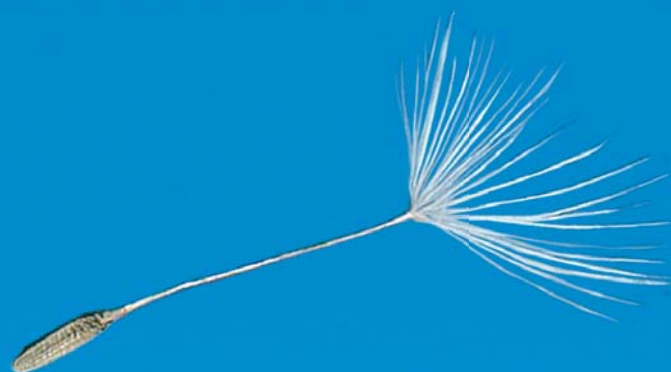


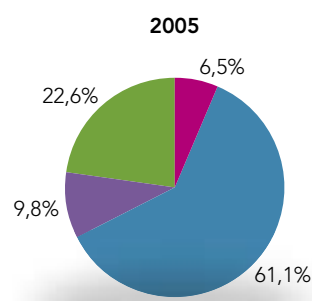
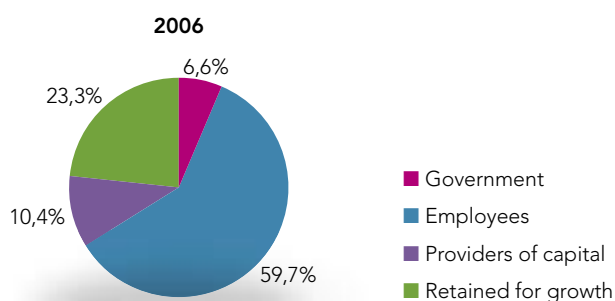


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Value added statement

"Value added" is the value which the Group has added to purchased materials and goods by the process of manufacture and conversion, and the sale of its products and services. This statement shows how the value so added has been distributed.

	2006		2005	
	R'000	%	R'000	%
Revenue	77 276 491		62 811 776	
Net cost of raw materials, goods and services	(63 481 364)		(50 924 168)	
Wealth created by trading operations	13 795 127		11 887 608	
Finance income	116 465		67 608	
Total wealth created	13 911 592	100,0	11 955 216	100,0
Distributed as follows				
Employees				
Benefits and remuneration	8 311 320	59,7	7 303 711	61,1
Government				
Current taxation	915 538	6,6	775 133	6,5
Providers of capital	1 448 198	10,4	1 168 943	9,8
Finance charges	432 606	3,1	339 039	2,8
Distributions to shareholders	1 015 592	7,3	829 904	7,0
Retained for growth	3 236 536	23,3	2 707 429	22,6
Depreciation	847 819	6,1	746 198	6,2
Profit for the year attributable to shareholders of the Company	2 388 717	17,2	1 961 231	16,4
	13 911 592	100,0	11 955 216	100,0



Exchanges with government

including amounts collected on their behalf

	2006 R'000	2005 R'000
Employee taxes	1 565 078	1 476 400
Company taxes	915 538	775 133
Value added tax and sales tax	3 985 122	3 623 861
Customs and excise duty	7 913 163	6 138 634
Other	311 728	305 075
	14 690 629	12 319 103
Payable to		
South African authorities	12 902 867	10 736 884
Other	1 787 762	1 582 219
	14 690 629	12 319 103

Directors' responsibility for the financial statements

To the members of The Bidvest Group Limited

The directors are responsible for monitoring the preparation and integrity of the financial statements and related information included in this report.

In order for the board to discharge its responsibilities, management has developed and continues to maintain a system of internal control. The board has ultimate responsibility for the system of internal control and reviews its operation primarily through the audit and risk committees.

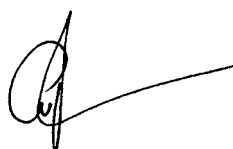
The internal controls include a risk-based system and accounting and administrative controls designed to provide reasonable, but not absolute, assurance that assets are safeguarded and that transactions are executed and recorded in accordance with generally accepted business practices and the Group's policies and procedures. These controls are implemented by trained, skilled personnel with appropriate segregation of duties; are monitored by management and include a comprehensive budgeting and reporting system, operating within strict deadlines and an appropriate control framework.

As part of the system of internal control, the Group's internal audit functions conduct operational, financial and specific audits and co-ordinate audit coverage with the external auditors. The external auditors are responsible for reporting on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards. The financial statements are based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of internal controls and systems has occurred.

The directors believe that the Group will be a going concern in the year ahead. For this reason, they continue to adopt the going concern basis in preparing the Group financial statements.

The financial statements for the year ended June 30 2006, set out on pages 8 to 10 and 125 to 187, were approved by the board of directors on September 1 2006 and are signed on its behalf by:



Cyril Ramaphosa
Non-executive chairman



Brian Joffe
Chief executive

Declaration by company secretary

In my capacity as company secretary, I hereby confirm, in terms of the Companies Act, 1973, that for the year ended June 30 2006, the Company has lodged with the Registrar of Companies, all such returns as are required in terms of this Act and that all such returns are true, correct and up to date.



Margaret David
Company secretary

September 1 2006

Report of the independent auditors

To the members of The Bidvest Group Limited

We have audited the financial statements and Group financial statements of The Bidvest Group Limited set out on pages 8 to 10 and 125 to 187 for the year ended June 30 2006. These financial statements are the responsibility of the directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company and of the Group at June 30 2006 and the results of their operations and cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa.

KPMG Inc.

Registered Auditor



Per G Aldrighetti

Chartered Accountant (SA)

Registered Auditor

Director

September 1 2006

Directors' report

The directors have pleasure in presenting their report and audited financial statements for the year ended June 30 2006.

Nature of business

The Company is an investment holding company with subsidiaries operating in services, trading and distribution. Details of the Group's activities are included in the review of operations.

Financial reporting

The directors are required by the Companies Act to produce financial statements which fairly present the state of affairs of the Company and the Group as at the end of the financial period and the profit or loss for that period, in conformity with International Financial Reporting Standards (IFRS) and the Companies Act.

The financial statements as set out in this report have been prepared by management in accordance with IFRS and the Companies Act, and are based on appropriate accounting policies, which are supported by reasonable and prudent judgements and estimates.

The directors are of the opinion that the financial statements fairly present the financial position of the Company and of the Group as at June 30 2006 and the results of their operations and cash flows for the year then ended.

The directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Group continues to adopt the going concern basis in preparing the financial statements.

Acquisitions and disposals

Total acquisitions amounted to R1,2 billion including the acquisition of Deli XL (refer note 11 of the Group financial statements).

The Group disposed of the businesses of Dartline and Lithotech France. In addition the Group disposed of or closed operations of a number of less significant businesses (refer note 12 of the Group financial statements).

Results of operations

The results of operations are dealt with in the consolidated income statement, segmental analysis and review of operations.

Share capital

The Company issued 4 756 648 ordinary shares of 5 cents each at premiums of between R9,50 and R68,25 per share, in terms of the Bidvest Incentive Scheme.

Purchase of own shares

In terms of general authorities granted to the Company to repurchase its ordinary shares, the latest being shareholder authority obtained at the last annual general meeting, a maximum of 64 084 350 ordinary shares could be acquired by the Company of which 32 517 840 can be acquired by its subsidiaries. A subsidiary acquired in the open market, a total of 5 022 818 ordinary shares at an average price of R101,30 per share.

Distribution out of share premium in lieu of dividend

A cash distribution out of share premium of 172,2 cents per share, in lieu of a dividend, was awarded to shareholders on September 16 2005.

A cash distribution out of share premium of 162,0 cents per share, in lieu of a dividend, was awarded to shareholders on March 24 2006.

Directors' report

Subsequent to year end a cash distribution out of share premium of 207,0 cents per share, in lieu of a dividend, was awarded. The salient dates are as follows:

Distribution dates:

Last day to trade cum-distribution	Thursday, September 21 2006
Trading ex-distribution commences	Friday, September 22 2006
Record date	Friday, September 29 2006
Payment date	Monday, October 2 2006

Payments to shareholders

Approval was obtained at the annual general meeting for the Company to make payments which would reduce its share capital, share premium, reserves and/or any capital redemption reserve fund in terms of section 90 of the Companies Act.

Shareholders will be requested at the forthcoming annual general meeting of the Company to be held on October 26 2006 to consider the ordinary resolution to pay by way of a reduction of share capital or share premium, in lieu of a dividend, an amount equal to the amount which directors of the Company would have declared and paid out of profits in respect of the Company's interim and final dividend for the financial year ending June 30 2007.

Shareholders will further be requested to consider the special resolution to adopt new articles of association in order to incorporate amendments to the Companies Act, including the electronic transmission of documents and to take into account special resolutions passed since 1990, previously approved by shareholders.

Directorate

The following changes to the board were recorded:

Appointments	Effective date
DE Cleasby (alternate to P Nyman)	June 28 2006
AW Dawe	June 28 2006
NG Payne	June 28 2006
FDP Tlakula	June 28 2006

Resignations	
NA Cassim	June 28 2006
M Chipkin	June 28 2006
LI Chimes	June 28 2006
AM Griffith	June 28 2006
RW Graham	December 31 2005
HL Greenstein	June 28 2006
TH Reitman	June 28 2006
DK Rosevear	June 28 2006
CE Singer	June 28 2006
PC Steyn	November 30 2005
PD Womersley	June 28 2006

In terms of the Company's articles of association the following directors retire at the forthcoming annual general meeting:

DDB Band, BL Berson, LG Boyle, MBN Dube, LI Jacobs, RM Kunene, D Masson and SG Pretorius retire by rotation. DE Cleasby, AW Dawe, NG Payne and P Tlakula retire in terms of article 53.3 of the articles of association. All the retiring directors are eligible and available for re-election.

The names of the directors who were in office during the period August 21 2005 to September 1 2006 and the number of meetings attended by each of the directors are:

Director	Board	Audit Committee	Executive Committee	Remuneration Committee	Nominations Committee	Risk Committee
Non-executive						
MC Ramaphosa	4/4					
DDB Band	3/4	5/6		3/3	2/2	
LG Boyle†	4/4		2/3			
AA Da Costa	4/4					
S Koseff	3/4					
RM Kunene	3/4					
G Marcus	3/4					
D Masson	4/4	6/6		3/3	1/2	2/2
BE Moffat	2/4	5/6				
JL Pamensky	3/4	6/6		3/3	2/2	
NG Payne	1/1	2/2				1/2
FDP Tlakula	1/1					
Executive						
B Joffe	4/4		3/3	3/3*	2/2	2/2
FJ Barnes	4/4					
BL Berson	4/4					
MC Berzack	3/4		3/3			2/2
AW Dawe	1/1		3/3			2/2
MBN Dube	3/4		3/3			
LI Jacobs	4/4		3/3			
CH Kretzmann	3/4		3/3			2/2
P Nyman	4/4	6/6	3/3	3/3		2/2
SG Pretorius	4/4		2/3			1/2
LP Ralphs	3/4		3/3			2/2
AC Salomon	4/4	6/6	3/3			2/2
Alternates						
DE Cleasby	1/1*	2/2*		1/1*		2/2
LJ Mokoena	n/a					
T Slabbert	2/2*				2/2	
Former directors						
NA Cassim	1/3	1/3				
M Chipkin	2/3					
LI Chimes	2/3					
AM Griffith	3/3					
RW Graham	1/1					
HL Greenstein	3/3*					
T Reitman	1/3					
DK Rosevear	3/3		2/3			
CE Singer	2/3					
PC Steyn	1/1					
PD Womersley	3/3					

* by invitation.

* representing BE Moffat.

† formerly an executive director.

Directors' interests

The aggregate interests of the directors in the capital of the Company at June 30 2006 were as follows:

	Number of shares	
	2006	2005
Beneficial	10 100 886	8 080 947
Non-beneficial	40 133 923	41 543 691
Options	3 837 283	6 478 533

Directors' report

Directors' shareholding

The individual beneficial interests declared by the current directors and officers in the Company's share capital at June 30 2006 held directly or indirectly were:

Director	2006		2005	
	Direct	Indirect	Direct	Indirect
BL Berson	8		8	
MC Berzack	41 456		41 456	
AA Da Costa		2 250 087		2 475 095
LI Jacobs		1 841 471		2 025 078
B Joffe	449 032		449 032	
S Koseff	8		8	
CH Kretzmann	10 731		10 731	
RM Kunene		400 000		440 000
LJ Mokoena		1 841 471		2 025 078
D Masson	8	3 028	8	3 028
P Nyman	87 761		87 761	
JL Pamensky	8		8	
SG Pretorius	25 000		25 000	
LP Ralphs	274 986		239 986	
MC Ramaphosa		2 700 000		
AC Salomon	175 831		175 831	
Former directors			82 839	
Total	1 064 829	9 036 057	1 112 668	6 968 279

The directors beneficially held the following BidBEE Limited securities and listed Bidvest options at June 30 2006:

Director	BidBEE Limited Securities		Bidvest options	
	2006	2005	2006	2005
BL Berson			1	1
MC Berzack	2	2	2 930	2 930
B Joffe			31 744	31 740
S Koseff	2	2	1	1
CH Kretzmann	1 896	1 896	759	759
D Masson	2	2	1	1
P Nyman	14 419	23 641	14 876	5 767
JL Pamensky	2	2	1	1
LP Ralphs	44 181	44 181	17 671	17 671
AC Salomon	12	12	13 490	13 490
Former directors		18 475		7 381
Total	60 516	88 213	81 474	79 742

In addition to the aforementioned holdings:

- B Joffe is a trustee and potential beneficiary of a discretionary trust holding 3 363 484 (2005: 3 363 484) shares;
- P Nyman is a trustee of various trusts holding 5 046 549 shares, 9 222 BidBEE Securities and 9 113 Bidvest options but has no beneficial interest in these shares, securities and options;
- D Masson and P Nyman are trustees of the Group's retirement funds which hold 783 724 shares, 67 098 BidBEE Securities and 26 837 Bidvest options. P Nyman is also a trustee of a Group medical aid society which holds 30 175 shares and 23 871 BidBEE Securities; and
- AA Da Costa, LI Jacobs, LJ Mokoena and RM Kunene are Directors and shareholders of Dinatla Investment Holdings (Pty) Limited ("Dinatla") and their indirect beneficial holdings have been included in the table of holdings. P Nyman and T Slabbert are also Directors of Dinatla but have no beneficial interest in Dinatla's shares. Dinatla hold 45 001 744 (2005: 45 001 744) shares.

The only director who was directly or indirectly interested in excess of 1% of the Company's issued share capital was B Joffe.

	2006	2005
Beneficial	449 032	449 032
Non-beneficial	3 363 484	3 363 484
	3 812 516	3 812 516

The interests of the directors remained unchanged from the end of the financial year to the date of this report.

Directors' remuneration

The remuneration paid to directors while in office of the Company during the year ended June 30 2006 are analysed as follows:

Executive	Basic remuneration R'000	Other benefits R'000	Retirement/medical benefits R'000	Cash incentives R'000	Total emoluments R'000	Share-based payment expense R'000	2006 Total R'000	2005 Total R'000
FJ Barnes	3 229	403	201	2 070	5 903	139	6 042	5 407
BL Berson	1 608	122	141	1 658	3 529	139	3 668	3 196
MC Berzack	2 130	227	385	2 100	4 842	1 027	5 869	4 705
MBN Dube	757	1	92	300	1 150	400	1 550	1 285
LI Jacobs	804	105	100	350	1 359	393	1 752	1 352
B Joffe	5 035	602	346	6 099	12 082	1 446	13 528	11 980
CH Kretzmann	1 630	125	195	750	2 700	1 027	3 727	3 517
P Nyman	1 199	92	108	700	2 099	682	2 781	2 387
SG Pretorius	2 065	112	312	3 000	5 489	657	6 146	5 494
LP Ralphs	1 988	344	231	1 600	4 163	1 027	5 190	3 961
AC Salomon	1 585	176	177	1 200	3 138	937	4 075	3 486
Former executive directors								
LG Boyle	1 212	118	275	–	1 605	907	2 512	2 863
LI Chimes	1 667	152	169	1 000	2 988	664	3 652	3 337
HL Greenstein	864	85	128	150	1 227	423	1 650	1 643
AM Griffith	604	320	123	698	1 745	405	2 150	2 569
DK Rosevear	1 931	155	325	360	2 771	1 066	3 837	3 986
CE Singer	865	100	162	475	1 602	391	1 993	1 828
PC Steyn	373	56	87	–	516	362	878	2 124
PD Womersley	1 104	70	236	500	1 910	423	2 333	2 147
RW Graham								1 781
2006 Total	30 650	3 365	3 793	23 010	60 818	12 515	73 333	69 048
2005 Total	29 177	4 890	3 790	21 042	58 899	10 149	69 048	

Non-executive	Directors' fees R'000	Other services R'000	Total emoluments R'000	Share-based payment expense R'000	2006 Total R'000	2005 Total R'000
DDB Band	39	89	128		128	150
NA Cassim	28	35	63		63	95
M Chipkin	28	59	87		87	86
AA da Costa	39		39		39	47
RW Graham†	3	36	39	286	325	–
S Koseff	33		33		33	21
RM Kunene	33		33		33	57
G Marcus	33		33		33	1
D Masson	39	239	278		278	254
BE Moffat	28	54	82		82	28
LJ Mokoena	17		17		17	23
JL Pamensky	33	104	137		137	223
MC Ramaphosa	360		360		360	360
TH Reitman	33		33		33	66
T Slabbert	28	6	34		34	23
Former directors						13
2006 Total	774	622	1 396	286	1 682	1 447
2005 Total	1 195	252	1 447	–	1 447	

† formerly an executive director.

No remuneration accrued to DE Cleasby, AW Dawe, NG Payne and FDP Tlakula from the date of their appointment to June 30 2006.

Directors' service contracts

Directors do not have fixed-term contracts.

