

GROUP		COMPANY	
2014 R'000	2013 R'000	2014 R'000	2013 R'000
11. PROPERTY, PLANT AND EQUIPMENT			
11.1 Freehold land and buildings			
Cost			
589 920	504 886	679	679
179 242	82 292		
(13 117)	-		
25 238	11 027		
(6 757)	(3 274)		
-	(2)		
-	(5 009)		
774 526	589 920	679	679
Accumulated depreciation and impairment			
(180 901)	(168 584)	(14)	(13)
(18 145)	(15 531)	(1)	(1)
(40)	-		
1	-		
-	2 940		
-	(1 695)		
4 092	1 969		
(194 993)	(180 901)	(15)	(14)
Carrying amounts			
409 019	336 302	665	666
579 533	409 019	664	665
11.2 Leasehold properties			
Cost			
26 956	21 532		
1 464	3 613		
1 345	1 811		
29 765	26 956		
Accumulated depreciation and impairment			
(3 038)	(2 219)		
(768)	(633)		
(150)	(186)		
(3 956)	(3 038)		
Carrying amounts			
23 918	19 313		
25 809	23 918		



GROUP			COMPANY	
2014 R'000	2013 R'000		2014 R'000	2013 R'000
		11.3 Plant, equipment and vehicles		
		Cost		
1 515 344	1 222 729	Balance at the beginning of the year	–	65
290 037	306 960	Additions capitalised		
(18 989)	–	Government grant received		
33 207	25 164	Acquisition of subsidiary		
(56 323)	(42 675)	Disposals	–	(65)
(3 301)	–	Transfer to assets classified as held-for-sale		
2 589	3 166	Foreign exchange translations		
1 762 564	1 515 344	Balance at the end of the year	–	–
		Accumulated depreciation and impairment		
(625 250)	(562 052)	Balance at the beginning of the year	–	(65)
(94 012)	(77 849)	Depreciation for the year		
(11 875)	(3 803)	Impairment	–	–
–	(19 988)	Acquisition of subsidiary		
50 166	38 828	Disposals	–	65
2 550	–	Transfer to assets classified as held-for-sale	–	–
(466)	(386)	Foreign exchange translations		
(678 887)	(625 250)	Balance at the end of the year	–	–
		Carrying amounts		
890 094	660 677	Balance at the beginning of the year	–	–
1 083 677	890 094	Balance at the end of the year	–	–

GROUP			COMPANY	
2014 R'000	2013 R'000		2014 R'000	2013 R'000
		11.4 Total property, plant and equipment		
		Cost		
2 132 220	1 749 147	Balance at the beginning of the year	679	744
470 743	392 865	Additions capitalised		
(32 106)	–	Government grants received		
(10 058)	(3 274)	Transfer to assets classified as held-for-sale		
58 445	36 191	Acquisition of subsidiary		
(56 323)	(42 677)	Disposals	–	(65)
3 934	4 977	Foreign exchange translations		
–	(5 009)	Transfer to investment property		
2 566 855	2 132 220	Balance at the end of the year	679	679
		Accumulated depreciation and impairment		
(809 189)	(732 855)	Balance at the beginning of the year	(14)	(78)
(112 925)	(94 013)	Depreciation for the year	(1)	(1)
(11 915)	(3 803)	Impairment	–	–
6 642	1 969	Transfer to assets classified as held-for-sale		
–	(21 683)	Acquisition of subsidiary		
–	2 940	Transfer to investment property		
50 168	38 828	Disposals	–	65
(617)	(572)	Foreign exchange translations		
(877 836)	(809 189)	Balance at the end of the year	(15)	(14)
		Capital work-in-progress		
194 202	151 755	Balance at the beginning of the year		
(1 459)	961	Foreign exchange translations		
374 988	434 351	Additions: current year		
32 106	–	Government grants received		
(470 743)	(392 865)	Amounts capitalised		
129 094	194 202	Balance at the end of the year		
		Total property, plant and equipment including work-in-progress		
		Carrying amounts		
1 517 233	1 168 047	Total property, plant and equipment at the beginning of the year	665	666
1 818 113	1 517 233	Total property, plant and equipment at the end of the year	664	665

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)



