

UITNODIGING

U word hartlik uitgenooi na die
Algemene Jaarvergadering van SSK
te Heidelberg op Vrydag, 23 Julie 2010
om 10h00 in die Stadsaal. Ligte ver-
versings sal vanaf 09h30 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
Heidelberg to be held on Friday,
23 July 2010 at 10h00 in the City Hall.
Light refreshments will be served
from 09h30. 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,
23 Julie 2010 om 10h00 in die Stadsaal, Heidelberg gehou sal word.

Notice is hereby given that the Annual General Meeting of SSK will be held on Friday ,
23 July 2010 at 10h00 in the City Hall, Heidelberg.

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 2009
Approval of the Minutes of the Annual General Meeting 2009
- 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 Kaskredietlenings (sien bladsy 40) / Credit cash loans (see page 42)



D F JORDAAN
Sekretaris / Secretary

KOÖPERASIEBESONDERHEDE / DETAILS OF THE CO-OPERATIVE

Raad van Direkteure / Board of Directors

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

Bestuur / Management

E J Pelser – Hoofbestuurder en Hoof Uitvoerende Beampte
– General Manager and Chief Executive Officer
D F Jordaan – Hoofbestuurder – Administrasie en Finansies
– General Manager – Administration and Finance
C H de Beer – Hoofbestuurder – Bedrywe
– General Manager – Operations

Sekretaris / Secretary

D F Jordaan

Geregistreeerde 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 gerusstelling 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 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 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 direksie-komiteevergaderings. 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:



PZ Lourens – Voorsitter



D H van Papendorp – Ondervoorsitter

Die finansiële state soos uiteengesit op bladsye 8 tot 19 word hiermee in terme van Artikel 48 van die Koöperasiewet, 2005, deur die algemene jaarvergadering goedgekeur en deur die voorsitter onderteken ter bevestiging daarvan.

Voorsitter – Heidelberg
23 Julie 2010



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.



PZ Lourens – Chairperson



D H van Papendorp – Vice-Chairperson

The financial statements as presented on pages 8 to 19, is herewith approved in terms of section 48 of the Co-operatives Act 2005 by the annual general meeting and signed by the chairman as confirmation thereof.

Chairman – Heidelberg
23 July 2010

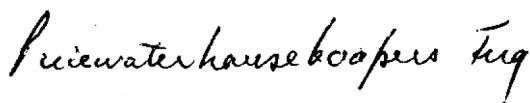
VERSLAG VAN DIE ONAFHANKLIKE OUDITEURE AAN DIE LEDE EN DIREKTEURE VAN SENTRAAL-SUID KOÖPERASIE BEPERK

Die meegaande opgesomde finansiële state en groepsfinansiële state van Sentraal-Suid Koöperasie Beperk is opgestel vanuit die finansiële state van Sentraal-Suid Koöperasie Beperk vir die jaar geëindig 28 Februarie 2010. Die opgesomde finansiële state is die verantwoordelikheid van die koöperasie se direkteure. Dit is ons verantwoordelikheid om 'n mening uit te spreek of die opgesomde finansiële state in alle wesentliche opsigte in ooreenstemming is met die finansiële state waaruit dit opgestel is.

Ons het ons audit van die finansiële state van Sentraal-Suid Koöperasie Beperk vir die jaar geëindig 28 Februarie 2010, waaruit die opgesomde finansiële state opgestel is, ooreenkomstig "*International Standards on Auditing*" uitgevoer. In ons verslag gedateer 28 Junie 2010 het ons 'n ongekwalifiseerde mening uitgespreek oor die finansiële state wat as grondslag gebruik is vir die opstel van die opgesomde finansiële state.

Na ons mening is die meegaande opgesomde finansiële state in alle wesentliche opsigte in ooreenstemming met die finansiële state waaruit dit opgestel is.

Om 'n beter begrip van Sentraal-Suid Koöperasie Beperk se finansiële stand, finansiële prestasie en kontantvloei vir die jaar wat op daardie datum geëindig het asook van die omvang van ons audit, behoort die opgesomde finansiële state saamgelees te word met die finansiële state waaruit die opgesomde finansiële state opgestel is, asook ons ouditeursverslag daaroor.



PricewaterhouseCoopers Ing
Direkteur: J C P Bekker
Geregistreerde Ouditeur

Worcester
28 Junie 2010



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS 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 2010. 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.

We have audited the financial statements of Sentraal-Suid Co-operative Limited for the year ended 28 February 2010, from which these summarised financial statements were derived, in accordance with *International Standards on Auditing*. In our report dated 28 June 2010 we expressed an unqualified opinion on the financial statements from which the summarised financial statements were derived.

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

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

28 June 2010

SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale

DIREKTEURSVERSLAG vir die jaar geëindig 28 Februarie 2010

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 2010, 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 bemaking 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

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

Die ledetal het as volg gewissel:

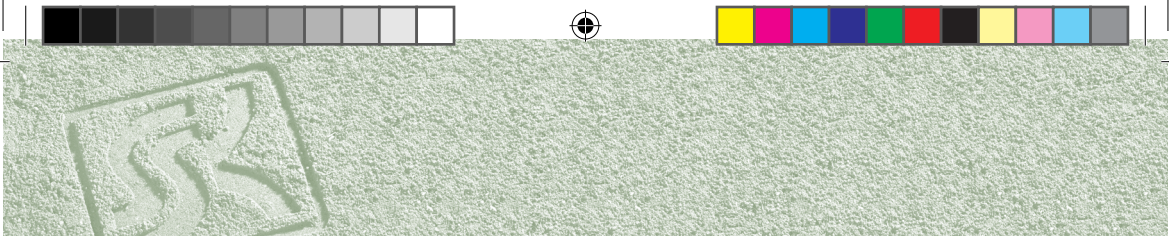
Ledetal aan begin van jaar		849
Min Afgestorwe lede	6	
Lede wat boerdery gestaak het	12	18
		831
Plus Toetredings		31
		862

3 Finansiële resultate

Die volledige verslag van die groep se finansiële resultate word in die finansiële state, aantekeninge tot 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 distri-



busieskema ingevolge Artikel 89 van die Statuut. Volledige inligting rakende die aanwending van die surplus word in die aantekeninge tot die finansiële state weergegee.

5 Filiaalmaatskappye

Die koöperasie het tans beleggings in vyf filiaalmaatskappye, naamlik:

Direk	Belang		Hoofdoelstelling
	2010	2009	
(a) Southern Oil Beperk	60%	60%	Ekstraksie van olie uit hoofsaaklik canolasaad en die raffinering en bemarking van 'n gedifferensieerde reeks olies en proteinprodukte.
(b) SSK Vervaardigers (Eiendoms) Beperk	100%	100%	Vervaardiging van veevoer.
(c) Technifarm (Proprietary) Limited	50%	70%	Presisie boerderydienste en verskaffing van toerusting.
(d) Sentraal-Suid Beleggings (Eiendoms) Beperk	100%	100%	Beleggingsmaatskappy met verwante aktiwiteite.
Indirek			
(e) Swartland Oliepers (Eiendoms) Beperk	50%	50%	Ekstraksie van olie uit hoofsaaklik canolasaad en die ekstrasie van voermengsels.

6 Belegging in geassosieerde maatskappy

Profert Suid-Kaap (Eiendoms) Beperk

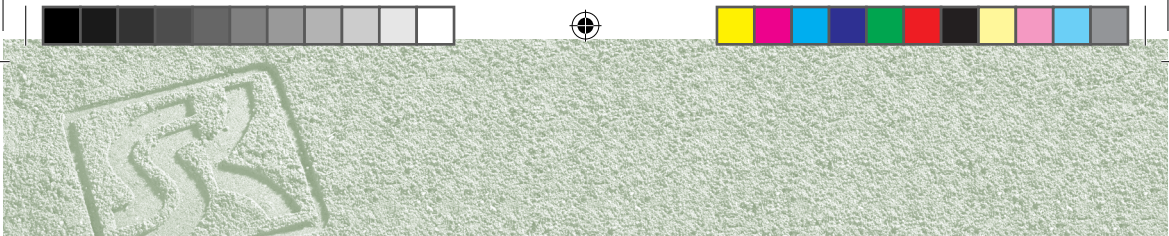
Sentraal-Suid Koöperasie Beperk besit 'n 50% belang in dié maatskappy. Die maatskappy bemark kunsmis.

7 Aandelekapitaal

124 000 aandele is vanjaar uitgereik, terwyl 72 000 aandele ingetrek is, waarvan sommige deels opbetaalde aandele bedra.

8 Direkteure

Besonderhede van die koöperasie se direkteure, sekretaris en geregistreeerde kantoor verskyn by die koöperasiebesonderhede. (bladsy 3)



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 toegeneem met R36 518 211 (2009 afdruk – R8 265 649) weens die herwaardasie van beleggings ingevolge die rekeningkundige standpunt IAS 39. Die surplus is direk in die staat van omvattende inkomste verantwoord.

11 Wesenlike gebeure na jaareinde

Die direkteur is nie bewus van enige wesenlike fout, omstandigheid, gebeurtenis of aangeleentheid wat in die rekenpligtige tydperk of in die tydperk tussen die rekenpligtige 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 innige 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 auditpligte, 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 50 van die Koöperasiewet.

SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries

DIRECTORS' REPORT for the year ended 28 February 2010

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 2010, 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

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

The number of members changed as follows:

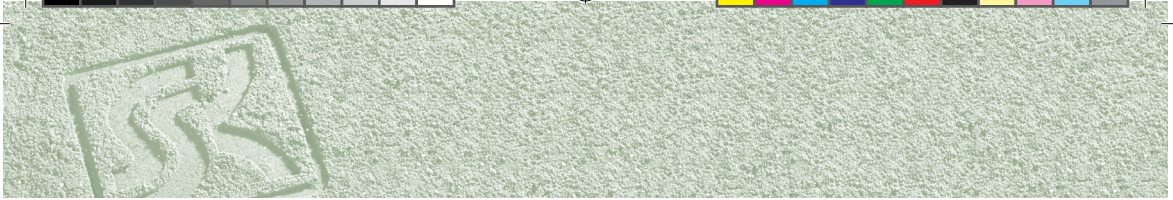
Number of members at beginning of year		849
Less Deceased members	6	
Members who stopped farming	12	18
		831
Plus New members		31
		862

3. Financial results

The detailed report of the group's financial results appears in the financial statements, notes to 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 89 of the Articles. Full details regarding the utilisation of the surplus are given in the notes to the financial statements.



5. Subsidiaries

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

Direct	Interest		Main objectives
	2010	2009	
(a) Southern Oil Limited (SOILL)	60%	60%	Extraction of oil mainly from canola seed and the refinement and marketing of a differentiated series of oils and protein products.
(b) SSK Vervaardigers (Proprietary) Limited	100%	100%	Manufacturing of animal feed.
(c) Technifarm (Proprietary) Limited	50%	70%	Precision farming services and provision of equipment.
(d) Sentraal-Suid Beleggings (Proprietary) Limited	100%	100%	Investment company with related activities.
Indirect			
(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

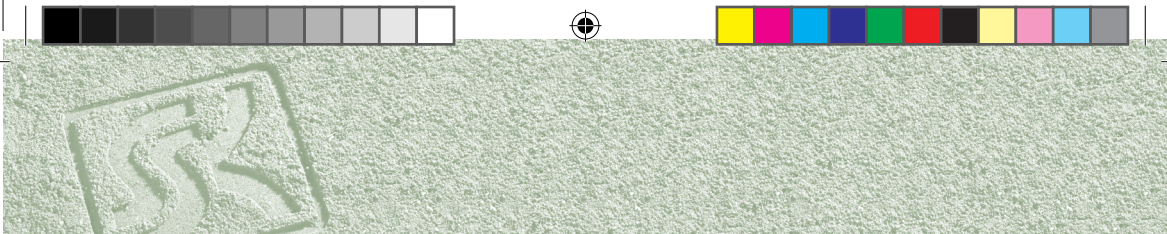
Sentraal-Suid Co-operative Limited owns a 50% interest in this company. The company markets fertilizer.

7. Share capital

124 000 shares were issued this year, while 72 000 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. (page 3)



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 increased by R36 518 211 (2009 decrease – R8 265 649) due to the revaluation of investments in terms of the accounting statement IAS 39. The surplus has been directly accounted in the statement of comprehensive income.

11. Material events after year-end

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 50 of the Co-operatives Act.

SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale

STAAT VAN FINANSIËLE POSISIE soos op 28 Februarie 2010

	GROEP		KOÖPERASIE	
	2010 R'000	2009 R'000	2010 R'000	2009 R'000
BATES				
Nie-bedryfsbates				
Eiendom, aanleg en toerusting	102 453	98 583	64 551	63 447
Ontasbare bates	3 107	1 965	2 254	1 380
Beleggings in filiaalmaatskappye			45 007	47 665
Belegging in geassosieerde	1 357	1 357	–	–
Finansiële bates beskikbaar vir verkoop	93 472	56 953	93 420	56 902
Afbetalingsverkooppooreenkomste	40 195	44 636	40 394	45 009
Uitgestelde belastingbate	2 066	1 740	–	–
	242 650	205 234	245 626	214 403
Bedryfsbates				
Voorraad	268 038	178 131	132 605	57 495
Produksielenings en ander debiteure	220 235	189 192	191 305	152 520
Korttermynlenings – filiale			9 110	15 100
Inkomstebelasting	2 415	174	978	–
Kontant en kontantekwivalente	8 787	3 967	4 472	1 580
	499 475	371 464	338 470	226 695
Totale bates	742 125	576 698	584 096	441 098
EKWITEIT EN AANSPREEKLIKHEDE				
Kapitaal en reserwes				
Reserwes	222 155	168 236	181 932	142 577
Aandelekapitaal	2 847	2 752	2 859	2 764
Ledebelang	225 002	170 988	184 791	145 341
Minderheidsbelang	26 719	15 945		
	251 721	186 933	184 791	145 341
Totale ekwiteit	72 258	73 602	76 387	76 134
Ledefondse	323 979	260 535	261 178	221 475
Nie-bedryfslaste				
Langtermynlenings	34 285	6 964	30 886	3 282
Uitgestelde belastingaanspreeklikheid	18 873	12 870	12 964	7 686
Na-aftrede mediese voordele	4 458	4 589	4 157	4 305
Uitgestelde inkomste	1 629	–	–	–
	59 245	24 423	48 007	15 273
Bedryfslaste				
Handels- en ander krediteure	42 499	46 330	29 978	30 564
Korttermynlenings	245 637	172 685	244 933	171 735
Bankoortrekking	70 548	59 574	–	1 612
Korttermyndeel van uitgestelde inkomste	204	–	–	–
Inkomstebelasting	13	13 151	–	439
	358 901	291 740	274 911	204 350
Totale ekwiteit en aanspreeklikhede	742 125	576 698	584 096	441 098

SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries

STATEMENT OF FINANCIAL POSITION as at 28 February 2010

	GROUP		CO-OPERATIVE	
	2010 R'000	2009 R'000	2010 R'000	2009 R'000
ASSETS				
Non-current assets				
Property, plant and equipment	102 453	98 583	64 551	63 447
Intangible assets	3 107	1 965	2 254	1 380
Investment in subsidiaries			45 007	47 665
Investments in associate	1 357	1 357	–	–
Investments available-for-sale	93 472	56 953	93 420	56 902
Instalment sale agreements	40 195	44 636	40 394	45 009
Deferred taxation asset	2 066	1 740	–	–
	242 650	205 234	245 626	214 403
Current assets				
Stock	268 038	178 131	132 605	57 495
Production loans and other debtors	220 235	189 192	191 305	152 520
Short-term loans – subsidiaries			9 110	15 100
Income tax	2 415	174	978	–
Cash and cash equivalents	8 787	3 967	4 472	1 580
	499 475	371 464	338 470	226 695
Total assets	742 125	576 698	584 096	441 098
EQUITY AND LIABILITIES				
Capital and reserves				
Reserves	222 155	168 236	181 932	142 577
Share capital	2 847	2 752	2 859	2 764
Members' interest	225 002	170 988	184 791	145 341
Minority interest	26 719	15 945		
	251 721	186 933	184 791	145 341
Total equity	72 258	73 602	76 387	76 134
Members' funds	323 979	260 535	261 178	221 475
Non-current liabilities				
Long-term loans	34 285	6 964	30 886	3 282
Deferred taxation liability	18 873	12 870	12 964	7 686
Post-retirement medical benefits	4 458	4 589	4 157	4 305
Deferred income	1 629	–	–	–
	59 245	24 423	48 007	15 273
Current liabilities				
Trade and other creditors	42 499	46 330	29 978	30 564
Short-term loans	245 637	172 685	244 933	171 735
Bank overdraft	70 548	59 574	–	1 612
Short-term deferred income	204	–	–	–
Income tax	13	13 151	–	439
	358 901	291 740	274 911	204 350
Total equity and liabilities	742 125	576 698	584 096	441 098

SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale

STAAT VAN OMVATTENDE INKOMSTE vir die jaar geëindig 28 Februarie 2010

	GROEP		KOÖPERASIE	
	2010 R'000	2009 R'000	2010 R'000	2009 R'000
Inkomste	691 587	784 428	475 279	493 368
Koste van verkope	(565 244)	(633 735)	(406 839)	(418 680)
Bruto wins	126 343	150 693	68 440	74 688
Ander bedryfsinkomste	30 576	30 804	25 985	57 847
Administratiewe uitgawes	(28 286)	(25 521)	(17 921)	(15 340)
Ander bedryfsuitgawes	(58 482)	(50 556)	(50 196)	(43 863)
Bedryfswins	70 151	105 420	26 308	73 332
Finansieringsinkomste	1 942	3 039	6 682	10 858
Finansieringskoste	(24 497)	(31 780)	(21 131)	(27 204)
Wins voor verdienste van geassosieerde Ekwiteitswins in geassosieerde maatskappy	47 596 –	76 679 513	11 859	56 986
Wins voor bonusse	47 596	77 192	11 859	56 986
Bonusse verklaar	(3 500)	(14 000)	(3 500)	(14 000)
Uitgestel	(3 500)	(11 200)	(3 500)	(11 200)
Kontant	–	(2 800)	–	(2 800)
Wins voor belasting	44 096	63 192	8 359	42 986
Belasting	(11 788)	(17 085)	(412)	(2 343)
Wins vir die jaar	32 308	46 107	7 947	40 643
Ander omvattende inkomste	36 518	(8 265)	36 518	(8 265)
Billike waarde aanpassing van beleggings	–	–	–	–
Uitgestelde belasting op billike waarde aanpassing	(5 111)	1 157	(5 111)	1 157
Totale omvattende inkomste vir die jaar	63 715	38 999	39 354	33 535
Wins vir die jaar toeskryfbaar aan:				
Lede	53 697	24 909	39 354	33 535
Minderheidsbelang	10 018	14 090	–	–
	63 715	38 999	39 354	33 535

SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries
STATEMENT OF COMPREHENSIVE INCOME for the year ended 28 February 2010

