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LEVEL OF ASSURANCE

These financial statements have been audited in compliance with the applicable requirements of the Companies Act, 2008 (No. 71 of 2008), as amended.

Prearer
Natasha September
BCom (Hons) CA(SA)
Group Financial Controller

Auditors
PKF (Cpt) Inc.
Registered Auditors

Supervised by:
Chantelle Ah Sing
Group Chief Financial Officer

Published
5 November 2013

AUDIT AND RISK COMMITTEE REPORT

1. MEMBERS OF THE AUDIT AND RISK COMMITTEE

The members of the audit and risk committee are all independent non-executive directors of the Group and include:

NAME	QUALIFICATION
Salim Young	BProc LLB (UWC), LLM (Tulane University, USA)
Johannes Mihe Gaomab	Extensive board level experience
Prof. Vukile Charles Mehana	BTh (Rhodes University), AMP (INSEAD Business School, France), Certificate on Public Enterprises (National University of Singapore), MBA (De Montfort University, UK), DPhil (University of Johannesburg), ordained minister of the Methodist Church of Southern Africa, adjunct professor of UCT: Graduate School of Business and Top Management Certificate on Public Enterprise (National University of Singapore)
Takudzwa Tanyaradzwa Hove	BCom Hons Accounting (Nelson Mandela Metropolitan University), CA(SA), ACMA, CGMA

The committee is satisfied that the members thereof have the required knowledge and experience as set out in section 94(5) of the Companies Act, 2008 (No. 71 of 2008), as amended ("the Companies Act").

2. MEETINGS HELD BY THE AUDIT AND RISK COMMITTEE

The audit and risk committee performs the duties laid upon it by section 94(7) of the Companies Act by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditor.

The committee held four scheduled meetings during 2012/13. The members of the committee, with the exception of Takudzwa Tanyaradzwa Hove, who was appointed post year-end, attended all the meetings.

3. EXTERNAL AUDITOR

The audit and risk committee has nominated PKF (Cpt) Inc. as the independent auditor and Bernard van der Walt as the designated auditor, who is a registered independent auditor, for appointment for the 2014 audit.

The committee satisfied itself through enquiry that the external auditors are independent as defined by the Companies Act and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by the Companies Act that internal governance processes within the firm support and demonstrate the claim to independence.

Shareholders are hereby advised that the Board, at the request of the largest shareholder, Sekunjalo Investment Holdings (Pty) Ltd has been asked to undertake a full review of the cost and scope of the audit function performed by the independent auditors of the Company.

While the Board recognises that PKF (Cpt) Inc. has been the independent auditors of the Company for the last 14 (fourteen) years and in order to ensure good corporate governance, the Board is considering whether to independently engage with a number of other service providers to assess the best value proposition that meets the Board's requirements in terms of good corporate governance, sustainability and the empowerment codes. The largest shareholder has indicated that they will await the full report from the Board prior to exercising their vote "for" or "against" the appointment of the current auditors.

PKF (Cpt) Inc. has informed the Board after financial year-end that they will be merging with Grant Thornton effective 1 March 2014, which has necessitated whether the merged entity would fulfil the governance requirements of the Company.

4. ANNUAL FINANCIAL STATEMENTS

Following the review of the annual financial statements and integrated report, the audit and risk committee recommends board approval thereof.

5. EXPERTISE AND EXPERIENCE OF THE CHIEF FINANCIAL OFFICER

As required by JSE Listings Requirement 3.84(h), the audit and risk committee has assessed the competence and performance of the chief financial officer and is satisfied that the chief financial officer has appropriate expertise and experience. The committee is satisfied with the expertise and adequacy of the resources within the finance function and the experience of the finance staff in the function.

6. INTERNAL AUDIT AND OBJECTIVE AND SCOPE OF THE AUDIT

For further information on the activities of the internal audit function and the objective and scope of the audit, kindly refer to the report of the audit and risk committee.

On behalf of the audit and risk committee

S Young
Chairman Audit and Risk Committee

Cape Town
5 November 2013

REPORT OF THE
INDEPENDENT AUDITORS

TO THE SHAREHOLDERS OF SEKUNJALO INVESTMENTS LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Sekunjalo Investments Limited, which comprise the consolidated and separate statements of financial position as at 31 August 2013, and the consolidated and separate statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 123 to 184.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and in the manner required by 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on 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 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 auditors' 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 auditors consider 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 directors, 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 Sekunjalo Investments Limited as of 31 August 2013, and its consolidated and separate financial performance and 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 31 August 2013, we have read the Directors' Report, the Audit and Risk Committee's Report and the Report of 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.

PKF (Cpt) Inc.
Registered Auditors
Chartered Accountants (SA)
Registration number: 2000/016512/21
B van der Walt
Cape Town

5 November 2013

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act, 2008 (No. 71 of 2008), as amended ("the Companies Act"), to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Group and Company as at the end of the financial year and the results of its operations and cash flows for the period then ended, are in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards, the Companies Act, the Listings Requirements of the JSE Limited and the SAICA financial reporting guides issued by the Accounting Practices Committee and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The annual financial statements incorporate full and responsible disclosure in line with the philosophy of corporate governance and are prepared in accordance with the Companies Act and the JSE Listings Requirements.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and Company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the Board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and Company and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group and Company is on identifying, assessing, managing and monitoring all known forms of risk across the Group and Company. While operating risk cannot be fully eliminated, the Group and Company endeavour to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group and Company's cash flow forecast for the year to 31 August 2014 and, in the light of this review and the current financial position, they are satisfied that the Group and Company have or have had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Group and Company's annual financial statements.

The annual financial statements have been examined by the Group and Company's external auditors and their report is presented on page 116.

The annual financial statements set out on pages 119 to 184, which have been prepared on the going concern basis, were approved by the Board of directors on 5 November 2013 and were signed on its behalf by:

Dr MI Survé

K Abdulla

DIRECTORS' INTEREST
IN CONTRACTS

During the period under review, no director had any material interest in any contract of significance with Sekunjalo Investments Limited, any of its subsidiaries, associates or joint ventures that would give rise to a conflict of interest in the ordinary course of business other than those disclosed in the related party notes. Related party transactions with the directors are disclosed in note 33 of the financial statements.

REPORT OF THE
COMPANY SECRETARY

In terms of section 88(1)(e) of the Companies Act, 2008 (No. 71 of 2008), as amended ("the Companies Act"), I certify that the Company has lodged with the Companies and Intellectual Property Commission and the Registrar all such returns as required by the Companies Act and that all such returns are true, correct and up to date.

All directors have access to the advice and services of the Company Secretary who provides guidance to the Board as a whole and to individual directors with regard to corporate governance and how they should discharge their responsibilities in the best interests of the Group.

CF Hendricks
Company Secretary

5 November 2013

DIRECTORS' REPORT

The directors submit their report for the year ended 31 August 2013.

1. REVIEW OF ACTIVITIES

MAIN BUSINESS AND OPERATIONS

Sekunjalo Investments Limited is a black-controlled investment holding company, which holds controlling interests in six sectors and promotes Broad-Based Black Economic Empowerment and sound corporate practices. It has many operational subsidiaries, investments in associates and joint ventures.

The operating results and state of affairs of the Group and Company are fully set out in the attached financial statements. Refer to note 39 – Group Segmental Analysis for a detailed breakdown of the proportion of net income or loss attributable to the various divisions in the Group.

2. CORPORATE GOVERNANCE

The directors subscribe to the principles incorporated in the King Code of Corporate Practices and Conduct as set out in King III and, save as disclosed in the Corporate Governance review, have complied as far as practical with principles contained therein throughout the reporting period. The directors recognise the need to conduct the enterprise with integrity and in accordance with generally accepted corporate practices. The Board and the Board committees have undertaken to have a comprehensive review of the Group's corporate governance policies and procedures in the next year.

3. EVENTS AFTER THE REPORTING DATE

There were no material events after the reporting date.

4. GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

5. LIQUIDITY AND SOLVENCY

The directors have performed the liquidity and solvency tests required by the Companies Act, 2008 (No. 71 of 2008), as amended, for the Group. The Board is satisfied that the Group is solvent and has no reason to believe that the business will not be a going concern in the year ahead.

6. AUTHORISED AND ISSUED SHARE CAPITAL

There were no changes in the authorised or issued share capital of the Company during the year under review.

7. BORROWING LIMITATIONS

In terms of the memorandum of incorporation of the Company, the directors may exercise all the powers of the Company to borrow money, as they consider appropriate.

8. DIRECTORS

The directors of the Company during the year and to the date of this report are as follows:

Dr MI Survé
K Abdulla
CR Ah Sing
CF Hendricks
JM Gaomab
Prof. VC Mehana
S Young
AB Amod (appointed 14 November 2012)
TT Hove (appointed 5 September 2013)

9. SECRETARY

The secretary of the Company is Cherie Hendricks of:

Business address:	Quay 7, East Pier V&A Waterfront Cape Town 8001
Postal address:	PO Box 181 Cape Town South Africa 8000

10. COMPANY SECRETARY

As required by JSE Listings Requirement 3.84(i), the Board has satisfied itself that the Company Secretary has appropriate expertise, competence and experience. The Company Secretary is accountable to the Board and the following duties, among other things, were carried out:

- Guidance to the directors in terms of their duties, responsibilities, powers, training and induction of the responsibilities and liabilities under the Companies Act;
- Making the Board aware of any law relevant to and/or affecting the Company;
- Preparation of board packs and recording of proper detailed minutes of meetings;
- Ensuring proper and orderly conduct at all board, committee and annual general meetings;
- Disclosure of corporate actions of SENS announcements and directors' dealings in securities;
- Preparation and timeous delivery of the Integrated Report and Annual General Meeting Notice and Proxy to shareholders;
- Compliance with JSE Listings Requirements and the Companies Act; and
- Updated board policies, board charters in compliance with statutory, regulatory and legislative requirements.

All directors have access to the advice and services of the Company Secretary. The Board confirms it is satisfied that there is an arm's length relationship between itself and the Company Secretary as the company secretary is not involved in the day-to-day operations of the Company but ensures that good corporate governance is practised by the Company.

11. SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATES

The principal subsidiaries, joint ventures and associates are reflected in notes 40, 41 and 42.

12. REPORT OF THE AUDIT AND RISK COMMITTEE

The report of the audit and risk committee, as required in section 94(7)(f) of the Companies Act, is set out on page 114 of these financial statements.

13. BOARD EVALUATION OF THE AUDIT AND RISK COMMITTEE

The board of directors believes that the committee has satisfied its responsibilities for the year in compliance with the terms of reference of the Companies Act.

14. AUDITORS

The auditors, PKF (Cpt) Inc., have indicated their willingness to continue in office for the ensuing years. The audit and risk committee has satisfied itself of the independence of the auditors and the designated auditor. The resolution to reappoint PKF (Cpt) Inc. will be proposed at the next annual general meeting.

Shareholders are hereby advised that the Board, at the request of the largest shareholder, Sekunjalo Investment Holdings (Pty) Ltd, has been asked to undertake a full review of the cost and scope of the audit function performed by the independent auditors of the Company.

While the Board recognises that PKF (Cpt) Incorporated has been the independent auditors of the Company for the last 14 (fourteen) years and in order to ensure good corporate governance, the Board is considering whether to independently engage with a number of other service providers to assess the best value proposition that meets the Board's requirements in terms of good corporate governance, sustainability and the empowerment codes. The largest shareholder has indicated that they will await the full report from the Board prior to exercising their vote "for" or "against" the appointment of the current auditors.

PKF (Cpt) Incorporated has informed the Board after financial year-end that they will be merging with Grant Thornton effective 1 March 2014, which has necessitated whether the merged entity would fulfil the governance requirements of the Company.

15. DIRECTORS' INTEREST IN SHARE CAPITAL

There have been no changes in the directors' interest between 1 September 2013 and the date of this report. None of the Company's directors bought or sold "A" or "B" class ordinary shares in this period.

AS AT 31 AUGUST 2013

"A" class ordinary shares – unlisted

	Direct beneficial	Direct non-beneficial	Indirect beneficial	Indirect non-beneficial	Total percentage
Dr MI Survé	–	–	–	2 000 000	100%
Total	–	–	–	2 000 000	100%

"B" class ordinary shares – listed

	Direct beneficial	Direct non-beneficial	Indirect beneficial	Indirect non-beneficial	Total percentage
Dr MI Survé	–	–	–	264 769 581	54.11%
K Abdulla	1 575 316	–	–	24 056 098	5.24%
CR Ah Sing	400 000	–	–	–	0.08%
CF Hendricks	305 000	–	–	–	0.06%
VC Mehana	250 000	–	–	–	0.05%
JM Gaomab	250 000	–	–	–	0.05%
AB Amod	18 713 001	–	–	–	3.82%
Total	21 493 317	–	–	288 825 679	63.41%

AS AT 31 AUGUST 2012

"A" class ordinary shares – unlisted

	Direct beneficial	Direct non-beneficial	Indirect beneficial	Indirect non-beneficial	Total percentage
Dr MI Survé	–	–	–	2 000 000	100%
Total	–	–	–	2 000 000	100%

"B " class ordinary shares – listed

	Direct beneficial	Direct non-beneficial	Indirect beneficial	Indirect non-beneficial	Total percentage
Dr MI Survé	–	–	–	202 482 652	41.38%
K Abdulla	1 575 316	–	–	31 800 000	6.82%
CR Ah Sing	400 000	–	–	–	0.08%
CF Hendricks	305 000	–	–	–	0.06%
VC Mehana	250 000	–	–	–	0.05%
JM Gaomab	250 000	–	–	–	0.05%
Total	2 780 316	–	–	234 282 652	48.44%

16. VOTING RIGHTS

"A" class ordinary shares each carry 500 votes per share, and "B" class ordinary shares each carry one vote per share.

17. LITIGATION

There are no material legal actions against the Group.

18. CONTINGENT LIABILITIES

Contingent liabilities that existed on 31 August 2013 are disclosed in note 44.

19. DIVIDENDS

No dividends were declared or paid to shareholders during the year.