Directors' and officers' disclosure of interest in contracts

During the financial year no contracts were entered into in which directors and officers of the Company had an interest and which significantly affected the business of the Group. The directors had no interest in any third party or company responsible for managing any of the business activities of the Group.

Details of the directors' outstanding share options

Director	Share options at June 30 2005		Share options exercised			Share options at June 30 2006	
	Number	Average price R	Number	Average price R	Benefit arising on exercise of options R'000	Number	Average price R
FJ Barnes	90 000	45,82	35 000	42,95	2 112	55 000	47,64
B Berson	78 000	43,36	36 000	37,28	2 006	42 000	48,56
MC Berzack	346 752	41,68	50 500	22,88	3 870	296 252	44,89
LG Boyle	450 000	44,87	95 000	39,91	5 850	355 000	46,20
MBN Dube	85 000	55,35				85 000	55,35
LI Jacobs	80 000	57,97				80 000	57,97
B Joffe	654 080	43,12	180 000	31,03	14 575	474 080	47,71
CH Kretzmann	575 001	44,63	100 000	37,50	6 399	475 001	46,13
P Nyman	539 300	41,17	13 100	29,47	1 230	526 200	41,68
SG Pretorius	135 000	58,11				135 000	58,11
LP Ralphs	650 000	43,29	35 000	31,00	1 825	615 000	43,99
AC Salomon	687 504	41,21	227 504	32,97	16 159	460 000	45,29
MA David (Secretary)	48 500	50,30	12 250	40,33	718	36 250	53,67
Appointed during the year	4 419 137	45,13	784 354	33,91	54 744	3 634 783	45,96
DE Cleasby						78 250	53,95
AW Dawe						124 250	48,86
Former directors							
LI Chimes	275 000	46,61	30 000	41,06	2 200		
RW Graham	126 250	42,72	33 750	41,73	1 616		
AM Griffith	133 500	46,97					
DK Rosevear	736 896	40,80	261 896	31,14	14 052		
CE Singer	153 500	46,30					
PC Steyn	148 500	44,30	67 500	40,23	3 843		
PD Womersley	266 500	42,96	146 250	39,17	8 868		
HL Greenstein	219 250	44,02	91 750	39,53	5 915		
Total	6 478 533	44,58	1 415 500	33,94	91 238	3 837 283	46,21

These options are exercisable over the period July 1 2006 to May 31 2015. A register of detailed options outstanding by tranche is available for inspection at the Company's registered office.

Secretary

Ms MA David is the company secretary. The business and postal addresses of the secretary, which are also the registered addresses of the Company, are reflected on page 204 of the report.

Subsidiaries and joint ventures

The attributable interest of the Company in the aggregate net profits and losses for the year of its subsidiaries and joint ventures was:

	2006 R'000	2005 R'000
Profits	2 421 210	2 037 359
Losses	(32 493)	(76 128)

Special resolutions

A special resolution was passed at the annual general meeting of shareholders held on November 3 2005 in regard to a general authority to enable the Company to acquire its own shares.

Special resolutions were passed by certain subsidiaries to accommodate the acquisition of various businesses, to amend articles of association and to change their names.

Accounting policies

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB). These are the Group's first consolidated financial statements prepared in terms of IFRS. IFRS 1, *"First time adoption of International Financial Reporting Standards"*, has been applied.

An explanation of how the transition to IFRS has affected the reported financial position, financial performance and cash flows is provided in note 39 of the Group financial statements and note 16 of the Company financial statements.

1. Basis of preparation

The consolidated financial statements are prepared on the historical cost basis except that derivative financial instruments, financial instruments held for trading and financial instruments classified as available for sale are stated at their fair value.

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

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Although estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances (the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources), the actual outcome may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made in the application of IFRS that have had an effect on the financial statements and estimates with a risk of adjustment in the next year are discussed in note 37.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and in preparing an opening IFRS balance sheet at July 1 2004 for the purposes of the transition to IFRS.

The accounting policies have been applied consistently by Group entities.

2. Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. Operating results of businesses acquired or disposed of during the year are included from or to the effective date of acquisition or disposal being the date that control commences until the date control ceases. The assets and liabilities of companies acquired are assessed and included in the balance sheet at their estimated fair values to the Group at acquisition date.

Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement. The Group's interests in joint ventures are accounted for using the proportionate consolidation method and its shares of the underlying assets, liabilities, income, expenditure and cash flow are included in the consolidated financial statements on a line-by-line basis from the date that joint control commences until the date joint control ceases.

Inter-group transactions and balances are eliminated on consolidation. Unrealised gains arising from transactions with jointly controlled entities are eliminated to the extent of the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The Company carries its investments in subsidiaries and joint ventures at cost less accumulated impairment losses.

3. Revenue

Revenue comprises amounts invoiced to customers for goods and services and includes finance charges, insurance premiums, gross billings, commissions related to clearing and forwarding transactions and excludes value added tax.

4. Revenue recognition

Dividends are recognised when the right to receive payment is established.

Interest is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

The sale of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue from services rendered is recognised in the income statement in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to the terms of the contracts.

Revenue relating to banking activities consists primarily of margins earned on the sale of foreign currency notes and coins, foreign exchange products and general commissions and transaction fees and is recognised when it is earned. Net profits on revaluation of foreign currency denominated assets and liabilities are also included in revenue.

Profits and losses from full maintenance motor contracts are recognised on termination of individual contracts. Provision is made for known losses during the contract period on an individual contract basis.

Insurance premiums are stated before deducting re-insurances and commissions, and are accounted for when they become due.

5. Non-current assets held for sale and discontinued operations

Immediately before classification as assets held for sale, the measurement of the assets (and all assets and liabilities in a disposal group) is brought up-to-date in accordance with applicable IFRS. Then, on initial classification as assets held for sale, non-current assets and disposal groups are recognised at the lower of the carrying amounts and fair value less costs to sell.

A discontinued operation results from the sale or abandonment of an operation that represents a separate major line of business or geographical area of operations and of which the assets, net profit or loss and activities can be distinguished physically, operationally and for financial reporting purposes. A subsidiary acquired exclusively with the view to resale is also classified as a discontinued operation. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

6. Distributions to shareholders

Distributions to shareholders are accounted for once they have been approved by the board of directors.

7. Financing income and charges

Financing income and charges comprise interest payable on borrowings calculated using the effective interest rate method, interest receivable on funds invested and dividend income on preference shares. The interest expense component of finance lease payments is recognised in the income statement using the effective interest rate method.

8. Capitalisation of expenditure/borrowing costs

Costs that are directly attributable to qualifying assets are capitalised. Qualifying assets are those that necessarily take a substantial period of time to prepare for their intended use or sale. Capitalisation continues up to the date that the assets are substantially complete. Capitalisation is suspended during extended periods in which active development is interrupted.

9. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks net of bank overdrafts, investment in money market instruments and variable rate cumulative redeemable preference shares, all of which are available for use by the Group unless otherwise stated.

10. Property, plant and equipment

Property, plant and equipment are reflected at cost to the Group company which first acquired them, less accumulated depreciation and accumulated impairment losses. The present value of the estimated cost of dismantling and removing items and restoring the site in which they are located is provided for as part of the cost of the asset. Depreciation is provided for on the straight-line basis over the estimated useful lives of the property, plant and equipment as follows:

Land	Stated at cost and not depreciated
Buildings	Up to 50 years
Leasehold premises	Over the period of the lease
Plant and equipment	5 to 20 years
Office equipment, furniture and fittings	3 to 15 years
Vehicles, vessels and craft	3 to 10 years
Rental assets	3 to 5 years
Capitalised leased assets	The same basis as owned assets.

Residual values, depreciation method and useful lives are reassessed annually.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the income statement as an expense when incurred.

11. Leases

Leases that transfer substantially all the risks and rewards of ownership of the underlying asset to the Group are classified as finance leases. Assets acquired in terms of finance leases are capitalised at the lower of fair value and the present value of the minimum lease payments at inception of the lease, and depreciated over the estimated useful life of the asset. The capital element of future obligations under the leases is included as a liability in the balance sheet. Lease payments are allocated using the effective interest rate method to determine the lease finance cost, which is charged against income over the lease period, and the capital repayment, which reduces the liability to the lessor.

Leases where the lessor retains the risks and rewards of ownership of the underlying asset are classified as operating leases. Operating leases, which have a fixed determinable escalation, are charged against income on a straight-line basis. Leases with contingent escalations are expensed as and when incurred.

12. Goodwill

Goodwill represents amounts arising on acquisition of subsidiaries, associates and joint ventures. All business combinations are accounted for by applying the purchase method. In respect of business acquisitions that have occurred since March 31 2004, goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired.

In respect of acquisitions prior to this date, goodwill is included on the basis of its deemed cost, being cost less accumulated amortisation at March 31 2004, which represents the amount recorded under previous South African Generally Accepted

Accounting policies

Accounting Practice. The classification and accounting treatment of business combinations that occurred prior to March 31 2004 have not been reconsidered in preparing the Group's opening IFRS balance sheet at July 1 2004.

Subject to the foregoing, goodwill is stated at deemed cost or cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate.

Negative goodwill arising on an acquisition is recognised directly in the income statement.

13. Intangible assets

Software development costs are capitalised and are stated at cost less accumulated amortisation and accumulated impairment losses.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses.

Expenditure on research, internally generated goodwill and brands is recognised in the income statement as an expense as incurred.

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Patents, trademarks, tradenames and other intangibles	3 to 12 years
Computer software	3 to 5 years

14. Impairment of assets

The carrying value of assets is reviewed at each balance sheet date to assess whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. Where the carrying value exceeds the estimated recoverable amount, such assets are written down to their recoverable amount.

The recoverable amount of cash-generating units to which goodwill is allocated is estimated annually on March 31 each year. For assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date.

Impairment losses are recognised whenever the carrying amount of the asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

Goodwill and indefinite-life intangible assets were tested for impairment at July 1 2004, the date of transition to IFRS, even though no indication of impairment existed.

When a decline in the fair value of an available for sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in

the income statement even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in the income statement is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in the income statement.

The recoverable amount of the Group's investments in held to maturity securities and receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (the effective interest rate is computed on initial recognition of these financial assets). Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing their value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of a held to maturity security or receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of an investment in an equity instrument classified as available for sale is not reversed through the income statement. If the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the impairment loss is reversed, with the amount of the reversal recognised in the income statement.

Impairment losses in respect of goodwill are not reversed.

In respect of other assets, impairment losses are reversed if there has been a change in the estimates used to determine the recoverable amount.

Impairment losses are reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

15. Taxation

Current taxation comprises tax payable calculated on the basis of the expected taxable income for the year, using the tax rates enacted or substantially enacted at the balance sheet date, and any adjustment of tax payable for previous years.

Deferred taxation is provided on the balance sheet liability method based on temporary differences between the tax base of an asset or liability and its balance sheet carrying amount. Temporary differences are differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax base. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the balance sheet date. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred taxation is charged to the income statement except to the extent that it relates to a transaction that is recognised directly in equity, or a business combination that is an acquisition. The effects on deferred taxation of any changes in tax rates is recognised in the income statement, except to the extent that it relates to items previously charged or credited directly to equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Secondary taxation on companies is accounted for as a tax charge in the income statement as incurred.

16. Associates

An associate is a company over which the Group has the ability to exercise significant influence over the financial and operating policies.

The equity method of accounting for associates is adopted in the Group financial statements. In applying the equity method, account is taken of the Group's share of accumulated retained earnings and movements in reserves from the effective dates on which the companies became associates and up to the effective dates of disposal.

The Company accounts for associates at cost less any accumulated impairment losses.

Goodwill inherent in the cost of an associate is accounted for in accordance with the Group's accounting policy for goodwill. This goodwill has been included in the carrying value of associates.

17. Foreign operations

Assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated into South African rand at rates of exchange ruling at the balance sheet date. Income, expenditure and cash flow items are translated into South African rand at rates approximating to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on translation are recognised directly in equity as a foreign currency translation reserve.

The revenues and expenses of foreign operations in hyperinflationary economies are translated to South African rand at the foreign exchange rates ruling at the balance sheet date. Foreign exchange differences arising on re-translation are recognised directly in a separate component of equity.

Acquisitions and disposals of foreign operations are accounted for at the rate ruling on the date of the transaction.

In respect of all foreign operations, any differences that arose before July 1 2004, the date of transition to IFRS, have been transferred to retained income.

18. Financial instruments/investments

Financial instruments are accounted for on transaction date and are initially measured at fair value, including transaction costs. The subsequent measurement of these instruments is dealt with as follows:

Listed and unlisted investments are classified as held for trading financial assets or available for sale financial assets.

Held for trading financial assets are stated at fair value, with any resultant gain or loss being recognised in the income statement.

Financial instruments classified as available for sale financial assets are carried at fair value with any resultant gain or loss being recognised directly in equity, except for impairment losses and, in the case of monetary items such as debt securities, foreign exchange gains and losses. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest bearing, interest calculated using the effective interest method is recognised in profit or loss.

Fair value of listed investments is calculated by reference to stock exchange quoted selling prices at the close of business on the balance sheet date. Fair value of unlisted investments is determined by using appropriate valuation models.

Investments that meet the criteria for classification as held to maturity financial assets are carried at amortised cost.

Financial instruments classified as held for trading or available for sale investments are recognised/derecognised by the Group on the date it commits to purchase/sell the investments. Securities held to maturity are recognised/derecognised on the day they are transferred to/by the Group.

Trade and other receivables originated by the Group are stated at fair value less impairment losses.

Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at balance sheet date.

Financial liabilities other than derivatives are recognised at amortised cost using the effective interest rate method.

Derivative instruments are measured at fair value.

Gains and losses arising from a change in the fair value of financial instruments that are not part of a hedging relationship, and with the exception of available for sale financial assets, are included in the income statement in the period in which the change arises.

Gains and losses arising from measuring the hedging instruments relating to a fair value hedge at fair value are recognised in the income statement.

Where a derivative financial instrument is used to economically hedge the foreign exchange exposure of a recognised financial asset or liability, no hedge accounting is applied and any gain or loss on the hedging instrument is recognised in the income statement.

Where a derivative is designated as a cash flow hedge, the effective part of the gains or losses from re-measuring the hedging instruments to fair value are initially recognised directly in equity. If the hedged firm commitment or forecast transaction results in the recognition of a non-financial asset or liability, the cumulative amount recognised in equity up to the transaction date is adjusted against the initial measurement of the non-financial asset or liability. The ineffective part of any gain or loss is recognised in the income statement immediately. For other cash flow hedges, the cumulative amount recognised in equity is included in net profit or loss in the period when the commitment or forecast transaction affects profit or loss.

Where the hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative unrealised gain or loss at that point remains in equity and is recognised in accordance with the aforementioned policy when the transaction occurs. If the hedged transaction is no longer expected to occur, the cumulative unrealised gain or loss is recognised in the income statement immediately.

A financial asset is derecognised (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit and loss.

Accounting policies

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when the Group has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

It is the policy of the Group not to trade in derivative financial instruments for speculative purposes.

19. Banking advances

Advances are stated at amortised cost after the deduction of amounts that, in the opinion of the directors, are required as specific and general impairments. Specific impairments are raised for doubtful advances, including amounts in respect of interest not being serviced and after taking security values into account and are deducted from advances where the outstanding balance exceeds the value of the security held. A general impairment based on historic experience is raised to cover doubtful advances, which may not be specifically identified at the balance sheet date. The specific and general impairments made during the year are charged to the income statement.

20. Vehicle rental fleet

Vehicle rental fleet is stated at cost less accumulated depreciation. Depreciation is provided on a straight-line basis to write off the cost of the vehicles to their residual value over their estimated useful life of between 9 and 12 months.

21. Inventories

Inventories are stated at the lower of cost and estimated net realisable value. Estimated net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of raw materials, finished goods, parts and accessories is determined on either the first in, first out or average cost basis. New vehicles, motorcycles, power and marine products are stated on an actual unit cost basis. Used and demonstrator vehicles are stated at the lower of actual cost or net realisable value. The cost of manufactured inventory and work in progress includes materials and parts, direct labour, other direct costs and includes an appropriate portion of overheads, but excludes interest expense.

Vehicles and vehicle parts purchased in terms of manufacturers' standard franchise agreements or floorplan facilities, are recognised as assets when received as this is when significant risks and rewards have been transferred. This policy is applied irrespective of the fact that certain agreements provide that the legal ownership of this inventory shall remain with the supplier or floorplan provider until the purchase price has been paid.

22. Treasury shares

Shares in the Company, held by its subsidiary are classified in the Group's shareholders' interest as treasury shares. These shares are treated as a deduction from the issued and weighted average number of shares. The cost price of the shares is presented as a deduction from total equity. Distributions received on treasury shares are eliminated on consolidation.

23. Foreign currencies

Transactions in foreign currencies are translated at the rates of exchange ruling at the transaction date. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Translation differences are recognised in the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to South African rand at foreign exchange rates ruling at the dates the fair value was determined.

24. Share-based payments

The Bidvest Incentive Scheme grants options to acquire shares in the Company to executive directors and staff. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the

options. The fair value of the options is measured using a binomial method, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where staff are unable to meet the Scheme's employment requirements.

25. Employee benefits

Leave benefits due to employees are recognised as a liability in the financial statements.

The Group's liability for post-retirement benefits, accruing to past and current employees in terms of defined benefit schemes, are calculated actuarially. Where the plan is funded, the obligation is reduced by the fair value of the plan assets. Unfunded obligations are recognised as a liability in the financial statements.

The Group's obligation for post-retirement medical aid, to past and current employees, is determined actuarially and provided for in full.

The projected unit credit method is used to determine the present value of the defined benefit obligations and the related current service cost and, where applicable, past service cost.

Actuarial gains or losses in respect of defined benefit plans are recognised as income or expense if the net cumulative unrecognised actuarial gains and losses at the end of the previous reporting period exceed the greater of:

- 10% of the present value of the defined benefit obligation at that date before deducting plan assets; or
- 10% of the fair value of any plan assets at that date.

The amount recognised is the excess in terms of the aforementioned formula, divided by the expected average remaining working lives of the employees participating in that plan.

Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have vested, past service costs are recognised immediately.

Liabilities for employee benefits which are not expected to be settled within twelve months are discounted using the market yields, at the balance sheet date, on high quality bonds with terms that most closely match the terms of maturity of the related liabilities.

Contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

26. Short-term insurance

Short-term insurance is provided in terms of benefits under short-term policies which cover motor, property and warranty. Premiums are accounted for as income when they come due, before deducting commission. Claims expenses are charged to the income statement as incurred based on the liability owed to the contract holder at the date of the claim. A provision for unearned premiums is created, based on the 24th and 48th methods and actual incidence of risk, that represents that part of the current year's premiums that relate to risk periods that extend to the following year. Provision is made on a prudent basis for the estimated final cost of all claims that had not been settled on the accounting date. Provision is also made for claims arising from events that occurred before the close of the accounting period, but which have not been reported to the Company by that date. A contingency reserve is maintained at 10% of the net written premiums. The reserve can be utilised in case of catastrophe, subject to the approval of the Financial Services Board. Transfers to this reserve are reflected in the capital and reserves note.

27. Life assurance

Life assurance benefits are provided in terms of individual credit life contracts. These contracts are decreasing term assurance designed to pay outstanding loans provided by financing houses to purchasers of motor vehicles. The outstanding loan is settled (subject to certain limits) following death or disability of the contract holder. In addition there is a dread disease, retrenchment and funeral benefit. Premiums consist of single and monthly premiums and are recognised when the

insurance risk cover commences. Premiums are shown before deducting reinsurance and commission. Claims expenses are charged to the income statement as incurred based on the liability owed to the contract holder at the date of the claim. Policyholder liabilities under insurance contracts, representing the liability in respect of unmatured policies, are valued in terms of the Financial Soundness Valuation basis contained in Practice Guidance Note 104.

Contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group are classified as reinsurance contracts held. The benefits to which the Group is entitled under its reinsurance contracts are recognised as reinsurance assets. These assets and liabilities consist of short-term balances due to and from reinsurers, as well as longer-term receivables (classified as reinsurance assets) that are dependent on the expected claims and benefits arising under the related reinsurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable and are recognised as an expense when due. The Group assesses its reinsurance assets for impairment on an annual basis. If there is objective evidence that the reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises the impairment loss in the income statement. The Group gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortised cost.

28. Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will occur, and where a reliable estimate can be made of the amount of the obligation. Where the effect of discounting is material, provisions are discounted. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Future operating costs are not provided for.

The Group recognises a provision calculated as the present value of the estimated cost of dismantling and removing items and restoring the site in which they are located when the legal or constructive obligation arises or when the damage to the site occurs.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

29. Segmental reporting

The principal segments of the Group have been identified on a primary basis by the nature of the business and on a secondary basis by geographic segment. The basis is representative of the internal structure for management purposes.

Segmental result includes revenue and expenses directly relating to a business segment but excludes interest and taxation. Segmental trading profit is defined as operating profit excluding items of a capital nature.

Segment operating assets and liabilities include property, plant and equipment, investments, inventories, trade and other receivables, trade and other payables, banking assets and liabilities and insurance funds, but exclude cash and cash equivalents, borrowings, current taxation and deferred taxation. Intangibles are allocated to the cash-generating unit in the segment to which they relate.

Consolidated income statement

for the year ended June 30

	Note	2006 R'000	2005 R'000
Total revenue	1	77 426 248	62 937 216
Revenue		77 276 491	62 811 776
Cost of revenue		(61 589 806)	(49 957 282)
Gross income		15 686 685	12 854 494
Other income		140 331	122 360
Operating expenses		(12 135 509)	(9 960 501)
Sales and distribution costs		(7 215 356)	(5 877 351)
Administration expenses		(3 606 422)	(2 994 130)
Other costs		(1 313 731)	(1 089 020)
Operating profit	2	3 691 507	3 016 353
Net finance charges	3	(342 392)	(285 105)
Finance income		66 295	42 291
Finance charges		(408 687)	(327 396)
Share of income of associates		48 846	38 846
Dividends received		4 991	6 905
Share of retained income		43 855	31 941
Profit before taxation		3 397 961	2 770 094
Taxation	4	(933 418)	(797 755)
Profit for the year		2 464 543	1 972 339
Attributable to			
Shareholders of the Company		2 388 717	1 961 231
Minority shareholders		75 826	11 108
		2 464 543	1 972 339
Basic earnings per share (cents)	5	796,3	647,9
Diluted earnings per share (cents)	5	761,2	632,3
Distributions per share (cents)	6	369,0	306,0

Consolidated statement of recognised income and expenses

for the year ended June 30

	R'000	R'000
Net income recognised directly in equity	365 681	488 640
Movement in foreign currency translation reserve	364 235	488 640
Change in fair value of available for sale financial assets, net of taxation	1 446	—
Profit for the year	2 464 543	1 972 339
Total recognised income and expenses for the year	2 830 224	2 460 979
Attributable to		
Shareholders of the Company	2 751 739	2 448 109
Minority shareholders	78 485	12 870
	2 830 224	2 460 979

Details of the movement in capital and reserves is contained in note 24.

Consolidated cash flow statement

for the year ended June 30

	Note	2006 R'000	2005 R'000
Cash flow from operating activities		2 352 689	2 416 284
Cash generated by operations	7	4 490 358	4 200 449
Finance income		66 295	42 291
Finance charges	8	(324 877)	(254 188)
Taxation paid	9	(863 495)	(742 364)
Distributions to shareholders	10	(1 015 592)	(829 904)
Cash effects of investment activities		(2 368 372)	(2 223 714)
Amounts advanced to associates		(687)	(3 378)
Investments disposed of		293 037	96 467
Investments acquired		(252 886)	(167 536)
Additions to property, plant and equipment		(1 605 371)	(1 378 427)
Net increase in vehicle rental fleet		(298 251)	(131 624)
Additions to intangible assets		(100 965)	(52 184)
Proceeds on disposal of property, plant and equipment		151 218	173 980
Proceeds on disposal of intangible assets		352	–
Acquisition of businesses, subsidiaries, joint ventures and associates	11	(1 155 920)	(889 705)
Proceeds on disposal and closure of businesses, subsidiaries, joint ventures and associates	12	601 101	128 693
Cash effects of financing activities		842 777	(842 050)
Proceeds from share issues		180 274	177 061
Repurchase of treasury shares		(508 810)	(532 058)
Borrowings raised		1 722 823	463 043
Borrowings repaid		(551 510)	(950 096)
Net increase (decrease) in cash and cash equivalents		827 094	(649 480)
Cash and cash equivalents at beginning of year		1 497 683	2 100 982
Effects of exchange rate fluctuations on cash and cash equivalents		222 218	46 181
Cash and cash equivalents at end of year		2 546 995	1 497 683
Cash and cash equivalents comprise			
Cash and cash equivalents	23	3 255 457	1 707 932
Bank overdrafts included in short-term portion of borrowings	27	(708 462)	(210 249)
		2 546 995	1 497 683

Consolidated balance sheet
at June 30

	Note	2006 R'000	2005 R'000
ASSETS			
Non-current assets		10 606 995	8 423 459
Property, plant and equipment	13	5 511 253	4 303 123
Intangible assets	14	378 808	321 246
Goodwill	15	3 123 722	2 530 700
Deferred taxation	16	398 411	221 523
Interest in associates	18	574 893	493 684
Investments	19	544 923	511 983
Banking and other advances	20	74 985	41 200
Current assets		17 387 506	12 699 872
Vehicle rental fleet	21	479 326	249 155
Inventories	22	5 092 821	4 024 025
Short-term portion of banking and other advances	20	142 718	105 979
Trade and other receivables		8 417 184	6 612 781
Cash and cash equivalents	23	3 255 457	1 707 932
Total assets		27 994 501	21 123 331
EQUITY AND LIABILITIES			
Capital and reserves	24	9 158 695	7 642 424
Capital and reserves attributable to shareholders of the Company		8 928 995	7 468 866
Minority shareholders		229 700	173 558
Non-current liabilities		3 677 777	1 956 441
Deferred taxation	16	202 907	87 401
Life assurance fund	26	32 795	13 265
Long-term portion of borrowings	27	3 093 184	1 513 871
Post-retirement obligations	28	221 092	218 752
Long-term portion of banking liabilities	29	278	155
Long-term portion of operating lease liabilities	30	127 521	122 997
Current liabilities		15 158 029	11 524 466
Trade and other payables		12 562 695	9 544 144
Provisions	31	324 667	254 813
Vendors for acquisition		41 795	–
Taxation		501 245	448 242
Short-term portion of banking liabilities	29	113 265	94 468
Short-term portion of borrowings	27	1 614 362	1 182 799
Total equity and liabilities		27 994 501	21 123 331

Notes to the consolidated financial statements
for the year ended June 30

	2006 R'000	2005 R'000
1. Total revenue		
Sale of goods	57 372 616	45 295 203
Rendering of services	7 058 714	6 178 847
Commissions and fees earned	421 506	901 614
Gross billings relating to clearing and forwarding transactions	13 893 019	11 680 484
Insurance	180 547	135 881
Dividend income	33 292	57 832
Finance income	116 465	67 608
	79 076 159	64 317 469
Inter-group eliminations	(1 649 911)	(1 380 253)
	77 426 248	62 937 216
2. Operating profit		
Determined after charging (crediting):		
Auditors' remuneration	43 402	41 714
Audit fees	33 588	31 515
Audit related expenses	857	988
Other services	8 957	9 211
Depreciation of property, plant and equipment	779 739	706 104
Buildings	25 603	17 972
Leasehold premises	30 178	25 513
Plant and equipment	223 453	164 647
Office equipment, furniture and fittings	145 581	151 948
Vehicles, vessels and craft	261 723	241 896
Rental assets	89 246	103 241
Capitalised leased assets	3 955	887
Depreciation of vehicle rental fleet	68 080	40 094
Amortisation of intangible assets	137 094	103 193
Patents, trademarks, tradenames and other intangibles	67 283	60 036
Computer software	69 811	43 157
Impairment of goodwill and other intangibles	14 174	10 292
Goodwill	9 574	10 292
Patents, trademarks, tradenames and other intangibles	4 600	–
Negative goodwill arising on acquisition of subsidiaries included in other income	(3 780)	–

	2006 R'000	2005 R'000
2. Operating profit <i>(continued)</i>		
Directors' emoluments		
Executive directors	60 818	58 899
Basic remuneration	30 650	29 177
Retirement and medical benefits	3 793	3 790
Other benefits	3 365	4 890
Cash incentives	23 010	21 042
Non-executive directors	1 396	1 447
Fees	774	1 195
Other services	622	252
Employer contributions to	521 884	465 243
Defined contribution pension funds	157 115	136 892
Provident funds	172 458	137 105
Retirement funds	39 954	36 296
Medical aid funds	152 357	154 950
Actuarial losses (surpluses) on post-retirement obligations	28 692	2 303
Unfunded pension liability	10 282	3 007
Post-retirement medical aid obligations	18 410	(704)
Defined benefit pension fund costs	7 074	6 663
Share-based payment expense	50 050	37 621
Staff	37 249	27 472
Executive directors	12 515	10 149
Former executive directors	286	–
Staff costs excluding directors' emoluments and employer contributions	7 641 406	6 731 535
Fees for administrative, managerial and technical services	7 130	10 913
Foreign exchange losses (gains)	(16 398)	(70 272)
Realised	(20 445)	(32 740)
Unrealised	4 047	(37 532)
Dividends received	(28 301)	(50 927)
Listed investments	(14 213)	(8 096)
Unlisted investments	(14 088)	(42 831)
Fair value adjustments on investments held for trading	(45 577)	(84 124)
Net capital losses (profits)	(44 901)	19 463
Loss (profit) on disposal of property, plant and equipment	(15 689)	13 410
Loss (profit) on closure and disposal of businesses	(29 212)	6 053
JSE Limited fees	128	153
Operating lease charges	812 874	785 112
Land and buildings	616 301	560 496
Equipment and vehicles	196 573	224 616

Notes to the consolidated financial statements
for the year ended June 30

	2006 R'000	2005 R'000
3. Net finance charges		
Finance income	116 465	67 608
Preference dividends	7 591	7 785
Interest received	108 874	59 823
Finance charges	(432 606)	(339 039)
Interest paid	(442 453)	(339 039)
Less borrowing costs capitalised to property, plant and equipment	9 847	–
	(316 141)	(271 431)
Less net finance income from banking operations included in operating profit	(26 251)	(13 674)
Income	(50 170)	(25 317)
Charges	23 919	11 643
	(342 392)	(285 105)
4. Taxation		
Current taxation	910 653	764 834
Current year	924 111	762 686
Prior years	(13 458)	2 148
Deferred taxation	17 880	22 622
Current year	27 019	30 590
Prior years	(9 139)	(19 097)
Change in rate of taxation	–	11 129
Secondary taxation on companies	3 585	10 268
Foreign withholding taxes	1 300	31
Total taxation per income statement	933 418	797 755
Comprising		
South African normal taxation	638 612	603 833
Foreign taxes	294 806	193 922
	933 418	797 755
Estimated tax losses available for set-off against future taxable income	300 719	396 596
Utilised in the computation of deferred taxation	(114 908)	(178 359)
Not accounted for in deferred taxation	185 811	218 237
Deferred tax assets have not been recognised in respect of these items because it is not probable that the relevant companies will generate taxable profit in the near future, against which the benefits can be utilised.		
Secondary taxation on companies – dividend credits available	108 987	48 466

	2006 %	2005 %
4. Taxation (continued)		
The reconciliation of the effective tax rate with the company tax rate is as follows		
Taxation for the year as a percentage of profit before taxation	27,5	28,8
Secondary taxation on companies	(0,1)	(0,4)
Effective rate excluding secondary taxation on companies	27,4	28,4
Dividend and exempt income	1,1	2,8
Foreign taxation	0,9	(0,7)
Expenses not taxable or allowed	(1,6)	(1,7)
Utilisation of deferred tax assets not previously raised	0,8	(0,2)
Capital gains taxation exempt portion	(0,3)	0,1
Changes in prior year's estimation	0,7	0,6
Change in rate of taxation	–	(0,3)
Rate of South African company taxation	29,0	29,0
5. Earnings per share		
<i>Weighted average number of shares ('000)</i>		
Weighted average number of shares in issue for basic earnings per share and headline earnings per share	299 976	302 700
Potential dilutive impact of outstanding staff share options	7 213	5 187
Number of outstanding staff share options	18 886	24 292
Number of share options deemed to be issued at fair value	(11 673)	(19 105)
Potential dilutive impact of outstanding shareholder options	6 637	2 298
Number of outstanding shareholder options	18 000	18 000
Number of shareholder options deemed to be issued at fair value	(11 363)	(15 702)
Adjusted weighted average number of shares in issue used for the calculation of diluted earnings per share	313 826	310 185
<i>Attributable earnings (R'000)</i>		
Basic earnings per share and diluted earnings per share are based on profit attributable to shareholders of the Company	2 388 717	1 961 231
Basic earnings per share (cents)	796,3	647,9
Diluted earnings per share (cents)	761,2	632,3
Dilution (%)	4,4	2,4

Notes to the consolidated financial statements
for the year ended June 30

	2006	2005
5. Earnings per share (continued)		
<i>Headline earnings (R'000)</i>		
Profit attributable to shareholders of the Company	2 388 717	1 961 231
Impairment of goodwill and intangible assets	14 174	10 292
Net loss on closure and disposal of businesses	19 951	6 594
Loss (surplus) on closure and disposal of businesses	(29 212)	6 053
Tax charge	49 638	1 822
Minority shareholders	(475)	(1 281)
Net loss (surplus) on disposal of property, plant and equipment	(11 915)	7 762
Loss (surplus) on disposal of property, plant and equipment	(15 689)	13 410
Tax charge (relief)	3 774	(5 627)
Minority shareholders	–	(21)
Negative goodwill	(2 457)	–
Arising on acquisition of subsidiaries	(3 780)	–
Minority shareholders	1 323	–
Share of capital items in associates	5 059	1 108
Headline earnings	2 413 529	1 986 987
Headline earnings per share (cents)	804,6	656,4
Diluted headline earnings per share (cents)	769,1	640,6
Dilution (%)	4,4	2,4
6. Distributions per share		
Interim distribution (cents)		
Refund of share premium per share in lieu of dividend paid on March 27 2006 (2005: paid on March 24 2005)	162,0	133,8
Final distribution (cents)		
Refund of share premium per share in lieu of dividend payable on October 2 2006 (2005: paid on September 19 2005)	207,0	172,2
	369,0	306,0

	2006 R'000	2005 R'000
7. Cash generated by operations		
Profit before taxation	3 397 961	2 770 094
Net finance charges	342 392	285 105
Share of retained income of associates	(43 855)	(31 941)
Adjustment for depreciation and other non-cash items	954 879	832 643
Increase (reduction) in post-retirement obligations	16 943	(7 973)
Increase in life assurance fund	19 530	8 159
Retained (utilised) to finance working capital	(197 492)	344 362
Increase in inventories	(708 058)	(526 050)
Increase in trade and other receivables	(796 580)	(864 392)
Increase in banking and other advances	(70 524)	(61 971)
Increase in trade and other payables and provisions	1 358 750	1 758 708
Increase in banking liabilities	18 920	38 067
Cash generated by operations	4 490 358	4 200 449
8. Finance charges		
Charge per income statement	(408 687)	(327 396)
Amounts capitalised to borrowings	83 810	73 208
Amounts paid	(324 877)	(254 188)
9. Taxation paid		
Amounts payable at beginning of year	(448 242)	(409 526)
Per income statement	(915 538)	(775 133)
Businesses acquired	4 964	(4 604)
Businesses disposed of	5 487	415
Exchange rate adjustments	(11 411)	(1 758)
Amounts payable at end of year	501 245	448 242
Amounts paid	(863 495)	(742 364)
10. Distributions to shareholders		
Dividends paid to shareholders	–	(215 879)
Dividends received by subsidiary on treasury shares	–	10 737
Refund of share premium to shareholders in lieu of dividend	(1 074 023)	(641 612)
Refund of share premium received by subsidiary on treasury shares	81 615	34 162
Dividends paid to minority shareholders by subsidiaries	(23 184)	(17 312)
Amounts paid	(1 015 592)	(829 904)

Notes to the consolidated financial statements
for the year ended June 30

	2006 R'000	2005 R'000
11. Acquisition of businesses, subsidiaries, joint ventures and associates		
Property, plant and equipment	(729 903)	(49 460)
Interest in associates	(3 404)	(341 485)
Investments and advances	(11 851)	(213)
Inventories	(308 258)	(40 750)
Trade and other receivables	(910 795)	(48 993)
Post-retirement obligations	592	–
Borrowings	32 993	16 240
Trade and other payables	1 430 586	78 246
Taxation	(33 786)	(27 610)
Net fair value of tangible assets	(533 826)	(414 025)
Goodwill	(591 227)	(182 906)
Intangible assets	(86 133)	(5 837)
Minority shareholders	13 471	(196 785)
Total value of acquisitions	(1 197 715)	(799 553)
Vendors for acquisition at beginning of year	–	(90 152)
Vendors for acquisition at end of year	41 795	–
Amounts paid	(1 155 920)	(889 705)

With effect from September 12 2005 the Group acquired 100% of Deli XL BV, a leading foodservice wholesaler in the Benelux countries, for R1,1 billion, satisfied in cash. During the period from date of acquisition, the business contributed R5,6 billion to revenue and R67,0 million to operating profit. Had the acquisition occurred on July 1 2005, the business would have contributed R7,5 billion to revenue and R61,1 million to operating profit for the year.

