

# POWER



**Buhle**  
FARMERS'  
ACADEMY

Annual Report 2022





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## NOTE FROM OUR CHAIRPERSON

# Bonile Jack-Pama

The South African Reserve Bank estimated that load shedding is cutting 10% of agriculture and forestry's annual contribution to GDP.

As agriculturalists, we are accustomed to finding opportunities during challenges. We should be excited about the opportunities offered by our current challenges.

Loadshedding highlights the opportunity to switch to solar power nationally and in our homes and farms. Initially expensive, in the long run, it will give us energy from God's sun more affordably and sustainably. We can also plough the power we produce back into the grid, gain income, and help secure our national power supply.

The effects of climate change are battering our farmers, yet the international carbon capture market is growing rapidly. Farmers could use the capacity of the soil to capture carbon and earn income through carbon credits.

When farmers realise the power they possess as agents

of change and agents of secure food systems, they can lobby the government as a united force to bring about change.

Many farming communities have revealed their capacity to provide infrastructure, where local governments have failed them. Farmers have repeatedly proven through their work in repairing roads, providing security and other aspects of government's responsibility, proving farmers' capacity to solve problems.

Even as problems are cropping up quickly and dramatically in our country and worldwide, farmers continue producing, expanding variety and quality. Farmers are intimately connected to nature, which provides us with enormous power not only to produce food but also to harness the capacities that nature provides in myriad, ever-unfolding ways.

For each problem encountered, we must seek the solutions hidden within the problem. If we cry too long about these challenges, we might miss the opportunities.



In 2022, we trained a total of

**633**  
**FARMERS**

— 73% above our annual target of 500.

**67% WERE YOUTH + 44% WERE WOMEN**



## NOTE FROM OUR CEO

# Nyiko Maluleke

A nation that is food secure is peaceful. Farmers are the force behind this peace.

Farmers produce food that all people need to survive, irrespective of their circumstances. This function in society gives us an intrinsic power that cannot be taken away. Certainly, farmers are experiencing powerlessness not only due to poor governance in South Africa but also in ways particular to our sector. For example, smallholders frequently experience livestock theft, and Buhle has been affected so badly that we are experimenting with new crops that nonetheless produce a high yield with high market demand. As we demonstrate agility, so will our students learn it.

Farmers are finding ways to work around all of their problems. At our training academy, the practical lessons address real life issues encountered on a working farm. Students relish the opportunity to learn how to overcome challenges. We also learn from our farmers, who use their own creativity, local knowledge, and capacity to innovate so that they can continue producing. We are

heartened by the rise of technology, which is playing an increasing role in commercial and smallholder farming. This enables new farmers to work smarter, rather than harder, to succeed. Many who cannot access formal training use the internet to research farming methods, markets and innovations, and share solutions online.

On Buhle's working farm, we diversify our production to help fund our NPO. We now produce a wide variety of seedlings and hatch day-old chicks for farmers and students. Our focus on food-secure communities has returned to Delmas with producing eggs for learners, which we hope to expand beyond our district borders.

Our partnerships with funders such as HCI, Sasol, Sodexo, and Santam, enable us to provide a holistic package of support encompassing training, financial support, and mentorship to select groups of farmers. Most of these empowered farmers now run profitable agribusinesses. We continually learn how to manoeuvre in difficult situations. Sitting down together enables us to find a range of solutions and choose the best for each business.



Our Farmer Support Officers  
mentored  
**227**  
new farmers in 2022,  
whose average income was over R8 000.  
Together, these farmers produced:

**1 837 ha** • **749** • **1 298 000**  
of vegetables and crops    livestock    eggs, approximately

**ALL OF THIS IS FOOD THAT WOULD NOT  
OTHERWISE HAVE BEEN AVAILABLE, IN  
REGIONS ACROSS SOUTH AFRICA.**



# BUHLE'S POWER

Buhle has the power to address the myriad challenges smallholders face in growing their agribusinesses and to provide them with ways of solving these challenges so that they can realise their dreams.