20. SPECIAL RESOLUTIONS

The statutory information relating to special resolutions passed by subsidiaries is available from the registered office of the Company. The only special resolutions passed at the annual general meeting on 26 February 2013 are as follows:

- Amendment of the memorandum of incorporation to align with new Companies Act for the company and its subsidiaries;
- Approval of remuneration for executive and non-executive directors;
- Approval of inter-company loans;
- Approval for the Company or its subsidiaries to repurchase Company shares;
- Cancellation of the preference shares; and
- Conversion of the Company's share capital to shares of no par value.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 AUGUST 2013

	Notes	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Assets					
Non-current assets					
Property, plant and equipment	2	126 890	135 500	–	–
Goodwill	3	37 325	34 191	–	–
Intangible assets	4	12 783	15 642	35	38
Investments in subsidiaries	5	–	–	766 664	680 171
Investments in associates	6	112 382	120 956	–	–
Investment in joint ventures	7	–	–	–	–
Loans to group companies	8	–	–	91 486	174 430
Other loans receivables	9	38 763	25 322	–	–
Other financial assets	10	380 644	314 451	33 906	33 403
Deferred tax	11	17 498	25 219	224	670
Operating lease asset		–	2 274	–	–
		726 285	673 555	892 315	888 712
Current assets					
Inventories	12	17 765	17 851	–	–
Biological assets	13	41 798	38 537	–	–
Loans to group companies	8	–	–	45 012	8 329
Other loans receivable	9	2 275	1 464	550	–
Current tax receivable		174	209	–	–
Trade and other receivables	14	70 497	77 434	683	8 470
Cash and cash equivalents	15	42 309	46 253	6 107	10 296
		174 818	181 748	52 352	27 095
Assets of disposal groups and non-current assets held for sale	16	2 127	–	–	–
Total assets		903 230	855 303	944 667	915 807
Equity and liabilities					
Equity					
Equity attributable to equity holders of parent					
Share capital and share premium	17	403 177	403 177	403 177	403 177
Reserves	18	121 194	121 194	–	–
(Accumulated loss)/retained income		(52 137)	(81 548)	351 382	296 736
		472 234	442 823	754 559	699 913
Non-controlling interest		4 762	9 041	–	–
		476 996	451 864	754 559	699 913
Liabilities					
Non-current liabilities					
Loans from group companies	8	–	–	18 848	43 680
Other financial liabilities	19	149 239	129 949	45 250	15 163
Finance lease obligation	20	36	–	–	–
Operating lease liability		598	734	–	–
Deferred tax	11	132 721	123 189	106 438	91 226
		282 594	253 872	170 536	150 069
Current liabilities					
Provisions	21	21 369	16 766	325	2 137
Current tax payable		4 009	2 593	467	–
Trade and other payables	22	77 848	85 806	2 400	19 886
Other financial liabilities	19	38 864	37 784	16 379	27 312
Loans from group companies	8	–	–	–	10 088
Finance lease obligation	20	206	51	–	–
Operating lease liability		130	–	–	–
Bank overdraft	15	1 214	6 567	1	6 402
		143 640	149 567	19 572	65 825
Total liabilities		426 234	403 439	190 108	215 894
Total equity and liabilities		903 230	855 303	944 667	915 807
Net asset value per share (cents)		96.50	90.49	154.20	143.03
Tangible net asset value per share (cents)		86.26	80.31	154.19	143.02

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2013

		Group		Company	
	Notes	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Revenue	23	569 198	455 860	22 607	19 953
Cost of sales		(390 711)	(305 131)	–	–
Gross profit		178 487	150 729	22 607	19 953
Other income		3 949	3 700	–	–
Operating expenses		(148 600)	(123 882)	(16 066)	(12 678)
Impairment reversals	24	–	–	28 046	13 564
Impairments		(32 913)	(1 370)	(44 207)	(1 095)
Investment revenue	25	19 935	17 334	9 197	15 322
Fair value adjustments	26	66 193	30 081	81 496	22 284
Loss from equity accounted investments		(8 039)	(9 211)	–	–
Finance costs	27	(20 347)	(19 251)	(9 300)	(10 314)
Profit before taxation	28	58 665	48 130	71 773	47 036
Taxation	29	(28 313)	(29 931)	(17 127)	(29 829)
Profit for the period		30 352	18 199	54 646	17 207
Other comprehensive income		–	–	–	–
Total comprehensive income		30 352	18 199	54 646	17 207
Total comprehensive income attributable to:					
Owners of the parent		29 734	17 953	54 646	17 207
Non-controlling interest		618	246	–	–
		30 352	18 199	54 646	17 207
Profit attributable to:					
Owners of the parent		29 734	17 953	54 646	17 207
Non-controlling interest		618	246	–	–
		30 352	18 199	54 646	17 207
Basic and diluted earnings per ordinary share (cents)	30	6.08	3.67		
Weighted average number of shares in issue ('000)		489 339	489 339		
Fully diluted weighted average number of shares in issue ('000)		489 339	489 339		

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2013

	Share capital R'000	Share premium R'000	Total share capital R'000	Reserves R'000	(Accumulated loss)/ retained income R'000	Total attributable to equity holders of the Group R'000	Non-controlling interest R'000	Total equity R'000
Group								
Balance at 1 September 2011	**30**	**403 147**	**403 177**	**121 194**	**(99 501)**	**424 870**	**10 195**	**435 065**
Total comprehensive income for the year	–	–	–	–	17 953	17 953	246	18 199
Dividends declared to NCI by subsidiaries	–	–	–	–	–	–	(1 400)	(1 400)
Total changes	–	–	–	–	17 953	17 953	(1 154)	16 799
Balance at 1 September 2012	**30**	**403 147**	**403 177**	**121 194**	**(81 548)**	**442 823**	**9 041**	**451 864**
Total comprehensive income for the year	–	–	–	–	29 734	29 734	618	30 352
Dividends declared to NCI by subsidiaries	–	–	–	–	–	–	(2 218)	(2 218)
Changes in ownership interest – control not lost	–	–	–	–	(323)	(323)	(2 580)	(2 903)
Business combinations	–	–	–	–	–	–	(99)	(99)
Total changes	–	–	–	–	29 411	29 411	(4 279)	25 132
Balance at 31 August 2013	**30**	**403 147**	**403 177**	**121 194**	**(52 137)**	**472 234**	**4 762**	**476 996**
Notes	17	17	17	18				
Company								
Balance at 1 September 2011	**30**	**403 147**	**403 177**	**–**	**279 529**	**682 706**	**–**	**682 706**
Changes in equity								
Total comprehensive income for the year	–	–	–	–	17 207	17 207	–	17 207
Total changes	–	–	–	–	17 207	17 207	–	17 207
Balance at 1 September 2012	**30**	**403 147**	**403 177**	**–**	**296 736**	**699 913**	**–**	**699 913**
Changes in equity								
Total comprehensive income for the year	–	–	–	–	54 646	54 646	–	54 646
Total changes	–	–	–	–	54 646	54 646	–	54 646
Balance at 31 August 2013	**30**	**403 147**	**403 177**	**–**	**351 382**	**754 559**	**–**	**754 559**
Note	17	17	17					

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2013

	Notes	Group		Company	
		2013 R'000	2012 R'000	2013 R'000	2012 R'000
Cash flows from operating activities					
Cash receipts from customers		576 135	473 613	30 394	16 080
Cash paid to suppliers and employees		(519 453)	(415 929)	(35 836)	(16 419)
Cash generated from/(used in) operations	31	56 682	57 684	(5 442)	(339)
Investment revenue		6 951	6 349	8 973	15 322
Dividends received		11 140	18 421	224	–
Finance costs		(20 347)	(19 251)	(9 300)	(10 314)
Tax paid	32	(9 249)	(8 501)	(1 000)	–
Dividends paid to NCI by subsidiaries		(2 218)	(1 400)	–	–
Net cash from operating activities		42 959	53 302	(6 545)	4 669
Cash flows from investing activities					
Purchase of property, plant and equipment	2	(11 852)	(12 277)	–	–
Sale of property, plant and equipment	2	1 012	954	–	–
Purchase of other intangible assets	4	–	(1 235)	–	–
Acquisition of investments		–	–	–	(8 767)
Business combinations	43	(490)	–	–	–
Loans advanced to group companies		–	–	(69 424)	(56 965)
Receipts from loans from group companies		–	–	60 357	63 470
Increase in other financial assets		(3 243)	(89 703)	(779)	(1 095)
Decrease in other financial assets		1 086	5 824	–	–
Net cash from investing activities		(13 487)	(96 437)	(9 846)	(3 357)
Cash flows from financing activities					
Receipt of other financial liabilities		51 089	111 115	32 247	25 462
Repayment of other financial liabilities		(34 552)	(40 335)	(13 094)	(12 597)
Advances from associate		–	30 000	–	–
Advances to associate		(44 398)	(10 189)	–	2 340
Advances to other loans receivable		–	–	(550)	–
Finance lease payments		(202)	(183)	–	–
Net cash from financing activities		(28 063)	90 408	18 603	15 205
Total cash movement for the year		1 409	47 273	2 212	16 517
Cash at beginning of the year		39 686	(7 587)	3 894	(12 623)
Total cash at end of the year	15	41 095	39 686	6 106	3 894

ACCOUNTING POLICIES

1. SUMMARY OF ACCOUNTING POLICIES

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), the SAICA financial reporting guides issued by the Accounting Practices Committee, the Companies Act, 2008 (No. 71 of 2008), as amended, and the Listings Requirements of JSE Limited. The financial statements have been prepared on the historical cost basis, except where otherwise stated, and incorporate the principal accounting policies set out below.

The accounting policies are consistent with those applied in the previous year.

ADOPTION OF NEW AND REVISED STANDARDS

During the current year the Group has adopted all of the new and revised standards and interpretations issued by the IASB and the IFRIC that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2011. The adoption of these new and revised standards and interpretations has not resulted in material changes to the Group's accounting policies.

The Group adopted the following standards, interpretations and amended standards during the year:

IAS 1	New requirements to group together items within other comprehensive income that may be reclassified to the profit and loss section of the statement of comprehensive income.
IAS 12	Rebuttable presumption introduced that an investment property will be recovered in its entirety through sale

Circular 2/2013 Headline Earnings

1.1 UNDERLYING CONCEPTS

The financial statements are prepared on the going concern basis, which assumes that the Group will continue in operation for the foreseeable future.

The financial statements are prepared using accrual accounting whereby the effects of transactions and other events are recognised when they occur, rather than when the cash is received or paid.

Assets and liabilities and income and expenses are not offset unless specifically permitted by an accounting standard. Financial assets and financial liabilities are only offset when there is a legally enforceable right to offset, and the intention is either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Accounting policies are the specific principles, bases, conventions, rules and practices applied in preparing and presenting financial statements. Changes in accounting policies are accounted for in accordance with the transitional provisions in the standard. If no such guidance is given, they are applied retrospectively. If, after making every reasonable effort to do so, it is impracticable to apply the change retrospectively, it is applied prospectively from the beginning of the earliest period practicable.

Changes in accounting estimates are adjustments to assets or liabilities or the amounts of periodic consumption of assets that result from new information or new developments. Such changes are recognised in profit or loss in the period they occur.

Functional currency is rands and all amounts are rounded to thousands (R'000).

1.2 CONSOLIDATION

Basis of consolidation
The consolidated annual financial statements incorporate the annual financial statements of the Company and all entities, including special purpose entities, which are controlled by the Company.

Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the annual financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions which result in changes in ownership levels, where the Group has control of the subsidiary both before and after the transaction are regarded as equity transactions and are recognised directly in the statement of changes in equity.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the parent.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest.

Business combinations
The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued on the date control is achieved. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Contingent consideration is included in the cost of the combination at fair value as at the date of acquisition. Subsequent changes to the assets, liabilities or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business Combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal group) that are classified as held-for-sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, which are recognised at fair value less costs to sell.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date and the fair value can be reliably measured.

On acquisition, the Group assesses the classification of the acquiree's assets and liabilities and reclassifies them where the classification is inappropriate for Group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Non-controlling interest arising from a business combination is measured either at their share of the acquiree's identifiable net assets and liabilities or at fair value. The treatment is not an accounting policy choice but is selected for each individual business combination, and disclosed in the note for business combinations.

In cases where the Group held a non-controlling shareholding in the acquiree prior to obtaining control, that interest is measured to fair value as at acquisition date. The measurement to fair value is included in profit or loss for the year. Where the existing shareholding was classified as an available-for-sale financial asset, the cumulative fair value adjustments recognised previously to other comprehensive income and accumulated in equity are recognised in profit or loss as a reclassification adjustment.

Goodwill is determined as the consideration transferred, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

The excess of the cost of the investment over the Group's share of the net fair value of an associate's identifiable assets, liabilities and contingent liabilities over the cost of the business combination is immediately recognised in profit or loss.

On disposal of a subsidiary, associate or joint venture to which the goodwill was allocated on acquisition, the amount attributable to such goodwill is included in the determination of the profit or loss for the period in which the relevant investment is disposed.

Investment in associates
An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An investment in associate is accounted for using the equity method, except when the investment is classified as held-for-sale in accordance with IFRS 5 Non-current Assets Held for sale and Discontinued Operations. Under the equity method, investments in associates are carried in the consolidated statements of financial position at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate, less any impairment losses.

Losses in an associate in excess of the Group's interest in that associate are recognised only to the extent that the Group has incurred a legal or constructive obligation to make payments on behalf of the associate.

Any goodwill on acquisition of an associate is included in the carrying amount of the investment; however, a gain on acquisition is recognised immediately in profit or loss.

Profits or losses on transactions between the Group and an associate are eliminated to the extent of the Group's interest therein.

When the Group reduces its level of significant influence or loses significant influence, the Group proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

When the Group attains significant influence on level 3 financial assets that were previously accounted for at fair value through profit and loss, the cumulative gains or losses net of tax previously recognised are transferred out of retained income into a separate reserve until the investment is fully realised.

Interests in joint ventures
A joint venture is a contractual agreement whereby the Group and other parties undertake an economic activity that is subject to joint control, that is when the strategic financial and operating policy decisions relating to the activities of the joint venture require the unanimous consent of the parties sharing control.

Jointly controlled entities
An interest in a jointly controlled entity is accounted for using the equity method, except when the investment is classified as held-for-sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, interests in jointly controlled entities are carried in the consolidated statements of financial position at cost adjusted for post-acquisition changes in the Group's share of net assets of the jointly controlled entity, less any impairment losses. Profits or losses on transactions between the Group and a joint venture are eliminated to the extent of the Group's interest therein.

When the Group loses joint control, the Group proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

Jointly controlled operations
In respect of its interests in jointly controlled operations, the Group recognises its share of the joint venture in its annual financial statements:

- the assets that it controls and the liabilities that it incurs; and
- the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the joint venture.

1.3 INVESTMENTS IN SUBSIDIARIES

Group annual financial statements
The Group annual financial statements include those of the holding company, subsidiaries, associates and joint ventures. On acquisition the Group recognises the subsidiary's identifiable assets, liabilities and contingent liabilities at fair value, except for assets classified as held-for-sale, which are recognised at fair value less costs to sell.

Separate financial statements
In the Company's separate annual financial statements, investments in subsidiaries are carried at fair value through profit or loss.

Investments in subsidiaries are initially recognised at fair value which is equivalent to the cost. The cost of an investment in a subsidiary is the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Company.

An adjustment to the cost of a business combination contingent on future events is included at fair value as at the date of acquisition.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the parent's ownership interests in them. Non-controlling interests in the net assets consist of:

- the amount of those non-controlling interests at the date of the original combination calculated in accordance with IFRS 3; and
- the non-controlling interests' share of changes in equity since the date of the combination.

Where potential voting rights exist, the proportions of profit or loss and changes in equity allocated to the parent and non-controlling interests are determined on the basis of present ownership interests and do not reflect the possible exercise or conversion of potential voting rights.

Where losses attributable to the non-controlling interests exceed the non-controlling interests in the subsidiary's equity, the excess, and any further losses applicable to the non-controlling interests, is allocated against the parent interest except to the extent that the non-controlling interests have a binding obligation and are able to make an additional investment to cover the losses.

1.4 SIGNIFICANT JUDGEMENTS

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables and loans and receivables
The Group assesses its trade receivables and loans and receivables for impairment at each statement of financial position date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the Group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Property, plant and equipment
The Group assesses the useful lives, depreciation rates and residual value of these assets at each reporting date. These estimates take cognisance of current market and trading conditions for the Group's specific assets. In addition, the useful life estimates take into account the risk of obsolescence due to advances in technology.

Intangible assets
The Group assesses the useful lives, amortisation rates and residual values at each reporting date. This judgement is based on the market and trading conditions for the Group, management's expectations and strategy for the use of the intangible, as well as by performance indicators, including sales growth rate and operating margins, of cash-generating units which use the intangible.

Biological assets
Abalone is weighed and graded into specific different size categories at regular intervals. A predicted growth rate for the abalone is determined based on the actual weight of the abalone, which has been weighed and graded, and the birth date of the abalone. As at the reporting date, a combination of graded figures and predicted figures (those awaiting their latest grade interval) is then used to determine the weight and graded size categories of the abalone. The value of the stock is then determined based on the market value of each grading size category for the abalone. All selling costs are excluded from fair values.

Allowance for slow moving, damaged and obsolete stock
Management has made estimates of the selling price and direct cost to sell on certain inventory items at year-end by reviewing subsequent selling prices.

Impairment testing
Assets are subject to regular impairment reviews as required. Impairments are measured at the difference between the cost (or amortised cost) of a particular asset and the recoverable amount which is the greater of the fair value less cost to sell and value-in-use of the asset. Impairments are recorded in the statement of comprehensive income in the period in which the occur. The Group's policy in relation to impairment testing in respect of goodwill is detailed below.

The recoverable amount of the cash-generating units has been determined based on a value-in-use calculation. Key assumptions applied to determine the recoverable amount of the cash-generating units, using the value-in-use calculation relating to sales growth rates, working capital requirements and capital expenditure. Cash flow projections were based on historical information and financial budgets approved by senior management covering a five-year period.

