

Oos Vrystaat Kaap Operations Limited
(Registration number 1999/004069/06)
Summary Consolidated Financial Statements
for the year ended 28 February 2019

Oos Vrystaat Kaap Operations Limited

(Registration number 1999/004069/06)

Summary Consolidated Financial Statements for the year ended 28 February 2019

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The company's primary operations centre on the receipt, processing and marketing of agricultural products and the provision and financing of agricultural requisites, grain and services.
Directors	HGN Scheepers - Chairman JD le Roux - Vice Chairman CT Bender QA de Bruyn MW Dobrowsky PJ du Plessis JCC Moll FP Nel JJ Swanepoel FJ Terblanche FJ van Zyl S Oberholzer - Executive Director - Managing
Executive management	JC Cronje - Finance WJ Dietrehsen - Mechanisation and Motors DP du Plessis - Internal Legal Services MP Jafta - Corporate JH Rossouw - Fibre and Livestock North JB Snyman - Grain and Industries WG Weeks - Fibre and Livestock South
Registered office	19 Dan Pienaar Street Ladybrand 9745
Postal address	PO Box 96 Ladybrand 9745
Holding company	Oos Vrystaat Kaap Holdings Proprietary Limited incorporated in South Africa
Bankers	ABSA Bank Limited
Auditors	PricewaterhouseCoopers Inc. Registered Auditors
Secretary	DP du Plessis
Company registration number	1999/004069/06
Level of assurance	These summary consolidated financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The summary consolidated financial statements were independently compiled by: S van Niekerk CA(SA) Under the supervision of JC Cronje (General Manager - Finance)
Published	14 June 2019

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Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the summary consolidated financial statements and related financial information included in this report. It is their responsibility to ensure that the summary consolidated financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with 'International Financial Reporting Standards'. The independent auditors are engaged to express an independent opinion on the summary consolidated financial statements.

The summary consolidated financial statements are prepared in accordance with 'International Financial Reporting Standards' and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the summary consolidated financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group's budget for the year to 29 February 2020 and, in light of this review and the current financial position, they are satisfied that the group has or had access to adequate resources to continue in operational existence for the foreseeable future.

Although the board of directors are primarily responsible for the financial affairs of the group, they are supported by the independent auditors of the group.

The independent auditors are responsible for independently auditing and reporting on the group's summary consolidated financial statements. The summary consolidated financial statements have been examined by the group's independent auditors and their report is presented on pages 6 to 7.

The summary consolidated financial statements set out on pages 8 to 62, which have been prepared on the going concern basis, were approved by the board on 04 June 2019 and were signed on their behalf by:



HGN Scheepers - Chairman

JD le Roux - Vice Chairman

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Statement of the Audit and Risk Committee

1. Members of the Audit and Risk Committee

The Audit and Risk committee consists of four non-executive directors and since the previous annual general meeting the following persons were appointed as members for the year under review:

Mr CT Bender, who was appointed by the Audit and Risk committee as chairman
Mr PJ du Plessis, who was appointed by the Audit and Risk committee as vice chairman
Mr QA de Bruyn
Mr FJ Terblanche

The managing director, general manager:finance, manager:internal audit, representatives of the independent auditors and the chairman of OVK, on invitation, attend meetings of the Audit and Risk committee.

2. Meetings held by the Audit and Risk Committee

The main topics of discussion during Audit and Risk committee meetings were the following:


- * The internal audit reports and internal controls
- * Identification of risks
- * The insurance portfolio of OVK's assets
- * The operating results for 2018/2019
- * The external audit planning for 2018/2019
- * The external audit fees for 2018/2019 and 2019/2020 were recommended to the board of directors
- * The management report of final audit findings of the independent auditors to the board of directors and the Audit and Risk committee
- * The consolidated financial statements for 2018/2019
- * The operating budget for 2019/2020
- * The internal audit plan for 2019/2020
- * The reappointment of the current auditors, PricewaterhouseCoopers Inc. was recommended to the board of directors.

3. Internal financial controls

The Audit and Risk committee has reviewed the process by which the internal audit department performs its assessment of the effectiveness of the company's system of internal control, including internal financial controls. Nothing has come to the attention of the committee to indicate any material breakdown in the company's system of internal financial control. The Audit and Risk committee is satisfied with the effectiveness of the company's internal financial controls

4. Independence of the auditors

The Audit and Risk committee is, in terms of section 94 of the Companies Act, nr. 71 van 2008, satisfied that the independent auditors, PricewaterhouseCoopers Inc., are independent of the company and other companies within the group


CT Bender - Chairman

04 June 2019

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Certificate from the Secretary

In my opinion as Company Secretary, I hereby confirm, in terms of the Companies Act of South Africa, no. 71 of 2008, that for the year ended 28 February 2019, the group has lodged all such returns as are required of a public company with the Companies and Intellectual Property Commission, correct and up to date.



Company Secretary
4 June 2019



Independent auditor's report on the summary consolidated financial statements

To the Shareholders of Oos Vrystaat Kaap Operations Limited

Opinion

The summary consolidated financial statements of Oos Vrystaat Kaap Operations Limited, set out on pages 12 to 59, which comprise the summary consolidated statement of financial position as at 28 February 2019, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Oos Vrystaat Kaap Operations Limited for the year ended 28 February 2019.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with *International Financial Reporting Standards* and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 14 June 2019.

Director's Responsibility for the Summary Consolidated Financial Statements

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the *International Financial Reporting Standards* and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

*PricewaterhouseCoopers Inc., 61 Second Avenue, Westdene, Bloemfontein, 9301, P O Box 818, Bloemfontein, 9300
T: +27 (0) 51 503 4100, F: +27 (0) 51 503 4299/4399, www.pwc.co.za*

Chief Executive Officer: T D Shango
Management Committee: S N Madikane, J S Masondo, P J Mothibe, C Richardson, F Tonelli, C Volschenk
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682



Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers Inc'.

PricewaterhouseCoopers Inc.
Director: Etienne van Niekerk
Registered Auditor
Bloemfontein
14 June 2019

Oos Vrystaat Kaap Operations Limited

(Registration number 1999/004069/06)

Summary Consolidated Financial Statements for the year ended 28 February 2019

Directors' Report

The directors submit their report on the summary consolidated financial statements of Oos Vrystaat Kaap Operations Limited and the group for the year ended 28 February 2019.

1. Review of financial results and activities

The summary consolidated financial statements have been prepared in accordance with 'International Financial Reporting Standards' and the requirements of the Companies Act 71 of 2008.

The group is engaged in the receipt, processing and marketing of agricultural products and the provision and financing of agricultural requisites, grain and services and operates principally in South Africa.

The operating results and state of affairs of the group are fully set out in the attached summary consolidated financial statements and do not in our opinion require any further comment.

2019

Business areas

	Group Contribution to revenue R'000	Group Contribution to profit before tax R'000	Company Contribution to revenue R'000	Company Contribution to profit before tax R'000
Trade, fuel distribution, vehicles and mechanisation	3 406 374	102 928	3 355 602	105 377
Grain handling and marketing	-	16 923	-	17 006
Livestock, fibre and abattoir	533 532	3 404	512 186	(2 157)
Industries	231 096	(9 669)	193 593	(12 538)
Insurance	19 135	8 563	19 135	8 563
Head office	4 209	1 928	6 114	8 508
Client financing	292 276	39 066	292 276	39 066
Loyalty scheme - rebate	(31 148)	-	(30 935)	-
Discount distribution	(15)	-	-	-
	4 455 459	163 143	4 347 971	163 825

2018

Business areas

	Group Contribution to revenue R'000	Group Contribution to profit before tax R'000	Company Contribution to revenue R'000	Company Contribution to profit before tax R'000
Trade, fuel distribution, vehicles and mechanisation	3 164 152	104 281	3 185 879	104 052
Grain handling and marketing	-	54 706	-	54 115
Livestock, fibre and abattoir	539 089	61 969	513 481	52 202
Industries	172 028	(13 604)	139 456	(15 037)
Insurance	20 125	10 080	20 125	10 080
Head office	4 004	(22 474)	6 974	(8 978)
Client financing	234 375	37 468	234 375	37 468
Loyalty scheme - rebate	(27 209)	-	(27 209)	-
Discount distribution	(2 200)	-	-	-
	4 104 364	232 426	4 073 081	233 902

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Directors' Report

2. Directors' and executive management interest

The interests of directors and executive management in the number of issued shares of the company at year end are set out below:

	Group 2019	2018	Company 2019	2018
Direct: Non-executive directors	728 334	719 383	496 520	494 708
Direct: Executive directors and executive management	343 779	339 120	343 779	339 120
Indirect: Non-executive directors	557 704	677 528	534 828	656 624
Indirect: Executive directors and executive management	-	-	-	-
	1 629 817	1 736 031	1 375 127	1 490 452

3. Events after the reporting period

The directors are not aware of any material fact or circumstance arising between the end of the financial year and the date of this report that would require adjustments to the annual financial statements.

4. Authorised and issued share capital

There were no changes in the authorised or issued share capital of the group during the year under review. During the financial year there were 119 885 (2018: 150 435) Class B shares repurchased.

5. Dividends

The directors recommend a dividend of 52 cents (2018: 70 cents) per ordinary and Class B share amounting to a total of R28 711 921 (2018: R38 701 254) to be distributed to shareholders registered on 28 February 2019, from the current year's profit.

No preference dividends were declared or paid for the year. However, interest of bank prime minus 2.50% was paid amounting to a total of R16 214 001 (2018: R14 450 147) on the shareholders' loan B, C, D, E, F and suspense account.

6. Directors

The directors of the company during the year and to the date of this report are as follows:

	Changes
HGN Scheepers - Chairman	
JD le Roux - Vice Chairman	
CT Bender	
HW Botha	Retired 24 July 2018
QA de Bruyn	
MW Dobrowsky	
PJ du Plessis	
JCC Moll	
FP Nel	
JJ Swanepoel	Appointed 24 July 2018
FJ Terblanche	
FJ van Zyl	
S Oberholzer - Executive Director - Managing	

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Directors' Report

7. Secretary

The company secretary is DP du Plessis operating at the following address:

Postal address:	PO Box 96 Ladybrand 9745
Business address:	19 Dan Pienaar Street Ladybrand 9745

8. Holding company

The group's holding company is Oos Vrystaat Kaap Holdings Proprietary Limited which holds 51% (2018: 51%) of the group's issued ordinary shares. Oos Vrystaat Kaap Holdings Proprietary Limited is incorporated in South Africa.

9. Interest in subsidiaries

	2019 Interest	2018 Interest	
Name of subsidiary			
Oos Kaap Boerdery en Graanhandelaars Proprietary Limited	100.00%	100.00%	Active
OVK Rekenaardienste Proprietary Limited	100.00%	100.00%	Active
Oos Vrystaat Kunsmis Proprietary Limited	54.26%	51.00%	Active
OVK Eiendomme Proprietary Limited	100.00%	100.00%	Active
Van Lill Woolbuyers Proprietary Limited	100.00%	100.00%	Active
Blue Crane Fibre Proprietary Limited	100.00%	100.00%	Active
Matla Energy Proprietary Limited	74.00%	74.00%	Active
OVK Lesotho Proprietary Limited	80.00%	80.00%	Active

10. Investment in associated company

VGK Beleggings Proprietary Limited

The company is involved in the leasing of property. OVK holds 44.11% of the company's equity shares.

The group has no effective control over the associated company. The year end of VGK Beleggings Proprietary Limited is 28 February.

11. Investment in joint ventures

Sinethemba Mafama Proprietary Limited

The company is a broker of fibre and fibre products. OVK holds 49% of the company's equity shares.

The group has joint control over the company. The year end of Sinethemba Mafama Proprietary Limited is 28 February.

Orange River Popcorn Proprietary Limited

The company is involved in the processing, marketing and distribution of popcorn. OVK acquired 50% of the company's equity shares on 1 July 2004.

The group has joint control over the company. The year end of Orange River Popcorn Proprietary Limited is 28 February

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Directors' Report

Poli Ea Thaba Proprietary Limited

The company is a broker of fibre and fibre products and is registered in Lesotho. OVK holds 49% of the company's equity shares.

The group has joint control over the company. The year end of Poli Ea Thaba Proprietary Limited is 28 February

12. Client loyalty scheme rebate

The board has launched a loyalty scheme where a part of the profits on purchases is repaid to bona fide farmers as a monthly rebate.

In the case of fibre delivery, it is an amount per kilogram and with grain delivery, it is an amount per ton handled and an amount per ton marketed. With Gariep Abattoir it is an amount per livestock slaughtered. In the case of diesel purchases it is an amount of 25 cent per litre on certain purchases.

A total of R36 703 957 (2018: R32 554 687) for the group and R36 490 618 (2018: R32 554 687) for the company was granted to customers in respect of rebates in terms of the loyalty scheme, of which R31 148 285 (2018: R27 209 264) for the group and R30 934 946 (2018: R27 209 264) for the company is included in Note 26 and an amount of R5 555 672 (2018: R5 345 423) for the group and R 5 555 672 (2018: R5 345 423) for the company is included in Note 27.

13. Total business done

The size of total business done by the group for the year amounted to R 10 158 021 431 (2018: R 9 134 140 738), and total business done by the company for the year amounted to R 9 951 756 843 (2018: R 8 953 416 086). Due to the accounting treatment however, the full income is not shown under turnover, as in the case of grain where only the margin is shown and livestock, fibre and insurance where only the commission portion is shown.

14. Auditors

PricewaterhouseCoopers Inc. will continue as auditors in accordance with section 90 of the Companies Act of South Africa, no. 71 of 2008.