We are creating farming communities in areas where there were few economic opportunities before. An example is our project with Nedbank in Vuwani, Venda, where farmers previously had backyard food gardens. By the time the project was finished, 12 new agribusinesses were thriving. The farmers had been trained, provided with capital for inputs, infrastructure, and other start-up needs, and mentored by Farmer Support Officers. These farmers can share best practices with one another and, together, buy the inputs they need.

Knowledge is power. At our training academy, we empower new farmers by giving them the knowledge and skills they need. In 2022, 65% of enrolments were in our short courses, which are particularly popular with those students who are in formal employment as they can take just a week off to gain the farming skills they seek.

We provide a variety in farming methods, courses and

commodities that graduates can choose from, depending on their circumstances and budgets. Even those with meagre capital can start farming and adapt their methods as they grow their farms. We also bring in industry role-players, including the Land Bank, commercial banks, and the Department of Agriculture, to talk to students about their offerings, so that when they graduate, they have an established network to tap into. Buhle is constantly adapting to changing times for the benefit of farmers. Adaptation is one of our superpowers.

During our courses, students workshop various ways of tackling challenges, including loadshedding, water shortages, rural roads and potholes, and our facilitators provide substantial input. We encourage new farmers who can obtain financing to set up solar power for crucial functions on their farms. There are other means of adapting to load shedding. For example, instead of pumping water directly onto the fields for irrigation, empowered farmers use a pump to fill an elevated water tank when electricity is available, then irrigate using the pull of gravity whenever suitable, without further reliance on electricity. This is an example of a simple yet effective



*Pictured right are students from the differently abled group whose training at Buhle was sponsored by the Compensation Fund.*

way of how planning returns strength back to farmers and keeps them in production. Some of our farmers have no electrical connections and use or return to traditional sources of heating to run successful poultry operations.

Heavy mulching is crucial to combat water shortages, as it vastly diminishes evaporation from the soil, keeping it moist for much longer.

Buhle is going solar with award-winning solar leasing platform, Sun Exchange. Anyone around the world can buy solar cells in our crowdfunding project, which will be donated to Buhle to power our operations. We'll reduce our electricity bills by 40-70% and use the savings to train more emerging farmers.



# OUR FARMERS' POWER

Our farmers show a great sense of empowerment as they persevere through many obstacles to keep producing the food their communities need, in some instances processing and packaging it too.

They continually adapt their means and types of production to cope with changing circumstances, including shifting market demands, climate challenges, and electricity shortages.

In recent years, some vegetable farmers have begun to produce cauliflower for the growing banting market. Others supply herbs or niche vegetables, such as okra, which their international markets favour.

When hail damages a long-term crop, farmers are growing short-term crops to compensate for the financial shortfall and are working towards installing shade netting for protection. Those without electricity water their vegetables by hand, or use petrol-powered pumps or generators. Some can access loans to pay for solar pumps. One of our poultry farmers recently reported buying chicks at 10 days of age, as they are sturdier than day-old chicks

and need less warmth to survive. He sells some of his chickens at the point-of-lay as his customers seek layers. That's the power – finding solutions and not giving up on food production.

Some farmers fulfil the need for chicken houses by using their perimeter walls as one side of the structure; the other walls are angled to capture and retain the heat needed by the chickens. One farmer even installed windows in the shelter, with curtains that were opened during the day to allow excess heat to escape.

Other poultry farmers without electricity or faced with load shedding use traditional heating methods such as braziers and chimneys to keep their chickens warm, as the story of Tebogo Mathebula in this report shows.

Market access is a common challenge. However, many of our farmers are creating their own online markets, using social media and online agri-trading platforms to build up a clientele sufficient to grow a strong agribusiness and provide food more affordably than in shops. We salute them for their initiative.

