

A photograph of a vast, green agricultural field, likely wheat, stretching towards a range of hills under a blue sky with scattered white clouds.

JAARVERSLAG  
**2015**  
ANNUAL REPORT



## Uitnodiging

U word hartlik uitgenooi na die Algemene Jaarvergadering van SSK om 10h30, op Vrydag 24 Julie 2015 in die Gemeenskapsaal (Swellendam Skougronde). Ligte verversings sal vanaf 10h00 bedien word. U word genooi om na afloop van die vergadering saam met ons middagete te geniet.

## Invitation

You are cordially invited to the Annual General Meeting of SSK to be held at 10h30, on Friday 24 July 2015 in the Community Hall (Swellendam Showgrounds). Light refreshments will be served from 10h00. You are invited to join us for lunch after the meeting.

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Voorbladfoto met vergunning van Bruce Geils, Atelier Design Studio, Swellendam.

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# **AJV: KENNISGEWING AAN LEDE**

## **AGM: NOTICE TO MEMBERS**

Kennis geskied hiermee dat die Algemene Jaarvergadering van SSK om 10h30, op Vrydag 24 Julie 2015, in die Gemeenskapsaal, Swellendam Skougronde gehou sal word.

Notice is hereby given that the Annual General Meeting of SSK will be held at 10h30, on Friday 24 July 2015, in the Community Hall, Swellendam Showgrounds.

### **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 2014  
Approval of the Minutes of the Annual General Meeting 2014
- 6** Behandeling en goedkeuring van die Finansiële State  
Consideration and approval of the 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 Besluit / Special Resolution



**J E de V van Veen**

*Sekretaris / Secretary*

# KOÖPERASIEBESONDERHEDE

## DETAILS OF THE CO-OPERATIVE

### Raad van Direkteure / Board of Directors

M C Dippenaar – Voorsitter / Chairperson  
D H van Papendorp – Ondervorsitter / Vice-chairperson  
J N de Kock  
J M Joubert  
F J Lourens  
M J Odendaal  
M Pienaar  
J E Robertson  
A J Schoonwinkel  
A J Steyn  
P S Uys  
S L Uys  
S W Viljoen

### Bestuur / Management

E J Pelser – Hoofbestuurder en Hoof Uitvoerende Beampte  
– General Manager and Chief Executive Officer  
J E de V van Veen – Hoofbestuurder: Administrasie en Finansies  
– General Manager: Administration and Finance  
C H de Beer – Hoofbestuurder: Bedrywe (Graan, Saad en Meganisasie)  
– General Manager: Operations (Grain, Seed and Mechanisation)  
O J Badenhorst – Hoofbestuurder: Bedrywe (Handel)  
– General Manager: Operations (Retail)

### Sekretaris / Secretary

J E de V van Veen

### Geregistreerde Adres / Registered Address

Voortrekstraat 34 / 34 Voortrek Street  
Swellendam  
6740

### Posadres / Postal Address

Posbus 12 / P.O. Box 12  
Swellendam  
6740

### Ouditeure / Auditors

PricewaterhouseCoopers Geïnk. / 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 gekonsolideerde finansiële state van Sentraal-Suid Koöperasie Beperk. Die finansiële state en die gekonsolideerde finansiële state is opgestel in ooreenstemming met '*International Financial Reporting Standards*' en op die wyse soos vereis deur die Koöperasiewet en sluit bedrae in wat op die ordeel en ramings van Bestuur gegrond is. Die finansiële state en gekonsolideerde finansiële 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 gekonsolideerde finansiële state, die toereikende beskerming en verantwoording van bates, en om verliese te voorkom en op te spoor. Geen aangeleenthede het onder die aandag van die Direkteure gekom wat 'n wesenlike ineenstorting in die funksionering van hierdie kontroles, prosedures en stelsels gedurende die jaar onder oorsig, aandui nie.

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

Die finansiële state en gekonsolideerde finansiële state is geauditeer deur die onafhanklike ouditeure, PricewaterhouseCoopers Geïnkorporeer, 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 Geïnkorporeer se ouditeursverslag, met betrekking tot die opgesomde gekonsolideerde finansiële state, word op bladsy 8 aangebied.

Die finansiële state en gekonsolideerde finansiële state, soos opgesom, soos uiteengesit op bladsye 10 tot 30, is deur die Direkteure goedgekeur.



**M C Dippenaar – Voorsitter**  
**11 Junie 2015**



**D H van Papendorp – Ondervorsitter**



## **Goedkeuring van finansiële state**

Die finansiële state, soos uiteengesit op bladsye 10 tot 30, 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**

**24 Julie 2015**

### **Aantekening**

Die Direkteure bied die opgesomde gekonsolideerde finansiële state van Sentraal-Suid Koöperasie Beperk op 28 Februarie 2015 aan. Die opgesomde gekonsolideerde finansiële state is opgestel vanuit die volledige geouditeerde gekonsolideerde finansiële state vir die jaar geëindig 28 Februarie 2015, soos goedgekeur deur die Direkteure op 11 Junie 2015.

Die opgesomde gekonsolideerde finansiële state bevat nie alle openbaarmakings soos vereis deur '*International Financial Reporting Standards*' en die vereistes van die Koöperasiewet van Suid-Afrika nie. Die lees van die opgesomde gekonsolideerde finansiële state kan gevvolglik nie as plaasvervanger vir die lees van die geouditeerde gekonsolideerde finansiële state van Sentraal-Suid Koöperasie Beperk gesien word nie.

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

# **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 consolidated financial statements of Sentraal-Suid Co-operative Limited. The financial statements and consolidated financial statements have been prepared in accordance with *International Financial Reporting Standards*, 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 consolidated 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 consolidated system of internal financial controls. These controls are designed to give reasonable, but not absolute, reassurance regarding the reliability of the financial statements and consolidated financial statements, adequate protection of and accountability for assets, and the prevention and detection of losses. No matters came to the attention of the Directors to indicate a significant collapse in the functioning of these controls, procedures and systems during the year under review.

The going-concern basis has been adopted in the preparation of the financial statements and consolidated 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 consolidated 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 regarding the summarised consolidated financial statements is presented on page 9.

The financial statements and consolidated financial statements, as summarised, as presented on pages 10 to 30, have been approved by the Board of Directors.



**M C Dippenaar – Chairperson**  
**11 June 2015**



**D H van Papendorp – Vice-chairperson**



### **Approval of the financial statements**

The financial statements, as presented on pages 10 to 30, are 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 – Swellendam**

**24 July 2015**

### **Note**

The Directors present the summary consolidated financial statements of Sentraal-Suid Co-operative Ltd for the year ended 28 February 2015. The summary consolidated financial statements have been compiled from the full set of audited consolidated financial statements for the year ended 28 February 2015, as approved by the Board of Directors on 11 June 2015.

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

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

# VERSLAG VAN DIE ONAFHANKLIKE OUDITEUR OP DIE OPGESOMDE GEKONSOLIDEERDE FINANSIELLE STATE AAN DIE LEDE VAN SENTRAAL-SUID KOÖPERASIE BEPERK

Die opgesomde gekonsolideerde finansiële state, wat bestaan uit die opgesomde gekonsolideerde en afsonderlike state van finansiële posisie soos op 28 Februarie 2015, en opgesomde gekonsolideerde en afsonderlike state van omvattende inkomste en kontantvloei vir die jaar wat op daardie datum geëindig het, is opgestel vanuit die geouditeerde gekonsolideerde finansiële state van Sentraal-Suid Koöperasie Beperk vir die jaar geëindig 28 Februarie 2015. Ons het 'n ongekwalifiseerde ouditmening uitgespreek op hierdie gekonsolideerde finansiële state in ons verslag gedateer 19 Junie 2015.

Die opgesomde gekonsolideerde finansiële state bevat nie alle openbaarmakings soos vereis deur '*International Financial Reporting Standards*' en die vereistes van die Koöperasiewet van Suid-Afrika soos van toepassing op gekonsolideerde finansiële state nie. Die lees van die opgesomde gekonsolideerde finansiële state kan gevolglik nie as plaasvervanger vir die lees van die geouditeerde gekonsolideerde finansiële state van Sentraal-Suid Koöperasie Beperk gesien word nie.

## **Direkteure se Verantwoordelikheid vir die Opgesomde Gekonsolideerde Finansiële State**

Die Koöperasie se Direkteure is verantwoordelik vir die opstel van 'n opsomming van die geouditeerde gekonsolideerde finansiële state ooreenkomstig die grondslag wat beskryf is in Aantekening 1.

## **Ouditeur se Verantwoordelikheid**

Dit is ons verantwoordelikheid om 'n mening oor hierdie opgesomde gekonsolideerde finansiële state uit te spreek gebaseer op ons procedures, wat ooreenkomstig '*International Standard on Auditing (ISA) 810*', "*Engagements to Report on Summary Financial Statements*", uitgevoer is.

## **Mening**

Na ons mening is die opgesomde gekonsolideerde finansiële state, in alle wesenlike opsigte, in ooreenstemming met die geouditeerde gekonsolideerde finansiële state van Sentraal-Suid Koöperasie Beperk vir die jaar geëindig 28 Februarie 2015 waaruit dit opgestel is, ooreenkomstig die grondslag wat beskryf is in Aantekening 1.



**PricewaterhouseCoopers Geïnk.**

**Direkteur: M J van Tonder**

**Geregistreerde Ouditeur**

**Worcester**

**19 Junie 2015**

# **REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY GROUP ANNUAL FINANCIAL STATEMENTS TO THE MEMBERS OF SENTRAAL-SUID CO-OPERATIVE LIMITED**

The summary consolidated financial statements, which comprise the summary consolidated and separate statements of financial position as at 28 February 2015, and summary consolidated and separate statements of comprehensive income and cash flows for the year then ended, are derived from the audited consolidated financial statements of Sentraal-Suid Co-operative Limited for the year ended 28 February 2015. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 19 June 2015.

The summary consolidated financial statements do not contain all the disclosures required by '*International Financial Reporting Standards*' and the requirements of the Co-operatives Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Sentraal-Suid Co-operative Limited.

## ***Directors' Responsibility for the Summary Consolidated Financial Statements***

The Co-operative's Directors are responsible for the preparation of a summary of the audited consolidated financial statements on the basis described in Note 1.

## ***Auditor's Responsibility***

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with '*International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements"*'.

## ***Opinion***

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Sentraal-Suid Co-operative Limited for the year ended 28 February 2015 are consistent, in all material respects, with those consolidated financial statements, on the basis described in Note 1.

A handwritten signature in black ink that reads "PricewaterhouseCoopers Inc." The signature is fluid and cursive, with "Pricewaterhouse" stacked above "Coopers Inc.".

**PricewaterhouseCoopers Inc.**

**Director: M J van Tonder**

**Registered Auditor**

**Worcester**

**19 June 2015**

# DIREKTEURSVERSLAG vir die jaar geëindig 28 Februarie 2015

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 2015, word hieronder aangebied.

## 1. Aard van besigheid

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

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

Daarbenewens is die Koöperasie, direk en indirek, betrokke by filiale, 'n geassosieerde en 'n gesamentlike onderneming soos uiteengesit in 5, 7 en 8 hierna.

## 2. Lede

Vyf Lede het ons aan die dood ontval. Ons innige meegevoel word aan hul naasbestaandes betuig.

Die ledetal het as volg gewissel:

Ledetal aan begin van jaar	1 042
Min: Afgestorwe Lede	5
Lede wat boerdery gestaak het	10
	15
	1 027
Plus: Toetredings	204
Ledetal aan einde van jaar	1 231

## 3. Finansiële resultate

Die volledige verslag van die Groep se finansiële resultate word in die finansiële state uiteengesit.