Normal taxation and deferred tax
Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the statement of financial position date could be impacted.

Investment in subsidiaries
Valuation method
An entity discounted cash flow (DCF) valuation technique is used for all unlisted investments. Price/earnings valuations are not used as a primary method due to lack of sufficient comparable information and are thus only used as a secondary review.

Application of methodology
Free cash flow (FCF) forecasts are prepared year by year for a minimum of a three-year period and for high-growth companies year-by-year forecasts for a period of five years are prepared, whereafter a terminal value will be calculated.

Terminal value growth rates
When calculating the terminal value, growth rates in excess of the current inflation rate are not utilised. Real growth beyond ten years is not likely, and even if likely is difficult to forecast with any certainty.

Terminal values
When calculating the terminal value, care is taken regarding the level of net capital investment assumed. This is assumed to be lower than during the specific forecast period for high-growth companies. For mature, stable companies net capital investment during the specific forecast period and beyond is assumed to be the same.

Discount rate
Free cash flows are discounted at the Company's weighted average cost of capital (WACC), being the weighted cost of equity (as determined using the capital asset pricing model (CAPM)) and the weighted after-tax cost of debt.

Risk-free rate
The risk-free rate utilised is the current yield on long-term government bonds. For purposes of the valuations the R207 government bond has been used. These yields were obtained from the financial press at the time of preparing the valuations.

Beta
The equally-weighted average of the relevant industry betas together with professional judgement is used.

The betas are calculated over a five-year period (where possible). This is assumed to provide a fair estimate of the Group's recent market risk.

Market risk premium
A market risk premium was utilised in all valuations.

Value of equity
The value of equity will be equal to the free cash flow value of the entity, less the statement of financial position values (at valuation date) of debt and any other form of financing, plus any cash on hand (per the statement of financial position) which is in excess of normal working capital requirements.

Fair-value determination
The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Discounted cash flows are used to determine fair value for the investments in subsidiary companies and other unlisted investments. The use of a discounted cash flow analysis requires the estimation of a number of significant components, including the future expected cash flows, and the weighted average cost of capital used to perform the discounting. Many of these factors may have a material impact on the valuation.

1.5 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment are carried at cost, including transaction costs, less accumulated depreciation and any impairment losses. Depreciation is calculated on the straight-line method at a rate considered appropriate to reduce the carrying value of an item over its useful life to its estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	**Average useful life**
Buildings	5 – 40 years
Computer equipment	1 – 8 years
Computer software	2 – 5 years
Furniture and fixtures	2 – 20 years
Land	Indefinite
Leasehold property	5 – 40 years
Motor vehicles	1 – 10 years
Office equipment	3 – 21 years
Pharmaceutical books	7 years
Plant and machinery	1 – 36 years
Vessels	3 – 32 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.6 BIOLOGICAL ASSETS

Biological assets consist of abalone cultivated in an aquaculture farm and are measured at their fair value less estimated point-of-sale costs.

Any gains or losses arising from measurement on initial recognition or from a subsequent change in fair value less estimated point-of-sale costs are included in profit or loss for the period in which it arises.

1.7 INTANGIBLE ASSETS

Intangible assets which are separately acquired are initially recognised at cost, being their purchase prices after adding any directly attributable costs of preparing the assets to be capable of operating in the manner intended by management.

Intangible assets with a finite useful life are stated at cost less accumulated amortisation and impairment losses.

Intangible assets with an indefinite useful life are not amortised, but are reviewed on an annual basis for indications that continue to support an indefinite useful life assessment.

Internally generated intangible assets are recognised for costs incurred in the development phase of an internal project.

Software development costs, which are generated internally, are initially measured at cost, being all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management, and are subsequently carried at cost after taking into account any accumulated amortisation and accumulated impairment losses, where applicable.

Costs incurred in the research phase are included in the calculation of profit or loss for the period in which they are incurred.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows.

The amortisation period, residual values and the amortisation method for intangible assets are reviewed at every year-end.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Useful life
Trademarks	15 years – indefinite
Software development	10 years
Pharmaceutical dossiers	20 years
Fishing quotas	4 years

1.8 FINANCIAL INSTRUMENTS

Initial recognition and measurement
The Group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

The Group's principal financial assets are various investments, loans receivable, trade and other receivables and bank and cash balances. The Group's principal financial liabilities are interest-bearing and non-interest-bearing loans payable, trade and other payables and bank overdrafts.

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Derecognition of financial assets and financial liabilities
Financial assets or parts thereof are derecognised when:

- the right to receive the cash flows has expired;
- the right to receive the cash flows is retained, but an obligation to pay them to a third party under a "pass-through" arrangement is assumed; or
- the Group transfers the right to receive the cash flows, and also transfers either all the risks and rewards, or control over the asset.

Financial liabilities are derecognised when the obligation is discharged, cancelled or expired.

Loans to/(from) group companies
These include loans to/(from) holding companies, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Subsequently these loans and receivables are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts.

On loans receivable an impairment loss is recognised in profit or loss when there is objective evidence that it is impaired. The impairment is measured as the difference between the loan's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Impairment losses are reversed in subsequent periods when an increase in the recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the loan at the date the impairment is reversed shall not exceed what the amortised cost would have been, had the impairment not been recognised.

Loans from Group companies are measured at amortised cost.

Trade and other receivables
Trade receivables are measured at initial recognition at fair value plus transaction costs, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. 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 trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the income statement.

Trade and other payables
Trade payables are initially measured at fair value plus transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Bank overdraft and borrowings
Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

Other financial liabilities are measured initially at fair value and subsequently at amortised cost, using the effective interest rate method.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets designated as at fair value through profit or loss. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term.

Investments are recognised and derecognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned.

Investments are measured initially and subsequently at fair value. Gains and losses arising from changes in fair value are included in profit or loss for the period.

Transaction costs are recognised in profit or loss. Dividend income is recognised in the statement of comprehensive income as part of other income when the Group's right to receive payment is established.

Listed financial instruments are valued using the last traded price before reporting date. No adjustments have been made to the last traded price.

Derivatives
Derivative financial instruments, which are not designated as hedging instruments, consisting of foreign exchange contracts are initially measured at fair value on the contract date, and are re-measured to fair value at subsequent reporting dates.

Changes in the fair value of derivative financial instruments are recognised in profit or loss as they arise.

Derivatives are classified as financial assets at fair value through profit or loss – held for trading.

1.9 TAX

Current tax assets and liabilities
Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities/(assets) for the current and prior periods are measured at the amount expected to be paid to/(recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax assets and liabilities
A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill; or
- the initial recognition of an asset or liability in a transaction which:
  - is not a business combination; and
  - at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax liability is recognised for all taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures, except to the extent that both of the following conditions are satisfied:

- the parent, investor or venturer is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that:

- is not a business combination; and
- at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint ventures, to the extent that it is probable that:

- the temporary difference will reverse in the foreseeable future; and
- taxable profit will be available against which the temporary difference can be utilised.

A deferred tax asset is recognised for the carry forward of unused tax losses and unused dividends tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused dividends tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses
Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.10 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

Finance leases – lessee
Items leased in terms of finance leases are recognised in the statement of financial position at amounts equal to the lower of the fair value of the leased items and the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of return on the remaining balance of the liability.

Leased assets are depreciated over the shorter of the lease term and the asset's useful life.

Operating leases – lessor
Operating lease income is recognised as an income on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Operating leases – lessee
Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Any contingent rents are expensed in the period they are incurred.

1.11 INVENTORIES

Inventories are measured at the lower of cost and net realisable value on the first-in first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories is recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs. The reversal cannot increase the carrying amount of the inventory above the carrying amount had no write-down been recognised initially.

Obsolete, redundant and slow moving items are identified on a regular basis and are written down to their estimated net realisable values.

1.12 NON-CURRENT ASSETS HELD FOR SALE

Non-current assets and disposal groups are classified as held-for-sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale (or disposal group) are measured at the lower of its carrying amount and fair value less costs to sell.

A non-current asset is not depreciated (or amortised) while it is classified as held-for-sale, or while it is part of a disposal group classified as held-for-sale. An impairment loss is recognised in profit or loss for any initial and subsequent write-down of the assets or disposal group to fair value less costs to sell. A gain for any subsequent increase in fair value less costs to sell is recognised in profit or loss to the extent that it is not in excess of the cumulative impairment loss previously recognised.

In addition, in order to be classified as non-current assets held-for-sale, the following criteria must be met:

- the assets (or disposal group) must be actively marketed for sale at a price that is reasonable in relation to its current fair value;
- actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

1.13 IMPAIRMENT OF ASSETS

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit; and
- then, to the other assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.14 SHARE CAPITAL AND EQUITY

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

If the Group reacquires its own equity instruments, the consideration paid, including any directly attributable incremental costs (net of income taxes) on those instruments are deducted from equity until the shares are cancelled or reissued. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Consideration paid or received shall be recognised directly in equity.

1.15 EMPLOYEE BENEFITS

Defined contribution plans
Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the Group's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Other employee benefits
Employee benefits in the form of annual leave entitlements are provided for when they accrue to employees with reference to services rendered up to statement of financial position date. The expense is recognised in the statement of comprehensive income of the period in which the employee renders the service.

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation. An accrual is maintained for the appropriate proportion of the expected bonuses which would become payable at the year-end.

1.16 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the Group has a present legal or constructive obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The discount rate is the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The discount rate does not reflect risks for which future cash flow estimates have been adjusted.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised.

1.17 REVENUE

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

Dividends are recognised, in profit or loss, when the Company's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.18 COST OF SALES

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

1.19 BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.20 TRANSLATION OF FOREIGN CURRENCIES

Foreign currency transactions
A foreign currency transaction is recorded, on initial recognition in rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in rands by applying to the foreign currency amount the exchange rate between the rand and the foreign currency at the date of the cash flow.

1.21 SEGMENTAL ANALYSIS

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 management.

Segment results include revenue and expenses directly attributable to a segment and the relevant portion of enterprise revenue and expenses that can be allocated on a reasonable basis to a segment, whether from external transactions with other Group segments. Segment results are determined before any adjustments for minority interests.

Segment assets and liabilities comprise the operating assets and liabilities that are directly attributable to the segment or can be allocated to the segment on a reasonable basis. Segment assets are determined after deducting related allowances that are reported as direct offsets in the Group’s statement of financial position. Capital expenditure represents the total costs incurred during the period to acquire segment assets that are expected to be used during more than one period, namely, property, plant and equipment, and intangible assets other than goodwill.

Business segments comprise:

- Fishing, being the Group’s fishing interests;
- Health Care, being the Group’s health-related manufacturing and wholesale;
- Technology Solutions, being the Group’s various information technology interests;
- Enterprise Development and Media, being the Group’s event management and travel agency interests;
- Biotechnology, being the Group’s research and development in the biotechnology interests; and
- Investments, being the Group’s interest in its controlled and non-controlled investments.

1.22 EARNINGS PER SHARE AND HEADLINE EARNINGS PER SHARE

Earnings per share is calculated on the weighted average number of shares in issue, net of treasury shares, in respect of the year and is based on profit attributable to ordinary shareholders. Headline earnings per share is calculated in terms of the requirements set out in Circular 02/2013 issued by SAICA.

1.23 TANGIBLE NET ASSET VALUE PER SHARE

The tangible net asset value per share is calculated on the weighted average number of shares in issue at the statement of financial position date and is based on equity attributable to ordinary shareholders net of goodwill and intangible assets.

1.24 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO EXISTING STANDARDS ISSUED THAT ARE NOT YET EFFECTIVE

At the date of authorisation of these annual financial statements, the following Standards and Interpretations and amendments were in issue but not yet effective.

The Group has elected not to early adopt standards issued not effective.

Standard	Details of amendments	Annual periods beginning on or after
IFRS 1: First-time Adoption of International Financial Reporting Standards	• Amendments add an exception to the retrospective application of IFRSs to require that first-time adopters apply the requirements in IFRS 9 Financial Instruments and IAS 20 Accounting for Government Grants and Disclosure of Government Assistance prospectively to government loans existing at the date of transition to IFRSs.	1 January 2013
	• Annual Improvements 2009–2011 Cycle amendments clarify the options available to users when repeated application of IFRS 1 is required and to add relevant disclosure requirements.	1 January 2013
	• Annual Improvements 2009–2011 Cycle amendments to borrowing costs.	1 January 2013
IFRS 7 Financial Instruments: Disclosures	• Amendments require entities to disclose gross amounts subject to rights of set-off, amounts set off in accordance with the accounting standards followed, and the related net credit exposure. This information will help investors understand the extent to which an entity has set off in its statement of financial position and the effects of rights of set-off on the entity's rights and obligations.	1 January 2015
IFRS 9: Financial Instruments	• New standard that forms the first part of a three-part project to replace IAS 39 Financial Instruments: Recognition and Measurement.	1 January 2015
IFRS 10 Consolidated Financial Statements	• New standard that replaces the consolidation requirements in SIC-12 Consolidation – Special Purpose Entities and IAS 27 Consolidated and Separate Financial Statements. Standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company and provides additional guidance to assist in the determination of control where this is difficult to assess.	1 January 2013
	• Amendments to the transition guidance of IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, thus limiting the requirements to provide adjusted comparative information.	1 January 2013
	• IFRS 10 exception to the principle that all subsidiaries must be consolidated. Entities meeting the definition of 'Investment Entities' must be accounted for at fair value under IFRS 9, Financial Instruments, or IAS 39, Financial Instruments: Recognition and Measurement.	1 January 2013
IFRS 11 Joint Arrangements	• New standard that deals with the accounting for joint arrangements and focuses on the rights and obligations of the arrangement, rather than its legal form. Standard requires a single method for accounting for interests in jointly controlled entities.	1 January 2013
	• Amendments to the transition guidance of IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, thus limiting the requirements to provide adjusted comparative information.	1 January 2013

Standard	Details of amendments	Annual periods beginning on or after
IFRS 12 Disclosure of Interests in Other Entities	• New and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles	1 January 2013
	• Amendments to the transition guidance of IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, thus limiting the requirements to provide adjusted comparative information.	1 January 2013
	• New disclosures required for Investment Entities (as defined in IFRS 10).	1 January 2013
IFRS 13 Fair Value Measurement	• New guidance on fair value measurement and disclosure requirements.	1 January 2013
IAS 1: Presentation of Financial Statements	• Annual Improvements 2009–2011 Cycle: Amendments clarifying the requirements for comparative information including minimum and additional comparative information required.	1 January 2014
IAS 16 Property, Plant and Equipment	• Annual Improvements 2009–2011 Cycle: Amendments to the recognition and classification of servicing equipment.	1 January 2013
IAS 19 Employee Benefits	• Amendments to the accounting for current and future obligations resulting from the provision of defined benefit plans.	1 January 2013
IAS 27 Consolidation and Separate Financial Statements – Revised	• Consequential amendments resulting from the issue of IFRS 10, 11 and 12.	1 January 2013
	• Requirement to account for interests in 'Investment Entities' at fair value under IFRS 9, Financial Instruments, or IAS 39, Financial Instruments: Recognition and Measurement, in the separate financial statements of a parent.	1 January 2014
IAS 28 Investments in Associates	• Consequential amendments resulting from the issue of IFRS 10, 11 and 12.	1 January 2013
IAS 32 Financial Instruments: Presentation	• Annual Improvements 2009–2011 Cycle: Amendments to clarify the tax effect of distribution. • Annual Improvements 2009–2011 Cycle: Amendments to clarify the tax effect of distribution to holders of equity instruments.	1 January 2013
IAS 34 Interim Financial Reporting	• Annual Improvements 2009–2011 Cycle: Amendments to improve the disclosures for interim financial reporting and segment information for total assets and liabilities.	1 January 2013
IAS 36 Impairment of Assets	• The amendment to IAS 36 clarifies the required disclosures of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.	1 January 2014

Interpretations	Annual periods beginning on or after
IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine.	1 January 2013
IFRIC Interpretation 21 Levies	1 January 2014

Genius Biotherapeutics is currently accounted for under IAS 28, Investments in Associates, and may be impacted by the adoption of IFRS 10 as it may be controlled under the new definition of control. Refer to note 6 on investments in associate for the estimated magnitude of potential value that may be consolidated.

IFRS 12 may result in increase disclosure of interest in other entities.

IFRS 13 may impact the measurement of fair values of investments in subsidiaries, associates and other financial assets.

The directors are in the process of assessing the impact that IFRS 12 and IFRS 13 may have on the Group's financial statements.

2. PROPERTY, PLANT AND EQUIPMENT

Group

	2013			2012		
	Cost R'000	Accumulated depreciation and impairments R'000	Carrying value R'000	Cost R'000	Accumulated depreciation and impairments R'000	Carrying value R'000
Buildings	3 361	(825)	2 536	3 361	(767)	2 594
Computer equipment	7 872	(6 220)	1 652	6 659	(5 416)	1 243
Computer software	826	(660)	166	767	(570)	197
Furniture and fixtures	5 043	(3 440)	1 603	4 478	(3 031)	1 447
Land	3 470	–	3 470	3 470	–	3 470
Leasehold improvements	16 559	(11 006)	5 553	15 962	(10 408)	5 554
Motor vehicles	3 558	(2 874)	684	2 895	(2 740)	155
Office equipment	1 432	(1 102)	330	1 379	(1 006)	373
Plant and machinery	128 979	(89 016)	39 963	131 629	(86 115)	45 514
Vessels	140 553	(69 620)	70 933	133 222	(58 269)	74 953
Total	311 653	(184 763)	126 890	303 822	(168 322)	135 500

Company

	2013			2012		
	Cost R'000	Accumulated depreciation and impairments R'000	Carrying value R'000	Cost R'000	Accumulated depreciation and impairments R'000	Carrying value R'000
Computer equipment	87	(87)	–	87	(87)	–
Computer software	33	(33)	–	33	(33)	–
Total	120	(120)	–	120	(120)	–

2. PROPERTY, PLANT AND EQUIPMENT (continued)

Reconciliation of property, plant and equipment
Group – 2013

	Opening balance R'000	Additions R'000	Additions through business combinations R'000	Disposals R'000	Transferred to non-current assets held for sale R'000	Depre-ciation R'000	Closing balance R'000
Buildings	2 594	–	–	–	–	(58)	2 536
Computer equipment	1 243	1 101	78	(17)	–	(753)	1 652
Computer software	197	43	–	–	–	(74)	166
Furniture and fixtures	1 447	468	57	(8)	–	(361)	1 603
Land	3 470	–	–	–	–	–	3 470
Leasehold improvements	5 554	597	–	–	–	(598)	5 553
Motor vehicles	155	769	–	–	–	(240)	684
Office equipment	373	52	–	–	–	(95)	330
Plant and machinery	45 514	100	–	–	(1 627)	(4 024)	39 963
Vessels	74 953	8 722	–	(1 108)	–	(11 634)	70 933
	135 500	11 852	135	(1 133)	(1 627)	(17 837)	126 890

Reconciliation of property, plant and equipment
Group – 2012

	Opening balance R'000	Additions R'000	Disposals R'000	Depre-ciation R'000	Closing balance R'000
Buildings	2 653	–	–	(59)	2 594
Computer equipment	1 719	817	(258)	(1 035)	1 243
Computer software	44	196	(5)	(38)	197
Furniture and fixtures	1 322	464	(22)	(317)	1 447
Land	3 470	–	–	–	3 470
Leasehold improvements	6 558	35	–	(1 039)	5 554
Motor vehicles	522	135	(296)	(206)	155
Office equipment	325	162	(1)	(113)	373
Plant and machinery	50 191	987	(75)	(5 589)	45 514
Vessels	76 639	9 481	(447)	(10 720)	74 953
	143 443	12 277	(1 104)	(19 116)	135 500

Reconciliation of property, plant and equipment
Company – 2012

	Opening balance R'000	Depre-ciation R'000	Closing balance R'000
Computer equipment	22	(22)	–
Computer software	3	(3)	–
	25	(25)	–

Pledged as security

Refer to notes 15 and 19 for further details on security provided over the above assets.

Capital commitments

Refer to note 38 for details relating to capital commitments.

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Assets subject to finance lease (carrying amount)				
Motor vehicles	333	94	–	–

3. GOODWILL

Group

	2013			2012		
	Cost R'000	**Accumulated impairment R'000**	**Carrying value R'000**	Cost R'000	Accumulated impairment R'000	Carrying value R'000
Goodwill	**51 802**	**(14 477)**	**37 325**	48 668	(14 477)	34 191

Reconciliation of goodwill
Group – 2013

	Opening balance R'000	**Additions through business combinations R'000**	**Total R'000**
Goodwill	**34 191**	**3 134**	**37 325**

Reconciliation of goodwill
Group – 2012

	Opening balance R'000	Total R'000
Goodwill	34 191	34 191

Goodwill acquired through business combinations has been allocated to individual cash-generating units for impairment testing as follows:

	2013 R'000	2012 R'000
Technology Solutions Division	**12 215**	9 081
Enterprise Development and Media Division	**4 788**	4 788
Health Care Division	**2 157**	2 157
Fishing Division	**18 165**	18 165
	37 325	34 191

Refer to note 24 for details of impairment testing.

Additional goodwill arose from the acquisition of 75% of World Wide Creative (Pty) Ltd in the Technology Solutions Division.

Refer to note 43 for details of the business combination.

4. INTANGIBLE ASSETS

Group

	2013			2012		
	Cost R'000	Accumulated amortisation and impairments R'000	Carrying value R'000	Cost R'000	Accumulated amortisation and impairments R'000	Carrying value R'000
Trademarks	**177**	**(88)**	**89**	18 177	(17 580)	597
Software development	**9 136**	**(9 065)**	**71**	13 375	(12 981)	394
Pharmaceutical dossiers	**34 000**	**(22 100)**	**11 900**	34 000	(20 400)	13 600
Fishing quotas	**1 217**	**(494)**	**723**	1 217	(166)	1 051
Total	**44 530**	**(31 747)**	**12 783**	66 769	(51 127)	15 642

Company

	2013			2012		
	Cost R'000	Accumulated amortisation and impairments R'000	Carrying value R'000	Cost R'000	Accumulated amortisation and impairments R'000	Carrying value R'000
Trademarks	**51**	**(16)**	**35**	51	(13)	38

Reconciliation of intangible assets
Group – 2013

	Opening balance R'000	Disposals R'000	Transferred to non-current assets held for sale R'000	Amortisation R'000	Total R'000
Trademarks	**597**	**–**	**(500)**	**(8)**	**89**
Software development	**394**	**(84)**	**–**	**(239)**	**71**
Pharmaceutical dossiers	**13 600**	**–**	**–**	**(1 700)**	**11 900**
Fishing quotas	**1 051**	**–**	**–**	**(328)**	**723**
	15 642	**(84)**	**(500)**	**(2 275)**	**12 783**

Reconciliation of intangible assets
Group – 2012

	Opening balance R'000	Additions R'000	Disposals R'000	Amortisation R'000	Impairment loss R'000	Total R'000
Trademarks	586	18	–	(7)	–	597
Software development	4 810	–	(625)	(3 516)	(275)	394
Pharmaceutical dossiers	15 300	–	–	(1 700)	–	13 600
Fishing quotas	–	1 217	–	(166)	–	1 051
	20 696	1 235	(625)	(5 389)	(275)	15 642

4. INTANGIBLE ASSETS (continued)

Reconciliation of intangible assets
Company – 2013

	Opening balance R'000	Amortisation R'000	Total R'000
Trademarks	**38**	**(3)**	**35**

Reconciliation of intangible assets
Company – 2012

	Opening balance R'000	Amortisation R'000	Total R'000
Trademarks	39	(1)	38

Other information

Trademarks

– The "New Promex" brand was purchased during the 2008 financial year. The useful life of the brand was assessed as being indefinite as it could not be determined when the economic benefits from this intangible asset would cease. The brand will be disposed of in the 2014 financial year.

– South Atlantic Lobster and Sea Diamond abalone brands are well established in the USA and Far East respectively. These brands are held in the Fishing Division.

All other patents and trademarks are internally generated.

Pharmaceutical dossiers
– 26 pharmaceutical dossiers are held by Sekpharma (Pty) Ltd which includes Betnovate, Dermovate and Fortum.

Software development costs
Software development costs consist of internally generated software and purchased software are held in the Health Care Division.

Fishing quotas
Fishing quotas are for commercial fishing rights purchased. These are held in the Fishing Division.

Intangibles with indefinite useful lives
An assessment of the recoverable amount of the "New Promex" was based on the fair value less cost to sell, which was based on an offer made to purchase the intangible along with related items of plant and equipment. The asset was found not to be impaired.

The average remaining useful life of intangibles are listed below:

– Software development costs have a remaining amortisation period of between one and ten years. Actual useful life: ten years.

– Patents and trademarks have a remaining amortisation period of between one and ten years. Actual useful life: ten years.

– Refer to note 24 for details on impairment tests.

5. INVESTMENTS IN SUBSIDIARIES

Company

The investments in subsidiaries have been designated as at fair value through profit and loss.

	2013 Carrying amount R'000	2012 Carrying amount R'000
Investment in subsidiaries	**766 664**	680 171

Subsidiaries with less than 50% voting powers held

The Group holds less than 50% of the issued share capital in Saratoga Software (Pty) Ltd. The Group has consolidated Saratoga Software (Pty) Ltd as it controls the company because of additional voting powers granted to the parent company in the shareholders' agreement. The effective holding in Saratoga Software (Pty) Ltd is 42.50% (2012: 42.50%).

	Company	
	2013 R'000	2012 R'000
Original cost of subsidiaries	**362 875**	357 375

Changes in ownership interest which did not result in loss of control

During the current year the Group purchased 20 065 542 additional shares in Sekunjalo Health Care Ltd from non-controlling interest, increasing ownership interest from 84.09% to 94.03%.

Reconciliation of financial assets at fair value through profit or loss measured at level 3

2013	Opening balance R'000	Additions R'000	Gains or losses in profit or loss R'000	Closing balance R'000
Investments in subsidiaries	**680 171**	**5 500**	**80 993**	**766 664**
2012				
Investments in subsidiaries	649 120	8 767	22 284	680 171

5. INVESTMENTS IN SUBSIDIARIES (continued)

Investments in subsidiaries	WACC 2013	WACC 2012
Fishing Division	17% – 22%	14% – 18%
Technology Solutions Division	24% – 26%	20% – 27%
Investments Division	18% – 20%	17% – 22%
Enterprise Development and Media Division	25% – 27%	22% – 24%
Target debt/equity ratio	0% – 50%	0% – 30%
Beta	1.00 – 1.50	1.00 – 1.50
Specific risk premium	2% – 10%	2% – 8%
Terminal growth rate	4% – 5%	4% – 5%

Financial assets at level 3

Increases and decreases in the assumptions will result in the following changes in the fair value of subsidiaries:

Impact of changes in assumptions – level 3	Change	2013 R'000	2012 R'000
Cost of debt	1%	8 939	6 165
Beta	0.1	21 389	20 245
WACC	1%	46 548	44 372
Specific risk premium	1%	36 786	34 579
Target debt/equity ratio	10%	39 025	36 733
Terminal growth rate	1%	26 369	25 034

Other

Details of subsidiaries are available from the company secretary. Refer to note 42 for the full list of subsidiaries.

Profits and losses of consolidated subsidiary companies attributable to the Company

	2013 R'000	2012 R'000
Aggregate profits after tax	96 835	46 714
Aggregate losses after tax	(48 352)	(25 606)

6. INVESTMENTS IN ASSOCIATES

	2013 Cost R'000	2013 Accumu-lated losses R'000	2013 Carrying amount R'000	2012 Cost R'000	2012 Accumu-lated losses R'000	2012 Carrying amount R'000
Investments in associates	**150 000**	**(37 618)**	**112 382**	150 000	(29 044)	120 956

The carrying amount of the associates is shown net of post-acquisition losses.

Genius Biotherapeutics
The Group holds its investment in Genius Biotherapeutics ("Genius") via African Biotechnological & Medical Innovation Investments (Pty) Ltd ("ABMI"). The investment is carried at cost due to the complexity of the technologies held when placing fair value on the investment.

The directors performed an IAS 36 impairment test on the carrying amount contained within these annual financial statements. A value-in-use calculation was performed to test the investment for impairment. Cash flows were forecast over a ten-year period after which they are expected to reach a terminal growth rate. Due to the developmental nature of the business, a period of five years and longer has been used for the expected cash flows from the utilisation of the assets.

The following assumptions were used:

Target debt/equity ratio:	60% – 75%
Beta:	1.2 – 1.5
Specific risk premium:	8% – 12%
Terminal growth:	4.5%
Weighted average cost of capital:	12% – 22.77%

Genius holds 22 global patents in the areas of novel technologies, infectious disease and cancer treatment. Genius started the final phase of pre-clinical trials for the Dendretric Cell Vaccines (DCVs) in partnership with the University of Cape Town. This project is jointly funded with the National Research Fund (NRF) and is expected to be completed within the next two years.

The erythropoietin cell culture facility was upgraded to meet Good Manufacturing Practice (GMP) standards for the production of Repotin to improve the efficiency of the facility. Management has embarked on further strategic initiatives to improve the marketability of the product.

A subsidiary of Genius, Ribotech (Pty) Ltd, has entered into a very dynamic phase of the project in the development of G-CSF, entailing the successful production of three consistent batches of biologically active G-CSF. The success of this research and development stage will lead to the commencement of the clinical testing phase.

Summary of Group's interest in associates

	2013 R'000	2012 R'000
Total assets	**24 576**	28 645
Total liabilities	**(73 937)**	(60 765)
Revenue	**8 273**	8 729
Loss	**(16 210)**	(17 979)

Investments with more than 20% holding not considered as significant influence
The Group holds a 30% equity interest in British Telecom Communication Services South Africa (Pty) Ltd. The Group also holds a 25% voting rights (5% equity interest) in Saab South Africa (Pty) Ltd. These investment are not accounted for as associates as the Group does not have significant influence as stipulated in the shareholders' agreement. The directors were appointed mainly to serve in an advisory capacity and they provide guidance to their foreign counterparts about how business operates in South Africa. The directors are not involved in the day-to-day operational activities of these investments.

7. INVESTMENT IN JOINT VENTURES

Summary of Group's interest in joint ventures

	2013 R'000	2012 R'000
Jointly controlled entities		
Non-current assets	**37**	335
Non-current liabilities	**(703)**	(703)
Current assets	**278**	1 468
Current liabilities	**(387 216)**	(345 698)
Revenue	**687**	305
Operating expenses	**(82 204)**	(19 689)
Loss for the year	**(82 118)**	(19 310)
Jointly controlled operations		
Non-current assets	**57**	116
Non-current liabilities	**(18)**	(46)
Current assets	**423**	919
Current liabilities	**(32)**	(226)
Revenue	**22 255**	19 382
Cost of sales	**(16 138)**	(14 746)
Other operating income	**84**	162
Operating expenses	**(2 008)**	(1 408)
Finance income	**34**	28
Profit for the year	**4 227**	3 417

Fair value
The fair value of investments in joint ventures is determined on the same basis as investments in subsidiaries. Refer to note 5 for details on assumptions and methods used to determine fair value.

Unrecognised share of losses of equity accounted joint ventures
The group has discontinued recognising its share of the losses of AmetHst (Pty) Ltd, as the investment is held at Rnil (2012: Rnil) and the Group has no obligation for any losses of the joint venture. The total unrecognised losses for the current period amount to R41 084 778 (2012: Rnil). The accumulated unrecognised losses to date amount to R193 545 549 (2012: R152 460 771).

8. LOANS TO/(FROM) GROUP COMPANIES

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Loans to/(from) Group companies				
Loans from subsidiaries	–	–	(18 848)	(57 876)
	–	–	136 498	186 867
Loans to subsidiaries	–	–	232 875	267 861
Impairments of loans to subsidiaries	–	–	(96 377)	(80 994)
Total	–	–	117 650	128 991
Non-current assets	–	–	91 486	174 430
Current assets	–	–	45 012	8 329
Non-current liabilities	–	–	(18 848)	(43 680)
Current liabilities	–	–	–	(10 088)
	–	–	117 650	128 991
The loans are all unsecured and have no fixed terms of repayment.				
Payment has been deferred for 12 months from the statement of financial position date as follows:				
– Loans from subsidiaries	–	–	(18 848)	(53 768)
– Loans to subsidiaries	–	–	232 875	263 753
	–	–	214 027	209 985

Credit quality of loans to group companies
The loans are advanced to Group companies for either capital investment or working capital needs. All advances are in line with approved divisional budgets. The risk of default is therefore based on the success of divisional trading.

Other than loans that have been impaired which have low credit quality, credit quality on all other loans is considered to be high.

Fair value of loans to and from Group companies
The carrying value of the above loans approximates fair value and the amount demandable for the loans.

Reconciliation of provision for impairment of loans to Group companies	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Opening balance	–	–	80 994	96 952
Provision for impairment	–	–	43 428	57
Amounts written off as uncollectable	–	–	–	(2 394)
Reversal of previously impaired loans	–	–	(28 045)	(13 621)
	–	–	96 377	80 994

8. LOANS TO/(FROM) GROUP COMPANIES (continued)

	Group		Company	
	2013 R'000	2012 R'000	**2013 R'000**	2012 R'000
Loans are impaired to the extent to which the recoverability of the loan in a five-year period cannot be demonstrated to the satisfaction of the directors of the Company.				
The recoverable amount was determined by projecting estimated future cash flows and discounting them at the original effective interest rate.				
The following assumptions were used:				
– Pre-tax discount rates 10.5%				
– Number of years – five years				
Applicable rates				
Interest-free	**–**	–	**131 934**	87 025
Prime overdraft rate	**–**	–	**(7 191)**	(10 165)
Prime overdraft plus 1%	**–**	–	**68 753**	–
Prime overdraft less 2%	**–**	–	**–**	(10 088)
Prime overdraft plus 3%	**–**	–	**18 810**	143 214
Prime overdraft plus 5%	**–**	–	**1 721**	–
Loans subordinated				
Loans amounting to R223 610 808 (2012: R181 912 914) have been subordinated until such time as the assets of the counterparty fairly valued exceed the liabilities fairly valued.				

9. OTHER LOAN RECEIVABLES

	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Interest-bearing loans	**69 159**	24 355	**–**	–
The loans are unsecured, accrue interest at the prime overdraft interest rate plus 3% and have no fixed terms of repayment. Payment has been deferred for 12 months from statement of financial position date.				
Non-interest-bearing loans	**34 755**	34 101	**4 231**	2 902
The loans are unsecured and are repayable within 12 months from statement of financial position date.				
	103 914	58 456	**4 231**	2 902
Impairment of loans	**(62 876)**	(31 670)	**(3 681)**	(2 902)
	41 038	26 786	**550**	–
Non-current assets	**38 763**	25 322	**–**	–
Current assets	**2 275**	1 464	**550**	–
	41 038	26 786	**550**	–

Credit quality of loans receivable

The credit quality of loans receivable that are neither past due nor impaired is assessed by reference to historical information about counterparty default rates. No defaults have occurred in the past. Credit quality is considered to be high for interest-bearing loans and low for non-interest-bearing loans.

Fair value of loans receivable

The carrying value of the loans approximates fair value as market-related interest rates are charged on outstanding amounts. Non-interest-bearing loans have been impaired to the recoverable amount which approximates the fair value of the amounts receivable.

Subordination

Loans amounting to R68 753 315 (2012: R24 354 976) have been subordinated until such time as the assets of the counterparty fairly valued exceed the liabilities fairly valued.

9. OTHER LOAN RECEIVABLES (continued)

Reconciliation of provision for impairment of loans receivable

	Group		Company	
	2013 R'000	2012 R'000	**2013 R'000**	2012 R'000
Opening balance	**31 670**	30 575	**2 902**	1 807
Additional impairments	**779**	1 095	**779**	1 095
	32 449	31 670	**3 681**	2 902

Loans receivable are impaired to the extent to which recoverability of the asset over a five-year period cannot be demonstrated to the satisfaction of the directors of the Group.

10. OTHER FINANCIAL ASSETS

	Group		Company	
	2013 R'000	2012 R'000	**2013 R'000**	2012 R'000
At fair value through profit or loss – designated				
Investments in unlisted public companies	**2 106**	2 106	**2 106**	2 106
Investment in unlisted private companies	**252 928**	227 648	**31 800**	31 296
Investment in listed public companies	**125 610**	84 697	**–**	–
Total investments at fair value through profit and loss	**380 644**	314 451	**33 906**	33 402
Non-current financial assets				
At fair value through profit or loss – designated	**380 644**	314 451	**33 906**	33 402

Fair value information

Financial assets at fair value through profit or loss are recognised at fair value, which is therefore equal to their carrying amounts.

Where quoted market prices are not available, valuation techniques are used to determine fair value, as explained below.

Other than Investments in listed public companies, there is currently no active market for the financial assets held, and no recent transactions have been identified which are considered to be comparable to the financial assets held.

As quoted market prices are not available, valuation techniques are used to determine fair value. A discounted cash flow analysis, incorporating a terminal value calculation, has been employed to calculate the fair value. The future cash flows of the entity have been predicted using currently observable operating trends and future budgets. Once determined, the future cash flows have been discounted at an appropriate weighted average cost of capital to the present to determine the fair value.

The valuation technique is consistent with the method employed in the prior year.

This technique incorporates all factors that market participants would consider in setting a price for the financial assets held, and is consistent with accepted economic methodologies for pricing financial instruments.

10. OTHER FINANCIAL ASSETS (continued)

Fair value hierarchy of financial assets at fair value through profit or loss

Level 1 – Quoted prices available in active markets for identical assets or liabilities;
Level 2 – Inputs used, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly
Level 3 – Fair value determined by valuation that uses inputs that are not based on observable market data

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
The following financial instruments are measured at fair value:				
Level 1				
Investments in listed public companies	125 610	84 697	–	–
Level 3				
Investments in unlisted public companies	2 106	2 106	2 106	2 106
Investments in unlisted private companies	252 928	227 648	31 800	31 296
	255 034	229 754	33 906	33 402
	380 644	314 451	33 906	33 402

Reconciliation of financial assets at fair value through profit or loss measured at level 3
Group – 2013

	Opening balance R'000	Gains or losses in profit or loss R'000	Closing balance R'000
Investments in unlisted public companies	2 106	–	2 106
Investments in unlisted private companies	227 648	25 280	252 928
	229 754	25 280	255 034

Reconciliation of financial assets at fair value through profit or loss measured at level 3
Group – 2012

	Opening balance R'000	Gains or losses in profit or loss R'000	Purchases R'000	Closing balance R'000
Investments in unlisted public companies	2 106	–	–	2 106
Investments in unlisted private companies	194 562	33 053	33	227 648
	196 668	33 053	33	229 754

10. OTHER FINANCIAL ASSETS (continued)

Reconciliation of financial assets at fair value through profit or loss measured at level 3
Company – 2013

	Opening balance R'000	Gains or (losses) in profit or loss R'000	Closing balance R'000
Investments in unlisted public companies	2 106	–	2 106
Investments in unlisted private companies	31 297	503	31 800
	33 403	503	33 906

Reconciliation of financial assets at fair value through profit or loss measured at level 3
Company – 2012

	Opening balance R'000	Closing balance R'000
Investments in unlisted public companies	2 106	2 106
Investments in unlisted private companies	31 297	31 297
	33 403	33 403

Total gains or losses for the year included in profit or loss for assets held at the end of the reporting year

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Investments in unlisted private companies	25 280	33 053	–	–
Investments in listed public companies	40 913	(2 972)	–	–
	66 193	30 081	–	–

Impact of changes in assumptions – level 3

Significant assumptions	Target debt/equity ratio	Beta	WACC	Specific risk premium	Terminal growth rate
As at 31 August 2013					
Investments in unlisted public companies	20%	1	14%–20%	2%–6%	4.50%
Investment in unlisted private companies	30%	1.30–1.50	18%–23%	2%–9%	4.50%
As at 31 August 2012					
Investments in unlisted public companies	30%	1.10	14%–18%	2%–4%	4.50%
Investment in unlisted private companies	30%	1.30–1.50	18%–22%	2%–8%	4.50%

Increases or decreases in the assumptions will result in the following changes:

		Group		Company	
	Change	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Interest rates	1%	2 669	1 737	–	–
Beta	0.1	6 104	6 915	–	–
WACC	1%	14 109	14 364	–	–
Specific risk premium	1%	11 124	11 741	–	–
Target debt/equity ratio	10%	13 577	14 223	–	–
Terminal growth rate	1%	7 409	5 004	–	–

11. DEFERRED TAX

	Group		Company	
	2013 R'000	2012 R'000	**2013 R'000**	2012 R'000
Deferred tax asset/(liability)				
Accelerated capital allowances on property, plant and equipment	**(24 724)**	(25 215)	**–**	–
Provisions	**4 458**	5 062	**165**	598
Prepaid expenses	**(811)**	(976)	**–**	–
Tax losses available for set-off against future income	**10 999**	17 419	**–**	72
Income received in advance	**2 042**	2 103	**59**	–
Fair value adjustments on investments	**(76 875)**	(64 448)	**(6 311)**	(6 217)
Shipping allowances	**(18 608)**	(21 125)	**–**	–
Biological assets	**(11 704)**	(10 790)	**–**	–
Fair value adjustments on subsidiaries	**–**	–	**(100 127)**	(85 009)
	(115 223)	(97 970)	**(106 214)**	(90 556)
Reconciliation of deferred tax asset/(liability)				
At beginning of the year	**(97 970)**	(77 320)	**(90 556)**	(60 727)
Reduction due to rate change	**–**	(14 031)	**–**	–
Accelerated capital allowances on property plant and equipment	**491**	1 572	**–**	–
Tax losses available for set-off against future taxable income	**(13 502)**	(668)	**(72)**	(2 825)
Provisions	**(604)**	(303)	**(433)**	(1 078)
Prepaid expenses	**165**	(276)	**–**	–
Fair-value adjustments on subsidiaries	**–**	–	**(15 118)**	(24 372)
Income received in advance	**(61)**	1 836	**59**	–
Fair value on other investments	**(5 345)**	(6 272)	**(94)**	(1 554)
Shipping allowances	**2 517**	(1 491)	**–**	–
Biological assets	**(914)**	(1 017)	**–**	–
	(115 223)	(97 970)	**(106 214)**	(90 556)
The total unutilised tax credits in the Group not raised as deferred tax assets amounted to R24 207 450 (2012: R24 475 799).				
Deferred tax asset	**17 498**	25 219	**224**	670
Deferred tax liability	**(132 721)**	(123 189)	**(106 438)**	(91 226)
	(115 223)	(97 970)	**(106 214)**	(90 556)

12. INVENTORIES

	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Raw materials	**1 697**	1 665	**–**	–
Finished goods	**8 603**	6 128	**–**	–
Merchandise	**3 568**	4 739	**–**	–
Consumables	**3 897**	5 319	**–**	–
	17 765	17 851	**–**	–

Inventory pledged as security

Inventories with a carrying amount of R13 821 161 (2012: R12 970 612) were pledged as security for overdraft facilities of R34 856 000 (2012: R47 856 000) of the Group. At year-end the overdraft amounted to R1 214 645 (2012: R6 567 088) (refer to note 15).

13. BIOLOGICAL ASSETS

Reconciliation of biological assets
Group – 2013

	Opening balance R'000	Disposals R'000	Changes in fair value, births and deaths R'000	Total R'000
Abalone	**38 537**	**(31 146)**	**34 407**	**41 798**

Reconciliation of biological assets
Group – 2012

	Opening balance R'000	Disposals R'000	Gains or losses arising from changes in fair value R'000	Total R'000
Abalone	34 903	(21 235)	24 869	38 537

Non-financial information	**Group**	
Quantities on hand at year-end	**2013**	2012
Abalone (kilograms)	**89 718**	109 149

Pledged as security

The total carrying value of biological assets is pledged as security to Absa Bank Limited. Refer to note 19 for further details.

Methods and assumptions used in determining fair value

Abalone fair value is determined by using market values of each class of abalone size. All selling costs are excluded from fair values.

14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2013 R'000	2012 R'000	**2013 R'000**	2012 R'000
Trade receivables	**58 490**	67 270	**599**	7 893
Prepayments	**3 785**	4 018	**42**	–
Value added tax	**3 168**	4 927	**–**	577
Other receivables	**5 054**	1 219	**42**	–
	70 497	77 434	**683**	8 470

Trade and other receivables pledged as security
Trade and other receivables with a carrying amount of R24 866 793 (2012: R26 063 951) were pledged as security for overdraft facilities of R39 856 000 (2012: R47 000 000) of the Group.

Credit quality of trade receivables
Thirty four per cent of the Group's trade receivables stem from sales within the Fishing Division. This division performs ongoing credit evaluations of the financial position of their customers. Before a new customer is approved for credit, a thorough credit check is performed by an independent external credit agency. The agency provides credit scores and credit ratings on each of their customers. In addition to this, a recommended credit limit is provided by the credit agency. Additional internal ratings and credit limit checklist procedures are performed by management and the Company's directors before a final credit limit is approved to their customers. The credit quality of trade and other receivables that are neither past due nor impaired is assessed by management, based on historical information about counterparty default ratings if available. Any customers that have exceeded their credit limit may not purchase goods unless full payment has been received from them. Over fifty per cent of the division's sales are to foreign customers, the bulk of which pay in advance. The remainder normally get 60-day terms. Credit risk is low.

Fifty five per cent of the Group's trade receivables stem from sales within the Technology Solutions Division. Sixty six per cent of these sales stem from Health Systems Technologies (Pty) Ltd. Health Systems Technologies (Pty) Ltd sales are predominantly to state institutions. Recoverability from these customers is extremely good. The credit risk has been assessed as low by the divisional management at year-end based on recent credit payment history. Thirty three per cent of sales within this division are largely concentrated to blue-chip companies. The credit risk on the trade receivables balance was assessed by divisional management and is deemed to be low. Credit concentration is high as sales are to few customers. However, these are blue-chip customers and there have been low defaults in the past.

Four per cent of the Group's trade receivables stem from sales within the Health Care Division. The outstanding balance consists predominantly of amounts owed to Sekpharma (Pty) Ltd. The credit risk has been assessed as low by the divisional management at year-end based on recent payment history.

The Enterprise Development and Media Division contributes seven per cent of the Group's trade receivables, of which ninety two per cent stem from sales within Tripos Tourism Investments (Pty) Ltd. The nature, terms and conditions of sales made by the travel agent mitigate the risk of bad debt. The balance is from espAfrika (Pty) Ltd in respect of festivals managed locally. Credit quality of foreign debtors in espAfrika (Pty) Ltd has been assessed as low as some amounts have not been recovered. Ongoing evaluation of all the debtors takes place. On an overall basis, with the exception of foreign debtors in espAfrika (Pty) Ltd which were impaired in the prior year due to none payment, credit risk has been assessed as low by the divisional management.

The balance is the aggregate of trade debtors in the smaller group companies. Ongoing evaluation of the debtors takes place. The credit risk has been assessed as low by the divisional management.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group customer base consists of both foreign and local trade debtors.

Fair value of trade and other receivables
The fair value of trade and other receivables approximates their carrying value due to the short-term nature.

14. TRADE AND OTHER RECEIVABLES (continued)

Trade receivables past due but not impaired

Trade and other receivables which are less than three months past due are not considered to be impaired. At 31 August 2013, R8 948 244 (2012: R11 287 645) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
One month past due	**5 617**	4 370	**–**	–
Two months past due	**1 530**	5 343	**–**	–
Three months past due	**1 801**	1 575	**–**	–
Over 6 months	**6 729**	6 244	**–**	–
Currencies				
The carrying amount of trade and other receivables are denominated in the following currencies:				
Rand	**63 558**	70 815	**–**	–
US dollar	**6 939**	6 531	**–**	–
Other	**–**	88	**–**	–
Reconciliation of provision for impairment of trade and other receivables				
Opening balance	**6 244**	2 055	**402**	402
Provision for impairment	**633**	6 244	**–**	–
Reversal of prior year provision	**(148)**	(2 055)	**–**	–
	6 729	6 244	**402**	402

The creation and release of the provision for impairment of trade and other receivables have been included in operating expenses in profit and loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash from debtors.

The maximum exposure to credit risk at the reporting date is the fair value of trade and other receivables. The Group does not hold any collateral as security.

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

	Group		Company	
	2013 R'000	2012 R'000	**2013 R'000**	2012 R'000
Cash on hand	**192**	117	**2**	–
Bank balances	**42 117**	46 136	**6 105**	10 296
Bank overdraft	**(1 214)**	(6 567)	**(1)**	(6 402)
	41 095	39 686	**6 106**	3 894
Current assets	**42 309**	46 253	**6 107**	10 296
Current liabilities	**(1 214)**	(6 567)	**(1)**	(6 402)
	41 095	39 686	**6 106**	3 894

The bank overdrafts in the group are secured by:

- Unlimited suretyships by Premfresh Seafoods (Pty) Ltd, supported by a cession of loan accounts;
- Unlimited suretyships by Marine Growers (Pty) Ltd, supported by a cession of loan accounts;
- Unlimited suretyships by Sekunjalo Health Care Ltd;
- Unlimited suretyships by Sekunjalo Properties (Pty) Ltd;
- Unlimited suretyships by Sekunjalo Industrial Holdings (Pty) Ltd;
- Unlimited suretyships by Sekunjalo Food and Fishing (Pty) Ltd;
- Unlimited suretyships by Wynberg Pharmaceuticals (Pty) Ltd;
- Unlimited suretyships by Health Systems Technologies (Pty) Ltd;
- Unlimited suretyships by Premier Fishing SA (Pty) Ltd;
- Unlimited suretyships by Sekunjalo Investments Ltd;
- Negative pledge of assets by Sekunjalo Investments Ltd;
- pledge and cession of shares in Sekunjalo Health Care Ltd and cession of USD CFC account held by Premier Fishing SA (Pty) Ltd;
- Cession of loan account by Sekunjalo Health Care Ltd and Health Systems Technologies (Pty) Ltd;
- Cession of debtors by Premier Fishing SA (Pty) Ltd;
- First Maritime Bond for R37 357 500 by Premier Fishing SA (Pty) Ltd over marine vessels with a carrying amount of R35 844 692;
- First Special Notarial Bond for R3 450 000 by Premier Fishing SA (Pty) Ltd over marine vessels with a carrying amount of R3 332 333;
- General Notarial Bond Number BN23803/2008 for R50 000 000 by Premier Fishing SA (Pty) Ltd over stock with a carrying value of R13 821 161, movable assets, plant and equipment and vessel equipment to the value of R120 036 051;
- First continuous covering mortgage bond by Premier Fishing SA (Pty) Ltd for R10 000 000 over erf 11, St. Helena Bay;
- Cession of loan account by Premfresh Seafoods (Pty) Ltd and Marine Growers (Pty) Ltd in Premier Fishing SA (Pty) Ltd to Absa Bank Limited;
- Premier Fishing (Pty) Ltd has entered into a negative pledge undertaking with Absa Bank Limited not to increase external borrowings without consent or approval;
- Golf 7.2 TDI Highline DSG.

Guarantees are as follows:

- Eskom: R4 156
- Customs and Excise: R120 000
- Perishable Product Expenditure Control Board: R4 000
- Nedbank: R182 000
- South African Revenue Service: R10 000
- Overstrand Municipality: R10 000
- Chevron South Africa (Pty) Ltd: R3 000 000
- Cash security of R750 000 in respect of a guarantee issued in favour of First National Bank Limited for AmetHst (Pty) Ltd;
- Other securities: Cession of Nedbank call counts and agreement to set off current account and foreign advance accounts.

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The Sekunjalo Investments Ltd Group limits its exposure to credit risk through dealing with well-established financial institutions with high credit standing and thus management does not expect any counterparty to fail to meets its obligations.

16. DISCONTINUED OPERATIONS AND DISPOSAL GROUPS HELD FOR SALE

The Group decided to dispose of assets that are no longer in use in the Health Care Division, as the operations utilising these assets were discontinued in 2008.

Below is a summary of the assets held for sale.

	Group		Company	
	2013 R'000	2012 R'000	**2013 R'000**	2012 R'000
Assets and liabilities				
Non-current assets held for sale				
Property, plant and equipment	**1 627**	–	**–**	–
Intangible assets	**500**	–	**–**	–
	2 127	–	**–**	–
No impairments were recognised in respect of the items listed above.				

17. SHARE CAPITAL AND SHARE PREMIUM

	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Authorised				
10 000 000 "A" class ordinary shares of 1 cent each (unlisted)	**100**	100	**100**	100
1 000 000 000 "B" class ordinary shares of 0.002 cents each (listed)	**20**	20	**20**	20
1 000 "A" class convertible redeemable cumulative preference shares of 100 cents each	**1**	1	**1**	1
10 000 000 "B" class redeemable preference shares of 0.998 cents each	**100**	100	**100**	100
	221	221	**221**	221
Issued				
2 000 000 "A" class ordinary shares of 1 cent each	**20**	20	**20**	20
489 339 484 "B" Class ordinary shares of 0.002 cents each	**10**	10	**10**	10
Share premium	**403 147**	403 147	**403 147**	403 147
	403 177	403 177	**403 177**	403 177
"A" class ordinary shares carry five hundred votes per share and "B" class shares carry one vote per share.				

18. RESERVES

	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Capital Redemption Reserve Fund	**8 034**	8 034	**–**	–
Revaluation reserve	**113 160**	113 160	**–**	–
	121 194	121 194	**–**	–

The capital redemption reserve fund arose when a subsidiary had a share buy-back in prior years.

The investment revaluation reserve relates to a change in significant influence in Genius Biotherapeutics when significant influence was exercised for the first time in 2007. This investment was initially accounted at fair value through profit and loss and is currently carried at cost less accumulated post-acquisition associate losses. The previous cumulative fair value gains which were accounted for at fair value through profit and loss were transferred out of retained income into this reserve as a result of this change in significant influence. These will be cleared out of this reserve and be transferred to retained income when the investment is realised.

19. OTHER FINANCIAL LIABILITIES

	Group		Company	
	2013 R'000	2012 R'000	**2013 R'000**	2012 R'000
Held at amortised cost				
Bank borrowings	**8 396**	11 989	**–**	–
The borrowings accrue interest linked to the prime overdraft interest rate and are repayable in monthly instalments over a five-year period.				
Borrowings from other financial institutions	**10 070**	5 113	**–**	–
The borrowings accrue interest linked to the prime overdraft interest rate and are secured as follows: – A joint and several limited suretyship provided by Sekunjalo Investments Limited and other parties – Cession of uncumbered current and future bank balances and debtors – Cession and pledge of all shares in espAfrika (Pty) Ltd by Sekunjalo Media (Pty) Ltd				
Redeemable cumulative preference shares	**99 245**	103 275	**–**	–
The A preference shares to Rand Merchant Bank accrue interest at 82.5% of the prime overdraft interest rate. The B preference shares to Pioneer Food Group Limited accrue interest at 99% of the prime overdraft interest rate. For the preference shares to British Telecom SA (Pty) Ltd, interest is calculated using 150bps above the Johannesburg Interbank Agreed Rate adjusted for dividends withholding tax rate.				
Loan from shareholder	**61 053**	41 853	**61 053**	41 853
The loan accrues interest at the prime overdraft interest rate plus 3%. The loans are repayable over two years.				
Other borrowings	**9 339**	5 503	**576**	622
	188 103	167 733	**61 629**	42 475
Non-current portion of financial liabilities	**149 239**	129 949	**45 250**	15 163
Current portion of financial liabilities	**38 864**	37 784	**16 379**	27 312
	188 103	167 733	**61 629**	42 475
Secured	**178 283**	163 203	**61 053**	41 853
Unsecured	**9 820**	4 530	**576**	622
	188 103	167 733	**61 629**	42 475

19. OTHER FINANCIAL LIABILITIES (continued)

The following represents the carrying value of the security for those borrowings:

	Group		Company	
	2013 R'000	2012 R'000	**2013 R'000**	2012 R'000
Property, plant and equipment	**74 012**	78 215	**–**	–
Biological assets	**41 798**	38 537	**–**	–
Trade and other receivables	**26 794**	29 824	**–**	–
Cash and cash equivalents	**4 446**	–	**–**	–
	147 050	146 576	**–**	–
Floating rates	**94 946**	85 230	**61 053**	42 264
Fixed rates	**86 672**	81 556	**–**	–
Interest-free	**6 484**	947	**576**	211
Weighted average effective interest rate	**10.82%**	11.47%	**15.09%**	16.79%

As at 31 August 2013, the carrying amount of borrowings approximates their fair value. Non-current interest-free borrowings approximate the amount demandable.

There were no loan defaults during the year.

20. FINANCE LEASE OBLIGATION

	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Minimum lease payments due				
– within one year	**216**	51	**–**	–
– in second to fifth year inclusive	**37**	–	**–**	–
	253	51	**–**	–
Less: future finance charges	**(11)**	–	**–**	–
Present value of minimum lease payments	**242**	51	**–**	–
Present value of minimum lease payments due				
– within one year	**206**	51	**–**	–
– in second to fifth year inclusive	**36**	–	**–**	–
	242	51	**–**	–
Non-current liabilities	**36**	–	**–**	–
Current liabilities	**206**	51	**–**	–
	242	51	**–**	–

It is Group policy to purchase certain motor vehicles under finance leases.

The average lease term is two years and the average effective borrowing rate is 7% (2012: 9%).

Interest rates are linked to the prime bank overdraft interest rate at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

The Group's obligations under finance leases are secured by the lessor's charge over the leased assets. Refer to note 2.

Defaults and breaches

There were no defaults during the year under review.

21. PROVISIONS

Reconciliation of provisions
Group – 2013

	Opening balance R'000	Additions R'000	Utilised during the year R'000	Reversed during the year R'000	Total R'000
Profit warranties	–	2 306	–	–	2 306
Provision for leave pay	6 029	3 369	(2 413)	(1 104)	5 881
Provision for salary bonuses	6 047	4 084	(3 282)	(860)	5 989
Product warranties	1 324	–	–	(1 324)	–
Other provisions	3 366	5 594	(1 767)	–	7 193
	16 766	15 353	(7 462)	(3 288)	21 369

Reconciliation of provisions
Group – 2012

	Opening balance R'000	Additions R'000	Utilised during the year R'000	Reversed during the year R'000	Total R'000
Provision for leave pay	4 843	4 041	(2 559)	(296)	6 029
Provision for salary bonuses	10 902	5 782	(10 637)	–	6 047
Product warranties	1 324	–	–	–	1 324
Other provisions	2 070	1 891	(488)	(107)	3 366
	15 353	11 714	(13 684)	(403)	16 766

Reconciliation of provisions
Company – 2013

	Opening balance R'000	Utilised during the year R'000	Reversed during the year R'000	Total R'000
Provision for leave pay	1 352	(144)	(883)	325
Provision for salary bonuses	785	–	(785)	–
	2 137	(144)	(1 668)	325

Reconciliation of provisions
Company – 2012

	Opening balance R'000	Additions R'000	Utilised during the year R'000	Total R'000
Provision of leave pay	987	365	–	1 352
Provision for salary bonuses	5 000	785	(5 000)	785
	5 987	1 150	(5 000)	2 137

Profit warranties are provisions relating to the acquisition of investments where there are contingent payments based on profit targets.

Employee benefits in the form of annual leave entitlements are provided for when they accrue to employees with reference to services rendered up to reporting date and the Group's leave policy. The above provisions represent management's best estimate of the Group's liability based on prior experience.

Product warranties comprise potential debtor claims as a result of the suspension of a government tender for HIV rapid diagnostic strips. The above provision represents management's best estimate of the liability based on the amount of cancelled sales. This has been reversed as it has been more than three years since the last payment and there has been no communication to or from the creditor.

The provision for bonuses is provided for when they accrue to employees with reference to services rendered up to the statement of financial position date. The provision represents management's best estimate of the Group's liabilities based on prior experience.

Other provisions comprise commission on exports, Competition Commission claims and claims made by South African Revenue Service over outstanding value added tax in dispute. The provision represents management's best estimate of the Group's liability based on expected cash flows.

22. TRADE AND OTHER PAYABLES

	Group		Company	
	2013 R'000	2012 R'000	**2013 R'000**	2012 R'000
Trade payables	**38 801**	43 728	**590**	10 713
Amounts received in advance	**19 426**	13 941	**209**	–
Value added tax	**3 154**	2 932	**552**	–
Accrued expenses	**10 559**	21 257	**1 049**	9 083
Other payables	**5 908**	3 948	**–**	90
	77 848	85 806	**2 400**	19 886

Fair value of trade and other payables

The carrying amount of trade and other payables approximates fair value due to their short-term nature.

23. REVENUE

	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Sale of goods	**337 537**	265 958	**–**	–
Rendering of services	**230 941**	188 143	**22 607**	19 953
Rental income	**720**	1 759	**–**	–
	569 198	455 860	**22 607**	19 953

24. IMPAIRMENT OF ASSETS

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Material impairment losses (recognised)/reversed				
Intangible assets	–	(275)	–	–
The impairment of the Enterprise Asset Management Software intangible asset was due to a decrease in the expected returns over the remaining useful life. The recoverable amount was determined using a value-in-use calculation based on projected cash flows from forecast budgets approved by senior management covering the remaining useful life period.				
The following assumptions were used: Pre-tax discount rates: 8% – 10% Number of years: 3 Growth rate: 0% Weighted average cost of capital: 11% – 14%				
This impairment is in respect of an asset managed under the Sekunjalo Technology Solutions Group.				
Other financial assets	(32 913)	(1 095)	(779)	(1 095)
The impairment of the other financial assets mainly relates to loans advanced to Genius Biotherapeutics. The recoverable amount was determined by performing an annual cash flow forecast over a five-to-ten-year period. This process forms the basis of testing the recoverability of loans advanced to the associate company.				
The recoverable amount was based on its value in use. The following assumptions were used: Pre-tax discount rates: 11% – 14% Number of years: 10 Growth rate: 4.5% Weighted average cost of capital: 12% – 22.77%				
Loans to group companies	–	–	(43 428)	–
The group performs annual cash flow forecasts for its subsidiaries (cash-generating units) over a five-year period. This process forms the basis of testing the recoverability of loans advanced to group companies.				
The recoverable amounts for the loans to Sekunjalo Media Holdings (Pty) Ltd, Sekpharma (Pty) Ltd and African Biotechnology and Medical Innovation Investments (Pty) Ltd were less than the carrying amounts of the loans. The loans were therefore impaired.				
The recoverable value was based on its value in use, being the present value of expected cash inflows over a five-year period. The following assumptions were used: Pre-tax discount rates: 11% – 14% Number of years: 10 Growth rate: 4.5% Weighted average cost of capital: 12% – 22.77%				

24. IMPAIRMENT OF ASSETS (continued)

	Group		Company	
	2013 R'000	2012 R'000	**2013 R'000**	2012 R'000
Material impairment losses (recognised)/reversed				
Loans to group companies	**–**	–	**28 046**	13 564
The impairment reversal relates to the loans advanced to the Sekunjalo Health Care Group. The directors embarked on a restructuring of the Sekunjalo Group which resulted in the Sekunjalo Health Care Group acquiring the investment in the Saratoga Software Group. The recoverable amount of the Sekunjalo Health Care Group has increased as a result.				
A portion of the loan impairment was therefore reversed.				
The recoverable value was based on its fair value less cost to sell.				
Significant goodwill or significant intangible assets with indefinite useful lives	**–**	–	**–**	–
The Group performs an annual impairment test on goodwill based on cash-generating units ("CGU"). The recoverable amount for each CGU to which goodwill is allocated has been determined based on fair value less cost to sell of disposal using the discounted cash flow method. Goodwill has been allocated to each CGU as indicated in note 3. The following are the principal assumptions that were used to calculate the recoverable amounts for each CGU, based on past experience.				
Fishing Division				
Pre-tax discount rates: 21% (2012: 16%)				
Number of years: 5 (2012: 5)				
Growth rate: 4.5% (2012: 4.5%)				
Enterprise Development and Media Division				
Pre-tax discount rates: 26% (2012: 23%)				
Number of years: 5 (2012: 5)				
Growth rate: 4.5% (2012: 4.5%)				
Technology Solutions Division				
Pre-tax discount rates: 26% (2012: 23.5%)				
Number of years: 5 (2012: 5)				
Growth rate: 4.5% (2012: 4.5%)				
Health Care Division				
Pre-tax discount rates: 27% (2012: 23.1%)				
Number of years: 5 (2012: 5)				
Growth rate: 4.5% (2012: 4.5%)				
	(32 913)	(1 370)	**(16 161)**	12 469

25. PROFIT BEFORE TAX

Profit before taxation for the year is stated after accounting for the following:

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Operating lease charges				
Premises				
– Smoothed amounts	(7 553)	(6 506)	(3 579)	(2 387)
Equipment				
– Smoothed amounts	(144)	(286)	(4)	(117)
	(7 697)	(6 792)	(3 583)	(2 504)
Loss on sale of property, plant and equipment	(117)	(150)	–	–
Amortisation of intangible assets	(2 274)	(5 389)	(3)	(1)
Depreciation of property, plant and equipment	(17 837)	(19 116)	–	(25)
Employee costs	(116 170)	(99 517)	(5 895)	(7 492)
Fair value gain on biological assets	3 261	3 634	–	–
Impairment on intangible assets	–	(275)	–	–
Impairment on other financial assets	(32 913)	(1 095)	(779)	(1 095)
(Loss)/profit on exchange differences	(62)	1 409	–	–
(Reversal of impairment)/impairment on group loans	–	–	(28 046)	13 564

26. INVESTMENT REVENUE

	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Dividend revenue				
Listed public investments	1 844	700	–	–
Unlisted public investments	11 140	10 285	224	–
	12 984	10 985	224	–
Interest revenue				
Subsidiaries	–	–	8 970	15 284
Associate	5 693	5 055	–	–
Bank	390	710	3	30
Other interest	868	584	–	8
	6 951	6 349	8 973	15 322
	19 935	17 334	9 197	15 322

27. FAIR VALUE ADJUSTMENTS

	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Investment in subsidiaries	–	–	80 993	22 284
Other financial assets	66 193	30 081	503	–
	66 193	30 081	81 496	22 284

28. FINANCE COSTS

	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Group companies	–	–	1 432	842
Bank	4 433	5 155	668	941
Financial liabilities	8 290	4 470	–	–
Shareholder loans	7 200	7 029	7 200	7 029
Other interest paid	424	2 597	–	1 502
	20 347	19 251	9 300	10 314

29. TAXATION

	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Major components of the tax expense				
Current				
Local income tax – current period	10 786	8 790	1 467	–
Local income tax – recognised in current tax for prior periods	(72)	221	–	–
Secondary tax on companies	–	225	–	–
	10 714	9 236	1 467	–
Deferred				
Originating and reversing temporary differences	17 599	6 664	15 660	28 370
Changes in tax rates	–	14 031	–	1 459
	17 599	20 695	15 660	29 829
	28 313	29 931	17 127	29 829

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000

29. TAXATION (continued)

Various subsidiaries have incurred operating losses which result in losses for tax purposes. Deferred tax assets have been raised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

Reconciliation of the tax expense	%	%	%	%
Reconciliation between applicable tax rate and average effective tax rate				
Applicable tax rate	**28.00**	28.00	**28.00**	28.00
Effect of rate change	**–**	29.15	**–**	70.15
Effect of associate losses	**3.84**	5.36	**–**	–
Effect of capital gains inclusion	**(10.53)**	(5.83)	**(10.64)**	(4.42)
Exempt income	**(6.2)**	(6.39)	**(11.07)**	(7.42)
Permanent differences	**–**	–	**–**	(22.9)
Disallowable charges	**33.16**	11.90	**17.57**	–
	48.27	62.19	**23.86**	63.41

30. HEADLINE EARNINGS PER SHARE/DILUTED EARNINGS RECONCILIATION

		2013		2012	
		Gross R'000	Net R'000	Gross R'000	Net R'000
Earnings attributable to ordinary equity holders of the parent entity	IAS 33		**29 734**		17 953
Impairment of intangible assets	IAS 38/IAS 36	**–**	**–**	275	275
Losses/(Gains) on disposals of property, plant and equipment	IAS 16	**117**	**95**	150	122
Headline earnings			**29 829**		18 350
Weighted average number of shares ('000)			**489 339**		489 339
Fully diluted weighted average number of shares ('000)			**489 339**		489 339
Basic and diluted earnings per share (cents)			**6.08**		3.67
Headline and diluted headline earnings per share (cents)			**6.10**		3.75

31. CASH GENERATED FROM/(USED IN) OPERATIONS

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Profit before taxation	**58 665**	48 130	**71 773**	47 036
Adjustments for:				
Depreciation and amortisation	**20 112**	24 506	**3**	26
Loss on sale of assets	**117**	150	**–**	–
Income from equity accounted investments	**8 039**	9 211	**–**	–
Dividends received	**(12 984)**	(10 985)	**(224)**	–
Interest received	**(6 951)**	(6 349)	**(8 973)**	(15 322)
Finance costs	**20 347**	19 251	**9 300**	10 314
Fair value adjustments	**(66 193)**	(30 081)	**(81 496)**	(22 284)
Impairment loss	**32 913**	1 370	**44 207**	1 095
Impairment reversals	**–**	–	**(28 046)**	(13 564)
Movements in lease assets and accruals	**2 268**	(971)	**–**	–
Movements in provisions	**4 603**	(2 372)	**(1 812)**	(3 850)
Changes in working capital:				
Inventories	**86**	134	**–**	–
Trade and other receivables	**4 986**	19 166	**7 787**	(3 868)
Biological assets	**(3 261)**	(3 634)	**–**	–
Trade and other payables	**(6 065)**	(9 842)	**(17 961)**	78
	56 682	57 684	**(5 442)**	(339)

32. TAX PAID

	Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Balance at beginning of the year	**(2 384)**	(1 649)	**–**	–
Current tax for the year recognised in profit or loss	**(10 714)**	(9 236)	**(1 467)**	–
Adjustment in respect of businesses acquired	**14**	–	**–**	–
Balance at end of the year	**3 835**	2 384	**467**	–
	(9 249)	(8 501)	**(1 000)**	–

33. RELATED PARTIES

Relationships		Group 2013 R'000	Group 2012 R'000	Company 2013 R'000	Company 2012 R'000
Holding company of the Group	Sekunjalo Investment Holdings (Pty) Ltd				
Subsidiaries	Refer to note 5				
Joint ventures	Refer to note 7				
Associates	Refer to note 6				
Key management	Refer to note 34				
Commonly controlled entity	Cape Sunset Villas CC				
	Sekunjalo Development Foundation				
	The Survé Family Foundation				
Related party balances					
Loan accounts – Owing (to)/by related parties					
Subsidiaries		**–**	–	**214 027**	241 187
Associates		**68 753**	24 356	**–**	–
Holding company		**61 053**	(41 853)	**(61 053)**	(41 853)
Key management		**(576)**	(568)	**(576)**	(568)
Amounts included in trade receivable (trade payable) regarding related parties					
Holding company		**(806)**	(7 704)	**(806)**	(7 704)
Subsidiaries		**–**	–	**988**	2 442
Subsidiaries		**–**	–	**(699)**	(2 598)
Related party transactions					
Interest paid to/(received from) related parties					
Subsidiaries		**–**	–	**(8 954)**	(10 615)
Subsidiaries		**–**	–	**769**	842
Associates		**(5 693)**	(3 220)	**–**	(3 220)
Holding company		**7 200**	7 029	**7 200**	7 029
Administration fees paid to/(received from) related parties					
Subsidiaries		**–**	–	**3 524**	1 800
Subsidiaries				**(19 429)**	(19 913)
Other transactions with related parties					
Commonly controlled entities		**3 020**	600	**450**	–
Compensation to directors and other key management					
Employee benefits		**35 239**	21 067	**7 841**	7 492

Refer to note 34 for a detailed breakdown of directors' emoluments.

34. DIRECTORS' EMOLUMENTS

	Salary R'000	Bonus R'000	Provident fund R'000	Expense allowance R'000	Total R'000
Executive					
2013					
Dr MI Survé	**4 200**	**–**	**–**	**–**	**4 200**
K Abdulla	**1 627**	**–**	**273**	**18**	**1 918**
CF Hendricks	**628**	**100**	**135**	**10**	**873**
C Ah Sing	**721**	**–**	**120**	**9**	**850**
	7 176	**100**	**528**	**37**	**7 841**

	Salary R'000	Bonus R'000	Provident fund R'000	Expense allowance R'000	Total R'000
2012					
Dr MI Survé	4 200	–	–	–	4 200
K Abdulla	2 316	300	264	31	2 911
CF Hendricks	598	100	122	9	829
C Ah Sing	850	140	110	11	1 111
	7 964	540	496	51	9 051

Executive directors' service contracts

The executive directors do not have fixed term contracts but have permanent employment agreements with the Company. The employment agreements regulate duties, remuneration, allowances, restraints, leave and notice periods of these executives.

	Directors' fees R'000	Total R'000
Non-executive		
2013		
JM Gaomab	**160**	**160**
S Young	**200**	**200**
VC Mehana	**160**	**160**
A Amod	**55**	**55**
	575	**575**
2012		
JM Gaomab	160	160
S Young	200	200
VC Mehana	160	160
	520	520

35. RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in notes 8, 9, 19 and 20, cash and cash equivalents disclosed in note 15, and equity as disclosed in the statements of financial position.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio.

The Group manages its capital requirements by assessing shortfalls between reported and required capital levels on a regular basis. Adjustments to current capital levels are made in light of changes in economic conditions and risk characteristics of the Group's activities.

FINANCIAL RISKS

Fair value

The carrying amounts of the Group's financial instruments approximate their fair values as carried in the financial statements.

The directors monitor the fair value of financial assets by forecasting expected cash flows in respect of the financial assets. Where cash flows cannot be adequately demonstrated over a five-year period, the terms of the financial assets are reviewed and renegotiated.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.

The following policy and procedures are in place to mitigate the Group's exposure to liquidity risk:

The Group's liquidity risk is managed by holding financial assets for which there is a liquid market and holding deposits at recognised financial institutions to meet any negotiated upcoming liquidity requirements. There has been no change in the Group liquidity risk management policy.

Maturity profiles

The table below summarises the maturity profile of the financial liabilities of the Group based on remaining undiscounted contractual obligations.

	Up to one year* R'000	Two to five years R'000	Over five years R'000	Total R'000
Group				
At 31 August 2013				
Trade and other payables	**55 268**	**–**	**–**	**55 268**
Finance lease obligations	**206**	**36**	**–**	**242**
Other financial liabilities	**38 864**	**149 239**	**–**	**188 103**
Bank overdraft	**1 214**	**–**	**–**	**1 214**
At 31 August 2012				
Trade and other payables	68 933	–	–	68 933
Finance lease obligation	51	–	–	51
Other financial liabilities	10 884	75 293	81 556	167 733
Bank overdraft	6 567	–	–	6 567

35. RISK MANAGEMENT (continued)

	Up to one year* R'000	Two to five years R'000	Over five years R'000	Total R'000
Company				
At 31 August 2013				
Trade and other payables	**1 639**	**–**	**–**	**1 639**
Other financial liabilities	**45 558**	**16 071**	**–**	**61 629**
Loans from Group companies	**–**	**18 848**	**–**	**8 848**
Bank overdraft	**1**	**–**	**–**	**1**
At 31 August 2012				
Trade and other payables	19 886	–	–	19 886
Other financial liabilities	412	42 063	–	42 475
Loans from Group companies	10 088	18 345	–	28 433
Bank overdraft	6 402	–	–	6 402

** Up to a year are all commitments which are either due within the time frame or are payable on demand.*

The Group has no significant concentration of liquidity risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

The following policies and procedures are in place to mitigate the Company's exposure to market risk:

A Group market risk policy sets out the assessment and determination of what constitutes market risk for the Group. Continuous monitoring takes place to ensure that appropriate assets are held where the liabilities are dependent upon the performance of specific portfolios of assets and that a suitable match of assets exists for all non-linked liabilities. Limits are applied in respect of the exposure to asset classes and individual counters.

Compliance with the policy is monitored and exposures and breaches are reported.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

The Group has no significant concentration of interest rate risk.

At 31 August 2013, if the interest rate had been 1% lower or higher with all other variables held constant, post-tax profit for the year would have been R2 245 996 (2012: R1 517 846) lower or higher, based on the adjusted average interest rate for the year.

35. RISK MANAGEMENT (continued)

Cash flow interest rate risk

Financial instrument	Current interest rate %	Due in less than a year R'000	Due in two to five years R'000
Trade and other receivables – normal credit terms	–	63 544	–
Cash in current banking institutions	5.00	42 309	–
Trade and other payables – normal credit terms	8.50	55 268	–
Overdraft facilities used	10.00	1 214	–
Other financial liabilities	8.50 – 11.50	38 864	149 239
Finance lease obligation	9.50	206	36

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the euro. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

A two-month forward exchange contract was entered into with Absa Bank Limited which expires on 15 October 2013 to purchase $270 875 at an exchange rate of 10.056.

The Company reviews its foreign currency exposure, including commitments, on an ongoing basis. The Company expects its foreign exchange contracts to hedge foreign exchange exposure.

At 31 August 2013, if the currency had been 10% higher or lower against the US dollar with all other variables held constant, post-tax profit for the year would have been R82 450 higher or lower (2012: R1 025 108), mainly as a result of foreign exchange gains/losses on translation of US dollar-denominated trade receivables, financial assets at fair value through profit or loss.

Had the currency been 10% up or down throughout the year profit after tax would have been R3 279 410 higher or lower (2012: R9 864 687).

Foreign currency exposure at statement of financial position date

The Group hedges certain foreign exchange fluctuations. The following items are uncovered:

	Group	
	2013 '000	2012 '000
Current assets		
Trade debtors, USD	674	775
Trade debtors, EUR	–	8
Exchange rates used for conversion of foreign items were:		
USD	10.30	8.43
EUR	13.63	10.52

Financial risk arising from biological assets

The Group is exposed to financial risks arising from diseases that may affect the abalone. Sufficient insurance cover is taken out to minimise any losses in the event of the above occurring.

35. RISK MANAGEMENT (continued)

Price risk

Price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate or currency risk), whether the changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

The investment profiles are monitored and reviewed from time to time to ensure that they remain in line with the company risk appetite and long-term capital management framework. Group investments at fair value through profit and loss are affected by fair value interest rate risk. Refer to note 5 for sensitivity analysis done on investments.

Credit risk

Credit risk is managed on a Group basis.

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Credit risk consists mainly of cash deposits, cash equivalents, trade debtors and loans and other receivables. The Group only deposits cash with major banks having high-quality credit standing and limited exposure to any one counterparty. Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. Internal risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal ratings in accordance with criteria set by the Board. The utilisation of credit limits is regularly monitored.

The following policies and procedures are in place to mitigate the Group's exposure to credit risk:

- A Group credit risk policy setting out the assessment and determination of what constitutes credit risk for the Group. Compliance with the policy is monitored and exposures and breaches are reported to the board of directors. The policy is regularly reviewed for pertinence and for changes in the risk environment.
- Net exposure limits are set for each counterparty (i.e. limits are set for investments and cash deposits and minimum credit ratings for investments that may be held).
- The Group sets the maximum amounts and limits that may be advanced to corporate counterparties by reference to their long-term credit ratings.
- The credit risk in respect of customer balances, incurred on non-payment of premiums or contributions will only persist during the grace period specified in the policy document, when the policy is either paid up or terminated. Commission paid to intermediaries is netted off against amounts receivable from them to reduce the risk of doubtful debts.
- Amounts receivable in terms of long-term insurance business are secured by the underlying value of the unpaid policy benefits in terms of the policy contract. An appropriate provision is maintained.

Certain trade receivables in the Enterprise Development and Media Division have a high credit risk and have been impaired.

Refer to individual notes for credit quality on individual balances.

Credit exposure

The maximum exposure to credit risk is the carrying amount of the financial assets as reflected on the statement of financial position at year-end.

ECONOMIC ASSUMPTIONS

Investment return

The investment return for all classes of business, except those where the liability has a specific asset backing it, was determined as the expected return on the underlying assets backing the liabilities of the Group less an allowance for credit risk and a compulsory margin of 0.25%.

The following long-term assumptions were assumed for each asset class:

- Bonds 8.5%
- Cash 5.0%
- Equities 12.0%

Inflation

The current assumed level of future expense inflation of 6%, after adjusting for internal and external factors, is based on the Reserve Bank's long-term inflation target of between 3% and 6%.

Taxation

Future taxation and taxation relief are allowed for at the rates and on the basis applicable to section 29A of the Income Tax Act at the statement of financial position date. The Group's current tax position is taken into account, and taxation rates, consistent with that position and the likely future changes in that position, are allowed for.

36. FINANCIAL ASSETS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

	Loans and receivables R'000	Fair value through profit or loss – designated R'000	Total R'000
Group – 2013			
Other financial assets	–	380 644	380 644
Trade receivables	63 544	–	63 544
Other loans receivable	41 038	–	41 038
Cash and cash equivalents	42 309	–	42 309
	146 891	380 644	527 535
Group – 2012			
Other financial assets	–	314 451	314 451
Trade receivables	67 270	–	67 270
Other loans receivable	26 786	–	26 786
Cash and cash equivalents	46 253	–	46 253
	140 309	314 451	454 760
Company – 2013			
Loans to Group companies	136 498	–	136 498
Other financial assets	–	33 906	33 906
Trade receivables	641	–	641
Investments in subsidiaries	–	766 664	766 664
Cash and cash equivalents	6 106	–	6 106
	143 245	800 570	943 815
Company – 2012			
Loans to Group companies	182 759	–	182 759
Other financial assets	–	33 403	33 403
Trade receivables	7 893	–	7 893
Investments in subsidiaries	–	680 171	680 171
Cash and cash equivalents	10 296	–	10 296
	200 948	713 574	914 522

37. FINANCIAL LIABILITIES BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

	Financial liabilities at amortised cost R'000	Total R'000
Group – 2013		
Other financial liabilities	**188 103**	**188 103**
Trade payables	**55 268**	**55 268**
Bank overdraft	**1 214**	**1 214**
Financial lease obligation	**242**	**242**
	244 827	**244 827**
Group – 2012		
Other financial liabilities	167 733	167 733
Trade payables	68 933	68 933
Bank overdraft	6 567	6 567
Financial lease obligation	51	51
	243 284	243 284
Company – 2013		
Loans from Group companies	**18 848**	**18 848**
Other financial liabilities	**61 629**	**61 629**
Trade payables	**1 639**	**1 639**
	82 116	**82 116**
Company – 2012		
Loans from Group companies	43 680	43 680
Other financial liabilities	42 475	42 475
Trade payables	19 886	19 886
Bank overdraft	6 402	6 402
	112 443	112 443

38. COMMITMENTS

	Group	
	2013 R'000	2012 R'000
Authorised capital expenditure		
Authorised by directors and not yet contracted for	**13 286**	8 247
This committed expenditure relates to plant and equipment and will be financed by available bank facilities over the next 12 months.		
Operating leases – as lessee (expense)		
Minimum lease payments due		
– within one year	**6 440**	3 675
– in second to fifth year inclusive	**29 070**	–
– later than five years	**1 232**	–
	36 742	3 675

The operating lease payments above represent rental for the use of premises. No contingent rent is payable.

Commitments

The Fishing Division rents all its premises from Lexshell (Pty) Ltd and the Department of Public Works in terms of operating leases. The lease contract with Lexshell (Pty) Ltd is for a period of 25 years and escalation rentals are renegotiated every five years. The lease contract with the Department of Public Works is for a period of nine years and 11 months.

Forward exchange contracts

A two-month forward exchange contract was entered into with Absa Bank Limited which expires on 15 October 2013 to purchase $270 875 at an exchange rate of 10.056.

39. SEGMENT INFORMATION

The following are the summarised results for the various reportable operating segments:

	Technology Solutions R'000	Fishing R'000	Health Care R'000	Bio-tech-nology R'000	Invest-ments R'000	Enter-prise Develop-ment and Media R'000	Group R'000
31 August 2013							
Revenue	193 031	272 729	16 918	–	24 017	88 888	595 583
External sales	192 906	272 464	16 382	–	1 110	86 336	569 198
Intergroup sales	125	265	536	–	22 907	2 552	26 385
Segment results							
Operating profit/(loss)	35 225	24 613	(9 219)	(30 494)	54 427	(7 436)	67 116
Included in segment results:	(1 179)	(18 217)	(2 007)	(30 427)	65 078	(80)	13 168
(Impairments)/reversals of impairments	(95)	(1 612)	–	(30 427)	(779)	–	(32 913)
Depreciation and amortisation	(1 084)	(16 605)	(2 007)	–	(160)	(256)	(20 112)
Fair valuation of investments	–	–	–	–	66 017	176	66 193
Carrying value of assets	74 904	233 829	34 784	150 708	391 408	17 597	903 230
Carrying value of liabilities	45 935	105 169	6 896	24 972	219 305	23 957	426 234
Loss from associates	–	–	–	(8 039)	–	–	(8 039)
Capital expenditure	465	9 841	713	–	864	99	11 982
31 August 2012							
Revenue	152 436	208 018	16 994	–	21 952	77 820	477 220
External sales	152 214	207 639	16 994	–	1 999	77 014	455 860
Intergroup sales	222	379	–	–	19 953	806	21 360
Segment results							
Operating profit/(loss)	38 459	16 028	(7 828)	(42)	19 733	(7 097)	59 258
Included in segment results:	(4 790)	(17 465)	(2 018)	–	28 914	(271)	4 370
(Impairments)/reversals of impairments	(275)	–	–	–	(1 095)	–	(1 370)
Depreciation and amortisation	(4 515)	(17 465)	(2 018)	–	(58)	(285)	(24 341)
Fair valuation of investments	–	–	–	–	30 067	14	30 081
Carrying value of assets	82 994	255 946	16 677	174 779	330 146	17 838	878 380
Carrying value of liabilities	42 696	97 898	83 341	24 951	242 468	16 528	507 882
Loss from associates	–	–	–	(9 211)	–	–	(9 211)
Capital expenditure	750	10 831	19	–	244	432	12 276

39. SEGMENT INFORMATION (continued)

Information on geographical regions

The operations of the Group are domiciled in South Africa. A total of 30.2% of external revenue is attributable to foreign sales to the United States of America (13%), Far East (16.8%) and Europe (0.4%).

Information on customers

20.6% of the Group's revenue comes from the public sector mainly in the Western Cape. The balance comes from sales from the private sector.

National Health Laboratory Services accounts for more than 10% of the Group's revenue.

40. INFORMATION ON JOINT VENTURES

Name of joint venture	Date of acquisition	Effective % held 2013 %	Effective % held 2012 %	Investment at cost 2013 R'000	Investment at cost 2012 R'000	Nature of business
Bloudam	1 September 2003	18	18	–	–	Catching of west coast rock lobster
Eastern Cape Hake Long Line	1 May 2003	–	15	–	–	Catching, packaging and processing of hake
Premier – BCP Hake	1 March 2003	48	48	–	–	Catching of hake
Premier Seacat	1 November 2002	50	50	–	–	Catching of squid
Premier Select (Pty) Ltd	1 September 2006	50	50	–	–	Dormant
AmetHst (Pty) Ltd	1 September 2008	50	50	–	–	Information technology

41. INFORMATION ON ASSOCIATES

Name of joint venture	Date of acquisition	Effective % held 2013 %	Effective % held 2012 %	Investment at cost 2013 R'000	Investment at cost 2012 R'000	Nature of business
Genius Biotherapeutics	1 September 2007	49.99	49.99	19 932	19 932	Biotechnology
Emergent Energy (Pty) Ltd	1 November 2010	25.00	25.00	30	30	Renewable energy

42. INFORMATION ON SUBSIDIARIES

Name of subsidiary	Issued capital 2013 R	Issued capital 2012 R
African Biotechnological and Medical Innovations Investments (Pty) Ltd	300	300
Atlantic Fishing Enterprises (Pty) Ltd	100	100
Chapman's Peak Fisheries (Pty) Ltd	18 000	18 000
Chapman's Peak Fish Processors (Pty) Ltd	300	300
Digital Matter (Pty) Ltd	100	100
Events Social Marketing and Productions Afrika (Pty) Ltd	100	100
Fish Drying Corporation (Pty) Ltd	4	4
Friedshelf 860 (Pty) Ltd	100	100
Health System Technologies (Pty) Ltd	200	200
– Voting	–	–
Hostprops 136 (Pty) Ltd	100	100
Imagination Advisory and Distribution Services (Pty) Ltd	100	100
John Ovenstone Ltd	6 000	6 000
John Quality (Pty) Ltd	6 000	6 000
Kilomax (Pty) Ltd	100	100
Kilomix (Pty) Ltd	100	100
Kuttelfish (SA) (Pty) Ltd	10	10
Premfresh Seafoods (Pty) Ltd	100	100
Premier Fishing (SA) (Pty) Ltd	100 000	100 000
Saratoga Software (Pty) Ltd	8 073	8 073
Seagro Fertilisers (Pty) Ltd	8	8
Sekfish Investments (Pty) Ltd	200	200
Sekpharma (Pty) Ltd	100	100
– Voting	–	–
Sekunjalo Aquaculture (Pty) Ltd	100	100
Sekunjalo Capital (Pty) Ltd	100	100
Sekunjalo Consumer Products (Pty) Ltd	100	100
Sekunjalo Financial Services (Pty) Ltd	100	100
Sekunjalo Food and Fishing (Pty) Ltd	100	100
Sekunjalo Health Care Ltd	716 052	716 052
– Voting	–	–
Sekunjalo Health Care Pharmaceuticals (Pty) Ltd	100	100
Sekunjalo Industrial Holdings (Pty) Ltd	100	100
Sekunjalo Media Holdings (Pty) Ltd	100	100
Sekunjalo Medical Services (Pty) Ltd	100	100
– Voting	–	–
Sekunjalo Motor Holdings (Pty) Ltd	120	120
Sekunjalo Private Equity (Pty) Ltd	100	100
Sekunjalo Properties (Pty) Ltd	100	100
Sekunjalo Technology Solutions Group (Pty) Ltd	100	100
South Atlantic Jazz Festival (Pty) Ltd	100	100
Southern Ocean Fishing (Pty) Ltd	100	100
Tripos Tourism Investments (Pty) Ltd	100	100
World Wide Creative (Pty) Ltd	100	–
Wisdom Global (Pty) Ltd	100	100
Wynberg Pharmaceuticals (Pty) Ltd	100	100
– Voting	–	–

** Under R1 000*

Effective % held		Investment at cost		
2013	2012	2013 R'000	2012 R'000	Nature of business
100	100	*	*	Biotechnology investments
100	100	*	*	Fishing
100	100	*	*	Fishing
100	100	*	*	Aquaculture
32	37	–	–	Information technology
51	51	4 554	4 554	Event management
80	80	*	*	Dormant company
80	80	*	*	Media investments
84	77	*	*	Information technology
84	77	*	*	
100	100	*	*	Dormant company
100	100	*	*	Financial services
100	100	*	*	Dormant company
100	100	*	*	Dormant company
100	100			Investments
100	100			Investments
100	100	*	*	Dormant company
100	100	*	*	Fishing
80	80	*	*	Fishing
43	43	3 648	3 648	Information technologies
80	80	*	*	Marine agriculture
100	100	*	*	Fishing investments
86	86	*	*	Pharmaceuticals
86	86	*	*	
100	100	*	*	Marine agriculture
100	100	*	*	Financial services investments
100	100			Investments
50	50	*	*	Financial services
100	100	*	*	Fishing investments
94	84	*	*	Medical investments
94	84	*	*	
84	77	*	*	Dormant company
100	100	*	*	Fishing investments
100	100	*	*	Media investments
84	77	*	*	Dormant company
84	77	*	*	
80	80	*	*	Motor industry
100	100	*	*	Financial services investments
100	100	*	*	Properties
100	100	*	*	IT investments
51	51	*	*	Media
80	80	*	*	Dormant company
32	32	831	831	Travel
32	–	1 125	–	Information technology
75	51			Information technology
84	77	*	*	Medical manufacturing
84	77	*	*	

43. BUSINESS COMBINATIONS

	2013 R'000
On 1 June 2013 the Saratoga Software Group in the Technology Solutions Division acquired 75% of the voting equity interest of World Wide Creative (Pty) Ltd which resulted in the Group obtaining control over World Wide Creative (Pty) Ltd. World Wide Creative (Pty) Ltd is principally involved in digital marketing.	
Goodwill of R3 134 458 arising from the acquisition consists largely of the synergies and economies of scale expected from combining the operations of the entities, and from intangible assets which did not qualify for separate recognition. Goodwill is not deductible for income tax purposes.	
Fair value of assets and liabilities assumed	
Property, plant and equipment	135
Loans to directors, managers and employees	(564)
Current tax receivable	(14)
Trade and other receivables	1 951
Trade and other payables	(962)
Cash and cash equivalents	635
Deferred income	(931)
Deferred tax	146
Total net assets acquired	396
Non-controlling interest	(99)
Net assets acquired	297
Goodwill	3 134
	3 431
Consideration paid	
Cash	(1 125)
Provision for contingent consideration	(2 306)
	(3 431)
Net cash outflow on acquisition	
Cash consideration paid	(1 125)
Cash acquired	635
	(490)

44. CONTINGENCIES

The claim that AmetHst has against the Baoki Consortium at the end of August 2011 was for R396 million which was withdrawn by the Gauteng Department of Health (GDoH) during the 2012 financial year. The Baoki Consortium's counterclaim against the GDoH for R783 million still remains and is being addressed as part of the ongoing arbitration process.

AmetHst concluded related supplier agreements in order to provide the necessary software licences and/or services to the GDoH in terms of the contract. The amounts set out in the Baoki Consortium's counterclaim in relation to these supplier agreements total R571 million.

At this stage, unless new claims are made against AmetHst in relation to further agreements, then the probable loss will be nil. In relation to legal costs, if the settlement negotiations succeed, then the legal costs will be relatively low. However, should arbitration proceedings continue, legal costs are estimated to be around R1m.

SHAREHOLDERS' INFORMATION

DATES OF IMPORTANCE

ANNUAL GENERAL MEETING

27 February 2014, at 15:00 at the Sekunjalo Head Office, Premier Fishing, Quay 7, East Pier, V&A Waterfront

FINANCIAL REPORTS

Announcement of interim results	May 2014
Interim report	May 2014
Announcement of annual results	November 2014
Integrated report	November 2014

ADMINISTRATION

COMPANY SECRETARY

Cherie Felicity Hendricks

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1996/006093/06

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SPONSOR

PSG Capital

LISTING

Johannesburg Stock Exchange
Sector: Diversified Industrials
Share code: SKJ
ISIN code: ZAE000017893

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