GROUP			COMPANY	
2014 R'000	2013 R'000		2014 R'000	2013 R'000
		<p>Registers containing details of land are available for inspection at the registered office. The carrying value of plant and equipment held under finance leases and hire purchase contracts at 30 June 2014 was R7,5 million (2013: R8,8 million). Additions during the year were R Nil (2013: R1,1 million) of plant and equipment held under finance lease and hire purchase agreements. Leased assets and assets bought under hire purchase contracts are pledged as security for the related finance lease and hire purchase liabilities.</p> <p>Government grants have been received in terms of the DTI's Manufacturing Competitive Enhancement Programme for the purchase of certain items of property, plant and equipment. The Group can claim once more in the next financial year. There are no unfulfilled conditions or contingencies attached to these grants.</p> <p>Assets with an original cost price of R53,0 million are still in use, although it has been fully depreciated.</p>		

GROUP		COMPANY	
2014 R'000	2013 R'000	2014 R'000	2013 R'000
12. INVESTMENT PROPERTIES			
Cost			
6 096	2 379		
–	5 009		
–	(1 292)		
6 096	6 096		
Balance at the end of the year			
Accumulated depreciation			
(4 093)	(1 887)		
(623)	(114)		
–	(2 940)		
–	848		
(4 716)	(4 093)		
Balance at the end of the year			
Carrying amounts			
2 003	492		
1 380	2 003		
Balance at the end of the year			
555	779		
(171)	(98)		
384	681		
Net profit arising from investment properties carried at net book value			

The fair value of these properties is R3,4 million (2013: R3,4 million).

The fair value of investment properties has been determined based on valuations performed by 'The Property Partnership', an accredited independent valuer, for the previous year. 'The Property Partnership' is an industry specialist in valuing investment properties.

For the current year an internal desk valuation has been performed by management. It was determined by using the capitalisation of future rentals technique. It was based on a net annual rental income of R299 400 and a rental capitalisation into perpetuity factor of 8,8%.



GROUP			COMPANY	
2014 R'000	2013 R'000		2014 R'000	2013 R'000
13. INTANGIBLE ASSETS				
13.1 Goodwill				
Cost				
328 750	304 785	Balance at the beginning of the year		
–	23 965	Acquisitions of a subsidiary		
328 750	328 750	Balance at the end of the year		
Impairment losses				
(1 311)	(1 311)	Balance at the beginning of the year		
(1 311)	(1 311)	Balance at the end of the year		
Carrying amounts				
327 439	303 474	Balance at the beginning of the year		
327 439	327 439	Balance at the end of the year		
13.2 Trademarks, patents and customer lists				
Cost				
69 004	13 500	Balance at the beginning of the year		
–	59 004	Acquisitions		
(1)	(3 500)	Disposals		
69 003	69 004	Balance at the end of the year		
Accumulated amortisation and impairment				
(4 637)	(1 284)	Balance at the beginning of the year		
(4 815)	(3 819)	Amortisation for the year		
–	466	Disposals		
(9 452)	(4 637)	Balance at the end of the year		
Carrying amounts				
64 367	12 216	Balance at the beginning of the year		
59 551	64 367	Balance at the end of the year		

GROUP			COMPANY	
2014 R'000	2013 R'000		2014 R'000	2013 R'000
		13.3 Software licences		
		Cost		
85 109	71 891	Balance at the beginning of the year		
2 150	17 766	Additions		
(776)	(4 548)	Disposals		
86 483	85 109	Balance at the end of the year		
		Accumulated amortisation and impairment		
(51 025)	(46 937)	Balance at the beginning of the year		
(5 880)	(7 911)	Amortisation for the year		
–	(574)	Impairment		
671	4 397	Disposals		
(56 234)	(51 025)	Balance at the end of the year		
		Carrying amounts		
34 084	24 954	Balance at the beginning of the year		
30 249	34 084	Balance at the end of the year		



