



SSK

2022

JAARVERSLAG
ANNUAL REPORT

Uitnodiging

U word hartlik uitgenooi na die Algemene Jaarvergadering van SSK op Vrydag, 22 Julie 2022 om 10h30 in die Skousaal (Heidelberg Skougronde). Ligte verversings sal vanaf 10h00 bedien word. U word genooi om na afloop van die vergadering saam met ons middagete te geniet. Die vergadering gaan intyds aanlyn uitgesaai word, vir Lede en gaste wat virtueel by die verrigtinge wil aansluit. Die skakel hiervoor sal voor die vergadering aan u gestuur word.

Invitation

You are cordially invited to the Annual General Meeting of SSK to be held on Friday, 22 July 2022 at 10h30 in the Show Hall (Heidelberg Showgrounds). Light refreshments will be served from 10h00. You are invited to join us for lunch after the meeting. The meeting will be broadcast live and online for Members and guests who would like to join the proceedings virtually. The link to this will be sent to you before the meeting.

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KENNISGEWING: ALGEMENE JAARVERGADERING EN SAKELYS

NOTICE: ANNUAL GENERAL MEETING AND AGENDA

Kennis geskied hiermee dat die Algemene Jaarvergadering van SSK op Vrydag, 22 Julie 2022 om 10h30 in die Skousaal (Heidelberg Skougronde) gehou sal word. Ligte verversings sal vanaf 10h00 bedien word. U word genooi om na afloop van die vergadering saam met ons middagete te geniet.

Notice is hereby given that the Annual General Meeting of SSK will be held on Friday, 22 July 2022 at 10h30 in the Show Hall (Heidelberg Showgrounds). Light refreshments will be served from 10h00. You are invited to join us for lunch after the meeting.

SAKELYS / AGENDA

- 1** Opening
- 2** Verwelkoming deur Voorsitter / Welcoming by Chairperson
- 3** Konstituering / Constitution
- 4** Roubeklag / Motion of Condolence
- 5** Goedkeuring van die Notule van die Algemene Jaarvergadering 2021
Approval of the Minutes of the Annual General Meeting 2021
- 6** Behandeling en Goedkeuring van Finansiële State
Consideration and Approval of Financial Statements
- 7** Aanstelling van Ouditeure / Appointment of Auditors
- 8** Verkiesing van Direkteure / Election of Directors
- 9** Bespreking van Algemene Sake / Discussion of General Matters



J E de V van Veen
Sekretaris / Secretary

Raad van Direkteure / Board of Directors

D H van Papendorp	–	Voorsitter / Chairperson
S W Viljoen	–	Ondervoorsitter / Vice-Chairperson
J H Barry		J M Joubert
M G Lourens		M J Odendaal
M Pienaar		J E Robertson
A J Steyn		M S Streicher
P S Uys		

Bestuur / Management

F N Swanepoel	–	Hoof Uitvoerende Beampte
	–	Chief Executive Officer
J E de V van Veen	–	Hoofbestuurder: Finansies en Administrasie
	–	General Manager: Finance and Administration
C H de Beer	–	Hoofbestuurder: Bedrywe
	–	General Manager: Operations

Sekretaris / Secretary

J E de V van Veen

Geregistreeerde Adres / Registered Address

Voortrekstraat 34 / 34 Voortrek Street
Swellendam
6740

Posadres / Postal Address

Posbus 12 / P.O. Box 12
Swellendam
6740

Bankiers / Bankers

Eerste Nasionale Bank / First National Bank
Voortrekstraat 33 / 33 Voortrek Street
Swellendam
6740

Nedbank
Voortrekstraat 29 / 29 Voortrek Street
Swellendam
6740

Ouditeure / Auditors

PricewaterhouseCoopers Geink. / Inc.
Posbus 62 / P.O. Box 62
Worcester
6849

SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE VERKLARING VAN VERANTWOORDELIKHEDE DEUR DIE RAAD VAN DIREKTEURE

Die Direkteure is verantwoordelik vir die instandhouding van toereikende rekeningkundige rekords en die voorbereiding, integriteit en redelike aanbieding van die afsonderlike en gekonsolideerde finansiële state van Sentraal-Suid Koöperasie Beperk. Die afsonderlike en gekonsolideerde finansiële state is opgestel in ooreenstemming met die *'International Financial Reporting Standard for Small and Medium-sized Entities'* en op die wyse soos vereis deur die Koöperasiewet en sluit bedrae in wat op die oordeel en ramings van Bestuur gegrond is. Die afsonderlike en gekonsolideerde finansiële state is gegrond op toepaslike rekeningkundige beleid wat in ooreenstemming is met die *'International Financial Reporting Standard for Small and Medium-sized Entities'* en met dié van die vorige jaar, tensy anders gemeld.

Die Direkteure is ook uiteindelik verantwoordelik vir die Groep se stelsel van interne finansiële beheer. Hierdie kontroles is ontwerp om redelike, maar nie absolute, gerusstelling te bied oor die betroubaarheid van die afsonderlike en gekonsolideerde finansiële state, die toereikende beskerming en verantwoording van bates, en om verliese te voorkom en op te spoor. Geen aangeleenthede het onder die aandag van die Direkteure gekom wat 'n wesenlike ineenstorting in die funksionering van hierdie kontroles, prosedures en stelsels gedurende die jaar onder oorsig aandui nie.

Die lopende-saak grondslag is met die opstel van die afsonderlike en gekonsolideerde finansiële state gevolg. Die Direkteure het geen rede om te glo dat die Groep nie in die afsienbare toekoms 'n lopende saak sal wees nie, gegrond op vooruitskattings en beskikbare kontant- en finansieringsbronne.


Die afsonderlike en gekonsolideerde finansiële state is geouditeer deur die onafhanklike ouditeure, PricewaterhouseCoopers Geink., wat onbeperkte toegang gegee is tot alle finansiële rekords en verwante data, met inbegrip van notules van alle Lede-, Direksie- en Direksiekomiteevergaderings. Die Direkteure meen dat alle verklarings wat gedurende hul audit aan die onafhanklike ouditeure gemaak is, geldig en toepaslik was.

PricewaterhouseCoopers Geink. se ouditeursverslag word aangebied op bladsy 8.

Die afsonderlike en gekonsolideerde finansiële state, soos opgesom, en aanvullende skedules, soos uiteengesit op bladsye 10 tot 32, is deur die Direkteure goedgekeur:



D H van Papendorp – Voorsitter
30 Junie 2022



S W Viljoen – Ondervoorsitter

Goedkeuring van finansiële state

Die opgesomde afsonderlike en gekonsolideerde finansiële state en aanvullende skedules, soos uiteengesit op bladsye 10 tot 32, word hiermee in terme van Artikel 48 van die Koöperasiewet, 2005 (Wet No. 14 van 2005), soos gewysig deur die Koöperatiewe Wysigingswet, 2013 (Wet No. 6 van 2013), deur die Algemene Jaarvergadering aanvaar en deur die Voorsitter onderteken ter bevestiging daarvan.

Voorsitter – Swellendam

22 Julie 2022

Aantekening

Die Direkteure bied die opgesomde afsonderlike en gekonsolideerde finansiële state van Sentraal-Suid Koöperasie Beperk op 28 Februarie 2022 aan. Die opgesomde afsonderlike en gekonsolideerde finansiële state is opgestel vanuit die volledige geouditeerde afsonderlike en gekonsolideerde finansiële state vir die jaar geëindig 28 Februarie 2022, soos goedgekeur deur die Direkteure op 30 Junie 2022.

Die opgesomde afsonderlike en gekonsolideerde finansiële state bevat nie alle openbaarmakings soos vereis deur die *International Financial Reporting Standard for Small and Medium-sized Entities* en die vereistes van die Koöperasiewet van Suid-Afrika nie. Die lees van die opgesomde afsonderlike en gekonsolideerde finansiële state kan gevolglik nie as plaasvervanger vir die lees van die geouditeerde afsonderlike en gekonsolideerde finansiële state van Sentraal-Suid Koöperasie Beperk gesien word nie.

Die volledige geouditeerde afsonderlike en gekonsolideerde finansiële state is op aanvraag beskikbaar vir inspeksie deur Lede by die kantore van Sentraal-Suid Koöperasie Beperk, Posbus 12, Voortrekstraat 34, Swellendam, 6740.

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES DECLARATION OF RESPONSIBILITIES BY THE BOARD OF DIRECTORS

The Directors are responsible for the maintenance of sufficient accounting records and the preparation, integrity and fair presentation of the separate and consolidated financial statements of Sentraal-Suid Co-operative Limited. The separate and consolidated financial statements have been prepared in accordance with the *International Financial Reporting Standard for Small and Medium-sized Entities*, and in the manner required by the Co-operatives Act, and include amounts that are based on Management's judgement and estimates. The separate and consolidated financial statements are based on appropriate accounting policy in accordance with the *International Financial Reporting Standard for Small and Medium-sized Entities* and with that of the prior year, except where otherwise noted.

The Directors are also ultimately responsible for the Group's system of internal financial controls. These controls are designed to give reasonable, but not absolute, reassurance regarding the reliability of the separate and consolidated financial statements, adequate protection of and accountability for assets, and the prevention and detection of losses. No matters came to the attention of the Directors to indicate a significant collapse in the functioning of these controls, procedures and systems during the year under review.

The going concern basis has been adopted in the preparation of the separate and consolidated financial statements. Based on forecasts and available cash and financing sources, the Directors have no reason to believe that the Group will not be a going concern in the foreseeable future.

The separate and consolidated financial statements have been audited by the independent auditors, PricewaterhouseCoopers Inc., who were given unrestricted access to all financial records and related data, including minutes of all meetings of Shareholders, the Board and Board Committees. The Directors believe all representations made to the independent auditors during the audit were valid and appropriate.

The audit report of PricewaterhouseCoopers Inc. is presented on page 9.

The separate and consolidated financial statements, as summarised, and ancillary schedules, as presented on pages 10 to 32, have been approved by the Board of Directors.



DH van Papendorp – *Chairperson*
30 June 2022



SW Viljoen – *Vice-Chairperson*

Approval of the financial statements

The summary separate and consolidated financial statements and ancillary schedules, as presented on pages 10 to 32, are herewith approved in terms of section 48 of the Co-operatives Act, 2005 (Act No. 14 of 2005) as amended by die Co-operatives Amendment Act, 2013 (Act No. 6 of 2013), by the Annual General Meeting and signed by the Chairperson as confirmation thereof.

Chairperson – Swellendam**22 July 2022****Note**

The Directors present the summary separate and consolidated financial statements of Sentraal-Suid Co-operative Limited for the year ended 28 February 2022. The summary separate and consolidated financial statements had been compiled from the full set of audited separate and consolidated financial statements for the year ended 28 February 2022, as approved by the Board of Directors on 30 June 2022.

The summary separate and consolidated financial statements do not contain all the disclosures required by the *International Financial Reporting Standard for Small and Medium-sized Entities* and the requirements of the Co-operatives Act of South Africa. Reading the summary separate and consolidated financial statements, therefore, is not a substitute for reading the audited separate and consolidated financial statements of Sentraal-Suid Co-operative Limited.

The complete audited separate and consolidated financial statements are available to Members for inspection, upon request, at the offices of Sentraal-Suid Co-operative Limited, P.O. Box 12, 34 Voortrek Street, Swellendam, 6740.

ONAFHANKLIKE OUDITEUR SE VERSLAG OOR DIE OPGESOMDE GEKONSOLIDEERDE EN AFSONDERLIKE FINANSIËLE STATE AAN DIE LEDE VAN SENTRAAL-SUID KOÖPERASIE BEPERK

Mening

Die opgesomde gekonsolideerde en afsonderlike finansiële state van Sentraal-Suid Koöperasie Beperk (die Koöperasie) en sy filiale (tesame die Groep), soos uiteengesit op bladsye 20 tot 32, wat bestaan uit die opgesomde gekonsolideerde en afsonderlike state van finansiële posisie soos op 28 Februarie 2022, die opgesomde gekonsolideerde en afsonderlike state van omvattende inkomste en kontantvloeie vir die jaar geëindig, en verwante aantekeninge, is opgestel vanuit die geouditeerde gekonsolideerde en afsonderlike finansiële state van Sentraal-Suid Koöperasie Beperk vir die jaar geëindig 28 Februarie 2022.

Na ons mening, is die meegaande opgesomde gekonsolideerde en afsonderlike finansiële state konsekwent, in alle wesenlike opsigte, met die geouditeerde gekonsolideerde en afsonderlike finansiële state, ooreenkomstig die grondslag wat beskryf is in Aantekening 1.

Opgesomde gekonsolideerde en afsonderlike finansiële state

Die opgesomde gekonsolideerde en afsonderlike finansiële state bevat nie alle openbaarmaking soos vereis deur die 'International Financial Reporting Standard for Small and Medium-Sized Entities' en die vereistes van die Koöperasiewet van Suid-Afrika soos van toepassing op finansiële state nie. Die lees van die opgesomde gekonsolideerde en afsonderlike finansiële state en die ouditeur se verslag daarop kan gevolglik nie as plaasvervanger vir die lees van die geouditeerde gekonsolideerde en afsonderlike finansiële state en die ouditeur se verslag daarop gesien word nie.

Die geouditeerde gekonsolideerde en afsonderlike finansiële state en ons verslag daarop

Ons het 'n ongekwalifiseerde auditmening uitgespreek op die geouditeerde gekonsolideerde en afsonderlike finansiële state in ons verslag gedateer 30 Junie 2022.

