

# COMPANY ANNUAL FINANCIAL STATEMENTS 2006

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# COMPANY BALANCE SHEET

at 28 February 2006

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	Note	2006 R000	2005 R000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial receivables	2	230 541	225 000
Interest in subsidiary	3	(71 545)	(132 954)
<b>Current assets</b>			
Trade and other receivables		68 520	47 493
Cash and cash equivalents		2 458	6 151
Total assets		229 974	145 690
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Share capital	4	4	4
Share premium	5	72 589	-
Retained earnings		149 915	134 873
<b>Current liabilities</b>			
Trade and other payables		5 961	9 361
Current income tax liabilities		1 505	1 452
Total equity and liabilities		229 974	145 690

# COMPANY INCOME STATEMENT

for the year ended 28 February 2006

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	Note	2006 R000	2005 R000
Dividend income	6	82 893	610 629
Management fees		4 117	1 186
Interest received		183	4 839
Total income		87 193	616 654
Audit fees – for audit		(19)	(17)
Directors' remuneration		(4 100)	(1 169)
Profit before income tax		83 074	615 468
Income tax expense		(53)	(35 917)
Profit for the year		83 021	579 551

# COMPANY CASH FLOW STATEMENT

for the year ended 28 February 2006

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	2006 R000	2005 R000
<b>Operating activities</b>		
Cash generated from operations	32 264	535 274
Net cash generated from operating activities	32 264	535 274
<b>Investing activities</b>		
Interest received	–	4 469
Investments made	(5 541)	(100 000)
Dividends from investments	26 383	26 118
Net cash generated from/(utilised in) investing activities	20 842	(69 413)
<b>Financing activities</b>		
Proceeds from loans in subsidiary	11 254	98 607
Dividends paid on shares	(67 979)	(474 452)
Special capital distribution	–	(88 548)
Allotment duty utilised	(74)	(7)
Net cash utilised in financing activities	(56 799)	(464 400)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(3 693)</b>	<b>1 461</b>
Cash and cash equivalents at beginning of year	6 151	4 690
<b>Cash and cash equivalents at end of year</b>	<b>2 458</b>	<b>6 151</b>

# COMPANY STATEMENT OF CHANGES IN EQUITY

for the year ended 28 February 2006

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	Share capital R000	Share premium R000	Retained earnings R000	Total R000
<b>Balance 2004</b>	4	88 555	29 774	118 333
Profit for the year	-	-	579 551	579 551
Special dividends paid	-	-	(314 828)	(314 828)
Special capital distribution paid	-	(88 548)	-	(88 548)
Allotment duty utilised	-	(7)	-	(7)
Dividends paid	-	-	(159 624)	(159 624)
<b>Balance 2005</b>	<b>4</b>	<b>-</b>	<b>134 873</b>	<b>134 877</b>
Profit for the year	-	-	83 021	83 021
Issue of shares to share incentive trust	-	72 663	-	72 663
Allotment duty utilised	-	(74)	-	(74)
Dividends paid	-	-	(67 979)	(67 979)
<b>Balance 2006</b>	<b>4</b>	<b>72 589</b>	<b>149 915</b>	<b>222 508</b>

# NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS

for the year ended 28 February 2006

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	2006 R000	2005 R000
<b>1 ACCOUNTING POLICIES</b>		
Refer to pages 39 to 51 for the accounting policies of the Group, which are also applicable to the Company. The transition to IFRS had no impact on the financial results of the Company.		
<b>2 FINANCIAL RECEIVABLES – HELD-TO-MATURITY</b>		
<b>2.1</b> HY Investments 2B (Pty) Ltd – Preference Share The preference share earns preference dividends at a nominal annual rate of 14,5% compounded annually and is redeemable on 30 November 2009. The preference share acts as security for a loan by a subsidiary.	125 000	125 000
<b>2.2</b> Depfin Investments (Pty) Ltd – Preference Share The preference shares earn dividends at a variable rate of 65% of prime payable semi-annually. The final redemption date is 24 December 2007. These preference shares have been ceded to the Land and Agricultural Development Bank in terms of the BEE transaction.	105 541	100 000
<b>Total financial assets</b>	<b>230 541</b>	225 000
<b>3 INTEREST IN SUBSIDIARY</b>		
<b>3.1</b> Shares at cost – AFGRI Operations Ltd 299 961 328 (2005: 299 961 328) combined units of R1,93 each Loan owed to the subsidiary	578 925 (650 470)	578 925 (711 879)
	<b>(71 545)</b>	(132 954)
<b>3.2</b> The loan is unsecured and interest free with no specific terms of repayment.		
<b>3.3</b> Directors' valuation at fair value	<b>1 585 707</b>	1 391 459
<b>3.4</b> Attributable interest in the total amount of profits and losses of subsidiary after income tax expense – Profits	<b>102 561</b>	159 441

# NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS

for the year ended 28 February 2006

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		2006		2005	
		R000		R000	
<b>4</b>	<b>SHARE CAPITAL</b>				
		Number			
		2006	2005		
<b>4.1</b>	<b>Authorised</b>				
	Ordinary shares of 0,001 cents each	515 000 000	515 000 000	6	6
<b>4.2</b>	<b>Issued</b>				
	Beginning of year	359 515 000	359 515 000	4	4
	Shares issued to share incentive trust	14 279 000	-	-	-
	End of year	373 794 000	359 515 000	4	4
<b>4.3</b>	Refer to page 77, Note 12, for further applicable information.				
<b>5</b>	<b>SHARE PREMIUM</b>				
	Balance beginning of year			-	88 555
	Premium on shares issued to share incentive scheme			72 663	-
	Allotment duty on issue of shares			(74)	(7)
	Special capital distribution			-	(88 548)
	<b>Balance end of year</b>			<b>72 589</b>	-
<b>6</b>	<b>DIVIDEND INCOME</b>				
	Dividend income comprises the value of cash dividends received			82 893	610 629
<b>7</b>	<b>DIVIDEND AND DISTRIBUTIONS</b>				
	Interim of 9,05 cents per share for 2006 financial year (2005: 18,3 cents per share)			33 106	65 791
	Special dividend of Nil cents per share for 2006 financial year (2005: 85,1 cents per share)			-	314 828
	Final normal and special of 9,7 cents per share for 2005 financial year (2004: 26,1 cents per share)			34 873	93 833
				<b>67 979</b>	474 452

# NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS

for the year ended 28 February 2006

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		2006 R000	2005 R000
<b>8</b>	<b>DIRECTORS' EMOLUMENTS</b>		
<b>8.1</b>	<b>In total</b>		
	Directors' remuneration paid by Company and subsidiaries for:		
	Non-executive		
	Services as Directors	4 528	3 422
	Executive		
	Managerial services (includes salary, performance remuneration and other benefits)	12 919	11 353

## 8.2 By category and per Director

28 February 2006

### Non-executive Directors

	Board member	Audit committee	Remuneration committee	Acquisition committee	Credit committee	Other	Total
	R	R	R	R	R	R	R
PF Erasmus	279 000	–	38 300	20 800	38 300	72 765	449 165
CA Apsey	80 167	–	–	13 867	–	–	94 034
JJ Claassen	80 167	33 433	–	13 867	–	72 765	200 232
NO Davies	80 167	50 500	26 467	–	18 592	–	175 726
GAL Ebedes	34 667	–	13 867	–	–	1 547 923	1 596 457
JJ Ferreira	80 167	–	–	–	–	72 765	152 932
JTJ van Rensburg	80 167	–	–	–	–	72 765	152 932
MM Moloele	22 750	–	6 300	–	–	955 757	984 807
KL Thoka	37 104	14 396	–	–	–	524 477	575 977
FJ van der Merwe	80 167	33 433	18 592	13 867	–	–	146 059
<b>Total</b>	<b>854 523</b>	<b>131 762</b>	<b>103 526</b>	<b>62 401</b>	<b>56 892</b>	<b>3 319 217</b>	<b>4 528 321</b>

### Executive Directors

	JD Wright	DM Sewela*	I de W Goosen	JH Mooney*	Total
Basic salary	2 331 972	1 654 524	1 472 006	1 007 308	6 465 810
Bonuses	–	117 634	–	1 033 025	1 150 659
Share-based payments	1 703 574	986 021	727 889	224 733	3 642 217
Expense allowances	24 329	32 609	12 237	7 736	76 911
Company contributions	493 031	362 142	495 597	232 691	1 583 461
<b>Total</b>	<b>4 552 906</b>	<b>3 152 930</b>	<b>2 707 729</b>	<b>2 505 493</b>	<b>12 919 058</b>

