OHLTHAVER & LIST

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2015

STATEMENTS OF **FINANCIAL POSITION**

		Group		Company	
	Note(s)	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
Assets					
Non-Current Assets					
Property, plant and equipment	2	2 927 207	2 696 792	-	-
Investment property	3	1 589 504	1 429 946	-	-
Biological assets	4	37 646	33 998	-	-
Intangible assets	5	25 108	21 973	-	-
Investments in subsidiaries	6	-	-	921 809	775 400
Investment in associates	7	27 138	7 180	20 120	-
Investments in joint ventures	8	32 329	1 117	-	-
Other financial assets	9	16 864	5 214	-	-
Non-current receivables	10	43 804	47 263	-	-
Deferred tax	11	15 364	21 940	-	-
Loans to related parties	12	2 590	1 008	2 590	1 008
Work in progress - Land and building under development and construction	13	76 761	-	-	-
		4 794 315	4 266 431	944 519	776 408
Current Assets					
Inventories	14	434 647	382 948	-	-
Trade and other receivables	15	509 769	423 867	458	117
Construction contracts and receivables	16	-	388	-	-
Other financial assets	9	703	695	-	-
Current tax receivable	42	4 518	13 682	-	-
Cash and cash equivalents	17	324 694	182 433	1	50 877
Loans to related parties	12	67 326	162 246	2 195	11
		1 341 657	1 166 259	2 654	51 005
Non-current assets held for sale	18	4 500	6 375	-	-
Total Assets		**6 140 472**	**5 439 065**	**947 173**	**827 413**
Equity and Liabilities					
Equity					
Issued share capital and share premium	19	3 391	3 391	3 391	3 391
Reserves	20&21&22	717 547	700 600	54 949	54 949
Retained income		1 555 372	1 325 256	509 022	542 722
Equity Attributable to Equity Holders of Parent		2 276 310	2 029 247	567 362	601 062
Non-controlling interest	6	886 737	806 271	-	-
Total Equity		**3 163 047**	**2 835 518**	**567 362**	**601 062**

STATEMENTS OF **FINANCIAL POSITION**

		Group		Company	
	Note(s)	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
Liabilities					
Non-Current Liabilities					
Other financial liabilities	23	1 169 739	978 260	276 593	109 167
Finance lease obligation	24	40 059	34 718	-	-
Deferred tax	11	417 065	385 732	-	-
Provisions	25	43 790	43 280	-	-
Non-current payables	26	4 784	3 362	-	-
Loans from related parties	12	28 273	10 636	8 028	10 636
Deferred income	27	7 928	4 900	-	-
		1 711 638	1 460 888	284 621	119 803
Current Liabilities					
Trade and other payables	28	884 339	755 286	1 891	1 337
Other financial liabilities	23	337 098	346 662	88 152	100 027
Finance lease obligation	24	23 550	22 618	-	-
Provisions	25	1 966	881	-	-
Current tax payable	42	2 805	1 347	-	-
Dividend payable		2 672	3 582	2 672	3 582
Loans from related parties	12	13 357	12 283	2 475	1 602
		1 265 787	1 142 659	95 190	106 548
Total Liabilities		**2 977 425**	**2 603 547**	**379 811**	**226 351**
Total Equity and Liabilities		**6 140 472**	**5 439 065**	**947 173**	**827 413**

STATEMENTS FOR **PROFIT OR LOSS** AND OTHER **COMPREHENSIVE INCOME**

		Group		Company	
	Note(s)	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
Continuing operations					
Revenue	29	5 306 276	4 928 643	31 553	39 458
Cost of sales	30	(3 580 868)	(3 377 382)	-	-
Gross profit		**1 725 408**	**1 551 261**	**31 553**	**39 458**
Other income	31	63 499	28 363	10	-
Operating expenses	32	(1 137 162)	(948 309)	(50 032)	(19 726)
Operating profit	33	**651 745**	**631 315**	**(18 469)**	**19 732**
Investment income	34	26 932	16 809	17 480	10 930
Fair value adjustments	35	169 044	158 844	-	-
Share of loss from equity accounted investments	7&8	(120 501)	(116 489)	820	-
Finance costs	36	(147 801)	(144 249)	(29 796)	(21 437)
Profit (loss) before taxation		**579 419**	**546 230**	**(29 965)**	**9 225**
Taxation	37	(168 547)	(169 969)	-	-
Profit (loss) from continuing operations		**410 872**	**376 261**	**(29 965)**	**9225**
Discontinued operations					
Profit from discontinued operations		-	-	-	-
Profit (loss) for the year		**410 872**	**376 261**	**(29 965)**	**9 225**
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Gains on property revaluation		12 700	180 029	-	-
Income tax relating to items that will not be reclassified		(4 191)	(28 734)	-	-
Total items that will not be reclassified to profit or loss	38	**8 509**	**151 295**	**-**	**-**
Items that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations		123	(126)	-	-
Other comprehensive income for the year net of taxation		**8 632**	**151 169**	**-**	**-**
Total comprehensive income (loss) for the year		**419 504**	**527 430**	**(29 965)**	**9 225**

STATEMENTS FOR **PROFIT OR LOSS** AND OTHER **COMPREHENSIVE INCOME**

		Group		Company	
	Note(s)	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
Profit (loss) attributable to:					
Owners of the parent		229 881	231 438	(29 965)	9 225
Non-controlling interest		180 991	144 823	-	-
		410 872	**376 261**	**(29 965)**	**9 225**
Total comprehensive income (loss) attributable to:					
Owners of the parent		238 246	345 209	(29 965)	9 225
Non-controlling interest		181 258	182 221	-	-
		419 504	**527 430**	**(29 965)**	**9 225**

STATEMENTS OF **CHANGES IN EQUITY**

	Share capital	Share premium	Total share capital	Foreign currency translation reserve	Revaluation reserve	Equity settled share based payment reserve	Total non distri-butable reserves	Retained income	Total attributable to equity holders of the company	Non-controlling interest	Total equity
	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000
Group											
Balance at 01 July 2013	**2 746**	**645**	**3 391**	**-**	**532 174**	**54 949**	**587 123**	**1 093 056**	**1 683 570**	**715 908**	**2 399 478**
Profit for the year	-	-	-	-	-	-	-	231 438	231 438	144 823	376 261
Other comprehensive income (note 38)	-	-	-	(37)	113 808	-	113 771	-	113 771	37 398	151 169
Total comprehensive income for the year	**-**	**-**	**-**	**(37)**	**113 808**	**-**	**113 771**	**231 438**	**345 209**	**182 221**	**527 430**
Transfer between reserves	-	-	-	-	(294)	-	(294)	294	-	-	-
Dividends paid by subsidiary	-	-	-	-	-	-	-	-	-	(93 178)	(93 178)
Dividends declared on ordinary shares	-	-	-	-	-	-	-	(3 735)	(3 735)	-	(3 735)
Changes in ownership interest - control not lost (note 6)	-	-	-	-	-	-	-	4 203	4 203	1 320	5 523
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**-**	**-**	**(294)**	**-**	**(294)**	**762**	**468**	**(91 858)**	**(91 390)**
Balance at 01 July 2014	**2 746**	**645**	**3 391**	**(37)**	**645 688**	**54 949**	**700 600**	**1 325 256**	**2 029 247**	**806 271**	**2 835 518**
Profit for the year	-	-	-	-	-	-	-	229 881	229 881	180 991	410 872
Other comprehensive income (note 38)	-	-	-	36	8 329	-	8 365	-	8 365	267	8 632
Total comprehensive income for the year	**-**	**-**	**-**	**36**	**8 329**	**-**	**8 365**	**229 881**	**238 246**	**181 258**	**419 504**
Changes in ownership interest - control not lost (note 6)	-	-	-	-	-	-	-	12 552	12 552	805	13 357
Transfer between reserves	-	-	-	-	8 582	-	8 582	(8 582)	-	-	-
Dividends paid by subsidiary	-	-	-	-	-	-	-	-	-	(101 597)	(101 597)
Dividends declared on ordinary shares	-	-	-	-	-	-	-	(3 735)	(3 735)	-	(3 735)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**-**	**-**	**8 582**	**-**	**8 582**	**235**	**8 817**	**(100 792)**	**(91 975)**
Balance at 30 June 2015	**2 746**	**645**	**3 391**	**(1)**	**662 599**	**54 949**	**717 547**	**1 555 372**	**2 276 310**	**886 737**	**3 163 047**
Note(s)	19	19	19	20&38	21&38	22					

STATEMENTS OF **CHANGES IN EQUITY**

	Share capital	Share premium	Total share capital	Foreign currency translation reserve	Revaluation reserve	Equity settled share based payment reserve	Total non distri-butable reserves	Retained income	Total attributable to equity holders of the company	Non-controlling interest	Total equity
	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000
Company											
Balance at 01 July 2013	**2 746**	**645**	**3 391**	**-**	**-**	**54 949**	**54 949**	**537 232**	**595 572**	**-**	**595 572**
Profit for the year	-	-	-	-	-	-	-	9 225	9 225	-	9 225
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9 225**	**9 225**	**-**	**9 225**
Dividends declared on ordinary shares	-	-	-	-	-	-	-	(3 735)	(3 735)	-	(3 735)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3 735)**	**(3 735)**	**-**	**(3 735)**
Balance at 01 July 2014	**2 746**	**645**	**3 391**	**-**	**-**	**54 949**	**54 949**	**542 722**	**601 062**	**-**	**601 062**
Loss for the year	-	-	-	-	-	-	-	(29 965)	(29 965)	-	(29 965)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(29 965)**	**(29 965)**	**-**	**(29 965)**
Dividends declared on ordinary shares	-	-	-	-	-	-	-	(3 735)	(3 735)	-	(3 735)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3 735)**	**(3 735)**	**-**	**(3 735)**
Balance at 30 June 2015	**2 746**	**645**	**3 391**	**-**	**-**	**54 949**	**54 949**	**509 022**	**567 362**	**-**	**567 362**
Note(s)	19	19	19	20&38	21&38	22					

STATEMENTS OF **CASH FLOWS**

		Group		Company	
	Note(s)	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
Cash flows from operating activities					
Cash generated from / used in operations	40	881 742	810 323	(3 778)	(2 558)
Interest received		26 932	14 728	17 480	10 930
Dividends received		-	-	30 803	38 358
Finance costs		(147 801)	(144 249)	(29 796)	(21 437)
Taxation paid	42	(124 200)	(103 137)	-	-
Employer benefit payments on provisions	25	(762)	(2 153)	-	-
Net cash from operating activities		**635 911**	**575 512**	**14 709**	**25 293**
Cash flows from investing activities					
Payments for property, plant and equipment	2	(446 547)	(371 365)	-	-
Proceeds on disposal of property, plant and equipment	2	14 789	29 862	-	-
Acquisition of investment property	3	(2 889)	(4 414)	-	-
Proceeds on disposal of investment property	3	260	6 100	-	-
Acquisition of intangible assets	5	(10 350)	(4 788)	-	-
Proceeds on disposal of intangible assets	5	44	24	-	-
Additions to land and building under construction		(60 761)	-	-	-
(Advances)/repayments of investments and loans		(11 424)	(2 343)	-	-
Acquisition of biological assets	4	-	(781)	-	-
Proceeds on disposal of assets held for sale		-	2 000	-	-
Acquisition of shares in associate	7	(19 300)	-	(19 300)	-
Equity injection in joint venture and associates	7&8	(152 372)	(104 625)	-	-
Acquisition of additional shares in subsidiaries		(1)	(1)	(3 718)	(1)
Net cash from investing activities		**(688 551)**	**(450 331)**	**(23 018)**	**(1)**
Cash flows from financing activities					
Proceeds from other financial liabilities		355 913	221 277	245 000	100 000
Repayment of other financial liabilities		(174 637)	(302 780)	(89 449)	(24 826)
Movement in non-current payables		1 422	(87)	-	-
Loans to related parties (advanced)/repaid		93 338	(49 686)	(5 501)	(2 250)
Proceeds from loans from related parties		18 711	6 050	-	-
Net finance lease receipts / (payments)		6 273	(14 168)	-	-
Net repayment of loans from group companies		-	-	(187 972)	(46 909)
Dividends paid	41	(106 242)	(93 635)	(4 645)	(457)
Net cash from financing activities		**194 778**	**(233 029)**	**(42 567)**	**25 558**

STATEMENTS OF **CASH FLOWS**

		Group		Company	
	Note(s)	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
Total cash and cash equivalents movement for the year		142 138	(107 848)	(50 876)	50 850
Cash and cash equivalents at the beginning of the year		182 433	290 407	50 877	27
Net foreign exchange difference		123	(126)	-	-
Total cash and cash equivalents at the end of the year	17	**324 694**	**182 433**	**1**	**50 877**

ACCOUNTING POLICIES

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Namibian Companies Act. The annual financial statements have been prepared on the historical cost basis, except for the measurement of land and buildings classified as property, plant and equipment, investment properties, biological assets and certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in thousands of Namibia Dollar (N$ '000).

The consolidated financial statements provide comparative information in respect of the previous period. In addition, the Group will present an additional statement of financial position at the beginning of the earliest period presented when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in the financial statements.

These accounting policies are consistent with the previous period.

1.1 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurementas a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and AFS financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Valuation Committee after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The Valuation Committee decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

The Group, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.2 Consolidation

Basis of consolidation

The consolidated annual financial statements incorporate the annual financial statements of the group and all investees which are controlled by the group.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

ACCOUNTING POLICIES CONTINUED

1.2 Consolidation (continued)

Basis of consolidation (continued)

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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.

Changes in the Group's ownership interests in existing subsidiaries

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 transaction 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. 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, liability or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from acquisition date) about facts and circumstances that existed at the acquisition date.

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.

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 interests arising from a business combination, which are present ownership interests, and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation, are measured either at the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets 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. All other components of non-controlling interests are measured at their acquisition date fair values, unless another measurement basis is required by IFRS's.

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 paid, 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. For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the 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 impairment loss recognised for goodwill is not reversed in a subsequent period.

ACCOUNTING POLICIES CONTINUED

1.2 Consolidation (continued)

Business combinations (continued)

In assessing value in use, the expected future cash flows from the unit under review are discounted to their present value using a pre-taxation discount rate that reflects current market assessments of the time value of money and specific identifiable risks.

Any excess of the group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss.

Goodwill arising on acquisition of foreign entities is considered an asset of the foreign entity. In such cases the goodwill is translated to the functional currency of the group at the end of each reporting period with the adjustment recognised in equity through to other comprehensive income.

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-forsale 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. Any change in other comprehensive income (OCI) of investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

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.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

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.

Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint arrangement is either a joint operation or a joint venture.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Joint ventures

An interest in a joint venture is accounted for using the equity method, except when the investment is classified as held-forsale in accordance with IFRS 5 Non-current assets held-for-sale and discontinued operations. Under the equity method, interests in joint ventures are carried in the consolidated statements of financial position at cost adjusted for post acquisition changes in the company's share of net assets of the joint venture, less any impairment losses. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually. Profits or losses on transactions between the company and a joint venture are eliminated to the extent of the company's interest therein.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

When the company 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.

ACCOUNTING POLICIES CONTINUED

1.2 Consolidation (continued)

Joint operations

The group's share of assets, liabilities, income, expenses and cash flows of jointly controlled operations are combined on a line by line basis with similar items in the consolidated annual financial statements.

The group's proportionate share of inter-company balances and transactions, and resulting profits or losses between the group and jointly controlled operations are eliminated on consolidation.

1.3 Investments in subsidiaries

Company annual financial statements

In the company's separate annual financial statements, investments in subsidiaries are carried at cost less any accumulated impairment.

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; plus
- any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

1.4 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the company; and
- the cost of the item can be measured reliably.

Property, plant and equipment is 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.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any impairment loss where the recoverable amount of the asset is estimated to be lower than its carrying value. Cost includes professional fees, and for qualifying assets, borrowing costs are dealt with in accordance with the group's accounting policy.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Owner-occupied land and buildings are carried at their revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited to other comprehensive income and accumulated in the revaluation surplus in equity. The increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in profit or loss in the current period. The decrease is debited in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

Buildings are depreciated over their useful lives (2-12% depreciation per year) to the residual value. Land is not depreciated. Leasehold land and buildings are accounted for at cost and amortised on the straight-line basis over the period of the lease.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Hotel equipment is valued annually at the lower of cost or a value based on its remaining useful life.

Refits of fishing vessels which relate to separate components are capitalised when incurred, and amortised over their useful lives.

Other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged so as to write off the cost over their estimated useful lives to their residual value, using the straightline method. The depreciation for each significant part of an item of property, plant and equipment is separately determined.

The residual value of an item of property, plant and equipment is the amount it estimates it would receive currently for the asset if the asset were already of the age and in the condition expected at the end of its useful life.

ACCOUNTING POLICIES CONTINUED

1.4 Property, plant and equipment (continued)

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

Item	Depreciation rates
Leasehold land and buildings	2.0–33.3%
Plant and machinery	4.0–25.0%
Vehicles	5.0–33.3%
Furniture and equipment	10.0–33.3%
Fishing vessels	10.0–15.0%
Refits	20.0–86.0%
Returnable containers	20.0%
Spare parts	4.0%

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.

1.5 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

In determining whether a property qualifies as an investment property or owner-occupied property, the group applies the principle that if the floor space occupied by third parties exceeds 80% of the total floor space of the property, then the property classifies as investment property and is treated in accordance with this policy. Where the asset does not meet this criterion, the property is treated in accordance with the policies on land and buildings referred to above.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

A gain or loss arising from a change in fair value is included in profit or loss for the period in which it arises.

If the fair value of investment property under construction is not determinable, it is measured at cost until the earlier of the date it becomes determinable or construction is complete.

Property interests held under operating leases are accounted for as investment property when the property is subleased.

Transfers

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

1.6 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

ACCOUNTING POLICIES CONTINUED

1.6 Impairment of assets (continued)

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, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

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.

1.7 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost if acquired separately or internally generated or at fair value if acquired as part of a business combination.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

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

The expenditure capitalised includes the cost of material,direct labour and an appropriate proportion of overheads.Other development expenditure is recognised in profit or loss in the period in which it is incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses. 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. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life and tested for impairment.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end, with the effect of any changes in estimate being accounted for on a prospective basis.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, customer lists and items similar in substance are not recognised as intangible assets. Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other subsequent expenditure is expensed as incurred.

Amortisation commences when the project generating the intangible asset has been completed. Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date, which is regarded as their cost. Subsequent to initial recognition, intangible assets acquired in a business combination are

ACCOUNTING POLICIES CONTINUED

reported at cost less accumulated amortisation and accumulated impairment losses.

1.7 Intangible assets (continued)

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values. The forseeable lives of the intangible assets range between 3 and 7 years.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when future economic benefits are expected from use or disposal.

Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognized.

1.8 Inventories

Inventories are measured at the lower of cost and net realisable value.

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 of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is determined on the following bases:

- Raw materials, merchandise and consumable stores on the first-in, first-out basis or weighted average cost.
- Manufactured finished products and work in progress, at raw material cost on the first-in, first-out basis plus overhead expenses or weighted average cost.

1.9 Biological assets

The group's biological assets mainly consist of livestock. Livestock is used for dairy production.

The group is also involved in agronomy and its activities relate to the cultivation of oats.

An entity shall recognise a biological asset or agricultural produce when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably.

Biological assets are measured on initial recognition and at the end of each reporting period at fair value less estimated point-of-sale costs, except where the fair value cannot be measured reliably in which case the biological assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The fair value of livestock is determined based on market prices of livestock of similar age, breed, and genetic merit less estimated point-of-sale costs.

The fair value of milk and agronomy is determined based on market prices in the local area.

The fair value of the oats fields is determined using the discounted cash flow method as at the end of the reporting period.

A gain or loss arising on initial recognition of agricultural produce at fair value less costs to sell is included in profit or loss for the period in which it arises.

Where market-determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined rate is used to determine fair value.

Amortisation is provided on biological assets where fair value cannot be determined, to write down the cost, less residual value, by equal instalments over their useful lives as follows:

Item	Useful life
Oats fields	5 years
Milk cows	Indefinite
Game	12–50 years

1.10 Provisions and contingent liabilities

Provisions are recognised when:

- the group has a present 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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent assets and contingent liabilities are not recognised. Contingent liabilities are disclosed in note 44.

ACCOUNTING POLICIES CONTINUED

1.10 Provisions and contingent liabilities (continued)

Onerous contracts:

Present obligations from onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from contract.

1.11 Non-current assets held for sale

Non-current assets (or 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 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 are measured at the lower of their carrying amount and fair value less costs to sell.

A non-current asset is not depreciated while it is classified as held for sale.

1.12 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, volume rebates and value-added tax.

Interest is recognised on a time proportion basis, taking into account the principal outstanding and the effective rate over the year to maturity, when it is probable that such income will accrue to the company.