Direkteure se verantwoordelikheid vir die opgesomde gekonsolideerde en afsonderlike finansiële state

Die direkteure is verantwoordelik vir die opstel van die opgesomde gekonsolideerde en afsonderlike finansiële state ooreenkomstig die grondslag wat beskryf is in Aantekening 1.

Ouditeur se verantwoordelikheid

Ons verantwoordelikheid is om 'n mening uit te spreek of die opgesomde gekonsolideerde en afsonderlike finansiële state konsekwent is, in alle wesenlike opsigte, met die geouditeerde gekonsolideerde en afsonderlike finansiële state, gebaseer op ons prosedures, wat ooreenkomstig die 'International Standard on Auditing (ISA) 810 (Revised)', *'Engagements to Report on Summary Financial Statements'*, uitgevoer is.



PricewaterhouseCoopers Geïnk.

Direkteur: P J Eksteen

Geregistreerde Ouditeur

Worcester

30 Junie 2022

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS TO THE MEMBERS OF SENTRAAL-SUID CO-OPERATIVE LIMITED

Opinion

The summary consolidated and separate financial statements of Sentraal-Suid Co-Operative Limited (the Co-operative) and its subsidiaries (together the Group), set out on pages 20 to 32, which comprise the summary consolidated and separate statements of financial position as at 28 February 2022, the summary consolidated and separate statements of comprehensive income and cash flows for the year then ended, and related notes, are derived from the audited consolidated and separate financial statements of Sentraal-Suid Co-Operative Limited for the year ended 28 February 2022.

In our opinion, the accompanying summary consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements, in accordance with the basis of preparation as set out in Note 1.

Summary consolidated and separate financial statements

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

The audited consolidated and separate financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 30 June 2022.

Director's responsibility for the summary consolidated and separate financial statements

The directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the basis of preparation as set out in Note 1.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate 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*.



PricewaterhouseCoopers Inc.

Director: P J Eksteen

Registered Auditor

Worcester

30 June 2022

Die Direkteure se jaarverslag, wat deel vorm van die geouditeerde finansiële state van die Groep en die Koöperasie ("SSK") vir die jaar geëindig 28 Februarie 2022, word hieronder aangebied.

1. Aard van besigheid

Die Koöperasie doen grotendeels besigheid in die Suid-Kaap, Overberg, Tuinroete, Karoo en Langkloof. Die hoofdoelstellings en aktiwiteite van die Koöperasie het oorwegend gedurende die jaar onder oorsig onveranderd gebly, en behels die volgende:

- verskaffing van boerderybenodigdhede, meganisasie, ingenieursdienste en dienste aan sy Lede en ander klante;
- verwerking van graansaad;
- hantering, opberging en bemarking van produsente se graanprodukte deur silo's;
- verskaffing van versekeringsmakelaarsdienste;
- lewering van dienste soos kredietverskaffing en landboubestuur dienste; en
- vervaardiging van veevoer.

Daarbenewens is die Koöperasie, direk en indirek, betrokke by filiale en gesamentlike ondernemings soos uiteengesit in 5 en 7 hierna.

2. Lede

Sewe Lede het ons aan die dood ontval. Ons innige meegevoel word aan hul naasbestandes betuig.

Die ledetal het soos volg gewissel:

Ledetal aan begin van jaar		1741
Min: Afgestorwe Lede	7	
Lede wat boerdery gestaak het	69	76
		<hr/>
		1665
Plus: Toetredings		96
Ledetal aan einde van jaar		<hr/>
		1761

3. Finansiële resultate

Die waarde van sake gedoen gedurende die jaar het R3 603 066 110 (2021 - R2 916 118 277) vir die Koöperasie en R7 517 560 256 (2021 - R5 174 036 665) vir die Groep beloop. Dit het tot 'n wins voor belasting vir die jaar van R111 398 167 (2021 - R85 227 637) vir die Koöperasie en R425 588 258 (2021 - R190 368 396) vir die Groep aanleiding gegee.

Die wins voor belasting en Ledebonusse het R171 398 167 (2021 – R114 227 637) vir die Koöperasie en R485 588 258 (2021 – R219 368 396) vir die Groep behoel.

Verdere besonderhede van die Groep se finansiële resultate word in die finansiële state behandel.

4. Aanwending van surplus

Dit is steeds die Koöperasie se beleid om bonusse toe te deel ooreenkomstig 'n distribusieskema ingevolge Artikel 25 van die Statuut.

Die Koöperasie het gedurende die jaar 'n Ledebonus van R60 000 000 (2021 – R29 000 000) vir die 2022 finansiële jaar verklaar. Die wins voor en ná hierdie bonusse was soos volg:

	2022 R	2021 R
Wins voor Ledebonusse	171 398 167	114 227 637
Totale Ledebonusse verklaar	(60 000 000)	(29 000 000)
Uitgestel	(48 000 000)	(23 200 000)
Kontant	(12 000 000)	(5 800 000)
Wins voor belasting	111 398 167	85 227 637

In die huidige jaar is langtermyn Ledefondse van R15 877 159 (2017 gehef) (2021 – R7 129 510 (2015 gehef)) uitbetaal.

5. Filiale

Die Koöperasie het beleggings in die volgende filiale:

Direk	Belang 2022	Belang 2021	Hoofdoelstelling
a) Eureka Mills (Edms) Bpk	68%	68%	Vervaardiging van meel en verwante produkte.
b) Hessequa Abattoir (Edms) Bpk	52.78%	52.78%	Bedryf 'n slagpale in die Riversdal omgewing.
c) Sentraal-Suid Beleggings (Edms) Bpk	100%	100%	Beleggingsmaatskappy met verwante aktiwiteite.
d) Southern Oil (Edms) Bpk	60%	60%	Ekstraksie van olie uit hoofsaaklik kanola-saad en die raffinering en bemarking van 'n gedifferensieerde reeks olies en proteienprodukte.
e) Swellen Mark (Edms) Bpk	68%	68%	Belegging en verhuur van eiendom.

Direk	Belang 2022	Belang 2021	Hoofdoelstelling
f) Technifarm (Edms) Bpk	50%	50%	Presisie-boerderydienste en verkoop van plaastoerusting.
g) Tuinroete Agri (Edms) Bpk	100%	100%	Belegging en verhuring van eiendom.
h) Walts Maltng (Edms) Bpk	100%	100%	Vervaardiging van mout vir hoofsaaklik die nasionale "craft" bier-mark.
i) SSK Petro Retail (Edms) Bpk	74%	74%	Bedryf van brandstof-vulstasie in Heidelberg.
Indirek			
j) Southern Oil (Edms) Bpk	Tuinroete Agri besit: 0.45% 0.45%		Ekstraksie van olie uit hoofsaaklik kanola-saad en die raffinerie en bemarking van 'n gedifferensieerde reeks olies en proteien-produkte.
k) Óleo do Sul Limitada	Southern Oil besit: 99% 99%		Ekstraksie van olie uit hoofsaaklik kokos-neute en die raffinerie en bemarking van 'n gedifferensieerde reeks olies en proteien-produkte.
l) Energy Oil (Edms) Bpk	Southern Oil besit: 100% 100%		Die maatskappy was dormant op jaareinde.
m) Blinkbeleg Vyftien (Edms) Bpk	Sentraal-Suid Beleggings besit: 100% 100%		Die maatskappy was dormant op jaareinde.
n) LBK Agri (Edms) Bpk	Tuinroete Agri besit: 100% 100%		Die maatskappy was dormant op jaareinde.
o) Riparian Investment Consortium 1 (Edms) Bpk	Sentraal-Suid Beleggings besit: 100% 100%		Beleggingsmaatskappy met verwante aktiwiteite.

6. Finansiële bates beskikbaar vir verkoop

Finansiële bates beskikbaar vir verkoop het toegeneem met R6 241 103 (2021 – R17 002 595 toegeneem) vir die Koöperasie en met R5 937 833 (2021 – R17 134 491 toegeneem) vir die Groep weens die billikewaarde-aanpassing ingevolge die rekeningkundige standpunt *IFRS for SMEs*. Die wins is direk in die Staat van Omvattende Inkomste verantwoord.

7. Belegging in gesamentlike ondernemings

Softlutions (Edms) Bpk

Die Koöperasie besit 'n 75% (2021 – 75%) belang in dié maatskappy wat deur gesamentlike besluitneming bestuur word. Die maatskappy lewer sagteware-ontwikkeling en verwante dienste.

Procuo Grain (Edms) Bpk

Sentraal-Suid Koöperasie Beperk besit 'n 50% (2021 – 50%) belang in dié maatskappy wat deur gesamentlike besluitneming bestuur word. Die maatskappy is in besit van 'n strategies geleë, Safex-geregistreerde silokompleks in Randfontein met die primêre fokus op graanopberging en waardetoevoeging vir sy aandeelhouers.

8. Aandelekapitaal

384 000 (2021 – 372 000) aandeel is vanjaar uitgereik, terwyl 304 000 (2021 – 380 000) aandeel ingetrek is, waarvan sommige deels opbetaalde aandeel is.

9. Direkteure

Besonderhede van die Koöperasie se Direkteure, Sekretaris en geregistreerde kantoor verskyn by die Koöperasiebesonderhede op bladsy 3.

Direkteursvergoeding het die volgende beloop:

	2022 R	2021 R
Besoldiging - Nie-uitvoerende direkteure	2 296 357	1 865 877
Honorarium	1 531 676	1 575 918
Toelaes	764 681	522 982
	2 296 357	2 098 900
Vorige jaar oorvoorsiening	–	(233 023)

10. Wesenlike gebeure na jaareinde

Die Minister van Finansies het op 23 Februarie 2022 aangekondig dat daar 'n verandering in die belastingkoers na 27% (voorheen 28%) sal plaasvind, effektiewelik vir jare van aanslag eindigend op of na 31 Maart 2023. Dit word nie geag 'n aanpasbare na-balansstaat gebeurtenis te wees nie. Bestuur sal die regulatoriese veranderinge in hierdie opsig monitor. 'n Raming van die impak was nie uitgevoer op 28 Februarie 2022 nie, maar sal gedurende die 2023 finansiële jaar uitgevoer word.

Buiten bogenoemde was daar na die beste wete van die Direkteure geen wesentliche fout, omstandigheid, gebeurtenis of aangeleentheid wat tussen die rapporteringsdatum en die datum van die goedkeuring van die finansiële state ontstaan of plaasgevind het, wat die beoordeling van die Koöperasie se finansiële state behoort te beïnvloed nie.

11. Waardering en dank

Die Raad van Direkteure wens om sy waardering uit te spreek teenoor Lede wat die Koöperasie lojaal ondersteun het. Sonder hul ondersteuning sou die sukses wat behaal is nie moontlik wees nie. Die Bestuur en Personeel verdien die Raad se innige dank vir hul aandeel in suksesse wat behaal is. Lof en eer aan ons Hemelse Vader wat ons op verskeie terreine onverdienslik seën.

12. Ouditeure

PricewaterhouseCoopers Geïnk. sal voortgaan om as ouditeure op te tree ooreenkomstig Artikel 50 van die Koöperasiewet, 2005 (Wet No. 14 van 2005), soos gewysig deur die Koöperatiewe Wysigingswet, 2013 (Wet No. 6 van 2013).

The Directors' report, which forms part of the audited financial statements of the Group and the Co-operative ("SSK") for the year ended 28 February 2022, is presented below:

1. Nature of business

The Co-operative operates mainly in the Southern Cape, Overberg, Garden Route, Karoo and Langkloof. The main objectives and activities of the Co-operative remained largely unchanged during the year under review, namely:

- supply of agricultural inputs, mechanisation, engineering and services to its Members and other clients;
- processing of grain seed;
- handling, storage and marketing of producers' grain products by means of silos;
- supplying insurance broker services;
- supplying services such as credit provision and agricultural management; and
- production of livestock feed.

In addition, the Co-operative is directly and indirectly involved in subsidiaries, an associate and a joint venture, as set out in 5 and 7 below.

2. Members

Seven Members have passed away. Our sincere condolences to their next of kin.

The number of Members changed as follows:

Membership at the beginning of the year		1741
Less: Deceased Members	7	
Members who stopped farming	69	76
		<hr/> 1665
Plus: New Members		96
Membership at the end of the year		<hr/> 1761

3. Financial results

The value of business conducted during the year amounted to R3 603 066 110 (2021 – R2 916 118 277) for the Co-operative and R7 517 560 256 (2021 – R5 174 036 665) for the Group. A profit before tax for the year of R111 398 167 (2021 – R85 227 637) for the Co-operative and R425 588 258 (2021 – R190 368 396) for the Group was realised.

The profit before tax and Member bonuses was R171 398 167 (2021 – R114 227 637) for the Co-operative and R485 588 258 (2021 – R219 368 396) for the Group.

Further details of the Group's financial results are disclosed in the financial statements.

4. Appropriation of surplus

It is still the Co-operative's policy to award bonuses in accordance with a distribution scheme under Section 25 of the Articles.

The Co-operative has declared a Member bonus of R60 000 000 (2021 – R29 000 000) for the 2022 financial year. The profit before and after these bonuses was as follows:

	2022 R	2021 R
Profit before Member bonuses	171 398 167	114 227 637
Total Member bonuses declared	(60 000 000)	(29 000 000)
Deferred	(48 000 000)	(23 200 000)
Cash	(12 000 000)	(5 800 000)
Profit before tax	111 398 167	85 227 637

In the current year, accrued Members' funds of R15 877 159 (accrued in 2017) had been paid out (2021 – R7 129 510 (accrued in 2015)).

5. Subsidiaries

The Co-operative has investments in the following subsidiaries:

Direct	Interest 2022	Interest 2021	Main Objectives
a) Eureka Mills (Pty) Ltd	68%	68%	Production of flour and related products.
b) Hessequa Abattoir (Pty) Ltd	52.78%	52.78%	Operating an abattoir in the Riversdale region.
c) Sentraal-Suid Beleggings (Pty) Ltd	100%	100%	Investment company with related activities.
d) Southern Oil (Pty) Ltd	60%	60%	Extraction of oil, mainly from canola seed, and the refinement and marketing of a differentiated series of oils and protein products.
e) Swellen Mark (Pty) Ltd	68%	68%	Investment in, and letting of property.
f) Technifarm (Pty) Ltd	50%	50%	Precision farming services and sale of farming equipment.

Direct	Interest 2022	Interest 2021	Main Objectives
g) Tuinroete Agri (Pty) Ltd	100%	100%	Investment in, and letting of property.
h) Walts Malting (Pty) Ltd	100%	100%	Production of malt for the local craft beer market.
i) SSK Petro Retail (Pty) Ltd	74%	74%	Fuel station in Heidelberg.
Indirect			
j) Southern Oil (Pty) Ltd	Tuinroete Agri owns: 0.45% 0.45%		Extraction of oil, mainly from canola seed, and the refinement and marketing of a differentiated series of oils and protein products.
k) Óleo do Sul Limitada	Southern Oil owns: 99% 99%		Extraction of oil, mainly from coconuts, and the refinement and marketing of a differentiated series of oils and protein products.
l) Energy Oil (Pty) Ltd	Southern Oil owns: 100% 100%		This company was dormant at year end.
m) Blinkbeleg Vyftien (Pty) Ltd	Sentraal-Suid Beleggings owns: 100% 100%		This company was dormant at year end.
n) LBK Agri (Pty) Ltd	Tuinroete Agri owns: 100% 100%		This company was dormant at year end.
o) Riparian Investments Consortium 1 (Pty) Ltd	Sentraal-Suid Beleggings owns: 100% 100%		Investment company with related activities.

6. Financial assets available for sale

Financial assets available for sale have increased by R6 241 103 (2021 – R17 002 595 increase) for the Co-operative and R5 937 833 (2021 – R17 134 491 increase) for the Group, due to the fair value adjustment in terms of accounting statement *IFRS for SMEs*. The profit/(loss) has been directly accounted for in the Statement of Comprehensive Income.

7. Investment in joint venture

Softlutions (Pty) Ltd

The Co-operative owns a 75% (2021 – 75%) interest in this company which is managed by joint decision-making. The company delivers software development and related services.

Procuco Grain (Pty) Ltd

Sentraal-Suid Co-operative Ltd owns a 50% (2021 – 50%) interest in this company which is run by joint decision-making. The company owns and operates a strategically located Safex-registered silo complex in Randfontein, with the primary focus on grain storage and adding value to its shareholders.

8. Share capital

384 000 (2021 – 372 000) shares were issued this year, while 304 000 (2021 – 380 000) shares were cancelled, some of which were partially paid-up shares.

9. Directors

Details of the Co-operative's Directors, Secretary and registered office appear in the section with the details of the Co-operative on page 3.

Directors' remuneration amounted to the following:

	2022 R	2021 R
Remuneration – Non-executive directors	2 296 357	1 865 877
Honorarium	1 531 676	1 575 918
Grants	764 681	522 982
	2 296 357	2 098 900
Previous year overprovision	–	(233 023)

10. Material events after year end

The Minister of Finance announced on 23 February 2022 that there will be a change in the tax rate to 27% (previously 28%), effective for years of assessment ending on or after 31 March 2023. It is not considered to be an adjustable after-balance sheet event. Management will monitor the regulatory changes in this regard. An impact estimate was not carried out on 28 February 2022, but will be carried out during the 2023 financial year.

Apart from the above, to the best of the Directors' knowledge, there was no material error, circumstance, event or matter that arose or occurred between the reporting date and the date of the approval of the financial statements, which should affect the assessment of the Co-operative's financial statements.

11. Appreciation and acknowledgement

The Board of Directors wishes to express its appreciation to Members who have loyally supported the Co-operative. Without their support the success that was achieved would not have been possible. The Management and Staff deserve the Board's sincere thanks for their share in the successes achieved. Praise and glory to our Heavenly Father who has blessed us without merit in various undertakings.

12. Auditors

PricewaterhouseCoopers Incorporated will continue to act as auditors in accordance with Section 50 of the Co-operatives Act, 2005 (Act No. 14 of 2005), as amended by the Co-operatives Amendment Act, 2013 (Act No. 6 of 2013).

GROEP		KOÖPERASIE	
2022 R'000	2021 R'000	2022 R'000	2021 R'000

BATES

Nie-bedryfsbates

Eiendom, aanleg en toerusting	805 724	650 372	374 710	295 199
Ontasbare bates	31 556	41 788	-	-
Beleggingseiendom	-	58 997	-	-
Belegging in filiale	-	-	234 427	236 773
Belegging in geassosieerde en gesamentlike onderneming	1 430	5 435	1 430	5 435
Finansiële bates beskikbaar vir verkoop	53 013	25 966	46 901	22 932
Ander finansiële bates	179 198	135 486	166 466	130 043
Uitgestelde belastingbates	2 005	2 524	-	-
	1 072 925	920 568	823 933	690 382

Bedryfsbates

Voorraad	1 774 410	1 465 848	371 470	370 386
Handels- en ander debiteure	1 555 203	1 237 818	886 108	832 809
Korttermynlenings	59 258	7 769	270 152	16 763
Kontant en kontantekwivalente	65 663	125 283	13 692	8 791
Afgeleide instrumente	167 561	-	1 132	-
Inkomstebelasting	330	8 706	-	8 440
	3 622 426	2 845 424	1 542 554	1 237 190
Totale bates	4 695 351	3 765 992	2 366 488	1 927 572

**SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE
OPGESOMDE STATE VAN FINANSIËLE POSISIE**
soos op 28 Februarie 2022 (vervolg)

GROEP		KOÖPERASIE	
2022 R'000	2021 R'000	2022 R'000	2021 R'000

EKWITEIT EN AANSPREEKLIKHEDE

Kapitaal en reserwes

Reserwes	1 301 576	1 068 079	893 735	806 649
Aandelekapitaal	6 929	6 778	6 941	6 790
Ledefondse	104 776	72 611	104 873	72 750
Ledebelang	1 413 281	1 147 468	1 005 549	886 189
Nie-beherende belang	369 276	289 548	–	–
Totale ekwiteit	1 782 557	1 437 016	1 005 549	886 189

Nie-bedryfslaste

Langtermynlenings	143 374	166 152	138 528	162 117
Uitgestelde belastingaanspreeklikheid	37 454	44 853	10 120	12 148
Na-aftrede mediese voordele	2 453	2 564	2 040	2 150
	183 281	213 569	150 689	176 415

Bedryfslaste

Handels- en ander krediteure	630 609	403 566	478 449	293 106
Voorsienings	335 688	148 268	–	–
Korttermynlenings	1 731 600	1 345 683	726 059	506 821
Afgeleide instrumente	5 363	–	–	–
Bankoortrekking	23 618	212 590	3 771	65 041
Inkomstebelasting	2 635	5 300	1 971	–
	2 729 513	2 115 407	1 210 250	864 968
Totale ekwiteit en aanspreeklikhede	4 695 351	3 765 992	2 366 488	1 927 572

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES
SUMMARY STATEMENTS OF FINANCIAL POSITION
as at 28 February 2022

GROUP		CO-OPERATIVE	
2022 R'000	2021 R'000	2022 R'000	2021 R'000

ASSETS

Non-current assets

Property, plant and equipment	805 724	650 372	374 710	295 199
Intangible assets	31 556	41 788	-	-
Investment property	-	58 997	-	-
Investment in subsidiaries	-	-	234 427	236 773
Investment in associate and in joint venture	1 430	5 435	1 430	5 435
Financial assets available for sale	53 013	25 966	46 901	22 932
Other financial assets	179 198	135 486	166 466	130 043
Deferred tax asset	2 005	2 524	-	-
	1 072 925	920 568	823 933	690 382

Current assets

Inventory	1 774 410	1 465 848	371 470	370 386
Trade and other receivables	1 555 203	1 237 818	886 108	832 809
Short-term loans	59 258	7 769	270 152	16 763
Cash and cash equivalents	65 663	125 283	13 692	8 791
Derivatives	167 561	-	1 132	-
Income tax	330	8 706	-	8 440
	3 622 426	2 845 424	1 542 554	1 237 190

Total assets

	4 695 351	3 765 992	2 366 488	1 927 572
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SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES
SUMMARY STATEMENTS OF FINANCIAL POSITION
as at 28 February 2022 (continued)

	GROUP		CO-OPERATIVE	
	2022 R'000	2021 R'000	2022 R'000	2021 R'000
EQUITY AND LIABILITIES				
Capital and reserves				
Reserves	1 301 576	1 068 079	893 735	806 649
Share capital	6 929	6 778	6 941	6 790
Members' funds	104 776	72 611	104 873	72 750
Members' interest	1 413 281	1 147 468	1 005 549	886 189
Non-controlling interest	369 276	289 548	–	–
Total equity	1 782 557	1 437 016	1 005 549	886 189
Non-current liabilities				
Long-term loans	143 374	166 152	138 528	162 117
Deferred tax liabilities	37 454	44 853	10 120	12 148
Post-retirement medical benefits	2 453	2 564	2 040	2 150
	183 281	213 569	150 689	176 415
Current liabilities				
Trade and other creditors	630 609	403 566	478 449	293 106
Provisions	335 688	148 268	–	–
Short-term loans	1 731 600	1 345 683	726 059	506 821
Derivatives	5 363	–	–	–
Bank overdraft	23 618	212 590	3 771	65 041
Income tax	2 635	5 300	1 971	–
	2 729 513	2 115 407	1 210 250	864 968
Total equity and liabilities	4 695 351	3 765 992	2 366 488	1 927 572

**SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE
OPGESOMDE STATE VAN OMVATTENDE INKOMSTE**
vir die jaar geëindig 28 Februarie 2022

	GROEP		KOÖPERASIE	
	2022 R'000	2021 R'000	2022 R'000	2021 R'000
Inkomste	6 324 797	4 318 606	2 410 303	2 060 688
Koste van verkope	(5 191 450)	(3 516 933)	(1 925 170)	(1 677 761)
Ledebonusse verklaar	(60 000)	(29 000)	(60 000)	(29 000)
Bruto wins	1 073 347	772 674	425 133	353 927
Ander inkomste	163 561	97 493	83 201	124 232
Ander winste/(verliese) – netto	42 685	(18 324)	16 711	15 363
Administratiewe en bedryfsuitgawes	(775 421)	(585 878)	(373 126)	(349 897)
Bedryfswins	504 172	265 965	151 919	143 624
Finansieringsinkomste	2 144	2 309	10 079	2 428
Finansieringskoste	(76 723)	(73 928)	(46 595)	(52 459)
Wins voor ekwiteitsverdienste	429 594	194 345	115 404	93 593
Ekwiteitsverlies in geassosieerde/ gesamentlike onderneming	(4 005)	(3 977)	(4 005)	(8 366)
Wins voor belasting	425 588	190 368	111 398	85 228
Belasting	(112 503)	(40 904)	(29 231)	2 409
Wins vir die jaar	313 085	149 464	82 167	87 637

**SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE
OPGESOMDE STATE VAN OMVATTENDE INKOMSTE**
vir die jaar geëindig 28 Februarie 2022 (vervolg)

	GROEP		KOÖPERASIE	
	2022 R'000	2021 R'000	2022 R'000	2021 R'000
Ander omvattende inkomste				
Items wat nie herklassifiseer sal word na wins en verlies nie				
Waardasie-aanpassing op na-aftrede mediese voordele	111	1 156	110	1 157
Uitgestelde belasting op waardasie-aanpassing op na-aftrede mediese voordele	(31)	(324)	(31)	(324)
Wisselkoersverskille op die omskakeling van buitelandse bedrywighede	(2 409)	2 019	-	-
Items wat herklassifiseer sal word na wins en verlies				
Billike waarde-aanpassing van finansiële bates beskikbaar vir verkoop	5 938	17 134	6 241	17 003
Uitgestelde belasting op billike waarde-aanpassing	(1 819)	(3 943)	(1 402)	(3 913)
Totale omvattende inkomste vir die jaar (netto van belasting)	314 875	165 507	87 085	101 559
Wins toeskryfbaar aan:				
Lede	231 707	113 756	82 167	87 637
Nie-beherende belang	81 378	35 708	-	-
	313 085	149 464	82 167	87 637
Totale omvattende inkomste toeskryfbaar aan:				
Lede	233 497	129 799	87 085	101 559
Nie-beherende belang	81 378	35 708	-	-
	314 875	165 507	87 085	101 559

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES
SUMMARY STATEMENTS OF COMPREHENSIVE INCOME
for the year ended 28 February 2022

	GROUP		CO-OPERATIVE	
	2022 R'000	2021 R'000	2022 R'000	2021 R'000
Income	6 324 797	4 318 606	2 410 303	2 060 688
Cost of sales	(5 191 450)	(3 516 933)	(1 925 170)	(1 677 761)
Bonuses declared	(60 000)	(29 000)	(60 000)	(29 000)
Gross profit	1 073 347	772 674	425 133	353 927
Other income	163 561	97 493	83 201	124 232
Other profits/(losses) – net	42 685	(18 324)	16 711	15 363
Administrative and operating expenses	(775 421)	(585 878)	(373 126)	(349 897)
Operating profit	504 172	265 965	151 919	143 624
Finance income	2 144	2 309	10 079	2 428
Finance costs	(76 723)	(73 928)	(46 595)	(52 459)
Profit before equity earnings	429 594	194 345	115 404	93 593
Equity loss in associate/joint venture	(4 005)	(3 977)	(4 005)	(8 366)
Profit before tax	425 588	190 368	111 398	85 228
Tax	(112 503)	(40 904)	(29 231)	2 409
Profit for the year	313 085	149 464	82 167	87 637