These examples of perseverance require strong motivation. Our farmers repeatedly cite their passion for providing affordable food for their communities, for creating much-needed jobs, as well as the joy that working with nature provides.

Our farmers are truly our heroes.

# ADAPTING TO CHANGE IS OUR **SUPERPOWER**





## OUR FARMERS' STORIES

# Tebogo Mathebula - Katti Enterprise

**Name:** Tebogo Mathebula (34)

**Location:** Kgabalatsane, North West

**Buhle course:** Poultry Production 2019

**Current production:** 500 broilers, up to 300 eggs and about 200 bunches of spinach monthly

**Previous production:** None

**Jobs created:** One permanent and three part-time

**Market:** Informal

Tebogo still works part-time at the creche she founded but experiences such a high demand from other community members for her chickens and eggs that she struggles to fulfil it. Her superpower is recognising the opportunities and turning them into small businesses from scratch.

"I first saw this business opportunity when we became dissatisfied with the quality of chicken braai packs in the shops so went to a neighbouring farm to buy live chickens, which we slaughtered ourselves. This farm's produce was so popular that I thought, 'Why not farm myself?'"

She produces broilers, layers, and packaged spinach, although heavy rain and aphids substantially damaged her crop. Currently, she is growing spinach seedlings. "I enjoy farming greatly. It motivates me to see my chickens laying and to work with the customers, knowing they support me, and that in turn they need my produce daily to eat. I also love working with my hands. I am building



something that I know I'll profit from at a later stage, and my kids will have something that their parents built up for them." She advises unemployed people to "use your hands and your minds to produce the food you need to eat. Nobody needs to sleep without food because they are jobless and are awaiting a salary."

Farming taught her patience and perseverance as challenges abound. "You have to be strong and not give up. In one winter, almost 400 of my 500 broilers died due to disease. At such times, we have to take money from our own pockets to replace the chickens."

The farm lacks the fundamentals often taken for granted in building a resilient business. There is no electricity, but Tebogo, never short of solutions, installed a fireplace inside the chicken coop to keep her chickens warm, rather than resorting to an illegal connection.

Her next step is to install shade netting to grow large quantities of butternut, which she had grown in previous years, and spinach, to supply both individuals and caterers.

Her husband, Innocent, farms with her, also part-time, and his support is a huge asset, she says. "He takes initiative, and makes me fix problems as soon as we see them. For example, if we see water on the floor of a chicken house, we must act immediately to avoid the chickens getting sick and dying. He helps me to keep going."



# Siphamandla Shabalala - IT 4 Nations Trading

**Name:** Siphamandla Shabalala (38)

**Location:** Piet Retief, Mpumalanga

**Buhle course:** Vegetable Production 2017

**Current production:** Up to 5 000 bunches of spinach, 2 500 kg sweet potatoes, and 100 kg cabbages monthly, with nine pigs.

**Previous production:** Subsistence

**Jobs created:** Six full-time and about 4 seasonal

**Market:** Boxer, Pick 'n Pay, Spar and the informal market

For Siphamandla, farming is a profession of hope. Even if one is uneducated, working with the soil can create a stable livelihood, turning your vision into reality.

As a schoolboy, Siphamandla hoped to become an engineer but could not access tertiary education. "I knew it would be hard to get a job without a qualification, so I decided to build up my own business. I chose farming because, when I was young, my family used to farm. It's in my blood.

"Now, although I don't have a tertiary degree, I can live in the world. I can establish new goals and make them happen."

He is part of Sasol's project with Buhle. "I am here in this position because of this support, and can say, 'Thank you' to Buhle. The vouchers from Sasol enabled me to buy water tanks, piping and manure. After my training, the Buhle Farmer Support Officer helped me to apply for support from the Department of Agriculture when my vegetables





were damaged by snow. Buhle assisted me in drawing up a turnaround plan, and provided nets to protect my field from the weather.”