Revenue on construction contracts is recognised on the percentage of completion method.

Revenue from rentals is recognised on the accrual basis in accordance with the substance of the relevant lease agreements and when the right to receive rentals is assured.

Royalties are recognised on the accrual basis in accordance with the substance of the relevant agreements.

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

Where the group acts as an agent and is remunerated on a commission basis, only net commission income, and not the value of the business handled, is included in revenue.

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

1.13 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 amount of any write-down of inventories to net realisable value and all losses of inventories are 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 related cost of providing services recognised as revenue in the current period is included in cost of sales.

1.14 Construction contracts receivables

Where the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs.

ACCOUNTING POLICIES CONTINUED

1.14 Construction contracts receivables (continued)

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent that contract costs incurred are recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

1.15 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases – lessor

The group recognises finance lease receivables in the statements of financial position.

Finance income is recognised based on a pattern reflecting a constant periodic rate of return on the group's net investment in the finance lease.

Finance leases – lessee

Finance leases are recognised as assets and liabilities in the statements of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statements of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the group's incremental borrowing rate.

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 on the remaining balance of the liability. Finance costs directy attributable to qualifying assets are capitalised in accordance with the group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the period in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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.

Income for operating leases is disclosed under revenue in profit or loss.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability.

The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.16 Translation of foreign currencies

Functional and presentation currency

Items included in the annual financial statements of each of the group entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

The consolidated annual financial statements are presented in Namibia Dollar which is the group functional and presentation currency.

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Namibia Dollar, 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 t he date when the fair value was determined.

Foreign exchange exposures as well as foreign exchange contracts and options are recorded at the rate ruling on the transaction date and are remeasured to fair value at the end of the reporting period.

ACCOUNTING POLICIES CONTINUED

1.16 Translation of foreign currencies (continued)

Foreign currency transactions (continued)

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.

In order to hedge its exposure to certain foreign exchange risks, the group enters into forward contracts and options (refer to 1.20 for details of the group's accounting policies in respect of such derivative financial instruments).

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are expressed in Namibian Dollar using exchange rates prevailing at the end of the reporting period. Items included in profit or loss are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity and attributed to non-controlling interests as appropriate. Such translation differences are reclassified to profit or loss in the period in which the foreign operation is disposed of. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

On disposal of a foreign operation all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

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 Namibia Dollar by applying to the foreign currency amount the exchange rate between the Namibia Dollar and the foreign currency at the date of the cash flow.

Goodwill and fair value adjustments to assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

1.17 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.18 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care) are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit-sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Retirement benefits

The policy of the group is to provide retirement benefits for its employees, the assets of which are held in a separate trustee-administrated fund. The contributions paid by the companies in the group to fund obligations for the payment of retirement benefits are recognised as an expense in the year of payment. The Ohlthaver & List Retirement Fund, which is a defined contribution fund, covers all the group's employees and is governed by the Namibian Pension Funds Act.

ACCOUNTING POLICIES CONTINUED

1.18 Employee benefits (continued)

Medical benefits

Qualifying employees in the group are entitled to certain post-retirement medical benefits. The group's obligation for postretirement medical aid benefits to past employees is actuarially determined in respect of current and retired employees and is provided for in full. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. The movement for the year is recognised in profit or loss in the year in which it occurs.

Severance pay

In accordance with the Namibia Labour Act, 2007, severance benefits are payable to an employee, if the employee is unfairly dismissed, dies while employed or resigns/retires on reaching the age of 65 years. The obligation for severance benefits to current employees is actuarially determined in respect of all its employees and is provided for in full. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. The movement for the year is recognised in profit or loss in the year in which it occurs.

1.19 Taxation

Current taxation 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 end of the reporting period.

Deferred taxation 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 an asset or liability in a transaction which 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 to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss). In addition, deferred tax liabilities are not recognised if the temporary difference arises from initial recognition of goodwill.

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

Deferred tax assets or liabilities that arise on investment property are measured on the basis of the tax consequences that would follow from recovery of the carrying amount of that asset through sale.

Taxation expenses

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated (statement of profit or loss and other comprehensive income/ statement of profit or loss) because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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.

1.20 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification

The group classifies financial assets and financial liabilities into the following categories:

- Financial assets at fair value through profit or loss - held for trading.
- Held-to-maturity investments.
- Loans and receivables.
- Available-for-sale financial assets.
- Financial liabilities at fair value through profit or loss - held for trading.
- Financial liabilities measured at amortised cost.

ACCOUNTING POLICIES CONTINUED

1.20 Financial instruments (continued)

Classification (continued)

Classification depends on the nature and purpose for which the financial instruments were obtained/incurred and takes place at initial recognition. Classification is reassessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category.

Initial recognition and measurement

Financial instruments are recognised initially when the group becomes a party to the contractual provisions of the instruments.

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Group has the positive intention and ability to hold them to maturity.

Available-for-sale (AFS) financial assets include equity investments and debt securities. Equity investments classified as AFS are those that are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those that are intended to be held for an indefinite period of time and that may be sold in response to needs for liquidity or in response to changes in the market conditions.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

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.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Transaction costs on financial instruments at fair value through profit or loss are recognised in profit or loss.

Subsequent measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Net gains or losses on the financial instruments at fair value through profit or loss exclude dividends and interest.

Dividend income is recognised in profit or loss as part of other income when the group's right to receive payment is established.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Held-to-maturity investments are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Available-for-sale financial assets are subsequently measured at fair value. This excludes equity investments for which a fair value is not determinable, which are measured at cost less accumulated impairment losses.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in equity until the asset is disposed of or determined to be impaired. Interest on available-for-sale financial assets calculated using the effective interest method is recognised in profit or loss as part of other income. Dividends received on availablefor- sale equity instruments are recognised in profit or loss as part of other income when the group's right to receive payment is established.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Fair value determination

The fair value of financial instruments traded in an organised financial market is measured at the applicable quoted prices, adjusted for any transaction costs necessary to realise the assets or settle the liabilities.

The fair value of financial instruments not traded in an organised financial market, is determined using a variety of methods and assumptions that are based on market conditions and risks existing at the reporting date, including independent appraisals and discounted cash flow methods. The fair value determined is adjusted for any transaction costs necessary to realise the assets or settle the liabilities.

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values due to the short-term trading cycle of these items.

ACCOUNTING POLICIES CONTINUED

1.20 Financial instruments (continued)

Derecognition

Financial assets (or a portion thereof) are derecognised when the group realises the rights to the benefits specified in the contract, the rights expire or the group surrenders or otherwise loses control of the contractual rights that comprise the financial asset. On derecognition, the difference between the carrying amount of the financial asset and proceeds receivable and any prior adjustment to reflect fair value that had been reported in equity are included in profit or loss.

Financial liabilities (or a portion thereof) are derecognised when the obligation specified in the contract is discharged, cancelled or expires. On derecognition, the difference between the carrying amount of the financial liability, including related unamortised costs and amounts paid for it, are included in profit or loss.

Impairment of financial assets

At each reporting date the group assesses all financial assets, other than those at fair value through profit or loss, for indicators of impairment. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset the estimated cashflows of the investment have been affected.

For amounts due to the group, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator of impairment. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity as a reclassification adjustment to other comprehensive income and recognised in profit or loss.

Impairment losses are recognised in profit or loss.

Impairment losses are reversed when an increase in the financial asset's 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 financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in profit or loss except for equity investments classified as available-for-sale. Increases in their fair value after impairment are recognised in OCI.

Impairment losses are also not subsequently reversed for available-for-sale equity investments which are held at cost because fair value was not determinable.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in profit or loss within operating expenses. When such assets are written off, the write-off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Financial instruments designated as at fair value through profit or loss

Financial assets are classified as at fair value through profit or loss (FVTPL) where the financial asset is either held for trading or it is designated as at FVTPL. Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL. The group only has financial liabilities as held for trading under this category.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing in the near future; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated a fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Held to maturity

These financial assets are initially measured at fair value plus direct transaction costs.

At subsequent reporting dates these are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the investment'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 investment's 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 investment at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

ACCOUNTING POLICIES CONTINUED

1.20 Financial instruments (continued)

Held to maturity (continued)

Financial assets with fixed or determinable payments and fixed maturity dates that the group has the positive intention and ability to hold to maturity are classified as held to maturity.

Financial instruments designated as available-for-sale

Unlisted shares held by the group, whose fair value cannot be reliably determined are classified as being Available-for-sale and are stated at cost. These assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition of the asset, the estimated future cash flows of the investment have been impacted.

Loans to/(from) group companies

These include loans to and from holding companies, fellow subsidiaries and subsidiaries and are recognised initially at fair value plus direct transaction costs.

Loans to group companies are classified as loans and receivables.

Loans from group companies are classified as financial liabilities measured at amortised cost.

Loans to/(from) related parties

Loans to related parties are classified as loans and receivables.

Loans from related parties are classified as financial liabilities measured at amortised cost.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, 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 profit or loss 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 profit or loss.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade payables are initially measured at fair value, 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. These are initially and subsequently recorded at fair 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.

Interest-bearing debt is recognised at amortised cost, namely original debt less principal repayments and amortisations.

Non-interest-bearing debt is recognised at original debt less principal repayments.

Preference shares are used by the group in order to raise cost-effective finance. These instruments are classified between equity and liabilities taking into account the specific characteristics of each preference share. Where the preference shares are classified as equity they are treated in accordance with the policy for equity instruments below (Note 1.20).

Preference shares, which are redeemable on specific dates, are classified as liabilities and are stated at proceeds received.

Preference dividends are recognised as finance charges and where not paid by the year end are added to the amount outstanding in respect of the preference shares.

The dividends on these preference shares are recognised in profit or loss as interest expense.

Derivatives

Derivative financial instruments, principally options, forward foreign exchange contracts, interest rate swap agreements and interest rate collars, are used by the group in its management of financial risks. Therefore, the group's objective in using derivative financial instruments is to reduce the uncertainty over future cash flows arising from movements in currency and interest rates. The risks being hedged are exchange losses due to unfavourable movements between the Namibia Dollar and the foreign currency and the movements in interest rates. Currency and interest exposure is managed within boardapproved policies and guidelines. As a matter of principle, the group does not enter into derivative contracts for speculative purposes.

Derivative financial instruments are initially recorded at fair value at the date the derivative contract is entered into and are re-measured to fair value at subsequent reporting dates. The fair value of foreign exchange forward contracts, options, interest rate swaps and interest rate collars represents the estimated amounts the group would receive, should the contracts be terminated at the reporting date, thereby taking into account the unrealised gains or losses. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

ACCOUNTING POLICIES CONTINUED

1.20 Financial instruments (continued)

Hedging activities

Designated and effective hedging instruments are excluded from the definition of financial instruments at fair value through profit or loss.

The group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);
- hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or
- hedges of a net investment in a foreign operation (net investment hedge).

The group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for hedging purposes are disclosed in Note 46.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised to other comprehensive income and accumulated in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within 'other income'.

Amounts accumulated in equity are reclassified to other comprehensive income to profit or loss in the periods when the hedged item affects profit or loss.

However, when the forecast transaction that is hedged results in the recognition of a non-financial item, the gains and losses previously deferred in equity are transferred from equity in other comprehensive income and included in the initial measurement of the cost of the asset.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised in profit or loss as a reclassification adjustment through to other comprehensive income when the forecast transaction is ultimately recognised in profit or loss.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately recognised in profit or loss as a reclassification adjustment through to other comprehensive income.

1.21 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.

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

If the group reacquires its own equity instruments, the consideration paid, including any directly attributable incremental costs 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.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

1.22 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make judgements, 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. Key assumptions used and significant judgements include the following:

Post-employment benefit obligations

Post-retirement defined benefits are provided for certain former employees. Actuarial valuations are based on assumptions which include employee turnover, mortality rates, the discount rate, the expected long-term rate of return of retirement plan assets, healthcare inflation costs and rates of increases in compensation costs.

Severance pay obligation

Severance pay has been provided for all employees. Actuarial valuations are based on assumptions which include employee turnover, mortality rates, the discount rate, the inflation rate and rates of increases in compensation costs.

Valuation of investment properties and freehold land and building

Valuations are based on assumptions regarding discount rates, vacancy factors, structural conditions and inflation rates, and are performed by independent external valuers.

ACCOUNTING POLICIES CONTINUED

1.22 Significant judgements and sources of estimation uncertainty (continued)

Trade receivables and loans and receivables

The group assesses its trade receivables and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, 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.

Available-for-sale financial assets

The group follows the guidance of International Accounting Standards (IAS) 39 to determine when an available-for-sale financial asset is impaired. This determination requires significant judgement. In making this judgement, the group evaluates, among other factors, the duration of and extent to which the fair value of an investment is less than its cost; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

Allowance for slow moving, damaged and obsolete stock

An allowance for stock is recognised to write stock down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items.

Fair value estimation

The valuation of derivative financial instruments is based on the market situation at reporting date. The value of the derivative instruments fluctuates on a daily basis and the actual amounts realised may differ materially from their value at the reporting date.

The Directors use their judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. For derivative financial instruments, assumptions are made based on quoted market rates adjusted for specific features of the instrument. Other financial instruments are valued using a discounted cash flow analysis based on assumptions supported, where possible, by observable market prices or rates. Details of the assumptions used and of the results of sensitivity analyses regarding these assumptions are provided in Note 51.

Asset lives and residual values

Property, plant and equipment is depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Taxation

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 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 end of the reporting period could be impacted.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. Property, plant and equipment

Group

	2015			2014		
	Cost/ Valuation N$'000	**Accumulated depreciation N$'000**	**Carrying value N$'000**	**Cost/ Valuation N$'000**	**Accumulated depreciation N$'000**	**Carrying value N$'000**
Free hold land and buildings	1 439 262	(8 997)	1 430 265	1 427 091	(4 700)	1 422 391
Lease hold land and buildings	82 148	(11 943)	70 205	80 398	(7 823)	72 575
Plant and machinery	1 269 117	(579 255)	689 862	1 210 690	(507 900)	702 790
Furniture and fixtures	275 793	(143 397)	132 396	229 306	(138 256)	91 050
Vehicles	181 872	(99 094)	82 778	163 485	(84 505)	78 980
Office equipment	29 969	(23 755)	6 214	27 494	(20 870)	6 624
Spare parts	494	(256)	238	1 869	(682)	1 187
Containers	212 191	(90 301)	121 890	222 026	(106 559)	115 467
Fishing vessels	178 920	(96 471)	82 449	179 375	(91 269)	88 106
Construction in progress	310 910	-	310 910	117 622	-	117 622
Total	**3 980 676**	**(1 053 469)**	**2 927 207**	**3 659 356**	**(962 564)**	**2 696 792**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Group - 2015

	Opening balance N$'000	Additions N$'000	Disposals N$'000	Transfers N$'000	Revaluations N$'000	Depreciation N$'000	Total N$'000
Freehold land and buildings	1 422 391	14 514	-	(15 043)	12 700	(4 297)	1 430 265
Leasehold land and buildings	72 575	245	-	-	-	(2 615)	70 205
Plant and machinery	702 790	63 482	(1 072)	9 099	-	(84 437)	689 862
Furniture and fixtures	91 050	68 486	(35)	98	-	(27 203)	132 396
Vehicles	78 980	37 635	(7 453)	-	-	(26 384)	82 778
Office equipment	6 624	2 686	(4)	-	-	(3 092)	6 214
Spare parts	1 187	-	(788)	-	-	(161)	238
Containers	115 467	43 143	(1 038)	-	-	(35 682)	121 890
Fishing vessels	88 106	11 114	(3 110)	-	-	(13 661)	82 449
Construction in progress	117 622	205 242	(908)	(11 046)	-	-	310 910
	2 696 792	**446 547**	**(14 408)**	**(16 892)**	**12 700**	**(197 532)**	**2 927 207**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Group - 2014

	Opening balance N$'000	Additions N$'000	Disposals N$'000	Transfers N$'000	Revaluations N$'000	Depreciation N$'000	Total N$'000
Freehold land and buildings	1 157 041	32 282	-	56 500	180 029	(3 461)	1 422 391
Leasehold land and buildings	74 378	25	-	-	-	(1 828)	72 575
Plant and machinery	636 641	61 013	(11 104)	92 456	-	(76 216)	702 790
Furniture and fixtures	88 259	29 384	(220)	292	-	(26 665)	91 050
Vehicles	83 379	27 448	(16 032)	8 829	-	(24 644)	78 980
Office equipment	7 504	953	(55)	1 247	-	(3 025)	6 624
Spare parts	5 834	-	(3 528)	(629)	-	(490)	1 187
Containers	103 308	46 113	(4 069)	2 124	-	(32 009)	115 467
Fishing vessels	88 435	13 117	(266)	25	-	(13 205)	88 106
Construction in progress	61 111	169 954	(248)	(113 195)	-	-	117 622
	2 305 890	**380 289**	**(35 522)**	**47 649**	**180 029**	**(181 543)**	**2 696 792**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. Property, plant and equipment (continued)

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
Pledged as security				
Carrying value of assets pledged as security:				
Freehold land and buildings	876 391	-	862 638	-
Plant and machinery	57 098	-	57 081	-
Vehicles	64 181	-	58 332	-
Furniture, fixtures, equipment and spare parts	87 579	-	83 501	-
Fishing vessels	28 994	-	27 936	-

These assets are encumbered to secure liabilities as per Note 23 and Note 24. Refer to Note 53 for details regarding the subsequent event.

Transfers and reclassifications				
Included in transfers are the following transfers and reclassifications to/(from) property, plant and equipment:				
Investment property	-	-	37 519	-
Intangible assets	(892)	-	55	-
Non-current assets held for sale	-	-	(5 925)	-
Non-current assets held for sale	-	-	16 000	-
Work in progress - development and construction contracts	(16 000)	-	-	-
	(16 892)	**-**	**47 649**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. Property, plant and equipment (continued)

Revaluations 2015

Erf 2817 Swakopmund was revalued by I Schroeder, an independent professional valuator.

The Income Capitalisation method as well as the Cost Method for land and improvements were applied to arrive at the open market value of the property.

Revaluations 2014

Freehold land and buildings were revalued during 2014 by the following independent valuers, not connected with the Group, by reference to market evidence of recent transactions for similar properties, on a discounted cash flow basis or depreciated replacement costs:

- Tim Moulder (FRICS & FIV (SA)) and Steven Wolffs (MIV (SA)) of Broll Valuation and Advisory Services (Pty) Ltd;
- John M Meyer (Valuer Diploma Institute of Bankers SA) of Northern Property Valuers;
- Frank Löhnert (National Diploma in Property Valuation (UNISA)), A Schröder (Namibia Estate Agents Board Certificate and Sworn Appraiser) and L Schröder (Namibia Estate Agents Board Certificate and Sworn Appraiser) from Ludwig Schröder Estate Agents cc;
- A Lofty-Eaton (National Diploma Property Valuations (CPUT)), Nadia Van Der Smit (National Diploma in Property Valuation (UNISA)) from Gert Hamman Property Valuers cc; and
- Jurie Scholtz (National Diploma Property Valuations (Technicon SA)) from Property Valuations Namibia.

Land and buildings are re-valued independently every 3 years unless management believes that their fair values differ significantly to their carrying amounts at year end.

Capitalisation rates of 10% - 14% were used for the discounted cash flow valuations. Properties valued on the depreciated replacement cost method are valued based on estimates of the new replacement costs of buildings, depreciated for age and obsolescence, to which the value of land is added. Valuations that are based on market evidence of recent transactions for similar properties take into account the highest and best use of the property.

Freehold land and buildings of Consortium Fisheries Limited and Hangana Seafood (Proprietary) Limited were revalued during the 2013 year. The valuation was performed by J S Lofty-Eaton of Valuers Trust -John S Lofty-Eaton (National Diploma in Property Valuation (S.A.I.V)).

Details of the group's freehold and leasehold land and buildings are maintained at the registered office of the company and are available for inspection by members or their duly authorised representatives.

Hangana Seafood (Proprietary) Limited has a notarial bond of N$20 million (2014: N$20 million) and WUM Properties Limited has a notarial bond of N$21 million (2014: N$21 million) registered over their movable assets.

The insurance policies over certain items of property, plant and equipment have been ceded to the bond holders.

Land held under the Permission to Occupy

The property relates to an unsurveyed business site measuring 100 000 square metres situated at Kasika Kabuta in the district of Katima Mulilo.