## 4. Aanwending van surplus

Dit is steeds die Koöperasie se beleid om bonusse aan Lede toe te deel ooreenkomsdig 'n distribusieskema ingevolge Artikel 89 van die Statuut.

Die Koöperasie het gedurende die jaar 'n ledebonus van R9 000 000 (2014 – R14 000 000) verklaar, waarvan R1 800 000 (2014 – R2 800 000) in kontant betaalbaar is en die res by ledefondse gevoeg is. In die huidige jaar is opgehoopte ledefondse van R11 588 285 (1999, 2001, 2002, 2003 en 50% van 2004) (2014 – R7 586 149 (50% van 1996, 1997 en 1998)) uitbetaal.

## 5. Filiale

Die Koöperasie het beleggings in die volgende filiale:

<b>Direk</b>	<b>Belang 2015</b>	<b>Belang 2014</b>	<b>Hoofdoelstelling</b>
a) Sentraal-Suid Beleggings (Edms) Bpk	<b>100%</b>	<b>100%</b>	Beleggingsmaatskappy met verwante aktiwiteite.
b) Southern Oil (Edms) Bpk	<b>62%</b>	<b>60%</b>	Ekstraksie van olie uit hoofsaaklik canolasaad en die raffinering en bemarking van 'n gedifferensieerde reeks olies en proteïenprodukte.
c) SSK Vervaardigers (Edms) Bpk	<b>100%</b>	<b>100%</b>	Vervaardiging van veevoer.
d) Swellen Mark (Edms) Bpk	<b>68%</b>	<b>68%</b>	Belegging en verhuring van eiendom.
e) Technifarm (Edms) Bpk	<b>50%</b>	<b>50%</b>	Presisie boerderydienste en verkoop van plaastoerusting.
f) Tuinroete Agri (Edms) Bpk	<b>100%</b>	<b>100%</b>	Verskaffing van boerdery-benodigdhede en verwante produkte en dienste.
<b>Indirek</b>			
g) Blinkbeleg Vyftien (Edms) Bpk	<b>Sentraal-Suid Beleggings besit: 100%</b>	<b>100%</b>	Motorverkope en herstelwerk.
h) Swartland Oliepers (Edms) Bpk	<b>Southern Oil besit: 100%</b>	<b>100%</b>	Dormant.
i) Southern Oil (Edms) Bpk	<b>Tuinroete Agri besit: 0.47%</b>	<b>0.45%</b>	Ekstraksie van olie uit hoofsaaklik canolasaad en die raffinering en bemarking van 'n gedifferensieerde reeks olies en proteïenprodukte.
j) LBK Agri (Edms) Bpk	<b>Tuinroete Agri besit: 100%</b>	<b>100%</b>	Belegging en verhuring van eiendom.



## **6. Finansiële bates beskikbaar vir verkoop**

Finansiële bates beskikbaar vir verkoop het wesenlik toegeneem met R194 939 882 (2014 – R30 456 402) weens die billike waarde-aanpassing ingevolge die rekeningkundige standpunt IAS 39. Die surplus is direk in die staat van ander omvattende inkomste verantwoord.

## **7. Belegging in gesamentlike onderneming**

### **Softsolutions (Edms) Bpk**

Die Koöperasie besit 'n 51% belang in dié Maatskappy wat deur gesamentlike besluitneming bestuur word. Die Maatskappy lewer sagteware-ontwikkeling en ander verwante dienste.

## **8. Belegging in geassosieerde**

### **Riparian Investments Consortium 1 (Edms) Bpk**

Die Koöperasie besit indirek deur Sentraal-Suid Beleggings (Edms) Bpk 'n 40% belang in dié Maatskappy. Dié Maatskappy besit 'n 100% belang in 'n maatskappy wat aandele in Pioneer Voedsel Groep Bpk besit.

## **9. Aandelekapitaal**

816 000 aandele is vanjaar uitgereik, terwyl 60 000 aandele ingetrek is, waarvan sommige deels opbetaalde aandele bedra.

## **10. Direkteure**

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

Direkteursvergoeding (uitgesluit toelaes) van R1 263 192 (2014 – R1 175 063) is aan nie-uitvoerende Direkteure betaal.

## **11. Eiendom, aanleg en toerusting**

Daar was geen verandering in die beleid van die Koöperasie en sy filiale, geassosieerde en gesamentlike onderneming gedurende die rekenpligtige periode rakende die gebruik van vaste bates nie.

## **12. Wesenlike gebeure na jaareinde**

Die Direkteure is nie bewus van enige wesenlike fout, omstandigheid, gebeurtenis of aangeleentheid wat tussen die rapporteringsdatum en die datum van die goedkeuring van die finansiële state ontstaan of plaasgevind het, wat die beoordeling van die Groep se finansiële state behoort te beïnvloed nie.

### 13. Waardering en dank

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

### 14. Ouditeure

PricewaterhouseCoopers Geïnkorporeer sal voortgaan om as ouditeure op te tree ooreenkomsdig Artikel 50 van die Koöperasiewet, 2005.



**Voor:** Michael Dippenaar (Voorsitter)

**2de Ry v.l.n.r.** Erenst Pelser (Hoofbestuur), Dirk van Papendorp (Onder-voorsitter)

**3de Ry v.l.n.r.:** Thys Odendaal, Jan Schoonwinkel, Schalk Viljoen

**4de Ry v.l.n.r.:** Piet Sands Uys, Nico de Kock, Marais Pienaar, John Robertson

**Agter v.l.n.r.:** Henk de Beer (Hoofbestuur), Adriaan Steyn, Lafras Uys, Villiers van Veen (Hoofbestuur),  
Freddie Lourens, Johannes Joubert

# DIRECTORS' REPORT for the year ended 28 February 2015

The Directors' report, which forms part of the audited financial statements of the Group and the Co-operative ("SSK") for the year ended 28 February 2015, is presented below:

## 1. Nature of business

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

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

In addition, the Co-operative is directly and indirectly involved in subsidiaries, an associate and a joint venture, as set out in 5, 7 and 8 below.

## 2. Members

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

The number of Members changed as follows:

Membership at the beginning of the year		1 042
Less: Deceased Members	5	
Members who have stopped farming	10	15
		1 027
Plus: New Members		204
Number of Members at year-end		1 231

## 3. Financial results

The detailed report of the Group's financial results appears in the financial statements.

## 4. Appropriation of surplus

It is still the Co-operative's policy to award bonuses in accordance with a distribution scheme under Section 89 of the Articles.

The Co-operative has declared a members' bonus of R9 000 000 for the current year (2014 – R14 000 000), of which R1 800 000 (2014 – R2 800 000) is paid in cash and the rest will be added to the existing members' funds. In the current year, accrued members' funds of R11 588 285 (1999, 2001, 2002, 2003 and 50% of 2004) had been paid out (2014 – R7 586 149 (50% of 1996, 1997 and 1998)).



## 5. Subsidiaries

The Co-operative has investments in the following subsidiaries:

<b>Direct</b>	<b>Interest 2015</b>	<b>Interest 2014</b>	<b>Main Objectives</b>
a) Sentraal-Suid Beleggings (Pty) Ltd	<b>100%</b>	<b>100%</b>	Investment company with related activities.
b) Southern Oil (Pty) Ltd	<b>62%</b>	<b>60%</b>	Extraction of oil, mainly canola seed and the refinement and marketing of a differentiated series of oils and protein products.
c) SSK Vervaardigers (Pty) Ltd	<b>100%</b>	<b>100%</b>	Manufacturing of animal feed.
d) Swellen Mark (Pty) Ltd	<b>68%</b>	<b>68%</b>	Investment in, and letting of property.
e) Technifarm (Pty) Ltd	<b>50%</b>	<b>50%</b>	Precision farming services and provision of equipment.
f) Tuinroete Agri (Pty) Ltd	<b>100%</b>	<b>100%</b>	Provision of farming supplies and related products and services.
<b>Indirect</b>			
g) Blinkbeleg Vyftien (Pty) Ltd	<b>Sentraal-Suid Beleggings owns: 100%</b>	<b>100%</b>	Motor sales and repairs.
h) Swartland Oliepers (Pty) Ltd	<b>Southern Oil owns: 100%</b>	<b>100%</b>	Dormant.
i) Southern Oil (Pty) Ltd	<b>Tuinroete Agri owns: 0.47%</b>	<b>0.45%</b>	Extraction of oil, mainly canola seed and the refinement and marketing of a differentiated series of oils and protein products.
j) LBK Agri (Pty) Ltd	<b>Tuinroete Agri owns: 100%</b>	<b>100%</b>	Investment in, and letting of property.

## 6. Financial assets available for sale

Financial assets available for sale have increased by R194 939 882 (2014 – R30 456 402) due to the fair value adjustment in terms of accounting statement IAS 39. The surplus has been directly accounted for in the statement of comprehensive income.



## **7. Investment in joint venture**

### **Softsolutions (Pty) Ltd**

The Co-operative owns a 51% interest in this company which is managed by joint decision making. The company delivers software development and related services.

## **8. Investment in associate**

### **Riparian Investments Consortium 1 (Pty) Ltd**

The Co-operative owns, indirectly through Sentral-Suid Beleggings (Pty) Ltd, a 40% interest in this Company. This Company owns a 100% interest in a company which owns shares in Pioneer Foods Group Ltd.

## **9. Share capital**

816 000 shares were issued this year, while 60 000 shares were called in, some of which were partially paid-up shares.

## **10. Directors**

Details of the Co-operative's Directors, Secretary and registered office appear in the section about the details of the Co-operative.

Directors' emoluments (excluding allowances) totalling R1 263 192 (2014 – R1 175 063), was paid to non-executive Directors.

## **11. Property, plant and equipment**

There has been no change in the policy of the Co-operative and its subsidiaries, associate and joint venture during the accounting period regarding the utilisation of fixed assets.

## **12. Material events after year-end**

The Directors are not aware of any material error, event or matter arising or occurring in the period between the accounting date and the date of approval of the financial statements, that should influence the assessment of the Group's financial statements.

## **13. Appreciation and acknowledgement**

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



#### 14. Auditors

PricewaterhouseCoopers Incorporated will continue to act as auditors in accordance with Section 50 of the Co-operatives Act, 2005.