Siphamandla has applied for an electrical connection but has not received it; he continues to use a petrol pump to channel water from the river into the tanks. Climate extremes have brought him great challenges: severe cold slowed down the growth of his vegetables, and unseasonally heavy rain damaged them.

“Farming is a difficult job. I do not have my own transport and still need capital for infrastructure, such as fencing and tractors. Even so, I am making a good profit and am happy about it.”

His superpower is his ability to access the right markets. “I take all my produce to market, and all of it brings in money; nothing is wasted. This is what gives me my greatest sense of power as a farmer.”

## MY POWER IS ACCESSING THE **RIGHT MARKETS**



# Purity Jakie KJ Harvest

**Name:** Purity Jakie (28)

**Location:** Nigel, Gauteng

**Buhle course:** Vegetable Production 2022

**Current production:** 400 bags (10 kg each) of butternut and 2 400 – 4 000 bunches of spinach monthly; cabbage and lettuce – 10 000 seedlings in ground.

**Previous production:** Negligible

**Jobs created:** Three permanent and two casual

**Market:** Jo'burg and Springs Fresh Produce Markets

Purity worked as a software developer for many years. Then Covid hit and, while working from home, she began to pursue her childhood passion – growing vegetables. “I found myself missing Teams meetings because I was too engrossed in selling my produce outside my house!” she says, smiling.

Giving up her job was a risk, but Purity found farming much more fulfilling. Now, she has no regrets, and although she still gets job offers, she turns them down with no hesitation.

Purity is part of a partnership between Buhle and Sodexo. This support has been “the backbone” of her enterprise. Sodexo provided her with funding for seeds, water tanks, and a drip irrigation system, while Buhle provided training, support and links to the funding and markets.

Buhle's Farmer Support Officers regularly visit Purity. “They helped me to keep my long-term vision in mind, and also with details such as how to improve the spacing between my seedlings and the best fertiliser



application, to improve my production. "They're helping me move forward."

Purity's spinach is making a growing profit although she struggled to sell her butternut, as the market was flooded at the time. She has since learned to grow crops based on demand, and to understand the full cycle her plants must go through before they reach the market, including harvest and handling.

Climate challenges had a significant impact. Hail destroyed most of Purity's butternuts at one point; she took the ruined butternuts to the market, but sold them at lower prices. In the future, she plans to install shade netting to prevent such losses.

Purity's main challenge has been the extensive periods of load shedding, which prevented her from pumping water. Instead of feeling powerless, she saved her profits over time which, combined with a loan from a family member, enabled her to find an alternative irrigation method. She now uses a solar-powered pump to direct water to the tanks and reservoir.





Purity's superpower is her ability to apply the business skills she gained at her former cooperative job with acumen and ease to grow her farming business. This is not an indication that farming is easy but rather that she treats it as a business and rolls with the punches, refusing room for failure. She enjoys great support from her family, which complements her strong work ethic and her determination to achieve her vision.

In her words, a successful farm for her is one that supports her and her child with ease.

Purity's message for prospective farmers is to “research your crops, and their seasonality, thoroughly.”

“If you're passionate about farming, try it. The going gets tough, but your zeal will push you through!”



# Our funders and associates

Funding the development of food secure communities..

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**Humulani Trust**



# Audited Financial Statements

for the year ended 31 December 2022

Buhle Farmers' Academy (2004/016680/08)