A purchase offer of N$1.75 million was received at year end 2010 for the property. In view of the anticipated transaction, the investment property was written down to the sale amount to be realised. Since the company is not considering selling the asset, it is not classified as held-for-sale.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

3. Investment property

Group	2015		2014	
	At valuation N$'000	**Carrying value N$'000**	**At valuation N$'000**	**Carrying value N$'000**
Investment property	1 589 504	1 589 504	1 429 946	1 429 946

Reconciliation of investment property - Group - 2015

	Opening balance N$'000	**Additions N$'000**	**Disposals N$'000**	**Transfers from assets held for sale N$'000**	**Fair value adjustments N$'000**	**Total N$'000**
Investment property	1 429 946	2 889	(260)	450	156 479	1 589 504

Reconciliation of investment property - Group - 2014

	Opening balance N$'000	**Additions N$'000**	**Disposals N$'000**	**Transfers to assets held for sale N$'000**	**Fair value adjustments N$'000**	**Total N$'000**
Investment property	1 310 316	4 414	(6 100)	(37 519)	158 835	1 429 946

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

3. Investment property (continued)

Pledged as security

Carrying value of assets pledged as security:

Freehold land and buildings	1 554 437	1 397 582	-	-

These assets are encumbered to secure liabilities as per Note 23.

Other disclosures

The insurance policies over certain items of investment property have been ceded to the bond holder.

Details of valuation

In 2015, the Group's investment properties were revalued by the following independent professional valuators at N$1 619 966 108 (2014 N$ 1 469 987 924):
-F A Frank-Schultz (National Diploma in Property Valuation);
-Tim Moulder (FRICS FIV (SA)) and Belinda Curtis (BSc (Hons) Property Studies) of Broll Valuation and Advisory Services (Pty) Ltd; and
-A Schröder (Namibia Estate Agents Board Certificate and Sworn Appraiser) and F Löhnert (National Diploma in Property Valuation (UNISA)) from Ludwig Schröder Estate Agents CC.

These valuators are members of appropriate organisations, and have appropriate qualifications and experience in the valuation of similar properties.

The valuations were arrived at by reference to market evidence of transaction prices for similar properties on adiscounted cash flow basis and comparative sales method basis.

There has been no change in the valuation techniques compared to prior year.

Capitalisation rates of 8.25%-10.00% (2014: 7.75%-10.00%) and discount rates of 8%-14.00% (2014: 8%-14.50%) were used.

These assumptions are based on current market conditions.

Transferred in 2015:
Land and buidlings reclassfied in 2015 from non-current assets held for sale amount to N$ 450,000 and consists of Erf no 331 Luderitz.

Transferred in 2014:
Land and buidlings reclassfied in 2014 from property, plant & equipment amount to N$ 4,860,000 and consists of Erf no 914 Tsumeb, while Erf no 1771 & R/222 was transfered from investment property to property, plant & equipment, and amount to N$ 37,520,000.

Amounts recognised in profit and loss for the year

Rental income from investment property	130 971	125 050	-	-
Direct operating expenses from rental generating	(7 061)	(6 800)	-	-
	123 910	**118 250**	**-**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

3. Investment property (continued)

Adjusted valuations

The fair value of investment property has been adjusted by adding the recognised lease liabilities and deducting the recognised lease asset to the discounted cash flow calculation as follows:

Fair value adjustment during the year

Valuation obtained from independent sworn appraisers	156 666	158 587	-	-
Recognised lease obligations	(187)	(2 265)	-	-
	156 479	**156 322**	**-**	**-**

4. Biological assets

Group	2015		2014	
	At valuation N$'000	Carrying value N$'000	At valuation N$'000	Carrying value N$'000
Oats fields	1 051	1 051	781	781
Game	538	538	492	492
Milk cows	36 057	36 057	32 725	32 725
Total	**37 646**	**37 646**	**33 998**	**33 998**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4. Biological assets (continued)

Reconciliation of biological assets - Group - 2015

	Opening balance N$ '000	Disposals and deaths N$ '000	Gains arising from changes in fair value attributable to growth N$'000	Other changes, movements N$'000	Total N$ '000
Oats fields	781	-	-	270	1 051
Game	492	-	46	-	538
Milk cows	32 725	(9 010)	12 342	-	36 057
	33 998	**(9 010)**	**12 388**	**270**	**37 646**

Reconciliation of biological assets - Group - 2014

	Opening balance N$ '000	Additions N$ '000	Disposals and deaths N$ '000	Gains arising from changes in fair value attributable to growth N$'000	Other changes, movements N$'000	Total N$ '000
Oats fields	-	781	-	-	-	781
Game	237	-	-	-	255	492
Milk cows	33 715	-	(9 720)	8 730	-	32 725
	33 952	**781**	**(9 720)**	**8 730**	**255**	**33 998**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
4. Biological assets (continued)				
Non–financial information				
Livestock consisted of the following number of animals:				
Milk cows	3 035	2 958	-	-
Game*	286	216	-	-
	3 321	**3 174**	**-**	**-**

* Game consists of Impala, Bontebok, Duiker, Eland, Giraffe, Kudu, Oryx, Steenbuck, Warthog and Ostriches.

Methods and assumptions used in determining fair value
The fair value of livestock was determined based on market prices of livestock of similar age, breed and genetic merit.

The fair value of game was determined by using market value, using live auction values.

5. Intangible assets

Group		**2015**			**2014**	
	Cost N$'000	**Accumulated amortisation N$ '000**	**Carrying value N$ '000**	**Cost N$ '000**	**Accumulated amortisation N$ '000**	**Carrying value N$ '000**
Software	49 526	(32 433)	17 093	37 007	(23 049)	13 958
Goodwill	6 015	-	6 015	6 015	-	6 015
Trademark	2 000	-	2 000	2 000	-	2 000
Total	**57 541**	**(32 433)**	**25 108**	**45 022**	**(23 049)**	**21 973**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

5. Intangible assets (continued)

Reconciliation of intangible assets - Group - 2015

	Opening balance N$ '000	Additions N$ '000	Disposals N$ '000	Transfers from property, plant and equipment N$ '000	Amortisation N$ '000	Total N$ '000
Software	13 958	10 350	(44)	892	(8 063)	17 093
Goodwill	6 015	-	-	-	-	6 015
Trademark	2 000	-	-	-	-	2 000
	21 973	**10 350**	**(44)**	**892**	**(8 063)**	**25 108**

Reconciliation of intangible assets - Group - 2014

	Opening balance N$ '000	Additions N$ '000	Disposals N$ '000	Transfers (to) property, plant and equipment N$ '000	Amortisation N$ '000	Total N$ '000
Software	17 672	2 788	(24)	(55)	(6 423)	13 958
Goodwill	6 015	-	-	-	-	6 015
Trademark	-	2 000	-	-	-	2 000
	23 687	**4 788**	**(24)**	**(55)**	**(6 423)**	**21 973**

Other information

Intangible assets, other than trademarks and goodwill, are amortised over their useful lives. The foreseeable lives of the intangible assets range between 3 and 7 years. The charges to profit or loss are shown in Note 33. Goodwill and trademarks are assessed for impairment annually.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

6. Investments in subsidiaries

Name of company	Held by	Nature of business	Issued capital N$ '000	% holding 2015	% holding 2014	Carrying amount 2015 N$'000	Carrying amount 2014 N$'000
Weathermen and Company Advertising (Proprietary) Limited	OLFITRA*	Advertising and marketing	1	50.10 %	50.10 %	374	374
Broll & List Property Management (Namibia) (Proprietary) Limited	OLFITRA*	Property management	1	51.00 %	51.00 %	1	1
Central Properties (Proprietary) Limited	OLFITRA*	Letting of property	8	100.00 %	100.00 %	8	8
Consortium Fisheries Limited	OLFITRA*	Investment holding	1 903	97.00 %	97.00 %	113 766	113 766
- Hangana Seafood (Proprietary) Limited	COFI*	Processing of fish	90	95.76 %	96.70 %	57 688	79 109
- Kraatz Marine (Proprietary) Limited	COFI*	Ship repair	30 349	97.00 %	97.00 %	29 482	31 585
O&L Natural Energy (Proprietary) Limited	OLFITRA*	Energy solutions	-	100.00 %	100.00 %	-	11
O&L Digital (Proprietary) Limited	OLFITRA*	Digital marketing	-	100.00 %	100.00 %	-	-
Eros Air (Proprietary) Limited	OLFITRA*	Aircraft charter	60	100.00 %	100.00 %	15 835	13 799
ICT Holdings (Proprietary) Limited	OLFITRA*	Consulting service to supply electronic communication	-	100.00 %	100.00 %	5 800	4 500
Khan Mine (Proprietary) Limited (sold in 2015)	OLFITRA*	Dormant	-	- %	100.00 %	-	529
Namibia Breweries Share Purchase Trust	n/a	Employee share incentive scheme	-	- %	- %	-	(179)
Organic Energy Solutions (Proprietary) Limited	OLFITRA*	Manufacturing and supply of energy, fodder and other products/services sourced from bush and wood	-	100.00 %	100.00%	1 673	3
O&L Beverage Company (Proprietary) Limited	OLFITRA*	Investment holding	123	100.00 %	100.00 %	75 459	52 779
- NBL Investment Holdings (Proprietary) Limited	BEV*	Investment holding	-	55.79%	55.79%	107	107
- Namibia Breweries Limited	NBLIH*	Manufacturing and distribution of beer and soft drinks	1 024	29.67%	29.50%	3 636	25
O&L Centre (Proprietary) Limited	OLFITRA*	Corporate head office	-	100.00 %	100.00 %	263 547	250 887
O&L Energy (Proprietary) Limited	OLFITRA*	Manufacturing and distribution of all forms of energy	-	100.00 %	100.00 %	6 918	3 870

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

6. Investments in subsidiaries (continued)

Name of company	Held by	Nature of business	Issued capital N$ '000	% holding 2015	% holding 2014	Carrying amount 2015 N$'000	Carrying amount 2014 N$'000
O&L South Africa Proprietary Limited	OLFITRA*	South Africa head office	-	100.00 %	100.00 %	-	-
Wernhil Park (Proprietary) Limited	OLFITRA*	Letting of property	1	100.00 %	100.00 %	16 521	16 521
Windhoek Parking (Proprietary) Limited	OLFITRA*	Dormant	-	100.00 %	100.00 %	483	483
Windhoek Schlachterei (Proprietary) Limited	OLFITRA*	Earning royalty income	31 580	90.00 %	90.00 %	68 455	68 455
WUM Properties Limited	WUM*	Retail, tourism and property	-	98.00 %	98.00 %	176 103	199 772
- Khan Construction Company (Proprietary) Limited	WUM*	Investment holding	-	98.00 %	98.00 %	17 975	17 975
- Namibia Dairies (Proprietary) Limited	WUM*	Manufacturing and distribution of dairy products	2	98.00 %	98.00 %	88 636	93 977
- O&L Leisure (Proprietary) Limited	WUM*	Hospitality industry	-	98.00 %	98.00 %	354 619	153 036
Chobe Water Villas (Proprietary) Limited	WUM*	Hospitality industry	-	78.00 %	78.00 %	-	-
Kalahari Can Company (Proprietary) Limited	OLFITRA*	Dormant	-	100.00 %	100.00%	7	7
						1 297 093	1 101 400
Impairment of investment in subsidiaries						(375 284)	(326 000)
						921 809	775 400

The carrying amounts of subsidiaries consist of shares at cost and loans to/from subsidiaries and are shown net of impairment losses.

The principal place of business and of incorporation for all subsidiaries except for O&L South Africa, is Namibia. O&L South Africa's place of business and incoporation is South Africa.

In the current and prior year the investments in COFI, Windhoek Schlachterei (Proprietary) Limited, O&L Centre (Proprietary) Limited, ICT Holdings (Proprietary) Limited, Eros Air (Proprietary) Limited, Windhoek Parking (Proprietary) Limited, O&L Natural Energy (Proprietary) Limited, O&L Digital (Proprietary) Limited, Organic Energy Solutions (Proprietary) Limited, O&L South Africa Proprietary Limited, O&L Energy (Proprietary) Limited and Organic Energy Solutions (Proprietary) Limited were deemed to not be fully recoverable due to 'at acquisition reserves' having been reduced by subsequent accumulated operating losses.

***OLFITRA** - Ohlthaver & List Finance and Trading Corporation Limited
***COFI** - Consortium Fisheries Limited (only includes significant subsidiaries)
***NBLIH** - NBL Investment Holdings (Proprietary) Limited (only includes significant subsidiaries)
***WUM** - WUM Properties Limited (only includes significant subsidiaries)
***BEV** - O&L Beverage Company (Proprietary) Limited

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

6. Investments in subsidiaries (continued)

Reconciliation of the impairment of investment in subsidiaries

At begining of year	-	-	(326 000)	(309 908)
Consortium Fisheries Limited	-	-	(9 186)	-
Windhoek Schlachterei (Proprietary) Limited	-	-	2 440	8 021
O&L Centre (Proprietary) Limited	-	-	(21 939)	(21 918)
ICT Holdings (Proprietary) Limited	-	-	73	(73)
Eros Air (Proprietary) Limited	-	-	(719)	(324)
O&L South Africa Proprietary Limited	-	-	387	(432)
O&L Energy (Proprietary) Limited	-	-	(2 651)	(1 349)
O&L Natural Energy (Proprietary) Limited	-	-	11	(11)
O&L Digital (Proprietary) Limited	-	-	(7)	(3)
Organic Energy Solutions (Proprietary) Limited	-	-	(1 282)	(3)
Khan Construction Company (Proprietary) Limited	-	-	(16 940)	-
Khan Mine (Proprietary) Limited - sold	-	-	529	-
Balance at the end of the year	**-**	**-**	**(375 284)**	**(326 000)**

Subsidiaries pledged as security

N$100.0 million (2014: N$100.0 million) of the shareholder's loan to O&L Beverage Company (Proprietary) Limited has been ceded/ pledged to Bank Windhoek as security for the preference shares they hold. Refer to Note 23.

The company has deferred its right to claim repayment of debt owing to it of N$ 350.0 million (2014: N$ 382.3 million) by certain subsidiaries until the assets of these subsidiaries, fairly valued, exceeded their liabilities. At 30 June 2015, these subsidiaries' liabilities exceed their assets, fairly valued, by N$ 270.0 million (2014: N$ 270.4 million).

Aggregate profits/(losses) of subsidiaries

Aggregate profits	-	-	476 975	419 997
Aggregate losses	-	-	(36 730)	(31 114)
	-	**-**	**440 245**	**388 883**

Investments in subsidiaries comprises of:

Investments in subsidiaries at cost	-	-	92 441	88 724
Loans to group companies	-	-	1 581 521	1 375 315
Impairment of investments in subsidiaries	-	-	(375 284)	(326 000)
Loans from group companies	-	-	(376 869)	(362 639)
	-	**-**	**921 809**	**775 400**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

6. Investments in subsidiaries (continued)

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

The following schedule represents the impact of changes in ownership interest of subsidiaries here control was not lost, on the equity attributable to owners of the group:

Sale of 8 800 (2014: 4 000) shares in Hangana Seafood (Proprietary) Limited to non-controlling interest, reducing effective ownership interest from 96.7% to 95.8% (2014: 97% to 96.7%)	2 565	1 320	-	-
Sale of shares in Mariental Bioenergy (Proprietary) Limited (subsidiary of Namibia Dairies (Proprietary) Limited) to non-controlling interest, decreasing ownership interest from 100% to 65.7%	10	-	-	-
Aquisition of 296 987 shares in Namibia Breweries Limited from non-controlling interest, increasing ownership interest from 29.5% to 29.67%	(1 770)	-	-	-

The proceeds of N$ 13 357 227 (2014:N$ 5 522 521) less the change of N$ 805 381 (2014:N$ 1 320 017) of equity attritbutable to owners of the group resulted in a surplus on change of ownership of N$ 12 551 846 (2014:N$ 4 202 504) which is included in retained income.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

6. Investments in subsidiaries (continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests

	Place of incorporation and principal place of business	Proportion of ownership interest held by non-controlling interest 2015	Proportion of ownership interest held by non-controlling interest 2014	Total comprehensive income allocated to non-controlling interest 2015 N$'000	Total comprehensive income allocated to non-controlling interest 2014 N$'000	Accumulated non-controlling interest 2015 N$'000	Accumulated non-controlling interest 2014 N$'000
NBL Investment Holdings Group	Namibia	44.14 %	44.21 %	121 056	120 625	582 988	531 417

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intra group eliminations.

NBL Investment Holdings Group

	Group 2015 N$'000	Group 2014 N$'000
Current assets	821 529	653 237
Non-current assets	1 421 978	1 394 353
Non-current assets held for sale	4 500	5 925
Current liabilities	477 530	402 205
Non-current liabilities	342 902	334 938
Equity attibutable to owners of the Company	844 587	784 955
Non-controlling interests	582 988	531 417

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

6. Investments in subsidiaries (continued)

NBL Investment Holdings Group

	Group 2015 N$'000	Group 2014 N$'000
Revenue	2 434 177	2 316 933
Expenses	(1 395 303)	(2 116 449)
Profit for the year	**1 038 874**	**200 484**
Profit attributable to owners of the parent	132 206	103 565
Profit attributable to non-controlling interest	120 998	96 917
Profit for the year	**253 204**	**200 482**
Other comprehensive income attributable to owners of the parent	132 271	129 887
Other comprehensive income attributable to non-controlling interest	121 056	120 625
Total comprehensive income for the year	**253 327**	**250 512**
Dividends paid to non-controlling interest	(69 485)	(63 613)
Net cash flows from operating activities	524 882	391 524
Net cash flows from investing activities	(179 213)	(269 086)
Net cash flows from financing activities	(137 582)	(334 319)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

7. Investment in associates

Group

Name of company

	Nature of business	% holding 2015	% holding 2014	Carrying amount 2015 N$ '000	Carrying amount 2014 N$'000
Dimension Data Namibia (Proprietary) Limited	Consulting services to supply electronic communication	49.00 %	49.00 %	7 018	7 180
Mobicash Payment Solutions (Proprietary) Limited	Provider of mobile payment solutions	30.00 %	- %	20 120	-

Company

Name of company

	Nature of business	% holding 2015	% holding 2014	Carrying amount 2015 N$ '000	Carrying amount 2014 N$'000
Mobicash Payment Solutions (Proprietary) Limited	Provider of mobile payment solutions	30.00 %	- %	20 120	-

Carrying value

Cost of investment	19 435	135	19 300	-
Share of associate's reserves				
Beginning of the year	7 045	5 583	-	-
Profit for the year	3 598	3 421	820	-
Dividends received	(2 940)	(1 959)	-	-
	27 138	**7 180**	**20 120**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
7. Investment in associates (continued)				
Aggregated individually immaterial associates accounted for using the equity method				
Total assets			91 260	44 038
Total liabilities			(53 027)	(24 745)
Revenue			119 650	72 574
Profit or loss			8 405	6 982
Group's share of associate's net assets			15 054	9 454
Group's share of profit for the year			3 599	3 421
Dividend income from associate			2 940	1 959

Associates with different reporting dates

The reporting date of Dimension Data Namibia (Proprietary) Limited is 30 September. The reporting date of Dimension Data Namibia (Proprietary) Limited is different from the group because it is controlled by Dimension Data (South Africa) Proprietary Limited which has a 30 September reporting date.

The reporting date of Mobicash Payment Solutions (Proprietary) Limited is 31 October. The interest in Mobicash Payment Solutions (Proprietary) Limited was aquired on 30 March 2015.

Fair value

The Directors valued the unlisted investment in the associate and determined it to equal the carrying value of the investment.

Carrying value

The carrying amounts of associates are shown net of impairment losses.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

8. Investments in joint ventures

Group

Name of company	Nature of business	% holding 2015	% holding 2014	Carrying amount 2015 N$'000	Carrying amount 2014 N$'000
SIP Project Management Namibia (Proprietary) Limited	Project management	25.50 %	25.50 %	-	-
DHN Drinks (Proprietary) Limited	Distribution and marketing	15.50 %	15.50 %	28 325	-
Brandtribe (Proprietary) Limited	Digital marketing	50.00 %	50.00 %	-	-
Natural Value Foods Namibia (Proprietary) Limited	Supply of fresh produce	48.90 %	48.90 %	4 004	1 117
				32 329	**1 117**

The carrying amounts of joint ventures are shown net of impairment losses.

The loan to DHN Drinks (Proprietary) Limited is unsecured and bears interest at JIBAR+2% and has no fixed repayment terms.

The full equity injection in the current year into DHN Drinks (Proprietary) Limited was in the form of loan funding of N$155.0 million (2014: N$104.6 million) of which N$139.5 million (2014: N$ 46.5 million) was capitalised during the year. Refer to Note 53 for details regarding the subsequent event.

The unaudited loss as per SIP Project Management Namibia (Proprietary) Limited financial statements amounts to N$ 481 628 for the year ended 30 June 2015 (2014: N$ 1 098 907). The unrecognised share of losses of SIP Project Management Namibia (Proprietary) Limited for the group for 2015 amounts to N$ 122 815 (2014: N$ 280 221), while the cumulative unrecognised share of losses amounts to N$ 586 479 (2014: N$ 463 664) as at 30 June 2015.

The unaudited profit as per Brandtribe Proprietary Limited financial statements amounts to N$ 211 542 for the year ended 30 June 2015 (2014: N$1 076 210 - Loss). The unrecognised share of losses of Brandtribe Proprietary Limited for the group for 2015 amounts to N$ 105 771 (2014: N$ 538 105), while the cumulative unrecognised share of losses amounts to N$ 912 194 as at 30 June 2015 (2014: N$ 1 017 965).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

8. Investments in joint ventures (continued)

Material joint ventures

	Country of incorporation	Method	% Ownership interest	
			2015	2014
DHN Drinks (Proprietary) Limited	South Africa	Equity	15.5 %	15.5 %

The country of incorporation is the same as the principle place of business. The percentage voting rights is equal to the percentage ownership.

Refer to note 53 for subsequent events.

Summarised financial information of material joint ventures

Summarised Statement of Comprehensive Income	DHN Drinks (Proprietary) Limited	
	2015 N$'000	2014 N$'000
Revenue	4 743 766	4 552 411
Interest income	-	133
Other income and expenses	(5 424 531)	(5 297 681)
Interest expense	(100 726)	(53 171)
Profit before tax	(781 491)	(798 308)
Loss from continuing operations	(781 491)	(798 308)
Total comprehensive income	**(781 491)**	**(798 308)**
Royalties received from joint venture	79 067	72 508

Summarised Statement of Financial Position

	DHN Drinks (Proprietary) Limited	
	2015 N$'000	2014 N$'000
Assets		
Non current	356 849	356 000
Cash and cash equivalents	118	118
Current assets	784 177	1 023 882
Total assets	114 144	1 380 000
Liabilities		
Current financial liabilities	1 073 345	1 428 000
Total current liabilities	1 073 345	1 428 000

The summarised information presented above reflects the financial statements of the joint ventures after adjusting for differences in accounting policies between the group and the joint venture.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

8. Investments in joint ventures (continued)

	2015 N$'000	2014 N$'000
Group		
Aggregated share of individually immaterial joint ventures accounted for using the equity method		
Profit from continuing operations	349	645
Post tax profit	234	432
Total comprehensive income	234	432

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

Fair value

The Directors valued the unlisted investments in joint ventures and determined them to equal the carrying values of the investments.

Carrying value

	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
Cost of investment				
Beginning of the year	705 831	599 185	-	-
Equity injection into joint venture: equity	139 500	46 500	-	-
Equity injection into joint venture: loan	15 500	58 125	-	-
Share of joint venture reserves			-	-
Beginning of the year	(704 714)	(584 394)		
Loss for the year from ongoing operations	(124 101)	(119 910)	-	-
Accrued interest on loan	(2 081)	2 081		
Loan repayment	2 394	(470)	-	-
	32 329	**1 117**	**-**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
9. Other financial assets				
At fair value through profit or loss - held for trading				
Foreign exchange contracts	414	470	-	-
Fuel options	289	-	-	-
	703	**470**	**-**	**-**
Available-for-sale				
Unlisted investments	15	14	-	-
Loans and receivables				
HW Freyer	-	225	-	-
The loan to HW Freyer represents the present value of future amounts receivable from the sale of lucerne fields of Farm Otavifontein. The loan was repaid during the year and bore interest at a fixed rate of 10.5%.				
L Heydenrich	493	493	-	-
The loan to L Heydenrich bears interest at 0% (2014: 0%) and there are no repayment terms. The group holds a right of execution over the Farm Leeudrink, No. 940. The fair value of the farm exceeds the carrying amount of the loan.				
Token Fisheries (Proprietary) Limited	16 356	4 707	-	-
An additional amount of N$ 12 796 446 was advanced to Token Fisheries (Proprietary) Limited in November 2014 for the sole purpose of aquiring 8 800 additional shares in Hangana Seafood (Pty) Ltd. The loan bears interest at Nedbank Prime less 4% and has a term of not more than 10 years which started from September 2013.				
Freshuila loan receivable	-	10 905		
	16 849	16 330		
Freshuila loan receivable impairment	-	(10 905)		
	16 849	**5 425**	**-**	**-**
Total other financial assets	**17 567**	**5 909**	**-**	**-**
Non-current assets				
Available-for-sale	15	14	-	-
Loans and receivables	16 849	5 200	-	-
	16 864	**5 214**	**-**	**-**
Current assets				
At fair value through profit or loss - held for trading	703	470	-	-
Loans and receivables	-	225	-	
	703	**695**	-	
	17 567	**5 909**	**-**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

9. Other financial assets (continued)

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.

The fair value of financial assets with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices.

The fair value of other financial assets (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

The fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives and option pricing models for optional derivatives.

Foreign currency forward contracts and options are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps and collars are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

Holdings in unlisted shares are measured at cost.

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

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 represents those assets which are measured using unadjusted quoted prices for identical assets.

Level 2 applies to inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).

Level 3 applies to inputs which are not based on observable market data.

	Group 2015	Group 2014	Company 2015	Company 2014
Level 2				
Foreign exchange contracts	414	470	-	-
Fuel options	289	-	-	-
	703	**470**	**-**	**-**

The group has not reclassified any financial assets from cost or amortised cost to fair value, or from fair value to cost or amortised cost during the current or prior year.

Refer to Note 46 for derivative financial instruments information.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

9. Other financial assets (continued)

Fair values of loans and receivables

HW Freyer	-	225	-	-

The fair value was determined using the discounted cash flow method. The interest rate used to discount the cash flows was the weighted average rate of interest of 9.3% at 30 June 2015 (2014: 9.3%)

This fair value would be categorised within level 3 in the fair value hierarchy.

Except as detailed in the table above, the Directors consider that the carrying amounts of financial assets recorded at amortised cost in the financial statements approximate their fair values. The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Credit quality of other financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

10. Non-current receivables

Consist of:

Tenant commission	1 442	2 349	-	-
Tenant allowances	5 530	7 860	-	-
Deferred rental	36 832	37 054	-	-
	43 804	**47 263**	**-**	**-**

Refer to note 51 for the credit risk management.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
11. Deferred tax				
Deferred taxation liability				
Analysis for financial reporting purposes				
Deferred taxation assets	15 364	21 940	-	-
Deferred taxation liabilities	(417 065)	(385 732)	-	-
	(401 701)	**(363 792)**	**-**	**-**
Deferred taxation liability arises from:				
Fixed asset allowances	(549 790)	(554 097)	-	-
Provisions	16 187	4 629	-	-
Retirement benefit obligations	11 604	11 597	-	-
Tax losses available for set off against future taxable income	148 776	203 078	-	-
Customer deposits	13 550	15 273	-	-
Prepayments	(21 000)	(22 148)	-	-
Deferred rentals	(11 023)	(9 767)	-	-
Other deferred taxation	(10 005)	(12 357)	-	-
	(401 701)	**(363 792)**	**-**	**-**
Reconciliation of deferred taxation liability				
At beginning of the year	(363 792)	(255 597)	-	-
Adjustment relating to prior period	7	-		
Charge to profit or loss for the year	(33 725)	(79 461)	-	-
Charge to other comprehensive income for the year	(4 191)	(28 734)	-	-
	(401 701)	**(363 792)**	**-**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

12. Loans to/(from) related parties

Non-current assets	2 590	1 008	2 590	1 008
Current assets	67 326	162 246	2 195	11
Non-current liabilities	(28 273)	(10 636)	(8 028)	(10 636)
Current liabilities	(13 357)	(12 283)	(2 475)	(1 602)
	28 286	**140 335**	**(5 718)**	**(11 219)**
Directors and past directors	(10 484)	(12 217)	(10 503)	(12 238)
DHN Drinks (Proprietary) Limited	62 911	147 079	-	-
Dimension Data Namibia (Proprietary) Limited	(2 449)	(4 446)	-	-
Natural Value Foods Namibia (Proprietary) Limited	(4 646)	(3 977)	-	-
Heineken South Africa Export Company (Proprietary) Limited	323	11 138	-	-
List Trust Company (Proprietary) Limited	2 590	1 008	2 590	1 008
Ohlthaver & List Holdings (Proprietary) Limited	2 195	27	2 195	11
Sinco Investments Seventy Three (Proprietary) Limited	(21 459)	-		
The Werner List Trust	1 298	3 605	-	-
The Jupiter Drawing Room (Cape Town) (Proprietary) Limited	(372)	(372)	-	-
Ohlthaver & List Employee Catastrophe Fund Trust	(1 319)	(1 308)	-	-
SIP South Africa (Proprietary) Limited	(425)	107	-	-
Broll South Africa (Proprietary) Limited	(422)	(577)	-	-
Brandtribe (Proprietary) Limited	545	268	-	-
	28 286	**140 335**	**(5 718)**	**(11 219)**

Loans from directors represent facilities obtained at First National Bank Limited in the names of two of the Directors. These facilities were advanced to Ohlthaver & List Finance and Trading Corporation Limited. Any costs incurred by the Directors on those facilities are recovered from Ohlthaver & List Finance and Trading Corporation Limited.

The Directors' loans bear interest at an average rate of prime less 1% (2014: prime less 1%) and are repayable in monthly instalments of N$ 230 203 (2014: N$ 226 260) over an average remaining period of 113 months (2014: 119 months).

The DHN Drinks Proprietary Limited loan bears no interest and has 30 days (2014 : 30 days) from statement repayment terms.

The loan from the Ohlthaver & List Employee Catastrophe Fund Trust bears interest at prime less 2% (2014: prime less 2%) and no repayment terms have been set.

The loan from Sinco Investments Seventy Three (Proprietary) Limited bears no interest and has no fixed terms of repayment. The financier does not hold any collateral as security. The loan is subordinated in favour of and for the benefit of Standard Bank for securing obligations to the bank.

All other amounts refer to normal trade debtors and creditors with normal credit terms.

For detailed related party information refer to Note 47.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
12. Loans to/(from) related parties (continued)				
Loans to/(from) related parties are analysed as:				
Non-current assets				
List Trust Company (Proprietary) Limited	2 590	1 008	2 590	1008
Current assets				
Directors and past directors	19	21	-	-
DHN Drinks Proprietary Limited	62 911	147 079	-	-
Dimension Data Namibia (Proprietary) Limited	-	1	-	-
Heineken South Africa Export Company Proprietary Limited	323	11 138	-	-
Ohlthaver & List Holdings (Proprietary) Limited	2 195	27	2 195	11
The Werner List Trust	1 298	3 605	-	-
Brandtribe Proprietary Limited	545	268	-	-
SIP Project Managers (Namibia) (Proprietary) Limited	35	107	-	-
	67 326	**162 246**	**2 195**	**11**
Non-current liabilities				
Directors and past directors	8 028	10 636	8 028	10 636
Sinco Investments Seventy Three (Proprietary) Limited	20 245	-	-	-
	28 273	**10 636**	**8 028**	**10 636**
Current liabilities				
Directors and past directors	2 475	1 602	2 475	1 602
Dimension Data Namibia (Proprietary) Limited	2 449	4 447	-	-
Natural Value Foods Namibia (Proprietary) Limited	4 646	3 977	-	-
Broll South Africa Proprietary Limited	422	577	-	-
Ohlthaver & List Employee Catastrophe Fund Trust	1 319	1 308	-	-
Sinco Investments Seventy Three (Proprietary) Limited	1 214	-	-	-
The Jupiter Drawing Room (Capetown) Proprietary Limited	372	372	-	-
SIP Project Managers (Namibia) (Proprietary) Limited	460	-	-	-
	13 357	**12 283**	**2 475**	**1 602**

Fair value of loans to/(from) related parties

The Directors consider that the carrying amounts of loans with related parties approximate their fair value.

The maximum exposure to credit risk at the reporting date is the fair value of each class of loan mentioned above.

Loans to related parties pledged as collateral

Total financial assets pledged as collateral	63 234	158 239	-	-

These assets are encumbered to secure liabilities as per Note 23.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

13. Work in progress - Land and building under development and construction

Carrying value				
Cost	76 761	-	-	-
		-	-	-
Reconciliation		-	-	-
Additions	60 761	-	-	-
Transfer from Property, plant and equipment	16 000	-	-	-
	76 761	**-**	**-**	**-**

The operational cycle is such that the inventory will not be realised within 12 months.

The carrying value above relates to building work at a development called '77 on Independence' which will comprise 164 residential units as well as a retail component on the ground floor. Completion is estimated to happen during June 2016, after which the sold residential units will be transferred to the new owners. It is the intention of the Group to retain the retail component.

Included in the work in progress is a property with a cost price of N$16 000 000. The property comprises remaining extent of portion A of erf number 282, situated in Windhoek, Khomas region and measuring 2,916.34 square metres.

A first continuing covering bond is registered on this property in favour of Standard Bank for a sum of N$ 180 000 000 with an additional sum of N$ 45 000 000 for securing obligations to the bank.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
14. Inventories				
Raw materials	89 619	75 722	-	-
Work in progress	26 764	28 589	-	-
Finished goods	83 467	85 720	-	-
Merchandise	132 145	97 997	-	-
Consumable stores	113 320	101 514	-	-
	445 315	389 542	-	-
Provision for obsolete stock	(10 668)	(6 594)	-	-
	434 647	**382 948**	**-**	**-**
Included in the amount above are the following inventories carried at net realisable value:				
Carrying value of inventories carried at fair value less costs to sell	3 953	436	-	-

The impairment to inventories is included in operating expenses in profit and loss and is mainly due to redundant spares, changes in packaging design and expired finished products.

15. Trade and other receivables

	Group 2015 N$'000	Group 2014 N$'000	Company 2015 N$'000	Company 2014 N$'000
Trade receivables (net of allowance for doubtful debts)	344 774	324 248	-	-
Prepayments	40 871	19 648	-	-
Deposits	11 044	10 692	-	-
Value-added taxation	50 475	37 226	458	117
Deferred rental	95	72	-	-
Promotional and buying incentives	10 636	8 931	-	-
Fuel rebate	9 463	2 820	-	-
Tenant allowances and commissions	3 237	3 172	-	-
Other receivables	39 174	17 058	-	-
	509 769	**423 867**	**458**	**117**

Trade and other receivables pledged as security

N$ 262 815 555 (2014: N$ 214 246 738) of these assets are encumbered to secure liabilities as per Note 23.

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past due nor impaired can be assessed by reference to past default experience.

Fair value of trade and other receivables

The Directors consider that the carrying amount of trade and other receivables approximate their fair value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

15. Trade and other receivables (continued)

Trade and other receivables past due but not impaired

The average credit period on sales of goods of the group is 45 days (2014: 42 days). No interest is charged on the trade receivables for the first 30-60 days from the date of the invoice. Thereafter, interest is charged at between 0% and the prime overdraft rate plus 2% per annum on the outstanding balance. At 30 June 2015, N$ 99 054 634 (2014: N$ 192 294 026) were past due but not impaired. The group has not provided for these as there has not been a significant change in credit quality.

Included in 30 - 60 days is DHN receivable balance of N$0.5m (2014: N$43.6m) and Heineken receivable balance of N$nil (2014: N$ 5m). Included in the 60 - 90 days category is DHN receivable balance of N$0.4m (2014: N$29.3m). Included in the 90+ days category is DHN receivable balance of 3.4m (2014: N$2.9m).

The group does not hold any collateral over these balances.

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

30 – 60 days	55 903	104 641	-	-
60 – 90 days	11 051	50 914	-	-
> 90 days	32 101	36 739	-	-
	99 055	**192 294**	**-**	**-**

Trade and other receivables impaired

As of 30 June 2015, trade and other receivables of N$ 15 276 063 (2014: N$ 6 866 593) were impaired and provided for.

Trade receivables are provided for based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

The impairment recognised represents the difference between the carrying amount of these trade receivables and the present value of the expected liquidation proceeds.

The ageing of these impaired receivables is as follows:

10–90days	1 290	421	-	-
90–120days	293	330	-	-
120+days	13 693	6 116	-	-
	15 276	**6 867**	**-**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

15. Trade and other receivables (continued)

Reconciliation of provision for impairment of trade and other receivables

Opening balance	(6 867)	(6 823)	-	-
Impairment losses recognised	(9 571)	(3 401)	-	-
Amounts written off as uncollectable	1 150	2 082	-	-
Amounts recovered during the year	12	1 275	-	-
	(15 276)	**(6 867)**	**-**	**-**

The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

16. Construction contracts and receivables

Contracts in progress at the end of the reporting period

Construction contract receivables	-	388	-	-
Consisting of:				
Construction costs incurred plus recognised profits less recognised losses to date	-	505	-	-
Less: Progress billing	-	(117)	-	-
	-	**388**	**-**	**-**

17. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	898	812	-	-
Bank balances	91 731	178 865	1	50 877
Short-term deposits	232 065	2 756	-	-
	324 694	**182 433**	**1**	**50 877**

The carrying amount of these assets approximates their fair value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

18. Non-current assets held for sale

The major classes of assets and liabilities comprising the disposal group classified as held for sale are as follows:

Net assets of disposal group				
Non-current assets held for sale				
Property, plant and equipment	4 500	5 925	-	-
Investment property	-	450	-	-
	4 500	**6 375**	**-**	**-**

Non-current assets classified as held for sale consist of:				
Property, plant and equipment	4 500	5 925	-	-
ERF 331 L - Luderitz	-	450	-	-
	4 500	**6 375**	**-**	**-**

2015

Non-current assets classified as held for sale consists of the Camelthorn Brewing assets. The brewing assets were classified as held for sale on 30 April 2014 and management is at advanced stages of selling the assets to a prospective buyer. The assets are classified as held for sale as the Group intends to sell the assets within the next 12 months.

2014

Erf 331 Luderitz was revalued by P J Schultz, an independent, professional valuator, based on the comparative sales method, to reflect the fair value less costs to sell.

Included in non-current assets held for sale is a vacant erf in Lüderitz.

Also included were Camelthorn Brewing assets. The brewing assets were classified as held for sale on 30 April 2014 as the Group intended to sell the assets within the next 12 months.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

19. Issued share capital and share premium

Authorised				
12 000 000 (2014: 12 000 000) Ordinary shares of N$ 0.50 each	6 000	6 000	6 000	6 000
Issued				
5 492 917 (2014: 5 492 917) Ordinary shares of N$ 0.50 each	2 746	2 746	2 746	2 746
Share premium	645	645	645	645
	3 391	**3 391**	**3 391**	**3 391**

6 507 083 unissued ordinary shares are under the control of the Directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.

20. Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign subsidiaries from their functional currencies to the Group's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign subsidiary.

Balance at the beginning of the year	(37)	-	-	-
Exchange differences arising on translating foreign subsidiaries	65	(66)	-	-
Exchange differences attributable to non-controlling interest	(29)	29	-	-
	(1)	**(37)**	**-**	**-**

21. Revaluation reserve

The Revaluation reserve arises on the revaluation of land and buildings. When revalued land or buildings are sold, the portion of the revaluation reserve that relates to the asset is transferred directly to retained earnings. Items of other comprehensive income included in the revaluation reserve will not be reclassified subsequently to profit or loss. The revaluation reserve is transferred to retained earnings over the remaining useful life of the assets that were revalued. In terms of the articles of association the revaluation reserve is not distributable.

Balance at the beginning of the year	645 688	532 174	-	-
Increase arising on revaluation of properties	11 871	180 029	-	-
Deferred tax liability arising on revaluation	(3 362)	(28 734)	-	-
Revaluation attributable to non-controlling interest	(180)	(37 487)	-	-
Transferred to retained earnings	8 582	(294)	-	-
	662 599	**645 688**	**-**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

22. Equity settled share based payment reserve

The equity-settled share-based payment reserve arose from a share-based payment that was made in the 2010 financial year as a result of a broad-based community economic empowerment transaction between the Group and Epia Investment Holdings (Proprietary) Limited.

	Group 2015	Group 2014	Company 2015	Company 2014
Balance at the end of the year	54 949	54 949	54 949	54 949

23. Other financial liabilities

	Group 2015	Group 2014	Company 2015	Company 2014
At fair value through profit or loss				
Foreign exchange contracts	3 947	3 308	-	-
Held at amortised cost				
Bank overdrafts	61 611	30 263	8 605	-
Bank loan	22 900		-	-
Instalment sale creditors	123 139	108 704	-	-
Promissory loans	251 213	50 255	251 213	50 255
Preference share capital	272 442	304 013	-	-
Mortgage bond	666 658	669 440	-	-
Unsecured Domestic Medium Term notes	104 927	158 939	104 927	158 939
	1 502 890	**1 321 614**	**364 745**	**209 194**
	1 506 837	**1 324 922**	**364 745**	**209 194**

Bank overdraft facilities have been provided by Standard Bank of Namibia Limited, Bank Windhoek Limited, Nedbank Namibia Limited, First National Bank of Namibia Limited and ABSA Bank Limited and bear interest at between prime and prime + 1% (2014: between prime and prime + 1%) and are renegotiated every year.

The bank loan relates to the Standard Bank of Namibia Limited medium term loan with a facility of N$ 163 500 000 granted to finance the development costs (excluding VAT) of 164 residential apartments as well as a retail component on the ground floor on erf 282, Windhoek, Namibia, which will be known as: 77 on Independence. The full amount of this loan is repayable on the date falling 24 months after the first drawdown, being 4 March 2017.

The liabilities above are secured by encumbered assets as per Note 2, Note 3, Note 6, Note 12 and Note 15.

	Group 2015	Group 2014	Company 2015	Company 2014
Non-current liabilities				
At amortised cost	1 169 739	978 260	276 593	109 167
Current liabilities				
Fair value through profit or loss	3 947	3 308	-	-
At amortised cost	333 151	343 354	88 152	100 027
	337 098	**346 662**	**88 152**	**100 027**
	1 506 837	**1 324 922**	**364 745**	**209 194**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

23. Other financial liabilities (continued)

Fair value of the financial liabilities carried at amortised cost				
Mortgage bond - First National Bank of Namibia Limited	370 909	409 302	-	-
Unsecured Domestic Medium Term Notes - DMT Notes				
OL001	-	25 466	-	25 446

These fair values would be categorised within level 3 in the fair value hierarchy.

Except as detailed in the table above, the Directors consider that the carrying amounts of financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

The fair values of these financial instruments were determined using the discounted cash flow method. The interest rate used to discount the cash flows was prime rate at 30 June 2015 (2014: prime rate).

The total amount of undrawn facilities available for future operating activities and commitments	65 034	81 340	7 513	11 725

The carrying amounts of financial liabilities at fair value through profit or loss are denominated in the following currencies:

Namibia Dollar	300	680	-	-
US Dollar	957	2 150	-	-
EURO	2 690	478	-	-
	3 947	**3 308**	**-**	**-**

The carrying amounts of financial liabilities at amortised cost are denominated in the following currencies:

Namibia Dollar	1 284 401	1 071 566	104 928	75 722
South Africa Rand	218 489	250 048	259 818	133 472
	1 502 890	**1 321 614**	**364 746**	**209 194**

Other financial liabilities at fair value through profit or loss

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

The fair value of financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices.

The fair value of other liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

The fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives and option pricing models for optional derivatives.

Foreign currency forward contracts and options are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps and collars are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

Refer to Note 46 for derivative financial instruments information.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

23. Other financial liabilities (continued)

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

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 represents those liabilities which are measured using unadjusted quoted prices for identical liabilities.

Level 2 applies to inputs other than quoted prices that are observable for the liabilities either directly (as prices) or indirectly (derived from prices).

Level 3 applies to inputs which are not based on observable market data.

Level 2				
Foreign exchange contracts	3 947	3 308	-	-

Preference share capital

Authorised				
200 (2014: 200) variable rate, redeemable, cumulative preference shares of N$ 0.0002 each	-	-	-	-
2 000 (2014: 2 000) variable rate, redeemable, cumulative preference shares of N$ 1.00 each	2	2	-	-
10 000 (2014: 10 000) variable rate, redeemable, cumulative preference shares of N$ 0.01 each	-	-	-	-
	2	**2**	**-**	**-**
Issued				
83 (2014: 89) variable rate, redeemable, cumulative preference shares of N$ 0.0002 each	-	-	-	-
1 375 (2014: 1 675) variable rate, redeemable, cumulative preference shares of N$ 1.00 each	1	2	-	-
510 (2014: 510) variable rate, redeemable, cumulative preference shares of N$ 0.01 each	-	-	-	-
Share premium	270 798	302 298	-	-
Accrued preference share dividend	1 643	1 713	-	-
	272 442	**304 013**	**-**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

23. Other financial liabilities (continued)

The preference shares (including accrued interest) can be allocated as follows:	**Interest rate 2015 %**	**Interest rate 2014 %**	**Group 2015 N$'000**	**Group 2014 N$'000**
Bank Windhoek Limited	71-72% of prime	68-71% of prime	124 701	148 319
Standard Bank of Namibia Limited	73% of JIBAR	73% of JIBAR	96 400	104 421
Bank Windhoek Limited	73.5% of prime	72.5% of prime	51 341	51 273

N$ 95.8 million (2014: N$ 105 million) of the Standard Bank preference shares are redeemable over a ten-year period in equal quarterly redemptions, which escalate annually.

N$ 26 million (2014: N$ 23.5 million), N$ 28 million (2014: N$ 11 million) N$ 47 million (2014: N$ 13 million), N$ 29 million (2014: N$ 26.5), N$ 44.5 million (2014: N$ 29) and N$ NIL (2014: N$ 44.5) of the Bank Windhoek preference shares are redeemable over a 12 month, 24 month, 36 month, 48 month, 60 months and 72 month period respectively in six-monthly redemptions, which escalate annually.

The company has provided unlimited suretyship in favour of Bank Windhoek Limited as security for the above mentioned borrowings.

During 2012, by a special resolution NBL Investment Holdings (Proprietary) Limited created 10 000 cumulative, variable rate, redeemable preference shares of N$ 0.01 each and subsequently issued 510 shares at a premium of N$ 99 999.99.

The variable rate, redeemable, cumulative preference shares of N$0.01 each are redeemable in three instalments as follows: N$ 15 million on 31 May 2017, N$ 15 million on 31 May 2018 and N$ 21 million on 31 May 2019.

The unissued 117 variable rate, redeemable, cumulative preference shares of N$ 0.0002 each are under the control of the Directors. This authority expires at the next Annual General Meeting of WUM Properties Limited. Members will accordingly be asked to extend this said authority until the Annual General Meeting to be held in 2016.

The unissued 625 variable rate, redeemable, cumulative preference shares of N$ 1.00 each are under the control of the Directors of O&L Beverages (Proprietary) Limited.

The unissued 9 490 variable rate, redeemable, cumulative preference shares of N$ 0.01 each are under the control of the Directors of NBL Investment Holdings (Proprietary) Limited.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

23. Other financial liabilities (continued)

Mortgage bond

Group

	Interest rate 2015 %	Interest rate 2014 %	Group 2015 N$ '000	Group 2014 N$ '000
Agribank of Namibia				
N$ 865 646 (2014: N$ 865 646) half-yearly	Prime - 0.5%	Prime - 0.5%	1 817	2 482
N$ 3 303 748 (2014: N$ 3 303 748) annually	Prime - 0.75%	Prime - 0.75%	40 150	21 690
			41 967	**24 172**
Bank Windhoek Limited				
N$ 99 918 (2014: N$ 99 417) monthly	Prime - 1%	Prime - 1%	707	1 541
N$ 137 358 (2014: N$ 133 881) monthly	Prime + 1%	Prime + 1%	10 174	9 447
N$ 433 534 (2014: N$ 430 017) monthly	Prime - 2%	Prime - 2%	12 881	16 923
N$ 131 251 (2014: N$ 129 859) monthly	Prime	Prime	5 126	6 149
			28 888	**34 060**
First National Bank of Namibia Limited				
N$ 4 565 (2014: N$ 4 503) monthly	Prime	-	138	177
Variable instalments monthly	11.32%	11.62%	415 707	434 674
N$ 6 291 (2014: N$ NIL) monthly	Prime	-	222	
			416 067	**434 851**
Firstrand Bank Limited				
Repayment due by 30 June 2016 in Rand	JIBAR + 1.85%	JIBAR + 1.85%	100 000	100 000
Standard Bank of Namibia Limited				
N$ 621 412 (2014: N$ 621 412) monthly	Prime - 1%	Prime - 1%	26 563	31 263
N$ 356 248 (2014: N$ NIL) monthly	Prime	-	12 713	-
			39 276	**31 263**
Development Bank of Namibia				
N$ 356 248 (2014: N$ 556 433) monthly	Prime - 2%	Prime - 2%	26 900	28 518
ABSA Bank Limited				
R 368 941 (2014: R 362 962) monthly	SA Prime	SA Prime	13 561	16 576
Total Group				
Total mortgage and other secured loans			**666 658**	**669 440**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

23. Other financial liabilities (continued)

Unsecured domestic medium term notes and promissory notes

	Interest rate 2015 %	Interest rate 2014 %	Group & Company 2015 N$ '000	Group & Company 2014 N$ '000
DMT Notes OL001	-	12.72%	-	25 466
DMT Notes OL003	-	JIBAR + 5.65%	-	50 314
DMT Notes OL004	JIBAR + 3.6%	JIBAR + 3.6%	59 656	83 159
DMT Notes OL005	JIBAR + 5.5%	-	45 271	-
Promissory notes 1-10	JIBAR + 3.8%	JIBAR + 3.8%	50 263	50 255
Promissory notes 11-30	JIBAR + 3.0%	-	100 475	-
Promissory notes 31-50	JIBAR + 3.0%	-	100 475	-
			356 140	**209 194**

During the financial year ended 30 June 2010, the Group entered into the (N$500 000 000) Ohlthaver & List Finance and Trading Corporation Limited Domestic Medium Term (DMT) Note Programme listed on the Namibian Stock Exchange. In terms of this Programme, the company may from time to time issue listed and/or unlisted notes.

The DMT Notes OL001 (unlisted) were issued on 6 November 2009 at a nominal amount of N$25 000 000. The Notes carry interest at a fixed rate of 12.717% p.a. payable six-monthly in arrears on 6 May and 6 November each year which matured on 6 November 2014. The capital was repaid at maturity. The holder of the Notes was Standard Bank (Namibia) Nominees (Proprietary) Limited.

Tranche 1 of the DMT Notes OL003 (unlisted) was issued on 12 December 2011 at a nominal amount of N$20 000 000. Tranche 2 was issued on 10 March 2012 following the roll-over of DMT Notes OL002 at a nominal amount of N$30 000 000, bringing the total nominal amount issued for DMT Notes OL003 to N$50 000 000. The Notes bore interest at a floating rate of SA JIBAR 3 month plus 565 basis points. The interest was payable three-monthly in arrears on 10 March, 10 June, 10 September and 10 December each year until the maturity date of 10 December 2014. The capital was repayable at maturity. The holder of the Notes was First National Bank Nominees (Namibia) (Proprietary) Limited.

The DMT Notes OL004 (listed) were issued on 30 August 2013 at a nominal amount of ZAR100 000 000. The Notes carry interest at a floating rate of SA JIBAR 3 month plus 360 basis points payable three monthly in arrears on 28 February, 30 May, 30 August and 30 November each year until maturity date of 30 August 2016. The capital is repayable on 28 February, 30 May, 30 August and 30 November each year at ZAR 5 833 333 with a final payment of ZAR 35 833 337. The holder of the Notes is Liberty Holdings Limited.

The DMT Notes OL005 (listed) were issued on 11 December 2014 at a nominal amount of N$45 000 000. The Notes carry interest at a floating rate of SA JIBAR 3 month plus 550 basis points, payable three monthly in arrears on 11 March, 11 June, 11 September and 11 December each year until maturity date of 11 December 2017. The capital is repayable at maturity. The holder of the Notes is Momentum Asset Management.

The Promissory Notes 1-10 (unlisted) were issued on 12 December 2012 at a nominal amount of N$ 50 000 000. The Notes carry interest at a floating rate of SA JIBAR 3 month plus 380 basis points, payable three monthly in arrears on 12 March, 12 June, 12 September and 12 December each year until the maturity date of 11 December 2015. The capital is repayable at maturity. The holder of the Notes is Old Mutual Investment Group.

The Promissory Notes 11-30 (unlisted) were issued on 30 September 2014 at a nominal amount of N$100 000 000. The Notes carry interest at a floating rate of SA JIBAR 3 month plus 300 basis points, payable three monthly in arrears on 12 March, 12 June, 12 September and 12 December each year until maturity date of 12 September 2016. The capital is repayable at maturity. The holder of the Notes is Old Mutual Investment Group.

The Promissory Notes 31-50 (unlisted) were issued on 20 February 2015 at a nominal amount of N$100 000 000. The Notes carry interest at a floating rate of SA JIBAR 3 month plus 300 basis points, payable three monthly in arrears on 12 March, 12 June, 12 September and 12 December each year until maturity date of 20 February 2020. The capital is repayable at maturity. The holder of the Notes is Old Mutual Investment Group.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

23. Other financial liabilities (continued)

Instalment sale creditors

Group

	Interest rate 2015 %	Interest rate 2014 %	Group 2015 N$ '000	Group 2014 N$ '000
Bank Windhoek Limited				
N$ NIL (2014: N$ 45 902) monthly	-	Prime	-	224
N$ 1 125 847 (2014: N$ 470 799) monthly	Prime - 1%	Prime - 1%	47 542	12 654
N$ NIL (2014: N$ 513 122) monthly	-	Prime - 2%	-	3 548
N$ 179 669 (2014: N$ 177 574) monthly	Prime + 0.5%	Prime + 0.5%	6 588	7 982
			54 130	**24 408**
Nedbank Namibia Limited				
N$ 977 810 (2014: N$ 990 750) monthly	Prime - 1.5%	Prime	1 029	12 194
N$ 328 432 (2014: N$ 325 294) monthly	Prime - 1.5%	Prime - 1.25%	7 463	10 397
N$ 754 609 (2014: N$ 1 097 700) monthly	Prime - 1.5%	Prime - 2%	25 071	28 107
			33 563	**50 698**
First National Bank of Namibia Limited				
N$ 146 262 (2014: N$ 223 687) monthly	Prime - 2%	Prime - 2%	799	2 414
Standard Bank of Namibia Limited				
N$ 72 911 (2014: N$ 72 715) monthly	Prime - 1%	Prime - 1%	12 250	1 307
N$ 945 109 (2013: N$ 449 059) monthly	Prime - 2%	Prime - 2%	19 589	26 485
			31 839	**27 792**
Wesbank Limited				
N$ 74 512 (2014: N$ 73 303) monthly	10%	9.2%	2 810	3 392
Total Group				
Total instalment sale creditors			**123 139**	**114 739**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

23. Other financial liabilities (continued)

Details of current portions				
Fair value through profit or loss				
Foreign exchange contracts	3 947	3 308	-	-
At amortised cost				
Bank overdrafts	61 611	30 263	8 605	-
Redeemable preference shares	21 642	33 213	-	-
Mortgage bond	144 208	138 937	-	-
Unsecured Domestic Medium Term notes	28 334	99 772	28 334	99 772
Promissory notes	51 213	255	51 213	255
Instalment sale creditors	26 143	40 914	-	-
	333 151	**343 354**	**88 152**	**100 027**

24. Finance lease liabilities

Non-current liabilities	40 059	34 718	-	-
Current liabilities	23 550	22 618	-	-
	63 609	**57 336**	**-**	**-**
Minimum lease payments due				
- within one year	29 709	25 850	-	-
- in second to fifth year inclusive	46 930	42 810	-	-
	76 639	68 660	-	-
less: future finance charges	(13 030)	(11 324)	-	-
Present value of minimum lease payments	**63 609**	**57 336**	**-**	**-**

Liabilities above are secured by encumbered assets as per Note 2.

Currencies - At amortised cost

The carrying amounts of finance lease liabilities are denominated in the following currencies:

Namibia Dollar	63 115	56 566	-	-
Botswana Pula	109	770	-	-
Rand	385	-		
	63 609	**57 336**	**-**	**-**

The fair value of finance lease liabilities approximates their carrying amounts.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

24. Finance lease liabilities (continued)

Lease creditors

Group

	Interest rate 2015 %	Interest rate 2014 %	Group 2015 N$ '000	Group 2014 N$ '000
Avis Fleet Services				
N$ 655 013 (2014: N$ 676 359) monthly	Prime	Prime	24 020	18 399
N$ 298 252 (2014: N$ 199 964) monthly	Prime - 1.25%	Prime - 1.25%	9 783	8 259
N$ 64 820 (2014: N$ 103 598) monthly	Prime - 2%	Prime - 2%	2 405	1 083
N$ 119 043 (2014: N$ 151 600) monthly	Prime - 3%	Prime - 3%	5 843	2 564
N$ 9 457 (2014: N$ NIL) monthly	Prime	-	418	-
			42 469	**30 305**
Forklift & Allied				
N$ 108 930 (2014: N$ 121 074) monthly	Prime	Prime	1 693	2 630
Eqstra Fleet Services				
N$111 474 (2014: N$ 109 986) monthly	Prime + 0.5%	Prime + 0.5%	2 279	3 320
Omatemba Fleet Services				
N$ 1 116 471 (2014: N$ 1 032 632) monthly	Prime	Prime	16 784	20 500
Micros SA				
N$ 21 324 (2014: N$ 21 324)	12%	12%	384	581
Total Group				
Total lease creditors	Prime -%	Prime -%	63 609	57 336

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

25. Provisions

Non-current liabilities	43 790	43 280	-	-
Current liabilities	1 966	881	-	-
	45 756	**44 161**	**-**	**-**

Reconciliation of provisions - Group - 2015

	Opening balance N$ '000	Amounts charged to profit or loss N$ '000	Employer benefit payments N$ '000	Total N$ '000
Provision for post-retirement medical aid costs	16 197	1 094	(696)	16 595
Provision for severance pay	27 964	478	(66)	28 376
Provision for probable claims	-	785	-	785
	44 161	**2 357**	**(762)**	**45 756**

Reconciliation of provisions - Group - 2014

	Opening balance N$ '000	Amounts charged to profit or loss N$ '000	Employer benefit payments N$ '000	Total N$ '000
Provision for post-retirement medical aid costs	17 856	(558)	(1 101)	16 197
Provision for severance pay	24 593	4 423	(1 052)	27 964
	42 449	**3 865**	**(2 153)**	**44 161**

An independent actuarial valuation of the provision for post-retirement medical aid costs and the provision for severence pay was performed by Alexander Forbes Financial Services at 30 June 2015.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

25. Provisions (continued)

Amounts charged to profit or loss consist of:

Group - 2015

	Provision for post-retirement medical aid costs N$ '000	Provision for severance pay N$ '000	Provision for probable claims N$ '000	Total N$ '000
Interest cost	1 377	2 666	-	4 043
Actuarial loss	367	(4 278)	-	(3 911)
Service costs	(390)	2 762	785	3 157
Utilisation	(260)	(672)	-	(932)
	1 094	**478**	**785**	**2 357**

Amounts charged to profit or loss consist of:

Group - 2014

	Provision for post-retirement medical aid costs N$ '000	Provision for severance pay N$ '000	Total N$ '000
Interest cost	1 371	2 106	3 477
Actuarial (gain)/loss	(1 515)	1 427	(88)
Service costs	(192)	2 198	2 006
Utilisation	(222)	(1 308)	(1 530)
	(558)	**4 423**	**3 865**

Provision for post-retirement medical aid costs

The group subsidises 50% of the medical aid contribution in respect of certain retired employees on an ad-hoc basis based on past negotiations. Provisions are made for these costs.

Valuation method and assumptions

The actuarial valuation method used to value the liabilities is the projected unit credit method prescribed by IAS 19 Employee Benefits. Future benefits valued are projected using specific actuarial assumptions and the liability for inservice members is accrued over the expected working lifetime.

The most significant assumptions used are a discount rate of 8.30% (2014: 8.60%) and a health care cost inflation rate of 8.20% (2014: 8.50%). The assumed rates of mortality are per PA (90) ultimate table rated down 2 years plus 1% improvement p.a. from a base year of 2006. No explicit assumption was made about additional mortality or health care costs due to HIV and AIDS.

Sensitivity analysis of health care cost inflation

A one percentage point decrease or increase in the rate of health care cost inflation will have the following effect:

The accrued liability as at 30 June 2015 will decrease by N$ 1.310 million (2014: N$ 1.339 million) or increase by N$ 1.498 million (2014: N$ 1541 million) respectively; and

The current service cost and interest cost will decrease by N$ 0.109 million (2014: N$ 0.102 million) or increase by N$ 0.124 million (2014: N$ 0.144 million) respectively.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

25. Provisions (continued)

Provision for severance pay

In accordance with section 35(1) of the Namibia Labour Act, 2007, severence benefits are payable to an employee, if the employee is unfairly dismissed, dies while employed or resigns/retires on reaching the age of 65 years. The statutory termination benefits provided are classified as defined benefits and are determined based on one weeks' salary/wages for each completed year of service.

Valuation method and assumptions

The actuarial valuation method used to value the liabilities is the projected unit credit method prescribed by IAS 19 Employee Benefits. Future benefits valued are projected using specific actuarial assumptions and the liability for inservice members is accrued over the expected working lifetime.

The most significant assumptions used are a discount rate of 8.60% (2014: 8.80%), an inflation rate of 5.70% (2014: 6.10%) and a salary increase rate of 5.70% (2014: 6.10%).

26. Non-current payables

Consists of:

Tenant deposits	4 784	3 362	-	-

27. Deferred income

O&L Energy (Proprietary) Limited received a grant of N$ 3 027 610 from the Energy and Enviromental Partnership programme with Southern and East Africa, Phase II, through the Ministry for Foreign Affairs of Finland, to help implement this project. The two parties entered into a 2 year contract on 02 March 2015, thus the contract will be in force till 02 March 2015. As per the contract, a total grant of € 300 000 will be awarded to O&L Energy for the sole purpose of the "Invader Bush to Energy" project. The grant will be received in three phases, namely 25% received in March 2015, 50% received in May 2015 and final payment of 25% only to be received in February 2016. The deferred income will be realised over the useful life of the asset to be purchased, as per the agreement, to match the depreciation expense being compensated for by the grant.

In May 2014, a non-repayable interest free loan of N$ 4 900 000 was received from the Kasika Conservancy. The funds were received to defray part of the expenditure incurred in re-establishing and rebuilding a lodge, accordingly the amount is being recognised in profit or loss over the period of 20 years.

Non-current liabilities	7 928	4 900	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
28. Trade and other payables				
Trade payables	521 116	430 264	1	-
Crates control account	6 598	6 783	-	-
Value-added taxation	7 265	2 582	-	-
Accrued leave pay	33 681	28 028	-	-
Accrued bonus	94 863	66 561	-	-
Provision for discounts	3 001	9 621	-	-
Excise duties	45 685	39 306	-	-
Accrued reimbursements	-	5 000	-	-
Value-added taxation on imports	1 400	2 885	-	-
Deposits received	30 688	34 597	-	-
Quota levies	3 756	3 148	-	-
Other payables	37 948	35 108	-	-
Other accrued expenses	98 338	91 404	1 890	1 337
	884 339	**755 286**	**1 891**	**1 337**

Fair value of trade and other payables

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The Directors consider that the carrying amount of trade and other payables approximates their fair value.

The average credit period on the purchase of certain goods from major creditors is 30 to 90 days. No interest is charged on trade payables for the first 30 to 90 days from the date of the invoice. Thereafter, interest is charged at varying rates ranging from 0% to 30% per annum on the outstanding balance. The group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

	Group 2015 N$'000	Group 2014 N$'000	Company 2015 N$'000	Company 2014 N$'000
29. Revenue				
Sale of goods	5 004 963	4 671 652	-	-
Rendering of services	89 957	56 719	-	-
Insurance premiums received	-	-	750	1 100
Royalty income	79 279	72 508	-	-
Rental income	130 971	124 164	-	-
Dividends received	-	-	30 803	38 358
Quota levy income	-	2 783	-	-
Other revenue	1 106	817	-	-
	5 306 276	**4 928 643**	**31 553**	**39 458**
Inclusive of:				
Export sales	1 420 352	1 332 826	-	-
Revenue from subsidiaries and other related parties (Note 47)	938 837	1 030 380	31 553	39 458

The rental income from Wernhil Park and Alexander Forbes House has been ceded to the First National Bank of Namibia Limited.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
30. Cost of sales				
Sale of goods				
Cost of goods sold	3 626 158	3 421 879	-	-
Cost of rendering of service	36 686	29 133	-	-
Gains on biological assets and agricultural produce	(81 976)	(73 630)	-	-
	3 580 868	**3 377 382**	**-**	**-**
31. Other income				
Administration and management fees received	192	-	-	-
Discount received	9 519	8 173	-	-
Farming income	4 453	5 278	-	-
Other income	4 517	7 099	-	-
Profit on exchange differences	5 837	838	-	-
Profit on sale of assets and liabilities	3 345	478	10	-
Quota usage, berthing and sundry income	27 639	-	-	-
Recoveries	5 310	4 963	-	-
Rental income	2 053	426	-	-
Sundry income	634	1 108	-	-
	63 499	**28 363**	**10**	**-**
32. Operating expenses				
Costs by function				
Distribution costs	8 822	12 135	-	-
Administrative expenses	564 828	482 955	4 103	3 639
Other expenses	563 512	453 219	45 929	16 087
	1 137 162	**948 309**	**50 032**	**19 726**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
33. Operating profit				
Operating profit for the year is stated after accounting for the following:				
Income from related parties				
Dividends	-	-	30 803	38 358
Insurance premiums received	-	-	750	1 100
Management fees received	1 443	1 211	-	-
Royalties	79 067	72 508	-	-
Sales	938 837	1 030 380	-	-
Expenses to related parties				
Directors' remuneration	24 597	23 374	360	376
Management fees	6 526	6 014	-	-
Purchases	111 124	81 213	-	-
Royalties	1 731	4 115	-	-
Fees for professional services				
Administrative services	5	72	5	72
Technical services	102	192	102	138
Audit fees - current year	8 084	7 362	1 267	1 129
Audit fees - other services	623	611	-	-
Operating lease charges				
Premises				
• Contractual amounts	50 359	45 012	-	-
Motor vehicles				
• Contractual amounts	5 697	4 370	-	-
Equipment				
• Contractual amounts	1 822	1 964	-	-
• Contingent amounts	-	160	-	-
Operating lease charges				
(Loss) / profit on disposal of property, plant and equipment	381	(5 660)	-	-
Loss on disposal of biologocal assets	9 010			
Profit on disposal of non-current assets held for sale	-	821	-	-
Impairment loss on subsidiaries, joint ventures and associates	1 091	-	32 873	16 092
Amortisation of tenant allowances	3 172	3 151	-	-
Impairment on trade and other receivables	9 571	3 401	-	-
Loss on exchange differences	4 335	148	-	-
Amortisation on intangible assets	8 063	6 423	-	-
Depreciation on property, plant and equipment	197 532	181 543	-	-
Employee costs	815 233	711 723	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
34. Investment income				
Interest income				
Loans and receivables - Bank and other	11 802	12 303	8 520	2 033
Loans and receivables - Related parties	15 126	4 502	-	-
Loans and receivables - Group companies	-	-	8 960	8 897
Other interest	4	4	-	-
	26 932	**16 809**	**17 480**	**10 930**
35. Fair value adjustments				
Investment property	156 656	158 835	-	-
Biological assets	12 388	-	-	-
Derivative financial instruments	-	(141)	-	-
Non-current assets held for sale	-	150	-	-
	169 044	**158 844**	**-**	**-**
36. Finance costs				
Related parties	1 483	1 106	1 015	998
Preference dividends	13 648	10 196	-	-
Trade and other payables	781	462	-	-
Bank and other	103 708	112 314	295	268
Domestic Medium Term notes	13 481	15 601	13 481	15 601
Promissory notes	15 005	4 570	15 005	4 570
Less: Amounts included in the cost of qualifying assets (77 on Independence)	(305)	-	-	
	147 801	**144 249**	**29 796**	**21 437**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
37. Taxation				
Major components of the taxation expense				
Current				
Local income taxation - current period	112 698	70 219	-	-
Foreign income taxation - current period	22 124	20 289	-	-
	134 822	**90 508**	**-**	**-**
Deferred				
Originating and reversing temporary differences	24 292	71 826	-	-
Benefit of unrecognised tax loss	970	7 298	-	-
Deferred tax loss utilised	8 463	-	-	-
Arising from prior period adjustments	-	337	-	-
	33 725	**79 461**	**-**	**-**
	168 547	**169 969**	**-**	**-**
Reconciliation of the taxation expense				
Reconciliation between applicable tax rate and average effective tax rate.				
Applicable tax rate	33.00%	33.00%	33.00%	33.00%
Exempt income	(9.64)%	(2.37)%	(50.00)%	(50.00)%
Incentive allowances	(7.56)%	(4.49)%	-%	-%
Timing differences not provided for	2.47%	(6.32)%	-%	-%
Tax rate differential between tax jurisdictions	(0.84)%	(0.67)%	-%	-%
Disallowable charges	9.69%	9.28%	3.18%	3.18%
Prior year adjustment	(0.74)%	(0.51)%	-%	-%
Current year's tax losses available for use against taxable income	1.42%	3.16%	13.82%	13.82%
Use of tax losses relating to prior periods	1.29%	0.03%	-%	-%
	29.09%	**31.11%**	**-%**	**-%**
Estimated capital allowances for set-off against future farming income	41 742	35 628	-	-

No taxation has been provided for in the company and certain subsidiaries as they did not earn any taxable income. The estimated tax loss available for set off against future taxable income is Group: N$ 979 633 291 (2014 Group: N$ 793 046 011) and Company: N$ 63 703 688 (2014: N$ 50 923 541). In addition to the amount charged to profit or loss, deferred tax relating to the revaluation of the Group's properties amounting to N$ 3.362 million (2014: N$ 28.734 million charge) was debited to other comprehensive income. The revaluation of buildings resulted in the deferred tax expense in the statement of comprehensive income.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

38. Other comprehensive income

Components of other comprehensive income - Group - 2015

	Gross N$'000	Tax N$'000	Net before non-controlling interest N$'000	Non-controlling interest N$'000	Net N$'000
Items that will not be reclassified to profit or loss					
Movements on revaluation					
Gains (losses) on property revaluation	12 700	(4 191)	8 509	(180)	8 329
Items that may be reclassified to profit or loss					
Exchange differences on translating foreign operations					
Exchange differences arising during the year	123	-	123	(87)	36
Total	**12 823**	**(4 191)**	**8 632**	**(267)**	**8 365**

Components of other comprehensive income - Group - 2014

	Gross N$'000	Tax N$'000	Net before non-controlling interest N$'000	Non-controlling interest N$'000	Net N$'000
Items that will not be reclassified to profit or loss					
Movements on revaluation					
Gains (losses) on property revaluation	180 029	(28 734)	151 295	(37 487)	113 808
Items that may be reclassified to profit or loss					
Exchange differences on translating foreign operations					
Exchange differences arising during the year	(126)	-	(126)	89	(37)
Total	**179 903**	**(28 734)**	**151 169**	**(37 398)**	**113 771**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

39. Retirement benefit information

Retirement fund

The total value of contributions to the Ohlthaver & List Retirement Fund during the year amounted to:

Members' contribution	24 055	23 477	-	-
Employer contributions	50 452	42 582	-	-
	74 507	**66 059**	**-**	**-**

This is a defined contribution plan fund and is regulated by the Pension Fund Act. The fund is valued at intervals of not more than three years. The fund was valued by an independent consulting actuary at 31 January 2014 and its assets were found to exceed its actuarially calculated liabilities. The next statutory actuarial valuation will be performed at 31 January 2017.

Medical aid fund

Total value of company contributions during the year	32 695	26 667	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
40. Cash generated from (used in) operations				
Profit (loss) before taxation	579 419	546 230	(29 965)	9 225
Adjustments for:				
Depreciation and amortisation	205 595	187 966	-	-
Loss / (profit) on disposal of Property, plant and equipment	(381)	5 660	(10)	-
Profit on disposal of non-current assets held for sale	-	(821)	-	-
Loss from equity accounted investments	120 501	118 448	(820)	-
Dividends received	-	-	(30 803)	(38 358)
Interest received - investment	(26 932)	(16 809)	(17 480)	(10 930)
Finance costs	147 801	144 249	29 796	21 437
Fair value adjustments on investment properties, non-current assets held for sale and derivative financial instruments	(156 073)	(158 844)	-	-
Net impairment losses	10 996	3 401	45 281	16 092
Movements in provisions	2 357	3 865	-	-
Amortisation tenant allowances	3 237	3 151	-	-
Interest rate swap - (Profit) / Loss on reset payment dates	-	(6 804)	-	-
Movement on deferred rental	222	(2 998)	-	-
Fair value adjustment on biological assets	(12 658)	(8 985)	-	-
Loss on livestock due to deaths	9 010	9 720	-	-
Sale of portion of shares in subsidiary - control not lost	13 357	5 523	-	-
Changes in working capital:				
Inventories	(51 699)	45 404	-	-
Trade and other receivables	(95 473)	(35 103)	(341)	133
Construction contracts and receivables	388	(273)	-	-
Trade and other payables	129 047	(37 948)	554	(157)
Deferred income	3 028	4 900	-	-
Derivatives	-	391	-	-
	881 742	**810 323**	**(3 139)**	**(2 558)**

	Group 2015	Group 2014	Company 2015	Company 2014
41. Dividends paid				
Balance at the beginning of the year	(3 582)	(304)	(3 582)	(304)
Dividend paid to outside share holders	(101 597)	(93 178)	-	-
Dividends declared on ordinary shares	(3 735)	(3 735)	(3 735)	(3 735)
Balance at the end of the year	2 672	3 582	2 672	3 582
	(106 242)	**(93 635)**	**(4 645)**	**(457)**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
42. Taxation paid				
Balance receivable at the beginning of the year	13 682	249	-	-
Balance owing at the beginning of the year	(1 347)	(543)	-	-
Current taxation for the year recognised in profit or loss	(134 822)	(90 508)	-	-
Balance owing at the end of the year	2 805	1 347	-	-
Balance receivable at the end of the year	(4 518)	(13 682)	-	-
	124 200	**(103 137)**	**-**	**-**

43. Commitments

Authorised capital expenditure

Already contracted for but not provided for				
• Property, plant and equipment	174 907	307 926	-	-
• Investment property	5 000	2 000	-	-
Not yet contracted for and authorised by director	336 453	287 425	-	-
Total	**516 360**	**597 351**	**-**	**-**

This committed expenditure relates to plant and equipment and investment property and will be financed as follows:

Working capital	101 943	227 282	-	-
Long-term credit facilities	414 417	370 069	-	-
	516 360	**597 351**	-	-

Joint ventures

Repurchase obligation

There exists a potential repurchase obligation relating to the Group's Joint Venture in South Africa. The potential obligation arises from a change in product mix or the Joint Venture agreement terminating, necessitating a repurchase of the distribution rights by the Group. The Directors are of the opinion that in substance this obligation is a derivative over a non-financial asset and as such is assessed in terms of IAS 37: Provisions, Contingent Liabilities and Contingent Assets. The obligation only arises upon termination of the agreement and, in the opinion of the Directors cannot be reliably measured at the reporting date. The Directors have assessed the probability of the contract being terminated in the foreseeable future and consider this as being unlikely.

A new agreement will come into effect in the next financial year. Refer to Note 53.

Joint venture

DHN Funding obligation
Each financial year the shareholders of DHN shall estimate the amount of funding required by DHN. Each shareholder shall then provide this funding in proportion to its shareholding. In the current financial year, the Group's share of the funding requirement was N$ 155 million (2014: N$ 104.6 million).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
Operating leases – as lessee (expense)				
Operating lease commitments				
Land and buildings	68 822	84 843	-	-
Other	13 999	19 976	-	-
	89 821	**104 819**	-	-
Minimum lease payments due				
- within one year	24 071	30 525	-	-
- in second to fifth year inclusive	38 873	48 733	-	-
- later than five years	19 877	25 561	-	-
	82 821	**104 819**	-	-

Operating lease payments represent rentals payable by the Group for certain of its office properties. Leases are negotiated for an average term of 10 years. No contingent rent is payable.

On 31 January 2005, Wernhil Park (Pty) Ltd entered into an operating lease agreement with the Municipal Council of Windhoek whereby Wernhil is leasing Erf 6871 (northern parking) for the duration of 99 years subject to the right of the parties to terminate the agreement with a 12 month written notice. Monthly rent of N$ 119,430 (excluding VAT) was paid for the months July 2012 - April 2013, N$ 126,835 (excluding VAT) for the months of May 2013 - April 2014, N$ 134,445 (excluding VAT) for the months May 14 - April 2014, while the rental for the months May - June 2015 amounted to N$ 142,512 (excluding VAT) per month. The rental is subject to an annual increase linked to the increase of the Consumer Price Index. An estimate of 6% was used as the inflation rate to determine the commitments for the 2016 financial year.

On 01 July 2011, Wernhil Park (Pty) Ltd entered into an operating lease agreement with the Municipal Council of Windhoek whereby Wernhil is leasing a consolidated area of 24,666 square meters (southern parking) consisting of Erf RE/3548, Erf 6872 and Erf 6873 for the duration of 99 years subject to the right of the parties to terminate the agreement with a 12 month written notice. Monthly rent of N$ 121,818 (excluding VAT) was paid for the months July 2012 - May 2013, N$ 129,370 (excluding VAT) for the months of June 2013 - May 2014, N$ 137,133 (excluding VAT) for the months June 2014 - May 2015, while the rental for June 2015 amounts to N$ 145,361 (excluding VAT) per month. The rental is subject to an annual increase linked to the increase of the Consumer Price Index. An estimate of 6% was used as the inflation rate to determine the commitments for the 2016 financial year.

On 1 April 2010, WUM Property Division entered into an operating lease agreement with the Municipal Council of Windhoek whereby WUM leases a parking/slip way to Fruit and Veg (Erf 2611) for the duration of 5 years ending 31 March 2015. This lease agreement was extended from 1 April 2015 to 31 March 2016 and the monthly rental adjusted with the Namibian inflation rate of 4.5% to the amount of N$ 7,810 per month. Future commitments were based on rental from July 2015 up to lease end of 31 March 2016.

44. Contingent liabilities

Performance guarantees	6 899	7 724	-	-
Guarantees of loans, overdrafts and other banking facilities of certain subsidiaries and associate	-	-	429 356	428 852
Less: Provision for losses already provided for	-	-	(325 471)	(326 000)
	6 899	**7 724**	**39 275**	**102 852**

Performance guarantees
Included in the performance guarantees is a performance guarantee issued in favour of Rossing Uranium Limited in respect of a construction services contract for replacement of a Leach Tank.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

44. Contingent liabilities (continued)

Suretyships

Unlimited and limited suretyships have been given to the following subsidiaries, associates and others which could result in an additional liability for the company. All outstanding exposures at 30 June 2015 have been included in the above amounts and all deficits between the assets and liabilities of the subsidiaries at 30 June 2015 have been provided for.

In favour of:	For subsidiary / associate / other	Suretyship N$ '000
Agribank of Namibia	Namibia Dairies (Proprietary) Limited	N$ 26 400
	WUM Properties Limited	N$ 4 330
Bank Windhoek Limited	Dimension Data Namibia (Proprietary) Limited	N$ 2 000
	Hangana Seafood (Proprietary) Limited	N$ 53 000
	Kraatz Marine (Proprietary) Limited	Unlimited
	Namibia Dairies (Proprietary) Limited	Unlimited
	Ohlthaver and List Beverage Company (Proprietary) Limited	Unlimited
	Windhoek Schlachterei (Proprietary) Limited	Unlimited
	WUM Properties Limited	Unlimited
First National Bank of Namibia	Namibia Dairies (Proprietary) Limited	Unlimited
	WUM Properties Limited	Unlimited
	O&L Property Security (Proprietary) Limited	N$ 35 000
Nedbank Namibia Limited	Hangana Seafood (Proprietary) Limited	Unlimited
Standard Bank of Namibia Limited	ICT Holdings (Proprietary) Limited	N$ 12 000
	Kraatz Marine (Proprietary)Limited	Unlimited
	Namibia Dairies (Proprietary) Limited	Unlimited
	WUM Properties Limited	N$ 11 000
ABSA Bank Limited	WUM Properties Limited	N$ 25 000
	O&L Leisure (Proprietary) Limited	N$ 10 000
Development Bank of Namibia	Namibia Dairies (Proprietary) Limited	Unlimited
Tetra Pack	Namibia Dairies (Proprietary) Limited	N$ 19 589

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

45. Unallocated shares in employee share incentive scheme

Allocation of number of shares in the employee share incentive scheme

	Company 2015 Shares '000	Company 2014 Shares '000
Shares offered to employees of the group	4 083	4 083
Shares originally taken up by the employees	(919)	(919)
Third offer withdrawn on 4 October 2001	2 000	2 000
Fourth offer withdrawn on 4 October 2001	1 202	1 202
Shares transferred from trust to company and sold	(6 434)	(6 434)
Shares forfeited by employees to the trust	68	271
	-	**203**

46. Derivative financial instruments information

The following information relates to derivative financial instruments included in other financial assets and other financial liabilities as per Note 9 and Note 23, respectively:

	2015		2014	
Group	**Assets N$ '000**	**Liabilities N$ '000**	**Assets N$ '000**	**Liabilities N$ '000**
Forward foreign exchange contracts - fair value hedges	-	300	112	680
Forward exchange options - fair value hedges	414	3 648	358	2 628
Fuel options	289	-	-	-
	703	**3 948**	**470**	**3 308**
Non-current portion	-	-	-	-
Current portion	703	3 948	470	3 308

The Group's objective in using derivative financial instruments is to reduce the uncertainty over future cash flows arising from the movements in fuel prices, currency and interest rates. As a matter of principle, the Group does not enter into derivative contracts for speculation purposes.

The Group's policy is to appropriately hedge foreign purchases and sales in order to manage its foreign currency exposure. Forward foreign exchange contracts are entered into in order to manage the Group's exposure to fluctuations in foreign currency exchange rates on specific transactions.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

46. Derivative financial instruments information (continued)

Forward foreign exchange contracts

The fair value of forward foreign exchange contracts represents the estimated amounts that the group would receive or pay, should the contracts be terminated at the reporting date, thereby taking into account the unrealised gains or losses. Details of these contracts are as follows:

Group	Foreign amount 2015 '000	Foreign amount 2014 '000	Average rate 2015	Average rate 2014
Euro - Sell	6 793	4 930	13.64	14.06
US Dollar - Sell	2 175	3 324	11.20	10.47
Namibia Dollar amount				
Euro - Sell	92 650	69 327	-	-
US Dollar - Sell	24 360	34 787	-	-
	117 010	**104 114**	**-**	**-**

Fuel Options

The fuel options consists of various commodity swaps with expiry dates ranging from 30 July 2015 to 28 November 2015 and can be summarised as follows:

At 30 June 2014:

	Currency	Quantity L'000	Value N$ '000
Commodity swap	ZAR	(60)	44
Commodity swap	ZAR	(60)	43
Commodity swap	ZAR	(60)	40
Commodity swap	ZAR	(60)	40
Commodity call	ZAR	(90)	22
Commodity call	ZAR	(90)	30
Commodity call	ZAR	(90)	41
Commodity call	ZAR	(90)	46
Commodity put	ZAR	90	-
Commodity put	ZAR	90	(1)
Commodity put	ZAR	90	(6)
Commodity put	ZAR	90	(10)
			289
Assets			306
Liabilities			(17)
			289

Maturities of derivatives

The liquidity analysis is determined based on the maturity profile of the underlying instrument. Refer to Note 51 for maturity profiles of derivatives.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

47. Related parties

Relationships

Ultimate holding entity	The Werner List Trust
Holding company	O&L Holdings (Proprietary) Limited
Subsidiaries	Refer to note 6
Associates	Refer to note 7
Joint ventures	Refer to note 8
Significant influence on Namibia Breweries Limited	Diageo Heineken Namibia B.V.
Entities related to Diageo Heineken Namibia B.V.	Diageo Great Britain Limited
	Diageo South Africa (Proprietary) Limited
	Heineken International B.V.
	Heineken South Africa Export Company (Proprietary) Limited
Significant influence on O&L Holdings (Proprietary) Limited	EPIA Investment Holdings (Proprietary) Limited
Directors/shareholders of EPIA Investment Holdings (Proprietary) Limited	Reverend WS Hanse
	TZM Hijarunguru
	Hon. Governor LV Mcleod-Katjirua
	EP Shiimi
Members of key management	S Bartsch
	J Fitzgerald
	H Feris (until 31 December 2014)
	P Grüttemeyer
	G Hanke
	P Hoeksema
	B Hutchison
	B Mukuahima
	M Reilly
	G Shilongo
	H Theron
	S Thieme
	H van der Westhuizen
	D van Niekerk
	B Walbaum
	M Wenk
	E Krafft (Since 1 Septemer 2014)
	B Hutchison (Since 1 July 2014)
	L Crous (Since 1 October 2014)
	G Ling (Since 1 July 2014)
	N Wurm (Since 1 January 2015)
	M Theron (Since 1 January 2015)

Related party balances

For balances owing (to)/from related parties refer to Note 12.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
47. Related parties (continued)				
Related party transactions				
Interest paid to/(received from) related parties				
DHN Drinks (Proprietary) Limited	(14 863)	(4 224)	-	-
O&L Leisure (Proprietary) Limited	-	-	(7 356)	(1 008)
Dimension Data Namibia (Proprietary) Limited	(1)	(2)	-	-
Directors and past directors	1 015	998	1 015	998
Dimension Data Namibia (Proprietary) Limited	366	1	-	-
Hangana Seafood (Proprietary) Limited	-	-	-	(2 118)
Ohlthaver & List Employee Catastrophe Fund Trust	102	94	-	-
The Werner List Trust	(262)	(178)	-	-
The Werner List Trust	-	13	-	-
Namibia Dairies (Proprietary) Limited	-	-	(861)	(5 457)
Kraatz Marine (Proprietary) Limited	-	(98)	(743)	(314)
Purchases from/(sales to) related parties				
DHN Drinks (Proprietary) Limited	(912 228)	(885 128)	-	-
Diageo South Africa (Proprietary) Limited	49	(36 871)	-	-
Heineken South Africa Export Company (Proprietary) Limited	(26 089)	(108 078)	-	-
Dimension Data Namibia (Proprietary) Limited	(290)	(272)	-	-
Dimension Data Namibia (Proprietary) Limited	29 446	17 047	-	-
Natural Value Foods Namibia (Proprietary) Limited	81 629	64 166	-	-
Natural Value Foods Namibia (Proprietary) Limited	(230)	(31)	-	-
Jupiter Drawing Room (Cape Town) Proprietary Limited	419	-	-	-
Management fees paid to/(received from) related parties				
Dimension Data Namibia (Proprietary) Limited	(514)	(458)	-	-
The Werner List Trust	(104)	(104)	-	-
Diageo Plc	3 263	3 007	-	-
Heineken International B.V.	3 263	3 007	-	-
Brandtribe (Proprietary) Limited	(779)	(649)	-	-
SIP Project Managers (Namibia) Proprietary Limited	(46)	-	-	-
Dividends received from related parties				
ICT Holdings (Proprietary) Limited	-	-	1 400	7 000
Namibia Breweries Limited	-	-	30	28
NBL Share Purchase Trust	-	-	-	164
Ohlthaver & List Beverage Company (Proprietary) Limited	-	-	29 538	31 166

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000
47. Related parties (continued)				
Insurance premiums received from related parties				
Broll and List Property Management (Proprietary) Limited	-	-	7	6
O&L Leisure (Proprietary) Limited	-	-	71	67
Dimension Data Namibia (Proprietary) Limited	18	34	18	34
Eros Air (Proprietary) Limited	-	-	2	2
Hangana Seafood (Proprietary) Limited	-	-	64	131
Kraatz Marine (Proprietary) Limited	-	-	47	65
Namibia Dairies (Proprietary) Limited	-	-	376	528
Ohlthaver & List Centre (Proprietary) Limited	-	-	82	127
Wernhil Park (Proprietary) Limited	-	-	-	6
WUM Properties Limited	-	-	73	134
Kraatz Marine (Proprietary) Limited	-	-	10	-
Royalties paid to/(received from) related parties				
DHN Drinks (Proprietary) Limited	(79 067)	(72 508)	-	-
Heineken International B.V.	1 731	4 115	-	-
Insurance claims paid to/(received from) related parties				
Hangana Seafood (Proprietary) Limited	-	-	30	(93)
Kraatz Marine (Proprietary) Limited	-	-	116	157
Namibia Dairies (Proprietary) Limited	-	-	376	459
Ohlthaver and List Centre (Proprietary) Limited	-	-	41	65
O&L Leisure (Proprietary) Limited	-	-	-	37
Dimension Data (Proprietary) Limited	1	-	1	-
WUM Properties Limited	-	-	265	39

During the year the company, in the ordinary course of business, entered into various sale and purchase transactions with its Holding Company and all other related parties.

These transactions occurred under terms that are negotiated between the parties.

Compensation to key management				
Short-term employee benefits	50 460	46 284	24 597	23 374

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

48. Directors' emoluments - Company (paid by subsidiaries)

Executive

2015

	Basic remuneration and allowanc-es N$ '000	Other benefits* N$ '000	Compensation for loss of office and restraint of trade N$ '000	Total N$ '000
Executive directors	19 680	3 332	1 000	24 012

2014

	Basic remuneration and allowanc-es N$ '000	Other benefits* N$ '000	Compensation for loss of office and restraint of trade N$ '000	Total N$ '000
Executive directors	18 771	2 942	1 000	22 713

* Other benefits comprise retirement, medical and other benefits

Non-executive

2014

	Director's fees N$ '000	Total N$ '000
Non-executive directors	585	585

2014

	Director's fees N$ '000	Total N$ '000
Non-executive directors	661	661

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

49. Financial assets by category

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

Group - 2015

	Loans and receivables N$ '000	Fair value through profit or loss - held for trading N$ '000	Available-for sale N$ '000	Total N$ '000
Loans to related parties	69 915	-	-	69 915
Other financial assets	17 566	703	14	18 283
Trade and other receivables	415 091	-	-	415 091
Cash and cash equivalents	324 694	-	-	324 694
	827 266	**703**	**14**	**827 983**

Group - 2014

	Loans and receivables N$ '000	Fair value through profit or loss - held for trading N$ '000	Available-for sale N$ '000	Total N$ '000
Loans to related parties	163 254	-	-	163 254
Other financial assets	5 439	470	14	5 923
Trade and other receivables	363 750	-	-	363 750
Construction contracts and receivables	388	-	-	388
Cash and cash equivalents	182 433	-	-	182 433
	715 264	**470**	**14**	**715 748**

Company - 2015

	Loans and receivables N$ '000	Total N$ '000
Loans to group companies	1 581 521	1 581 521
Loans to related parties	4 785	4 785
Cash and cash equivalents	1	1
	1 586 307	**1 506 307**

Company - 2014

	Loans and receivables N$ '000	Total N$ '000
Loans to group companies	1 375 315	1 375 315
Loans to related parties	1 019	1 019
Cash and cash equivalents	50 877	50 877
	1 427 211	**1 427 211**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

50. Financial liabilities by category

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

Group - 2015

	Financial liabilities at amortised cost N$ '000	Fair value through profit or loss - held for trading N$'000	Total N$ '000
Loans from related parties	41 630	-	41 630
Other financial liabilities	1 502 890	3 947	1 506 837
Trade and other payables	747 133	-	747 133
Finance lease obligation	63 610	-	63 610
Non-current payables	4 784	-	4 784
Dividend payable	2 672	-	2 672
	2 362 719	**3 947**	**2 366 666**

Group - 2014

	Financial liabilities at amortised cost N$ '000	Fair value through profit or loss - held for trading N$'000	Total N$ '000
Loans from related parties	22 919	-	22 919
Other financial liabilities	1 321 614	3 947	1 325 561
Trade and other payables	655 236	-	655 236
Finance lease obligation	57 336	-	57 336
Non-current payables	3 362	-	3 362
Dividend payable	3 582	-	3 582
	2 064 049	**3 947**	**2 067 996**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

50. Financial liabilities by category (continued)

Company - 2015

	Financial liabilities at amortised cost N$ '000	Total N$ '000
Loans from group companies	376 869	376 869
Loans from related parties	10 503	10 503
Other financial liabilities	364 746	364 746
Trade and other payables	1 894	1 894
Dividend payable	2 672	2 672
	756 684	**756 684**

Company - 2014

	Financial liabilities at amortised cost N$ '000	Total N$ '000
Loans from group companies	362 639	362 639
Loans from related parties	12 238	12 238
Other financial liabilities	209 194	209 194
Trade and other payables	1 337	1 337
Dividend payable	3 582	3 582
	588 990	**588 990**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

		Group		Company	
		2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

51. Risk management

Capital 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 shareholder 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 12, 23 & 24, cash and cash equivalents disclosed in Note 17, 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 shareholder, return capital to shareholder, 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.

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' and excluding deferred taxation as shown in the statements of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statements of financial position plus net debt (excluding loans from group companies).

The group has entered into various financing agreements with Bank Windhoek Limited, First National Bank of Namibia Limited, Standard Bank of Namibia Limited, Agribank of Namibia, Firstrand Bank Limited, Nedbank Namibia Limited, Development Bank of Namibia, ABSA Bank Limited and Domestic Medium Term note holders. These agreements require the group to meet certain terms and conditions, which include specified gearing ratios. These requirements were met during the current and prior years.

There have been no changes to what the Company and Group manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

The gearing ratio at 2015 and 2014, respectively, were as follows:

Total borrowings

Other financial liabilities	23	1 506 838	1 324 922	364 745	209 194
Finance lease obligation	24	63 609	57 336	-	-
Current tax payable	27&42	2 805	1 347	-	-
Provisions	25	45 757	44 161	-	-
Loans from related parties	12	41 630	22 919	10 503	12 238
Trade and other payables	28	884 341	755 291	1 894	1 337
Non-current payables	26	4 784	3 362	-	-
Dividend payable	41	2 672	3 582	2 672	3 582
		2 552 436	**2 212 920**	**379 814**	**226 351**
Less: Cash and cash equivalents	17	342 694	182 433	1	50 877
Net debt		2 227 742	2 030 487	379 813	175 474
Total equity		3 163 047	2 835 518	567 362	601 062
Total capital		**5 390 789**	**4 866 005**	**947 175**	**776 536**
Gearing ratio		70%	72%	67%	29%

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

51. Risk management (continued)

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

The Group's objective in using derivative financial instruments is to reduce the uncertainty over future cash flows arising from movements in currency, commodity prices and interest rates. Currency and interest exposure is managed within Board-approved policies and guidelines. As a matter of principle, the group does not enter into derivative contracts for speculative purposes.

The fair value of foreign exchange forward contracts represents the estimated amounts that the Group would receive, should the contracts be terminated at the reporting date, thereby taking into account the unrealised gains or losses.

Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained. Negotiations for and usage of overdraft facilities are approved at head office level.

The table below analyses the Group's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statements of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Group

At 30 June 2015	**1 year** **N$ '000**	**2 - 5 years** **N$ '000**	**> 5 years** **N$ '000**	**Less: Interest** **N$ '000**	**Total** **N$ '000**
Non-interest-bearing liabilities	39 276	-	-	-	39 276
Trade payables and provisions	750 755	3 834	-	-	754 589
Derivative financial liabilities	3 947	-	-	-	3 947
Variable interest rate instruments	404 602	890 262	99 650	(242 241)	1 152 273
Fixed interest rate instruments	69 913	314 548	266 229	(234 109)	416 581
	1 268 493	**1 208 644**	**365 879**	**(476 350)**	**2 366 666**

At 30 June 2014	**1 year** **N$ '000**	**2 - 5 years** **N$ '000**	**> 5 years** **N$ '000**	**Less: Interest** **N$ '000**	**Total** **N$ '000**
Non-interest-bearing liabilities	8 913	-	-	-	8 913
Trade payables and provisions	662 180	-	-	-	662 180
Derivative financial liabilities	3 308	-	-	-	3 308
Variable interest rate instruments	379 223	582 367	158 216	(190 383)	929 423
Fixed interest rate instruments	93 274	307 229	348 127	(285 097)	463 533
	1 146 898	**889 596**	**506 343**	**(475 480)**	**2 067 357**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

51. Risk management (continued)

Company

At 30 June 2015	1 year N$ '000	2 - 5 years N$ '000	> 5 years N$ '000	Less: Interest N$ '000	Total N$ '000
Non-interest-bearing liabilities	379 541	-	-	-	379 541
Trade payables and provisions	1 894	-	-	-	1 894
Variable interest rate instruments	106 313	336 812	-	(76 480)	366 645
	487 748	**336 812**	**-**	**(76 480)**	**748 080**

Company

At 30 June 2014	1 year N$ '000	2 - 5 years N$ '000	> 5 years N$ '000	Less: Interest N$ '000	Total N$ '000
Non-interest-bearing liabilities	362 635	-	-	-	362 635
Trade payables and provisions	4 919	-	-	-	4 919
Variable interest rate instruments	90 479	129 678	-	(24 191)	195 966
Fixed interest rate instruments	26 590	-	-	(1 124)	25 466
	484 623	**129 678**	**-**	**(25 315)**	**588 986**

Risk from biological assets

The Group is exposed to financial risks arising from changes in milk prices. The Group does not anticipate that milk prices will decline significantly in the foreseeable future. The Group has not entered into derivative contracts to manage the risk of a decline in milk prices. The Group reviews its outlook for milk prices regularly in considering the need for active financial risk management.

Interest rate risk

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.The risk is managed by maintaining an appropriate mix between fixed and floating borrowings and placing them within market expectations. The Group also uses interest rate swaps to manage its exposure to interest rate movements on its bank borrowings. At reporting date, the carrying amount of cash and short-term deposits, accounts receivable, accounts payable and short-term borrowings approximated their fair values due to the short-term maturities of these assets and liabilities. During 2015 and 2014, the Group's borrowings at variable rate were denominated in the Namibia Dollar and South Africa Rand.

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 100 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

At 30 June 2015, if interest rates on variable rate borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the year would have been N$ 7 720 226 (2014: N$ 6 227 139) lower/higher for the Group and N$ 2 443 796 (2014: N$ 1 312 967) lower/higher for the company, mainly as a result of higher/lower interest expense on floating rate borrowings.

The Group's sensitivity to interest rates decreased during the current period mainly due to decreased variable interest rate instruments.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

51. Risk management (continued)

Fair value interest rate risk

Except as detailed in Note 9 Other financial assets and Note 23 Other financial liabilities, the directors consider that the carrying value of financial assets and financial liabilities recognised in the Group and the Company financial statements approximate their fair values.

Credit risk

Credit risk consists mainly of cash and cash equivalents and trade and other receivables. The Group only deposits cash with major banks with high-quality credit standing and limits exposure to any one counter party.

Trade receivables comprise a widely spread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. If there is no independent rating, 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 or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

The granting of credit is made on application and is approved by management of the individual entities. At year end, the Group did not consider there to be any significant concentration of credit risk or significant exposure to any individual customer or counter party which has not been adequately provided for.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument				
Cash and cash equivalents	324 694	182 433	1	50 877
Derivative financial instruments	703	470	-	-
Trade and other receivables	415 091	363 750	-	-
Loans to related parties	69 915	163 254	4 784	1 019
Construction contracts and receivables	-	388	-	-
Loans and receivables	16 848	5 425	-	-
Unlisted investments	15	14	-	-
Loans to group companies	-	-	1 581 521	1 375 315

Major concentrations of credit risk that arise from the Group's receivables in relation to the customer's industry category as a percentage of the total receivables from the customers are:

Fishing industry	22 %	28 %	-%	-%
Trading industry	12 %	5 %	-%	-%
Manufacturing industry	66 %	67 %	-%	-%
	100 %	**100 %**	**-%**	**-%**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

51. Risk management (continued)

Foreign exchange risk

At 30 June 2015, if the currency had weakened/strengthened by 5% against the US dollar with all other variables held constant, group post-tax profit for the year would have been N$ 561 404 (2014: N$ 587 087) higher/lower, mainly as a result of foreign exchange gains or losses on translation of US dollar denominated receivables, US Dollar denominated payables and foreign exchange options.

At 30 June 2015, if the currency had weakened/strengthened by 5% against the Euro with all other variables held constant, post-tax profit for the year would have been N$ 1 442 898 (2014: N$ 1 572 830) higher/lower, mainly as a result of foreign exchange gains or losses on translation of Euro denominated receivables, Euro denominated payables and foreign exchange contracts.

At 30 June 2015, if the currency had weakened/strengthened by 5% against the Pound Sterling with all other variables held constant, post-tax profit for the year would have been N$ 7 812 (2014: N$ 862) higher/lower, mainly as a result of foreign exchange gains or losses on translation of Pound Sterling denominated receivables, Pound Sterling denominated payables and foreign exchange contracts.

At 30 June 2015, if the currency had weakened/strengthened by 5% against the Canada Dollar with all other variables held constant, post-tax profit for the year would have been N$ Nil (2014: N$ 7 186) higher/lower, mainly as a result of foreign exchange gains or losses on translation of Canada Dollar denominated receivables, Canada Dollar denominated payables and foreign exchange contracts.

At 30 June 2015, if the currency had weakened/strengthened by 5% against the Botswana Pula with all other variables held constant, post-tax profit for the year would have been N$ 71 533 (2014: N$ 0) higher/lower, mainly as a result of foreign exchange gains or losses on translation of Botswana Pula denominated receivables, Botswana Pula denominatedpayables and foreign exchange contracts.

Foreign currency exposure at the end of the reporting period

Assets				
Euro-denominated receivables	59 591	46 142	-	-
US Dollar-denominated receivables	18 824	15 381	-	-
Pound Sterling-denominated receivables	233	207	-	-
Canada Dollar-denominated receivables	2 135	144	-	-
Liabilities				
Euro-denominated receivables	14 686	1 688	-	-
US Dollar-denominated receivables	-	190	-	-

Exchange rates used for conversion of foreign items were:

USD	12.28	10.64
GBP	19.30	17.36
Euro	13.62	14.40
PULA	1.21	-
CAD	-	9.91

The Group reviews its foreign currency exposure, including commitments, on an ongoing basis. The Group expects its forward foreign exchange contracts and foreign exchange options to hedge foreign exchange exposure.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

51. Risk management (continued)

Fuel price risk

The Group is exposed to fuel price risk arising from its use of fuel (HFO and ADO) for energy or transport purposes. The Group uses fuel option derivatives to limit its exposure against changes in the fuel price.

If fuel prices had been 10% higher or lower and all other variables were held constant, the Group's profit for the year ended 30 June 2015 would have (decreased)/increased by N$ 3 399 000 (2014: N$ 5 400 000).

52. Fair value information

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the group can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 2

Recurring fair value measurements

	Group 2015	Group 2014	Company 2015	Company 2014
Assets				
Financial assets at fair value through profit or loss - held for trading				
Foreign exchange contracts	414	470	-	-
Fuel options	289	-	-	-
Total financial assets at fair value through profit or loss - held for trading	**703**	**470**	**-**	**-**
Liabilities				
Financial liabilities at fair value through profit or loss - held for trading				
Foreign exchange contracts	3 947	3 308		
Total financial liabilities at fair value through profit or loss - held for trading	**3 947**	**3 308**	**-**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2015 N$'000	2014 N$'000	2015 N$'000	2014 N$'000

52. Fair Value Information (continued)

Levels of fair value measurements (continued)

Level 3				
Recurring fair value measurements				
Assets				
Biological assets				
Oats fields	1 051	781	-	-
Game	538	492	-	-
Milk cows	36 058	32 725	-	-
Total biological assets	**37 647**	**33 998**	**-**	**-**
Investment property				
Investment property	1 589 504	1 429 946	-	-
Property, plant and equipment				
Freehold land and buildings	1 430 265	1 422 391	-	-
Total	**3 057 416**	**2 886 335**	**-**	**-**
Non recurring fair value measurements				
Assets held for sale and disposal groups in accordance with IFRS 5				
Non-current assets held for sale	4 500	6 375	-	-
Total	**4 500**	**6 375**	**-**	**-**

Property, plant and equipment which is currently classified as non current assets held for sale has been recognised at fair value less costs to sell because the assets' fair value less costs to sell is lower than its carrying amount.

Transfers of assets and liabilities within levels of the fair value hierarchy

There were no transfers between level 1 and level 2 for the year ended 30 June 2015 and for the year ended 30 June 2014.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Opening balance N$'000	Gains / losses recognised in profit or loss * N$'000	Gains / losses recognised in other comprehensive income # N$'000	Purchases N$'000	Sales / herd population changes N$'000	Reclassifications N$'000	Transfers into level 3	Depreciation N$'000	Closing balance N$'000	Unrealised gains / losses included in profit or loss ** N$'000
Group - 2015										
Assets										
Biological assets										
Oats fields	781	-	-	-	-	270	-	-	1 051	-
Game	492	46	-	-	-	-	-	-	538	46
Milk cows	32 725	12 342	-	-	(9 010)	-	-	-	36 057	12 342
Total biological assets	**33 998**	**12 388**	**-**	**-**	**(9 010)**	**270**	**-**	**-**	**37 646**	**12 388**
Investment property										
Investment property	1 429 946	156 479	-	2 889	(260)	450	-	-	1 589 504	156 479
Property, plant and equipment										
Freehold land and buildings	1 422 391	-	12 700	14 514	-	(15 043)	-	(4 297)	1 430 265	-
Non-current assets held for sale										
Non-current assets held for sale	5 925	(1 425)	-	-	-	-	-	-	4 500	(1 425)
Total	**2 892**	**167 442**	**12 700**	**17 403**	**(9 270)**	**(14 593)**	**-**	**(4 297)**	**3 061 915**	**167 970**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Opening balance N$'000	Gains / losses recognised in profit or loss * N$'000	Gains / losses recognised in other comprehensive income # N$'000	Purchases N$'000	Sales / herd population changes N$'000	Reclassifications N$'000	Transfers into level 3	Depreciation N$'000	Closing balance N$'000	Unrealised gains / losses included in profit or loss ** N$'000
Group - 2014										
Assets										
Biological assets										
Game	237	-	-	-	-	-	-	-	237	-
Milk cows	33 039	3 124	-	60	(2 508)	-	-	-	33 715	3 124
Total biological assets	**33 276**	**3 124**	**-**	**60**	**(2 508)**	**-**	**-**	**-**	**33 952**	**3 124**
Investment property										
Investment property	1 109 364	194 801	-	11 001	(4 850)	-	-	-	1 310 316	194 801
Property, plant and equipment										
Freehold land and buildings	1 134 697	-	60 883	11 230	(5 553)	(39 513)	-	(4 703)	1 157 041	-
Non-current assets held for sale										
Non-current assets held for sale	23	-	-	-	(5 078)	(1 377)	-	-	17 479	-
Total	**2 301 271**	**197 925**	**60 883**	**22 291**	**(17 989)**	**(40 890)**	**-**	**(4 703)**	**2 518 788**	**197 925**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

52. Fair value information (continued)

Valuation techniques used to derive level 2 fair values

No changes have been made to the valuation technique.

The fair value of financial liabilities and financial assets with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices.

The fair value of other financial liabilities and financial assets (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

The fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives and option pricing models for optional derivatives.

Foreign currency forward contracts and options are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps and collars are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

Information about valuation techniques and inputs used to derive level 3 fair values

Investment property

The valuations of Investment property were arrived at by reference to market evidence of transaction prices for similar properties on a discounted cash flow basis and comparative sales method basis.

Capitalisation rates of 8.25%-10.00% (2014: 8.00%-10.00%) and discount rates of 8.00%-14.00% (2014: 8.00%-14.50%) were used.

The higher the capitalisation and discount rate, the higher the fair value.

Biological assets - livestock

The fair value of livestock was determined based on market prices of livestock of similar age, breed and genetic merit.

Freehold land and buildings

Freehold land and buildings were valued using the discounted cash flow, comparable sales, replacement cost method. The capitalization rate was determined by referring to the market transactions of comparable properties as derived from market analysis. Property experts are of the opinion that investors would require a return of between 9% and 11% for similar properties. Therefor a capitalization rate of 10% was applied to determine the open market value of the properties.

Land and buildings are re-valued independently every 3 years unless management believes that their fair values differ significantly to their carrying amounts at year end.

Properties valued on the depreciated replacement cost method are valued based on estimates of the new replacement costs of buildings, depreciated for age and obsolescence, to which the value of land is added.

Valuations that are based on market evidence of recent transactions for similar properties take into account the highest and best use of the property.

The higher the capitalisation and discount rate, the higher the fair value.

Valuation processes applied by the Group

The fair value of livestock is performed by the respective company's finance department and operations team on an annual basis.

The fair value of derivatives is performed by the respective company's finance department on a monthly basis.

The fair value of investment properties and freehold land and buildings is determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being values. Land and buildings are revalued at least every 3 years, while investment property is valuated annually.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Highest and best use

Erf 261/1764 W (Fruit & Veg / Cashbuild) is being used in a manner that differs from their highest and best use. The reason for this is that this property is earmarked for future development, the planned investment of which has not taken place yet.

53. Events after the reporting period

On 27 July 2015, Namibia Breweries Limited entered into an agreement to acquire 25% of the issued share capital of Sedibeng Brewery Proprietary Limited and an additional 9.5% of the issued share capital of DHN Drinks Proprietary Limited from Diageo Highlands Holdings B.V. The total estimated investment required is N$ 610 million, which will be financed out of operations and by way of a medium term loan.

The transaction is a non-adjusting post balance sheet event, having been confirmed after the financial year end, but before the financial statements were authorised to be issued. The resulting effects have not been adjusted in the figures presented.

As part of the financing arrangement, property, plant and equipment (Note 2), inventories (Note 14) and trade debtors (Note 15) may be encumbered. All existing agreements will terminate on the effective date, whereafter a new joint venture agreement will be established.

On 27 August 2015, O&L Beverage Company (Proprietary) Limited entered into a Preference Share Agreement with Bank Windhoek Ltd and Ohlthaver & List Finance and Trading Corporation Limited, whereby 1 000 Variable Rate Redeemable Preference Shares with a par value of N$ 1.00 per share and premium of N$ 99 999.00 per share are subscribed for, with a total issue of N$ 100 000.00 per share and a total subscription value of N$ 100 000 000.00. The funds were raised primarily to fund the Strand hotel and for debt restructuring.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

54. Standards and interpretations

54.1 Adoption of new and revised Standards and Interpretations effective in current year:

The following Standards and Interpretations issued by the International Financial Reporting Interpretations Committee are effective for the current year:

New/Revised International Financial Reporting Standards		Issued/ Revised	Effective for annual periods beginning on or after
IFRS 2	Amendments resulting from Annual Improvements 2010-2012 C ycle (definition of 'vesting condition')	December 2013	Annual periods beginning on or after 1 July 2014
IFRS 3	Amendments resulting from Annual Improvements 2010-2012 Cycle (accounting for contingent consideration)	December 2013	Annual periods beginning on or after 1 July 2014
IFRS 3	Amendments resulting from Annual Improvements 2011-2013 Cycle (scope exception for joint ventures)	December 2013	Annual periods beginning on or after 1 July 2014
IFRS 7	Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9	November 2013	Applies when IFRS 9 is applied (At the time of issue of the revised version of IFRS 9 including the hedge accounting chapter, IFRS 9 had no stated mandatory effective date, see below)
IFRS 8	Amendments resulting from Annual Improvements 2010-2012 Cycle (aggregation of segments, reconciliation of segment assets)	December 2013	Annual periods beginning on or after 1 July 2014
IFRS 9	Reissue to incorporate a hedge accounting chapter and permit the early application of the requirements for presenting in other comprehensive income the 'own credit' gains or losses on financial liabilities designated under the fair value option without early applying the other requirements of IFRS 9	November 2013	Contains no stated effective date and includes consequential amendments which remove the mandatory effective date of IFRS 9 (2010) and IFRS 9 (2009), leaving the effective date open but allowing each version of the standard to be available for application Note: IFRS 9 (2014) supersedes IFRS 9 (2013), but this standard remains available for application if the relevant date of initial application is before 1 February 2015.
IFRS 13	Amendments resulting from Annual Improvements 2012011-2013 Cycle (scope of the portfolio exception in paragraph 52)	December 2013	Annual periods beginning on or after 1 July 2014
IAS 16	Amendments resulting from Annual Improvements 2010-2012 Cycle (proportionate restatement of accumulated depreciation on revaluation)	December 2013	Annual periods beginning on or after 1 July 2014
IAS 19	Amended to clarify the requirements that relate to how contributions from employees or third parties that are linked to services should be attributed to periods of service	November 2013	Annual periods beginning on or after 1 July 2014
IAS 24	Amendments resulting from Annual Improvements 2010-2012 Cycle (management entities)	December 2013	Annual periods beginning on or after 1 July 2014
IAS 27	Amendments for investment entities	October 2012	Annual periods beginning on or after 1 January 2014
IAS 32	Amendments relating to the offsetting of assets and liabilities	December 2011	Annual periods beginning on or after 1 January 2014
IAS 36	Amendments arising from Recoverable Amount Disclosures for Non-Financial Assets	May 2013	Annual periods beginning on or after 1 January 2014

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

54. Standards and interpretations (continued)

54.1 Adoption of new and revised Standards and Interpretations effective in current year: (continued)

IAS 38	Amendments resulting from Annual Improvements 2010-2012 Cycle (proportionate restatement of accumulated depreciation on revaluation)	December 2013	Annual periods beginning on or after 1 July 2014
IAS 40	Amendments resulting from Annual Improvements 2011-2013 Cycle (interrelationship between IFRS 3 and IAS 40)	December 2013	Annual periods beginning on or after 1 July 2014
IFRIC 21	Levies	May 2013	Annual periods beginning on or after 1 January 2014

The adoptions of the above Standards and Interpretations have introduced a number of terminology changes and have resulted in a number of changes in presentation and additional disclosures. The revised Standard and Interpretations had no impact on the reported results or financial position of the company.

54.2 Recent amendments

The following table contains effective dates of IFRS's, IFRIC's and recently revised IAS's, which have not been early adopted by the company and that might affect future financial periods:

New/Revised International Financial Reporting Standards		**Issued/ Revised**	**Effective for annual periods beginning on or after**
IFRS 5	Amendments resulting from September 2014 Annual Improvements to IFRSs	September 2014	Annual periods beginning on or after 1 January 2016
IFRS 7	Financial Instruments: Disclosure - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures	December 2011	1 January 2015
IFRS 7	Amendments resulting from September 2014 Annual Improvements to IFRSs	September 2014	Annual periods beginning on or after 1 January 2016
IFRS 9	Finalised version, incorporating requirements for classification and measurement, impairment, generalhedge accounting and derecognition.	July 2014	Effective for annual periods on or after 1 January 2018 Note: IFRS 9 (2014) supersedes IFRS 9 (2009), IFRS 9 (2010) and IFRS 9 (2013), but these standards remain available for application if the relevant date of initial application is before 1 February 2015.
IFRS 9	Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures	December 2011	Annual periods beginning on or after 1 January 2015 (Effective date subsequently removed. This version of the standard is superseded by IFRS 9 (2014), but remains available for application if the relevant date of initial application is before 1 February 2015
IFRS 9	Reissue to incorporate a hedge accounting chapter and permit the early application of the requirements for presenting in other comprehensive income the 'own credit' gains or losses on financial liabilities designated under the fair value option without early applying the other requirements of IFRS 9	July 2014	Annual periods beginning on or after 1 January 2018
IFRS 10	Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture	September 2014	Annual periods beginning on or after 1 January 2016
IFRS 10	Amendments regarding the application of the consolidation exception	December 2014	Annual periods beginning on or after 1 January 2016
IFRS 11	Amendments regarding the accounting for acquisitions of an interest in a joint operation	May 2014	Annual periods beginning on or after 1 January 2016

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

54. Standards and interpretations (continued)

54.2 Recent Amendments (continued)

New/Revised International Financial Reporting Standards		Issued/ Revised	Effective for annual periods beginning on or after
IFRS 12	Amendments regarding the application of the consolidation exception	December 2014	Annual periods beginning on or after 1 January 2016
IFRS 14	Regulatory Deferral Accounts	January 2014	Applies to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2016
IFRS 15	Revenue from Contracts with Customers	May 2014	Applies to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2017
IAS 1	Amendments resulting from the disclosure initiative	December 2014	Annual periods beginning on or after 1 January 2016
IAS 16	Amendments bringing bearer plants into the scope of IAS 16 rather than IAS 41	June 2014	Annual periods beginning on or after 1 January 2016
IAS 16	Amendments regarding the clarification of acceptable methods of depreciation and amortisation	May 2014	Annual periods beginning on or after 1 January 2016
IAS 19	Amendments resulting from September 2014 Annual Improvements to IFRSs	September 2014	Annual periods beginning on or after 1 January 2016
IAS 27	Amendments reinstating the equity method as an accounting option for investments in in subsidiaries, joint ventures and associates in an entity's separate financial statements	August 2014	Annual periods beginning on or after 1 January 2016
IAS 28	Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture	September 2014	Annual periods beginning on or after 1 January 2016
IAS 28	Amendments regarding the application of the consolidation exception	December 2014	Annual periods beginning on or after 1 January 2016
IAS 34	Amendments resulting from September 2014 Annual Improvements to IFRSs	September 2014	Annual periods beginning on or after 1 January 2016
IAS 38	Amendments regarding the clarification of acceptable methods of depreciation and amortisation	May 2014	Annual periods beginning on or after 1 January 2016
IAS 39	Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception	July 2014	Annual periods beginning on or after 1 January 2018
IAS 41	Amendments bringing bearer plants into the scope of IAS 16	June 2014	Annual periods beginning on or after 1 January 2016

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Total		Eliminations		Beer and soft drinks		Fresh Produce		Fishing		Retail		Properties		Other	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000
55. Business segmentation																
Revenue	5 306 276	4 928 642	-	-	2 429 027	2 312 732	585 634	497 954	443 655	504 932	1 538 096	1 373 651	132 786	120 962	177 078	118 411
Inter-segment revenue	-	-	(138 345)	(111 099)	4 844	4 200	2 117	(472)	2 185	-	2 933	3 443	13 627	19 811	112 639	84 117
Total	**5 306 276**	**4 928 642**	**(138 345)**	**(111 099)**	**2 433 872**	**2 316 933**	**587 751**	**497 482**	**445 840**	**504 932**	**1 541 028**	**1 377 094**	**146 413**	**140 773**	**289 717**	**202 528**
Segment result	850 831	823 342	(7 016)	-	505 492	450 998	48 069	25 212	43 850	62 734	21 106	43 842	266 307	247 441	(26 977)	(6 885)
Unallocated costs	(26 440)	(29 782)														
Finance costs	(147 801)	(144 249)														
Equity losses from joint ventures and associate	(120 501)	(116 489)														
Net Impairment losses	(3 602)	(3 401)														
Income from investments	26 932	16 809														
Taxation	(168 547)	(169 969)														
Net profit for the year	**410 872**	**376 261**														
Non-cash expenses per segment																
Depreciation	197 532	181 543	-	-	114 970	105 320	22 499	20 969	26 693	24 647	19 887	19 310	1 738	1 433	11 745	9 864
Amortisation of intangibles	8 063	6 423	-	-	3 745	4 395	996	249	528	117	501	644	-	-	2 293	1 018
Reversal of impairment losses	1 641	-	-	-	-	-	-	-	-	-	-	-	1 641	-	-	-
Impairment losses	1961	3 401	-	-	1 865	1 753	-	(514)	-	359	-	-	-	1 376	96	427

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Total		Eliminations		Beer and soft drinks		Fresh Produce		Fishing		Retail		Properties		Other	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000
55. Business segmentation (continued)																
ASSETS																
Property, plant and equipment	2 927 207	2 696 792	(7 398)	(398)	1 126 692	1 132 752	348 884	353 381	542 841	540 841	122 214	80 061	99 866	102 713	694 926	487 442
Investment property	1 589 504	1 429 946	-	-	-	-	32 240	32 240	-	-	-	-	1 557 264	1 397 706	-	-
Other non-current assets	76 761	-	-		-	-	-	-	-	-	-	-	76 761	-	-	-
Biological assets	37 646	33 998	-	-	-	-	37 108	33 506	-	-	-	-	-	-	538	492
Intangible assets	25 108	21 973	(7000)	-	21 510	16 257	997	1 994	3 434	46	1 296	1 798	-	-	4 871	1 878
Inventories	434 647	382 948	-	-	226 606	209 570	50 725	48 934	24 437	22 392	122 186	91 582	-	-	10 693	10 470
Trade, construction and other receivables and other financial assets	571 140	477 427	-	-	262 831	214 267	61 857	57 125	110 576	96 201	29 646	21 569	58 705	53 269	47 525	34 996
Non-current assets held for sale	4 500	6 375	-	-	4 500	5 925	-	-	-	-	-	-	-	450	-	-
Segment assets	5 666 513	5 049 459	(14 398)	(398)	1 642 139	1 578 771	531 811	527 180	680 470	659 480	275 342	195 010	1 792 596	1 554 138	758 553	535 278
Investments in associate and joint ventures	59 467	8 297														
Deferred tax assets	15 364	21 940														
Taxation	4 518	13 682														
Cash and cash equivalents	324 694	182 433														
Related parties	69 916	163 254														
Consolidated total assets	**6 140 472**	**5 439 065**														
LIABILITIES																
Trade payables and dividend payable	891 795	762 230	-	-	364 474	287 709	88 663	104 713	104 657	107 069	201 658	171 422	29 272	19 521	103 071	71 796
Provisions	45 756	44 161	-	-	19 630	18 096	4 759	4 344	11 147	12 380	3 844	4 272	1 295	524	5 081	4 595
Segment Liabilities	937 551	806 391	-	-	384 104	305 755	93 422	109 057	115 804	119 449	205 502	175 694	30 567	20 045	108 152	76 391
Other financial liabilities	1 506 837	1 324 922														
Finance lease creditors	63 609	57 336														
Deferred taxation liabilities	417 065	385 732														
Taxation	2 805	1 347														
Deferred income	7 928	4 900														
Related parties	41 630	22 919														
Consolidated total liabilities	**2977 425**	**2 603 547**														
Capital additions	446 547	380 289	(7 002)	-	115 065	182 181	19 277	40 096	30 917	30 081	64 247	37 764	2 191	1 634	221 852	88 533

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Total	
	2015	2014
	N$ '000	N$ '000

55. Business segmentation (continued)

GEOGRAPHICAL SEGMENTS

	2015	2014
Revenue		
- Local	4 006 278	3 595 816
- Export	1 299 998	1 332 827
Total segment revenue	5 306 276	4 928 643

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment, analysed by geographical area in which the assets are located.

	2015	2014
CARRYING AMOUNT OF SEGMENT ASSETS		
- Local	5 541 585	4 823 700
- Export	124 928	225 759
Total segment assets	5 666 513	5 049 459
ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT		
- Local	446 498	380 281
- Export	49	8
Total additions	446 547	380 289