Goodwill of R506,7 million arose on this acquisition as a result of the potential that management believed the business had, as well as the benefits that the Group will bring to the business that were not previously available to it. Furthermore the acquisition of Deli XL BV complemented the existing foodservice business of the Group in Europe as well as assisting the Group in realising customer and purchasing synergies.

Several less significant acquisitions were also made during the course of the year. Goodwill arose on these acquisitions as the anticipated value of future cash flows that were taken into account in determining the purchase consideration exceeded the net assets acquired at fair value. Furthermore these acquisitions have enabled the Group to expand its range of complementary products and services and as a consequence have broadened the Group's base in the market place.

These acquisitions contributed R307,2 million to revenue and R23,3 million to operating profit for the year and would have contributed R581,7 million to revenue and R33,9 million to operating profit had the acquisitions been made with effect from July 1 2005.

	2006 R'000	2005 R'000
12. Proceeds on disposal and closure of businesses, subsidiaries, joint ventures and associates		
Property, plant and equipment	459 365	77 734
Intangible assets	2 268	–
Goodwill	198 949	–
Interest in associates	(33 264)	39 008
Inventories	97 591	15 443
Trade and other receivables	310 982	4 770
Post-retirement obligations	(17 804)	–
Borrowings	(26 662)	(1 000)
Trade and other payables	(358 095)	(854)
Taxation	(39 288)	(147)
Net fair value of assets	594 042	134 954
Minority shareholders	(1 591)	(208)
Realisation of foreign currency translation reserves	(20 562)	–
Loss (profit) on disposal and closure of businesses	29 212	(6 053)
Net proceeds	601 101	128 693
In January 2006 the Group concluded the sale of its cross-channel ferry business, Dartline Shipping, including the ferry terminal at Dartford, Kent for £58,9 million, a significant premium to carrying value. The sale is in line with the Group's philosophy of exiting businesses which fail to meet the acceptable rates of return. This business was previously reported in the Bidfreight business segment. The French operation, Lithotech France, was disposed of to a consortium, including its local management, effective January 1 2006 for an amount of 1. This operation was disposed of as a result of its failure to deliver results acceptable to management within an acceptable time frame. Lithotech France formed part of the Bidpaper Plus business segment. In addition to the aforementioned, the Group disposed and/or closed the operations of a number of less significant businesses. The contribution to the Group's current and prior years' results, made by the businesses disposed of and/or closed during the year, is provided in the summarised income statement below.		
Revenue	470 053	1 188 984
Cost of revenue	(347 474)	(812 008)
Gross income	122 579	376 976
Operating expenses	(142 906)	(393 425)
Net capital items	–	(10 610)
Operating loss	(20 327)	(27 059)
Net finance charges	(2 319)	(3 105)
Loss before taxation	(22 646)	(30 164)
Taxation	17 645	3 120
Loss for the year	(5 001)	(27 044)

Notes to the consolidated financial statements
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	2006 R'000	2005 R'000
13. Property, plant and equipment		
Freehold land and buildings	1 583 121	997 604
Cost	1 937 693	1 155 264
Accumulated depreciation	(354 572)	(157 660)
Leasehold premises	645 643	439 495
Cost	839 113	610 700
Accumulated depreciation	(193 470)	(171 205)
Plant and equipment	1 398 721	1 015 735
Cost	2 811 913	2 046 999
Accumulated depreciation	(1 413 192)	(1 031 264)
Office equipment, furniture and fittings	452 462	410 711
Cost	1 370 602	1 227 940
Accumulated depreciation	(918 140)	(817 229)
Vehicles, vessels and craft	1 157 434	1 228 247
Cost	2 734 425	2 620 952
Accumulated depreciation	(1 576 991)	(1 392 705)
Rental assets	242 928	204 243
Cost	510 853	447 925
Accumulated depreciation	(267 925)	(243 682)
Capitalised leased assets	30 944	7 088
Cost	44 754	12 787
Accumulated depreciation	(13 810)	(5 699)
	5 511 253	4 303 123

Property, plant and equipment with an estimated carrying value of R115 041 000 (2005: R92 034 000) were pledged as security for borrowings of R90 256 000 (2005: R88 578 000) (refer note 27).

A register of land and buildings is available for inspection by members at the registered office of the Company.

	2006 R'000	2005 R'000
13. Property, plant and equipment (continued)		
Movement in property, plant and equipment		
Carrying value at beginning of year	4 303 123	3 697 908
Capital expenditure	1 605 371	1 378 427
Freehold land and buildings	204 519	150 791
Leasehold premises	256 375	222 002
Plant and equipment	427 579	270 977
Office equipment, furniture and fittings	201 218	216 543
Vehicles, vessels and craft	364 656	384 820
Rental assets	149 465	133 292
Capitalised leased assets	1 559	2
Acquisition of businesses	729 903	49 460
Freehold land and buildings	440 126	11 085
Leasehold premises	22 017	–
Plant and equipment	146 886	26 428
Office equipment, furniture and fittings	6 820	2 990
Vehicles, vessels and craft	97 752	8 957
Capitalised leased assets	16 302	–
Disposals	(135 529)	(187 390)
Freehold land and buildings	(41 875)	(34 312)
Leasehold premises	(5 245)	(19 644)
Plant and equipment	(13 584)	(29 142)
Office equipment, furniture and fittings	(7 648)	(5 330)
Vehicles, vessels and craft	(45 642)	(45 739)
Rental assets	(21 535)	(53 214)
Capitalised leased assets	–	(9)
Disposal of businesses	(459 365)	(77 734)
Freehold land and buildings	(80 840)	(383)
Leasehold premises	(69 207)	–
Plant and equipment	(20 547)	(105)
Office equipment, furniture and fittings	(18 732)	(279)
Vehicles, vessels and craft	(269 981)	(76 967)
Capitalised leased assets	(58)	–
Exchange rate adjustments	247 489	148 556
Freehold land and buildings	89 194	48 200
Leasehold premises	32 385	12 658
Plant and equipment	66 105	27 156
Office equipment, furniture and fittings	5 673	7 826
Vehicles, vessels and craft	44 125	52 751
Capitalised leased assets	10 007	(35)
Depreciation (refer note 2)	(779 739)	(706 104)
Carrying value at end of year	5 511 253	4 303 123

Notes to the consolidated financial statements
for the year ended June 30

	2006 R'000	2005 R'000
14. Intangible assets		
Patents, trademarks, tradenames and other intangibles	235 313	206 624
Cost	874 837	778 887
Accumulated amortisation	(639 524)	(572 263)
Computer software	143 495	114 622
Cost	380 916	263 176
Accumulated amortisation	(237 421)	(148 554)
	378 808	321 246
Movement in intangible assets		
Carrying value at beginning of year	321 246	361 335
Additions	100 965	52 184
Patents, trademarks, tradenames and other intangibles	14 575	5 386
Computer software	86 390	46 798
Acquisition of businesses	86 133	5 837
Patents, trademarks, tradenames and other intangibles	77 506	5 837
Computer software	8 627	—
Disposals	(352)	—
Patents, trademarks, tradenames and other intangibles	(211)	—
Computer software	(141)	—
Disposal of businesses	(2 268)	—
Patents, trademarks, tradenames and other intangibles	(509)	—
Computer software	(1 759)	—
Exchange rate adjustments	14 778	5 083
Patents, trademarks, tradenames and other intangibles	9 212	43
Computer software	5 566	5 040
Amortisation and impairments (refer note 2)	(141 694)	(103 193)
Patents, trademarks, tradenames and other intangibles	(71 883)	(60 036)
Computer software	(69 811)	(43 157)
Carrying value at end of year	378 808	321 246
The amortisation and impairment charges are included in other costs in the income statement.		

	2006 R'000	2005 R'000
15. Goodwill		
Carrying amount	3 143 587	2 540 987
Accumulated impairment	(19 865)	(10 287)
	3 123 722	2 530 700
<i>Movement in goodwill</i>		
Carrying value at beginning of year	2 530 700	1 946 188
Acquisition of businesses	595 007	182 906
Disposal of businesses	(198 949)	–
Impairment of goodwill	(9 574)	(10 292)
Exchange rate adjustments	206 538	411 898
Carrying value at end of year	3 123 722	2 530 700
Goodwill acquired through business combinations has been attributed to individual cash-generating units. The carrying amount of goodwill was subject to an annual impairment test as at March 31 in each year using either the discounted cash flow basis or at fair value less costs to sell method. An amount of R9,6 million (2005: R10,3 million) was identified as being impaired for the current financial year. The most significant portion of the Group's goodwill, R2,5 billion (2005: R1,7 billion), relates to operations in Bidvest Europe and Bidvest Australasia. The recoverable amount of each cash-generating unit within this division was determined using the fair value less costs to sell method and exceeds the carrying value by some R7,0 billion. These calculations use projected annualised earnings based on actual operating results. A price earnings ratio was applied to obtain the recoverable amount for each business unit. The earning yields are considered to be consistent with similar companies within the industry and geographic segments. Attributable earnings for this division amounted to R555,8 million (2005: R488,5 million) for the year. The remaining goodwill of R671,6 million (2005: R829,9 million) is allocated across multiple cash-generating units. The recoverable amount for these remaining units was calculated on the aforementioned basis. For those units where the carrying amount was in excess of the recoverable amount, an impairment was recognised amounting to R9,6 million (2005: R10,3 million).		
16. Deferred taxation		
Deferred tax assets	398 411	221 523
Deferred tax liabilities	(202 907)	(87 401)
Net deferred tax asset	195 504	134 122
<i>Movement in deferred tax assets and liabilities</i>		
Balance at beginning of year	134 122	126 614
Per income statement	(17 880)	(22 622)
Items recognised directly in equity	(591)	–
Arising on acquisition or sale of businesses	62 623	31 946
Exchange rate adjustments	17 230	(1 816)
Balance at end of year	195 504	134 122

Notes to the consolidated financial statements
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	Assets R'000	Liabilities R'000	Net R'000
16. Deferred taxation (continued)			
Deferred taxation comprises temporary differences arising on 2006			
Differential between carrying values and tax values of property, plant and equipment	(122 644)	(93 238)	(215 882)
Differential between carrying values and tax values of intangible assets	(13 361)	(3 050)	(16 411)
Tax losses	21 355	11 969	33 324
Leave pay provision	47 161	30 840	78 001
Post-retirement obligations	59 976	25 880	85 856
Operating lease liabilities	33 694	11 402	45 096
Other items	372 230	(186 710)	185 520
	398 411	(202 907)	195 504
2005			
Differential between carrying values and tax values of property, plant and equipment	(25 769)	(214 245)	(240 014)
Differential between carrying values and tax values of intangible assets	1 700	64 385	66 085
Tax losses	37 220	14 504	51 724
Leave pay provision	42 640	29 749	72 389
Post-retirement obligations	24 454	24 700	49 154
Operating lease liabilities	24 834	18 555	43 389
Other items	116 444	(25 049)	91 395
	221 523	(87 401)	134 122
	2006 R'000	2005 R'000	
17. Interest in joint ventures			
The Group's proportional interest in joint ventures has been incorporated in the Group's assets, liabilities and results as follows			
Income statement			
Revenue	197 757	196 611	
Operating profit	7 787	10 472	
Net finance charges	(2 050)	(1 409)	
Profit before taxation	5 737	9 063	
Taxation	(1 979)	(2 630)	
Profit for the year	3 758	6 433	
Balance sheet			
Assets			
Property, plant and equipment and intangible assets	10 778	16 512	
Deferred taxation	1 430	1 790	
Net current assets	6 729	15 628	
	18 937	33 930	
Equity and liabilities			
Capital and reserves	8 726	23 498	
Borrowings	10 211	10 432	
	18 937	33 930	
Details of major joint ventures are reflected on page 187 of this report.			

	2006 R'000	2005 R'000
18. Interest in associates		
Listed investments	385 267	386 518
Fair value at acquisition	209 337	178 428
Goodwill	175 930	208 090
Unlisted investments	67 533	44 720
Fair value at acquisition	57 642	44 350
Goodwill	9 891	370
Investments in associates at cost	452 800	431 238
Attributable share of post-acquisition retained earnings of associates	92 868	49 215
At beginning of year	49 215	43 052
Share of retained income	43 855	31 941
Reversal of prior year on becoming subsidiary, disposal or change in shareholding	(202)	(25 778)
Advances	29 225	13 231
	574 893	493 684
Advances to associates bear interest at rates of between 0% and 10% and have no fixed terms of repayment.		
Market value of listed associates	479 221	430 882
Directors' value of unlisted associates	133 845	77 515
	613 066	508 397
Summarised financial information of associates (aggregated)		
Income statement		
Revenue	4 533 617	4 046 391
Operating profit	343 917	288 247
Net finance charges	(31 444)	(15 478)
Profit before taxation	312 473	272 769
Taxation	(69 817)	(67 758)
Profit for the year	242 656	205 011
Balance sheet		
Assets		
Property, plant and equipment and intangible assets	1 517 824	1 144 000
Investments	27 750	32 998
Net current assets	500 642	312 243
	2 046 216	1 489 241
Equity and liabilities		
Capital and reserves	1 574 178	1 120 698
Deferred taxation	39 591	14 437
Borrowings	432 447	354 106
	2 046 216	1 489 241
Details of major associates are reflected on page 187 of this report.		

Notes to the consolidated financial statements
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	2006 R'000	2005 R'000
19. Investments		
Held for trading		
Listed	309 976	254 861
Unlisted	218 217	204 256
Available for sale		
Listed	16 730	52 866
	544 923	511 983
A register of investments is available for inspection by members at the registered office of the Company.		
20. Banking and other advances		
Instalment finance	39 141	49 556
Mortgages	1 503	1 959
Other	195 658	118 134
	236 302	169 649
Less impairments	(18 599)	(22 470)
	217 703	147 179
Maturity analysis		
Maturing in one year	142 718	105 979
Maturing after one year but within five years	73 966	36 710
Maturing after five years	1 019	4 490
	217 703	147 179
21. Vehicle rental fleet		
Cost	512 576	280 437
Accumulated depreciation	(33 250)	(31 282)
	479 326	249 155
Movement in vehicle rental fleet		
Carrying value at beginning of year	249 155	157 625
Additions	685 454	364 283
Disposals	(387 203)	(232 659)
Depreciation	(68 080)	(40 094)
Carrying value at end of year	479 326	249 155

	2006 R'000	2005 R'000
22. Inventories		
Raw materials	161 522	175 639
Work in progress	61 291	79 527
Finished goods	3 184 216	2 411 346
New vehicles and motor cycles	681 177	516 402
Used vehicles	425 532	358 818
Demonstration vehicles	394 968	315 391
Power and marine products	30 135	29 875
Parts and accessories	153 980	137 027
	5 092 821	4 024 025
Demonstration vehicles and used vehicles are leased in terms of a rental agreement, with a right of first refusal to repurchase the vehicles at the end of the rental period. In the majority of the cases this option is taken up, and consequently, these vehicles are disclosed with inventory. The total value of vehicles leased amounts to	18 285	49 431
Amounts included in borrowings relating to these assets (refer note 27)	18 285	49 431
Ownership of inventory, acquired under floorplan arrangements, remains with the respective floorplan provider until the purchase price has been paid.	558 467	566 669
Amounts included in borrowings relating to these assets (refer note 27)	202 496	332 180
Amounts included in trade and other payables relating to these assets	355 971	234 489
Write down of inventory charged to income statement	60 274	35 371
23. Cash and cash equivalents		
Cash on hand and at bank	3 160 457	1 612 932
Variable rate redeemable cumulative preference shares earning dividends at rates of between 61,5% and 80% of prime overdraft rate, subject to redemption and/or repurchase on 30 days' notice.	95 000	95 000
	3 255 457	1 707 932
Amounts included in cash and cash equivalents relating to banking and insurance subsidiaries where the balances form part of the reserving requirements as required by the Financial Services Act.	350 189	151 881
24. Capital and reserves		
Share capital		
Authorised		
540 000 000 (2005: 540 000 000) ordinary shares of 5 cents each	27 000	27 000
	Number	Number
Issued		
Number of shares issued	325 178 398	320 421 750
Balance at beginning of year	320 421 750	315 614 767
Shares issued in terms of the share incentive scheme	4 756 648	4 806 983
Less shares held by subsidiary as treasury shares	(26 024 016)	(21 001 198)
Balance at beginning of year	(21 001 198)	(13 458 744)
Repurchase of shares by subsidiary	(5 022 818)	(7 542 454)
Net shares in issue	299 154 382	299 420 552