Association Incorporated in terms of Section 21

## Statement of Financial Position

|                                       | 2021/12/31       | 2022/12/31        |
|---------------------------------------|------------------|-------------------|
| <b>Non- Current Assets</b>            |                  |                   |
| Property, plant and equipment         | 1 756 273        | 3 022 803         |
| Investment in subsidiaries            | 2 960 263        | 2 960 263         |
| Loans receivable                      | 140 000          | 0.00              |
|                                       | <u>4 856 536</u> | <u>5 983 066</u>  |
| <b>Current Assets</b>                 |                  |                   |
| Inventories                           | 86 958           | 180 015           |
| <b>Other current assets</b>           |                  |                   |
| Trade and other receivables           | 120 624          | 432 851           |
| Cash and cash equivalents             | 2 131 958        | 8 270 426         |
|                                       | <u>2 339 540</u> | <u>8 883 292</u>  |
| <b>Total Assets</b>                   | <u>7 196 076</u> | <u>14 866 358</u> |
| <b>Reserves and Liabilities</b>       |                  |                   |
| <b>Reserves</b>                       |                  |                   |
| Retained earnings                     | 7 196 076        | 14 866 358        |
| <b>Total Reserves and Liabilities</b> | <u>7 196 076</u> | <u>14 866 358</u> |



# Statement of Cash Flows

|   | 2021/12/31       | 2022/12/31        |
|---|------------------|-------------------|
| <b>Cash flows from operating activities</b>               |                  |                   |
| Surplus/deficit for the year                              | -201 398         | 7 670 282         |
| Adjustments for:  |                  |                   |
| Depreciation of tangible assets                           | 424 681          | 395 211           |
| Investment income   | -14 126          | -276              |
| Profit on disposal of property, plant and equipment       | -9 375           | -27 466           |
| <b>Operating cash flow before working capital changes</b> | <b>199 782</b>   | <b>8 037 751</b>  |
| Working capital changes                                   |                  |                   |
| Decrease/increase in inventories                          | -56 877          | -93 057           |
| Decrease/increase in trade and other receivables          | 105 201          | -312 227          |
| <b>Net cash flow from operations</b>                      | <b>248 106</b>   | <b>7 632 467</b>  |
| Investment income   | 14 126           | 276               |
| <b>Net cash flows from operating activities</b>           | <b>262 232</b>   | <b>7 632 743</b>  |
| <b>Cash flows used in investing activities</b>            |                  |                   |
| Property, plant and equipment acquired                    | -137 219         | -1 661 741        |
| Proceeds on disposals of property, plant and equipment    | 9 375            | 27 466            |
| Movement in other current asset                           | 0.00             | 0.00              |
| <b>Net cash flow used in investing activities</b>         | <b>-127 844</b>  | <b>-1 634 275</b> |
| <b>Cash flow used in financing activities</b>             |                  |                   |
| Loan to operational company                               | 2 820 163        | 140 000           |
| Proceeds on conversion of loan to subsidiary              | -2 960 263       | 0.00              |
| <b>Net cash flow used in financing activities</b>         | <b>-140 100</b>  | <b>140 000</b>    |
| Net decrease/increase in cash and equivalents             | -5 712           | 6 138 468         |
| Cash and cash equivalents at beginning of the year        | 2 137 670        | 2 131 958         |
| <b>Cash and cash equivalents at end of the year</b>       | <b>2 131 958</b> | <b>8 270 426</b>  |

# Statement of Comprehensive Income

|   | 2021/12/31        | 2022/12/31        |
|---|-------------------|-------------------|
| <b>Revenue</b>                                | <b>14 762 275</b> | 30 612 647        |
| Cost of sales                                 | 1 400 077         | 1 857 490         |
| Gross surplus                                 | 13 362 198        | 28 755 157        |
| Other income                                  | 9 375             | 27 466            |
| Operating costs                               | -13 587 097       | -21 112 617       |
| <b>Operating deficit</b>                      | <b>-215 524</b>   | <b>7 670 006</b>  |
| Finance income                                | 14 126            | 276               |
| <b>Deficit for the year</b>                   | <b>-201 398</b>   | <b>7 670 282</b>  |
| Retained income at the beginning of the year  | 7 397 474         | 7 196 076         |
| Deficit for the year                          | -201 398          | 7 670 282         |
| <b>Retained income at the end of the year</b> | <b>7 196 076</b>  | <b>14 866 358</b> |

# A nation that is food secure is peaceful. Farmers are the force behind this peace.



Buhle Farmers' Academy

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