

Oos Vrystaat Kaap Operations Limited
(Registration number 1999/004069/06)
Summary Consolidated Financial Statements
for the year ended 29 February 2020

Oos Vrystaat Kaap Operations Limited

(Registration number 1999/004069/06)

Summary Consolidated Financial Statements for the year ended 29 February 2020

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	CT Bender - Chairman JD le Roux - Vice Chairman SJ Botha CD Cloete QA de Bruyn WJ du Toit JCC Moll FP Nel JZ Scheepers 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 and Corporate JB le Roux - Trade and Fuel JH Rossouw - Livestock JB Snyman - Grain and Industries WG Weeks - Fibre
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.

Oos Vrystaat Kaap Operations Limited

(Registration number 1999/004069/06)

Summary Consolidated Financial Statements for the year ended 29 February 2020

General Information

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

19 June 2020

Oos Vrystaat Kaap Operations Limited

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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.

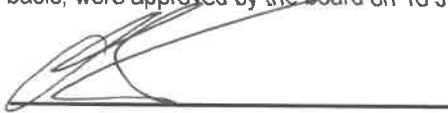
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the summary consolidated financial statements. However, any system of internal 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 28 February 2021 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 7 to 8.

The summary consolidated financial statements set out on pages 9 to 62, which have been prepared on the going concern basis, were approved by the board on 16 June 2020 and were signed on their behalf by:



CT Bender - 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 QA de Bruyn, who was appointed by the Audit and Risk committee as chairman
Mr FJ van Zyl, who was appointed by the Audit and Risk committee as vice chairman
Mr JCC Moll
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 2019/2020
- * The external audit planning for 2019/2020
- * The external audit fees for 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 2019/2020
- * The operating budget for 2020/2021
- * The internal audit plan for 2020/2021
- * 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.



QA de Bruyn - Chairman

16 June 2020

Oos Vrystaat Kaap Operations Limited

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Summary Consolidated Financial Statements for the year ended 29 February 2020

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 29 February 2020, 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
16 June 2020



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 13 to 60, which comprise the summary consolidated statement of financial position as at 29 February 2020, 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 29 February 2020.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the criteria developed by the directors as set out in note 1 to the summary consolidated financial statements 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 19 June 2020.

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 criteria developed by the directors as set out in note 1 to the summary consolidated financial statements and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

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T: +27 (0) 51 503 4100, F: +27 (0) 51 813 1700, www.pwc.co.za*

Chief Executive Officer: L S Machaba

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
19 June 2020

Oos Vrystaat Kaap Operations Limited

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Summary Consolidated Financial Statements for the year ended 29 February 2020

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 29 February 2020.

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.

2020

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	3 591 061	104 375	3 570 424	104 811
Grain handling and marketing	-	23 954	-	23 411
Livestock, fibre and abattoir	447 165	10 825	410 848	9 243
Industries	445 604	(836)	408 331	(832)
Insurance	18 133	5 005	18 133	5 005
Head office	534	(22 030)	5 312	(8 858)
Client financing	270 181	41 803	270 181	41 803
Loyalty scheme - rebate	(26 181)	-	(26 009)	-
Discount distribution	(7)	-	-	-
	4 746 490	163 096	4 657 220	174 583

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	555 269	25 141	533 923	19 580
Industries	231 096	(9 669)	193 593	(12 538)
Insurance	19 135	8 563	19 135	8 563
Head office	4 209	(19 809)	6 114	(13 229)
Client financing	292 276	39 066	292 276	39 066
Loyalty scheme - rebate	(31 148)	-	(30 935)	-
Discount distribution	(15)	-	-	-
	4 477 196	163 143	4 369 708	163 825

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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 2020	2019	Company 2020	2019
Direct: Non-executive directors	640 122	728 334	403 246	496 520
Direct: Executive directors and executive management	339 155	343 779	339 155	343 779
Indirect: Non-executive directors	159 160	557 704	134 957	534 828
Indirect: Executive directors and executive management	-	-	-	-
	1 138 437	1 629 817	877 358	1 375 127

3. Events after the reporting period

Refer to note 38 for the disclosure with regards to events after the reporting period.

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 135 495 (2019: 119 885) Class B shares repurchased.

5. Dividends

The directors recommend a dividend of 55 cents (2019: 52 cents) per ordinary and Class B share amounting to a total of R29 877 467 (2019: R28 711 921) to be distributed to shareholders registered on 29 February 2020, 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 R18 825 001 (2019: R16 214 001) 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
CT Bender - Chairman	
JD le Roux - Vice Chairman	
SJ Botha	Appointed 23 July 2019
CD Cloete	Appointed 24 February 2020
QA de Bruyn	
MW Dobrowsky	Deceased 26 January 2020
PJ du Plessis	Retired 23 July 2019
WJ du Toit	Appointed 23 July 2019
JCC Moll	
FP Nel	
JZ Scheepers	Appointed 23 July 2019
HGN Scheepers	Resigned 23 July 2019
JJ Swanepoel	
FJ Terblanche	
FJ van Zyl	
S Oberholzer - Executive Director - Managing	

Oos Vrystaat Kaap Operations Limited

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Summary Consolidated Financial Statements for the year ended 29 February 2020

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% (2019: 51%) of the group's issued ordinary shares. Oos Vrystaat Kaap Holdings Proprietary Limited is incorporated in South Africa.

9. Interest in subsidiaries

	2020 Interest	2019 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	57.45%	54.26%	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	100.00%	80.00%	Inactive

OVK Lesotho Proprietary Limited stopped its operations from April 2019.

10. Investment in associated company

VGK Beleggings Proprietary Limited

The company is involved in the leasing of property. OVK holds 44.11% (2019: 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 29 February.

11. Investment in joint ventures

Sinethemba Mafama Proprietary Limited

The company is a broker of fibre and fibre products. OVK holds 49% (2019: 49%) of the company's equity shares.

The group has joint control over the company. The year end of Sinethemba Mafama Proprietary Limited is 29 February.

Orange River Popcorn Proprietary Limited

The company is involved in the processing, marketing and distribution of popcorn. OVK holds 50% (2019: 50%) of the company's equity shares.

The group has joint control over the company. The year end of Orange River Popcorn Proprietary Limited is 29 February.

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Directors' Report

11. Investment in joint venture (continued)

Poli Ea Thaba Proprietary Limited

The company is a broker of fibre and fibre products and is registered in Lesotho. OVK holds 49% (2019: 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 29 February.

12. Client loyalty scheme rebate

The board has a loyalty scheme in place 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 R30 082 771 (2019: R36 703 957) for the group and R29 911 293 (2019: R36 490 618) for the company was granted to customers in respect of rebates in terms of the loyalty scheme, of which R26 180 578 (2019: R31 148 285) for the group and R26 009 100 (2019: R30 934 946) for the company is included in Note 27 and an amount of R3 902 193 (2019: R5 555 672) for the group and R3 902 193 (2019: R5 555 672) for the company is included in Note 28.

13. Total business done

The size of total business done by the group for the year amounted to R9 403 504 417 (2019: R10 158 021 431), and total business done by the company for the year amounted to R9 184 284 827 (2019: R9 951 756 843). 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 29 February 2020

		Group		Company	
	Notes	2020 R	2019 R	2020 R	2019 R
Assets					
Non-Current Assets					
Investment property	3	19 468 013	19 293 040	27 339 075	27 246 108
Property, plant and equipment	4	418 309 969	406 363 602	348 178 098	337 664 464
Right-of-use assets	5	10 519 945	-	8 770 766	-
Goodwill	6	3 334 257	3 334 257	-	-
Intangible assets	7	744 000	1 247 889	-	255 889
Investments in subsidiaries	8	-	-	10 707 533	11 001 188
Investments in joint ventures	9	4 087 932	4 373 705	609	609
Investments in associates	10	3 694 409	3 214 155	141 643	141 643
Other financial assets	11	126 969	127 179	126 969	127 179
Deferred tax	12	937 121	156 421	-	-
Long term hire purchases and term loans	13	161 039 044	170 087 806	161 039 044	170 087 806
Members funds	14	2 046	24 574	2 046	24 574
		622 263 705	608 222 628	556 305 783	546 549 460
Current Assets					
Biological assets	15	-	23 988 425	-	23 988 425
Inventories	16	747 826 882	862 277 332	716 329 310	827 447 333
Loans to group companies	17	8 041 396	8 530	137 017 860	122 912 911
Other financial assets	11	36 087 180	3 326 279	36 087 180	3 326 279
Current tax receivable		494 494	4 943 698	-	3 876 933
Trade and other receivables	18	1 750 390 204	1 758 378 994	1 827 784 962	1 749 173 157
Cash and cash equivalents	19	156 533 569	62 256 267	64 323 717	41 701 041
		2 699 373 725	2 715 179 525	2 781 543 029	2 772 426 079
Total Assets		3 321 637 430	3 323 402 153	3 337 848 812	3 318 975 539
Equity and Liabilities					
Equity					
Equity Attributable to Equity Holders of Parent					
Share capital	20	73 931 598	75 992 379	73 931 598	75 992 379
Reserves		(79 117 769)	(67 185 013)	-	-
Retained income		1 273 066 468	1 182 436 380	1 247 298 496	1 150 348 242
		1 267 880 297	1 191 243 746	1 321 230 094	1 226 340 621
Non-controlling interest		9 548 197	11 564 005	-	-
		1 277 428 494	1 202 807 751	1 321 230 094	1 226 340 621
Liabilities					
Non-Current Liabilities					
Finance lease liabilities	5	8 478 351	-	7 028 600	-
Deferred tax	12	24 696 754	20 882 010	6 438 544	2 206 185
		33 175 105	20 882 010	13 467 144	2 206 185

The accounting policies on page 20 and the notes on page 21 - 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 29 February 2020

Statement of Financial Position as at 29 February 2020

		Group		Company	
		2020	2019	2020	2019
	Notes	R	R	R	R
Current Liabilities					
Loans from group companies	21	9 766 950	11 686 035	11 840 574	12 124 117
Loans from shareholders	22	244 524 819	214 357 133	244 524 819	214 357 133
Finance lease liabilities	5	1 414 941	-	1 248 283	-
Current tax payable		2 425 324	35 940	2 425 324	-
Trade and other payables	25	462 001 396	482 241 449	453 001 658	473 504 897
Employee benefits accrued	26	25 511 781	27 727 900	24 722 296	26 778 651
Other financial liability	23	83 936 876	23 277 529	83 936 876	23 277 529
Bank overdraft	19	1 181 451 744	1 340 386 406	1 181 451 744	1 340 386 406
		2 011 033 831	2 099 712 392	2 003 151 574	2 090 428 733
Total Liabilities		2 044 208 936	2 120 594 402	2 016 618 718	2 092 634 918
Total Equity and Liabilities		3 321 637 430	3 323 402 153	3 337 848 812	3 318 975 539

The accounting policies on page 20 and the notes on pages 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 29 February 2020

Statement of Comprehensive Income

		Group		Company	
	Notes	2020 R	2019 R	2020 R	2019 R
Revenue	27	4 746 490 164	4 477 196 082	4 657 220 026	4 369 707 651
Cost of sales		(4 017 598 061)	(3 802 093 469)	(3 948 232 873)	(3 722 346 289)
Gross profit		728 892 103	675 102 613	708 987 153	647 361 362
Other income	28	135 129 522	142 224 124	135 535 927	142 990 627
Distribution costs		(48 726 914)	(60 428 691)	(46 746 726)	(58 479 080)
Administrative expenses		(563 501 679)	(522 214 677)	(546 121 005)	(506 241 476)
Operating expenses		(88 789 569)	(76 859 687)	(84 941 417)	(73 247 011)
Operating profit	29	163 003 463	157 823 682	166 713 932	152 384 422
Investment income	30	8 131 565	6 249 664	16 265 304	13 316 102
Finance costs	32	(113 022 001)	(95 488 347)	(112 921 233)	(95 469 770)
Grain gross profit including fair value movements	31	104 524 510	93 594 483	104 524 510	93 594 483
Income from equity accounted investments		458 715	963 961	-	-
Profit before taxation		163 096 252	163 143 443	174 582 513	163 825 237
Taxation	33	(45 333 329)	(48 530 037)	(46 333 479)	(46 472 744)
Profit for the year		117 762 923	114 613 406	128 249 034	117 352 493
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		117 762 923	114 613 406	128 249 034	117 352 493
Profit attributable to:					
Owners of the parent		119 026 820	114 736 769	128 249 034	117 352 493
Non-controlling interest		(1 263 897)	(123 363)	-	-
		117 762 923	114 613 406	128 249 034	117 352 493
Total comprehensive income attributable to:					
Owners of the parent		119 026 820	114 736 769	128 249 034	117 352 493
Non-controlling interest		(1 263 897)	(123 363)	-	-
		117 762 923	114 613 406	128 249 034	117 352 493
Earnings per share (Ordinary and Class B)					
Per share information					
Earnings per share (cents)		215.22	208.94	213.93	195.78
Headline earnings per share (Ordinary and Class B)					
Per share information					
Headline earnings per share (cents)		211.68	206.71	214.10	200.25

The accounting policies on page 20 and the notes on pages 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 29 February 2020

Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Treasury shares	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	R	R	R	R	R	R	R	R
Group								
Balance at 01 March 2018	77 786 979	24 940	77 811 919	(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
(Purchased)/Sale of own/treasury shares	-	-	-	686 069	-	686 069	-	686 069
Repurchase of shares	(1 819 540)	-	(1 819 540)	-	-	(1 819 540)	-	(1 819 540)
Shares forfeited	-	-	-	-	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	(37 284 776)	(38 418 247)	(1 415 890)	(39 834 137)
Balance at 1 March 2019	75 967 439	24 940	75 992 379	(67 185 013)	1 182 436 380	1 191 243 746	11 564 005	1 202 807 751

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 29 February 2020

Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Treasury shares	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	R	R	R	R	R	R	R	R
Group								
Balance carried over at 01 March 2019	75 967 439	24 940	75 992 379	(67 185 013)	1 182 436 380	1 191 243 746	11 564 005	1 202 807 751
Profit for the year	-	-	-	-	119 026 820	119 026 820	(1 263 897)	117 762 923
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	119 026 820	119 026 820	(1 263 897)	117 762 923
(Purchase)/Sale of own/treasury shares	-	-	-	(11 932 756)	-	(11 932 756)	-	(11 932 756)
Repurchase of shares	(2 060 781)	-	(2 060 781)	-	-	(2 060 781)	-	(2 060 781)
Shares for debt transaction	-	-	-	-	93 655	93 655	(600 000)	(506 345)
Change in interest	-	-	-	-	151 911	151 911	(151 911)	-
Dividends	-	-	-	-	(28 642 298)	(28 642 298)	-	(28 642 298)
Total contributions by and distributions to owners of the company recognised directly in equity	(2 060 781)	-	(2 060 781)	(11 932 756)	(28 396 732)	(42 390 269)	(751 911)	(43 142 180)
Balance at 29 February 2020	73 906 658	24 940	73 931 598	(79 117 769)	1 273 066 468	1 267 880 297	9 548 197	1 277 428 494
Notes	20	20	20					

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 29 February 2020

Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Retained income	Total equity
	R	R	R	R	R
Company					
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 01 March 2019	75 967 439	24 940	75 992 379	1 150 348 242	1 226 340 621
Profit for the year	-	-	-	128 249 034	128 249 034
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	128 249 034	128 249 034
Repurchase of shares	(2 060 781)	-	(2 060 781)	-	(2 060 781)
Dividends	-	-	-	(31 298 780)	(31 298 780)
Total contributions by and distributions to owners of the company recognised directly in equity	(2 060 781)	-	(2 060 781)	(31 298 780)	(33 359 561)
Balance at 29 February 2020	73 906 658	24 940	73 931 598	1 247 298 496	1 321 230 094
Notes	20	20	20		

The accounting policies on page 20 and the notes on pages 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 29 February 2020

Statement of Cash Flows

		Group		Company	
	Notes	2020 R	2019 R	2020 R	2019 R
Cash flows from operating activities					
Cash (used in)/generated from operations	34	274 350 311	(338 934 582)	185 056 408	(327 651 631)
Interest income		189 470 657	169 546 146	197 604 396	174 095 962
Dividends received		19 430	13 898	283 663	452 337
Finance costs		(113 022 001)	(95 488 347)	(112 921 233)	(95 469 770)
Tax paid	35	(35 466 292)	(56 406 647)	(35 798 862)	(54 362 205)
Net cash from operating activities		315 352 105	(321 269 532)	234 224 372	(302 935 307)
Cash flows from investing activities					
Purchase of property, plant and equipment	4	(45 239 099)	(46 779 328)	(41 027 809)	(45 748 196)
Sale of property, plant and equipment	4	6 387 876	4 694 585	6 009 954	4 692 291
Purchase of investment property	3	(385 210)	(456 035)	(385 210)	(467 886)
Loans to group companies repaid		(8 032 867)	(12 219)	(14 100 355)	(21 207 638)
Sale/Deletion of investment		-	-	293 655	-
Sale of financial assets		210	34	210	34
Sale of members funds		22 528	-	22 528	-
Net cash from investing activities		(47 246 562)	(42 552 963)	(49 187 027)	(62 731 395)
Cash flows from financing activities					
Reduction of share capital or buy back of shares	20	(2 060 781)	(1 819 540)	(2 060 781)	(1 819 540)
Proceeds from loans from group companies		-	930 663	-	1 043 790
Repayment of loans from group companies		(1 919 085)	-	(288 135)	-
Repayment of shareholders loan		30 167 686	13 792 346	30 167 686	13 792 346
Dividends paid	36	(28 642 298)	(38 700 666)	(31 298 777)	(42 310 027)
Treasury shares		(11 932 756)	686 069	-	-
Non-controlling interest shares forfeited		(506 345)	-	-	-
Net cash from financing activities		(14 893 579)	(25 111 128)	(3 480 007)	(29 293 431)
Total cash movement for the year		253 211 964	(388 933 623)	181 557 338	(394 960 133)
Cash at the beginning of the year		(1 278 130 139)	(889 196 516)	(1 298 685 365)	(903 725 232)
Total cash at end of the year	19	(1 024 918 175)	(1 278 130 139)	(1 117 128 027)	(1 298 685 365)

The accounting policies on page 20 and the notes on pages 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 29 February 2020

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 29 February 2020

Notes to the Summary Consolidated Financial Statements

2. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2020

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	Fair value
Loans to group companies	17	-	8 041 396	-	8 041 396	8 041 396
Long term hire purchase and term loans	13	-	-	161 039 044	161 039 044	161 039 044
Trade and other receivables	18	-	1 726 997 068	-	1 726 997 068	1 726 997 068
Cash and cash equivalents	19	-	156 533 569	-	156 533 569	156 533 569
Other financial assets	11	36 087 180	126 969	-	36 214 149	36 214 149
Members funds	14	-	2 046	-	2 046	2 046
		36 087 180	1 891 701 048	161 039 044	2 088 827 272	2 088 827 272

Group - 2019

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	Fair value
Loans to group companies	17	-	8 530	-	8 530	8 530
Long term hire purchases and term loans	13	-	-	170 087 806	170 087 806	170 087 806
Trade and other receivables	18	-	1 700 166 777	-	1 700 166 777	1 700 166 777
Cash and cash equivalents	19	-	62 256 267	-	62 256 267	62 256 267
Other financial assets	11	3 326 279	127 179	-	3 453 458	3 453 458
Members funds	14	-	24 574	-	24 574	24 574
		3 326 279	1 762 583 327	170 087 806	1 935 997 412	1 935 997 412

Company - 2020

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	Fair value
Loans to group companies	17	-	137 017 860	-	137 017 860	137 017 860
Long term hire purchases and term loans	13	-	-	161 039 044	161 039 044	161 039 044
Trade and other receivables	18	-	1 804 391 995	-	1 804 391 995	1 804 391 995
Cash and cash equivalents	19	-	64 323 717	-	64 323 717	64 323 717
Other financial assets	11	36 087 180	126 969	-	36 214 149	36 214 149
Members funds	14	-	2 046	-	2 046	2 046
		36 087 180	2 005 862 587	161 039 044	2 202 988 811	2 202 988 811

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Summary Consolidated Financial Statements for the year ended 29 February 2020

Notes to the Summary Consolidated Financial Statements

	Group		Company	
	2020	2019	2020	2019
	R	R	R	R

2. Financial instruments and risk management (continued)

Company - 2019

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	Fair value
Loans to group companies	17	-	122 912 911	-	122 912 911	122 912 911
Long term hire purchases and term loans	13	-	-	170 087 806	170 087 806	170 087 806
Trade and other receivables	18	-	1 693 372 316	-	1 693 372 316	1 693 372 316
Cash and cash equivalents	19	-	41 701 041	-	41 701 041	41 701 041
Other financial assets	11	3 326 279	127 179	-	3 453 458	3 453 458
Members funds	14	-	24 574	-	24 574	24 574
		3 326 279	1 858 138 021	170 087 806	2 031 552 106	2 031 552 106

Categories of financial liabilities

Group - 2020

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	Fair value
Trade and other payables	25	-	458 120 779	-	458 120 779	458 120 779
Loans from group companies	21	-	9 766 950	-	9 766 950	9 766 950
Loans from shareholders	22	-	244 524 819	-	244 524 819	244 524 819
Finance lease obligations	5	-	-	9 893 292	9 893 292	9 893 292
Bank overdraft	19	-	1 181 451 744	-	1 181 451 744	1 181 451 744
Other financial liabilities	23	83 936 876	-	-	83 936 876	83 936 876
		83 936 876	1 893 864 292	9 893 292	1 987 694 460	1 987 694 460

Group - 2019

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	Fair value
Trade and other payables	25	-	480 581 560	-	480 581 560	480 581 560
Loans from group companies	21	-	11 686 035	-	11 686 035	11 686 035
Loans from shareholders	22	-	214 357 133	-	214 357 133	214 357 133
Finance lease obligations	5	-	-	-	-	-
Bank overdraft	19	-	1 340 386 406	-	1 340 386 406	1 340 386 406
Other financial liabilities	23	23 277 529	-	-	23 277 529	23 277 529
		23 277 529	2 047 011 134	-	2 070 288 663	2 070 288 663

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Notes to the Summary Consolidated Financial Statements

	Group		Company	
	2020	2019	2020	2019
	R	R	R	R

2. Financial instruments and risk management (continued)

Company - 2020

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	Fair value
Trade and other payables	25	-	453 001 658	-	453 001 658	453 001 659
Loans from group companies	21	-	11 840 574	-	11 840 574	11 840 574
Loans from shareholders	22	-	244 524 819	-	244 524 819	244 524 819
Finance lease obligations	5	-	-	8 276 883	8 276 883	8 276 882
Bank overdraft	19	-	1 181 451 744	-	1 181 451 744	1 181 451 744
Other financial liabilities	23	83 936 876	-	-	83 936 876	83 936 876
		83 936 876	1 890 818 795	8 276 883	1 983 032 554	1 983 032 554

Company - 2019

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	Fair value
Trade and other payables	25	-	473 504 897	-	473 504 897	473 504 897
Loans from group companies	21	-	12 124 117	-	12 124 117	12 124 117
Loans from shareholders	22	-	214 357 133	-	214 357 133	214 357 133
Finance lease obligations	5	-	-	-	-	-
Bank overdraft	19	-	1 340 386 406	-	1 340 386 406	1 340 386 406
Other financial liabilities	23	23 277 529	-	-	23 277 529	23 277 529
		23 277 529	2 040 372 553	-	2 063 650 082	2 063 650 082

3. Investment property

Group	2020			2019		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Investment property	21 408 928	(1 940 915)	19 468 013	21 023 718	(1 730 678)	19 293 040

Company	2020			2019		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Investment property	29 449 098	(2 110 023)	27 339 075	29 063 888	(1 817 780)	27 246 108

Reconciliation of investment property - Group - 2020

	Opening balance	Additions	Depreciation	Total
Investment property	19 293 040	385 210	(210 237)	19 468 013

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Notes to the Summary Consolidated Financial Statements

3. Investment property (continued)

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 - Company - 2020

	Opening balance	Additions	Depreciation	Total
Investment property	27 246 108	385 210	(292 243)	27 339 075

Reconciliation of investment property - Company - 2019

	Opening balance	Additions	Depreciation	Total
Investment property	27 093 081	467 886	(314 859)	27 246 108
Fair value of investment properties	24 274 275	23 692 829	34 075 041	34 263 272
Rental income received	3 469 460	3 381 813	4 006 433	4 024 963

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	2020			2019		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Property and improvements	381 761 800	(86 746 832)	295 014 968	362 257 044	(78 561 202)	283 695 842
Machinery and equipment	172 093 629	(107 423 781)	64 669 848	157 486 218	(100 094 532)	57 391 686
Motor vehicles	98 902 535	(51 899 615)	47 002 920	96 970 981	(50 078 892)	46 892 089
Computer equipment and software	24 274 043	(20 249 048)	4 024 995	21 103 695	(18 280 082)	2 823 613
Leasehold improvements	-	-	-	247 619	(95 238)	152 381
Aeroplane	5 888 364	(2 932 218)	2 956 146	5 888 364	(2 932 218)	2 956 146
Work in progress	4 641 092	-	4 641 092	13 280 833	(828 988)	12 451 845
Total	687 561 463	(269 251 494)	418 309 969	657 234 754	(250 871 152)	406 363 602

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Summary Consolidated Financial Statements for the year ended 29 February 2020

Notes to the Summary Consolidated Financial Statements

4. Property, plant and equipment (continued)

Company	2020			2019		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Property and improvements	317 549 675	(83 513 699)	234 035 976	298 085 722	(76 095 654)	221 990 068
Machinery and equipment	158 970 707	(102 255 339)	56 715 368	147 888 215	(96 165 436)	51 722 779
Motor vehicles	97 202 701	(51 285 260)	45 917 441	95 138 351	(49 264 188)	45 874 163
Computer equipment and software	23 935 157	(20 023 082)	3 912 075	20 777 600	(18 108 137)	2 669 463
Aeroplane	5 888 364	(2 932 218)	2 956 146	5 888 364	(2 932 218)	2 956 146
Work in progress	4 641 092	-	4 641 092	13 280 833	(828 988)	12 451 845
Total	608 187 696	(260 009 598)	348 178 098	581 059 085	(243 394 621)	337 664 464

Reconciliation of property, plant and equipment - Group - 2020

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Impairment reversal	Total
Property and improvements	283 695 842	11 449 775	(204 154)	(8 323 357)	(828 988)	9 225 850	295 014 968
Machinery and equipment	57 391 686	19 158 641	(1 244 960)	(10 635 519)	-	-	64 669 848
Motor vehicles	46 892 089	10 057 790	(3 063 811)	(6 883 148)	-	-	47 002 920
Computer equipment and software	2 823 613	3 986 784	(40 608)	(2 744 794)	-	-	4 024 995
Leasehold improvements	152 381	-	-	(152 381)	-	-	-
Aeroplane	2 956 146	-	-	-	-	-	2 956 146
Work in progress	12 451 845	586 109	-	-	828 988	(9 225 850)	4 641 092
	406 363 602	45 239 099	(4 553 533)	(28 739 199)	-	-	418 309 969

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 - Company - 2020

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Impairment reversal	Total
Property and improvements	221 990 068	11 408 972	(204 155)	(7 555 771)	(828 988)	9 225 850	234 035 976
Machinery and equipment	51 722 779	15 506 001	(1 166 673)	(9 346 739)	-	-	56 715 368
Motor vehicles	45 874 163	9 605 930	(2 806 865)	(6 755 787)	-	-	45 917 441
Computer equipment and software	2 669 463	3 920 797	(21 645)	(2 656 540)	-	-	3 912 075
Aeroplane	2 956 146	-	-	-	-	-	2 956 146
Work in progress	12 451 845	586 109	-	-	828 988	(9 225 850)	4 641 092
	337 664 464	41 027 809	(4 199 338)	(26 314 837)	-	-	348 178 098

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Notes to the Summary Consolidated Financial Statements

4. Property, plant and equipment (continued)

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

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.

5. Leases (group as lessee)

The group leases several land and buildings. The average lease term is 7 years (2019: IFRS 16 not yet applicable).

Details pertaining to leasing arrangements, where the group is lessee are presented below:

Net carrying amounts of right-of-use assets

Land and buildings	10 519 945	-	8 770 766	-
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Depreciation recognised on right-of-use assets

Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 29).

Land and buildings	119 307	-	101 639	-
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Other disclosures

Interest expense on lease liabilities	637 660	-	501 350	-
Leases of low value assets or short term leases included in operating expenses	5 100 810	-	4 636 706	-

Finance lease liabilities

The maturity analysis of lease liabilities is as follows:

Within one year	2 151 085	-	1 860 511	-
Two to five years	7 274 561	-	5 915 183	-
More than five years	3 283 843	-	2 852 722	-
	12 709 489	-	10 628 416	-
Less finance charges component	(2 816 196)	-	(2 351 533)	-
	9 893 293	-	8 276 883	-
Non-current liabilities	8 478 351	-	7 028 600	-
Current liabilities	1 414 942	-	1 248 283	-
	9 893 293	-	8 276 883	-

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Notes to the Summary Consolidated Financial Statements

	Group		Company	
	2020	2019	2020	2019
	R	R	R	R

6. Goodwill

Group	2020			2019		
	Cost	Accumulated impairment	Carrying value	Cost	Accumulated impairment	Carrying value
Goodwill	3 334 257	-	3 334 257	3 334 257	-	3 334 257

7. Intangible assets

Group	2020			2019		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Customer relations	11 405 624	(10 661 624)	744 000	11 405 624	(10 157 735)	1 247 889
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	(19 526 533)	744 000	20 270 533	(19 022 644)	1 247 889

Company	2020			2019		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Customer relations	5 675 000	(5 675 000)	-	5 675 000	(5 419 111)	255 889

Reconciliation of intangible assets - Group - 2020

	Opening balance	Amortisation	Total
Customer relations	1 247 889	(503 889)	744 000

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 - Company - 2020

	Opening balance	Amortisation	Total
Customer relations	255 889	(255 889)	-

Reconciliation of intangible assets - Company - 2019

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

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Summary Consolidated Financial Statements for the year ended 29 February 2020

Notes to the Summary Consolidated Financial Statements

	Group		Company	
	2020	2019	2020	2019
	R	R	R	R

8. Investment in subsidiaries

Company

Name of company	% holding 2020	% holding 2019	Carrying amount 2020	Carrying amount 2019
Oos Vrystaat Kaap Proprietary Limited	57.45 %	54.26 %	10 706 345	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	100.00 %	80.00 %	-	800 000
Matla Energy Proprietary Limited	74.00 %	74.00 %	740	740
			10 707 533	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 R1 263 897 (2019: lost R123 363), of which a loss of R965 069 (2019: profit R251 491) is attributed to Oos Vrystaat Kunsmis Proprietary Limited, a profit of R73 688 (2019: loss R145 427) is attributed to OVK Lesotho Proprietary Limited and a loss of R372 516 (2019: loss R229 427) is attributed to Matla Energy Proprietary Limited. The non-controlling interest is not material to the group.

9. Investment in joint ventures

Group

Name of company	% holding 2020	% holding 2019	Carrying amount 2020	Carrying amount 2019
Sinethemba Mafama Proprietary Limited	49.00 %	49.00 %	2 033 368	2 094 281
Orange River Popcorn Proprietary Limited	50.00 %	50.00 %	2 059 327	2 325 750
Poli Ea Thaba Proprietary Limited	49.00 %	49.00 %	(4 763)	(46 326)
			4 087 932	4 373 705

Company

Name of company	% holding 2020	% holding 2019	Carrying amount 2020	Carrying amount 2019
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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	2020	2019	2020	2019
	R	R	R	R

9. 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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	2020	2019	2020	2019
	R	R	R	R
9. 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			12 306	11 884
Financial assets			136 735	118 465
Current assets				
Cash and cash equivalents			119 160	360 202
Other current assets			10 528 695	12 115 154
Current liabilities				
Trade and other payables			6 454 909	7 991 685
Other financial liabilities			192 257	339 977
Equity			4 149 730	4 274 043
Reconciliation of equity with the consolidated carrying values				
Opening net assets			4 274 043	3 970 479
Profit for the year			414 939	1 198 338
Dividends declared			(539 252)	(894 774)
Closing net assets			4 149 730	4 274 043
Interest of the group in abovementioned equity, based on the shareholding of the entities			2 033 309	2 094 222
Cost of investment			59	59
Carrying value of investment			2 033 368	2 094 281
Financial performance of domestic joint venture				
Income			3 813 617	4 751 965
Earnings before interest, tax, depreciation and amortisation			328 102	1 416 213
Depreciation			(1 307)	(1 897)
Interest received			262 372	250 149
Finance costs			(6 115)	(107)
Pre-tax profit			583 052	1 664 358
Tax			(168 113)	(466 020)
Profit for the year			414 939	1 198 338
Reconciliation of summarised financial information				
Profit for the year			414 939	1 198 338
Profit for the period of shareholding			414 939	1 198 338
Adjusted profit			-	-
% Share in joint venture			49%	49%
Amount of shareholding			203 320	587 186

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	2020	2019	2020	2019
	R	R	R	R
9. Investment in joint ventures (continued)				
Orange River Popcorn Proprietary Limited				
Current assets				
Cash and cash equivalents			282 390	28 693
Other current assets			21 581 148	22 749 618
Non-current liabilities				
Current liabilities				
Trade and other payables			1 519 329	4 977 780
Other financial liabilities			17 681 377	12 792 259
Equity			4 475 425	5 008 272
Reconciliation of equity with the consolidated carrying values				
Pre-acquisition profits			359 686	359 686
After acquisition profits - Opening balance			4 648 586	3 966 192
Profit for the year - after acquisition of interest			(532 847)	682 394
Closing net assets			4 475 425	5 008 272
Interest of the group in abovementioned equity, based on the shareholding of the entities			2 059 267	2 325 690
Cost of investment			60	60
Carrying value of investment			2 059 327	2 325 750
Financial performance of domestic joint venture				
Income			174 481 208	135 271 420
Earnings before interest, tax, depreciation and amortisation			2 577 949	4 166 016
Interest received			44 693	7 104
Finance costs			(3 362 707)	(3 231 447)
Pre-tax profit			(740 065)	941 673
Tax			207 218	(259 279)
Profit for the year			(532 847)	682 394
Reconciliation of summarised financial information				
Profit for the year			(532 847)	682 394
Profit for the period of shareholding			(532 847)	682 394
Adjusted profit			-	-
% Share in joint venture			50%	50%
Amount of shareholding			(266 424)	341 197

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	2020	2019	2020	2019
	R	R	R	R

9. Investment in joint ventures (continued)

Financial position of foreign joint venture

Poli Ea Thaba Proprietary Limited

Non-current assets				
Financial assets			-	64 344
Current assets				
Cash and cash equivalents			261 991	172 326
Other current assets			-	242 168
Current liabilities				
Trade and other payables			4 654	573 381
Other financial liabilities			267 057	-
Equity			(9 720)	(94 543)
Reconciliation of equity with the consolidated carrying values				
Issue of shares			1 000	1 000
Opening balance			(95 543)	225 696
Profit/(loss) for the year			84 823	(321 239)
Closing net assets			(9 720)	(94 543)
Interest of the group in abovementioned equity, based on the shareholding of the entities			(5 253)	(46 816)
Cost of investment			490	490
Carrying value of investment			(4 763)	(46 326)
Financial performance of foreign joint venture				
Earnings before interest, tax, depreciation and amortisation			161 017	(448 239)
Interest received			2 213	70 451
Finance costs			(14 063)	-
Pre-tax profit/(loss)			149 167	(377 788)
Tax			(64 344)	56 549
Profit/(loss) for the year			84 823	(321 239)
Reconciliation of summarised financial information				
Profit/(loss) for the year			84 823	(321 239)
Profit/(loss) for the period of shareholding			84 823	(321 239)
Adjusted profit			-	-
% Share in joint venture			49%	49%
Amount of shareholding			41 563	(157 407)

10. Investments in associates

Group

Name of company	% holding 2020	% holding 2019	Carrying amount 2020	Carrying amount 2019
VGK Beleggings Proprietary limited	44.11 %	44.11 %	3 694 409	3 214 155

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	Group		Company	
	2020	2019	2020	2019
	R	R	R	R

10. Investments in associates (continued)

Company

Name of company	% holding 2020	% holding 2019	Carrying amount 2020	Carrying amount 2019
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	23 712 780	21 104 720
Financial assets	5 000	5 000
Current assets		
Cash and cash equivalents	2 184 133	1 159 064
Other current assets	40 541	30 894
Non-current liabilities		
Deferred tax	3 380 264	2 745 330
Current liabilities		
Trade and other payables	333 533	412 282
Equity	22 228 657	19 142 066
Reconciliation of equity with the consolidated carrying values		
Pre-acquisition profits	4 377 994	4 377 994
After acquisition profits - Opening balance	14 764 072	14 326 562
Profit for the year	3 086 591	437 510
Closing net assets	22 228 657	19 142 066
Accounting policy changes	(4 425 937)	(2 428 112)
Adjusted closing net assets	17 802 720	16 713 954
Interest of the group in abovementioned equity, based on the shareholding in the entities	3 552 766	3 072 512
Cost of investment	141 643	141 643
Carrying value of investment	3 694 409	3 214 155

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	Group		Company	
	2020	2019	2020	2019
	R	R	R	R
10. Investments in associates (continued)				
Financial performance of domestic associated company				
Income			3 161 165	2 872 072
Earnings before interest, tax, depreciation and amortisation			3 955 118	538 648
Depreciation and amortisation			(2 842)	(3 484)
Interest received			122 725	100 706
Finance costs			(6 639)	(16 642)
Pre-tax profit			4 068 362	619 228
Tax			(981 771)	(181 718)
Profit for the year			3 086 591	437 510
Reconciliation of summarised financial information				
Profit for the year			3 086 591	437 510
Profit for the period of shareholding			3 086 591	437 510
Adjusted profit			1 088 766	-
% Share in associate			44.11%	44.11%
Amount of shareholding			480 255	192 986
11. Other financial assets				
At fair value through profit or loss				
Product derivative financial instrument	36 087 180	3 326 279	36 087 180	3 326 279
Equity investment				
Unlisted shares	126 969	127 179	126 969	127 179
Total other financial assets	36 214 149	3 453 458	36 214 149	3 453 458
Non-current assets				
Equity investment	126 969	127 179	126 969	127 179
Current assets				
At fair value through profit or loss	36 087 180	3 326 279	36 087 180	3 326 279
	36 214 149	3 453 458	36 214 149	3 453 458

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.

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	2020	2019	2020	2019
	R	R	R	R

12. Deferred tax

Deferred tax liability

Accelerated tax rebates for tax purposes	(9 233 652)	(6 256 818)	(7 844 328)	(5 194 674)
Acquisition of subsidiary	(15 561 316)	(15 561 316)	-	-
Hire purchase allowance	(4 889 257)	(4 509 533)	(4 889 257)	(4 509 533)
Fair value reserve	(2 696 894)	(2 525 511)	-	-
Total deferred tax liability	(32 381 119)	(28 853 178)	(12 733 585)	(9 704 207)

Deferred tax asset

Temporary difference as a result of provisions	6 406 951	7 679 213	6 295 041	7 498 022
Intergroup inventory	-	5 596	-	-
Deferred tax balance from temporary differences other than unused tax losses	6 406 951	7 684 809	6 295 041	7 498 022
Tax losses available for set off against future taxable income	2 214 535	442 780	-	-
Total deferred tax asset, nett of fair value adjustment recognised	8 621 486	8 127 589	6 295 041	7 498 022

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	(24 696 754)	(20 882 010)	(6 438 544)	(2 206 185)
Deferred tax asset	937 121	156 421	-	-
Total net deferred tax liability	(23 759 633)	(20 725 589)	(6 438 544)	(2 206 185)

Reconciliation of deferred tax asset / (liability)

At beginning of year	(20 725 589)	(13 722 289)	(2 206 185)	3 343 089
Provision for impairment of debtors	(1 174 558)	1 979 801	(1 184 105)	2 011 104
Wear and tear allowance	(1 792 729)	(1 672 207)	(1 465 549)	(1 487 973)
Hire purchase allowance	(379 724)	244 676	(379 724)	244 676
Provision for expenditure	203 217	(6 438 925)	208 996	(6 441 289)
Provision for employee benefits	(826 244)	51 023	(784 775)	124 208
Prepayments	(488 914)	-	(488 914)	-
Right-of-use asset	(175 463)	-	(138 288)	-
Intergroup inventory	-	(2 275)	-	-
Assessed loss	1 771 754	(33 934)	-	-
Fair value adjustment	(171 383)	(1 131 459)	-	-
	(23 759 633)	(20 725 589)	(6 438 544)	(2 206 185)

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.

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	Group		Company	
	2020 R	2019 R	2020 R	2019 R
13. Long term hire purchases and term loans				
- within one year	147 470 369	155 275 296	147 490 369	155 275 296
- in second to fifth year inclusive	214 353 384	234 632 205	214 353 384	234 632 205
Gross investment in the leases	361 823 753	389 907 501	361 843 753	389 907 501
Less: Unearned finance income	(53 314 340)	(64 544 399)	(53 314 340)	(64 544 399)
	308 509 413	325 363 102	308 529 413	325 363 102
Non-current assets	161 039 044	170 087 806	161 039 044	170 087 806
Current assets included in debtors	147 470 369	155 275 296	147 470 369	155 275 296
	308 509 413	325 363 102	308 509 413	325 363 102

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 11.22% (2019: 11.59%).

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	291 084 374	312 661 807	291 084 374	312 661 807
Payable at reporting date for the following periods:				
arrears	17 425 039	12 701 295	17 425 039	12 701 295
	308 509 413	325 363 102	308 509 413	325 363 102

Trade receivables, hire purchases and term loans are jointly tested for impairment, refer to note 18.

14. Members funds

Balance at the beginning of the year	24 574	24 574	24 574	24 574
Payment of members funds	(22 528)	-	(22 528)	-
	2 046	24 574	2 046	24 574
Non-current assets	2 046	24 574	2 046	24 574
Current assets	-	-	-	-
	2 046	24 574	2 046	24 574
Members funds				
Klein Karoo Landbou Limited	2 046	2 046	2 046	2 046
GWK Limited	-	22 528	-	22 528
	2 046	24 574	2 046	24 574

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	2020	2019	2020	2019
	R	R	R	R

15. Biological assets

Group	2020			2019		
	Cost	Fair value adjustment	Carrying value	Cost	Fair value adjustment	Carrying value
Sheep	-	-	-	23 988 425	-	23 988 425

Company	2020			2019		
	Cost	Fair value adjustment	Carrying value	Cost	Fair value adjustment	Carrying value
Sheep	-	-	-	23 988 425	-	23 988 425

Reconciliation of biological assets - Group - 2020

	Opening balance	Additions	Disposals	Total
Sheep	23 988 425	68 177 640	(92 166 065)	-

Reconciliation of biological assets - Group - 2019

	Opening balance	Additions	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 - Company - 2020

	Opening balance	Additions	Disposals	Total
Sheep	23 988 425	68 177 640	(92 166 065)	-

Reconciliation of biological assets - Company - 2019

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

Risk management strategy related to agricultural activities

The feedlot was closed on 31 August 2019.

Supply and demand risk:

The company was 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 were 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. The company was not insured for natural disasters.

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	2020	2019	2020	2019
	R	R	R	R

15.. Biological assets (continued)

Regulatory and environmental risk:

The slaughtering was 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 RNil (2019: R23 988 425) 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	23 988 425	25 802 506	23 988 425	25 802 506
Purchases	68 177 640	182 133 396	68 177 640	182 133 396
Livestock slaughtered	(92 166 065)	(186 516 067)	(92 166 065)	(186 516 067)
Profit/(loss) on current feedlots	-	2 568 590	-	2 568 590
	-	23 988 425	-	23 988 425

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:

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 R68 / 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 RNil (2019: R1 418 518) on the valuation. If the biological asset is R1 per kg and 1 kg less, it will have an effect of RNil (2019: R1 384 208) on the valuation

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	Group		Company	
	2020	2019	2020	2019
	R	R	R	R
16. Inventories				
Milling industry	48 675 180	49 128 822	48 675 180	49 128 822
Trade inventory	342 468 153	329 165 050	327 018 047	310 443 187
Grain inventory at fair value	287 462 948	423 032 912	287 462 948	423 032 912
Fibre and abattoir	32 673 234	22 050 403	26 708 094	20 362 096
Vehicles and parts	36 547 367	38 900 145	26 465 041	24 480 316
	747 826 882	862 277 332	716 329 310	827 447 333

Fair value of grain inventory Fair value measured with level 2 inputs

287 462 948 423 032 912 287 462 948 423 032 912

The fair value adjustment on grain inventory is included in other profit and losses, and disclosed in note 31. The value of the grain inventory is accounted for by Safex minus transport differential according to the JSE.

17. Loans to group companies

Subsidiaries

Oos Vrystaat Kunsmis Proprietary Limited	-	-	19 821 201	14 666 871
OVK Rekenaardienste Proprietary Limited (Share Transaction)	-	-	94 182 725	78 301 752
Oos Kaap Boerdery en Graanhandelaars Proprietary Limited	-	-	400 000	400 000
OVK Eiendomme Proprietary Limited	-	-	4 592	-
Blue Crane Fibre Proprietary Limited	-	-	-	5 326 865
Van Lill Woolbuyers Proprietary Limited	-	-	1 288 316	3 600 917
Poli EA Thaba Proprietary Limited	267 567	-	267 567	-
Matla Energy Proprietary Limited	-	-	13 324 850	19 552 489
OVK Empowerment Proprietary Limited	5 186 330	7 460	5 156 110	7 200
OVK Beherend Proprietary Limited (Investment in subsidiary)	1 070	1 070	1 070	1 070
OVK Lesotho Proprietary Limited	-	-	-	1 055 747
OVK Enterprise Proprietary Limited	2 586 429	-	2 571 429	-
	8 041 396	8 530	137 017 860	122 912 911

The loans are evaluated for the expected credit loss by using a 12 month expected credit loss approach.

The credit risk on the loans to group companies is low and thus no credit loss allowance was provided for.

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 earns interest at the prime rate less 2.00% and has no repayment terms.

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

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

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	Group		Company	
	2020	2019	2020	2019
	R	R	R	R

17. Loans to group companies (continued)

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.

The loan to OVK Enterprise 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.

18. Trade and other receivables

Financial instruments:

Trade receivables	1 684 592 871	1 680 077 133	1 674 618 830	1 663 914 645
Safex deposit through Oos Kaap Boerdery en Graanhandelaars Proprietary Limited	66 008 587	50 818 565	66 008 587	50 818 565
Credit loss allowance	(33 133 134)	(35 557 014)	(33 076 309)	(35 557 014)
Trade and other receivables at amortised cost	1 717 468 324	1 695 338 684	1 707 551 108	1 679 176 196
Other receivables	9 528 744	4 828 093	96 840 887	14 196 120

Non-financial instruments:

VAT receivable	23 393 136	58 212 217	23 392 967	55 800 841
Total trade and other receivables	1 750 390 204	1 758 378 994	1 827 784 962	1 749 173 157

Categorisation of trade and other receivables

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

At amortised cost	1 726 997 068	1 700 166 777	1 804 391 995	1 693 372 316
Non-financial instruments	23 393 136	58 212 217	23 392 967	55 800 841
	1 750 390 204	1 758 378 994	1 827 784 962	1 749 173 157

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 history. 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 144.39 days (2019: 140.33). Interest is charged from prime minus 0.5% to prime plus 8% on outstanding trade receivables.

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	2020	2019	2020	2019
	R	R	R	R

18. Trade and other receivables (continued)

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 29 February 2020 and 28 February 2019 (in accordance with IFRS 9) is as follows:

Group	2020	2020	2019	2019
	Estimated gross carrying amount	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Not past due: 0.27% (2019: 0.48%)	1 718 283 862	4 677 422	1 781 395 226	8 500 775
0 - 30 days past due: 2.10% (2019: 7.08%)	42 138 442	886 194	35 743 615	2 531 595
31 - 60 days past due: 4.26% (2019: 9.48%)	24 475 213	1 041 517	29 989 858	2 843 619
61 - 90 days past due: 7.67% (2019: 17.39%)	9 447 176	724 210	6 550 754	1 139 288
More than 90 days past due: 22.00% (2019: 43.42%)	117 295 809	25 803 791	47 304 051	20 541 737
Total	1 911 640 502	33 133 134	1 900 983 504	35 557 014

Company	2020	2020	2019	2019
	Estimated gross carrying amount	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Not past due: 0.27% (2019: 0.48%)	1 714 725 114	4 677 422	1 766 249 981	8 500 775
0 - 30 days past due: 2.45% (2019: 7.14%)	36 107 802	886 194	35 455 628	2 531 595
31 - 60 days past due: 4.08% (2019: 9.60%)	24 118 101	984 692	29 622 732	2 843 619
61 - 90 days past due: 7.67% (2019: 17.89%)	9 446 853	724 210	6 368 905	1 139 288
More than 90 days past due: 22.00% (2019: 43.59%)	117 268 591	25 803 791	47 123 770	20 541 737
Total	1 901 666 461	33 076 309	1 884 821 016	35 557 014

Long term hire purchase and term loans (Note 13) is also included by the provision.

Fair value of trade and other receivables

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

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	R	R	R	R
19. Cash and cash equivalents				
Cash and cash equivalents consist of:				
SAFEX margin deposit	90 001 587	11 094 821	-	-
Bank and cash	66 531 982	51 161 446	64 323 717	41 701 041
Bank overdraft	(1 181 451 744)	(1 340 386 406)	(1 181 451 744)	(1 340 386 406)
	(1 024 918 175)	(1 278 130 139)	(1 117 128 027)	(1 298 685 365)
Current assets	156 533 569	62 256 267	64 323 717	41 701 041
Current liabilities	(1 181 451 744)	(1 340 386 406)	(1 181 451 744)	(1 340 386 406)
	(1 024 918 175)	(1 278 130 139)	(1 117 128 027)	(1 298 685 365)

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

ABSA - Baa3 - Possible downgrade	(1 075 424 420)	(1 304 268 009)	(1 167 670 452)	(1 324 285 277)
Nedbank Lesotho - Baa3 - Possible downgrade	34 958	388 457	-	-
Standard Bank - Baa3 - Possible downgrade	37 978 246	12 790 914	37 978 246	12 790 914
Eerste Nasionale Bank - Baa3 - Possible downgrade	12 358 016	12 640 649	12 350 086	12 640 649
	(1 025 053 200)	(1 278 447 989)	(1 117 342 120)	(1 298 853 714)

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.

20. 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
1 174 841 Class B shares	14 893 143	16 953 924	14 893 143	16 953 924
Share premium	24 940	24 940	24 940	24 940
	73 931 598	75 992 379	73 931 598	75 992 379

5 865 689 (2019:5 108 619) ordinary shares of Oos Vrystaat Kaap Operations Limited are held by OVK Rekenaaridienste Proprietary Limited.

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	Group		Company	
	2020	2019	2020	2019
	R	R	R	R
21. Loans from group companies				
Subsidiaries, joint ventures and related entities				
OVK Rekenardienste Proprietary Limited	-	-	620 125	438 082
Sinethemba Mafama Proprietary Limited	9 766 880	11 444 377	9 766 880	11 444 377
Blue Crane Fibre Proprietary Limited	-	-	1 453 569	-
Poli Ea Thaba Proprietary Limited	-	241 658	-	241 658
OVK Empowerment Proprietary Limited	70	-	-	-
	9 766 950	11 686 035	11 840 574	12 124 117

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 Blue Crane Fibre 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.

22. Loans from shareholders

Shareholders loan A	2 898 454	3 206 922	2 898 454	3 206 922
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.				
Shareholders loan B and C	204 854	888 050	204 854	888 050
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. 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.				
Shareholders loan D	803	8 552 735	803	8 552 735
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.				
Shareholders loan E	-	1 975 434	-	1 975 434
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.				

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	2020 R	2019 R	2020 R	2019 R
22. Loans from shareholders (continued)				
Shareholders loan F	241 420 708	199 733 992	241 420 708	199 733 992
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.				
	244 524 819	214 357 133	244 524 819	214 357 133

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	225 699 818	198 143 132	225 699 818	198 143 132
Finance costs	18 825 001	16 214 001	18 825 001	16 214 001
	244 524 819	214 357 133	244 524 819	214 357 133

23. Other financial liability

Fair value through profit or loss

Product derivative financial instruments	83 936 876	23 277 529	83 936 876	23 277 529
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Current liability

Fair value through profit or loss	83 936 876	23 277 529	83 936 876	23 277 529
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24. Derivative financial instruments and hedging information

The following information relates to derivative financial instruments included in other financial assets (note 11) and other financial liabilities (note 23):

Group

	2020		2019	
	Assets	Liabilities	Assets	Liabilities
SAFEX - Fair value hedge	36 087 180	83 936 876	3 326 279	23 277 529
Non-current portion	-	-	-	-
Current portion	36 087 180	83 936 876	3 326 279	23 277 529
	36 087 180	83 936 876	3 326 279	23 277 529

Company

	2020		2019	
	Assets	Liabilities	Assets	Liabilities
SAFEX - Fair value hedge	36 087 180	83 936 876	3 326 279	23 277 529
Non-current portion	-	-	-	-
Current portion	36 087 180	83 936 876	3 326 279	23 277 529
	36 087 180	83 936 876	3 326 279	23 277 529

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	Group		Company	
	2020	2019	2020	2019
	R	R	R	R

24. Derivative financial instruments and hedging information (continued)

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.

25. Trade and other payables

Financial instruments:

Trade payables	364 294 673	382 761 427	363 096 042	377 711 390
Provisions	74 989 593	76 274 768	74 838 330	76 055 705
Other payables	18 836 513	21 545 365	15 067 286	19 737 802

Non-financial instruments:

VAT	3 880 617	1 659 889	-	-
	462 001 396	482 241 449	453 001 658	473 504 897

Financial instruments	458 120 779	480 581 560	453 001 659	473 504 897
Non-financial instruments	3 880 617	1 659 889	-	-
	462 001 396	482 241 449	453 001 659	473 504 897

Fair value of trade and other payables

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

26. Employee benefits accrued

Reconciliation of employee benefits accrued - Group - 2020

	Opening balance	Expense	Provision	Total
Employee benefits	27 727 900	(17 305 407)	15 089 288	25 511 781

Reconciliation of employee benefits accrued - Group - 2019

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

Reconciliation of employee benefits accrued - Company - 2020

	Opening balance	Expense	Provision	Total
Employee benefits	26 778 651	(17 084 100)	15 027 745	24 722 296

Reconciliation of employee benefits accrued - Company - 2019

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

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	2020	2019	2020	2019
	R	R	R	R

26. Employee benefits accrued (continued)

Employee benefits accrued is made up of the following amounts:

Bonus	1 150 193	1 449 692	1 109 515	1 380 620
Leave	14 436 633	16 908 225	13 687 826	16 219 489
Profit share	9 924 955	9 369 983	9 924 955	9 178 542
	25 511 781	27 727 900	24 722 296	26 778 651

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.

27. Revenue

Revenue from contracts with customers

Sale of goods	4 498 257 402	4 227 893 545	4 413 077 469	4 123 070 181
Service delivering	20 210 999	20 482 663	16 950 284	16 804 352
Commission received	102 414 661	133 049 118	96 140 726	126 310 837
Shearing cost recovered	17 471 170	17 884 867	14 150 104	15 257 594
Interest received	181 339 092	160 779 861	181 339 092	160 779 861
Press and shipping	21 116 239	19 873 847	21 116 239	19 873 847
Bin income	19 247 000	11 835 055	19 247 000	11 835 055
Non-mainstream income	23 448 461	3 252 576	23 448 460	3 252 576
Trade discount	(110 826 941)	(86 692 242)	(102 240 247)	(76 541 706)
Discount distribution	(7 340)	(14 923)	-	-
Loyalty scheme - rebate	(26 180 579)	(31 148 285)	(26 009 101)	(30 934 946)
	4 746 490 164	4 477 196 082	4 657 220 026	4 369 707 651

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	3 588 818 502	3 406 374 489	3 570 424 266	3 355 602 272
Livestock, fibre and abattoir	447 165 997	555 269 060	410 847 415	533 922 219
Client financing	270 181 010	292 275 885	270 181 010	292 275 885
Industries	443 060 249	231 095 896	408 331 110	193 593 129
Insurance commission	18 132 951	19 135 206	18 132 951	19 135 206
Head office	5 319 374	4 208 754	5 312 375	6 113 886
	4 772 678 083	4 508 359 290	4 683 229 127	4 400 642 597

Loyalty scheme - rebate and discount distribution

Loyalty scheme - rebate	(23 528 621)	(28 302 301)	(23 357 143)	(28 088 962)
Loyalty scheme - rebate - diesel rebate	(2 651 958)	(2 845 984)	(2 651 958)	(2 845 984)
Discount distribution	(7 340)	(14 923)	-	-
	(26 187 919)	(31 163 208)	(26 009 101)	(30 934 946)

Total revenue from contracts with customers

	4 746 490 164	4 477 196 082	4 657 220 026	4 369 707 651
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	Group		Company	
	2020	2019	2020	2019
	R	R	R	R
28. Other income				
Administration and management fees received	4 191 599	3 254 835	5 430 347	4 357 333
Distribution income	17 813 930	16 168 601	17 813 930	16 168 601
Transport cost recovered	2 773 513	13 622 424	2 724 958	13 622 424
Truck cost recovered	4 571 411	5 787 580	4 571 411	5 787 580
Sundry income	12 324 262	14 804 526	11 788 065	14 292 890
Dividends received	19 429	13 897	283 663	452 337
Grain income	53 520 007	51 925 960	53 520 007	51 925 960
Loyalty scheme rebate	(3 902 193)	(5 555 672)	(3 902 193)	(5 555 672)
Rental income	4 632 601	4 615 867	5 169 574	5 283 578
Commissions received	20 493 396	20 038 151	19 582 568	19 256 700
Credit loss allowance	2 480 704	149 059	2 480 704	-
Recoveries	2 425 396	830 597	2 424 860	830 597
Freight recovered	11 837 417	15 337 574	11 837 417	15 337 574
Profit on sale of assets	1 948 050	1 230 725	1 810 616	1 230 725
	135 129 522	142 224 124	135 535 927	142 990 627

29. Operating profit

Operating profit for the year is stated after charging the following, amongst others:

Auditor's remuneration - external

Audit fees	2 093 058	2 026 292	1 925 133	1 838 049
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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	114 450 450	(172 295 918)	111 118 023	(159 380 756)
Purchased of inventory	3 903 147 611	3 974 389 387	3 837 114 850	3 881 727 045
Employee costs	391 399 388	364 350 576	378 692 382	350 751 707
Operating lease charges	5 100 810	4 806 682	4 636 706	3 989 977
Depreciation, amortisation and impairment	30 465 799	28 738 049	27 709 190	26 057 245
Other expenses	117 105 407	102 975 736	115 931 890	104 621 591
Distribution cost	48 726 914	60 428 691	46 746 726	58 479 080
Advertisement	7 163 914	7 049 318	6 941 301	6 511 418
Bad debt written off	12 209 536	4 755 664	12 209 536	4 755 514
Operating cost	88 789 569	76 844 315	84 941 417	73 247 011
Credit loss allowance	56 825	9 554 024	-	9 554 024
Total cost of sales, distribution costs and administrative expenses	4 718 616 223	4 461 596 524	4 626 042 021	4 360 313 856

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	2020	2019	2020	2019
	R	R	R	R

30. Investment income

Interest income

Investments in financial assets:

Bank	323 616	231 273	273 245	170 611
Interest received SAFEX	5 591 177	3 061 063	5 591 177	3 061 063
SARS	-	938	-	-
Interest recovered from grain	2 216 772	1 334 107	2 216 772	1 334 107
Interest from group companies	-	-	8 184 110	7 214 235
Other interest	-	1 622 283	-	1 536 086
Total interest income	8 131 565	6 249 664	16 265 304	13 316 102

31. Grain gross profit including fair value movements

Revenue (not included in company revenue)	2 198 844 964	2 304 021 028	2 198 844 964	2 304 021 028
Cost of sales (not included in company cost of sales)	(2 102 863 483)	(2 248 665 746)	(2 102 863 483)	(2 248 665 746)
Gross profit	95 981 481	55 355 282	95 981 481	55 355 282
Fair value adjustment on grain inventory (own grain)	8 340 031	53 086 313	8 340 031	53 086 313
Fair value profit/loss on grain sales	(47 585 387)	38 769 938	(47 585 387)	38 769 938
SAFEX variation margins	88 394 776	(40 475 826)	88 394 776	(40 475 826)
Fair value adjustment - derivatives	(40 606 391)	(13 141 224)	(40 606 391)	(13 141 224)
Total	104 524 510	93 594 483	104 524 510	93 594 483

32. Finance costs

Interest paid to group companies	247 896	420 564	285 419	450 437
Shareholders	18 825 001	16 214 001	18 825 001	16 214 001
Finance leases	637 660	-	501 350	-
Net finance costs	93 310 460	78 807 421	93 308 587	78 804 998
Interest paid to SARS	984	46 361	876	334
Total finance costs	113 022 001	95 488 347	112 921 233	95 469 770

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	2020	2019	2020	2019
	R	R	R	R

33. Income tax expense

Major components of the tax expense

Current

Local income tax - current period	42 304 880	41 529 025	42 101 119	40 923 471
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Deferred

Originating and reversing temporary differences	3 028 449	7 001 012	4 232 360	5 549 273
	45 333 329	48 530 037	46 333 479	46 472 744

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	(1.20)%	0.82 %	(1.73)%	0.54 %
Difference - fixed assets deferred taxation	- %	- %	0.27 %	(0.17)%
Consolidation adjustment on profit	0.51 %	0.73 %	- %	- %
Prior year adjustment	0.26 %	(0.17)%	- %	- %
Deferred tax not recognised	0.23 %	0.36 %	- %	- %
	27.80 %	29.74 %	26.54 %	28.37 %

34. Cash (used in)/generated from operations

Profit before taxation	163 096 252	163 143 443	174 582 513	163 825 237
Adjustments for:				
Depreciation and amortisation	29 572 631	28 324 809	26 862 969	25 831 720
Gain on sale of assets	(1 948 050)	(1 230 725)	(1 810 616)	(1 230 725)
Income from equity accounted investments	(194 482)	(525 521)	-	-
Dividend received	(19 430)	(13 898)	(283 663)	(452 337)
Interest income	(189 470 657)	(169 546 146)	(197 604 396)	(174 095 962)
Finance costs	113 022 001	95 488 347	112 921 233	95 469 770
Right-of use asset	(10 519 945)	-	(8 770 766)	-
Lease liability	9 893 292	-	8 276 883	-
Impairment on intercompany loans	-	-	-	3 925 756
Movements in provisions	(2 216 119)	(22 641 607)	(2 056 355)	(22 561 006)
Credit loss allowance	(2 423 880)	9 427 630	(2 480 705)	9 576 689
Changes in working capital:				
Inventories	114 450 450	(172 295 919)	111 118 023	(159 380 756)
Trade and other receivables	10 412 672	(267 933 925)	(76 131 099)	(268 318 764)
Trade and other payables	(20 240 057)	14 378 439	(20 503 246)	15 268 255
Biological assets	23 988 425	1 814 081	23 988 425	1 814 082
Derivative financial instruments	27 898 446	10 611 248	27 898 446	10 611 248
Movements in long term hire purchases and term loans	9 048 762	(27 934 838)	9 048 762	(27 934 838)
	274 350 311	(338 934 582)	185 056 408	(327 651 631)

35. Tax paid

Balance at beginning of the year	4 907 758	(9 969 864)	3 876 933	(9 561 801)
Current tax for the year recognised in profit or loss	(42 304 880)	(41 529 025)	(42 101 119)	(40 923 471)
Balance at end of the year	1 930 830	(4 907 758)	2 425 324	(3 876 933)
	(35 466 292)	(56 406 647)	(35 798 862)	(54 362 205)

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	2020	2019	2020	2019
	R	R	R	R
36. Dividends paid				
Balance at beginning of the year	-	-	-	-
Dividends	(28 642 298)	(38 700 666)	(31 298 777)	(42 310 027)
Balance at end of the year	-	-	-	-
	(28 642 298)	(38 700 666)	(31 298 777)	(42 310 027)

Dividends are from retained earnings.

37. Commitments

Authorised capital expenditure

Already contracted for but not provided for

• Property, plant and equipment	96 364 617	59 662 782	96 364 617	56 547 782
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38. Events after the reporting period

The current COVID-19 pandemic that is spreading across the world is seen as an event after the reporting date because the first case in South Africa was only reported on 5 March 2020. It is therefore seen as a non-adjusting event. On 23 March 2020, the President of the Republic of South Africa announced a 21-day state of restriction starting on 26 March 2020. The state of restriction was extended by the president on the 11 April 2020, till 30 April 2020 and at a later stage extended to 31 May 2020. The announcement essentially meant that only businesses / institutions providing essential services were allowed to sell essential items only. The expected impact of these arrangements on the entity is set out below:

Trade

With the imposition of the state of restriction, the impact on trade sales will be measured against the loss in income due to the ban placed on the sale of non-essential items. With the switch to Level 4 of restriction, the ban on the sale of certain items was lifted. The restriction on movement between provinces and the fact that border posts between countries are still closed for movement of individuals will also affect the income of trading branches.

Fuel distribution

Fuel distribution is classified as an essential service. The delivery of fuel on farms continues as normal and should not have a long-term influence on the income of fuel distribution points.

Industries

Industries are divided between Clocolan Wheat Mill and Tweespruit Maize Mill. Clocolan Wheat Mill is affected due to their largest customer who has temporarily closed since the beginning of the contraction due to workforce rioting and refusal to resume service. The customer takes over half the total capacity of the Mill's production. Tweespruit mill sales continue as before, but what is a major influence at Tweespruit Mill is a shortage of availability of transport for products. The deficit causes the price of transport to rise and the expenditure of the Mill increases. The other challenge at Tweespruit is that the local maize (old season) is almost finished and that we still have to wait a while for new season to be available. Both mills' purchase of raw material will be affected with the fluctuating exchange rate, with the South African rand weakening during the period.

Grain

The expected impact on the results of the Grain division is likely to be relatively low given the operations since the implementation of the latch period has been fairly normal based on the classification as a essential service. This is further supported by the above average expected national crop and strong demand for grain from Zimbabwe in particular.

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2020	2019	2020	2019
R	R	R	R

38. Events after the reporting period (continued)

Wool and mohair

The receipt and handling of wool and mohair was initially not seen as an essential service and constitutes OVK's fiber section of businesses that can trade only during the restriction, as long as the restriction is in place, OVK's fiber division will generate limited revenue. The impact on the fiber sections can be determined as soon as the restriction is lifted and the new auction calendar is available.

Motors

Toyota's primary revenue is generated by the sale of vehicles, parts and service of vehicles. Sale of vehicles are not regarded as essential service and as a result no vehicles can sell during the lockdown period. The sale of parts and service of vehicles can only take place if it is to the benefit of essential services to prevent their operations from going to waste.

Mechanisation

Mechanisation's primary revenue is generated through the sale of whole goods, parts and service whole goods. Decreases in sales will occur if customers are not registered for essential services. Furthermore, parts can only be sold if OVK has the stock available. Majority of parts are providing through suppliers who are from outside South Africa and if the supplier does not have the parts available, OVK will be affected. Services of whole goods are dependent on the availability of oil and parts and OVK will also see a decrease in services if the restrictions are further extended.

Fuel and filling stations

Due to the restriction and customers who drive less, gas stations will experienced a decrease in fuel sales. Fuel sales to farmers will still be able to do so if farming is seen as an essential service. The reduction in the fuel price also has a negative impact on profitability due to the adjustment in the value of inventory.

Tyres

Tyre divisions will experience sales decline as fewer boarding clients will buy products. Tyre sales to farmers will still be able to do so if farming is seen as an essential service. The decrease in movement of vehicles will have a definite impact that cannot overcome.

Insurance

The effect of the restriction on the earning capacity of individuals and businesses will have a definite impact on the insurance department. Some clients are going to cancel or reduce policies that have a direct effect on the revenue of the division.

Client finance

As the primary customer base is agricultural producers, the impact will be limited. For the grain farmers grain prices is currently good and in the dry land sowing areas are good crops on the land which will have a positive effect on repayment ability. However, livestock prices are volatile and this may have a limited effect on the ability to be able to repay from some livestock producers.

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 R28 482 739 (2019: R26 350 788). Company R27 980 069 (2019: R25 845 580).

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	2020	2019	2020	2019
	R	R	R	R

40. Contingencies

Guarantee issued	18 187 812	24 381 936	18 187 812	24 381 936
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Guarantees were issued to the relevant Insurance Companies and Eskom.

41. Related parties

Relationships	
Holding company	Oos Vrystaat Kaap Holdings Proprietary Limited
Subsidiaries	Refer to note 8
Joint ventures	Refer to note 9
Associates	Refer to note 10
Related entities	OVK Empowerment Proprietary Limited OVK Enterprise Proprietary Limited

Related party balances

Loan accounts - Owing (to) by related parties

OVK Beherend Proprietary Limited	(193 542)	(193 542)	(193 542)	(193 542)
OVK Rekenardienste Proprietary Limited	-	-	94 182 725	78 301 752
OVK Rekenardienste Proprietary Limited	-	-	(620 125)	(438 082)
Oos Kaap Boerdery and Graanhandelaars Proprietary Limited	-	-	400 000	400 000
Oos Vrystaat Kunsmis Proprietary Limited	-	-	19 821 201	14 666 871
OVK Eiendomme Proprietary Limited	-	-	4 592	-
Blue Crane Fibre Proprietary Limited	-	-	(1 453 569)	5 326 865
Matla Energy Proprietary Limited	-	-	13 324 850	19 552 489
OVK Lesotho Proprietary Limited	-	-	-	1 055 747
Van Lill Woolbuyers Proprietary Limited	-	-	1 288 316	3 600 917
Sinethemba Mafama Proprietary Limited	(9 766 880)	(11 444 377)	(9 766 880)	(11 444 377)
Poli EA Thaba Proprietary Limited	267 567	(241 658)	267 567	(241 658)
OVK Enterprise Proprietary Limited	2 586 429	-	2 571 429	-
OVK Empowerment Proprietary Limited	5 186 260	7 200	5 156 110	7 200

Amounts included in Trade receivable (Trade Payable) regarding related parties

Orange River Popcorn Proprietary Limited	11 427 639	11 436 414	11 427 639	11 436 414
Van Lill Woolbuyers Proprietary Limited	-	-	(3 148)	179 533
Directors	45 933 645	105 287 231	45 933 645	105 287 231
SAFEX deposit through Oos Kaap Boerdery en Graanhandelaars Proprietary Limited	-	-	66 008 587	50 818 565
Oos Kaap Boerdery and Graanhandelaars Proprietary Limited	-	-	88 434 803	9 914 127
VGK Beleggings Proprietary Limited	(2 064 100)	(1 022 253)	(2 064 100)	(1 022 253)
Oos Vrystaat Kunsmis Proprietary Limited	-	-	4 667 004	381 937
Oos Vrystaat Kunsmis Proprietary Limited	-	-	(3 472 518)	(4 281 107)
Matla Energy Proprietary Limited	-	-	92 573	100 496
Matla Energy Proprietary Limited	-	-	(512 034)	(161 303)
Blue Crane Fibre Proprietary Limited	-	-	98 243	20 587
OVK Lesotho Proprietary Limited	-	-	-	467 206

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	Group		Company	
	2020	2019	2020	2019
	R	R	R	R
41. Related parties (continued)				
Related party transactions				
Interest paid to (received from) related parties				
Directors	(6 756 530)	(10 391 931)	(6 756 530)	(10 391 931)
OVK Rekenardienste Proprietary Limited (Shares)	-	-	(6 604 701)	(6 183 917)
OVK Rekenardienste Proprietary Limited	-	-	37 516	29 863
Oos Kaap Boerdery and Graanhandelaars Proprietary Limited	-	-	(30 231)	(30 949)
Oos Vrystaat Kunsmis Proprietary Limited	-	-	(2 550 670)	(1 775 733)
OVK Eiendomme Proprietary Limited	-	-	(342 568)	(333 960)
Van Lill Woolbuyers Proprietary Limited	-	-	(401 282)	(288 745)
Blue Crane Fibre Proprietary Limited	-	-	(805 327)	(407 613)
Orange River Popcorn Proprietary Limited	(3 362 707)	(3 231 447)	(3 362 707)	(3 231 447)
Sinethemba Mafama Proprietary Limited	262 346	250 117	262 346	250 117
Poli EA Thaba Proprietary Limited	2 213	70 451	2 213	70 451
Poli EA Thaba Proprietary Limited	(14 063)	-	(14 063)	-
OVK Lesotho Proprietary Limited	-	-	(146 176)	(170 180)
VGK Beleggings Proprietary Limited	122 205	100 006	122 205	100 006
Matla Energy Proprietary Limited	-	-	(2 268 119)	(1 721 393)
Purchases from (sales to) related parties				
OVK Rekenardienste Proprietary Limited	-	-	3 796 073	3 554 653
Blue Crane Fibre Proprietary Limited	-	-	(675 403)	(493 393)
OVK Eiendomme Proprietary Limited	-	-	-	(107 854)
Oos Vrystaat Kunsmis Proprietary Limited	-	-	(31 082 492)	(12 063 894)
Oos Vrystaat Kunsmis Proprietary Limited	-	-	61 772 309	81 490 544
Sales to directors	(178 365 114)	(214 869 406)	(178 365 114)	(214 869 406)
Purchases from directors	190 066 927	180 786 510	190 066 927	180 786 510
Sinethemba Mafama Proprietary Limited	(1 772 958)	(1 912 978)	(1 772 958)	(1 912 978)
Van Lill Woolbuyers Proprietary Limited	-	-	(1 190 672)	(2 158 714)
OVK Lesotho Proprietary Limited	-	-	(65 655)	(3 549 424)
Matla Energy Proprietary Limited	-	-	(1 306 368)	(804 098)
Matla Energy Proprietary Limited	-	-	5 428 776	5 909 789
Management fees and other related costs paid to (received from) related parties				
Orange River Popcorn Proprietary Limited	(3 220 000)	(2 500 000)	(3 220 000)	(2 500 000)
Blue Crane Fibre Proprietary Limited	-	-	(194 400)	(192 864)
OVK Eiendomme Proprietary Limited	-	-	70 000	240 000
Oos Vrystaat Kunsmis Proprietary Limited	-	-	(360 000)	(360 000)
Sinethemba Mafama Proprietary Limited	(1 314 559)	(1 155 719)	(1 314 559)	(1 155 719)
Van Lill Woolbuyers Proprietary Limited	-	-	(339 524)	(320 464)
Poli EA Thaba Proprietary Limited	-	(78 000)	-	(78 000)
Oos Kaap Boerdery and Graanhandelaars Proprietary Limited	-	-	660 000	660 000
VGK Beleggings Proprietary Limited	(62 532)	(58 440)	(62 532)	(58 440)
Matla Energy Proprietary Limited	-	-	(452 680)	(929 320)
Rent paid to (received from) related parties				
Matla Energy Proprietary Limited	-	-	(536 973)	(673 150)
Remission of debt				
OVK Lesotho Proprietary Limited	-	-	910 194	-

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	Group		Company	
	2020	2019	2020	2019
	R	R	R	R

42. Directors' emoluments

Executive

2020

	Short term compensation	Profit share	Leave paid out	Pension paid	Expenses	Total
For service as officials	16 671 851	125 698	40 387	982 359	484 279	18 304 574

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

Non-executive

2020

	Short term compensation	Expenses	Total
For service as directors	3 003 001	966 522	3 969 523
For service as directors paid by subsidiaries	24 392	14 999	39 391
	3 027 393	981 521	4 008 914

2019

	Short term compensation	Expenses	Total
For service as directors	2 536 090	798 269	3 334 359
For service as directors paid by subsidiaries	37 809	23 555	61 364
	2 573 899	821 824	3 395 723

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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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43. Segment information (continued)

