ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2014

REGISTRATION NUMBER: 2006/019240/06

These annual financial statements were compiled under the supervision of Mr WL Greeff, financial director of the company and Chartered Accountant (SA), and audited as set out in the audit report on page 6.

Company information

Directors	**Appointment date**
Executive	
N Celliers (Chief executive officer)	23 July 2012
WL Greeff (Financial director)	21 May 2009
Non-executive	
GD Eksteen*	1 September 2009
WA Hanekom*	7 October 2013
AE Jacobs	8 April 2013
MS du P le Roux*	1 September 2006
JF Mouton (Chairman)	21 August 2006
PJ Mouton	30 April 2012
CA Otto*	21 August 2006
LP Retief**	7 November 2006

** Independent*
*** Lead independent non-executive director*

Registration number	2006/019240/06
Registered address	1st Floor Ou Kollege Building 35 Kerk Street Stellenbosch 7600
Postal address	PO Box 7403 Stellenbosch 7599
Auditor	PricewaterhouseCoopers Inc. Stellenbosch
Secretary	PSG Corporate Services (Pty) Ltd

ZEDER INVESTMENTS LTD
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2014

Contents

ZEDER INVESTMENTS LTD
REPORT OF THE AUDIT AND RISK COMMITTEE
FOR THE YEAR ENDED 28 FEBRUARY 2014

The Audit and Risk Committee ("the committee") reports that it has considered the matters set out in the Companies Act of South Africa and is satisfied with the independence and objectivity of the external auditor, PricewaterhouseCoopers Inc. The fees payable to the external auditor and the extent of non-audit related services performed were approved by the audit and risk committee of the ultimate holding company, in accordance with the management agreement.

This committee also acted as the statutory audit committee of those public company subsidiaries that are legally required to have such a committee, except Capespan, which has its own committee.

The committee has satisfied itself that the financial function, including the financial director, has the appropriate expertise, experience and resources, and is satisfied that the internal financial controls of the company are working effectively.

A board-approved audit and risk committee charter stipulating, inter alia, the committee’s composition, duties and responsibilities, has been adopted. The committee is satisfied that it complied with the responsibilities as set out in the audit and risk committee charter as well as relevant legal and regulatory responsibilities.

Based on the information and explanations given by management and discussions with the independent external auditor regarding the results of their audit, the committee is satisfied that there was no material breakdown in the internal financial controls during the financial year under review.

The committee has evaluated the annual financial statements of the company and group for the year ended 28 February 2014 and, based on the information provided to the committee, considers that these comply, in all material respects, with the requirements of the Companies Act of South Africa and International Financial Reporting Standards.

LP Retief
Chairman

7 April 2014
Stellenbosch

The directors are responsible for the maintenance of adequate accounting records and to prepare annual financial statements that fairly represent the state of affairs and the results of the company and group. The external auditor is responsible for independently auditing and reporting on the fair presentation of these annual financial statements. Management fulfils this responsibility primarily by establishing and maintaining accounting systems and practices adequately supported by internal accounting controls. Such controls provide assurance that the company and group's assets are safeguarded, that transactions are executed in accordance with management's authorisations and that the financial records are reliable. The annual financial statements have been prepared in accordance with International Financial Reporting Standards, including the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the manner required by the Companies Act of South Africa and the JSE Listings Requirements, and incorporate full and reasonable disclosure. Appropriate and recognised accounting policies are consistently applied.

The audit and risk committee of the group meets regularly with the external auditor, as well as senior management, to evaluate matters concerning accounting policies, internal control, auditing and financial reporting. The external auditor has unrestricted access to all records, assets and personnel as well as to the audit and risk committee.

The annual financial statements are prepared on the going concern basis, since the directors have every reason to believe that the group has adequate resources to continue for the foreseeable future.

The annual financial statements set out on pages 3 to 5 and 7 to 59 were approved by the board of directors of Zeder Investments Ltd and are signed on its behalf by:

N Celliers
Chief executive officer

WL Greeff
Financial director

7 April 2014
Stellenbosch

DECLARATION BY THE COMPANY SECRETARY

We declare that, to the best of our knowledge, the company has lodged with the Registrar all such returns as are required of a public company in terms of the Companies Act of South Africa and that all such returns are true, correct and up to date.

PSG Corporate Service (Pty) Ltd
Per PJR de Wit
Company secretary

7 April 2014
Stellenbosch

NATURE OF BUSINESS

Zeder is an investor in the broad agribusiness industry. The activities of the Zeder group of companies are set out in detail in the review of operations section of Zeder's annual report.

OPERATING RESULTS

The operating results and state of affairs of the group are set out in the attached summary income statement and summary statements of financial position, comprehensive income, changes in equity and cash flows. For the year under review, the group's recurring headline earnings amounted to R292m (2013: R251m), headline earnings amounted to R253m (2013: R196m) and earnings attributable to owners of the parent amounted to R291m (2013: R512m).

The results for the year ended 28 February 2014, for the first time include the consolidated eight month results of Capespan, a company in which Zeder acquired a controlling interest during the year under review.

STATED/SHARE CAPITAL

During the year under review, the company issued 2,099,814 ordinary shares and thereby increased its total number of ordinary shares in issue to 980,188,331. The company also converted its ordinary and preference shares to shares with no par value. Details regarding the authorised and issued share capital are disclosed in note 15 to the annual financial statements.

DIVIDENDS

A final dividend of 4 cents per share was declared and paid in respect of the year ended 28 February 2013.

On 7 April 2014, the company declared a final dividend of 4.5 cents per share in respect of the year ended 28 February 2014, which is payable on 5 May 2014.

EVENTS SUBSEQUENT TO THE REPORTING DATE

The acquisition of Mpongwe Milling that was announced on SENS on 13 November 2013, became effective after the reporting date and is being implemented at present.

The directors are unaware of any other matter or event which is material to the financial affairs of the group that have occurred between the reporting date and the date of approval of the annual financial statements.

DIRECTORS

The directors of the company at the date of this report were:

Executive
N Celliers (Chief executive officer)
WL Greeff (Financial director)

Non-executive
GD Eksteen*
WA Hanekom*
AE Jacobs
MS du P le Roux*
JF Mouton (Chairman)
PJ Mouton
CA Otto*
LP Retief**
** Independent*
*** Lead independent non-executive director*

DIRECTORS' EMOLUMENTS

Directors' emoluments are paid by PSG Group in terms of the management agreement (refer note 26.1 to the annual financial statements). Directors' emoluments include the following cash-based remuneration:

	Basic salary R'000	Company contributions R'000	Performance -related R'000	Fees R'000	Total 2014 R'000	Total 2013 R'000
Executive						
N Celliers [1]	**1,975**	**25**	**2,000**		**4,000**	2,100
WL Greeff [4]					**-**	-
Non-executive						
GD Eksteen				**108**	**108**	99
WA Hanekom				**20**	**20**	-
AE Jacobs[2/3]	**1,458**	**167**			**1,625**	252
JF Mouton [4]					**-**	-
PJ Mouton [4]					**-**	-
CA Otto [4]					**-**	-
MS du Pré le Roux				**108**	**108**	99
LP Retief				**114**	**114**	104
	3,433	**192**	**2,000**	**350**	**5,975**	2,654

1 *Performance-related emoluments were paid in respect of the 2014 year.*

2 *During the prior year, AE Jacobs resigned as CEO of Zeder, and during the current year joined Zeder as a non-executive director.*

3 *The basic salary and company contributions received by AE Jacobs relate to his employment as CEO of Zaad.*

4 *These directors receive directors' emoluments from PSG Group for services rendered to PSG Group and its investee companies.*

The company's prescribed officers include members of PSG Group's executive committee, which manages the group (as further discussed in the corporate governance section of Zeder's annual report), and whose remuneration is disclosed in PSG Group's annual report.

In addition to the cash-based remuneration above, share options have been awarded to Mr N Celliers, the cost of which is carried by PSG Group in terms of the aforementioned management agreement.

No share options have vested to date and the cost (determined using an option pricing model) carried by PSG Group amounts to R3,6m.

Awarded share options will vest as follows:

	Number of shares	
	PSG Group	**Zeder**
FY15	14,011	775,581
FY16	15,768	882,593
FY17	15,768	882,593
FY18	15,768	882,593
FY19	1,756	107,013
Total	**63,071**	**3,530,373**

The weighted average strike price per share for the aforementioned PSG Group and Zeder share options is R56,84 and R3,05, respectively.

SHAREHOLDING OF DIRECTORS

	Beneficial		**Non-beneficial**		**Total**	
28 February 2014	**Direct**	**Indirect**	**Direct**	**Indirect**	**Number**	**%**
N Celliers				2,635,933	**2,635,933**	**0.269**
GD Eksteen				250,000	**250,000**	**0.026**
WL Greeff	80,000				**80,000**	**0.008**
AE Jacobs		70,000			**70,000**	**0.007**
JF Mouton				80,000	**80,000**	**0.008**
MS du Pré le Roux				250,000	**250,000**	**0.026**
CA Otto				80,000	**80,000**	**0.008**
	80,000	**70,000**	**-**	**3,295,933**	**3,445,933**	**0.352**

The only change in the shareholding of directors since the prior year was the acquisition of 250,000 shares by GD Eksteen and 2,635,933 shares by N Celliers. Also refer to the shareholder analysis in note 36 to the annual financial statements.

SECRETARY

The secretary of the company is PSG Corporate Services (Pty) Ltd. Please refer to the company information section for its business and postal addresses.

AUDITOR

At the date of this report, PricewaterhouseCoopers Inc. held office in accordance with the Companies Act of South Africa.

SPECIAL RESOLUTIONS OF SIGNIFICANT SUBSIDIARIES

The following special resolutions were passed by subsidiary companies of the company during the financial year:

1. Zaad

The authorised ordinary share capital of no par value was increased by the creation of additional ordinary shares of no par value, ranking pari passu in all respects with the existing ordinary shares of no par value.

Zaad was authorised to change its name from Agricol Holdings Ltd to Zaad Holdings Ltd and all existing translated forms of its name, if any, were cancelled.

The existing memorandum of incorporation and articles of association of Zaad were substituted, in their entirety, by the adoption of a new memorandum of incorporation.

Zaad was authorised to make a capitalisation issue in terms of sections 41(1) and 41(3) of the Companies of South Africa, to the extent applicable.

2. Capespan

A number of amendments were made to the memorandum of incorporation.

Capespan was authorised to remunerate its directors for their services as directors and/or pay any fees relating thereto.

REPORT OF THE INDEPENDENT AUDITOR
to the members of Zeder Investments Ltd

We have audited the consolidated and separate financial statements of Zeder Investments Ltd set out on pages 7 to 59, which comprise the statements of financial position as at 28 February 2014, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements
The company's directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Zeder Investments Ltd as at 28 February 2014, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Other reports required by the Companies Act
As part of our audit of the consolidated and separate financial statements for the year ended 28 February 2014, we have read the directors' report, the report of the audit and risk committee and the declaration by the company secretary for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated and separate financial statements. These reports are the responsibility of the respective preparers. Based on reading these reports we have not identified material inconsistencies between these reports and the audited consolidated and separate financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc
Director: NH Döman
Registered auditor

7 April 2014
Stellenbosch

ZEDER INVESTMENTS LTD
STATEMENTS OF FINANCIAL POSITION
at 28 February 2014

		GROUP		COMPANY	
		2014	2013	**2014**	2013
	Notes	**R'000**	R'000	**R'000**	R'000
ASSETS					
Non-current assets		**3,638,042**	2,838,505	**2,125,732**	2,117,521
Property, plant and equipment	1	**924,975**	381,818		
Intangible assets	2	**375,795**	158,906		
Biological assets	9	**117,979**			
Investment in subsidiary	3			**2,125,732**	2,117,521
Investment in ordinary shares of associates	4.1	**1,821,814**	2,126,535		
Loans and preference share investments in associates	4.2	**18,239**	54,470		
Investment in ordinary shares of joint ventures	5.1	**67**			
Loans granted to joint ventures	5.2	**1,553**			
Equity securities	6	**206,528**	100,515		
Loans and advances	7	**78,614**	16,261		
Deferred income tax assets	17	**59,388**	-		
Employee benefits	8	**33,090**			
Current assets		**2,989,184**	1,059,233	**-**	-
Biological assets	9	**83,447**	31,264		
Inventories	10	**739,763**	174,625		
Trade and other receivables	11	**1,127,223**	100,729		
Derivative financial assets	12	**1,299**			
Current income tax receivable		**22,684**			
Cash, money market investments and other cash equivalents	13	**1,014,768**	752,615		
Non-current assets held for sale	14	**177,570**	287,733		
Total assets		**6,804,796**	4,185,471	**2,125,732**	2,117,521
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Stated/share capital	15	**1,748,061**	9,781	**1,748,061**	9,781
Share premium			1,730,071		1,730,071
Other reserves	16	**76,121**	5,529		
Retained earnings		**1,782,747**	1,538,100	**309,620**	323,711
		3,606,929	3,283,481	**2,057,681**	2,063,563
Non-controlling interest		**535,958**	109,109		
Total equity		**4,142,887**	3,392,590	**2,057,681**	2,063,563
Non-current liabilities		**1,013,190**	544,912	**-**	-
Deferred income tax liabilities	17	**104,612**	53,895		
Borrowings	18	**738,533**	445,351		
Derivative financial liabilities	19	**45,666**	45,666		
Employee benefits	8	**124,379**			
Current liabilities		**1,648,719**	247,969	**68,051**	53,958
Borrowings	18	**459,699**	59,981	**68,051**	53,925
Trade and other payables	20	**1,081,299**	184,866		33
Derivative financial liabilities	19	**15,236**			
Current income tax payable		**19,299**	502		
Employee benefits	8	**73,186**	2,620		
Total equity and liabilities		**6,804,796**	4,185,471	**2,125,732**	2,117,521

ZEDER INVESTMENTS LTD
INCOME STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2014

		GROUP		COMPANY	
		2014	2013	**2014**	2013
	Notes	**R'000**	R'000	**R'000**	R'000
Revenue	21	**6,010,700**	328,113		
Cost of sales	22	**(5,134,607)**	(234,437)		
Gross profit		**876,093**	93,676		
Income					
Change in fair value of biological assets	9	**90,510**	28,703		
Investment income	23	**64,354**	13,102	**25,000**	50,000
Net fair value gains	24	**143,953**	32,521		
Other operating income	25	**8,928**	5,480		
Total income		**307,745**	79,806	**25,000**	50,000
Expenses					
Management fees	26.1	**(118,044)**	(58,560)		
Marketing, administration and other expenses	26.2	**(741,254)**	(120,105)		
Total expenses		**(859,298)**	(178,665)	**-**	-
Equity accounted earnings	4 & 5	**218,011**	300,249		
Loss on impairment of associates	4	**(21,421)**			
Loss on dilution of interest in associates	4		(155,276)		
(Loss)/gain on disposal of investment in associates		**(3,836)**	502,890		
Profit before finance costs and taxation		**517,294**	642,680	**25,000**	50,000
Finance costs	27	**(85,962)**	(37,199)	**-**	-
Profit before taxation		**431,332**	605,481	**25,000**	50,000
Taxation	28	**(97,128)**	(95,918)	**-**	-
Profit for the year		**334,204**	509,563	**25,000**	50,000
Profit attributable to:					
Owners of the parent		**291,318**	511,741	**25,000**	50,000
Non-controlling interest		**42,886**	(2,178)		
		334,204	509,563	**25,000**	50,000
Earnings per share (cents)	32				
Attributable - basic and diluted		**29.7**	52.3		

ZEDER INVESTMENTS LTD
STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 28 FEBRUARY 2014

	GROUP		COMPANY	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
Profit for the year	**334,204**	509,563	**25,000**	50,000
Other comprehensive income for the year, net of taxation	**118,138**	44,619	**-**	-
Items that will be reclassified to profit or loss				
Currency translation movements	**157,391**	13,351		
Reclassification of share of associates' other comprehensive income	**(55,887)**	(1,225)		
Share of other comprehensive income of associates	**31,200**	32,317		
Cash flow hedges	**(15,428)**			
Reclassification of gains on available-for-sale investments	**(678)**			
Fair value gains on available-for-sale investments	**391**	363		
Other equity movements of associates		(187)		
Item that will not be reclassified to profit or loss				
Actuarial gains on employee defined benefit plans	**1,149**			
Total comprehensive income for the year	**452,342**	554,182	**25,000**	50,000
Attributable to:				
Owners of the parent	**361,675**	552,594	**25,000**	50,000
Non-controlling interest	**90,667**	1,588		
	452,342	554,182	**25,000**	50,000

ZEDER INVESTMENTS LTD
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 28 FEBRUARY 2014

GROUP	Stated/share capital R'000	Share premium R'000	Other reserves R'000	Retained earnings R'000	Non-controlling interest R'000	Total R'000
Balance at 1 March 2012	9,781	1,730,071	9,856	1,067,318	-	2,817,026
Total comprehensive income	-	-	40,853	511,741	1,588	554,182
Profit for the year				511,741	(2,178)	509,563
Other comprehensive income			40,853		3,766	44,619
Transactions with owners	-	-	(45,180)	(40,959)	107,521	21,382
Capital contributions				13,025	91,180	104,205
Transactions with non-controlling interest			(45,180)	(14,860)	16,341	(43,699)
Dividend paid				(39,124)		(39,124)
Balance at 28 February 2013	9,781	1,730,071	5,529	1,538,100	109,109	3,392,590
Shares issued	**21**	**8,188**				**8,209**
Conversion to no par value shares	**1,738,259**	**(1,738,259)**				**-**
Total comprehensive income	**-**	**-**	**69,529**	**292,146**	**90,667**	**452,342**
Profit for the year				**291,318**	**42,886**	**334,204**
Other comprehensive income			**69,529**	**828**	**47,781**	**118,138**
Transactions with owners	**-**	**-**	**1,063**	**(47,499)**	**336,182**	**289,746**
Subsidiaries acquired					**302,808**	**302,808**
Share-based payment costs - employees			**1,339**		**337**	**1,676**
Transactions with non-controlling interest			**(276)**	**(8,375)**	**(18,612)**	**(27,263)**
Capital contributions*					**64,819**	**64,819**
Dividends paid				**(39,124)**	**(13,170)**	**(52,294)**
Balance at 28 February 2014	**1,748,061**	**-**	**76,121**	**1,782,747**	**535,958**	**4,142,887**

* Consists of capital contributions from Chayton and Zaad's non-controlling interests.

COMPANY	Stated/share capital R'000	Share premium R'000	Retained earnings R'000	Total R'000
Balance at 1 March 2012	9,781	1,730,071	312,835	2,052,687
Profit for the year			50,000	50,000
Dividend paid			(39,124)	(39,124)
Balance at 28 February 2013	9,781	1,730,071	323,711	2,063,563
Shares issued	**21**	**8,188**		**8,209**
Conversion to no par value shares	**1,738,259**	**(1,738,259)**		**-**
Profit for the year			**25,000**	**25,000**
Dividend paid			**(39,124)**	**(39,124)**
Other			**33**	**33**
Balance at 28 February 2014	**1,748,061**	**-**	**309,620**	**2,057,681**

Final dividends per share

- 2012: 4 cents (declared on 7 March 2012 and paid on 2 April 2012)
- 2013: 4 cents (declared on 8 April 2013 and payable on 6 May 2013)
- 2014: 4.5 cents (declared on 7 April 2014 and payable on 5 May 2014)

ZEDER INVESTMENTS LTD
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 28 FEBRUARY 2014

	Notes	GROUP 2014 R'000	GROUP 2013 R'000
Cash flow from operating activities		**255,058**	44,770
Cash generated from operations	31.1	**300,642**	34,752
Interest received		**50,775**	7,258
Dividends received		**77,128**	123,281
Interest paid		**(89,001)**	(28,053)
Taxation paid	31.2	**(84,486)**	(92,468)
Cash flow from investment activities		**189,397**	386,334
Acquisition of associates	4	**(242,184)**	(124,319)
Acquisition of subsidiary companies	31.3	**(36,361)**	(397,615)
Acquisition of equity securities	6	**(177,797)**	(24)
Additions to property, plant and equipment	1	**(160,646)**	(46,826)
Additions to intangible assets	2	**(16,164)**	
Proceeds from disposal of associates		**91,707**	795,467
Proceeds from disposal of equity securities		**124,567**	138,627
Proceeds from disposal of non-current assets held for sale		**504,524**	
Proceeds from redemption of preference share investment			66,101
Proceeds from disposal of property, plant and equipment		**53,863**	9,393
Net redemption/(advance) to associates and joint ventures		**41,505**	(54,470)
Proceeds from settlement of loans and advances		**6,383**	
Cash flow from financing activities		**(228,389)**	242,689
Capital contributions by non-controlling interest		**64,819**	91,180
Transaction with non-controlling interest		**(23,241)**	
Dividends paid to group shareholders		**(39,124)**	(39,124)
Dividends paid to non-controlling interest		**(13,170)**	
Borrowings repaid		**(252,058)**	
Increase in borrowings		**34,385**	190,633
Net increase in cash and cash equivalents		**216,066**	673,793
Cash and cash equivalents at beginning of year		**752,615**	77,478
Exchange gains on cash and cash equivalents		**46,087**	1,344
Cash and cash equivalents at end of year	13	**1,014,768**	752,615

The principal accounting policies applied in the preparation of these consolidated and standalone financial statements are set out below. These policies have been consistently applied to all the years presented.

1. BASIS OF PREPARATION

The consolidated and standalone financial statements of Zeder Investments Ltd have been prepared in accordance with International Financial Reporting Standards ("IFRS"); the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee; the Financial Reporting Pronouncements, as issued by the Financial Reporting Standards Council; the manner required by the Companies Act of South African 71 and the Listings Requirements of the JSE Ltd. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets classified as "available-for-sale", financial assets and liabilities (including derivative financial instruments) classified as "at fair value through profit or loss", employee defined benefit assets and liabilities, and biological assets, as well as investments in associates and joint ventures being accounted for according to the equity method of accounting.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in accounting policy note 27 below.

2. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS AND AMENDMENTS THAT ARE EFFECTIVE FOR THE FIRST TIME IN 2014

2.1. New standards, interpretations and amendments adopted by the group during the year

- Amendments to IAS 1 Presentation of Financial Statements: Items of Other Comprehensive Income (effective 1 July 2012)

  The amendments require the separation of items of other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. The required disclosure is provided in the group's statement of other comprehensive income.

- Amendments to IAS 19 Employee Benefits (effective 1 January 2013)

  The amendments became relevant to the group following its acquisition of a controlling interest in Capespan Group Ltd (refer note 31.3), which operates defined benefit plans. Capespan Group Ltd previously elected to follow a policy of recognising remeasurements to employee defined benefit assets and liabilities directly in other comprehensive income, which has now become mandatory.

- Amendments to IAS 27 Consolidated and Separate Financial Statements and IAS 28 Investments in Associates (effective 1 January 2013)

  Consequential amendments resulting from the issue of IFRS 10, 11 and 12.

- IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities (effective 1 January 2013)

  The group has adopted aforementioned suite of new standards which deal with the accounting treatment for the group's interests in its investees. The group has reviewed its accounting policies and concluded that the adoption of same did not result in any material changes to the group's accounting for its investees.

- IFRS 13 Fair Value Measurement (effective 1 January 2013)

  The group has adopted the new standard on how to measure fair value and enhance fair value disclosures. The adoption did not result an any material impact on the financial statements.

2.2. New standards, interpretations and amendments not currently relevant to the group's operations

The following new standards, interpretations and amendments, which are not currently relevant to the group's operations, had no impact on the measurement of amounts or disclosures in the current or prior year:

- Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards (effective 1 January 2013)
- Amendments to IFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (effective 1 January 2013)
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (effective 1 January 2013)
- Improvements to IFRSs 2011

3. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS AND AMENDMENTS THAT ARE NOT YET EFFECTIVE

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the group's accounting periods beginning on or after 1 March 2014 or later periods, but which the group has not early adopted are as follows:

- Amendment to IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities (effective 1 January 2014) *
- Amendment to IAS 36 (effective 1 January 2014) +

  The amendment introduces additional disclosures regarding fair value measurements when there has been impairment or a reversal of impairment.
- IFRS 9 Financial Instruments (to be determined) ^

  New standard that is the first part of a three-part project to replace IAS 39 Financial Instruments: Recognition and Measurement. The standard replaces the multiple classification and measurement models in IAS 39 with a single model that has only two categories: amortised cost and fair value.
- Amendments to IFRS 10, IFRS 12 and IAS 27 – Investment Entities (effective 1 January 2014) *
- IFRIC 21 Levies (effective 1 January 2014) *

^ *Management is in the process of assessing the impact of these standards, interpretations and amendments on the reported results of the group and company.*

* *Management has assessed the impact of these standards, interpretations and amendments on the reported results of the group and company and do not foresee any impact.*

\+ *Management has assessed the impact of these amendments on the reported results of the group and company and foresee only minor disclosure changes.*

4. CONSOLIDATION

4.1. Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

4. CONSOLIDATION (continued)

4.1. Subsidiaries (continued)

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

Investments in subsidiaries are accounted for at cost less impairment in the separate financial statements. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes directly attributable costs of investment.

4.2. Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

4.3. Disposal of subsidiaries

When the group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

4.4. Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss, where appropriate.

The group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income and other equity movements are recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount as an impairment in profit or loss.

Profits and losses resulting from upstream and downstream transactions between the group and its associates are recognised in the group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

Dilution gains and losses arising from investments in associates are recognised in profit or loss.

4.5. Joint arrangements

The group has applied IFRS 11 to all joint arrangements as of 1 March 2012. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The group Ltd has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method of accounting.

4. CONSOLIDATION (continued)

4.5. Joint arrangements (continued)

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses, movements in other comprehensive income and other equity movements. When the group's share of losses in a joint venture equals or exceeds its interests in the joint ventures, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the group and its joint ventures are eliminated to the extent of the group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the group.

5. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive committee that makes strategic decisions.

6. FOREIGN CURRENCY TRANSLATION

6.1. Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which those entities operate ("functional currency"). The consolidated and standalone financial statements are presented in South African rand, being the company's functional and presentation currency.

6.2. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses are presented in the income statement within "fair value gains and losses on financial instruments".

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities, such as equity securities classified as at fair value through profit or loss, are recognised in the income statement as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equity securities classified as available-for-sale, are included in other comprehensive income.

6.3. Group companies

The results and financial position of all group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as

- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions);
- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position; and
- all resulting exchange differences are recognised in other comprehensive income.

6.3. Group companies (continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Group entities with functional currencies other than the presentation currency, mainly have the following functional currencies:

	2014		2013	
	Average rand per foreign currency unit	**Closing rand per foreign currency unit**	Average rand per foreign currency unit	Closing rand per foreign currency unit
United States dollar	9.6431	10.4958	8.3681	8.4725
Euro	12.7788	14.3150		
British pound	15.0547	17.1091		
Japanese yen	0.0991	0.0989		
Hong Kong dollar	1.2444	1.3397		
Chinese yuan renminbi	1.5644	1.7153		
Mozambique new metical	0.3236	0.3426		
Zambian kwacha	1.7877	1.8949		

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the item of property, plant and equipment.

Subsequent costs are included in the asset's carrying value or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the period in which it is incurred.

Depreciation is calculated on the straight-line method at rates considered appropriate to reduce carrying values to estimated residual values over the useful lives of the assets, as follows:

Land and buildings	25 - 75 years
Motor vehicles	4 - 5 years
Plant	5 - 15 years
Office equipment (includes computer equipment)	3 - 10 years

Land is not depreciated, except for land held under leasehold rights, which is depreciated over the relevant leasehold term.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying value is written down immediately to its recoverable amount if the asset's carrying value exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Gains and losses on disposals of property, plant and equipment are determined by comparing the asset's proceeds with its carrying value and are included in profit or loss.

8. INTANGIBLE ASSETS

8.1. Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary, joint venture or associate at the date of acquisition. Goodwill on the acquisition of a subsidiary is reported in the statement of financial position as an intangible asset. Goodwill on the acquisition of a joint venture or associate is included in the respective investment's carrying amount. Goodwill is tested annually for impairment and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

8. INTANGIBLE ASSETS (continued)

8.1. Goodwill (continued)

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The groups of cash-generating units are not larger than operating segments.

An excess of the acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities arises where the net assets of a subsidiary, joint venture or associate at the date of acquisition, fairly valued, exceed the cost of the acquisition. This excess arising on acquisition is recognised as a gain on bargain purchase in profit or loss.

8.2. Trademarks

Acquired patents, trademarks and licences are shown at cost less accumulated amortisation and impairment. The carrying amount of each cash-generating unit is reviewed for impairment when an impairment indicator is identified.

8.3. Customer lists

Acquired customer lists are shown at cost less accumulated amortisation and impairment. The carrying amount of each cash-generating unit is reviewed for impairment when an impairment indicator is identified.

8.4. Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when all of the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use.
- management intends to complete the software product and use or sell it.
- there is an ability to use or sell the software product.
- it can be demonstrated how the software product will generate probable future economic benefits.
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available.
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

8.5. Capitalised product development costs

Research costs undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as an expense as incurred. Development costs are expensed when incurred, unless they result in projects that are technically and commercially feasible and the group has sufficient resources to complete development, in which event these development costs are capitalised and amortised over the estimated useful life of the project. Capitalised development costs are stated at cost less accumulated amortisation and impairment losses.

8.6. Amortisation of intangible assets

Amortisation is calculated on the straight-line method at rates considered appropriate to reduce carrying values to estimated residual values over the useful lives of the assets, as follows:

Capitalised product development costs	3 - 10 years
Customer lists	4 - 5 years
Trademarks	25 - 75 years
Computer software	5 - 15 years

9. IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

10. FINANCIAL INSTRUMENTS

Financial instruments recognised on the statement of financial position include financial assets, consisting of equity securities, debt securities, loans and advances, trade and other receivables, cash, money market investments and other cash equivalents, as well as financial liabilities, consisting of borrowings, derivative financial liabilities and trade and other payables.

There are group companies that are parties to derivative financial instruments that reduce exposure to financial risks. These instruments mainly comprise forward currency exchange contracts and hedge accounting is applied in some instances. Gains and losses arising from cash flow hedges are recognised through other comprehensive income, while those arising from fair value hedges are recognised in profit or loss in the period in which they arise. Group companies that do not apply hedge accounting, recognise changes in the fair value of these and other derivative instruments in profit or loss in the period in which they arise.

11. OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

12. FINANCIAL ASSETS

The group classifies its financial assets into the following categories: financial assets at fair value through profit or loss, held-to maturity financial assets, loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

12.1. Classification

(a) Financial assets at fair value through profit or loss

This category has two subcategories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Financial assets designated at fair value through profit or loss at inception are those that are managed and whose performance is evaluated on a fair value basis. Information about these financial assets is provided internally on a fair value basis to the group's key management personnel. Derivatives are categorised as held for trading.

(b) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities – other than those that meet the definition of loans and receivables – that the group's management has the positive intention and ability to hold to maturity.

(c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that the group intends to sell in the short term.

(d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories.

12.2. Recognition and measurement of financial assets

Purchases and sales of financial assets are recognised on trade date – the date on which the group commits to purchase or sell the asset. Financial assets not carried at fair value through profit or loss, are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Realised and unrealised gains and losses arising from changes in the fair value of financial assets classified in the at fair value through profit or loss category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in other comprehensive income. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment activities.

12. FINANCIAL ASSETS (continued)

12.2. Recognition and measurement of financial assets (continued)

Interest on available-for-sale securities calculated using the effective-interest method is recognised in the income statement as part of investment income. Dividends on available-for-sale equity instruments are recognised in the income statement as part of investment income when the group's right to receive payment is established.

The fair values of quoted financial assets are based on current bid prices. If the market for a financial asset is not active, the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow analysis refined to reflect the issuer's specific circumstances.

Quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment, with income recognised on such basis.

Loans and receivables are carried at amortised cost using the effective interest method. Specific provisions are made against identified doubtful receivables.

Loans advanced to associated companies, joint ventures and subsidiaries, which are interest free with no repayment terms, are carried at amortised cost using the effective interest method.

12.3. Impairment of financial assets

The group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

Loans and receivables are considered impaired if, and only if, there is objective evidence of impairment as a result of events that occurred after initial asset recognition (known as loss events) and these loss events have an adverse impact on the assets' estimated future cash flows that can be reliably measured. Objective evidence that loans and receivables may be impaired, includes breach of contract, such as a default or delinquency in interest or principal payments. In this regard instalments past due date are considered in breach of contract. The amount of the impairment loss is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Impairment losses are recognised in and reversed through the income statement.

Held-to-maturity investments are considered impaired when there is objective evidence that the group will not be able to collect all amounts due according to the original contract terms. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the investment is impaired. The amount of the impairment provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The movement in the amount of the provision is recognised in the income statement.

13. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are recognised initially at fair value on the date on which a derivative contract is entered into. Subsequent to initial recognition, derivative financial instruments are measured at fair value through profit or loss. Fair values of over-the-counter traded derivatives are obtained using valuation techniques, including discounted cash flow models and option pricing models.

The best evidence of fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only observable market data.

14. BIOLOGICAL ASSETS

Biological assets are measured on initial recognition and at the end of each reporting period at fair value less cost to sell. Changes In the measurement of fair value less cost to sell are included in profit or loss for the period in which they arise. Costs to sell include all costs that would be necessary to sell the assets, including transportation costs and incremental selling costs, including auctioneers' fees and commission paid to brokers and dealers. All costs incurred in maintaining the assets are included in profit or loss for the period in which they arise. Refer note 9 for further details regarding the valuation of biological assets.

15. INVENTORY

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

16. TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially measured at fair value and subsequently recognised at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The movement in the amount of the provision is recognised in profit or loss.

17. CASH, MONEY MARKET INVESTMENTS AND OTHER CASH EQUIVALENTS

Cash and cash equivalents consist of cash held at call with banks and other short-term highly liquid investments with maturities of three months or less. Investments in money market funds are classified as cash equivalents, since these funds are held to meet short-term cash requirements, are highly liquid investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included within borrowings in the statement of financial position.

18. STATED AND SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

Where any group company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, net of income taxes, is deducted from equity attributable to the company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the company's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

19. FINANCIAL LIABILITIES

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity.

Financial liabilities include borrowings, derivative financial liabilities, investment contracts, third party liabilities arising on consolidation of mutual funds, accrual for other liabilities and charges, and trade and other payables. The group issues investments contracts without fixed terms (unit-linked) and with fixed and guaranteed terms (fixed interest rate).

Financial liabilities are initially recognised at fair value less transaction costs that are directly attributable to the raising of the funds, for all financial liabilities carried at amortised cost. All financial liabilities measured at fair value through profit or loss are initially recognised at fair value. The best evidence of the fair value at initial recognition is the transaction price (i.e. the fair value of the consideration received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets.

19. FINANCIAL LIABILITIES (continued)

19.1. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective-interest method.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the income statement as interest expense.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

19.2. Trade and other payables

Trade and other payables are recognised initially at fair value, net of transaction costs incurred. Trade and other payables are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period using the effective-interest method.

20. TAXATION

20.1. Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associated companies, except where the group controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

20.2. Secondary tax on companies and dividend withholding tax

Secondary tax on companies was abolished with effect from 1 April 2012 and replaced by a dividends tax, which is not levied on the company but on the beneficial owner of the share and accordingly does not require recognition in profit or loss. Dividends tax withheld by the company on dividends paid to its shareholders (who do not qualify for an exemption from dividends tax) and payable at the reporting date to the South African Revenue Service (where applicable) is included in trade and other payables in the statement of financial position.

21. EMPLOYEE BENEFITS

The group operates various post-employment schemes, including both defined benefit and defined contribution pension plans and post-employment medical plans.

21.1. Pension obligations

A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

21.2. Other post-retirement benefits

Some group companies provide post-employment healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

21.3. Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

21.4. Annual leave

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated annual leave as a result of services rendered by employees up to reporting date.

21.5. Profit sharing and bonus plans

The group recognises a liability and an expense for bonus plans and profit sharing, where contractually obliged, or where there is a past practice that has created a constructive obligation.

22. PROVISIONS AND CONTINGENT LIABILITIES

22.1. Provisions

Provisions are recognised when:

- the group has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

22.2. Contingent liabilities

A contingent liability is either a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. These contingent liabilities are not recognised in the statement of financial position but disclosed in the notes to the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. These contingent assets are not recognised in the statement of financial position but are disclosed in the notes to the financial statements if the inflow of financial benefits is probable.

23. LEASES

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

24. REVENUE RECOGNITION

Revenue comprises the fair value of the consideration received or receivable for goods sold or services rendered in the ordinary course of the group’s activities. The group's activities comprise the sale of fruit, agricultural seed, produce, management fees, port charges, shipping and related services.

Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the group.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

If circumstances arise that may change the original estimates of revenues, costs or the extent of progress toward completion of services, then estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that gave rise to the revision became known by management.

24.1. Sale of goods

Sale of goods are recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

24.2. Services rendered

Revenue arising from services is recognised on an accrual basis in accordance with the substance of the relevant agreements. Revenue from the operation of vessels is recognised on a proportionate basis where voyages have not terminated at year-end.

24.3. Interest income

Interest income is recognised using the effective-interest rate method. When a loan and receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding discount as interest income. Interest income is included as part of investment income in the income statement.

24. REVENUE RECOGNITION (continued)

24.4. Dividend income

Dividend income is recognised when the right to receive payment is established. Dividend income is included as part of investment income in the income statement.

25. DIVIDEND DISTRIBUTIONS

Dividend distributions to the company's shareholders are recognised as a liability in the period in which the dividends are approved by the company's board of directors.

26. NON-CURRENT ASSETS (OR DISPOSAL GROUPS) HELD FOR SALE

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

27. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities are addressed below.

27.1. Estimated impairment of goodwill

The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy on goodwill. The recoverable amounts of cash-generating units have been determined based on value-in-use and fair value less cost to sell calculations. These calculations require the use of estimates (see note 2 for further detail and disclosure of estimates used).

27.2. Impairment of investment in associates

An impairment of investment in associates is considered when the fair value is below its carrying value. In determination of whether the decline is significant or prolonged, the following factors may be considered: normal volatility in share price, the financial health of the investee, sector performance, changes in operational and financing cash flow.

An impairment loss is recognised for the amount by which the investment in associated company's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

27.3. Acquisition of associates

Details regarding significant new investments in associates are disclosed in note 4. Furthermore, the group's interest in certain already existing associates were also increased. In accounting for these transactions management had to apply judgement in allocating the purchase price to the identifiable assets and liabilities of the associates acquired, or the portion acquired when an additional interest was acquired.

27.4. Recognition of intangible assets

With a business combination all identifiable assets are recognised at their respective fair values in the consolidated financial statements. The fair values of intangible assets acquired through business combinations are determined by using a discounted cash flow valuation method. The discount rate is based on the long-term risk-free rate with risk premiums added for market and other company and asset specific risks. Intangible assets acquired through business combinations were valued using a discount rates ranging between 17% and 20%.

Trademarks and customers lists acquired through business combinations or acquisitions are valued on acquisition using discounted cash flow methodology based on assumptions and estimates regarding future revenue growth, weighted cost of capital, marketing costs and other economic factors affecting the value in use of these intangible assets. These assumptions reflect management's best estimates but are subject to inherent uncertainties, which may not be controlled by management.

The cost of the trademarks and customer lists are amortised over their estimated useful lives. The remaining useful lives of intangible assets are re-assessed annually. If the estimate of the remaining useful lives changes, the remaining carrying values are amortised prospectively over that revised remaining useful life.

27. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)

27.4. Recognition of intangible assets (continued)

The main assumptions used in the valuation of key customer lists are the useful lives of these assets and the future profitability and cancellation rate of the underlying revenue streams. The useful life of a key customer list is estimated based on the cancellation experience of the existing business and the useful life of customer lists of other players in the market. For the key customer lists recognised during the year, useful lives ranging between 2 and 5 years were assumed and average cancellation rates ranging between 15% and 85% were assumed.

If useful lives were increased/decreased by 10%, the intangible assets recognised would have been approximately R2m (2013: approximately R1m) higher/lower. Future profit margins used in determining customer contracts and relationships values were consistent with the margins applied in determining the fair value of the related investment.

Refer to the intangible asset accounting policy and note 2 for further detail.

27.5. Recognition of property, plant and equipment

The cost of property, plant and equipment is depreciated over their estimated useful lives to their estimated residual values. The remaining useful lives and residual values of property, plant and equipment are re-assessed annually. If the estimates of the remaining useful lives or residual values change, the remaining carrying values are depreciated prospectively, taking into account the revised estimates. Refer to the property, plant and equipment accounting policy and note 1 for further detail.

27.6. Recognition of biological assets

The fair value of these biological assets were determined using a discounted cash flow model, which incorporates significant variable inputs i.e. discount rate and useful life of the biological assets. Where an insignificant level of biological transformation had taken place since planting, the biological assets are valued at cost (refer note 9 for further details).

27.7. Money market funds

Cash and cash equivalents disclosed on the statement of financial position includes investments in money market funds, being short-term highly liquid investments with maturities of three months or less. Money market funds are classified as cash equivalents, since these funds are held to meet short-term cash requirements, are highly liquid investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The classification of money market funds as cash equivalents is only judgemental for purposes of disclosure and judgement applied could not have any impact of disclosed amounts of assets or liabilities.

27.8. Recoverability of trade and other receivables

Each entity in the group makes assumptions on the recoverability of its financial assets. These instruments mainly cover trade and other receivables and production loans. Where the recoverability of these instruments is considered to be doubtful management applies judgement in the calculation of the amount to be impaired. Capespan establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

27.9. Deferred tax

Each group entity determines the recoverability of deferred tax assets and the recognition of estimated tax losses. The recognition is based on the entities' ability to utilise these losses based on expected future taxable earnings. The recognised and unrecognised assessed tax losses are disclosed in note 28.

27.10. Contingent consideration

The deferred purchase consideration recognised (refer note 24) relates to an earn-out clause payable in 2014. Calculations are based on the estimated average net profit before tax for three years using average forecast exchange rates and discounted.

1. PROPERTY, PLANT AND EQUIPMENT

GROUP	Land R'000	Buildings R'000	Vehicles and plant R'000	Office equipment R'000	Total R'000
At 28 February 2014					
Cost	**297,238**	**321,544**	**361,735**	**25,056**	**1,005,573**
Accumulated depreciation	**(7,968)**	**(9,149)**	**(56,990)**	**(6,491)**	**(80,598)**
	289,270	**312,395**	**304,745**	**18,565**	**924,975**
Reconciliation					
Balance at beginning of year	**194,094**	**62,112**	**124,329**	**1,283**	**381,818**
Subsidiaries acquired	**48,414**	**239,523**	**126,723**	**18,112**	**432,772**
Exchange rate movements	**32,852**	**14,733**	**26,152**	**(988)**	**72,749**
Additions	**25,006**	**32,881**	**96,087**	**6,672**	**160,646**
Disposals	**(5,470)**	**(29,117)**	**(22,766)**	**(348)**	**(57,701)**
Depreciation	**(5,626)**	**(7,737)**	**(45,780)**	**(6,166)**	**(65,309)**
Balance at end of year	**289,270**	**312,395**	**304,745**	**18,565**	**924,975**
At 28 February 2013					
Cost	196,436	63,524	135,539	1,608	397,107
Accumulated depreciation	(2,342)	(1,412)	(11,210)	(325)	(15,289)
Balance at end of year	194,094	62,112	124,329	1,283	381,818
Reconciliation					
Balance at beginning of year					-
Subsidiaries acquired	193,888	47,292	103,261	628	345,069
Exchange rate movements	6,703	1,755	4,328	31	12,817
Additions	2,727	14,569	28,576	954	46,826
Disposals	(6,882)	(92)	(626)	(5)	(7,605)
Depreciation	(2,342)	(1,412)	(11,210)	(325)	(15,289)
Balance at end of year	194,094	62,112	124,329	1,283	381,818

Details of land and buildings are available at the registered offices of the relevant group companies. Refer note 18 for details regarding property, plant and equipment that serve as security for borrowings.

2. INTANGIBLE ASSETS

GROUP	Capitalised product development costs R'000	Customer lists R'000	Trademarks, computer software and other R'000	Goodwill R'000	Total R'000
At 28 February 2014					
Cost	**78,629**	**33,261**	**57,750**	**232,937**	**402,577**
Accumulated amortisation	**(4,158)**	**(10,932)**	**(11,692)**	**-**	**(26,782)**
Balance at end of year	**74,471**	**22,329**	**46,058**	**232,937**	**375,795**
Reconciliation					
Balance at beginning of year		**4,819**	**11,008**	**143,079**	**158,906**
Subsidiaries acquired	**61,259**	**24,361**	**43,316**	**69,065**	**198,001**
Exchange rate movement	**4,092**		**(652)**	**20,793**	**24,233**
Additions	**14,433**		**1,731**		**16,164**
Impairment	**(1,155)**				**(1,155)**
Amortisation	**(4,158)**	**(6,851)**	**(9,345)**		**(20,354)**
Balance at end of year	**74,471**	**22,329**	**46,058**	**232,937**	**375,795**

2. INTANGIBLE ASSETS (continued)

GROUP	Customer lists R'000	Trademarks, computer software and other R'000	Goodwill R'000	Total R'000
At 28 February 2013				
Cost	8,900	13,355	143,079	165,334
Accumulated amortisation	(4,081)	(2,347)	-	(6,428)
Balance at end of year	4,819	11,008	143,079	158,906
Reconciliation				
Balance at beginning of year				-
Subsidiaries acquired	8,900	13,355	138,991	161,246
Exchange rate movement			4,088	4,088
Amortisation	(4,081)	(2,347)		(6,428)
Balance at end of year	4,819	11,008	143,079	158,906

Intangible assets other than goodwill

Included in intangible assets other than goodwill are the following significant individual intangible assets and their remaining amortisation periods:

GROUP	Remaining amortisation period **2014**	2013	Carrying value **2014** **R'000**	Carrying value 2013 R'000
Zaad				
- Capitalised product development costs	**< 9 years**		**74,471**	
Capespan				
- Metspan Hong Kong customer lists	**17 years**		**14,209**	
- Capespan software and development costs	**7 years**		**9,631**	
			98,311	-

Goodwill allocation

Goodwill is allocated to cash-generating units ("CGUs"), being each operating subsidiary. A summary of the goodwill allocation is as follows:

	GROUP **2014** **R'000**	GROUP 2013 R'000
Zaad (previously Agricol Holdings)	**51,722**	51,722
Klein Karoo Seed Marketing	**69,065**	
Chayton		
- Chobe Agrivision	**38,253**	29,378
- Somawhe	**73,897**	61,979
	232,937	143,079

Goodwill is tested for impairment annually by comparing the carrying value to the recoverable amount of the CGU, being the higher of value-in-use and fair value less to sell. Therefore, should fair value less cost to sell exceed the carrying value, goodwill is considered adequately supported.

2. INTANGIBLE ASSETS (continued)

Zaad

The fair value less cost to sell of Zaad is determined using unobservable inputs (level 3), by applying a price/earnings ratio of 12 (2013: 10). The price/earnings ratio applied was determined with reference to similar listed companies, adjusted for entity specific considerations. During the current and prior year, had the price/earnings ratio been decreased by 10%, the recoverable amount would still exceed the carrying value.

Klein Karoo Seed Marketing

The fair value less cost to sell of Klein Karoo Seed Marketing is determined using unobservable inputs (level 3), by applying a price/earnings ratio of 12. The price/earnings ratio applied was determined with reference to similar listed companies, adjusted for entity specific considerations. Had the price/earnings ratio been decreased by 10%, the recoverable amount would still exceed the carrying value.

Chayton

The fair value less cost to sell of Chayton, which consists of two CGUs, namely Chobe Agrivision and Somawhe, is determined on the net realisable value of the underlying assets, with reference to the fair value of land, buildings and other supporting tangible assets (level 3 unobservable inputs). This was based mainly on an average value of US$11,840 (R127,746 at the reporting date) (2013: US$10,000 - R84,700 at the prior reporting date) per irrigated hectare. Had the price per irrigated hectare been adjusted downward by 10%, the recoverable amount would still exceed the carrying value (2013: impairment of R13.7m).

Furthermore, a discounted cash flow calculation was also performed, which supported the aforementioned conclusion. The following main assumptions were applied in the discounted cash flow calculation:

- Weighted average cost of capital	17.7%
- Annual input and commodity price increase	5.0%

At the reporting date, the directors were satisfied that the carrying value of goodwill is adequately supported.

	GROUP		COMPANY	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
3. INVESTMENT IN SUBSIDIARY				
Unlisted shares at cost less provision for impairment			**2,125,732**	2,117,521
The company holds 100% of the issued share capital of Zeder Financial Services Ltd.				
4. INVESTMENT IN ASSOCIATES				
4.1. Investment in ordinary shares of associates				
- Unlisted but quoted	**1,821,814**	2,126,535		
4.2. Loans and preference share investments in associates[1]	**18,239**	54,470		
- Klein Karoo Seed Marketing[2]		50,470		
- Klein Karoo Akademie[3]	**3,472**			
- Klein Karoo Seed Zimbabwe[3]	**14,767**			
- Other[4]		4,000		

1 Loans and preference share investments in associates approximate fair value.
2 The loan was unsecured, carried interest at a rate of prime less 1% and has been repaid.
3 These loans are unsecured, interest free with no repayment terms.
4 The loan was capitalised during the year.

	GROUP	
	2014	2013
	R'000	R'000
4. INVESTMENT IN ASSOCIATES (continued)		
Reconciliation of ordinary share investments:		
Balance at beginning of year	**2,126,535**	2,567,104
Subsidiaries acquired	**181,047**	
Acquisitions		
- Cash	**242,184**	124,319
- Share issue[1]	**8,209**	
- Other	**6,881**	
Equity accounting		
- Share of profits of associates[2]	**164,518**	299,024
- Loss on dilution of interest in associate		(155,276)
- Dividends received	**(63,549)**	(117,437)
- Other comprehensive income	**31,200**	32,130
Impairment of associates[3]	**(21,421)**	
Fair value gain on step-up acquisition	**17,205**	22,023
Transfer to non-current asset held for sale	**(311,195)**	(159,580)
Transfer to subsidiaries	**(503,999)**	(50,409)
Disposals	**(95,543)**	(435,363)
Exchange rate movement	**39,742**	
Balance at end of year	**1,821,814**	2,126,535
Market value of unlisted investments (based on published over-the-counter prices)	**2,513,516**	2,475,500

1 During the year, Zeder made a voluntary, partial offer to Kaap Agri and Agri Voedsel shareholders.

2 Equity accounted earnings as per the income statement of R218m (2013: R300,2m), includes the reversal of other comprehensive income of associates of R55,9m (2013: R1,2m) as per the statement of comprehensive income, as well as the equity accounted loss from investments in joint ventures of R2,4m (refer note 5).

3 The impairment of associates consists of a R14m impairment relating to Suidwes and a R7,4m impairment relating to Bluegreen Oceans. The investment in Suidwes was written down to its recoverable amount (based on unobservable market data) prior to being reclassified as a non-current asset held for sale.

2014 acquisitions and disposals

Significant acquisitions during the year included investments in existing associates of R817m, inter alia, Agri Voedsel, Kaap Agri, Capespan and Klein Karoo Seed Marketing. The additional shares acquired in Capespan and Klein Karoo Seed Marketing resulted in the group obtaining control of same (refer note 31.3). Furthermore, through Capespan, the group acquired a 36% interest in Gestão de Terminais SA, a company incorporated in Mozambique. The group disposed of its entire shareholding in NWK, Suidwes, and Thembeka OVB.

2013 acquisitions and disposals

Cash acquisitions during the prior year included increasing the group's already existing interest in associates; Kaap Agri, Capevin Holdings, Agri Voedsel and Capespan. During the prior year, the group acquired a 49% interest in Klein Karoo Seed Marketing. At the reporting date the group had a standing public offer for the purchase of Kaap Agri shares. The group disposed of 15% of its shareholding in Capevin Holdings, with the remaining 5% being reclassified as held for sale (refer note 14). Furthermore, the group obtained control over Zaad (refer note 31.3).

Further information

Refer Annexure B for further details regarding investments in associates.

		GROUP	
		2014	2013
		R'000	R'000
5.	**INVESTMENTS IN JOINT VENTURES**		
5.1.	**Ordinary share investments**	**67**	
5.2.	**Loans granted to joint ventures**	**1,553**	
	Reconciliation of ordinary share investment:		
	Balance at beginning of year		
	Additions	**2,461**	
	Equity accounted earnings	**(2,394)**	
		67	-
6.	**EQUITY SECURITIES**		
	Available-for-sale	**3,756**	3,031
	- Listed		773
	- Unlisted but quoted	**1,007**	2,258
	- Unquoted	**2,749**	
	At fair value through profit or loss	**202,772**	97,484
	- Listed	**163,792**	
	- Unlisted but quoted		3
	- Unquoted	**38,980**	97,481
		206,528	100,515

The unquoted equity securities include advances which are linked to equity instruments. In terms of these agreements, the group is entitled to the majority of the increase in the market value of the underlying equity securities and the dividends received on these securities. The advances are impaired to the value of the underlying instruments should the market value of the instruments fall below the current carrying value of the advances (refer note 35 for fair value disclosure).

GROUP	Available-for-sale R'000	Fair value through profit or loss R'000	Total R'000
Reconciliation			
Balance at 1 March 2012		217,538	217,538
Subsidiaries acquired	2,393		2,393
Additions	24		24
Disposals		(142,314)	(142,314)
Net fair value gains	614	22,260	22,874
Balance at 28 February 2013	3,031	97,484	100,515
Subsidiaries acquired	**6,190**		**6,190**
Additions*		**177,797**	**177,797**
Disposals	**(5,929)**	**(60,157)**	**(66,086)**
Net fair value gain/(loss)	**464**	**(12,352)**	**(11,888)**
Balance at 28 February 2014	**3,756**	**202,772**	**206,528**

* Additions relate mainly to the acquisition of Pioneer Foods ordinary shares.

	GROUP	
	2014	2013
	R'000	R'000
7. LOANS AND ADVANCES		
Secured loans	**72,454**	16,261
Unsecured loans	**6,160**	
	78,614	16,261

Secured loans include a production loan of R45m from Capespan to Kaspernek Orchards (supplier of Capespan) and a loan to a non-controlling shareholder of Zaad amounting to R16m. The loan to Kaspernek carries interest at prime +1%, has fixed repayment terms, and the Kaspernek farm and fruit serves as security. The loan to the non-controlling shareholder carries interest at prime less 2%, is repayable by July 2017 and is secured over the non-controlling shareholder's ordinary shares in the subsidiary company.

8. EMPLOYEE BENEFITS

Assets and liabilities relating to the group's employee benefits can be summarised as follows:

		2014			2013	
	Assets	**Liabilities**	**Net**	Assets	Liabilities*	Net*
GROUP	**R'000**	**R'000**	**R'000**	R'000	R'000	R'000
Short-term employee benefits						
Performance-based remuneration		**(40,800)**	**(40,800)**		1,110	1,110
Leave pay		**(17,612)**	**(17,612)**		994	994
Other		**(500)**	**(500)**			-
Long-term incentive scheme		**(27,607)**	**(27,607)**			-
Post-employment defined benefit plans	**33,090**	**(111,046)**	**(77,956)**		516	516
	33,090	**(197,565)**	**(164,475)**	-	2,620	2,620
Non-current portion	**33,090**	**(124,379)**	**(91,289)**			-
Current portion		**(73,186)**	**(73,186)**			-

* The prior year employee benefits were included in trade and other payables at the previous reporting date.

Long-term incentive scheme

The executive management of Capespan is part of a long-term incentive scheme based on the increase in Capespan's headline earnings per share, measured over a three-year rolling period. Amounts provided for in terms of this scheme is recognised through profit or loss.

Post-retirement medical aid benefits - Capespan Group Ltd

The group, through Capespan, provides for post-employment medical aid benefits in respect of certain retired employees. This liability is for a relatively small group of staff and their dependants who were already retired from International Harbour Services (Pty) Ltd, Outspan International Ltd and Unifruco Ltd prior to the merger between Unifruco and Outspan in 1999. To qualify for the scheme they had to be permanently employed, be a member of the company designated scheme at retirement and remain resident in South Africa until their retirement. The obligation was quantified by an independent actuary.

Retirement funds - Capespan Europe

The group, through Capespan, operates a number of externally funded defined benefit and defined contribution pension schemes across Europe and Japan. The schemes are set up under trusts and the assets of the schemes are therefore held separately from those of the group.

The accompanying disclosures relate to all of the group’s significant defined benefit retirement schemes in the United Kingdom and Continental Europe: The South African Co-operative Citrus Exchange Ltd pension and life assurance schemes ("SACCE"), and the Capespan Continent NV and Fresh Fruit Services CV plan ("CCNV"). In addition, the group has a pension scheme in Germany called the Capespan Germany GmbH pension scheme.

8. EMPLOYEE BENEFITS (continued)

Actuarial valuations were carried out for the schemes. All calculations were carried out by independent actuaries using the projected unit credit method.

GROUP

The respective employee defined benefit plan deficits can be analysed as follows:

	2014 Capespan Group Ltd Asset R'000	Liabilities R'000	Net R'000
Present value of funded obligations		**(21,260)**	**(21,260)**
Subsidiaries acquired		**(22,243)**	**(22,243)**
Interest expense		**(1,481)**	**(1,481)**
Actuarial gains		**515**	**515**
Employer contributions		**1,949**	**1,949**
Balance at end of year	**-**	**(21,260)**	**(21,260)**

	2014 Capespan Europe Asset R'000	Liabilities R'000	Net R'000
Fair value of plan assets	**33,090**		**33,090**
Present value of funded obligations		**(89,786)**	**(89,786)**
	33,090	**(89,786)**	**(56,696)**
Subsidiaries acquired	**25,184**	**(72,139)**	**(46,955)**
Interest expense		**(14,848)**	**(14,848)**
Return on plan assets	**12,003**		**12,003**
Actuarial gains		**634**	**634**
Employee contributions	**(4,097)**	**4,097**	**-**
Employer contributions		**3,021**	**3,021**
Exchange differences		**(10,854)**	**(10,854)**
Settlements		**303**	**303**
Balance at end of year	**33,090**	**(89,786)**	**(56,696)**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Capespan Group Ltd	Capespan Europe SACCE	CCNV	Germany
Discount rate	0.8%	4.4%	3.3%	3.4%
Future salary increases	1.0%		3.0%	3.5%
Inflation		2.8%	2.0%	2.2%

Sensitivity analyses for each significant actuarial assumption (i.e. what impact would a change in the actuarial assumption have on the net defined benefit obligation):

	Capespan Group Ltd			Capespan Europe		
GROUP	**Change in assumption**	**Increase**	**Decrease**	**Change in assumption**	**Increase**	**Decrease**
Discount rate	**0.5%**	**765**	**(817)**	**0.1%**	**5,150**	**(5,275)**
Inflation	**1.0%**	**(1,779)**	**1,587**	**0.1%**	**(1,329)**	**3,502**
Medical cost trends	**1.0%**	**(1,325)**	**3,502**			
Mortality	**1 year**	**(1,105)**	**1,064**	**1 year**	**(14,645)**	**14,105**

9. BIOLOGICAL ASSETS

	GROUP 2014 R'000	GROUP 2013 R'000
Balance at beginning of year	**31,264**	
Subsidiaries acquired	**144,106**	69,074
Exchange rate movement	**5,622**	2,528
Additions	**128,860**	30,879
Harvests	**(164,615)**	(99,920)
Disposals	**(34,321)**	
Change in fair value due to biological transformation	**90,510**	28,703
Balance at end of year[4]	**201,426**	31,264
Non-current	**117,979**	-
Orchards[1]	**49,422**	
Vineyards[1]	**68,557**	
Current	**83,447**	31,264
Maize[2]	**6,396**	
Soya[2]	**33,567**	31,264
Orchards[3]	**12,885**	
Vineyards[3]	**14,262**	
Sugar cane[3]	**16,337**	

1 The fair value of the non-current biological assets were determined using the discounted cash flow model. The following table shows the significant unobservable inputs applied in the model:

Non-current biological assets	Grapes	Citrus	Pome Apples	Pome Pears
Useful life (years)	20	25 - 30	30	30
Discount rate (%)	16.7	14.3 - 15.5	15.0	15.0

The model also takes into account a 2% inflationary increase for income and costs, income tax at 28%, and the model does not assume any replanting to take place, as only the existing assets are present valued and not any future replanting.

2 These current biological assets are valued at cost, since an insignificant level of biological transformation has taken place since planting.

3 These current biological assets, which comprise the grapes on the vineyards and orchards have been valued using the following assumptions:

- expected sales realisation of all grapes and pome at free on board value for export fruit and net value for local sales;
- budgeted costs to harvest and sell per the approved budget for the year 2014;
- packing and cooling costs as per the approved budget; and
- overheads directly attributable to the operation for the year.

4 The fair value of biological assets have been calculated using unobservable inputs (level 3).

10. INVENTORIES

	GROUP 2014 R'000	GROUP 2013 R'000
Raw materials	**52,270**	15,666
Work in progress	**3,996**	
Finished goods	**683,497**	158,959
	739,763	174,625

During the year, Zaad wrote off inventory to the value of R11m, and there were no significant movements in the group's provision for impairment of inventory.

	GROUP		COMPANY	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
11. TRADE AND OTHER RECEIVABLES				
Trade receivables (gross of impairment)	**898,574**	83,703		
Trade receivables (impairment)	**(18,724)**	(345)		
Value added tax	**41,672**	3,421		
Prepayments and sundry receivables*	**205,701**	13,950		
	1,127,223	100,729		

* Includes non-financial assets of R5,4m (2013: Rnil).

	GROUP		COMPANY	
12. DERIVATIVE FINANCIAL ASSETS				
Forward currency exchange contracts (refer note 35)	**1,299**			
13. CASH, MONEY MARKET INVESTMENTS AND OTHER CASH EQUIVALENTS				
Bank balances	**632,261**	390,417		
Money market fund	**382,507**	362,198		
	1,014,768	752,615		

The money market fund earned interest at money market rates during the period under review. Money market funds are invested in highly liquid instruments with a weighted average maturity of less than 90 days.

	GROUP		COMPANY	
14. NON-CURRENT ASSETS HELD FOR SALE				
- Carrying value at beginning of year	**287,733**			
- Subsidiaries acquired	**10,113**			
- Transfer from investment in associates	**311,195**	295,063		
- Net fair value gain	**59,049**	(7,330)		
- Disposals	**(490,520)**			
	177,570	287,733		

At the reporting date, non-current assets held for sale consisted mainly of JSE-listed Capevin Holdings shares, which are expected to be realised through sale in the coming months.

	GROUP		COMPANY	
15. STATED/SHARE CAPITAL				
Ordinary shares				
Authorised				
2,000,000,000 ordinary shares with no par value (2013: 1,500,000,000 ordinary shares with a par value of 1 cent each)		15,000		15,000
Issued				
980,188,331 ordinary shares with no par value (2013: 978,088,517 ordinary shares with a par value of 1 cent each)	**1,748,061**	9,781	**1,748,061**	9,781
Cumulative, non-redeemable, non-participating preference shares				
Authorised				
250,000,000 shares with no par value (2013: 250,000,000 shares with a par value of 1 cent each)		2,500		2,500

During the year, the company converted its ordinary and preference shares to shares with no par value.

15. STATED/SHARE CAPITAL (continued)

Share incentive scheme of subsidiary

During the current and prior year, Chayton operated an equity-settled share incentive scheme. In terms of the scheme, share options were granted to executive directors and senior management. The total equity-settled share-based payment charge recognised in profit or loss amounted to R1,6m (2013: Rnil). This charge was credited to other reserves and non-controlling interest.

	2014		2013	
Analysis of outstanding scheme shares by financial year of maturity:	**Weighted average strike price (R)**	**Number**	Weighted average strike price (R)	Number
2014/15	**728**	**9,243**	728	9,243
2015/16	**789**	**9,243**	789	9,243
2016/17	**854**	**9,243**	854	9,243
2017/18	**925**	**9,243**	925	9,243
2018/19	**1,002**	**9,243**	1,002	9,243
		46,213		46,213

Granting of Chayton ordinary share options occurred as follows:	**Number of shares**	**Price R**	**Volatility %**	**Dividend yield %**	**Risk-free rate %**	**Fair value R**
11 April 2012	**10,606**	728.20	33	-	6.14	34.22
20 April 2012	**2,781**	788.65	33	-	6.69	34.64
19 June 2012	**5,035**	854.15	33	-	7.08	37.68
03 August 2012	**17,722**	924.99	33	-	7.49	41.46
14 September 2012	**10,069**	1,001.72	33	-	7.80	43.77
	46,213					

No share options vested or were granted during the year. The value of the options was calculated using the Black-Scholes-Merton model.

16. OTHER RESERVES

GROUP	**Available-for-sale R'000**	**Foreign currency translation R'000**	**Share-based payment R'000**	**Other * R'000**	**Total R'000**
Balance at 1 March 2012				9,856	9,856
Currency translation adjustments		9,585			9,585
Fair value gains on available-for-sale investments	363				363
Share of other comprehensive income of associates				32,317	32,317
Reclassification of share of associates' other comprehensive income on disposal				(1,412)	(1,412)
Transactions with non-controlling interest				(45,180)	(45,180)
Balance at 28 February 2013	363	9,585	-	(4,419)	5,529
Currency translation adjustments		**106,704**			**106,704**
Fair value gains on available-for-sale investments	**317**				**317**
Share of other comprehensive income of associates				**30,779**	**30,779**
Reclassification of share of associates' other comprehensive income on disposal				**(55,466)**	**(55,466)**
Reclassification of gains on available-for-sale investments	**(624)**				**(624)**
Share-based payment costs - employees			**1,339**		**1,339**
Sub-total	**56**	**116,289**	**1,339**	**(29,106)**	**88,578**

16. OTHER RESERVES (continued)

GROUP	Available-for-sale R'000	Foreign currency translation R'000	Share-based payment R'000	Other * R'000	Total R'000
Sub-total	56	116,289	1,339	(29,106)	88,578
Cash flow hedges				(12,181)	(12,181)
Transactions with non-controlling interest		(1,276)		1,000	(276)
Balance at 28 February 2014	**56**	**115,013**	**1,339**	**(40,287)**	**76,121**

** Relates mainly to other comprehensive income attributable to associates, cash flow hedge reserve and a written put option held by a non-controlling shareholder of a subsidiary.*

	GROUP 2014 R'000	GROUP 2013 R'000
17. DEFERRED INCOME TAX		
Deferred income tax assets	**59,388**	
Deferred income tax liabilities	**(104,612)**	(53,895)
Net deferred income tax liability	**(45,224)**	(53,895)
Deferred income tax assets		
To be recovered within 12 months		
To be recovered after 12 months	**59,388**	
	59,388	-
Deferred income tax liabilities		
To be recovered within 12 months	**(17,302)**	
To be recovered after 12 months	**(87,310)**	(53,895)
	(104,612)	(53,895)

GROUP	Tax losses R'000	Provisions R'000	Unrealised profits R'000	Intangible assets and other differences R'000	Total R'000
Balance at 1 March 2012			(2,636)		(2,636)
Subsidiaries acquired		1,134	(258)	(27,560)	(26,684)
Reversal of deferred tax on disposal of equity securities			3,830		3,830
(Charged)/credited to profit and loss		(328)	(29,022)	1,841	(27,509)
Charged to other comprehensive income			(251)		(251)
Exchange rate movement				(645)	(645)
Balance at 28 February 2013	-	806	(28,337)	(26,364)	(53,895)
Subsidiaries acquired	**67,823**	**4,147**	**(3,519)**	**(57,029)**	**11,422**
(Charged)/credited to profit and loss	**(17,373)**	**1,917**	**(4,444)**	**7,041**	**(12,859)**
(Charged)/credited to other comprehensive income			**(1,238)**	**193**	**(1,045)**
Exchange rate movement		**(1,526)**	**(51)**	**12,730**	**11,153**
Balance at 28 February 2014	**50,450**	**5,344**	**(37,589)**	**(63,429)**	**(45,224)**

Deferred income tax on temporary differences relating to equity securities that are classified as at fair value through profit or loss and available-for-sale, is calculated using the effective capital gains tax rate of 18.67%. Deferred income tax was calculated on other temporary differences using the applicable tax rate as per the tax jurisdiction it relates to.

	GROUP		COMPANY	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
18. BORROWINGS				
Non-current				
Secured redeemable preference shares	**300,000**	300,000		
Secured loans	**414,475**	145,351		
Unsecured loan	**24,058**			
	738,533	445,351		
Current				
Secured loans	**76,021**			
Unsecured loan		50,835	**68,051**	53,925
Bank overdrafts	**377,571**			
Accrued preference dividends	**6,107**	9,146		
	459,699	59,981	**68,051**	53,925

Secured redeemable preference shares

Preference shares issued by Zeder Financial Services Ltd to RMB of R300m, which are secured by investments in associates and subsidiaries with a market value of R3bn (2013: R2,5bn) and carry a fixed dividend rate of 8.11% nominal annual compounded monthly, and are repayable by September 2017. The fair value of these preference shares approximates its fair value.

Secured loans

The following significant borrowings are included in secured loans:

Capespan has a R100m term loan from ABSA, which carries interest at prime less 1.5%, has fixed repayment terms.

Zaad has a R50m term loan from FNB, which carries interest at prime less 1.25%. The balance will be settled with five yearly repayments of approximately R10m each, commencing July 2014, and is secured by a bond of R60m over the property, plant and equipment (refer note 1).

Chayton has a United States dollar-denominated loan from the African Agriculture and Trade Investment Fund of R107m, which carries a fixed interest rate of 5.75% an additional charge payable if Chayton's gross profit exceeds a specified threshold. The loan plus accrued interest will be settled with two repayments in October 2015 and 2016. This loan is secured by property, plant and equipment with a carrying value of R75m (refer note 1).

Chayton also has a United States dollar-denominated loan from Stanbic of R87m, which amortises over a period of 5 years with semi-annual repayments. Chayton's investment in Somawhe Estates serve as security for the loan.

Unsecured loans

The group's unsecured loan, held through Chayton, related to a 90 day loan from Stanbic Mauritius, which carried interest at Libor plus 3%. The company's unsecured loan is from Zeder Financial Services Ltd, a wholly-owned subsidiary. The loan is interest-free and repayable on demand.

Bank overdrafts

Zaad has a bank overdrafts of R97m (euro-denominated) from ABN Amro Bank N.V. and a R132m overdraft from FNB.

Effective interest rates

The effective interest rates applicable to borrowings range between 1.5% and 13% (2013: 5.75% and 8.22%).

	GROUP	
	2014	2013
	R'000	R'000
19. DERIVATIVE FINANCIAL LIABILITIES		
Non-current		
Non-controlling interests put option liability*	**45,666**	45,666
Current		
Forward currency exchange contracts (refer note 35)	**15,236**	

* During the prior year, the group entered into a transaction with a non-controlling shareholder, which grants the party the right to put its entire shareholding to the group at a market-related fixed price/earnings multiple. The option is exercisable in July 2017 and the carrying value at the reporting date represents the present value of the possible exercise price.

	GROUP		COMPANY	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
20. TRADE AND OTHER PAYABLES				
Trade payables	**816,903**	148,333		
Management fee payable (refer note 26.1)	**102,402**	34,789		
Deferred purchase consideration*	**113,342**			
Unsettled share trades and other payables	**48,652**	1,744		33
	1,081,299	184,866	**-**	33

* Relates to an earn-out clause payable in 2014 (refer note 34).

	GROUP		COMPANY	
	2014	2013	**2014**	2013
21. REVENUE				
Agricultural produce	**5,409,870**	328,113		
Logistical services	**600,830**			
	6,010,700	328,113		
22. COST OF SALES				
Changes in finished goods	**4,982,379**	171,440		
Raw material and consumables used	**129,543**	50,673		
Transportation expenses	**16,385**	7,896		
Commission	**6,300**	4,428		
	5,134,607	234,437		
23. INVESTMENT INCOME				
Interest income	**50,775**	7,258		
Loans and advances	**4,537**			
Trade and other receivables	**799**	2,121		
Cash and short-term funds	**45,439**	5,137		
Dividend income	**13,579**	5,844	**25,000**	50,000
Equity securities held at fair value through profit or loss	**3,496**	4,662		
Equity securities held as available-for-sale	**140**	52		
Non-current assets held for sale	**9,943**			
Preference share investment in associate		1,130		
Subsidiary company			**25,000**	50,000
	64,354	13,102	**25,000**	50,000

		GROUP	
		2014	2013
		R'000	R'000
24.	**FAIR VALUE GAINS AND LOSSES**		
	Unrealised net fair value gains and losses		
	- Equity securities - at fair value through profit or loss	**(12,352)**	18,573
	- Equity securities - available-for-sale	**464**	
	- Fair value gain on step-up acquisition of an associate to a subsidiary	**17,205**	22,023
	- Net foreign exchange gains	**7,102**	161
	- Loss on derivative financial instruments		(906)
	- Non-current assets held for sale (refer note 14)	**59,049**	(7,330)
	Realised net fair value gains and losses		
	- Equity securities - at fair value through profit or loss	**58,481**	
	- Non-current asset held for sale	**14,004**	
		143,953	32,521
25.	**OTHER OPERATING INCOME**		
	Management and other fee income	**1,818**	1,924
	Profit on sale of property, plant and equipment	**336**	1,839
	Bad debts recovered	**1,628**	
	Sundry income	**5,146**	1,717
		8,928	5,480
26.	**EXPENSES**		
26.1.	**Management fees**		
	Base fee expense	**59,022**	58,560
	Performance fee expense	**59,022**	
		118,044	58,560

The base and performance fees are payable to PSG Corporate Services (Pty) Ltd ("PSGCS"), an indirect subsidiary of PSG Group, the company's ultimate holding company, in terms of a management agreement. In accordance with the management agreement, PSGCS provides management services, including corporate secretarial, advisory, investment and financial services and all related aspects thereto to the Zeder group of companies.

Effective from the beginning of the year, the shareholders of the company approved a new management fee structure with regards to the calculation of the base and performance fees. The base fee was previously calculated at 2% p.a. (exclusive of VAT) on the net asset value of the group (excluding cash) as at the end of every half-year and 0.15% p.a. (exclusive of VAT) on the daily average cash balance. The performance fee was calculated on the last day of the financial year at 10% p.a. on the outperformance of the group’s portfolio above the equally weighted FTSE-JSE Beverage Total Return Index (TRI041) and the FTSE-JSE Food Producers Total Return Index (TRI043) over any financial year.

Based on the new management fee structure, the base fee is calculated at the end of every half-year as 1.5% p.a. (exclusive of VAT) of the company's volume weighted average market capitalisation for that half-year. The performance fee is calculated at the end of the financial year as 20% p.a. on the company's share price outperformance of the GOVI (comprising the most liquid government bonds, being the government bonds within the top 10 of the All Bond Index) yield plus 4%, adjusted for dividends ("hurdle price"). The performance fee pertaining to a financial year may not exceed that year's base fee. If the performance fee exceeds the base fee, the excess performance fee is carried forward to the following financial year, by adjusting the hurdle price of the following year accordingly. The excess at year-end amounted to R21m.

		GROUP	
		2014	2013
		R'000	R'000
26.2.	**EXPENSES (continued)**		
26.2.	**Marketing, administration and other expenses**		
	Depreciation	**65,309**	15,289
	- Land	**5,626**	2,342
	- Buildings	**7,737**	1,412
	- Vehicles and plant	**45,780**	11,210
	- Office equipment	**6,166**	325
	Amortisation of intangible assets	**20,354**	6,428
	Operating lease rentals	**44,628**	1,260
	- Properties	**26,887**	1,044
	- Equipment	**17,741**	216
	Auditors remuneration	**9,033**	961
	- Audit services - current year	**7,764**	946
	- Audit services - prior year	**1,170**	
	- Other services	**99**	15
	Employee benefit expenses	**397,333**	31,169
	- Salaries, wages and allowances	**370,857**	28,037
	- Social security costs	**7,943**	1,474
	- Equity-settled share-based payment costs	**1,676**	
	- Pension costs - defined contribution plans	**3,966**	1,658
	- Pension costs - defined benefit plans	**10,688**	
	- Medical costs - defined contribution plans	**2,203**	
	Impairments	**7,137**	-
	- Intangible assets	**1,155**	
	- Loans and advances	**3,515**	
	- Trade and other receivables	**2,467**	
	Loss on sale of property, plant and equipment	**4,174**	51
	Repairs, maintenance and vehicle costs	**54,158**	13,702
	Marketing and administration costs	**27,591**	18,898
	- Administration fees	**413**	9,089
	- Marketing	**3,797**	2,846
	- Professional fees	**23,381**	6,963
	Insurance	**15,604**	1,594
	Communication costs	**10,713**	
	Commission paid	**12,756**	15,727
	Other	**72,464**	15,026
		741,254	120,105

		GROUP	
		2014	2013
		R'000	R'000
27.	**FINANCE COSTS**		
	Redeemable preference shares	**24,681**	30,992
	Secured loans	**18,213**	
	Unsecured loans	**17,042**	
	Bank overdrafts	**25,585**	
	PSG Corporate Services (Pty) Ltd bridging loan		3,797
	Amortisation of structuring fee		1,192
	Other	**441**	1,218
		85,962	37,199

PSG Corporate Services (Pty) Ltd is a fellow subsidiary of the group. Interest was calculated on outstanding balances at market related rates.

		2014	2013
28.	**TAXATION**		
	Current taxation		
	- Current year	**48,824**	71,516
	- Prior year	**51**	
	Deferred taxation		
	- Current year	**17,033**	23,455
	Foreign current taxation		
	- Current year	**35,394**	723
	Foreign deferred taxation		
	- Current year	**(4,174)**	224
		97,128	95,918
	Reconciliation of effective tax rate:	**%**	%
	South African standard tax rate	**28.0**	28.0
	Adjusted for:		
	- Non-taxable income	**(1.8)**	(0.3)
	- Capital gains tax rate differential	**(4.0)**	(3.7)
	- Non-deductible charges	**10.9**	4.3
	- Income from associates and joint ventures	**(10.6)**	(13.8)
	- Foreign tax rate differential	**0.9**	
	- Special tax allowances	**(0.4)**	(0.1)
	- Other	**0.4**	0.1
	- Deferred tax assets written off / not recognised	**0.9**	1.2
	- Effect of tax losses utilised	**(2.4)**	
	- Prior period adjustments	**0.5**	
	Effective tax rate	**22.5**	15.7

	GROUP 2014 R'000	GROUP 2013 R'000
28. TAXATION (continued)		
Tax charges relating to components of other comprehensive income		
- Currency translation movements	**(1,488)**	
- Fair value gains on available-for-sale investments	**(73)**	(251)
- Reclassification of gains on available-for-sale investments	**324**	
- Share of other comprehensive income of associates	**(1,183)**	
- Reclassification of share of associates' other comprehensive income	**1,183**	
- Actuarial gains on employee defined benefit plans	**193**	
	(1,044)	(251)

29. RELATED-PARTY TRANSACTIONS AND BALANCES

The following related parties were identified with which the company and/or group transacted during the year, and/or balances were outstanding at year-end:

Party	Relationship
PSG Group Ltd	Ultimate holding company
Zeder Financial Services Ltd	Wholly-owned subsidiary
Zeder Investments Corporate Services (Pty) Ltd	Wholly-owned subsidiary of Zeder Financial Services Ltd
Zeder Africa (Pty) Ltd	Wholly-owned subsidiary of Zeder Financial Services Ltd
Chayton Corporate Services (Pty) Ltd	Wholly-owned subsidiary of Zeder Investments Corporate Services (Pty) Ltd
PSG Corporate Services (Pty) Ltd	Subsidiary of ultimate holding company
PSG Online Securities (Pty) Ltd	Subsidiary of ultimate holding company
PSG Money Market Fund	Fund managed by a fellow subsidiary of ultimate holding company

Related-party transactions during the year included dividends received from associates (refer notes 4), interest paid to PSG Corporate Services (refer note 22), the management fee expense (refer note 21.1), professional fees, interest income and interest paid (refer note 22).

Included in the group's interest income (refer note 23) is R818,000 (2013: R407,000) received from PSG Online Securities and R18,681,000 (2013: R955,000) received from PSG Money Market Fund.

Included in the group's marketing, administration and other expenses is professional fees of R5,208,000 (2013: R5,276,000) paid to PSG Corporate Services for corporate finance and tax services relating to acquisitions made during the year.

Brokerage and administration fees of R15,000 (2013: R1,082,000) were incurred with PSG Online Securities during the year. These fees related to trades that took place via the group's share trading accounts.

During 2008, the corporate finance arm of PSG Corporate Services facilitated a process whereby the group obtained an interest in an investee company. In exchange for waiving the facilitation fee payable in respect thereof, PSG Corporate Services is entitled to receive a portion of the dividends received each year from the mentioned interest for a five-year period as well as a share of the increase in the market value of the investment after five years. During the prior year, the portion of dividends paid amounted to R216,000 and the one-off share of the increase in market value paid was R1,712,000.

During the prior year, the group entered into a written put agreement with AE Jacobs, who is a non-executive director of the company, forms part of the group's key management personnel, and is also a non-controlling shareholder in a subsidiary of the group. The agreement grants him the right to sell his non-controlling interest to the group at a market related fixed multiple in 2017 (refer note 19 for the possible future redemption amount).

Included in revenue are goods sold by Zaad to Kaap Agri amounting to R11,907,000.

Included in cost of goods sold are consumables purchased by Chayton from Kaap Agri amounting to R3,193,000.

Details of the audited directors' emoluments and share dealings are included in the directors' report.

Related-party balances outstanding at the reporting date included cash invested with PSG Money Market Fund (refer note 13) and the management fee payable (refer note 20).

	GROUP	
	2014	2013
	R'000	R'000
30. CAPITAL COMMITMENTS AND CONTINGENCIES		
Operating lease commitments		
Operating leases - premises		
- Due within 1 year	**69,396**	837
- Due within 1 to 5 years	**313,519**	292
- Due after more than 5 years	**466,259**	
	849,174	1,129
Operating leases - vehicles and plant		
- Due within 1 year	**6,586**	
- Due within 1 to 5 years	**8,755**	
	15,341	-
Operating leases - equipment		
- Due within one year	**17,378**	64
- Due within 1 to 5 years	**22,761**	52
	40,139	116
Capital expenditure commitments		
Property, plant and equipment authorised but not yet contracted	**53,369**	
Property, plant and equipment contracted	**33,098**	

31. NOTES TO THE STATEMENTS OF CASH FLOWS

31.1. Cash generated from operations

	2014 R'000	2013 R'000
Profit before taxation	**431,332**	605,481
Interest income	**(50,775)**	(7,258)
Dividend income	**(13,579)**	(5,844)
Finance costs	**85,962**	37,199
Depreciation	**65,309**	15,289
Amortisation	**20,354**	6,428
Net profit on sale of property, plant and equipment	**3,838**	(1,788)
Net fair value gains	**(143,953)**	(32,521)
Change in fair value of biological assets	**(90,510)**	(28,703)
Impairments	**28,558**	
Net gain on disposal of investment in associates	**3,836**	(502,890)
Share of profits of associates	**(218,011)**	(300,249)
Net loss on dilution of interest in associate		155,276
Equity-settled share based payment costs	**1,676**	
Non-cash translation movements*	**(11,431)**	8,912
Sub-total	**112,606**	(50,668)
Changes in working capital	**188,036**	85,420
Increase in trade and other payables	**165,920**	73,071
Decrease in trade and other receivables	**88,863**	24,089
Decrease in inventories	**24,786**	19,139
Increase in biological assets	**(128,860)**	(30,879)
Employee benefits	**37,327**	
	300,642	34,752

* Relates mainly to the foreign exchange rate movements on borrowings and working capital.

	GROUP	
	2014	2013
	R'000	R'000
31. NOTES TO THE STATEMENTS OF CASH FLOWS (continued)		
31.2. Taxation paid		
Current taxation charged to profit or loss	**(84,269)**	(72,239)
Movement in net taxation liability	**(217)**	(20,229)
	(84,486)	(92,468)

31.3. Subsidiaries acquired

2014 acquisitions

Capespan

The group acquired a further 25.3% shareholding in Capespan and thereby increased its interest to 71.1%. At the reporting date, the group held 72.1% in Capespan, which is a global fruit procurement company and South Africa's largest fruit exporter. The remeasurement of the previously held interest in an associated company resulted in a non-headline gain of R16,1m being recognised in net fair value gains in the income statement.

Klein Karoo Seed Marketing ("KKS")

The group, through Zaad, acquired the remaining 51% of KKS on 31 October 2013. The remeasurement of the previously held interest in the associate resulted in a non-headline gain of R1.1m being recognised in net fair value gains in the income statement. KKS is a seed company that develops and distributes vegetable, pasture and agronomic seed in developing countries, mainly throughout Africa and the Middle East. KKS has offices and research stations in, inter alia, South Africa, Zambia, Zimbabwe, Jordan and the Netherlands.

Accounting for these business combinations has been finalised and the summarised assets and liabilities recognised at acquisition date were:

GROUP	**Capespan R'000**	**KKS R'000**	**Total R'000**
Property, plant and equipment	**(308,295)**	**(124,477)**	**(432,772)**
Biological assets	**(144,106)**		**(144,106)**
Intangible assets	**(58,112)**	**(70,824)**	**(128,936)**
Investment in associates	**(181,047)**		**(181,047)**
Loans to and preference share investments in associates		**(9,274)**	**(9,274)**
Equity securities	**(6,190)**		**(6,190)**
Loans and advances	**(64,390)**	**(4,346)**	**(68,736)**
Derivative financial assets		**(57)**	**(57)**
Deferred income tax assets	**(59,295)**	**(1,114)**	**(60,409)**
Income tax receivable	**(19,583)**		**(19,583)**
Inventories	**(105,734)**	**(319,575)**	**(425,309)**
Trade and other receivables	**(973,284)**	**(147,421)**	**(1,120,705)**
Cash and cash equivalents	**(350,304)**	**(1,365)**	**(351,669)**
Non-current assets held for sale	**(10,113)**		**(10,113)**
Borrowings	**538,666**	**371,907**	**910,573**
Deferred income tax liabilities	**36,195**	**12,792**	**48,987**
Net employee benefits	**122,333**	**4,815**	**127,148**
Income tax payables	**14,889**	**1,024**	**15,913**
Trade and other payables	**638,823**	**91,690**	**730,513**
Total identifiable net assets	**(929,547)**	**(196,225)**	**(1,125,772)**
Non-controlling interest	**268,563**	**34,245**	**302,808**
Previously held investment at fair value	**403,004**	**100,995**	**503,999**
Goodwill		**(69,065)**	**(69,065)**
Total consideration	**(257,980)**	**(130,050)**	**(388,030)**
Cash consideration paid	**(257,980)**	**(130,050)**	**(388,030)**
Cash and cash equivalents acquired	**350,304**	**1,365**	**351,669**
Net cash inflow/(outflow) from business combination	**92,324**	**(128,685)**	**(36,361)**

31.3. Subsidiaries acquired (continued)

2014 acquisitions (continued)

Acquisition costs of R4.2m were incurred with the above business combinations, which are included in marketing, administration and other expenses in the income statement.

Had Capespan and KKS been consolidated with effect from 1 March 2013 instead of their acquisition dates, the group income statement would have reflected additional revenue of R1,9bn and profit of R9m.

2013 acquisitions

Agricol

On 28 March 2012, the group acquired the remaining 74,9% of the issued share capital in Agricol for a cash consideration of R150m. Agricol is incorporated in the Republic of South Africa and its activities include plant breeding, production, international trade, processing and distribution of seed. The identifiable net assets acquired amounted to R149m, with goodwill amounting to R52m. Zeder's initial 25.1% interest in Agricol was remeasured to its fair value of R50m, which resulted in a gain of R22m (refer note 24). In July 2012 the group sold 8% of its stake in Agricol to a non-controlling shareholder, leaving the group with a 92% shareholding at the reporting date.

Chayton

On 10 April 2012, Zeder acquired 100% of the issued share capital in Chayton, a company incorporated in Mauritius, which operate as a holding company for farming operations in Zambia. A cash consideration of R24m was paid for Chayton's identifiable net liabilities of R4m, resulting in the recognition of R28m in goodwill. Subsequently, Zeder invested an additional R253m cash in Chayton, and held a 73.4% interest in the company at the reporting date.

Somawhe

On 31 July 2012, Zeder, through its subsidiary Chayton, acquired 100% of the issued share capital in Somawhe, a farming operation incorporated in Zambia. Cash consideration of R275m was paid for Somawhe's identifiable net assets of R215m, resulting in the recognition of R59m in goodwill.

The summarised assets and liabilities recognised at acquisition date were:

GROUP	Agricol R'000	Chayton R'000	Somawhe R'000	Total R'000
Property, plant and equipment	(38,892)	(129,006)	(177,171)	(345,069)
Biological assets		(14,033)	(55,041)	(69,074)
Intangible assets	(21,574)	(681)		(22,255)
Equity securities	(2,393)			(2,393)
Inventories	(79,181)	(3,850)	(10,813)	(93,844)
Trade and other receivables	(61,377)	(3,825)	(5,115)	(70,317)
Cash and cash equivalents	(31,287)	(9,948)	(9,818)	(51,053)
Deferred income tax liabilities	8,532	1,322	16,830	26,684
Borrowings	4	146,364	18,078	164,446
Current income tax liabilities	19,679		1,057	20,736
Trade and other payables	57,381	18,058	6,614	82,053
Total identifiable net (assets)/liabilities	(149,108)	4,401	(215,379)	(360,086)
Previously held investment in Agricol at fair value	50,409			50,409
Goodwill	(51,722)	(28,063)	(59,206)	(138,991)
Total consideration	(150,421)	(23,662)	(274,585)	(448,668)
Cash consideration paid	(150,421)	(23,662)	(274,585)	(448,668)
Cash and cash equivalents acquired	31,287	9,948	9,818	51,053
	(119,134)	(13,714)	(264,767)	(397,615)

Goodwill recognised from the business combinations can be attributed to the employee corps and geographical footprint of the respective businesses, as well as expected synergies and growth potential.

Acquisition costs of R4,8m (2013: R6,1m) were incurred with the above business combinations, which are included in marketing, administration and other expenses in the income statement (refer note 26.2).

	GROUP	
	2014	2013
	R'000	R'000
32. EARNINGS PER SHARE		
The calculation of earnings per share is based on the following:		
Earnings attributable to equity holders of the company	**291,318**	511,741
Net loss on dilution of interest in associates		155,276
Non-headline items of associates and joint ventures	**11,377**	(42,776)
- Gross	**11,561**	(42,776)
- Non-controlling interest	**(184)**	
Net loss/(profit) on disposal of investments in associates	**3,836**	(410,404)
- Gross	**3,836**	(502,890)
- Tax effect		92,486
Net gain on disposal of non-current assets held for sale	**(3,758)**	-
- Gross	**(14,004)**	
- Tax effect	**10,246**	
Fair value gain on step-up acquisition of an associate to a subsidiary	**(17,120)**	(22,023)
- Gross	**(17,205)**	(22,023)
- Non-controlling interest	**85**	
Reclassification of reserves of associates with step-up to subsidiary or disposal	**(55,466)**	-
- Gross	**(57,070)**	
- Non-controlling interest	**421**	
- Tax effect	**1,183**	
Reclassification of gains on available-for-sale financial assets	**(812)**	-
- Gross	**(1,010)**	
- Non-controlling interest	**71**	
- Tax effect	**127**	
Impairment of investment in associate (refer note 4)	**21,421**	
Net profit on sale of property, plant and equipment	**(66)**	(1,433)
- Gross	**3,838**	(1,788)
- Non-controlling interest	**(89)**	143
- Tax effect	**(3,815)**	212
Impairment of intangible assets and goodwill	**1,063**	-
- Gross	**1,155**	
- Non-controlling interest	**(92)**	
Sub-total	**251,792**	35,105

	GROUP 2014 R'000	2013 R'000
32. EARNINGS PER SHARE (continued)		
Sub-total	**251,792**	35,105
Fair value adjustment on non-current asset held for sale	**727**	5,961
- Gross	**1,210**	7,330
- Non-controlling	**(290)**	
- Tax effect	**(193)**	(1,369)
Headline earnings	**252,519**	196,342
The calculation of the weighted number of shares in issue is as follows:		
- Number of shares at beginning and end of year ('000)	**978,089**	978,089
- Weighted number of shares issued during the year ('000)	**1,674**	
- Weighted number of shares at end of year ('000)	**979,763**	978,089
Earnings per share (cents)		
- Attributable - basic and diluted	**29.7**	52.3
- Headline - basic and diluted	**25.8**	20.1

33. SUBSEQUENT TO REPORTING DATE EVENTS

The acquisition of Mpongwe Milling that was announced on SENS on 13 November 2013, became effective after the reporting date and is being implemented at present.

On 7 April 2014 the company declared a final dividend of 4.5 cents per share in respect of the year ended 28 February 2014, which is payable on 5 May 2014.

34. CONTINGENT CONSIDERATION

The deferred purchase consideration recognised (refer note 20) relates to an earn-out clause payable within the next 12 months. This is calculated by discounting the estimated average net profit before tax for three years using average forecast exchange rates.

35. FINANCIAL RISK MANAGEMENT

Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including price risk, cash flow and fair value interest rate risk and foreign exchange risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

Risk management is carried out by each major entity within the group under policies approved by the respective boards of directors. Each entity identifies, evaluates and utilises derivative financial instruments to hedge financial risks as appropriate. Each major entity's board of directors provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

Financial instruments are grouped into the classes set out below in order to facilitate effective financial risk management and disclosure in terms of IFRS 7 *Financial Instruments - Disclosures.* The sensitivity analyses presented below are based on reasonable possible changes in market variables for equity prices, interest rates and foreign exchange rates for the group.

GROUP	At fair value through profit or loss R'000	Available-for-sale R'000	Loans and receivables R'000	Held for sale R'000	Total R'000
Financial assets at 28 February 2014					
- Loans and preference share investments in associates			**18,239**		**18,239**
- Loan granted to joint ventures			**1,553**		**1,553**
- Equity securities	**202,772**	**3,756**			**206,528**
- Non-current assets held for sale				**177,570**	**177,570**
- Loans and advances			**78,614**		**78,614**
- Trade and other receivables			**1,080,110**		**1,080,110**
- Derivative financial assets	**1,299**				**1,299**
- Cash and cash equivalents			**1,014,768**		**1,014,768**
	204,071	**3,756**	**2,193,284**	**177,570**	**2,578,681**
Financial assets at 28 February 2013					
- Loans and preference share investments in associates			54,470		54,470
- Equity securities	97,484	3,031			3,031
- Non-current assets held for sale				287,733	287,733
- Loans and receivables			16,261		16,261
- Trade and other receivables			97,308		97,308
- Cash and cash equivalents			752,615		752,615
	97,484	3,031	920,654	287,733	1,211,418

COMPANY

The company had no financial assets at the current or prior reporting date.

GROUP	At amortised cost R'000	At fair value through profit or loss R'000	Total R'000
Financial liabilities at 28 February 2014			
- Borrowings	**1,198,232**		**1,198,232**
- Derivative financial liabilities		**45,666**	**45,666**
- Trade and other payables	**1,081,299**		**1,081,299**
	2,279,531	**45,666**	**2,325,197**

35. FINANCIAL RISK MANAGEMENT (continued)

COMPANY	**At amortised cost**	**At fair value through profit or loss**	**Total R'000**
Financial liabilities at 28 February 2014			
- Borrowings	**68,051**		**68,051**
	68,051	**-**	**68,051**
GROUP			
Financial liabilities at 28 February 2013			
- Borrowings	505,332		505,332
- Derivative financial liabilities		45,666	45,666
- Trade and other payables	187,486		187,486
	692,818	45,666	738,484
COMPANY			
Financial liabilities at 28 February 2013			
- Borrowings	53,925		53,925
- Trade and other payables	33		33
	53,958	-	53,958

Market risk

Market risk is the risk of adverse financial impact due to changes in fair values or future cash flows of financial instruments from fluctuations in interest rates, equity prices and foreign currency exchange rates.

Price risk

The group is exposed to equity securities price risk because of investments held and classified on the statement of financial position as at fair value through profit or loss, available-for-sale and held for sale. The group manages price risk by investing in a portfolio of investments and monitoring equity securities' prices on a regular basis.

The table below summarises the sensitivity of the group’s post-tax net profit for the year as a result of market price fluctuations. The analysis is based on the assumption that marked-to-market prices increase/decrease by 20% (2013: 20%) at the reporting date, with all other variables (e.g. effective tax rate) held constant.

GROUP	**2014 20% increase R'000**	2013 20% increase R'000	**2014 20% decrease R'000**	2013 20% decrease R'000
Impact on post-tax profit	**61,866**	62,659	**(61,866)**	(62,659)
Impact on post-tax other comprehensive income	**611**	493	**(611)**	(493)

Cash flow and fair value interest rate risk

The group's interest rate risk arises from interest-bearing investments, receivables and borrowings, which expose the group to cash flow interest rate risk if it is a variable rate instrument, or to fair value interest rate risk if it is a fixed rate instrument.

GROUP	**GROUP 2014 R'000**	GROUP 2013 R'000
Loans and preference share investments in associates		
Floating rate		50,470
Fixed rate and interest-free	**18,239**	4,000
Loans to and preference share investments in joint ventures		
Fixed rate and interest-free	**1,553**	
Sub-total	**19,792**	54,470

GROUP	GROUP 2014 R'000	2013 R'000
35. FINANCIAL RISK MANAGEMENT (continued)		
Cash flow and fair value interest rate risk (continued)		
Sub-total	**19,792**	54,470
Loans and advances		
Floating rate	**72,750**	
Fixed rate and interest-free	**5,864**	
Trade and other receivables		
Floating rate	**847,983**	14,906
Fixed rate and interest-free	**232,127**	82,402
Cash, money market investments and other cash equivalents		
Floating rate	**1,014,768**	60,401
Borrowings		
Floating rate	**(797,645)**	(199,231)
Fixed rate and interest-free	**(400,587)**	
	995,052	12,948
Floating rate	**1,137,856**	(73,454)
Fixed rate and non-interest bearing	**(142,804)**	86,402
	995,052	12,948

The table below summarises the sensitivity of the group's post-tax net profit for the year to interest rate fluctuations. The analysis is based on the assumption that interest rates were 1% (2013: 1%) higher/lower for the full year, with all other variables (e.g. effective tax rate, interest carrying balances) held constant.

GROUP	2014 1% increase R'000	2013 1% increase R'000	2014 1% decrease R'000	2013 1% decrease R'000
Impact on post-tax profit	**8,193**	2,893	**(8,193)**	(2,893)

Foreign exchange risk

The group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Management monitors this exposure and cover is used where appropriate.

The group's financial assets and liabilities denominated in foreign currency are analysed in the following table:

GROUP	African currencies R'000	British pound sterling R'000	United States dollar R'000	Euro R'000	Asian currencies R'000	Total R'000
At 28 February 2014						
Financial assets						
- Trade and other receivables	**28,392**	**209,931**	**178,863**	**207,381**	**63,325**	**687,892**
- Cash and cash equivalents	**85,686**	**47,292**	**211,673**	**61,930**	**44,787**	**451,368**
Financial liabilities						
- Trade and other payables	**(74,235)**	**(70,566)**	**(119,252)**	**(65,028)**	**(10,167)**	**(339,248)**
- Borrowings	**(3,157)**		**(228,565)**	**(153,814)**		**(385,536)**
Total	**36,686**	**186,657**	**42,719**	**50,469**	**97,945**	**414,476**

35. FINANCIAL RISK MANAGEMENT (continued)

Foreign exchange risk (continued)

	United States dollar R'000	Euro R'000	Asian currencies R'000	Total R'000
At 28 February 2013				
Financial assets				
- Trade and other receivables	19,401	503		19,904
- Cash and cash equivalents	40,316	133		40,449
Financial liabilities				
- Trade and other payables	(88,117)	(3,173)	(5,943)	(97,233)
- Borrowings	(145,686)			(145,686)
Total	(174,086)	(2,537)	(5,943)	(182,566)

At the reporting date, the group was entered into the following forward exchange contracts to acquire the following foreign currency nominal amounts:

GROUP - 2014	Foreign amount '000	Rand exposure translated at closing rate R'000
Exports		
United States dollar	**28,562**	**296,555**
Euro	**6,038**	**86,436**
British pound sterling	**5,155**	**88,190**
Asian currencies	**149,866**	**14,817**
African currencies	**154,074**	**284,245**
		770,243
Imports		
Euro	**690**	**9,971**

The table below shows the sensitivity of post-tax profits of the group to a 20% (2013: 20%) appreciation/depreciation in the South African rand exchange rate at year-end, with all other variables (e.g. effective tax rate) held constant.

	2014			
	Other comprehensive income		**Post-tax profits**	
	Increase	**Decrease**	**Increase**	**Decrease**
United States dollar	**32,451**	**(32,451)**	**255,518**	**(255,518)**
British pound sterling	**28,041**	**(28,041)**	**168,074**	**(168,074)**
Euro	**25,478**	**(25,478)**	**296,719**	**(296,719)**
Asian currencies	**14,378**	**(14,378)**	**33,320**	**(33,320)**
African currencies	**11,644**	**(11,644)**	**15,686**	**(15,686)**
Other			**(1,294)**	**1,294**

	2013			
	Other comprehensive income		Post-tax profits	
	Increase	Decrease	Increase	Decrease
United States dollars	3,687	(3,687)	64,503	(64,503)

35. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Financial assets which potentially subject the group to credit risk, consist of loans to associates (refer note 4), loans and advances (refer note 6), trade and other receivables (refer note 9) and cash and cash equivalents (refer note 10). Derivative counterparties and cash transactions are limited to high-credit-quality financial institutions. In the case of loans and advances, management would take or insist on collateral or other form of securitisation as they deem fit.

The following tables provides information regarding the aggregated credit risk exposure for the financial assets:

GROUP - 28 February 2014	P1 Moody's R'000	Baa1 Moody's R'000	Not rated R'000	Carrying value R'000
Loans and preference share investments in associates			**18,239**	**18,239**
Unquoted equity securities			**41,729**	**41,729**
Loan granted to joint ventures			**1,553**	**1,553**
Loans and advances			**78,614**	**78,614**
Trade and other receivables			**1,080,110**	**1,080,110**
Derivative financial assets	**1,299**			**1,299**
Cash and cash equivalents - bank balances		**632,261**		**632,261**
Cash and cash equivalents - money market fund			**382,507**	**382,507**
	1,299	**632,261**	**1,602,752**	**2,236,312**
GROUP - 28 February 2013				
Loans and preference share investments in associates			54,470	54,470
Unquoted equity securities			97,481	97,481
Loans and receivables			16,261	16,261
Trade and other receivables			100,729	100,729
Cash and cash equivalents - bank balances		390,417		390,417
Cash and cash equivalents - money market fund			362,198	362,198
		390,417	631,139	1,021,556

Loans and preference share investments in associates, loan granted to joint ventures and loans and advances consist of secured and unsecured assets. There are no significant concentrations of credit risk. The group assesses all counterparties for creditworthiness before transacting, and monitors creditworthiness on a regular basis.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of receivables and, where appropriate, credit guarantee insurance cover is purchased. Capespan, to whom the majority of trade and other receivables relate, established an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main component of this allowance is a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

Capespan performs ongoing credit evaluations on the financial condition of trade receivables, and where appropriate, purchases credit guarantee insurance. Capespan's credit guarantee insurance is limited to an annual aggregate of R300m.

The unquoted equity securities are impaired to the value of the underlying instruments should the market value of the instruments fall below the current carrying value.

The unrated cash and cash equivalents relate to the group’s investment in money market funds of which the underlying instruments are rated in terms of the Collective Investment Schemes Control Act. The mandate of the fund is to invest in cash deposits and highly liquid, fixed-interest securities with a weighted average maturity of less than 90 days. A spread of investments in top-quality financial instruments and institutions moderates the risk through diversification.

Refer the foreign exchange risk note where the receivables denominated in foreign currencies are disclosed. These receivables are susceptible to credit risk and the currency denominations provide indication of their geographical area.

The table below gives an age analysis of receivables that are past due but not impaired. The other classes of financial assets do not contain assets that are past due but not impaired.

GROUP	0-2 months R'000	2-6 months R'000	6-12 months R'000	Total R'000
At 28 February 2014	**96,367**	**54,058**	**5,674**	**156,099**
At 28 February 2013	19,935	6,051	3,913	29,899

35. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

	GROUP	
GROUP	**2014 R'000**	2013 R'000
Reconciliation of allowance for impairment of trade receivables:		
Balance at beginning of year	**345**	
Subsidiaries acquired	**28,473**	345
Amounts written off	**(11,662)**	
Impairment provision	**1,568**	
Balance at end of year	**18,724**	345

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash resources are available to meet future cash flow requirements.

The tables below analyses the group companies' financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

GROUP	**Less than one year R'000**	**One to five years R'000**	**Over five years R'000**	**Total R'000**
28 February 2014				
- Borrowings	**546,469**	**810,007**	**50,764**	**1,407,240**
- Derivative financial liabilities		**45,666**		**45,666**
- Trade and other payables	**1,135,364**			**1,135,364**
	1,681,833	**855,673**	**50,764**	**2,588,270**
28 February 2013				
- Borrowings	24,676	498,683	94,790	618,150
- Derivative financial liabilities		45,666		45,666
- Trade and other payables	187,486			187,486
	212,162	544,349	94,790	851,302

COMPANY	**Less than one year R'000**	**No fixed repayment terms R'000**	**Total R'000**
28 February 2014			
- Borrowings		**68,051**	**68,051**
28 February 2013			
- Borrowings		53,925	53,925
- Trade and other payables	33		33
	33	53,925	53,958

Fair value estimation

Financial assets and liabilities carried at fair value are disclosed by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

35. FINANCIAL RISK MANAGEMENT (continued)

Fair value estimation (continued)

The following financial assets are measured at fair value:

GROUP - 2014	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
Assets				
Financial assets at fair value through profit or loss				
- Derivative financial assets	**990**	**309**		**1,299**
- Equity securities	**163,792**	**1,007**	**41,729**	**206,528**
	164,782	**1,316**	**41,729**	**207,827**

GROUP - 2014	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
Liabilities				
- Derivative financial liabilities	**15,236**		**45,666**	**60,902**
GROUP - 2013				
Assets				
- Equity securities	290,767	97,481		388,248

Capital risk management

The group's objective when managing capital is to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders.

The group's dividend policy is to declare and pay dividends according to its free cash flow model, i.e. dividends and interest received less management fees, interest and related taxation paid.

The group's capital comprises total equity and borrowings, as shown in the group statement of financial position. When funding is required, the group will either raise additional capital or utilise debt. There is no restriction on the level of gearing. However, the group will continuously assess the extent of gearing employed, in the context of the level of liquidity within the group's portfolio.

36. SHAREHOLDER ANALYSIS

2014	**Shareholders Number**	**Shareholders %**	**Shares held Number**	**Shares held %**
Range of shareholding				
1 - 20,000	**4,445**	**76.3**	**27,745,258**	**2.8**
20,001 - 50,000	**709**	**12.2**	**24,062,119**	**2.5**
50,001 - 100,000	**292**	**5.0**	**21,691,540**	**2.2**
100,001 - 500,000	**241**	**4.1**	**53,277,570**	**5.4**
500,001 - 1,000,000	**46**	**0.8**	**31,879,676**	**3.3**
Over 1,000,000	**91**	**1.6**	**821,532,168**	**83.8**
	5,824	**100.0**	**980,188,331**	**100.0**
Public and non-public shareholding				
Non-public				
- Directors	**7**	**0.1**	**3,445,933**	**0.4**
- PSG Financial Services Ltd	**1**	**0.0**	**415,176,633**	**42.4**
Public	**5,816**	**99.9**	**561,565,765**	**57.3**
	5,824	**100.0**	**980,188,331**	**100.0**
Major shareholders holding 5% or more at 28 February 2014				
PSG Financial Services			**415,176,633**	**42.4**
Coronation and its client*			**140,514,697**	**14.3**
Allan Gray and its clients*			**135,102,961**	**13.8**
Sanlam Investment Management and its clients*			**50,134,858**	**5.1**
			740,929,149	**75.6**

* The shareholding includes shares held directly or indirectly by the entity and/or its clients.

2013	Shareholders Number	Shareholders %	Shares held Number	Shares held %
Range of shareholding				
1 - 20,000	3,502	73.9	22,777,633	2.3
20,001 - 50,000	628	13.2	21,644,437	2.2
50,001 - 100,000	273	5.8	20,506,324	2.1
100,001 - 500,000	191	4.0	41,481,124	4.2
500,001 - 1,000,000	56	1.2	39,723,039	4.1
Over 1,000,000	90	1.9	831,955,960	85.1
	4,740	100.0	978,088,517	100.0
Public and non-public shareholding				
Non-public				
- Directors	4	0.1	490,000	0.1
- PSG Financial Services Ltd	1	0.0	415,176,633	42.4
Public	4,735	99.9	562,421,884	57.5
	4,740	100.0	978,088,517	100.0

ZEDER INVESTMENTS LTD
ANNEXURE A - SIGNIFICANT SUBSIDIARIES
FOR THE YEAR ENDED 28 FEBRUARY 2014

Subsidiary	Country of incorporation [1]	Nature of business	Effective interest held directly or indirectly [2] 2014 %	2013 %	Profit or loss attributable to non-controlling interest 2014 R'000	2013 R'000	Carrying value of non-controlling interest 2014 R'000	2013 R'000
Zeder Financial Services Ltd	South Africa	Investment holding	100.0	100.0				
Zaad Holdings Ltd (previously Agricol Holdings Ltd)	South Africa [3]	Agricultural	92.0	92.0	**4,768**	1,559	**76,400**	24,045
Capespan Group Ltd	South Africa[4]	Fruit procurement/export	72.1		**42,830**		**318,964**	
Chayton Africa (previously Chayton Atlas Investments)	Mauritius[5]	Agricultural	76.7	73.4	**(4,712)**	(3,737)	**140,594**	85,064
Total					**42,886**	(2,178)	**535,958**	109,109

1 Principle place of business is the country of incorporation, unless otherwise stated.
2 Ownership interest equal voting rights.
3 Operating via subsidiaries in Southern Africa, Europe and the Middle East.
4 Operating via an associate in China and various subsidiaries throughout the rest of the world. The group obtained control over Capespan Group Ltd during the year (refer note 31.3).
5 Operating via subsidiaries in Zambia.

Subsidiary	Profit/(loss) from continuing operations 2014 R'000	Total comprehensive income for the year 2014 R'000	Revenue 2014 R'000	Profit/(loss) from continuing operations 2013 R'000	Total comprehensive income for the year 2013 R'000	Revenue 2013 R'000
Zaad Holdings Ltd (previously Agricol Holdings Ltd)[1/2]	**46,875**	**54,435**	**465,417**	28,437	28,764	294,063
Capespan Group Ltd[3/4]	**117,585**	**261,790**	**7,182,213**			
Chayton Africa (previously Chayton Atlas Investments)[3]	**(15,235)**	**22,807**	**137,940**	(25,344)	(17,843)	63,439

1 Represents the year ended 28 February 2014 (2013: 28 February 2013).
2 During the prior year, Zaad changed it financial year-end to 28 February, therefore the prior year represents the 8 months ended 28 February 2013.
3 Represents the year ended 31 December 2013 (2013: 31 December 2013).
4 Included in Zeder's results is Capespan's results for the 8 months ended 31 December 2013.

Subsidiary	Dividends paid: To non-controlling interest 2014 R'000	To owners of the parent 2014 R'000	Total 2014 R'000	To non-controlling interest 2013 R'000	To owners of the parent 2013 R'000	Total 2013 R'000
Zaad Holdings Ltd (previously Agricol Holdings Ltd)			**-**			-
Capespan Group Ltd	**13,170**	**18,712**	**31,882**			-
Chayton Africa (previously Chayton Atlas Investments)			**-**			-

Subsidiary	Assets: Non-current 2014 R'000	Current 2014 R'000	Total 2014 R'000	Non-current 2013 R'000	Current 2013 R'000	Total 2013 R'000
Zaad Holdings Ltd (previously Agricol Holdings Ltd)	**336,844**	**744,401**	**1,081,245**	166,166	188,291	354,457
Capespan Group Ltd	**1,124,363**	**1,447,759**	**2,572,122**			-
Chayton Africa (previously Chayton Atlas Investments)	**472,992**	**251,899**	**724,891**	388,917	161,855	550,772

Subsidiary	Liabilities: Non-current 2014 R'000	Current 2014 R'000	Total 2014 R'000	Non-current 2013 R'000	Current 2013 R'000	Total 2013 R'000
Zaad Holdings Ltd (previously Agricol Holdings Ltd)	**137,555**	**500,045**	**637,600**	53,023	76,468	129,491
Capespan Group Ltd	**291,351**	**887,916**	**1,179,267**			-
Chayton Africa (previously Chayton Atlas Investments)	**193,093**	**152,629**	**345,722**	112,467	134,224	246,691

ZEDER INVESTMENTS LTD
ANNEXURE B - SIGNIFICANT ASSOCIATES
FOR THE YEAR ENDED 28 FEBRUARY 2014

			Effective interest held directly or indirectly **		Dividends received during the year		Carrying value at year-end	
Associate	**Country of incorporation ***	**Nature of business**	**2014 %**	2013 %	**2014 R'000**	2013 R'000	**2014 R'000**	2013 R'000
Agri Voedsel Ltd	South Africa	Investment company with a voting and economic interest in Pioneer Foods Group Ltd of 25% and 30%, respectively	**48.0**	45.0	**34,320**	27,590	**1,158,375**	1,063,537
Kaap Agri Ltd	South Africa [1]	Agricultural	**39.9**	34.9	**13,984**	8,766	**412,961**	271,555
Golden Wing Mau	China	Fruit procurement/distribution	**25.0**		**8,339**		**231,759**	
Capespan Group Ltd [2]	South Africa [3]	Fruit procurement/export	**72.1**	37.1		10,749		298,255
Klein Karoo Seed Marketing (Pty) Ltd[2/4]	South Africa[4]	Agricultural		49.0				90,851
Thembeka OVB (Pty) Ltd[5]	South Africa	Investment company with an effective interest of 20% in Overberg Agri Ltd		49.0	**975**	16,381		79,389
NWK Ltd [5]	South Africa	Agricultural		19.9	**5,931**	15,503		220,027
Suidwes Investments Ltd [5]	South Africa	Agricultural		24.1		4,250		101,405
Capevin Holdings Ltd[6]	South Africa	Beverages				34,198		
Bluegreen Oceans (Pty) Ltd	South Africa	Aqua culture						1,516
Other immaterial associated companies (aggregated)							**18,719**	
Total					**63,549**	117,437	**1,821,814**	2,126,535

* Principle place of business is the country of incorporation, unless otherwise stated.
** Ownership interest equal voting rights.
1 Operating via various subsidiaries throughout Southern Africa.
2 The group obtained control over the company during the year (refer Annexure A).
3 Operating via an associate in China and various subsidiaries throughout the rest of the world. The group obtained control over Capespan Group Ltd during the year (refer note 31.3).
4 Operating via subsidiaries in Southern Africa, Europe and the Middle East.
5 The group disposed of its interest in the associate during the year.
6 The group disposed of the majority of its interest in the associate during the prior year.

	Assets					
Associate[1]	**Non-current 2014 R'000**	**Current 2014 R'000**	**Total 2014 R'000**	Non-current 2013 R'000	Current 2013 R'000	Total 2013 R'000
Agri Voedsel Ltd	**2,067,645**	**6,203**	**2,073,848**	1,963,249	4,758	1,968,007
Kaap Agri Ltd	**454,567**	**1,664,015**	**2,118,582**	408,381	1,464,031	1,872,412
Thembeka OVB Ltd			**-**	79,066		79,066
NWK Ltd	**935,900**	**1,477,300**	**2,413,200**	763,900	1,532,700	2,296,600
Suidwes Investments Ltd	**853,633**	**1,386,291**	**2,239,924**	610,624	961,286	1,571,910
Capevin Holdings Ltd	**2,095,530**	**2,641**	**2,098,171**	1,794,697	3,445	1,798,142
Klein Karoo Seed Marketing[3]						
Capespan Group Ltd[3]						

1 These figures are the latest published full year results available for these companies.
2 Kwacha figures converted to rand at the reporting.
3 The group obtained control over the company during the year (refer Annexure A).

	Liabilities					
Associate	**Non-current 2014 R'000**	**Current 2014 R'000**	**Total 2014 R'000**	Non-current 2013 R'000	Current 2013 R'000	Total 2013 R'000
Agri Voedsel Ltd		**4,177**	**4,177**		4,811	4,811
Kaap Agri Ltd	**24,907**	**1,097,787**	**1,122,694**	21,723	955,746	977,469
Thembeka OVB Ltd			**-**			-
NWK Ltd	**251,600**	**780,300**	**1,031,900**	72,100	833,900	906,000
Suidwes Investments Ltd	**1,079,863**	**546,529**	**1,626,392**	797,444	239,175	1,036,619
Capevin Holdings Ltd	**47**	**5,148**	**5,195**	47	7,069	7,116
Klein Karoo Seed Marketing*						
Capespan Group Ltd						

* The group obtained control over the company during the year (refer Annexure A).

At 28 February 2013, the group was organized into four reportable segments, namely i) Zaad Holdings, ii) Chayton, iii) food and agri, and iv) beverages. Zaad Holdings and Chayton are subsidiaries, while food and agri and beverages comprises investments in associates and equity securities.

Following Zeder obtaining a controlling interest in Capespan (refer note 31.3), the chief operating decision-maker (being PSG Group's executive committee, which manages the group) ('CODM') has revised their segmentation of how they review segments' performance and allocate capital. This revision resulted in the reportable segments being restated to consist of the following: i) food, beverages and related services, ii) agri – related retail, trade and services, iii) agri – inputs and iv) agri – production.

Recurring headline earnings is calculated on a see-through basis. Zeder's recurring headline earnings is the sum of its effective interest in that of each of its underlying investments. The result is that investments which Zeder do not equity account or consolidate in terms of accounting standards, are included in the calculation of recurring headline earnings.

The segments represent different sectors in the broad agribusiness industry. The segment report set out below was compiled based on the revised segmentation and comparatives have been restated accordingly. These restatements had no impact on reported amounts of profit or loss, assets, liabilities, equity or cash flows.

Segments operate mainly in the Republic of South Africa, while some subsidiaries operate to a lesser extent elsewhere (refer Annexures A and B for further details). Additional geographical information has not been presented since same is not reviewed by the CODM, nor is the information available and the cost to develop it would be excessive.

Non-recurring headline earnings include equity securities' see-through recurring headline earnings and the related net fair value gains/losses and investment income (as recognised in the income statement). associates' and subsidiaries' one-off gains/losses are excluded from recurring headline earnings and included in non-recurring headline earnings.

Segmental income comprises revenue from sale of goods and investment income, as per the income statement.

Sum-of-the-parts ("SOTP") is a key valuation tool used to measure Zeder's performance. In determining SOTP, listed assets and liabilities are valued using quoted market prices, whereas unlisted assets and liabilities are valued using appropriate valuation methods. These values will not necessarily correspond with the values per the statement of financial position since the latter are measured using the relevant accounting standards which include historical cost and the equity accounting method.

	GROUP	
	2014	2013
	R'000	R'000
Recurring headline earnings		
Food, beverages and related services	**239,284**	205,652.0
Agri-related retail, trade and services	**74,062**	120,419.0
Agri-inputs	**49,554**	28,662.0
Agri-production	**(4,796)**	(21,759.0)
Net interest, taxation and other income and expenses	**(7,081)**	(23,323.0)
Management (base) fee	**(59,022)**	(58,560.0)
Recurring headline earnings	**292,001**	251,091
Management (performance) fee	**(59,022)**	
Other non-recurring headline earnings	**19,539**	(54,748)
Headline earnings	**252,518**	196,343
Non-headline items	**38,796**	315,399
Attributable earnings	**291,314**	511,742
SOTP segmental analysis		
Segments		
Food, beverages and related services	**3,078,268**	2,047,010
Agri-related retail, trade and services	**593,302**	819,298
Agri-inputs	**678,805**	368,900
Agri-production	**560,394**	276,925
Cash and cash equivalents	**376,102**	692,214
Other net liabilities	**(365,383)**	(301,097)
SOTP value	**4,921,488**	3,903,249

	GROUP	
	2014	2013
	R'000	R'000
Income segmental analysis (continued)		
Food, beverages and related services	**5,442,658**	-
Revenue from sale of goods	**5,407,343**	
Investment income	**35,315**	
Agri-related retail, trade and services		
Investment income	**3,496**	5,792
Agri-inputs	**467,780**	266,602
Revenue from sale of goods	**465,417**	264,746
Investment income	**2,363**	1,856
Agri-production	**137,947**	63,684
Revenue from sale of goods	**137,940**	63,367
Investment income	**7**	317
Unallocated investment income (mainly head office interest income)	**23,173**	5,137
IFRS Revenue	**6,075,054**	341,215