\*Alternate Directors in 2006

# NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS

for the year ended 28 February 2006

## 8 DIRECTORS' EMOLUMENTS (continued)

### 8.2 By category and per Director (continued)

28 February 2005

Non-executive Directors

	Board	Audit	Remuner-	Credit	Other	Total
	member	committee	ation	committee		
	R	R	committee	committee	R	R
PF Erasmus	254 166	–	25 416	25 416	67 100	372 098
AC Ball	49 020	–	13 575	–	–	62 595
JJ Claassen	66 083	23 383	–	–	67 100	156 566
NO Davies	66 083	35 583	18 300	–	–	119 966
GAL Ebedes	–	–	–	–	2 252 805	2 252 805
JJ Ferreira	66 083	–	–	–	67 100	133 183
E Gutierrez-Garcia	49 020	17 345	–	13 575	–	79 940
JTJ van Rensburg	66 083	–	–	–	67 100	133 183
MM Moloele	8 531	–	2 362	–	–	10 893
KL Thoka	8 531	3 018	–	–	–	11 549
FJ van der Merwe	66 083	23 383	–	–	–	89 466
<b>Total</b>	699 683	102 712	59 653	38 991	2 521 205	3 422 244
<b>Executive Directors</b>			<b>JD Wright</b>	<b>I de W Goosen</b>	<b>J H Mooney*</b>	<b>Total</b>
Basic salary	2 033 318	1 276 693			876 885	4 186 896
Bonuses	2 500 000	1 700 000			500 000	4 700 000
Share-based payments	841 741	430 135			–	1 271 876
Expense allowances	25 090	11 910			8 755	45 755
Company contributions	471 556	473 103			204 192	1 148 851
	5 871 705	3 891 841			1 589 832	11 353 378

\* Alternate Director in 2005

# NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS

for the year ended 28 February 2006

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## 8 DIRECTORS' EMOLUMENTS (continued)

### 8.3 Share incentive scheme

Details of Directors' share options for the financial year ended 28 February 2006, were as follows and no share options have been granted to the

Directors since that date:

#### Under contract 01-03-2005

26-05-2000 : 400 cents

01-08-2000 : 410 cents

06-09-2000 : 410 cents

10-04-2001 : 309 cents

19-09-2002 : 507 cents

01-11-2003 : 501 cents

01-11-2003 : 520 cents

29-04-2004 : 622 cents

#### Total

#### Share options granted and exercised during the year

01-06-2005 : 472 cents

18-11-2005 : 538 cents

#### Total

#### Implemented during the year

26-05-2000 : 400 cents

06-09-2000 : 410 cents

01-08-2000 : 410 cents

10-04-2001 : 309 cents

#### Total

#### Under contract at 28-02-2006

10-04-2001 : 309 cents

19-09-2002 : 507 cents

01-11-2003 : 501 cents

01-11-2003 : 520 cents

29-04-2004 : 622 cents

01-06-2005 : 472 cents

18-11-2005 : 538 cents

#### Total

	JD Wright	DM Sewela	I de W Goosen	GAL Ebedes*
	–	–	22 838	–
	–	–	266 600	–
	700 000	–	258 202	1 000 000
	400 000	–	400 000	400 000
	300 000	–	–	–
	2 000 000	–	421 400	–
	–	–	578 700	–
	–	350 000	–	–
<b>Total</b>	<b>3 400 000</b>	<b>350 000</b>	<b>1 947 740</b>	<b>1 400 000</b>
	2 000 000	2 000 000	800 000	–
	1 128 000	733 000	573 000	–
<b>Total</b>	<b>3 128 000</b>	<b>2 733 000</b>	<b>1 373 000</b>	<b>–</b>
	–	–	(22 838) <sup>3</sup>	–
	–	–	(266 600) <sup>1</sup>	–
	(700 000) <sup>1</sup>	–	(258 202) <sup>1</sup>	(1 000 000) <sup>2</sup>
	(200 000) <sup>3</sup>	–	(200 000) <sup>3</sup>	(200 000) <sup>3</sup>
<b>Total</b>	<b>(900 000)</b>	<b>–</b>	<b>(747 640)</b>	<b>(1 200 000)</b>
	200 000	–	200 000	200 000
	300 000	–	–	–
	2 000 000	–	421 400	–
	–	–	578 700	–
	–	350 000	–	–
	2 000 000	2 000 000	800 000	–
	1 128 000	733 000	573 000	–
<b>Total</b>	<b>5 628 000</b>	<b>3 083 000</b>	<b>2 573 100</b>	<b>200 000</b>

All share options granted to Directors, save for those granted on 1 November 2003, can be implemented in equal annual tranches over five years. The options granted on 1 November 2003 to JD Wright can be implemented in equal annual tranches over two years and all other options granted on 1 November 2003 over three years.

\* Former Executive Director

1 These shares have been purchased by the Directors at strike price.

2 Implemented on 10 November 2005 at a market price of 509 cents.

3 Implemented on 19 May 2005 at a market price of 500 cents.