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Statement of Financial Position as at 28 February 2019

		Group		Company	
	Notes	2019 R	2018 R	2019 R	2018 R
Assets					
Non-Current Assets					
Investment property	3	19 293 040	19 064 762	27 246 108	27 093 081
Property, plant and equipment	4	406 363 602	389 759 897	337 664 464	319 759 692
Goodwill	5	3 334 257	3 334 257	-	-
Intangible assets	6	1 247 889	2 630 889	255 889	1 390 889
Investments in subsidiaries	7	-	-	11 001 188	11 001 188
Investments in joint ventures	8	4 373 705	4 041 170	609	609
Investment in associate	9	3 214 155	3 021 169	141 643	141 643
Other financial assets	10	127 179	127 213	127 179	127 213
Deferred tax	11	156 421	3 605 318	-	3 343 089
Long term hire purchases and term loans	12	170 087 806	142 152 968	170 087 806	142 152 968
Members funds	13	24 574	24 574	24 574	24 574
		608 222 628	567 762 217	546 549 460	505 034 946
Current Assets					
Biological assets	14	23 988 425	25 802 506	23 988 425	25 802 506
Inventories	15	862 277 332	689 981 413	827 447 333	668 066 577
Loans to group companies	16	8 530	1 330	122 912 911	105 629 961
Other financial assets	10	3 326 279	7 901 040	3 326 279	7 901 040
Income tax receivable		4 943 698	665 208	3 876 933	-
Trade and other receivables	17	1 758 378 994	1 499 872 701	1 749 173 157	1 490 432 152
Cash and cash equivalents	18	62 256 267	78 893 551	41 701 041	64 364 835
		2 715 179 525	2 303 117 749	2 772 426 079	2 362 197 071
Total Assets		3 323 402 153	2 870 879 966	3 318 975 539	2 867 232 017
Equity and Liabilities					
Equity					
Equity Attributable to Equity Holders of Parent					
Share capital	19	75 992 379	77 811 919	75 992 379	77 811 919
Reserves		(67 185 013)	(67 871 082)	-	-
Retained income		1 182 436 380	1 104 984 387	1 150 348 242	1 075 305 776
		1 191 243 746	1 114 925 224	1 226 340 621	1 153 117 695
Non-controlling interest		11 564 005	13 103 258	-	-
		1 202 807 751	1 128 028 482	1 226 340 621	1 153 117 695
Liabilities					
Non-Current Liabilities					
Deferred tax	11	20 882 010	17 327 607	2 206 185	-

The accounting policies on page 20 and the notes on page 21 to 60 form an integral part of the summary consolidated financial statements.

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Statement of Financial Position as at 28 February 2019

		Group		Company	
	Notes	2019 R	2018 R	2019 R	2018 R
Current Liabilities					
Loans from group companies	20	11 686 035	10 755 371	12 124 117	11 080 327
Loans from shareholders	21	214 357 133	200 564 787	214 357 133	200 564 787
Income tax payable		35 940	10 635 072	-	9 561 801
Trade and other payables	24	482 241 449	467 868 031	473 504 897	458 236 641
Employee benefits accrued	25	27 727 900	50 369 507	26 778 651	49 339 657
Other financial liabilities	22	23 277 529	17 241 042	23 277 529	17 241 042
Bank overdraft	18	1 340 386 406	968 090 067	1 340 386 406	968 090 067
		2 099 712 392	1 725 523 877	2 090 428 733	1 714 114 322
Total Liabilities		2 120 594 402	1 742 851 484	2 092 634 918	1 714 114 322
Total Equity and Liabilities		3 323 402 153	2 870 879 966	3 318 975 539	2 867 232 017

The accounting policies on page 19 and the notes on pages 20 to 59 form an integral part of the summary consolidated financial statements.

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Statement of Comprehensive Income

		Group		Company	
	Notes	2019 R	2018 R	2019 R	2018 R
Revenue	26	4 455 459 462	4 104 364 487	4 347 971 031	4 073 080 957
Cost of sales		(3 802 093 469)	(3 441 075 773)	(3 722 346 289)	(3 435 463 512)
Gross profit		653 365 993	663 288 714	625 624 742	637 617 445
Other income	27	193 015 231	183 647 169	193 781 734	187 895 085
Distribution costs		(60 428 691)	(54 339 206)	(58 479 080)	(52 971 870)
Administrative expenses		(551 269 164)	(523 782 235)	(535 295 963)	(510 644 042)
Operating expenses		(76 859 687)	(59 301 889)	(73 247 011)	(57 400 088)
Operating profit	28	157 823 682	209 512 553	152 384 422	204 496 530
Investment income	29	6 249 664	2 248 792	13 316 102	10 208 049
Finance costs	31	(95 488 347)	(78 853 693)	(95 469 770)	(78 862 762)
Grain gross profit including fair value movements	30	93 594 483	98 060 152	93 594 483	98 060 152
Income from equity accounted investments		963 961	1 458 561	-	-
Profit before taxation		163 143 443	232 426 365	163 825 237	233 901 969
Taxation	32	(48 530 037)	(69 198 502)	(46 472 744)	(64 153 351)
Profit for the year		114 613 406	163 227 863	117 352 493	169 748 618
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		114 613 406	163 227 863	117 352 493	169 748 618
Profit attributable to:					
Owners of the parent		114 736 769	162 888 347	117 352 493	169 748 618
Non-controlling interest		(123 363)	339 516	-	-
		114 613 406	163 227 863	117 352 493	169 748 618
Total comprehensive income attributable to:					
Owners of the parent		114 736 769	162 888 347	117 352 493	169 748 618
Non-controlling interest		(123 363)	339 516	-	-
		114 613 406	163 227 863	117 352 493	169 748 618

Earnings per share (Ordinary and Class B)

Per share information

Earnings per share before interest to shareholders (cents)	208.94	297.52	195.78	282.00
Earnings per share after interest to shareholders (cents)	207.37	295.84	194.35	280.48

Headline earnings per share (Ordinary and Class B)

Per share information

Headline earnings per share before interest to shareholders (cents)	206.71	293.46	200.25	280.36
Headline earnings per share after interest to shareholders (cents)	205.14	291.78	198.81	278.84

The accounting policies on page 19 and the notes on pages 20 to 59 form an integral part of the summary consolidated financial statements.

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Fair value adjustment and other non-distributable reserves	Change in shareholding	Treasury shares	Total reserves	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	R	R	R	R	R	R	R	R	R	R	R
Group											
Balance at 01 March 2017	79 791 404	24 940	79 816 344	11 242 031	7 704 037	(70 743 559)	(51 797 491)	956 227 081	984 245 934	12 563 482	996 809 416
Profit for the year	-	-	-	-	-	-	-	162 888 347	162 888 347	339 516	163 227 863
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	162 888 347	162 888 347	339 516	163 227 863
Sale of own/treasury shares	-	-	-	-	-	2 872 477	2 872 477	-	2 872 477	-	2 872 477
Repurchase of shares	(2 004 425)	-	(2 004 425)	-	-	-	-	-	(2 004 425)	-	(2 004 425)
Issue of shares	-	-	-	-	-	-	-	-	-	200 260	200 260
Dividends	-	-	-	-	-	-	-	(33 077 109)	(33 077 109)	-	(33 077 109)
Transfer of reserves	-	-	-	(11 242 031)	(7 704 037)	-	(18 946 068)	18 946 068	-	-	-
Total contributions by and distributions to owners of the company recognised directly in equity	(2 004 425)	-	(2 004 425)	(11 242 031)	(7 704 037)	2 872 477	(16 073 591)	(14 131 041)	(32 209 057)	200 260	(32 008 797)
Balance at 1 March 2018	77 786 979	24 940	77 811 919	-	-	(67 871 082)	(67 871 082)	1 104 984 387	1 114 925 224	13 103 258	1 128 028 482

The accounting policies on page 20 and the notes on page 21 to 60 form an integral part of the summary consolidated financial statements.

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Fair value adjustment and other non-distributable reserves	Change in shareholding	Treasury shares	Total reserves	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	R	R	R	R	R	R	R	R	R	R	R
Group											
Balance carried over at 01 March 2018	77 786 979	24 940	77 811 919	-	-	(67 871 082)	(67 871 082)	1 104 984 387	1 114 925 224	13 103 258	1 128 028 482
Profit for the year	-	-	-	-	-	-	-	114 736 769	114 736 769	(123 363)	114 613 406
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	114 736 769	114 736 769	(123 363)	114 613 406
Sale of own/treasury shares	-	-	-	-	-	686 069	686 069	-	686 069	-	686 069
Repurchase of shares	(1 819 540)	-	(1 819 540)	-	-	-	-	-	(1 819 540)	-	(1 819 540)
Transfer between reserves	-	-	-	-	-	-	-	1 200 000	1 200 000	(1 200 000)	-
Change in interest	-	-	-	-	-	-	-	215 890	215 890	(215 890)	-
Dividends	-	-	-	-	-	-	-	(38 700 666)	(38 700 666)	-	(38 700 666)
Total contributions by and distributions to owners of the company recognised directly in equity	(1 819 540)	-	(1 819 540)	-	-	686 069	686 069	(37 284 776)	(38 418 247)	(1 415 890)	(39 834 137)
Balance at 28 February 2019	75 967 439	24 940	75 992 379	-	-	(67 185 013)	(67 185 013)	1 182 436 380	1 191 243 746	11 564 005	1 202 807 751
Notes	19	19	19								

The accounting policies on page 20 and the notes on page 21 to 60 form an integral part of the summary consolidated financial statements.

Oos Vrystaat Kaap Operations Limited

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Statement of Changes in Equity

	Share capital R	Share premium R	Total share capital R	Retained income R	Total equity R
Company					
Balance at 01 March 2017	79 791 404	24 940	79 816 344	941 849 555	1 021 665 899
Profit for the year	-	-	-	169 748 618	169 748 618
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	169 748 618	169 748 618
Repurchase of shares	(2 004 425)	-	(2 004 425)	-	(2 004 425)
Dividends	-	-	-	(36 292 397)	(36 292 397)
Total contributions by and distributions to owners of the company recognised directly in equity	(2 004 425)	-	(2 004 425)	(36 292 397)	(38 296 822)
Balance at 01 March 2018	77 786 979	24 940	77 811 919	1 075 305 776	1 153 117 695
Profit for the year	-	-	-	117 352 493	117 352 493
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	117 352 493	117 352 493
Repurchase of shares	(1 819 540)	-	(1 819 540)	-	(1 819 540)
Dividends	-	-	-	(42 310 027)	(42 310 027)
Total contributions by and distributions to owners of the company recognised directly in equity	(1 819 540)	-	(1 819 540)	(42 310 027)	(44 129 567)
Balance at 28 February 2019	75 967 439	24 940	75 992 379	1 150 348 242	1 226 340 621
Notes	19	19	19		

The accounting policies on page 19 and the notes on pages 20 to 59 form an integral part of the summary consolidated financial statements.

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Statement of Cash Flows

		Group		Company	
	Notes	2019 R	2018 R	2019 R	2018 R
Cash flows from operating activities					
Cash (used in)/generated from operations	33	(338 934 582)	45 403 926	(327 651 631)	28 736 377
Interest income		169 546 146	145 904 876	174 095 962	153 864 133
Dividend income		13 898	16 181	452 337	4 784 706
Finance costs		(95 488 347)	(78 853 693)	(95 469 770)	(78 862 762)
Tax paid	34	(56 406 647)	(66 155 847)	(54 362 205)	(64 883 162)
Net cash from operating activities		(321 269 532)	46 315 443	(302 935 307)	43 639 292
Cash flows from investing activities					
Purchase of property, plant and equipment	4	(46 779 328)	(40 160 650)	(45 748 196)	(27 255 151)
Sale of property, plant and equipment	4	4 694 585	2 136 427	4 692 291	3 909 924
Purchase of investment property	3	(456 035)	-	(467 886)	(8 028 319)
Loans to group companies repaid		(12 219)	-	(21 207 638)	(12 570 116)
Loans advanced to group companies		-	413 051	-	-
Purchase of investment		-	-	-	(800 740)
Sale of financial assets	34	59	59	34	59
Members funds		-	(6 795)	-	(6 795)
Business combination		-	(7 986 528)	-	-
Issue of shares in group company		-	200 260	-	-
Net cash from investing activities		(42 552 963)	(45 404 176)	(62 731 395)	(44 751 138)
Cash flows from financing activities					
Reduction of share capital or buy back of shares	19	(1 819 540)	(2 004 425)	(1 819 540)	(2 004 425)
Proceeds from loans from group companies		930 663	4 892 308	1 043 790	5 275 812
Proceeds on shareholders loan		13 792 346	38 887 969	13 792 346	38 887 969
Repayment of long term loans		-	(790 723)	-	(790 723)
Dividends paid	35	(38 700 666)	(33 077 109)	(42 310 027)	(36 292 397)
Treasury shares		686 069	2 872 477	-	-
Net cash from financing activities		(25 111 128)	10 780 497	(29 293 431)	5 076 236
Total cash movement for the year		(388 933 623)	11 691 764	(394 960 133)	3 964 390
Cash at the beginning of the year		(889 196 516)	(900 888 280)	(903 725 232)	(907 689 622)
Total cash at end of the year	18	(1 278 130 139)	(889 196 516)	(1 298 685 365)	(903 725 232)

The accounting policies on page 19 and the notes on pages 20 to 59 form an integral part of the summary consolidated financial statements.

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Accounting Policies

1. Presentation of Summary Consolidated Financial Statements

The group has set up these summary consolidated financial statements from the consolidated financial statements. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards and the Companies Act, no. 71 of 2008. The summary consolidated financial statements have been prepared on the historical cost basis. They are presented in South African Rands.

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Notes to the Summary Consolidated Financial Statements

2. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2019

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	Fair value
Loans to group companies	16	-	8 530	-	8 530	8 530
Long term hire purchase and term loans	12	-	-	170 087 806	170 087 806	170 087 806
Trade and other receivables	17	-	1 700 166 777	-	1 700 166 777	1 700 166 777
Cash and cash equivalents	18	-	62 256 267	-	62 256 267	62 256 267
Other financial assets	10	3 326 279	127 179	-	3 453 458	3 453 458
Members funds	13	-	24 574	-	24 574	24 574
		3 326 279	1 762 583 327	170 087 806	1 935 997 412	1 935 997 412

Group - 2018

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	Fair value
Loans to group companies	16	-	1 330	-	1 330	1 330
Long term hire purchases and term loans	12	-	-	142 152 968	142 152 968	142 152 968
Trade and other receivables	17	-	1 472 090 716	-	1 472 090 716	1 472 090 716
Cash and cash equivalents	18	-	78 893 551	-	78 893 551	78 893 551
Other financial assets	10	7 901 040	127 213	-	8 028 253	8 028 253
Members funds	13	-	24 574	-	24 574	24 574
		7 901 040	1 551 137 384	142 152 968	1 701 191 392	1 701 191 392

Company - 2019

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	Fair value
Loans to group companies	16	-	122 912 911	-	122 912 911	122 912 911
Long term hire purchases and term loans	12	-	-	170 087 806	170 087 806	170 087 806
Trade and other receivables	17	-	1 693 372 316	-	1 693 372 316	1 693 372 316
Cash and cash equivalents	18	-	41 701 041	-	41 701 041	41 701 041
Other financial assets	10	3 326 279	127 179	-	3 453 458	3 453 458
Members funds	13	-	24 574	-	24 574	24 574
		3 326 279	1 858 138 021	170 087 806	2 031 552 106	2 031 552 106

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Notes to the Summary Consolidated Financial Statements

2. Financial instruments and risk management (continued)

Company - 2018

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	Fair value
Loans to group companies	16	-	105 629 961	-	105 629 961	105 629 961
Long term hire purchases and term loans	12	-	-	142 152 968	142 152 968	142 152 968
Trade and other receivables	17	-	1 464 296 953	-	1 464 296 953	1 464 296 953
Cash and cash equivalents	18	-	64 364 835	-	64 364 835	64 364 835
Other financial assets	10	7 901 040	127 213	-	8 028 253	8 028 253
Members funds	13	-	24 574	-	24 574	24 574
		7 901 040	1 634 443 536	142 152 968	1 784 497 544	1 784 497 544

Categories of financial liabilities

Group - 2019

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Total	Fair value
Trade and other payables	24	-	480 581 560	480 581 560	480 581 560
Loans from group companies	20	-	11 686 035	11 686 035	11 686 035
Loans from shareholders	21	-	214 357 133	214 357 133	214 357 133
Bank overdraft	18	-	1 340 386 406	1 340 386 406	1 340 386 406
Other financial liabilities	22	23 277 529	-	23 277 529	23 277 529
		23 277 529	2 047 011 134	2 070 288 663	2 070 288 663

Group - 2018

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Total	Fair value
Trade and other payables	24	-	467 438 502	467 438 502	467 438 502
Loans from group companies	20	-	10 755 371	10 755 371	10 755 371
Loans from shareholders	21	-	200 564 787	200 564 787	200 564 787
Bank overdraft	18	-	968 090 067	968 090 067	968 090 067
Other financial liabilities	22	17 241 042	-	17 241 042	17 241 042
		17 241 042	1 646 848 727	1 664 089 769	1 664 089 769

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Notes to the Summary Consolidated Financial Statements

2. Financial instruments and risk management (continued)

Company - 2019

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Total	Fair value
Trade and other payables	24	-	473 504 897	473 504 897	473 504 897
Loans from group companies	20	-	12 124 117	12 124 117	12 124 117
Loans from shareholders	21	-	214 357 133	214 357 133	214 357 133
Other financial liabilities	22	23 277 529	-	23 277 529	23 277 529
Bank overdraft	18	-	1 340 386 406	1 340 386 406	1 340 386 406
		23 277 529	2 040 372 553	2 063 650 082	2 063 650 082

Company - 2018

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Total	Fair value
Trade and other payables	24	-	458 236 641	458 236 641	458 236 641
Loans from group companies	20	-	11 080 327	11 080 327	11 080 327
Loans from shareholders	21	-	200 564 787	200 564 787	200 564 787
Other financial liabilities	22	17 241 042	-	17 241 042	17 241 042
Bank overdraft	18	-	968 090 067	968 090 067	968 090 067
		17 241 042	1 637 971 822	1 655 212 864	1 655 212 864

3. Investment property

Group	2019			2018		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Investment property	21 023 718	(1 730 678)	19 293 040	20 567 683	(1 502 921)	19 064 762

Company	2019			2018		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Investment property	29 063 888	(1 817 780)	27 246 108	28 596 002	(1 502 921)	27 093 081

Reconciliation of investment property - Group - 2019

	Opening balance	Additions	Depreciation	Total
Investment property	19 064 762	456 035	(227 757)	19 293 040

Reconciliation of investment property - Group - 2018

	Opening balance	Depreciation	Total
Investment property	19 476 683	(411 921)	19 064 762

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Notes to the Summary Consolidated Financial Statements

3. Investment property (continued)

Reconciliation of investment property - Company - 2019

	Opening balance	Additions	Depreciation	Total
Investment property	27 093 081	467 886	(314 859)	27 246 108

Reconciliation of investment property - Company - 2018

	Opening balance	Additions	Depreciation	Total
Investment property	19 476 683	8 028 319	(411 921)	27 093 081

Fair value of investment properties	23 692 829	25 292 426	34 263 272	33 292 426
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A register containing the information required by schedule 29(1) of the Companies Act and Regulation 25(3) of the Companies Regulations is available for inspection at the registered office of the company.

The fair value of investment property was determined using level 3 input data. Discounted cash flow as well as market information were used in the fair value calculation

4. Property, plant and equipment

Group	2019			2018		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Property and improvements	362 257 044	(78 561 202)	283 695 842	355 605 969	(72 213 735)	283 392 234
Machinery and equipment	157 486 218	(100 094 532)	57 391 686	147 410 655	(90 999 267)	56 411 388
Motor vehicles	96 970 981	(50 078 892)	46 892 089	91 944 069	(48 760 819)	43 183 250
Computer equipment and software	21 103 695	(18 280 082)	2 823 613	19 969 556	(16 362 200)	3 607 356
Leasehold improvements	247 619	(95 238)	152 381	247 618	(38 095)	209 523
Aeroplane	5 888 364	(2 932 218)	2 956 146	5 888 364	(2 932 218)	2 956 146
Work in progress	13 280 833	(828 988)	12 451 845	-	-	-
Total	657 234 754	(250 871 152)	406 363 602	621 066 231	(231 306 334)	389 759 897

Company	2019			2018		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Property and improvements	298 085 722	(76 095 654)	221 990 068	292 089 845	(70 506 912)	221 582 933
Machinery and equipment	147 888 215	(96 165 436)	51 722 779	137 990 126	(88 354 605)	49 635 521
Motor vehicles	95 138 351	(49 264 188)	45 874 163	90 135 139	(48 101 419)	42 033 720
Computer equipment and software	20 777 600	(18 108 137)	2 669 463	19 818 218	(16 266 846)	3 551 372
Aeroplane	5 888 364	(2 932 218)	2 956 146	5 888 364	(2 932 218)	2 956 146
Work in progress	13 280 833	(828 988)	12 451 845	-	-	-
Total	581 059 085	(243 394 621)	337 664 464	545 921 692	(226 162 000)	319 759 692

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Notes to the Summary Consolidated Financial Statements

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Group - 2019

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Impairment reversal	Total
Property and improvements	283 392 234	6 651 076	-	(6 968 740)	-	621 272	283 695 842
Machinery and equipment	56 411 388	10 733 893	(101 132)	(9 652 463)	-	-	57 391 686
Motor vehicles	43 183 250	13 636 330	(3 325 969)	(6 601 522)	-	-	46 892 089
Computer equipment and software	3 607 356	2 477 196	(34 470)	(3 226 469)	-	-	2 823 613
Leasehold improvements	209 523	-	-	(57 142)	-	-	152 381
Aeroplane	2 956 146	-	-	-	-	-	2 956 146
Work in progress	-	13 280 833	-	-	(828 988)	-	12 451 845
	389 759 897	46 779 328	(3 461 571)	(26 506 336)	(828 988)	621 272	406 363 602

Reconciliation of property, plant and equipment - Group - 2018

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Property and improvements	275 185 266	16 759 230	-	-	(8 552 262)	283 392 234
Machinery and equipment	56 616 453	11 615 062	(776 810)	1 517 605	(12 560 922)	56 411 388
Motor vehicles	44 913 435	10 639 897	(2 353 242)	(1 517 621)	(8 499 219)	43 183 250
Computer equipment and software	5 137 175	1 312 260	(19 116)	-	(2 822 963)	3 607 356
Leasehold improvements	-	247 618	-	-	(38 095)	209 523
Aeroplane	2 956 146	-	-	-	-	2 956 146
	384 808 475	40 574 067	(3 149 168)	(16)	(32 473 461)	389 759 897

Reconciliation of property, plant and equipment - Company - 2019

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Impairment reversal	Total
Property and improvements	221 582 933	5 995 876	-	(6 210 013)	-	621 272	221 990 068
Machinery and equipment	49 635 521	10 556 418	(101 130)	(8 368 030)	-	-	51 722 779
Motor vehicles	42 033 720	13 612 630	(3 325 969)	(6 446 218)	-	-	45 874 163
Computer equipment and software	3 551 372	2 302 439	(34 467)	(3 149 881)	-	-	2 669 463
Aeroplane	2 956 146	-	-	-	-	-	2 956 146
Work in progress	-	13 280 833	-	-	(828 988)	-	12 451 845
	319 759 692	45 748 196	(3 461 566)	(24 174 142)	(828 988)	621 272	337 664 464

Reconciliation of property, plant and equipment - Company - 2018

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Property and improvements	221 449 421	8 049 723	-	-	(7 916 211)	221 582 933
Machinery and equipment	52 602 543	7 877 025	(759 942)	1 517 605	(11 601 710)	49 635 521
Motor vehicles	43 931 922	10 050 095	(2 139 125)	(1 517 621)	(8 291 551)	42 033 720
Computer equipment and software	5 080 422	1 278 308	(18 654)	-	(2 788 704)	3 551 372
Aeroplane	2 956 146	-	-	-	-	2 956 146
	326 020 454	27 255 151	(2 917 721)	(16)	(30 598 176)	319 759 692

A register containing the information required by schedule 29(1) of the Companies Act and Regulation 25(3) of the Companies Regulations is available for inspection at the registered office of the company.

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Notes to the Summary Consolidated Financial Statements**5. Goodwill**

Group	2019			2018		
	Cost	Accumulated impairment	Carrying value	Cost	Accumulated impairment	Carrying value
Goodwill	3 334 257	-	3 334 257	3 334 257	-	3 334 257

6. Intangible assets

Group	2019			2018		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Customer relations	11 405 624	(10 157 735)	1 247 889	11 405 624	(8 774 735)	2 630 889
Trade names	7 664 909	(7 664 909)	-	7 664 909	(7 664 909)	-
Software	1 200 000	(1 200 000)	-	1 200 000	(1 200 000)	-
Total	20 270 533	(19 022 644)	1 247 889	20 270 533	(17 639 644)	2 630 889

Company	2019			2018		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Customer relations	5 675 000	(5 419 111)	255 889	5 675 000	(4 284 111)	1 390 889

Reconciliation of intangible assets - Group - 2019

	Opening balance	Amortisation	Total
Customer relations	2 630 889	(1 383 000)	1 247 889

Reconciliation of intangible assets - Group - 2018

	Opening balance	Additions	Amortisation	Total
Customer relations	2 525 889	1 240 000	(1 135 000)	2 630 889

Reconciliation of intangible assets - Company - 2019

	Opening balance	Amortisation	Total
Customer relations	1 390 889	(1 135 000)	255 889

Reconciliation of intangible assets - Company - 2018

	Opening balance	Amortisation	Total
Customer relations	2 525 889	(1 135 000)	1 390 889

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Notes to the Summary Consolidated Financial Statements

7. Investment in subsidiaries

Company

Name of company	% holding 2019	% holding 2018	Carrying amount 2019	Carrying amount 2018
Oos Vrystaat Kunsmis Proprietary Limited	54.26 %	51.00 %	10 200 000	10 200 000
OVK Rekenaardienste Proprietary Limited	100.00 %	100.00 %	100	100
Van Lill Woolbuyers Proprietary Limited	100.00 %	100.00 %	120	120
Oos Kaap Boerdery en Graanhandelaars Proprietary Limited	100.00 %	100.00 %	8	8
OVK Eiendomme Proprietary Limited	100.00 %	100.00 %	120	120
Blue Crane Fibre Proprietary Limited	100.00 %	100.00 %	100	100
OVK Lesotho Proprietary Limited	80.00 %	80.00 %	800 000	800 000
Matla Energy Proprietary Limited	74.00 %	74.00 %	740	740
			11 001 188	11 001 188

The net results of the subsidiaries are fully accounted for in the financial statements of the Group

The non-controlling interest for the period is a loss of R123 363 (2018: profit R339 516), of which a profit of R251 491 (2018: profit R253 958) is attributed to Oos Vrystaat Kunsmis Proprietary Limited, a loss of R145 427 (2018: R122 200) is attributed to OVK Lesotho Proprietary Limited and a loss of R229 427 (2018: profit R207 758) is attributed to Matla Energy Proprietary Limited. The non-controlling interest is not material to the group.

8. Investment in joint ventures

Group

Name of company	% holding 2019	% holding 2018	Carrying amount 2019	Carrying amount 2018
Sinethemba Mafama Proprietary Limited	49.00 %	49.00 %	2 094 281	1 945 535
Orange River Popcorn Proprietary Limited	50.00 %	50.00 %	2 325 750	1 984 553
Poli Ea Thaba Proprietary Limited	49.00 %	49.00 %	(46 326)	111 082
			4 373 705	4 041 170

Company

Name of company	% holding 2019	% holding 2018	Carrying amount 2019	Carrying amount 2018
Sinethemba Mafama Proprietary Limited	49.00 %	49.00 %	59	59
Orange River Popcorn Proprietary Limited	50.00 %	50.00 %	60	60
Poli EA Thaba Proprietary Limited	49.00 %	49.00 %	490	490
			609	609

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Notes to the Summary Consolidated Financial Statements

8. Investment in joint ventures (continued)

a) Interest in joint ventures

The issued share capital of the joint venture as well as the shares held by the group, was unchanged compared to the previous year, unless indicated otherwise.

Sinethemba Mafama Proprietary Limited

The group holds a 49% interest in Sinethemba Mafama Proprietary Limited. The group acquired the interest during 2005 with the founding of the company.

Orange River Popcorn Proprietary Limited

The group holds an interest of 50% in Orange River Popcorn Proprietary Limited. The group acquired the interest on 1 July 2004. Orange River Popcorn Proprietary Limited was incorporated on 6 March 2003.

Poli Ea Thaba Proprietary Limited

The group holds an interest of 49% in Poli Ea Thaba Proprietary Limited. The group acquired the interest during 2017 with the founding of the company.

b) Main objectives and nature of business

Sinethemba Mafama Proprietary Limited

Broker for the selling and buying of fibre and fibre products. The company operates in South Africa.

Orange River Popcorn Proprietary Limited

Buying, packing and marketing of popcorn. The company operates in South Africa.

Poli Ea Thaba Proprietary Limited

Broker for the selling and buying of fibre and fibre products. The company operates in Lesotho.

c) Obligations and conditional obligations with regards to joint ventures

There are no obligations and conditional obligations with regards to the group's interest in the joint venture.

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Notes to the Summary Consolidated Financial Statements

	Group		Company	
	2019	2018	2019	2018
	R	R	R	R
8. Investment in joint ventures (continued)				
d) Financial information of domestic joint ventures				
Financial position of domestic joint ventures				
Sinethemba Mafama Proprietary Limited				
Non-current assets				
Non-financial assets			11 884	13 780
Financial assets			118 465	95 534
Current assets				
Cash and cash equivalents			360 202	589 819
Other current assets			12 115 154	9 857 153
Current liabilities				
Trade and other payables			7 991 685	6 467 022
Other financial liabilities			339 977	118 785
Equity			4 274 043	3 970 479
Reconciliation of equity with the consolidated carrying values				
Opening net assets			3 970 479	2 530 102
Profit for the year			1 198 338	1 988 387
Dividends declared			(894 774)	(548 010)
Closing net assets			4 274 043	3 970 479
Interest of the group in abovementioned equity, based on the shareholding of the entities			2 094 222	1 945 476
Cost of investment			59	59
Carrying value of investment			2 094 281	1 945 535
Financial performance of domestic joint venture				
Income			4 751 965	4 898 776
Earnings before interest, tax, depreciation and amortisation			1 416 213	2 610 138
Depreciation			(1 897)	(2 471)
Interest received			250 149	203 938
Finance costs			(107)	(49 956)
Pre-tax profit			1 664 358	2 761 649
Tax			(466 020)	(773 262)
Profit for the year			1 198 338	1 988 387
Reconciliation of summarised financial information				
Profit for the year			1 198 338	1 988 387
Profit for the period of shareholding			1 198 338	1 988 387
Adjusted profit			-	-
% share in joint venture			49%	49%
Amount of shareholding			587 186	974 310

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	2019	2018	2019	2018
	R	R	R	R
8. Investment in joint ventures (continued)				
Orange River Popcorn Proprietary Limited				
Current assets				
Cash and cash equivalents			28 693	1 585 414
Other current assets			22 749 618	28 497 266
Non-current liabilities				
Deferred tax			-	4 389
Current liabilities				
Trade and other payables			4 977 780	1 493 118
Other financial liabilities			12 792 259	24 259 296
Equity			5 008 272	4 325 877
Reconciliation of equity with the consolidated carrying values				
Pre-acquisition profits			359 686	359 686
After acquisition profits - Opening balance			3 966 192	3 810 347
Profit for the year - after acquisition of interest			682 394	155 844
Closing net assets			5 008 272	4 325 877
Interest of the group in abovementioned equity, based on the shareholding of the entities			2 325 690	1 984 493
Cost of investment			60	60
Carrying value of investment			2 325 750	1 984 553
Financial performance of domestic joint venture				
Income			135 271 420	110 022 416
Earnings before interest, tax, depreciation and amortisation			4 166 016	2 842 944
Interest received			7 104	-
Finance costs			(3 231 447)	(2 626 494)
Pre-tax profit			941 673	216 450
Tax			(259 279)	(60 606)
Profit for the year			682 394	155 844
Reconciliation of summarised financial information				
Profit for the year			682 394	155 844
Profit for the period of shareholding			682 394	155 844
Adjusted profit			-	-
% share in joint venture			50%	50%
Amount of shareholding			341 197	77 922

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	2019	2018	2019	2018
	R	R	R	R
8. Investment in joint ventures (continued)				
Financial position of foreign joint venture				
Poli Ea Thaba Proprietary Limited				
Non-current assets				
Financial assets			64 344	7 795
Current assets				
Cash and cash equivalents			172 326	948 510
Other current assets			242 168	2 186 698
Current liabilities				
Trade and other payables			573 381	2 833 279
Other financial liabilities			-	83 028
Equity			(94 543)	226 696
Reconciliation of equity with the consolidated carrying values				
Issue of shares			1 000	1 000
Opening balance			225 696	(172 607)
Profit/(loss) for the year			(321 239)	398 303
Closing net assets			(94 543)	226 696
Interest of the group in abovementioned equity, based on the shareholding of the entities			(46 816)	110 592
Cost of investment			490	490
Carrying value of investment			(46 326)	111 082
Financial performance of foreign joint venture				
Income			-	2 099 490
Earnings before interest, tax, depreciation and amortisation			(556 717)	587 569
Interest received			178 929	118 919
Finance costs			-	(175 418)
Pre-tax profit/(loss)			(377 788)	531 070
Tax			56 549	(132 768)
Profit/(loss) for the year			(321 239)	398 302
Reconciliation of summarised financial information				
Profit/(loss) for the year			(321 239)	398 302
Profit/(loss) for the period of shareholding			(321 239)	398 302
Adjusted profit			-	-
% share in joint venture			49%	49%
Amount of shareholding			(157 407)	195 168

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	2019 R	2018 R	2019 R	2018 R

9. Investment in associate

Group

Name of company	% holding 2019	% holding 2018	Carrying amount 2019	Carrying amount 2018
VGK Beleggings Proprietary limited	44.11 %	44.11 %	3 214 155	3 021 169

Company

Name of company	% holding 2019	% holding 2018	Carrying amount 2019	Carrying amount 2018
VGK Beleggings Proprietary Limited	44.11 %	44.11 %	141 643	141 643

a) Interest in associate company

The issued share capital of the associated company as well as the interest held by the group is unchanged compared to the previous year except if otherwise indicated.

VGK Beleggings Proprietary Limited

The group holds an interest of 44.11% in VGK Beleggings Proprietary Limited. The group acquired an interest of 25% during 2005. The interest increased to 32.78% during 2007, to 39.44% in 2014 and to 44.11% in 2016. No quoted market price is available for VGK Beleggings Proprietary Limited's shares.

b) Main objective and nature of business

VGK Beleggings Proprietary Limited

Rental of property. The company operates in South Africa.

c) Financial information of domestic associate company

VGK Beleggings Proprietary Limited

Non-current assets		
Non-financial assets	21 104 720	20 106 956
Financial assets	5 000	5 000
Current assets		
Cash and cash equivalents	1 159 064	1 605 266
Other current assets	30 894	62 971
Non-current liabilities		
Deferred tax	2 745 330	2 686 238
Current liabilities		
Trade and other payables	412 282	389 399
Equity	19 142 066	18 704 556
Reconciliation of equity with the consolidated carrying values		
Pre-acquisition profits	4 377 994	4 377 994
After acquisition profits - Opening balance	14 326 562	13 847 850
Profit for the year	437 510	478 712
Closing net assets	19 142 066	18 704 556
Accounting policy changes	(2 428 112)	(2 428 112)

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	2019 R	2018 R	2019 R	2018 R
9. Investment in associate (continued)				
Adjusted closing net assets			16 713 954	16 276 444
Interest of the group in abovementioned equity, based on the shareholding in the entities			3 072 512	2 879 526
Cost of investment			141 643	141 643
Carrying value of investment			3 214 155	3 021 169
Financial performance of domestic associated company				
Income			2 872 072	2 440 871
Earnings before interest, tax, depreciation and amortisation			538 648	488 506
Depreciation and amortisation			(3 484)	(3 732)
Interest received			100 706	171 005
Finance costs			(16 642)	(3 714)
Pre-tax profit			619 228	652 065
Tax			(181 718)	(173 353)
Profit for the year			437 510	478 712
Reconciliation of summarised financial information				
Profit for the year			437 510	478 712
Profit for the period of shareholding			437 510	478 712
Adjusted profit			-	-
% share in associate			44.11%	44.11%
Amount of shareholding			192 986	211 160
10. Other financial assets				
At fair value through profit and loss				
Product derivative financial instrument	3 326 279	7 901 040	3 326 279	7 901 040
Equity investment				
Unlisted shares	127 179	127 213	127 179	127 213
Total other financial assets	3 453 458	8 028 253	3 453 458	8 028 253
Non-current assets				
Equity investment	127 179	127 213	127 179	127 213
Current assets				
At fair value through profit or loss	3 326 279	7 901 040	3 326 279	7 901 040
	3 453 458	8 028 253	3 453 458	8 028 253

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	Group		Company	
	2019	2018	2019	2018
	R	R	R	R

10. Other financial assets (continued)

Fair value information

Unlisted investments for which there are not quoted prices in an active market and where the fair value cannot be determined, are measured at cost.

The maximum exposure to credit risk at the reporting date is equal to the fair value of the equity investment.

11. Deferred tax

Deferred tax liability

Property plant and equipment	(6 256 818)	(6 595 717)	(5 194 674)	(5 717 806)
Acquisition of subsidiary	(15 561 316)	(15 561 316)	-	-
Hire purchase allowance	(4 509 533)	(4 754 209)	(4 509 533)	(4 754 209)
Fair value reserve	(2 525 511)	(1 394 051)	-	-
Total deferred tax liability	(28 853 178)	(28 305 293)	(9 704 207)	(10 472 015)

Deferred tax asset

Temporary difference as a result of provisions	7 679 213	14 098 417	7 498 022	13 815 104
Intergroup inventory	5 596	7 872	-	-
Deferred tax balance from temporary differences other than unused tax losses	7 684 809	14 106 289	7 498 022	13 815 104
Tax losses available for set off against future taxable income	442 780	476 715	-	-
Total deferred tax asset	8 127 589	14 583 004	7 498 022	13 815 104

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax liability	(20 882 010)	(17 327 607)	(2 206 185)	-
Deferred tax asset	156 421	3 605 318	-	3 343 089
Total net deferred tax liability	(20 725 589)	(13 722 289)	(2 206 185)	3 343 089

Reconciliation of deferred tax asset / (liability)

At beginning of year	(13 722 289)	(16 109 472)	3 343 089	(1 750 744)
Provision for impairment of debtors	1 979 801	350 065	2 011 104	318 762
Wear and tear allowance	(1 672 207)	(2 746 946)	(1 487 973)	(2 308 988)
Hire purchase allowance	244 676	832 909	244 676	832 909
Provision for expenditure	(6 438 925)	5 988 132	(6 441 289)	5 993 848
Provision for employee benefits	51 023	(60 925)	124 208	257 302
Intergroup inventory	(2 275)	7 873	-	-
Assessed loss	(33 934)	(378 524)	-	-
Fair value adjustment	(1 131 459)	(1 605 400)	-	-
	(20 725 589)	(13 722 289)	(2 206 185)	3 343 089

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	Group		Company	
	2019 R	2018 R	2019 R	2018 R

11. Deferred tax (continued)

Recognition of deferred tax asset

An entity shall disclose the amount of a deferred tax asset and the nature of the evidence supporting its recognition, when:

- the utilisation of the deferred tax asset is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences; and
- the entity has suffered a loss in either the current or preceding period in the tax jurisdiction to which the deferred tax asset relates.

12. Long term hire purchases and term loans

Gross investment in the lease due

- within one year	155 275 296	152 115 983	155 275 296	152 115 983
- in second to fifth year inclusive	234 632 205	194 279 224	234 632 205	194 279 224
	389 907 501	346 395 207	389 907 501	346 395 207
	(64 544 399)	(52 126 256)	(64 544 399)	(52 126 256)
less: Unearned finance income	325 363 102	294 268 951	325 363 102	294 268 951
Non-current assets	170 087 806	142 152 968	170 087 806	142 152 968
Current assets included in debtors	155 275 296	152 115 983	155 275 296	152 115 983
	325 363 102	294 268 951	325 363 102	294 268 951

The carrying value of long term hire purchase and term loans reflect their fair value.

Hire purchases can be paid over periods of more than 12 months. The underlying assets serve as security for the debt. The various accounts bear interest at fluctuating interest rates.

The effective average interest rates on hire purchases and term loans were 11.59% (2018: 11.72%).

Hire purchases are considered to be past due when one payment is in arrears or the realisable value of the underlying asset is less than the repayment amount.

The term loans are considered to be past due when one payment is in arrears.

The age analysis of hire purchase and term loans are as follows:

Not overdue on reporting date	312 661 807	272 689 374	312 661 807	272 689 374
Payable at reporting date for the following periods:				
arrears	12 701 295	21 579 577	12 701 295	21 579 577
	325 363 102	294 268 951	325 363 102	294 268 951

Trade receivables, hire purchases and term loans are jointly tested for impairment, refer to note 17.

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	2019 R	2018 R	2019 R	2018 R

13. Members funds

Balance at the end of the year	24 574	17 779	24 574	17 779
Adjustment shareholder's loan	-	6 795	-	6 795
	24 574	24 574	24 574	24 574

Non-current assets	24 574	24 574	24 574	24 574
Current assets	-	-	-	-
	24 574	24 574	24 574	24 574

Nature of members funds

Klein Karoo Landbou Limited	2 046	2 046	2 046	2 046
GWK Limited	22 528	22 528	22 528	22 528
	24 574	24 574	24 574	24 574

14. Biological assets

Group	2019			2018		
	Cost	Fair value adjustment	Carrying value	Cost	Fair value adjustment	Carrying value
Sheep	23 988 425	-	23 988 425	25 802 506	-	25 802 506

Company	2019			2018		
	Cost	Fair value adjustment	Carrying value	Cost	Fair value adjustment	Carrying value
Sheep	23 988 425	-	23 988 425	25 802 506	-	25 802 506

Reconciliation of biological assets - Group - 2019

	Opening balance	Profit on current feedlots	Provision for wool	Disposals	Total
Sheep	25 802 506	182 133 397	2 568 590	(186 516 068)	23 988 425

Reconciliation of biological assets - Group - 2018

	Opening balance	Profit on current feedlots	Additions	Disposals	Total
Sheep	20 267 988	452 276	166 068 826	(160 986 584)	25 802 506

Reconciliation of biological assets - Company - 2019

	Opening balance	Profit on current feedlots	Provision for wool	Disposals	Total
Sheep	25 802 506	182 133 397	2 568 590	(186 516 068)	23 988 425

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	Group		Company	
	2019	2018	2019	2018
	R	R	R	R

14.. Biological assets (continued)

Reconciliation of biological assets - Company - 2018

	Opening balance	Profit on current feedlots	Additions	Disposals	Total
Sheep	20 267 988	452 276	166 068 826	(160 986 584)	25 802 506

Risk management strategy related to agricultural activities

Supply and demand risk:

The company is exposed to risk arising from fluctuations in the price of livestock, fodder and meat. When possible, the company manages the risk by always maintaining the volumes of livestock in the feedlots and therefore eliminating the risk of price fluctuations over a period of 12 months.

Climate and other risks:

The feedlots are exposed to the risk of damage from diseases and other natural forces. The company has processes in place aimed at monitoring and mitigating those risks including regular health inspections.

Regulatory and environmental risk:

The slaughtering is subject to laws and regulations by the slaughtering industry. The company has processes in place aimed at monitoring and mitigating those risks including regular health inspections.

Measurement of fair value of biological assets:

a. Fair value hierarchy

The company has feedlot activities. Livestock ceases to be a biological asset from the point it is slaughtered.

The fair value measurement for livestock of R23 988 425 (2018: R25 802 506) has been categorised as level 3 fair value based on the inputs into the valuation technique used. A level 3 fair value is determined by using unobservable inputs.

b. Level 3 fair value

The following table shows a reconciliation from opening to closing balances for level 3 fair values:

Opening balance	25 802 506	20 267 988	25 802 506	20 267 988
Purchases	182 133 396	166 068 826	182 133 396	166 068 826
Livestock slaughtered	(186 516 067)	(160 986 584)	(186 516 067)	(160 986 584)
Profit/(loss) on current feedlots	2 568 590	452 276	2 568 590	452 276
	23 988 425	25 802 506	23 988 425	25 802 506

c. Valuation techniques and significant unobservable inputs:

The following table shows the valuation techniques used in measuring fair values, as well as significant unobservable inputs used:

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	2019	2018	2019	2018
	R	R	R	R

14.. Biological assets (continued)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Livestock (Livestock comprises sheep)	Market comparison technique. The valuation model is based on the income generated by slaughtering, after taking into account the final weight, grade, breed and dressing percentage.	Significant inputs obtained include: Estimated weighted average dressing percentage between 42% and 47%; and estimated slaughtering sales price weighted average of R66 / kg (sheep); and estimated slaughtered weight per unit of 21,00 kg (sheep).	The estimated fair value would increase / (decrease) if: The estimated slaughtering sales price were higher / (lower); the estimated dressing percentage was higher / (lower); and the estimated average weights were higher / (lower).

d. Sensitivity analysis

If the biological asset is R1 per kg and 1 kg more, it will have an effect of R1 418 518 (2018: R1 489 209) on the valuation.
If the biological asset is R1 per kg and 1 kg less, it will have an effect of R1 384 208 (2018: R1 457 183) on the valuation

15. Inventories

Milling industry	49 128 822	61 355 896	49 128 822	61 355 896
Trade inventory	329 165 050	288 433 139	310 443 187	275 123 947
Grain inventory at fair value	423 032 912	286 836 842	423 032 912	286 836 842
Fibre and abattoir	22 050 403	19 739 439	20 362 096	17 522 790
Vehicles and parts	38 900 145	33 616 097	24 480 316	27 227 102
	862 277 332	689 981 413	827 447 333	668 066 577

Fair value of grain inventory

Fair value measured with level 2 inputs

423 032 912 286 836 842 423 032 912 286 836 842

The fair value adjustment on grain inventory is included in other profit and losses, and disclosed in note 30. The value of the grain inventory is accounted for by Safex minus transport differential according to the JSE.

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	Group		Company	
	2019 R	2018 R	2019 R	2018 R
16. Loans to group companies				
Subsidiaries				
Oos Vrystaat Kunsmis Proprietary Limited	-	-	14 666 871	5 802 109
OVK Rekenaardienste Proprietary Limited (Share Transaction)	-	-	78 301 752	76 413 266
Oos Kaap Boerdery en Graanhandelaars Proprietary Limited	-	-	400 000	400 000
OVK Eiendomme Proprietary Limited	-	-	-	2 835 899
Blue Crane Fibre Proprietary Limited	-	-	5 326 865	7 603 677
Van Lill Woolbuyers Proprietary Limited	-	-	3 600 917	2 798 590
Matla Energy Proprietary Limited	-	-	19 552 489	9 176 060
OVK Empowerment Proprietary Limited	7 460	260	7 200	-
OVK Beherend Proprietary Limited (Investment in subsidiary)	1 070	1 070	1 070	1 070
OVK Lesotho Proprietary Limited	-	-	1 055 747	599 290
	8 530	1 330	122 912 911	105 629 961

The loan to Oos Vrystaat Kunsmis Proprietary Limited earns interest at the prime rate less 0.50% and has no repayment terms.

The loan to OVK Rekenaardienste Proprietary Limited earns interest at the prime rate less 2.00% and has no repayment terms.

The loan to Oos Kaap Boerdery en Graanhandelaars Proprietary Limited earns interest at the applicable bank investment rate and has no repayment terms.

The loan to OVK Eiendomme Proprietary Limited earns interest at the prime rate less 2.00% and has no repayment terms.

The loan to Blue Crane Fibre Proprietary Limited bears interest at the prime rate less 2.00% and has no repayment terms.

The loan to Van Lill Woolbuyers Proprietary Limited bears interest at the prime rate less 2.00% and has no repayment terms.

The loan to Matla Energy Proprietary Limited earns interest at the prime rate less 0.50% and has no repayment terms.

The loan to OVK Empowerment Proprietary Limited earns interest at the prime rate less 0.50% and has no repayment terms.

The loan to OVK Lesotho Proprietary Limited earns interest at the prime rate less 0.50% and has no repayment terms.

Fair value of group loans receivable

The fair value of group loans receivable approximates their carrying amounts.

17. Trade and other receivables

Financial instruments:

Trade receivables	1 680 077 133	1 459 481 334	1 663 914 645	1 451 613 447
Safex deposit through Oos Kaap Boerdery en Graanhandelaars Proprietary Limited	50 818 565	21 731 534	50 818 565	21 731 534
Provision for credit loss	(35 557 014)	(26 129 384)	(35 557 014)	(25 980 325)
Trade and other receivables at amortised cost	1 695 338 684	1 455 083 484	1 679 176 196	1 447 364 656
Other receivables	4 828 093	17 007 232	14 196 120	16 932 297

Non-financial instruments:

VAT receivable	58 212 217	27 781 985	55 800 841	26 135 199
Total trade and other receivables	1 758 378 994	1 499 872 701	1 749 173 157	1 490 432 152

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	2019 R	2018 R	2019 R	2018 R

17. Trade and other receivables (continued)

Categorisation of trade and other receivables

Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments:

At amortised cost	1 700 166 777	1 472 090 716	1 693 372 316	1 464 296 953
Non-financial instruments	58 212 217	27 781 985	55 800 841	26 135 199
	1 758 378 994	1 499 872 701	1 749 173 157	1 490 432 152

Exposure to credit risk

Trade receivables inherently expose the group to credit risk, being the risk that the group will incur financial loss if customers fail to make payments as they fall due.

In order to mitigate the risk of financial loss from defaults, the group only deals with reputable customers with consistent payment histories. Sufficient collateral or guarantees are also obtained when appropriate. Each customer is analysed individually for creditworthiness before terms and conditions are offered. Statistical credit scoring models are used to analyse customers. These models make use of information submitted by the customers as well as external bureau data (where available). Customer credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of customers, is continuously monitored.

The average credit period on trade receivables is 140.33 days (2018: 138.59). Interest is charged from prime minus 0.5% to prime plus 8% on outstanding trade receivables.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The group measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

The estimation techniques explained have been applied for the first time in the current financial period, as a result of the adoption of IFRS 9. Trade receivables were previously impaired only when there was objective evidence that the asset was impaired. The impairment was calculated as the difference between the carrying amount and the present value of the expected future cash flows.

The loss allowance as on 28 February 2019 and 1 March 2018 (in accordance with IFRS 9) is as follows:

Group	2019 Estimated gross carrying amount	2019 Loss allowance (Lifetime expected credit loss)	2018 Estimated gross carrying amount	2018 Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Not past due: 0.48% (2018: 0.19%)	1 781 395 226	8 500 775	1 543 938 613	2 997 870
31 - 60 days past due: 7.08% (2018: 7.35%)	35 743 615	2 531 595	25 203 988	1 853 316
61 - 90 days past due: 9.48% (2018: 23.51%)	29 989 858	2 843 619	17 227 558	4 050 434
91 - 120 days past due: 17.39% (2018: 33.90%)	6 550 754	1 139 288	10 442 675	3 539 728
More than 120 days past due: 43.42% (2018: 51.55%)	47 304 051	20 541 737	26 553 003	13 688 035
Total	1 900 983 504	35 557 014	1 623 365 837	26 129 383

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	2019 R	2018 R	2019 R	2018 R

17. Trade and other receivables (continued)

Company	2019 Estimated gross carrying amount	2019 Loss allowance (Lifetime expected credit loss)	2018 Estimated gross carrying amount	2018 Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Not past due: 0.48% (2018: 0.19%)	1 766 249 981	8 500 775	1 536 292 019	2 934 378
31 - 60 days past due: 7.14% (2018: 7.35%)	35 455 628	2 531 595	25 120 264	1 847 513
61 - 90 days past due: 9.60% (2018: 23.55%)	29 622 732	2 843 619	17 080 127	4 022 171
91 - 120 days past due: 17.89% (2018: 32.86%)	6 368 905	1 139 288	10 769 384	3 539 241
More than 120 days past due: 43.59% (2018: 51.98%)	47 123 770	20 541 737	26 236 155	13 637 023
Total	1 884 821 016	35 557 014	1 615 497 949	25 980 326

Long term hire purchase and term loans (Note 12) is also included by the provision.

Credit risk disclosures for comparatives under IAS 39

The following sections provide comparative information for trade and other receivables which have not been restated. The information is provided in accordance with IAS 39 Financial Instruments: Recognition and Measurement.

Trade and other receivable past due but not impaired

Overdue accounts are classified as such when seasonal accounts are not paid on the payment date.

The ageing of the amounts past due but not impaired is as follows:

Trade receivables

- between 21 and 60 days	22 097 496	22 097 496
- between 60 and 90 days	5 461 838	5 461 838
- more then 90 days	37 344 802	37 195 743
	64 904 136	64 755 077

Trade and other receivables with possible impairment

As of 28 February 2018, trade and other receivables of R34 411 207 showed possible indicators of impairment (included in the ageing of overdue balances above).

The amount of the provision was R26 129 384 as of 28 February 2018.

The ageing of these debtors with possible indicators of impairment is as follows:

- between 30 and 60 days	8 340 519	8 340 519
- between 60 and 90 days	5 614 840	5 614 840
- more then 90 days	20 455 848	20 306 789
	34 411 207	34 262 148

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17. Trade and other receivables (continued)

Reconciliation of provision for impairment of trade and other receivables

Opening balance		24 462 409		24 462 409
Provision for impairment		1 666 975		1 517 916
		26 129 384		25 980 325

The maximum exposure to credit risk at the reporting date is the fair value of each class of trade and other receivable mentioned above. The group does not hold any collateral as security.

The group does not have significant credit risk due to the widespread of customers.

The group has policies in place to ensure that sales of products and services are only done to customers with an appropriate credit history. Management believes that credit risk is inherent to trade receivables and adequate provision for impairment of trade receivables was made.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

18. Cash and cash equivalents

Cash and cash equivalents consist of:

SAFEX margin deposit	11 094 821	166 475	-	-
Bank and cash	51 161 446	78 727 076	41 701 041	64 364 835
Bank overdraft	(1 340 386 406)	(968 090 067)	(1 340 386 406)	(968 090 067)
	(1 278 130 139)	(889 196 516)	(1 298 685 365)	(903 725 232)
Current assets	62 256 267	78 893 551	41 701 041	64 364 835
Current liabilities	(1 340 386 406)	(968 090 067)	(1 340 386 406)	(968 090 067)
	(1 278 130 139)	(889 196 516)	(1 298 685 365)	(903 725 232)

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating (Moody's rating)

ABSA - Baa3 - Possible downgrade	(1 304 268 009)	(940 526 922)	(1 324 285 277)	(954 837 586)
Nedbank Lesotho - Baa3 - Possible downgrade	388 457	200 597	-	-
Standard Bank - Baa3 - Possible downgrade	12 790 914	33 535 103	12 790 914	33 535 103
First National Bank - Baa3 - Possible downgrade	12 640 649	17 221 165	12 640 649	17 221 165
	(1 278 447 989)	(889 570 057)	(1 298 853 714)	(904 081 318)

Securities

Cession of all debtors.

General notarial bonds for R200 000 000 over trade and grain inventories.

First cover bond for R50 000 000 over Erf 814, Swartkops, Port Elizabeth.

First cover bond of R40 000 00 over Clocolan property.

Cession by the borrower of a short-term insurance policy for an amount not less than the replacement value of inventory, grain stock and real estate as mentioned above.

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	Group		Company	
	2019 R	2018 R	2019 R	2018 R
19. Share capital				
Authorised				
59 013 515 ordinary shares of R1 each	59 013 515	59 013 515	59 013 515	59 013 515
42 295 705 redeemable par value preference shares of 1 cent each	422 957	422 957	422 957	422 957
5 000 000 Class B shares	-	-	-	-
	59 436 472	59 436 472	59 436 472	59 436 472
Issued				
59 013 515 ordinary shares of R1 each	59 013 515	59 013 515	59 013 515	59 013 515
1 310 336 Class B shares	16 953 924	18 773 464	16 953 924	18 773 464
Share premium	24 940	24 940	24 940	24 940
	75 992 379	77 811 919	75 992 379	77 811 919

5 108 619 ordinary shares of Oos Vrystaat Kaap Operations Limited are held by OVK Rekenardienste Proprietary Limited.

20. Loans from group companies

Subsidiaries

OVK Rekenardienste Proprietary Limited	-	-	438 082	324 956
Sinethemba Mafama Proprietary Limited	11 444 377	8 724 771	11 444 377	8 724 771
Poli Ea Thaba Proprietary Limited	241 658	2 019 998	241 658	2 019 998
OVK Empowerment Proprietary Limited	-	10 602	-	10 602
	11 686 035	10 755 371	12 124 117	11 080 327

The loan from OVK Rekenardienste Proprietary Limited bears interest at the prime rate less 2.00% and has no repayment terms.

The loan from Sinethemba Mafama Proprietary Limited bears interest at the prime rate less 2.00% and has no repayment terms.

The loan from Poli Ea Thaba Proprietary Limited bears interest at the prime rate less 2.00% and has no repayment terms.

The loan from OVK Empowerment Proprietary Limited bears interest at the prime rate less 2.00% and has no repayment terms.

Fair value of group loans payable

The fair value of group loans payable approximates their carrying amounts.

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	Group		Company	
	2019 R	2018 R	2019 R	2018 R
21. Loans from shareholders				
Shareholders loan A The loan consists of funds granted to account holders in respect of the loyalty scheme of OVK and which has not been used to purchase OVK shares for the account holders. No interest obligation is applicable to this loan.	3 206 922	7 712 470	3 206 922	7 712 470
Shareholders loan B and C The loan consists of amounts previously collected from members on certain agricultural products delivered to the former co-operative and interest capitalised on the loan. The loan is inextricably linked to the redeemable preference shares. No interest obligation exists on the loan, but the board decided to declare interest at a market related rate of bank prime minus 2.50% per annum.	888 050	1 040 320	888 050	1 040 320
Shareholders loan D No interest obligation exists on this loan, but the board decided to declare interest at a market related rate of bank prime minus 2.50% per annum.	8 552 735	8 833 616	8 552 735	8 833 616
Shareholders loan E The loan consists of the balance of the member interests and member fees fund taken over on 1 July 2004 at Karoo Oranje Agricultural Cooperative, after payments/ redemption since then. No interest obligation exists on the loan, but the board decided to declare interest at a market related rate of bank prime minus 2.50% per annum	1 975 434	2 169 929	1 975 434	2 169 929
Shareholders loan F The loan consists of loans obtained from shareholders and is repayable with a 14 day notice period. Interest is earned at bank prime less 2.5% per annum.	199 733 992	180 808 452	199 733 992	180 808 452
	214 357 133	200 564 787	214 357 133	200 564 787

The shareholders loans are repayable on demand. The loans serve as collateral for amounts owed to the company.

Fair value of shareholder loans payable

The fair value of loans from shareholders approximates their carrying amounts.

Fair value of loans from shareholders

Short term loans	198 143 132	186 114 640	198 143 132	186 114 640
Finance costs	16 214 001	14 450 147	16 214 001	14 450 147
	214 357 133	200 564 787	214 357 133	200 564 787

22. Other financial liabilities

Fair value through profit or loss

Product derivative financial instruments	23 277 529	17 241 042	23 277 529	17 241 042
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Current liability

Fair value through profit or loss	23 277 529	17 241 042	23 277 529	17 241 042
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	Group		Company	
	2019	2018	2019	2018
	R	R	R	R

23. Derivative financial instruments and hedging information

The following information relates to derivative financial instruments included in other financial assets (note 10) and other financial liabilities (note 22):

Group

	2019		2018	
	Assets	Liabilities	Assets	Liabilities
SAFEX - Fair value hedge	3 326 279	23 277 529	7 901 040	17 241 042
Non-current portion	-	-	-	-
Current portion	3 326 279	23 277 529	7 901 040	17 241 042
	3 326 279	23 277 529	7 901 040	17 241 042

Company

	2019		2018	
	Assets	Liabilities	Assets	Liabilities
SAFEX - Fair value hedge	3 326 279	23 277 529	7 901 040	17 241 042
Non-current portion	-	-	-	-
Current portion	3 326 279	23 277 529	7 901 040	17 241 042
	3 326 279	23 277 529	7 901 040	17 241 042

Trading derivatives are classified as a current asset or liability. The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining date to maturity of the hedged item is more than 12 months and, as a current asset or liability, if the maturity of the hedged item is less than 12 months.

24. Trade and other payables

Financial instruments:

Trade payables	382 769 857	386 671 047	377 719 820	377 737 608
Provisions	75 937 351	58 554 087	75 718 288	58 544 580
Other payables	21 874 352	22 213 368	20 066 789	21 954 453

Non-financial instruments:

VAT	1 659 889	429 529	-	-
	482 241 449	467 868 031	473 504 897	458 236 641
Financial instruments	480 581 560	467 438 502	473 504 897	458 236 641
Non-financial instruments	1 659 889	429 529	-	-
	482 241 449	467 868 031	473 504 897	458 236 641

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

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	Group		Company	
	2019 R	2018 R	2019 R	2018 R

25. Employee benefits accrued

Reconciliation of employee benefits accrued - Group - 2019

	Opening balance	Utilised	Provision	Total
Employee benefits	50 369 507	(38 264 324)	15 622 717	27 727 900

Reconciliation of employee benefits accrued - Group - 2018

	Opening balance	Utilised	Provision	Total
Employee benefits	28 359 216	(18 465 782)	40 476 073	50 369 507

Reconciliation of employee benefits accrued - Company - 2019

	Opening balance	Utilised	Provision	Total
Employee benefits	49 339 657	(37 983 865)	15 422 859	26 778 651

Reconciliation of employee benefits accrued - Company - 2018

	Opening balance	Utilised	Provision	Total
Employee benefits	27 014 097	(17 393 095)	39 718 655	49 339 657

Employee benefits accrued is made up of the following amounts:

Bonus	1 449 692	1 902 930	1 380 620	1 874 856
Leave	16 908 225	15 731 879	16 219 489	15 281 657
Profit share	9 369 983	32 734 698	9 178 542	32 183 144
	27 727 900	50 369 507	26 778 651	49 339 657

The accrual is made for bonus payments in accordance with a performance compensation plan as well as for the monetary value of accrued leave not taken by employees at year end, as well as bonuses saved up by personnel.

26. Revenue

Revenue from contracts with customers

Sale of goods	4 006 773 933	3 716 423 278	3 902 505 904	3 677 973 730
Loyalty scheme - rebate	(31 148 285)	(27 209 264)	(30 934 946)	(27 209 264)
Service delivering	21 536 244	15 714 169	17 857 933	15 450 813
Discount distribution	(14 923)	(2 200 000)	-	-
Trade discount	(86 692 242)	(92 473 860)	(76 541 706)	(79 355 032)
Commission received	133 330 752	134 159 256	126 387 055	128 797 406
Shearing cost recovered	15 220 547	15 472 176	14 962 897	15 331 397
Presence and shipping	17 214 638	19 249 905	17 214 638	19 249 905
Bin income	12 986 967	28 604 936	12 986 967	28 604 936
Non-mainstream income	207 087 109	154 152 086	204 367 567	151 765 261
Interest received	159 164 722	142 471 805	159 164 722	142 471 805
	4 455 459 462	4 104 364 487	4 347 971 031	4 073 080 957

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	Group		Company	
	2019	2018	2019	2018
	R	R	R	R
26. Revenue (continued)				
Compilation of revenue from contracts with customers				
The group compile the income from customers as follows:				
Sale of goods				
Trade, fuel distribution, vehicles and mechanisation	3 406 374 489	3 164 152 233	3 355 602 272	3 185 878 867
Livestock, fibre and abattoir	533 532 440	539 088 613	512 185 599	513 480 618
Client financing	292 275 885	234 375 275	292 275 885	234 375 275
Industries	231 095 896	172 028 054	193 593 129	139 455 808
Insurance commission	19 135 206	20 125 266	19 135 206	20 125 266
Head office	4 208 754	4 004 310	6 113 886	6 974 387
	4 486 622 670	4 133 773 751	4 378 905 977	4 100 290 221
Loyalty scheme - rebate and discount distribution				
Loyalty scheme - rebate	(28 302 301)	(23 896 395)	(28 088 962)	(23 896 395)
Loyalty scheme - rebate - diesel rebate	(2 845 984)	(3 312 869)	(2 845 984)	(3 312 869)
Discount distribution	(14 923)	(2 200 000)	-	-
	(31 163 208)	(29 409 264)	(30 934 946)	(27 209 264)
Total revenue from contracts with customers	4 455 459 462	4 104 364 487	4 347 971 031	4 073 080 957
27. Other income				
Administration and management fees	3 254 835	4 490 318	4 357 333	5 424 842
Foreign exchange profit	-	1 938 000	-	1 938 000
Commissions received	41 774 771	40 468 916	40 993 320	40 468 916
Loss allowance written back	149 059	-	-	-
Rental income	4 615 867	3 823 215	5 283 578	3 823 215
Recoveries	830 597	807 456	830 597	807 456
Dividends received	13 897	16 181	452 337	4 784 706
Grain income	51 925 960	57 898 624	51 925 960	57 898 624
Sundry income	14 804 526	13 289 423	14 292 890	13 086 996
Freight recovered	44 392 061	36 013 918	44 392 061	36 013 918
Loyalty scheme rebate	(5 555 672)	(5 345 423)	(5 555 672)	(5 345 423)
Profit on bargain purchase	-	1 240 000	-	-
Distribution income	16 168 601	8 090 042	16 168 601	8 090 042
Transport cost recovered	13 622 424	13 482 159	13 622 424	13 482 159
Truck cost recovered	5 787 580	6 429 449	5 787 580	6 429 449
Gain on disposal of assets	1 230 725	1 004 891	1 230 725	992 185
	193 015 231	183 647 169	193 781 734	187 895 085
28. Operating profit				
Operating profit for the year is stated after charging the following, amongst others:				
Auditor's remuneration - external				
Audit fees	2 026 292	1 915 992	1 838 049	1 797 143

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	2019 R	2018 R	2019 R	2018 R
28. Operating profit (continued)				
Expenses by nature				
The total cost of sales, selling and distribution expenses, marketing expenses, general and administrative expenses, research and development expenses, maintenance expenses and other operating expenses are analysed by nature as follows:				
Changes in inventories of finished goods and work in progress	3 802 093 469	3 441 075 773	3 915 156 132	3 607 494 483
Employee costs	364 339 829	356 419 148	350 751 707	347 300 811
Operating lease charges	4 806 682	4 335 752	3 989 977	3 478 735
Depreciation, amortisation and impairment	28 738 049	34 327 195	26 057 245	32 451 911
Other expenses	141 579 622	116 836 473	143 230 102	115 766 790
Distribution cost	60 428 691	54 339 206	58 479 080	52 971 870
Advertisement	7 049 318	6 706 128	6 511 418	6 496 790
Bad debt written off	4 755 664	5 157 539	4 755 514	5 149 005
Operating cost	76 859 687	59 301 889	73 247 011	57 400 088
Total cost of sales, distribution costs and administrative expenses	4 490 651 011	4 078 499 103	4 582 178 186	4 228 510 483
29. Investment income				
Interest income				
Investments in financial assets:				
Bank	231 273	315 893	170 611	244 966
SARS	938	1 041	-	-
Interest recovered from grain	1 334 107	339 040	1 334 107	339 040
Interest received SAFEX	3 061 063	169 425	3 061 063	169 425
Interest from group companies	-	225 334	7 214 235	8 530 933
Other interest	1 622 283	1 198 059	1 536 086	923 685
Total interest income	6 249 664	2 248 792	13 316 102	10 208 049
30. Grain gross profit including fair value movements				
Revenue (not included in company revenue)	2 304 021 028	1 555 029 276	2 304 021 028	1 555 029 276
Cost of sales (not included in company cost of sales)	(2 248 665 746)	(1 525 483 548)	(2 248 665 746)	(1 525 483 548)
Gross profit	55 355 282	29 545 728	55 355 282	29 545 728
Fair value adjustment on grain inventory (own grain)	53 086 313	28 787 086	53 086 313	28 787 086
Fair value profit/loss on grain sales	38 769 938	(18 702 096)	38 769 938	(18 702 096)
SAFEX variation margins	(40 475 826)	72 990 550	(40 475 826)	72 990 550
Fair value adjustment - derivatives	(13 141 224)	(14 561 116)	(13 141 224)	(14 561 116)
	93 594 483	98 060 152	93 594 483	98 060 152
31. Finance costs				
Rente betaal aan groepmaatskappye	420 564	1 134 194	450 437	447 449
Shareholders	16 214 001	14 450 147	16 214 001	14 450 147
Net finance costs	78 807 421	63 269 352	78 804 998	63 965 166
Interest paid to SARS	46 361	-	334	-
Total finance costs	95 488 347	78 853 693	95 469 770	78 862 762

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	2019 R	2018 R	2019 R	2018 R
32. Income tax expense				
Major components of the tax expense				
Current				
Local income tax - current period	41 529 025	71 577 814	40 923 471	69 247 185
Deferred				
Originating and reversing temporary differences	7 001 012	(2 379 312)	5 549 273	(5 093 834)
	48 530 037	69 198 502	46 472 744	64 153 351
Reconciliation of the tax expense				
Reconciliation between applicable tax rate and average effective tax rate.				
Applicable tax rate	28.00 %	28.00 %	28.00 %	28.00 %
Permanent differences	0.82 %	(0.58)%	0.54 %	(0.63)%
Difference - fixed assets deferred tax	- %	- %	(0.17)%	0.08 %
Consolidation adjustments to profit	0.73 %	1.64 %	- %	- %
Prior year adjustments	(0.17)%	0.10 %	- %	- %
Deferred tax not reconised	0.36 %	0.61 %	- %	- %
	29.74 %	29.77 %	28.37 %	27.45 %
33. Cash generated from/(used in) operations				
Profit before taxation	163 143 443	232 426 365	163 825 237	233 901 969
Adjustments for:				
Depreciation and amortisation	28 324 809	34 020 382	25 831 720	32 145 098
Gain on sale of assets	(1 230 725)	1 004 891	(1 230 725)	(992 185)
Income from equity accounted investments	(525 521)	(1 190 036)	-	-
Dividend received	(13 898)	(16 181)	(452 337)	(4 784 706)
Interest income	(169 546 146)	(145 904 876)	(174 095 962)	(153 864 133)
Finance costs	95 488 347	78 853 693	95 469 770	78 862 762
Impairment on intercompany loans	-	-	3 925 756	-
Movements in provisions	(22 641 607)	21 852 851	(22 561 006)	22 325 560
Provision for impairment of trade receivables	9 427 630	(1 666 975)	9 576 689	1 517 916
Gain on bargain purchase	-	(1 240 000)	-	-
Non cash items	-	417 576	-	-
Changes in working capital:				
Inventories	(172 295 919)	(129 678 652)	(159 380 756)	(125 648 533)
Trade and other receivables	(267 933 925)	(66 877 619)	(268 318 764)	(71 251 460)
Trade and other payables	14 378 439	57 858 557	15 268 255	50 980 139
Biological assets	1 814 081	(5 534 518)	1 814 082	(5 534 518)
Derivative financial instruments	10 611 248	(33 383 791)	10 611 248	(33 383 791)
Movements in long term hire purchases and term loans	(27 934 838)	4 462 259	(27 934 838)	4 462 259
	(338 934 582)	45 403 926	(327 651 631)	28 736 377
34. Tax paid				
Balance at beginning of the year	(9 969 864)	(4 547 897)	(9 561 801)	(5 197 778)
Current tax for the year recognised in profit or loss	(41 529 025)	(71 577 814)	(40 923 471)	(69 247 185)
Balance at end of the year	(4 907 758)	9 969 864	(3 876 933)	9 561 801
	(56 406 647)	(66 155 847)	(54 362 205)	(64 883 162)

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	2019 R	2018 R	2019 R	2018 R

35. Dividends paid

Balance at beginning of the year	-	-	-	-
Dividends	(38 700 666)	(33 077 109)	(42 310 027)	(36 292 397)
Balance at end of the year	-	-	-	-
	(38 700 666)	(33 077 109)	(42 310 027)	(36 292 397)

36. Business combinations

On 26 February 2018 the group acquired the assets of Trek in (De Aar) Toyota. The group also took over employees with their related obligations.

A purchase price allocation was performed on the business combination that occurred during the financial year.

The following table illustrates the consideration paid and net assets acquired during the year. All assets and liabilities are measured at fair value on the date of acquisition.

Fair value of assets acquired and liabilities assumed

Assets under R7 000	-	417 576	-	-
Property, plant and equipment	-	413 416	-	-
Intangible assets	-	1 240 000	-	-
Inventory	-	7 312 976	-	-
Accumulated leave	-	(157 440)	-	-
Total identifiable net assets	-	9 226 528	-	-
Gain on a bargain purchase in a business combination	-	(1 240 000)	-	-
	-	7 986 528	-	-

The key observable inputs included in the purchase price allocation are considered to be the risk-free rate, the unobservable inputs are the useful life and the Weighted Average Cost of Capital (WACC). The sensitivity analysis below demonstrates the change in the fair value of the identified intangible asset valuation should any of the key inputs materially change:

Sensitivity analysis

	Increase	Decrease
Observable inputs: Risk free rate increase of 0.5%		
Customer relations	(17 448)	17 448
Unobservable inputs: Redemption rate: 2.5%		
Change in client redemption rate		
Customer relations	(15 002)	20 810
WACC: a change of 0.5%		
Customer relations	(17 220)	17 588

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	Group		Company	
	2019 R	2018 R	2019 R	2018 R
37. Commitments				
Authorised capital expenditure				
Already contracted for but not provided for				
• Property, plant and equipment	59 662 782	64 078 234	56 547 782	62 428 234
Operating leases – as lessee (expense)				
Minimum lease payments due				
- within one year	306 780	417 713	-	-
- in second to fifth year inclusive	1 142 915	1 606 791	-	-
	1 449 695	2 024 504	-	-

Operating lease payments represent rentals payable by the group for certain of its office properties. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. No contingent rent is payable.

38. Events after the reporting period

No significant events after the reporting date have occurred.

39. Post retirement benefit

It is policy that all permanent staff belong to a pension or provident fund. The staff members are members of the OVK Retirement Fund, or KOLK Retirement Fund or members of the CMW Wool and Mohair Provident Fund or MIBCO Provident Fund. The funds are registered and governed under the Pension Funds Act, 1956, as amended. The pension and provident funds offer advantages in terms of defined contribution plans.

The contributions of OVK Operations Limited Group to post-employment benefit plans for the year was R26 350 788 (2018: R24 848 591). Company R25 845 580 (2018: R24 631 422).

40. Contingencies

Guarantee issued	24 381 936	22 545 685	24 381 936	22 545 685
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Guarantees were issued on behalf of the group to the Registrar of the Insurance Association and Eskom.

Oos Vrystaat Kaap Operations Limited

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Notes to the Summary Consolidated Financial Statements

	Group		Company	
	2019 R	2018 R	2019 R	2018 R
41. Related parties				
Relationships				
Holding company			Oos Vrystaat Kaap Holdings Proprietary Limited	
Subsidiaries			Refer to note 7	
Joint ventures			Refer to note 8	
Associate			Refer to note 9	
Related entity			OVK Empowerment Proprietary Limited	
Related party balances				
Loan accounts - Owning (to) by related parties				
OVK Holdings Proprietary Limited	(193 542)	(193 542)	(193 542)	(193 542)
OVK Rekenaardienste Proprietary Limited	-	-	78 301 752	76 413 266
OVK Rekenaardienste Proprietary Limited	-	-	(438 082)	(324 956)
Oos Kaap Boerdery en Graanhandelaars Proprietary Limited	-	-	400 000	400 000
Oos Vrystaat Kunsmis Proprietary Limited	-	-	14 666 871	5 802 109
OVK Eiendomme Proprietary Limited	-	-	-	2 835 899
Blue Crane Fibre Proprietary Limited	-	-	5 326 865	7 603 677
Matla Energy Proprietary Limited	-	-	19 552 489	9 176 060
OVK Lesotho Proprietary Limited	-	-	1 055 747	599 290
Van Lill Woolbuyers Proprietary Limited	-	-	3 600 917	2 798 590
Sinethemba Mafama Proprietary Limited	(11 444 377)	(8 724 771)	(11 444 377)	(8 724 771)
Poli EA Thaba Proprietary Limited	(241 658)	(2 019 998)	(241 658)	(2 019 998)
OVK Empowerment Proprietary Limited	-	(10 602)	-	(10 602)
OVK Empowerment Proprietary Limited	7 200	260	7 200	-
Amounts included in Trade receivable (Trade Payable) regarding related parties				
Orange River Popcorn Proprietary Limited	11 436 414	24 259 296	11 436 414	24 259 296
Van Lill Woolbuyers Proprietary Limited	-	-	179 533	85 601
Directors	105 287 231	92 959 471	105 287 231	92 959 471
SAFEX deposit through Oos Kaap Boerdery en Graanhandelaars Proprietary Limited	-	-	50 818 565	21 731 534
Oos Kaap Boerdery en Graanhandelaars Proprietary Limited	-	-	9 914 127	(649 680)
Sinethemba Mafama Proprietary Limited	-	(47 753)	-	(47 753)
OVK Eiendomme Proprietary Limited	-	-	-	36 502
VGK Beleggings Proprietary Limited	(1 022 253)	(1 360 247)	(1 022 253)	(1 360 247)
Oos Vrystaat Kunsmis Proprietary Limited	-	-	381 937	5 164 398
Oos Vrystaat Kunsmis Proprietary Limited	-	-	(4 281 107)	(3 047 287)
Poli EA Thaba Proprietary Limited	-	(108 729)	-	(108 729)
Matla Energy Proprietary Limited	-	-	100 496	-
Matla Energy Proprietary Limited	-	-	(161 303)	-
Blue Crane Fibre Proprietary Limited	-	-	20 587	-
OVK Lesotho Proprietary Limited	-	-	467 206	-

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	Group		Company	
	2019 R	2018 R	2019 R	2018 R
41. Related parties (continued)				
Related party transactions				
Interest paid to (received from) related parties				
Directors	(10 391 931)	(9 369 371)	(10 391 931)	(9 369 371)
OVK Rekenardienste Proprietary Limited (Shares)	-	-	(6 183 917)	(6 424 619)
OVK Rekenardienste Proprietary Limited	-	-	29 863	19 042
Oos Kaap Boerdery en Graanhandelaars Proprietary Limited	-	-	(30 949)	(32 058)
Oos Vrystaat Kunsmis Proprietary Limited	-	-	(1 775 733)	(697 304)
OVK Eiendomme Proprietary Limited	-	-	(333 960)	(338 808)
Van Lill Woolbuyers Proprietary Limited	-	-	(288 745)	(268 587)
Blue Crane Fibre Proprietary Limited	-	-	(407 613)	(439 824)
Orange River Popcorn Proprietary Limited	(3 231 447)	(2 626 494)	(3 231 447)	(2 626 494)
Sinethemba Mafama Proprietary Limited	250 117	143 890	250 117	143 890
Poli EA Thaba Proprietary Limited	70 451	(69 983)	70 451	(96 875)
OVK Lesotho Proprietary Limited	-	-	(170 180)	(62 564)
VGK Beleggings Proprietary Limited	100 006	164 542	100 006	164 542
Matla Energy Proprietary Limited	-	-	(1 721 393)	(7 340)
Purchases from (sales to) related parties				
OVK Rekenardienste Proprietary Limited	-	-	3 554 653	2 705 560
Blue Crane Fibre Proprietary Limited	-	-	(493 393)	(451 443)
OVK Eiendomme Proprietary Limited	-	-	(107 854)	(401 215)
Oos Vrystaat Kunsmis Proprietary Limited	-	-	(12 063 894)	(20 882 708)
Oos Vrystaat Kunsmis Proprietary Limited	-	-	81 490 544	82 751 915
Sales to directors	(214 869 406)	(163 849 617)	(214 869 406)	(163 849 617)
Purchases from directors	180 786 510	168 683 074	180 786 510	168 683 074
Sinethemba Mafama Proprietary Limited	(1 912 978)	(1 327 456)	(1 912 978)	(1 327 456)
Van Lill Woolbuyers Proprietary Limited	-	-	(2 158 714)	(2 516 150)
OVK Lesotho Proprietary Limited	-	-	(3 549 424)	(3 738 285)
Poli EA Thaba Proprietary Limited	-	(190 958)	-	(190 958)
Poli EA Thaba Proprietary Limited	-	96 170	-	96 170
Matla Energy Proprietary Limited	-	-	(804 098)	-
Matla Energy Proprietary Limited	-	-	5 909 789	-
Management fees and other related costs paid to (received from) related parties				
Orange River Popcorn Proprietary Limited	(2 500 000)	(2 500 000)	(2 500 000)	(2 500 000)
Blue Crane Fibre Proprietary Limited	-	-	(192 864)	(186 240)
OVK Eiendomme Proprietary Limited	-	-	240 000	300 000
Oos Vrystaat Kunsmis Proprietary Limited	-	-	(360 000)	(360 000)
Sinethemba Mafama Proprietary Limited	(1 155 719)	(218 263)	(1 155 719)	(218 263)
Van Lill Woolbuyers Proprietary Limited	-	-	(320 464)	(328 284)
Poli EA Thaba Proprietary Limited	(78 000)	(156 000)	(78 000)	(156 000)
Oos Kaap Boerdery en Graanhandelaars Proprietary Limited	-	-	660 000	660 000
VGK Beleggings Proprietary Limited	(58 440)	(54 600)	(58 440)	(54 600)
Matla Energy Proprietary Limited	-	-	(929 320)	-

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Notes to the Summary Consolidated Financial Statements

	Group		Company	
	2019 R	2018 R	2019 R	2018 R

42. Directors' emoluments

Executive

2019

	Short term compensation	Profit share	Leave paid out	Pension paid	Expenses	Total
For service as officials	13 714 015	6 199 476	129 461	831 144	442 458	21 316 554

2018

	Short term compensation	Profit share	Leave paid out	Pension paid	Expenses	Total
For service as officials	12 355 205	906 468	188 594	787 526	429 271	14 667 064

Non-executive

2019

	Short term compensation	Expenses	Total
For service as directors	2 526 090	798 269	3 324 359
For service as directors paid by subsidiaries	37 809	23 555	61 364
	2 563 899	821 824	3 385 723

2018

	Short term compensation	Expenses	Total
For service as directors	2 361 265	876 245	3 237 510
For service as directors paid by subsidiaries	42 441	27 500	69 941
	2 403 706	903 745	3 307 451

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Notes to the Summary Consolidated Financial Statements

43. Segment information

Management determines the operating segments on the basis of reports used by the directors to make strategic decisions. The directors regard the business from an operational view and receive reports with regard to the following segments:

- Trade and fuel, which trades in primary input requisites and general trade articles and in the delivery of diesel
- Mechanisation and motors, which trades in motors and rendering of services, tractors and implements
- Grain handling, trade and marketing, which includes the handling, storage and trading of grain and derivative instruments
- Client finance, providing finance as well as term loans
- Livestock, fibre and abattoir consists of Gariep Abattoir, as well as OVK livestock, wool and mohair.
- Corporate and other which includes insurance and head office costs.
- Industries supply wheat, maize meal, fertiliser and other products

An analysis of geographical segments is not provided as the Group only has operations in South Africa and Lesotho. The activities in Lesotho are not material to the group.