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for the year ended June 30

	2006 R'000	2005 R'000
24. Capital and reserves (continued)		
Share capital (continued)		
Issued share capital	16 259	16 021
Balance at beginning of year	16 021	15 781
Shares issued in terms of share incentive scheme	238	240
Share premium	2 695 956	3 589 943
Balance at beginning of year	3 589 943	4 054 734
Arising on shares issued in terms of the share incentive scheme	180 217	177 349
Refunds of share premium to shareholders in lieu of dividends	(1 074 023)	(641 612)
Share issue expenses	(181)	(528)
Non-distributable and other reserves	924 770	529 886
Foreign currency translation reserve	807 033	466 019
Balance at beginning of year	466 019	(20 859)
Realisation of reserve on disposal of subsidiaries	(20 562)	–
Arising during current year	361 576	486 878
Statutory reserves	10 013	6 039
Balance at beginning of year	6 039	4 240
Transfer from retained earnings	3 974	1 799
Equity-settled share-based payment reserve	107 724	57 828
Balance at beginning of year	57 828	20 248
Arising during current year	49 896	37 580
Distributable reserve		
Retained earnings	6 760 607	4 374 418
Balance at beginning of year	4 374 418	2 620 128
Change in fair value of available for sale financial assets	1 446	–
Profit attributable to shareholders of the Company	2 388 717	1 961 231
Net dividends paid	–	(205 142)
Dividends paid	–	(215 879)
Dividends received by subsidiary on treasury shares	–	10 737
Transfer to statutory reserves	(3 974)	(1 799)
	10 397 592	8 510 268
Less shares held by subsidiary as treasury shares	(1 468 597)	(1 041 402)
Share capital	(1 301)	(1 050)
Balance at beginning of year	(1 050)	(673)
Repurchase of shares by subsidiary	(251)	(377)
Share premium	(1 467 296)	(1 040 352)
Balance at beginning of year	(1 040 352)	(542 833)
Total cost of shares repurchased by subsidiary	(508 559)	(531 681)
Refund of share premium received by subsidiary on treasury shares	81 615	34 162
Capital and reserves attributable to shareholders of the Company	8 928 995	7 468 866

	2006 R'000	2005 R'000
24. Capital and reserves <i>(continued)</i>		
Minority shareholders		
Balance at beginning of year	173 558	369 435
Share of recognised income and expenses	78 485	12 870
Dividends and capitalisation issues	(23 184)	(17 312)
Share of movement in equity-settled share-based payment reserve	154	41
Changes in shareholding	687	(191 476)
	229 700	173 558
Total capital and reserves comprise		
Amounts attributable to shareholders of the Company	8 928 995	7 468 866
Amounts attributable to minority shareholders	229 700	173 558
	9 158 695	7 642 424
Retained earnings comprise		
Company and subsidiaries	6 661 330	4 318 321
Joint ventures	6 409	6 882
Associates	92 868	49 215
	6 760 607	4 374 418

The Company issued 18 000 000 options to shareholders to subscribe for 18 000 000 new ordinary shares at R60 per share by December 8 2006, in terms of a special resolution passed at a meeting of shareholders held on November 10 2003.

30 000 000 of the unissued ordinary shares are under the control of the directors until the next annual general meeting.

Foreign currency translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

Statutory reserves

A contingency reserve is maintained at 10% of the net premium income. The reserve can be utilised in the case of a catastrophe, subject to the approval of the Financial Services Board.

A statutory reserve is maintained by a banking subsidiary to meet the minimum general provision against advances as prescribed by the Banks Act.

Equity-settled share-based payment reserve

The equity-settled share-based payment reserve includes the fair value of the options granted to executive directors and staff which have been recognised over the vesting period at fair value with a corresponding expense to the income statement.

25. Share-based payments

The Bidvest Share Incentive Scheme ("Scheme") grants options to employees of the Group to acquire shares in the Company. The share options have been classified as an equity-settled scheme, and therefore an equity-settled share-based payment reserve has been recognised.

In accordance with the transitional provisions in IFRS 1 and IFRS 2, the Group has elected to account only for the cost of options granted subsequent to November 7 2002 which had not vested by January 1 2005.

The terms and conditions of the options are as follows:

Option holders are only entitled to exercise their options if they are in the employment of the Group in accordance with the terms referred to hereafter, unless otherwise recommended by the Board of the Company.

Notes to the consolidated financial statements

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25. Share-based payments (continued)

Option holders in the Scheme may exercise the options at such times as the option holder deems fit, but not so as to result in the following proportions of the holder's total number of instruments being purchased prior to; 50% of total number of instruments at the expiry of three years; 75% of total number of instruments at the expiry of four years; and 100% of total number of instruments at the expiry of five years from the date of the holder's acceptance of an option. All options must be exercised no later than the tenth anniversary on which they were granted unless approval is obtained from the trustees.

The number and weighted average exercise prices of share options are as follows

	2006		2005	
	Number	Average price R	Number	Average price R
Beginning of year	24 291 760	46,30	25 527 224	40,80
Granted	280 000	89,86	4 026 900	68,91
Lapsed	(929 203)	41,70	(455 381)	35,73
Exercised	(4 756 648)	37,94	(4 806 983)	31,51
End of year	18 885 909	49,17	24 291 760	46,30

The options outstanding at June 30 2006 have an exercise price in the range of R7,00 to R91,65 and a weighted average contractual life of 3 to 9,5 years.

Share options outstanding at June 30 2006 by year of grant are as follows

1996 and prior	29 045	25,08	217 282	21,35
1997	239 075	29,23	545 164	28,85
1998	202 846	33,63	432 923	34,26
1999	300 687	35,02	656 599	34,41
2000	1 302 550	39,03	2 800 638	38,94
2001	1 531 175	41,92	2 305 431	41,73
2002	2 039 850	42,34	3 024 450	42,37
2003	3 961 021	38,51	4 879 493	38,25
2004	5 046 260	49,92	5 402 880	49,85
2005	3 953 400	68,93	4 026 900	68,91
2006	280 000	89,86		
Total	18 885 909	49,17	24 291 760	46,30

The fair value of services received in return for share options granted is measured based on a binomial method. The contractual life of the option is used as an input into this model.

The fair value of the share options granted during the year and the assumptions used are as follows

	2006	2005
Fair value at measurement date (Rand)	19,95 – 21,84	15,10 – 21,80
Exercise price (Rand)	83,15 – 91,65	58,10 – 71,99
Expected volatility (%)	24,60 – 24,67	25,13 – 26,13
Option life (years)	3,5 – 5,5	3,5 – 8,5
Distribution yield (%)	3,36 – 3,57	3,48 – 3,96
Risk-free interest rate (based on national government bonds) (%)	7,52 – 7,94	7,57 – 8,97

The volatility is based on the historic volatility and is not expected to differ materially from the expected volatility.

	2006 R'000	2005 R'000
26. Life assurance fund		
The assurance fund at June 30 agrees to the amount of the actuarial value of liabilities under life insurance policies and contracts at that date.		
Net assurance fund at beginning of year	13 265	5 106
Gross	21 410	9 341
Reinsurer's share	(8 145)	(4 235)
Transfer from income statement	19 530	8 159
Gross	20 584	12 069
Reinsurer's share	(1 054)	(3 910)
Net assurance fund at end of year	32 795	13 265
27. Borrowings		
Loans secured by mortgage bonds over fixed property (refer note 13)	10 014	38 629
Loans secured by lien over certain property, plant and equipment in terms of financial leases and suspensive sale agreements (refer note 13)	80 242	49 949
Unsecured loans	3 688 047	2 016 232
Vehicle lease creditors secured by a pledge of inventories (refer note 22)	18 285	49 431
Floorplan creditors secured by pledge of inventories (refer note 22)	202 496	332 180
Borrowings	3 999 084	2 486 421
Bank overdrafts	708 462	210 249
Total borrowings	4 707 546	2 696 670
Short-term portion of borrowings	(1 614 362)	(1 182 799)
Long-term portion of borrowings	3 093 184	1 513 871
<i>Schedule of repayment of borrowings</i>		
Year to June 2006		972 550
Year to June 2007	905 900	411 067
Year to June 2008	1 806 696	880 882
Year to June 2009	720 200	8 615
Year to June 2010	80 631	213 307
Year to June 2016	485 657	–
	3 999 084	2 486 421
<i>Borrowings comprise</i>		
Borrowings of foreign subsidiaries	2 164 730	1 391 388
Borrowings of local subsidiaries	1 834 354	1 095 033
	3 999 084	2 486 421
	%	%
<i>Effective weighted average rate of interest on</i>		
Foreign borrowings	4,8	5,8
Local borrowings	9,7	10,2

Notes to the consolidated financial statements
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	2006 R'000	2005 R'000
28. Post-retirement obligations		
Unfunded pension liability	22 474	30 261
Post-retirement medical aid obligations	198 618	188 491
	221 092	218 752
<i>Pension and provident funds</i>		
The Group provides retirement benefits for its permanent employees through pension funds with defined benefit and defined contribution categories being the Bidcorp Group Pension Fund, McCarthy Group 1977 Pension Fund, Jacobs Pension Fund and Bidvest (UK) Retirement Scheme; defined contribution provident funds being the Bidcorp Group Provident Fund and the Rennies Group Provident Fund; or appropriate industry funds.		
There are also a number of small funds within various employers of the Group. All funds are administered independently of the Group and are subject to the relevant pension fund legislation.		
Employer contributions are set out in note 2.		
Details of major defined benefit pension plans		
Bidcorp Group Pension Fund		
Number of members at June 30	805	868
	R'000	R'000
Employer contribution	5 900	4 644
Employee contribution	1 775	1 394
Actuarial present value of defined benefit obligation	(241 342)	(236 804)
Fair value of plan assets	398 394	381 668
Surplus in the plan	157 052	144 864
<i>Asset accounted for</i>		
Balance at beginning of year	–	–
Net expense recognised in income statement	(5 900)	(6 038)
Contributions	5 900	6 038
Balance at end of year	–	–
<i>Amounts recognised in income statement</i>		
Current service costs	3 919	5 127
Interest on obligation	19 988	16 990
Expected return on plan assets	(32 170)	(24 674)
Net amount not recognised in income statement or balance sheet of the Group due to the uncertainties relating to the apportionment of the pension fund surplus	14 163	8 595
	5 900	6 038

	2006 %	2005 %
28. Post-retirement obligations (continued)		
Bidcorp Group Pension Fund (continued)		
<i>Key actuarial assumptions</i>		
Expected rate of return on plan assets	8,0	9,0
Discount rate	8,0	8,5
Inflation rate	5,0	4,0
Salary increase rate	6,0	6,0
Pension increase allowance	2,4	2,8
Date of valuation	June 30 2006	June 30 2005
McCarthy Group 1977 Pension Fund		
Number of members at June 30	92	97
	R'000	R'000
Employer contribution	921	380
Employee contribution	253	245
Actuarial present value of defined benefit obligation	(25 667)	(23 035)
Fair value of plan assets	33 845	28 374
Surplus in the plan	8 178	5 339
<i>Asset accounted for</i>		
Balance at beginning of year	–	–
Net expense recognised in income statement	(1 174)	(625)
Contributions	1 174	625
Balance at end of year	–	–
<i>Amounts recognised in income statement</i>		
Current service costs	1 101	1 118
Interest on obligation	1 889	1 751
Expected return on plan assets	(2 550)	(2 376)
Net amount not recognised in income statement or balance sheet of the Group due to the uncertainties relating to the apportionment of the pension fund surplus	734	132
	1 174	625
<i>Key actuarial assumptions</i>	%	%
Expected rate of return on plan assets	9,0	9,0
Discount rate	9,0	9,0
Inflation rate	5,0	6,0
Salary increase rate	6,0	7,0
Pension increase allowance	4,0	3,8
Date of valuation	June 30 2006	June 30 2005

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	2006	2005
28. Post-retirement obligations (continued)		
Jacobs and Ropner Pension Funds		
Number of members at June 30	53	154
	R'000	R'000
Employer contribution	2 459	2 998
Actuarial present value of defined benefit obligation	(105 650)	(243 135)
Fair value of plan assets	77 088	212 874
Deficit in the plan	(28 562)	(30 261)
<i>Liability accounted for</i>		
Balance at beginning of year	(30 261)	(27 942)
Net expense recognised in income statement	(10 282)	(3 007)
Contributions	2 459	2 998
Disposal of businesses	17 302	–
Exchange rate adjustments	(1 692)	(2 310)
Balance at end of year	(22 474)	(30 261)
<i>Amounts recognised in income statement</i>		
Current service costs		
Interest on obligation	7 582	12 085
Expected return on plan assets	(6 734)	(10 229)
Net actuarial losses recognised in current year	9 434	1 151
	10 282	3 007
<i>Key actuarial assumptions</i>	%	%
Expected rate of return on plan assets	5,2	5,1
Discount rate	3,1	5,0
Inflation rate	1,0	2,7
Salary increase rate	n/a	n/a
Pension increase allowance	n/a	n/a
Date of valuation	June 30 2006	June 30 2005
During the year the Ropner Pension Fund was disposed of with the sale of Dartline.		
Post-retirement medical aid obligations		
The Group provides post-retirement medical benefit subsidies to certain retired employees and is responsible for the provision of post-retirement medical benefit subsidies to a limited number of current employees.		
Provision for post-retirement medical aid obligations	R'000	R'000
Opening provision raised against unfunded obligation	188 491	197 098
Expense (income) recognised in income statement	18 410	(704)
Subsidies to retired employees charged against provisions	(8 372)	(8 037)
Increase as a result of acquisition of business	591	198
Reduction as result of disposal of business	(502)	(64)
Closing provision raised against unfunded obligation	198 618	188 491
Actuarially determined present value of total obligation	198 618	188 491
Valuation method	Projected unit credit	
<i>Key actuarial assumptions</i>	%	%
Discount rate	7,7	8,4
Inflation rate (CPI)	4,6	5,7
Health care cost inflation	6,7	8,1

	2006 R'000	2005 R'000
29. Banking liabilities		
Call deposits	63 324	63 647
Loans	19 301	15 254
Fixed and notice deposits	30 918	15 722
	113 543	94 623
Maturity analysis		
Maturing within one year	113 265	94 468
Maturing after one year but within five years	278	155
	113 543	94 623
Effective rates of interest	%	%
Call deposits	5,0	4,6
Loans	6,0	8,7
Fixed and notice deposits	6,0	6,5
	R'000	R'000
30. Operating leases		
The Group has entered into various operating lease agreements in respect of premises.		
Leases which have fixed determinable escalations are charged to the income statement on a straight-line basis and liabilities are raised for the differences between the actual lease expense and the charge recognised in the income statement. The liabilities are classified based on the timing of the reversal which will occur when the actual cash flow exceeds the income statement amounts.		
Operating lease liabilities	155 152	149 617
Included in trade and other payables	(27 631)	(26 620)
Long-term portion	127 521	122 997
Operating lease commitments		
Land and buildings	4 336 600	3 692 213
Due in one year	467 433	472 202
Due after one year but within five years	1 468 799	1 345 195
Due after five years	2 400 368	1 874 816
Equipment and vehicles	354 900	290 217
Due in one year	60 205	57 344
Due after one year but within five years	293 582	231 229
Due after five years	1 113	1 644
	4 691 500	3 982 430
Less amounts raised as liabilities	(155 152)	(149 617)
	4 536 348	3 832 813

Notes to the consolidated financial statements
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31. Provisions

	Onerous contracts R'000	Insurance liabilities R'000	Dismantling and site restoration R'000	Other R'000	Total R'000
Balance at June 30 2004	116 736	43 401	29 793	88 660	278 590
Created	4 127	24 419	29 013	30 325	87 884
Utilised	(56 704)	–	–	(56 264)	(112 968)
Net acquisition of businesses	174	–	–	(281)	(107)
Exchange rate adjustments	936	–	304	174	1 414
Balance at June 30 2005	65 269	67 820	59 110	62 614	254 813
Created	41 501	20 074	13 422	66 261	141 258
Utilised	(69 317)	(6 954)	–	(47 648)	(123 919)
Net acquisition of businesses	32 788	–	–	3 455	36 243
Exchange rate adjustments	6 656	–	5 491	4 125	16 272
Balance at June 30 2006	76 897	80 940	78 023	88 807	324 667

Onerous contracts

Onerous contracts are identified through regular reviews of the terms and conditions of contracts as well as on acquisition of businesses. A provision for onerous contracts is calculated as the present value of the portion which management deem to be onerous in light of the current market conditions, discounted using market-related rates. An annual expense is recognised over the life of the contracts.

Insurance liabilities

Insurance liabilities include unearned premiums that represent that part of the current year's premiums that relate to risk periods that extend to the following year; claims which are calculated on the settlement amount outstanding at year end; and claims incurred but not reported which are maintained at 7% of net premium income, for claims arising from events that occurred before the close of the accounting period, but which had not been reported to the Group by that date.

Provision for cost of dismantling and restoration of site

A provision is raised for the estimated costs of dismantling and removing items and restoring the site on which they are located. The change in the liability arising as a result of unwinding the discount is recognised in the income statement as a finance charge. The dismantling of the plant and recommissioning of buildings is expected to coincide with the end of the useful life of the plant and lease periods.

Other

Consists of various individually insignificant amounts.

	2006 R'000	2005 R'000
32. Commitments		
Capital expenditure approved by directors		
Contracted for	540 479	283 800
Proposed, not contracted for	598 371	574 827
	1 138 850	858 627

It is anticipated that capital expenditure will be financed out of existing cash resources or borrowings.

	2006 R'000	2005 R'000
33. Contingent liabilities		
Guarantees issued in respect of obligations of associates	41 000	16 000

The Group has provided guarantees to third parties of R100,9 million in respect of its investment in Mumbai International Airport Private Limited.

The Group has outstanding legal and other claims arising out of its normal ongoing operating activities which have to be resolved. None of the claims is significant.