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES
SUMMARY STATEMENTS OF COMPREHENSIVE INCOME
for the year ended 28 February 2022 (continued)

	GROUP		CO-OPERATIVE	
	2022 R'000	2021 R'000	2022 R'000	2021 R'000
Other comprehensive income				
Items that will not be reclassified to profit and loss				
Actuarial adjustment to post-retirement medical benefits	111	1 156	110	1 157
Deferred tax on actuarial adjustment to post-retirement medical benefits	(31)	(324)	(31)	(324)
Exchange differences on the conversion of foreign operations	(2 409)	2 019	-	-
Items that will be reclassified to profit and loss				
Fair value adjustment to financial assets available for sale	5 938	17 134	6 241	17 003
Deferred tax on fair value adjustments	(1 819)	(3 943)	(1 402)	(3 913)
Total comprehensive income for the year (net of tax)	314 875	165 507	87 085	101 559
Profit attributable to:				
Members	231 707	113 756	82 167	87 637
Non-controlling interest	81 378	35 708	-	-
	313 085	149 464	82 167	87 637
Total comprehensive income attributable to:				
Members	233 497	129 799	87 085	101 559
Non-controlling interest	81 378	35 708	-	-
	314 875	165 507	87 085	101 559

**SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE
OPGESOMDE STATE VAN KONTANTVLOEIE**
vir die jaar geëindig 28 Februarie 2022

	GROEP		KOÖPERASIE	
	2022 R'000	2021 R'000	2022 R'000	2021 R'000
Kontantvloei uit bedryfsaktiwiteite				
Kontant (aangewend in)/gegeneer deur bedrywigheide	68 153	(161 225)	242 747	219 719
Rente ontvang	63 337	75 075	63 337	75 074
Rente betaal	(76 723)	(73 928)	(46 595)	(52 459)
Belasting betaal	(115 523)	(95 544)	(22 280)	(60 029)
Netto kontant (aangewend in)/gegeneer deur bedryfsaktiwiteite	(60 756)	(255 622)	237 209	182 305
Kontantvloei uit beleggingsaktiwiteite				
Toevoeging tot eiendom, aanleg en toerusting	(221 470)	(68 543)	(105 975)	(16 542)
Toevoeging tot ontasbare bates	(1 809)	(133)	-	-
Opbrengs met verkoop van eiendom, aanleg en toerusting	4 996	3 338	664	2 433
Opbrengs met verkoop van beleggingseiendom	135 009	-	-	-
Opbrengs met verkoop van ontasbare bates	-	-	-	4 495
Lenings aan filiale terugontvang	-	-	67 713	262
Lenings aan filiale toegestaan	-	-	(233 163)	(4 527)
Verkryging van belang in filiaal	-	-	-	(2 501)
Verkryging van finansiële bates beskikbaar vir verkoop	(21 170)	(11 813)	(17 751)	(9 680)
Opbrengs met verkoop van finansiële bates beskikbaar vir verkoop	61	281 179	23	281 179
Lening aan gesamentlike onderneming	(12 373)	(4 464)	(12 373)	(4 464)
Lening aan geassosieerde terugontvang	-	13	-	13
Langtermynlenings terugontvang	486	-	-	-
Langtermynlenings aangegaan	(5 924)	-	-	-
Korttermynbelegging terugontvang	191	5 895	-	-
Korttermynbelegging aangegaan	(37 356)	(197)	(9 497)	(197)
Rente ontvang	2 144	2 309	10 079	2 428
Dividende ontvang	1 401	683	10 372	39 164
Netto kontant (aangewend in)/gegeneer deur beleggingsaktiwiteite	(155 814)	208 266	(289 909)	292 062

**SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE
OPGESOMDE STATE VAN KONTANTVLOEIE
vir die jaar geëindig 28 Februarie 2022 (vervolg)**

	GROEP		KOÖPERASIE	
	2022 R'000	2021 R'000	2022 R'000	2021 R'000
Kontantvloei uit finansieringsaktiwiteite				
Langtermynlenings terugbetaal	(49 631)	(28 351)	(22 971)	(22 592)
Langtermynlenings aangegaan	2 499	-	-	-
Korttermynlenings aangegaan	410 388	642 222	157 568	96 699
Korttermynlenings terugbetaal	-	(12 150)	-	-
Aandele ingetrek	(245)	(264)	(245)	(264)
Aandele uitgereik	384	372	384	372
Verkryging van belang in filiaal	-	175	-	-
Aandele opbetaal uit omsetbonus	12	19	12	19
Ledefondse uitbetaal	(15 836)	(7 026)	(15 877)	(7 130)
Dividende betaal aan nie-beherende belang	(1 650)	(860)	-	-
Netto kontant (aangewend in)/gegeneer deur finansieringsaktiwiteite	345 922	594 136	118 871	67 104
Toename in kontant en kontant-ekwivalente	129 352	546 780	66 172	541 472
Kontant en kontantekwivalente aan begin van jaar	(87 306)	(634 086)	(56 250)	(597 722)
Kontant en kontantekwivalente aan einde van jaar	42 045	(87 306)	9 922	(56 250)

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES
SUMMARY STATEMENTS OF CASHFLOWS
for the year ended 28 February 2022

	GROUP		CO-OPERATIVE	
	2022 R'000	2021 R'000	2022 R'000	2021 R'000
Cash flow from operating activities				
Cash (utilised in)/generated from activities	68 153	(161 225)	242 747	219 719
Interest received	63 337	75 075	63 337	75 074
Interest paid	(76 723)	(73 928)	(46 595)	(52 459)
Taxation paid	(115 523)	(95 544)	(22 280)	(60 029)
Net cash (utilised in)/generated from operating activities	(60 756)	(255 622)	237 209	182 305
Cash flow from investment activities				
Addition to property, plant and equipment	(221 470)	(68 543)	(105 975)	(16 542)
Addition to intangible assets	(1 809)	(133)	-	-
Return on sale of property, plant and equipment	4 996	3 338	664	2 433
Return on sale of investment property	135 009	-	-	-
Return on sale of intangible assets	-	-	-	4 495
Loans to subsidiaries received	-	-	67 713	262
Loans granted to subsidiaries	-	-	(233 163)	(4 527)
Acquiring interest in subsidiary	-	-	-	(2 501)
Acquiring financial assets available for sale	(21 170)	(11 813)	(17 751)	(9 680)
Return on sale of financial assets available for sale	61	281 179	23	281 179
Loan granted to joint venture	(12 373)	(4 464)	(12 373)	(4 464)
Loan granted to associate received	-	13	-	13
Long-term loans received	486	-	-	-
Long-term loans obtained	(5 924)	-	-	-
Short-term investment received	191	5 895	-	-
Short-term investment	(37 356)	(197)	(9 497)	(197)
Interest received	2 144	2 309	10 079	2 428
Dividends received	1 401	683	10 372	39 164
Net cash (utilised in)/generated from investment activities	(155 814)	208 266	(289 909)	292 062

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES
SUMMARY STATEMENTS OF CASHFLOWS
for the year ended 28 February 2022 (continued)

	GROUP		CO-OPERATIVE	
	2022 R'000	2021 R'000	2022 R'000	2021 R'000
Cash flow from financing activities				
Long-term loans repaid	(49 631)	(28 351)	(22 971)	(22 592)
Long-term loans obtained	2 499	-	-	-
Short-term loans obtained	410 388	642 222	157 568	96 699
Short-term loans repaid	-	(12 150)	-	-
Shares cancelled	(245)	(264)	(245)	(264)
Shares issued	384	372	384	372
Acquiring interest in subsidiary	-	175	-	-
Shares paid up by Member bonuses	12	19	12	19
Members' funds repaid	(15 836)	(7 026)	(15 877)	(7 130)
Dividends paid to non-controlling interest	(1 650)	(860)	-	-
Net cash (utilised in)/generated from financing activities	345 922	594 136	118 871	67 104
Increase in cash and cash equivalents	129 352	546 780	66 172	541 472
Cash and cash equivalents at beginning of year	(87 306)	(634 086)	(56 250)	(597 722)
Cash and cash equivalents at end of year	42 045	(87 306)	9 922	(56 250)

AANTEKENING 1

Basis van voorbereiding

Die opgesomde afsonderlike en gekonsolideerde finansiële state is opgestel vanuit die volledige geouditeerde afsonderlike en gekonsolideerde finansiële state vir die jaar geëindig 28 Februarie 2022.

Hierdie opgesomde afsonderlike en gekonsolideerde finansiële state vervat die afsonderlike en gekonsolideerde state van finansiële posisie en afsonderlike en gekonsolideerde state van omvattende inkomste en kontantvloeie soos vervat in die geouditeerde afsonderlike en gekonsolideerde finansiële state, sonder enige aansuiwerings of samevoegings.

NOTE 1

Basis of preparation

The summary separate and consolidated financial statements have been compiled from the full set of audited separate and consolidated financial statements for the year ended 28 February 2022.

The summary separate and consolidated financial statements, which comprise the separate and consolidated statements of financial position and separate and consolidated statements of comprehensive income and cash flows, are derived from the audited separate and consolidated financial statements, without any changes or off-setting.

AGTERGROND

2022 het besluit om nie in die skaduwee van sy voorgangers te lewe nie, en benewens die massiewe rukwinde wat die pandemie deur die wêrelddeksonomie gestuur het, het ons 'n oorlog bygekry. Einde Februarie het Rusland hul langtermyn nemesis, Oekraïne, ingeval. Vier maande later en die oorlog is nog in volle swang. Die ontwirgting wat dit wêreldwyd met die logistieke en verskaffingskettings veroorsaak is verreikend, met byna geen industrie wat nie hierdeur geïmpakkeer word nie. Beide lande se dominante rol in vele kommoditeite op die internasionale markte veroorsaak 'n 'perfekte storm'. Sanksies is afgekondig en druk word op Rusland geplaas, maar President Vladimir Putin het tot dusver geen voorname getoon om Rusland se aksies af te skaal nie. China kyk hierdie gebeure met groot belangstelling aan omdat hulle steeds Taiwan in hulle visier het, en sal hul sekerlik die Westerse reaksie op Rusland se aksies gebruik om hul volgende skuif in dié verband te bepaal. Rusland en China, met hul rûe styfgemaak, kan sonder twyfel die wêreld teen 'n ongekende spoed tot by die afgrond van 'n wêreldoorlog bring. Niemand sal hier wen nie – ideologie is gevaarlik as dit nie met groot happe logika ingeneem word nie.

Die wêrelddeksonomie probeer hard om op te staan na die laaste twee jaar, maar selfs die tegnologiese sektor het baie van die groei van 2021 ingeboet in 2022. Produksielyn-onderbrekings a.g.v. tekorte in grondstowwe/rou materiaal is algemeen.

Die Rand se verswakking in die laaste jaar was hoër as verwag, maar die oproer in Kwazulu-Natal na die tronkstraf van Oud-President Jacob Zuma het definitief ons aansien op die internasionale verhoog 'n knou toegedien. Die land, en veral die privaat sektor, het massiewe finansiële verliese gely, met die SASRIA versekeraar wat ál hul opgeboude fondse moes uitbetaal aan geldige eise. Die herbouproses is nou, sewe maande later, steeds aan die gang. Rentekoerse toon 'n opwaartse neiging, met die huidige primakoers ten tyde van hierdie skrywe (Junie 2022) op 8.25%. Die Rand verhandel tans teen R16.33/\$1. Politie is die vooruitsigte donker, met groot vrae wat hang oor President Cyril Ramaphosa se integriteit ná die diefstal van groot bedrae internasionale valuta vanaf sy plaas in 2020. Die feite blyk nog bepaal te moet word, maar die gebrek aan 'n sinvolle verduideliking is besig om skade aan sy beeld, dié van die ANC, asook die regering, aan te rig. Beurtkrag is nog met ons, en gaan wees vir 'n wyle. Die meeste groot besighede het reeds 'n mate van rugsteunkrag geïnstalleer, of is besig om dit te doen.

Die Suid-Afrikaanse landbousektor het weereens 'n suksesvolle jaar beleef, met kommoditeitspryse (veral grane) wat ongekende hoogtes ingeskiet het. Die implementering van die voorgestelde wysiging van die Grondwet om vir die onteiening van grond sonder vergoeding voorsiening te maak, en die bewoording van hierdie wysiging, is steeds nie bekend gemaak nie. Hierdie onsekerheid het tot gevolg dat landbouers en ander besighede in die landbouwaardeketting huiwerig is om grootskaalse kapitale investering aan te gaan. Die vrugte-uitvoerders het geweldig gesukkel om skeepvraghouders te bekom. Alhoewel dit nou reeds verbeter het, is dit nog nie by pre-pandemiese beskikbaarheid nie. Suid-Afrika se verouderde infrastruktuur en oneffektiewe hawebestuur vererger hierdie situasie.

SSK se bedieningsgebied het 'n jaar van baie gunstige weerstoestande beleef, met goed verspreide

reënval, temperature en selfs wind, wat in die korrekte mates in die korrekte tye ervaar is, behalwe vir 'n oormaat reën in planttyd wat grootskaalse skade aan veral die westelike bedieningsgebied se grond en aanplantings aangerig het. Veeboere wat hul eie weidings kon aanwend het met 'n goeie voerbank begin en die jaar het so aangehou. Gegewe die massiewe toenames in voerkoste, het dit die bitterheid van die pil verminder. Gelukkig het vleispryse ook gestyg. Suiwelboere wat op 'n volvoerbasis funksioneer is egter onder geweldige druk, met die einde nog nie in sig vir hoë meliepryse nie. Die 2022-plantseisoen is afgehandel en wydverspreide reën het in Junie in die Suid-Kaap geval.

Vooruitsigte dui tans op hoë, tog wisselvallige plaaslike koring- en kanolapryse gegewe die onseker internasionale omstandighede. Vele lande besluit nog oor hul eie uitvoerstrategieë en wileers seker maak dat hulle voldoende selfvoorsienend is alvorens hulle sal waag om uit te voer. Daar is ook weer ander lande, veral China, wat voortgaan om kommoditeite teen 'n hoë tempo op te gaar. Moutgarsaanplantings is wesenlik laer en kan moontlik nie voldoen aan ABInBev se behoeftes nie.

Vooruitsigte vir van die ander landbousektore is soos volg:

- Die suiwelbedryf se vooruitsigte is kommerwekkend, met massiewe stygings in voerkoste (a.g.v. stygende kommoditeitspryse) wat die hoër melkpryse en die impak van hoër kuilvoervlakke en beter weidings (a.g.v. die gunstige natuurtoestande wat geheers het en steeds heers) meer as neutraliseer. Ons voorsien verdere konsolidasie in hierdie mark.
- Die vrugte- en wynbedrywe het goeie oeste ervaar, met beskikbaarheid van vraghouers en skepe wat die vrugtebedryf gekniehalter het. Internasionale pryse van vrugte het stabiel gebly, maar die verswakking in die wisselkoers het gehelp om die impak van lae uitvoervolumes teen te werk. Die prys vir wyndruiwe toon egter steeds belowende verbetering en verbasend word selfs nuwe aanplantings beplan.
- Die volstruisbedryf het 'n goeie jaar beleef, met premies wat vir kwaliteit velle en leer verdien word. Die hoër pryse het gehelp om die toename in voerkoste suksesvol teen te werk. Vleispryse het ook goed gegroei en die vooruitsigte is steeds positief.
- Vleispryse het sterk gegroei, met die landwyse goeie reëns wat kudde-bou in alle erns weer laat posvat het. Die slaggetalle is landwyd onder druk en ons verwag dat dit volgende jaar steeds problematies sal wees. Kommer heers dat baie slagpale nie nog so 'n jaar sal kan oorleef nie.
- Die wol- en bokhaarbedryf het 'n bevredigende jaar gehad, behalwe vir die uitbreek van bek-en-klouseer wat uitvoere vir 'n wyle op ys geplaas het.
- Die groentebedryf se pryse was onder druk, met veral verbruikersweerstand teen hoë pryse wat deur die kopers aangevoer word in onderhandelinge. Die kort raklewe van hierdie bedryf se produkte plaas ook inherente afwaartse prysdruk op die tafel.

SSK het 'n rekord finansiële jaar beleef, met weereens rekord-graainnames, waarde van sake doen, omset, bruto wins, bedryfswins, netto wins en Ledebonusse wat gerealiseer is. Gegewe die

goeie graanoeste, asook die gunstige pryse vir hierdie kommoditeite, het oorlaatskuld vir die tweede agtereenvolgende jaar weer wesenlik afgeneem. Oninbare skulde is steeds besonder laag en is toeskryfbaar aan verantwoordelike en meelewende kredietbestuur. Daar word dinamies planne beraam om aan elkeen van die Lede se unieke finansieringsbehoefte te voldoen en die samewerking wat vanaf die meeste handelsbanke ontvang is, is prysenswaardig.

SSK het weereens ook 'n rekordjaar op Groepvlak ervaar, met SOILL wat wesenlik hiertoe bygedra het na afloop van die rekord kanola-oes, asook die massiewe prysstygings in die oliesademark. SOILL het vir die tweede jaar in 'n ry onverwerkte canola uitgevoer, wat gehelp het om die druk op die verwerkingsaanlegte te verminder. SwellenMark (Edms) Bpk het aan die einde van die jaar die suksesvolle SwellenMark winkelsentrum in Swellendam verkoop aan 'n konsortium beleggers. Dit is 'n uitstekende voorbeeld van waardetoevoeging vir alle belanghebbendes, en is 'n wonderlike bate vir die gemeenskap van Swellendam oor die laaste 11 jaar gevestig. Tuinroete Agri, wat nou ten volle as 'n eiendomsverhuringsonderneming funksioneer, was weereens winsgewend, met Technifarm, Hessequa Abattoir, Eureka Mills en Sentraal-Suid Beleggings wat almal met bevredigende netto winste afgesluit het. Softlutions (wat tans 'n uitbreidingsstrategie uitvoer) en Walts Malting (wat hul bedrywighede gestaak het), asook Procuero Grain, het verliese gely. SSK se finansiële posisie is kerngesond en die finansiële prestasie uitstekend onder uitdagende omstandighede. Daar kon ook weereens met gemak voldoende finansiering vir SSK en sy Lede se bedrywighede verkry word.

Die bedryfsafdelings het uitstekende resultate gelewer. Al die bedryfsafdelings was winsgewend, met spesiale vermelding van Meganisasie wat vir die eerste keer in baie jare 'n netto wins gerealiseer het.

Ledetalle het byna onveranderd gebly al het SSK baie nuwe lede verwelkom. SSK se swart aandeelhouing het reeds beduidend gegroei (alhoewel vanaf 'n lae basis), met meer as 9% van die Lede wat uit voorheen benadeelde groeperings afkomstig is.

Op tegnologiese vlak is SSK steeds op koers met 'n goedgeurde langtermyn-inligting- en tegnologie-strategie. Die rekenkundige en bedryfsagteware funksioneer uitstekend en is gebruikersvriendelik. Die data wat tot beskikking gestel word vir Lede en besighheidsvennote is eenvoudig, pasgemaak en toeganklik. SSK beskik ook oor 'n goeie balans van interne kennis en ondervinding, asook eksterne kundige diensverskaffers. Die netwerk, telefoonstelsel, e-pos sisteem, toegangsbeheer asook bedienerinfrastruktuur is wêreldklas en word deurlopend verder verbeter en vernuwe.

2022 het met al sy uitdagings tog gelei tot 'n vervullende jaar. Die Personeel se toewyding aan ons Lede en kliënte is tasbaar en die rekordprestasies van die bedryfsafdelings is 'n uitstekende bewys hiervan. SSK poog voortdurend om die behoeftes van ons Lede te identifiseer, te verstaan en met uitnemendheid daaraan te voldoen.

SSK se finansiële en operasionele prestasie was merkwaardig en ons is nederig dankbaar vir die om-

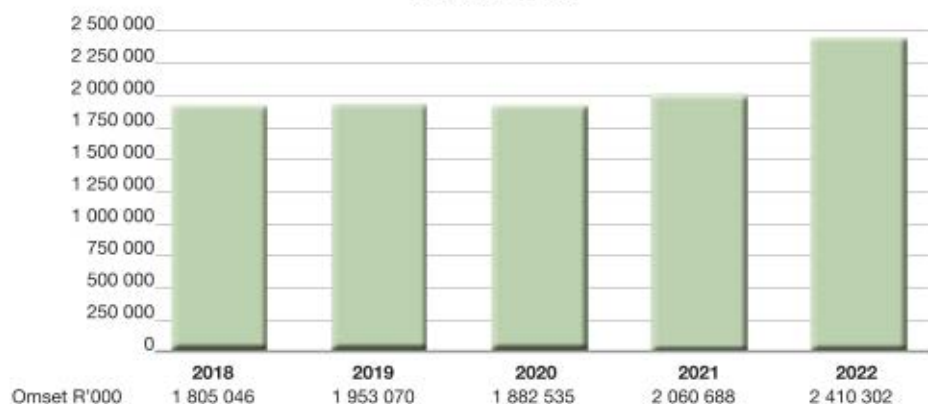
standighede wat dit moontlik gemaak het. Die finansiële posisie is wesenlik versterk tot voordeel van beide Lede en die organisasie.

Die Direksie, Bestuur en Personeel het onder uitdagende omstandighede hierdie jaar dit reggekry om ons Lede en kliëntebasis te versterk en uit te bou. Die motivering en ywer waarmee hul dagtake aangepak is, is 'n sprekende illustrasie van die lojale en toegewyde span wat SSK hul werktuiste gemaak het. Ons wil almal vir hul bydrae hiertoe bedank. Hierdie resultate is egter nie net die resultaat van een jaar se opofferings nie en erkenning word gegee aan almal wat gehelp het om te bou aan die basis waarvandaan ons hierdie jaar begin het. Werk saam, wen saam! SSK se Direksie, Bestuur en Personeel bly toegewyd aan die ondersteuning van die Lede en hul onderskeie boerderye en is dankbaar vir die ondersteuning wat SSK se Lede aan die organisasie bied. Alle eer aan ons Hemelse Vader vir die seëninge wat onverdiensstelik uit Sy hand ontvang is.

TOTALE OMSET

Die totale omset met Lede en klante het toegeneem vanaf R2 060 688 032 in die 2021 finansiële jaar tot R2 410 302 562 in die 2022 finansiële jaar – 'n toename van 16,97%. Die toename is verblydend en is tekenend van die uitsonderlike landbouteoestande, asook kommoditeitspryse, wat veral in die graanbedryf geheers het. Die natuurstoestande het weereens gelei tot 'n agtereenvolgende rekord-graanoes. Die waarde van sake gedoen het met 23,56% gestyg vanaf R2 916 118 277 in 2021 tot R3 603 066 110 in 2022.

TOTALE OMSET



NETTO INKOMSTE / VERDELING VAN SURPLUS

Die Koöperasie se bedrywighede het 'n netto inkomste voor belasting en ekwiteitsverdienste, maar na Ledebonusse, vir die jaar van R115 403 549 (2021 – R93 593 226) tot gevolg gehad. Ingesluit in hierdie syfers is 'n dividend van R28 000 000 van Tuinroete Agri t.o.v. die 2021 finansiële jaar. Daar is geen dividend deur Tuinroete Agri verklaar gedurende die 2022 finansiële jaar nie.

Inkomstebelasting beloop R32 691 146 (2021 – R52 033 227) en die afname in die voorsiening vir uitgestelde belasting beloop R3 460 021 (2021 – R54 442 588). Die netto inkomste na belasting, maar voor bonusse, beloop dus R142 167 042 (2021 – R116 636 998). Die surplus word soos volg verdeel:

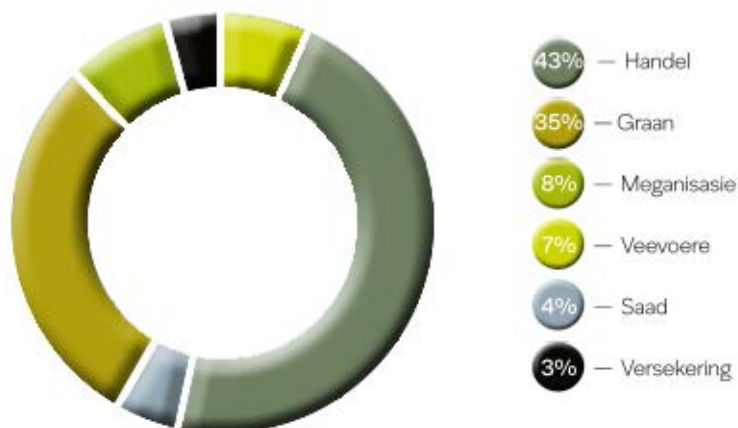
Ledebonusse	R60 000 000
Uitgestel	R48 000 000
Kontant	R12 000 000
Reserwes	R82 167 042

BEDRYFSREKENINGE

	2022				2021			
	Omset R	Bruto wins/(verlies) R	Bruto wins %	Netto wins/(verlies) na belasting	Omset R	Bruto wins/(verlies) R	Bruto wins %	Netto wins/(verlies) na belasting
Werkswinkels	22 192 553	14 922 568	67%	(3 897 041)	16 432 578	11 005 543	67%	(7 065 289)
Versekering	15 301 443	15 301 443	100%	3 106 017	14 052 358	14 052 286	100%	2 945 193
Handel	1 305 739 625	215 585 244	17%	57 305 540	1 126 596 886	186 243 472	17%	33 179 804
Meganisasie Bemarking	228 814 752	15 756 047	7%	6 698 163	158 021 909	7 847 271	5%	236 047
Onderdele	52 168 558	9 020 498	17%	2 100 707	40 075 797	6 165 728	15%	(347 312)
Saad	1 113 257 778	20 594 951	19%	8 552 624	92 361 173	17 407 824	19%	5 839 853
Graan	506 362 387	172 246 900	34%	74 875 611	450 414 290	113 397 296	25%	29 976 656
Veevoere	192 877 178	33 775 743	18%	7 890 192	174 518 262	32 500 922	19%	7 532 178
Administrasie	610 598	1 603 818	Nvt	(14 464 772)	(1 124 494)	(838 247)	Nvt	44 339 868
Interne inkomste	(25 090 310)	(13 674 706)	Nvt	-	(10 660 728)	(4 855 459)	Nvt	-
Netto wins na belasting voor Ledebonusse				142 167 042				116 636 998
Ledebonusse verklaar				(60 000 000)				(29 000 000)
Netto wins	2 410 302 562	485 132 506	20%	82 167 042	2 060 688 032	382 926 636	19%	87 636 998

BRUTO WINS PER DOELSTELLING

Die verhouding van bruto wins per doelstelling tot die totale bruto wins voor Ledebonusse ten bedrae van R485 132 506 (2021 – R382 926 636) is soos volg:



TOTALE UITGAWES

Totale uitgawes (administratiewe en bedryfsuitgawes) het in die jaar onder oorsig met 6.68% gestyg. Dit is in ooreenstemming met die begrote syfers en is grotendeels gedryf deur die verhoogde koste verbonde aan bankkoste, herstelwerk en onderhoud, voertuigkoste, waardevermindering, versekering, voorsiening vir die waardedaling van debiteure en brandstof-droërs. Daar was afnames in slegte skuld en verpakkingsmateriaal.

DEBITEURE

Oorlaatskuld het wesenlik afgeneem tot R181 678 249 (2021 – R291 776 903). Die afname kan toegeskryf word aan die gunstige natuurtoestande wat in die breër bedieningsgebied, maar veral die graan-produiserende areas, geheers het gedurende die periode. Daar is vanjaar debiteure ten bedrae van R289 589 (2021 – R37 281 349) as oninbaar afgeskryf. Die totale voorsiening vir twyfelagtige skuld was op jaareinde R7 743 612 (2021 – R2 928 998). Die lae afskrywings van handelsdebiteure is noemenswaardig gegewe die omvang van die debiteureboek.

WAARDETOEVOEGING TOT BELANGHEBBENDES

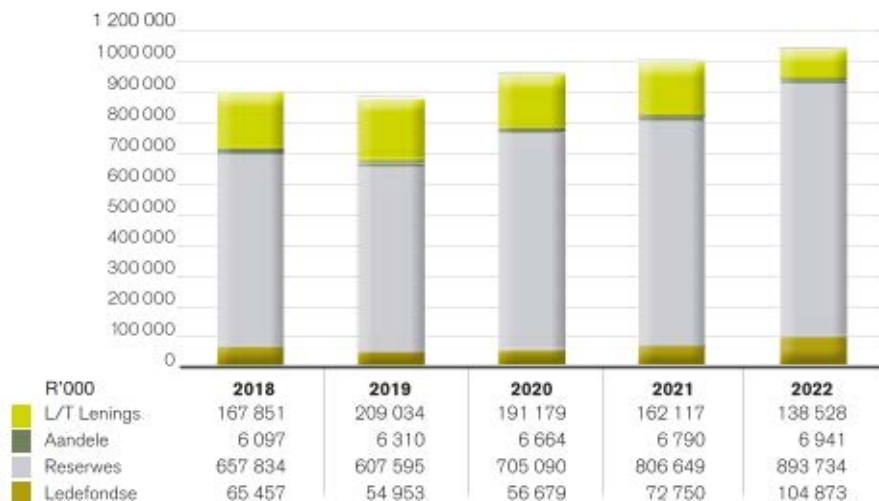
		2022 R	2021 R	
Omset		2 410 302 562	2 060 688 032	
Netto kosprys van produkte en dienste		1 859 473 460	1 679 432 725	
Waarde toegevoeg		550 829 102	381 255 307	
Soos volg aangewend:	%			%
Werknemers	36.43	200 685 983	172 662 648	45.29
Lone/Salarisse	31.94	175 947 127	158 000 616	41.44
Aansporingsbonusse	4.51	24 848 856	15 819 032	4.15
Na-aftrede mediese koste	(0.02)	(110 000)	(1 157 000)	(0.30)
Kapitaalverskaffers	10.64	58 594 575	58 259 424	15.28
Rente	8.46	46 594 575	52 459 424	13.76
Bonusse uitbetaal	2.18	12 000 000	5 800 000	1.52
Toevoeging van bates	19.24	105 975 337	16 541 605	4.34
Waardevermindering	4.73	26 065 040	24 206 993	6.35
Herbelê in besigheid	23.65	130 246 242	111 670 038	29.29
Reserwes	14.93	82 246 242	88 470 038	23.20
Bonusse uitgestel	8.71	48 000 000	23 200 000	6.09
Netto inkomstebelasting	5.31	29 261 925	(2 085 401)	(0.55)
Inkomstebelasting	5.31	29 231 125	(2 409 361)	(0.63)
Na-aftrede mediese koste	0.01	30 800	323 960	0.08
	100.00	550 829 102	381 255 307	100.00

BELANGRIKE FINANSIËLE VERHOUDINGS

Die volgende verhoudings is belangrike maatstawwe waarmee die finansiële toestand gemeet kan word:

	2022	2021
Netto winsgewendheid	3,41%	4,25%
Opbrengs op ekwiteit	8,17%	9,89%
Skuld : Ekwiteit	1,35	1,18
Rentedraende skuld : Ekwiteit	0,86	0,83
Bedryfskapitaal	1,27	1,43

KAPITAALBRONNE



FILIALE

Die prestasie van die filiaalmaatskappye (direkte en indirekte belang) en gesamentlike ondernemings vir die jaar onder oorsig, is soos volg:

	Omset	2022 Bruto wins	Netto wins/ (verlies)
Blinkbeleg Vyftien (Edms) Bpk	–	–	–
Eureka Mills (Edms) Bpk	62 308 047	15 832 732	1 508 014
Hessequa Abattoir (Edms) Bpk	262 366 796	17 743 369	1 342 489
Procuo Grain (Edms) Bpk	20 887 043	9 161 428	(8 010 764)
Riparian Investments Consortium 1 (Edms) Bpk	–	–	(11 697)
Sentraal-Suid Beleggings (Edms) Bpk	877 656	877 656	513 518
Softlutions (Edms) Bpk	3 747 399	3 747 399	(5 664 639)
Southern Oil (Edms) Bpk	3 545 447 269	597 597 401	153 587 523
SSK Petro Retail (Edms) Bpk	49 454 171	4 560 120	388 998
Swellen Mark (Edms) Bpk	10 595 956	10 595 956	55 622 764
Technifarm (Edms) Bpk	16 801 059	6 687 198	2 554 684
Tuinroete Agri (Edms) Bpk	17 324 319	12 307 423	11 204 550
Walts Malting (Edms) Bpk	–	–	(4 526 196)
	Omset	2021 Bruto wins/ (verlies)	Netto wins/ (verlies)
Blinkbeleg Vyftien (Edms) Bpk	–	–	–
Eureka Mills (Edms) Bpk	66 054 904	16 494 053	1 401 433
Hessequa Abattoir (Edms) Bpk	300 574 574	18 665 335	2 366 260
Procuo Grain (Edms) Bpk	10 987 053	10 429 716	1 014 249
Riparian Investments Consortium 1 (Edms) Bpk	–	–	3 191 691
Sentraal-Suid Beleggings (Edms) Bpk	557 712	557 712	3 452 393
Softlutions (Edms) Bpk	4 036 535	4 036 535	(6 158 601)
Southern Oil (Edms) Bpk	1 945 590 332	357 388 975	85 137 198
SSK Petro Retail (Edms) Bpk	37 138 745	4 308 567	470 527
Swellen Mark (Edms) Bpk	11 646 230	11 646 230	3 840 345
Technifarm (Edms) Bpk	15 029 633	6 001 428	2 083 565
Tuinroete Agri (Edms) Bpk	14 235 048	10 515 283	9 021 685
Walts Malting (Edms) Bpk	1 866 668	(1 699 557)	25 510 149

GRAAN

Graanaanplantings (hektare) in die 2021/2022 finansiële jaar was onverwags minder as in die vorige paar seisoene. Die toename in kanola-aanplantings kon nie vergoed vir die verlaging in gars- (as gevolg van 'n verlaagde mandaat van die koper van moutgars) en koringaanplantings nie.

Reënval-verspreiding en 'n koue winter was baie gunstig vir graanproduksie in die hele SSK graanproduksie-gebied. Dit het uitstekende graanopbrengste tot gevolg gehad. Veral die aanvang van die produksiejaar was besonder gunstig, met baie goeie reënval in April, Mei en Junie wat deurlopend opgevolg is met verdere goeie reën in Julie en Augustus. In baie gevalle was die resultaat die streek se beste graanopbrengste nog en as sulks ook die meeste graan wat SSK nog in een seisoen ontvang het. Dit was die grootste hoeveelheid koring en ook kanola wat SSK nog van een oes ontvang het.

Die gunstige reën in die plant- en groeiseisoen het egter voortgeduur en hoër as normale reënval is in oestyd (Oktober, November en Desember) ervaar. Dit het geweldige groot uitdagings geskep, met die oesproses wat lank en uitgerek was. Die gevolg was onder andere baie nat graan (56% van SSK se oes) wat in groot volumes en teen baie hoë vogpersentasies by SSK gelewer is. Dit het baie druk op kompartementasie en graan-droërs geplaas.

'n Verdere negatiewe komplikasie van die seisoen was baie lae proteïenvlakke in die koring en gars (uitgedruk in tN-vlakke). SSK se graanproduksiegebied is bekend vir hoë proteïene, maar die afgelope seisoen was 'n uitsondering. Die lae proteïenvlakke het 'n negatiewe impak op kwaliteit en prys van beide koring en gars tot gevolg gehad.

HEKTARE GEPLANT

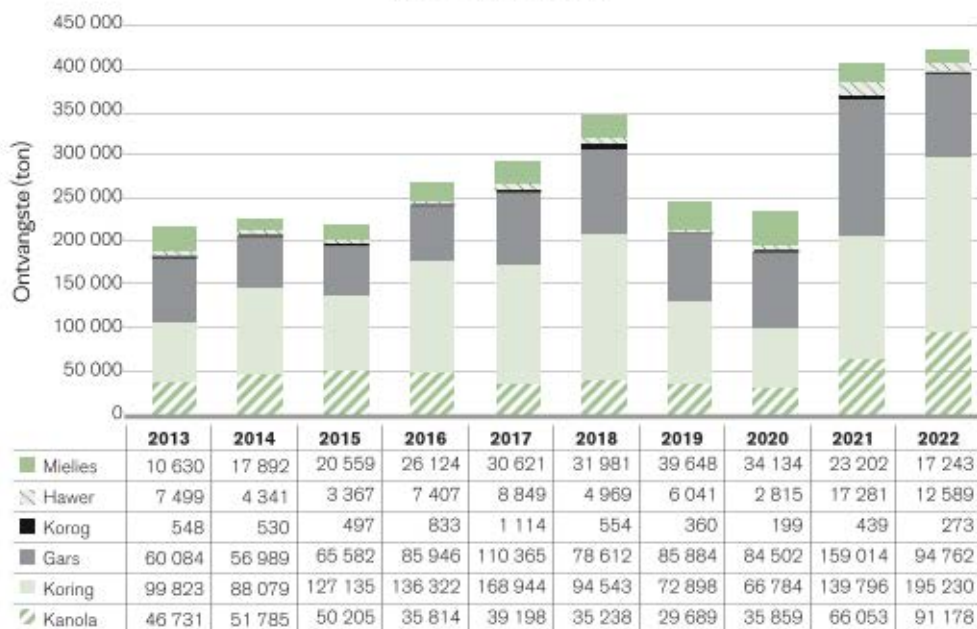
Hektare in SSK-bediensingsgebied geplant.



GRAANONTVANGSTE

Graanontvangste in SSK-silo's (vanaf 2015 word Riversdal, Albertinia en Herold ingesluit)

GRAANONTVANGSTE



Graanlewering was van so 'n omvang dat al SSK se opbergingsfasiliteite oorbenut was en al die silo's het meer as hul beskikbare kapasiteit ingeneem. Verder het die groot aanbod van baie nat graan en 'n wye reeks grade (kwaliteitsverwant) inname geweldig gekompliseer. By Proteem, Ashton, Swellendam, Karringmelksrivier en Kleinberg is van silosakke gebruik gemaak om die ooraanbod te hanteer en heelwat graan is tussen SSK silo's en na kopers verskuif om sover moontlik druk te verlig. Die aanbod het die kapasiteit egter in so 'n mate oorskry dat die inname-tempo by die meeste lokaliteite en vir die grootste deel van die oestyd onder groot druk was.

SAAD

SSK se saadverkope toon steeds 'n toenemende tendens. Baie kompeterende pryse, beskikbaarheid van kultivars en goeie kwaliteit verseker ondersteuning van kliënte oor 'n wye front. Dit bly 'n groot uitdaging om te verseker produsente kry die spesifieke voorkeur-kultivars van die verskillende gewasse, maar SSK kon tot dusver dit regkry om in 'n groot mate hierin te slaag.

TOEKOMSBLIK

SSK strew e al vir die afgelope 90 jaar daarna om as die verlengstuk van sy Lede se besighede, waarde toe te voeg tot landbou in die Suid-Kaap.

SSK se bedieningsgebied is gekenmerk deur uiters goeie landbutoestande die afgelope twee jaar en gevolglike finansiële vooruitgang van sy Lede. Die oorlog tussen Oekraïne en Rusland, nagevolge van COVID 19, druk op die wêreld voorsieningsketting, en gevolglike hoë olie en kunsmispryse het verseker 'n effek op SSK en sy Lede. Genadiglik het kommoditeitspryse die opwaartse tendens van insette gevolg en word daar met afwagting uitgesien na die huidige produksieseisoen. Vroeë aanduidings is dat hier 'n gemiddelde tot bo-gemiddelde landboujaar voorlê wat tot voordeel van SSK en sy Lede behoort te wees.

Vooruitsigte vir die ekonomiese herstel in die land lyk heelwat beter as 'n jaar of wat gelede toe die pandemie die ekonomie feitlik tot stilstand gedwing het. Die negatiewe effek van beurtkrag plaas egter 'n groot demper op hierdie herstel en gevolglike ekonomiese groei. Alles dui egter daarop dat sakevertroue in die Landbou in die komende maande verder sal versterk.

SSK is, en sal altyd getrou aan sy missie bly, naamlik om met behoud van stabiliteit die welvaart en voortbestaan van die organisasie en sy Lede deur groei en diversifikasie te bevorder. Generasies het deur die jare die SSK tradisies ge-anker en dit oorgedra aan die volgende generasie en sal sekerlik ook aan die generasies wat volg.

SSK se Direksie en Bestuur erken met groot nederigheid ons afhanklikheid teenoor ons Hemelse Vader vir die meer as 90 jaar van welvaart en ook wat die toekoms betref. SSK sien uit na die volgende 90 jaar van **Werk Saam, Wen Saam**. Sonder u as Lid en Belanghebbende sal ons dit nie kan doen nie, daarom sien ons daarna uit om saam met u die toekoms aan te pak.

BACKGROUND

2022 decided not to remain in the shadow of its predecessors and, in addition to the massive impact that the pandemic had on the world economy, a war was added to the mix. At the end of February Russia decided to invade its long-term nemesis, Ukraine. Four months down the line and the war is still ongoing. The disruption caused by the war has been felt world wide, with the logistical and supply chains of virtually all industries being impacted by this. The dominant role played by both countries on international markets with various commodities is causing a 'perfect storm'. Sanctions were imposed and pressure was put on Russia, but President Vladimir Putin has shown no intention of downscaling Russia's actions. China is watching these events with great interest as it still has an eye on Taiwan, and they will surely use the reaction of the West to Russia's actions, to determine their next move in this regard. Russia and China, with their backs stirred up, can without doubt bring the world to the precipice of a world war. Nobody will be a winner here – ideology is especially dangerous if it is not taken in with large portions of logic. The world economy is doing its best to recover after the last two years, but even the technological sector has given back much of the growth of 2021 in 2022. Production line stoppages due to shortages of raw materials are the order of the day.

The weakening of the Rand over the past year was higher than expected, as the unrest in KwaZulu-Natal after former President Jacob Zuma's prison sentence had definitely given our country's image a severe blow on the international stage. The country, and the private sector in particular, have suffered large financial losses, with the SASRIA insurer having to pay out all of their built-up funds for valid claims. The rebuilding process is now, seven months down the line, still ongoing. Interest rates are showing an upward trend, with the current prime rate at the time of writing this report (June 2022) at 8.25%. The Rand is currently trading at R16.33/\$1. On the political front the future looks dark, with huge question marks over President Cyril Ramaphosa's integrity after the theft of huge amounts of foreign exchange from his farm in 2020. The true facts still have to be determined, but the lack of a sensible explanation is causing severe damage to his image, that of the ANC and the government. Loadshedding is still with us and will remain with us for some time to come. Most of the big businesses have already installed backup power or are in the process of doing so.

The South African agricultural sector has again enjoyed a successful year, with commodity prices (particularly grains) soaring. The implementation of the proposed amendment to the Constitution to make provision for the appropriation of land without compensation and the wording of this amendment have still not been published. As a result of this uncertainty farmers and other businesses are reluctant to make large-scale capital investments. Fruit exporters had huge problems with the availability of shipping containers. Although this has improved to some extent, it is still not at the pre-pandemic availability level. Old infrastructure and ineffective port management are aggravating this situation.

SSK's service area enjoyed a year of very favourable weather conditions, with widespread rain, temperatures and even wind that came in the correct amounts at the correct times, except for excessive

rain during the 2021 planting season that caused widespread damage to soil and plantings in the western service area in particular. Livestock farmers who use their own pastures started off with a good feed bank and the year continued likewise. Given the massive increase in feed cost this sweetened the bitter pill to some extent. Luckily, meat prices also increased. Dairy farmers who function on a full feed basis, however, are under tremendous pressure, with the end nowhere in sight for high corn prices. The 2022 planting season has now been concluded and widespread rain fell at the beginning of June in the Southern Cape.

Prospects currently indicate high, yet volatile, local wheat and canola prices given the uncertain international conditions. Many countries are still deciding on their export strategies and want to make sure that they are sufficiently self-reliant before they would risk any exports. There are also other countries, like China, who continue to stockpile commodities at a high rate. Malting barley plantings are significantly lower and will possibly not be able to fulfil ABInBev's needs.

Prospects for some of the other agricultural sectors are as follows:

- The dairy industry's prospects are a source of concern, with massive price increases in feed costs (due to increasing commodity prices) more than neutralising the higher milk prices and the impact of higher silage levels and better grazing (due to the favourable natural conditions that prevailed and are still prevailing). We foresee further consolidation in this market.
- The fruit and wine industries experienced good harvests, but the availability of shipping containers and ships hampered the fruit industry. International prices of fruit remained stable, but the weakening of the exchange rate assisted in counteracting the impact of low export volumes. The price for wine grapes, however, still shows promising improvement and, amazingly, new plantings are actually being planned.
- The ostrich industry also had a good year, with premiums being obtained for quality skins and leather. The higher prices assisted in successfully counteracting the increase in feed cost. Meat prices also showed a good increase and the prospects are still positive.
- Meat prices showed a strong increase, with good rains country-wide resulting in re-stocking of herds. Slaughter numbers are under pressure throughout the country and we expect this to continue into next year. There is concern that many abattoirs will not be able to survive another year under such conditions.
- The wool and mohair industry had a satisfactory year, except for the outbreak of foot-and-mouth disease that again halted exports.
- Prices in the vegetable industry were under pressure, particularly with consumer resistance against high prices being used by buyers during negotiations. The short shelf-life of this industry's products also places inherent downward price pressure on the table.

SSK has experienced an excellent financial year, with again record grain intakes, value of business done, turnover, gross profit, operating profit, net profit and Member bonuses being realised. Given the good grain harvests, as well as the favourable prices for these commodities, carry-over debt decreased significantly for the second consecutive year. Bad debts are still exceptionally low and are attributable to responsible

and compassionate credit management. Dynamic plans are continuously being sought to meet each of the Members' unique financing needs and the co-operation received from most commercial banks is commendable.

SSK has also enjoyed a record year on Group level, with a significant contribution by SOILL after the record canola harvest, as well as massive price increases in the oilseed market. SOILL exported unprocessed canola for the second consecutive year, which helped to alleviate the pressure on the processing plants. At the end of the year SwellenMark (Pty) Ltd sold the successful SwellenMark shopping centre in Swellendam to a consortium of investors. This is a prime example of value-add for all stakeholders, and is a wonderful asset for the community of Swellendam that has been established over the past 11 years. Tuinroete Agri, now functioning fully as a property rental business, was again successful, with Technifarm, Hessequa Abattoir, Eureka Mills and Sentraal-Suid Beleggings who all ended the year with satisfactory net profits. Softlutions (which is currently busy with an expansion strategy) and Walts Malting (which ceased operations), as well as Procuoro Grain, suffered losses. SSK's financial position is very sound and the financial performance excellent under challenging conditions. Adequate funding for SSK and its Members' operations could also once again be obtained with ease.

The operating divisions achieved excellent results. All the operating divisions were profitable, with special mention of Mechanisation which realised a net profit for the first time in many years.

Membership numbers remained virtually unchanged, although SSK welcomed many new members. SSK's black ownership has already shown significant growth (albeit from a low base), with more than 9% of the Members coming from previously disadvantaged groups.

On a technological level SSK is still on course with a well-thought-out long-term information and technology strategy. The accounting and operating software is functioning excellently and is user-friendly. The data made available to Members and business partners is simple, customisable and accessible. SSK also has a good balance of internal knowledge and experience, as well as external expert service providers. The network, telephone system, e-mail system, access control as well as server infrastructure are world class and are constantly being further improved and renewed.

2022, with all its challenges, still resulted in a fulfilling year. The dedication of Staff towards our Members is tangible and the record performances of the operating divisions is excellent proof of this. SSK strives to continuously identify and understand the needs of our Members and to fulfil these needs with excellence.

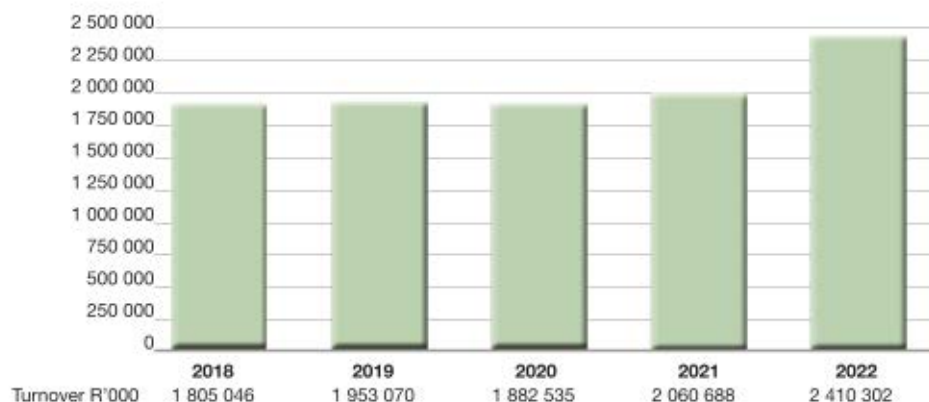
SSK's financial and operational performances were impressive and we are humbly grateful for circumstances that made this possible. The financial position was strengthened significantly, to the benefit of both Members and the organisation.

The Board, Management and Staff have succeeded, under challenging circumstances, to strengthen and increase our Member and client base. The motivation and zeal with which their daily tasks were undertaken is a telling illustration of the loyal and dedicated team that has made SSK their workplace. We would like to thank everyone for their contribution to these successful results. However, these successful results are not the result of only one year's sacrifices and we would like to acknowledge everyone who has helped to build the base from which we started this year. Work together, win together! SSK's Board, Management and Staff remain committed to the support of the Members and their respective farming operations and are thankful for the support that SSK's Members provide to the organisation. All glory to our Heavenly Father for the blessings so undeservedly received from His hand.

TOTAL TURNOVER

The total turnover with Members and customers increased from R2 060 688 032 in the 2021 financial year to R2 410 302 562 in the 2022 financial year. The increase is gratifying and is indicative of the exceptional agricultural conditions, as well as commodity prices, which prevailed in the grain industry in particular. The natural conditions once again led to a successive record grain harvest. The value of business conducted increased by 23.56%, from R2 916 118 277 in 2021 to R3 603 066 110 in 2022.

TOTAL TURNOVER



NET INCOME / APPROPRIATION OF SURPLUS

The Co-operative's operations resulted in a net income before tax and equity earnings for the year R115 403 549 (2021 – R93 593 226). Included in this figure is a dividend of R28 000 000 from Tuinroete Agri in the 2021 financial year. No dividend was declared by Tuinroete Agri for the 2022 financial year.

Income tax amounted to R32 691 146 (2021 – R52 033 227) and the increase in deferred tax provision amounted to R3 460 021 (2021 – R54 442 588). The net income after tax, but before Member bonuses, amounted to R142 167 042 (2021 – R116 636 998). The surplus was allocated as follows:

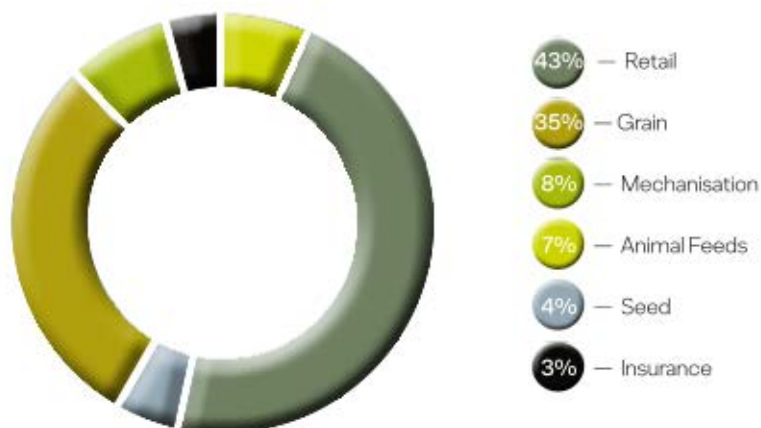
Member bonuses	R60 000 000
Deferred	R48 000 000
Cash	R12 000 000
Reserves	R82 167 042

OPERATIONAL ACCOUNTS

	2022				2021			
	Turnover R	Gross profit R	Gross profit %	Net profit/(loss) after tax	Turnover R	Gross profit R	Gross profit %	Net profit/(loss) after tax
Workshops	22 192 553	14 922 568	67%	(3 897 041)	16 432 578	11 005 543	67%	(7 065 289)
Insurance	15 301 443	15 301 443	100%	3 106 017	14 052 358	14 052 286	100%	2 945 193
Retail	1 305 739 625	215 585 244	17%	57 305 540	1 126 596 886	186 243 472	17%	33 179 804
Mechanisation Marketing	228 814 752	15 756 047	7%	6 698 163	158 021 909	7 847 271	5%	236 047
Spares	52 168 558	9 020 498	17%	2 100 707	40 075 797	6 165 728	15%	(347 312)
Seed	1 113 257 778	20 594 951	19%	8 552 624	92 361 173	17 407 824	19%	5 839 853
Grain	506 362 387	172 246 900	34%	74 875 611	450 414 290	113 397 296	25%	29 976 656
Animal Feeds	192 877 178	33 775 743	18%	7 890 192	174 518 262	32 500 922	19%	7 532 178
Administration	610 598	1 603 818	N/a	(14 464 772)	(1124 494)	(838 247)	N/a	44 339 868
Internal income	(25 090 310)	(13 674 706)	N/a	-	(10 660 728)	(4 855 459)	N/a	-
Net profit after tax before Member bonuses				142 167 042				116 636 998
Member bonuses declared				(60 000 000)				(29 000 000)
Net profit	2 410 302 562	485 132 506	20%	82 167 042	2 060 688 032	382 926 636	19%	87 636 998

GROSS PROFIT PER DIVISION

The ratio of gross profit per division to the total gross profit in the amount of R485 132 506 (2021 – R382 926 636) was as follows:



TOTAL EXPENDITURE

Total expenditure (administrative and operational) has increased by 6.68% during the year under review. This is in line with budgeted figures, with the majority of the increases originating from the increased cost in bank charges (credit card costs), repairs and maintenance, motor vehicle expenses, depreciation, increase in the provision for bad debts, insurance and fuel-dryers. Simultaneously a decrease in the costs associated with bad debts and packaging material was observed.

DEBTORS

Carry-over debt decreased significantly to R181 678 249 (2021 – R291 776 903). The decrease can be attributed to the favourable climatic conditions experienced throughout the greater service area during the year under review, especially in the grain producing areas. Debtors amounting to R289 589 (2021 – R37 281 349) have been written off as irrecoverable. The total provision for doubtful debts was R7 743 612 (2021 – R2 928 998) at year end. The immaterial amount of trade receivables written off is significant given the size of the debtors' book.

VALUE ADDED TO STAKEHOLDERS

		2022 R	2021 R	
Turnover		2 410 302 562	2 060 688 032	
Net cost price of products and services		1 859 473 460	1 679 432 725	
Value added		550 829 102	381 255 307	
Utilised as follows:	%			%
Employees	36.43	200 685 983	172 662 648	45.29
Wages/Salaries	31.94	175 947 127	158 000 616	41.44
Incentive bonuses	4.51	24 848 856	15 819 032	4.15
Post-retirement medical cost	(0.02)	(110 000)	(1 157 000)	(0.30)
Capital providers	10.64	58 594 575	58 259 424	15.28
Interest	8.46	46 594 575	52 459 424	13.76
Bonuses paid out	2.18	12 000 000	5 800 000	1.52
Addition of assets	19.24	105 975 337	16 541 605	4.34
Depreciation	4.73	26 065 040	24 206 993	6.35
Re-invest in business	23.65	130 246 242	111 670 038	29.29
Reserves	14.93	82 246 242	88 470 038	23.20
Deferred bonuses	8.71	48 000 000	23 200 000	6.09
Net income tax	5.31	29 261 925	(2 085 401)	(0.55)
Income tax	5.31	29 231 125	(2 409 361)	(0.63)
Post-retirement medical costs	0.01	30 800	323 960	0.08
Income tax	100.00	550 829 102	381 255 307	100.00

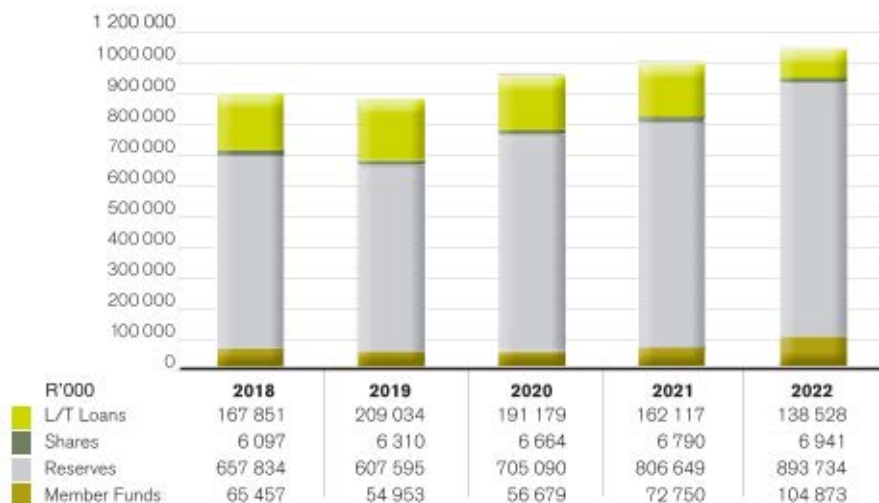
IMPORTANT FINANCIAL RATIOS

The following ratios are important measurements with which the financial condition can be measured:

	2022	2021
Net profitability	3,41%	4,25%
Return on equity	8,17%	9,89%
Debt: Equity	1,35	1,18
Interest-bearing debt : Equity	0,86	0,83
Current ratio	1,27	1,43

CAPITAL SOURCES

SOURCES OF CAPITAL



SUBSIDIARIES

The performance of the subsidiary companies (direct and indirect interest), joint venture and an associated company for the year under review was as follows:

	Turnover	2022 Gross profit	Net profit/ (loss)
Blinkbeleg Vyftien (Pty) Ltd	–	–	–
Eureka Mills (Pty) Ltd	62 308 047	15 832 732	1 508 014
Hessequa Abattoir (Pty) Ltd	262 366 796	17 743 369	1 342 489
Procuero Grain (Pty) Ltd	20 887 043	9 161 428	(8 010 764)
Riparian Investments Consortium 1 (Pty) Ltd	–	–	(11 697)
Sentraal-Suid Beleggings (Pty) Ltd	877 656	877 656	513 518
Softlutions (Pty) Ltd	3 747 399	3 747 399	(5 664 639)
Southern Oil (Pty) Ltd	3 545 447 269	597 597 401	153 587 523
SSK Petro Retail (Pty) Ltd	49 454 171	4 560 120	388 998
Swellen Mark (Pty) Ltd	10 595 956	10 595 956	55 622 764
Technifarm (Pty) Ltd	16 801 059	6 687 198	2 554 684
Tuinroete Agri (Pty) Ltd	17 324 319	12 307 423	11 204 550
Walts Malting (Pty) Ltd	–	–	(4 526 196)
	Turnover	2021 Gross profit/ (loss)	Net profit/ (loss)
Blinkbeleg Vyftien (Pty) Ltd	–	–	–
Eureka Mills (Pty) Ltd	66 054 904	16 494 053	1 401 433
Hessequa Abattoir (Pty) Ltd	300 574 574	18 665 335	2 366 260
Procuero Grain (Pty) Ltd	10 987 053	10 429 716	1 014 249
Riparian Investments Consortium 1 (Pty) Ltd	–	–	3 191 691
Sentraal-Suid Beleggings (Pty) Ltd	557 712	557 712	3 452 393
Softlutions (Pty) Ltd	4 036 535	4 036 535	(6 158 601)
Southern Oil (Pty) Ltd	1 945 590 332	357 388 975	85 137 198
SSK Petro Retail (Pty) Ltd	37 138 745	4 308 567	470 527
Swellen Mark (Pty) Ltd	11 646 230	11 646 230	3 840 345
Technifarm (Pty) Ltd	15 029 633	6 001 428	2 083 565
Tuinroete Agri (Pty) Ltd	14 235 048	10 515 283	9 021 685
Walts Malting (Pty) Ltd	1 866 668	(1 699 557)	25 510 149

GRAIN

Grain plantings (hectares) in the 2021/2022 financial year were unexpectedly lower than in the previous couple of seasons. More canola plantings could not compensate for the reduction in barley (due to a reduced mandate from the buyer of malting barley) and wheat plantings.

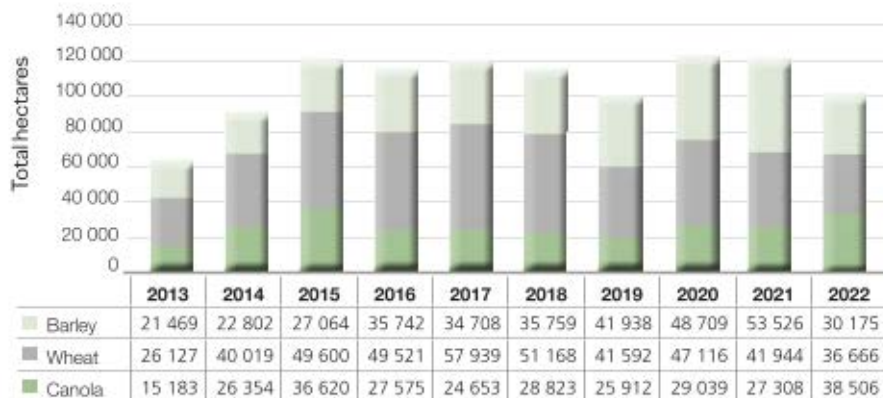
Rainfall distribution and a cold winter were very favourable for grain production in the entire SSK grain production area. This has resulted in excellent grain yields. The start of the production year in particular was very favourable, with good rainfall in April, May and June which was followed up continuously with further good rains in July and August. In many cases the result was the region's best grain yields yet and as such also the most aggregate grain that SSK has received in one season. This was the largest amount of wheat and canola that SSK had received from one crop.

However, the favourable rains during the planting and growing season continued and higher than normal rainfall was experienced during harvest time (October, November and December). This created huge challenges, with the harvesting process being long and drawn-out. The result was, among other things, very wet grain (56% of SSK's crop) that was delivered in large volumes and at very high moisture percentages at SSK. This has put a lot of pressure on compartmentalisation and grain dryers.

A further negative complication of the season was very low protein levels in the wheat and barley (expressed in tN levels). SSK's grain production area is known for high proteins, but the past season has been an exception. The low protein levels had a negative impact on the quality and price of both wheat and barley.

HECTARES PLANTED

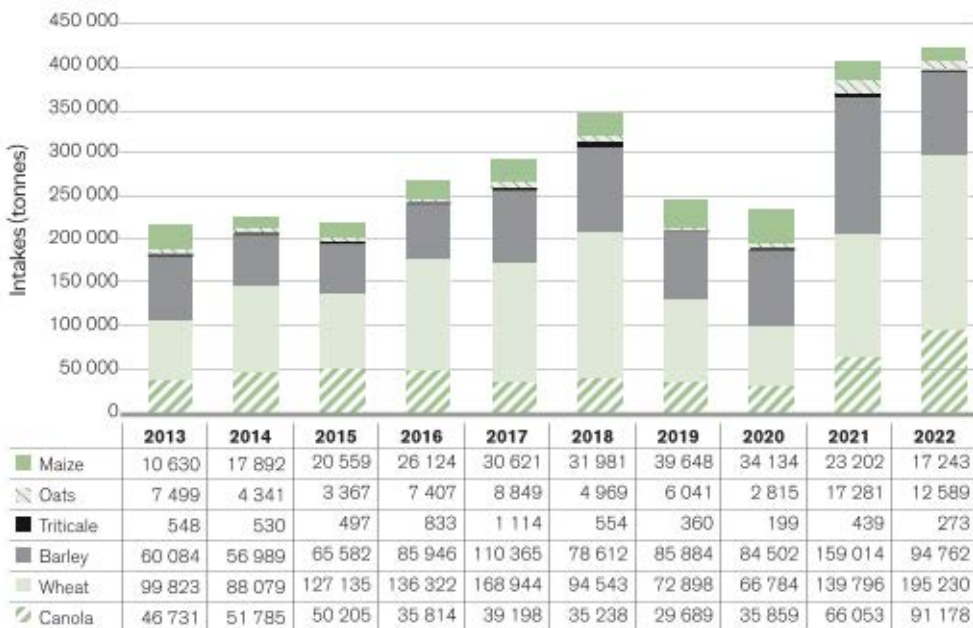
Hectares sowed/planted in SSK's service area.



HECTARES PLANTED

GRAIN INTAKES

Grain intakes in SSK's silos.



GRAIN INTAKES

Grain delivery was of such a magnitude that all SSK's storage facilities were overused and all the silos took up more than their available capacity. Furthermore, the large supply of very wet grain and a wide range of grades (quality-related), greatly complicated intake procedures. At Proteem, Ashton, Swellendam, Karringmelksrivier and Kleinberg silo bags were used to handle the oversupply and a lot of grain was moved between SSK silos and to buyers to relieve pressure as much as possible. However, the supply exceeded the capacity to such an extent that intake rates at most localities and for most of the harvest season were under great pressure.

SEED

SSK's seed sales are still showing an increasing trend. Very competitive prices, availability of cultivars and good quality ensure customer support across a wide front. It remains a major challenge to ensure that producers get the specific preferred cultivars of the different crops, but SSK has thus far been able to succeed to a large extent in this.

FUTURE VIEW

For the past 90 years, SSK has been striving to add value to agriculture in the Southern Cape as an extension of its Members' businesses.

SSK's service area has been characterized by extremely good agricultural conditions over the past two years and consequently the financial progress of its Members. The war between Ukraine and Russia, following COVID 19, puts pressure on the world supply chain, and the consequent high oil-and fertilizer prices have influenced SSK and its Members negatively. Mercifully, commodity prices have followed the upward trend of inputs and SSK are looking forward to the current production season. Early indications are that this is an average to above-average agricultural year, which should be to the advantage of SSK and its Members.

Prospects for the economic recovery in the country look much better than a year or so ago when the pandemic virtually forced the economy to a standstill. However, the negative effect of load shedding puts a huge damper on this recovery and consequent economic growth. However, all indications are that business confidence in Agriculture will strengthen further in the coming months.

SSK is, and will always remain true to its mission, namely, to promote the prosperity and survival of the organization and its members through growth and diversification while maintaining stability. Generations have anchored the SSK traditions over the years and passed them on to the next generation and it will surely be passed onto future generations.

SSK's Board of Directors and Management humbly acknowledge our dependence on our Heavenly Father for the more than 90 years of prosperity. SSK is looking forward to the next 90 years of **Work Together, Win Together**. Without you as a Member and Stakeholder we will not be able to do this, and we once again look forward to working with you towards the future.



SSK het 'n wesentliche belang in die volgende entiteite:

SSK has a material interest in the following entities:

