

### UITNODIGING

U word hartlik uitgenooi na die Algemene Jaarvergadering van SSK te Swellendam op Vrydag, 24 Julie 2009 om 09h30 in die Gemeenskapsaal. Ligte verversings sal vanaf 09h00 bedien word. U word genooi om na afloop van die vergadering saam met ons middagete te nuttig.

### INVITATION

You are cordially invited to the Annual General Meeting of SSK at Swellendam to be held on Friday, 24 July 2009 at 09h30 in the Community hall. Light refreshments will be served from 09h00. You are invited to join us for lunch after the meeting.

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# ALGEMENE JAARVERGADERING: KENNISGEWING AAN LEDE ANNUAL GENERAL MEETING: NOTICE TO MEMBERS

Kennis geskied hiermee dat die Algemene Jaarvergadering van SSK op Vrydag, 24 Julie 2009 om 09h30 in die Gemeenskapsaal, Swellendam gehou word.

Notice is hereby given that the Annual General Meeting of SSK will be held on Friday, 24 July 2009 at 09h30 in the Community Hall, Swellendam.

## SAKELYS / AGENDA

- 1 Opening
- 2 Verwelkoming deur Voorsitter / Welcome by Chairperson
- 3 Konstituering / Constitution
- 4 Roubeklag / Motion of Condolence
- 5 Goedkeuring van Notule van die Algemene Jaarvergadering 2008  
Approval of the Minutes of the Annual General Meeting 2008
- 6 Behandeling en goedkeuring van Finansiële State  
Consideration and adoption 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
- 10 Spesiale Besluite / Special Resolutions
  - 10.1 Lenings / Loans  
Kaskredietlenings (sien bladsy 48)/ Credit cash loans (see page 50)
  - 10.2 Statuutwysigings (sien Memorandum bladsy 40)  
Amendments to Statute (see Memorandum page 44)
- 11 Toekennings / Awards



D F JORDAAN  
Sekretaris / Secretary



# KOÖPERASIEBESONDERHEDE / DETAILS OF THE CO-OPERATIVE

## Raad van Direkteure / Board of Directors

N Loubser – Voorsitter / Chairperson  
D H van Papendorp – Ondervoorsitter / Vice-Chairperson  
J N de Kock  
M C Dippenaar  
W P Jacobs  
P Z Lourens  
H J Steyn  
P S Uys  
S L Uys  
A du T Streicher  
A J Steyn

## Bestuur / Management

E J Pelsler – Hoofbestuurder en Hoof Uitvoerende Beampte  
– General Manager and Chief Executive Officer  
D F Jordaan – Hoofbestuurder – Administrasie en Finansies  
– General Manager – Administration and Finance  
J J Uys – Hoofbestuurder – Handel en Versekering  
– General Manager – Trade and Insurance  
W A Brand – Hoofbestuurder – Meganisasie  
– General Manager – Mechanisation  
C H de Beer – Hoofbestuurder – Produkte en Landboukundige Dienste  
– General Manager – Products and Agricultural Services

## Sekretaris / Secretary

D F Jordaan

## Geregistreerde Adres / Registered Address Posadres / Postal Address

Voortrekstraat 34 / 34 Voortrek Street  
Swellendam  
6740

Posbus 12 / P.O. Box 12  
Swellendam  
6740

## Ouditeure / Auditors

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

## Bankiers / Bankers

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

# SENTRAAL-SUID KOÖPERASIE BEPERK 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 finansiële state en groepfinansiële state van Sentraal-Suid Koöperasie Beperk. Die finansiële state en groepfinansiële state is opgestel in ooreenstemming met 'South African Statements of Generally Accepted Accounting Practice' en op die wyse soos vereis deur die Koöperasiewet en sluit bedrae in wat op die oordeel en ramings van bestuur gegrond is. Die finansiële state en groepfinansiële state is gegrond op toepaslike rekeningkundige beleid wat in ooreenstemming met dié van die vorige jaar is, 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 geruststelling te bied oor die betroubaarheid van die finansiële state en groepfinansiële 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 wesentliche 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 finansiële state en groepfinansiële 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 finansiële state en groepfinansiële state is geouditeer deur die onafhanklike ouditeure, PricewaterhouseCoopers Ingelyf, 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 Ing se ouditeursverslag word aangebied op bladsy 6.

Die finansiële state en groepfinansiële state soos uiteengesit op bladsye 8 tot 19 is deur die direkteure goedgekeur:



N Loubser  
Voorsitter



D H van Papendorp  
Ondervoorsitter

15 Junie 2009



# SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries

## STATEMENT 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 financial statements and group financial statements of Sentraal-Suid Co-operative Limited. The financial statements and group financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Co-operatives Act, and include amounts that are based on management's judgement and estimates. The financial statements and group financial statements are based on appropriate accounting policy in accordance with that of the previous year, unless otherwise specified.

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 financial statements and group 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 financial statements and group financial statements. Based on forecasting 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 financial statements and group financial statements have been audited by the independent auditors, PricewaterhouseCoopers Incorporated, 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 7.

The financial statements and group financial statements, as presented on pages 8 to 19, have been approved by the board of directors.



N Loubser  
Chairperson



D H van Papendorp  
Vice-Chairperson

15 June 2009



# VERSLAG VAN DIE ONAFHANKLIKE OUDITEURE AAN DIE LEDE EN DIREKTEURE VAN SENTRAAL-SUID KOÖPERASIE BEPERK

Die meegaande opgesomde finansiële jaarstate en groepsfinansiële jaarstate is opgestel van die finansiële jaarstate van Sentraal-Suid Koöperasie Beperk vir die jaar geëindig 28 Februarie 2009.

## ***Direkteure se verantwoordelikheid vir die finansiële state***

Die opgesomde finansiële jaarstate is die verantwoordelikheid van die Koöperasie se direkteure. Dit is ons verantwoordelikheid om 'n mening uit te spreek of hierdie opgesomde finansiële jaarstate in alle wesenlike opsigte ooreenstem met die finansiële jaarstate waarvan dit opgestel is.

## ***Ouditeur se verantwoordelikheid***

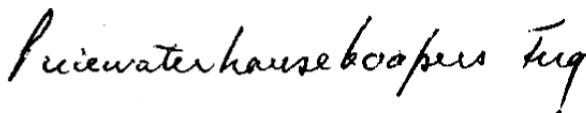
Ons het die finansiële jaarstate van Sentraal-Suid Koöperasie Beperk, waarvan die opgesomde finansiële jaarstate opgestel is, geouditeer ooreenkomstig '*International Standards on Auditing*'. In ons verslag gedateer 15 Junie 2009 het ons 'n ongekwalifiseerde mening uitgespreek oor die finansiële jaarstate waarvan hierdie finansiële jaarstate opgestel is.

## ***Mening***

Na ons mening stem die finansiële state, in alle wesenlike opsigte, ooreen met die finansiële state waarvan dit opgestel is.

## ***Beklemtoning van aangeleentheid***

Om die finansiële stand van die Koöperasie en sy resultate van sy bedrywighede beter te verstaan vir die periode onder oorsig van die oudit, moet die opgesomde finansiële jaarstate saamgelees word met die finansiële state waarvan dit opgestel is en die verslag wat ons daarop gelewer het.



PricewaterhouseCoopers Ing  
Direkteur: J C P Bekker  
Geregistreerde Ouditeur

Worcester  
15 Junie 2009



# REPORT OF THE AUDITORS TO THE MEMBERS AND DIRECTORS OF SENTRAAL-SUID CO-OPERATIVE LIMITED

The accompanying summarised financial statements and group financial statements have been derived from the financial statements of Sentraal-Suid Co-operative Limited for the year ended 28 February 2009.

## *Directors' responsibility for the financial statements*

These summarised financial statements are the responsibility of the Co-operative's directors. Our responsibility is to express an opinion on whether these summarised financial statements are consistent, in all material respects, with the financial statements from which they were derived.

## *Auditors' responsibility*

We have audited the financial statements of Sentraal-Suid Co-operative Limited for the year ended 28 February 2009, from which these summarised financial statements were derived, in accordance with International Standards on Auditing. In our report dated 15 June 2009 we expressed an unqualified opinion on the financial statements from which the summarised financial statements were derived.

## *Opinion*

In our opinion, the accompanying summarised financial statements are consistent, in all material respects, with the financial statements from which they were derived.

## *Emphasis of matter*

For a better understanding of the Co-operative's financial position and the results of its operations for the period and of the scope of our audit, the summarised financial statements should be read in conjunction with the financial statements from which the summarised financial statements were derived and our audit report thereon.



PricewaterhouseCoopers Inc  
Director: J C P Bekker  
Registered Auditor

Worcester  
15 June 2009

# SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale

## DIREKTEURSVERSLAG vir die jaar geëindig 28 Februarie 2009

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 2009, word hieronder aangebied.

### 1 Aard van besigheid

Die koöperasie doen besigheid in die Suid-Kaap en Overberg. Die hoofdoelstellings en aktiwiteite van die koöperasie het oorwegend gedurende die jaar onder oorsig onveranderd gebly, naamlik die:

- verskaffing van boerderybenodigdhede, meganisasie, ingenieursdienste en oprigting van staalstore 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.

Daarbenewens is die koöperasie betrokke by landbouverwante filiale en 'n geassosieerde, soos uiteengesit in 5 en 6 hierna.

### 2 Lede

Sewe lede het ons aan die dood ontval. Innige meegevoel word aan hul naasbestaandes betuig.

Die ledetal het as volg gewissel:

Ledetal aan begin van jaar		823
Min Afgestorwe lede	7	
Lede wat boerdery gestaak het	12	19
		<hr/>
		804
Plus Toetredings		45
		<hr/>
		849
		<hr/> <hr/>

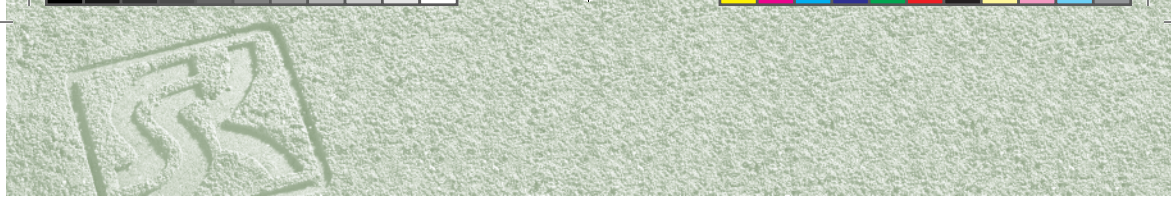
### 3 Finansiële resultate

Die volledige verslag van die groep se finansiële resultate word in die finansiële state en 'n afsonderlike finansiële bestuursoorsig behandel.

### 4 Aanwending van surplus

Dit is steeds die koöperasie se beleid om bonusse toe te deel ooreenkomstig 'n distribusieskema ingevolge Artikel 92 van die Statuut.





## 5 Filiaalmaatskappye

Die koöperasie het tans beleggings in vyf filiaalmaatskappye, naamlik:

Direk	2009	2008	Hoofdoelstelling
(a) Southern Oil Beperk (SOILL)	60%	68%	Ekstraksie van olie uit hoofsaaklik canolasaad en die raffinering en bemarking van 'n gedifferensieerde reeks olies.
(b) SSK Vervaardigers (Eiendoms) Beperk	100%	100%	Vervaardiging van veevoer.
(c) Technifarm (Proprietary) Limited	70%	70%	Presisie-boerderydienste en verskaffing van toerusting.
(d) Sentraal-Suid Beleggings (Eiendoms) Beperk	100%	–	Dormant.
<b>Indirek</b>			
(e) Swartland Oliepers (Eiendoms) Beperk	50%	50%	Ekstraksie van olie uit hoofsaaklik canolasaad en die ekstrusie van voermengsels.

## 6 Belegging in geassosieerde maatskappy

Profert Suid-Kaap (Eiendoms) Beperk

Sentraal-Suid Koöperasie Beperk besit 'n 50% belang in dié maatskappy. Die maatskappy bemark kunsmis.

## 7 Aandelekapitaal

180 000 aandele is vanjaar uitgereik, terwyl 76 000 aandele ingetrek is, waarvan sommige deels opbetaalde aandele bedra.

## 8 Direkteure

Besonderhede van die koöperasie se direkteure, sekretaris en geregistreerde kantoor verskyn by die koöperasiebesonderhede.

## 9 Eiendom, aanleg en toerusting

Daar was geen verandering in die beleid van die koöperasie en sy filiale/geassosieerde gedurende die rekenpligtige periode rakende die gebruik van vaste bates nie.



## 10 Beleggings

Beleggings het afgeneem met R8 265 649 (2008-afname – R10 183 441) weens die herwaardasie van beleggings ingevolge die rekeningkundige standpunt IAS 39. Die tekort is direk in die staat van veranderings in ekwiteit verantwoord.

## 11 Wesenlike gebeure na jaareinde

Nieteenstaande van die aangeleenthede geopenbaar in aantekening 35 tot die volledige finansiële state, is die direkteure nie bewus van enige wesenlike fout, omstandigheid, gebeurtenis of aangeleentheid wat in die rekenpligtige tydperk of in die tydperk tussen die reken-pligtige datum en die datum van hierdie verslag ontstaan of plaasgevind het wat die beoordeling van die groep se finansiële state behoort te beïnvloed nie.

## 12 Waardering en dank

Die Raad van Direkteure wens 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 volgende persone en instansies verdien die Raad se in-nige dank:

- Die Land- en Landboubank van SA.
- Agri SA; Agri Wes-Kaap; Graan Suid-Afrika.
- Landboubesighede met wie besigheid gedoen is.
- Landboubesigheidskamer.
- Die Registrateur van Koöperasies.
- Die ouditeure, PricewaterhouseCoopers Ing., vir die uitvoering van hul oudit-pligte, asook vir raadgewende dienste gelewer.
- Eerste Nasionale Bank en alle verskaffers met wie besigheid gedoen is.
- Die bestuur en personeel vir hul aandeel in suksesse wat behaal is.
- Lof en eer aan ons Hemelse Vader wat ons op verskeie terreine onverdienslik seën.

## 13 Ouditeure

PricewaterhouseCoopers Ing. sal voortgaan om as ouditeure op te tree ooreenkomstig artikel 145 van die Koöperasiewet.

# SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries

## DIRECTORS' REPORT for the year ended 28 February 2009

The directors' annual report, which forms part of the audited financial statements of the group and the co-operative ("SSK") for the year ended 28 February 2009, is presented below.

### 1. Nature of business

The co-operative operates in the Southern Cape and the Overberg. The main objectives and activities of the co-operative remained largely unchanged during the year under review, namely:

- supplying farming requisites, mechanisation, engineering services and erection of steel stores and services to its members and other customers;
- 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 services.

In addition the co-operative is involved in agriculture-related subsidiaries and an associate, as set out in 5 and 6 below.

### 2. Members

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

The number of members changed as follows:

Number of members at beginning of year		823
Less Deceased members	7	
Members who stopped farming	12	19
		<hr/>
		804
Plus New members		45
		<hr/>
		849
		<hr/> <hr/>

### 3. Financial results

The detailed report of the group's financial results appears in the financial statements and a separate financial management review.

### 4. Appropriation of surplus

It is still the co-operative's policy to award bonuses in accordance with a distribution scheme under Section 92 of the Articles.

## 5. Subsidiaries

The co-operative currently has investments in five subsidiaries, namely:

Direct	Interest Interest		Main objectives
	2009	2008	
(a) Southern Oil Limited (SOILL)	60%	68%	Extraction of oil mainly from-canola seed and the refinement and marketing of a differentiated series of oils.
(b) SSK Vervaardigers (Proprietary) Limited	100%	100%	Manufacturing of animal feed.
(c) Technifarm (Proprietary) Limited	70%	70%	Precision farming services and provision of equipment.
(d) Sentraal-Suid Beleggings (Proprietary) Limited	100%	-	Dormant.
<b>Indirect</b>			
(e) Swartland Oliepers (Proprietary) Limited	50%	50%	Extraction of oil mainly from canola seed and the extrusion of feed mixtures.

## 6. Investment in associated company

Profert Suid-Kaap (Proprietary) Limited

Sentraal-Suid Co-operative Limited owns a 50% interest in this company. The company markets fertilizer.

## 7. Share capital

180 000 shares were issued this year, while 76 000 shares were called in, some of which were partially paid-up shares.

## 8. Directors

Details of the co-operative's directors, secretary and registered office appear in the section about the details of the co-operative.

## 9. Property, plant and equipment

There were no changes in the policy of the co-operative and its subsidiaries/associate during the accounting period regarding the utilisation of fixed assets.

## 10. Investments

Investments have decreased by R8 265 649 (2008 decrease – R10 183 441) due to the revaluation of investments in terms of the accounting statement IAS 39. The deficit was directly accounted for in the statement of changes in equity.

## 11. Material events after year-end

Notwithstanding the matters disclosed in note 35 to the complete financial statements, the directors are not aware of any material error, circumstance, event or matter arising or occurring in the accounting period or in the period between the accounting date and the date of this report that should influence the assessment of the group's financial statements.

## 12. Appreciation and acknowledgement

The Board of Directors wishes to express its appreciation of members who have loyally supported the co-operative. Without their support the success that was achieved would not have been possible. The following persons and institutions deserve the Board's heartfelt gratitude:

- The Land and Agricultural Bank of SA.
- Agri SA; Agri Western Cape; Grain South Africa.
- Agricultural businesses with whom business was conducted.
- Agricultural Chamber of Commerce.
- The Registrar of Co-operatives.
- The auditors, PricewaterhouseCoopers Inc., for performing their audit duties, as well as for consultation services rendered.
- First National Bank and all suppliers with whom business was conducted.
- The management and staff for their share in successes achieved.
- Praise and glory to our Heavenly Father who blesses us without merit in various undertakings.

## 13. Auditors

PricewaterhouseCoopers Inc. will continue to act as auditors in accordance with section 145 of the Co-operatives Act.

# SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale

## BALANSSTAAT soos op 28 Februarie 2009

	GROEP		KOÖPERASIE	
	2009 R'000	2008 R'000	2009 R'000	2008 R'000
<b>BATES</b>				
<b>Nie-bedryfsbates</b>				
Eiendom, aanleg en toerusting	98 583	64 079	63 447	29 112
Ontasbare bates	1 965	585	1 380	–
Beleggings in filiaalmaatskappye			47 665	9 997
Beleggings in geassosieerde	1 357	845	–	–
Finansiële bates beskikbaar vir verkoop	56 953	65 168	56 902	65 168
Afbetalingsverkooppooreenkomste	44 636	48 044	45 009	48 517
Uitgestelde belastingbate	1 740	1 698	–	–
	<b>205 234</b>	<b>180 419</b>	<b>214 403</b>	<b>152 794</b>
<b>Bedryfsbates</b>				
Voorraad	178 131	217 893	57 495	90 339
Produksielenings en ander debiteure	189 192	178 987	152 520	138 920
Korttermynlenings – filiale			15 100	75 088
Inkomstebelasting	174	1 088	–	–
Kontant en kontantekwivalente	3 967	7 388	1 580	3 973
	<b>371 464</b>	<b>405 356</b>	<b>226 695</b>	<b>308 320</b>
<b>Totale bates</b>	<b>576 698</b>	<b>585 775</b>	<b>441 098</b>	<b>461 114</b>
<b>EKWITEIT EN AANSPREEKLIKHEDE</b>				
<b>Kapitaal en reserwes</b>				
Reserwes	168 236	140 286	142 577	109 017
Aandelekapitaal	2 752	2 588	2 764	2 599
Ledebeleg	170 988	142 874	145 341	111 616
Minderheidsbeleg	15 945	17 143		
Totale ekwiteit	186 933	160 017	145 341	111 616
Ledefondse	73 602	65 784	76 134	67 297
	<b>260 535</b>	<b>225 801</b>	<b>221 475</b>	<b>178 913</b>
<b>Nie-bedryfslaste</b>				
Langtermynlenings	6 964	9 039	3 282	4 127
Uitgestelde belastingaanspreeklikheid	12 870	13 044	7 686	8 588
Na-aftrede mediese voordele	4 589	4 509	4 305	4 377
	<b>24 423</b>	<b>26 592</b>	<b>15 273</b>	<b>17 092</b>
<b>Bedryfslaste</b>				
Handels- en ander krediteure	46 330	67 706	30 564	38 904
Korttermynlenings	172 685	225 835	171 735	225 093
Bankoortrekking	59 574	33 890	1 612	–
Inkomstebelasting	13 151	5 951	439	1 112
	<b>291 740</b>	<b>333 382</b>	<b>204 350</b>	<b>265 109</b>
<b>Totale ekwiteit en aanspreeklikhede</b>	<b>576 698</b>	<b>585 775</b>	<b>441 098</b>	<b>461 114</b>

# SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries

## BALANCE SHEET as at 28 February 2009

ASSETS	GROUP		CO-OPERATIVE	
	2009 R'000	2008 R'000	2009 R'000	2008 R'000
<b>Non-current assets</b>				
Property, plant and equipment	98 583	64 079	63 447	29 112
Intangible assets	1 965	585	1 380	–
Investments in subsidiaries			47 665	9 997
Investments in associate	1 357	845	–	–
Investments available-for-sale	56 953	65 168	56 902	65 168
Instalment sale agreements	44 636	48 044	45 009	48 517
Deferred taxation asset	1 740	1 698	–	–
	<b>205 234</b>	<b>180 419</b>	<b>214 403</b>	<b>152 794</b>
<b>Current assets</b>				
Stock	178 131	217 893	57 495	90 339
Production loans and other debtors	189 192	178 987	152 520	138 920
Short-term loans – subsidiaries			15 100	75 088
Income tax	174	1 088	–	–
Cash and cash equivalents	3 967	7 388	1 580	3 973
	<b>371 464</b>	<b>405 356</b>	<b>226 695</b>	<b>308 320</b>
<b>Total assets</b>	<b>576 698</b>	<b>585 775</b>	<b>441 098</b>	<b>461 114</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Reserves	168 236	140 286	142 577	109 017
Share capital	2 752	2 588	2 764	2 599
Members' interest	170 988	142 874	145 341	111 616
Minority interest	15 945	17 143	–	–
Total equity	186 933	160 017	145 341	111 616
Members' funds	73 602	65 784	76 134	67 297
	<b>260 535</b>	<b>225 801</b>	<b>221 475</b>	<b>178 913</b>
<b>Non-current liabilities</b>				
Long-term loans	6 964	9 039	3 282	4 127
Deferred taxation liability	12 870	13 044	7 686	8 588
Post-retirement medical benefits	4 589	4 509	4 305	4 377
	<b>24 423</b>	<b>26 592</b>	<b>15 273</b>	<b>17 092</b>
<b>Current liabilities</b>				
Trade and other creditors	46 330	67 706	30 564	38 904
Short-term loans	172 685	225 835	171 735	225 093
Bank overdraft	59 574	33 890	1 612	–
Income tax	13 151	5 951	439	1 112
	<b>291 740</b>	<b>333 382</b>	<b>204 350</b>	<b>265 109</b>
<b>Total equity and liabilities</b>	<b>576 698</b>	<b>585 775</b>	<b>441 098</b>	<b>461 114</b>

# SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale INKOMSTESTAAT vir die jaar geëindig 28 Februarie 2009

	GROEP		KOÖPERASIE	
	2009 R'000	2008 R'000	2009 R'000	2008 R'000
Inkomste	784 428	632 379	493 368	440 246
Koste van verkope	(633 735)	(519 015)	(418 680)	(378 113)
<b>Bruto wins</b>	<b>150 693</b>	<b>113 364</b>	<b>74 688</b>	<b>62 133</b>
Ander bedryfsinkomste	30 804	23 649	57 847	21 669
Administratiewe uitgawes	(25 521)	(21 205)	(15 340)	(13 411)
Ander bedryfsuitgawes	(50 555)	(44 290)	(43 863)	(36 502)
<b>Bedryfswins</b>	<b>105 421</b>	<b>71 518</b>	<b>73 332</b>	<b>33 889</b>
Finansieringsinkomste	3 039	3 284	10 858	7 519
Finansieringskoste	(31 780)	(25 730)	(27 204)	(20 802)
<b>Wins voor verdienste van geassosieerde maatskappy</b>	<b>76 680</b>	<b>49 072</b>	<b>56 986</b>	<b>20 606</b>
Ekwiteitswins in geassosieerde	513	844		
<b>Wins voor belasting</b>	<b>77 193</b>	<b>49 916</b>	<b>56 986</b>	<b>20 606</b>
Belasting	(17 085)	(10 025)	(2 343)	(1 832)
<b>Wins vir die jaar</b>	<b>60 108</b>	<b>39 891</b>	<b>54 643</b>	<b>18 774</b>
<b>Toeskryfbaar aan:</b>				
Lede	46 017	33 007	54 643	18 774
Minderheidsbelang	14 089	6 884		
	<b>60 108</b>	<b>39 891</b>	<b>54 643</b>	<b>18 774</b>



**SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries**  
**INCOME STATEMENT for the year ended 28 February 2009**

	GROUP		CO-OPERATIVE	
	2009 R'000	2008 R'000	2009 R'000	2008 R'000
Income	784 428	632 379	493 368	440 246
Cost of sales	(633 735)	(519 015)	(418 680)	(378 113)
Gross profit	150 693	113 364	74 688	62 133
Other operating income	30 804	23 649	57 847	21 669
Administrative expenditure	(25 521)	(21 205)	(15 340)	(13 411)
Other operating expenditure	(50 555)	(44 290)	(43 863)	(36 502)
Operating profit	105 421	71 518	73 332	33 889
Financing income	3 039	3 284	10 858	7 519
Financing costs	(31 780)	(25 730)	(27 204)	(20 802)
Profit before earnings of associate	76 680	49 072	56 986	20 606
Equity profit in associate company	513	844		
Profit before tax	77 193	49 916	56 986	20 606
Tax	(17 085)	(10 025)	(2 343)	(1 832)
Profit for the year	60 108	39 891	54 643	18 774
Attributable to:				
Members	46 017	33 007	54 643	18 774
Minority interest	14 089	6 884		
	60 108	39 891	54 643	18 774

# SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale

## KONTANTVLOEISTAAT vir die jaar geëindig 28 Februarie 2009

	GROEP		KOÖPERASIE	
	2009 R'000	2008 R'000	2009 R'000	2008 R'000
<b>Kontantvloei uit bedryfsaktiwiteite</b>				
Kontantontvangste vanaf kliente	771 413	592 327	480 051	412 125
Kontant betaal aan verskaffers en werknemers	(651 976)	(569 432)	(360 875)	(421 067)
Kontant deur bedrywighede voortgebring/(benut)	119 437	22 895	119 176	(8 942)
Rente ontvang	3 039	3 284	10 858	7 519
Rente betaal	(31 780)	(25 730)	(27 204)	(20 802)
Dividende ontvang	2 299	2 895	31 557	2 895
Belasting betaal	(8 027)	(3 647)	(2 760)	(1 449)
<b>Netto kontant gegeneer deur/ (aangewend in) bedrywighede</b>	<b>84 968</b>	<b>(303)</b>	<b>131 627</b>	<b>(20 779)</b>
<b>Ledetransaksies</b>				
Aandele uitgereik en ingetrek – netto	165	203	164	203
Ledebelangfondse terugbetaal	(2 364)	(3 202)	(2 363)	(3 202)
Vergoeding aan lede	(1 200)	(1 800)	(1 200)	(1 800)
<b>Netto kontant aangewend in ledetransaksies</b>	<b>(3 399)</b>	<b>(4 799)</b>	<b>(3 399)</b>	<b>(4 799)</b>
Toevoeging tot eiendom, aanleg en toerusting	(41 854)	(10 901)	(37 137)	(8 033)
Toevoeging tot ontasbare bates	(1 380)	–	(1 380)	–
Opbrengs met verkoop van eiendom, aanleg en toerusting	123	389	12	177
Aankope van aandele	(51)	–	–	–
Opbrengs met verkoop van aandele	–	6	–	6
Verkoop van belang in 'n filiaal	–	–	1 304	–
Lenings aan filiale toegestaan	–	–	(30 481)	–
Lenings van filiale afgelos	–	–	10	–
Belegging in filiaal	–	–	(14 733)	–
Aandele in filiaal teruggekoop	–	–	4 374	–
Aankoop van 'n belang in 'n geassosieerde maatskappy	–	–	–	–
Uitkoop van filiaal se minderheidsbelang	(12 287)	–	–	–
<b>Netto kontant aangewend in beleggings- aktiwiteite</b>	<b>(55 449)</b>	<b>(10 506)</b>	<b>(78 031)</b>	<b>(7 850)</b>
Langtermynlenings aangeaan	–	5 518	–	–
Langtermynlenings terugbetaal	(2 075)	(7 644)	(844)	(953)
Korttermynlenings aangeaan/(afgelos)	(53 150)	(11 176)	(53 357)	37 707
<b>Netto kontant uit/(aangewend in) finansieringsaktiwiteite</b>	<b>(55 225)</b>	<b>(13 302)</b>	<b>(54 201)</b>	<b>36 754</b>
Toename/(afname) in kontant en kontantekwivalente	(29 105)	(28 910)	(4 004)	3 326
Kontant en kontantekwivalente aan begin van jaar	(26 502)	2 408	3 972	645
Kontant en kontantekwivalente aan einde van jaar	(55 607)	(26 502)	(32)	3 971

# SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries

## CASH FLOW STATEMENT for the year ended 28 February 2009

	GROUP		CO-OPERATIVE	
	2009 R'000	2008 R'000	2009 R'000	2008 R'000
<b>Cash flow from operating activities</b>				
Cash receipts from clients	771 413	592 327	480 051	412 125
Cash paid to suppliers and employees	(651 976)	(569 432)	(360 875)	(421 067)
Cash generated from/(utilised in) activities	119 437	22 895	119 176	(8 942)
Interest received	3 039	3 284	10 858	7 519
Interest paid	(31 780)	(25 730)	(27 204)	(20 802)
Dividends received	2 299	2 895	31 557	2 895
Taxation paid	(8 027)	(3 647)	(2 760)	(1 449)
<b>Net cash generated by/(utilised in) activities</b>	<b>84 968</b>	<b>(303)</b>	<b>131 627</b>	<b>(20 779)</b>
<b>Members' transactions</b>				
Shares issued and cancelled – net	165	203	164	203
Members' interest funds repaid	(2 364)	(3 202)	(2 363)	(3 202)
Compensation to members	(1 200)	(1 800)	(1 200)	(1 800)
<b>Net cash utilised in members' transactions</b>	<b>(3 399)</b>	<b>(4 799)</b>	<b>(3 399)</b>	<b>(4 799)</b>
Addition to property, plant and equipment	(41 854)	(10 901)	(37 137)	(8 033)
Addition to intangible assets	(1 380)	–	(1 380)	–
Return on sale of property, plant and equipment	123	389	12	177
Purchase of shares	(51)	–	–	–
Return on sale of shares	–	6	–	6
Sale of interest in a subsidiary	–	–	1 304	–
Loans granted to subsidiaries	–	–	(30 481)	–
Loans of subsidiaries repaid	–	–	10	–
Investment in subsidiary	–	–	(14 733)	–
Shares in subsidiary repurchased	–	–	4 374	–
Purchase of an interest in an associated company	–	–	–	–
Purchase of subsidiary's minority interest	(12 287)	–	–	–
<b>Net cash utilised in investment activities</b>	<b>(55 449)</b>	<b>(10 506)</b>	<b>(78 031)</b>	<b>(7 850)</b>
Long-term loans obtained	–	5 518	–	–
Long-term loans repaid	(2 075)	(7 644)	(844)	(953)
Short-term loans obtained/(repaid)	(53 150)	(11 176)	(53 357)	37 707
<b>Net cash from/(utilised in) financing activities</b>	<b>(55 225)</b>	<b>(13 302)</b>	<b>(54 201)</b>	<b>36 754</b>
Increase/(decrease) in cash and cash equivalents	(29 105)	(28 910)	(4 004)	3 326
Cash and cash equivalents at beginning of year	(26 502)	2 408	3 972	645
Cash and cash equivalents at end of year	(55 607)	(26 502)	(32)	3 971



# SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale FINANSIËLE BESTUURSOORSIG 2008 – 2009

## Agtergrond

Die jaar onder oorsig is gekenmerk deur 'n ondergemiddelde oes, met kommoditeitspryse (koring) wat nie tydens oestyd aan die verwagtinge voldoen het nie. Die gevolg was dat 'n gedeelte van die oes later as normaalweg verhandel is en dus die kontantvloei en skuldposisie van lede in 'n mate tydelik negatief beïnvloed het. Laasgenoemde kan ook waar-geneem word in die stand van SSK se debiteure (oorlaatskuld) op die finansiële jaareinde.

Met inagneming van die styging in insetkoste die afgelope jaar, wat steeds buite verhouding is, is die swak ruilvoet 'n toenemende bron van kommer in die lig van volhoubaarheid.

Die hantering van graangewasse is ten spyte van 'n relatief swakker oes steeds die hoof-bron van inkomste (45% van bruto wins). Die Handelsafdeling se bydrae is 32% van bruto wins met 'n toename in omset van 12%. Die Meganisasie-afdeling het met behulp van 'n wesenlike bydrae deur die Ingenieursafdeling ook beter presteer as vorige jare en lewer indirek 'n belangrike bydrae tot ander afdelings se sukses. Kruissubsidie tussen verskillende doelstellings weens die dienselement van ons ondernemingsvorm bly 'n gegewe.

Inaggenome 'n styging van 12% in totale omset, styg uitgawes met 'n wesenlike 18%, 'n reële styging van ongeveer 8%. Die rede vir hierdie styging is hoofsaaklik die buitenge-wone uitgawes wat aangegaan is vir die ontwikkeling van 'n nuwe rekenaarsagteware-pakket (SAP) vir implementering later vanjaar.

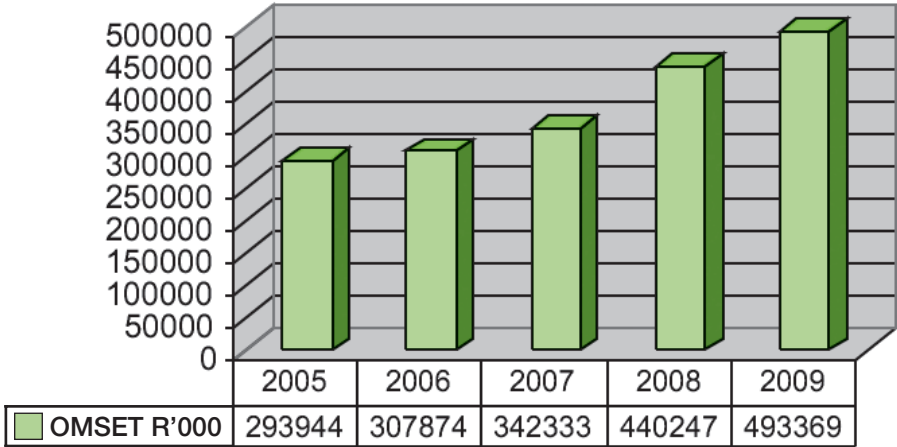
SSK se doelstelling om vir sy lede waarde toe te voeg deur middel van sy filiale is duide-lik waarneembaar in die groep se finansiële resultate. SOILL verdien nogmaals spesiale vermelding. Dit is egter belangrik om kennis te neem dat die herstrukturering van SOILL weens 'n SEB-transaksie SSK se netto wins deur middel van 'n dividend wesenlik aan die positiewe kant beïnvloed. Die grootste gedeelte van hierdie dividend is egter eenmalig en affekteer nie die groep se syfers nie.

Oor die algemeen, ten spyte die swakker oes, was dit weereens 'n uiters suksesvolle jaar vir SSK en die groep waarin die meeste van ons doelwitte met die Genade van ons Hemelse Vader bereik is.

## TOTALE OMSET

Die totale omset met lede en klante, insluitende netto graaninkomste, het toegeneem vanaf R440 246 830 in 2007/2008 tot R493 368 949 in 2008/2009. In reële terme is dit 'n styging van ongeveer 2%.

## TOTALE OMSET



## NETTO INKOMSTE/VERDELING VAN SURPLUS

Die jaar se bedrywighede het ten spyte van 'n gemiddelde oes uitloop op 'n netto inkomste voor belasting van R56 987 139 (2008: R20 605 813) Dit is egter belangrik om kennis te neem dat R29 258 789 van laasgenoemde bedrag afkomstig is van Soill in die vorm van 'n dividend met die herstrukturering van Soill vir SEB.

Die netto wins voor dividend ontvang vanaf Soill beloop dus R27 728 350. Belasting betaalbaar is R2 087 887. Voorsiening vir uitgestelde belasting beloop R255 739, dus is die netto inkomste na belasting R54 643 513. Die surplus word as volg verdeel:

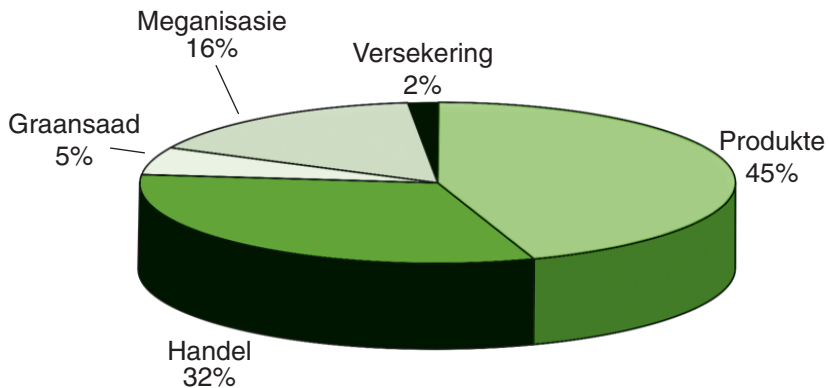
Bonusse	R14 000 000
Kontant	R 2 800 000
Uitgestel	R11 200 000
Reserwes	R40 643 513

## Bedryfsrekeninge

	2009			2008				
	Omset R'000	Bruto wins R'000	Bruto wins %	Omset R'000	Bruto wins R'000	Bruto wins %	Toe- name in omset	Toe- name in bruto wins
Werkswinkel en Ingenieurswerke	22 864	3 035	13.27	16 608	793	4.77	37.67	282.88
Elektriese afdeling	1 276	37	2.88	570	58	10.26	123.75	(37.21)
Versekering en Dienste	20 775	1 007	4.85	16 509	756	4.58	25.84	33.06
Handel	317 300	19 266	6.07	282 560	16 631	5.89	12.29	15.85
Bemaking	83 637	4 951	5.92	83 224	5 418	6.51	0.50	(8.63)
Onderdele	10 693	1 696	15.86	10 873	1 538	14.15	-1.66	10.25
Saadgraan	14 465	3 298	22.8	9 637	1 291	13.39	50.10	155.54
	<b>471 011</b>	<b>33 290</b>		<b>419 982</b>	<b>26 486</b>		<b>12.15</b>	<b>25.69</b>

Die verhouding van bruto wins per doelstelling tot die totale bruto wins ten bedrae van R60 352 552 (Produkte-afdeling ingesluit) is soos volg: (Laasgenoemde bruto wins is na aftrekking van bedryfsalarisse.)

### BRUTO WINS PER DOELSTELLING



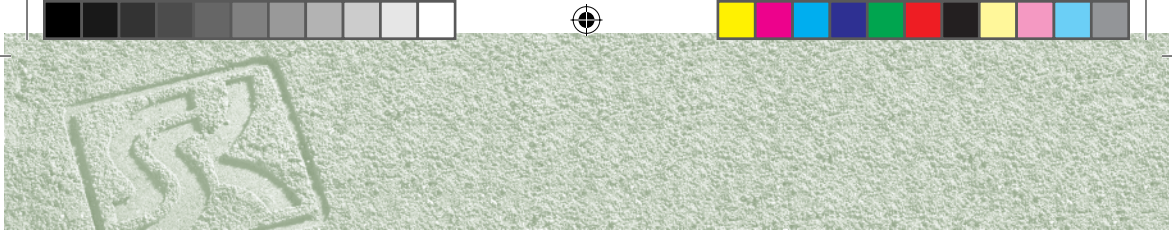
## TOTALE UITGAWES

Totale uitgawes het in die jaar onder oorsig gestyg met 18,79%. Buitengewone uitgawes met die sagteware-ontwikkeling (SAP), noodsaaklike onderhoud en opgradering van bates, toename in omset en personeelaanstellings is die hoofredes vir die reële styging van ongeveer 8% in uitgawes.

## STAAT VAN TOEGEVOEGDE WAARDE

'n Staat van toegevoegde waarde vir die jaar onder oorsig was soos volg:

	%	2009 R	2008 R	%
Omset		493 368 949	440 246 830	
Netto kosprys van produkte en dienste		330 657 758	354 340 372	
Waarde toegevoeg		<b>162 711 192</b>	<b>85 906 458</b>	
Soos volg aangewend:				
Werknemers	23.4	38 078 749	34 095 610	39.7
Lone / Salarisse	22.1	36 018 043	31 259 506	36.4
Aansporingsbonus	1.3	2 132 706	1 836 142	2.1
Na-aftrede mediese koste	0.0	-72 000	999 962	1.2
Kapitaalverskaffers	18.4	29 965 485	21 651 972	25.2
Rente	16.7	27 165 485	20 451 972	23.8
Bonusse uitbetaal	1.7	2 800 000	1 200 000	1.4
Toevoeging van bates	23.7	38 517 513	8 033 780	9.4
Waardevermindering	1.7	2 792 460	2 719 283	3.2
Herbelê in besigheid	31.4	51 013 359	17 573 580	20.5
Reserwes	24.5	39 813 359	6 773 580	7.9
Bonusse uitgestel	6.9	11 200 000	10 800 000	12.6
Inkomstebelasting	1.4	2 343 626	1 832 233	2.1
		<b>162 711 192</b>	<b>85 906 458</b>	



## BELANGRIKE FINANSIËLE VERHOUDINGS

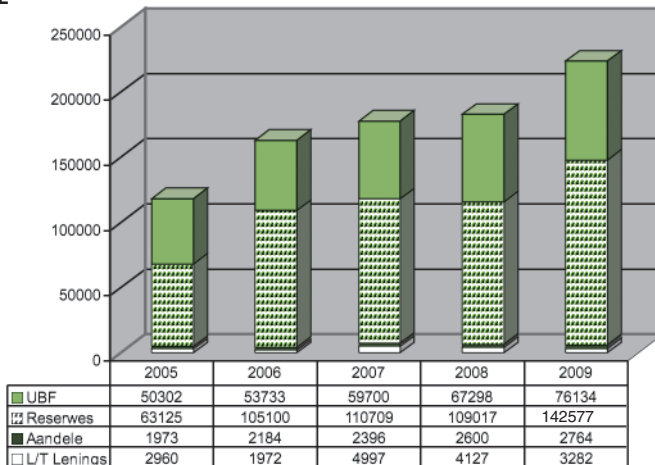
Die volgende verhoudings is belangrike maatstawwe waarmee die finansiële toestand gemeet kan word.

	Norm	2009	2008
Eie kapitaal:	30% (min)	53,7	46,0
Aangesuiwerde totale bates			
Ledebelang:	50% (min)	83,5	75,5
Aangesuiwerde totale bates			
Langtermynkapitaal:			
Langtermynbates + 50% van aangesuiwerde bedryfsbates	100%	96,6	92,0
Rentedraend:			
Rentevrye finansiering	50% (maks)	1,90%	1,70%
Bedryfskapitaal	2:1	1,11:1	1,16:1

## DEBITEURE

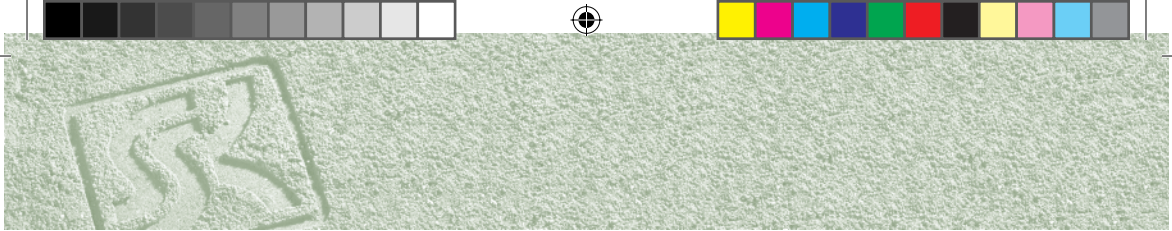
Die bestuur van debiteure is goed onder beheer. Daar is vanjaar voorsiening gemaak vir twyfelagtige skuld van R61 293.00, terwyl slegte skuld van slegs R61.40 afgeskryf is.

## KAPITAALBRONNE



Die stand van die Koöperasie se sake op 28 Februarie 2009 kan as volg opgesom word:





	<b>2009</b>	<b>2008</b>
Vaste Bates	64 826 871	29 111 822
Min: Langtermynlaste	<u>15 273 692</u>	<u>17 091 816</u>
	49 553 179	12 020 006
Beleggings en lenings	149 576 202	123 681 904
Netto bedryfskapitaal	<u>22 345 870</u>	<u>43 212 686</u>
Ledebelange	<u>221 475 251</u>	<u>178 914 596</u>

## FILIALE

Die prestasie van filiaalmaatskappye vir die jaar onder oorsig is as volg:

### Soill Groep

	<b>2009</b>	<b>2008</b>
Omset	303,269,412	202,167,597
Bedryfswins	59,280,664	35,950,018
Netto wins	34,535,060	19,856,467

### SSK Vervaardigers

Omset	70,556,575	52,869,948
Bedryfswins	2,050,740	1,325,911
Netto wins	790,303	415,358

### Technifarm

Omset	8,185,116	8,027,399
Bedryfswins	313,842	742,795
Netto wins	92,335	314,088

### Belang in nabelaste winste van filiale

Southern Oil Bpk (Soill)	20,473,013	12,505,684
SSK Vervaardigers (Edms) Bpk	790,303	415,358
Technifarm (Pty) Ltd	<u>64,635</u>	<u>219,862</u>
	<u>21,327,951</u>	<u>13,140,904</u>



## Geassosieerde maatskappy

Profert Suid-Kaap (Edms) Bpk

	2009	2008
Omset	33,876,842	56,091,403
Bedryfswins	1,472,154	2,432,975
Netto wins	1,059,951	1,761,857

## GRAAN

Klimaatstoestande in terme van veral reënval in die SSK bedieningsgebied gedurende die 2008/2009-produksieseisoen was nie gunstig vir graanproduksie nie. Opbrengste in die grootste gedeelte van die gebied was gevolglik teleurstellend laag. Die hoogste maandelikse reënval was in November toe dit nie meer 'n verskil kon maak aan die graanopbrengs nie. Die reën het ongelukkig skade tot gevolg gehad vir produsente wat nog besig was om te oes en hul graan se kwaliteit is erg daardeur benadeel.

Die algemene kwaliteit van die 2008/09-koringoes was steeds baie goed. Ten spyte van die gedeelte van die koringoes wat deur die reën beskadig is, was 41% van SSK se koring B1 en 37% B2. Die koring se proteïene was oor die algemeen uitsonderlik hoog, wat grootliks bygedra het tot die goeie grade.

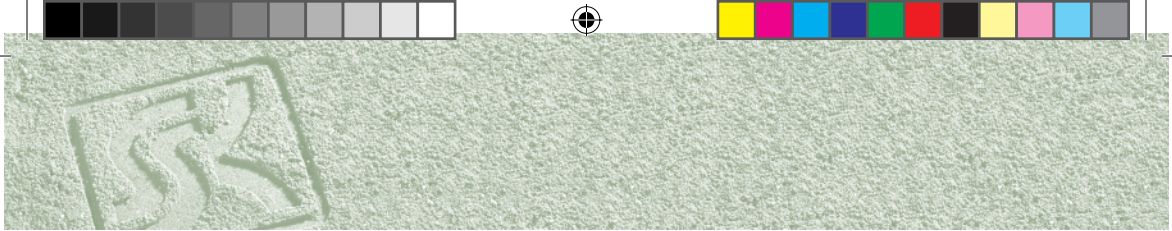
Die kwaliteit van die moutgars-oes was daarenteen gemiddeld tot ondergemiddeld, met 'n komponent wat ook deur die reën beskadig is. Dit het tot gevolg gehad dat produsente nie baie goeie kwaliteitspremies vir hul moutgars gerealiseer het nie.

Canola se kwaliteit was oor die algemeen goed, behalwe dat die gemiddelde olie-inhoud effens laer as vorige seisoene was.

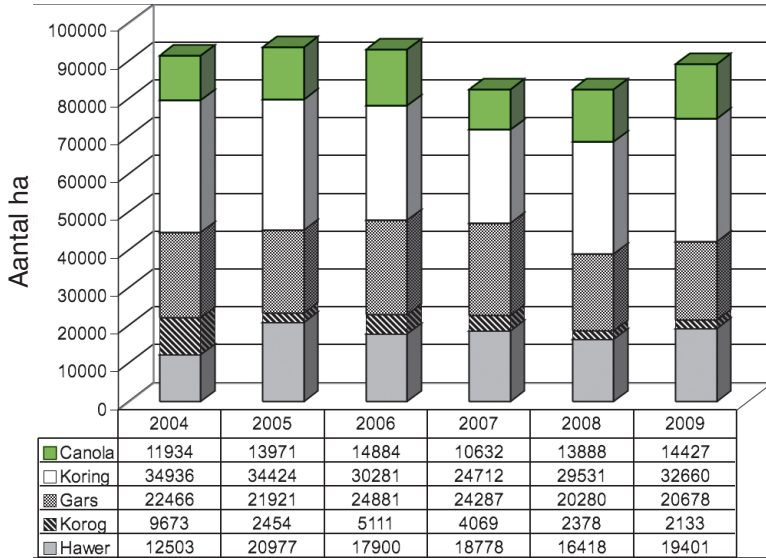
## Hektare gesaai/geplant

Steeds minder hektare is gesaai/geplant as in die tydperk 2004 tot 2006. Hektare koring, canola en hawer het wel effens toegeneem op grond van gunstige prysseine op daardie vroeë tydperk van die seisoen, maar daarteenoor het gars en korog afgeneem. Verlaagde afname in gars-gesaaides/aanplantings is 'n bekommernis vanuit SSK se perspektief en die hoop is dat vertroue in die bedryf spoedig herstel sal word.

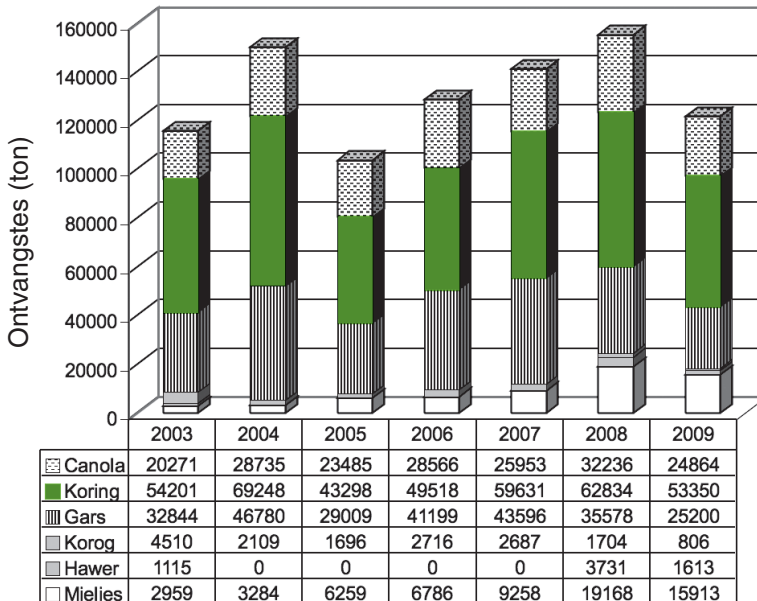




### Hektare gesaai/geplant



### Graanontvangstes





Alhoewel die afgelope jaar se totale silobesetting die laagste in vier jaar was, was dit steeds effens hoër as die langtermyn gemiddelde van sowat 110,000 ton per jaar. 14,164 ton canola vanaf die Overberg Agri, Tuinroete Agri en Swartland-gebiede wat by SSK gelewer is, en 15,913 ton mielies tesame met koring, voergars en korog wat vanuit ander distrikte by SSK silo's gelewer is, het bygedra tot 'n totale ontvangste van 121,745 ton. Slegs 82,613 ton (dws slegs 67.9%) was lewerings deur SSK-producente, wat 'n weerspieëling is van hoe swak die 2008/09-oes werklik was.

### Saadverkope (50-kg eenhede)

	VERKOPE 2004	VERKOPE 2005	VERKOPE 2006	VERKOPE 2007	VERKOPE 2008	VERKOPE 2009
Koring	30 334	21 027	20 086	23 684	31 061	23 606
Gars	18 985	16 517	1 855	13 083	10 926	12 582
Hawer	5 058	66 89	3 342	2 426	4 841	4 675
Korog	4 666	2 415	2 934	2 108	1 535	2 143
Canola	744	739	557	830	827	889
Lupiëne	390	625	242	253	476	500

Saadverkope is onder druk van "eie saad" wat producente terughou en vir eie saad laat skoonmaak. Dit skep egter geleenthede vir, maar plaas ook druk op, SSK se saadskoonmaak-fasiliteite.

### TOEKOMSBLIK

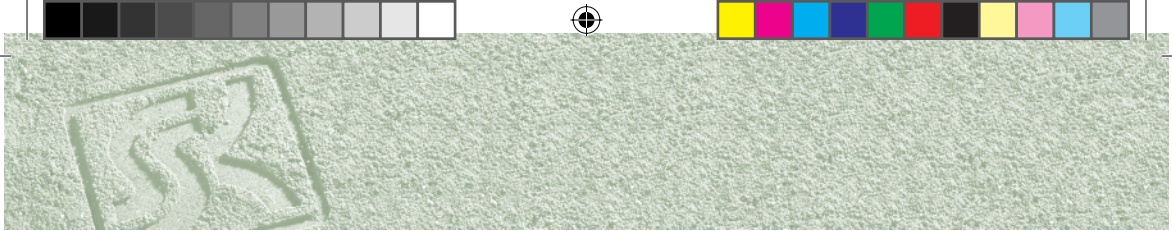
Onvoorspelbare klimaatstoestande, die ekonomiese resessie en politieke onstabieleit wêreldwyd skep onsekerhede in elke moontlike sfeer van die samelewing en die landbou is nie hiervan uitgesluit nie.

Die producente van SSK is te midde van genoemde onsekerheid toenemend afhanklik van die nodige bystand op elke moontlike gebied en dit is die Direksie en Bestuur se voorneme om gevestigde infrastruktuur en kundigheid wat oor jare deur die lede gevestig is, optimaal aan te wend as verlengstuk van ons lede vir ons lede.

Die Direksie en Bestuur is voortdurend besig met strategiese evaluering op elke moontlike gebied en sal, indien ekonomies geregverdig, nuwe projekte inisier ten einde diens aan sy lede voorop te stel en volhoubaarheid van die groep en sy lede te verseker.

Die vestiging en herstrukturering van filiale, verskuiwing van ons Handels- en Meganisasie-afdelings na die industriële gebied en die ontwikkeling van nuwe rekenaar-sagteware (SAP) is enkele voorbeelde van Bestuur se voorneme om aan te pas by die behoeftes van die tyd.





Presisie-boerdery is noodsaaklik vir produsente se toekomstige sukses en daar word deurlopend ook aandag gegee aan hierdie aspek ten einde nuwe tegnologie en dienslewering aan lede te verbreed.

Uit 'n politieke oogpunt verdien die jongste samestelling van die Ministerie van Landbou vermelding en is die positiewe sentiment wat uit landbougeledere daarmee gepaardgaan, gerusstellend vir die toekoms.

SSK se Direksie en Bestuur is te midde die uitdagings positief oor die toekoms en erken met nederigheid ons afhanklikheid van ons Hemelse Vader.

Ons weet nie altyd wat die toekoms inhou nie, maar ons het deur Genade toegang tot Hom wat die toekoms ken.



# SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries **FINANCIAL MANAGEMENT REVIEW 2008 – 2009**

## Background

The year under review was characterised by a below-average crop, with commodity prices (wheat) that did not meet expectations at harvest time. The result was that a portion of the harvest was traded later than normal and this had a temporary negative effect on the cash flow and debt position of members. The latter can also be seen from the status of SSK's debtors (transfer debt) at the financial year end.

Taking into account the still disproportionate increase in input costs during the past year, the poor exchange ratio is becoming an increasing cause for concern.

Handling of grain crops, despite a relatively poorer crop, has again been the main source of income (45% of gross profit). The Merchandising division contributed 32% to gross profit, with an increase in turnover of 12%. The Mechanisation division has also posted an improved performance as against prior years due to a significant contribution by the Engineering division and indirectly makes an important contribution to the success of other divisions. Cross-subsidisation between different divisions due to the service element of our specific type of enterprise remains a given.

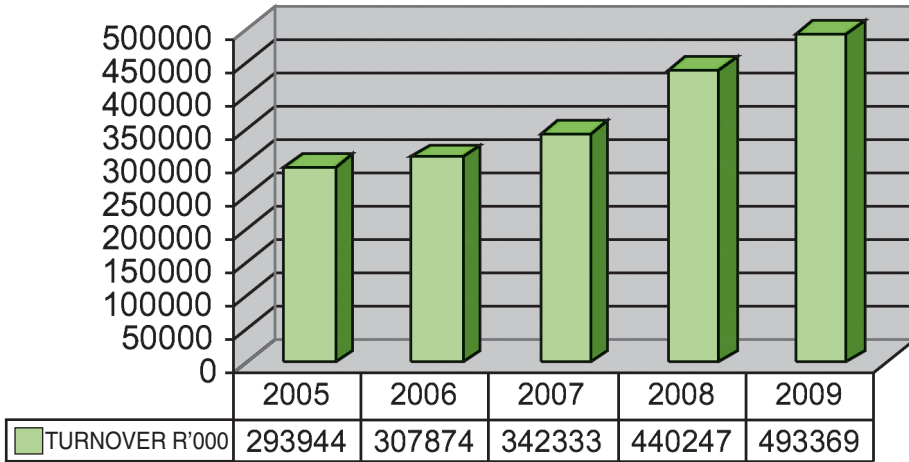
Taking into account an increase of 12% in total turnover, expenses increased by a significant 18%, a real increase of approximately 8%. The reason for this increase can mainly be ascribed to exceptional expenditure related to the development of a new computer software package (SAP) which would be implemented later this year.

SSK's goal to add value for its members through its subsidiaries is clearly evidenced in the group's financial results. SOILL in particular again deserves special mention. It is important, however, to take note that the restructuring of SOILL due to a BEE transaction has had a significantly positive effect on the net profit of SSK as a result of the payment of a dividend. The main portion of this dividend is, however, a once-off and does not have an effect on the group's figures.

In general, despite the poorer crop, SSK and the group have again enjoyed a very successful year in which most of the objectives have been achieved through the grace of our Heavenly Father.

## TOTAL TURNOVER

The total turnover with members and clients, including net grain income, has increased from R440 246 830 in 2007/2008 to R493 368 949 in 2008/2009. In real terms this is an increase of approximately 2%.



## NET INCOME/APPROPRIATION OF SURPLUS

The year's activities, despite an average crop, resulted in net income before taxation of R56 987 139 (2008: R20 605 813). However, note should be taken that R29 258 789 of the latter amount has been received from Soil in the form of a dividend with the restructuring of Soil for BEE. Net profit before dividend received from Soil therefore amounted to R27 728 350. Taxation payable amounted to R2 087 887. Provision for deferred taxation amounted to R255 739, giving a net income after taxation of R54 643 513. The surplus has been appropriated as follows:

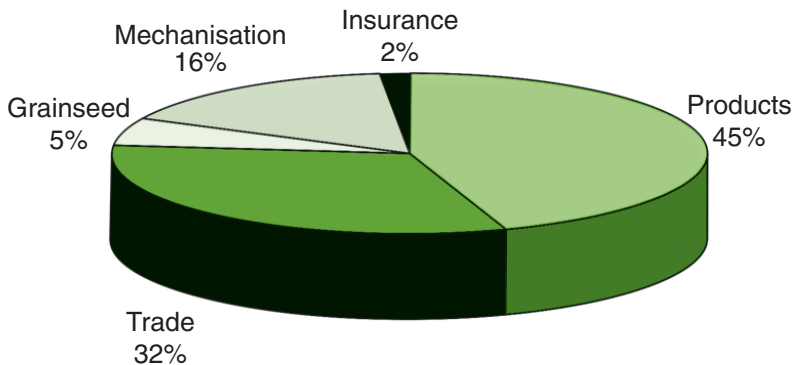
Bonuses	R14 000 000
Cash	R 2 800 000
Deferred	R11 200 000
Reserves	R40 643 513

## Operational accounts

	2009			2008				
	Turnover R	Gross profit R	Gross profit %	Turnover R	Gross profit R	Gross profit %	Increase in turnover	Increase in gross profit
Workshop and Electrician	22 864	3 035	13.27	16 608	793	4.77	37.67	282.88
Electrical division	1 276	37	2.88	570	58	10.26	123.75	(37.21)
Insurance and Services	20 775	1 007	4.85	16 509	756	4.58	25.84	33.06
Merchandising	317 300	19 266	6.07	282 560	16 631	5.89	12.29	15.85
Marketing	83 637	4 951	5.92	83 224	5 418	6.51	0.50	(8.63)
Spares	10 693	1 696	15.86	10 873	1 538	14.15	-1.66	10.25
Seedgrain	14 465	3 298	22.8	9 637	1 291	13.39	50.10	155.54
	<b>471 011</b>	<b>33 290</b>		<b>419 982</b>	<b>26 486</b>		<b>12.15</b>	<b>25.69</b>

The ratio of gross profit per division to the total gross profit in the amount of R60 352 552 (inclusive of Product Division) was as follows: (Gross profit was after deduction of operating salaries.)

### GROSS PROFIT PER DIVISION





## TOTAL EXPENDITURE

Total expenditure has increased by 18,79% in the year under review. Exceptional expenses for software development (SAP), essential maintenance and upgrading of assets, increase in turnover and staff appointments were the main reasons for the real increase in expenditure of approximately 8%.

## VALUE-ADDED STATEMENT

A value-added statement for the year under review was as follows:

	%	2009 R	2008 R	%
Turnover		493 368 949	440 246 830	
Net cost price of products and services		330 657 758	354 340 372	
Value added		<b>162 711 192</b>	<b>85 906 458</b>	
Utilised as follows:				
Employees	23,4	38 078 749	34 095 610	39,7
Wages / Salaries	22,1	36 018 043	31 259 506	36,4
Incentive bonus	1,3	2 132 706	1 836 142	2,1
Post-retirement medical cost	0,0	-72 000	999 962	1,2
Capital providers	18,4	29 965 485	21 651 972	25,2
Interest	16,7	27 165 485	20 451 972	23,8
Bonuses paid out	1,7	2 800 000	1 200 000	1,4
Addition of assets	23,7	38 517 513	8 033 780	9,4
Depreciation	1,7	2 792 460	2 719 283	3,2
Re-invested in business	31,4	51 013 359	17 573 580	20,5
Reserves	24,5	39 813 359	6 773 580	7,9
Deferred bonuses	6,9	11 200 000	10 800 000	12,6
Income tax	1,4	2 343 626	1 832 233	2,1
		<b>162 711 192</b>	<b>85 906 458</b>	

## IMPORTANT FINANCIAL RATIOS

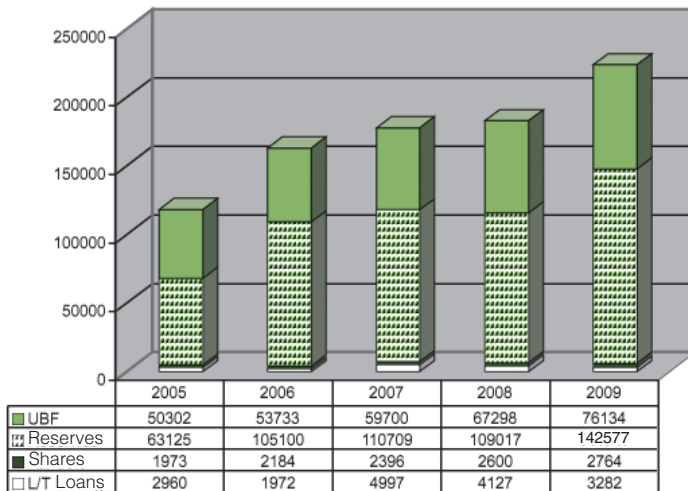
The following are important ratios for the measurement of the financial condition.

	Norm	2009	2008
Own capital:	30% (min)	53,7	46,0
Adjusted total assets			
Members' interest:	50% (min)	83,5	75,5
Adjusted total assets			
Long-term capital:			
Long-term assets + 50% of adjusted current assets	100%	96,6	92,0
Interest-bearing:			
Interest-free financing	50% (max)	1,90%	1,70%
Operating capital	2:1	1,11:1	1,16:1

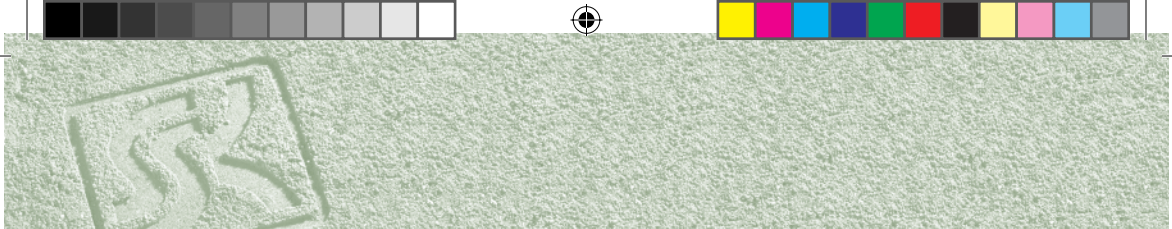
## DEBTORS

Management of debtors was well under control. Provision has been made this year for doubtful debts in the amount of R61 293,00, while only R61,40 has been written off as bad debt.

## CAPITAL SOURCES



The position of the Co-operative's affairs as at 28 February 2009 can be summarised as follows:



	<b>2009</b>	<b>2008</b>
Fixed assets	64 826 871	29 111 822
Less: Long-term liabilities	15 273 692	17 091 816
	<hr/>	<hr/>
	49 553 179	12 020 006
Investments and loans	149 576 202	123 681 904
Net operating capital	22 345 870	43 212 686
	<hr/>	<hr/>
Members' interests	221 475 251	178 914 596
	<hr/> <hr/>	<hr/> <hr/>

## SUBSIDIARIES

The performance of the subsidiary companies for the year under review is as follows:

### Soill Group

	<b>2009</b>	<b>2008</b>
Turnover	303,269,412	202,167,597
Operating profit	59,280,664	35,950,018
Net profit	34,535,060	19,856,467

### SSK Vervaardigers

Turnover	70,556,575	52,869,948
Operating profit	2,050,740	1,325,911
Net profit	790,303	415,358

### Technifarm

Turnover	8,185,116	8,027,399
Operating profit	313,842	742,795
Net profit	92,335	314,088

### Interest in after-tax profits of subsidiaries

Southern Oil Ltd (Soill)	20,473,013	12,505,684
SSK Vervaardigers (Pty) Ltd	790,303	415,358
Technifarm (Pty) Ltd	64,635	219,862
	<hr/>	<hr/>
	21,327,951	13,140,904
	<hr/> <hr/>	<hr/> <hr/>

## Associated company

### Profert Suid-Kaap (Pty) Ltd

	2009	2008
Turnover	33,876,842	56,091,403
Operating profit	1,472,154	2,432,975
Net profit	1,059,951	1,761,857

## GRAIN

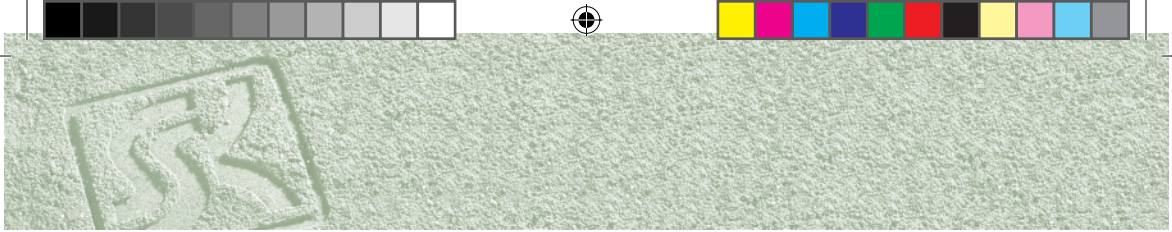
Climatic conditions, particularly in terms of rainfall, in the SSK service area during the 2008/2009 production season were not favourable for grain production. Yields in most parts of the area were therefore disappointingly low. The highest monthly rainfall occurred in November when it could no longer make any difference to the grain yield. The rain unfortunately caused damage where producers were still busy harvesting, impacting severely on the quality of the grain.

The general quality of the 2008/2009 wheat crop was, however, still very good. Despite the damage to part of the wheat crop caused by the rain, 41% of SSK's wheat was B1 and 37% was B2. Wheat had exceptionally high protein in general, which was the main contributor to the good grades. In comparison, the quality of the malting barley crop was average to below average, with a component which also suffered rain damage. This resulted in producers not realising very good quality premiums for their malting barley.

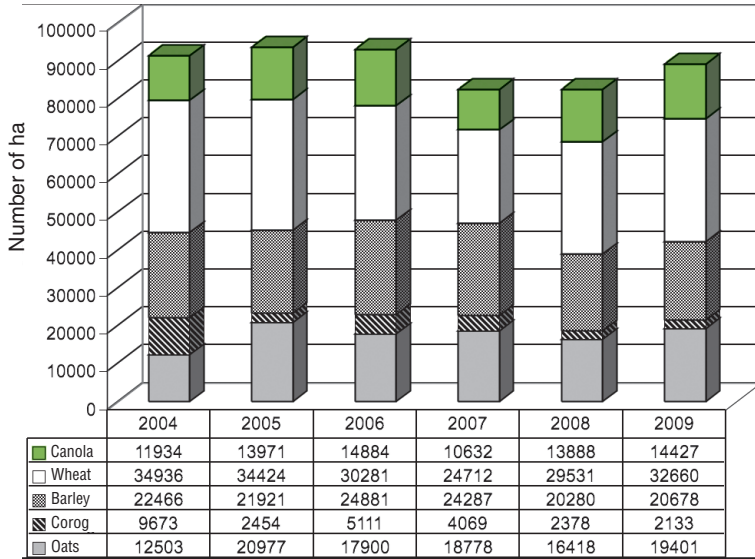
Canola's quality was good in general, apart from the average oil content being slightly lower than in previous seasons.

## Hectares sowed/planted

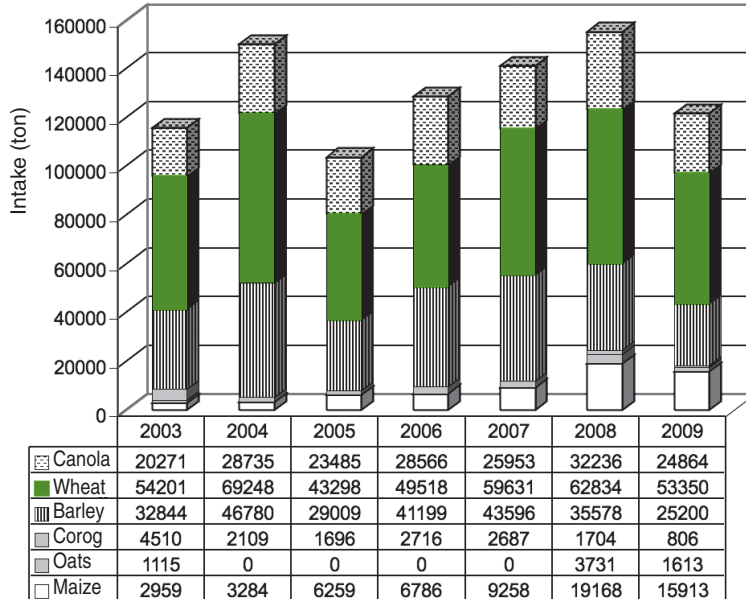
Less hectares were sowed/planted than in the 2004 to 2006 period. Hectares of wheat, canola and oats have shown a slight increase due to favourable price trends at that early stage of the season, but in comparison barley and korog decreased. The decrease in barley sowings/plantings in particular is a source of concern from SSK's perspective and we trust that confidence in the industry will be restored soon.



### Hectares sowed/planted



### Grain intakes



Although the silo occupation in the past year was the lowest in four years, it was still slightly higher than the long-term average of approximately 110,000 ton per year. 14,164 tons of canola from the Overberg Agri, Tuinroete Agri and Swartland areas delivered to SSK, and 15,913 tons of maize, together with wheat, feed barley and korog delivered to SSK's silos from other areas, have contributed to total intakes of 121,745 tons. Only 82,613 tons (i.e. only 67.9%) were deliveries from SSK's producers, which is a reflection of how poor the 2008/2009 season really was.

### Seed sales (50-kg units)

	SALES 2004	SALES 2005	SALES 2006	SALES 2007	SALES 2008	SALES 2009
Wheat	30 334	21 027	20 086	23 684	31 061	23 606
Barley	18 985	16 517	1 855	13 083	10 926	12 582
Oats	5 058	66 89	3 342	2 426	4 841	4 675
Korog	4 666	2 415	2 934	2 108	1 535	2 143
Canola	744	739	557	830	827	889
Lupin	390	625	242	253	476	500

Seed sales have been under pressure of "own seed" held back by producers and cleaned for own seed. This does, however, create opportunities but also places pressure on SSK's seed-cleaning facilities.

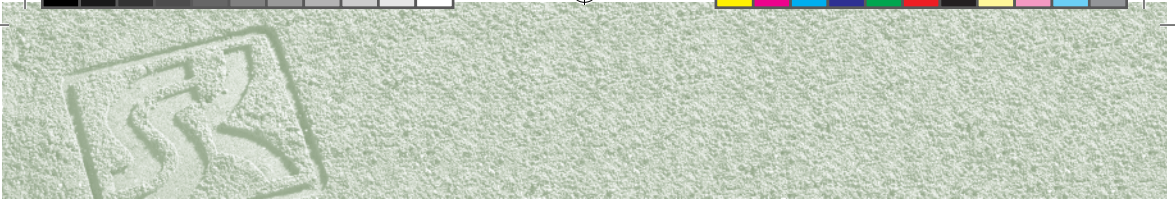
### PROSPECTS

Unpredictable climatic conditions, the economic recession and political instability world-wide create uncertainties in virtually every sphere of society and agriculture is not excluded from this.

In the midst of this uncertainty, the producers of SSK are increasingly dependent on the necessary support in every area and it is the intention of the Board and Management to optimally utilise the established infrastructure and expertise that have been built up by the members over years as an extension of our members for our members.

The Board and Management are continuously busy with strategic evaluation in every possible area and will, if economically viable, initiate new projects in order to give precedence to service to its members and to ensure the sustainability of the group and its members.

The establishment and restructuring of subsidiaries, the move of our Trade and Mechanisation divisions to the industrial area and the development of new computer software (SAP)



are some examples of Management's intent to adapt to the requirements of the time.

Precision farming is essential for the future success of producers and attention is given to this aspect on a continuous basis in order to broaden technology and service delivery to members.

From a political perspective, the new composition of the Ministry of Agriculture deserves mention and the positive sentiment that came from agriculture in this regard augers well for the future.

In the midst of all the challenges, SSK's Board and Management remain positive about the future and humbly acknowledge our dependency on our Heavenly Father.

We do not always know what the future will hold, but through grace we have access to Him who knows the future.

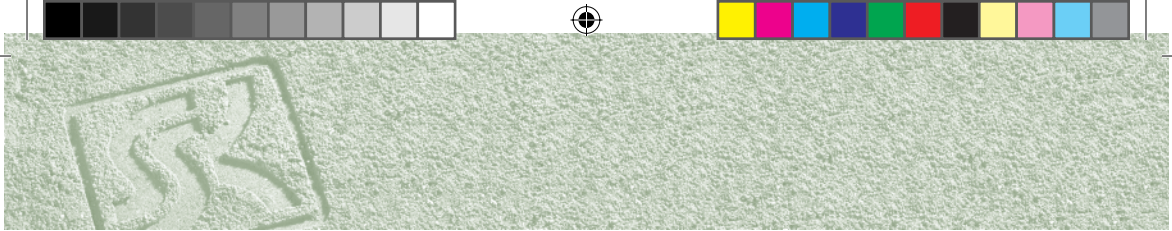


# SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale MEMORANDUM

U aandag word gevestig op die volgende aspekte van die voorgestelde nuwe gekonsolideerde statuut, welke statuut ter insae lê by die geregistreerde kantoor van die Koöperasie:

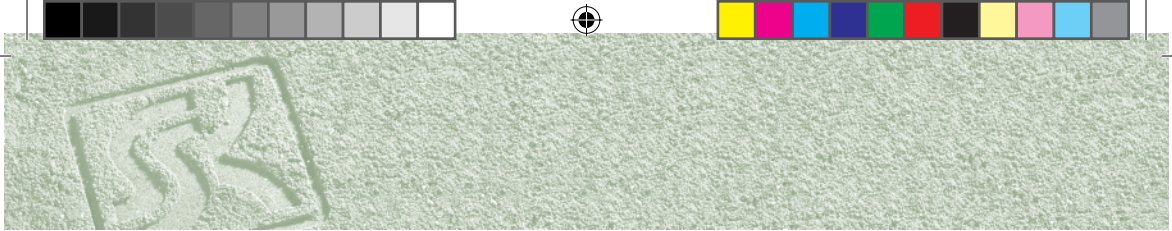
1. Die nuwe Koöperasiewet vereis dat daar in die statuut vermeld moet word of dit 'n primêre, sekondêre of tersiêre koöperasie is. Gevolglik is die omskrywing van die vorming van die koöperasie in paragraaf 1 van die statuut verander. Verder word dit vereis deur die Registrateur dat daar ook voorsiening gemaak word vir 'n vertaalde- en verkorte naam. Paragraaf 4 is gewysig om aan hierdie vereistes te voldoen.
2. Die definisie van "waarde van landbouprodukte" is gewysig, hoofsaaklik weens die rede vermeld in paragraaf 3 hieronder. Verder is verskeie nuwe definisies ingevoeg, onder andere "klandisieverhouding", "SSK-Oos" en "SSK-Wes".
3. Artikel 53 van die ou Koöperasiewet het gehandel met sogenaamde "nie-lede besigheid" en sekere belastingbepalings ten opsigte van "geslote koöperasies". Die nuwe Wet bevat egter glad nie soortgelyke bepalinge nie. Die feit dat die nuwe Wet nie 'n soortgelyke bepaling aan Artikel 53 bevat nie, veroorsaak, soos reeds vermeld, dat die definisies in paragraaf 2 van die statuut, asook die doelstellings in paragraaf 6 van die statuut, gewysig moes word.
4. Artikel 20 van die ou Wet het gehandel met die doelstellings van koöperasies. Artikel 3 van Gedeelte 4 in Skedule 1 van die nuwe Wet het 'n soortgelyke artikel, welke artikels gestalte vind in paragraaf 6 van die nuwe statuut.
5. Artikel 49 van die ou Wet het gehandel met bevoegdhede van koöperasies. Hierdie artikel is geïnkorporeer in paragraaf 7 van die nuwe statuut, waarin sekere beperkings op die bevoegdhede, soos in die ou Wet vervat, geplaas is. Die nuwe Wet bevat nie 'n artikel soortgelyk aan Artikel 49 van die ou Wet nie en gevolglik is paragraaf 7 van die nuwe statuut gewysig om voorsiening te maak vir die gebrek aan 'n soortgelyke artikel as dié van die ou Wet.
6. Paragraaf 7 van die nuwe statuut maak dus voorsiening vir omvangryke bevoegdhede aan die Koöperasie en u word versoek om spesifiek hierop te let.
7. Paragraaf 8 van die ou statuut word verwyder, aangesien die betrokke beperkings op lidmaatskap nie in terme van die nuwe Wet gedoen kan word nie. Volgens Artikel 3(1)(a) en 3(2) van die nuwe Wet kan lidmaatskap slegs beperk word op grond van die hoofbesigheid wat deur die koöperasie bedryf word, sowel as die kapasiteit





van die koöperasie om 'n uitbreiding van besigheid te hanteer. Die nuwe Wet vereis verder ook dat alle lede die dienste van die koöperasie moet gebruik. Behalwe vir voormelde uitsonderings moet 'n koöperasie se lidmaatskap oop wees vir alle persone wat die dienste van die koöperasie kan gebruik en in staat is om hulle verpligtinge teenoor die koöperasie na te kom.

8. Alle verwysings na die vorige Landbankwet is gewysig na die nuwe Wet. Sien paragraaf 20, ens.
9. Die tydperk vir terugbetaling van aandeelkapitaal in paragrawe 24 – 29 van die nuwe statuut is vervang tot hoogstens 2 jaar, soos vereis deur die nuwe Wet.
10. Paragrawe 41 en 42 van die ou statuut is gewysig in paragraaf 36 van die nuwe statuut en kan ongelukkig nie meer voorsiening maak vir direkteure wat nie lede is nie. In terme van die nuwe Wet moet alle direkteure ook lede wees. Voormelde wysiging affekteer ook paragrawe 45, 50 en 52 van die ou statuut, soos vervang met paragrawe 40, 41 en 47 in die nuwe statuut. Verder word daar voorsiening gemaak dat die Raad wel lede kan koöpteer as direkteure vir bepaalde kundigheid en ook konsultante vir die doel kan aanstel.
11. Die twee maande tydperk in paragraaf 58.1 van die ou statuut is vervang met die woorde "so spoedig moontlik" in paragraaf 53.1 van die nuwe statuut, aangesien die nuwe Wet nie meer die tydsbeperking van twee maande vereis nie.
12. Die boete van R200-00 (tweehonderd rand) in paragraaf 62(b) is vervang met R20 000-00 (twintigduisend rand) in paragraaf 57 in die nuwe statuut.
13. Die tydperk waarbinne die AJV moet plaasvind is 180 dae na datum van finansiële jaareinde. Sien paragraaf 61.
14. Slegs 1 lid – 1 stem sal voortaan geld en daar is geen voorsiening vir 'n geweegde stem nie. Sien paragraaf 72 van die nuwe statuut, wat paragraaf 75 van die ou statuut vervang.
15. Die twee maande tydperk in paragraaf 81 van die ou statuut is weereens vervang met die woorde "so spoedig moontlik" in paragraaf 78(1) van die nuwe statuut, aangesien die twee maande periode nie deur die nuwe Wet vereis word nie. Verder is 'n nuwe paragraaf 78.2 ingevoeg ten opsigte van rekordvereistes en goedkeuring van die notule.



16. Let op die invoeging van 'n nuwe paragraaf 79.2 in die nuwe statuut.
17. Paragraaf 83(a) van die ou statuut maak voorsiening vir 'n beperking op onversekerde lenings tot 20 (twintig) persone of 'n totale bedrag van R500 000-00 (vyfhonderd duisend rand). Hierdie beperking is weggelaat in paragraaf 80 van die nuwe statuut, aangesien hierdie beperkings uit die Bankwet verwyder is en nie meer vereis word nie.
18. Paragraaf 85(2) van die ou statuut is vervang met paragraaf 82.2 in die nuwe statuut. Geliewe daarop te let dat die borgvereiste geskrap is.
19. Geliewe te let op die invoeging van 'n nuwe paragraaf 88(a) in die nuwe statuut, welke bepaling nie voorgekom het in paragraaf 92 van die ou statuut nie. Voormelde bepaling word deur die nuwe Wet vereis. U moet ook daarop let dat hierdie 'n aparte reserwe is en nie verwys na u koöperasie se bestaande algemene reserwes nie.
20. Let op die invoeging van 'n nuwe paragraaf 92.5, wat volledig voorsiening maak vir die skep van nuwe ledefondse.
21. Let asseblief op die invoeging van 'n nuwe paragraaf 93 in die statuut ten opsigte van die verdeling van reserwes.
22. Die tegniese bewoording van paragraaf 97 van die nuwe statuut is gewysig ten einde spesifiek te bepaal dat die voorskotbetalings as lenings beskou moet word.
23. Paragraaf 111 van die ou statuut is geskrap.
24. Paragraaf 102 in die nuwe statuut is wesenlik verkort. Meeste van die bepalings in die ou statuut is vervang met die nuwe Kredietwet en gevolglik is dit raadsaam dat die terme van nuwe kredietooreenkomste eerder aan die diskresie van die raad oorgelaat word, wie op hulle beurt moet toesien dat daar voldoen word aan die bepalings van die nuwe Kredietwet.
25. Die nuwe Wet maak voorsiening dat 'n koöperasie in sy statuut kan voorsiening maak vir alternatiewe dispuut resolusiemetodes tussen 'n koöperasie en sy lede. Laasgenoemde word sterk aanbeveel, aangesien Hofprosedures dikwels duur en uitgerek is. Derhalwe is paragrawe 106 en 107 in die nuwe statuut ingevoeg ten einde voorsiening te maak vir die moontlikheid van alternatiewe dispuutresolusie.

26. Die omskrywing en bewoording wat in die ou statuut gebruik is aangaande "ledebelangefondse" en "ledeheffingsfondse" was moontlik dubbelsinnig. Hierdie aspekte is duidelik onderskei en meer doeltreffend bewoord.

U word versoek om die voorgestelde, nuwe gekonsolideerde statuut te bestudeer en enige navrae voor die Algemene Jaarvergadering aan die Sekretaris van die Koöperasie te rig.

GEDATEER te SWELLENDAM op hede die 11de dag van JUNIE 2009.



SEKRETARIS

SENTRAAL-SUID KOÖPERASIE





# SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries

## MEMORANDUM

Your attention is drawn to the following aspects of the proposed new consolidated Statute, which is available for inspection at the registered office of the Co-operative:

1. The new Co-operatives Act requires that mention be made in the Statute whether it is a primary, secondary or tertiary co-operative. The description of the establishment of the co-operative in paragraph 1 of the Statute has therefore been amended. It is furthermore required by the Registrar that provision also be made for a translated and abbreviated name. Paragraph 4 has been amended to comply with this requirement.
2. The definition of "value of agricultural products" has been amended, mainly due to the reason given in paragraph 3 below. In addition, various new definitions have been inserted, inter alia "goodwill ratio" and "SSK East" and "SSK West".
3. Article 53 of the old Co-operatives Act dealt with so-called "non-member business" and certain tax provisions with regard to "closed co-operatives". The new Act, however, does not contain any similar provisions. The fact that the new Act does not contain a similar provision to article 53 was the cause, as already mentioned, for the definitions in paragraph 2 of the Statute, as well as the objectives in paragraph 6 of the statute, had to be amended.
4. Article 20 of the old Act dealt with the objectives of co-operatives. Article 3 of Section 4 in Schedule 1 of the new Act has a similar article, which articles are embodied in paragraph 6 of the new Statute.
5. Article 49 of the old Act dealt with powers of co-operatives. This article had been incorporated into paragraph 7 of the new Statute, in which certain restrictions are placed on the powers, as contained in the old Act. The new Act does not contain an article similar to article 49 of the old Act and therefore paragraph 7 of the new Statute had been amended to make provision for the lack of a similar article to that of the old Act.
6. Paragraph 7 of the new Statute therefore makes provision for extensive powers to the Co-operative and you are requested to take specific note of this.
7. Paragraph 8 of the old Statute has been deleted as the specific restrictions may not be placed on membership in terms of the new Act. According to article 3(1)(a) and 3(2) of the new Act membership may only be restricted on the basis of the main business of the co-operative and the capacity of the co-operative to handle an expansion of the



business. The new Act furthermore requires that all members must make use of the services of the co-operative. Except for the aforementioned exceptions, a co-operative's membership must be open to all persons that can make use of the services of the co-operative and are able to fulfill their obligations towards the co-operative.

8. All references to the previous Land Bank Act have been amended to the new Act. See paragraph 20, etc.
9. The period for repayment of share capital in paragraphs 24 – 29 of the new statute has been replaced to be a maximum of 2 years, as required by the new Act.
10. Paragraph 41 and 42 of the old Statute had been amended in paragraph 36 of the new Statute and can unfortunately no longer make provision for directors who are not members. In terms of the new Act all directors have to be members. The said amendment also impacts on paragraphs 45, 50 and 52 of the old Statute, as replaced by paragraphs 40, 41 and 47 in the new Statute. Provision is furthermore made for the Board to co-opt members as directors for specific expertise and the Board may also appoint consultants for this purpose.
11. The two-month period in paragraph 58.1 of the old Statute had been replaced by the words "as soon as possible" in paragraph 53.1 of the new Statute, as the new Act no longer requires the time restriction of two months.
12. The penalty of R200-00 (two hundred rand) in paragraph 62(b) has been replaced by R20 000-00 (twenty thousand rand) in paragraph 57 in the new Statute.
13. The period in which the AGM must be held is 180 days after date of the financial year end. See paragraph 61.
14. Only 1 member – 1 vote would apply in future and there is no provision for a weighted vote. See paragraph 72 of the new Statute, which replaces paragraph 75 of the old Statute.
15. The two month period in paragraph 81 of the old Statute has similarly been replaced by the words "as soon as possible" in paragraph 78(1) of the new Statute as the two month period is no longer required by the new Act. In addition, a new paragraph 78.2 had been inserted with regard to requirements of recording and approval of minutes.



16. Please note the insertion of a new paragraph 79.2 in the new Statute.
17. Paragraph 83(a) of the old Statute makes provision for a restriction on unsecured loans to 20 (twenty) persons or a total amount of R500 000-00 (five hundred thousand rand). This restriction has been omitted in paragraph 80 of the new Statute as this restriction has been removed from the Bank Act and is no longer required.
18. Paragraph 85(2) of the old Statute has been replaced by paragraph 82.2 in the new Statute. Please note that the requirement for suretyship had been omitted.
19. Please take note of the insertion of a new paragraph 88(a) in the new Statute, which provision did not appear in paragraph 92 of the old Statute. The said provision is required by the new Act. Please also take note that this is a separate reserve and does not refer to your co-operative's existing general reserve.
20. Please take note of the insertion of a new paragraph 92.5 which makes full provision for the creation of new members' funds.
21. Please take note of the insertion of a new paragraph 93 in the Statute with regard to the appropriation of reserves.
22. The technical wording of paragraph 97 of the new Statute has been amended in order to stipulate specifically that the advance payments should be regarded as loans.
23. Paragraph 111 of the old Statute has been deleted.
24. Paragraph 102 in the new Statute had been shortened significantly. Most of the provisions in the old Statute has been replaced by the new Credit Act and it is therefore judicious that the terms of new credit agreements should rather be left to the discretion of the Board who, in turn, has to ensure that the provisions of the new Credit Act are complied with.
25. The new Act makes provisions for a co-operative to make provision in its Statute for alternative dispute resolution methods between the co-operative and its members. This is strongly recommended as Court procedures can be expensive and lengthy. Paragraphs 106 and 107 had therefore been inserted into the new statute in order to make provision for the possibility of alternative dispute resolution.



26. The definition and wording used in the old Statute with regard to “members’ interest funds” and “members’ levy funds” may have been ambiguous. These aspects are now clearly distinguished and effectively worded.

You are requested to study the proposed new, consolidated Statute and direct any queries in this regard before the Annual General Meeting to the Secretary of the Co-operative.

DATED at SWELLENDAM on this, the 11th day of JUNE 2009.



SECRETARY  
SENTRAAL-SUID CO-OPERATIVE

# SPESIALE BESLUIE

## LENINGS

### 1. Kaskredietlening

Die doel is om die volgende besluite te oorweeg, en indien wenslik geag, aan te neem.

1.1 Dit word besluit om hiermee goed te keur dat Sentraal-Suid Koöperasie Beperk (hierna genoem die KOÖPERASIE) van handelsbanke en/of finansiële instellings en/of koöperasies en/of die Land- en Landboubank van Suid-Afrika en/of sy lede en/of ander instansies kaskredietlenings/ledefondse verkry van hoogstens R400 000 000 (Vierhonderd Miljoen Rand) vir die doeleindes om die volgende aktiwiteite en ondernemings van die koöperasie te finansier.

#### 1.1.1 LANDBOUPRODUKTE

Die finansiering van voorskotte en/of aankooppryse van landbouprodukte en diverse gepaardgaande koste.

#### 1.1.2 DIVERSE PRODUKTE

Die finansiering van diverse landbouprodukte.

#### 1.1.3 IMPLEMENTE

Die finansiering van landboumasjinerie en implemente (Voorraad en ledeskuld).

#### 1.1.4 PRODUKSIEMIDDELE

Die finansiering van produksiemiddele (Voorraad en ledeskuld).

#### 1.1.5 FILIALE

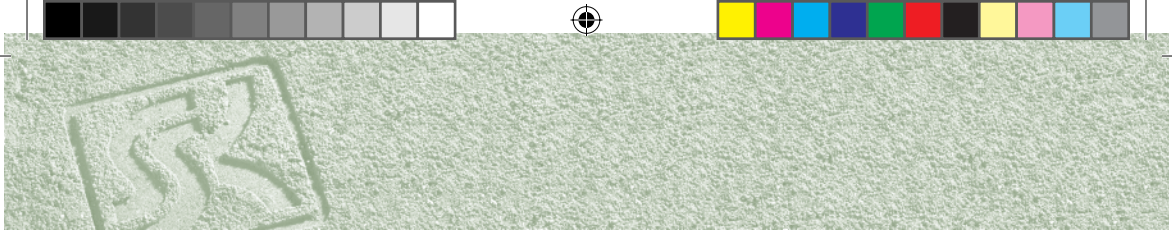
Finansiering van ledeverwante bedrywighede van die filiale van die koöperasie.

#### 1.1.6 WAARBORGE

Om waarborge vir die koöperasie en/of sy filiale se wettige doeleindes te laat uitreik.

Voorts word daar uit hoofde van hierdie goedkeuring besluit dat die Raad van Direkteure van die koöperasie die bedoelde voorskot van R400 000 000 (Vierhonderd Miljoen Rand) hoogstens vir gemelde doeleindes by die Landbank en/of finansiële instellings aangaan en twee persone behoorlik daartoe magtig om sodanige stappe te doen en sodanige dokumente te teken as wat nodig sal wees om aan die besluit gevolg te gee en uit te voer; om enige aanbod van 'n voorskot deur die Landbank en/of finansiële instellings ten opsigte van 'n aansoek wat uit





die besluit voortspruit, aan te neem en om toe te stem tot sodanige voorwaardes as wat hul billik mag ag en voorts, om indien nodig, aansoek by die Landbank en/ of finansiële instellings te doen om sodanige kleiner bedrag as wat mag toegestaan gewees het, te verhoog binne die perke van die besluit; om enige aanbod van 'n verhoogde voorskot aan te neem en eweneens toe te stem tot die voorwaardes daaraan verbonde: om, indien daartoe versoek, aan die Landbank en/ of finansiële instellings te sedeer al die koöperasie se regte en aanspraak op en belang by:

die bedrag van ingeskrewe maar onopbetaalde kapitaal en die bedrag van enige voorwaardelike aanspreeklikheid verbonde aan die aandele deur die koöperasie uitgereik of wat later uitgereik mag word en die bedrag van skulde wat nou aan die koöperasie verskuldig is of later mag word.



# SPECIAL RESOLUTION

## LOANS

### 1. Credit cash loan

The purpose is to consider and, if deemed appropriate, adopt the following resolutions.

1.1 Resolved hereby to grant approval for Sentraal-Suid Co-operative Limited (hereinafter referred to as the co-operative) to obtain from commercial banks and/or financial institutions and/or co-operatives and/or the Land and Agricultural Bank of South Africa and/or its members and/or other institutions credit cash loans/ member funds of no more than R400 000 000 (Four Hundred Million Rand) for the purpose of financing the following activities and undertakings of the co-operative.

#### 1.1.1 AGRICULTURAL PRODUCTS

The financing of advances and/or purchase prices of agricultural products and sundry coupled costs.

#### 1.1.2 SUNDRY PRODUCTS

The financing of sundry agricultural products.

#### 1.1.3 IMPLEMENTS

The financing of agricultural machinery and implements (Stock and members' debts).

#### 1.1.4 MEANS OF PRODUCTION

The financing of production means (Stock and members' debts).

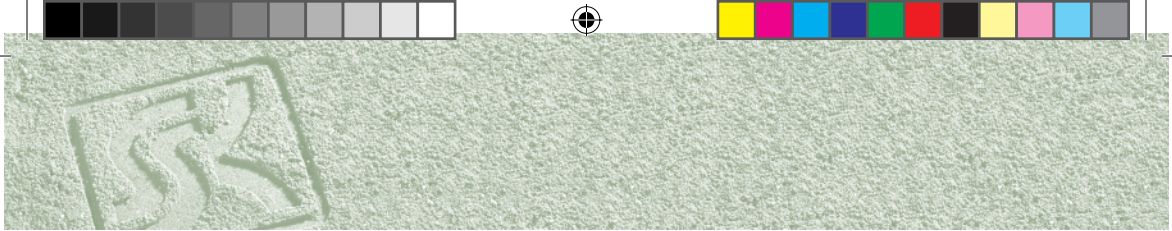
#### 1.1.5 SUBSIDIARIES

Financing of member-related activities of the subsidiaries of the co-operative.

#### 1.1.6 GUARANTEES

To have guarantees issued for the legal objectives of the co-operative and/ or its subsidiaries.

Further resolved by virtue of this resolution that the Board of Directors of the co-operative at most raise said advance of R400 000 000 (Four Hundred Million Rand) for said purposes at the Land Bank and/or financial institutions and duly authorise two persons to take such steps and sign such documents as may be necessary to carry out and execute the resolution; to accept any offer of an advance by the



Land Bank and/or financial institutions in respect of an application arising from the resolution and agree to such conditions as they may deem reasonable and furthermore, if necessary, to apply at the Land Bank and/or financial institutions to increase such smaller amount as may have been granted within the limits of the resolution; to accept any offer of an increased advance and equally to agree to the conditions attaching thereto; and to cede, if requested to do so, to the Land Bank and/or financial institutions all of the co-operative's rights and claims to and interests in:

the amount of subscribed but unpaid capital and the amount of any contingent liability attaching to the shares issued or later to be issued by the co-operative and the amount of any indebtedness owing to or later becoming owing to the co-operative.