34. Financial instruments

Exposure to currency, interest rate and credit risk arises in the normal course of the Group's business.

Currency risk

The Group incurs currency risk as a result of purchases and sales which are denominated in a currency other than the Group's reporting currency. Group entities hedge all trade receivables and trade payables denominated in a foreign currency. At any point in time they also take out economic hedges over their estimated foreign currency exposure resulting from sales and purchases. Most of the forward exchange contracts have maturities of less than one year after the balance sheet date. Where necessary, the forward exchange contracts are rolled over at maturity.

Changes in the fair value of forward exchange contracts that economically hedge monetary assets and liabilities in foreign currencies and for which no hedge accounting is applied are recognised in the income statement. Both the changes in fair value of the forward contracts and the foreign exchange gains and losses relating to the monetary items are recognised in operating profit (refer note 2).

	Settlement	Foreign amount 000's	Rand amount 000's
In respect of forward exchange contracts relating to foreign liabilities as at June 30 2006			
Japanese yen	July 2006 to October 2006	2 106 695	115 966
US dollars	July 2006 to March 2007	13 218	84 284
Euro	July 2006 to October 2006	7 872	68 230
Sterling	July 2006 to September 2006	393	4 972
other	July 2006 to September 2006		1 287
In respect of forward exchange contracts relating to goods and services ordered but not accounted for as at June 30 2006			
Japanese yen	July 2006 to January 2007	1 210 181	73 554
US dollars	July 2006 to February 2007	8 918	63 193
Euro	July 2006 to November 2006	4 024	36 734
Swedish krone	July 2006 to September 2006	703	702
Sterling	July 2006 to September 2006	46	616
other	July 2006 to September 2006		1 725

Notes to the consolidated financial statements

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34. Financial instruments (continued)

Interest rate risk

The Group adopts a policy of ensuring that its borrowings are at market-related rates to address its interest rate risk.

Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Reputable financial institutions are used for investing and cash handling purposes. At balance sheet date there were no significant concentrations of credit risk. The balance sheet amount reflects the maximum credit exposure.

Fair values

The majority of the financial instruments within the Group are held for trading financial assets and are therefore carried at fair value. The balance, which is not material, is classified as held to maturity financial instruments and carried at amortised cost.

Sensitivity analyses

In managing interest rate and currency risks the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the longer term, however, permanent changes in foreign exchange and interest rates would have an impact on consolidated earnings.

At June 30 2006, it is estimated that a general increase of one percentage point in interest rates would not have a significant effect on the Group's profit and would amount to a decrease of approximately R13,0 million in profit after taxation.

It is estimated that a general increase of one percentage point in the value of the rand against other foreign currencies would decrease the Group's profit before taxation by approximately R5,6 million for the year ended June 30 2006.

35. Foreign currency exchange rates

The following exchange rates were used in the conversion of foreign interests at June 30

	2006	2005
Rand/Sterling		
Opening rate	11,96	11,29
Closing rate	13,20	11,96
Average rate	11,44	11,53
Rand/Euro		
Opening rate	8,07	7,57
Closing rate	9,16	8,07
Average rate	7,82	7,89
Rand/Australian dollar		
Opening rate	5,09	4,32
Closing rate	5,31	5,09
Average rate	4,81	4,67
Rand/United States dollar		
Opening rate	6,68	6,23
Closing rate	7,27	6,68
Average rate	6,43	6,21

36. Related parties

Identity of related parties

The Group has a related party relationship with its subsidiaries, associates and joint ventures (details of major subsidiaries, joint ventures and associates are reflected on page 184 to page 187 of this report). Key management personnel has been defined as the executive and non-executive directors of the Company. The definition of key management includes the close members of family of key management personnel and any other entity over which key management exercise control. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with the Group. They may include the individual's domestic partner and children, the children of the individual's domestic partner, and dependants of the individual or the individual's domestic partner.

Transactions with key management personnel

Directors of the Company and their immediate relatives control 15,4% of the voting shares of the Company.

An interest free staff loan of R250 000 was outstanding by a director on his appointment. This loan is payable in annual instalments of R50 000. There were no other loans to directors.

Directors also participate in the Group's share option scheme (refer Directors' report for details).

Details pertaining to executive directors compensations are set out in the directors' report on page 129. Directors remuneration is included in note 2.

The Group encourages its employees to purchase goods and services from Group companies. These transactions are generally conducted on terms no more favourable than those entered into with third parties on an arm's-length basis, although in some cases nominal discounts are granted. Transactions with key management personnel are conducted on similar terms. No abnormal or non-commercial credit terms are allowed, and no impairments were recognised in relation to any transactions with key management personnel during the year, nor have they resulted in any non-performing debts at year-end.

Similar policies are applied to key management personnel at subsidiary level who are not defined as key management personnel at Group level.

Certain of the directors of the Group are also non-executive directors of other public companies which may transact with the Group. The relevant directors do not believe they have significant influence over the financial or operational policies of those companies. Those companies are thus not regarded as related parties.

The following transactions were made on terms equivalent to those that prevail in arm's-length transactions between subsidiaries of the Group and key management personnel (as defined above) and/or organisations in which key management personnel have significant influence

	2006 R'000
Sales and services provided by the Group	24 039
Purchases	(1 873)
Outstanding amounts due to the Group at year end	9 418
Outstanding amounts due by the Group at year end	-
Guarantees issued	448

Transactions with associates

The following transactions were made on terms equivalent to those that prevail in arm's-length transactions between subsidiaries and associates of the Group

Sales and services provided by the Group	10 439
Purchases	(215)
Outstanding amounts due to the Group at year end	38 932
Outstanding amounts due by the Group at year end	(141)
Guarantees issued	41 000

Details of effective interest, investments and loans to associates are disclosed in note 18 and detailed on page 187.

Notes to the consolidated financial statements

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37. Accounting estimates and judgements

The audit committee has considered the Group's critical accounting policies, key sources of uncertainty and areas where critical accounting judgements were required in applying the Group's accounting policies.

Critical accounting policies

The audit committee is satisfied that the critical accounting policies are appropriate to the Group.

Key sources of uncertainty

A key source of uncertainty relates to the liabilities to the benefit funds or related assets due to the surplus apportionment in terms of the Pensions Fund Act which have yet to be finalised and approved. Details relating to the current surpluses and deficits are included in note 28.

Critical accounting judgements in applying the Group's accounting policies

The Group has assessed the carrying value of goodwill to determine whether any of the amounts have been impaired. The carrying values were assessed using a combination of discounted cash flow and price earnings methods, the actual results for 2005 and 2004 years and forecasts for future years. The related assumptions required accounting judgements.

The Group reflects its held for trade investments at fair value. The determination of directors' value of unlisted investments was determined using a combination of discounted cashflow, net asset value and price earnings method. The assumptions made in these valuations required accounting judgements.

38. Standards and interpretations not effective at June 30 2006

At the date of approval of the annual financial statements, the following standards and interpretations that apply to the Group were in issue but not yet effective

Standard/interpretation	Description	Effective date
IFRS 7	Financial Instruments: Disclosures (including amendments to IAS Presentation of Financial Statements – Capital Disclosures)	July 1 2007
IAS 19 amendment	Employee Benefits (December 2004)	July 1 2006
IAS 39 amendment	Financial Instruments: Recognition and Measurement (June 2005) – Fair value option	July 1 2006
IAS 39 & IFRS 4 amendment	Financial Instruments: Recognition and Measurement (August 2005). Insurance Contracts – Financial Guarantee Contracts	July 1 2006
IAS 21 amendment	The Effects of Changes in Foreign Exchange Rates (December 2005) – Net Investment in a Foreign Operation	July 1 2006
IFRIC 4	Determining whether an Arrangement contains a Lease	July 1 2006

IFRS 7

The disclosures provided in respect of financial instruments in the financial statements for the period ending June 30 2008, as well as comparative information, will be compliant with IFRS 7. The disclosure requirements of IFRS 7 require additional disclosure compared to that required in terms of existing IFRS in respect of the following

Qualitative disclosures

Further information regarding each type of financial instrument risk including the exposures to risk and how they arise; the Group's objectives, policies and processes for managing the risk; the methods used to measure the risk; and any changes from the previous period.

Quantitative disclosures

Further information regarding each type of the Group's financial instrument risk including a summary of quantitative data about exposure to that risk at the reporting date including any concentrations of credit risk; financial assets that are either past due or impaired; any collateral and other credit enhancements obtained; liquidity risk; market risk; and capital objectives and policies.

The adoption of IFRS 7 will not have any impact on the accounting policies adopted for financial instruments.

38. Standards and interpretations not effective at June 30 2006 (continued)

IAS 19 amendment

The revisions to IAS 19 permits an entity to recognise all actuarial gains and losses in the period in which they occur, outside profit or loss, in the statement of recognised income and expenses. The Group will review its accounting policy to assess whether it would be appropriate to adopt this revision. The adoption of IAS 19 would result in additional disclosure of the Group's defined benefit plans, including a sensitivity analysis reflecting the impact of changes in medical cost trend rates on the post-retirement medical aid obligation and the current service cost and interest cost; a summary of defined benefit obligations, fair value of plan assets and actuarial gains or losses for the current reporting period and the previous four annual periods; and an estimate of contributions payable in the following reporting period.

IAS 39 and IFRS 4 amendment

The following standards will be adopted by the Group for the first time for the year ended June 30 2007 and are not expected to have a material effect; IAS 39 amendment which restricts the extent to which an entity can designate a financial asset or liability as "at fair value through profit or loss" to certain situations; and IAS 39 and IFRS 4 amendment relating to financial guarantee contracts.

IAS 21 amendment

The amendment to IAS 21 relating to the treatment of monetary receivables from or to a foreign operation will be adopted by the Group for the first time for the year ending June 30 2007. This change should have no effect on the Group as all movements in exchange rates on the Group's foreign operations are already carried in equity.

IFRIC 4

IFRIC 4 will be adopted by the Group for the first time for the year ending June 30 2007.

In terms of IFRIC 4, the entity is required to examine outsourcing arrangements, take-or-pay and similar contracts to identify if these arrangements contain leases that are required to be accounted for in terms of IAS 17 Leases. In accordance with the transitional provisions of this interpretation, the interpretation will be applied to arrangements existing as at July 1 2005 and the figures for the 2006 financial year will be restated accordingly.

The effect of adopting IFRIC 4 has not yet been determined. The existing accounting policies with regard to operating and finance leases will not change and will be applied to IFRIC 4 arrangements.

39. Transition to IFRS and review of existing accounting standards

Review of existing accounting standards

After the consideration of previous accounting standards (South African Generally Accepted Accounting Practice "SA GAAP") and IFRS, it was noted that revisions were required with regard to the interpretation of certain standards as previously reported. In view of the fact that these adjustments and reclassifications are insignificant, they have been processed and included in the IFRS transition note.

Transition to IFRS

As stated in the accounting policies, these are the Group's first consolidated financial statements prepared in accordance with IFRS.

The accounting policies have been applied in preparing the financial statements for the year ended June 30 2006, the comparative information presented in these financial statements for the year ended June 30 2005 and in the preparation of an opening IFRS balance sheet at July 1 2004.

In preparing its opening IFRS balance sheet, the Group has adjusted amounts previously reported under SA GAAP. Accounting policies adopted under IFRS have been applied consistently in preparing the financial statements for the year ended June 30 2006, the comparative information for the year ended June 30 2005 and the opening balance sheet on July 1 2004.

The only adjustments to the cash flow statement relate to reclassifications between categories.

The Group's transition date to IFRS is July 1 2004 and the Group has taken advantage of the following optional exemptions from full retrospective application at this date

- Not to restate business combinations which took place prior to transition date, other than to the extent that they were identifiable intangible assets at the time of acquisition that were previously written off to retained income;
- To include goodwill on the basis of deemed cost, being cost less accumulated depreciation, with negative goodwill being written off to retained income;
- The transfer to retained income of the accumulated foreign currency translation reserves at transition date; and
- To only account for the cost of options to acquire shares in the Company, granted subsequent to November 7 2002 which had not vested by January 1 2005.

Notes to the consolidated financial statements

for the year ended June 30

39. Transition to IFRS and review of existing accounting standards (continued)

39.1 Property, plant and equipment

Provision for dismantling and site restoration

The Group now provides for the estimated cost of dismantling and removing items and restoring the site on which they are located, as part of the cost of the asset. The effect is to increase property, plant and equipment by R13,6 million at July 1 2004, by R28,0 million at June 30 2005 and to raise a provision for dismantling and site restoration of R29,7 million at July 1 2004 and R56,3 million at June 30 2005. This change also resulted in an additional depreciation charge of R10,9 million for the year ended June 30 2005.

Depreciation

Components of property, plant and equipment with significantly different lives have been accounted for as separate assets, and the useful lives and residual values of items of property, plant and equipment have been revised, with the adoption of IAS 16. This change has resulted in an increase in the depreciation expense of R13,2 million at June 30 2005 and a reduction in the accumulated depreciation of R34,8 million at July 1 2004 and R24,3 million at June 30 2005.

Circulating stock

On review of the interpretation of SA GAAP and IFRS, it was decided that circulating stock, which in prior years was included in inventory, should be reclassified as property, plant and equipment, resulting in a R35,3 million transfer from inventories to property plant and equipment at June 30 2005 (July 1 2004: R29,1 million).

Vehicle rental fleet

Consistent with improved disclosure, the vehicle rental fleet previously included in inventory has been separately disclosed.

39.2 Intangible assets

Acquired computer software, previously reflected in property, plant and equipment as office furniture and equipment, has now been reclassified as an intangible asset. The useful life of computer software, both acquired and self-developed, is assessed annually. The effect has been to decrease property, plant and equipment and increase intangibles by R92,4 million at June 30 2005 and R83,4 million at July 1 2004. An additional amortisation of R17,1 million was recognised at July 1 2004 and there was a R7,2 million reduction in the amortisation charge for the year to June 30 2005.

Patents, trademarks and tradenames acquired as a result of a business combination prior to June 30 2000 and written off against retained income, have been reinstated with effect from the date of the business combination resulting in an increase in intangible assets of R184,4 million and R240,1 million at June 30 2005 and July 1 2004 respectively. These patents, trademarks and tradenames have been amortised in accordance with the Group's existing accounting policies with an amount of R56,5 million being charged to income in the June 30 2005 year.

39.3 Leases

Certain leases, which were previously considered to be operating leases, have been reclassified as finance leases. This change has resulted in an increase at June 30 2005 of R33,0 million (July 1 2004: R39,8 million) to property, plant and equipment and an increase of R44,1 million (July 1 2004: R50,4 million) in liabilities.

39.4 Reclassification of provisions

In line with IAS 37, the following provisions have been reclassified

Staff related provisions

Staff related provisions amounting to R463,2 million at July 1 2004 and R550,1 million at June 30 2005 have been reclassified to trade and other payables.

Operating lease liabilities

Per note 30, operating lease liabilities arise as a result of operating leases being recognised on a straight-line basis to the income statement. In the prior year, these operating lease liabilities were included in other provisions. The short-term portion of these liabilities is now included in trade and other payables with the long-term portion being separately disclosed as a long-term liability in the balance sheet.

39. Transition to IFRS and review of existing accounting standards *(continued)*

39.5 Revenue recognition

Fees charged for the origination of loans previously recognised immediately in income, are now deferred over the anticipated period in which services are to be provided. This change has resulted in a decrease in operating income of R5,9 million for the 2005 year and an increase in trade and other payables of R16,1 million at June 30 2005 (July 1 2004: R10,2 million).

39.6 Equity-settled share-based payment reserve

In accordance with IFRS 2, options to acquire shares in the Company are granted to executive directors and staff. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The impact on income for the June 30 2005 year was R37,6 million.