	GROUP		CO-OPERATIVE	
	2010 R'000	2009 R'000	2010 R'000	2009 R'000
Income	691 587	784 428	475 279	493 368
Cost of sales	(565 244)	(633 735)	(406 839)	(418 680)
Gross profit	126 343	150 693	68 440	74 688
Other operating income	30 576	30 804	25 985	57 847
Administrative expenditure	(28 286)	(25 521)	(17 921)	(15 340)
Other operating expenditure	(58 482)	(50 556)	(50 196)	(43 863)
Operating profit	70 151	105 420	26 308	73 332
Financing income	1 942	3 039	6 682	10 858
Financing costs	(24 497)	(31 780)	(21 131)	(27 204)
Profit before earnings of associate	47 596	76 679	11 859	56 986
Equity profit in associate company	–	513	–	–
Profit before bonuses	47 596	77 192	11 859	56 986
Bonuses declared	(3 500)	(14 000)	(3 500)	(14 000)
Deferred	(3 500)	(11 200)	(3 500)	(11 200)
Cash	–	(2 800)	–	(2 800)
Profit before tax	44 096	63 192	8 359	42 986
Tax	(11 788)	(17 085)	(412)	(2 343)
Profit for the year	32 308	46 107	7 947	40 643
Other comprehensive income	–	–	–	–
Fair value changes –	–	–	–	–
Available for sale investments	36 518	(8 265)	36 518	(8 265)
Deferred tax on fair value changes	(5 111)	1 157	(5 111)	1 157
Total comprehensive income for the year	63 715	38 999	39 354	33 535
Profit for the year attributable to:	–	–	–	–
Members	53 697	24 909	39 354	33 535
Minority interest	10 018	14 090	–	–
	63 715	38 999	39 354	33 535

SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale

KONTANTVLOEISTAAT vir die jaar geëindig 28 Februarie 2010

	GROEP		KOÖPERASIE	
	2010 R'000	2009 R'000	2010 R'000	2009 R'000
Kontantvloei uit bedryfsaktiwiteite				
Kontantontvangste vanaf kliente	679 157	771 413	451 644	480 051
Kontant betaal aan verskaffers en werknemers	(723 517)	(651 976)	(526 043)	(360 875)
Kontant deur bedrywighede voortgebring/(benut)	(44 360)	119 437	(74 399)	119 176
Rente ontvang	1 942	3 039	6 683	10 858
Rente betaal	(24 497)	(31 780)	(21 131)	(27 204)
Dividende ontvang	3 029	2 299	3 029	31 557
Belasting betaal	(26 601)	(8 027)	(1 663)	(2 760)
Netto kontant gegenereer deur/ (aangewend in) bedrywighede	(90 487)	84 968	(87 481)	131 627
Ledetransaksies				
Aandele uitgereik en ingetrek – netto	94	164	94	164
Ledebelangefonds terugbetaal	(3 247)	(2 363)	(3 247)	(2 363)
Vergoeding aan lede	(2 800)	(1 200)	(2 800)	(1 200)
Netto kontant aangewend in ledetransaksies	(5 953)	(3 399)	(5 953)	(3 399)
Toevoeging tot eiendom, aanleg en toerusting	(12 364)	(41 854)	(5 174)	(37 137)
Toevoeging tot ontasbare bates	(1 170)	(1 380)	(873)	(1 380)
Opbrengs met verkoop van eiendom aanleg en toerusting	330	123	51	12
Aankope van aandele	–	(51)	–	–
Verkoop van belang in 'n filiaal	–	–	–	1 304
Lenings aan filiale toegestaan	–	–	3 132	(30 481)
Lenings van filiale afgelos	–	–	–	10
Belegging in filiaal	–	–	–	(14 733)
Aandele in filiaal teruggekoop	–	–	–	4 374
Aankoop van 'n belang in 'n filiaal	–	–	–	–
Uitkoop van filiaal se minderheidsbelang	–	(12 287)	–	–
Netto kontant aangewend in beleggings- aktiwiteite	(13 204)	(55 449)	(2 864)	(78 031)
Kapitaalbydrae deur minderheidsbelang	977	–	–	–
Langtermynlenings aangegaan	32 677	–	31 946	–
Langtermynlenings terugbetaal	(1 955)	(2 075)	(927)	(844)
Korttermynlenings aangegaan/(afgelos)	69 551	(53 150)	69 783	(53 357)
SMEDP eis ontvang	2 240	–	–	–
Netto kontant uit/(aangewend in) finansieringsaktiwiteite	103 490	(55 225)	100 802	(54 201)
Toename/(afname) in kontant en kontantekwivalente	(6 154)	(29 105)	4 504	(4 004)
Kontant en kontantekwivalente aan begin van jaar	(55 607)	(26 502)	(32)	3 972
Kontant en kontantekwivalente aan einde van jaar	(61 761)	(55 607)	4 472	(32)

SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries

CASH FLOW STATEMENT for the year ended 28 February 2010

	GROUP		CO-OPERATIVE	
	2010 R'000	2009 R'000	2010 R'000	2009 R'000
Cash flow from operating activities				
Cash receipts from clients	679 157	771 413	451 644	480 051
Cash paid to suppliers and employees	(723 517)	(651 976)	(526 043)	(360 875)
Cash generated from/(utilised in) activities	(44 360)	119 437	(74 399)	119 176
Interest received	1 942	3 039	6 683	10 858
Interest paid	(24 497)	(31 780)	(21 131)	(27 204)
Dividends received	3 029	2 299	3 029	31 557
Taxation paid	(26 601)	(8 027)	(1 663)	(2 760)
Net cash generated by/(utilised in) activities	(90 487)	84 968	(87 481)	131 627
Members' transactions				
Shares issued and cancelled – net	94	164	94	164
Members' interest funds repaid	(3 247)	(2 363)	(3 247)	(2 363)
Compensation to members	(2 800)	(1 200)	(2 800)	(1 200)
Net cash utilised in members' transactions	(5 953)	(3 399)	(5 953)	(3 399)
Addition to property, plant and equipment	(12 364)	(41 854)	(5 174)	(37 137)
Addition to intangible assets	(1 170)	(1 380)	(873)	(1 380)
Return on sale of property, plant and equipment	330	123	51	12
Purchase of shares	–	(51)	–	–
Sale of interest in a subsidiary	–	–	–	1 304
Loans granted to subsidiaries	–	–	3 132	(30 481)
Loans of subsidiaries repaid	–	–	–	10
Investment in subsidiary	–	–	–	(14 733)
Shares in subsidiary repurchased	–	–	–	4 374
Purchase of interest in a subsidiary company	–	–	–	–
Purchase of subsidiary's minority interest	–	(12 287)	–	–
Net cash utilised in investment activities	(13 204)	(55 449)	(2 864)	(78 031)
Capital contribution by minority	977	–	–	–
Long-term loans obtained	32 677	–	31 946	–
Long-term loans repaid	(1 955)	(2 075)	(927)	(844)
Short-term loans obtained / (repaid)	69 551	(53 150)	69 783	(53 357)
SMEDP claim received	2 240	–	–	–
Net cash from / (utilised in) financing activities	103 490	(55 225)	100 802	(54 201)
Increase / (decrease) in cash and cash equivalents	(6 154)	(29 105)	4 504	(4 004)
Cash and cash equivalents at beginning of the year	(55 607)	(26 502)	(32)	3 972
Cash and cash equivalents at the end of the year	(61 761)	(55 607)	4 472	(32)

SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale **FINANSIËLE BESTUURSOORSIG 2009 – 2010**

Agtergrond

Alhoewel die sterk Rand voordelig is om inflasie te bekamp, is die negatiewe faktore wat daaruit voortvloei vir die landbousektor betreffende uitvoer en swak kommoditeitspryse 'n bron van kommer, veral inaggenome die tydsduur van die tendens.

In 'n jaar van ondergemiddelde reënval en daarmee gepaardgaande 'n ondergemiddelde oes in ons opvangsgebied is die wisselkoerstendens se negatiewe invloed nog meer opvallend en is die likiditeitsprobleme wat sommige produsente tans ondervind kommerwekkend. Die volhoubaarheid van ons produsente in nasionale belang kan nie oorbeklemtoon word nie en is die onlangse droogtehelp in die betrokke jaar wat vir produsente in die Suid- en Oos-Kaap beskikbaar gestel is, 'n stap in die regte rigting.

Die Regering se dryf om opkomende boere te vestig, is verstaanbaar inaggenome die politieke agtergrond van ons land. Indien die Regering egter nie deur middel van meer effektiewe regulering gaan ingryp om die swak ruilvoet teen te werk nie, sal die opheffing van opkomende boere in omstandighede waarin die kommersiële boer kwalik sukses kan behaal 'n onverwenselike ideaal bly.

Die Graanafdeling, wat die hoofbron van ons inkomste is, toon vir redes hierbo genoem 'n onvermydelike daling van 18%. Ander bedrywe se bruto wins het met slegs 3.44% gedaal, wat verblydend is inaggenome die resessie en ondergemiddelde oes.

Uitgawes styg met 15%, in reële terme ongeveer 9%, hoofsaaklik as gevolg van kapitaaluitbreidings (N2-ontwikkeling) en die implementering van 'n nuwe sagtewareprogram (SAP).

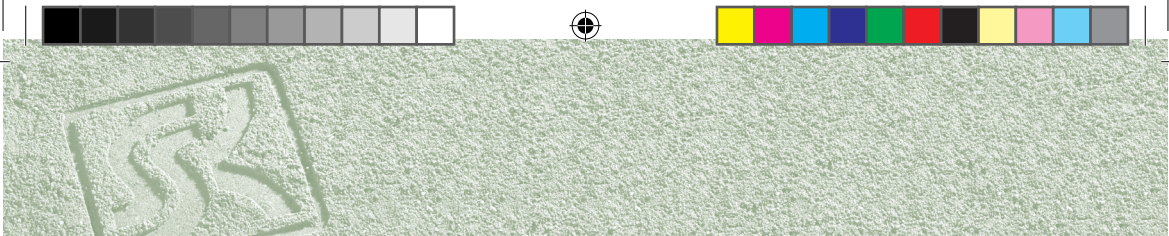
Bogenoemde uitgawes was noodsaaklik en plaas SSK in 'n strategies mededingende posisie vir toekomstige groei oor die medium-en langtermyn.

In hierdie relatief moeilike tye is die voordeel van SSK se pro-aktiewe strategie om te diversifiseer duidelik sigbaar en lewer Soill en SSK Vervaardigers weereens 'n goeie bydrae tot die Groep se resultate.

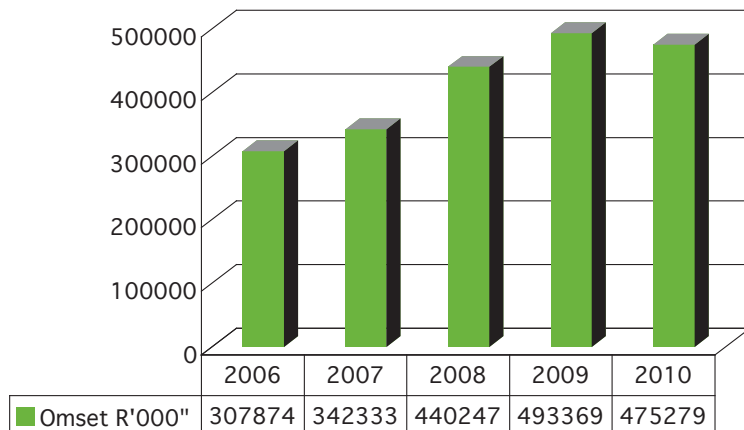
Uit 'n finansiële oogpunt, ten spyte van die droogte en resessie, was dit nogmaals 'n suksesvolle jaar vir die Groep waarvoor ons die Hemelse Vader dank vir sy liefde en Genade.

TOTALE OMSET

Die totale omset met lede en klante, insluitende netto graaninkomste, het afgeneem vanaf R493 368 949 in 2008/2009 tot R475 279 169 in 2009/2010, in reële terme 'n daling van ongeveer 9%.



TOTALE OMSET

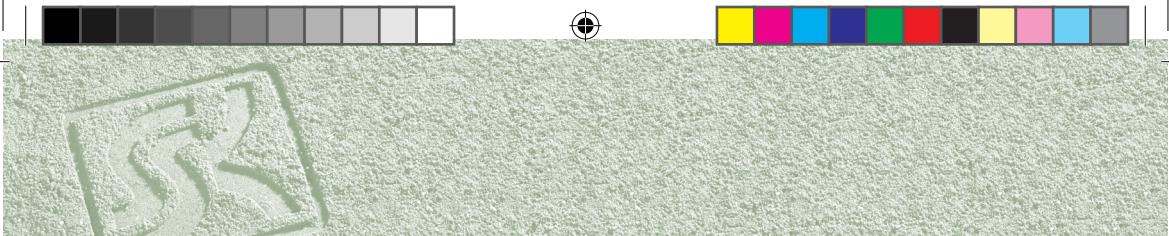


NETTO INKOMSTE/VERDELING VAN SURPLUS

Die jaar se bedrywighede het inaggenome 'n ondergemiddelde oes uitloop op 'n netto inkomste voor belasting van R11 859 286 (2009: R56 987 139). Dit is egter belangrik om kennis te neem dat R29 258 789 van 2009 se bedrag afkomstig is vanaf Soill in die vorm van 'n dividend met herstrukturering van Soill vir SEB.

Die netto wins beloop R11 859 286. Belasting betaalbaar is R 246 054. Voorsiening vir uitgestelde belasting beloop R166 521, dus is die netto inkomste na belasting R11 446 711. Die surplus word soos volg verdeel:

Bonusse	R 3 500 000
Kontant	–
Uitgestel	R 3 500 000
Reserwes	R 7 946 711

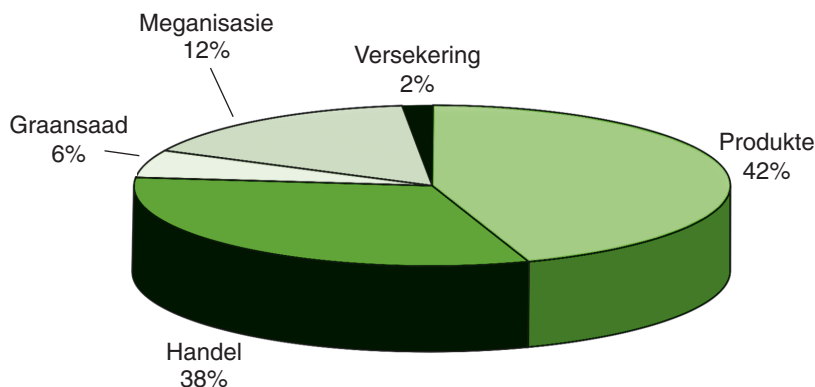


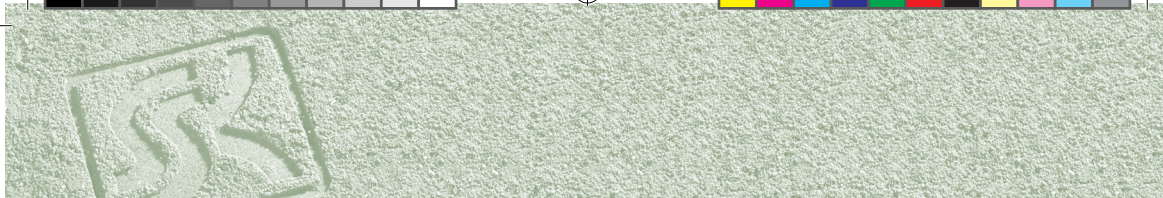
Bedryfsrekeninge

	2010			2009				
	Omset	Bruto wins	Bruto wins	Omset	Bruto wins	Bruto wins	Toe-name (afname) in omset	Toe-name (afname) in bruto wins
	R'000	R'000	%	R'000	R'000	%	%	%
Werkswinkels en Elektriesiteit	19 243 731	(439 147)	(2.28%)	20 567 764	(500 611)	(2.43%)	(6.44%)	12.28%
Versekering en Dienste	18 635 494	775 145	4.16%	20 774 760	1 006 560	4.85%	(10.30%)	(22.99%)
Handel	316 255 086	18 945 859	5.99%	317 299 918	19 266 479	6.07%	(0.33%)	(1.66%)
Bemarking	70 780 153	4 623 857	6.53%	83 637 369	4 950 724	(5.92%)	(15.37%)	(6.60%)
Onderdele	10 929 028	1 594 430	14.59%	10 693 019	1 696 202	15.86%	2.21%	(6.00%)
Saadgraan	16 237 709	3 195 121	19.68%	14 465 428	3 297 785	22.80%	12.25%	(3.11%)
	452 081 201	28 695 265		467 438 258	29 717 139			

Die verhouding van bruto wins per doelstelling tot die totale bruto wins ten bedrae van R49 314 494 (Produkte-afdeling ingesluit) is soos volg: (Laasgenoemde bruto wins is na aftrekking van bedryfsalarisse).

BRUTO WINS PER DOELSTELLING





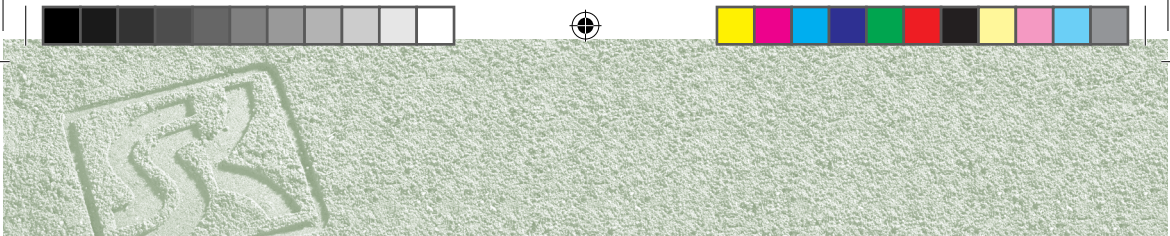
TOTALE UITGAWES

Totale uitgawes het in die jaar onder oorsig met 15% gestyg. Kapitaaluitgawes, (N2) en buitengewone uitgawes met sagteware-ontwikkeling (SAP), noodsaaklike onderhoud en personeelaanstellings is die hoofredes vir die reële styging van ongeveer 9% in uitgawes.

STAAT VAN TOEGEVOEGDE WAARDE

'n Staat van toegevoegde waarde vir die jaar onder oorsig is as volg:

	%	2010 R	2009 R	%
Omset		475 279 170	493 368 949	
Netto kosprys van produkte en dienste		390 896 444	330 657 757	
Waarde toegevoeg		84 382 726	162 711 192	
Soos volg aangewend:				
Werknemers	50.0	42 167 132	38 078 749	23.4
Lone / Salarisse	47.9	40 433 878	36 018 043	22.1
Aansporingsbonus	2.2	1 880 954	2 132 706	1.3
Na-aftrede mediese koste	-0.2	-147 700	-72 000	0.0
Kapitaalverskaffers	25.0	21 131 430	29 965 485	18.4
Rente	25.0	21 131 430	27 165 485	16.7
Bonusse uitbetaal	0,0	0	2 800 000	1.7
Toevoeging tot bates	6.1	5 174 110	38 517 513	23.7
Waardevermindering	4.8	4 050 767	2 792 460	1.7
Herbelê in besigheid	13.6	11 446 711	51 013 359	31.4
Reserwes	9.4	7 946 711	39 813 359	24.5
Bonusse uitgestel	4.1	3 500 000	11 200 000	6.9
Inkomstebelasting	0.5	412 575	2 343 626	1.4
		84 382 726	162 711 192	



BELANGRIKE FINANSIËLE VERHOUDINGS

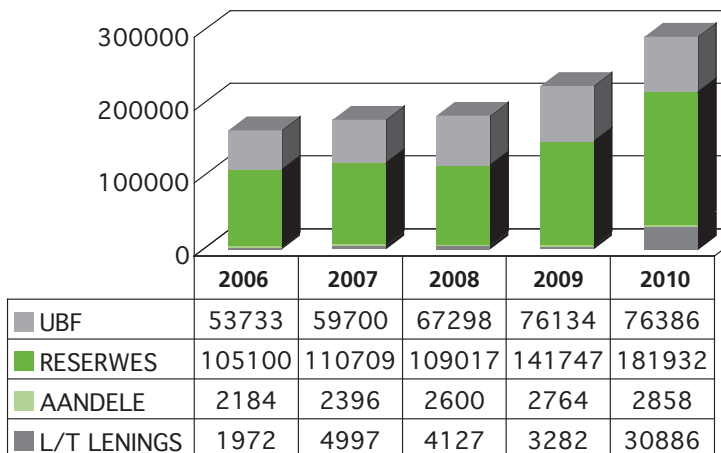
Die volgende verhoudings is belangrike maatstawwe waarmee die finansiële toestand gemeet kan word.

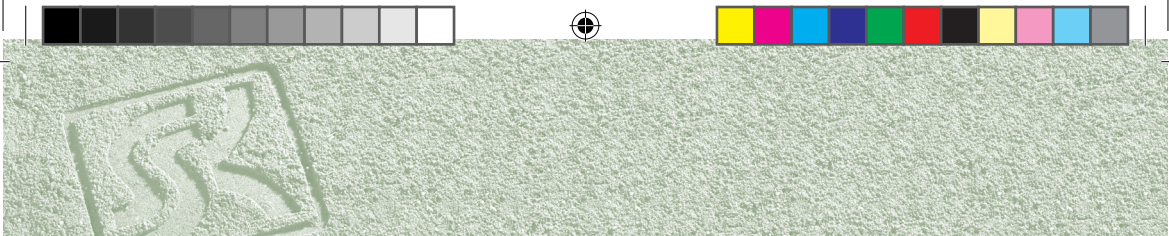
	Norm	2010	2009
Eie kapitaal:			
Aangesuiwerde totale bates	30% (min)	53,0	53,7
Ledebelang:			
Aangesuiwerde totale bates	50% (min)	76,0	83,5
Langtermynkapitaal:			
Langtermynbates + 50% van aangesuiwerde bedryfsbates	100%	105,0	96,6
Rentedraend:			
Rentevrye finansiering	50% (maks)	9,1	1,9
Bedryfskapitaal	2:1	1,23	1,11

DEBITEURE

Die Bestuur van debiteure is goed onder beheer. Daar is vanjaar voorsiening gemaak vir R204 244.64 twyfelagtige skuld terwyl slegs R1 729.00 slegte skuld afgeskryf is.

KAPITAALBRONNE





Die stand van die Koöperasie se sake op 28 Februarie 2010 kan as volg opgesom word:

	2010	2009
Vaste Bates	66 804 993	64 826 871
Min: Langtermynlaste	48 007 855	15 273 692
	18 797 138	49 553 179
Beleggings en lenings	178 821 008	149 576 202
Netto bedryfskapitaal	63 559 406	22 345 870
Ledebelange	261 177 552	221 475 251

FILIALE

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

Soill Groep

	2010	2009
Omset	231 454 248	303 269 412
Bedryfswins	42 910 684	59 280 664
Netto wins	25 512 634	34 535 060

SSK Vervaardigers

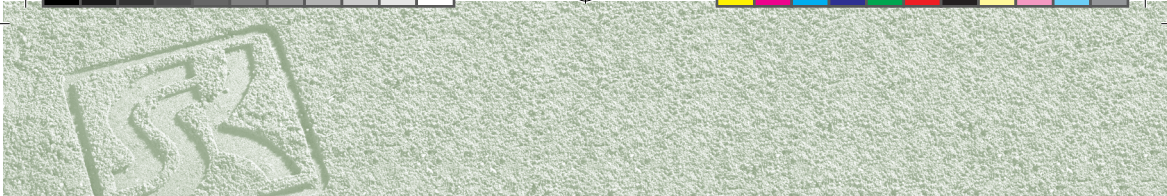
Omset	68 035 057	70 556 575
Bedryfswins	2 077 516	2 050 740
Netto wins	859 011	790 303

Technifarm

Omset	5 219 179	8 218 403
Bedryfswins	(405 092)	313 842
Netto wins/(verlies)	(375 172)	92 335

Belang in nabelaste winste/(verlies) van filiale

Southern Oil Bpk (Soill)	15 465 447	20 473 013
SSK Vervaardigers (Edms) Bpk	859 011	790 303
Technifarm (Pty) Ltd	(243 861)	64 635
	16 080 597	21 327 951



Geassosieerde maatskappy

Profert Suid-Kaap (Edms) Bpk

	2010	2009
Omset	72 741 244	33 876 842
Bedryfswins	–	1 472 154
Netto wins	–	1 059 951

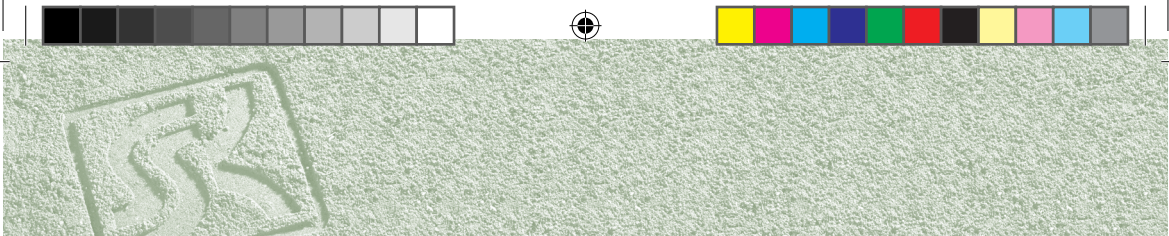
GRAAN

Klimaatstoestande in terme van reënval in die SSK-bedieningsgebied gedurende die 2009/2010-produksieseisoen was weereens nie baie gunstig vir graanproduksie nie. Die totale jaarlikse reënval was besonder laag (17% minder as die 10-jaar gemiddelde), maar die verspreiding daarvan was gelukkig gunstig. Graanopbrengste in die grootste gedeelte van die gebied was nogtans teleurstellend laag. Die hoogste maandelikse reënval was in Oktober toe dit nie meer 'n verskil kon maak aan die meeste graanaanplantings nie. Dit het gelukkig nie baie skade veroorsaak nie.

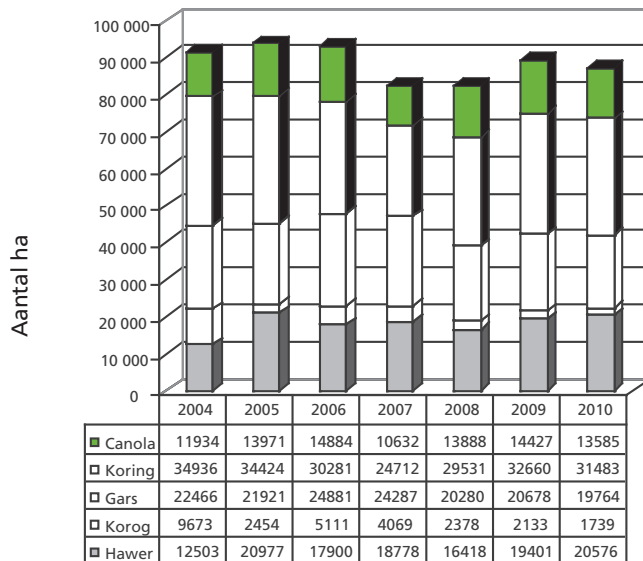
Die algemene kwaliteit van die 2009/10-koringoes was steeds baie goed. Ten spyte van die baie klein gedeelte van die koringoes wat deur die reën beskadig is, was 51.15% van SSK se koring B1- en 28.57% B2-graad. Oorwegend was die SSK koring se proteïene uitsonderlik hoog, wat natuurlik grootliks bydraend tot die goeie grade was.

Die kwaliteit van die garsoes was ook goed, met 'n baie klein deel daarvan wat wel deur die reën in oestyd benadeel is en gevolglik voergraad was.

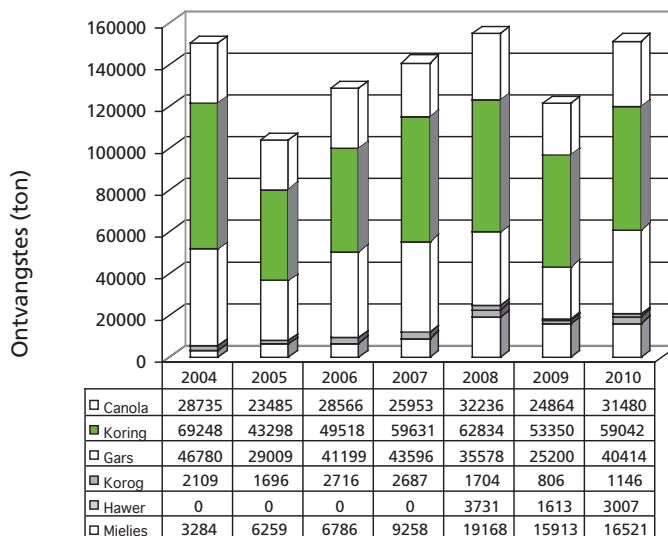
Canola se kwaliteit was oor die algemeen goed.

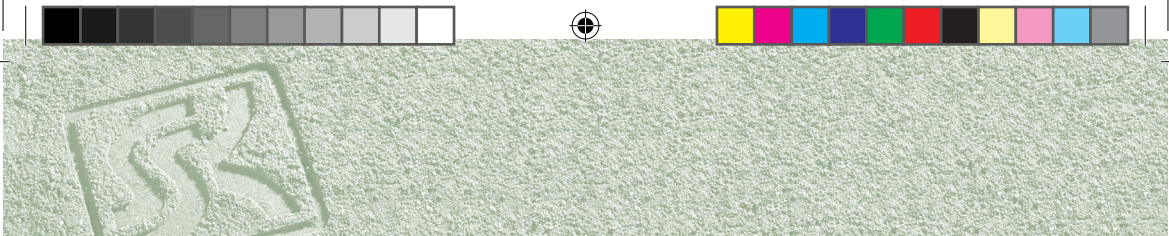


Hektare in SSK bedieningsgebied gesaai/geplant



Graanontvangstes in SSK-silo's





Ten spyte van die swak oes was SSK se silobesetting relatief goed. Lewerings van ander partye as SSK-lede het egter baie daartoe bygedra. Dit sluit in onder andere 4 342 ton moutgars (opgeberg vir SABM), 6 518 ton voerkoring (5 117 ton daarvan vir Overberg Agri en 1 401 ton opgeberg vir SSK Vervaardigers), 16 409 ton mielies en 18 117 ton canola vanuit ander produksiegebiede as dié van SSK. Dit laat slegs 106 224 ton van die totale 151 610 ton (72.5%) wat deur SSK-lede self gelewer is.

Saadverkope (50kg eenhede)

	VERKOPE 2005	VERKOPE 2006	VERKOPE 2007	VERKOPE 2008	VERKOPE 2009	VERKOPE 2010
Koring	21 027	20 086	23 684	31 061	23 606	12 152
Gars	16 517	1 855	13 083	10 926	12 582	19 756
Hawer	6 689	3 342	2 426	4 841	4 675	4 933
Korog	2 415	2 934	2 108	1 535	2 143	806
Canola	739	557	830	827	889	657
Lupiene	625	242	253	476	500	287

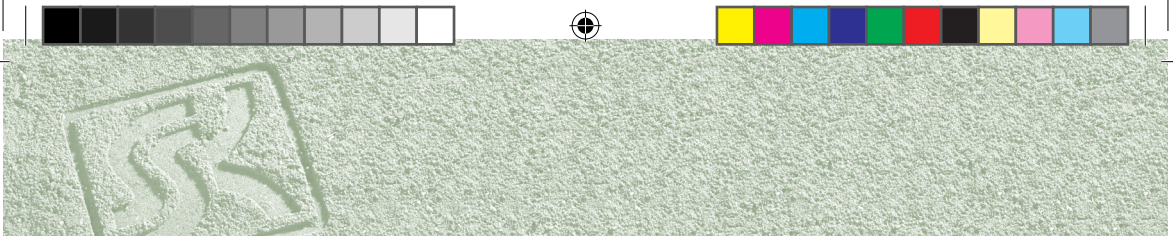
Die huidige swak toestande (klimaat en ekonomies) is duidelik te sien in die verwagte 2010 saadverkope. Die groot toename in garssaadverkope kan gedeeltelik toegeskryf word aan beter prysverwagtinge asook verkope aan nuwe kliënte (nie SSK-lede nie). Dit is moontlik dat van die saad teruggebring sal word en nie noodwendig geplant/gesaai gaan word nie.

TOEKOMSBLIK

Die drastiese verswakking in die wêreld ekonomie het radikale veranderings in sake-sentiment en handelsomstandighede ook in Suid-Afrika tot gevolg gehad. Die landbousektor het ook die pad van die wêreldressessie gevolg. Die prys van kommoditeite het aansienlik afgeneem en die herstel daarvan word, soos die wêreld-ekonomie, oor 'n relatiewe lang termyn verwag.

Die verwagte voortgesette versterking van die Rand gaan ongelukkig verdere druk op produkpryse plaas. Die aanduiding is ook dat voedselpryse steeds hoog gaan bly, met gevolglike verdere negatiewe implikasies vir die vraag na landbouvoedselprodukte.

Wat SSK en sy eie lede betref, is die koste-knyptangsituasie 'n realiteit en daar is beslis nie 'n kitsoplossing daarvoor nie. Die huidige landboutoestande plaas verdere druk op die winsgewendheid van ons produsente.



Kredietverskaffing word bemoelijk aangesien produsente nie in staat is om marges te handhaaf nie, gegewe die faktore soos reeds genoem. SSK wil sy lede verseker dat ons verbind is om met handhawing van gesonde besigheidsbeginsels u deur hierdie onsekere tyd ten volle by te staan. SSK as landboubesigheid is gefokus om hierdie veranderende situasies in landbou doeltreffend te bestuur, ook tot voordeel van sy lede. SSK se Direksie en Bestuur erken met groot nederigheid ons afhanklikheid van ons Hemelse Vader.



SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries **FINANCIAL MANAGEMENT REVIEW 2009 – 2010**

Background

Although the strong Rand is beneficial to combat inflation, the negative factors resulting from this for the agricultural sector with regard to exports and poor commodity prices are worrying, especially if the duration of this trend is taken into account.

In a year of below-average rainfall and an accompanying below-average harvest in our catchment area, the negative impact of the exchange rate trend is even more apparent and the liquidity problems experienced by some producers at present is a cause for concern. The sustainability of our producers in the national interest cannot be overemphasised and the recent drought distress relief that had been made available to producers in the Southern and Eastern Cape is a move in the right direction.

The Government's drive to establish emerging farmers is understandable given the political background of our country. However, if the Government is not going to intervene by means of more effective regulation to counter the poor trading terms, the upliftment of emerging farmers in circumstances where the commercial farmer can barely achieve success will remain an unrealised ideal.

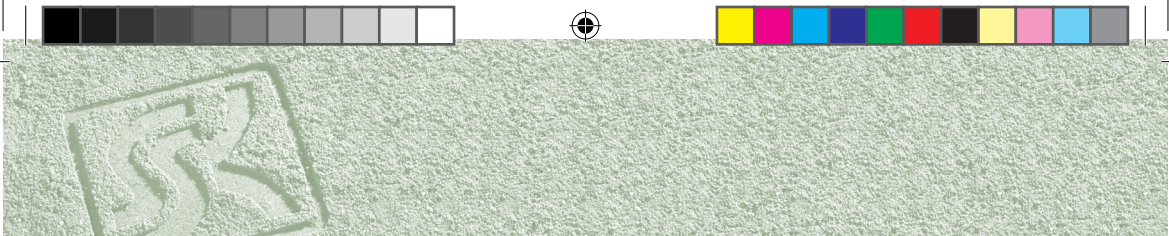
The Grain division, which is the main source of our income, has shown an unavoidable decrease of 18% due to the reasons mentioned above. The gross profit of other industries has decreased by only 3.44%, which is heartening given the recession and below-average harvest.

Expenditure has increased by 15%, in real terms approximately 9%, mainly due to capital expansion (N2 development) and the implementation of a new software program (SAP).

The above expenditure was essential and places SSK in a strategically competitive position for future growth over the medium and long term.

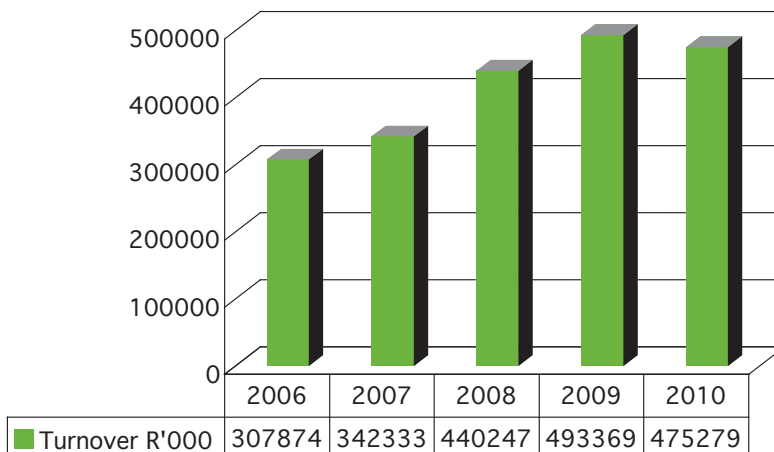
In these relatively difficult times the advantage of SSK's proactive strategy to diversify is clearly evidenced and Soill and SSK Vervaardigers have again made a good contribution to the Group's results.

From a financial point of view, despite the drought and recession, it has again been a successful year for the Group for which we thank our Heavenly Father for His love and mercy.



TOTAL TURNOVER

The total turnover with members and customers, including net grain income, has decreased from R493 368 949 in 2008/2009 to R475 279 169 in 2009/2010, a decrease of approximately 9% in real terms.

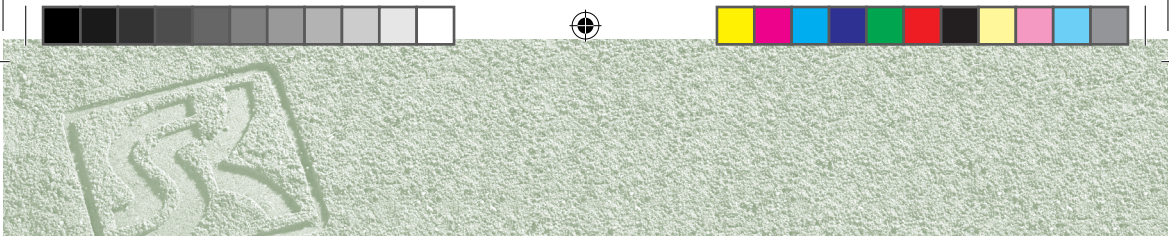


NET INCOME/APPROPRIATION OF SURPLUS

The year's activities, taking into account a below-average harvest, resulted in a net income before taxation of R11 859 286 (2009: R56 987 139). It is important, however, to take note that R29 258 789 of the 2009 amount has been received from Soill in the form of a dividend with the restructuring of Soill for BEE.

Net profit amounted to R11 859 286. Taxation payable amounted to R246 054. Provision for deferred taxation amounted to R166 521, giving a net income after taxation of R11 446 711. The surplus was appropriated as follows:

Bonuses	R 3 500 000
Cash	
Deferred	R 3 500 000
Reserves	R 7 946 711

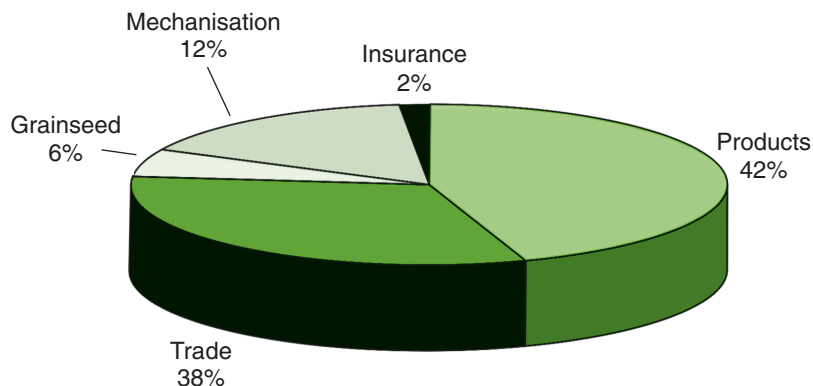


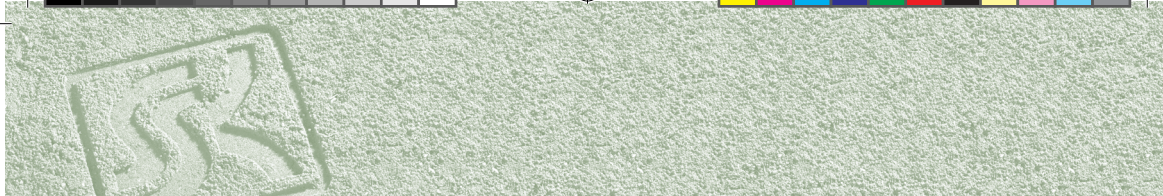
Operational accounts

	2010			2009				
	Turnover	Gross profit	Gross profit	Turnover	Gross profit	Gross profit	Increase (decrease) in turnover	Increase (decrease) in gross profit
	R'000	R'000	%	R'000	R'000	%	%	%
Workshops and Electricity	19 243 731	(439 147)	(2.28%)	20 567 764	(500 611)	(2.43%)	(6.44%)	12.28%
Insurance and Services	18 635 494	775 145	4.16%	20 774 760	1 006 560	4.85%	(10.30%)	(22.99%)
Trade	316 255 086	18 945 859	5.99%	317 299 918	19 266 479	6.07%	(0.33%)	(1.66%)
Marketing	70 780 153	4 623 857	6.53%	83 637 369	4 950 724	(5.92%)	(15.37%)	(6.60%)
Spares	10 929 028	1 594 430	14.59%	10 693 019	1 696 202	15.86%	2.21%	(6.00%)
Seedgran	16 237 709	3 195 121	19.68%	14 465 428	3 297 785	22.80%	12.25%	(3.11%)
	452 081 201	28 695 265		467 438 258	29 717 139			

The ratio of gross profit per division to the total gross profit in the amount of R49 314 494 (inclusive of Product Division) was as follows: (Gross profit was after deduction of operating salaries.)

GROSS PROFIT PER DIVISION





TOTAL EXPENDITURE

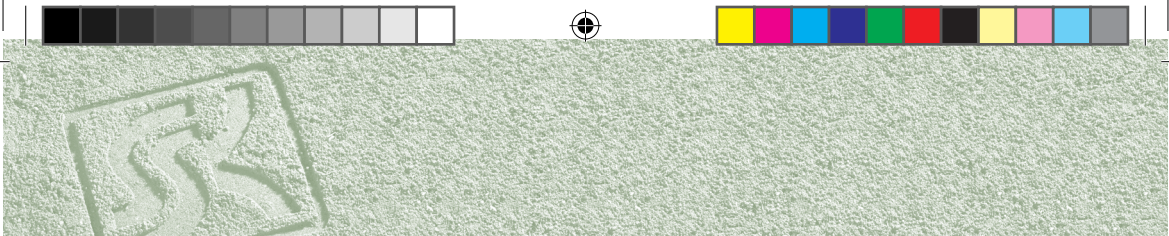
Total expenditure has increased by 15% in the year under review. Capital expenditure, (N2) and exceptional expenses for software development (SAP), essential maintenance and staff appointments were the main reasons for the real increase in expenditure of approximately 9%.

VALUE-ADDED STATEMENT

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

	%	2010 R	2009 R	%
Turnover		475 279 170	493 368 949	
Net cost price of products and services		<u>390 896 444</u>	<u>330 657 757</u>	
Value added		<u>84 382 726</u>	<u>162 711 192</u>	
Utilised as follows:				
Employees	50.0	<u>42 167 132</u>	<u>38 078 749</u>	23.4
Wages / Salaries	47.9	40 433 878	36 018 043	22.1
Incentive bonus	2.2	1 880 954	2 132 706	1.3
Post retirement medical cost	-0.2	-147 700	-72 000	0.0
Capital providers	25.0	<u>21 131 430</u>	<u>29 965 485</u>	18.4
Interest	25.0	21 131 430	27 165 485	16.7
Bonuses paid out	0,0	<u>0</u>	<u>2 800 000</u>	1.7
Addition to assets	6.1	5 174 110	38 517 513	23.7
Depreciation	4.8	4 050 767	2 792 460	1.7
Re-invested in business	13.6	<u>11 446 711</u>	<u>51 013 359</u>	31.4
Reserves	9.4	7 946 711	39 813 359	24.5
Deferred bonuses	4.1	3 500 000	11 200 000	6.9
Income tax	0.5	<u>412 575</u>	<u>2 343 626</u>	1.4
		<u>84 382 726</u>	<u>162 711 192</u>	





IMPORTANT FINANCIAL RATIOS

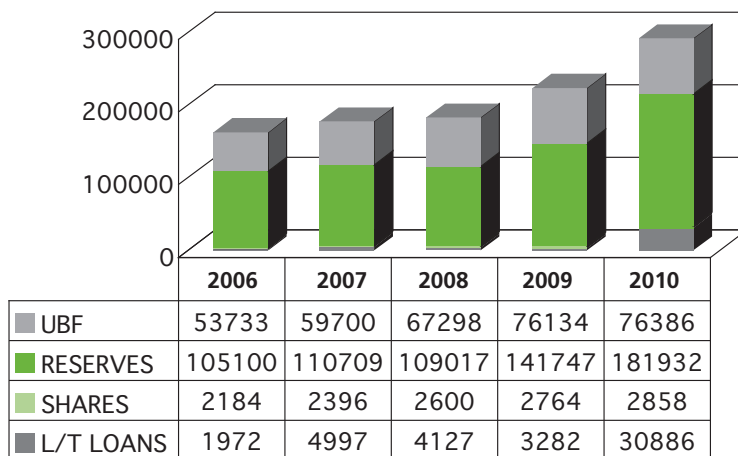
The following ratios are important measurements with which the financial condition can be measured:

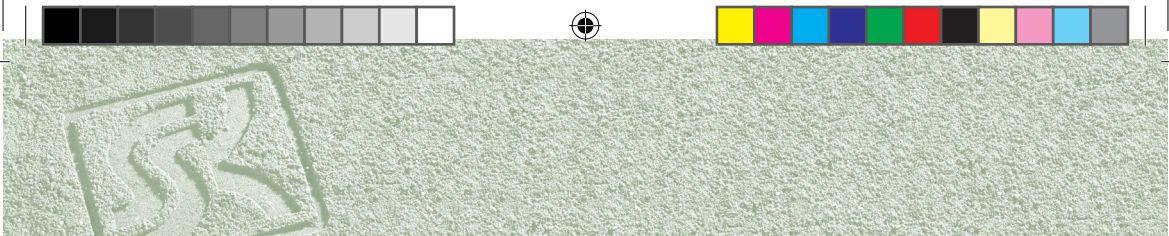
	Norm	2010	2009
Own capital:	30% (min)	53,0	53,7
Adjusted total assets			
Members' interest:	50% (min)	76,0	83,5
Settled total assets			
Long-term capital:	100%		
Long-term assets + 50% of adjusted current assets	100%	105.0	96,6
Interest-bearing:			
Interest-free financing	50% (max)	9.1	1,9
Working capital	2:1	1,23	1,11

DEBTORS

Management of debtors was well under control. Provision has been made this year for doubtful debts in the amount of R204 244.64, while only R1729.00 has been written off as bad debt.

CAPITAL SOURCES





The position of the Co-operative's affairs as at 28 February 2010 can be summarised as follows:

	2010	2009
Fixed assets	66 804 993	64 826 871
Less: Long-term liabilities	48 007 855	15 273 692
	18 797 138	49 553 179
Investments and loans	178 821 008	149 576 202
Net working capital	63 559 406	22 345 870
Members' interest	261 177 552	221 475 251

SUBSIDIARIES

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

Soill Group

	2010	2009
Turnover	231 454 248	303 269,412
Operating profit	42 910 684	59 280,664
Net profit	25 512 634	34 535,060

SSK Manufacturers

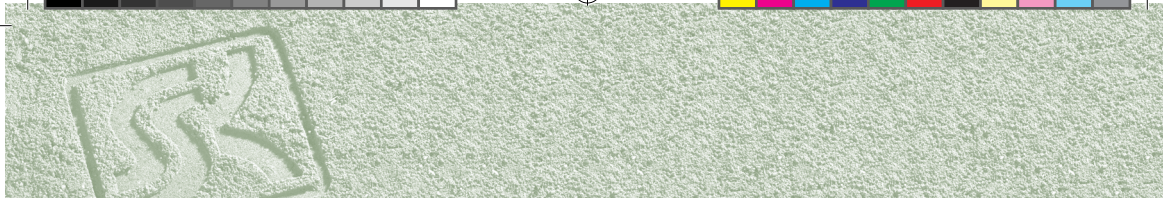
Turnover	68 035 057	70 556 575
Operating profit	2 077 516	2 050 740
Net profit	859 011	790 303

Technifarm

Turnover	5 219 179	8 218 403
Operating profit	(405 092)	313 842
Net profit	(375 172)	92 335

Interests in after-tax profits/(loss) of subsidiaries

Southern Oil Ltd (Soill)	15 465 447	20 473 013
SSK Manufacturers (Pty) Ltd	859 011	790 303
Technifarm (Pty) Ltd	(243 861)	64 635
	16 080 597	21 327 951



Associate

Profert Suid-Kaap (Pty) Ltd

	2010	2009
Turnover	721 741 244	33,876,842
Operating profit	–	1,472,154
Net profit	–	1,059,951

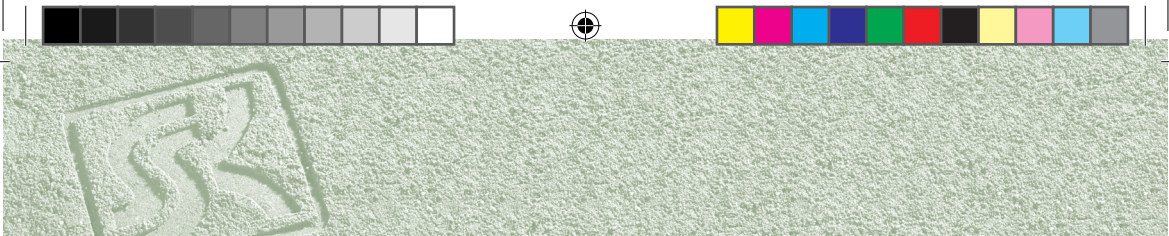
GRAIN

Climatic conditions in terms of rainfall in the SSK service area during the 2009/2010 production season were again not very favourable for grain production. The total annual rainfall was extremely low (17% less than the 10-year average), but the spread of the rain was fortunately favourable. Grain proceeds in most of the area were nevertheless disappointingly low. The highest monthly rainfall was in October when it could no longer make a difference to most of the grain plantings. It fortunately did not cause serious damage.

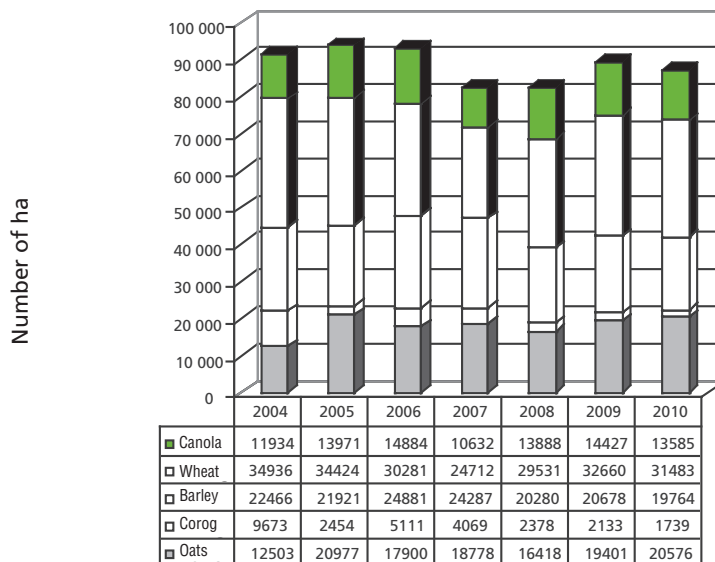
The general quality of the 2009/2010 wheat crop was still very good. Despite the very small portion of the wheat crop that had been damaged by the rain, 51.15% of SSK's wheat was B1 and 28.57% was B2 grade. The protein content in SSK's wheat was generally exceptionally high, which obviously was a main contributory factor to the good grades.

The quality of the barley crop was also good, with a very small portion that had been damaged by the rain during harvesting and therefore became feed grade.

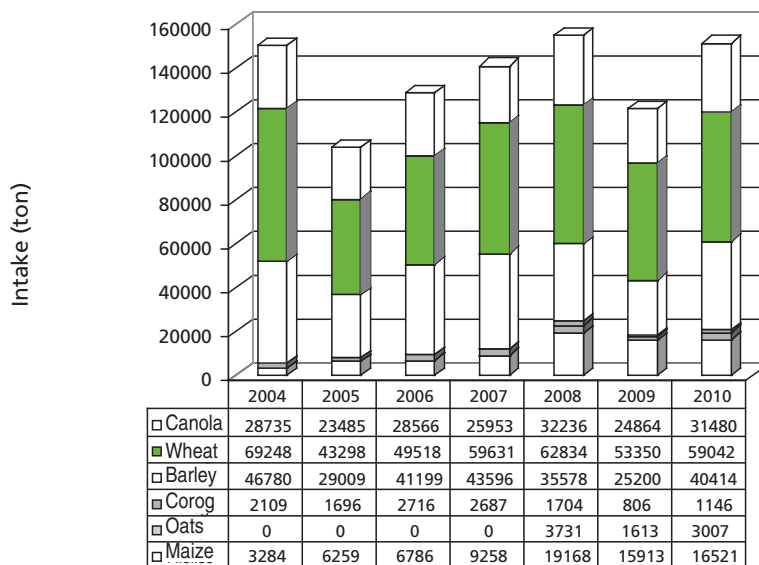
The quality of canola was generally good.



Hectares sowed/planted



Grain intakes





Despite the poor crop SSK's silo occupation was relatively good. Deliveries from parties other than SSK members, however, made a big contribution to this. These deliveries include inter alia 4 342 tons of malting barley (stored for SABM), 6 518 tons of feed wheat (5 117 tons for Overberg Agri and 1 401 tons stored for SSK Vervaardigers), 16 409 tons of maize and 18 117 tons of canola from production areas other than that of SSK. This leaves only 106 224 tons of the total 151 610 tons (72.5%) being delivered by members of SSK themselves.

Seed sales (50-kg units)

	SALES 2005	SALES 2006	SALES 2007	SALES 2008	SALES 2009	SALES 2010
Wheat	21 027	20 086	23 684	31 061	23 606	12 152
Barley	16 517	1 855	13 083	10 926	12 582	19 756
Oats	66 89	3 342	2 426	4 841	4 675	4 933
Corog	2 415	2 934	2 108	1 535	2 143	806
Canola	739	557	830	827	889	657
Lupin	625	242	253	476	500	287

The prevailing poor conditions (climatic and economic) are clearly evidenced in the expected 2010 seed sales. The big increase in barley seed sales can partly be ascribed to better price expectations as well as sales to new clients (not SSK members). It is possible that some of the seed may be returned and will not necessarily be planted/sowed.

FUTURE VIEW

The drastic weakening in the global economy resulted in radical changes to business sentiment and trading conditions in South Africa as well. The agricultural sector has followed in the footsteps of the global recession. The price of commodities reduced substantially and recovery, like the global economy, is expected over a fairly long period.

The expected continuation of the strengthening of the Rand will unfortunately place further pressure on product prices. Indications are also that food prices will remain high, with resultant further negative implications for the demand for agricultural food products.

As regards SSK and its own members, the cost squeeze situation is a reality and there is no quick-fix solution. The prevailing agricultural conditions will place further pressure on the profitability of our producers.

Credit granting is becoming very difficult because producers are not able to maintain

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).

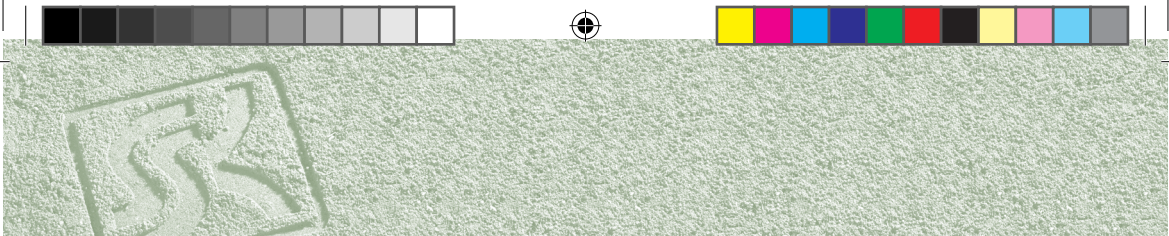
1.1.5 FILIALE

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 toege- staan 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 voor- waardes 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 (herein-after 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).

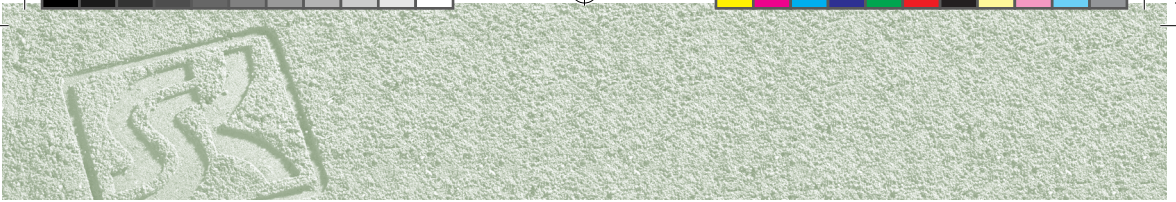
1.1.5 SUBSIDIARIES

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.

