

AGRIGEL (PTY) LTD

98/ 24699/ 07

FINANCIAL STATEMENTS FOR THE YEAR ENDED

29 FEBRUARY 2000

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APPROVAL

*The financial statements were approved by the Directors
and signed on their behalf :*

JOHANNESBURG
3 July 2000

DIRECTORS' REPORT FOR THE YEAR ENDED 29 FEBRUARY 2000

MAIN BUSINESS

The main business of the company is that of manufacturers and distributors of agricultural equipment

FINANCIAL RESULTS

The financial results are set out on pages 2 to 5 attached to this report.

DIVIDENDS

No dividends were proposed or declared during the year under review.

SHARE CAPITAL

The share capital remained unchanged during the year.

DIRECTORS

The directors of the company remained unchanged during the year under review.

AUDITORS

Bezuidenhout & Co were appointed as auditors during the year in terms of section 270 of the Companies Act.

EVENTS SUBSEQUENT TO YEAR END

No event which is material to the financial affairs of the company, occurred after the year end.

3 July 2000
JOHANNESBURG

AGRIGEL (PTY) LTD**BALANCE SHEET AS AT 29 FEBRUARY**

	Notes	2000
		R
SHARE CAPITAL	2	3
RETAINED INCOME		-10,421
SHAREHOLDERS' INTEREST		-10,418
DIRECTORS' LOANS	3	31101
CAPITAL EMPLOYED		20683
 CURRENT ASSETS		 26169
Stock	4	26000
Accounts receivable		7
Cash at bank/on hand		162
 DEDUCT CURRENT LIABILITIES		 5486
Accounts payable		5486
 EMPLOYMENT OF CAPITAL		 20683

AGRIGEL (PTY) LTD

INCOME STATEMENT FOR THE YEAR ENDED 29 FEBRUARY

	Notes	2000
		R
Turnover	6	88289
Cost of goods sold		61335
Opening stock		0
Cost to manufacture	7	65835
Less :- Closing stock		4500
Gross profit for the year		26954
Other income		23
Interest received		23
Deduct expenses		37398
Advertising & promotions		1745
Auditors' remuneration		500
Bank charges		944
Interest paid - overdraft		4
Legal fees		13158
Motor & travelling		14870
Printing, stationery & postage		1642
Telephone		4535
NET INCOME/(LOSS) FOR THE YEAR		-10421
Taxation	5	0
RETAINED INCOME/(LOSS)		-10421
ACCUMULATED INCOME/(LOSS) BEGINNING OF YEAR		0
ACCUMULATED INCOME/(LOSS) AT END OF YEAR		-10,421

AGRIGEL (PTY) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
29 FEBRUARY 2000

1. ACCOUNTING POLICIES

1.1 The financial statements are prepared on the historical cost basis. The following are the principal accounting policies used by the Company ; No comparative figures are shown as this is the first year of operation.

1.1.1 STOCK/WORK IN PROGRESS

Stock is valued at the lower of cost, determined on the basis of first-in, first-out, or net realisable value. Finished merchandise has been computed by taking factory overhead expenditure into account.

2. SHARE CAPITAL

2000
R**Authorised**

1000 Ordinary shares of R 1,00 each

1000

Issued

3 Ordinary shares of R 1,00 each

3

3. DIRECTORS' LOANS

Loans are interest free with no fixed date of repayment.

4. STOCK/WORK IN PROGRESS

Raw materials

21500

Finished goods

4500

26000

5. TAXATION

Net income /(loss) per accounts

-10421

Add : Disallowable expenditure

0

TAXABLE INCOME FOR THE YEAR

-10421

NETT TAXABLE INCOME

-10,421

TAXATION @ 30%

0

Calculated assessed loss carried forward

-10421

6. TURNOVER

Turnover, which excludes value added tax, comprises the amounts for goods supplied.

7. COST TO MANUFACTURE

R

Stock on hand 1 March 1999

0

Material purchases

61415

Less: Stock on hand 29 February 2000

21500

Materials consumed

39915

Wages

23844

Overhead expenses incurred

2076

Repairs and maintenance

2076

65835

AGRIGEL (PTY) LTD

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
29 FEBRUARY 2000 (CONTINUED)**

CASH FLOW STATEMENT FOR THE YEAR ENDED 29 FEBRUARY

		2000
	Notes	R
CASH RETAINED FROM OPERATING ACTIVITIES		
Cash generated by operations	A	-10417
Utilised to increase working capital	B	-20521
Cash generated by operating activities		<u>-30938</u>
Interest paid		-4
CASH UTILISED IN INVESTING ACTIVITIES		<u>-30942</u>
CASH EFFECTS OF FINANCING ACTIVITIES		
Increase/(Decrease) in funds on call and cash		-162
Shares issued		3
Increase in loans		31101
CASH GENERATED		<u>30942</u>
A. CASH GENERATED BY OPERATIONS		
Net income per income statement before interest and taxation		-10417
		<u>-10417</u>
B. UTILISED TO INCREASE WORKING CAPITAL		
(Increase)/Decrease in stock		-26000
(Increase)/Decrease in accounts receivable		-7
Increase/(Decrease) in accounts payable		5486
		<u>-20521</u>

AGRIGEL (PTY) LTD

AUDITORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2000

To the Shareholders

We have audited the financial statements set out on pages 1 to 5. These financial statements are the responsibility of the Directors. Our responsibility is to express an opinion on these statements based on our audit.

Scope

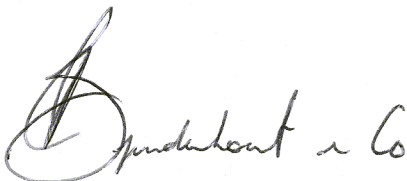
The audit procedures conducted during the audit were done in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes :-

- * examining, on a test basis, evidence supporting the amounts and disclosures included in the financial statements;
- * assessing the accounting principles used and significant estimates made by management ; and
- * evaluating the overall financial statement presentation.

We believe that our audit provides reasonable basis for our opinion.

Audit opinion

In our opinion these financial statements fairly present, in all material aspects, the financial position of the Company at 29 February 2000, and the results of its operations and cash flow information for the year then ended in accordance with generally accepted accounting practice, and in the manner required by the Companies Act.



BEZUIDENHOUT & CO

JOHANNESBURG
4 July 2000