39.7 Reconciliation of equity

The impact of the adoption of IFRS on equity is detailed in the table below

	July 1 2004 R'000	June 30 2005 R'000
<i>As reported under IFRS</i>	6 520 201	7 642 424
<i>Transition to IFRS</i>		
Property, plant and equipment	9 060	23 824
Intangible assets	(156 645)	(123 816)
Share-based payments	–	–
Finance leases	9 947	10 530
Negative goodwill	(21 268)	–
Revenue recognition	7 124	11 439
<i>As previously reported</i>	6 368 419	7 564 401

Notes to the consolidated financial statements
for the year ended June 30

39. Transition to IFRS and review of existing accounting standards (continued)

39.8 IFRS adjusted consolidated income statement
for the year ended

	June 30 2005		
	As previously reported R'000	Transition to IFRS R'000	As reported under IFRS R'000
Total revenue	62 937 216	–	62 937 216
Revenue	62 811 776	–	62 811 776
Cost of revenue	(49 943 963)	(13 319)	(49 957 282)
Gross income	12 867 813	(13 319)	12 854 494
Other income	122 360		122 360
Operating expenses	(9 859 949)	(100 552)	(9 960 501)
Sales and distribution costs	(5 876 019)	(1 332)	(5 877 351)
Administration expenses	(2 894 835)	(99 295)	(2 994 130)
Other costs	(1 089 095)	75	(1 089 020)
Operating profit	3 130 224	(113 871)	3 016 353
Net finance charges	(277 680)	(7 425)	(285 105)
Finance income	42 291	–	42 291
Finance charges	(319 971)	(7 425)	(327 396)
Share of income of associates	35 333	3 513	38 846
Dividends received	6 905	–	6 905
Share of retained income	28 428	3 513	31 941
Profit before taxation	2 887 877	(117 783)	2 770 094
Taxation	(822 510)	24 755	(797 755)
Profit for the year	2 065 367	(93 028)	1 972 339
Attributable to			
Shareholders of the Company	2 054 193	(92 962)	1 961 231
Minority shareholders	11 174	(66)	11 108
	2 065 367	(93 028)	1 972 339
Basic earnings per share (cents)	678,6	(30,7)	647,9
Diluted earnings per share (cents)	662,2	(29,9)	632,3
Headline earnings per share (cents)	686,6	(30,2)	656,4
Diluted headline earnings per share (cents)	670,0	(29,4)	640,6
Distributions per share (cents)	306,0		306,0

39. Transition to IFRS and review of existing accounting standards (continued)

39.9 IFRS adjusted consolidated balance sheet as at

	July 1 2004					June 30 2005				
	As previously reported R'000	Reclassi- fication R'000	Revised total R'000	Transition to IFRS R'000	As reported under IFRS R'000	As previously reported R'000	Reclassi- fication R'000	Revised total R'000	Transition to IFRS R'000	As reported under IFRS R'000
ASSETS										
Non-current assets	6 478 993	29 070	6 508 063	273 174	6 781 237	8 159 796	35 298	8 195 094	228 365	8 423 459
Property, plant and equipment	3 663 846	29 070	3 692 916	4 992	3 697 908	4 274 941	35 298	4 310 239	(7 116)	4 303 123
Intangible assets	54 125		54 125	307 210	361 335	54 362		54 362	266 884	321 246
Goodwill	1 924 920		1 924 920	21 268	1 946 188	2 530 700		2 530 700		2 530 700
Deferred taxation	301 894		301 894	(60 558)	241 336	256 701		256 701	(35 178)	221 523
Interest in associates	155 625		155 625	262	155 887	489 909		489 909	3 775	493 684
Investments	356 597		356 597		356 597	511 983		511 983		511 983
Banking and other advances	21 986		21 986		21 986	41 200		41 200		41 200
Current assets	11 542 389	(29 070)	11 513 319	–	11 513 319	12 735 170	(35 298)	12 699 872	–	12 699 872
Vehicle rental fleet	–	157 625	157 625		157 625	–	249 155	249 155		249 155
Inventories	3 604 807	(186 695)	3 418 112		3 418 112	4 308 478	(284 453)	4 024 025		4 024 025
Short-term portion of banking and other advances	63 222		63 222		63 222	105 979		105 979		105 979
Trade and other receivables	5 569 199		5 569 199		5 569 199	6 612 781		6 612 781		6 612 781
Cash and cash equivalents	2 305 161		2 305 161		2 305 161	1 707 932		1 707 932		1 707 932
Total assets	18 021 382	–	18 021 382	273 174	18 294 556	20 894 966	–	20 894 966	228 365	21 123 331
EQUITY AND LIABILITIES										
Capital and reserves	6 368 419	–	6 368 419	151 782	6 520 201	7 564 401	–	7 564 401	78 023	7 642 424
Capital and reserves attributable to shareholders of the Company	5 998 413		5 998 413	152 353	6 150 766	7 388 482		7 388 482	80 384	7 468 866
Minority shareholders	370 006		370 006	(571)	369 435	175 919		175 919	(2 361)	173 558
Non-current liabilities	1 242 782	107 329	1 350 111	73 705	1 423 816	1 765 498	122 997	1 888 495	67 946	1 956 441
Deferred taxation	89 553		89 553	25 169	114 722	61 670		61 670	25 731	87 401
Life assurance fund	5 106		5 106		5 106	13 265		13 265		13 265
Long-term portion of borrowings	923 083		923 083	48 536	971 619	1 471 656		1 471 656	42 215	1 513 871
Post-retirement obligations	225 040		225 040		225 040	218 752		218 752		218 752
Long-term portion of banking liabilities	–		–		–	155		155		155
Long-term portion of operating lease liabilities	–	107 329	107 329		107 329	–	122 997	122 997		122 997
Current liabilities	10 410 181	(107 329)	10 302 852	47 687	10 350 539	11 565 067	(122 997)	11 442 070	82 396	11 524 466
Trade and other payables	6 960 711	486 404	7 447 115	10 609	7 457 724	8 950 544	576 675	9 527 219	16 925	9 544 144
Provisions	842 530	(593 733)	248 797	29 793	278 590	897 715	(699 672)	198 043	56 770	254 813
Vendors for acquisition	90 152		90 152		90 152	–		–		–
Taxation	404 082		404 082	5 444	409 526	441 467		441 467	6 775	448 242
Short-term portion of banking liabilities	56 557		56 557		56 557	94 468		94 468		94 468
Short-term portion of borrowings	2 056 149		2 056 149	1 841	2 057 990	1 180 873		1 180 873	1 926	1 182 799
Total equity and liabilities	18 021 382	–	18 021 382	273 174	18 294 556	20 894 966	–	20 894 966	228 365	21 123 331

Company income statement

for the year ended June 30

	Note	2006 R'000	2005 R'000
Dividends received		994 216	695 212
Subsidiaries and joint ventures		991 142	690 059
Associates		3 074	5 132
Unlisted investments		–	21
Impairment of investment in subsidiaries		(10 521)	–
Fair value adjustments to investments in subsidiaries, joint ventures and associates		(345 678)	(2 556)
Profit on disposal of subsidiaries, joint ventures and associates		1 332	32 093
Profit before taxation		639 349	724 749
Taxation	2	(368)	4 712
Profit for the year attributable to shareholders		638 981	729 461

Company cash flow statement

for the year ended June 30

	Note	2006 R000	2005 R000
Cash outflow from operating activities		(73 280)	(162 754)
Cash generated by operations	3	996 167	694 741
Taxation refund received (taxation paid)	4	4 576	(4)
Distributions to shareholders		–	(215 879)
Refund of share premium to shareholders in lieu of dividends		(1 074 023)	(641 612)
Cash effects of investment activities		(128 201)	28 603
Decrease in advances to subsidiaries		556 985	214 138
Increase in advances to associates		(20 095)	–
Acquisition of subsidiaries and associates	5	(672 783)	(227 547)
Proceeds on disposal of subsidiaries, joint ventures and associates	6	7 692	42 012
Cash effects of financing activities		180 274	177 061
Proceeds from share issues		180 274	177 061
Net increase (decrease) in cash and cash equivalents		(21 207)	42 910
Cash and cash equivalents at beginning of year		85 578	42 668
Cash and cash equivalents at end of year		64 371	85 578

Company balance sheet
at June 30

	Note	2006 R'000	2005 R'000
ASSETS			
Non-current assets		5 170 886	5 298 991
Interest in subsidiaries	7	5 010 402	5 207 426
Interest in joint ventures	8	4 540	4 540
Interest in associates	9	155 094	86 175
Investments	10	850	850
Current assets		64 371	90 294
Cash and cash equivalents		64 371	85 578
Taxation		–	4 716
Total assets		5 235 257	5 389 285
EQUITY AND LIABILITIES			
Capital and reserves	11	5 151 066	5 355 784
Current liabilities		84 191	33 501
Trade and other payables		8 395	6 444
Provisions	12	37 578	27 057
Vendors for acquisition		37 990	–
Taxation		228	–
Total equity and liabilities		5 235 257	5 389 285

Notes to the Company financial statements
for the year ended June 30

	2006 R'000	2005 R'000
1. Statement of recognised income and expenses		
A statement of recognised income and expenses has not been prepared as there were no amounts recognised directly in equity. Details of changes in capital and reserves are provided in note 11.		
2. Taxation		
Current taxation	(232)	4 712
Current year	–	(2 524)
Prior years	(232)	7 236
Secondary taxation on companies	(136)	–
Total taxation per income statement	(368)	4 712
The reconciliation of the effective tax rate with the company tax rate is as follows	%	%
Taxation for the year as a percentage of profit before taxation	(0,1)	(0,7)
Dividend and exempt income	45,2	29,0
Difference in rate as a result of capital gains taxation	–	(0,3)
Changes in prior year's estimation	0,1	1,0
Expenses not taxable or allowed	(16,2)	–
Rate of South African company taxation	29,0	29,0
	R'000	R'000
Secondary taxation on companies – dividend credits available	91 442	47 057
3. Cash generated by operations		
Profit before taxation	639 349	724 749
Adjustment for non-cash items	354 867	(29 537)
Retained (utilised) to finance working capital		
Increase (decrease) in trade and other payables and provisions	1 951	(471)
Cash generated by operations	996 167	694 741
4. Taxation refund received (taxation paid)		
Amount payable at beginning of year	4 716	–
Per income statement	(368)	4 712
Amount payable at end of year	228	(4 716)
Refund received (amount paid)	4 576	(4)
5. Acquisition of subsidiaries and associates		
Interest in subsidiaries	(661 949)	(169 216)
Interest in associates	(48 824)	(3 269)
Total value of acquisitions	(710 773)	(172 485)
Vendors for acquisition at beginning of year	–	(55 062)
Vendors for acquisition at end of year	37 990	–
Amounts paid	(672 783)	(227 547)

	2006 R'000	2005 R'000
6. Proceeds on disposal of subsidiaries, joint ventures and associates		
Interest in subsidiaries	6 360	1 600
Interest in associates	–	8 319
Net carrying value	6 360	9 919
Profit on disposal	1 332	32 093
Net proceeds	7 692	42 012
7. Interest in subsidiaries		
Shares at cost	2 820 262	2 460 301
Due by subsidiaries	2 618 389	2 932 672
Due to subsidiaries	(428 249)	(185 547)
	5 010 402	5 207 426
Details of subsidiaries are reflected on pages 184 to 187 of this report.		
8. Interest in joint ventures		
Shares at cost	4 540	4 540
Details of major joint ventures are reflected on page 187 of this report.		
9. Interest in associates		
Listed	56 272	48 715
Unlisted	78 727	37 460
	134 999	86 175
Interest free advances	20 095	–
	155 094	86 175
Market value of listed associates	213 186	141 321
Directors' value of unlisted associates	131 216	86 431
	344 402	227 752
Details of major associates are reflected on page 187 of this report.		
10. Investments		
Unlisted shares	850	850
Directors' value of unlisted investments	850	850

Notes to the Company financial statements
for the year ended June 30

	2006 R'000	2005 R'000
11. Capital and reserves		
Share capital		
Authorised		
540 000 000 (2005: 540 000 000) ordinary shares of 5 cents each	27 000	27 000
	Number	Number
Issued		
Balance at beginning of year	320 421 750	315 614 767
Shares issued in terms of the share incentive scheme	4 756 648	4 806 983
Balance at end of year	325 178 398	320 421 750
	R'000	R'000
Issued share capital	16 259	16 021
Balance at beginning of year	16 021	15 781
Shares issued in terms of the share incentive scheme	238	240
Share premium	2 695 956	3 589 943
Balance at beginning of year	3 589 943	4 054 734
Arising on shares issued in terms of the share incentive scheme	180 217	177 349
Refunds of share premium to shareholders in lieu of dividends	(1 074 023)	(641 612)
Share issue expenses	(181)	(528)
Reserves		
Equity-settled share-based payment reserve	107 945	57 895
Balance at beginning of year	57 895	20 274
Arising during current year	50 050	37 621
Retained earnings	2 330 906	1 691 925
Balance at beginning of year	1 691 925	1 178 343
Profit attributable to shareholders	638 981	729 461
Dividends and capitalisation issues	–	(215 879)
Total capital and reserves	5 151 066	5 355 784
The Company issued 18 000 000 options to shareholders to subscribe for 18 000 000 new ordinary shares at R60 per share on December 8 2006, in terms of a special resolution passed at a meeting of shareholders held on November 10 2003. 30 000 000 of the unissued shares are under the control of the directors until the next annual general meeting.		
12. Provisions		
Provision for impairments in subsidiaries	37 578	27 057
13. Contingent liabilities		
In respect of guarantees of banking and other facilities granted to subsidiaries and associates	11 116 200	9 847 163
Of which has been utilised	2 740 463	1 802 492

14. Borrowing powers

Borrowing powers, in terms of the articles of association, are unlimited.

15. Related parties

The subsidiaries, joint ventures and associates of the Group are identified in the annexure set out on pages 184 to 187. All of these entities are related parties of the Company. The Company has made loans to, and has received loans from, certain of these entities as set out in the said annexure.

Details of income received from these related parties are included in the income statement.

All expenditure incurred by the Company is borne by a subsidiary in lieu of administration fees and interest.

16. Transition to IFRS

As stated in the accounting policies, these are the Company's first financial statements prepared in accordance with IFRS.

The accounting policies have been applied in preparing the financial statements for the year ended June 30 2006 and the comparative information presented in these financial statements for the year ended June 30 2005.

The only adjustment required by the Company for IFRS is to account for share options granted to employees of its subsidiaries in accordance with IFRS 2. The Company's transition date to IFRS is July 1 2004 and the Company has taken advantage of the optional exemption from full retrospective application at this date to only account for the cost of options to acquire shares in the Company, granted subsequent to November 7 2002 which had not vested by January 1 2005.

The implementation of IFRS has not had an impact on the income statement or cash flow statement of the Company. The effect of the introduction of this statement on the balance sheet at July 1 2004 is to increase the value of investments in subsidiaries and equity-settled share-based payment reserve by R20,1 million. The value of investments in subsidiaries and equity-settled share-based payment reserve increased by R37,8 million at June 30 2005.

Interest in subsidiaries, joint ventures and associates

for the year ended June 30

Major subsidiaries	Issued capital R'000	Effective holdings		Company's interest		Indebtedness	
		2006 %	2005 %	Shares			
				2006 R'000	2005 R'000	2006 R'000	2005 R'000
Catering supplies, food and allied products							
3663 First for Food Service (Pty) Limited#	*	100	100	—	—	—	—
BFS Group Limited (trading as 3663) ⁽¹⁾	396 128	100	100	—	—	—	—
Bid Foodservice (Europe) Limited ⁽¹⁾	132 046	100	—	—	—	—	—
Bidbake (Pty) Limited#	*	100	100	—	—	—	—
Bidfood (Pty) Limited#	*	100	100	—	—	—	—
Bidvest (N.S.W) Limited ⁽²⁾	*	100	100	—	—	—	—
Bidvest (Victoria) (Pty) Limited ⁽²⁾	*	100	100	—	—	—	—
Bidvest (W.A.) (Pty) Limited ⁽²⁾	*	100	100	—	—	—	—
Bidvest Australia Limited ⁽²⁾	843	100	100	—	—	—	—
Blue Marine Frozen Foods (Pty) Limited#	*	100	100	—	—	—	—
Burleigh Marr Distributions (Pty) Limited ⁽²⁾	69	100	100	—	—	—	—
C.C.W. Catering Supplies (Pty) Limited#	*	100	100	—	—	—	—
Caterplus (Pty) Limited ⁽²⁾	*	100	100	—	—	—	—
Caterplus (Botswana) (Pty) Limited ⁽³⁾	*	100	100	—	—	—	—
Caterplus Namibia (Pty) Limited ⁽⁴⁾	*	100	100	—	—	—	—
Catersales (Pty) Limited#	*	100	100	—	—	—	—
Chipkins Bakery Supplies (Pty) Limited#	*	100	100	—	—	—	—
Chipkins Catering Supplies (Pty) Limited#	*	100	100	—	—	—	—
Continental Spice Works (Pty) Limited#	*	100	100	—	—	—	—
Crean Foodservice Limited ⁽⁵⁾	*	100	100	—	—	—	—
Crown Foods Group (Pty) Limited#	*	100	100	—	—	—	—
Crown National (Pty) Limited#	10	100	100	10	10	(10)	(10)
D and R Lowe Catering Supplies (Pty) Limited#	*	100	100	—	—	(312)	(326)
Deli XI Belgie Nv ⁽⁶⁾	771 447	100	—	—	—	—	—
Deli XI BV ⁽⁷⁾	108 026	100	—	—	—	—	—
Deli XI SA ⁽⁶⁾	18 168	100	—	—	—	—	—
Everyday Foods (Pty) Limited	*	100	100	1 003	1 003	—	—
First Food Distributors (Pty) Limited#	*	100	100	—	—	—	—
Horeca Trade LLC ⁽⁸⁾	594	80	—	—	—	—	—
Hotel Amenities Suppliers (Pty) Limited	*	100	100	—	—	—	—
International Bakery Ingredients (Pty) Limited	*	100	100	19 647	19 647	—	—
John Lewis Foodservice (Pty) Limited ⁽²⁾	*	100	100	—	—	—	—
Lou's Wholesalers (Pty) Limited#	*	100	100	—	—	—	—
Lufil Packaging (Pty) Limited	*	100	100	59 244	59 093	—	—
M & M Quality Choice (Pty) Limited#	*	100	100	—	—	—	—
Modern Packaging (Benoni) (Pty) Limited#	*	100	100	—	—	—	—
N Stephenson (Pty) Limited ⁽²⁾	212	100	100	—	—	—	—
NCP Yeast (Pty) Limited#	*	100	100	—	—	—	—
Patleys (Pty) Limited#	*	100	100	—	—	—	—
Promo Sachets (Pty) Limited#	*	100	100	2 480	2 480	(97)	—
RFS Catering Supplies (Pty) Limited#	*	100	100	—	—	—	—
Seaworld Frozen Foods (Pty) Limited#	*	100	100	—	—	2 429	2 429
The Barton Meat Company Limited ⁽¹⁾	1	51	51	—	—	—	—
Tri-Mark Industries (Pty) Limited	*	100	100	4 044	4 044	—	—
Vulcan Catering Equipment (Pty) Limited#	*	100	100	—	—	—	—
Financial and related services							
Bid Financial Services (Pty) Limited	*	100	100	—	—	90 000	90 000
Concorde Travel (Pty) Limited	*	90	90	47 433	—	—	—
Connex Travel (Pty) Limited	100	47	47	28 040	—	5 513	—
Namibia Bureau de Change (Pty) Limited ⁽⁴⁾	500	51	51	—	—	—	—
Prestige Travel SA (Pty) Limited#	*	100	100	—	—	—	—
Rennies Bank Limited	1 800	100	100	—	—	—	—
Rennies Travel (Namibia) (Pty) Limited ⁽⁴⁾	*	100	100	—	—	—	—
Rennies Travel (Pty) Limited	*	75	75	1 151	502	—	—
Travel Connections (Pty) Limited	*	60	60	9 119	9 064	—	—
Uniworld Travel (Pty) Limited#	*	100	100	—	—	—	—
World Travel (Pty) Limited	3 350	100	100	7 306	—	—	—
Freight forwarding, clearing, distribution warehousing and allied activities							
African Shipping Limited	2 450	100	100	8 996	8 996	—	—
Bidcorp Outsourced Services Limited ⁽¹⁾	286 714	100	100	—	—	—	—
Bidcorp Property Limited ⁽¹⁾	*	100	100	—	—	—	—
Bidfreight (Pty) Limited#	*	100	100	—	—	—	—
Bidfreight Intermodal (Pty) Limited#	*	100	100	—	—	—	—
Bidfreight Logistics (Pty) Limited#	*	100	100	—	—	—	—
Bidfreight Port Operations (Pty) Limited#	*	100	100	—	—	—	—
Bidfreight Terminals (Pty) Limited#	*	100	100	—	—	—	—
Bulk Connections (Pty) Limited#	*	100	100	—	—	—	—
Freightbulk (Pty) Limited	1	100	100	672	662	108	108
Island View Storage Limited	6 300	100	100	367 226	366 843	—	—
Island View Storage Richards Bay (Pty) Limited	500	100	100	—	—	—	—
Luderitz Bay Shipping & Forwarding (Pty) Limited ⁽⁹⁾	*	40	40	—	—	—	—
Manica (Zambia) Limited ⁽¹⁰⁾	903	100	100	—	—	—	—
Manica Africa (Pty) Limited	3 088	100	100	—	—	—	—