GROUP			COMPANY	
2014 R'000	2013 R'000		2014 R'000	2013 R'000
		13.4 Total intangible assets		
		Cost		
482 863	390 176	Balance at the beginning of the year		
2 150	100 735	Additions		
(777)	(8 048)	Disposals		
484 236	482 863	Balance at the end of the year		
		Accumulated amortisation and impairment		
(56 973)	(49 532)	Balance at the beginning of the year		
(10 695)	(11 730)	Amortisation for the year		
–	(574)	Impairment		
671	4 863	Disposals		
(66 997)	(56 973)	Balance at the end of the year		
		Capital work-in-progress – Software		
19 393	17 123	Balance at the beginning of the year		
13 011	103 005	Additions		
(2 150)	(100 735)	Amounts capitalised		
30 254	19 393	Balance at the end of the year		
		Carrying amounts		
445 283	357 767	Total intangible assets at the beginning of the year		
447 493	445 283	Total intangible assets at the end of the year		
		An impairment test is done annually at the Group's financial year end on goodwill acquired through business combinations. The value in use of the businesses are represented by the present value of future cash flows generated by the businesses estimated for a five-year period and is based on: Current net profit before tax, projected forward at an average growth of 6% (2013: 6%) and adjusted for non-cash items; an effective tax rate of 28%; required capital expenditure; movements in working capital; and a before tax discount rate of 19,24% (2013: 19,24%). Goodwill has been allocated to Clover Industries Group excluding Clover Waters and then to Clover Waters as the smallest separately identifiable cash-generating units due to income, cost, assets and liabilities not being able to be split into smaller cash-generating units. Goodwill has been allocated to the following cash-generating units for purposes of the impairment review:		
303 473	327 439	Clover Industries		
23 966	–	Clover Waters Iced Tea business		
327 439	327 439	Clover Industries Group		

GROUP		COMPANY	
2014 R'000	2013 R'000	2014 R'000	2013 R'000
14. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES			
14.1 Other financial assets			
Financial instruments at fair value through profit or loss			
–	132		
–	132		
–	132		
–	132		
–	–		
–	–		
2 323	250		
2 323	250		
2 323	250		
2 323	250		
–	–		

The Group had entered into a forward contract to purchase 2 132 695 Clover Industries shares at R17,90 per share on 30 June 2014. This transaction was entered into to hedge a portion of the share appreciation rights issued to management. At 3 June 2014 it was decided to roll the current hedge into a new hedge programme and was structured as follow:

The fair value of the shares forward purchases was determined by Investec Bank Limited. The fair value was determined by making use of the Black Scholes model.

Expiry date	Number of forwards	Forward price (Rand)
1 June 2015	158 937	19,19
1 July 2015	253 575	19,36
1 October 2015	308 500	19,80
1 June 2016	158 937	20,87
3 October 2016	308 500	21,40
1 June 2017	158 936	22,40
2 October 2017	308 500	23,20
3 June 2019	476 810	26,48
Total	2 132 695	

14.3 Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique;

Level 1: quoted prices in active market for identical assets or liabilities.

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As at 30 June 2014, the Group held the following financial instruments carried at fair value in the statement of financial position:

	GROUP			
	30 June 2014 R'000	Level 1 R'000	Level 2 R'000	Level 3 R'000
Assets measured at fair value				
Derivatives not designated as hedging instruments:				
Foreign exchange contracts	–	–	–	–
Liabilities measured at fair value				
Derivatives not designated as hedging instruments:				
Clover Industries shares forward purchases	2 323	–	2 323	–
During the reporting period ended 30 June 2014, there were no transfers between Level 1 and Level 2 fair value measurements.				
	30 June 2013 R'000	Level 1 R'000	Level 2 R'000	Level 3 R'000
Assets measured at fair value				
Derivatives not designated as hedging instruments:				
Foreign exchange contracts	132	–	132	–
Liabilities measured at fair value				
Derivatives not designated as hedging instruments:				
Clover Industries shares forward purchases	250	–	250	–
During the reporting period ended 30 June 2013, there were no transfers between Level 1 and Level 2 fair value measurements.				



GROUP			COMPANY	
2014 R'000	2013 Restated R'000		2014 R'000	2013 R'000
15. DEFERRED TAXATION				
(130 591)	(116 459)	Balance at the beginning of the year	28	86
(39 513)	(14 132)	Movements during the year	49	(58)
(170 104)	(130 591)	Balance at the end of the year	77	28
The balance is constituted as follows:				
Deferred tax assets				
1 755	870	Doubtful debts provision	77	89
3 953	2 266	Credit note provision		
7 385	8 096	Long-service bonus provision		
16 645	14 095	Leave pay provision		
–	608	In-plant building		
1 767	1 814	Leases straight-lined		
–	4 435	Incentive bonus provision		
9 692	8 942	Individual performance bonus accrual		
8 292	7 520	Guaranteed bonuses accrual		
7 565	4 480	Income received in advance		
8 200	5 810	Provisions – Other		
14 625	6 635	Assessed loss carried forward		
2 874	2 022	Other		
82 753	67 593	Total deferred tax assets	77	89



GROUP			COMPANY	
2014 R'000	2013 Restated R'000		2014 R'000	2013 R'000
		Deferred tax liabilities		
(244 419)	(194 591)	Property, plant and equipment	–	(2)
(2 240)	(3 102)	Prepayments	–	(59)
(2 666)	–	Consumable stores		
(1 320)	–	Pension fund asset		
(1 931)	–	Lease straight-lined		
(281)	(491)	Other		
(252 857)	(198 184)	Total deferred tax liabilities	–	(61)
(170 104)	(130 591)	Net deferred tax (liability)/asset	77	28
		Reflected in the statement of financial position as follows:		
8 919	6 722	Deferred tax assets	77	28
(179 023)	(137 313)	Deferred tax liabilities		
(170 104)	(130 591)	Net deferred tax (liability)/asset	77	28

In assessing the availability of sufficient future taxable profit for utilisation against unused tax losses, cognisance was taken of the Group's vision, goals and strategies. The Board is of the opinion that future taxable profits would be adequate to utilise the unused tax losses.

The statement of financial position disclosure for deferred tax assets is the total amount for all Group companies with net deferred tax assets. Likewise the deferred tax liability represents the total of all companies with net deferred tax liabilities. Note 15 however groups all deferred tax assets and liabilities in the Group, irrespective of the net position of individual Group companies.

No deferred tax asset has been provided on the tax loss of entities which are loss making since inception of business to date. In addition no deferred tax asset has been provided on tax losses amounting to R39,3 million (2013: R61,3 million) which have no expiry date.

GROUP			COMPANY	
2014 R'000	2013 Restated R'000		2014 R'000	2013 R'000
16. INVENTORIES				
5 800	5 800	Delivery agreements		
109 827	85 374	Raw materials		
97 071	82 715	Work-in-progress		
88 172	78 962	Consumable stores		
267 022	430 308	Finished goods		
567 892	683 159	Total inventories		
The amount of the write-down of inventories recognised as an expense is R19,6 million (2013: R18,9 million). This expense is included in the cost of sales line item as a cost of inventories.				
17. TRADE AND OTHER RECEIVABLES				
870 514	906 677	Trade receivables	3 837	-
153 730	80 130	Other receivables and advance payments	277	501
16 811	34 848	Loans to Executive Directors and other Executives	16 811	34 848
		Inter-company loan: Clover SA	398 088	380 789
		Loan: CIL Share Purchase Plan Trust	7	6
(3 849)	(3 309)	Allowance for impairment	(275)	(317)
(14 213)	(8 095)	Credit note accrual	-	-
1 022 993	1 010 251	Total trade and other receivables	418 745	415 827

The loans to Directors and other Executives were made to finance ordinary shares in CIL issued to them on 31 May 2010. The terms of the loans are as follows: they will bear interest at 90% of the prime rate of Absa Bank, interest will be capitalised on a monthly basis, repayable by management on the sale of the ordinary shares or within two months of leaving the employment of Clover or within six months in the case of death. All proceeds of the ordinary shares are ceded to CIL as security for the loans, in addition to all proceeds on the Clover Industries preference shares that were held by them. The loan agreements have been amended to make provision for a final repayment date of the respective loans linked to the normal retirement date for each of the Executives. See note 28.4 for further details.

Clover SA securitised its trade debtors, excluding debtors generated from export sales, through a special-purpose entity, Clover Capital. Clover Capital is consolidated into the results of the Group.