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Summary Consolidated Financial Statements for the year ended 28 February 2019

Notes to the Summary Consolidated Financial Statements

43. Segment information (continued)

Financial information with regard to the operating segments are as follows: (R'000)

Group 2019	Trade and fuel	Mechani- sation and motors	Grain	Client finance	Livestock, fibre and abattoir	Industries	Corporate and other	Total
Total segment income from external clients	2 910 713	495 448	-	292 276	533 532	231 080	(7 590)	4 455 459
Gross profit/(loss)	261 844	47 020	-	161 132	157 171	40 886	(14 687)	653 366
Grain income (net of loyalty scheme rebate)	-	-	46 370	-	-	-	-	46 370
Interest received	-	-	44	-	117	16	6 073	6 250
Interest paid	-	(2)	-	-	(45)	(2)	(95 439)	(95 488)
Grain gross profit including fair value movements	-	-	93 594	-	-	-	-	93 594
Depreciation	(6 407)	(2 082)	(7 782)	(63)	(7 679)	(5 106)	381	(28 738)
Segment expenditure	(144 694)	(53 719)	(115 297)	(122 003)	(146 726)	(45 469)	(31 912)	(659 820)
Reportable segment profit/(loss)	110 743	(8 783)	16 929	39 066	2 838	(9 675)	(135 584)	15 534
Other income	5	963	(6)	-	566	6	145 111	146 645
Income from equity investment	-	-	-	-	-	-	964	964
Profit/(loss) before tax	110 748	(7 820)	16 923	39 066	3 404	(9 669)	10 491	163 143
Tax	(2)	-	(153)	-	(489)	(217)	(47 669)	(48 530)
Net profit/(loss) for the year	110 746	(7 820)	16 770	39 066	2 915	(9 886)	(37 178)	114 613
Total assets	550 905	145 361	543 672	1 606 259	194 639	112 207	95 254	3 248 297
Total liabilities	168 480	25 966	155 806	16 811	122 547	12 968	2 941	505 519

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43. Segment information (continued)

Group 2018	Trade and fuel	Mechani- sation and motors	Grain	Client finance	Livestock, fibre and abattoir	Industries	Corporate and other	Total
Total segment income from external clients	2 671 200	492 952	-	234 375	539 089	169 828	(3 080)	4 104 364
Gross profit/(loss)	246 281	47 270	-	143 658	201 329	38 979	(14 228)	663 289
Grain income (net of loyalty scheme rebate)	-	-	52 553	-	-	-	-	52 553
Interest received	4	-	33	-	85	182	1 945	2 249
Interest paid	-	-	-	-	-	-	(78 854)	(78 854)
Grain gross profit including fair value movements	-	-	98 060	-	-	-	-	98 060
Depreciation	(6 416)	(1 719)	(7 390)	(70)	(7 641)	(5 528)	(5 563)	(34 327)
Segment expenditure	(133 894)	(48 485)	(88 556)	(106 120)	(129 976)	(46 890)	(49 175)	(603 096)
Reportable segment profit/(loss)	105 975	(2 934)	54 700	37 468	63 797	(13 257)	(145 875)	99 874
Other income	-	1 240	6	-	(1 828)	(347)	132 022	131 093
Income from equity investment	-	-	-	-	-	-	1 459	1 459
Profit/(loss) before tax	105 975	(1 694)	54 706	37 468	61 969	(13 604)	(12 394)	232 426
Tax	8	-	(156)	-	(2 125)	(217)	(66 708)	(69 198)
Net profit/(loss) for the year	105 983	(1 694)	54 550	37 468	59 844	(13 821)	(79 102)	163 228
Total assets	490 260	136 609	323 680	1 394 043	184 497	124 034	127 378	2 780 501
Total liabilities	167 411	30 542	113 492	9 693	142 592	17 390	3 988	485 108

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43. Segment information (continued)

Company 2019

	Trade and fuel	Mechani- sation and motors	Grain	Client finance	Livestock, fibre and abattoir	Industries	Corporate and other	Total
Total segment income from external clients	2 925 864	429 739	-	292 276	512 186	193 593	(5 687)	4 347 971
Gross profit/(loss)	264 861	39 676	-	161 132	142 943	29 963	(12 950)	625 625
Grain income (net of loyalty scheme rebate)	-	-	46 370	-	-	-	-	46 370
Interest received	-	-	-	-	-	-	13 316	13 316
Interest paid	-	-	-	-	-	-	(95 470)	(95 470)
Grain gross profit including fair value movements	-	-	93 594	-	-	-	-	93 594
Depreciation	(6 331)	(1 518)	(7 782)	(63)	(7 477)	(3 290)	404	(26 057)
Segment expenditure	(143 566)	(47 745)	(115 176)	(122 003)	(137 623)	(39 211)	(35 641)	(640 965)
Reportable segment profit/(loss)	114 964	(9 587)	17 006	39 066	(2 157)	(12 538)	(130 341)	16 413
Other income	-	-	-	-	-	-	147 412	147 412
Profit/(loss) before tax	114 964	(9 587)	17 006	39 066	(2 157)	(12 538)	17 071	163 825
Tax	-	-	-	-	-	-	(46 473)	(46 473)
Net profit/(loss) for the year	114 964	(9 587)	17 006	39 066	(2 157)	(12 538)	(29 402)	117 352
Total assets	549 786	128 163	492 441	1 606 259	175 094	68 306	119 140	3 139 189
Total liabilities	168 452	24 479	155 799	16 811	113 273	11 135	6 834	496 783

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Notes to the Summary Consolidated Financial Statements

43. Segment information (continued)

Company 2018	Trade and fuel	Mechani- sation and motors	Grain	Client finance	Livestock, fibre and abattoir	Industries	Corporate and other	Total
Total segment income from external clients	2 692 955	492 924	-	234 375	513 481	139 456	(110)	4 073 081
Gross profit/(loss)	246 012	47 250	-	143 658	181 994	30 092	(11 389)	637 617
Grain income (net of loyalty scheme rebate)	-	-	52 553	-	-	-	-	52 553
Interest received	-	-	-	-	-	-	10 208	10 208
Interest paid	-	-	-	-	-	-	(78 863)	(78 863)
Grain gross profit including fair value movements	-	-	98 060	-	-	-	-	98 060
Depreciation	(6 365)	(1 719)	(7 390)	(70)	(7 355)	(3 996)	(5 557)	(32 452)
Segment expenditure	(133 095)	(48 031)	(89 108)	(106 120)	(122 437)	(41 133)	(48 640)	(588 564)
Reportable segment profit/(loss)	106 552	(2 500)	54 115	37 468	52 202	(15 037)	(134 241)	98 559
Other income	-	-	-	-	-	-	135 343	135 343
Profit/(loss) before tax	106 552	(2 500)	54 115	37 468	52 202	(15 037)	1 102	233 902
Tax	-	-	-	-	-	-	(64 153)	(64 153)
Net profit/(loss) for the year	106 552	(2 500)	54 115	37 468	52 202	(15 037)	(63 051)	169 749
Total assets	488 943	126 495	323 268	1 394 043	172 474	84 186	93 187	2 682 596
Total liabilities	166 880	30 509	113 486	9 693	133 024	14 506	7 379	475 477

Sales between segments take place at cost. The income from external clients which is reported to the directors, is evaluated on a method which is consistent with the sales in the statement of comprehensive income.

The directors evaluate the performance of the segments on the basis of gross profit and net of profit before tax.

The amounts provided to the board of directors regarding total assets are measured in a way that is consistent with the measurement of assets in the statement of financial position. Segment assets are allocated on the basis of activities of the company.

Investments in shares (classified as equity investment or other financial assets held at fair value though profit and loss) held by the Group, is not classified as segment assets.

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Notes to the Summary Consolidated Financial Statements

	Group		Company	
	2019	2018	2019	2018
	R	R	R	R

43. Segment information (continued)

Reporting segments' assets/liabilities were reconciled as follows with total assets/liabilities: (R'000)

Total assets according to statement of financial position

Segment assets	3 248 297	2 780 501	3 139 189	2 682 598
Unallocated: Deferred tax	156	3 605	-	3 343
Unallocated: Investments in subsidiaries	-	-	11 001	11 001
Unallocated: Members' funds	25	25	25	25
Unallocated: Equity investment	127	127	127	127
Unallocated: Investment in joint venture	4 374	4 041	1	1
Unallocated: Tax receivable	4 944	665	3 877	-
Unallocated: Investment in associated company	3 214	3 021	142	142
Unallocated: Loan to group companies	9	1	122 913	105 630
Unallocated: Cash and cash equivalents	62 256	78 894	41 701	64 365
	3 323 402	2 870 880	3 318 976	2 867 232

Total liabilities according to statement of financial position

Segment liabilities	505 519	485 108	496 783	475 477
Unallocated: Employee benefits payable	27 728	50 370	26 779	49 340
Unallocated: Loan from group companies	11 686	10 755	12 124	11 080
Unallocated: Tax payable	36	10 635	-	9 562
Unallocated: Shareholders' loans	214 357	200 565	214 357	200 565
Unallocated: Bank overdraft	1 340 386	968 090	1 340 386	968 090
Unallocated: Deferred tax	20 882	17 328	2 206	-
	2 120 594	1 742 851	2 092 635	1 714 114

The company does not earn more than 10% of its total income from one external client.

44. Earnings per share (Ordinary and Class B)

Earnings per share is calculated by dividing the net profit after tax by the weighted average number of shares in issue for the year.

Net profit after tax	114 613 406	163 227 863	117 352 493	169 748 618
Weighted average number of shares	55 270 737	55 174 204	60 383 008	60 521 784

	Cent	Cent	Cent	Cent
Earnings per share before interest to shareholders	208.9	297.5	195.8	282.0
Earnings per share after interest to shareholders	207.4	295.8	194.4	280.5

45. Headline earnings per share (Ordinary and Class B)

Reconciliation between earnings and headline earnings

Net profit after tax	114 613 406	163 227 863	117 352 493	169 748 618
Net profit on disposal of property, plant and equipment	(1 230 725)	(1 004 891)	(1 230 725)	(992 185)
Gain on bargain purchase	-	(1 240 000)	-	-
Impairment on intercompany loan	-	-	3 925 756	-
	113 382 681	160 982 972	120 047 524	168 756 433

	Cent	Cent	Cent	Cent
Earnings per share before interest to shareholders	206.7	293.5	200.3	280.4
Earnings per share after interest to shareholders	205.1	291.8	198.8	278.8

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Detailed Income Statement

		Group		Company	
	Notes	2019 R	2018 R	2019 R	2018 R
Revenue					
Sale of goods		4 006 773 933	3 716 423 278	3 902 505 904	3 677 973 730
Loyalty scheme rebate		(31 148 285)	(27 209 264)	(30 934 946)	(27 209 264)
Service delivering		21 536 244	15 714 169	17 857 933	15 450 813
Interest received		159 164 722	142 471 805	159 164 722	142 471 805
Discount distribution		(14 923)	(2 200 000)	-	-
Commission received		133 330 752	134 159 256	126 387 055	128 797 406
Shearing cost recovered		15 220 547	15 472 176	14 962 897	15 331 397
Presence and shipping		17 214 638	19 249 905	17 214 638	19 249 905
Bin income		12 986 967	28 604 936	12 986 967	28 604 936
Non-mainstream income		207 087 109	154 152 086	204 367 567	151 765 261
Trade discount		(86 692 242)	(92 473 860)	(76 541 706)	(79 355 032)
	26	4 455 459 462	4 104 364 487	4 347 971 031	4 073 080 957
Cost of sales					
Opening stock		(689 981 414)	(552 989 786)	(668 066 577)	(542 418 044)
Purchases		(3 974 389 387)	(3 578 067 401)	(3 881 727 045)	(3 561 112 045)
Closing stock		862 277 332	689 981 414	827 447 333	668 066 577
		(3 802 093 469)	(3 441 075 773)	(3 722 346 289)	(3 435 463 512)
Gross profit		653 365 993	663 288 714	625 624 742	637 617 445
Other operating income					
Administration and management fees		3 254 835	4 490 318	4 357 333	5 424 842
Foreign exchange profit		-	1 938 000	-	1 938 000
Commissions received		41 774 771	40 468 916	40 993 320	40 468 916
Provision for credit loss written back		149 059	-	-	-
Rental income		4 615 867	3 823 215	5 283 578	3 823 215
Recoveries		830 597	807 456	830 597	807 456
Dividends received		13 897	16 181	452 337	4 784 706
Grain income		51 925 960	57 898 624	51 925 960	57 898 624
Sundry income		14 804 526	13 289 423	14 292 890	13 086 996
Freight recovered		44 392 061	36 013 918	44 392 061	36 013 918
Loyalty scheme rebate		(5 555 672)	(5 345 423)	(5 555 672)	(5 345 423)
Profit on bargain purchase		-	1 240 000	-	-
Distribution income		16 168 601	8 090 042	16 168 601	8 090 042
Transport cost recovered		13 622 424	13 482 159	13 622 424	13 482 159
Truck cost recovered		5 787 580	6 429 449	5 787 580	6 429 449
Gain on disposal of assets		1 230 725	1 004 891	1 230 725	992 185
Investment income	29	6 249 664	2 248 792	13 316 102	10 208 049
Grain gross profit including fair value movements	30	93 594 483	98 060 152	93 594 483	98 060 152
Income from equity accounted investments		1 121 368	1 458 561	-	-
	27	293 980 746	285 414 674	300 692 319	296 163 286
Expenses (Refer to page 62)		(688 557 542)	(637 423 330)	(667 022 054)	(621 016 000)
Operating profit	28	258 789 197	311 280 058	259 295 007	312 764 731
Finance costs	31	(95 488 347)	(78 853 693)	(95 469 770)	(78 862 762)
Income from equity accounted investment	31	(157 407)	-	-	-
Profit before taxation		163 143 443	232 426 365	163 825 237	233 901 969
Income tax expense	32	(48 530 037)	(69 198 502)	(46 472 744)	(64 153 351)

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Detailed Income Statement

	Notes	Group		Company	
		2019 R	2018 R	2019 R	2018 R
Profit for the year		114 613 406	163 227 863	117 352 493	169 748 618

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Detailed Income Statement

		Group		Company	
	Notes	2019 R	2018 R	2019 R	2018 R
Other operating expenses					
Administration and management fees		18 182 551	15 006 285	22 279 583	15 928 795
Advertising		7 049 318	6 706 128	6 511 418	6 496 790
Auditors remuneration	28	2 026 292	1 915 992	1 838 049	1 797 143
Bad debt written off		4 755 664	5 157 539	4 755 514	5 149 005
Bank charges		4 103 910	3 303 237	3 635 125	3 007 359
Depreciation and amortisation		28 738 049	34 327 195	26 057 245	32 451 911
Distribution costs		60 428 691	54 339 206	58 479 080	52 971 870
Donations and sponsorships		2 890 474	2 983 745	2 867 617	2 941 504
Employee costs		364 339 829	356 419 148	350 751 707	347 300 811
Freight		49 220 601	40 326 543	49 213 708	40 326 543
Insurance		12 070 264	10 680 151	11 891 044	10 620 333
Insurance claim 3rd party		-	8 000 000	-	8 000 000
Legal costs		262 301	503 475	262 301	488 202
Operating costs		76 859 687	59 301 889	73 247 011	57 400 088
Packaging material		4 370 245	4 319 226	3 836 736	3 885 939
Provision for credit loss		9 554 024	1 666 975	9 554 024	1 517 916
Rental expense		4 806 682	4 335 752	3 989 977	3 478 735
Repairs and maintenance		38 898 960	28 130 844	37 851 915	27 253 056
		688 557 542	637 423 330	667 022 054	621 016 000