

Separate Company annual financial statements 2009



Contents	Page
Company balance sheet	120
Company statement of comprehensive income	121
Company statement of changes in equity	122
Company cash flow statement	122
Notes to the Company annual financial statements	123



Company balance sheet

at 30 June 2009

	Note	30 June 2009 R'000	30 June 2008 R'000
ASSETS			
Non-current assets			
		678 930	703 930
Financial receivables	2	100 000	125 000
Interest in subsidiary	3	578 925	578 925
Deferred income tax asset		5	5
Current assets			
		312 825	244 888
Trade and other receivables		260 812	114 230
Cash and cash equivalents		52 013	130 658
Total assets		991 755	948 818
EQUITY AND LIABILITIES			
Capital and reserves attributable to the Company's equity holders			
		14 654	7 851
Share capital	4	4	4
Retained earnings		14 650	7 847
Current liabilities			
		977 101	940 967
Trade and other payables		8 458	7 931
Loan from AFGRI Operations Ltd	5	968 196	930 618
Current income tax liabilities		447	2 418
Total equity and liabilities		991 755	948 818

Company statement of comprehensive income

for the year ended 30 June 2009

	Note	Year ended 30 June 2009 R'000	16 months ended 30 June 2008 R'000
Dividend income	6	121 523	34 203
Management fees		2 602	3 680
Interest received – investments		11 763	8 023
Total income		135 888	45 906
Operating expenses		(2 618)	(3 688)
Finance costs		(2 024)	–
Profit before income tax		131 246	42 218
Income tax expense		(20 902)	(2 245)
Profit for the period/total comprehensive income for the period		110 344	39 973

Company statement of changes in equity

for the year ended 30 June 2009

	Share capital R'000	Retained earnings R'000	Total equity R'000
Balance 28 February 2007	4	166 733	166 737
Comprehensive income for the period	–	39 973	39 973
Dividends paid	–	(198 859)	(198 859)
Balance 30 June 2008	4	7 847	7 851
Comprehensive income for the period	–	110 344	110 344
Dividends paid	–	(103 541)	(103 541)
Balance 30 June 2009	4	14 650	14 654

Company cash flow statement

for the year ended 30 June 2009

	Note	Year ended 30 June 2009 R'000	16 months ended 30 June 2008 R'000
Operating activities			
Cash (utilised in)/generated from operations	9.1	(108 493)	172 959
Finance cost		(2 024)	–
Interest received		11 763	8 023
Income tax paid	9.2	(22 873)	(106)
Net cash (utilised in)/generated from operating activities		(121 627)	180 876
Investing activities			
Financial receivables repaid		25 000	113 255
Dividends from investments		121 523	34 203
Net cash generated from investing activities		146 523	147 458
Financing activities			
Dividends on shares		(103 541)	(198 859)
Net cash utilised in financing activities		(103 541)	(198 859)
Net (decrease)/increase in cash and cash equivalents		(78 645)	129 475
Cash and cash equivalents at beginning of period		130 658	1 183
Cash and cash equivalents at end of period		52 013	130 658

Notes to the Company annual financial statements

for the year ended 30 June 2009

	Year ended 30 June 2009 R'000	16 months ended 30 June 2008 R'000
1 Accounting policies		
Refer to pages 53 to 69 for the various accounting policies of the Group, which are also applicable to the Company. Specific accounting policies applicable to the Company is:		
1.1 Investment in subsidiaries		
Subsidiaries are entities controlled by the parent. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements recognise the interests in subsidiaries at cost.		
2 Financial receivables – held to maturity		
2.1 HY Investments 2B (Pty) Ltd – Preference Share	125 000	125 000
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.		
2.2 Depfin Investments (Pty) Ltd – Preference share	101 877	–
A preference share investment at Depfin Investments (Pty) Ltd of R100 million. The preference shares earn dividends at a variable rate of 65% of the prime lending rate (currently 10,5%) payable semi-annually on 31 March and 30 September. The final redemption date is 24 February 2024. These preference shares have been ceded to the Land and Agricultural Development Bank in terms of the Agri Sizwe transaction. The dividends received of R0,8 million (2008: Rnil million) are in turn placed with the Land and Agricultural Development Bank as additional security		
2.3 The above financial receivables, as well as trade and other receivables, were fully performing at the respective balance sheet dates, with the overall credit risk associated with these financial assets considered to be low. The carrying amounts of the financial receivables approximate their fair value.		
Total financial receivables	226 877	125 000
Short-term portion	(126 877)	–
	100 000	125 000
3 Interest in subsidiary		
3.1 Shares at cost – AFGRI Operations Ltd 299 961 328 (2008: 299 961 328) ordinary par value shares of 2 cents each	578 925	578 925
3.2 Directors' valuation at fair value	1 822 292	1 844 762
3.3 Attributable interest in the total amount of profits and losses of subsidiary after income tax expense.		
– Profits	131 106	70 425
4 Share capital		
	Number 2009	Number 2008
4.1 Authorised		
Ordinary shares of 0,001 cents each	515 000 000	515 000 000
	6	6
4.2 Issued		
Beginning of period	373 794 000	373 794 000
End of period	373 794 000	373 794 000
	4	4
	4	4
5 Borrowings from AFGRI Operations Ltd	968 196	930 618
The loan is unsecured and interest-free with no specific terms of repayment.		
6 Dividend income		
Dividend income comprises the value of cash dividends received	121 523	34 203

Notes to the Company annual financial statements continued

for the year ended 30 June 2009

	Year ended 30 June 2009 R'000	16 months ended 30 June 2008 R'000
7 Dividend and distributions		
Final of 19,85 cents per share for 2007 period (2006: nil cents)	–	(74 198)
Special of 8,0 cents per share for 2008 period (2007: nil cents)	(29 904)	–
First interim of 19,70 cents per share for 2009 period (2008: 11,65 cents)	(73 637)	(43 547)
Second interim of nil cents per share for 2009 period (2008: 21,70 cents)	–	(81 114)
	(103 541)	(198 859)
8 Directors' emoluments		
Directors' remuneration paid by Company and subsidiaries for:		
<i>Non-executive</i>		
Services as directors	2 602	3 680
<i>Executive</i>		
Managerial services (includes salary, performance remuneration and other benefits)	6 408	42 715
9 Notes to the cash flow statement		
9.1 Cash generated from operations		
Profit before income tax	131 246	42 218
Adjusted for:		
Dividends received from investments	(121 523)	(34 203)
Interest paid	2 024	–
Interest received	(11 763)	(8 023)
Working capital changes		
Trade and other receivables	(146 582)	(25 879)
Trade and other payables (including loan from AFGRI Operations Ltd)	38 105	198 846
Cash (utilised in)/generated from operations	(108 493)	172 959
9.2 Income tax paid		
Tax liability beginning of the period	(2 418)	(274)
Normal income tax charged for the period in the income statement	(3 299)	(2 250)
STC charged for the period	(17 603)	–
Tax liability end of the period	447	2 418
Tax paid during the period	22 873	(106)
10 Related party transactions		
During the year the Company in the ordinary course of business, entered into various transactions with related parties. These transactions occurred on an arm's length and commercial basis.		
Associates and joint ventures		
Details of investments in joint ventures and associates are disclosed in Appendix B and C.		
Subsidiaries		
Investments in subsidiaries are disclosed in Appendix A and on page 116.		