GROUP			COMPANY	
2014 R'000	2013 Restated R'000		2014 R'000	2013 R'000
		See note 29.5 for age analysis on trade receivables and on credit risk of trade receivables to understand how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.		
		Trade receivables are non-interest-bearing and the payment terms are 30 days after the end of the month in which the goods were delivered.		
		As at 30 June 2014, trade receivables of an initial value of R3,8 million (2013: R3,3 million) were impaired and fully provided for. See below for the movement in the provision for impairment of receivables.		
3 309	1 397	Balance at the beginning of the year	317	317
2 428	2 555	Charge for the year	(42)	–
(1 888)	(643)	Impairment loss written off/Unused amounts reversed	–	–
3 849	3 309	Balance at the end of the year	275	317
18. CASH AND SHORT-TERM DEPOSITS				
		Cash at bank earns interest at floating rates based on daily deposit rates. Short-term deposits are made for periods varying between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. At 30 June 2014, the Group had available R120 million (2013: R100 million) of unutilised committed borrowing facilities in respect of which all conditions precedent had been met.		
		For the purpose of the consolidated cash flow statements, cash and short-term deposits comprise the following:		
		Cash at bank and on hand		
304	263	On hand		
294 333	276 934	Outstanding deposits		
78 459	28 275	Call deposits and money market investments	24 741	5 499
280 793	399 087	Cash in banks	10 496	16 499
653 889	704 559	Total cash and short-term deposits	35 237	21 998
		Included under Call deposits is R46 million relating to the deposit paid, into an attorney's Escrow account, for the Dairybelle transaction. Refer to note 29.1 for guarantees issued.		

GROUP			COMPANY	
2014 Number of shares	2013 Number of shares		2014 Number of shares	2013 Number of shares
19. SHARE CAPITAL AND SHARE PREMIUM				
19.1 Ordinary shares				
Authorised				
2 billion (2013: 2 billion) ordinary shares with a par value of 5 cents (2013: 5 cents) each				
Shares issued				
181 218 149	179 111 867	Ordinary shares in issue at the beginning of the year	181 218 149	179 111 867
–	2 106 282	Issued on 3 June 2013	–	2 106 282
1 260 440	–	Issued on 1 July 2013	1 260 440	–
182 478 589	181 218 149	Ordinary shares in issue at the end of the year	182 478 589	181 218 149
2014 R'000	2013 R'000		2014 R'000	2013 R'000
9 124	9 061	Ordinary share capital	9 124	9 061
182,5 million (2013: 181,2 million) ordinary shares of 5 cents (2013: 5 cents) each				
734 414	713 263	Ordinary share premium	734 414	713 263
Ordinary share premium on 182,5 million (2013: 181,2 million) ordinary shares				
743 538	722 324	Total ordinary share capital and ordinary share premium	743 538	722 324



GROUP			COMPANY	
2014 Number of shares	2013 Number of shares		2014 Number of shares	2013 Number of shares
		19.2 Preference shares		
		Authorised		
		100 million redeemable cumulative preference shares with a par value of 10 cents each		
		Shares issued		
–	89 442 022	Preference shares in issue at the beginning of the year	–	89 442 022
–	(89 442 022)	Redeemed on 3 June 2013	–	(89 442 022)
–	–	Preference shares in issue at the end of the year	–	–
2014 R'000	2013 R'000		2014 R'000	2013 R'000
–	–	Preference share capital	–	–
		Nil (2013: Nil) preference shares at 10 cents each		
–	708	Preference share premium	–	708
–	(478)	Premium on NIL preference shares (2013: Nil)	–	(478)
–	(230)	Transfer to other capital reserves	–	(230)
		Share issue cost		
–	–	Total preference share capital and premium	–	–

Holders of preference shares were entitled to a preference dividend payable on a quarterly basis, calculated over the dividend period at 99% of Absa's prime rate multiplied by the subscription price of the preference share.

The preference shares were redeemed on 3 June 2013. The preference shares had no voting rights.

GROUP			COMPANY	
2014 R'000	2013 R'000		2014 R'000	2013 R'000
		19.3 Total issued ordinary and preference share capital		
9 124	9 061	Total issued ordinary share capital	9 124	9 061
734 414	713 263	Total ordinary share premium	734 414	713 263
		Shares were issued as follows during the year		
		Ordinary shares:		
63	105	Ordinary shares of 0,5 cents (2013: 0,5 cents) each	63	105
21 151	38 629	Ordinary share premium of R16,78 (2013: R18,34) per share	21 151	38 629
21 214	38 734	Total ordinary share capital raised during the year	21 214	38 734
		20. OTHER RESERVES		
73 267	62 247	Share-based payments reserve	28 720	35 051
209 958	209 958	Other capital reserves	478	478
283 225	272 205	Total at the end of the year	29 198	35 529
		21. FOREIGN CURRENCY TRANSLATION RESERVE		
(5 582)	(8 147)	Foreign currency translation reserve related to Clover Botswana and Clover West Africa		