Major subsidiaries	Issued capital R'000	Effective holdings		Company's interest		Indebtedness	
		2006 %	2005 %	Shares 2006 R'000	2005 R'000	2006 R'000	2005 R'000
Freight forwarding, clearing, distribution warehousing and allied activities <i>(continued)</i>							
Manica Botswana (Pty) Limited ⁽³⁾	179	100	100	—	—	—	—
Manica Group Namibia (Pty) Limited ⁽⁴⁾	275	62	62	—	—	—	—
Manica Malawi Limited ⁽¹¹⁾	367	75	50	—	—	—	—
Manica Zimbabwe Limited ⁽¹²⁾	*	100	100	—	—	—	—
Manica Holdings Limited	1	100	100	77 280	76 986	23 499	17 112
Naval Servicos A Navegação Limitada ⁽⁹⁾	10	100	100	—	—	—	—
Ontime Automotive (Specialist Operations) Limited ⁽¹⁾	1	100	100	—	—	—	—
Ontime Automotive (Technical Services) Limited ⁽¹⁾	13	100	100	—	—	—	—
Ontime Automotive (Volume Distribution) Limited ⁽¹⁾	660	100	100	—	—	—	—
Ontime Automotive Limited ⁽¹⁾	396 138	100	100	—	—	—	—
Ontime Rescue & Recovery Limited ⁽¹⁾	1	100	100	—	—	—	—
P & I Associates (Pty) Limited#	*	100	100	—	—	—	—
Procdib Limited ⁽¹⁾	*	100	100	—	—	—	—
Renfreight (Pty) Limited	*	100	100	95 554	95 554	(108)	(108)
Rennie Murray and Company (Pty) Limited#	*	100	100	—	—	—	—
Rennies Distribution Services (Pty) Limited#	*	100	100	—	—	—	—
Rennies Property Holdings (Pty) Limited	54 000	100	100	54 000	54 000	—	—
Rennies Ships Agency (Pty) Limited#	*	100	100	—	—	—	—
Safcor Freight (Pty) Limited (trading as Safcor Panalpina)	*	100	100	106 512	105 218	—	40 000
South African Bulk Terminals Limited	2	100	100	51 125	50 716	—	—
South African Container Depots (Pty) Limited#	*	100	100	—	—	—	—
South African Container Stevedores (Pty) Limited	1	82	82	37	13	—	—
Walvis Bay Airport Services (Pty) Limited	5	31	31	—	—	—	—
Walvis Bay Stevedoring Company (Pty) Limited ⁽⁴⁾	*	34	37	—	—	—	—
Woker Freight Services (Pty) Limited ⁽⁴⁾	29	62	62	—	—	—	—
Office furniture, supplies and related products							
Bid Information Exchange (Pty) Limited#	*	100	100	—	—	—	—
Bonanza Holdings (Pty) Limited	*	100	100	—	—	5 396	5 652
Budget Desks and Chairs (Pty) Limited#	*	100	100	—	—	—	—
Cecil Nurse (Pty) Limited#	*	100	100	—	—	—	—
Contract Office Products (Pty) Limited#	*	100	100	—	—	—	—
Dauphin Office Seating SA (Pty) Limited	*	71	71	1 663	1 507	—	—
Hortors Stationery (Pty) Limited#	*	100	100	—	—	—	—
Kolok (Botswana) (Pty) Limited ⁽³⁾	*	100	100	—	—	—	—
Kolok (Namibia) (Pty) Limited ⁽⁴⁾	*	100	100	—	—	—	—
Kolok (Pty) Limited#	*	100	100	—	—	—	—
Kuyasa Stationers (Pty) Limited	*	100	100	—	—	—	—
Minolco (Namibia) (Pty) Limited ⁽⁴⁾	*	100	100	—	—	—	—
Minolco (Pty) Limited#	*	100	100	—	—	—	—
Nuclear Corporate Furniture (Pty) Limited#	*	100	100	—	—	—	—
Offurn Clearance House (Pty) Limited#	*	60	60	5 963	1 963	—	—
Pago Designs (Pty) Limited	*	100	100	3 644	3 644	600	600
Seating (Pty) Limited#	*	100	100	—	—	—	—
South African Diaries (Pty) Limited#	*	100	100	—	—	—	—
Waltons Stationery Company (Namibia) (Pty) Limited ⁽⁴⁾	*	100	100	—	—	—	—
Waltons Stationery Company (Pty) Limited#	31	100	100	31	31	(31)	(31)
Printing and stationery products							
Bidpaper Plus (Pty) Limited	*	100	100	—	—	—	—
Bid Commercial Products (UK) Limited ⁽¹⁾	*	100	100	—	—	—	—
Email Connection (Pty) Limited	*	51	51	2 606	2 606	—	—
Expressed Solutions (Pty) Limited	*	100	100	—	—	7 687	7 687
Globe Stationery Manufacturing Company (Pty) Limited#	*	100	100	—	—	—	—
Kolok Africa (Pty) Limited#	*	100	100	—	—	—	—
Lithotech (Pty) Limited	*	100	100	—	—	—	—
Lithotech Holdings Limited	473	100	100	137 661	136 733	10 000	2 606
Lithotech Solutions (Pty) Limited	*	100	100	—	—	—	—
Ozalid South Africa (Pty) Limited#	*	100	100	—	—	—	—
Silveray Manufacturers (Pty) Limited#	58	100	100	—	—	—	—
Silveray Statmark Company (Pty) Limited#	11	100	100	7 017	7 017	(3 290)	(3 302)
Tension Envelope (Pty) Limited#	*	100	100	—	—	—	—
Packaging closures and fastening systems							
Afcom Group Limited	343	100	100	12 412	12 412	31 587	31 587
African Commerce Developing Company (Pty) Limited#	151	100	100	—	—	—	—
Buffalo Executape (Pty) Limited#	*	100	100	—	—	—	—
Buffalo Tapes (Pty) Limited#	*	100	100	—	—	—	—
G E Hudson (Pty) Limited#	*	100	100	—	—	—	—
Ram Fasteners (Pty) Limited	3 111	100	100	3 441	3 385	11 836	12 713
Linen rental, laundry and cleaning services							
Airport Handling Services (Pty) Limited	*	40	40	—	—	—	—
Bidair Services (Pty) Limited#	*	100	100	409	173	—	—
Bidserv (Pty) Limited#	*	100	100	—	—	—	—

Interest in subsidiaries, joint ventures and associates

for the year ended June 30

Major subsidiaries	Issued capital R'000	Company's interest					
		Effective holdings		Shares		Indebtedness	
		2006 %	2005 %	2006 R'000	2005 R'000	2006 R'000	2005 R'000
Linen rental, laundry and cleaning services (continued)							
Bidserv Industrial Products (Pty) Limited#	*	100	100	—	—	—	—
Bidserv Risk Solutions (Pty) Limited#	*	100	100	—	—	—	—
Bidvest Zambia (Pty) Limited ⁽¹⁰⁾	*	100	100	—	—	—	—
Bosnandi Laundry (Pty) Limited	*	51	51	—	—	—	—
Companhia de Fumigações de Mozambique Limitada ⁽⁹⁾	5	100	100	—	—	—	—
Dinatla Property Services (Pty) Limited	30	50	50	925	908	—	—
Execuflora (Pty) Limited#	*	100	100	—	—	—	—
Express Air Services (Pty) Limited	1	100	100	—	—	—	18 100
First Garment Rental (Pty) Limited#	*	100	100	—	—	—	—
First In Staffing Solutions (Pty) Limited	*	100	100	—	—	—	—
Giant Clothing Limited ⁽¹¹⁾	9	100	100	—	6 114	—	—
Global Payment Technologies Cash Systems (Pty) Limited#	*	100	80	44 301	—	—	—
Ingenico SA (Pty) Limited#	*	100	100	8 037	—	—	—
Langa Status Property Services (Pty) Limited	*	48	48	—	—	—	—
Magnum Shield Security Services (Pty) Limited#	*	100	100	—	—	—	—
Master Guard Fabric Protection Africa (Pty) Limited	*	50	50	16	16	—	—
Melisizwa Property Services (Pty) Limited	*	26	26	—	—	—	—
Nomtsalane Cleaning Services (Pty) Limited	*	50	50	—	—	—	—
Prestige Cleaning Services (Pty) Limited#	*	100	100	—	—	—	—
Provicom Electronics (Pty) Limited#	*	100	100	—	—	—	—
Pureau Fresh Water Company (Pty) Limited#	*	100	100	—	—	—	—
QMS Consulting (Pty) Limited#	*	100	100	—	—	—	—
Rochester Midlands Industries SA (Pty) Limited	*	50	50	167	167	—	—
Setsebi Property Services (Pty) Limited	*	48	48	—	—	—	—
Steiner Group (Pty) Limited#	*	100	100	—	—	—	—
Steiner Hygiene (Pty) Limited#	*	100	100	—	—	—	—
Steiner Hygiene Mozambique Limitada ⁽⁹⁾	6	100	100	—	—	—	—
Steiner Hygiene Swaziland (Pty) Limited#	6	100	100	—	—	—	—
Strategic Corporate Solutions (Pty) Limited#	*	100	100	—	—	—	—
Taemane Cleaning Services (Pty) Limited	*	70	70	—	—	—	—
TMS Group (Pty) Limited#	*	100	100	—	—	—	—
TMS Group UK Limited ⁽¹⁾	*	100	100	—	—	—	—
Top Turf Botswana (Pty) Limited ⁽³⁾	*	100	100	—	—	—	—
Top Turf Group (Pty) Limited#	*	100	100	4	4	(4)	—
Top Turf Mauritius (Pty) Limited ⁽¹³⁾	*	100	100	—	—	—	—
Top Turf Seychelles (Pty) Limited ⁽¹⁴⁾	1	100	100	—	—	—	—
Total Outdoors (Swaziland) (Pty) Limited ⁽¹⁵⁾	*	100	100	—	—	—	—
Umoja Property Solutions (Pty) Limited	*	51	51	—	—	—	—
Vericon Outsourcing (Pty) Limited#	*	100	100	—	—	—	—
Electrical, security and related products							
Bellco Electrical Company (Pty) Limited	200	100	100	—	—	—	—
Berzack Brothers (Jhb) (Pty) Limited	200	100	100	—	—	—	—
Berzack Brothers (Pty) Limited	4 300	100	100	—	—	—	—
Bloch & Levitan (Pty) Limited	50	100	100	—	—	—	—
Eastman Staples Limited ⁽¹⁾	224	50	50	—	—	—	—
Sanlic International (Pty) Limited	*	100	100	—	—	—	—
Versalec Cables (Pty) Limited	*	100	—	37 990	—	—	—
Voltex (Pty) Limited	9	100	100	—	—	—	—
Voltex Holdings Limited	6 630	100	100	257 050	251 882	—	—
Motor retail and related services							
Eliance (Pty) Limited	*	100	100	—	—	—	—
Gaz Motor Corporation Southern Africa (Pty) Limited	4	43	43	—	—	—	—
Kunene Motor Holdings Limited	*	60	60	—	—	—	—
McCarthy Car Hire (Botswana) (Pty) Limited ⁽³⁾	*	100	100	—	—	—	—
McCarthy Car Hire Namibia (Pty) Limited ⁽⁴⁾	*	100	100	—	—	—	—
McCarthy Investments (Namibia) (Pty) Limited ⁽⁴⁾	*	85	90	—	—	—	—
McCarthy Limited	1 183 907	100	100	759 727	729 023	—	—
McLife Assurance Company Limited	10 000	100	100	—	—	—	—
McProp Properties (Pty) Limited	90	100	100	—	—	—	—
McSure Limited	10 000	100	100	—	—	—	—
Group services, investment, property and dormant companies							
Airport Logistics Property Holdings (Pty) Limited	*	50	50	142	—	—	—
BB Investment Company (Pty) Limited#	*	100	100	—	—	—	—
BICP Offshore Holdings (Pty) Limited	*	100	100	—	—	1 970	—
Bid Corporate Services (Pty) Limited#	*	100	100	—	—	52	52
Bid Corporation (Pty) Limited	*	100	100	583	346	1 230 549	1 257 969
Bid Corporation Offshore Investments Limited ⁽¹⁴⁾	13	100	100	—	—	—	—
Bid Foodservice Products Division (IOM) Limited ⁽¹⁴⁾	*	100	100	—	—	—	—
Bid Industrial Holdings (Pty) Limited	*	100	100	68 212	37 843	153 900	249 361
Bid Property Holdings (Pty) Limited	*	100	100	—	—	17 996	7 277
Bid Services Division (Pty) Limited	*	100	100	86	28	576 436	514 670
Bid Services Division (UK) Limited ⁽¹⁾	*	100	100	—	—	—	—

Major subsidiaries	Issued capital R'000	Effective holdings		Company's interest		Indebtedness	
		2006 %	2005 %	Shares		2006 R'000	2005 R'000
				2006 R'000	2005 R'000		
Group services, investment, property and dormant companies <i>(continued)</i>							
Bidcorp Finance Limited ^(1a)	*	100	100	—	—	—	—
Bidcorp plc ⁽¹⁾	655 409	100	100	—	—	—	—
Bidvest (UK) Limited ⁽¹⁾	*	100	100	—	—	—	—
Bidvest International Limited ^(1a)	*	100	100	—	—	—	—
G. Fox Properties (Pty) Limited	*	100	100	802	802	—	—
Jacobs Investments Limited ⁽¹⁾	*	100	100	—	—	—	—
MyMarketdot Com (Pty) Limited#	*	100	100	—	—	—	—
Primeinvest 5 (Pty) Limited	*	100	100	—	—	325 136	327 947
Promoter International Limited ⁽¹⁾	*	100	100	—	—	—	—
Siki Fox Properties (Pty) Limited	*	100	100	1 000	1 000	—	—
Silveray Properties (Pty) Limited	*	100	100	8 833	8 833	—	4 968
Skillion Limited ⁽¹⁾	13	100	100	—	—	—	—
The Globe Foundry (Pty) Limited	32	100	100	1 234	1 234	—	—
Waltons Properties Namibia (Pty) Limited ⁽⁴⁾	1	100	100	1	1	—	—
Other				477 848	370 741	(300 702)	160 064
				2 782 684	2 433 244	2 190 140	2 747 125
Major joint ventures							
Aeromaritime International Management Services (Pty) Limited ^(C)	4	50	50	—	—	—	—
Cape Town Bulk Storage (Pty) Limited ^(C)	1 000	50	50	—	—	—	—
Ebony Travel (Pty) Limited ^(B)	*	49	49	—	—	—	—
Ensimbini Terminals (Pty) Limited ^(C)	2	50	50	4 540	4 540	—	—
Masithuthuke Cables (Pty) Limited ^(G)	1	30	30	—	—	—	—
Phakama Print (Pty) Limited ^(E)	*	40	40	—	—	—	—
Ubuhle Be Dauphin Office Seating (Pty) Limited ^(D)	*	28	28	—	—	—	—
Voltex Swaziland (Pty) Limited ^{(15)(G)}	*	50	50	—	—	—	—
				4 540	4 540	—	—
Major associates							
Atomic Office Equipment (Pty) Limited ^(D)	*	49	49	—	—	—	—
Compu-Clearing Outsourcing Limited ^(C)	388	25	25	8 806	8 806	—	—
Ditulo Office (Pty) Limited ^(D)	*	40	40	—	—	—	—
Enviroserv Holdings Limited ^(F)	1 063	33	28	47 466	39 909	—	—
Harvey World Travel Southern Africa (Pty) Limited ^(B)	*	50	50	3 464	—	—	—
Imperial McCarthy (Pty) Limited ^(H)	1	50	50	—	—	—	—
Master Currency (Pty) Limited ^(B)	1	45	45	31 760	—	—	—
Sebenza Forwarding & Shipping Consultancy (Pty) Limited ^(C)	*	45	45	5 011	5 011	—	—
Silapha Office Products (Pty) Limited ^(D)	*	25	40	20	20	—	—
Supaswift (Pty) Limited ^(C)	*	36	100	—	—	20 000	—
Tiger Wheels Limited ^(H)	597	20	20	—	—	—	—
Yeastpro (Pty) Limited ^(A)	*	25	25	32 381	32 381	—	—
Other				6 091	48	95	—
				134 999	86 175	20 095	—

Amounts owing by or to subsidiaries, joint ventures and associates are unsecured, interest free and have no fixed terms of repayment.

*less than R1 000

#Trading as an agent

Country of incorporation if not South Africa

- | | |
|-------------------------------------|-----------------------------|
| ⁽¹⁾ United Kingdom | ⁽⁹⁾ Mozambique |
| ⁽²⁾ Australia | ⁽¹⁰⁾ Zambia |
| ⁽³⁾ Botswana | ⁽¹¹⁾ Malawi |
| ⁽⁴⁾ Namibia | ