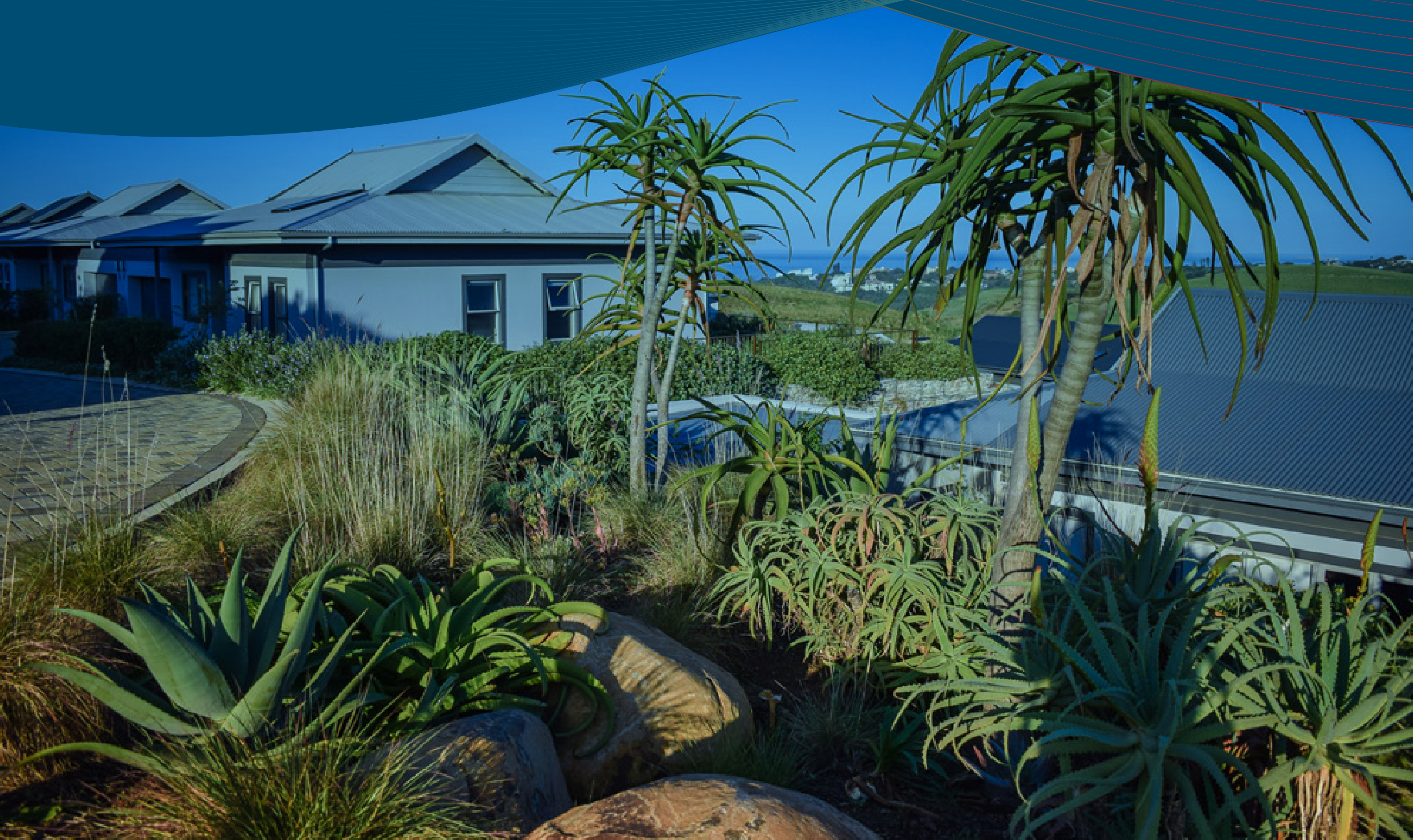
CROOKES
BROTHERS

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



Contents

Approval of the Financial Statements

for the year ended 31 March 2021

The preparation of the Consolidated and Separate Financial Statements that fairly represent the results of the Group in accordance with the Companies Act, International Financial Reporting Standards (IFRS), SAICA Financial Reporting Guides (as issued by the Accounting Practices Committee), the Financial Reporting Pronouncement (as issued by the Financial Reporting Standards Council) and JSE Listings requirements, which is ultimately the responsibility of the Directors.

The Board ensures that an independent external audit of the financial statements is conducted. The Board confirms that the internal accounting control systems have adequate verification and maintenance of accountability for the Group's assets, and assure the integrity of the Financial Statements. There was no major breakdown in controls experienced during 2021 that could undermine the reliability of the Financial Statements. Based on the financial performance of the Crookes Brothers Limited Group, its cashflow projection to the end of March 2022, secured funding lines, and positive solvency and liquidity tests, the Directors confirm their view that the Group will remain operational for the foreseeable future. The Financial Statements were consequently prepared on a going concern basis.

At the Board meeting held on 24 June 2021, the Board of Directors approved the Financial Statements and further authorised Mr Malcolm Rutherford and Mr Kennett Sinclair in their respective capacities as Chairman and Chief Executive Officer to sign off the Financial Statements. The Financial Statements which appear on pages 14 to 77, are therefore signed on its behalf by:

Malcolm Rutherford
Chairman

Kennett Sinclair
Chief Executive Officer

Mount Edgecombe
24 June 2021

CEO and CFO responsibility statement

for the year ended 31 March 2021

The Directors, whose names are stated below, hereby confirm that:

(a) the Financial Statements set out on pages 14 to 77, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;

(b) no facts have been omitted or untrue statements made that would make the Financial Statements false or misleading;

(c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the Financial Statements of the issuer; and

(d) the internal financial controls are adequate and effective and can be relied upon in compiling the Financial Statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code.

Kennett Sinclair
Chief Executive Officer

Nigel Naidoo
Chief Financial Officer

Mount Edgecombe
24 June 2021

Compliance statement by the Company Secretary

for the year ended 31 March 2021

The Company Secretary of Crookes Brothers Limited certifies that, in terms of section 88(2) of the Companies Act No.71 of 2008, as amended, the Company has lodged with the Companies and Intellectual Property Commission of South Africa all such returns and notices as are required of a public company in terms of this Act and that all such returns are true, correct and up to date in respect of the financial year ended 31 March 2021.

Ziyanda Ngwenya
Company Secretary

Mount Edgecombe
24 June 2021

Preparation of the Financial Statements

for the year ended 31 March 2021

The Consolidated and Separate Financial Statements, which appear on pages 14 to 77 have been prepared under the supervision of Nigel Naidoo, CA(SA) and were approved by the Board of Directors on 24 June 2021.

Nigel Naidoo
Chief Financial Officer

Mount Edgecombe
24 June 2021

Audit Committee report

The Audit Committee is a committee of the Board of Directors. In addition to having specific statutory responsibilities in terms of the Companies Act of South Africa, it assists the Board through advising and making recommendations on financial reporting, oversight of internal financial controls, external and internal audit functions and statutory and regulatory compliance of the Company and the Group.

Terms of reference

The Audit Committee has adopted formal terms of reference that have been approved by the Board of Directors. The committee has executed its duties during the past financial year in accordance with these terms of reference.

Composition

The committee consists of three independent Non-executive Directors. The Chief Executive Officer, Chief Financial Officer, senior financial and IT executives of the Company and representatives from the external and internal auditors attend the committee meetings by invitation. The auditors, both external and internal, have unrestricted access to the Audit Committee Chairman or any other member of the committee as required.

Meetings

The Audit Committee held four meetings during the period under review and there was full attendance at all meetings.

Statutory duties

In execution of its statutory duties during the financial year under review, the Audit Committee:

- nominated BDO as external auditor after considering BDO's independence;
- determined BDO's fees;
- considered BDO's terms of engagement;
- ensured that the appointment of BDO complied with the relevant provisions of the Companies Act of South Africa and King IV;
- pre-approved all non-audit service work with BDO;
- confirmed that there were no complaints relating to accounting practices and internal audit of the Company, the content or auditing of its financial statements, the internal financial controls of the Company and any other related matters;
- considered all key audit matters, specifically the valuation assumptions of Group biological assets;
- ensured that appropriate financial reporting procedures existed and are working;
- confirmed responsibilities to review information obtained from the auditors in terms of paragraph 22.15(h) of the JSE Listings Requirements;
- advised the Board on any matters concerning the Group and Company accounting policies, financial control, records and reporting where applicable; and
- supported the appropriateness of the going concern premise in the preparation of the Financial Statements.

Internal financial controls and internal audit

In execution of its delegated duties in this area, the committee has:

- reviewed and recommended the internal audit charter for approval;
- evaluated the independence, effectiveness and performance of the internal audit function;
- reviewed the effectiveness of the Company's system of key internal financial controls;
- reviewed the competence, qualifications and experience of the Company Secretary;
- reviewed significant issues raised by the external and internal audit process and the adequacy of corrective action in response to such findings;
- reviewed audit reports regarding the adequacy of accounting records; and
- reviewed policies and procedures for preventing and detecting fraud.

The Internal Audit Manager reported to the committee that in his opinion significant internal financial controls operated effectively during the period under review. The Internal Audit Manager reports directly to the Audit Committee and has unrestricted access to the Audit Committee Chairman.

Based on the processes and assurances obtained, the Audit Committee believes that significant internal financial controls are effective.

Regulatory compliance

The Audit Committee has complied with all applicable legal, regulatory and other responsibilities.

IT Governance

The Committee has oversight responsibility for IT governance and risk management. IT governance and risk management are managed through various charters, plans, policies, procedures and practices. Management monitor IT governance and risk-related matters and the adherence to various policies and procedures, and provides written feedback to the committee at each meeting. The committee is satisfied that the reports of management adequately address IT governance and risk management requirements, including the appropriateness of the IT strategy and policies, systems and network architecture, applications, disaster recovery and cyber security management.

External audit

Mandatory Firm Rotation

In terms of IRBA rules with regard to Mandatory Audit Firm Rotation (MAFR) an audit firm shall not serve as the appointed auditor for more than ten consecutive financial years which in CBL's case would be 2023. The Deloitte partner in charge was required to rotate off the CBL audit in the current financial year and in addition a new quality partner and audit manager were to be assigned to the audit. Given the relatively short period prior to the MAFR it was considered more efficient and less disruptive to appoint a new firm of auditors in the period under review.

Appointment of new auditors

The Audit Committee initiated a thorough selection process resulting in presentations from three eligible audit firms. Following the presentations and further engagement with the two shortlisted audit firms a recommendation was made to appoint BDO which was subsequently approved by the Board.

The Audit Committee applied their minds to section 22.15 (h) of the JSE Limited's Listings Requirements in the appointment process, and are satisfied with BDO's section 22.15 (h) report. The Audit Committee recommended that the Board reappoint BDO as external auditor for the 2022 financial year. Based on processes followed and assurances received, the committee is satisfied that BDO is independent of the Group and Company. It is the policy of the Group that any non-audit services are approved by the committee. BDO provided approved non-audit services during the year under review. These services have been assessed and do not impact their independence.

The committee confirmed that no reportable irregularities were identified and reported by the external auditors in terms of the Auditing Professions Act, No 26 of 2005.

Suitability of audit firm and designated auditor

As required by section 3.84(g)(iii) of the JSE Listings Requirements, the committee obtained information listed in paragraph 22.15(h) of the JSE Listings Requirements in the appointment of BDO, and satisfied itself that BDO and the audit partner, Mr Ahmed Timol, have the necessary accreditation and are suitable for appointment.

JSE reporting

The committee evaluated the submissions made to it by the Company Secretary and management and is satisfied that the Group has met the JSE Listings Requirements and the requirements of the King IV Code. The committee has received and considered the findings in the JSE's reports for compliance with IFRS:

- Report back on proactive monitoring of financial statements in 2020;
- The following JSE COVID-19 letters:
  - Financial reporting (issued April 2020);
  - Reflecting the impact of COVID-19 in financial results (issued May 2020); and
  - Effective communication with investors (issued September 2020).

JSE reporting requirements 3.84(k)

The committee has considered the approach adopted by management to ensure that the CEO and CFO responsibility statement sign-off on the financial statements and internal financial reporting controls in terms of the JSE Listings Requirement 3.84(k) is appropriately supported. In satisfying itself in this regard, the committee has evaluated:

- the risk assessment and scoping framework, including the determination of materiality applied to ensure that significant areas of risk, complexity and judgement are included for the evaluation of internal financial reporting controls;
- the process followed for the evaluation of the design of existing internal financial reporting controls and the need for amending and/or supplementing those controls;
- the ongoing implementation of the aforementioned controls and whether they have operated effectively during the reporting period under review; and
- the findings of assurance providers, including management declarations and internal audit findings, following their assessment of the operating effectiveness of internal financial reporting controls.

Finance function

We believe that Greg Veale CA(SA), the Chief Financial Officer for the period under review, possessed the appropriate expertise and experience to meet his responsibilities in that position. We are also satisfied with the expertise and adequacy of resources within the finance function. In making these assessments we have obtained feedback from both external and internal audit.

Based on the processes and assurances obtained we believe that the accounting practices are effective.

Financial statements

Based on the processes and assurances obtained we recommend that the current financial statements be approved by the Board.

On behalf of the Audit Committee

Larry Riddle
Audit Committee Chairman

Mount Edgecombe
23 June 2021

Directors' report

for the year ended 31 March 2021

The Board of Directors is committed to the principles of good corporate governance, as set out in the principles and practices under the King IV Code on Good Corporate Governance. The Board composition reflects a balance of power, with no individuals yielding unfettered influence over the rest of the Board. The Directors have pleasure in submitting the Financial Statements of the Group and Company for the year ended 31 March 2021.

Nature of business

Crookes Brothers Limited is an agricultural business growing sugar cane, bananas, deciduous fruit and macadamia nuts in South Africa, Eswatini (formerly known as Swaziland), Zambia and Mozambique, and has a long-term property development in Scottburgh, South Africa.

Share capital

The authorised share capital at 31 March 2021 consisted of 16 000 000 shares of 25 cents each (2020: 16 000 000). The Company has no unlisted securities.

The number of issued shares is 15 264 317 at 31 March 2021 (2020: 15 264 317).

The Company holds no treasury shares and has not repurchased any of its own shares during the year under review.

Financial results

Group earnings for the year ended 31 March 2021 amounted to R42.8 million (2020: R23.7 million), resulting in earnings per share of 152.2 cents (2020: 57.2 cents). Headline earnings per share amounted to 272.2 cents (2020: headline loss 48.5 cents).

Full details of the financial position and results of the Group and Company are set out in the Financial Statements.

Going concern

The Directors believe that the Group and Company has adequate resources to continue in operation for the foreseeable future and the Financial Statements have therefore been prepared on a going-concern basis.

Dividends

The Directors declared a final ordinary dividend of 50.0 cents per share for the year ended 31 March 2021 (2020: nil), payable to ordinary shareholders recorded in the register of the Company at the close of business on Friday, 6 August 2021.

Directorate and Company Secretary

Brief curricula vitae of the current Directors are disclosed in the Integrated Report. Details of the share incentive scheme and Directors' remuneration appear in notes 36 and 39.

Sharon Xaba was appointed to the Board on 23 April 2020 as an Independent Non-executive Director.

Greg Veale resigned as Chief Financial Officer on 30 April 2021, and Nigel Naidoo was appointed as Chief Financial Officer on 3 May 2021.

In terms of the Company's Memorandum of Incorporation, Larry Riddle, Gary Vaughan-Smith, Malcolm Rutherford and Phumla Mnganga retire at the Annual General Meeting and, being eligible, offer themselves for re-election.

Interests of Directors in share capital

At 31 March 2021, the Directors of the Company held beneficial interests in 218 140 of the Company's issued ordinary shares (2020: 218 140). The register of interests of Directors and Managers in the share capital of the Company is available for inspection at the registered office of the Company. Details of the shares held per individual Director, as at 31 March 2021, are listed below.

Director	2021 Direct	2021 Indirect	2020 Direct	2020 Indirect
Richard Chance	–	75 000	–	75 000
Tim Crookes	–	143 140	–	143 140
	–	218 140	–	218 140

In addition, at 31 March 2021, Managers of the Company held 65 750 shares (2020: 65 750 shares).

Non-executive Directors Gary Vaughan-Smith and Tim Denton represent the interests of Silverlands (SA) Plantations Sarl, which own 6 838 444 shares representing 44,8% of the issued share capital of the Company at year end (2020: 6 838 444).

Directors' remuneration

At the forthcoming Annual General Meeting, shareholders will be requested to pass a non-binding advisory vote approving the Group's remuneration policy and a special resolution to approve Director's fees payable to Non-executive Directors with effect from 1 April 2021. In setting the proposed increases the Remuneration Committee has taken into account the fact that the Group's Remuneration Committee lags JSE norms and the fact that the work of committees is becoming increasingly important and time-consuming with changing corporate governance standards.

The proposed Director's fees for 2022 as approved by the Remuneration Committee are as follows:

Rands per annum	Current 2021	Proposed 2022
Board		
Chairman	527 500	**553 875**
Other Non-executive Board members	237 375	**249 244**
Audit Committee		
Chairman	126 600	**132 930**
Other members	52 750	**55 388**
Remuneration Committee		
Chairman	47 475	**49 849**
Other members	31 650	**33 235**
Nominations Committee		
Chairman	47 475	**49 849**
Other members	31 650	**33 235**
Risk Committee		
Chairman	47 475	**49 849**
Other Non-executive Board members	31 650	**33 235**
Social and Ethics Committee		
Chairman	47 475	**49 849**
Other Non-executive Board members	31 650	**33 235**
Agricultural Committee		
Chairman	47 475	**49 849**
Other members	31 650	**33 235**
Retirement Funds		
Chairman	73 850	**77 543**

Subsidiary companies

The names and financial information with respect to the Company and its subsidiaries are disclosed in note 21 of the Financial Statements.

Special resolutions adopted by the Company and its subsidiary companies

The Company or its subsidiary companies have passed no special resolutions since the previous Annual General Meeting.

Major shareholders

Shareholders holding beneficially, directly or indirectly, in excess of 5% of the issued share capital of the Company are disclosed in note 39 of the Financial Statements.

Auditors

At the forthcoming AGM, pursuant to the requirements of section 90(1), read with section 61(8)(c) of the Companies Act of South Africa, shareholders will be requested to pass an ordinary resolution re-appointing BDO as the Company's independent registered auditors and to confirm the appointment of Mr Ahmed Timol as the designated audit partner.

Events after the reporting period

Events after the reporting period that have a significant effect in the affairs or financial position of the Company are disclosed in note 41 of the Financial Statements.

Independent auditor's report

to the Shareholders of Crookes Brothers Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the Consolidated and Separate Financial Statements of Crookes Brothers Limited (the Group and Company) set out on pages 14 to 77, which comprise the consolidated and separate statements of financial position as at 31 March 2021, and the Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income, Consolidated and Separate Statements of Changes in Equity and the Consolidated and Separate Statements of Cash Flows for the year then ended, and notes to the Consolidated and Separate Financial Statements, including a summary of significant accounting policies.

In our opinion, the Consolidated and Separate Financial Statements present fairly, in all material respects, the consolidated and separate financial position of Crookes Brothers Limited as at 31 March 2021, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and Company in accordance with the Independent Regulatory Board of Auditors' Code of *Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated and Separate Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated and Separate Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Biological asset valuation of standing sugar cane (applicable to the consolidated financial statements only)	
International Accounting Standard 41, Agriculture (IAS 41) requires that biological assets be subsequently measured at fair value less cost to sell. Standing Cane is stated at fair value less costs to sell at the harvesting stage and is a Level 3 fair value measurement in terms of the fair value hierarchy as established by IFRS 13. The value of standing sugar cane is based on the current estimated cane price for the following season and sucrose content, less the estimated costs of harvesting and transport. Significant judgement is required in estimating the expected cane yield, the maturity of the cane, the estimated sucrose content and the forecast sucrose price for various operating locations. The assessment is considered subjective since it is based on management's and the Director's experience and expectations and relevant current external factors. As a result, we determined the matter to be a matter of most significance to the audit of the current year consolidated financial statements. Please refer to note 23 to the consolidated financial statements for the relevant disclosure.	Our procedures performed in considering the appropriateness of the valuation of standing sugar cane included the following, amongst others: • Critically evaluated the fair value methodology and the key measurements and assumptions applied by management in determining the fair value of the standing cane against the criteria in IAS 41 and IFRS 13. • Assessed the design, implementation and operating effectiveness of key controls over the valuation process. • Detailed testing performed on the key inputs into the standing sugar cane valuation model, including area under crop, estimated yields, estimated sucrose content and forecast price to assess the reasonability and appropriateness of the data, by comparing the data to market and other external data, where applicable. • The forecast price was tested for reasonability by comparing the information to data obtained from external sources. • The crop age and factors used to discount the valuation were evaluated against external sources to assess the reasonability of the assumptions. • A retrospective evaluation of the prior year estimated yields, estimated sucrose content and forecast price was performed by comparing the prior year estimates to the current year actuals attained. This was done in order to assess the reasonableness of management's and the Directors' estimates. • Analytical procedures were performed to assess the fluctuations year-on-year for a five-year period for price, yield and sucrose content to assess the accuracy of managements estimates. • Sensitivity analyses were performed on key judgements and estimates to assess the reasonability of the sensitivity disclosures. • Inspected and recalculated the formulae per the model for mathematical accuracy. • Evaluated the completeness and adequacy of the disclosures against the requirements of IAS 41 and IFRS 13.

Key audit matter	How our audit addressed the key audit matter
Biological asset valuation of deciduous fruit (applicable to the consolidated financial statements only)	
International Accounting Standard 41, Agriculture (IAS 41) requires that the biological assets be subsequently measured at fair value less cost to sell. Deciduous fruit is stated at fair value less costs to sell at the harvesting stage and is a Level 3 fair value measurement in terms of the fair value hierarchy as established by IFRS 13. The value of the deciduous fruit is based on the estimated yield (tons/pack-out percentage) from the current crop of unpicked varieties multiplied by the forecast price per crop less estimated costs of harvesting, transport, packing and point of sale costs. This amount is then adjusted by a factor determined by management and the Directors to take into account the maturity of the fruit at reporting date. The significant judgements are the expected pack-out, price and yield. As a result, we determined the matter to be a matter of most significance to the audit of the current year consolidated financial statements. Please refer to note 23 to the consolidated financial statements for the relevant disclosure.	Our procedures performed in considering the appropriateness of the valuation of deciduous fruit included the following, amongst others: • Critically evaluated the fair value methodology and the key measurements and assumptions applied by management in determining the fair value of the deciduous fruit against the criteria in IAS 41 and IFRS 13. • Assessed the design, implementation and operating effectiveness of key controls over the valuation process. • Detailed testing performed on the key inputs into the deciduous fruit valuation model, including area under crop, estimated yields, forecast prices including harvesting, transport, packing and point-of-sale costs and the estimated maturity of the deciduous fruit, to assess reasonability by comparing the inputs to market data and other external sources, where applicable. • The forecasted prices were tested for reasonability by comparing it to external sources. • The crop age, price risk factor and volume risk factor used to discount the valuation were evaluated against external sources to assess the reasonability of the assumptions. • Final harvested tons were used to perform an assessment regarding the reasonability of the yields used in the valuation as at 31 March 2020. • A retrospective evaluation was performed on estimated yields, price and pack-out ratios by comparing the prior year estimates to current year actuals. This was done in order to assess the reasonableness of management's and the Directors' estimates. • Sensitivity analysis were performed on key judgements and estimates to assess the reasonability of the sensitivity disclosures. • Inspected and evaluated the formulae per the model for mathematical accuracy. • Evaluated the completeness and adequacy of the disclosures against the requirements of IAS 41 and IFRS 13.
Biological asset valuation of macadamia nuts (applicable to the consolidated financial statements only)	
International Accounting Standard 41, Agriculture (IAS 41) requires that the biological assets be subsequently measured at fair value less cost to sell. Macadamia nuts is stated at fair value less costs to sell at the harvesting stage and is a Level 3 fair value measurement in terms of the fair value hierarchy as established by IFRS 13. The value of the macadamia nuts is based on the estimated yield, multiplied by the forecast price per crop less estimated costs of harvesting, transport, packing and point of sale costs. The price is impacted by expected quality achieved. This amount is then adjusted by a factor determined by management and the Directors' to take into account the maturity of the crop at reporting date. The significant judgements in the valuation are the price and expected yields. As a result, we determined the matter to be a matter of most significance to the audit of the current year consolidated financial statements. Please refer to note 23 to the consolidated financial statements for the relevant disclosure.	Our procedures performed in considering the appropriateness of the valuation of macadamia nuts included the following, amongst others: • Critically evaluated the fair value methodology and the key measurements and assumptions applied by management in determining the fair value of the macadamia nuts against the criteria in IAS 41 and IFRS 13. • Assessed the design, implementation and operating effectiveness of key controls over the valuation process. • The forecasted price was tested for reasonability by comparing to actual prices after year-end. • Estimated yields were assessed against actual yields harvested to date. • A retrospective evaluation was performed on estimated yields and price by comparing the prior year estimates to current year actuals. This was done in order to assess the reasonableness and accuracy of management and the Directors' estimates. • The crop age, price risk factor and volume risk factor used to discount the valuation were evaluated against external sources to assess the reasonableness of the assumptions • Sensitivity analysis were performed on key judgements and estimates to assess the reasonability of the sensitivity disclosures. • Inspected and evaluated the formulae per the model for mathematical accuracy. • Evaluated the completeness and adequacy of the disclosure in terms of IAS41 and IFRS 13.