**Front:** Michael Dippenaar (Chairman)

**2nd Row f.l.t.r.:** Erenst Pelser (Management), Dirk van Papendorp (Vice-chairman)

**3rd Row f.l.t.r.:** Thys Odendaal, Jan Schoonwinkel, Schalk Viljoen

**4th Row f.l.t.r.:** Piet Sands Uys, Nico de Kock, Marais Pienaar, John Robertson

**Back f.l.t.r.:** Henk de Beer (Management), Adriaan Steyn, Lafras Uys, Villiers van Veen (Management),  
Freddie Lourens, Johannes Joubert

**SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale  
STAAT VAN FINANSIËLE POSISIE soos op 28 Februarie 2015**

GROEP		KOÖPERASIE	
2015	2014	2015	2014
R'000	R'000	R'000	R'000

**BATES**

**Nie-bedryfsbates**

Eiendom, aanleg en toerusting	<b>360 611</b>	286 697	<b>162 972</b>	122 371
Ontasbare bates	<b>7 126</b>	8 249	<b>1 727</b>	2 517
Beleggingseiendom	<b>65 603</b>	73 292	-	-
Belegging in filiaalmaatskappye	-	-	<b>215 371</b>	218 379
Belegging in geassosieerde	<b>34 806</b>	7 065	-	-
Belegging in gesamentlike onderneming	<b>1 089</b>	1 211	<b>1 500</b>	1 500
Finansiële bates beskikbaar vir verkoop	<b>407 891</b>	205 392	<b>406 076</b>	202 850
Ander finansiële bates	<b>154 446</b>	105 311	<b>172 653</b>	119 586
Uitgestelde belastingbate	<b>7 356</b>	4 819	-	-
	<b>1 038 929</b>	692 036	<b>960 299</b>	667 203

**Bedryfsbates**

Nie-bedryfsbates gehou vir verkoop	<b>6 453</b>	-	-	-
Voorraad	<b>725 081</b>	663 965	<b>125 173</b>	129 755
Handels- en ander debiteure	<b>489 561</b>	481 801	<b>297 193</b>	285 540
Korttermynlenings	-	-	<b>27 316</b>	20 784
Inkomstebelasting	<b>8 533</b>	1 252	<b>195</b>	834
Kontant en kontantekwivalente	<b>34 590</b>	30 113	<b>6 908</b>	6 851
	<b>1 264 218</b>	1 177 131	<b>456 785</b>	443 764
<b>Total bates</b>	<b>2 303 147</b>	1 869 167	<b>1 417 084</b>	1 110 967

**SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale  
STAAT VAN FINANSIËLE POSISIE soos op 28 Februarie 2015 (vervolg)**

	GROEP		KOÖPERASIE	
	2015 R'000	2014 R'000	2015 R'000	2014 R'000
<b>EKWITEIT EN AANSPREEKLIKHEDE</b>				
<b>Kapitaal en reserwes</b>				
Reservewes	<b>731 575</b>	476 204	<b>567 595</b>	358 758
Aandelekapitaal	<b>4 541</b>	3 676	<b>4 557</b>	3 692
Ledebelang	<b>736 116</b>	479 880	<b>572 152</b>	362 450
Nie-beherende belang	<b>102 202</b>	89 749	-	-
Totale ekwiteit	<b>838 319</b>	569 629	<b>572 152</b>	362 450
Ledefondse	<b>74 691</b>	79 586	<b>81 213</b>	85 601
<b>Nie-bedryfslaste</b>				
Langtermynlenings	<b>265 169</b>	196 832	<b>220 002</b>	142 718
Uitgestelde belastingaanspreeklikheid	<b>90 050</b>	41 815	<b>74 384</b>	35 808
Na-aftrede mediese voordele	<b>5 375</b>	5 439	<b>4 875</b>	4 901
Uitgestelde inkomste	<b>4 105</b>	5 218	-	-
	<b>364 700</b>	249 305	<b>299 261</b>	183 427
<b>Bedryfslaste</b>				
Handels- en ander krediteure	<b>320 729</b>	317 604	<b>137 643</b>	141 902
Korttermynlenings	<b>676 893</b>	636 641	<b>326 815</b>	337 545
Bankoortrekking	<b>26 641</b>	13 037	-	42
Korttermyndeel van uitgestelde inkomste	<b>1 112</b>	1 112	-	-
Inkomstebelasting	<b>61</b>	2 253	-	-
	<b>1 025 437</b>	970 647	<b>464 458</b>	479 489
<b>Totale ekwiteit en aanspreeklikhede</b>	<b>2 303 147</b>	1 869 167	<b>1 417 084</b>	1 110 967

**SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries**  
**STATEMENT OF FINANCIAL POSITION as at 28 February 2015**

	GROUP		CO-OPERATIVE	
	2015	2014	2015	2014
	R'000	R'000	R'000	R'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	<b>360 611</b>	286 697	<b>162 972</b>	122 371
Intangible assets	<b>7 126</b>	8 249	<b>1 727</b>	2 517
Investment property	<b>65 603</b>	73 292	-	-
Investment in subsidiaries	-	-	<b>215 371</b>	218 379
Investment in associate	<b>34 806</b>	7 065	-	-
Investment in joint venture	<b>1 089</b>	1 211	<b>1 500</b>	1 500
Investments available for sale	<b>407 891</b>	205 392	<b>406 076</b>	202 850
Other financial assets	<b>154 446</b>	105 311	<b>172 653</b>	119 586
Deferred taxation asset	<b>7 356</b>	4 819	-	-
	<b>1 038 929</b>	692 036	<b>960 299</b>	667 203
<b>Current assets</b>				
Non-current assets held for sale	<b>6 453</b>	-	-	-
Stock	<b>725 081</b>	663 965	<b>125 173</b>	129 755
Trade and other receivables	<b>489 561</b>	481 801	<b>297 193</b>	285 540
Short-term loans	-	-	<b>27 316</b>	20 784
Income tax	<b>8 533</b>	1 252	<b>195</b>	834
Cash and cash equivalents	<b>34 590</b>	30 113	<b>6 908</b>	6 851
	<b>1 264 218</b>	1 177 131	<b>456 785</b>	443 764
<b>Total assets</b>	<b>2 303 147</b>	1 869 167	<b>1 417 084</b>	1 110 967

**SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries**  
**STATEMENT OF FINANCIAL POSITION as at 28 February 2015 (continued)**

GROUP		CO-OPERATIVE	
2015	2014	2015	2014
R'000	R'000	R'000	R'000

**EQUITY AND LIABILITIES**

**Capital and reserves**

Reserves	<b>731 575</b>	476 204	<b>567 595</b>	358 758
Share capital	<b>4 541</b>	3 676	<b>4 557</b>	3 692
Members' interest	<b>736 116</b>	479 880	<b>572 152</b>	362 450
Non-controlling interest	<b>102 202</b>	89 749	-	-
Total equity	<b>838 319</b>	569 629	<b>572 152</b>	362 450
Members' funds	<b>74 691</b>	79 586	<b>81 213</b>	85 601

**Non-current liabilities**

Long-term loans	<b>265 169</b>	196 832	<b>220 002</b>	142 718
Deferred taxation liabilities	<b>90 050</b>	41 815	<b>74 384</b>	35 808
Post-retirement medical benefits	<b>5 375</b>	5 439	<b>4 875</b>	4 901
Deferred income	<b>4 105</b>	5 218	-	-
	<b>364 700</b>	249 305	<b>299 261</b>	183 427

**Current liabilities**

Trade and other creditors	<b>320 729</b>	317 604	<b>137 643</b>	141 902
Short-term loans	<b>676 893</b>	636 641	<b>326 815</b>	337 545
Bank overdraft	<b>26 641</b>	13 037	-	42
Short-term deferred income	<b>1 112</b>	1 112	-	-
Income tax	<b>61</b>	2 253	-	-
	<b>1 025 437</b>	970 647	<b>464 458</b>	479 489
<b>Total equity and liabilities</b>	<b>2 303 147</b>	1 869 167	<b>1 417 084</b>	1 110 967

**SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale**  
**STAAT VAN OMVATTENDE INKOMSTE vir die jaar geëindig 28 Februarie 2015**

	<b>GROEP</b>		<b>KOÖPERASIE</b>	
	<b>2015</b> R'000	<b>2014</b> R'000	<b>2015</b> R'000	<b>2014</b> R'000
Inkomste	<b>2 749 697</b>	1 967 405	<b>1 298 555</b>	1 116 100
Koste van verkope	<b>(2 366 678)</b>	(1 662 737)	<b>(1 153 222)</b>	(987 907)
Bruto wins	<b>383 019</b>	304 668	<b>145 333</b>	128 193
Ander inkomste	<b>89 382</b>	65 401	<b>89 413</b>	69 681
Administratiewe uitgawes	<b>(63 542)</b>	(62 397)	<b>(33 769)</b>	(31 847)
Ander bedryfsuitgawes	<b>(213 593)</b>	(137 211)	<b>(98 604)</b>	(80 409)
Bedryfswins	<b>195 266</b>	170 461	<b>102 373</b>	85 618
Finansieringsinkomste	<b>1 892</b>	2 732	<b>5 580</b>	5 611
Finansieringskoste	<b>(66 227)</b>	(39 840)	<b>(45 212)</b>	(25 240)
Wins voor ekwiteitsverdienste en bonusse	<b>130 931</b>	133 353	<b>62 742</b>	65 989
Ekwiteitsverlies in geassosieerde/gesamentlike onderneming	<b>(369)</b>	(321)	-	-
Wins voor bonusse	<b>130 562</b>	133 032	<b>62 742</b>	65 989
Bonusse verklaar	<b>(8 286)</b>	(13 385)	<b>(9 000)</b>	(14 000)
Uitgestel	<b>(6 629)</b>	(10 708)	<b>(7 200)</b>	(11 200)
Kontant	<b>(1 657)</b>	(2 677)	<b>(1 800)</b>	(2 800)
Wins voor belasting	<b>122 276</b>	119 647	<b>53 742</b>	51 989
Belasting	<b>(30 236)</b>	(30 379)	<b>(2 306)</b>	(2 613)
<b>Wins vir die jaar</b>	<b>92 040</b>	89 268	<b>51 436</b>	49 376

**SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale  
STAAT VAN OMVATTENDE INKOMSTE vir die jaar geëindig 28 Februarie 2015  
(vervolg)**

GROEP		KOÖPERASIE	
2015	2014	2015	2014
R'000	R'000	R'000	R'000

**Ander omvattende inkomste**

Aktuariële wins/(verlies) op na-aftrede mediese voordele	<b>64</b>	(713)	<b>26</b>	(681)
Uitgestelde belasting op aktuariële wins/(verlies) op na-aftrede mediese	<b>(18)</b>	199	<b>(7)</b>	191
Billike waarde-aanpassing van finansiële bates beskikbaar vir verkoop	<b>194 252</b>	30 576	<b>194 940</b>	30 456
Uitgestelde belasting op billike waarde-aanpassing	<b>(37 429)</b>	(5 683)	<b>(37 558)</b>	(5 640)
Omvattende inkomste in geassosieerde	<b>27 988</b>	2 204	-	-

**Totale omvattende inkomste vir die jaar** **276 897** **115 851** **208 837** **73 702**

Wins toeskrybaar aan:				
Lede	<b>74 687</b>	65 894	<b>51 436</b>	49 375
Nie-beherende belang	<b>17 353</b>	23 374	-	-
	<b>92 040</b>	89 268	<b>51 436</b>	49 375

Totale omvattende inkomste toeskrybaar aan:

Lede	<b>259 544</b>	92 378	<b>208 837</b>	73 702
Nie-beherende belang	<b>17 353</b>	23 473	-	-
	<b>276 897</b>	115 851	<b>208 837</b>	73 702

**SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries**  
**STATEMENT OF COMPREHENSIVE INCOME for the year ended 28 February 2015**

	<b>GROUP</b>		<b>CO-OPERATIVE</b>	
	<b>2015</b> R'000	<b>2014</b> R'000	<b>2015</b> R'000	<b>2014</b> R'000
Income	<b>2 749 697</b>	1 967 405	<b>1 298 555</b>	1 116 100
Cost of sales	<b>(2 366 678)</b>	(1 662 737)	<b>(1 153 222)</b>	(987 907)
Gross profit	<b>383 019</b>	304 668	<b>145 333</b>	128 193
Other income	<b>89 382</b>	65 401	<b>89 413</b>	69 681
Administrative expenditure	<b>(63 542)</b>	(62 397)	<b>(33 769)</b>	(31 847)
Other operating expenditure	<b>(213 593)</b>	(137 211)	<b>(98 604)</b>	(80 409)
Operating profit	<b>195 266</b>	170 461	<b>102 373</b>	85 618
Financing income	<b>1 892</b>	2 732	<b>5 580</b>	5 611
Financing costs	<b>(66 227)</b>	(39 840)	<b>(45 212)</b>	(25 240)
Profit before equity earnings and bonuses	<b>130 931</b>	133 353	<b>62 742</b>	65 989
Equity loss in associate/joint venture	<b>(369)</b>	(321)	-	-
Profit before bonuses	<b>130 562</b>	133 032	<b>62 742</b>	65 989
Bonuses declared	<b>(8 286)</b>	(13 385)	<b>(9 000)</b>	(14 000)
Deferred	<b>(6 629)</b>	(10 708)	<b>(7 200)</b>	(11 200)
Cash	<b>(1 657)</b>	(2 677)	<b>(1 800)</b>	(2 800)
Profit before tax	<b>122 276</b>	119 647	<b>53 742</b>	51 989
Tax	<b>(30 236)</b>	(30 379)	<b>(2 306)</b>	(2 613)
<b>Profit for the year</b>	<b>92 040</b>	89 268	<b>51 436</b>	49 376

**SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries**  
**STATEMENT OF COMPREHENSIVE INCOME for the year ended 28 February 2015**  
(continued)

GROUP		CO-OPERATIVE	
2015 R'000	2014 R'000	2015 R'000	2014 R'000

**Other comprehensive income**

Actuarial profit/(loss) on post-retirement medical benefits	<b>64</b>	(713)	<b>26</b>	(681)
Deferred tax on actuarial profit/(loss) on post-retirement medical benefits	<b>(18)</b>	199	<b>(7)</b>	191
Fair value changes – Available-for-sale investments	<b>194 252</b>	30 576	<b>194 940</b>	30 456
Deferred tax on fair value changes	<b>(37 429)</b>	(5 683)	<b>(37 558)</b>	(5 640)
Comprehensive income in associate	<b>27 988</b>	2 204	-	-
<b>Total comprehensive income for the year</b>	<b>276 897</b>	115 851	<b>208 837</b>	73 702

Profit attributable to:				
Members	<b>74 687</b>	65 894	<b>51 436</b>	49 375
Non-controlling interest	<b>17 353</b>	23 374	-	-
	<b>92 040</b>	89 268	<b>51 436</b>	49 375

Total comprehensive income attributable to:

Members	<b>259 544</b>	92 378	<b>208 837</b>	73 702
Non-controlling interest	<b>17 353</b>	23 473	-	-
	<b>276 897</b>	115 851	<b>208 837</b>	73 702

**SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale  
KONTANTVLOEISTAAT vir die jaar geëindig 28 Februarie 2015**

	GROEP		KOÖPERASIE	
	2015 R'000	2014 R'000	2015 R'000	2014 R'000

**Kontantvloei uit bedryfsaktiwiteite**

Kontant deur bedrywighede voortgebring/(benut)	<b>85 973</b>	(58 546)	<b>(145)</b>	(20 830)
Rente betaal	<b>(66 227)</b>	(39 840)	<b>(45 212)</b>	(25 240)
Belasting ontvang/(betaal)	<b>(31 458)</b>	(24 874)	<b>(654)</b>	(2 042)

**Netto kontant aangewend in bedrywighede**

**(11 712)** (124 260) **(46 011)** (48 112)

**Kontantvloei uit beleggingsaktiwiteite**

Toevoeging tot eiendom, aanleg en toerusting	<b>(102 175)</b>	(94 874)	<b>(50 336)</b>	(43 035)
Toevoeging tot ontasbare bates	<b>(746)</b>	(364)	-	-
Opbrengs met verkoop van eiendom, aanleg en toerusting	<b>2 230</b>	297	<b>917</b>	53
Opbrengs met verkoop van beleggingseiendom	-	21	-	-
Aankope van aandele	<b>(2 653)</b>	(12)	-	(12)
Verkoop van aandele	<b>1 597</b>	-	<b>55</b>	-
Verkryging van belang in filiaal	-	(164 475)	-	(147 890)
Belegging in filiaal gemaak	-	-	-	(3 857)
Lenings aan filiale terugontvang	-	-	<b>3 843</b>	3 492
Lenings aan filiale gemaak	-	-	<b>(5 602)</b>	(368)
Belegging in gesamentlike onderneming	-	(500)	-	(500)
Lening aan gesamentlike onderneming terugontvang	-	-	<b>64</b>	-
Lening aan gesamentlike onderneming gemaak	<b>64</b>	(348)	-	(348)
Lening toegestaan aan geassosieerde	<b>(392)</b>	(368)	-	-
Korttermynbelegging afgelos	-	44 292	-	44 276
Rente ontvang	<b>1 892</b>	2 732	<b>5 580</b>	5 611
Dividende ontvang	<b>13 911</b>	4 650	<b>35 759</b>	33 030
MCEP-toekenning ontvang	-	5 380	-	-

**Netto kontant aangewend in beleggingsaktiwiteite**

**(86 272)** (203 569) **(9 720)** (109 548)

**SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale  
KONTANTVLOEISTAAT vir die jaar geëindig 28 Februarie 2014 (vervolg)**

		GROEP		KOÖPERASIE	
	2015	2014	2015	2014	
	R'000	R'000	R'000	R'000	

**Kontantvloei uit finansieringsaktiwiteite**

Langtermynlenings aangegaan	<b>107 649</b>	145 670	<b>107 649</b>	145 670
Langtermynlenings terugbetaal	<b>(27 480)</b>	(4 916)	<b>(18 837)</b>	(4 486)
Korttermynlenings aangegaan	<b>28 419</b>	197 887	<b>1 865</b>	27 110
Korttermynlenings terugbetaal	-	-	<b>(24 124)</b>	-
Aandele ingetrek	<b>(54)</b>	(65)	<b>(54)</b>	(65)
Aandele uitgereik	<b>920</b>	484	<b>920</b>	484
Verkryging van belang in filiaal	<b>(8 610)</b>	(8 857)	-	-
Ledebelangfonds terugbetaal	<b>(11 523)</b>	(7 579)	<b>(11 588)</b>	(7 586)
Dividende betaal	<b>(462)</b>	(366)	-	-

**Netto kontant gegenereer deur finansierings-aktiwiteite**

**88 859**      322 258      **55 831**      161 127

Toename/(afname) in kontant en kontantekwivalente	<b>(9 126)</b>	(5 572)	<b>99</b>	3 466
Kontant en kontantekwivalente aan begin van jaar	<b>17 076</b>	22 647	<b>6 808</b>	3 342

**Kontant en kontantekwivalente aan einde van jaar**

**7 950**      17 075      **6 907**      6 808

**SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries**  
**CASH FLOW STATEMENT for the year ended 28 February 2015**

	<b>GROUP</b>		<b>CO-OPERATIVE</b>	
	<b>2015</b> R'000	<b>2014</b> R'000	<b>2015</b> R'000	<b>2014</b> R'000
<b>Cash flow from operating activities</b>				
Cash generated from/(used in) activities	<b>85 973</b>	(58 546)	<b>(145)</b>	(20 830)
Interest paid	<b>(66 227)</b>	(39 840)	<b>(45 212)</b>	(25 240)
Taxation received/(paid)	<b>(31 458)</b>	(24 874)	<b>(654)</b>	(2 042)
<b>Net cash utilised in activities</b>	<b>(11 712)</b>	(124 260)	<b>(46 011)</b>	(48 112)
<b>Cash flow from investment activities</b>				
Addition to property, plant and equipment	<b>(102 175)</b>	(94 874)	<b>(50 336)</b>	(43 035)
Addition to intangible assets	<b>(746)</b>	(364)	-	-
Return on sale of property, plant and equipment	<b>2 230</b>	297	<b>917</b>	53
Return on sale of investment property	-	21	-	-
Purchase of shares	<b>(2 653)</b>	(12)	-	(12)
Sale of shares	<b>1 597</b>	-	<b>55</b>	-
Acquiring interest in subsidiary	-	(164 475)	-	(147 890)
Investment in subsidiary	-	-	-	(3 857)
Loans to subsidiaries received	-	-	<b>3 843</b>	3 492
Loans granted to subsidiaries	-	-	<b>(5 602)</b>	(368)
Investment in joint venture	-	(500)	-	(500)
Loan granted to joint venture received	-	-	<b>64</b>	-
Loan granted to joint venture	<b>64</b>	(348)	-	(348)
Loan granted to associate	<b>(392)</b>	(368)	-	-
Short-term investment redeemed	-	44 292	-	44 276
Interest received	<b>1 892</b>	2 732	<b>5 580</b>	5 611
Dividends received	<b>13 911</b>	4 650	<b>35 759</b>	33 030
SMEDP claim received	-	5 380	-	-
<b>Net cash utilised in investment activities</b>	<b>(86 272)</b>	(203 569)	<b>(9 720)</b>	(109 548)

**SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries**  
**CASH FLOW STATEMENT for the year ended 28 February 2015**  
**(continued)**

	<b>GROUP</b>		<b>CO-OPERATIVE</b>	
	<b>2015</b> R'000	<b>2014</b> R'000	<b>2015</b> R'000	<b>2014</b> R'000
<b>Cash flow from financing activities</b>				
Long-term loans obtained	<b>107 649</b>	145 670	<b>107 649</b>	145 670
Long-term loans repaid	<b>(27 480)</b>	(4 916)	<b>(18 837)</b>	(4 486)
Short-term loans obtained	<b>28 419</b>	197 887	<b>1 865</b>	27 110
Short-term loans repaid	-	-	<b>(24 124)</b>	-
Shares cancelled	<b>(54)</b>	(65)	<b>(54)</b>	(65)
Shares issued	<b>920</b>	484	<b>920</b>	484
Acquiring interest in subsidiary	<b>(8 610)</b>	(8 857)	-	-
Members' interest funds repaid	<b>(11 523)</b>	(7 579)	<b>(11 588)</b>	(7 586)
Dividends paid	<b>(462)</b>	(366)	-	-
<b>Net cash from financing activities</b>	<b>88 859</b>	322 258	<b>55 831</b>	161 127
Increase/(decrease) in cash and cash equivalents	<b>(9 126)</b>	(5 572)	<b>99</b>	3 466
Cash and cash equivalents at beginning of the year	<b>17 076</b>	22 647	<b>6 808</b>	3 342
<b>Cash and cash equivalents at end of the year</b>	<b>7 950</b>	17 075	<b>6 907</b>	6 808



## AANTEKENING

### 1. Opstellingsgrondslag

Die opgesomde gekonsolideerde finansiële state is opgestel vanuit die volledige geouditeerde gekonsolideerde finansiële state vir die jaar geëindig 28 Februarie 2015.

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

## NOTE

### 1. Basis of preparation

The summary consolidated financial statements have been compiled from the full set of audited consolidated financial statements for the year ended 28 February 2015.

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

# **SENTRAAL-SUID KOÖPERASIE BEPERK en sy filiale FINANSIËLE BESTUURSOORSIG 2014 – 2015**

## **AGTERGROND**

Wêreldwyd begin tekens van ekonomiese herstel al hoe meer opduik met beurse wat wydverspreid nuwe hoogtes bereik het in die laaste jaar. Die volhoubaarheid van hierdie prestasies kan sekerlik bevrage teken word en markkorreksies is in hierdie stadium reeds in volle swang. Die periodieke voorkoms van markkorreksies blyk nou die norm te wees en nie die uitsondering nie. Politieke onstabilitet blyk ook al hoe meer algemeen te raak. Die finansiële situasie van die werkersklas is wêreldwyd onder geweldige druk, wat beslis wesentlik bydra hiertoe. Dit is belangrik om hier te merk dat hoe minder 'n persoon het om te verloor, hoe meer onvoorspelbaar raak hul optrede. Suid-Afrika is nie immuun teen hierdie globale tendens nie en toenemende ongelukkigheid met die wyse waarop die land bestuur word het tot gevolg dat stakings, onluste en gevolglik ook misdaad al hoe meer algemeen word. Die stakings in die Suid-Afrikaanse mynbedryf blyk nou vir eers oopgelos te wees, maar die effek hiervan gaan nog lank gevoel word met die verlaagde ekonomiese groei wat gerealiseer het in die laaste jaar. Die verdere verswakking van die Rand het deurlopend 'n opwaartse effek op die koste van insette en indien 'n besigheid se uitsette nie verskans is teen die verswakking van dié geldeenheid nie, is dit 'n ongunstige omgewing vir volhoubaarheid. Die landbousektor loop hier veral deur met masjienerie, asook insetkoste wat buitensporige verhogings in aankoopskoste ervaar het. Vir landbouwers wat blootstelling tot die uitvoer- en / of kommoditeitsmarkte het, kon van hierdie kostestygings in 'n mate geabsorbeer word.

Landbou-kommoditeitspryse het 'n wispeleturige jaar beleef met bv. mielies wat wesentlik gedaal het, maar in die laaste paar maande sterk tekens van herstel getoon het. Vooruitsigte dui tans op stabiele plaaslike koring- en garspryse. Die dalings in die internasionale markprys is grootliks geneutraliseer deur die verswakking van die Rand. Vooruitsigte vir van die ander landbousektore is as volg:

- Die suiwelbedryf het 'n relatiewe goeie jaar beleef, met veral lae mieliepryse wat wesentlike besparings aan koste teweeggebring het. Die korttermynvooruitsigte lyk egter nie so belowend nie, met wesentlike prysstygings in voerkoste, en melkpryse wat moontlik onveranderd gaan bly.
- Die vrugte- en wynbedrywe het weereens goeie oeste ervaar, alhoewel haelskade in die Langkloof voorgekom het. Uitvoerpryse, gegeve die wisselkoers, was weereens gunstig.
- Die volstruisbedryf het die jaar goed begin, maar onlangse dalings in die prys van slagvoëls was onverwags en plaas geweldige druk op hierdie mark wat in 'n herstel-fase is.
- Vleispryse het die jaar (soos in verlede jaar) grotendeels onveranderd gebly. Wydverspreide droogtes is ervaar wat in die medium termyn druk op die aanbod van vleis kan plaas. Die moontlikheid vir hoër vleispryse kan dus nie geignoreer word nie.
- Die wolbedryf doen ook steeds goed met veral sybokhaar wat weereens rekordvlakke geëwenaar het.
- Die impak van die sluiting van McCain se fabriek op George op die streek se groenteboere blyk oorwegend negatief te wees.



Die SSK Groep het 'n baie goeie finansiële jaar ervaar, met al die filiale, behalwe een, wat 'n wins gerealiseer het. Op enkelstaatvlak was die stygings in markwaarde van beleggings die grootste uitblinker. SSK het goeie finansiële prestasies in die bedryfsafdelings gerealiseer, wat gegewe wesenlike moutgarsafkeurings a.g.v. kwaliteitsverliese, steeds 'n uitstekende bedryfswins tot gevolg gehad het. Die verhandeling van hierdie afgekeurde moutgars het 'n wesenlike toename in omset in die Graanafdeling bewerkstellig.

Die Graan-, Saad-, Versekerings- en Handelsafdelings was almal winsgewend en 'n kleiner verlies is deur die Meganisasieafdeling in die huidige jaar gerealiseer, vergeleke met die vorige jaar.

SSK het vir die vyfde keer in die Koöperasie se geskiedenis oor surplusfondse beskik, wat gegewe die grootskaalse kapitale uitbreidings van die laaste drie jaar, grootliks onverwags was. Alle korttermynfasiliteite was tydens die periode ten volle afgelos.

Die inskakeling van Tuinroete Agri se bedrywigheid binne SSK vorder fluks en ons realiseer deurentyd nog voordele van ons groter voetspoor. Die nuwe SSK-handelsmerk is gedurende die jaar bekendgestel, asook die samevoeging van SSK en Tuinroete Agri se Handelstakke onder die AgriLand handelsmerk wesenlike toenames in ledetal is gedurende die jaar ervaar.

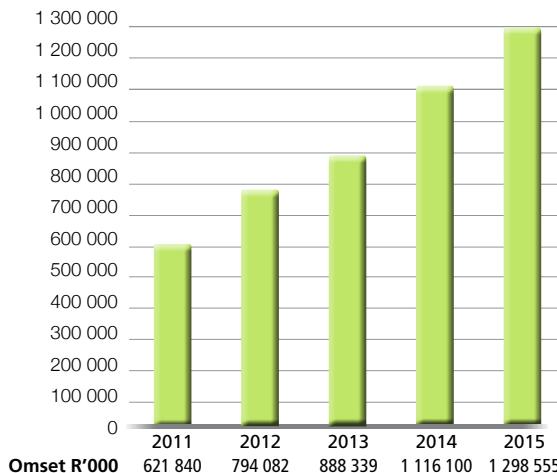
Die filiale het goed presteer met slegs Softlutions wat vir die 2015-finansiële jaar 'n marginale bedryfsverlies toon. Die vooruitsigte is dat hierdie entiteit in die medium termyn winsgewendheid sal behaal. SSK Vervaardigers het vir die tweede jaar in 'n ry 'n omsetbonus aan kliënte betaal.

SSK het 'n uiters geseënde en opwindende jaar beleef met vele verwikkelinge op verskeie gebiede. SSK se Direksie, Bestuur en Personeel bly toegewyd aan die ondersteuning van ons Lede en hul onderskeie boerderye en is dankbaar vir die ondersteuning wat ons Lede ons bied. Ons bly nederig dankbaar aan ons Hemelse Vader vir al die seëninge wat ons onverdienstelik uit Sy hande ontvang het.

## **TOTALE OMSET**

Die totale omset met Lede en klante het toegeneem vanaf R1 116 100 630 in 2013/2014 tot R1 298 554 991 in 2014/2015, 'n toename van ongeveer 16%. Die wesenlike toename inveral direkte bestellings, die verhoogde heelgoedere-verkope, sowel as die toename in graanverhandelingstransaksies is grootliks vir die styging verantwoordelik.

## TOTALE OMSET



## NETTO INKOMSTE / VERDELING VAN SURPLUS

Die Koöperasie se bedrywighede het 'n netto inkomste voor belasting vir die jaar van R62 741 504 (2014: R65 988 933) tot gevolg gehad. Ingelus in hierdie syfers is 'n dividend van R28 000 000 van Tuinroete Agri vir beide finansiële jare.

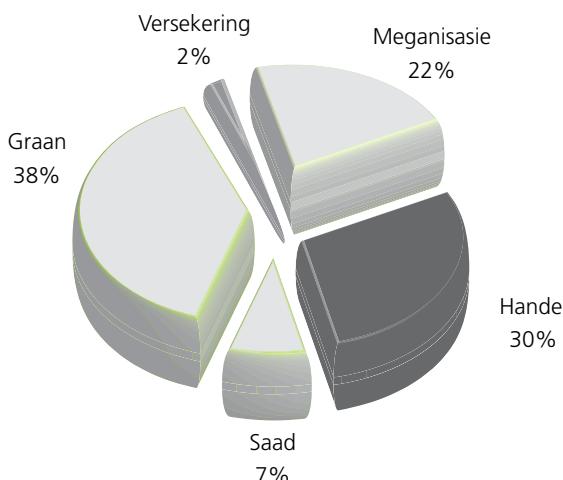
Inkomstebelasting beloop R1 294 269 (2014: R2 407 450) en die toename in die voorsiening vir uitgestelde belasting beloop R1 011 248 (2014: R206 006). Die netto inkomste na belasting, maar voor bonusse, beloop dus R60 435 988 (2014: R63 375 477). Die surplus word as volg verdeel:

Bonusse	R9 000 000
Kontant	R1 800 000
Uitgestel	R7 200 000
Reserwes	R51 435 988

**BEDRYFSREKENINGE**

	2015			2014			Toename/ (afname) in omset	Toename/ (afname) in bruto wins
	Omset R	Bruto wins R	Bruto wins %	Omset R	Bruto wins R	Bruto wins %	%	%
Werkswinkels en Elektries	27 117 080	17 676 463	65,19	26 044 716	15 070 907	57,87	4,12	17,29
Versekerings en Dienste	3 350 370	3 350 370	100,00	2 815 244	2 815 244	100,00	19,01	19,01
Handel	779 407 703	44 128 987	5,66	711 567 271	39 174 300	5,51	9,53	12,65
Meganisasie Bemarking	142 325 640	8 832 232	6,21	124 144 415	6 853 538	5,52	14,65	28,87
Onderdele	29 060 214	5 308 106	18,27	25 420 325	5 335 956	20,99	14,32	(0,52)
Saad	52 222 414	10 675 826	20,44	40 683 032	8 357 683	20,54	28,36	27,74
Graan	264 890 141	55 325 907	20,89	184 879 167	50 551 032	27,34	43,28	9,45
Administrasie en ander dienste	181 430	34 981	19,28	546 460	34 563	6,32	(66,80)	1,21
	<b>1 298 554 991</b>	<b>145 332 873</b>		<b>1 116 100 630</b>	<b>128 193 223</b>			

Die verhouding van bruto wins per doelstelling tot die totale bruto wins ten bedrae van R145 332 873 (2014: R128 193 223) (administrasie en ander dienste se bruto wins is hierby uitgesluit) is soos volg:

**BRUTO WINS PER DOELSTELLING**



## TOTALE UITGAWES

Totale uitgawes (administratiewe en bedryfsuitgawes) het in die jaar onder oorsig met 18% gestyg, grootliks te danke aan die koste verbonde aan die brandstof vir droërs, bedryfshure, instandhouding, waardevermindering en personeelkoste.

## WAARDETOEVOEGING TOT BELANGHEBBENDES

	%	<b>2015 R</b>	<b>2014 R</b>	%
Omset		<b>1 298 554 991</b>	1 116 100 630	
Netto kosprys van produkte en dienste		<b>(1 056 996 149)</b>	(909 526 908)	
<b>Waarde toegevoeg</b>		<b>241 558 842</b>	<b>206 573 722</b>	

Soos volg aangewend:

Werknemers	30.59	<b>73 883 465</b>	66 215 042	32.05
Lone/Salarisse	27.79	<b>67 119 363</b>	59 200 208	28.66
Aansporingsbonus	2.81	<b>6 790 102</b>	6 333 834	3.07
Na-aftrede mediese koste	-0.01	<b>(26 000)</b>	681 000	0.33
Kapitaalverskaffers	19.46	<b>47 011 921</b>	28 039 788	13.57
Rente	18.72	<b>45 211 921</b>	25 239 788	12.22
Bonusse uitbetaal	0.75	<b>1 800 000</b>	2 800 000	1.36
Toevoeging van bates	20.84	<b>50 336 727</b>	43 034 923	20.83
Waardevermindering	3.88	<b>9 366 504</b>	6 585 356	3.19
Herbelê in besigheid	24.28	<b>58 654 708</b>	60 085 157	29.09
Reserwes	21.30	<b>51 454 708</b>	48 885 157	23.66
Bonusse uitgestel	2.98	<b>7 200 000</b>	11 200 000	5.42
Inkomstebelasting	0.95	<b>2 305 517</b>	2 613 456	1.27
		<b>241 558 842</b>	<b>206 573 722</b>	

## DEBITURE

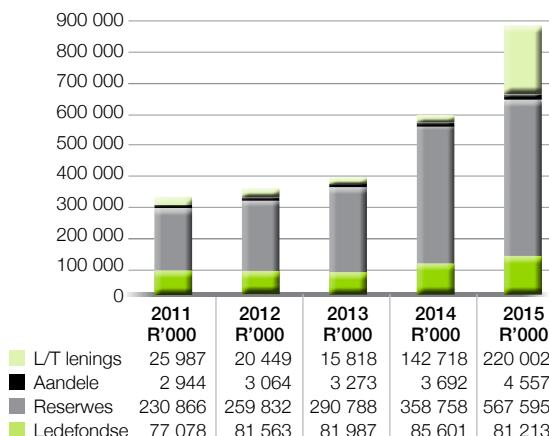
Oorlaatskuld het toegeneem tot R59 618 808 (2014: R46 487 656), maar is gegewe die wesenlike groei in die debiteureboek steeds in lyn met verwagtinge. Daar is vanjaar debiteure ten bedrae van R65 902 (2014: R86 285) afgeskryf as oninbaar. Die totale voorsiening vir twyfelagtige skulde was op jaareinde R469 452 (2014: R195 908). Hierdie uitstekende syfers is noemenswaardig gegewe die omvang van die debiteureboek.

## BELANGRIKE FINANSIELLE VERHOUDINGS

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

	<b>Norm</b>	<b>2015</b>	<b>2014</b>
Eie kapitaal:			
Aangesuiwerde totale bates	30% (min)	<b>52</b>	46
Ledebelang:			
Aangesuiwerde totale bates	50% (min)	<b>60</b>	58
Langtermynkapitaal:			
Langtermynbates + 50% van aangesuiwerde bedryfsbates	100%	<b>68</b>	71
Rentedraend:			
Rentevrye finansiering	50% (maks)	<b>20.2</b>	18.5
Bedryfskapitaal	2:1	<b>0.98</b>	0.93

## KAPITAALBRONNE





## FILIALE

Die prestasie van die filialmaatskappye (direkte en indirekte belang), 'n gesamentlike onderneming en 'n geassosieerde maatskappy, vir die jaar onder oorsig, is as volg:

	2015		
	Omset	Bruto wins	Netto wins
Blinkbeleg Vyftien (Edms) Bpk	47 596 518	4 285 234	182 427
Riparian Investment Consortium 1 (Edms) Bpk	-	-	69 352 079
Sentraal-Suid Beleggings (Edms) Bpk	58 500	15 458	11 143
Softlutions (Edms) Bpk	1 675 200	1 675 200	(239 005)
Southern Oil (Edms) Bpk	818 563 471	141 334 618	44 789 580
SSK Vervaardigers (Edms) Bpk	107 240 123	4 171 296	648 382
Swellen Mark (Edms) Bpk	8 763 931	8 763 931	34 202
Technifarm (Edms) Bpk	12 678 778	3 362 540	236 648
Tuinroete Agri (Edms) Bpk	697 389 239	82 378 028	14 566 774

	2014		
	Omset	Bruto wins	Netto wins
Blinkbeleg Vyftien (Edms) Bpk	50 461 280	4 426 380	650 530
Riparian Investment Consortium 1 (Edms) Bpk	-	-	4 969 111
Sentraal-Suid Beleggings (Edms) Bpk	63 100	63 100	18 884
Softlutions (Edms) Bpk	1 488 170	1 488 170	(205 927)
Southern Oil (Edms) Bpk	733 197 436	143 882 776	68 630 462
SSK Vervaardigers (Edms) Bpk	110 905 037	2 119 520	(88 019)
Swartland Oliepers (Edms) Bpk	33 035 978	3 806 148	1 420 255
Swellen Mark (Edms) Bpk	8 206 472	8 206 472	(942 898)
Technifarm (Edms) Bpk	9 429 179	2 295 771	332 743
Tuinroete Agri (Edms) Bpk (3 maande)	173 284 357	23 244 647	4 802 122

## GRAAN

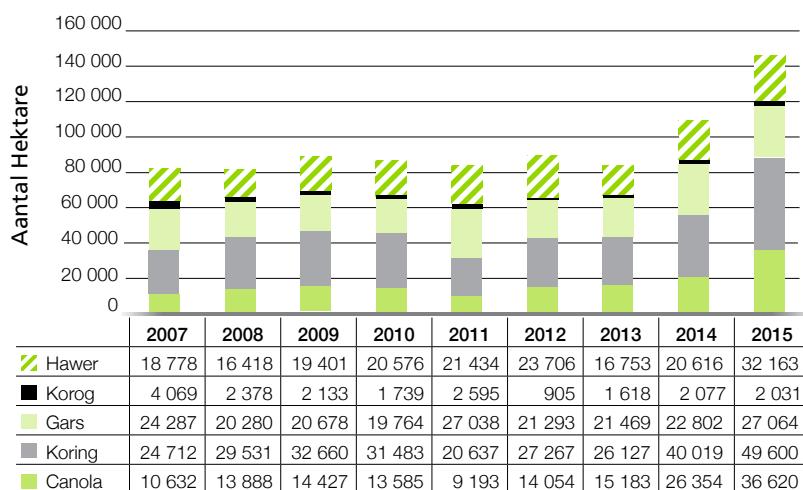
Graanaanplantings in die 2014/15-finansiële jaar was weereens uitsonderlik goed en veral koring- en canola-aanplantings het drasties toegeneem teenoor die lang termyn, sowel as die vorige produksiejaar.

As gevolg van 'n relatiewe lae maandelikse reënval was dit 'n jaar van groot variasie in opbrengste en veral canola-opbrengste was nie na verwagting nie. Andersins kan dit seker as 'n jaar van gemiddelde graanopbrengste beskryf word.

Die kleingraan en canola ontvang was meerendeels van 'n baie goeie gehalte en baie min kwaliteitsprobleme het in oestyd voorgekom.

### Hektare in SSK-bedieningsgebied gesaaai/geplant (2015 sluit Riversdal, Albertinia en Herold in)

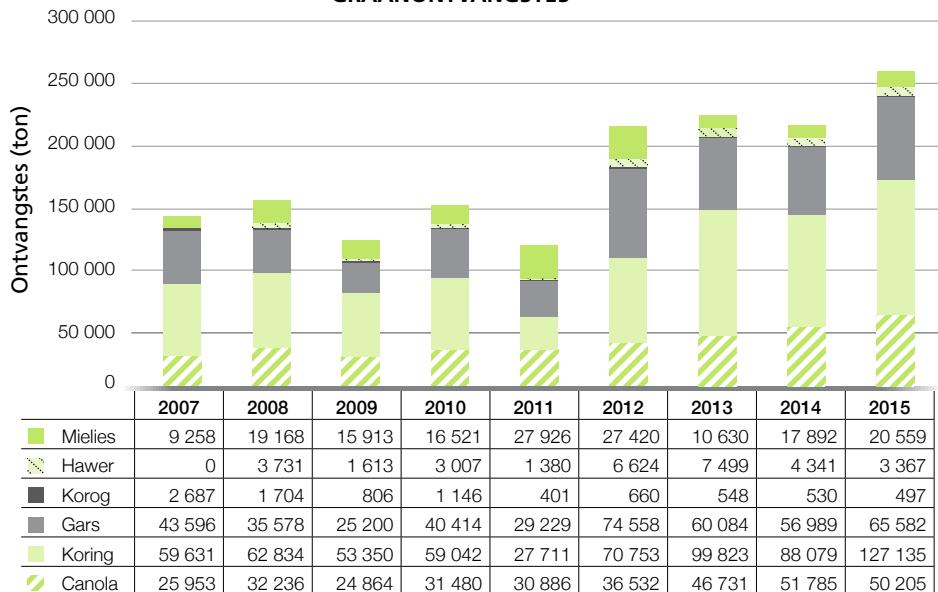
#### HEKTARE GESAAI



## Graanontvangstes in SSK-silo's

(2015 sluit Riversdal, Albertinia, Herold en Krombeksrivier in)

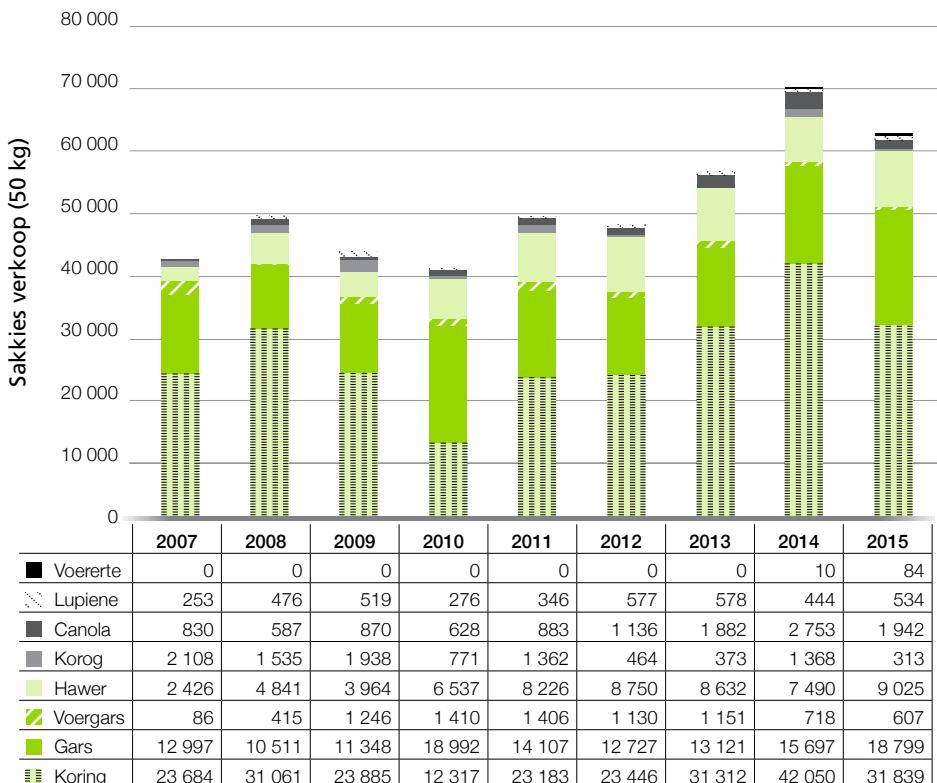
**GRAANONTVANGSTES**



Graanlewering was van so 'n omvang dat SSK se fasiliteite weer baie goed benut is. Saam met oordragvoorraad voortspruitend uit die voorafgaande goeie oesjare, het dit 'n mate van druk op sekere gebiede se silokapasiteit geplaas. Dit was egter vir 'n kort periode in piekoestyd. Ten spyte van deurlopende uitbreidings in SSK se silokapasiteit, moes sowat 28 000 ton graan in silosakke op Swellendam, Heidelberg en Ashton opgeberg word.

Van die totale 50 205 ton gelewerde canola, is 6 478 ton vanaf ander produserende gebiede gelewer. Dit is heelwat minder as die norm van die afgelope paar jaar. Die meeste van die mielies is ook nie plaaslik geproduseer nie en deur SSK aangekoop en opgeberg vir verwerking deur SSK Veevoer Vervaardigers by hul Karringmelksrivier-fasiliteit.