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

Group 2020	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	3 116 576	474 485	-	270 181	447 165	445 604	(7 521)	4 746 490
Gross profit/(loss)	272 066	50 495	-	181 789	164 108	66 530	(6 096)	728 892
Grain income (net of loyalty scheme rebate)	-	-	49 618	-	-	-	-	49 618
Interest received	3	-	-	-	1	16	8 112	8 132
Interest paid	-	-	-	-	(137)	-	(112 885)	(113 022)
Grain gross profit including fair value movements	-	-	104 525	-	-	-	-	104 525
Depreciation	(5 422)	(1 461)	(9 182)	(65)	(5 990)	(4 081)	(4 265)	(30 466)
Segment expenditure	(153 616)	(58 808)	(121 007)	(139 921)	(147 698)	(63 364)	13 862	(670 552)
Reportable segment profit/(loss)	113 031	(9 774)	23 954	41 803	10 284	(899)	(101 272)	77 127
Other income	21	1 097	-	-	541	63	83 788	85 510
Income from equity investment	-	-	-	-	-	-	459	459
Profit/(loss) before tax	113 052	(8 677)	23 954	41 803	10 825	(836)	(17 025)	163 096
Tax	-	-	(152)	-	571	805	(46 557)	(45 333)
Net profit/(loss) for the year	113 052	(8 677)	23 802	41 803	11 396	(31)	(63 582)	117 763
Total assets	550 652	135 891	401 881	1 615 625	220 499	112 219	100 433	3 137 200
Total liabilities	180 016	20 761	216 028	15 581	78 201	30 270	5 081	545 938

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43. Segment information (continued)

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	555 269	231 080	(7 590)	4 477 196
Gross profit/(loss)	261 844	47 020	-	161 132	178 908	40 886	(14 687)	675 103
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)	(49 228)	(677 136)
Reportable segment profit/(loss)	110 743	(8 783)	16 929	39 066	24 575	(9 675)	(152 900)	19 955
Other income	5	963	(6)	-	566	6	140 690	142 224
Income from equity investment	-	-	-	-	-	-	964	964
Profit/(loss) before tax	110 748	(7 820)	16 923	39 066	25 141	(9 669)	(11 246)	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	24 652	(9 886)	(58 915)	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)

Company 2020

	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	3 150 086	420 338	-	270 181	410 847	408 331	(2 563)	4 657 220
Gross profit/(loss)	273 814	44 056	-	181 789	151 812	58 858	(1 342)	708 987
Grain income (net of loyalty scheme rebate)	-	-	49 618	-	-	-	-	49 618
Interest received	-	-	-	-	-	-	16 265	16 265
Interest paid	-	-	-	-	-	-	(112 921)	(112 921)
Grain gross profit including fair value movements	-	-	104 525	-	-	-	-	104 525
Depreciation	(5 264)	(930)	(9 182)	(65)	(5 791)	(2 218)	(4 259)	(27 709)
Segment expenditure	(153 237)	(53 628)	(121 549)	(139 921)	(136 779)	(57 472)	12 485	(650 101)
Reportable segment profit/(loss)	115 313	(10 502)	23 412	41 803	9 242	(832)	(89 772)	88 664
Other income	-	-	-	-	-	-	85 918	85 918
Profit/(loss) before tax	115 313	(10 502)	23 412	41 803	9 242	(832)	(3 854)	174 582
Tax	-	-	-	-	-	-	(46 333)	(46 333)
Net profit/(loss) for the year	115 313	(10 502)	23 412	41 803	9 242	(832)	(50 187)	128 249
Total assets	550 652	122 604	401 469	1 615 625	205 461	69 611	151 334	3 116 756
Total liabilities	181 820	24 409	210 745	15 581	73 703	23 549	7 131	536 938

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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	533 923	193 593	(5 687)	4 369 708
Gross profit/(loss)	264 861	39 676	-	161 132	164 680	29 963	(12 950)	647 362
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)	(52 957)	(658 281)
Reportable segment profit/(loss)	114 964	(9 587)	17 006	39 066	19 580	(12 538)	(147 657)	20 834
Other income	-	-	-	-	-	-	142 991	142 991
Profit/(loss) before tax	114 964	(9 587)	17 006	39 066	19 580	(12 538)	(4 666)	163 825
Tax	-	-	-	-	-	-	(46 473)	(46 473)
Net profit/(loss) for the year	114 964	(9 587)	17 006	39 066	19 580	(12 538)	(51 139)	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	11 134	6 834	496 782

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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	Group		Company	
	2020	2019	2020	2019
	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	3 137 200	3 248 297	3 116 756	3 139 189
Unallocated: Deferred tax	937	156	-	-
Unallocated: Investments in subsidiaries	-	-	10 708	11 001
Unallocated: Members' funds	2	25	2	25
Unallocated: Equity investment	127	127	127	127
Unallocated: Investment in joint venture	4 088	4 374	1	1
Unallocated: Tax receivable	494	4 944	-	3 877
Unallocated: Investment in associated company	3 694	3 214	142	142
Unallocated: Loan to group companies	10 520	-	8 771	-
Unallocated: Right-of-use asset	8 041	9	137 018	122 913
Unallocated: Cash and cash equivalents	156 534	62 256	64 324	41 701
	3 321 637	3 323 402	3 337 849	3 318 976

Total liabilities according to statement of financial position

Segment liabilities	545 938	505 519	536 938	496 783
Unallocated: Employee benefits payable	25 512	27 728	24 722	26 779
Unallocated: Loans from group companies	9 767	11 686	11 841	12 124
Unallocated: Tax payable	2 425	36	2 425	-
Unallocated: Shareholders' loans	244 525	214 357	244 525	214 357
Unallocated: Bank overdraft	1 181 452	1 340 386	1 181 452	1 340 386
Unallocated: Lease liability	9 893	-	8 277	-
Unallocated: Deferred tax	24 697	20 882	6 439	2 206
	2 044 209	2 120 594	2 016 619	2 092 635

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	117 762 923	114 613 406	128 249 034	117 352 493
Weighted average number of shares	55 011 448	55 270 737	60 245 383	60 383 008
	Cent	Cent	Cent	Cent
Earnings per share	215.2	208.9	213.9	195.8

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

Reconciliation between earnings and headline earnings

Net profit after tax	117 762 923	114 613 406	128 249 034	117 352 493
Net profit on disposal of property, plant and equipment	(1 948 050)	(1 230 725)	(1 810 616)	(1 230 725)
Impairment on intercompany loan	-	-	1 909 066	3 925 756
	115 814 873	113 382 681	128 347 484	120 047 524
	Cent	Cent	Cent	Cent
Earnings per share	211.7	206.7	214.1	200.3

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Detailed Income Statement

		Group		Company	
	Notes	2020 R	2019 R	2020 R	2019 R
Revenue					
Sale of goods		4 498 257 402	4 227 893 545	4 413 077 469	4 123 070 181
Loyalty scheme rebate		(26 180 579)	(31 148 285)	(26 009 101)	(30 934 946)
Service delivering		20 210 999	20 482 663	16 950 284	16 804 352
Interest received		181 339 092	160 779 861	181 339 092	160 779 861
Discount distribution		(7 340)	(14 923)	-	-
Commission received		102 414 661	133 049 118	96 140 726	126 310 837
Shearing cost recovered		17 471 170	17 884 867	14 150 104	15 257 594
Press and shipping		21 116 239	19 873 847	21 116 239	19 873 847
Bin income		19 247 000	11 835 055	19 247 000	11 835 055
Non-mainstream income		23 448 461	3 252 576	23 448 460	3 252 576
Trade discount		(110 826 941)	(86 692 242)	(102 240 247)	(76 541 706)
	27	4 746 490 164	4 477 196 082	4 657 220 026	4 369 707 651
Cost of sales					
Opening stock		(862 277 332)	(689 981 414)	(827 447 333)	(668 066 577)
Purchases		(3 903 147 611)	(3 974 389 387)	(3 837 114 850)	(3 881 727 045)
Closing stock		747 826 882	862 277 332	716 329 310	827 447 333
		(4 017 598 061)	(3 802 093 469)	(3 948 232 873)	(3 722 346 289)
Gross profit		728 892 103	675 102 613	708 987 153	647 361 362
Other operating income					
Administration and management fees		4 191 599	3 254 835	5 430 347	4 357 333
Distribution income		17 813 930	16 168 601	17 813 930	16 168 601
Transport cost recovered		2 773 513	13 622 424	2 724 958	13 622 424
Freight truck cost recovered		4 571 411	5 787 580	4 571 411	5 787 580
Sundry income		12 324 262	14 804 526	11 788 065	14 292 890
Dividends received		19 429	13 897	283 663	452 337
Grain gross profit including fair value movements		104 524 510	93 594 483	104 524 510	93 594 483
Grain income		53 520 007	51 925 960	53 520 007	51 925 960
Loyalty scheme rebate		(3 902 193)	(5 555 672)	(3 902 193)	(5 555 672)
Rental income		4 632 601	4 615 867	5 169 574	5 283 578
Income from equity accounted investments		725 138	1 121 368	-	-
Commissions received		20 493 396	20 038 151	19 582 568	19 256 700
Investment income	29	8 131 565	6 249 664	16 265 304	13 316 102
Credit loss allowance written back		2 480 704	149 059	2 480 704	-
Recoveries		2 425 396	830 597	2 424 860	830 597
Freight recovered		11 837 417	15 337 574	11 837 417	15 337 574
Profit on sale of assets		1 948 050	1 230 725	1 810 616	1 230 725
	28	248 510 735	243 189 639	256 325 741	249 901 212
Expenses (Refer to page 62)		(701 018 162)	(659 503 055)	(677 809 148)	(637 967 567)
Operating profit	29	276 384 676	258 789 197	287 503 746	259 295 007
Finance costs	32	(113 022 001)	(95 488 347)	(112 921 233)	(95 469 770)
Income from equity accounted investments		(266 423)	(157 407)	-	-
Profit before taxation		163 096 252	163 143 443	174 582 513	163 825 237
Income tax expense	33	(45 333 329)	(48 530 037)	(46 333 479)	(46 472 744)
Profit for the year		117 762 923	114 613 406	128 249 034	117 352 493

Oos Vrystaat Kaap Operations Limited

(Registration number 1999/004069/06)

Summary Consolidated Financial Statements for the year ended 29 February 2020

Detailed Income Statement

	Notes	Group		Company	
		2020 R	2019 R	2020 R	2019 R
Other operating expenses					
Administration and management fees		20 421 691	18 182 551	20 918 138	22 279 583
Advertising		7 163 914	7 049 318	6 941 301	6 511 418
Auditors remuneration	29	2 093 058	2 026 292	1 925 133	1 838 049
Bad debt written off		12 209 536	4 755 664	12 209 536	4 755 514
Bank charges		4 538 782	4 103 910	3 967 712	3 635 125
Depreciation and amortisation		30 465 799	28 738 049	27 709 190	26 057 245
Distribution costs		48 726 914	60 428 691	46 746 726	58 479 080
Donations and sponsorships		2 360 360	2 895 099	2 324 760	2 867 617
Employee costs		391 399 388	364 350 576	378 692 382	350 751 707
Investment written off		-	-	800 002	-
Freight		34 395 555	20 166 114	34 391 749	20 159 221
Insurance		13 441 675	12 070 264	13 372 456	11 891 044
Legal costs		1 058 035	262 301	1 058 035	262 301
Operating costs		88 789 569	76 844 315	84 941 417	73 247 011
Packaging material		4 498 425	4 370 245	3 847 241	3 836 736
Provision for credit loss		56 825	9 554 024	-	9 554 024
Rental expense		5 100 810	4 806 682	4 636 706	3 989 977
Repairs and maintenance		34 297 826	38 898 960	33 326 664	37 851 915
		701 018 162	659 503 055	677 809 148	637 967 567