA.
* = Targets are demand driven and output is not within Casidra's sphere of influence.							

PROGRAMME PERFORMANCE

Sub-Programme 3.1: Infrastructure Development Services

This Sub-Programme's deliverable has been created in anticipation of a major strategic initiative to support agri-processing initiatives and also the CRDP Farmer Production Support Centres. This foreseen demand has never taken off in the numbers anticipated and during the year, two agri-businesses were supported, but are not yet completed. Most of these applications for funding support have been caught up in legislative and regulatory requirements that are preventing progress.

Sub-Programme 3.2: Community and Household Food Security

Funding of R14.65 million was received to assist vulnerable communities and households with the means to produce their own food. The allocated funding was made available to implement 64 community gardens and 867 household gardens. A shortage of allocated funding prevented implementation earlier in the year and at year end, R9.3 million became available from other sources. The impact of the drought still had an impact on the delivery schedule and only grey water or external sources could be used.

Funded from the previous year's allocated funds, implementation was completed for 651 household gardens and 76 community gardens. These gardens are planned and equipped in collaboration with the other governmental role-players in the industry that made funding available for gardens. Under Sub-Programme 3.3's reporting, the financial contribution of R3 million for 375 rainwater harvesting systems from the BGCMA is indicated, but the Department of Health and the Department of Education as well as the local municipalities are part of the co-ordination and allocation of household gardens.

A very successful World Food Day was held during October 2018 in Brandwacht. In support of food security urban gardens, two projects (worth R3.438 million) were supported. These projects are operated on a group participation basis and assisted with production advice and marketing of the products. They operate as neighbourhood farms in two different localities.

Sub-Programme 3.3: Other Project Management Services

This Sub-Programme deliverable for Disaster Management was added as a target of R80 million spending per annum to the Corporate Plan of 2018/19. The Flood Disaster Management funding, that Casidra received during 2014 and 2015, was augmented with R17.483 million and is still being implemented. It comprises huge civil engineering works for the stabilisation of the river banks and long construction schedules. R19.719 million of the remaining fund allocation of R87 million funding was spent in the 2018/19 year and almost all of the funds are committed to projects.

The drought of the previous three years in the Swartland/ West Coast and the Central Karoo areas resulted in the reallocation of funding within the WCDoA to assist farmers in need, and R213.063 million was made available during 2018/9. From this, an amount and rollover from the previous year of R14.830 million paid out R166.261 million to date, with R134.267 million spent in the year.

At the end of the year, funding worth R11.305 million was made available for assistance to the fire stricken areas of the Garden Route. Spending of that funding only commenced in 2019.

The LandCare Project is aimed at restoring sustainability to land and water management in both rural and urban areas. It encompasses integrated sustainable natural resource management where primary causes of natural resources' decline are recognised and addressed. This, including the Departmental Equitable Share Projects (DESP) and EPWP, are within the WCDoA's Sustainable Resource Management Division and share the same objectives. These projects are reported under the Multi-year Programme where multi-years' reporting is done concurrently.

For the LandCare 2018 combined funding source, 50 projects were planned with a budget allocation of R10.68 million for implementation throughout the various Western Cape District municipalities. From the total budget transferred, R8.52 million has been spent by the end of the reporting year.

An additional R712 830 was transferred under the Green Economy for further actions that would enhance the processing viability of biomass derived from the alien clearing operations in the Berg River. As the previous research and business plan indicated, that charcoal production is a viable alternative, meetings were held with the major distributor of charcoal in the Western Cape.

The distributor indicated that the quality of the charcoal from alien plants is unacceptable. A test was conducted with wood from the Berg River operations and sent to a commercial factory in Kwa-Zulu Natal. Tests were also conducted by Stellenbosch University and the charcoal was found to be superior to any of the commercial products sold in the Western Cape. Further marketing initiatives are being undertaken. A call for interest was also advertised for the support of processing enterprises in order to have more marketable products derived from the alien wood. The bid has not yet been awarded and will be evaluated.

One (1) LandCare and five (5) DESP projects that were previously funded were fully implemented and finalised during this reporting financial year. The alien clearing initiatives worth R3.5 million were also completed.

PROGRAMME PERFORMANCE

The Drakenstein Municipality received funding to appoint a service provider to implement the Berg River Improvement Project. **Casidra** was appointed to implement the project in July 2018, which entails the removing of alien vegetation along the Berg River within the Aboretum. The project budget is R586 487 and 58% of the funding was spent at the end of the 2018/19 financial year.

Towards the financial year-end of 2017/18, R5 million was made available for the drilling of boreholes in the drought stricken West Coast areas. Many areas could not be assisted with boreholes due to poor quality artesian aquifer water (trapped water surrounded by layers of impermeable rock or clay which apply positive pressure to the water contained within the aquifer) and the funds were made available for applications from the other drought stricken areas.

The long awaited Ebenhaeser Bulk Irrigation Scheme, funded by the DRDLR, was hampered by constant appeals against the award. The work eventually started in 2018 and the collaborative projects could commence. The professional fees related to the project of the DRDLR are paid by the WCDoA. From the previous year, R10 million was allocated to do phase 2 deep ripping soil preparation and the fields were planted with barley for protection against the wind and dust pollution in the village. R10 million additional funding was made available by the WCDoA for the in-field farmer irrigation development. Planning and designs have commenced, but could not be implemented at year end. Further soil analysis has been done to determine the suitability for irrigation of the lower lying areas.

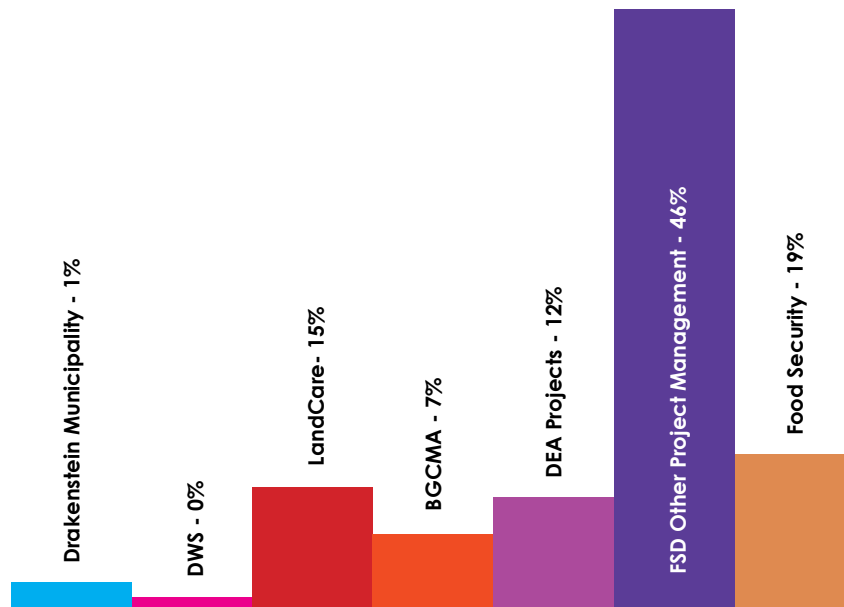
The Government's Mechanisation project, which includes the management of the 72 tractor fleet, is still continuing and receives funding from the WCDoA for maintenance and licensing. The equipment is also now getting older and repair costs are increasing. Some equipment is used a lot, especially in the grain producing areas, while other areas that are more food security orientated have very little use of this or the service is too expensive.

The Farmer Training Programme from the WCDoA is facilitated with accredited and non-accredited courses on a demand driven basis. The need for accredited courses was still very low and 62 % of the target could be reached for the year. Most farmers are reluctant to take on longer term responsibilities and studies for accredited courses and prefer the short courses that have no outcome based evaluation. The target for non-accredited courses is also under-achieved with 85% performance. The target is very difficult to predict, as training needs vary depending on how many new entrants come into the grant funding support system.

A new project was contracted with the DEA&DP for the pilot phase of the Sandveld Environmental Management Framework. In collaboration with the agricultural industry in the Sandveld, Farm Level Management Plans will be produced for individual farmers in order to rectify the environmental transgressions in favour of a buy-in by farmers into the EMF and identification of and conservation of buffer zones and conservation areas of the critical threatened biosphere. Several legalities and suspicion by the farmers are being experienced.

The work done for the DEA under the 2017 Working for Water project in the Berg River was concluded during the year. A new bid as Implementing Agent for the next three years was submitted in 2017 and only allocated in late 2018. Planning for the projects was done, but no work could commence. **Casidra** was contracted for approximately R10 million per annum to do specialised clearing of alien trees and the maintenance of those areas as well as a special drought assistance allocation of R52.365 million. This project will do alien clearing and water infrastructure protection as well as assist farmers in the Karoo drought areas to employ their farm workers in alien clearing operations.

PROGRAMME 3: OTHER FUNDS APPLIED DURING 2018/19



STRATEGY TO OVERCOME AREAS OF UNDER-PERFORMANCE

None.

CHANGES TO PLANNED TARGETS

Strategic Objective 3.1 was removed from Corporate plan for 2019.

LINKING PERFORMANCE WITH BUDGETS

Programme	2017/2018			2018/2019		
	Budget	Actual Expenditure	Under Expenditure	Budget	Actual Expenditure	Under Expenditure
	R	R	R	R	R	R
Rural Infrastructure Development and Poverty Alleviation	6 284 560	6 179 744	104 816	6 778 000	6 251 350	526 650
TOTAL	6 284 560	6 179 744	104 816	6 778 000	6 251 350	526 650

= The Programme's performance was in line with the budgeted financial resources.

PROGRAMME 4: LOCAL ECONOMIC AND BUSINESS DEVELOPMENT

PURPOSE

To enhance business growth and the creation of employment in rural areas through the leveraging and encouraging of investment from the private sector and support for local economic and business development in general.

SUB-PROGRAMMES

- 4.1: Farm Worker Development
- 4.2: Rural Nodal Development
- 4.3: Other Project Management Services

LIST OF STRATEGIC OBJECTIVES

Strategic Objective 1	To enhance the image and the socio-economic conditions of agri workers and their family members through facilitation of training and development initiatives in order to improve their quality of life. (SG 1, 2, 3, 5, 6)
Objective Statement	Facilitating of training and development projects' interventions for agri workers and their family members to enhance their image and socio economic conditions.
Baseline	The Western Cape is home to approximately a quarter of the agri workers in the country. This is an indication that farming in the Province is relatively more labour-intensive than in the rest of the country. Geographically in the Western Cape Province, farm activities are very large and diverse and, therefore, it is important to uplift and assist agri workers on all levels.
Justifications and Links	<p>In general, agri workers and their family members are isolated from the mainstream social interaction and do not have regular access to life skills' training. Furthermore, in most cases, they lack the awareness of the dangers of substance abuse and the effects this may have on the breakdown of the social fabric in their communities. It is, therefore, essential to build pride amongst agri workers and their family members, as they contribute towards the success of the sector.</p> <p>Engagements with municipalities and other departments are critical in addressing the identified agri worker needs. Also, the alignment of efforts across government programmes to render a service to agri workers in a better way, with a more holistic approach within the CRDP selected rural areas and on farms, supported by all different programmes initiative, are priority linkages.</p>
Strategic Objective 2	To successfully facilitate the co-ordination and the implementation of the National Comprehensive Rural Development Programme in the selected nodes of the Western Cape (SG 1, 2, 3, 5, 6)
Objective Statement	Holistically improving the quality of life of communities living in rural areas through a co-ordinated development approach between all three spheres of government, rural communities and the private sector.
Baseline	33% Of people in the Western Cape live outside of the Cape metropolitan area. Research through household profiling initiatives has shown that some rural communities have unemployment rates of up to 80%.
Justifications and Links	<p>Increased unemployment due to a lack of investment and skills in rural areas is leading to increased poverty and socio-economic problems. This also fuels increased urbanisation with more people moving to the cities in search of employment, which places immense pressure on the resources in urban areas.</p> <p>The Programme links with local government, all Provincial Departments and the DRDLR through the integrated, Co-ordinated and Spatially targeted Planning and Delivery work group as well as the rural node based inter-governmental steering committees and community representative structures such as the Council of Stakeholders.</p>

LIST OF STRATEGIC OBJECTIVES

Strategic Objective 3	Provide a Project Management Service to respond to Agricultural and Economic Development Initiatives (SG 1, 2, 3, 5, 6)
Objective Statement	To respond to requests from new and existing clients to project manage, administer and procure services for the identified projects with emphasis on job creation initiatives.
Baseline	From 2013 until 2015 there has been an increase from R4.2 million to R35,4 million worth of projects under the Sub-programme: Other Project Management Services. The sharp increase in the Project Management services was for the Specialised project of alien clearing of the Berg River's riparian zone. During the 2016/2017 year, the project funding from the Department of Environmental Affairs alone was R6.784 million and in 2017/18 it increased to R10.338 million. Collaborative projects are promoted and facilitated between entities aligned to agriculture and environmental objectives which lead to job creation.
Justifications and Links	This project links with the WCDoA, as it addresses infrastructural issues on farms including water quality needed by farmers in the Western Cape. Strategic partnerships and funding leverage between the LandCare Department and municipalities have been established.

STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2018/19

Programme 4: Local Economic and Business Development					
Strategic Objective	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of agri worker development initiatives facilitated in the Province	18	22	0	-22	No funding was received for this project.
Number of financial and non-financial support to the rural nodes	272	80*	13	-67	Programme was closed down.
Number of project management support services to economic development areas	18	16	3	-13	One contract signed in December 2018 only.

KEY PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Sub-Programme 4.1: Farm Worker Development							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of Western Cape regional prestige agri awards engagements	15	15	16	15	0	-15	No funding was received for this project.
Number of agri worker training and development projects funded	171	129	2	7	0	-7	No funding was received for this project.

KEY PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Sub-Programme 4.2: Rural Nodal Development

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of COS given administration support	-	16	16	16	2	-14	Programme has been terminated.
Number of co-operatives registered	33	42	28	10	4	-6	Programme has been terminated.
Number of co-operatives assisted with business support interventions in terms of advice	178	254	224	54	7	-47	Programme has been terminated.

Sub-Programme 4.3: Other Project Management Services

Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target to Actual Achievement for 2018/2019	Comment on Deviations
Number of Multi-year projects	8	12	18	16	3	-13	The DEA Contract was signed in the 3rd Quarter.

* Measured in terms of the number of reports submitted for the projects

PROGRAMME PERFORMANCE

Sub-Programme 4.1: Farm Worker Development

The purpose of this Sub-Programme was to address the various issues related to the wellbeing and socio-economic conditions of farm workers and their families in rural areas. The plight of farm workers is often not heard amidst the various issues that are being raised in the agri-sector. Poor living conditions and low wages are prevalent in this sector.

Casidra was tasked with the sourcing of service providers that can provide training and life skills programmes to improve the quality of life of the farm workers and their families. **Casidra** was not required to do further implementation of activities under this Sub-Programme in 2018/2019. The remaining funding of R1 459 313 was declared a saving by the Departmental Project Allocation Committee (DPAC).

Sub-Programme 4.2: Rural Nodal Development

This Sub-Programme's key focus was to create a platform for inter-governmental collaboration, with communities and the private sector through a co-ordinated development approach. The purpose was to identify and pursue initiatives to improve the quality of life of rural communities.

Casidra was tasked to co-ordinate the regular meeting of the Council of Stakeholders in the various areas in the Western Cape. **Casidra** was not required to do further implementation of activities under this Sub-Programme in 2018/2019. The remaining funding of R847 717 was declared a saving by the Departmental Project Allocation Committee (DPAC).

Sub-Programme 4.3: Other Project Management Services

This Sub-Programme provided services to new and existing clients where a need exists to project manage, administer and procure services for the identified projects with the emphasis on job creation activities.

Financial Record-keeping Programme (SIMFINI)

The Programme was funded by the WCDoA, with the vision to ensure that emerging farmers are supported with a complete and accurate financial record-keeping system. **Casidra** has procured the services of a service provider to perform the financial record-keeping function. For the 2018/2019 financial year, a budget of R1 289 00 was approved of which 52% has been paid to the service provider who is providing financial record-keeping services to 45 farmers.

Market Access Programme

The Programme facilitates International and Domestic Market Access for smallholder entrepreneurs and CASP beneficiaries within the Agricultural Sector. In the 2018/2019 financial year, R6 110 413 was allocated to this Programme. The funds were used to procure the services of providers who train, mentor and support farmers to access local and international markets. Exposure trips were also arranged to Fruit Logistica in the Netherlands and Berlin as well as the Food and Hotel China exhibition. Infrastructure costs of the Agri Expo's Cheese Festival were also funded.

Rural Development Strategic Projects

An amount of R1 000 000 was earmarked in the 2017/2018 financial year for five (5) strategic projects to address the needs of rural communities (inclusive of agri workers and their families) based on the outcomes of the Agri Worker Household Census.

These five (5) strategic projects were focused on career opportunities, Rural Youth Female Mentorship, Social Support to Substance Abuse, Early Childhood Development and Technical Skills Development. The overall completion of these projects is at 48% at the end of the 2018/19 financial year.

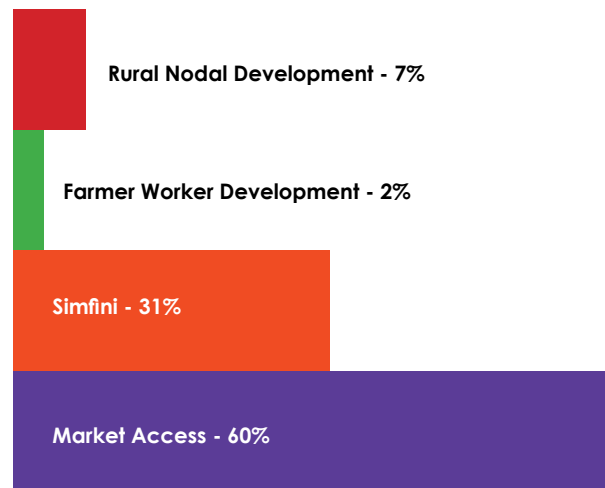
Agri Worker Household Census

During this financial year, **Casidra** completed the Agri Worker Household Census and was in the process of finalising the web application component of this project.

Entrepreneur Support Fund

Casidra implemented the new Entrepreneur Support Fund, which aimed to distribute 400 loans to SMMEs. At the end of this financial year, the number of loan applications approved and disbursed were 47 to the total value of R3 028 335.

PROGRAMME 4: FUNDS APPLIED IN 2018/19



STRATEGY TO OVERCOME AREAS OF UNDER-PERFORMANCE

Sub-Programme 4.3: Other Project Management Services

The Rural Development Strategic Projects and Agri Worker Household Census have not received funding in the 2018/2019 financial year. Some of the previous year activities are still in the implementation process. **Casidra** signed a new agreement with DEDAT on the Management of an Entrepreneurship Support Fund. Implementation of the project commenced in February 2019 with 47 loans approved and disbursed by the end of the 2018/2019 financial year.

CHANGES TO PLANNED TARGETS

The funding for Sub-Programmes 4.1: Farm Worker Development and 4.2: Rural Nodal Development was discontinued by the WCDoA for the 2018/2019 financial year. The targets set could, therefore, not be achieved.

LINKING PERFORMANCE WITH BUDGETS

Programme	2017/2018			2018/2019		
	Budget	Actual Expenditure	Under Expenditure	Budget	Actual Expenditure	Under Expenditure
	R	R	R	R	R	R
Local Economic and Business Development	3 980 407	3 733 116	247 291	3 943 000	3 483 885	459 115
TOTAL	3 980 407	3 733 116	247 291	3 943 000	3 483 885	459 115

= The Programme's performance was in line with the budgeted financial resources.

REVENUE COLLECTION
(Not Applicable)

CAPITAL INVESTMENT
(Not Applicable)

No requests were received.

**PART C: GOVERNANCE
CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 MARCH 2019**

1. INTRODUCTION

The Board of Directors of **Casidra** is committed to the principles of effective corporate governance and strives for the highest standards of integrity and ethics. The Board recognises the need to conduct the Company's affairs with integrity and according to generally accepted corporate governance practices.

2. COMPLIANCE WITH THE KING IV REPORT

The Board supports the South African Code of Corporate Practices and Conduct as set out in the King Report on Governance and the King Code of Governance Principles (King IV) and is satisfied that the Company has complied with South African legislation and regulations in this financial year.

The Board's Charter as well as the Committees' Charters were tabled for revision by the Board, in compliance with recommendations of King IV.

3. BOARD OF DIRECTORS

The Board of Directors is responsible for the total and effective control of the Company. The Board is composed of five to nine independent non-executive directors.

Dr Coetzee resigned from the Board of Directors on 22 November 2018.

Mr Moos was elected as Chairperson and Mr Jeffthas as Vice-Chairperson at the Board meeting held on 22 November 2018.

Messrs Abrahams and Wüst were appointed as directors on 5 February 2019.

The Chairperson of the Board is an independent non-executive director in accordance with the requirements of King IV.

The non-executive directors are elected in terms of the Board Charter and their reappointment is not automatic, but by way of vote.

The Board has four active committees that address certain specialised issues, namely Audit and Risk, Nomination, HR and Remuneration and Social and Ethics. Each committee has a charter and a mandate.

In the financial year under review, the Board met four times and focused on, inter alia, strategy, performance monitoring, governance and budgets. Other matters relating to the overall Company objectives were also discussed and various policies were approved.

The Board has unrestricted access to all Company information, records and documents to enable it to discharge its responsibilities.

4. CASIDRA BOARD CHARTER

Purpose and Objectives

The purpose of the Charter is to regulate how business is conducted by the Board in accordance with the principles of good governance.

The Charter sets out the specific responsibilities to be discharged by Board members collectively and the individual roles expected of them. The objectives of the Charter entail ensuring, inter alia, that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members and of the legislation and various regulations affecting their conduct as well as ensuring that the principles of good governance are applied in all their dealings in respect of and on behalf of the Company.

Roles and Responsibilities

- Acts as the focal point for, and custodian of, corporate governance by managing its relationship with Management, the Shareholder and other stakeholders of the Company along sound corporate governance principles.
- Guides an integrated approach to strategy, risk, performance and sustainability by:
 - Contributing to and approving the strategy;
 - Satisfying itself that the strategy and corporate and business plans do not give rise to risks that have not been thoroughly assessed by Management;
 - Identifying key performance and risk areas;
 - Ensuring that the strategy will result in sustainable outcomes; and
 - Considering sustainability as a business opportunity that guides strategy formulation.
- Provides effective leadership on an ethical foundation.
- Ensures that the Company is, and is seen to be, a responsible corporate citizen by having regard to not only the financial aspects of the business of the Company, but also the impact that business operations have on the environment and the society within which it operates.
- Ensures that the Company's ethics are managed effectively.
- Ensures that the Company has an effective and independent Audit and Risk Committee.
- Is responsible for the governance of risk.
- Is responsible for information technology governance.
- Ensures that the Company complies with applicable laws.
- Ensures that there is an effective risk based internal audit.
- Ensures corporate action when stakeholders' perceptions affect the Company's reputation negatively.
- Ensures the integrity of the Company's Annual Report.
- Acts in the best interests of the Company by ensuring that individual Directors:
 - Adhere to legal standards of conduct;
 - Are permitted to take independent advice in connection with their duties following an agreed procedure; and
 - Disclose real or perceived conflicts to the Board and deal with them accordingly.
- Commences business rescue proceedings as soon as the Company is financially distressed.
- Annually, at the Board meeting preceding the Annual General Meeting, elects an independent non-executive director as Chairperson of the Board.
- Appoints and ensures the evaluation of the performance of the Chief Executive Officer.
- Ensures compliance with the provisions of the Shareholder's Compact.
- Develops a long-term Strategic Plan as required by the PFMA.

5. BOARD APPOINTMENTS

Non-executive Directors on the **Casidra** Board are appointed in terms of the Memorandum of Incorporation and reappointment is not automatic.

One-third of the serving, Non-Executive, independent Directors, or the number closest to one-third, must resign from office at the Annual General Meeting in each odd-numbered year.

The Directors who must resign are those who have been in office the longest since the most recent election, but where persons became directors on the same day, the person who is to resign must be decided among the directors themselves.

The Directors who must resign are eligible for reappointment (predetermined by statute) at the Annual General Meeting, on condition that if a director reaches the age of 70 during his/her term of office, such person is not eligible for reappointment.

6. ATTENDANCE AT BOARD MEETINGS

The Board met four times for planned meetings during the financial year and the attendance was as follows:

DIRECTORS	MAY	AUG	NOV	MAR
WU Abrahams (appointed 5/02/2019)	-	-	-	✓
E Calitz	A	✓	✓	✓
L Coetzee (resigned 22/11/2018)	✓	A	✓	-
EJ Jeffthas	✓	✓	✓	✓
JF Kirsten	✓	✓	✓	✓
GJ Martin	✓	✓	✓	✓
AV Moos	✓	✓	✓	✓
ZT Nackerdien	✓	✓	✓	✓
GM Ntuli	✓	A	✓	✓
M Wüst (appointed 5/02/2019)	-	-	-	A

Legend: ✓ = Attendance, **A** = Apologies,

7. BOARD REMUNERATION

In accordance with the provisions of Section 28.1.1 of the Treasury Regulations issued in terms of the PFMA Act 1 of 1999, all emoluments of Directors are disclosed in the Financial Statements. Directors' remuneration are revised annual according to National Treasury's circular.

8. BOARD PERFORMANCE ASSESSMENT

Casidra's Vice-Chairperson was appointed to lead the performance evaluation of the **Casidra** Board and its Committees. The Board approved a formal internal evaluation process by means of a self-evaluation questionnaire and the Company Secretary provided assistance. The results of the said self-evaluation process were analysed by the Vice-Chairperson, Chief Executive Officer and Company Secretary. There are currently no areas of concern.

9. SHARE DEALINGS

The Directors, members of management and employees of the Company do not own shares in the Company.

10. BOARD COMMITTEES

All Board Committees operate under written charters which have been revised and approved by the Board. There is transparency and full disclosure from Board Committees to the Board. Committee Chairpersons are available to provide the Board with verbal reports on recent Committee deliverables and activities at the subsequent Board meetings.

Committees are empowered to take independent outside professional advice as and when deemed necessary.

The Company Secretary provides secretarial services to each of the Committees. The Board is of the opinion that the Committees have, during the year under review, effectively discharged their responsibilities as contained in their respective Charters. A synopsis of the Committees and their mandates are contained below.

10.1 Audit and Risk Committee

Composition

The Audit and Risk Committee comprises at least three independent non-executive directors who are elected at the Annual General Meeting.

The members as at the end of the financial year were Prof. E Calitz (Chairperson), Prof. JF Kirsten, Mr M Abrahams, Ms ZT Nackerdien, and Mr M Wüst. Messrs Abrahams and Wüst were appointed as Audit and Risk Committee members on 12 March 2019.

Chairperson

The Board of Directors appoints the Chairperson from the members of the Committee.

Frequency of meetings

Meetings of the Committee are held as frequently as the Committee considers appropriate, but it normally meets at least twice per calendar year.

The Committee met twice during the financial year and the attendance was as follows:

DIRECTORS	JUL	FEB
E Calitz	✓	✓
WU Abrahams (appointed March 2019)	-	-
JF Kirsten	A	✓
AV Moos	✓	-
ZT Nackerdien	✓	✓
M Wüst (appointed March 2019)	-	-

Legend: ✓ = Attendance, **A** = Apologies
¹Mr Moos resigned from the Audit and Risk Committee following his election as Chairperson on 22 November 2018.

External audit

- Nominates the independent external auditor for the **Casidra** Projects for appointment by the Shareholder in terms of the Companies Act, 2008 and any other legislation relating to the appointment of auditors.

Primary responsibilities

- Approves the terms of engagement and remuneration for the external audit engagements.
- Monitors and reports on the independence, objectivity quality and effectiveness of the external auditor in the Annual Financial Statements, taking into consideration relevant professional and regulatory requirements.
- Approves the contracts for non-audit services to be rendered by a service provider.
- Ensures that there is a process for the Committee to be informed of any reportable irregularities (as identified in the Auditing Profession Act, 2005) identified and reported by the external auditor.
- Discusses the nature, scope and plan for the audit with the auditor before the audit commences and, as deemed necessary, during the course of the audit.
- Reviews, with the external auditors, the findings of their work.
- Has regard to all factors and risks that may impact on the integrity of the integrated report, for example, a misleading picture, significant judgements, reporting decisions made, monitoring or enforcement actions by a regulatory body, evidence that brings into question previously published information, forward-looking information, etc.

- Reviews the Annual Financial Statements, other information and similar documents.
- Comments in the Annual Financial Statements on the financial statements, the accounting practices and the effectiveness of the internal financial controls.
- Reviews the clarity and completeness of disclosure of sustainability issues in the integrated report to ensure that it is reliable and does not conflict with the financial information.
- Recommends to the Board whether or not to engage an external assurance provider on material sustainability issues.
- Recommends the Annual Report for approval by the Board.

Internal Audit

- Approves the internal audit plan.
- Monitors and reviews the effectiveness of the internal audit function.
- Reviews and discusses the scope of work of internal audit, issues identified and recommendations.
- Provides a source of information, as appropriate, regarding instances of fraud, corruption, unethical behaviour, irregularities and other risks.

Risk Management

- Considers the risk management strategy, Code of Ethics and Fraud Prevention Plan.
- Monitors the continuous risk management assessment and implementation of the strategy and plan.
- Makes recommendations to the Board concerning the levels of risk tolerance and appetite and monitors that risks are managed within the levels of tolerance and appetite as approved by the Board.
- Ensures that Management considers and implements appropriate risk monitoring and responses.
- Expresses the Committee's formal opinion to the Board on the effectiveness of the system and process of risk management.
- Reviews the timely, comprehensive and relevant reporting concerning risk management that is to be included in the integrated Annual Report.

Invitees

The Chairperson of the Audit and Risk Committee, in his/her discretion, may invite other members of the Board of Directors or internal auditors to attend and be heard at meetings of the Committee.

The Chief Executive Officer and Chief Financial Officer attend all meetings of the Committee and are excused from confidential sessions.

Meetings are also attended by internal and external auditors and relevant members of Management.

Access

The external and internal auditors have unlimited access to the Audit and Risk Committee, thereby ensuring that independence is not compromised in any way.

10.2 HR and Remuneration Committee

Composition

The HR and Remuneration Committee comprises at least three independent non-executive directors.

The members as at the end of the financial year were Mr WU Abrahams, Mr EJ Jeffthas (Chairperson), Prof JF Kirsten, Ms ZT Nackerdien and Ms GM Ntuli.

Mr Abrahams was appointed as a HR and Remuneration Committee member on 12 March 2019.

Chairperson

The Chairperson is nominated by the Board.

Frequency of meetings

Committee meetings are held as and when necessary, but at least twice a year.

The Committee held five meetings during the financial year. The second meeting in April 2018 was conducted via a teleconference and the January and February 2019 meetings were conducted via email. The attendance/participation was as follows:

DIRECTORS	APR	APR	NOV	JAN	FEB
WU Abrahams (appointed 12/03/2019)	-	-	-	-	-
EJ Jeffthas	✓	T	✓	E	E
JF Kirsten	A	T	✓	E	E
ZT Nackerdien	✓	T	✓	E	E
GM Ntuli	✓	T	✓	E	N

Legend: ✓ = Attendance, A = Apologies, E = Email, T = Teleconference, N = No response.

Primary Responsibilities

- Oversees the establishment and implementation of remuneration policies in relation to employees' remuneration.
- Reviews the outcomes of the implementation of the policies for whether these policies promote the achievement of strategic objectives and encourage individual performance. The Committee will recommend the necessary improvements to the Board in this regard.
- Provides sufficient information for the Shareholder and the Board to assess the Remuneration Policy.
- Ensures that employees receive fair and competitive remuneration.
- Ensures that the remuneration of Management is determined on an independent basis by members of the Board and Management who do not have a personal interest in the outcome of their decision, bearing in mind the financial position of the Company. The Committee may co-opt specific expertise, both internal and external, in order to enable it to make informed decisions. The Chief Executive Officer and a member of Management may not be present when his/her own remuneration is being discussed except when requested to provide, and for the purpose of providing, specific information.
- Ensures that provision is made for retirement benefits for personnel.
- Makes recommendations on the basis of the Company's remuneration system.
- Performs duties as directed by the Board.
- Advises Management with regard to personnel retrenchment, severance packages, early retirements, handling medical disabilities, et cetera.

Invitees

The Committee may co-opt specific expertise, both internal and external, in order to make informed decisions. No Management member may be present when his/her own salary or fee is being discussed except when requested to provide specific information.

10.3 Nomination Committee

Composition

The members of the Nomination Committee are appointed by the Board.

The Nomination Committee comprises at least three independent non-executive directors.

The members as at the end of the financial year were Mr AV Moos (Chairperson), Mr GJ Martin, Ms ZT Nackerdien, Ms GM Ntuli and Mr M Wüst.

Mr M Wüst was appointed as a Nomination Committee member on 12 March 2019.

Chairperson

The Chairperson is nominated by the Board.

Frequency of Meetings

Committee meetings are held as and when necessary.

The Committee held three meetings during the financial year. The participation was as follows:

DIRECTORS	OCT	OCT ¹	NOV	JAN
L Coetzee (resigned 22/11/2018)	A	A	-	-
EJ Jeffthas (ad hoc member)	✓	✓	-	-
JF Kirsten (ad hoc member)	✓	✓	-	-
GJ Martin	✓	✓	✓	✓
AV Moos	A	✓	✓	✓
ZT Nackerdien (appointed 22/11/2018)	-	-	✓	A
GM Ntuli	✓	A	✓	✓
M Wüst (appointed 12/03/2019)	-	-	-	-

Legend: ✓ = Attendance, A = Apologies,
¹The October 2018 meeting was adjourned.

Primary Responsibilities

- Identifies suitable members to serve on the Board.
- Performs reference and background checks of candidates prior to nomination.
- Formalises the appointment of Directors through an agreement between the Company and the Director.

10.4 Social and Ethics Committee

The Committee was established in terms of the Companies Act, 2008.

Composition

The members of the Social and Ethics Committee are appointed by the Board. The Social and Ethics Committee comprises at least three independent non-executive directors.

The members as at the end of the financial year were Mr EJ Jeffthas, Mr GJ Martin, Mr AV Moos and Ms GM Ntuli (Chairperson).

Chairperson

The Chairperson is nominated by the Board.

Frequency of Meetings

Committee meetings are held as and when necessary.

The Committee held one meetings during the financial year. The participation was as follows:

DIRECTORS	NOV
L Coetzee (resigned 22/11/2018)	-
EJ Jeffthas	✓
GJ Martin	✓
AV Moos	✓
GM Ntuli	✓

Legend: ✓ = Attendance

Primary Responsibilities

- Monitors the Company's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to social and economic development, good corporate citizenship, the environment, health and public safety, consumer relationships and labour and employment adherence.

- Draws matters within its mandate to the attention of the Board as and when required.

- Reports to the Shareholder at the Company's Annual General Meeting on the matters within its mandate.

Invitees

The Social and Ethics Committee has the authority to obtain advice and seek assistance from internal and external legal, accounting and other advisors.

11. COMPANY SECRETARY

All Directors have access to the Company Secretary who ensures that the Board's procedures, applicable rules and regulations are fully applied.

The Company Secretary keeps the Board abreast of relevant changes in legislation and governance best practices. The Company Secretary oversees the induction of new Directors and the ongoing training of Directors.

The information required for each Board meeting is sent to the Directors in a timely manner before each meeting to enable them to acquaint themselves with the information and to consider Company information in terms of their statutory and fiduciary responsibility.

The tabling of documents at Board meetings is done only on an exceptional basis and with the permission of the Chairperson.

The Company Secretary is appointed by the Board.

12. GOING CONCERN

On the recommendation of the Audit and Risk Committee, the Board has considered the facts and assumptions on which it relies to conclude that the business will continue as a going concern in the financial year ahead.

The Directors are of the opinion that the business will be a going concern in the year ahead and their statement in this regard is contained in the Statement of Directors' Responsibilities in the Annual Financial Statements.

13. INTERNAL CONTROL

The Board acknowledges its responsibility for ensuring that the Company implements and monitors the effectiveness of the systems of internal, financial and operating controls. These systems are designed to guard against material misstatement and losses.

The internal, financial and operating controls maintained by the Company are designed to provide reasonable assurance regarding:

- Safeguarding of assets against unauthorised use or misappropriation;
- Compliance with applicable laws and regulations;
- Maintenance of proper accounting records; and
- Adequacy and reliability of financial information.

The internal audit function and the external auditors independently appraise the adequacy and effectiveness of the internal controls.

Management is in the process of implementing improvements to the internal control systems following the Auditor-General's recommendations in this regard.

14. RISK MANAGEMENT

The Board accepts final responsibility for the risk management systems of the Company.

Material risks in the Company have been identified and documented in a risk framework. Proper internal control systems are in place and maintained. The timely execution of control procedures and compliance with control procedures are monitored internally.

15. MATERIALITY

All significant events, risks and other aspects have been disclosed in the statements and Annual Report.

16. FRAUD PREVENTION AND FRAUD LINE

A Fraud Prevention Plan and a whistle-blowing facility (fraud line) were in place during the financial year to assist in ensuring that the risk of fraud is monitored and minimised.

The fraud line is a hotline whereby any employee or stakeholder can, on an anonymous and confidential basis, report any dubious activity or unethical conduct in the Company. Reports are sent directly to the Chief Executive Officer and reported to the Audit and Risk Committee.

Nothing has come to the attention of the Committee to indicate actual or suspected material financial loss, fraud or error that may have affected the Company during the year under review.

17. CONTRACTUAL OBLIGATIONS AND LEGAL ACTIONS

An agreement was concluded with the Western Cape Department of Agriculture in terms of which transfer funds were granted to **Casidra**. Obligations in terms of the agreement and the PFMA have been met. Project agreements were signed with funders for various projects. Reporting is done in accordance with the provisions of the agreements and the financial scope is disclosed in the Annual Report. The Company is subject to legal actions inherent to its normal activities. There are no claims pending against the Company.

18. BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE)

The verification audit has been completed by an independent rating agency, to verify and certify the Company's B-BBEE status.

The audit was completed in May 2018 and **Casidra** scored a Level 6 (Procurement recognition level 60%).

19. INTERNAL AUDIT FUNCTION

The independent internal audit function has been outsourced and reports directly to the Chief Executive Officer.

The internal auditors liaise closely with the external auditors to prevent duplication.

The findings and recommendations of all internal audit processes are reported to Management and the Audit and Risk Committee.

20. ETHICS

Casidra's Code of Ethics has been circulated to every employee. A Social and Ethics Committee was established in 2012 and the Committee met during the financial year.

The Committee reviewed a report relating to its statutory functions in terms of the Companies Act.

21. DIRECTORS' PROFILES: THE DIRECTORS AT YEAREND WERE AS FOLLOWS:



AV (Ainsley) Moos

Age: 41

Qualifications

- BA (Sociology, Psychology)
- BPhil Hons (Journalism)
- MBA (US)
- Sanlam Executive Leadership Programme (Gibs)
- Media24 Executive Leadership Programme (Wits)
- Naspers Executive Leadership Programme (Harvard)

Title

Chairperson
Independent non-executive director

Year Appointed

2013

Committee Memberships

- Audit and Risk Committee (resigned 22/11/2019)
- Nomination Committee
- Social and Ethics Committee

Other Directorships/Trusteeships

Member of the Stellenbosch University Council

Skills, Expertise and Experience

Ainsley Moos is the Executive responsible for Corporate & Stakeholder Relations at African Rainbow Capital (ARC) and serves on the Boards of a number of ARC's portfolio companies. Outside of ARC he serves on the Stellenbosch University council as vice chair and on a number of council committees. He previously spent 6 years with Sanlam and 11 years with Media24, a Naspers subsidiary. He holds a BA, BPhil (Journalism) and an MBA from the University of Stellenbosch.



EJ (Elton) Jeffhas

Age: 45

Qualifications

- B-Tech Horticulture (CPUT)
- MPhil Agriculture System Management (US)

Title

Vice-Chairperson
Independent non-executive director

Year Appointed

2016

Committee Memberships

- HR and Remuneration Committee
- Social and Ethics Committee

Other Directorships/Trusteeships

- Deputy Chairman of African Farmers' Association of South Africa Western Cape

- Non-executive Director of Deciduous Fruit Development Chamber
- Trustee member of Deciduous Fruit Development Trust
- Deputy Chairman of Western Cape Agricultural Unity Forum

Skills, Expertise and Experience

Elton Jeffhas is a co-founder and Managing Director of Agribusiness in Sustainable Natural African Plant Products Southern Africa. He is also a farmer and co-owner of Defynne Nursery that also produces plums for export. Mr Jeffhas started his career at the ARC specialising in Fynbos cultivation. His main expertise is to develop agribusinesses and stimulate entrepreneurship amongst farmers in a range of Sub-Saharan African countries.

21. DIRECTORS' PROFILES:
THE DIRECTORS AT YEAREND WERE AS FOLLOWS:



GM (Gugu) Ntuli

Age: 45

Qualifications

- BBus QUT (Australia)
- BAppSc QUT (Australia)
- MBA Sports Management
- Diploma: French Language

Title

Independent non-executive director

Year Appointed

2008

Committee Memberships

- Nomination Committee
- HR and Remuneration Committee
- Social and Ethics Committee (Chairperson)

Other Directorships/Trusteeships

- Member of Cricket South Africa Transformation Division Committee
- Director of African Sports Management Association

Skills, Expertise and Experience

Gugu Ntuli, previously the Chief Executive Officer of the Stellenbosch University Sport Performance Institute, and media and public relations for Adidas South Africa. She has extensive managerial experience and expertise in strategic management, marketing, communications, public relations and media.



Prof. E (Estian) Calitz

Age: 69

Qualifications

- BCom
- DCom (Economics)

Title

Independent non-executive director

Year Appointed

2011

Committee Memberships

Audit and Risk (Chairperson)

Other Directorships/Trusteeships

- Member of several bodies, committees and boards
- Former Member: Board of Trustees University of Stellenbosch Retirement Fund
- Former chairperson and member: Audit Committee, Department of Education, Western Cape Government

Skills, Expertise and Experience

Prof Estian Calitz, Emeritus Professor of Economics and Research Associate at the University of Stellenbosch, has extensive experience in economic and fiscal policy making and more than 20 years of academic experience, which includes writing about 40 articles for various publications (journals, books, etc.), occasional contract research projects for government and several teaching commitments across South Africa and in Germany as a visiting professor. He is a former Director-General of the Department of Finance (now the National Treasury) of the South African Government, a former Dean of the Faculty of Economic and Management Science and a former Executive Director: Finance of the University of Stellenbosch.



ZT (Zareena) Nackerdien

Age: 35

Qualifications

- BCom Hons (Accounting)
- Chartered Accountant (SA)

Title

Independent non-executive director

Year Appointed

2016

Committee Memberships

- Audit and Risk Committee
- HR and Remuneration Committee

Other Directorships/Trusteeships

Member of the Western Cape branch of the Association for the Advancement of Black Accountants of Southern Africa – Bursary Portfolio.

Skills, Expertise and Experience

Zareena Nackerdien is a former PricewaterhouseCoopers manager where she completed her articles. She spent various parts of her career within the audit/assurance industry. Thereafter she joined the Sanlam Group in 2014 and currently forms part of the Sanlam Glacier Financial Reporting Team. She is experienced in analysing/interpreting financial information and business control processes supporting the financial function.

21. DIRECTORS' PROFILES:
THE DIRECTORS AT YEAREND WERE AS FOLLOWS:



Prof. JF (Johann) Kirsten

Age: 57

Qualifications

- BSc Agric- US – 1983
- BSc Agric Hons – US – 1985
- MSc Agric - University of Pretoria – 1989
- PhD - University of Pretoria – 1994

Title

Independent non-executive director

Year Appointed

2018

Committee Memberships

- Audit and Risk Committee
- HR and Remuneration Committee

Other Directorships/Trusteeships

- Louisvale Wines (Pty) Ltd
- Karoo Development Foundation Trust
- Meat of Origin Karoo (NPC)
- Rich Rewards Trading (Pty) Ltd

Skills, Expertise and Experience

Prof. Kirsten is the Director of the Bureau for Economic Research at the University of Stellenbosch. For the major part of his career, Prof. Kirsten was Professor and Head of the Department of Agricultural Economics at the University of Pretoria. He previously also served as part-time council member of the National Agricultural Marketing Council and is also a director of a number of companies. His experience and enormous work includes research studies, teaching activities, writing pieces for both academic and professional fields.



GJ (Gerard) Martin

Age: 43

Qualifications

- BSc
- National Diploma Economic Management Analysis
- MCom Wine Business Management

Title

Independent non-executive director

Year Appointed

2013

Committee Memberships

- Nomination Committee
- Social and Ethics Committee

Other Directorships/Trusteeships

- Trustee Cape Winemakers Guild
- Director Wine Training South Africa
- Director First Step Academy

Skills, Expertise and Experience

Gerard Martin currently works for Winetech as the Executive Manager. His previous position, at the same company, was Manager: Technical Transfer & Training. Prior to that, he worked for Metropolitan from 1999 until 2002 in three different positions before joining the South African Wine Industry as an Information Specialist and Manager: Information Services until November 2003. He has a lot of interest in community development.



M (Marius) Wüst

Age: 49

Qualifications

- B. Eng (Civil) - University of Stellenbosch
- BCom Hons - University of Natal
- Chartered Accountant (SA)

Title

Independent non-executive director

Year Appointed

2019

Committee Memberships

- Audit and Risk Committee
- Nomination Committee

Other Directorships/Trusteeships

- None

Skills, Expertise and Experience

Marius Wüst is currently Chief Financial Officer at Bergrivier Municipality. Prior to this, he held a similar position at the Stellenbosch Municipality and has worked as a Director of Infrastructure for the Western Cape Provincial Treasury and as the Director of Municipal Infrastructure for the Western Cape Department of Local Government. Mr Wüst worked at Liquigro Holdings as the Financial Manager, as a Technical Deployee at the Development Bank of Southern Africa, as a Project Manager for ASLO Projects Global and held several positions as Accountant, Estimator, Project Manager for ASLA Construction. Prior to that, he was a Trainee Accountant at Deloitte & Touche and Project Engineer at Stewart Scott Consulting Engineers.



WU (Werner) Abrahams

Age: 37

Qualifications

- Bachelor of Commerce - Accounting - UCT
- Bachelor of Commerce Honours - Accounting - UKZN
- B Compt Honours / CTA - UNISA
- Chartered Accountant (SA)

Title

Independent non-executive director

Year Appointed

2019

Committee Memberships

- Audit and Risk Committee
- HR and Remuneration Committee

Other Directorships/Trusteeships

- None

Skills, Expertise and Experience

Werner Abrahams is currently a Deputy Director at the University of Stellenbosch. He started his career as a Credit Manager for Nedbank Limited Business Banking in 2010. He then joined the West Coast TVET College as a Senior Financial Officer and was later promoted to Chief Financial Officer.

1. LEGAL AND OTHER REQUIREMENTS

The Audit and Risk Committee has pleasure in submitting this report, as required by Sections 51(1)(a)(ii) and 76(4)(d) of the Public Finance Management Act, 1999 (the "Act").

Section 38(1)(a) of the Public Finance Management Act, 1999 requires accounting officers of government departments to ensure that entities receiving transfer funds implement effective, efficient and transparent financial management and internal control systems. The regulations to the Act determine audit and internal audit requirements. **Casidra** complied with the legal requirements audit requirements.

Some non-compliances were pointed out by the Auditor-General and are attended to.

Casidra's financial statements are prepared in accordance with Standards of Generally Recognised Accounting Practice.

2. MANAGEMENT RESPONSIBILITY

The Accounting Officer is responsible for guiding organisational strategy, major plans of action, risk policies, annual budgets and business plans, monitoring of performance and establishing best practice management procedures.

Since it came into operation during October 1989, then operating under another name, **Casidra** received its thirtieth consecutive unqualified financial audit.

Casidra effected adequate internal controls during the financial year and identified risks were properly controlled. Information technology systems used to assist Management were adequate and efficient.

3. AUDIT AND RISK COMMITTEE RESPONSIBILITY

The Audit and Risk Committee has a written charter that sets out the scope of their activities and authorities and the Charter is updated annually. Since 29 August 2006 the responsibilities of the Audit Committee have been expanded to include risk management. During the past year, the Audit and Risk Committee has addressed its responsibilities in terms of the Charter.

The Committee reviewed and amended the Audit and Risk Committee Charter, which is revised annually and approved by the Board. The internal and external audit plans were considered and approved.

The report of the Audit and Risk Committee is based on the work performed by the Auditor-General SA as well as the auditing firms BVA Bellville Incorporated and Alberto Prins. Auditing occurs within the context of external and risk-based internal audit plans approved by the Audit and Risk Committee.

4. FUNCTIONS OF THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee has discharged the functions in terms of its Charter and ascribed to it in terms of the Act as follows:

- Reviewed the results and the Annual Financial Statements, culminating in a recommendation to the Board to approve them.
- Reviewed the Governance Report, culminating in a recommendation to the Board to approve it.

In the course of its reviews, the Committee:

- Took appropriate steps to ensure that the Annual Financial Statements were prepared in accordance with Standards of Generally Recognised Accounting Practice in South Africa and in the manner required by the Companies Act of South Africa;

- Dealt with concerns or complaints relating to accounting policies, the auditing and content of the Annual Financial Statements and internal financial controls;
- Reviewed the external audit reports on the Annual Financial Statements on basis of which the A-G's recommendations will be implemented;
- Noted that the Auditor-General SA opted, in terms of section 4(3)(a) of the Public Audit Act, 2004 (Act no. 25 of 2004), to perform the audit of **Casidra** SOC Ltd from the 2018/19 financial year onward.
- Verified the quality, services and independence of the external auditor, BVA Bellville Incorporated, as the auditor for the **Casidra** projects for 2019 and noted that Mr CFP Jordaan from BVA Bellville Incorporated is the designated auditor. (In terms of the audit firms' practices the designated auditors and managers responsible for the audit is replaced at least every five years); and
- Approved the audit fees and engagement terms of the external auditors.

5. INTERNAL CONTROL MECHANISMS AND RISK MANAGEMENT

The control framework is designed to provide reasonable assurance regarding the achievement of objectives in the following areas:

- The maintenance of proper accounting records and the reliability of financial information used within **Casidra**;
- The appropriateness of internal financial controls;
- Compliance with applicable laws, regulations and codes of conduct;
- The detection and minimisation of significant risks associated with fraud, reputation, inadequate governance, and potential liability and loss, including the safeguarding of assets;
- Management of potential conflicts of interest of the Board of Directors and Management;
- The effectiveness of operations;
- The adequacy of risk management procedures;
- The internal audit process and method of compiling risk management reports and, where relevant, the submission of recommendations to the Board; and
- The effectiveness of risk management, controls and the governance processes.

Casidra has a comprehensive process of annual budgets and detailed monthly reporting. The Accounting Officer and his Management team review the annual budget and actual expenses on a continuous basis and report the actual versus the budgeted figures quarterly to the Board.

A clear distinction is drawn between main business and business undertaken on a project implementer. Financial statements regarding the various projects which **Casidra** oversees and finances on behalf of its Shareholder, the Western Cape Government, are reported and audited separately and identified separately within the Annual Financial Statements of **Casidra**.

The system of internal control is monitored and reported on to the Board of Directors. Internal systems are applied to provide reasonable assurance that assets are safeguarded and transactions are executed in accordance with Management's authorisation. Monitoring processes include management review and testing by auditors. The A-G performed testing of financial transactions and made further recommendations of improvement.

The risk dashboard is updated regularly and reported quarterly to the Board.

Casidra's servers were compromised through a severe ransom virus attack on 5 March 2019. The incident had been reported to the SAPS and safeguarding measures were subsequently implemented.

All incidents pertaining to any breakdown in the functioning of these controls, procedures and systems that occurred during the year under review are attended to promptly by the Committee.

6. COMPLIANCE

Compliance with laws and regulations that apply to **Casidra** is the responsibility of each member of Management and is monitored collectively.

Casidra complied with relevant laws, regulations and policies, as well as with **Casidra's** code of conduct. Some non-compliances were pointed out by the A-G and are attended to.

Risk and compliance reports were noted at Audit and Risk Committee meetings.

Four supply chain related complaints were received for the 2018/19 financial year. Internal investigations proved that **Casidra's** procedures were followed correctly. One complainant escalated his complaint to the Western Cape Department of Agriculture, Minister's Office, Public Protector and the media.

Casidra's Audit and Risk Committee investigated the matter as well and could not find any obvious deviation or substantive evidence that merits the accusations made. The Audit and Risk Committee recommended that the best way to address the matter further was to obtain an opinion from an independent auditor.

The matter was investigated after yearend. The independent auditor reported that, based on the procedures performed and information obtained, they are satisfied that the bid process and evaluation was as per the provisions of the current Public Procurement Policy and Procedure as well as applicable legislation. They concluded that the public procurement processes for the tender was done in accordance with applicable laws and regulations.

During the year under review nothing else has come to the attention of the Committee to indicate any non-compliance with relevant laws, regulations and the code of conduct.

7. FRAUD PREVENTION

A Fraud Prevention Plan was in place during the financial year. A whistle-blowing facility is also in place to ensure that the risk of fraud is monitored and minimised.

8. INTERNAL AUDIT

The Audit and Risk Committee fulfils an oversight role regarding the Company's Annual Financial Statements and the reporting process, including the system of internal financial control. It is responsible for ensuring that the Company's internal audit function is independent and has the necessary resources, standing and authority within the organisation to enable it to discharge its duties.

Furthermore, the Audit and Risk Committee oversees co-operation between the internal and external auditors and serves as a link between the Board of Directors and these functions. The internal audit function was outsourced.

The internal audit assessed the effectiveness of internal controls independently and recommended improvements.

Following A-G recommendations, Management will continue to maintain systems of internal control and implement improvements.

9. GOING CONCERN

The Committee has considered the facts and assumptions on which it relies to conclude that the business will continue as a going concern in the financial year ahead.

The Committee is of the opinion that, on the basis of the Shareholder's Compact and the funding model for **Casidra**, the business will be a going concern in the year ahead.

10. MEMBERS OF THE AUDIT AND RISK COMMITTEE AND ATTENDANCE AT MEETINGS

The details are reported in the Governance Report.

11. ATTENDANCE

The internal and external auditors in their capacity as auditors of the Company attended and reported to all meetings of the Audit and Risk Committee. The Chief Executive Officer and the Chief Financial Officer have a standing invitation to attend meetings and relevant managers attended meetings on invitation.

12. CONFIDENTIAL MEETINGS

The Audit and Risk Committee meetings provide for confidential meetings between the Committee members and the internal and external auditors.

13. INDEPENDENCE OF EXTERNAL AUDITORS

On the basis of a submission to the Audit and Risk Committee, the external auditors confirmed their independence.



Prof. Estian Calitz
Chairperson of the Audit and Risk Committee
25 July 2019

SET HUMAN RESOURCES' PRIORITIES FOR THE YEAR UNDER REVIEW AND THE IMPACT OF THESE PRIORITIES	
HR PRIORITIES	IMPACT
SUCCESSFUL IMPLEMENTATION OF THE FULL SPECTRUM OF HUMAN RESOURCES	<ul style="list-style-type: none"> A Human Resources' System (S-cubed) is utilised to enhance service delivery, customer satisfaction and productivity. A Succession Plan is in place and monitored continuously, with the aim of developing and ensuring planned succession when personnel retire or vacate positions.
STRATEGIC HUMAN RESOURCES MANAGEMENT	<ul style="list-style-type: none"> The organisation stays abreast of new labour legislative amendments and adapts policies accordingly. An Accreditation process for Casidra as a training service provider, with Services Seta was obtained.
HUMAN RESOURCES BUDGET	<ul style="list-style-type: none"> The Human Resources' budget is continuously being monitored.
TRANSFORMATION	<ul style="list-style-type: none"> An annual staff satisfaction survey is conducted during September. Annual team-building day, takes place in April. Transformation is monitored according to our Transformation Policy. We continually strive to develop an organisational culture that encourages and appreciates the diversity and background of all employees.
STRATEGIC TRAINING	<ul style="list-style-type: none"> Strategic training focuses on enhancing skills and improving qualifications of organisational team members and is aligned to our annual workplace skills plan, organisational requirements and approved budget. We continually strive to develop an organisational culture of learning.

WORKFORCE PLANNING FRAMEWORK AND KEY STRATEGIES TO ATTRACT AND RECRUIT A SKILLED AND CAPABLE WORKFORCE

A Human Resources' System (S-Cubed) is utilised to enhance service delivery, customer satisfaction and productivity.

A Succession Plan is in place and monitored continuously with the aim of developing and ensuring planned succession when personnel retire or vacate positions.

Recruitment is guided by the aim to be the Project Management Company of choice. Therefore, we endeavour to source suitably qualified and driven individuals.

EMPLOYEE PERFORMANCE MANAGEMENT FRAMEWORK

Casidra implemented an electronic performance management system based on its revised Performance Management Policy.

EMPLOYEE WELLNESS PROGRAMMES

Casidra invests significantly in employee wellness through initiatives focused on topical matters ranging from customer relations and communication as focus areas, as well as programmes to promote healthy lifestyles and enhanced quality of life. Positive spin-offs of these initiatives are evident from the annual organisational staff satisfaction survey that measures various elements of organisational health.

POLICY DEVELOPMENT

The following policies were reviewed and developed:

- Work from home Policy
- Disciplinary Policy and Code
- Performance Management Policy
- Social Media Policy

ACHIEVEMENTS

We have a healthy labour relations climate throughout the organisation, including the farms.

FUTURE HR PLANS /GOALS

PERFORMANCE INDICATOR 1: SUCCESSFUL IMPLEMENTATION OF THE FULL SPECTRUM OF HUMAN RESOURCES

1.1 Monitor the Succession Plan.

PERFORMANCE INDICATOR 2: STRATEGIC HUMAN RESOURCES MANAGEMENT

2.1 Implementation of accredited Project Management course

PERFORMANCE INDICATOR 3: HUMAN RESOURCES BUDGET

- 3.1 Manage the Human Resources' budget.
- 3.2 Influence training and wellness budgets on farms.

PERFORMANCE INDICATOR 4: TRANSFORMATION

- 4.1 Continue to conduct the Annual Staff Satisfaction Survey.
- 4.2 Continue to implement wellness initiatives.
- 4.3 Our Training and Development Strategy aims to develop every employee and combines personal goals with Company goals / vision.
- 4.4 Continue to develop an organisational culture that encourages and appreciates the diversity and background of all employees.
- 4.5 Conduct a feasibility study to appoint a social worker for the farms.
- 4.6 Continue to address social problems on farms in an integrated manner.

PERFORMANCE INDICATOR 5: STRATEGIC TRAINING

- 5.1 Implement strategic training as prioritised in the Workplace Skills' Plan.
- 5.2 Implementation of accredited the Project Management course.
- 5.3 Institutionalise project team talent management and training.

PERFORMANCE INDICATOR 6: EXTERNAL HR

- 6.1 Conduct a feasibility study on implementing a Training Academy for **Casidra**.
- 6.2 Develop a procedure for external Human Resources' consultation.

PERSONNEL COST BY PROGRAMME: PERMANENT AND FIXED TERM CONTRACT WORKERS

Programme	Total Expenditure for the Entity (R'000)	Personnel Expenditure (R'000)	Personnel Expenditure as a % of Total Expenditure	Number of Employees	Average Personnel Cost per Employee (R'000)
Board of Directors	231	231	100	8	29
Programme 1 Corporate Service	19 466	9 359	48	17	551
Programme 2 Agriculture and Land Reform	9 432	9 010	96	14	644
Programme 3 Rural Infrastructure Development and Poverty Alleviation	6 294	5 783	92	13	445
Programme 4 Local Economic & Business Development	3 483	3 415	98	6	569
Amalienstein	6 541	1 272	20	18	71
Waaikraal	3 846	1 289	34	18	72
TOTAL	49 664	30 044	61	95	195

PERSONNEL COST BY PROGRAMME: SEASONAL FARM WORKERS

Programme	Total Expenditure for the Entity (R'000)	Personnel Expenditure (R'000)	Personnel Expenditure as a % of Total Expenditure	Number of Employees	Average Personnel Cost per Employee (R'000)
Amalienstein	6 541	248	4	18	13
Waaikraal	3 846	250	7	18	13
TOTAL	10 388	498	5	36	13

*Minimum hourly rate apply, salary cost per employee differ depending on actual hours and days worked per season per programme

ANHALT

Programme	Total Expenditure for the Entity (R'000)	Personnel Expenditure (R'000)	Personnel Expenditure as a % of Total Expenditure	Number of Employees	Average Personnel Cost per Employee (R'000)
Salaries	0	806	0	21	38
Wages	0	0	0	0	0
TOTAL	0	806	0	21	38

PERSONNEL COST BY SALARY BAND

Level	Personnel Expenditure (R'000)	% of Personnel Expenditure to Total Personnel Cost	Number of Employees	Average Personnel Cost per Employee (R'000)
Top Management	231	0.8	8	29
Senior Management	975	3.2	1	975
Professional qualified	7 101	23.6	6	1 184
Skilled	18 736	62.4	45	416
Semi-skilled	437	1.5	5	88
Unskilled	2 562	8.5	30	85
TOTAL	30 044	100	95	316

PERFORMANCE REWARDS

Programme	Performance Rewards	Cost of Performance Rewards (R'000)	% of Performance Rewards to Total Personnel Cost
Top Management	0	0	0
Senior Management	0	0	0
Professional qualified	6	192	0.6
Skilled	29	305	1
Semi-skilled	2	22	0.1
Unskilled	30	45	0.2
TOTAL	67	567	1.9

TRAINING COSTS

Programme	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost	Number of Employees Trained	Average Training Cost per Employee (R'000)
Board of Directors	231	0	0	0	0
Senior Management	975	6	0.6	1	6
Professional qualified	7 101	21	0.3	3	7
Skilled	18 736	257	1.4	40	6
Semi-skilled	437	2	0.5	1	2
Unskilled	2 562	10	0.4	4	2
TOTAL	30 044	296	1	49	6

EMPLOYMENT AND VACANCIES

Programme	2016/2017 Number of Employees	2017/2018 Approved Posts	2017/2018 Number of Employees	2017/2018 Vacancies	% of Vacancies
Board of Directors	8	8	8	0	0
Head Office	45	46	45	1	2
Regional Office	7	6	6	0	0
Amalienstein	19	21	18	3	14
Anhalt	26	0	0	0	0
Waaikraal	15	19	18	1	2
TOTAL	120	100	95	5	5

Programme	2016/2017 Number of Employees	2017/2018 Approved Posts	2017/2018 Number of Employees	2017/2018 Vacancies	% of Vacancies
Top Management	8	8	8	0	0
Senior Management	1	1	1	0	0
Professional qualified	5	6	6	0	0
Skilled	49	46	45	1	2
Semi-skilled	6	5	5	0	0
Unskilled	51	34	30	4	12
TOTAL	120	100	95	5	5

EMPLOYMENT CHANGES

Level	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	8	0	0	8
Senior Management	1	1	1	1
Professional qualified	5	2	1	6
Skilled	49	3	7	45
Semi-skilled	6	0	1	5
Unskilled	51	0	21	30
TOTAL	120	6	31	95

REASONS FOR STAFF LEAVING

Reason	Number	% of Total number of Staff Leaving
Death	1	3
Dismissal	1	3
Expiry of contract	4	12
Ill health	0	0
Resignation	4	12
Retirement	0	0
Other	21	70
TOTAL	31	100

LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

Nature of Disciplinary Action	Number
Verbal warning	0
Written warning	6
Final written warning	2
Dismissal/ desertion	2
Suspension	2
TOTAL	12

EQUITY TARGET AND EMPLOYMENT EQUITY STATUS

Level	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	4	4	0	0	2	2
Senior Management	0	0	1	1	0	0	0	0
Professional qualified	0	1	0	1	0	0	3	1
Skilled	6	8	13	14	0	0	5	6
Semi-skilled	1	1	0	2	0	0	1	1
Unskilled	0	6	47	20	0	0	0	1
TOTAL	7	16	65	42	0	0	11	11

Level	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	1	0	0	0	0	1	1
Senior Management	0	0	0	0	0	0	0	0
Professional qualified	0	1	1	1	0	0	1	1
Skilled	6	5	11	10	0	0	8	6
Semi-skilled	0	1	4	4	0	0	0	1
Unskilled	0	9	5	20	0	0	0	0
TOTAL	7	17	21	35	0	0	10	9

Level	DISABLED STAFF							
	Male		Female		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	2	2
Senior Management	0	0	0	0	0	0	0	0
Professional qualified	0	0	0	0	0	0	3	1
Skilled	0	0	0	1	0	0	5	6
Semi-skilled	1	1	0	0	0	0	1	1
Unskilled	0	0	0	0	0	0	0	1
TOTAL	1	1	0	1	0	0	11	11

Report on the audit of the Financial Statements

Opinion

1. I have audited the Financial Statements of the **Casidra** (SOC) Ltd set out on pages 55 to 69, which comprise the Statement of Financial Position as at 31 March 2019, Statement of Financial Performance, Statement of Changes in net assets and Statement of Cash Flows for the year then ended, as well as the notes to the Financial Statements, including a summary of significant accounting policies.
2. In my opinion, the Financial Statements present fairly, in all material respects, the Financial Position of **Casidra** (SOC) Ltd as at 31 March 2019, and its Financial Performance and Cash Flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Companies Act of South Africa, 2008 (Act No. 71 of 2008) (the Companies Act).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor-General's responsibilities for the audit of the Financial Statements section of this Auditor's Report.
4. I am independent of the company in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' Code of ethics for professional accountants and parts 1 and 3 of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA codes), as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited supplementary schedules

7. The supplementary information set out on pages 70 to 73 does not form part of the Financial Statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Previous period audited by a predecessor auditor

8. The Financial Statements of the previous year were audited by a predecessor auditor in terms of section 4(3) of the Public Audit Act on 23 August 2018.

Responsibilities of Board of Directors for the Financial Statements

9. The Board of Directors, which constitutes the Accounting Authority, is responsible for the preparation and fair presentation of the Financial Statements in accordance with GRAP and the requirements of the PFMA and the Companies Act, 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.
10. In preparing the Financial Statements, the Accounting Authority is responsible for assessing **Casidra** (SOC) Ltd's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor-General's responsibilities for the audit of the Financial Statements

11. My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.
12. A further description of my responsibilities for the audit of the Financial Statements is included in the annexure to this Auditor's Report.

Report on the audit of the Annual Performance Report

Introduction and scope

13. 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, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected Programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
14. My procedures address the reported performance information, which must be based on the approved performance planning documents of the company. I have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
15. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected Programmes presented in the Annual Performance Report of the company for the year ended 31 March 2019:

PROGRAMMES	PAGES IN THE ANNUAL PERFORMANCE REPORT
Programme 2 – Agriculture and Land Reform	24 - 25
Programme 3 – Rural Infrastructure Development and Poverty Alleviation	30 - 32
Programme 4 – Local Economic and Business Development	35 - 36

16. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
17. The material findings in respect of the usefulness and reliability of the selected Programmes are as follows:

Programme 2 - Agriculture and Land Reform

2.2.6: Number of queries resolved (technical/ financial/ EIA/ impact studies)

18. The reported achievement of 34 for target number of queries resolved (technical/ financial/ EIA/ impact studies) is not reliable as the entity did not have an adequate performance management system to maintain records to enable reliable reporting on achievement of targets. As a result, I was unable to obtain sufficient appropriate audit evidence in some instances while in other cases the supporting evidence provided did not agree to the reported achievement. Based on the supporting evidence that was provided, the achievement was 15, but I was unable to further confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievement.
19. I was unable to obtain sufficient appropriate audit evidence for the reported achievements of two of the 16 indicators relating to this Programme. This was due to limitations placed on the scope of my work. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements in the Annual Performance Report for the indicators listed below:

Indicator Number	Indicator Description
2.2.5	Number of business plans reviewed/ developed and legal inputs given by UTA
2.2.7	Number of land reform interventions assisted by LREAD

Programme 3 - Rural Infrastructure Development and Poverty Alleviation

3.2.2: Number of households food security projects delivered in current year

20. I was unable to obtain sufficient appropriate audit evidence of the reported achievements for this indicator relating to the Programme. This was due to limitations placed on the scope of my work. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements in the Annual Performance Report for this indicator.

3.3.4: Number of farmers trained in accredited courses facilitated

21. I was unable to obtain sufficient appropriate audit evidence for the planned target of 2 400 of farmers trained in accredited courses which clearly defined the predetermined nature and required level of performance and/or method of calculation. This was due to a lack of technical indicator descriptions that defined how accredited courses facilitated would be measured. I was unable to test by alternative means whether the target for this indicator was clearly defined.

3.3.5: Number of farmers trained in non - accredited courses facilitated

22. I was unable to obtain sufficient appropriate audit evidence for the planned target of 2 500 of farmers trained in non-accredited courses which clearly defined the predetermined nature and required level of performance and/or method of calculation. This was due to a lack of technical indicator descriptions that defined how non-accredited courses facilitated would be measured. I was unable to test by alternative means whether the target for this indicator was clearly defined.
23. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following Programmes:
- Programme 4 – Local Economic and Business Development.

Other matter

24. I draw attention to the matter below:

Achievement of Planned Targets

25. Refer to the Annual Performance Report on pages 24 to 36 for information on the achievement of planned targets for the year and explanations provided for the under/over achievement of a number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 17 to 22 of this report.

Adjustment of material misstatements

26. I identified material misstatements in the Annual Performance Report submitted for auditing. These material misstatements were in the reported performance information of Programme 2 – Agriculture and Land Reform, Programme 3 – Rural Infrastructure Development and Poverty Alleviation and Programme 4 – Local Economic and Business Development. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of Compliance with Legislation

Introduction and scope

27. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the company with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
28. The material findings on compliance with specific matters in key legislations are as follows:

Procurement and Contract Management

29. Sufficient appropriate audit evidence could not be obtained that goods, works and services were procured through a procurement process which is fair, equitable, transparent and competitive, as required by section 51(1) (a)(iii) of the PFMA.
30. The preference point system was not applied to some of the procurement of goods and services above R30 000, as required by section 2(a) of the Preferential Procurement Policy Framework Act. Similar non-compliance was reported in the prior year.

Other Information

31. The Accounting Authority is responsible for the other information. The other information comprises the information included in the Annual Report, which includes the Directors' report, the Audit committee's report and the Risk management certificate as required by the Companies Act.
32. The other information does not include the Financial Statements, the Auditor's Report and those selected Programmes presented in the Annual Performance Report that have been specifically reported in the Auditor's Report. My opinion on the Financial Statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements and the selected Programmes presented in the Annual Performance Report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
33. I have nothing to report in this regard.

Internal Control Deficiencies

34. I considered internal control relevant to my audit of the Financial Statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

34. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the performance report and the findings on compliance with legislation included in this report.
35. The Annual Performance Report contained misstatements that were not corrected. The reporting of indicators and supporting evidence received were not according to the technical indicator description in the Annual Performance Plan. In some cases, indicators were not drafted according to the SMART principles.
36. Inadequate deviation processes were followed in instances where price quotations could have been obtained or a competitive bidding process could have been followed. Furthermore, reasons for deviations were not adequately recorded and approved. The company did not ensure that the Supply Chain Management Policy was compliant to requirements of the PFMA and Treasury Regulations.

Auditor-General

Cape Town
31 July 2019



***Annexure – Auditor-General's responsibility for the audit**

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the Financial Statements, and the procedures performed on reported performance information for selected Programmes and on the Company's compliance with respect to the selected subject matters.

Financial Statements

2. In addition to my responsibility for the audit of the Financial Statements as described in this auditor's report, I 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 my 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 Accounting Authority.
- Conclude on the appropriateness of the Accounting Authority's use of the going concern basis of accounting in the preparation of the Financial Statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on **Casidra (SOC) Ltd's** ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my Auditor's Report to the related disclosures in the Financial Statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the Financial Statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a company to cease continuing 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.

Communication with those charged with governance

3. I communicate with the Accounting Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the Accounting Authority that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

**PART E: FINANCIAL INFORMATION
STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2019**

The Directors are responsible for the preparation, integrity and fair presentation of the Financial Statements of **Casidra SOC Limited**. The Financial Statements presented on pages 54 to 73 have been prepared in accordance with Standards of Generally Recognised Accounting Practice in South Africa and in the manner required by the South African Companies Act. These are supported by reasonable and prudent judgements and estimates made by Management.

The going concern basis has been adopted in preparing the Financial Statements. The Financial Position in the short term is healthy, but in the medium to long term the going concern principle is coupled directly with sufficient and timely continued transfer of funding by the state and acquisition of additional funding for current expenditure. The viability of the Company is supported by the Financial Statements.

The Directors are also responsible for the Company's system of Internal Financial Control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the Financial Statements and to adequately safeguard, verify and maintain accountability of the assets, as well as to prevent and detect misstatement and loss.

Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The Directors acknowledge that they are ultimately responsible for the control and security of the website and for the implementation and control of the process of electronic distribution of Annual Reports and Financial Statements. These control measures and integrity of the website are not included in the audit of Financial Statements.

Although the Directors and the Company place considerable importance on maintaining a strong control environment, neither the Directors, nor the Auditors, can accept responsibility for changes made to the Financial Statements after it was initially published on the website.

The Financial Statements have been audited by the Auditor-General SA, who were given unrestricted access to all Financial records and related data, including minutes of all meetings of members and the Board of Directors. The Directors believe that all representations made to the independent auditors during their audit are valid and appropriate.

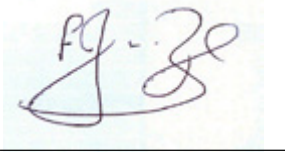
The Audit Report of the Auditor-General SA is presented on pages 51 to 53. The Annual Financial Statements for the year ended 31 March 2019 were approved by the Board of Directors and are signed on behalf of the Board by:


Mr Ainsley Moos
Chairperson of the Board
19 August 2019


Prof E Calitz
Director
19 August 2019

Secretarial Certification

In accordance with section 88(2)(e) of the Companies Act, 71 of 2008, the company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Act and that such returns are true, correct and up to date.



FJ Van Zyl
Company Secretary
19 August 2019

**PART E: FINANCIAL INFORMATION
DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019**

1. NATURE OF BUSINESS

Casidra SOC Limited is a state-owned company acting as a development company for the Western Cape Government. In accordance with the Public Finance Management Act, **Casidra** has been listed as a Schedule 3D Provincial Government Business Enterprise.

The vision of the Company is to be the catalyst for growth towards self-sustainable communities.

Supplementary goals contained in the founding statement are:

- poverty alleviation through broad-based economic growth and rural development; and
- development of human resources and capacity building.

A general summary of activities and the attainment of objectives are given in the overviews contained in the Annual Report.

2. FINANCIAL POSITION

The Financial Position of the Company's business and activities are clearly indicated in the attached Financial Statements. During the past financial year, the Company incurred net operational costs of R27,06 million (2018: R24,55 million) before transfer funding, VAT inclusive, of R29,62 million (2018: R26,22 million) from the Western Cape Department of Agriculture.

The short-term financial position is sound, but in the medium- and long-term the going concern business principle is directly linked to the continuation of sufficient and timely transfer of funding from government and the obtaining of additional funding for current expenditure. The Directors believe that **Casidra** has adequate resources in place to continue operating in the foreseeable future.

3. AUDITORS

The Auditor-General informed **Casidra** that the AGSA opted, in terms of section 4(3)(a) of the Public Audit Act, 2004 (Act no. 25 of 2004), to perform the audit of **Casidra** SOC Ltd from the 2018/19 financial year onward.

4. SHARE CAPITAL

The authorised and issued share capital remained unchanged. The equity of the Company was R32,81 million as at 31 March 2019 (2018: R34,12 million). The Western Cape Government holds the total shareholding of the Company.

5. DIVIDEND

No dividend was declared or paid for the year (2018: R Nil).

6. DIRECTORS

The following non-executive Directors served during the financial year:

- Dr L Coetzee Chairperson - Resigned 22/11/2018
- Mr AV Moos Elected Chairperson – 22/11/2018
- Mr WU Abrahams
- Prof E Calitz
- Mr EJ Jeffthas Elected Vice-Chairperson – 22/11/2018
- Prof JF Kirsten
- Mr GJ Martin
- Ms ZT Nackerdien
- Ms GM Ntuli
- Mr M Wüst

The Directors' other details are reported in the Governance Report.

7. PUBLIC OFFICER, COMPANY SECRETARY AND REGISTERED ADDRESS

The Public Officer and Company Secretary is Mr FJ van Zyl. The registered address of the Company is:

22 Louws Avenue **PO Box 660**
SOUTHERN PAARL **SOUTHERN PAARL**
7646 **7624**

8. FINANCIAL REPORTING FRAMEWORK

Casidra's Financial Statements are prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP).

9. BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE)

Information on compliance with the B-BBEE Act is included in the Annual Report in the Governance Report under the section titled Broad-Based Black Economic Empowerment.

10. EVENTS AFTER THE REPORTING DATE

No material events which may have a significant influence on the financial position of the Company occurred between the financial year end date and the approval date of the Annual Financial Statements.

STATEMENT OF FINANCIAL POSITION		2019	2018
as at 31 March 2019		R	R
	Notes		
ASSETS			
Current assets			
Trade and other receivables from exchange transactions	12	1 266 278	595 290
Prepayments	13	248 006	209 246
Cash and cash equivalents	14	22 523 398	21 525 003
Project cash and cash equivalents	32	504 969 692	340 653 924
		529 007 374	362 983 463
Non-current assets			
Property and equipment	7	7 563 987	7 164 807
Intangible assets	8	50 553	88 266
Investment property	9	418 643	424 287
Other financial assets	11	5 885 298	8 030 000
		13 918 481	15 707 360
TOTAL ASSETS		542 925 855	378 690 823
LIABILITIES			
Current liabilities			
Trade and other payables from exchange transactions	16	1 253 748	371 084
VAT payable	17	448 602	34 850
Provisions	18	3 079 532	2 771 367
Project creditors	32	504 969 692	340 653 924
		509 751 574	343 831 225
Non-current liabilities			
Deferred income tax liabilities	19	364 165	741 762
TOTAL LIABILITIES		510 115 739	344 572 987
NET ASSETS			
Ordinary shares	15	25 000 000	25 000 000
Accumulated surplus		7 810 116	9 117 836
TOTAL NET ASSETS		32 810 116	34 117 836
TOTAL NET ASSETS AND LIABILITIES		542 925 855	378 690 823

STATEMENT OF FINANCIAL PERFORMANCE		2019	2018
for the year ended 31 March 2019		R	R
	Notes		
REVENUE			
Revenue from non-exchange transactions		25 753 913	22 998 246
Transfer funding - Agriculture Western Cape		29 617 000	26 218 000
Less: Value Added Tax		(3 863 087)	(3 219 754)
Revenue from exchange transactions		10 187 729	14 802 580
Rendering of services		2 215 206	6 976 581
Interest earned - external investments	21	6 584 898	6 887 975
Rental of facilities	22	269 599	176 088
Other income	23	1 118 026	761 936
TOTAL REVENUE		35 941 642	37 800 826
Auditors' remuneration		779 792	372 072
Personnel expenses	24	22 247 678	21 007 520
Personnel expenses - Prescribed officers	25	5 669 275	5 655 178
Consultancy fees - HR		151 803	103 288
Rental paid		203 375	168 054
Training, skills levy and bursaries		1 082 881	1 057 967
Travel and accommodation		1 478 941	1 713 423
Directors' remuneration	25	231 004	271 026
Repairs and maintenance	26	225 945	268 776
Depreciation	27	479 562	624 649
General expenses	28	2 963 894	7 041 614
EXPENSES		35 514 150	38 283 567
OTHER LOSSES		(2 112 809)	(1 706 893)
Gain on sale of assets		83 575	374 292
Loss on property and equipment scrapped		(11 148)	-
Loss on revaluation of other assets	11	(2 185 236)	(2 081 185)
Deficit before income tax		(1 685 317)	(2 189 634)
Income tax expense	29	377 597	640 601
DEFICIT FOR THE YEAR		(1 307 720)	(1 549 033)

STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2019	SHARE CAPITAL R	ACCUMULATED SURPLUS R	TOTAL R
2018			
Balance at 1 April 2017	25 000 000	10 666 869	35 666 869
Net deficit for the year	-	(1 549 033)	(1 549 033)
Balance at 31 March 2018	25 000 000	9 117 836	34 117 836
2019			
Balance at 1 April 2018	25 000 000	9 117 836	34 117 836
Net deficit for the year	-	(1 307 720)	(1 307 720)
Balance at 31 March 2019	25 000 000	7 810 116	32 810 116

STATEMENT OF CASH FLOWS for the year ended 31 March 2019	Notes	2019 R	2018 R
Cash flow from operating activities			
Cash receipt from customers		35 941 642	38 175 118
Cash paid to suppliers and employees		(40 951 971)	(46 484 974)
Cash utilised in operating activities	30	(5 010 329)	(8 309 856)
Cash flow from investment activities			
Purchase of intangible assets	8	(101 107)	(176 533)
Investment property improvements	9	-	(165 861)
Purchase of other financial assets	11	(40 534)	(22 676)
Interest received	21	6 584 898	6 887 975
Dividends received	23	216 170	178 219
Proceeds from sale of property and equipment	30	196 149	550 000
Purchase of property and equipment	31	(846 852)	(911 817)
Cash generated from investing activities		6 008 724	6 339 307
Net movement in cash and cash equivalents		998 395	(1 970 549)
Cash and cash equivalents at 1 April		21 525 003	23 495 552
Cash and cash equivalents at 31 March	14	22 523 398	21 525 003

1. GENERAL INFORMATION

Casidra SOC Limited acts as development agency for the Western Cape Government. In accordance with the Public Finance Management Act, **Casidra** has been listed as a Schedule 3D provincial government business enterprise.

The Company is a state-owned company incorporated and domiciled in South Africa. The address of its registered office is 22 Louws Avenue, Southern Paarl.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Presentation of financial statements

The financial statements are prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board. These financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. The principal accounting policies, which have been consistently applied to all the years presented, are disclosed below.

2.2 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in South African Rand (ZAR), which is the Company's functional and presentation currency.

2.3 Property and equipment

Buildings consist mainly of offices. All property and equipment are stated at historical cost less accumulated depreciation taking into account the residual value. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of Financial Performance during the financial period in which they are incurred.

Land is not depreciated. On the following, depreciation is calculated on the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives:

Buildings	50 years
Office furniture and equipment	5 - 20 years
Vehicles	4 - 20 years
Computers	3 - 5 years

The assets' residual values, estimated useful lives and depreciation method are reviewed annually for indicators that factors may have changed and are adjusted prospectively, if appropriate, at each reporting date.

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.

Gains and losses on disposals are determined by comparing the proceeds on sale with the assets' carrying amount. These are included in the Statement of Financial Performance.

When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

2.4 Investment property

Investment property comprising of an office building is held for long-term rental yields and is not occupied by the Company.

All investment property is stated at historical cost less accumulated depreciation, taking into account the residual value. Historical cost includes expenditure that is directly attributable to the acquisition of the property. Subsequent costs are included in the property's carrying

amount only when it is probable that future economic benefits or increased service potential associated with the item will flow to the Company and the cost of the item can be measured reliably.

Repairs and maintenance are charged to the Statement of Financial Performance during the financial period in which they are incurred. Depreciation is calculated on the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives. The useful life is 50 years.

2.5 Intangible assets

Intangible assets are acquired through exchange transactions and are stated at historical cost less accumulated depreciation taking into account the useful lives of the assets which is estimated to be two years. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably or when there's an increase in the service potential for the asset.

2.6 Impairment of non-financial assets

Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets, other than goodwill, that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.7 Financial assets

2.7.1 Classification

The Company classifies its financial assets in the following categories: Financial assets at fair value and loans and receivables at amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

a. Financial assets at fair value

This category consists of 'financial assets held for trading', and those designated at fair value at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by Management.

Derivatives are also categorised as 'held for trading' unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the reporting date.

b. Loans and receivables at amortised cost

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. Loans and receivables are classified as 'Trade and other receivables' from exchange transactions in the Statement of Financial Position.

2.7.2 Recognition and measurement

Regular purchases and sales of investments are recognised on trade-date – the date on which the Company commits to purchase or sell the asset.

Financial assets carried at fair value are initially recognised at fair value and transaction costs are expensed in the Statement of Financial Performance.

Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Financial assets and other financial assets are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'Financial assets at fair value' category, including interest and dividend income, are presented in the Statement of Financial Performance, in the period in which they arise.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active, the Company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The financial assets are assessed at each reporting date to determine whether there is objective evidence that a financial asset or a group of financial assets is impaired.

2.7.3 Trade receivables from exchange transactions

Trade receivables from exchange transactions are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables from exchange transactions 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 receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the Statement of Financial Performance.

2.7.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.7.5 Trade payables from exchange transactions

Trade payables from exchange transactions are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.8 Share Capital

Ordinary shares are classified as equity.

2.9 Deferred income tax

The tax expense for the period comprises deferred tax. Tax is recognised in the Statement of Financial Performance.

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the reporting date in countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establish provisions, where applicable, on the basis of amounts expected to be paid to tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

2.10 Provisions

Provisions are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

2.11 Revenue recognition

Revenue, net of value-added taxation, is derived from services rendered and is measured at the fair value of the consideration received or receivable.

Revenue from non-exchange transactions refers to transfer funding received from the Western Cape Department of Agriculture.

Revenue from exchange transactions refers to revenue that accrued to the Company in return for services rendered, the value of which approximates the consideration received or receivable. The revenue from exchange transactions is recognised as follows:

(a) Rendering of services

Rendering of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total service to be provided.

(b) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(c) Dividend income

Dividend income is recognised when the right to receive the payment is established.

2.12 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.13 Compensation of employees

Remuneration to employees is recognised in the Statement of Financial Performance as the services are rendered, except for non-accumulating benefits which are only recognised when the specific event occurs. The Company has opted to treat its provisions for leave pay and performance bonuses as provisions.

The costs of short-term employee benefits are recognised during the period in which the employee renders the related service. The liability for leave pay is based on the total accrued leave days at year end and is shown as a provision in the Statement of Financial Position. The Company recognises the expected cost of performance bonuses only when the Company has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

2.14 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Financial Performance on a straight-line basis over the period of the lease.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and price risk), credit risk, liquidity risk, fair value cash flow risk and fair value interest rate risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Board provides principles for overall risk management as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and the investment of excess liquidity.

a. Market risk

i. Foreign exchange risk

The Company does not operate internationally and is not exposed to foreign exchange risk arising from various currency exposures.

ii. Price risk

Other than exposure to investments in equity of other entities the Company is not subject to other material price risks.

The effect of a 5% increase/(decrease) in the fair value of the Company's other financial assets on the Company's equity would be as follows:

Effect on equity	2019 R	2018 R
Increase of 5%, equity will increase with	294 265	401 500
Decrease of 5%, equity will decrease with	(294 265)	(401 500)

b. Credit risk

The Company has a limited concentration of credit risk. The Company has no credit facility and has policies that limit the amount of credit exposure to any financial institution. Funds are invested with reputable financial establishments.

c. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities, when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Cash flow requirements are monitored with monthly cash forecasts which includes the servicing of financial obligations, but excludes the potential impact of extreme circumstances that cannot be reasonably predicted. The Company's financial liabilities are limited to trade and other payables which are repayable within 12 months.

d. Cash flow and fair value interest rate risk

The Company is exposed to cash flow interest rate risk in South Africa that arises from changes in the SA Reserve Bank's repo rate. The Company's financial assets subject to interest rate risk include cash and short-term bank deposits that are invested at variable rates.

Refer to note 10.1 for the disclosure of the Company's exposure to interest rate risks and the effective interest rate on financial instruments as at reporting date.

The Company earns interest on cash and short-term bank deposits. If the interest rate should change by 0,5% (all other factors remaining unchanged) the effect on profit would be as follows:

Effect on profit	2019 R	2018 R
Increase of 0,5%, profit will increase with	658 490	688 798
Decrease of 0,5%, profit will decrease with	(658 490)	(688 798)

e. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide benefits for the shareholder and other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

3.2 Fair value estimation

The following table presents and analyses, by valuation method, the Company's other financial assets that are measured at fair value.

Other financial assets	2019 R	2018 R
Unadjusted quoted prices in active market for identical assets	4 433 344	6 594 960
Direct asset prices	1 570 552	1 617 643
	6 003 896	8 212 603

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price.

The nominal values less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

4.1 Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a. Property and equipment

Depreciation on assets is calculated over their estimated useful lives, taking into account the residual value of the asset at the end of its useful life.

Certain office furniture and equipment is expected to remain in use for longer than ten years from the date of purchase. As a result, the remaining useful lives of these assets increased and their estimated residual values may decrease. The effect of these changes on the actual and expected depreciation in the current and future periods is not disclosed because the cost of estimating the expenses does not exceed the benefits.

4.2 Critical judgements in applying the entity's accounting policies

Management did not make any critical judgements in applying the entity's accounting policies.

5. RELATED PARTIES

Related parties are persons or entities with the ability to control or exercise significant influence over the entity (or vice versa) in making financial and operational decisions or if both parties are subject to common control. Related party relationships where control exists are disclosed irrespective of whether there have been transactions between the related parties. Related party disclosures for transactions that took place on terms and conditions considered to be "at arms length" and "in the ordinary course of business" are not disclosed.

6. NEW STANDARDS AND INTERPRETATIONS

The entity has chosen not to early adopt the following standards and interpretations:

GRAP 20 - Related-party disclosures	1 April 2019
GRAP 32 - Service concession arrangements: grantor	1 April 2019
GRAP 34 - Separate financial statements	1 April 2020
GRAP 35 - Consolidated financial statements	1 April 2020
GRAP 36 - Investments in associates and joint ventures	1 April 2020
GRAP 37 - Joint arrangements	1 April 2020
GRAP 38 - Disclosure of interests in other entities	1 April 2020
GRAP 108 - Statutory receivables	1 April 2019
GRAP 109 - Accounting by principals and agents	1 April 2019
GRAP 110 - Living and non-living resources	1 April 2020
IGRAP 1 Applying the probability test on initial recognition revenue (amendments)	1 April 2020
IGRAP 17 - Service concession arrangements where a grantor controls a significant residual interest in an asset	1 April 2019
IGRAP 18 - Recognition and derecognition of land	1 April 2019
IGRAP 19 - Liabilities to pay levies	1 April 2019
IGRAP 20 Accounting for adjustments to revenue	1 April 2020
Guideline Accounting for arrangements undertaken in terms of the national housing programme	1 April 2019

Management has considered all of the above-mentioned GRAP Standards issued but not yet effective and anticipates that the adoption of these standards will not have a significant impact on the financial position, financial performance or cash flows of the entity.

7. PROPERTY AND EQUIPMENT

2018	Land and Buildings	Vehicles	Furniture and Equipment	Computers	TOTAL
	R	R	R	R	R
Carrying value at 1 April	4 991 368	966 500	306 163	520 835	6 784 866
Cost	5 034 587	1 635 791	1 215 296	1 567 129	9 452 803
Accumulated depreciation	(43 219)	(669 291)	(909 133)	(1 046 294)	(2 667 937)
Additions	155 749	575 432	17 483	163 153	911 817
Disposals and transfers	(175 708)	-	-	-	(175 708)
Cost	(175 708)	-	-	-	(175 708)
Accumulated depreciation	-	-	-	-	-
Depreciation	(43 444)	(125 472)	(26 329)	(160 923)	(356 168)
Carrying value at 31 March	4 927 965	1 416 460	297 317	523 065	7 164 807
Cost	5 014 628	2 211 223	1 232 779	1 730 282	10 188 912
Accumulated depreciation	(86 663)	(794 763)	(935 462)	(1 207 217)	(3 024 105)
2019					
Carrying value at 1 April	4 927 965	1 416 460	297 317	523 065	7 164 807
Cost	5 014 628	2 211 223	1 232 779	1 730 282	10 188 912
Accumulated depreciation	(86 663)	(794 763)	(935 462)	(1 207 217)	(3 024 105)
Additions	12 064	618 638	22 251	193 899	846 852
Disposals and transfers	-	(101 425)	(8 877)	(2 272)	(112 574)
Cost	-	(443 345)	(12 325)	(45 411)	(501 081)
Accumulated depreciation	-	341 920	3 448	43 139	388 507
Depreciation	(43 564)	(147 173)	(26 757)	(117 604)	(355 098)
Carrying value at 31 March	4 896 465	1 786 500	283 934	597 088	7 563 987
Cost	5 026 692	2 386 516	1 242 705	1 878 770	10 534 683
Accumulated depreciation	(130 227)	(600 016)	(958 771)	(1 281 682)	(2 970 696)

Land and buildings consist of erven 26168 (2 809m²), title deed T52255/2008, 3163 (569m²) and 3164 (558m²), title deed T54412/1998, situated in the Drakenstein Municipality, Paarl and the buildings thereon.

No property and equipment is held as security. There are no capital assets currently under construction.

Land is at a value of R670 224 (2018: R670 224) and not depreciated.

The repairs and maintenance contractors cost was R225 945 (2018: R179 766) and materials R26 512 (2018: R16 993).

8. INTANGIBLE ASSETS	2019 R	2018 R
Computer Software		
Carrying value at the beginning of the year	88 266	174 570
Cost	1 226 164	1 049 631
Accumulated depreciation	(1 137 898)	(875 061)
Additions	101 107	176 533
Depreciation	(138 820)	(262 837)
Carrying value at the end of the year	50 553	88 266
Cost	1 327 271	1 226 164
Accumulated depreciation	(1 276 718)	(1 137 898)
There are no repairs and maintenance cost and no capital assets currently under construction.		

9. INVESTMENT PROPERTY	2019 R	2018 R
Carrying value at the beginning of the year	424 287	264 070
Cost	432 257	266 396
Accumulated depreciation	(7 970)	(2 326)
Additions	-	165 861
Depreciation	(5 644)	(5 644)
Carrying value at the end of the year	418 643	424 287
Cost	432 257	432 257
Accumulated depreciation	(13 614)	(7 970)
The property consists of an office building erected on erf 26 168 as described in note 6. There are no capital assets currently under construction. No investment property is held as security and the fair value, based on replacement values, is R2,83m (2018: R2,83m).		
The direct operating expenses were:		
Repairs and maintenance contractors	-	89 010
Insurance	2 080	2 088
	2 080	91 098
The income earned was:		
Rental income	246 240	162 000

10.1 FINANCIAL INSTRUMENTS BY CATEGORY	2019 R	2018 R
The accounting policies for financial instruments have been applied to the line items below.		
Assets as per Statement of Financial Position	Interest rate %	
Amortised cost	2019	2018
Trade and other receivables from exchange transactions	1 266 278	595 290
Project cash and cash equivalents	504 969 692	340 653 924
Cash and cash equivalents	22 523 398	21 525 003
	0 - 7,54	0 - 7,44
Fair value		
Other financial assets	5 885 298	8 030 000
Total	534 644 666	370 804 217

10.1 FINANCIAL INSTRUMENTS BY CATEGORY	2019 R	2018 R
Liabilities as per Statement of Financial Position		
Amortised cost		
Trade and other payables from exchange transactions	1 253 748	371 084
Project creditors	504 969 692	340 653 924
TOTAL	506 223 440	341 025 008

10.2 CREDIT QUALITY OF FINANCIAL ASSETS	2019 R	2018 R
The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rates.		
Trade and other receivables from exchange transactions		
Counterparties without external credit rating:		
Between 0 and 3 months:	1 266 278	595 290

11. OTHER FINANCIAL ASSETS	2019 R	2018 R
Number of shares Listed Securities		
3 765 Kaap Agri Limited	118 598	182 603
41 741 Pioneer Food Group Limited	3 344 289	5 184 232
41 741 Quantum Foods Holdings Limited	146 094	177 399
7 333 Sanlam Limited	540 882	625 505
68 806 Zeder Investments Limited	283 481	425 221
Listed Securities	4 433 344	6 594 960
Unlisted securities		
10 679 (2018:10 323) Nedgroup Growth fund unit trust	255 220	252 091
3 089 (2018: 3 003) Old Mutual unit trust	1 196 734	1 182 949
Unlisted securities	1 451 954	1 435 040
Total securities	5 885 298	8 030 000
At 1 April	8 030 000	10 088 509
Additions	40 534	22 676
Fair value adjustment	(2 185 236)	(2 081 185)
Non-current portion	5 885 298	8 030 000
The maximum exposure to credit risk at the reporting date is the carrying value of the total securities. None of these financial assets is either past due or impaired.		

12. TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS	2019 R	2018 R
Projects	1 229 533	573 760
Staff debtors - vehicle insurance	36 745	21 530
Current portion	1 266 278	595 290
As of 31 March the following trade receivables from exchange transactions were due but not impaired: Up to 3 months		
Projects	1 229 533	573 760
Staff debtors - vehicle insurance	36 745	21 530
The carrying values approximates the fair values.	1 266 278	595 290

13. PREPAYMENTS		2019 R	2018 R
Prepaid Insurance		248 006	209 246

14. CASH AND CASH EQUIVALENTS		2019 R	2018 R
Cash in bank		7 679 700	1 675 874
Call Investments		14 825 296	19 831 027
Cash on hand and deposits		18 402	18 102
		22 523 398	21 525 003

15. ORDINARY SHARES		Number of shares	Ordinary shares R	2019 R	2018 R
At 31 March		25 000 000	25 000 000	25 000 000	25 000 000

The total authorised number of ordinary shares is 25 000 000 (2018: 25 000 000). All issued shares are fully paid-up.

16. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS		2019 R	2018 R
Sundry creditors		1 163 055	242 107
Personal fund		11 643	11 977
Projects		79 050	117 000
		1 253 748	371 084

17. VAT PAYABLE		2019 R	2018 R
SARS - VAT		448 602	34 850

18. PROVISIONS		2019 R	2018 R
Leave provision			
Opening balance		2 245 367	1 785 618
Movement for the year		267 165	459 749
Closing balance		2 512 532	2 245 367
Performance bonuses			
Opening balance		526 000	525 938
Movement for the year		41 000	62
Closing balance		567 000	526 000
		3 079 532	2 771 367

19. DEFERRED INCOME TAX LIABILITY	2019 R	2018 R
The analysis of deferred tax assets and liabilities is as follows:		
Deferred tax assets:		
Assessed loss	(55 545)	(215 749)
Investment property	-	(2 232)
Property and equipment	2 400	(21 866)
Leave provision	(703 509)	(628 703)
Total deferred tax assets	(756 654)	(868 550)
Deferred tax liabilities:		
Other financial assets	1 120 819	1 610 312
Total deferred tax liabilities	1 120 819	1 610 312
Net deferred tax liabilities	364 165	741 762
Non-current	364 165	741 762
Net deferred tax liabilities	364 165	741 762
The gross movement on the deferred income tax account is as follows:		
Opening balance	741 762	1 382 363
Assessed loss	160 204	(31 939)
Property and equipment	24 266	(12 165)
Investment property	2 232	(1 581)
Leave provision	(74 806)	(128 730)
Other financial assets	(489 493)	(466 186)
Closing balance	364 165	741 762

20. REVENUE FROM EXCHANGE TRANSACTIONS
Revenue from exchange transactions represents the invoiced value of services and excludes Value Added Tax.

21. INTEREST EARNED - EXTERNAL INVESTMENTS	2019 R	2018 R
Interest received	6 584 898	6 887 975

22. RENTAL OF FACILITIES	2019 R	2018 R
Investment property	246 240	162 000
Other	23 359	14 088
	269 599	176 088

23. OTHER INCOME	2019 R	2018 R
SETA and other income	770 747	459 977
Bad debt recovered	11 250	27 355
Bursary repayments	119 859	96 385
Dividends received	216 170	178 219
	1 118 026	761 936

24. PERSONAL EXPENSES	2019 R	2018 R
Basic salary	18 832 588	17 802 229
Allowances	548 912	615 939
Bonus	391 703	376 367
Company contributions	1 763 434	1 730 900
Long service awards and leave pay and provision	711 042	482 085
	22 247 678	21 007 520

25. PRESCRIBED OFFICERS & DIRECTORS	2019 R	2018 R
Basic salary	4 491 994	4 555 264
Allowances	359 620	379 620
Bonus	119 551	149 633
Company contributions	410 124	394 401
Insurance and other	287 985	176 260
	5 669 275	5 655 178
Basic salary		
Chief Executive Officer - M Brinkhuis (2019 for 9 months)	962 043	1 165 313
Chief Executive Officer - AC Seymour (4 weeks)	82 828	-
Chief Officer Projects - D Nefdt (11 months)	1 002 091	-
Chief Officer Projects - TE Mlonyeni (11 months)	-	1 168 656
Chief Officer Technical - K Oosthuizen	1 170 621	1 062 230
Chief Financial Officer - FJ van Zyl	1 274 411	1 159 064
	4 491 994	4 555 264
Allowances		
Chief Executive Officer - M Brinkhuis (2019 for 9 months)	90 000	120 000
Chief Executive Officer - AC Seymour (4 weeks)	10 000	-
Chief Officer Technical - K Oosthuizen	139 620	139 620
Chief Financial Officer - FJ van Zyl	120 000	120 000
	359 620	379 620
Bonus		
Chief Executive Officer - M Brinkhuis	-	55 133
Chief Officer Projects - TE Mlonyeni	-	19 181
Chief Officer Technical - K Oosthuizen	57 915	36 488
Chief Financial Officer - FJ van Zyl	61 636	38 832
	119 551	149 633
Company contributions		
Chief Executive Officer - M Brinkhuis (2019 for 9 months)	79 304	96 888
Chief Executive Officer - AC Seymour (4 weeks)	8 899	-
Chief Officer Projects - D Nefdt (11 months)	92 086	-
Chief Officer Projects - TE Mlonyeni (11 months)	-	89 379
Chief Officer Technical - K Oosthuizen	101 699	90 597
Chief Financial Officer - FJ van Zyl	128 137	117 538
	410 124	394 401

25. PRESCRIBED OFFICERS & DIRECTORS	2019 R	2018 R
Insurance and other		
Chief Executive Officer - M Brinkhuis (2019 for 9 months)	160 772	57 891
Chief Executive Officer - AC Seymour (4 weeks)	2 763	-
Chief Officer Projects - D Nefdt (11 months)	28 588	-
Chief Officer Projects - TE Mlonyeni (11 months)	-	27 747
Chief Officer Technical - K Oosthuizen	56 082	54 132
Chief Financial Officer - FJ van Zyl	39 780	36 489
	287 985	176 260

25. PRESCRIBED OFFICERS & DIRECTORS	2019 R			2018 R		
Non-Executive Directors	Fees	Travel	Total	Fees	Travel	Total
Abrahams WU	3 669	273	3 942	-	-	-
Calitz E Prof	25 256	2 871	28 127	26 090	1 873	27 963
Coetzee L Dr.	11 892	5 517	17 409	34 502	14 362	48 864
Jeffhas EJ	33 398	1 704	35 102	32 500	2 006	34 506
Kirsten JF Prof	26 442	2 900	29 342	6 956	201	7 157
Martin GJ	26 778	-	26 778	19 316	234	19 550
Moos AV	31 780	2 738	34 518	31 744	3 712	35 456
Nackerdien ZT	28 706	-	28 706	19 316	234	19 550
Ntuli GM	23 997	3 084	27 081	24 260	2 257	26 517
Oliver GA Adv	-	-	-	25 544	10 701	36 245
Roos JH	-	-	-	13 044	2 174	15 218
	211 917	19 087	231 004	233 272	37 754	271 026

26. REPAIRS AND MAINTENANCE CONTRACTORS	2019 R	2018 R
Computers	1 098	8 397
Vehicles	51 066	19 542
Property and equipment	173 781	151 827
Total - Property and Equipment	225 945	179 766
Total - Investment property	-	89 010
Total	225 945	268 776

27. DEPRECIATION	2019 R	2018 R
Buildings	43 564	43 444
Computers	117 604	160 923
Furniture and equipment	26 757	26 329
Vehicles	147 173	125 472
Investment property	5 644	5 644
Intangible assets	138 820	262 837
	479 562	624 649

28. GENERAL EXPENSES	2019 R	2018 R
Communication	476 253	464 577
Municipal services	429 888	415 548
Membership - IT and other	465 629	422 859
Drought support	-	4 000 000
Other	1 592 124	1 738 630
	2 963 894	7 041 614

29. INCOME TAX EXPENSE	2019 R	2018 R
Deferred tax (refer note 19)	(377 597)	(640 601)
Income tax expense	(377 597)	(640 601)
Reconciliation of effective tax rate		
Casidra's theoretical tax that would arise using the domestic tax rate applicable to the deficit differs from Casidra's actual tax on the deficit and is reconciled as follows:		
Deficit before tax	(1 685 317)	(2 189 634)
Tax using domestic tax rate (theoretical)	(471 889)	(613 098)
Tax effects of:		
Dividends received	(60 528)	(49 901)
Depreciation - Buildings and Investment property	40 277	-
Profit on sale of assets	(23 401)	-
Capital gains tax	18 721	41 620
Other financial assets - Fair value adjustment	122 373	116 546
Non-taxable income - Loans recovered	(3 150)	(7 659)
Utilisation of assessed loss	-	(128 109)
Actual tax charge	(377 597)	(640 601)
No provision is made for income tax due to the company having a calculated tax loss amounting to R198 376 (2018: R770 533).		

30. CASH UTILISED IN OPERATIONS	2019 R	2018 R
Deficit for the year	(1 307 720)	(1 549 033)
Income Tax	(377 597)	(640 601)
Depreciation	479 562	624 649
Gain on sale of assets	(83 575)	(374 292)
Other financial assets - fair value adjustment	2 185 236	2 081 185
Provisions movement	308 165	459 811
Investment income	(6 801 068)	(7 066 194)
Operating deficit before changes in working capital	(5 596 997)	(6 464 475)
Changes in working capital		
(Increase)/ decrease in trade and other receivables from exchange transactions	(670 988)	206 085
Increase in prepayments	(38 760)	(20 723)
Increase/(decrease) in VAT payable	413 752	(42 472)
Increase/(decrease) in trade and other payables from exchange transactions	882 664	(1 988 271)
Changes in working capital	586 668	(1 845 381)
Cash utilised in operations	(5 010 329)	(8 309 856)
In the Statement of Cash Flows, proceeds from sale of property and equipment comprise:		
Net carrying value - property and equipment	112 574	175 708
Profit on disposal of property and equipment	83 575	374 292
Proceeds from sale of property and equipment	196 149	550 000

31. PURCHASE OF PROPERTY AND EQUIPMENT	2019 R	2018 R
Land and buildings - improvements	12 064	155 749
Computers	193 899	163 153
Furniture and equipment	22 251	17 483
Vehicles	618 638	575 432
	846 852	911 817

32. PROJECT CASH EQUIVALENTS AND CREDITORS	2019 R	2018 R
Cash on hand and deposits	504 969 692	340 653 924
Project creditors	(504 969 692)	(340 653 924)
	-	-

Casidra managed the administration of various projects on behalf of government departments. The cash on hand and deposits are the total amount not spend at year end.

The detail of the project cash equivalents as well as the expenditure per project for the year are disclosed in Annexure A.

33. EVENTS AFTER THE REPORTING DATE
No material events which may have a significant influence on the financial position of the Company occurred between the financial year end date and the approval date of the financial statements.

34. RELATED PARTIES	2019 R	2018 R
The following entity and persons are deemed to be related parties to the Company: The Western Cape Department of Agriculture is the Company's sole Shareholder and the Provincial Minister of Economic Opportunities is the Executive Authority; The directors listed in the Directors' Report are the Accounting Authority; - Key Management personnel levels 14 to 15.		
Related party transactions		
Western Cape Department of Agriculture - funding received	25 753 913	22 998 246
Directors' remuneration - 10 individuals	231 004	271 026
Key Management personnel levels 14 to 15 employee costs - 4 individuals	5 669 275	5 655 178

35. RESTATEMENT OF COMPARATIVES	Restated 2018 R	Previously stated R
The following amounts for 2018 regarding repairs and maintenance and consumables had been reclassified and restated to fit the current year's disclosure:		
Repairs and maintenance contractors	268 776	266 227
Travel and accommodation	1 713 423	1 732 965
General expenses (consumables)	7 041 614	7 024 621
	9 023 813	9 023 813

CASIDRA SOC LIMITED

MANAGED PROJECTS

ANNEXURE A

Casidra managed the administration of the following projects and the projects' cumulative receipts and payments are as follows:

Project name and funder WCDoA	Balance 2018-03-31	Received from funders	Internal transfers	Other income	Projects completed previous year	Utilised 2019	Balance 2019-03-31
CASP Cape Winelands - available	38 385 244						19 442 408
WCDoA and interest	66 851 807	19 000 000	(10 081 785)	1 808 187	(29 411 472)	-	48 166 737
Items expensed	(28 466 563)	-	-	-	29 411 472	(29 669 238)	(28 724 329)
CASP Central Karoo - available	6 880 561						7 979 141
WCDoA and interest	8 178 468	5 800 000	(2 377 953)	518 838	-	-	12 119 353
Items expensed	(1 297 907)	-	-	-	-	(2 842 305)	(4 140 212)
CASP Savings - available	695 972						4 815 623
WCDoA and interest	2 611 361	-	4 274 871	333 500	-	-	7 219 732
Items expensed	(1 915 389)	-	-	-	-	(488 720)	(2 404 109)
CASP Interest - available	13 146 402						11 319 551
WCDoA and interest	15 092 873	-	7 621 465	847 452	(7 170 170)	-	16 391 620
Items expensed	(1 946 471)	-	-	-	7 170 170	(10 295 768)	(5 072 069)
CASP Winelands/Overberg - available	53 867 384						79 311 812
WCDoA and interest	85 017 518	72 040 619	3 544 199	5 145 641	(85 017 518)	-	80 730 459
Items expensed	(31 150 134)	-	-	-	85 017 518	(55 286 031)	(1 418 647)
CASP West Coast - available	26 860 769						32 156 872
WCDoA and interest	31 932 080	31 094 000	(477 859)	3 211 547	(31 932 080)	-	33 827 688
Items expensed	(5 071 311)	-	-	-	31 932 080	(28 531 585)	(1 670 816)
CASP West Coast Metro - available	9 109 827						8 037 159
WCDoA and interest	24 107 801	12 237 009	(2 696 116)	1 736 653	(24 107 801)	-	11 277 546
Items expensed	(14 997 974)	-	-	-	24 107 801	(12 350 214)	(3 240 387)
2011/2012 Flood relief - available	113 421 392						92 813 895
WCDoA and interest	242 884 831	-	(4 000 000)	7 492 465	-	-	246 377 296
Items expensed	(129 463 439)	-	-	-	-	(24 099 962)	(153 563 401)

CASIDRA SOC LIMITED

MANAGED PROJECTS (CONTINUED)

ANNEXURE A

Project name and funder WCDa	Balance 2018-03-31	Received from funders	Internal transfers	Other income	Projects completed previous year	Utilised 2019	Balance 2019-03-31
Flood relief 2013 - available	39 098 163						57 877 347
WCDa and interest	63 980 151	17 483 000	4 000 000	3 698 868	(25 646 565)	-	63 515 454
Items expensed	(24 881 988)	-	-	-	-	(6 402 684)	(5 638 107)
Drought relief	26 634 135						124 169 306
WCDa - Western Cape and interest	94 744 012	232 163 000	-	2 380 243	(94 744 012)	-	234 543 243
Items expensed	(68 109 877)	-	-	-	-	(137 008 072)	(110 373 937)
LandCare	283 916						43 181 780
WCDa and interest	8 930 568	51 682 000	(1 157 821)	(169 840)	(8 930 568)	-	51 694 019
Items expensed	(8 646 652)	-	-	-	-	(8 796 155)	(8 512 239)
Rural Nodal Support Programme - available	604 746						129 719
WCDa and interest	251 308	-	-	(204 754)	(251 308)	-	204 754
Items expensed	353 438	-	-	-	-	(679 781)	(75 035)
* Amalienstein - available	22 121						81 929
WCDa and income	8 435 380	2 103 151	1 400 000	3 558 198	(8 435 380)	-	7 061 349
Items expensed	(8 413 259)	-	-	-	-	(7 001 541)	(6 979 420)
Anhalt - available	3 044 884						1 922 852
Income	13 853 323	-	-	-	(11 930 471)	-	1 922 852
Items expensed	(10 808 439)	-	-	-	-	(1 122 032)	-
* Waikraal - available	726 022						24 496
WCDa and income	4 818 561	1 730 849	-	1 357 471	(4 818 561)	-	3 088 320
Items expensed	(4 092 539)	-	-	-	-	(3 789 846)	(3 063 824)
Total WCDa	332 781 538	445 333 628	1 049 001	32 463 657	(332 395 906)	(328 363 934)	483 263 890
Total project funding and interest received	671 690 042						818 140 422
Total already expensed	(338 908 504)						(334 876 532)

* The Financial Statements of these projects have been prepared in accordance with the basis for accounting described in note 2 to the Projects' Financial Statements.

Project name and funder Other	Balance 2018-03-31	Received from funders	Internal transfers	Other income	Projects completed previous year	Utilised 2019	Balance 2019-03-31
Clearing and restoration - available	7 753 990	-	-	235 042	(19 650 638)	-	-
DEA	19 415 596	-	-	-	-	-	-
Items expensed	(11 661 606)	-	-	-	19 650 638	(7 989 032)	-
Client other - available	-	-	-	2 803 648	-	-	430 168
Other and interest	-	-	-	-	-	(2 373 480)	2 803 648
Items expensed	-	-	-	-	-	-	(2 373 480)
DEA Project - available	39 912	-	-	1 706 804	(9 824 150)	-	20 435 625
DEA and interest	9 824 150	20 575 544	(1 049 001)	-	-	-	21 233 347
Items expensed	(9 784 238)	-	-	-	9 824 150	(837 634)	(797 722)
Entrepreneurial fund - available as capital	-	-	-	-	-	-	767 708
DEDAT funding and interest	-	3 374 800	-	117 342	-	-	3 492 142
Items expensed	-	-	-	-	-	(2 724 434)	(2 724 434)
LED fund - available	-	-	-	-	(8 037 821)	-	-
DEDAT and interest	8 037 821	-	-	-	-	-	-
Items expensed	(8 037 821)	-	-	-	8 037 821	-	-
West Coast BD Centre - available	78 484	-	-	-	-	-	72 301
DEDAT and interest	494 734	-	-	4 522	-	-	499 256
Items expensed	(416 250)	-	-	-	-	(10 705)	(426 955)
WC Schools Support Programme - available	-	-	-	-	-	-	-
WCED and interest	28 594 555	-	-	-	(28 594 555)	-	-
Items expensed	(28 594 555)	-	-	-	28 594 555	-	-
Total Other	7 872 386	23 950 344	(1 049 001)	4 867 358	(66 107 164)	(13 935 285)	21 705 802
Total project funding and interest received	66 366 856	-	-	-	-	-	28 028 393
Total already expensed	(58 494 470)	-	-	-	-	-	(6 322 591)
Total project funds available	340 653 924	469 283 972	-	37 331 015	(398 503 070)	(342 299 219)	504 969 692
Total project funding and interest received	738 056 898	-	-	-	-	-	846 168 815
Total already expensed	(397 402 974)	-	-	-	-	-	(341 199 123)

Each project has its own set of records and annual financial statements. These statements were audited by BVA Bellville Inc. and all the audit reports were unqualified.

CASIDRA SOC LIMITED

MANAGED PROJECTS (CONTINUED)

ANNEXURE A

	2018 R	2109 R
Reconciliation of project funds received		
Balance at the beginning of the year	645 666 739	738 056 898
Projects completed previous year	(238 386 260)	(398 503 070)
Funds received from DEA&DP	3 500 000	-
Funds received from DEA	16 679 985	20 575 544
Funds received from DEDAT	-	3 374 800
Funds received from WCED	7 504 222	-
Funds received from WCDoA	252 042 888	445 333 628
Income and interest received	51 049 324	37 331 015
Balance at the end of the year	738 056 898	846 168 815
Reconciliation of project funds applied		
Balance at the beginning of the year	325 835 033	397 402 974
Less: Projects completed previous year	(238 386 260)	(398 503 070)
Plus: Funds applied during the year	309 954 201	342 299 219
Balance at the end of the year	397 402 974	341 199 123
<p>CASP = Comprehensive Agricultural Support Programme DEA = Department of Environmental Affairs DEA&DP = Department of Environmental Affairs and Development Planning DEDAT = Department of Economic Development and Tourism WCDoA = Western Cape Department of Agriculture WCED = Western Cape Education Department</p>		



Casidra

**“We Deliver Project
Management Excellence”**





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