Key audit matter	How our audit addressed the key audit matter
Biological asset valuation of banana bunches (applicable to the consolidated financial statements only)	
International Accounting Standard 41, Agriculture (IAS 41) requires that the biological assets be measured subsequently at fair value less cost to sell. Banana bunches is stated at fair value less costs to sell at the harvesting stage and is a Level 3 fair value measurement in terms of the fair value hierarchy as established by IFRS 13. The value of the bunch banana is based on the estimated yield, multiplied by the forecast price per crop less estimated costs of harvesting, haulage and pack house costs. The price is impacted by expected quality achieved. This amount is then adjusted by a factor determined by management and the Directors' to take into account the maturity of the crop at reporting date. The significant judgements in the valuation are the price and expected yields. As a result, we determined the matter to be a matter of most significance to the audit of the current year consolidated financial statements. Please refer to note 23 to the consolidated financial statements for the relevant disclosure.	Our procedures performed in considering the appropriateness of the valuation of banana bunches included the following, amongst others: • Critically evaluated the fair value methodology and the key measurements and assumptions applied by management in determining the fair value of the banana bunches against the criteria in IAS 41 and IFRS 13. • Assessed the design and implementation and operating effectiveness of key controls over the valuation process. • The forecasted prices were also agreed to external sources and tested within the sensitivities performed. • Estimated yield assessed against actual yield harvested to date. • The crop age and maturity factor used to discount the valuation were evaluated against external sources to assess the reasonableness of the assumptions • Sensitivity analysis were performed on key judgements and estimates to assess the reasonability of the sensitivity disclosures. • Inspected and evaluated the formulae per the model for mathematical accuracy. • A retrospective evaluation was performed by comparing the prior year estimates to current year actuals This was done in order to assess the reasonableness of management's and the Directors' estimates. • Evaluated the completeness, and adequacy of the disclosure terms of IAS41 and IFRS 13.
Capitalisation of cost to bearer assets (applicable to the consolidated financial statements only)	
The Group's macadamia operations are situated in Mozambique. Significant costs are incurred in getting the orchards to their full producing maturity. As disclosed in note 3.9 it is the Group's policy and management judgement to capitalise costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner as intended by management, over a five-year period, after which costs are expensed. As a result, a proportionate share of total costs incurred on the farm are allocated to the non-producing orchards. The Group's policy is to accumulate all directly attributable costs incurred, which is then divided by the total hectares of orchards and multiplied by the total hectares of the non-producing orchards. There is significant management judgement in determining the costs that are directly attributable to getting the orchards in a location and condition as intended by management in terms of IAS 16, Property, Plant and Equipment. Due to this level of judgement and the underlying value of the costs capitalised, the matter is considered a matter of most significance to the audit of the current year consolidated financial statements. Please refer to note 4.11 to the consolidated financial statements for the relevant disclosure.	Our procedures performed in considering appropriateness of the capitalisation of directly attributable costs included the following, amongst others: • Obtained an understanding of management's application of the requirements of IAS 16 Par 17. • Making use of our internal accounting expertise, we critically evaluated management basis of capitalising costs for reasonableness against IAS 16 par 17. • Sampled the costs and agreed the sample to external documents in order to assess the validity and accuracy thereof. • In addition we critically evaluated the nature of the costs in order to assess whether they meet the definition of directly attributable costs in terms of IAS 16 and therefore qualify for capitalisation to the bearer asset. • Evaluated the completeness and adequacy of the disclosure against the requirements of IAS 16.

Key audit matter	How our audit addressed the key audit matter
Variable pricing consideration (applicable to the consolidated financial statements only)	
There is a delay between the deliveries of deciduous fruit to Two-a-Day and the final settlement thereof, which is usually during December each year, approximately nine months after the Group's financial year-end. A revenue accrual is thus raised at year-end based on the expected market price and pack-out ratio of deciduous fruit sold. A portion of this fruit is exported by Two-a-Day, hence is subject to variable price adjustments arising from changes in exchange rates. Furthermore, there is significant judgement in the market price of deciduous fruit used to calculate the revenue accrual as well as the estimated pack-out ratio, which is based on the expected quality of the fruit sold. Due to this level of judgement and the associated risk of the existence and accuracy of the revenue accrual, the matter is considered a matter of most significance to the audit of the current year consolidated financial statements. Please refer to note 4.5 to the consolidated financial statements for the relevant disclosure.	Our procedures performed to mitigate the risk of existence and accuracy in the calculation of the associated revenue accrual included the following, amongst others: • Critically evaluated the revenue recognition policy against the requirements of IFRS 15, Revenue from Contracts with Customers, to assess whether control has passed to the customer before year-end. • Detailed testing performed on the key inputs into the deciduous fruit revenue accrual, including estimated price, volume and pack-out ratio to assess the reasonability of the critical assumptions. This was done by comparing the inputs to market data and other external sources, where applicable. • A retrospective evaluation was performed assessing the prior year estimated price, volume and pack out ratio against the actuals attained in the current financial year to assess the reasonableness of management's and the Directors' estimates. • Analytical procedures were performed to assess the fluctuations year-on-year for a five-year period for price and volume variance to assess the accuracy of managements estimates. • Final volume was used to perform an assessment regarding the reasonability of the accrual as at 31 March 2021. • Evaluated the completeness and adequacy of the disclosure against the requirements of IFRS 15.
Control assessment (applicable to the Consolidated Financial Statements only)	
The Group has an interest in three farming operations with local communities. The Company has a shareholding in Libcro Farming Proprietary Limited (45%), Bellcro Farming Proprietary Limited (45%) and Mawecro Farming Proprietary Limited (49%), respectively. The determination of whether the Company controlled the entities, shared control or has significant influence was considered significant to the audit as it had a material impact on various account balances in the consolidated financial statements. In assessing the level of control exerted by the Company, the Directors considered the extent of the JVs' working capital requirements and its ability to raise the finance needed. The Directors found that the JVs, including the other party to the JVs, had limited means of raising the required working capital funding and consequentially, in the short term, the JVs are dependent on the Company to provide the working capital requirements. The Directors concluded that while the JVs are dependent on the Company to provide its working capital requirements, the Company has control over the JVs and therefore its results are consolidated into the Consolidated Financial Statements. Due to this level of judgement, the matter is considered a matter of most significance to the audit of the current year Consolidated Financial Statements of the Group. Please refer to notes 4.1 to 4.3 to the Consolidated Financial Statements for the relevant disclosure.	Our procedures performed in considering the control of the joint ventures included the following, amongst others: • Obtained an assessment from management evaluating control of the JV against the control definition in terms of IFRS 10, Consolidated Financial Statements. • We evaluated management's judgements in determining whether the Company controls or has joint control or significant influence over the JVs by inspection of underlying contracts to assess the key inputs applied by management, as well as to assess the ability of the JVs to obtain funding or to continue operating without the working capital provided by the Group. • Making use of our internal accounting expertise, we assessed the specific terms and conditions of the underlying contracts against the requirements for control in terms of IFRS 10. • Evaluated the completeness and adequacy of the disclosure the requirements of IFRS 10.

Key audit matter	How our audit addressed the key audit matter
Recoverability of investments in subsidiaries (applicable to the consolidated financial statements only)	
Investments are carried at cost on the separate statement of financial position. An impairment of these investments would have a significant impact on the equity of the Company. Management uses either a net asset value or discounted cash flow model to determine the value-in-use for each subsidiary. There are judgements made in determining the inputs into these models, including: • Revenue growth rate (including market share and volume growth); • Expected changes to selling prices and direct costs during the period; • Discount rate applied to the projected cash flows; and • Budgeted results. Testing for impairment depends on the future results of the companies concerned. In addition, there is significant scope for judgement in determining the assumptions underlying forecast results. As a result, we determined the matter to be a matter of most significance to the audit of the current year separate Financial Statements. Please refer to note 21 to the Consolidated Financial Statements for the relevant disclosure.	Investments in subsidiaries were evaluated for indicators of impairments. In respect of subsidiaries with indicators of impairments, we inspected the calculations prepared by management. Our procedures performed in considering the impairment included the following, amongst others: • Assessed management's model against the requirements of IAS 36, Impairment of Assets. • Assessed the design and implementation of key controls over the impairment process and calculations; • Identified and critically evaluated the key assumptions in the model; • Evaluated the reasonableness of the revenue and costs forecasts against current year actuals and approved budgets, taking into account our understanding of the business and the current market conditions, including the impact of COVID-19; • Utilised our expertise to assess management's calculation, the appropriateness of the variables and the reasonability of assumptions and valuation techniques used by management; and • Assessed the adequacy and completeness of the disclosures against the requirements of IFRS.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Crookes Brothers Limited Annual Financial Statements for the year ended 31 March 2021", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the Integrated Report, which is expected to be made available to us after that date. The other information does not include the Consolidated and Separate Financial Statements and our Auditor's Report thereon.

Our opinion on the Consolidated and Separate Financial Statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Consolidated and Separate Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated and Separate Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this Auditor's Report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the Consolidated and Separate Financial Statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the Directors determine is necessary to enable the preparation of Consolidated and Separate Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated and Separate Financial Statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated and Separate Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated and Separate Financial Statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated and Separate Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Consolidated and Separate Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated and Separate Financial Statements, including the disclosures, and whether the Consolidated and Separate Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the Consolidated and Separate Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that BDO South Africa Inc. has been the auditor of Crookes Brothers Limited for one year.

BDO South Africa Inc.

BDO South Africa Incorporated
Registered Auditors

Ahmed Timol
Director
Registered Auditor

30 June 2021

5A Rydall Vale Office Park
38 Douglas Saunders Drive
La Lucia, 4051

Statement of profit or loss and other comprehensive income

for the year ended 31 March 2021

	Notes	Group 2021 R'000	Group 2020* R'000	Company 2021 R'000	Company 2020 R'000
Revenue	5	**635 583**	703 677	**51 995**	66 050
Direct costs		**(69 472)**	(82 168)	**–**	–
Agricultural costs		**(204 109)**	(191 536)	**–**	–
Distribution expenses		**(31 728)**	(34 156)	**–**	–
Allocated overhead costs		**(140 942)**	(128 878)	**–**	–
Livestock births/deaths		**(26)**	-	**–**	–
Property development cost of sales		**(17 830)**	(53 280)	**–**	–
Other gains and losses	6	**19 058**	16 274	**414**	176
Operating and administrative expenses	8	**(85 156)**	(90 083)	**(44 364)**	(45 986)
Trading profit before impairment losses and depreciation		**105 378**	139 850	**8 045**	20 240
Impairment losses recognised on receivables	25	**(532)**	(543)	**–**	–
Depreciation	7	**(65 502)**	(69 948)	**(391)**	(945)
Operating profit before biological assets		**39 344**	69 359	**7 654**	19 295
Change in fair value of biological assets	23.1	**58 515**	(12 856)	**–**	–
Operating profit after biological assets		**97 859**	56 503	**7 654**	19 295
Non-trading items	9	**(34 085)**	19 526	**–**	210
Share of profit of joint venture and associate companies	22	**13 628**	3 958	**–**	–
Investment income	10	**3 757**	3 363	**–**	–
Finance costs	11	**(35 185)**	(44 287)	**(9 225)**	(14 183)
Profit/(loss) before tax		**45 974**	39 063	**(1 571)**	5 322
Tax expense	12	**(3 167)**	(15 375)	**684**	(2 724)
Profit/(loss) for the year		**42 807**	23 688	**(887)**	2 598
Attributable to:					
Owners of the Company		**23 235**	8 733	**(887)**	2 598
Non-controlling interests	28.5	**19 572**	14 955	**–**	–
		42 807	23 688	**(887)**	2 598
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of post-employment medical aid obligation	33.1	**(127)**	(119)	**(127)**	(119)
Items that will be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations	28.3	**(16 911)**	(8 309)	**–**	–
Other comprehensive loss for the year, net of tax		**(17 038)**	(8 428)	**(127)**	(119)
Total comprehensive income/(loss) for the year		**25 769**	15 260	**(1 014)**	2 479
Attributable to:					
Owners of the Company		**6 197**	305	**–**	–
Non-controlling interests	28.5	**19 572**	14 955	**–**	–
		25 769	15 260	**–**	–
Earnings per share					
Basic (cents)	13.1	**152.2**	57.2	**–**	–
Diluted (cents)	13.2	**152.2**	57.2	**–**	–

** Restated per note 42.*

Statement of financial position

as at 31 March 2021

	Notes	Group 2021 R'000	Group 2020* R'000	Company 2021 R'000	Company 2020 R'000
ASSETS					
Non-current assets		**1 115 865**	1 093 078	**724 877**	700 726
Property, plant and equipment	15	**751 297**	787 744	**2 380**	2 385
Right-of-use assets	16	**154 656**	160 145	**–**	–
Investment property	17	**67 152**	41 782	**–**	–
Deferred tax assets	18	**27 138**	23 646	**3 279**	2 456
Financial assets	20	**24 075**	10 280	**5 617**	5 440
Investments in subsidiaries	21	**–**	–	**675 494**	656 376
Investments in joint venture and associates	22	**91 547**	69 481	**38 107**	34 069
Current assets		**637 045**	697 535	**278 905**	380 481
Biological assets	23	**286 509**	245 511	**–**	–
Inventories	24	**124 606**	139 403	**–**	–
Trade and other receivables	25	**137 278**	130 862	**20 525**	12 879
Current tax assets	19	**6 232**	6 941	**532**	–
Financial assets	20	**2 340**	117	**50**	2 931
Loans to subsidiaries	21	**–**	–	**255 662**	362 801
Retirement benefit surplus	33.2	**1 693**	1 693	**1 693**	1 693
Cash and bank balances	26	**73 614**	22 767	**443**	177
		632 272	547 294	**278 905**	380 481
Assets classified as held for sale	27	**4 773**	150 241	**–**	–
Total assets		**1 752 910**	1 790 613	**1 003 782**	1 081 207
EQUITY AND LIABILITIES					
Capital and reserves		**1 089 667**	1 065 938	**784 252**	785 266
Share capital	28.1	**3 816**	3 816	**3 816**	3 816
Share premium	28.1	**222 455**	222 455	**222 455**	222 455
Investment revaluation reserve	28.2	**951**	951	**–**	–
Foreign currency translation reserve	28.3	**(56 718)**	(39 807)	**–**	–
Share-based payment reserve	28.4	**4 234**	5 898	**4 234**	5 898
Retained earnings		**864 702**	839 930	**553 747**	553 097
Equity attributable to owners of the Company		**1 039 440**	1 033 243	**784 252**	785 266
Non-controlling interests	28.5	**50 227**	32 695	**–**	–
Non-current liabilities		**481 057**	414 559	**2 506**	2 401
Deferred tax liabilities	18	**114 050**	127 503	**–**	–
Borrowings – interest-bearing	29.1	**124 619**	64 556	**–**	–
Other financial liabilities	17	**44 752**	27 313	**–**	–
Obligations to return leased farmland	30	**35 810**	32 512	**–**	–
Lease liabilities	31	**159 320**	160 274	**–**	–
Post-employment medical aid obligation	33.1	**2 506**	2 401	**2 506**	2 401
Current liabilities		**182 186**	310 116	**217 024**	293 540
Trade and other payables	34	**59 207**	57 873	**2 649**	4 271
Provisions	35	**21 581**	10 634	**4 887**	1 080
Current tax liabilities	19	**1 373**	2 335	**–**	200
Loans from subsidiaries	21	**–**	–	**134 488**	145 989
Borrowings – interest-bearing	29.1	**90 849**	206 976	**75 000**	142 000
Obligations to return leased farmland	30	**–**	6 896	**–**	–
Lease liabilities	31	**5 599**	4 958	**–**	–
Bank overdraft	29.2	**3 577**	20 444	**–**	–
Total equity and liabilities		**1 752 910**	1 790 613	**1 003 782**	1 081 207

** Restated per note 42.*

Statement of cash flows

for the year ended 31 March 2021

	Notes	Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
Operating activities					
Operating profit for the year		**97 859**	56 503	**7 654**	19 295
Adjustment for non-cash items:					
Depreciation	7	**65 502**	69 948	**391**	945
Change in fair value of biological assets	23.1	**(58 515)**	12 856	**–**	–
Increase/(decrease) in provisions	35	**10 947**	(5 520)	**3 807**	(2 141)
Expense recognised in respect of equity-settled share-based payments	28.4	**–**	1 286	**–**	1 286
Unrealised foreign exchange gains	6	**(1 894)**	(2 693)	**–**	–
Foreign currency translation differences		**(2 577)**	1 394	**–**	–
Changes in fair value of investment property	17	**(8 644)**	(2 883)	**–**	–
RTO prepaid lease income		**(2 004)**	(1 275)	**–**	–
Medical aid defined benefit costs recognised in profit or loss	33.1	**(72)**	(1 340)	**(72)**	(1 340)
Investment Income	5	**–**	–	**(25 991)**	(40 037)
Other non-cash items		**(1 152)**	(90)	**(1 664)**	(482)
Operating cash flows before movements in working capital		**99 450**	128 186	**(15 875)**	(22 474)
Increase in inventories		**(1 060)**	(28 421)	**–**	–
Decrease/(increase) in trade and other receivables		**1 385**	5 164	**(7 756)**	(2 630)
Increase/(decrease) in trade and other payables		**2 507**	(18 741)	**43**	(2 197)
Cash generated from/(utilised in) operations		**102 282**	86 188	**(23 588)**	(27 301)
Interest received		**1 452**	2 929	**22 761**	36 746
Interest paid		**(31 252)**	(39 770)	**(9 225)**	(14 183)
Taxes paid		**(19 902)**	(25 459)	**(708)**	(5 132)
Net cash generated by/(utilised in) operating activities		**52 580**	23 888	**(10 760)**	(9 870)
Investing activities					
Investment in financial assets		**–**	(825)	**–**	–
Proceeds on redemption of financial assets		**–**	–	**2 931**	2 918
Repayment of unsecured loans		**–**	2 792	**–**	–
Proceeds on disposal of property, plant and equipment		**117 647**	63 553	**–**	23 511
Investment in property, plant and equipment		**(57 304)**	(67 330)	**(386)**	(173)
Investment in investment property		**(869)**	(2 940)	**–**	–
Capital contributions to subsidiary		**–**	–	**(19 118)**	(26 979)
Repayments of loans to subsidiaries		**–**	–	**107 139**	1 961
Loans advanced to joint venture and associate companies		**(6 561)**	(4 759)	**(4 038)**	(2 518)
Dividends received		**15**	14	**3 000**	2 932
Net cash generated by/(utilised in) investing activities		**52 928**	(9 495)	**89 528**	1 652
Financing activities					
Proceeds from loans and borrowings		**63 965**	1 450	**–**	–
Repayment of loans and borrowings		**(10 726)**	(15 582)	**–**	(3 286)
Proceeds from general banking facilities		**128 000**	231 500	**108 000**	170 500
Repayment of general banking facilities		**(230 000)**	(271 815)	**(175 000)**	(188 200)
(Repayment of)/advances from loans from subsidiary		**–**	–	**(11 502)**	26 649
Receipts from other financial liabilities		**18 173**	8 092	**–**	–
Repayment of lease liability		**(5 166)**	(4 575)	**–**	–
Dividends paid – community partners	28.5	**(2 040)**	(10 228)	**–**	–
Net cash (utilised in)/generated by financing activities		**(37 794)**	(61 158)	**(78 502)**	5 663
Net increase/(decrease) in cash and cash equivalents		**67 714**	(46 765)	**266**	(2 555)
Cash and cash equivalents at beginning of the year		**2 323**	49 088	**177**	2 732
Cash and cash equivalents at end of the year	26	**70 037**	2 323	**443**	177

Statement of changes in equity

for the year ended 31 March 2021

	Group							
	Share capital and premium R'000	Investment revaluation reserve R'000	Foreign currency translation reserve R'000	Share-based payment reserve R'000	Retained earnings R'000	Attributable to owners of the Company R'000	Non-controlling interests R'000	Total R'000
Balance at 31 March 2019	226 271	951	(31 498)	4 612	831 316	1 031 652	27 968	1 059 620
Profit for the year	–	–	–	–	8 733	8 733	14 955	23 688
Other comprehensive loss	–	–	(8 309)	–	(119)	(8 428)	–	(8 428)
Total comprehensive income for the year	–	–	(8 309)	–	8 614	305	14 955	15 260
Dividends declared and paid (see note 14 and 28.5)	–	–	–	–	–	–	(10 228)	(10 228)
Share-based payment expense (see note 28.4)	–	–	–	1 286	–	1 286	–	1 286
Balance at 31 March 2020	**226 271**	**951**	**(39 807)**	**5 898**	**839 930**	**1 033 243**	**32 695**	**1 065 938**
Profit for the year	**–**	**–**	**–**	**–**	**23 235**	**23 235**	**19 572**	**42 807**
Other comprehensive loss	**–**	**–**	**(16 911)**	**–**	**(127)**	**(17 038)**	**–**	**(17 038)**
Total comprehensive income for the year	**–**	**–**	**(16 911)**	**–**	**23 108**	**6 197**	**19 572**	**25 769**
Dividends declared and paid (see note 14 and 28.5)	**–**	**–**	**–**	**–**	**–**	**–**	**(2 040)**	**(2 040)**
Share-based payment transfer (see note 28.4)	**–**	**–**	**–**	**(1 664)**	**1 664**	**–**	**–**	**–**
Balance at 31 March 2021	**226 271**	**951**	**(56 718)**	**4 234**	**864 702**	**1 039 440**	**50 227**	**1 089 667**
Note	28.1	28.2	28.3	28.4			28.5	

	Company							
	Share capital and premium R'000	Investment revaluation reserve R'000	Foreign currency translation reserve R'000	Share-based payment reserve R'000	Retained earnings R'000	Attributable to owners of the Company R'000	Non-controlling interests R'000	Total R'000
Balance at 31 March 2019	226 271	–	–	4 612	550 618	781 501	–	781 501
Profit for the year	–	–	–	–	2 598	2 598	–	2 598
Other comprehensive loss	–	–	–	–	(119)	(119)	–	(119)
Total comprehensive income for the year	–	–	–	–	2 479	2 479	–	2 479
Share-based payment expense (see note 28.4)	–	–	–	1 286	–	1 286	–	1 286
Balance at 31 March 2020	**226 271**	**–**	**–**	**5 898**	**553 097**	**785 266**	**–**	**785 266**
Loss for the year	**–**	**–**	**–**	**–**	**(887)**	**(887)**	**–**	**(887)**
Other comprehensive loss	**–**	**–**	**–**	**–**	**(127)**	**(127)**	**–**	**(127)**
Total comprehensive loss for the year	**–**	**–**	**–**	**–**	**(1 014)**	**(1 014)**	**–**	**(1 014)**
Share-based payment transfer (see note 28.4)	**–**	**–**	**–**	**(1 664)**	**1 664**	**–**	**–**	**–**
Balance at 31 March 2021	**226 271**	**–**	**–**	**4 234**	**553 747**	**784 252**	**–**	**784 252**
Note	28.1	28.2	28.3	28.4			28.5	

Consolidated segmental analysis

for the year ended 31 March 2021

Products and services from which reportable segments derive their revenues

Information reported to the Chief Executive Officer (chief operating decision-maker) for the purposes of resource allocation and assessment of segment performance, focuses on the types of goods or services delivered or provided, and in respect of the "sugar cane", "deciduous fruit", "bananas", "macadamias" and "property" operations, the information is further analysed based on the different classes of customers. The Executive Directors of the Company have chosen to organise the Group around differences in products and services across its farming and property operations. Other revenue streams that have no direct bearing on crop or property performance have been aggregated under "other operations", which is disaggregated in note 5. "Unallocated" refers to specific income or expense transactions, as well as assets and liabilities that cannot be readily allocated to one or more of the Group's reportable segments above. Unallocated therefore refers to "head office" corporate income and expenses, as well as pure head office-related assets or liabilities. Tax expense is an unallocated corporate expense.

Information about reportable segments

Year to 31 March 2021	Sugar cane R'000	Deciduous fruit R'000	Bananas R'000	Macadamias R'000	Property R'000	Other operations R'000	Head office R'000	Total R'000
Revenue	391 082	93 094	82 633	25 913	24 172	18 689	–	635 583
Operating profit before unallocated overheads	105 178	(8 673)	4 366	(14 748)	4 788	2 612	–	93 523
Corporate expenses	–	–	–	–	–	–	(54 179)	(54 179)
Operating profit before biological assets	105 178	(8 673)	4 366	(14 748)	4 788	2 612	(54 179)	39 344
Change in fair value of biological assets	23 390	12 398	(144)	22 871	–	–	–	58 515
Operating profit after biological assets	128 568	3 725	4 222	8 123	4 788	2 612	(54 179)	97 859
Loss on disposal of property, plant and equipment	6 642	(54 819)	31	(2 173)	(37)	16 271	–	(34 085)
Share of profit of joint venture and associates	–	–	13 628	–	–	–	–	13 628
Investment income	–	–	–	–	–	–	3 757	3 757
Finance costs	–	–	–	–	–	–	(35 185)	(35 185)
Profit before tax	135 210	(51 094)	17 881	5 950	4 751	18 883	(85 607)	45 974
Tax expense	–	–	–	–	–	–	(3 167)	(3 167)
Profit after tax	135 210	(51 094)	17 881	5 950	4 751	18 883	(88 774)	42 807
Segmental assets	582 932	249 774	193 383	357 860	240 587	46 147	82 227	1 752 910
Segmental liabilities	(256 349)	(21 375)	(81 757)	(49 740)	(128 992)	(1 286)	(123 744)	(663 243)
Other information								
Capital expenditure on property, plant and equipment	21 408	8 258	7 496	20 706	1 360	2 383	386	61 997
Depreciation	33 643	10 450	4 497	12 557	2 103	1 902	350	65 502

Year to 31 March 2020	Sugar cane R'000	Deciduous fruit R'000	Bananas R'000	Macadamias R'000	Property R'000	Other operations R'000	Head office R'000	Total R'000
Revenue	368 891	106 732	104 260	31 004	68 228	24 562	–	703 677
Operating profit before unallocated overheads	88 538	(6 080)	31 671	(3 839)	10 345	6 572	–	127 207
Corporate expenses	–	–	–	–	–	–	(57 848)	(57 848)
Operating profit before biological assets	88 538	(6 080)	31 671	(3 839)	10 345	6 572	(57 848)	69 359
Change in fair value of biological assets	6 484	(13 118)	4 707	(10 929)	–	–	–	(12 856)
Operating profit after biological assets	95 022	(19 198)	36 378	(14 768)	10 345	6 572	(57 848)	56 503
Gain on disposal of property, plant and equipment	19 026	318	–	(27)	–	–	209	19 526
Share of profit of joint venture and associates	–	–	3 958	–	–	–	–	3 958
Investment income	–	–	–	–	–	–	3 363	3 363
Finance costs	–	–	–	–	–	–	(44 287)	(44 287)
Profit before tax	114 048	(18 880)	40 336	(14 795)	10 345	6 572	(98 563)	39 063
Tax expense	–	–	–	–	–	–	(15 375)	(15 375)
Profit after tax	114 048	(18 880)	40 336	(14 795)	10 345	6 572	(113 938)	23 688
Segmental assets	582 180	402 405	163 564	328 871	218 469	62 073	33 051	1 790 613
Segmental liabilities	(274 290)	(53 400)	(75 910)	(9 447)	(94 944)	(2 033)	(214 651)	(724 675)
Other information								
Capital expenditure on property, plant and equipment	29 736	8 659	3 752	25 442	986	2 163	173	70 911
Depreciation	36 027	11 921	4 724	12 428	2 128	1 837	883	69 948

Information about geographical areas and customers

Refer to note 5 for information about the geographical areas where the Group operates in, as well as an analysis of revenue by customer.

Notes to the financial statements

for the year ended 31 March 2021

1. General information

Crookes Brothers Limited (the Company) is incorporated in the Republic of South Africa. The addresses of its registered office and principal place of business are disclosed in the inside back cover. The principal activities of the Company and its subsidiaries are described in the Directors' Report.

2. Adoption of new and revised standards

New and amended IFRS standards that are effective for the current year

Standard/Interpretation	Effective date: Years beginning on or after
IFRS 3 Amendments to the definition of a business	1 January 2020
IAS 1 Presentation of financial statements: Disclosure initiative	1 January 2020
IAS 1 and IAS 8: Accounting policies, changes in accounting estimates and errors: Disclosure initiative	1 January 2020
IFRS 16 COVID-19-related rent concessions	1 June 2020

The Directors have assessed the impact of the adoption of these new standards, and have concluded that the standards applicable to the Group do not have a material impact on its financial statements.

New and revised IFRS standards in issue but not yet effective

Standard/Interpretation	Effective date: Years beginning on or after	Expected impact:
IAS 37 Provisions, contingent liabilities and contingent assets *(Amendment: Onerous contracts – cost of fulfilling a contract)*	1 January 2022	Low/no impact
IAS 16 Property, plant and equipment *(Amendment: Proceeds before intended use)*	1 January 2022	Immaterial impact
IAS 1 Presentation of financial statements *(Amendment: Classification of liabilities as current or non-current)*	1 January 2023	Low/no impact
Conceptual framework for financial reporting *(Amendments to IFRS 3)*	1 January 2022	No impact
IFRS 16 Leases *(Amendment: Extension of practical expedient)*	1 April 2021	Immaterial impact

At the date of authorisation of these financial statements, the Group has not applied the above new and revised IFRS Standards that have been issued but are not yet effective. The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company or Group in future periods.

3. Significant accounting policies

BASIS OF PREPARATION

The financial statements have been consistently prepared in accordance with International Financial Reporting Standards (IFRS), Interpretations issued by the International Accounting Standards Board (IASB), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Companies Act 2008 of South Africa and the JSE Listings Requirements. The historical cost convention is used except for investment property, biological assets and certain financial instruments that are stated at fair value.

FOREIGN AND FUNCTIONAL CURRENCIES

The functional currency of each entity within the Group is based on the currency of the primary economic environment in which that entity operates. The functional currency is determined by assessing the primary economic environment of the revenue, operating and capital expenditure and financing cash flows of the Group entity. For the purposes of the consolidated financial statements, the results and financial position or each entity are expressed in South African Rand, which is the functional currency of the Group, and the presentation currency for the consolidated financial statements.

During the 2017 financial year, due to changes in trading arrangements that meet the requirements of IAS 21:36, the functional currency of the Group's Mozambique operations changed from Meticais (MZN) to Rands (ZAR).

Transactions in currencies other than the entity's functional currency extend only to the Group's Zambia operation. The results of Zambia are recognised at the rates of exchange ruling on the date of the transaction. Monetary assets and liabilities denominated in such currencies are translated at the rates ruling at the date of the statement of financial position. Gains and losses arising on exchange differences are recognised in profit or loss. The financial statements of entities whose functional currencies are different from the Group's presentation currency which, because of its primary operating activities, is South African Rand, are translated as follows:

- Assets and liabilities at exchange rates ruling at the date of the statement of financial position;
- Income and expense items at the average exchange rates for the period; and
- Equity items at the exchange rate ruling when they arose.

Resulting exchange differences are classified as a foreign currency translation reserve and recognised in other comprehensive income.

COMPARATIVE FIGURES

Comparative figures are restated in the event of the following:

- a new accounting standard or interpretation is issued by the IASB, which requires retrospective application;
- the application of paragraph 34 to 36 of IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations and/or paragraph 28 of IAS 33-Earnings per Share and/or paragraph 29 of IFRS 8 – Operating Segments and/ or paragraph 45 of IFRS 3;
- a voluntary change of accounting policy or change in the application of IFRS;
- a reclassification of amounts disclosed in the prior period financials;
- the correction of a material prior period error; and/or
- for some other reason.

BASIS OF CONSOLIDATION

3.1 Investments in subsidiaries

On an annual basis, the Group reassesses whether or not it controls its investees if facts and circumstances indicate that there are changes to one or more of the three elements of control listed below:

- the Group has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

At the end of the current reporting period, the Group accounted for 13 investees as controlled subsidiaries. All subsidiaries have the same financial reporting period of 31 March.

Of these 13 investees, the Group held the majority share capital and voting rights in ten of them, thus giving the Group majority voting power to affect the operating and financial returns of these ten investees.

With regards to the other three subsidiaries, Bellcro Farming (Pty) Ltd (Bellcro), Libcro Farming (Pty) Ltd (Libcro) and Mawecro Farming (Pty) Ltd (Mawecro), the non-controlling interests owned the majority of the issued share capital in these investees.

Even though the Group had less than a majority of the voting rights in these three investees, it was still able to demonstrate power over these investees and direct the relevant activities of these investees unilaterally. Refer to notes 4.1, 4.2 and 4.3 for all relevant facts and circumstances that the Group assessed, in making this judgement.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests.

All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3.2 Investments in joint venture and associates

See note 22 for a list of associates that the Group has investments in. The Group exerts “significant influence” over these associates, which is the power to participate in the financial and operating policy decisions of these investees, but does not have control or joint control over the policies of these investees.

With respect to Silverlands Mozambique Holdings Limited (SMHL) (see note 22), the Group has acquired a joint venture, via a joint arrangement whereby the Group shares joint control of the arrangement and has rights to the net assets of SMHL through this joint arrangement. The Group has a contractually agreed sharing of control over the arrangement of SMHL’s operations with SilverStreet Private Equity Strategies (SilverStreet), a subsidiary of the Group’s majority shareholder Silverlands (SA) Plantations Sarl a Company incorporated in the United Kingdom. Any decisions regarding the relevant activities of SMHL require the unanimous consent of both the Group and SilverStreet.

The results and assets and liabilities of the Group’s joint venture and associates are incorporated in these consolidated financial statements using the equity method of accounting. Under this equity method, the Group’s investment in its joint venture and associates are initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group’s share of the profit or loss and other comprehensive income.

The Group transacts with all the investees’ disclosed in note 22 on an arm’s-length basis.

3. Significant accounting policies continued

STATEMENT OF PROFIT OR LOSS TRANSACTIONS AND EVENTS

3.3 Revenue

The Group recognises revenue on the fulfilment of a performance obligation, which results in the irrevocable transfer of control to its customers, such that the Group is then entitled to the transaction prices associated with these sales.

Refer to note 5 for a summary of revenue by product and geographic region. The Group's revenue is largely made up of "farming" revenue in the form of sugar cane, deciduous fruit, bananas and macadamias.

Sugar cane
Revenue is recognised at a point in time when the cane is delivered to the sugar mills.

Deciduous fruit
Revenue is recognised at a point in time on delivery to Two-a-Day Group (TAD) and Elgin Fruit Juices.

IFRS 15 gives specific guidance on dealing with variable considerations associated with price risk. Refer to note 4.5. Since the Group has sufficient data to estimate variable pricing considerations, the Directors have applied these estimates based on this data and recognises revenue for fruit still in bins but not yet packed, on delivery to TAD. IFRS 15 requires an estimate of the expected transaction price to be made.

Bananas
Revenue is recognised at a point in time on delivery of packed banana cartons to Lebombo Growers (Pty) Ltd (Lebombo).

Macadamias
Revenue from the sale of macadamias is recognised at a point in time when the Group's various customers take delivery.

Property
Revenue from the sale of completed residential units is recognised at a point in time on transfer of ownership to buyers through occupation of a completed unit.

Other operations
Other operations revenue comprises revenue from rental income from leased buildings, tourism revenue and utility services related to the property development. The majority of sales proceeds are received over a 30 day period (in the case of rental income) and in cash with regards to the tourism segment.

Company revenue
The Company being a purely investment holding company, derives its revenue in the form of interest income, dividend income, management fees, consulting fees and surety fees from related parties. Company interest income is mainly charged to fellow subsidiaries at prime and Jibar-linked rates, and measurement is in accordance with IFRS 9. Dividend income earned is from fellow subsidiaries. Surety fees are charged at 2% of the average loan balance outstanding at each period end. Management and consulting fees are charged based on actual hours worked with an added arm's-length mark-up. Performance obligation is satisfied once the management or consulting service has been rendered.

3.4 Investment income

Dividend and interest income disclosed in note 10 is earned from the Group's range of financial assets and positive bank balances respectively. Due to the Company being an investment holding company (see note 3.3 above), investment income constitutes revenue in the Company's statement of profit or loss.

3.5 Employee benefits

Retirement funds
In South Africa, the Company provides retirement benefits for its employees through the Crookes Brothers Retirement, Pension and Provident Funds. These funds are all defined contribution plans. The assets of the defined contribution schemes are held separately from those of the Company and are administered and controlled by trustees. Contributions to these defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The Crookes Brothers Pension Fund also operates an Employer Surplus Reserve Account. There are assets allocated to the employer in the employer surplus reserve accounts in the Crookes Brothers Pension and Retirement Funds.

The Company has elected to utilise this surplus to extinguish a portion of the post-retirement medical aid subsidy below. To this end, an additional liability for medical benefits in the funds' rules have been created, and this surplus has been utilised to cover these costs as disclosed in note 33.2.

In other geographical locations in which the Group operates – Eswatini, Zambia and Mozambique, contributions are made to state-managed retirement benefit schemes. These schemes are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan. Additional severance liabilities in terms of legislative regulations are assessed annually and provided for. See note 35 for disclosure pertaining to severance allowance provisions.

Post-retirement medical aid benefits

Historically, qualifying employees have been granted certain post-retirement medical benefits. The post-retirement medical benefit option is now closed and the Company's obligation in respect of post-employment medical aid relate solely to past employees of the Company referred to as Continuation and Widow(er) Members (CAWMs). See note 33.1 for the actuarial valuation of the liability.

3.6 Share-based payment arrangements

The Company issues equity-settled share-based payments to certain executives and senior employees of the Company and its subsidiaries. Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

Options vest over a period of five years and all shares must be taken up by way of purchase and delivery by no later than 10 years after the date of grant, subject to Remuneration Committee approval. The exercise price of the option is not less than the market value of the ordinary shares on the day preceding the date of grant. IFRS 2 requires the fair value of equity instruments granted to be based on market prices, if available, and to take into account the terms and conditions upon which those equity instruments were granted. In the absence of market prices, fair value is estimated, using a valuation technique to estimate what the price of those equity instruments would have been on the measurement date in an arm's-length transaction between knowledgeable, willing parties. As employee share options are not traded, there is no market price available. Employees have been granted a call option in terms of the Scheme where the payoff on exercise is the difference between the market value of the Company's shares at that time less the strike price. Fair value of the share options is therefore determined using an option pricing model. The share options have been valued using the widely accepted Black-Scholes-Merton model. This model is used to value options traded openly in the market.

Equity-settled share-based payments are measured at fair value at the date of grant. The fair value at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the shares that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled reserve. Refer to note 36 for disclosure relating to the employee share incentive scheme.

3.7 Taxation

Tax expense represents the sum of the current tax payable and deferred tax and is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from "profit before tax" as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other periods 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.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets are raised in respect of the unused tax losses of an entity and offset against the deferred tax liability of that entity only where these losses may be utilised in the short term or will not expire in terms of applicable tax legislation.

3.8 Dividends

Dividends declared by the Company to its shareholders are charged against reserves in the period declared, and raised as an outstanding payable until settled. Refer to note 14 for details of dividends declared by the Company.

STATEMENT OF FINANCIAL POSITION LINE ITEMS

3.9 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant and equipment includes any other directly attributable costs incurred to bring the assets to the location and condition necessary for them to be capable of operating in the manner intended by management.

Freehold land, leasehold land and assets under construction are carried at cost, less any impairment loss.

Costs capitalised to bearer assets (sugar cane roots, banana palms, deciduous and macadamia trees) include all direct costs of land preparation and planting.

3. Significant accounting policies continued

3.9 Property, plant and equipment continued

Depreciation is recognised so as to write off the cost of assets (other than freehold land, leasehold land and assets under construction) to their residual value over their estimated useful lives, using the straight-line method. Depreciation commences when the assets are ready for their intended use and is calculated at rates appropriate in terms of management's current assessment of useful lives and residual values. Depreciation ceases at the earlier of the date the asset is classified as held for sale or at the date it is derecognised.

The varied nature of property, plant and equipment result in a range of different depreciation rates being applied to assets. Depreciation guidelines are defined for asset classes, however, individual consideration is given to the appropriateness of the useful life applied to each individual asset which reflects management's estimate of the consumption of economic benefits inherent in the value of the asset.

During the year under review, property, plant and equipment was depreciated on the straight-line basis using the rates set out below:

• Land – owned	not depreciated
• Leased land in Mozambique	100 years
• Buildings and housing	30 to 50 years
• Capital work-in progress	not depreciated until brought into use
• Plant and other assets	4 to 25 years
• Sugar cane roots	7 to 9 years
• Banana palms	9 years
• Deciduous fruit trees	apples – 26 years, pears – 24 years
• Macadamia trees	25 years

Depreciation is recognised directly in profit or loss. Management reviews the residual lives and depreciation methods annually, considering market conditions and projected disposal values. In the assessment of useful lives, maintenance programmes and technological innovations are considered.

On the disposal or scrapping of property, plant, equipment and bearer assets, the gain or loss arising thereon is recognised in profit or loss.

3.10 Investment property

Residential units occupied by customers under reversionary sale and transfer obligation (RTO) arrangements are recognised by the Group as investment property. The customers in these cases are lessees, whilst the Group is a lessor, who holds these properties for capital appreciation over the RTO term. RTO units are initially measured at cost, and subsequently at fair value, with gains and losses arising from changes in fair value being recorded in profit or loss in the period in which they arise. Refer to note 17 for disclosure relating to investment property.

3.11 Impairment

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that the assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount of assets is the higher of fair value less costs of disposal and value-in-use.

Regarding its financial assets held at amortised cost, the Group recognises lifetime expected credit losses (ECL). Refer to note 37.3 for a detailed analysis of the Group's 3-stage model for ECL.

3.12 Financial instruments

Financial assets
The Group has a range of financial assets, which are classified as either fair value through other comprehensive income (FVTOCI), or amortised cost.

Measurement
At the end of the current reporting period, the Group held an interest in a number of financial assets in the form of equity investments in various deciduous co-ops and agribusinesses as well as loans receivable, trade receivables and cash in the bank. Refer to notes 20.1 and 20.2.

The investment in Elgin is held at fair value, with changes in share price being recognised in other comprehensive income (FVTOCI) and accumulated under the heading of "investment revaluation reserve".

With respect to the investments in TAD, Villiersdorp and other farming co-ops and agribusinesses, the fair values of these investments are not readily determinable. The investment in these companies is based on signed agreements, whereby the value of the shares to the Group in these companies, is limited to their cost. Therefore the Directors have measured these investments at cost, which they assess to be the closest approximation of fair value. Refer to note 20.3 for the judgements applied by the Directors in making this assessment.

Based on the contractual cash flows associated with trade and loan receivables, the Group measures these at amortised cost.

Cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdraft.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss (FVTPL), "FVTOCI" or amortised cost.

Measurement

The Group has financial liabilities, in the form of bank overdraft, interest-bearing borrowings, RTO obligations, prepaid lease income, and trade and other payables. The Group has never elected to fair value any of its financial liabilities and therefore only measures its financial liabilities at amortised cost, using the effective interest method.

The receipt of cash proceeds (excl. VAT) associated with RTO sales, results in a RTO obligation and prepaid lease income, initially measured at fair value.

The RTO obligation is initially measured by discounting these proceeds at the South African prime lending rate and the SARS prescribed mortality rate of the purchaser or his/her spouse. The RTO obligation is then annually unwound using this effective interest rate and subsequently measured at amortised cost.

Prepaid lease income is initially measured at fair value, being the difference between the cash proceeds (excl. VAT) received and the RTO obligation raised. This prepaid lease income is then amortised over the mortality period of the purchaser or his/her spouse, with the current year portion of lease income recognised in profit or loss, and the carrying amount of prepaid lease income subsequently measured at amortised cost.

Refer to notes 17, 21, 29, 31, 34 and 37 for disclosures related to financial liabilities.

3.13 Biological assets

The Group's biological assets comprise growing crops in the form of sugar cane, deciduous fruit, bananas and macadamias.

Biological assets are measured on initial recognition and at the end of each reporting period at fair value, determined as at 31 March, based on current estimated market prices for the following season, less the estimated costs of harvesting, transport, packing and point-of-sale costs.

3.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion or selling and distribution.

Consumable stores are measured at cost or the lowest latest available acquisition price.

Agricultural produce represents grown nursery plants not sold at year end. Agricultural produce is measured at their net realisable value at date of harvesting, less the estimated cost of harvesting, transport, packing and point-of-sale costs incurred in bringing them to their present location and condition to be sold.

Redundant and slow-moving inventories are identified and written down to their net realisable values where necessary.

3.15 Non-current assets held for sale

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

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Refer to note 27 for management's assessment in classifying the property, plant and equipment of Riversbend, as held for sale.

3.16 Investment revaluation reserve

The investment revaluation reserve represents the cumulative gains and losses arising on the revaluation of financial assets referred to in note 20.1 that have been recognised in other comprehensive income. For equity instruments designated at FVTOCI the reserve is transferred directly in equity when sold.

3.17 Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's Zambian subsidiary from its functional currency of Zambian Kwacha (ZMW) to the Group's presentation currency of Rands (ZAR) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

3.18 Obligations to return leased farmland

This relates to the valuations attributable to the carrying amount of bearer assets attached to farms in the Mpumalanga areas which are owned by communities and leased to the Group as part of long-term 20- and 30-year leases. At the end of the current reporting period, the amortised cost of these liabilities were opposite but equal to the carrying amount of the associated bearer asset sugar cane roots and banana palms. Refer to note 30.

These liabilities are unsecured, interest-free and will be extinguished on handover of the bearer assets to the respective community land owners, on termination of the leases.

3. Significant accounting policies continued

3.19 Leases

The Group – as lessee

The Group recognises right-of-use assets and lease liabilities in its statement of financial position.

For leases of a short-term (12 months or less) or low value assets of R100 000 or less (printers and copiers), the Group recognises the lease payments as an operating lease on a straight-line basis over the term of the lease.

Lease liabilities

The Group's lease liabilities are disclosed in note 31.

Lease payments included in the measurement of the lease liabilities comprise lease payments that depend on year-on-year CPI rates.

Lease payments are initially measured using the index rates at lease inception and subsequently measured by increasing the carrying amount to reflect interest on the lease liabilities (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease payments change due to changes in the CPI rate or a change in expected payment, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use assets

The Group's right-of-use assets are disclosed in note 16.

The right-of-use assets comprise the initial measurement of the corresponding lease liabilities, and any lease payments made. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The Group's right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. In the case of the Mawecro and Libcro leases, these are depreciated over the lease terms of 20 and 30 years respectively.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Property, Plant and Equipment" and "Impairment" policy per 3.9 and 3.11 above.

Other lease arrangements

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Operating and administrative expenses" in profit or loss. Refer to note 32 for a disclosure of the Group's lease payments recognised as an expense in profit or loss.

The Group – as lessor

Leases for which the Group are a lessor are classified as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

3.20 Provisions

The Group has legal obligations to its employees in the form of leave pay, bonus and severance pay provisions at the end of the current reporting period.

The provision for leave pay represents annual leave entitlements accrued by employees based on leave days not taken at financial year end multiplied by the applicable daily pay-rate.

The provision for bonuses is payable to qualifying employees in terms of a "balanced scorecard", which refers to a weighting of Group and individual performance. The Board has the discretion to reduce or cancel the payment if one or more of the aforementioned criteria has not been achieved.

The provision for severance allowances is based on terms included in the collective agreements between the labour unions and the Group's Eswatini and Zambia subsidiaries. The severance allowance is calculated based on number of years' service, age of employee and the applicable daily pay-rate.

4. Judgements made by management and key sources of estimation uncertainty

Preparing financial statements in conformity with IFRS requires estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ from these estimates. Key assumptions concerning the future, and other key sources of estimation uncertainty have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year. Certain accounting policies and key sources of estimation uncertainty have been identified as involving particularly complex or subjective judgements or assessments, as follows:

4.1 Control over Libcro Farming (Pty) Ltd (formerly known as Mthayiza Farming (Pty) Ltd) – acquired October 2008

Libcro Farming (Pty) Ltd (Libcro) is a subsidiary of the Group although the Group only owns a 45% equity share of Libcro. Through the provision of working capital finance, the Group has the power to control the financial decision making of the Company. In addition, the Group also stands surety for the subsidiary's term loans, which Libcro is unable to raise on the strength of its own balance sheet. The Group therefore has the power to control the financial decision-making of Libcro and ultimately affect its returns. Therefore, the Directors concluded that the Group has control over Libcro and accordingly the entity has been recognised as a subsidiary as part of the consolidated financial statements.

4.2 Control over Mawecro Farming (Pty) Ltd – acquired April 2016

Mawecro Farming (Pty) Ltd (Mawecro) is a subsidiary of the Group although the Group only owns a 49% equity share of Mawecro. The Group has the power to direct the relevant activities of Mawecro, through the provision of working capital finance and the power and discretion to grant such finance. In addition, the Group also stands surety for the subsidiary's revolving credit and term loans, which Mawecro is unable to raise on the strength of its own balance sheet. The Group therefore has the power to control the financial decision-making of Mawecro and ultimately affect its returns. Therefore, the Directors concluded that the Group has control over Mawecro and accordingly the entity has been recognised as a subsidiary as part of the consolidated financial statements.

4.3 Control over Bellcro Farming (Pty) Ltd – acquired June 2017

Bellcro Farming (Pty) Ltd (Bellcro) is a subsidiary of the Group although the Group only owns a 45% equity share of Bellcro. The Group has the power to direct the relevant activities of Bellcro, through the provision of working capital finance and the power and discretion to grant such finance. The Group therefore has the power to control the financial decision making of Bellcro and ultimately affect its returns. Therefore, the Directors concluded that the Group has control over Bellcro and accordingly the entity has been recognised as a subsidiary as part of the consolidated financial statements.

4.4 Joint control over Silverlands Mozambique Holdings Limited (SMHL)

Note 22 describes that SMHL is a joint venture of the Group although the Group only owns a 49.5% ownership interest in SMHL. The Group has joint control over SMHL by virtue of a signed shareholder agreement with the other shareholder SilverStreet, which documents that the Group has joint control over the financial and operating affairs of SMHL.

4.5 Variable pricing considerations over the recognition of revenue

The Group recognises revenue under IFRS 15. Revenue which may materially reverse subsequent to initial recognition under IFRS 15, is assessed across the Group's major revenue segments as follows:

1. **Sugar cane** – Prices applied in recognising revenue are directly from the regulatory sugar associations in the various geographical segments in which the Group operates. The price paid is virtually certain and not subject to change over a 12 month period after being recorded. Most significant cane payments are received by November of each year, when the mills close, with a final payment usually received in March. Shortly thereafter, the Group's financial year concludes.

2. **Bananas** – Proceeds associated with the sale of bananas are received weekly, therefore there is no revenue that may materially reverse.

3. **Deciduous fruit** – There is a longer time lag associated with the deliveries of deciduous fruit to TAD, however, final settlement is usually by 12 months after the Group's financial year end. At interim period end 30 September each year, approximately 70% of all early varieties of fruit have already been delivered and sold to TAD, leaving approximately 30% which still needs to be sold. A portion of this 30% of fruit is exported by TAD, hence is subject to variable price adjustments arising from changes in exchange rates. Based on a trend analysis of the previous five years and using 12-month forecast exchange rates obtained from the Group's bankers, management has calculated the financial impact of a strengthening in the Rand against export currencies and the associated effect on its initial deciduous revenue accruals. Based on these calculations, the variance in the price expected to be realised, versus the actual revenue recorded was found to be immaterial. Accordingly, the Directors concluded that deciduous revenue accruals are accurately, reasonably and consistently measured, with amounts to be subsequently reversed (if any), not having a material impact on the Group's initially reported revenue. Refer to note 37.3 for further disclosure relating to forward-looking assumptions and calculations relating to the Group's deciduous fruit revenue receivables.

4. **Macadamias** – 80% of payments associated with sale of macadamias is within a year of delivery. Price updates are received every month from the Group's macadamia customers. By financial year end, 95% to 99% of macadamia proceeds are received, together with a final remittance of what is expected to be paid. Based on this final remittance, a revenue accrual is raised. Therefore there is little to no impact of macadamia revenue initially recorded, being subsequently reversed.

4. Judgements made by management and key sources of estimation uncertainty continued

4.6 Investment property

The Group's property division enters into a number of RTO sale arrangements with customers, whereby customers were offered the alternative to purchase units at a 25% to 30% discount of the selling price of other similar units. Based on the fact that the Group has an option to repurchase these properties at the original discounted selling price at a later stage, the Directors assessed that the Group would enjoy capital appreciation in the value of these properties over the RTO term and recognised these units as investment property. The Directors assessed that the most appropriate measurement technique to fair value these units was the relevant selling price per square metre with respect to similar residential units.

4.7 Functional currency of Mozambique operations

The functional currency of the Group's Murrimo Mozambique operations is Rands (ZAR). The Directors review the appropriateness of the functional currency on an annual basis, and was satisfied with ZAR as being the functional currency of the Murrimo operations for the current reporting period, due to a significant portion of revenue, operating expenditure and capital expenditure being ZAR denominated.

4.8 Property, plant and equipment residual values and useful lives

Property, plant and equipment are depreciated over their useful lives taking into account residual values. The actual lives of the assets and residual values are assessed annually and are influenced by factors such as technological innovation, product life cycles and maintenance programmes. Residual value assessments consider issues such as market conditions, the remaining life of the asset and projected disposal values.

4.9 Post-retirement medical obligations

Post-retirement medical obligations are provided for certain existing and former employees. See note 33.1. Actuarial valuations are based on assumptions which include employee turnover, mortality rates, the discount rate, the expected long-term rate of return of plan assets, healthcare costs, inflation rates and salary increments.

4.10 Fair value measurements and the valuation process over biological assets

The Group's biological assets are held at fair value. Under the supervision and review of the Chief Financial Officer, an experienced and qualified team of management accountants determine the appropriate valuation techniques and inputs used to arrive at the fair value of biological assets.

In estimating the fair value of the biological assets, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages suitable leaders in the agricultural industry, which includes the South African Cane Growers Association and the Group's co-ops Two-a-Day, Lebombo Growers (Pty) Ltd and macadamia customers, to establish the appropriate valuation techniques and prices.

Refer to note 23.2 for the valuation inputs applied in determining the fair value of biological assets at the end of the reporting period and note 38 for the fair value hierarchy of the Group's biological assets.

4.11 Non-producing macadamia trees

The Group's macadamia orchards are accounted for under IAS 16. In addition to direct and agricultural costs capitalised, non-producing orchards also get a proportionate share of overhead costs allocated to it. Management considered a fair proportion of these admin costs to be directly attributable and necessarily incurred, to build up the bearer asset to get it from a state of non-producing, to a state that is producing.

4.12 RTO obligations

RTO obligations are measured at inception of sale agreement, based on assumptions which include the discount rate linked to the South African prime lending rate (a variable rate). Other assumptions include the mortality rates of the purchaser or his/her spouse, which is inherently uncertain.

4.13 Deferred tax assets

Deferred tax assets are raised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Those entities, where unused tax losses and unused tax credits exist, are viable trading companies for which the going concern basis of preparation remains appropriate as assessed by management. Tax losses in Mozambique may be carried forward subject to an expiry after five years. A reconciliation of the deferred tax balance is included in note 18.

4.14 Discount rate applied to IFRS 16 lease liabilities

The Directors utilised the incremental borrowing rate as allowed in the standard, based on:

- Security offered by the respective companies, to acquire loan finance should it purchase the respective farms – which would typically include offering the farm itself as security.
- The credit ratings of Mawecro and Libcro to secure the most competitive borrowing rate.
- Annual and term-loans presently secured by Mawecro and Libcro, and the associated average applicable borrowing rates on these loans.

In assessment of the criteria above, both Mawecro and Libcro have secured revolving credit and long-term loan finance at between prime less 1.5% and prime plus 2% from Akwandze Agricultural Finance.

The Directors therefore concluded that the most appropriate discount rate is the prevailing borrowing rate based on the average financing rate granted to these companies from Akwandze or similar financial institutions like the Land Bank.

For the current and prior reporting period, the incremental borrowing rate was calculated to be 8.33%.

4.15 Recoverability of investments in subsidiaries

In assessing the recoverability of the Company's investments in its subsidiaries, the Directors consider all forward-looking information in the form of discounted cash-flows (DCFs), project internal rates of return (IRR), as well as feasibility studies. The Company employs the use of independent external valuators to perform valuations of all its land (owned or leased), including all related immovable properties, dams, irrigation equipment and water-installations situated thereon.

4.16 COVID-19

With the advent of the COVID-19 pandemic and the resultant lockdown restrictions imposed on the geographical locations in which the Group operates, the Directors have assessed the impact on the Group's trading results for the current reporting period as well as the 12 months following.

Refer to note 43 for details of the impact of COVID-19 on the various reportable segments of the Group.

Based on the results of assessments conducted by the Directors, which included detailed consultations with its co-operative partners, sugar mill customers and agriculture industry leaders, the Group is not expected to be materially impacted in its farming operations, due to the Agriculture industry being classified as a Level 1 essential sector.

Further comprehensive details on the Group's COVID-19 response program is provided in the Group's Integrated Report.

5. Revenue

The following is an analysis of the revenue for the year:

	Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
By reportable segment				
Sugar cane	**391 082**	368 891	**–**	–
Deciduous fruit	**93 094**	106 732	**–**	–
Bananas	**82 633**	104 260	**–**	–
Macadamias	**25 913**	31 004	**–**	–
Property	**24 172**	68 228	**–**	–
Other operations			**–**	–
Lease rental	**10 326**	10 818	**–**	–
Grain	**–**	3 438	**–**	–
Utility services related to property development	**4 517**	3 651	**–**	–
Tourism	**3 846**	6 655	**–**	–
Management and consulting fees	**–**	–	**24 239**	23 874
Surety fees – related parties	**–**	–	**1 765**	2 139
Investment income	**–**	–	**25 991**	40 037
	635 583	703 677	**51 995**	66 050
By geographic segment				
South Africa	**448 522**	524 593	**51 995**	66 050
Foreign countries				
Eswatini	**133 281**	118 717	**–**	–
Zambia	**27 867**	25 925	**–**	–
Mozambique	**25 913**	34 442	**–**	–
	635 583	703 677	**51 995**	66 050
By customer percentage				
Sugar cane				
– RCL Foods, Sugar and Milling	**34%**	29%	**0%**	0%
– Illovo Sugar	**28%**	22%	**0%**	0%
– Tongaat Hulett Sugar	**0%**	1%	**0%**	0%
Deciduous fruit				
– Two-a-Day	**13%**	12%	**0%**	0%
– Elgin Fruit Juices	**1%**	3%	**0%**	0%
Bananas				
– Lebombo Growers	**13%**	15%	**0%**	0%
Macadamias				
– Various	**4%**	5%	**0%**	0%
Property				
– Various	**4%**	10%	**0%**	0%
Other operations				
– Various	**3%**	3%	**0%**	0%
Management and consulting fees				
– Related parties	**0%**	0%	**46%**	35%
– External customers	**0%**	0%	**1%**	1%
Surety fees				
– Related parties	**0%**	0%	**3%**	3%
Investment income				
– Related parties	**0%**	0%	**49%**	60%
– External customers	**0%**	0%	**1%**	1%
	100%	100%	**100%**	100%

	Group		Company	
	2021 R'000	2020 R'000	**2021 R'000**	2020 R'000
5. Revenue continued				
By customer revenue				
Sugar cane				
– RCL Foods, Sugar and Milling	**215 677**	201 832	**–**	–
– Illovo Sugar	**175 405**	158 130	**–**	–
– Tongaat Hulett Sugar	**–**	8 929	**–**	–
Deciduous fruit				
– Two-a-Day	**84 284**	84 595	**–**	–
– Elgin Fruit Juices	**8 810**	22 137	**–**	–
Bananas				
– Lebombo Growers	**82 633**	104 260	**–**	–
Macadamias				
– Various	**25 913**	31 004	**–**	–
Property				
– Various	**24 172**	68 228	**–**	–
Other operations				
– Various	**18 689**	24 562	**–**	–
Management and consulting fees				
– Related parties	**–**	–	**23 303**	23 091
– External customers	**–**	–	**936**	783
Surety fees				
– Related parties	**–**	–	**1 765**	2 139
Investment income				
– Related parties	**–**	–	**25 747**	39 638
– External customers	**–**	–	**244**	399
	635 583	703 677	**51 995**	66 050

6. Other gains and losses

	Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
Net unrealised foreign exchange gains	**1 894**	2 693	**–**	–
Gain arising on changes in fair value of investment property (see note 17)	**8 644**	2 883	**–**	–
Termination and settlement fee	**–**	5 948	**–**	–
Income from the sale of sand and stone	**480**	325	**–**	–
Charter fee income from charter of aircraft	**–**	108	**–**	108
Consultancy fee income	**2 980**	1 737	**–**	–
Sundry income*	**5 060**	2 580	**414**	68
	19 058	16 274	**414**	176

** Sundry income includes proceeds from the once-off sale of beans for R3.0 million in Mpumalanga, which is a break-crop to the estate's sugar cane replant season.*

7. Depreciation

	Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
Leasehold land rights	**142**	1 021	**–**	–
Buildings and housing	**1 500**	2 695	**30**	30
Plant and other assets	**33 052**	37 617	**361**	915
Bearer assets	**20 464**	18 954	**–**	–
Right-of-use assets	**10 344**	9 661	**–**	–
	65 502	69 948	**391**	945

	Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
8. Operating and administrative expenses				
Operating and administrative expenses has been arrived at after charging:				
8.1 Auditors' remuneration				
Audit fees – current year	**2 340**	2 343	**220**	144
Audit fees – prior year	**34**	80	**82**	–
Audit fees – travel and disbursements	**35**	110	**13**	–
Fees for other services	**1 276**	542	**523**	321
	3 685	3 075	**838**	465
8.2 Other operating and administrative expenses				
Legal fees	**2 842**	1 850	**582**	411
Consulting and professional fees	**5 728**	6 158	**1 463**	811
Post-employment medical aid credit (see note 33.1)	**(72)**	(1 340)	**(72)**	(1 340)
Lease payments for short-term and low value assets (see note 32.1)	**2 791**	3 043	**1 428**	1 230
	11 289	9 711	**3 401**	1 112

9. Non-trading items

Non-trading items cover those amounts that are not considered to be of an operating/trading nature. During the current and prior year, the Group and Company disposed of various forms of property, plant and equipment through the sale of farms and on an item by item basis.

The gains/(losses) realised on these sales are considered to be non-trading, and are reconciled as follows:

	Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
Loss on disposal – High Noon farm(1)	**(54 875)**	–	**–**	–
Gain on disposal – Riversbend farms(2)	**14 319**	–	**–**	–
Gain on disposal – Strathmore farm(3)	**6 628**	–	**–**	–
Gain on disposal – Shalimar farm(4)	**–**	18 957	**–**	–
Gain on disposal – aircraft(5)	**–**	247	**–**	247
Net (losses)/gains on disposal – general items	**(157)**	322	**–**	(37)
	(34 085)	19 526	**–**	210

(1) The High Noon farm and related immovable and movable assets were sold for a consideration of R95 million. Of the R95 million selling price, R5 million was allocated to the sale of consumable inventory and deciduous trees, R6.5 million to movable fixed assets and R83.5 million to the property and other immovable fixed assets. Of the R83.5 million allocated to the property, R75.15 million was paid to the Group in cash, with the balance of R8.35 million held in Escrow, with the release triggered on fulfilment of a number of conditions precedent in the sale agreement including DWS Dam safety certificates.

R5.35 million of the Escrow amount was paid to the Group in April 2021, with the balance of R3 million still withheld.

There has been no increase in the risk of default on the balance of the Escrow payment due, as the Group is in the process of satisfying the remaining conditions necessary to trigger the remaining Escrow release.

The Group therefore in accordance with IFRS 9, recognises 12-month ECL for this debtor, which during the year was assessed as immaterial.

(2) Three portions of the Farm Riversbend and Nkwalini Valley were sold for R30 million and R2.5 million respectively. The assets disposed of included the land as well as associated buildings, housing, irrigation equipment and other immovable fixtures and fittings.

(3) On 1 April 2020, the Strathmore sugar cane farm in Malelane was disposed of for a purchase price of R16.5 million. R2 million was paid to the Group as a cash deposit upfront, with the balance of the purchase price of R14.5 million together with interest thereon, payable via an instalment sale agreement over 10 years. Refer to note 20.4 for the ECL assessment considerations performed by management with regards to the instalment sale portion of the purchase price owing.

(4) The Shalimar farm which was disposed of in the prior year, included the land, buildings, irrigation equipment and other immovable fixed assets. The farm was sold for a net cash consideration of R37 million, against a net book value of assets of R18 million.

(5) The Company's aircraft was disposed of in the prior year at a profit of R0.25 million.

	Group		Company	
	2021 R'000	2020 R'000	2021 R'000	2020 R'000
10. Investment income				
Interest received on loans and bank deposits	3 699	3 308	–	–
Dividends received from unlisted equity investments	58	55	–	–
	3 757	3 363	–	–
11. Finance costs				
Interest on bank overdrafts and loans	19 730	28 922	9 225	14 162
Interest on loan from Two-a-Day Group	1 000	1 000	–	–
Interest on obligations under instalment sale agreements	110	311	–	–
Interest on reversionary sale and transfer obligations	1 270	804	–	–
Interest on lease liabilities (see note 16.2)	12 946	12 978	–	–
Other interest expense	129	272	–	21
	35 185	44 287	9 225	14 183
12. Tax expense				
Current tax				
South Africa – current year	8 642	19 745	232	6 956
– prior year	(165)	652	(143)	651
Eswatini – current year	9 628	4 176	–	–
– prior year	2	–	–	–
Zambia – current year	1 101	639	–	–
Mozambique – prior year	–	1 044	–	–
Deferred tax				
South Africa – current year	(18 741)	(13 387)	(888)	(4 950)
– prior year	(381)	32	65	21
Eswatini – current year	136	1 692	–	–
Zambia – current year	620	365	–	–
Mozambique – current year	2 181	(2 730)	–	–
– prior year	94	3 101	–	–
	3 117	15 329	(734)	2 678
Attributable to:				
Profit or loss	3 167	15 375	(684)	2 724
Other comprehensive income (OCI) – see note 33.1	(50)	(46)	(50)	(46)
	3 117	15 329	(734)	2 678

12. Tax expense continued

		Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
Reconciliation of rate of tax					
Standard rate of tax	(%)	**28.0**	28.0	**28.0**	28.0
Tax expense for the year can be reconciled to the accounting profit as follows:					
Profit/(loss) before tax – adjusted for income recognised in OCI		**45 797**	38 898	**(1 748)**	5 157
Tax calculated at 28% (2020: 28%)		**12 823**	10 891	**(489)**	1 444
Exempt equity accounted income from associate		**(3 816)**	(1 108)	**–**	–
Employment tax incentives exempt from tax		**(1 550)**	(1 030)	**–**	–
Gain on disposal of property, plant and equipment		**(8 313)**	(7 465)	**–**	–
Exempt dividend income		**(16)**	(15)	**(840)**	(821)
Exempt interest income		**(14)**	(11)	**(14)**	(11)
Unrealised foreign exchange differences		**815**	(275)	**–**	–
Learnership allowances		**(495)**	–	**(34)**	–
Other aggregated exempt income – individually immaterial		**(225)**	(266)	**–**	–
Loss on disposal of property, plant and equipment		**2 873**	1 569	**–**	8
Legal fees of a capital nature		**371**	369	**84**	32
Bad debts disallowed		**–**	339	**–**	19
Non-deductible fines, penalties and interest		**41**	59	**–**	15
Non-deductible donations		**85**	57	**–**	–
Transfer pricing adjustments		**291**	180	**291**	180
Unproductive interest		**–**	25	**–**	25
Initiation fees paid to financial institutions of a capital nature		**630**	336	**–**	–
Consulting fees of a capital nature		**93**	142	**56**	4
Commission paid on sale of land		**953**	518	**–**	–
Commission paid on sale of aircraft		**165**	–	**165**	–
Other aggregated permanent disallowables – individually immaterial		**594**	–	**14**	–
Withholding tax		**861**	1 861	**111**	1 111
Unused tax losses not recognised as deferred tax assets		**58**	198	**–**	–
Effect of different tax rates of subsidiaries operating in other jurisdictions		**(4 268)**	277	**–**	–
Effect of capital gains tax at an inclusion rate of 80.0% (2020: 80.0%)		**1 611**	3 849	**–**	–
		3 567	10 500	**(656)**	2 006
Prior year (over)/under provision		**(450)**	4 829	**(78)**	672
Tax expense		**3 117**	15 329	**(734)**	2 678
The tax rate used for the 2021 and 2020 reconciliations above is the corporate tax rate of 28% payable by corporate entities in the Republic of South Africa on taxable profits under tax law in that jurisdiction.					
Effective rate of tax	(%)	**6.8**	39.4	**0.0**	51.9

	Group 2021 cents	Group 2020 cents

13. Earnings per share

13.1 Basic earnings per share

	2021 cents	2020 cents
Total basic earnings per share	**152.2**	57.2

13.2 Diluted earnings per share

	2021 cents	2020 cents
Total diluted earnings per share	**152.2**	57.2

Diluted earnings per share is capped at the basic earnings per share, as the current share-based payment rewards are anti-dilutive.

	2021 R'000	2020 R'000
The earnings used in the calculation of basic and diluted earnings per share are as follows:		
Profit for the year	**42 807**	23 688
Adjusted for non-controlling interest	**(19 572)**	(14 955)
Earnings used in the calculation of basic and diluted earnings per share	**23 235**	8 733

	Number of shares	Number of shares
The weighted average number of shares for the purposes of earnings and diluted earnings per share are as follows:		
Number of shares in issue at the beginning of the year	**15 264 317**	15 264 317
Weighted average number of shares for the purposes of basic earnings per share	**15 264 317**	15 264 317
Shares deemed to be issued for no consideration in respect of employee share options	**363 808**	407 833
Adjusted weighting based on average market price of options and average Company share price for the year	**(396 413)**	(470 272)
Weighted average shares used in the calculation of diluted earnings per share	**15 231 712**	15 201 878

13.3 Headline earnings/(loss) per share

	2021 R'000	2020 R'000
Reconciliation of headline earnings/(loss):		
Profit for the year	**42 807**	23 688
Less: attributable to non-controlling interests	**(19 572)**	(14 955)
Profit for the year attributable to owners of the Company	**23 235**	8 733
Adjusted for:		
Loss on disposal – High Noon farm		
Gross	**54 875**	–
Tax	**(15 365)**	–
Gain on disposal – Riversbend farms		
Gross	**(14 319)**	–
Tax	**4 009**	–
Gain on disposal – Strathmore farm		
Gross	**(6 628)**	–
Tax	**1 856**	–
Gain on disposal – Shalimar farm		
Gross	**–**	(18 957)
Tax	**–**	5 308
Gain on disposal – aircraft		
Gross	**–**	(247)
Tax	**–**	69
Net (losses)/gains on disposal – general items		
Gross	**157**	(322)
Tax	**(44)**	90
Gain arising on changes in fair value of investment property		
Gross	**(8 644)**	(2 883)
Tax	**2 420**	807
Headline earnings/(loss)	**41 552**	(7 402)
Headline earnings/(loss) per share (cents)	**272.2**	(48.5)

Headline earnings/(loss) per share is derived from headline earnings/(loss), divided by the weighted average number of shares in issue during the year.

		Group	
		2021	2020
13. Earnings per share continued			
13.4 Diluted headline earnings/(loss) per share			
Headline earnings/(loss) per share (diluted)	(cents)	**272.2**	(48.5)

Headline earnings/(loss) per share (diluted) is derived from headline earnings/(loss), divided by the weighted average number of shares in issue during the year after adjusting for the potentially dilutive shares, but is capped at the headline loss per share, as the current share-based payment rewards are anti-dilutive.

14. Dividends

In respect of the current year, the Directors declared a final dividend of 50.0 cents per share (2020: nil) to be paid to shareholders on 10 August 2021, bringing the total distribution for the year to 50.0 cents per share (2020: nil). This dividend is subject to approval by shareholders at the Annual General Meeting and will be regarded as a distribution of reserves and shareholders will be liable for any dividend withholding tax.

The proposed dividend is payable to all shareholders recorded in the register of the Company at close of business on the record date 6 August 2021. The total estimated dividend is R7.6 million.

	Group		Company	
	2021 R'000	2020 R'000	2021 R'000	2020 R'000
15. Property, plant and equipment				
Cost				
Freehold land	**52 796**	151 036	**1 144**	1 144
Leasehold land/land rights	**22 518**	27 202	**–**	–
Buildings	**75 500**	83 285	**2 901**	2 901
Property development infrastructure	**55 549**	55 432	**–**	–
Bearer assets	**463 348**	481 913	**–**	–
Plant and other assets*	**449 767**	485 499	**11 629**	11 232
Plant and other assets under instalment sale agreements	**2 696**	8 094	**–**	–
Capital work in progress	**27 021**	18 057	**29**	40
	1 149 195	1 310 518	**15 703**	15 317
Accumulated depreciation				
Leasehold land/land rights	**1 163**	1 021	**–**	–
Buildings	**25 805**	28 310	**2 517**	2 487
Property development infrastructure	**5 451**	3 634	**–**	–
Bearer assets	**116 320**	94 888	**–**	–
Plant and other assets*	**242 209**	240 742	**10 806**	10 445
Plant and other assets under instalment sale agreements	**2 177**	3 938	**–**	–
	393 125	372 533	**13 323**	12 932
Net book value	**756 070**	937 985	**2 380**	2 385

** Included in this category are intangible assets with a cost and accumulated depreciation of R5.9 million, which relate to EIA approvals, water rights and ERP software.*

15. Property, plant and equipment continued

	Group		Company	
	2021 R'000	2020 R'000	2021 R'000	2020 R'000
Reconciliation of net book value				
Net book value at beginning of year	937 985	984 290	2 385	26 458
Additions:				
– Buildings	1 727	2 988	–	–
– Property development infrastructure	36	–	–	–
– Bearer assets	35 032	38 595	–	–
– Plant and other assets	16 853	24 336	397	168
– Capital work in progress	23 175	11 059	29	40
– Less: transfer from capital work in progress to completed assets	(14 826)	(6 067)	(40)	(35)
Depreciation (see note 7 for details by asset category)	(55 158)	(60 287)	(391)	(945)
Adjustment to leased bearer assets	(8 291)	(8 217)	–	–
Disposals:				
– Freehold land	(98 239)	(10 202)	–	–
– Buildings	(5 213)	(4 503)	–	–
– Bearer assets	(45 239)	(2 157)	–	–
– Plant and other assets	(23 492)	(27 169)	–	(23 301)
Effect of foreign currency exchange differences	(8 280)	(4 681)	–	–
Net book value at end of year	756 070	937 985	2 380	2 385
Included in the financial statements as:				
Non-current	751 297	787 744	2 380	2 385
Current – held for sale (see note 27)	4 773	150 241	–	–
	756 070	937 985	2 380	2 385
By geographic segment				
South Africa	315 906	495 335	2 380	2 385
Foreign countries				
Eswatini	117 504	116 831	–	–
Zambia	17 548	25 144	–	–
Mozambique	305 112	300 675	–	–
	756 070	937 985	2 380	2 385

15.1 Details of encumbrances and assets pledged as security

Refer to note 29.8 for details of assets encumbered.

	Group 2021 R'000	Group 2020 R'000
16. Right-of-use assets		
16.1 Leased farmland		
Cost	**174 661**	169 806
Accumulated depreciation	**(20 005)**	(9 661)
Net book value	**154 656**	160 145

Refer to note 3.19 of the accounting policies for details of the Group's right-of-use assets in its capacity as a lessee.

At the end of the current reporting period, the remaining lease terms were as follows:

- Mawecro farmland lease: 15 years
- Libcro farmland lease: 18 years

All right-of-use assets are situated in South Africa.

The Group does not have any options to purchase any of the above assets at the end of their associated lease terms. The Group's obligations are secured by the respective lessors' title to these leased assets.

Refer to lease liabilities in note 31.

	Group 2021 R'000	Group 2020 R'000
16.2 Amounts recognised in profit or loss		
Depreciation expense on right-of-use assets (see note 7)	**10 344**	9 661
Interest on lease liabilities (see note 11)	**12 946**	12 978
Expenses relating to short-term leases (see note 32.1)	**1 539**	2 012
Expenses relating to leases of low value assets (see note 32.1)	**423**	588
Expenses relating to variable lease payments not included in the measurement of the lease liability (see note 32.1)	**829**	443
	26 081	25 682

As at year end, the Group is committed to R1.06 million for short-term leases.

The variable lease payments above include variable lease terms that are linked to tonnages generated by farms upon which the Group's subsidiaries farm. The calculated lease rental is based on the actual tons achieved, which is inherently variable.

The remaining variable lease payments relate to the Group's archiving and storage costs and other immaterial rentals. Variable lease payments constitute up to 2% of the Group's entire lease payments, and are expected to be of a similar proportion in future years.

During the year, the total cash outflow for leases amounted to R20.9 million (2020: R20.6 million).

	Group	
	2021 R'000	2020 R'000

17. Residential units held under reversionary sale and transfer obligations (RTO)

	2021 R'000	2020 R'000
Investment property[(1)]	**67 152**	41 782
Other financial liabilities[(2)]	**(44 752)**	(27 313)
Net current value of RTO right	**22 400**	14 469

The Group's property division primarily develops residential units for normal sale. As a separate arrangement to a normal sale, customers are also offered an alternative to use the property under a "life right" style arrangement, referred to as a reversionary sale and transfer obligation (RTO).

Revenue from a normal sale is recognised upon control passing to the customer. In this instance, the unit's selling price is recognised as revenue upon transfer of ownership through occupation by the customer.

In the case of a RTO, the transaction is treated similar to a "lease arrangement", whereby the buyer is in substance a "lessee" for the duration of his or her natural life.

The essence of a RTO contract is that the buyer ("lessee") acquires the unit at a discount of between 25% and 30% of the cash selling price of other similar units offered under normal sale, on the basis that the Group has an option to repurchase the unit at the original discounted price paid by the lessee.

(1) The property division under this RTO arrangement is therefore in substance a "lessor". The property is held for the purpose of capital appreciation over the duration of the RTO term. The unit is therefore recognised as Investment Property, with fair value gains or losses in the unit's value recognised in profit or loss annually (FVTPL) as follows:

	2021 R'000	2020 R'000
Fair value at beginning of year	**41 782**	30 336
Current year additions	**16 726**	8 563
Fair value adjustment through profit or loss	**8 644**	2 883
Fair value at end of year	**67 152**	41 782

Refer to note 38 for details of the fair value hierarchy of investment property, all of which is located in KwaZulu-Natal, South Africa.

(2) The "repurchase price" under a RTO arrangement payable by the property division is disclosed in the financial statements as non-current other financial liabilities, and comprises the following two components:

	2021 R'000	2020 R'000
RTO obligations	**17 517**	10 754
Prepaid lease income	**27 235**	16 559
	44 752	27 313

Refer to note 3.12 of the accounting policies for details of measurement of other financial liabilities.

	Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
18. Deferred tax				
Tax on temporary differences resulting from:				
Agricultural capital development allowances	(49 744)	(69 973)	(21)	68
Property capital development allowances	(9 264)	(9 588)	–	–
Investment property	(18 716)	(11 613)	–	–
Reversionary sale and transfer obligations	4 905	3 011	–	–
Prepaid lease income	7 626	4 637	–	–
Consumable stores	(5 128)	(6 281)	–	–
Biological assets	(66 251)	(61 408)	–	–
Right-of-use assets	(43 304)	(44 841)	–	–
Lease liabilities	46 177	46 265	–	–
Other – (provisions)/prepayments	7 635	5 635	3 042	2 388
Tax losses	39 426	40 573	258	–
Revaluation of financial assets	(274)	(274)	–	–
	(86 912)	(103 857)	3 279	2 456
The movement on the deferred tax balance for the year was as follows:				
Balance at beginning of year	(103 857)	(115 190)	2 456	(2 473)
Recognised in profit or loss:				
Current year charge	15 804	14 060	888	4 950
Agricultural capital development allowances	19 956	11 472	(24)	5 556
Property capital development allowances	323	10	–	–
Investment property	(7 104)	(3 205)	–	–
Reversionary sale and transfer obligations	1 894	919	–	–
Prepaid lease income	2 990	1 214	–	–
Consumable stores	1 152	(1 525)	–	–
Biological assets	(5 400)	904	–	–
Right-of-use assets	1 537	(44 841)	–	–
Lease liabilities	(87)	46 265	–	–
Other – (provisions)/prepayments	2 059	(3 028)	653	(743)
Tax losses	(1 516)	5 875	259	137
Prior year charge	287	(3 133)	(65)	(21)
Effect of foreign currency exchange differences	854	406	–	–
	(86 912)	(103 857)	3 279	2 456
Included in the statement of financial position as:				
Deferred tax assets (see 3.7 and 4.13)	27 138	23 646	3 279	2 456
Deferred tax liabilities	(114 050)	(127 503)	–	–
	(86 912)	(103 857)	3 279	2 456
19. Current tax				
Current tax assets	6 232	6 941	532	–
Current tax liabilities	(1 373)	(2 335)	–	(200)
	4 859	4 606	532	(200)

	Note	2021 Number of shares held	2020 Number of shares held	Group 2021 R'000	Group 2020* R'000	Company 2021 R'000	Company 2020 R'000

20. Financial assets

20.1 Equity investments: at FVTOCI

	Note	2021 Number of shares held	2020 Number of shares held	Group 2021 R'000	Group 2020* R'000	Company 2021 R'000	Company 2020 R'000
Elgin Co-operative Fruitgrowers	1	**1 660 081**	1 660 081	**166**	166	**–**	–
Villiersdorp Co-operative	2	**281 940**	259 994	**564**	520	**–**	–
Other farming co-operatives and agribusinesses	2	**–**	–	**9**	9	**–**	–
Two-a-Day Group	3	**2 966 000**	2 413 481	**67**	67	**–**	–
Two-a-Day Vacation Station	4	**–**	–	**3 820**	3 820	**–**	–
		4 908 021	4 333 556	**4 626**	4 582	**–**	–

20.2 Loans receivable: at amortised cost

	Note	2021 Number of shares held	2020 Number of shares held	Group 2021 R'000	Group 2020* R'000	Company 2021 R'000	Company 2020 R'000
Libuyile Community Trust	5	**–**	–	**5 572**	5 345	**5 572**	5 345
Komati Kortpad (Pty) Ltd	6	**–**	–	**86**	86	**–**	–
Mayo Macs SA	6	**–**	–	**142**	142	**45**	45
Delta Sieira Limitada	6	**–**	–	**257**	242	**–**	–
Imvelo Kraal (Pty) Ltd and other	7	**–**	–	**15 732**	–	**50**	2 981
		–	–	**21 789**	5 815	**5 667**	8 371
Included in the financial statements as:							
Non-current				**24 075**	10 280	**5 617**	5 440
Current				**2 340**	117	**50**	2 931
				26 415	10 397	**5 667**	8 371

** Restated per note 42.*

Refer to accounting policies note 3.12 for the recognition and measurement principles applicable to these financial assets.

There were no fair value gains or losses through OCI in the current or prior years. Fair value movements arose purely on additional Villiersdorp Co-op investments.

20.3 Management judgements

1. The Directors have assessed the fair value of this investment against the net asset value and share price extracted from the latest available audited financial information for this company. Refer to note 38 for details of the fair value hierarchy of this investment.
2. Given that these rights are inextricably linked to the Group's deciduous farms, the Directors assessment of these co-ops is that fair value has not changed year on year. Based on the judgements made by the Directors, there hasn't been any significant changes in the underlying business during the current year which would necessitate an increase or decrease in the fair value movement of these investments. Therefore, the Directors are satisfied with the current reported fair values of these investments.
3. The Directors have conducted a detailed assessment of the fair value of its investment in the Two-a-Day Group (TAD), with the results of the assessment as follows:

   TAD functions as the packhouse and marketing facility for a number of fruitgrowers in the Grabouw/Elgin region and has invested significantly in packing and storage infrastructure, and marketing and logistics facilities over many years, paid for by the members as a deduction from deciduous revenues.

   TAD has a net asset value of R484 million (2020: R453 million). The Group has a 16.51% shareholding in TAD (2020: 16.68%) by being the recipient of "Class A ordinary shares" in TAD.

   These shares do not carry any right to dividends, and have to be sold back to TAD at cost should the Group exit its shareholding in TAD.

   Given that the exit price of the share in the co-op is at cost, the Directors assessment of fair value in TAD is R67 000, unchanged year-on-year. See note 1 above for the same judgements applied by the Directors in the valuation of this investment.
4. The Group holds shares in an unlisted investment for purposes of an employee benefit scheme, in partnership with TAD. The proceeds from the share issue were recently used to acquire assets at fair value.

   The Directors assessed that fair value has not changed year on year. See note 1 above for the same judgements applied by the Directors in the valuation of this investment.

20. Financial assets continued

20.3 Management judgements continued

5. In 2017 a R4.3 million loan was advanced to the Libuyile Community Trust, an indirect non-controlling shareholder of the Group's subsidiary Libcro Farming (Pty) Ltd (previously known as Mthayiza Farming (Pty) Ltd).

   Per the signed loan agreement, interest is charged in advance at 3.00% below the prevailing South African prime lending rate on the capital balance outstanding at the end of each month.

   The loan together with any capitalised interest owing is repayable over five years, with a minimum annual repayment value of R0.9 million due on 1 April each year. The loan is unsecured, however, a condition precedent to the advancement of the loan, was a granting to the Group of an extension to its lease agreement over the Libcro farms for a further 15 years from the date of original expiry. The term of the lease agreement was therefore extended to the end of September 2038. During the current reporting period, interest of R0.4 million was charged, however, the Directors of the Group agreed by written consent to roll over the annual repayments due, to be deducted against the lease rental owing for the 2021/22 financial year. The Directors consider the loan fully recoverable and have recourse to deduct the capitalised interest-bearing balance against future lease payments. At the end of the current reporting period, there are 18 years remaining on the lease, which the Group may use to deduct the outstanding balance.

   This loan is held at amortised cost in accordance with IFRS 9. The Group recognises lifetime ECL on these loans.

   In terms of the judgement applied, the Directors have assessed that any further ECL is immaterial, due to the fact that the loan is fully recoverable against future lease rentals payable to the LCT.

6. Based on the contractual cash flows and business model associated with these receivables, of which repayments are annual, the Directors are satisfied that these are measured at amortised cost, and that any further ECL is immaterial.

7. On 1 April 2020, the Strathmore sugar cane farm in Malelane was disposed of to Imvelo Kraal (Pty) Ltd (Imvelo), at a purchase price of R16.5 million. R2 million was paid to the Group as a cash deposit upfront, with the balance of the purchase price of R14.5 million together with interest thereon, payable via an instalment sale agreement over 10 years.

   A minimum annual repayment of R2.2 million inclusive of interest at 8.5% is due each year.

   This loan is held at amortised cost in accordance with IFRS 9. The Group recognises lifetime ECL on these loans.

   In terms of the judgement applied, the Directors have assessed that any ECL is immaterial, due to the fact that the balance of the R14.5 million purchase price is fully secured against the actual title deed to the farm, which the Group still holds. The Group accordingly has recourse to take back the farm in the event of default by Imvelo.

   The instalment sale loan of R2.98 million owing to the Company by fellow subsidiary Mawecro Farming (Pty) Ltd was fully settled on 31 March 2021.

20.4 Assessment of significant changes in credit risk

The Group regards "significant changes in credit risk" as factors arising that materially impact the likelihood of a counter-party defaulting on its payment obligations to the Group. Refer to note 37.3 for the Group's credit risk policy.

There has been no significant increase in the risk of default on the underlying balances since initial recognition.

The Group therefore in accordance with IFRS 9, recognises 12-month expected credit losses (ECL) for these contracts, which during the year was assessed as immaterial.

21. Investments in subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group 2021 %	2020 %	Shares and loans owing by/(to) subsidiaries 2021 R'000	2020 R'000
Crookes Brothers South Africa (Pty) Ltd (CBSA)	Farming	South Africa	**100**	100	**307 737**	416 163
Mawecro Farming (Pty) Ltd (MAW)	Farming	South Africa	**49**	49	**30 006**	30 365
Libcro Farming (Pty) Ltd (LIB)*	Farming	South Africa	**45**	45	**24 062**	35 420
Bellcro Farming (Pty) Ltd (BEL)	Farming	South Africa	**45**	45	**3 054**	4 673
QBV South Africa (Pty) Ltd (QBV SA)	Farming	South Africa	**100**	–	**1**	–
Renishaw Property Developments (Pty) Ltd (RPD)	Property development and sale	South Africa	**85**	85	**199 327**	198 398
Mozambique Farms (Pty) Ltd (MOZ)	Agricultural holding company	South Africa	**100**	100	**686**	686
CBL Agri International (Pty) Ltd (AGR)	Agricultural holding company	South Africa	**100**	100	**–**	–
CBL Agri Zambia Limited (ZAM)	Farming	Zambia	**100**	100	**1 093**	736
Crookes Plantations Limited (CPL)	Farming	Eswatini	**100**	100	**(133 561)**	(145 062)
Bar J Limited (BAR J)	Agricultural land holding company	Eswatini	**100**	100	**1 781**	1 781
Murrimo Macadamias Lda (MML)	Farming	Mozambique	**100**	100	**402 307**	383 189
Murrimo Farming Lda (MFL)	Agricultural land holding company	Mozambique	**100**	100	**19 732**	19 732
					856 225	946 081

** Formerly known as Mthayiza Farming (Pty) Ltd*

Reconciliation of: Company's investment in subsidiaries	Company 2021 R'000	2020 R'000
Shares at cost	**254 012**	254 012
Capital contributions[(1)]	**421 482**	402 364
Loans to subsidiaries[(2)]	**255 662**	362 801
Loans from subsidiaries[(3)]	**(134 488)**	(145 989)
	796 668	873 188

[(1)] *These capital contributions are to MML and MFL, and are equity in nature.*

[(2)] *These loans include unsecured working capital loans to CBSA, ZAM and RPD, bear interest at prime and JIBAR-linked rates, and are repayable on demand.*

[(3)] *These loans are unsecured working capital loans from CPL and Bar J, are interest-free and are repayable on demand.*

Disclosure in the financial statements of: Company's investment in subsidiaries	2021 R'000	2020 R'000
Non-current assets	**675 494**	656 376
Current assets^	**255 662**	362 801
Current liabilities^	**(134 488)**	(145 989)
	796 668	873 188

^ *The Directors consider the amortised costs of the loans to and from subsidiaries to approximate their fair value. These loans are assessed to have credit risk of low. Accordingly, the Group recognises 12-month ECL for these loans until they are derecognised. During the current reporting period, significant portions of the CBSA loan was repaid to the Company. The ZAM loan was fully repaid subsequent to the end of the current reporting period. The Directors conclude that any additional loss allowance is immaterial.*

21. Investments in subsidiaries continued

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

Summarised financial information of the Group's subsidiaries that have a material non-controlling interest is set out in the table below.

These amounts disclosed are eliminated intra-group in the "Group" sections of these Financial Statements.

Summarised financial information		Bellcro Farming (Pty) Ltd 2021 R'000	Bellcro Farming (Pty) Ltd 2020 R'000	Libcro Farming (Pty) Ltd* 2021 R'000	Libcro Farming (Pty) Ltd* 2020 R'000	Mawecro Farming (Pty) Ltd 2021 R'000	Mawecro Farming (Pty) Ltd 2020 R'000
Statement of financial position							
Current assets		**7 826**	7 594	**38 290**	41 818	**139 615**	91 826
Non-current assets		**16**	14	**57 884**	65 695	**185 524**	180 955
Current liabilities		**(5 573)**	(6 137)	**(32 938)**	(47 061)	**(35 600)**	(21 644)
Non-current liabilities		**(398)**	(264)	**(51 381)**	(57 664)	**(187 919)**	(177 944)
Equity attributable to owners of the Company		**(842)**	(543)	**(5 335)**	(1 255)	**(49 794)**	(35 865)
Non-controlling interests		**(1 029)**	(664)	**(6 520)**	(1 533)	**(51 826)**	(37 328)
Statement of profit or loss							
Revenue		**7 244**	6 995	**69 896**	56 877	**190 045**	179 057
Net expenses		**(6 373)**	(6 784)	**(57 326)**	(55 214)	**(145 618)**	(134 815)
Profit before tax		**871**	211	**12 570**	1 663	**44 427**	44 242
Tax expense		**(207)**	(42)	**(3 504)**	(415)	**(12 000)**	(12 213)
Profit for the year		**664**	169	**9 066**	1 248	**32 427**	32 029
Proportion of non-controlling interests	(%)	**55**	55	**55**	55	**51**	51
Profit attributable to owners of the Company		**299**	76	**4 080**	562	**15 889**	15 694
Profit attributable to non-controlling interests		**365**	93	**4 986**	686	**16 538**	16 335
		664	169	**9 066**	1 248	**32 427**	32 029
Dividends paid to non-controlling interests							
Belleview Agricultural Primary Co-operative Ltd		**–**	28	**–**	–	**–**	–
Mthayiza Holdings (Pty) Ltd		**–**	–	**–**	–	**–**	–
Mawewe Communal Property Association		**–**	–	**–**	–	**2 040**	10 200

** Formerly known as Mthayiza Farming (Pty) Ltd.*

21.2 Control over subsidiaries

Refer to note 3.1 for the control assessment criteria and to notes 4.1, 4.2 and 4.3 for the significant judgements made by Management in assessing control over the subsidiaries listed in note 21.1.

21.3 Significant restrictions

During the current reporting period, there were no restrictions on the Group or its subsidiaries ability to access or use the assets and settle the liabilities of the Group.

21.4 Financial support

During the current reporting period, the Group provided letters of continued financial support to subsidiary companies whose liabilities, exceeded its assets, fairly valued. These subsidiaries included Renishaw Property Developments (Pty) Ltd and Mozambique Farms (Pty) Ltd.

22. Investments in joint venture and associates

Included in the Group's portfolio of investments, is a joint venture and two associates, all accounted for using the equity method in these financial statements. There is no quoted market value for the investments in the joint venture and associates.

There were no dividends received from either of these investees during the year (2020: Rnil). However, there are no restrictions on the ability of these investees to transfer funds to the Group in the form of cash dividends or to repay loans or advances made by the Group, should the need arise.

Details of the Group's joint venture and associates at the end of the reporting period are as follows:

Name of investee	Type	Principal activity	Place of incorporation and principal place of business	Other relationship to the Group	Proportion of ownership interest and voting power held by the Group 2021 %	2020 %
Silverlands Mozambique Holdings Limited	Joint venture	Banana farming	Mozambique	Fellow subsidiary of Group's majority shareholder SilverStreet	**49.5**	49.5
Lebombo Growers (Pty) Ltd	Associate	Banana marketing and distribution	South Africa	Co-operative partner and main banana customer	**29.9**	29.9
Mpambanyoni Sand (Pty) Ltd	Associate	Dormant	South Africa	Dormant	**28**	28

The Group's interest in the above investees is as per the below summarised information, all which are extracts of the investees financial statements prepared in accordance with IFRSs (adjusted by the Group for equity accounting purposes). In the case of the financial information for Silverlands Mozambique Holdings Limited, this is based on unaudited financial statements. In the case of the financial information for Lebombo Growers (Pty) Ltd, this is based on the latest available unaudited financial information as at the date of reporting. The effect of interest income and interest expense is immaterial in these entities.

Details of the Group's equity accounted income earned from the joint venture and associates during the reporting period is as follows:

	Silverlands Mozambique Holdings Limited		Lebombo Growers (Pty) Ltd*		Mpambanyoni Sand (Pty) Ltd		Total equity accounted income from joint venture and associates	
Statement of profit or loss and other comprehensive income	**2021 R'000**	2020 R'000	**2021 R'000**	2020 R'000	**2021 R'000**	2020 R'000	**2021 R'000**	2020 R'000
Revenue	**39 829**	–	**336 036**	259 341	**–**	–	**375 865**	259 341
Expenses	**(28 031)**	(6 477)	**(297 660)**	(228 608)	**–**	–	**(325 691)**	(235 085)
Profit/(loss) before tax	**11 798**	(6 477)	**38 376**	30 733	**–**	–	**50 174**	24 256
Tax expense	**(946)**	–	**(10 745)**	(6 757)	**–**	–	**(11 691)**	(6 757)
Profit/(loss) for the year	**10 852**	(6 477)	**27 631**	23 976	**–**	–	**38 483**	17 499
Other comprehensive income for the year	**–**	–	**–**	–	**–**	–	**–**	–
Total comprehensive income for the year	**10 852**	(6 477)	**27 631**	23 976	**–**	–	**38 483**	17 499
Equity accounted share of profit/(loss)	**5 372**	(3 206)	**8 256**	7 164	**–**	–	**13 628**	3 958

Details of the Group's carrying value in the joint venture and associates at the end of the reporting period are as follows:

	Silverlands Mozambique Holdings Limited		Lebombo Growers (Pty) Ltd*		Mpambanyoni Sand (Pty) Ltd		Total investment in joint venture and associates	
Details of investment	**2021 R'000**	2020 R'000	**2021 R'000**	2020 R'000	**2021 R'000**	2020 R'000	**2021 R'000**	2020 R'000
Unlisted shares and loans	**49 838**	38 230	**4 173**	7 343	**50**	50	**54 061**	45 623
Share of retained earnings	**(974)**	(6 346)	**38 477**	30 221	**(17)**	(17)	**37 486**	23 858
Carrying value of investment	**48 864**	31 884	**42 650**	37 564	**33**	33	**91 547**	69 481

** With regards to Lebombo, the latest available financial information is as at 2020, hence the Group's share of net assets for reconciliation purposes to the carrying value of the investment, is the same year.*

22. Investments in joint venture and associates continued

Details of the Company's carrying value in the joint venture at the end of the reporting period are as follows:

Name of investee	Type	Principal activity	Place of incorporation and principal place of business	Other relationship to Group	Total investment in joint venture 2021 R'000	Total investment in joint venture 2020 R'000
Silverlands Mozambique Holdings Limited	Joint venture	Banana farming	Mozambique	Fellow subsidiary of Group's majority shareholder SilverStreet	**38 107**	34 069

Summarised assets and liabilities of the Group's material joint venture, associate companies together with their subsidiaries are as per the following financial information extracted of their latest available financial statements. The Mpambanyoni Sand (Pty) Ltd associate is immaterial.

	Silverlands Mozambique Holdings Limited		Lebombo Growers (Pty) Ltd	
Statement of financial position	**2021 R'000**	2020 R'000	2020* R'000	2019* R'000
Non-current assets	**161 570**	152 582	189 593	176 137
Current assets	**71 157**	7 621	79 179	71 963
Total assets	**232 727**	160 203	268 772	248 100
Non-current liabilities	**(129 414)**	(92 807)	(91 997)	(93 978)
Current liabilities	**(4 598)**	(2 984)	(51 059)	(45 953)
Net assets	**98 715**	64 412	125 716	108 169
Group share of net assets*	**48 864**	31 884	37 564	32 321

** With regards to Lebombo, the latest available financial information is as at 2020, hence the Group's share of net assets for reconciliation purposes to the carrying value of the investment, is the same year.*

	Group	
	2021 R'000	2020 R'000

23. Biological assets

23.1 Growing crops

	2021 R'000	2020 R'000
Fair value		
Sugar cane	209 352	193 128
Deciduous fruit	17 725	15 678
Bananas	19 400	19 544
Macadamias	40 032	17 161
Fair value at end of year	286 509	245 511
Analysis of fair values of growing crops:		
Fair value at beginning of year	245 511	260 806
Gains/(losses) arising from changes attributable to volume and price:	58 515	(12 856)
Sugar cane		
– Loss arising from physical growth/yield	(7 545)	(5 192)
– Loss arising from area under crop to be harvested	(5 049)	(7 490)
– Gain arising from price changes	35 984	19 166
Deciduous fruit		
– (Loss)/gain arising from physical growth/yield	(1 057)	3 404
– Gain/(loss) arising from area under crop to be harvested	14 513	(10 852)
– Loss arising from price changes	(1 058)	(5 670)
Bananas		
– Loss arising from physical growth/yield	(1 029)	(585)
– Gain arising from area under crop to be harvested	815	1 146
– Gain arising from price changes	70	4 146
Macadamias		
– Gain/(loss) arising from physical growth/yield	19 605	(10 054)
– Gain/(loss) arising from price changes	3 266	(875)
Disposals:		
Sugar cane		
– Strathmore farm	(1 595)	–
Deciduous fruit		
– High Noon farm	(10 352)	–
Effect of foreign currency exchange differences	(5 570)	(2 439)
Fair value at end of year	286 509	245 511

In terms of IAS 41: Agriculture, growing crops, comprising sugar cane, deciduous fruit, bananas and macadamias are accounted for as biological assets and are measured and recognised at fair value. Changes in the fair value are included in profit or loss. The fair value of growing crops is determined based on current market prices less estimated selling costs.

23. Biological assets continued

23.2 Biological asset valuations

The following key assumptions have been used in determining the fair value of biological assets:

		Group 2021 R'000	Group 2020 R'000
Sugar cane			
Expected area to harvest after 31 March			
– South Africa	(ha)	3 517	3 704
– Eswatini	(ha)	2 375	2 414
– Zambia	(ha)	393	426
Total area	(ha)	6 285	6 544
Estimated yields			
– South Africa	(tons/ha)	98.3	103.9
– Eswatini	(tons/ha)	105.4	106.1
– Zambia	(tons/ha)	135.5	127.7
Weighted average		103.3	106.3
Average maturity of cane at 31 March			
– South Africa	(%)	64	64
– Eswatini	(%)	64	64
– Zambia	(%)	64	64
Estimated RV price per ton – South Africa	(Rands)	5 119	4 479
Estimated sucrose price per ton – Eswatini	(Rands)	4 400	3 716
Estimated ERC price per ton – Zambia	(Rands)	4 093	3 923
Deciduous fruit			
Expected area to harvest after 31 March	(ha)	121	173
Estimated yields*	(tons/ha)	55.8	56.5
Average maturity of crop at 31 March	(%)	84.9	78.7
Estimated net price per kilogram – apples and pears	(Rands)	3.86	3.59
Estimated packout			
– Class 1	(%)	35.4	36.7
– Class 2	(%)	17.8	16.0
– Class 3	(%)	21.7	19.6
– Juice	(%)	25.1	27.7
Bananas			
Expected area to harvest after 31 March			
– South Africa	(ha)	476	480
– Eswatini	(ha)	23	–
Estimated yields			
– South Africa	(tons/ha)	56.6	59.2
– Eswatini	(tons/ha)	47.8	–
Average maturity of crop at 31 March			
– South Africa	(%)	50.0	50.0
– Eswatini	(%)	50.0	–
Estimated net price per carton			
– South Africa	(Rands)	99.15	98.54
– Eswatini	(Rands)	99.15	–
Macadamias			
Expected area to harvest after 31 March	(ha)	463	463
Estimated yields*	(tons/ha)	1.40	0.66
Average maturity of crop at 31 March	(%)	95	95
Estimated net price per ton	(Rands)	75 683	68 948

** Actual yield data used at 31 March 2021.*

	Group		Company	
	2021 R'000	2020 R'000	2021 R'000	2020 R'000

24. Inventories

Consumable stores	26 058	31 263	–	–
Merchandise	524	688	–	–
Livestock	879	906	–	–
Property for development and sale	95 602	103 053	–	–
Nursery plants	1 543	3 493	–	–
	124 606	139 403	–	–

During the current year, the cost of inventories recognised as an expense in profit or loss was R101 million (2020: R107 million).

The cost of inventories written-down to net-realisable value in the current year was R1.9 million (2020: R1.8 million).

25. Trade and other receivables

Sugar cane revenue receivables	1 035	–	–	–
Deciduous fruit revenue receivables	64 927	80 312	–	–
Banana revenue receivables	4 965	6 575	–	–
Macadamia revenue receivables	574	–	–	–
Trade and rental debtors	18 499	11 831	16 889	10 684
Other receivables[1]	15 494	5 225	3 004	1 191
Gross trade receivables	105 494	103 943	19 893	11 875
Less: Loss allowance (see below reconciliation)	(1 679)	(1 147)	–	–
Net trade receivables	103 815	102 796	19 893	11 875
VAT refunds due	21 779	23 429	–	286
Prepayments	11 684	4 637	632	718
Total trade and other receivables	137 278	130 862	20 525	12 879

[1] *Included in other receivables is an amount of R8.35 million relating to an Escrow debtor. Refer to note 9 for details regarding this receivable and the related ECL assessment.*

Reconciliation of loss allowance:				
Balance at beginning of the year	(1 147)	(604)	–	–
Impairment losses recognised on receivables	(532)	(543)	–	–
Balance at end of the year	(1 679)	(1 147)	–	–

The directors consider the amortised costs of trade and other receivables to approximate their fair value. In terms of IFRS 9, the Group applies the simplified approach and recognises lifetime ECL for these debtors.

Disclosures concerning the management of credit risk relating to all of the above categories of gross trade receivables have been provided in note 37.3.

	Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
26. Cash and cash equivalents				
Cash and bank balances	**73 614**	22 767	**443**	177
Bank overdraft (see note 29.2)	**(3 577)**	(20 444)	**–**	–
	70 037	2 323	**443**	177

All bank balances are assessed to have low credit risk at each reporting date as they are held with reputable banking institutions.

See note 37.3 for the credit risk associated with cash and cash equivalents.

27. Assets classified as held for sale

The Strathmore sugar cane and High Noon deciduous fruit farms were both disposed off during the current reporting period. Refer to note 9 for details on the losses and profits realised on the sale of these farms.

During the current reporting period, the Directors resolved to dispose of the remaining Riversbend farms in the Nkwalini region of northern KwaZulu-Natal, South Africa.

The proceeds on disposal of these farms are expected to exceed the carrying amounts of the associated assets, and accordingly no impairment loss has been recognised on the classification of these assets as held for sale.

The major classes of assets that will be disposed of are as follows:

Statement of financial position	Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
Property, plant and equipment	**4 773**	117 100	**–**	–
Bearer assets	**–**	33 141	**–**	–
	4 773	150 241	**–**	–

	Group and Company 2021 R'000	Group and Company 2020 R'000
28. Capital, reserves and shareholding interests		
28.1 Share capital and share premium		
Authorised		
16 000 000 (2020: 16 000 000) ordinary shares of 25 cents (2020: 25 cents) each	**4 000**	4 000
Issued		
15 264 317 (2020: 15 264 317) ordinary shares of 25 cents (2020: 25 cents) each	**3 816**	3 816
Share premium	**222 455**	222 455
	226 271	226 271
The share capital movement for the year was as follows:		
Balance at the beginning of the year	**226 271**	226 271
Balance at the end of the year	**226 271**	226 271

	Number of shares	Number of shares
The shares in issue movement for the year was as follows:		
Balance at the beginning of the year	**15 264 317**	15 264 317
Balance at the end of the year	**15 264 317**	15 264 317

The shares in issue at the end of the current and prior year are fully paid up, carry one vote per share and a right to dividends.

Under control of the Directors
For the purposes of the employee share option scheme: 430 000 shares (2020: 348 000 shares).

	Group 2021 R'000	Group 2020 R'000
28. Capital, reserves and shareholding interests continued		
28.2 Investment revaluation reserve		
Balance at beginning of year	**951**	951
Net gain/(loss) arising on revaluation of financial assets	**–**	–
Balance at end of year	**951**	951
28.3 Foreign currency translation reserve		
Balance at beginning of year	**(39 807)**	(31 498)
Exchange differences on translation of subsidiaries	**(16 911)**	(8 309)
Balance at end of year	**(56 718)**	(39 807)

	Group and Company 2021 R'000	Group and Company 2020 R'000
28.4 Share-based payment reserve		
Balance at beginning of year	**5 898**	4 612
Share-based payment (transfer)/expense	**(1 664)**	1 286
Balance at end of year	**4 234**	5 898

	Group 2021 R'000	Group 2020 R'000
28.5 Non-controlling interests		
Balance at beginning of year	**32 695**	27 968
Share of profit for the year	**19 572**	14 955
Dividend to Belleview Agricultural Primary Co-operative Limited	**–**	(28)
Dividend to Mawewe Communal Property Association	**(2 040)**	(10 200)
Balance at end of year	**50 227**	32 695

	Security	Note	Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
29. Borrowings – Interest-bearing						
29.1 Loans and demand facilities: amortised cost						
Call loan – Two-a-Day	Unsecured	29.8 (A)	**–**	10 000	**–**	–
Demand facility – Investec Bank Limited	Secured	29.8 (B)	**–**	45 000	**–**	–
Demand facility – Rand Merchant Bank	Secured	29.8 (C)	**75 000**	142 000	**75 000**	142 000
Revolving credit loan – Akwandze Agricultural Finance	Unsecured	29.8 (E)	**10 918**	–	**–**	–
Term-loans – Akwandze Agricultural Finance	Secured	29.8 (F)	**3 347**	12 135	**–**	–
Term-loan – Grindrod Bank Limited	Secured	29.8 (G)	**79 918**	60 000	**–**	–
Term-loan – AgDevCo Limited	Secured	29.8 (H)	**45 494**	–	**–**	–
Instalment sale agreements	Secured	29.8 (I)	**791**	2 397	**–**	–
			215 468	271 532	**75 000**	142 000
Included in the financial statements as:						
Non-current			**124 619**	64 556	**–**	–
Current			**90 849**	206 976	**75 000**	142 000
			215 468	271 532	**75 000**	142 000

	Security	Note	Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
29. Borrowings – Interest-bearing continued						
29.2 Bank overdraft at amortised cost						
Bank overdraft – FNB Eswatini	Secured	29.8 (D)	**3 577**	20 444	**–**	–
29.3 Total interest-bearing borrowings at amortised cost						
Loans, bank overdrafts and facilities (see note 29.1 and 29.2)			**219 045**	291 976	**75 000**	142 000
29.4 Total short-term banking facilities	**Type**	**Interest rate**				
Investec Bank Limited	Demand	Prime	**–**	60 000	**–**	–
Rand Merchant Bank	Demand	Prime	**100 000**	160 000	**100 000**	160 000
First National Bank Eswatini	Overdraft	Prime	**25 000**	25 000	**–**	–
			125 000	245 000	**100 000**	160 000
29.5 Total long-term banking facilities	**Type**	**Interest rate**				
Grindrod Bank Limited	Term	Prime	**80 000**	60 000	**–**	–
AgDevCo Limited	Term	USD 8%	**118 679**	–	**–**	–
			198 679	60 000	**–**	–
29.6 Net undrawn short-term banking facilities	**Type**	**Interest rate**				
Investec Bank Limited	Demand	Prime	**–**	15 000	**–**	–
Rand Merchant Bank	Demand	Prime	**25 000**	18 000	**25 000**	18 000
First National Bank Eswatini	Overdraft	Prime	**21 423**	4 556	**–**	–
			46 423	37 556	**25 000**	18 000
29.7 Net undrawn long-term banking facilities	**Type**	**Interest rate**				
Grindrod Bank Limited	Term	Prime	**82**	–	**–**	–
AgDevCo Limited	Term	USD 8%	**73 185**	–	**–**	–
			73 267	–	**–**	–

29.8 Summary of borrowing arrangements

A) The call loan of R10 million from the Two-a-Day Group (TAD), was advanced to the Group to assist in the acquisition and purchase of the Group's Vyeboom deciduous fruit farm in the Western Cape. The loan is unsecured, bears fixed interest at 10% per annum and is also linked to TAD's use of the Vyeboom packhouse and cold storage facility in the Western Cape. The loan has no fixed terms of repayment, however, becomes fully and immediately repayable, should the Group terminate its contract with TAD, in favour of another co-op to perform the purchase, marketing and distribution of the Group's deciduous fruit. On the last day of the financial year, the Group concluded the sale of the packhouse, cold storage and related equipment to TAD after the security held over it by RMB was released. The call loan owing to TAD in relation to the cold room facility was therefore extinguished.

B) The Investec Bank Limited ("Investec") banking facility was an uncommitted demand facility, secured by a first and second covering mortgage bond over the Group's High Noon farm for R43.75 million and R30 million respectively. The sale of the High Noon farm triggered a consent to Investec to cancel its mortgage bond over High Noon, in exchange for the full settlement of the facility.

C) At 31 March 2021, the Group had a demand facility with Rand Merchant Bank (RMB) to the value of R100 million. The facility is repayable on demand and bears interest at prime.

In addition to the demand facility, the following short-term direct facilities are also available to the Group and Company:

Type	Term	Utilisation	2021 R'000	2020 R'000
Short-term direct temporary general banking facility	Demand facility	General banking	**15 000**	15 000
Short-term direct	Demand facility	Corporate card	**600**	600
Short-term contingent	Demand facility	Guarantees	**30**	30
Settlement	Demand facility	Settlement	**230**	230
			15 860	15 860

29. Borrowings – Interest-bearing continued

29.8 Summary of borrowing arrangements continued

The RMB facility is secured by way of:

1. An unlimited cession of debtors executed in favour of the bank by Crookes Brothers South Africa Proprietary Limited.
2. An unlimited cession of credit balances (including bank accounts held) in favour of the bank by Crookes Brothers South Africa Proprietary Limited.
3. A suretyship for the amount of R200 million by Crookes Brothers South Africa Proprietary Limited in favour of the bank for the obligations of the Group.
4. A first covering mortgage bond of R200 million registered over the Ouwerf, Vyeboom and Dennebos deciduous fruit farms situated in the Western Cape measuring 841,6241 hectares, plus an additional sum for costs, charges and disbursements.

D) The FNB Eswatini (FNB) overdraft facility is a secured by way of:

1. An unlimited general deed of suretyship by the Group's wholly-owned Eswatini subsidiary Bar J Ltd, in favour of FNB for the obligations of Crookes Plantations Limited.
2. A cession of credit balances held with FNB.
3. A negative pledge of assets from Bar J Limited.

E) The revolving credit loan with Akwandze Agricultural Finance ("Akwandze"), relates to an unsecured working capital loan for the Group's Mawecro estate. The loan is current, bears fixed interest at prime plus 2% and is fully repayable each year. The full loan of R10 million is refinanced annually at the discretion of the Directors of the Company. The loan was repaid in full in June 2021.

F) In addition to the revolving credit loan with Akwandze, the Group's Mawecro and Libcro estates are the recipients of medium-term funding from the Akwandze, in the form of three loans bearing fixed interest at between 4% and 6.75% per annum and repayable at between one and six years. These loans are used to fund capital expenditure as well as to supplement working capital needs.

Details of Akwandze security is as follows:

1. Akwandze has a cession over the gross sugar cane proceeds paid by the mill to Mawecro and Libcro, and deducts the loan repayments against the monthly cane proceeds received.
2. The holding company Crookes Brothers Ltd (CBL), provides a deed of surety to Akwandze for the due and punctual performance of all of Libcro and Mawecro's obligations and the payment on demand of all amounts owing by Libcro and Mawecro to Akwandze.

These loans were all repaid in full in June 2021.

G) On 14 July 2020, the Group signed an addendum to its term loan agreement with Grindrod Bank, to increase the loan finance to its Renishaw Property Developments (RPD) subsidiary from R60 million to R80 million. The loan is secured by way of a guarantee from the holding company (CBL) to the value of R80 million, as well as a deed of pledge of CBL's 85% shareholding in RPD.

In addition, CBL has subordinated its shareholder loan in RPD up to a value of R80 million in favour of Grindrod. The loan bears interest at the prevailing South African prime rate. Monthly interest is capitalised to the loan, with the exception of when the loan amount reaches or exceeds R80 million, whereby the interest is then repaid in cash. Per the signed agreement, the full loan including capitalised interest is to be repaid on 15 June 2024.

H) On 25 November 2020, the Group signed a term loan agreement with Development Funding Institution AgDevCo Limited based in the United Kingdom.

A US$8 million (eight million US Dollars) facility was granted to the Group's MML subsidiary based in Mozambique, to provide working capital and capital expenditure for the expansion of its macadamia farm.

Interest is accrued at USD 8% per annum and is payable semi-annually in arrears on each interest payment date and on the final repayment date.

The loan from AgDevCo is secured by:

1. Quota pledges granted by CBL and fellow subsidiary Mozambique Farms (Pty) Ltd in favour of AgDevCo over the entire quota holdings in MML and MFL.
2. An assignment by CBL over all loans advanced to MML and MFL.

Capital repayments on the loan are due over five equal portions of US$1.6 million each, with the first capital repayment due on 31 December 2026 and the last capital repayment due on 31 December 2030.

During the financial year, MML made an initial drawdown of US$3 million.

I) The Group has instalment sale agreements with Wesbank and Ford Credit, secured by vehicles with a net book value of R0.5 million (2020: R3.7 million). The agreements bear interest at between prime less 0.5% and prime less 1.0%, with monthly repayment terms.

The instalment sale facilities are expected to be fully settled by 31 March 2022.

	Group 2021 R'000	Group 2020 R'000
30. Obligations to return leased farmland		
Nicoskamp estate[1]	–	6 896
Mawecro estate[2]	29 796	24 837
Libcro estate[3]	6 014	7 675
	35 810	39 408
Included in the financial statements as:		
Non-current	35 810	32 512
Current	–	6 896
	35 810	39 408

(1) *This liability related to the obligation to return the leased Nicoskamp Farm in Mpumalanga to its original condition, on termination of the lease agreement with the Mpumalanga Department of Rural Development and Land Reform. The original lease term was for a period of 10 years and has since been transferred to the Mawewe Communal Property Association (MCPA). See note 32.1. The lease expired on 30 June 2020, whereby this obligation was extinguished, and re-raised as part of the Mawecro estate obligation (see (2) below).*

(2) *This liability relates to a constructive obligation to return the remaining leased Komatipoort farms in Mpumalanga to their original condition, on termination of the lease agreement with the MCPA. The original lease term is for a period of 20 years. At the end of the current reporting period, 15 years of the lease term was left remaining. During the current reporting period, the Nicoskamp farm operation was transferred to the Mawecro estate, and so to was the constructive obligation to return this portion of leased farmland. A separate lease agreement totalling 10 years was signed for this Nicoskamp portion of land. At the end of the current reporting period, nine years of the lease term was remaining on the Nicoskamp lease.*

(3) *This liability relates to a contractual obligation to return the leased Libcro Malelane farms in Mpumalanga to their original condition, on termination of the lease agreement with Mthayiza Holdings Proprietary Limited (MHO). The lease term runs up to September 2038. At the end of the current reporting period, 18 years of the lease term was left remaining.*

	Group 2021 R'000	Group 2020 R'000
31. Lease liabilities		
Mawecro farm lease[1]	130 508	128 903
Libcro farm lease[2]	34 411	36 329
	164 919	165 232
Included in the financial statements as:		
Non-current	159 320	160 274
Current	5 599	4 958
	164 919	165 232

(1) *The Group through its subsidiary Mawecro Farming, signed a 20-year lease agreement with the MCPA, who are the owners of approximately 1 895.91 hectares of the Komati estate, upon which the Group farms sugar cane and bananas. Lease rentals are payable annually in advance and is based on a fixed Rand rate per hectare under crop, escalated annually by the consumer price index. As at the end of the current reporting period, 15 years remain on the Mawecro lease.*

(2) *The Group, through its subsidiary Libcro Farming, leases the Libcro Estate (sugar operation) from the Libuyile Community Trust (a joint venture partnership with the Libuyile community), based on a fixed Rand rate per hectare under crop, escalated annually by the consumer price index. Lease rentals are payable quarterly in arrears. As at the end of the current reporting period, 18 years remain on the Libcro lease.*

	Group	
	2021 R'000	2020 R'000

31. Lease liabilities continued

Maturity analysis – undiscounted

	2021 R'000	2020 R'000
Year one	**18 113**	17 553
Year two	**18 113**	17 553
Year three	**18 113**	17 553
Year four	**18 113**	17 553
Year five	**18 113**	17 553
Onwards	**190 513**	204 555
	281 078	292 320

The Group does not face significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

All lease obligations are denominated in Rands.

The discount rate applied by the Group for the current reporting period was 8.33%. Refer to note 4.14 for the judgements applied by management in calculating this discount rate.

Refer to note 3.19 of the accounting policies for details of the Group's lease liabilities in its capacity as a lessee. Refer to note 16 for details of the right-of-use asset.

32. Other lease arrangements

32.1 The group as a lessee

	2021 R'000	2020 R'000
Office and parking[1]	**1 318**	1 144
Nicoskamp and Umkomaas farms[2]	**221**	868
Chamotte and Belleview farms[3]	**226**	226
Leases of low value assets and other[4]	**1 026**	805
Minimum lease payments recognised as an expense in the year	**2 791**	3 043

(1) *The Company leases office space in Durban from the South African Sugar Association (SASA), based on a fixed rate per square metre.*

The lease term is on an annual year-to-year basis, renewable at the discretion of the Company in its capacity as lessee. The lease may be terminated either by the Company or the lessor subject to three months written notice given to the other party.

(2) *In October 2018, ownership of the Nicoskamp and Umkomaas farms in Mpumalanga, was transferred from the Department of Rural Development and Land Reform (the Dept) to the MCPA.*

In turn, the Group's remaining lease term was transferred to the MCPA along the exact same terms and conditions as enjoyed under the lease with the Dept. This arrangement expired on 30 June 2020, with the operation of this farm transferred to the MCPA. This operation has since also been absorbed into the Mawecro estate, with a new separate 10-year lease agreement entered into with the MCPA with annual lease rentals contingent on budgeted revenue, hence scoped out of IFRS 16. See note 30.

(3) *The Group leases two small farms in Malelane and the Western Cape called Chamotte and Belleview respectively. Sugar cane is farmed at Chamotte, whilst deciduous fruit is farmed at Belleview. These are annual leases renewable at the discretion of the respective lessors, nevertheless contain exclusively variable lease paymens, in that the annual lease rentals are linked to the actual tonnages yielded which change year-on-year.*

(4) *These remaining lease payments relate to rentals paid on behalf of certain current and ex employees, archiving and storage costs and equipment rental of the Group's copiers and printers. These rentals are over low value assets and are considered immaterial in relation to the Group's total other lease arrangements.*

32.2 The Group's commitments in respect of other non-cancellable leases are as follows:

	2021 R'000	2020 R'000
Not later than one year	**1 062**	1 445
Later than one year and not later than five years	**–**	–
Later than five years	**–**	–
	1 062	1 445

	Group and Company	
	2021 R'000	2020 R'000
33. Net post-employment obligation		
Post-employment medical aid obligation (see note 33.1)	**2 506**	2 401
Retirement benefit surplus (see note 33.2)	**(1 693)**	(1 693)
Net obligation	**813**	708
33.1 Post-employment medical aid obligation		
Refer to accounting policy note 3.5. The closing fair value of the obligation to CAWMs is as follows:		
Net liability at beginning of year	**2 401**	3 576
Components recognised in profit or loss	**(72)**	(1 340)
Interest cost	**219**	219
Benefit payments	**(291)**	(286)
Expected settlement	**–**	(1 273)
Components recognised in other comprehensive income (OCI)	**177**	165
Actuarial remeasurement loss net of tax	**127**	119
Tax effect of actuarial remeasurement	**50**	46
Net liability at end of year	**2 506**	2 401

The effects of a 1% change in the healthcare cost trend rates have an immaterial effect on the aggregate of the service and interest costs, as well as the value of the obligation itself.

	Group and Company	
33.2 Retirement benefit surplus		
Refer to accounting policy note 3.5. The closing fair value of the surplus available to the Group is as follows:		
Opening fair value of plan assets	**1 693**	1 693
Post-retirement medical aid benefits settled	**–**	–
Closing fair value of plan assets	**1 693**	1 693

There are no member liabilities and the assets in fund is equal to the Employer Surplus Account. Therefore, the surplus in the fund is equal to the asset ceiling and the effect of the asset ceiling is Rnil. No restrictions apply.

	Group		Company	
	2021 R'000	2020 R'000	**2021 R'000**	2020 R'000
34. Trade and other payables				
Trade payables and accruals	**55 038**	52 088	**1 549**	3 003
Income received in advance	**105**	1 101	**–**	–
Payroll accruals	**4 064**	4 684	**1 100**	1 268
	59 207	57 873	**2 649**	4 271

Trade payables and accruals principally comprise outstanding trade payables in respect of goods or services acquired.

The Group has financial risk management policies in place to ensure that all payables are paid within the pre-approved credit terms. In terms of IFRS 9, trade and other payables are held at amortised cost.

35. Provisions

	Group 2021 R'000	Group 2020 R'000	Company 2021 R'000	Company 2020 R'000
Leave pay	**8 387**	7 269	**1 542**	1 080
Bonuses	**10 552**	908	**3 345**	–
Severance allowances	**2 642**	2 457	**–**	–
Property development expenditure	**–**	–	**–**	–
	21 581	10 634	**4 887**	1 080

Reconciliation of net movements	Group Leave pay R'000	Bonuses R'000	Severance allowances R'000	Property R'000	Total R'000
Balance at 1 April 2019	6 919	5 902	2 493	840	16 154
Payments/reversals	(4 072)	(5 892)	(246)	(840)	(11 050)
Provisions raised	4 447	908	295	–	5 650
Effect of foreign currency exchange differences	(25)	(10)	(85)	–	(120)
Balance at 31 March 2020	**7 269**	**908**	**2 457**	**–**	**10 634**
Payments/reversals	**(1 544)**	**(908)**	**(181)**	**–**	**(2 633)**
Provisions raised	**2 717**	**10 612**	**603**	**–**	**13 932**
Effect of foreign currency exchange differences	**(55)**	**(60)**	**(237)**	**–**	**(352)**
Balance at 31 March 2021	**8 387**	**10 552**	**2 642**	**–**	**21 581**

Reconciliation of net movements	Company Leave pay R'000	Bonuses R'000	Severance allowances R'000	Property R'000	Total R'000
Balance at 1 April 2019	1 251	1 970	–	–	3 221
Payments/reversals	(189)	(1 970)	–	–	(2 159)
Provisions raised	18	–	–	–	18
Balance at 31 March 2020	**1 080**	**–**	**–**	**–**	**1 080**
Payments/reversals	**(350)**	**–**	**–**	**–**	**(350)**
Provisions raised	**812**	**3 345**	**–**	**–**	**4 157**
Balance at 31 March 2021	**1 542**	**3 345**	**–**	**–**	**4 887**

Refer to accounting policies note 3.20 for details of the above provisions, which are all current. The effects of discounting is negligible.

36. Employee share incentive scheme

See accounting policy note 3.6. No options were awarded in the current year.

36.1 Share options granted and unexpired as at 31 March 2021

	Options as a 31 March 2020	Options granted during the year	Weighted average option price (cents)	Options forfeited during the year	Options exercised during the year	Exercise price (cents)	Options as at 31 March 2021
Executive Directors							
KA Sinclair	35 000	–	4 471	–	–	–	35 000
GL Veale	82 000	–	–	(82 000)	–	–	–
Management	305 000	–	5 623	(43 000)	(22 000)	–	240 000
Total	422 000	–	5 476	(125 000)	(22 000)	–	275 000

36.2 Share options available at 31 March 2021 for further grants

	Number of shares
Shares reserved for the share option scheme	1 200 000
Shares issued and exercised by employees as at the end of the financial year	(430 000)
Options granted and unexpired as shown above	(275 000)
Balance available[(1)]	495 000

[(1)] *The share options outstanding at the end of the year had a weighted average remaining contractual life of 378 days (2020: 605 days).*

36.3 Deferred Bonus Scheme

Subsequent to the end of the reporting period, the group's Remuneration Committee approved a Deferred Bonus Scheme (DBS), which will run parallel to the Group's existing option scheme (per 36.1 above).

The main attributes of the new DBS scheme that will distinguish it from the previous share scheme are as follows:

1) Qualifying management will receive actual shares, as opposed to options.
2) Shares carry a right to dividends.
3) No more than 5% of the Company's total shares can be awarded, and no single employee will be permitted to hold more than 1% of the Company's shares.
4) Shares vest after three years, and an employee cannot sell these shares until they vest (i.e. can only sell after three years).
5) Awarding of shares are linked to employee's performance appraisal balanced scorecard.
6) Financial targets for the Company is headline earnings, with a minimum target of 70% of headline earnings to be achieved, before the employee can qualify for the bonus.
7) The DBS will be held by Computershare Intermediary Services in Escrow.

37. Financial instruments

Financial instruments consist primarily of cash deposits with banks, short- and medium-term investments, short- and medium-term loans, trade and other receivables and other payables, bank borrowings and loans to and from associates and subsidiaries. The Board is responsible for financial risk management for the Group.

		Group		Company	
Categories of financial instruments:	Notes	**2021 R'000**	2020 R'000	**2021 R'000**	2020 R'000
Financial assets					
FVTOCI					
Equity investments	20.1	**4 626**	4 582	**–**	–
At amortised cost					
Trade and other receivables	25	**105 494**	103 943	**19 893**	11 875
Cash and bank balances	26	**73 614**	22 767	**443**	177
Loans receivable	20.2	**21 789**	5 815	**5 667**	8 371
Loans to subsidiaries	21	**–**	–	**255 662**	362 801
Loans to joint venture and associates	39.1	**23 572**	14 439	**9 536**	5 498
		229 095	151 546	**291 201**	388 722
Financial liabilities					
At amortised cost					
Trade and other payables	34	**59 207**	57 873	**2 649**	4 271
Bank overdraft	26	**3 577**	20 444	**–**	–
Borrowings: interest-bearing	29.1	**215 468**	271 532	**75 000**	142 000
Reversionary sale and transfer obligations	17	**17 517**	10 754	**–**	–
Prepaid lease income	17	**27 235**	16 559	**–**	–
Lease liabilities	31	**164 919**	165 232	**–**	–
Loans from subsidiaries	21	**–**	–	**134 488**	145 989
		487 923	542 394	**212 137**	292 260

(a) **Classification and measurement of financial assets and financial liabilities**

The Group does not hold any financial assets at FVTPL. For the remaining financial assets, it has always been management's election to measure them at either FVTOCI or amortised cost. Therefore, the Directors have concluded that there is no change in the current classification and measurement policies of the Group with regards to its financial assets, which has always been consistent with the provisions of IFRS 9.

Refer to notes 17, 21, 29, 31, 34 and 37 for disclosure related to the Group's financial liabilities.

(b) **Impairment**

The Group has adopted the simplified and general approach for measuring the loss allowance, at an amount equal to the lifetime expected credit losses (ECL).

(c) **Hedge accounting**

The Group has not employed the use of hedge accounting for IFRS 9 purposes.

37. Financial instruments continued

37.1 Interest rate risk management

Taking cognisance of the seasonality of the Group's cash flows and treasury risk, management positions the Company and Group's interest rate exposures according to expected movements in interest rates in the countries in which the Group operates. Interest rate profiles are as follows:

		Group				
		Variable rate		Fixed rate		
		Less than one year	Greater than one year	Less than one year	Greater than one year	Total borrowings
2021						
Borrowings	(R'000)	**93 436**	**17 714**	**6 588**	**283 743**	**401 481**
Total borrowings	(%)	**23**	**4**	**2**	**71**	**100**
2020						
Borrowings	(R'000)	217 420	15 310	14 958	220 274	467 962
Total borrowings	(%)	47	3	3	47	100

		Company				
		Variable rate		Fixed rate		
		Less than one year	Greater than one year	Less than one year	Greater than one year	Total borrowings
2021						
Borrowings	(R'000)	**75 000**	**–**	**–**	**–**	**75 000**
Total borrowings	(%)	**100**	**–**	**–**	**–**	**100**
2020						
Borrowings	(R'000)	142 000	–	–	–	142 000
Total borrowings	(%)	100	–	–	–	100

Fluctuations in interest rates impact on the return on short-term cash investments and the cost of financing activities giving rise to cash flow interest rate risk. The exposure to interest rate risk is managed through the Group's cash management system which enables the Group to maximise returns while minimising risks. The Group manages its interest rate risk by ensuring that demand deposit facilities are paid up regularly, to avoid treatment of the facilities as term loans by the financial institutions who provided the finance.

The Company and Group has not entered into any interest rate derivatives during the year.

		Group		Company	
Effective interest rate on borrowings		**2021**	2020	**2021**	2020
Amounts due to local bankers	%	**7.00**	7.75	**7.00**	7.75
Amounts due to foreign bankers	%	**8.00**	8.75	**0.00**	0.00
Revolving credit loan – Akwandze	%	**9.00**	5.00	**0.00**	0.00
Term loans – Akwandze	%	**5.00**	5.25	**0.00**	0.00
Term loan – AgDevCo	%	**8.00**	0.00	**0.00**	0.00
Term loan – Grindrod	%	**7.00**	8.75	**0.00**	0.00
Instalment sale agreements	%	**7.00**	8.75	**0.00**	0.00
Call loan – Two-a-Day	%	**10.00**	10.00	**0.00**	0.00
Lease liabilities	%	**8.33**	8.33	**0.00**	0.00

Based on year-end exposure to interest-bearing borrowings at variable rates, a 1.00% (100 basis points) change in interest rates will have a R1.1 million (2020: R2.3 million) effect on pre-tax profit or loss and a R0.8 million (2020: R1.7 million) impact on equity for the Group. Effect on the Company is immaterial.

Based on year-end exposure to bank balances and cash investments with yields linked to variable interest rates, a 1.00% (100 basis points) change in interest rates will have an immaterial impact on current and prior year pre-tax profit or loss and equity for the Group. Effect on the Company is immaterial.

37. Financial instruments continued

37.2 Liquidity risk management

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained. The Company and Group has access to short-term financing facilities as described in notes 29.4, of which R46.4 million was undrawn at year-end (2020: undrawn: R37.5 million). See note 29.6. Current borrowings have been disclosed in note 29.1 to the financial statements. Trade and other payables have been disclosed in note 34 to the financial statements. All payables are due within a 30-60-90-day period.

The maturities of contractual liabilities are as follows:

	Group							
	2021				2020			
	One to three months R'000	Four to 12 months R'000	Greater than 12 months R'000	Total R'000	One to three months R'000	Four to 12 months R'000	Greater than 12 months R'000	Total R'000
Trade and other payables	59 207	–	–	59 207	57 873	–	–	57 873
Instalment sale agreements	172	457	200	829	475	862	1 255	2 592
Revolving credit and term-loan arrangements	17 841	6 020	169 380	193 241	5 915	7 608	64 277	77 800
Reversionary sale and transfer obligations	–	–	46 396	46 396	–	–	10 754	10 754
Bank overdraft and facilities	78 577	–	–	78 577	207 444	–	–	207 444
Call loan – Two-a-Day	–	–	–	–	–	10 000	–	10 000
Lease liabilities	15 298	2 815	262 965	281 078	14 684	2 868	274 768	292 320
	171 095	9 292	478 941	659 328	286 391	21 338	351 054	658 783

	Company							
	2021				2020			
	One to three months R'000	Four to 12 months R'000	Greater than 12 months R'000	Total R'000	One to three months R'000	Four to 12 months R'000	Greater than 12 months R'000	Total R'000
Trade and other payables	2 649	–	–	2 649	4 271	–	–	4 271
Term-loan arrangements	–	–	–	–	–	–	–	–
General banking facilities	75 000	–	–	75 000	142 000	–	–	142 000
Loans from subsidiaries	134 488	–	–	134 488	145 989	–	–	145 989
	212 137	–	–	212 137	292 260	–	–	292 260

37. Financial instruments continued

37.3 Credit risk management

Credit risk consists mainly of short-term cash and bank balances, financial assets in the form of unsecured loans and loans receivable and trade and other receivables. As part of its total investments in subsidiaries and joint venture and associates, the Company has granted loans to certain of these related parties. In order to minimise credit risk, the Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group regards "default" as the failure of a counterparty to honour its financial obligations to the Group as and when it becomes due.

In order to minimise credit risk, the Group has tasked its executive management committee to develop and maintain the Group's credit risk ratings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the executive management committee uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group's current credit risk grading framework for trade and rental debtors included in trade and other receivables comprises the following categories:

Category	Description	Basis for recognising expected credit losses
Performing	The counterparty has a low risk of default and does not have any past-due amounts >120 days.	12-month ECL – stage 1
In default	Amount is >120 days past due and evidence indicates that the asset is credit impaired.	Lifetime ECL – stage 3
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

Cash and bank balances

The Group limits its exposure in relation to cash balances by only dealing with well established financial institutions of high quality credit standings and limits the amount of credit exposure to any one counterparty. Refer to the inside back cover for details of the Group's two bankers. All bank balances are assessed to have low credit risk at each reporting date as they are held with reputable banking institutions. The Group assesses its respective banks intrinsic creditworthiness before considering external factors, e.g. affiliate or government support. To this end, a standalone credit rating of BBB- is considered "high quality". During the current reporting period, both of the Group's banks met this credit rating criteria, accordingly the Directors concluded that any possible loss allowance on cash in bank was immaterial.

Loans receivable

Loans receivable measured at amortised cost are disclosed in note 20. The amounts owed from co-ops and suppliers have strong credit ratings and a long business history with the Group. The Group employs an executive who sits on the Komati Kortpad Board. Mayo Macs is one of South Africa's leading suppliers of macadamia nuts, and Delta Sieira is also a supplier of the Group with a presence through-out southern Africa. There has been no significant increase in the risk of default on the underlying balance since initial recognition. Refer to note 20 for the ECL assessments for this category.

The Group continues to recognise 12-months ECL for the unsecured loan advanced to the Libuyile Community Trust (LCT). During the current reporting period, the Directors reaffirmed their conclusion that any ECL on this loan would be immaterial, due to the Group's recourse to deduct the full balance owing, against future lease rentals due to the Libuyile Community. Regarding the instalment sale loan to Imvelo Kraal, the Group has recourse to take back the farm, as disclosed in note 20, accordingly any ECL on this loan is also considered immaterial.

Loans to related party subsidiaries, joint venture and associates

Refer to note 21 for details of working capital loans granted by the company to its related party subsidiaries, and to note 39.1 for the ECL considerations relevant to the Group's loans to its joint venture and associates.

Trade and other receivables

The Group and Company applies the simplified approach and recognises lifetime ECL for trade and rental receivables. Other receivables apply the general ECL model. Refer to note 25 for details of the various categories making up the Group's trade and other receivables.

37. Financial instruments continued

37.3 Credit risk management continued

Given that the revenue streams of the Group and Company have different risk profiles, the Directors disaggregated gross trade receivables into the following components when considering impairments:

	Group					
	Total R'000	Current R'000	30 days R'000	60 days R'000	90 days R'000	120 + days R'000
2021						
Trade and rental debtors[1]	18 499	5 560	4 137	(464)	456	8 810
Sugar cane revenue receivables[4]	1 035	1 035	–	–	–	–
Deciduous fruit revenue receivables[2]	64 927	8 959	7 389	6 560	7 273	34 746
Banana revenue receivables[3]	4 965	–	4 965	–	–	–
Macadamia revenue receivables[5]	574	574	–	–	–	–
Other receivables[6]	15 494	15 494	–	–	–	–
	105 494	**31 622**	**16 491**	**6 096**	**7 729**	**43 556**
2020						
Trade and rental debtors[1]	11 831	5 397	260	2 690	397	3 087
Deciduous fruit revenue receivables[2]	80 312	7 492	4 601	3 871	7 328	57 020
Banana revenue receivables[3]	6 575	–	6 575	–	–	–
Other receivables[6]	5 225	5 225	–	–	–	–
	103 943	18 114	11 436	6 561	7 725	60 107

	Company					
	Total R'000	Current R'000	30 days R'000	60 days R'000	90 days R'000	120 + days R'000
2021						
Trade and rental debtors[1]	16 889	16 120	244	23	401	101
Other receivables[6]	3 004	3 004	–	–	–	–
	19 893	**19 124**	**244**	**23**	**401**	**101**
2020						
Trade and rental debtors[1]	10 684	8 941	1 707	–	–	36
Other receivables[6]	1 191	1 191	–	–	–	–
	11 875	10 132	1 707	–	–	36

37. Financial instruments continued

37.3 Credit risk management continued

	Group		Company	
Concentration of credit risk by geographic segment	**2021**	2020	**2021**	2020
South Africa	**101 959**	80 768	**19 893**	11 875
Foreign countries				
Eswatini	**669**	4 765	**–**	–
Zambia	**1 061**	3 613	**–**	–
Mozambique	**1 805**	14 797	**–**	–
	105 494	103 943	**19 893**	11 875
Concentration of credit risk by reportable segment				
Sugar cane	**8 323**	5 903	**–**	–
Deciduous fruit	**73 551**	80 998	**–**	–
Bananas	**7 856**	6 278	**–**	–
Macadamias	**3 913**	792	**–**	–
Property	**1 031**	716	**–**	–
Other operations	**9 872**	8 161	**–**	–
Unallocated corporate	**948**	1 095	**19 893**	11 875
	105 494	103 943	**19 893**	11 875

The Directors considered forward looking information in the form of various inputs, assumptions and estimation techniques to calculate the Group's overall ECL allowance of R1.68 million (2020: R1.15 million). See note 25. Detailed discussion relating to loss allowance including forward looking information is further explained below.

The risk profile associated with the above disaggregated debtors plays a key role in the "estimated credit loss" calculation of each of these categories of debtors. Whilst historic payment behaviour is pertinent, the Group considers all current and forecast macroeconomic factors as well, including changes in debtor payment intervals, tenant deposit values (in the case of its rental debtors) and the performance of the industry of the debtor, in the case of the sugar milling, banana sale and deciduous fruit segments.

Using the below forward looking input assumptions and techniques, and taking into consideration the various industry each debtor of significance operates in, the following notes per the above table of categories apply, in calculating the most appropriate ECL.

1. **Trade and rental debtors**

Rental debtors consist of tenants renting buildings and houses in the various farms that the Group operates in. These tenants include employees, and also external companies and individuals unrelated to the Group.

Trade debtors comprise customers that procure various goods and services from the Group's farming divisions.

Expected credit loss (ECL) allowance

Rental debtors

The majority of rental debtors were current and most of these tenants normally settle their outstanding balances, post 31 March each year. The Group calculated an immaterial ECL value for these rental debtors aged current as well as for those aged between 30 to 120 days. Tenants with balances owing between 60 to 120 days were usually slow payers, however, deposits available were more than sufficient to cover any risk of shortfall. Again, using the quantum of the deposits available, less the amount outstanding from 60- to 120-day tenants, the calculated ECL was R0.

For renters owing in 120+ days, the Group considered the following for each and every renter:

- Tenant deposit available
- Correspondence with renter concerning their business performance (e.g. a few were employed in the construction, bricks and blocks and panel-beating industry, which had suffered an economic downturn due to the COVID-19 pandemic).
- With the advent of COVID-19, and downturn in the local economy caused by the country's lockdown restrictions, an increased number of Renishaw Chinatown rental debtors wrote to the Group's companies requesting extended rental payment terms. The Group took the conservative approach by applying the full value of these Chinatown debtors of R0.49 million as the calculated ECL.

Trade debtors

In the current year, included in the balances of debtors aged 120 + days are the following:

- Amounts owed to the property division by the respective body corporate and homeowners association for R3.1 million relating to costs recovery charges for electricity and water, road repairs, IT, garden refuse collection and management fees.

37. Financial instruments continued

37.3 Credit risk management continued

The Directors have considered forward-looking inputs around the Renishaw Homeowners Association (RHOA) debtor. These include:

- RHOA has a strong balance sheet with a significant general and cash reserve, which continues to grow, providing sufficient collateral to the Group.
- The development continues to grow with a further 21 units sold, adding further financial strength.

Therefore, even though this debtor is greater than 120 days, due to the above forward-looking assumptions and collateral, it is not in default. Based on this underlying information, the Directors conclude that any ECL over this debtor will be immaterial.

- An amount of R0.9 million owed by a government department for rehabilitation costs incurred by the property division. The Directors assessed an immaterial ECL as the delay in payment was as a result of COVID and payment is expected in July 2021.
- R2.5 million owed by the MCPA for current account charges, fully deducted against the lease rental paid to them on 1 April 2021. The Directors assessed an immaterial ECL to this debtor, due to there always being recourse to deduct current account charges owed against gross rental payments due.
- A customer that purchased seed cane from the Group to the value of R0.70 million which could not be traced. The Directors therefore applied the full outstanding value as the calculated ECL for this debtor.
- A service provider agreed to refund the Group the value of R0.4 million which has still remained outstanding. The Directors therefore applied the full outstanding value as the calculated ECL for this debtor.

Total ECL
A year-end ECL of R1.68 million (R0.49 million rental debtors and R1.19 million trade debtors) (2020: R1.15 million) was calculated as the maximum credit risk exposure to the Group.

Refer to note 25 for a reconciliation of the loss allowance.

2. Deciduous fruit revenue receivables

The Group's maximum credit exposure on this debtor is mainly on the amount sitting in 120 + days.

The deciduous fruit (DF) revenue receivable is paid to the Group over a period of 12 months from financial year end, as per the ageing in the table provided.

The Directors are therefore satisfied that there are no significant financing components due to the spread of the timing of the receipts, all of which fall within 12 months.

The Group applies the following forward-looking assumptions, historical information and calculations in calculating the ECL associated with this debtor:

- The class (quality) mix of the fruit is assessed, based on the actual bin reports received from TAD.
- Approximately 60% of the Group's fruit delivered to TAD is exported, therefore the Group benefits from a weak Rand.
- TAD take forward cover on a proportion of its fruit, and advises the Group this rate, which is used to calculate this portion of delivered DF.

The remainder of fruit is sold on the open and export market at spot.

- Forecast ZAR FX rates to the US $, GBP and Euro are calculated for the balance of fruit to be exported.
- A downward price risk factor of 5% is then applied to all fruit which is not hedged for price.
- TAD in its 20-year history has never defaulted on its payment obligations to the Group.
- The Group owns 16.51% (2020: 16.68%) of TAD, which has a net asset value of R484 million (2020: R453 million).
- The risk of credit loss to the Group given TAD's balance sheet and the liquidity of its trading stock is remote. Trading stock is insured by TAD.
- By 31 March each following year, all DF debtors are fully settled.

The Directors have therefore concluded based on historical information and forward-looking assumptions provided, that in assessing an appropriate loss allowance to TAD, any loss allowance that will be determined will be immaterial to Group earnings.

3. Banana revenue receivables

The banana revenue accrual raised at year-end is based on the actual pool deliveries to the Group's banana customer.

Historically the accrual is always settled within one month of financial year-end. Nevertheless an immaterial ECL was calculated for this debtor at year-end. Refer to note 38 which deals with the sensitivity analysis of the price of a carton of bananas, which is negligible, due to the fact that revenue proceeds from banana deliveries over year-end are received within two weeks of the new financial year.

37. Financial instruments continued

37.3 Credit risk management continued

4. Sugar cane revenue receivables

The sugar cane revenue accrual raised at year-end relates to the final Illovo Sugar retention due to the Zambia operation and ERC price adjustment.

Historically payment has always been settled with the Group shortly after year-end, and this customer has never defaulted on payment to the Group.

Therefore at year-end, and considering the impact of forward-looking information, the Directors assessed an immaterial ECL for this debtor.

5. Macadamia revenue receivables

The macadamia revenue accrual raised relates to the final remittance payment due from Mayo Mac.

Historically payment has always been settled with the Group shortly after year-end, and this customer has never defaulted on payment to the Group.

Therefore at year end, and considering the impact of forward-looking information, the Directors assessed an immaterial ECL for this debtor.

6. Other receivables

Other receivables consists of the following sundry receivables and deposits:

- R8.35 million relating to proceeds of the High Noon sale that is held in Escrow. Refer to note 9 for further details regarding the recoverability.
- Deposits for macadamia trees of R2.1 million and R0.9 million deposit for the upgrade of the macadamia curing facility. The companies are reputable and have historically fulfilled orders under the same payment terms.
- R2 million relates to Eskom deposits, which are fully refundable in exchange for electricity insurance guarantees.
- R0.3 million was owed to the Group's Libcro subsidiary from the Libuyile Community Trust (LCT), for various labour and consumable costs paid on behalf of the community. Per the signed resolution with the LCT, the group is entitled to deduct these costs off the quarterly lease rentals payable to the LCT.
- R0.8 million refund due from the Compensation Commissioner as a result of the restructure of payrolls across the Group. The Directors consider the amount recoverable, as the refund will be set off against future submissions.

The balance of other receivables consist of various sundry receivables and refundable deposits which are considered to be individually immaterial.

37.4 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposure is currently not hedged though the use of forward exchange contracts, or any other derivative financial instruments, but rather managed by the Board of Directors.

Besides the Republic of South Africa, the Group also operates in Eswatini, Zambia and Mozambique, the local currencies being the Emalangeni (E), Kwacha (ZMW) and Metical (MZN) respectively. The Eswatini Emalangeni ranks 1:1 with the South African Rand (ZAR), therefore no foreign currency translation differences arise when translating Eswatini monetary assets and monetary liabilities.

Year end spot rates applied by group	2021	2020
ZAR/MZN	4.6665	3.7681
USD/MZN	69.1611	67.3559
ZAR/ZMW	1.4903	1.0068
USD/ZMW	22.1094	18.0278
USD/ZAR	14.8349	17.9092

The functional currency of the Group's Mozambican operations changed to ZAR in the 2017 year, hence the shareholder loan accounts owing from these companies are also ZAR denominated, therefore not subject to foreign currency fluctuations. The Mozambique operations do, however, hold bank accounts, trade receivables and payables denominated in MZN, which are subject to foreign currency fluctuations against the ZAR.

37. Financial instruments continued

37.4 Foreign currency risk management continued

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Liabilities		Assets	
	2021	2020	**2021**	2020
Bank accounts (USD)	**–**	–	**38 830**	6 095
Bank accounts (MZN)	**–**	–	**1 082**	282
Bank accounts (ZMW)	**–**	–	**5 336**	2 798
Trade and other receivables (MZN)	**–**	–	**14 491**	15 381
Trade and other receivables (ZMW)	**–**	–	**3 332**	3 648
Interest-bearing shareholder loan (ZMW)	**1 072**	715	**–**	–
Interest-bearing term loan (USD)	**45 494**	–	**–**	–
Trade and other payables (MZN)	**2 062**	7 336	**–**	–
Trade and other payables (ZMW)	**1 047**	2 057	**–**	–
	49 675	10 108	**63 071**	28 204

Sensitivity analysis

The following table details the Group's sensitivity to a 10% devaluation and appreciation in the Rand against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit or equity where the Rand strengthens 10% against the relevant currency. For a 10% weakening of the Rand against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

	USD impact		MZN impact		ZMW impact	
	2021 R'000	2020 R'000	**2021 R'000**	2020 R'000	**2021 R'000**	2020 R'000
Profit or loss and equity*	**8 432**	610	**(1 135)**	(776)	**412**	192

* *From the above table, it is evident that a 10% change in the value of the Rand against the other currencies, will have a material impact on profit or loss and equity of the Group, particularly in terms of the Group's exposure as a result of the AgDevCo term loan granted to Murrimo, which is USD denominated. The sensitivity analysis is also not a complete representation of the inherent foreign exchange risk in the trading and economic environment of Zambia during the current and prior financial years. This is because the reporting period-end ZMW spot rate does not reflect the extreme month-on-month fluctuations in the average ZMW rate during the current and prior financial year. Likewise, the month-on-month average USD and MZN exchange rates remained extremely volatile against the ZAR throughout the current and prior financial year, while the ZMW weakened severely against the ZAR in the current and prior financial year.*

37.5 Commodity price risk management

The Group is exposed to commodity price risk based on the various commodities it trades in and geographic territories it operates in. The sugar price in South Africa, Eswatini and Zambia are government protected and regulated prices, therefore cannot be hedged by the Group. In South Africa, the sale of sugar on the world market, as well as the related hedging activities, is undertaken by the South African Sugar Association (SASA). Sugar cane price risk in Eswatini is not hedged by the Group and neither is foreign currency fluctuations relating to sugar cane sales in Zambia.

The Group's deciduous crop is subject to price and foreign currency risk arising from foreign currency fluctuations, for which the Group's marketing partner, Two-a-Day group enters into currency contracts for its export sales.

Commodity price risk arises from fluctuations in the prices for bananas sold in the local market. The Group, through its association with Lebombo Growers Proprietary Limited (see note 22), markets the sale of bananas to receive the best possible prices. The price of bananas per carton is largely driven by demand and supply, and cannot be hedged by the Group.

The Group's macadamia development produced its third harvest of nuts during the current reporting period. Commodity price risk arises in the form of demand and supply, based on the changing appetites of consumers around the world due to the health benefits of macadamia nuts. Foreign exchange risk is hedged by the Group's co-op partner Mayo Macs SA. The other customer Green Farms, pays the Group in Rands. The rest paid in USD for its purchase of macadamia nuts from the Group.

Refer to note 38 for a price sensitivity analysis performed over the commodities of the Group.

37. Financial instruments continued

37.6 Capital management

The Group manages its capital to ensure that it will be able to continue as a going-concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy is to maximise the internal rate of return associated with capital projects of an expansion, improvement and replacement nature, and remains unchanged from 2020. See note 40 for the budgeted capital expenditure of the Group.

The capital structure of the Group consists of net debt (bank overdraft and facilities and interest-bearing borrowings as detailed in note 29 offset by cash and bank balances) and equity (comprising issued share capital, reserves, retained earnings and non-controlling interests as detailed in note 28).

The Group is exposed to externally imposed capital requirements. See note 29.8 for details of financial institution imposed encumbrances and requirements.

The Group Risk Committee reviews the capital structure of the Company on a semi-annual basis, whilst the Board of Directors reviews the capital structure on an ongoing basis. As part of this review, the Directors considers the cost of capital and the risks associated with each class of capital. The Group has a target financial gearing ratio of 25% to 30%. This target financial gearing ratio is determined as interest-bearing debt, expressed as a percentage of shareholders' funds.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

	Group		Company	
	2021	2020	**2021**	2020
Debt[1]	**219 045**	291 976	**75 000**	142 000
Cash and bank balances[2]	**(73 614)**	(22 767)	**(443)**	(177)
Net debt	**145 431**	269 209	**74 557**	141 823
Equity[3]	**1 089 667**	1 065 938	**784 252**	785 266
Net debt to equity ratio	**13.35%**	25.26%	**9.51%**	18.06%

[1] *Debt comprises bank overdraft, facilities and interest-bearing debt (non-current and current) as disclosed in note 29. For the purposes of the gearing ratio, the interest-free loan relating to the obligation to return leased farmland (see note 30) is excluded from debt, as this liability is offset by an opposite but equal bearer asset (see note 15).*

[2] *Cash and bank balances include all bank balances, call and notice deposits.*

[3] *Equity includes all capital and reserves of the Group that are managed as capital (see note 28).*

The gearing ratio at the end of the current reporting period for both the Group and Company (see above) was in line with the Group's target range.

38. Fair value measurements

The Directors are of the opinion that the carrying value of financial assets and liabilities does not exceed their approximate fair value. Where the carrying amount of each class of financial assets and financial liabilities are a reasonable approximation of the fair value, the respective fair values are not disclosed.

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 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
2021				
Investment property	**–**	**67 152**	**–**	**67 152**
Financial assets	**–**	**–**	**4 626**	**4 626**
Biological assets	**–**	**–**	**286 509**	**286 509**
	–	**67 152**	**291 135**	**358 287**
2020				
Investment property	–	41 782	–	41 782
Financial assets	–	–	4 582	4 582
Biological assets	–	–	245 511	245 511
	–	41 782	250 093	291 875

The above assets are measured at fair value on a recurring basis. There have been no material transfers between level 1 and 2 of any financial assets in the current financial reporting period. The fair values of other financial assets under IFRS 9 are not readily determinable, therefore the Directors have measured these investments at cost, which they assess to be the closest approximation of fair value.

The following table gives information about how the fair values of these assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets/ financial liabilities	Fair value as at 2021	Fair value as at 2020	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable inputs to fair value	Relationship of unobservable inputs to fair value
Investment property	**67 152**	41 782	Level 2	Relevant selling price per square metre with respect to similar residential units or number of bedrooms.	None.	None.
Financial assets	**4 626**	4 582	Level 3	Fair value approximates cost.	None.	None.
Biological assets	**286 509**	245 511	Level 3	Discounted cash flow. Current estimated market prices for the following season, less the estimated costs of harvesting, transport, packing and point-of-sale costs.	Estimated price, yield and inflation is subject to fluctuation and change. Prices are not based on published or quoted market and commodity listings.	In arriving at the fair value, the estimated price is applied against the expected area to harvest, together with the estimated yields and average maturity of the crop.

38. Fair value measurements continued

The Group's growing crops and agricultural produce are measured at fair value which is determined using estimated unobservable inputs and is categorised as level 3 under the fair value hierarchy. The unobservable inputs are disclosed in the fair value hierarchy.

The Group's valuation policy and methodology are fully disclosed in the accounting policies in note 3.12. The assumptions and valuation inputs are disclosed in notes 17, 20 and 23.2.

Changes in the fair value of biological assets are included in profit or loss, with an increase of R58.5 million (2020: decrease of R12.9 million) being recognised in profit or loss in the current year. A reconciliation of the change in fair value for the year is included in note 23.1.

	Group	
Sensitivity analysis	2021 R'000	2020 R'000
The impact of a 5% change in the price of biological assets up or (down) will have the following positive or (negative) effect on pre-tax profit or loss:		
Sugar cane	12 586	11 742
Deciduous fruit	1 100	979
Bananas	1 370	1 380
Macadamias	2 298	1 270
	17 354	15 371
The impact of a 5% change in the packout of biological assets from Class 1 to juice will have the following negative effect on pre-tax profit or loss:		
Deciduous fruit	(1 272)	(1 218)
The impact of a 5% change in the packout of biological assets from Class 1 to Class 3 will have the following negative effect on pre-tax profit or loss:		
Deciduous fruit	(2 039)	(1 669)
The impact of a 5% change in the price of deciduous deliveries over year-end (revenue receivables) will have the following negative effect on pre-tax profit or loss:		
Deciduous fruit	(2 673)	(3 640)
The impact of a 5% change in the packout of deciduous deliveries over year-end (revenue receivables) from Class 1 to Class 3 will have the following negative effect on pre-tax profit or loss:		
Deciduous fruit	(3 230)	(4 479)

The impact of a 5% change in the price of a carton of bananas has a negligible effect on pre-tax profit or loss. Likewise, revenue proceeds from banana deliveries over year-end are received within two weeks of the new financial year. The revenue is essentially accrued for at this actual value received, hence there is no price movement due to the passage of time between accrual and actual receipt.

39. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation at a Group level. Details of transactions between the Group and other related parties are disclosed below.

39.1 Trading transactions

During the current reporting period, the Group entities and Company entered into the following trading transactions with related parties.

	Group					
	Balances owing from/(to)		Sale of goods and services		Purchase of goods and services	
	2021 R'000	2020 R'000	**2021 R'000**	2020 R'000	**2021 R'000**	2020 R'000
Silverlands Mozambique Holdings Limited						
Management fees(1)	**–**	–	**1 974**	1 247	**–**	–
Current account(5)	**(9 257)**	–	**–**	–	**–**	–
Loan to joint venture(8)	**21 217**	8 915	**–**	–	**–**	–
Lebombo Growers (Pty) Ltd						
Banana marketing and transport costs paid	**–**	–	**–**	–	**(27 415)**	(39 382)
Current account(5)	**237**	(2 569)	**–**	–	**–**	–
Banana pool accrual	**4 818**	6 406	**–**	–	**–**	–
Loan to associate(8)	**2 305**	5 474	**–**	–	**–**	–
Mpambanyoni Sand (Pty) Ltd						
Loan to associate(8)	**50**	50	**–**	–	**–**	–

Details of investments in joint venture and associates are set out in note 22, and are equity accounted.

Related party loans are mostly unsecured current and shareholder loan accounts that are settled in cash, according to standard credit terms, being 30 days, 60 days or 90 days. All loans are unsecured, interest-free and are settled in cash considerations.

Repayment of the Silverlands/QBV loan takes place over a 60- to 90-day credit term, subject to exchange control regulations and withholding tax considerations. Lebombo repayments of loans occur annually. The Mpambanyoni Sand loan is immaterial.

39. Related party transactions continued

39.1 Trading transactions continued

	Company					
	Balances owing from/(to)		Sale of goods and services		Purchase of goods and services	
	2021 R'000	2020 R'000	2021 R'000	2020 R'000	2021 R'000	2020 R'000
Silverlands Mozambique Holdings Limited						
Management fees(1)	–	–	875	478	–	–
Loan to joint venture(8)	9 486	5 448	–	–	–	–
Mpambanyoni Sand (Pty) Ltd						
Loan to associate(8)	50	50	–	–	–	–
Crookes Brothers South Africa (Pty) Ltd						
Directors fees received(2)	–	–	–	368	–	–
Management fees(1)	–	–	13 045	11 215	–	–
Interest received(3)	–	–	9 105	18 047	–	–
Current account(5)	14 512	5 799	–	–	–	–
Loan to subsidiary(7)	54 576	163 003	–	–	–	–
Libcro Farming (Pty) Ltd						
Directors fees received(2)	–	–	241	228	–	–
Management fees(1)	–	–	3 036	289	–	–
Surety fees received(4)	–	–	125	249	–	–
Current account(5)	27	445	–	–	–	–
Mawecro Farming (Pty) Ltd						
Directors fees received(2)	–	–	1 800	1 800	–	–
Management fees(1)	–	–	1 924	2 834	–	1 083
Surety fees received(4)	–	–	233	690	–	–
Interest received(3)	–	–	99	429	–	–
Instalment sale receivable(6)	–	2 931	–	–	–	–
Current account(5)	(9)	1 992	–	–	–	–
Crookes Plantations Limited						
Management fees(1)	–	–	362	1 395	–	–
Current account(5)	308	–	–	–	–	–
Loan to subsidiary(7)	(134 391)	(145 893)	–	–	–	–
Bar J Limited						
Loan to subsidiary(7)	(97)	(97)	–	–	–	–
CBL Agri International (Pty) Ltd						
Dividend received	–	–	3 000	2 932	–	–
CBL Agri Zambia Limited						
Management fees(1)	–	–	230	984	–	–
Interest received(3)	–	–	49	40	–	–
Current account(5)	184	–	–	–	–	–
Loan to subsidiary(7)	1 072	715	–	–	–	–
Mozambique Farms (Pty) Ltd						
Loan to subsidiary(7)	686	686	–	–	–	–
Murrimo Macadamias Lda						
Management fees(1)	–	–	1 408	2 755	–	–
Loan to subsidiary(7)	402 036	382 918	–	–	–	–

39. Related party transactions continued

39.1 Trading transactions continued

	Company					
	Balances owing from/(to)		Sale of goods and services		Purchase of goods and services	
	2021 R'000	2020 R'000	**2021 R'000**	2020 R'000	**2021 R'000**	2020 R'000
Murrimo Farming Lda						
Loan to subsidiary[7]	**19 446**	19 446	**–**	–	**–**	–
QBV South Africa (Pty) Ltd						
Loan to subsidiary[7]	**1**	–	**–**	–	**–**	–
Renishaw Property Developments (Pty) Ltd						
Directors fees received[2]	**–**	–	**–**	50	**–**	–
Management fees[1]	**–**	–	**1 256**	1 176	**–**	–
Surety fees received[4]	**–**	–	**1 407**	1 200	**–**	–
Interest received[3]	**–**	–	**13 494**	18 190	**–**	–
Current account[5]	**1 207**	729	**–**	–	**–**	–
Loan to subsidiary[7]	**199 327**	198 398	**–**	–	**–**	–

(1) *Management fees are charged to Group companies based on actual time spent by head office employees, multiplied by their hourly salary rates. A 50% mark-up is added to cover additional indirect costs.*

(2) *Directors fees are charged to the Group companies, based on the representation on these respective Company Boards by the Company's Directors. There are typically four Board meetings held a year.*

(3) *Refer to note 21 for details of interest charged on these unsecured working capital loans.*

(4) *Refer to note 3.3 for details of surety fees charged.*

(5) *These current accounts are typically settled within 30 days and are interest-free.*

(6) *This loan was fully settled on 31 March 2021.*

(7) *Refer to note 21 for details of the Company's loans to and from its subsidiaries.*

(8) *Refer to note 22 for details of the Group's investments in its related party joint venture and associates.*

Silverlands Mozambique Holdings Limited

The loan to Silverlands Mozambique Holdings Limited (SMHL), is in relation to the Group's equity accounted share of the QBV banana operation in Mozambique. See note 3.2. SMHL owes the Group R21.2 million, of which the company is owed R9.5 million. In the case of the Company, its 49.5% share of the net assets of SMHL amounts to R49.8 million, whilst the overall Group's share is R48.9 million. See note 22. In assessing the lifetime ECL for the loan to SMHL, the Directors considered the following forward-looking information:

- The QBV operation has concluded initial planting and has now commenced with harvest and sale of its bananas.
- Banana prices are still high, and with QBV exporting these bananas into neighbouring South Africa, the company benefits from earning hard currency prices.
- The Group and Silverstreet Capital are 100% shareholders in SMHL. The working capital loan in this context is a shareholder loan, which is fully within the control of the Group.
- The SMHL group is fully capitalised with US$4 million in equity, and a US$2 million OPIC loan. A further US$3 million in DFI funding was introduced in the current financial year.
- The loan will be settled partly out of proceeds from the $3 million DFI funding, together with trading profits realised from budgeted revenue of R37.8 million for the year ending 31 March 2022. At least 30% of the crop has already being harvested and sold at the time of the preparation of these financial statements.
- Given that this is effectively a shareholder loan to an associate, DFI funding of US$3 million has already been secured and the Group's EBITDA is in excess of the loan, management's assessment of ECL in this context is remote.

Based on the above mentioned forward-looking assumptions as well as the fact that the group's share of the current NAV of SMHL is R48.9 million, the Directors are satisfied that there is sufficient security over this loan as at 31 March 2021, and have therefore ascribed no loss allowance to this debtor.

39. Related party transactions continued

39.1 Trading transactions continued

Lebombo Growers (Pty) Ltd

The loan to Lebombo Growers is settled annually both in the form of producer reserve payments, as well as general shareholder loan repayments. Due to Lebombo being sufficiently capitalised, never having defaulted on payment to the Group as well as consistently repaying the shareholder loan account annually, the Directors assess that there is no credit risk associated with this loan and therefore concluded that no ECL is required.

39.2 Directors' emoluments

	Company						
Executive Directors and prescribed officers	Salary R'000	Take-on and exit bonus and relocation costs R'000	Bonus R'000	Retirement and medical contributions R'000	Share options exercised R'000	Other benefits R'000	Total R'000
Year to 31 March 2021							
KA Sinclair[(1)]	**3 158**	**–**	**750**	**489**	**–**	**97**	**4 494**
GL Veale[(2)]	**2 830**	**–**	**197**	**437**	**–**	**86**	**3 550**
RF Niven[(3)]	**2 358**	**–**	**145**	**327**	**–**	**70**	**2 900**
	8 346	**–**	**1 092**	**1 253**	**–**	**253**	**10 944**
Year to 31 March 2020							
GS Clarke[(4)]	3 771	1 026	–	187	–	180	5 164
KA Sinclair[(1)]	1 963	641	–	381	–	58	3 043
GL Veale[(2)]	2 522	–	197	494	–	96	3 309
RF Niven[(3)]	1 716	60	145	317	–	100	2 338
	9 972	1 727	342	1 379	–	434	13 854

(1) *Appointed 1 August 2019.*
(2) *Resigned 30 April 2021.*
(3) *Prescribed officer – appointed 1 April 2019.*
(4) *Resigned 31 July 2019.*

	Company			
	Directors' fees		Committee fees	
Non-executive Directors	2021 R'000	2020 R'000	2021 R'000	2020 R'000
MT Rutherford (Chairman)	**528**	500	**132**	125
RGF Chance	**237**	225	**211**	215
TJ Crookes	**237**	225	**63**	60
TK Denton	**237**	225	**79**	75
P Mnganga	**237**	225	**127**	120
LW Riddle[(1)]	**237**	225	**190**	180
G Vaughan-Smith	**237**	225	**55**	30
ST Xaba[(2)]	**237**	–	**32**	–
	2 187	1 850	**889**	805

(1) *Appointed 25 April 2019.*
(2) *Appointed 23 April 2020.*

See note 36 for details of Directors' and management share options granted and unexpired as at 31 March 2021.

Details of Directors' interests in share capital have been disclosed in the Directors' report. All Directors of the Company have confirmed that they were not materially interested in any contract of significance with the company or any of its subsidiaries which could have resulted in a conflict of interest during the year.

39. Related party transactions continued

39.3 Shareholder information

	Group and Company	
	Number of shares	Percentage of shares in issue
Beneficial shareholders with a holding greater than 5% of the shares in issue		
Silverlands (SA) Plantations Sarl	6 838 444	44.8
Oasis Asset Management	875 053	5.7
Ellingham Estate (Pty) Ltd	840 000	5.5
	8 553 497	56.0

40. Budgeted capital expenditure

	Group	
	2021 R'000	2020 R'000
Authorised by the Directors but not yet contracted		
– expansion and project development	30 427	8 218
– improvement	22 523	4 143
– replacement	13 664	4 760
– bearer asset planting	30 153	9 808
	96 767	26 929

The authorised budgeted capital expenditure for the following financial year includes the following Group capital requirements:

- R26.3 million for the expansion of the Mozambique macadamia segment by a further 84.3ha, which includes planting costs of R8.3 million.
- R19.0 million relating to investment in further sub-surface drip irrigation to achieve better cane yields.
- R13.7 million relating to replacement of the Group's irrigation infrastructure, farming vehicles, implements and other farming equipment necessary to achieve consistent yields and comply with safety standards.
- R5.6 million relating to the Group's Renishaw Property infrastructure and precinct development.
- R1.7 million relating to capital costs associated with planting of 72.5ha of bananas in Eswatini.
- R30.1 million relating to planting and replant costs associated with the Group's cane, deciduous and banana farms.

The above expenditure will be funded from the Group's liquid resources, shareholder loans, short-term borrowing facilities, term loans and instalment sale agreements.

41. Events after the reporting period

Refer to note 36.3 for details regarding the approval of the group's deferred bonus share scheme, which was approved subsequent to year-end.

Subsequent to year-end, discussions have been held with the Group's bankers to restructure the term of the Group's current demand facility debt. The present R100 million RMB facility will be restructured into a R65 million four-year term facility, with the balance of R35 million remaining as a current demand facility.

Through its property division, the Group has concluded the sale of a portion of land to a buyer, to be used as a hospital site. The deed of transfer was not yet completed as at the date of finalisation of these financial statements.

There were no other major changes in the affairs or financial position of the Group or its subsidiary companies since the end of the current reporting period.

42. Comparative figures

During the current reporting period, comparative information relating to the statement of profit or loss and statement of financial position was reclassified to provide more meaningfully information to users.

These restatements do not constitute corrections of prior period errors, nor do they impact profit or loss, earnings per share (EPS), headline earnings per share (HEPS) or total assets.

The reclassification changes and related effects on the statements of profit or loss and financial position are as follows:

		Group
		2020 R'000
42.1	**Disaggregation of the various components of cost of sales – no change to profit or loss, EPS or HEPS as previously reported.**	
	Statement of profit or loss	
	As previously reported	
	Cost of sales	(490 018)
	Restated	
	Direct costs	(82 168)
	Agricultural costs	(191 536)
	Distribution expenses	(34 156)
	Allocated overhead costs	(128 878)
	Property development cost of sales	(53 280)
	Net effect on profit or loss	–
42.2	**Impairment losses recognised on receivables split out of operating expenses and shown separately – no change to profit or loss, EPS or HEPS as previously reported.**	
	Statement of profit or loss	
	As previously reported	
	Operating and administrative expenses	(90 626)
	Restated	
	Impairment losses recognised on receivables	(543)
	Operating and administrative expenses	(90 083)
	Net effect on profit or loss	–

		Group	Company
		2020 R'000	2020 R'000
42.3	**Reclassification of unsecured loans to financial assets – no change to total assets as previously reported.**		
	Statement of financial position		
	As previously reported		
	Financial assets – non-current	4 935	95
	Unsecured loans	5 345	5 345
	Restated		
	Financial assets – non-current	10 280	5 440
	Net effect on total assets	–	–

43. Impact of COVID-19

As reported in the prior year, the effects of the pandemic have had little to no effect on the Group's farming operations. The largest effects of the pandemic have been felt in the Group's property segment. Disruptions that have affected the property segment range from lockdown restrictions which temporarily shut down the building industry, to closure of the deeds office. The building industry shut down had the effect of curtailing the Group's building operations, delaying the completion of residential units to sell. The closure of the deeds office delayed the transfer of completed units to purchasers as well as payment of the sales proceeds to the Group. Whilst lockdown restrictions have since been eased, by reporting period-end, the pandemic impacted profitability in the form of lost net revenue and lost RTO fair value gains totalling R7.3 million in aggregate.

44. Going concern

The Directors believe that the Group and Company has adequate resources to continue in operation for the foreseeable future and the financial statements have therefore been prepared on a going-concern basis.

Corporate information

Company name:	Crookes Brothers Limited
Registered office:	170 Flanders Drive, Mount Edgecombe, 4301
Postal address:	PO Box 611, Mount Edgecombe, 4300
Telephone:	031 508 7340
Email:	info@cbl.co.za
Website:	www.cbl.co.za
Share code:	CKS
Company registration number:	1913/000290/06
Company secretary:	Ziyanda Ngwenya
Business address:	170 Flanders Drive, Mount Edgecombe, 4301
Postal address:	PO Box 611, Mount Edgecombe, 4300
Telephone:	031 508 7372
Email:	zngwenya@cbl.co.za
Transfer secretaries:	Computershare Investor Services (Proprietary) Limited
Business address:	Rosebank Towers, 15 Biermann Ave, Rosebank, 2196
Postal address:	PO Box 61051, Marshalltown, 2107
Telephone:	011 370 5000
Telefax:	011 688 5200
Auditors:	BDO South Africa Incorporated
Attorneys:	Livingston Leandy Inc. Webber Wentzel
Bankers:	FirstRand Bank Limited Investec Bank Limited
Sponsor:	Sasfin Capital (A division of Sasfin Bank Limited)

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