## SAADVERKOPE





## **TOEKOMSBLIK**

SSK en sy filiale se resultate lê 'n stewige basis neer om op voort te bou, maar die omvang van hierdie bedrywighede bied groot uitdagings aan Personeel, Bestuur en die Direksie. Die toevoeging van Tuinroete Agri tot die groep, alhoewel kompleks, ontsluit groot voordele vir SSK en sy Lede, veral wat betref Handel. Beter prysbedeling en standaardisering van produkreekse is enkele van die voordele aan ons Lede. SSK se belegging in verdere silokapasiteit sal ook in die komende jaar bydra daartoe om 'n beter diens aan ons graanprodusente te lewer.

SSK se Ledegetalle neem voortdurend toe. Bestuur en Personeel is gepositioneer om hierdie Lede volwaardig te diens. 'n Boerdery wat kommoditeite produseer ding mee met markpryse, en 'n strategie om voortdurend koste te verlaag is baie belangrik, veral wat skaalvoordele betref. SSK besef sy toekomstige rol hierin teenoor sy Lede.

Grondhervorming bly 'n groot onsekerheid gegewe die doelpale wat voortdurend deur die regering geskuif word. SSK sal alles binne sy vermoë doen om Lede te adviseer in dié verband.

SSK se Direksie en Bestuur wil ons dankbaarheid uitspreek teenoor al SSK se Lede vir hulle lojale ondersteuning die afgelope jaar. Dank word ook uitgespreek teenoor Personeel wat onbaatsugtig die welstand van SSK se Lede op die hart dra. Ons is baie dankbaar teenoor ons Hemelse Vader vir die gunstige toestande in die natuur wat tans ondervind word en sien met vertroue uit na die komende jaar.

# **SENTRAAL-SUID CO-OPERATIVE LIMITED and its subsidiaries**

## **FINANCIAL MANAGEMENT REVIEW 2014 – 2015**

### **BACKGROUND**

Signs of an economic recovery are popping up all over the globe, with various exchanges worldwide reaching all-time highs in the last year. The sustainability of these achievements can certainly be questioned and market corrections are currently widespread. The periodic appearance of market corrections seems to be the norm nowadays and not the exception. Political instability also appears to be becoming increasingly more common. The financial position of the working class worldwide is still under tremendous pressure, which is definitely significantly contributing towards this instability. It is important to notice here that the less a person has to lose, the more unpredictable their behaviour will be. South Africa is certainly not immune to this global trend and growing dissatisfaction with the way the country is being run has resulted in strikes, riots and consequently an increasing crime rate. The strikes in the South African mining industry has been resolved for now, but the effect of this will long be felt with the reduced economic growth realised in the last year. The further weakening of the Rand has a consistent upward effect on the cost of inputs and if a business' outputs are not hedged against the devaluation of the currency, it creates an unfavourable environment for sustainability. The agricultural sector is experiencing excessive price increases in machinery, input costs and other imports. For farmers with exposure to the export and / or commodity markets, these cost increases were, to some extent, absorbed by the weakening of the Rand.

Agricultural commodity prices experienced a volatile year with maize prices falling substantially, although it has shown strong signs of recovery in recent months. Predictions indicate stable domestic wheat and barley prices. The decline in the international market price is largely offset by the weakening of the Rand. The outlook for some of the other agricultural sectors are as follows:

- The dairy industry experienced a relatively good year, especially with low maize prices that led to substantial savings in feed costs. The short-term outlook, however, does not look as promising, with significant price increases in feed costs envisaged, and milk prices likely to remain unchanged.
- The fruit and wine industries have once again experienced good harvests, although hail damage occurred in the Langkloof. Export prices, given the exchange rate, was again favourable.
- For the ostrich industry the year started well, but recent declines in the price of ostriches were largely unexpected and put a lot of pressure on this market whilst it is still in a recovery phase.
- Meat prices this year (like last year) stayed largely unchanged. Widespread droughts were experienced and in the medium term this can have a negative effect on the supply of meat. The possibility of higher meat prices cannot be ignored.
- The wool industry is also still performing well, with mohair equalling record levels again.
- The impact of the closure of McCain's factory in George on vegetable farmers seems to be largely negative.



The SSK Group has experienced a very good financial year, with all subsidiaries, except one, posting net profits. On the entity level, the increases in market value of investments proved to be the biggest star. SSK's good financial performance in the operating divisions is significant, given the large-scale malting barley disallowances experienced due to quality concerns. The trading of this rejected malting barley as feed barley lead to a substantial increase in turnover in the Grain Division.

The Grain, Seed, Insurance and Retail Divisions were all profitable and a lower loss was posted by the Mechanisation Division in the current year, compared with the previous year.

For the fifth time in the Co-operative's history, surplus funds were available, which, given the large-scale capital expansion of the last three years, was largely unexpected. All short-term facilities were redeemed during this period.

The incorporation of Tuinroete Agri's activities within SSK is progressing well and we are continually realising the benefits of our now larger footprint. The new SSK logo was launched during the year, and the combination of SSK and Tuinroete Agri's Retail stores under the AgriLand brand is progressing nicely. A material increase in membership numbers was also experienced.

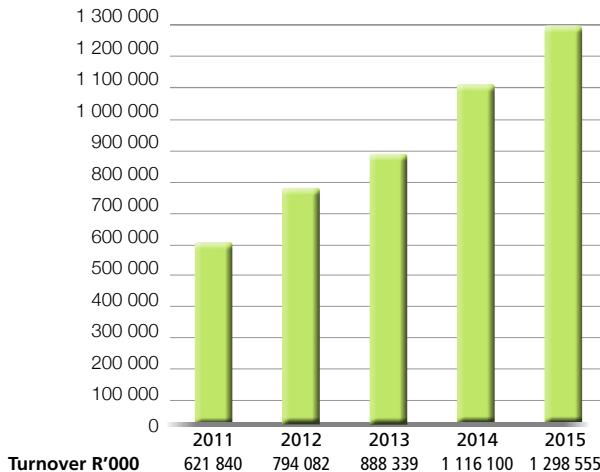
The subsidiaries performed well with only Softlutions posting a marginal operating loss for the 2015 financial year. The prospects are that this entity will achieve profitability in the medium term. SSK Veevoer Vervaardigers paid a loyalty bonus to customers for the second year in a row.

SSK had a very blessed and exciting year with many developments in a variety of areas. SSK's Board, Management and Staff remain dedicated to the support of our Members and their respective farming operations and are grateful for the support our Members offer us. We remain very grateful to our Heavenly Father for all the blessings we have received so undeservingly from His hands.

## **TOTAL TURNOVER**

The total turnover with Members and customers increased from R1 116 100 630 in 2013/2014 to R1 298 554 991 in 2014/2015 – an increase of approximately 16%. The significant increase was greatly attributable to an increase in especially direct orders, machinery sales, as well as grain trading transactions.

## TOTAL TURNOVER



### **NET INCOME / APPROPRIATION OF SURPLUS**

The Co-operative's operations resulted in a net income before tax for the year of R62 741 504 (2014: R65 988 933). Included in this figure is a dividend of R28 000 000 from Tuinroete Agri in both of the financial years.

Taxation payable amounted to R1 294 269 (2014: R2 407 450) and the increase in the provision for deferred taxation amounted to R1 011 248 (2014: R206 006). The net income after taxation, but before bonuses, was therefore R60 435 988 (2014: R63 375 477). The surplus was appropriated as follows:

Bonuses	R9 000 000
Cash	R1 800 000
Deferred	R7 200 000
Reserves	R51 435 988

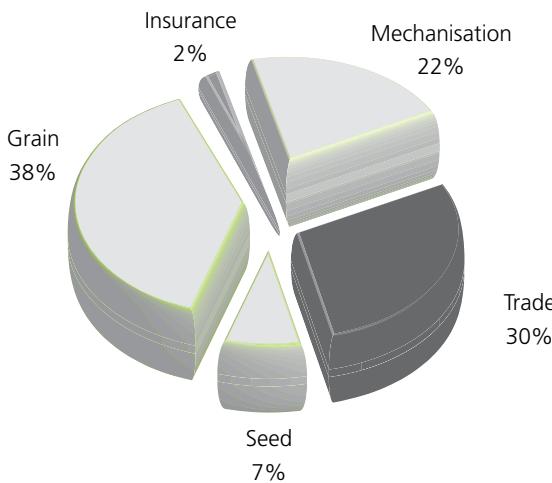


## OPERATIONAL ACCOUNTS

	2015			2014			Increase/ (decrease) in turn- over %	Increase/ (decrease) in gross profit %
	Turnover R	Gross profit R	Gross profit %	Turnover R	Gross profit R	Gross profit %		
Workshops and Electrical	27 117 080	17 676 463	65,19	26 044 716	15 070 907	57,87	4,12	17,29
Insurance and Services	3 350 370	3 350 370	100,00	2 815 244	2 815 244	100,00	19,01	19,01
Trade	779 407 703	44 128 987	5,66	711 567 271	39 174 300	5,51	9,53	12,65
Mechanisation Marketing	142 325 640	8 832 232	6,21	124 144 415	6 853 538	5,52	14,65	28,87
Spares	29 060 214	5 308 106	18,27	25 420 325	5 335 956	20,99	14,32	(0,52)
Seed	52 222 414	10 675 826	20,44	40 683 032	8 357 683	20,54	28,36	27,74
Grain	264 890 141	55 325 907	20,89	184 879 167	50 551 032	27,34	43,28	9,45
Administration & other services	181 430	34 981	19,28	546 460	34 563	6,32	(66,80)	1,21
	<b>1 298 554 991</b>	<b>145 332 873</b>		<b>1 116 100 630</b>	<b>128 193 223</b>			

## GROSS PROFIT PER DIVISION

The ratio of gross profit per division to the total gross profit in the amount of R128 193 223 (excluding the gross profit of administration and other services) was as follows:



## TOTAL EXPENDITURE

Total expenditure has increased by 18% in the year under review, mainly due to the cost involved in fuel for grain dryers, operating leases, repairs and maintenance, depreciation and personnel costs.

## VALUE ADDED TO STAKEHOLDERS

	%	2015 R	2014 R	%
Turnover		<b>1 298 554 991</b>	1 116 100 630	
Net cost price of products and services		<b>(1 056 996 149)</b>	(909 526 908)	
<b>Value added</b>		<b>241 558 842</b>	206 573 722	
Utilised as follows:				
Employees	30.59	<b>73 883 465</b>	66 215 042	32.05
Wages/Salaries	27.79	<b>67 119 363</b>	59 200 208	28.66
Incentive bonus	2.81	<b>6 790 102</b>	6 333 834	3.07
Post-retirement medical cost	-0.01	<b>(26 000)</b>	681 000	0.33
Capital providers	19.46	<b>47 011 921</b>	28 039 788	13.57
Interest	18.72	<b>45 211 921</b>	25 239 788	12.22
Bonuses paid out	0.75	<b>1 800 000</b>	2 800 000	1.36
Addition of assets	20.84	<b>50 336 727</b>	43 034 923	20.83
Depreciation	3.88	<b>9 366 504</b>	6 585 356	3.19
Re-invested in business	24.28	<b>58 654 708</b>	60 085 157	29.09
Reserves	21.30	<b>51 454 708</b>	48 885 157	23.66
Deferred bonuses	2.98	<b>7 200 000</b>	11 200 000	5.42
Income tax	0.95	<b>2 305 517</b>	2 613 456	1.27
		<b>241 558 842</b>	206 573 722	

## DEBTORS

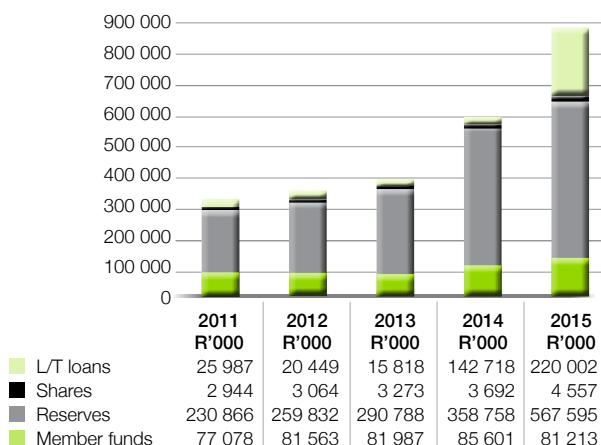
Carry-over debt increased significantly to R59 618 808 (2014: R46 487 656). This increase was expected given the growth in the credit granted during the current financial year. Bad debt to the amount of R65 902 (2014: R86 285) had been written off this year. The total provision for doubtful debt was R469 452 (2014: R195 908) at year-end. These excellent figures are significant given the size of the debtors book.

## IMPORTANT FINANCIAL RATIOS

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

	<b>Norm</b>	<b>2015</b>	<b>2014</b>
Own capital:			
Adjusted total assets	30% (min)	<b>52</b>	46
Members' interest:			
Adjusted total assets	50% (min)	<b>60</b>	58
Long-term capital:			
Long-term assets + 50% of adjusted current assets	100%	<b>68</b>	71
Interest-bearing:			
Interest-free financing	50% (maks)	<b>20.2</b>	18.5
Operating capital	2:1	<b>0.98</b>	0.93

## CAPITAL SOURCES



## SUBSIDIARIES

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

	2015		
	Turnover	Gross profit	Net profit

Blinkbeleg Vyftien (Pty) Ltd	47 596 518	4 285 234	182 427
Riparian Investment Consortium 1 (Pty) Ltd	-	-	69 352 079
Sentraal-Suid Beleggings (Pty) Ltd	58 500	15 458	11 143
Softolutions (Pty) Ltd	1 675 200	1 675 200	(239 005)
Southern Oil (Pty) Ltd	818 563 471	141 334 618	44 789 580
SSK Vervaardigers (Pty) Ltd	107 240 123	4 171 296	648 382
Swollen Mark (Pty) Ltd	8 763 931	8 763 931	34 202
Technifarm (Pty) Ltd	12 678 778	3 362 540	236 648
Tuinroete Agri (Pty) Ltd	697 389 239	82 378 028	14 566 774

	2014		
	Turnover	Gross profit	Net profit

Blinkbeleg Vyftien (Pty) Ltd	50 461 280	4 426 380	650 530
Riparian Investment Consortium 1 (Pty) Ltd	-	-	4 969 111
Sentraal-Suid Beleggings (Pty) Ltd	63 100	63 100	18 884
Softolutions (Pty) Ltd	1 488 170	1 488 170	(205 927)
Southern Oil (Pty) Ltd	733 197 436	143 882 776	68 630 462
SSK Vervaardigers (Pty) Ltd	110 905 037	2 119 520	(88 019)
Swartland Oliepers (Pty) Ltd	33 035 978	3 806 148	1 420 255
Swollen Mark (Pty) Ltd	8 206 472	8 206 472	(942 898)
Technifarm (Pty) Ltd	9 429 179	2 295 771	332 743
Tuinroete Agri (Pty) Ltd (3 months)	173 284 357	23 244 647	4 802 122

## GRAIN

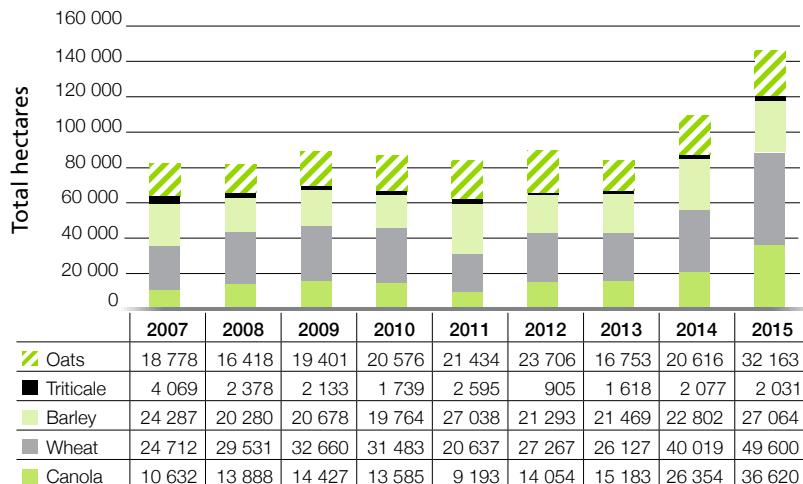
Grain crop yields in the 2014/15 financial year once again did exceptionally well, especially wheat and canola, where crops have increased dramatically compared to the long-term averages, as well as the previous production years' crop yields.

Due to a relatively low monthly rainfall it was a year of great variation in yields, especially canola yields, that were much lower than expected. Otherwise, it surely could be described as a year of average grain yields.

The small grains and canola received were mostly of a very good quality and very few quality problems occurred during harvest.

### **Hectares sowed/planted in SSK's service area (2015 includes Riversdale, Albertinia and Herold)**

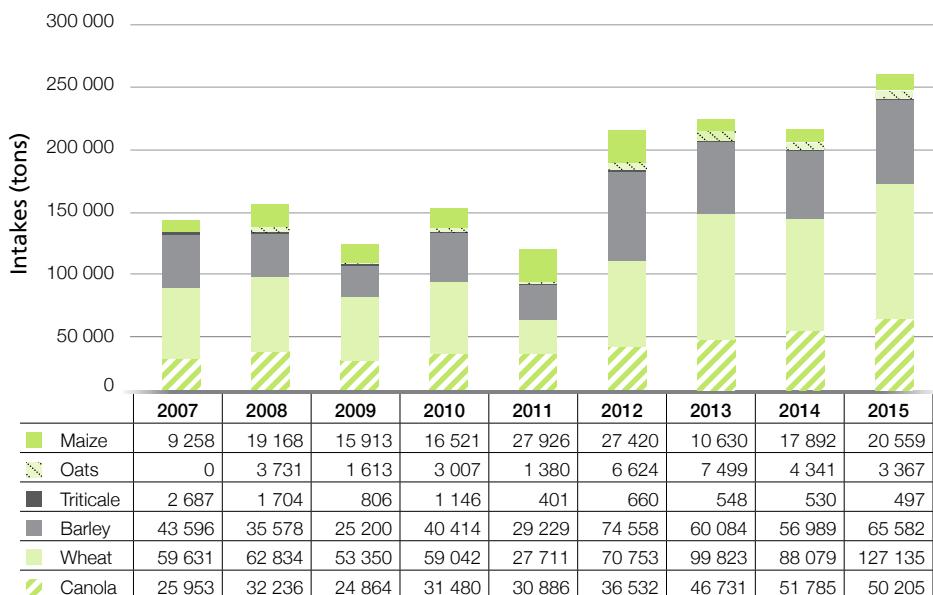
**HECTARES PLANTED**



## Grain intake in SSK's Silos

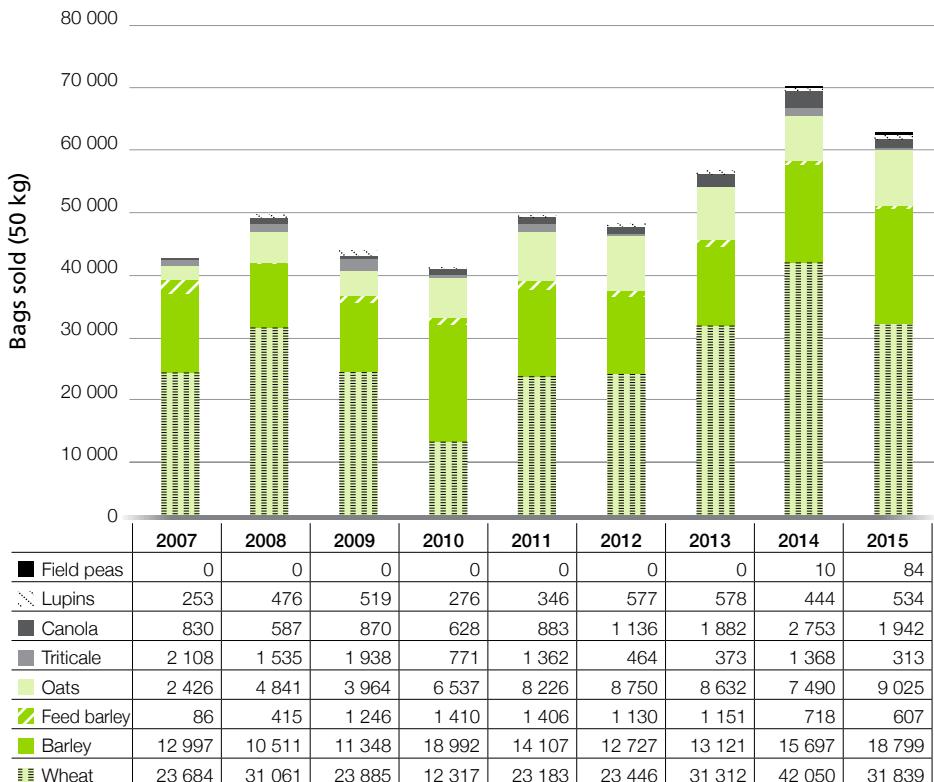
(2015 includes Riversdale, Albertinia, Herold and Krombeksrivier)

### GRAIN INTAKE



Grain yields were again of such magnitude that SSK's facilities were well utilised. With stored grain carried over from the previous year's good harvest, a lot of pressure was placed on silo capacity, albeit only during a short period during the peak harvest season. Despite ongoing expansions in SSK's silo capacity, about 28 000 tons of grain were stored in silo bags in Swellendam, Heidelberg and Ashton.

Of the total 50 205 tons of canola delivered, 6 478 tons originated from other producing areas. This is significantly lower than the norm for the last couple of years. The majority of the maize received however, was not locally produced, but was purchased by SSK and stored for processing by SSK Veevoer Vervaardigers at their Karringmelksrivier facility.

**SEED SALES**



## FUTURE OUTLOOK

SSK and its subsidiaries' results lay a solid base on which to build, but the extent of these activities poses a big challenge to Staff, Management and the Board. The addition of Tuinroete Agri to the Group, although complex, is unlocking major benefits for SSK and its Members, especially with regards to Retail. Better prices are being negotiated from suppliers and the standardisation of product ranges are some of the benefits to our Members. SSK's investment in additional silo capacity will also contribute to provide a better service to our grain producers.

SSK's Membership numbers are constantly increasing. Management and Staff are positioned to provide fully fledged services to these Members. A farming operation that produces commodities competes with market prices over which it has no control. A strategy to continually reduce costs is therefore very important, especially in terms of unlocking scale benefits. SSK realises its future role herein to its Members.

Land reform remains a major concern and given that the goalposts are being moved by government constantly, this creates substantial uncertainty. SSK will do everything within its power to advise Members in this regard.

SSK's Board of Directors and Management would like to express their gratitude to all SSK's Members for their loyal support during the year. Thanks is also extended to Staff who selflessly contribute to the wellbeing of SSK's Members. We are very grateful to our Heavenly Father for the favourable conditions in nature that are currently being experienced and confidently face the coming year.



SSK het 'n wesenlike belang in  
die volgende entiteite:

SSK has a material interest in  
the following entities:

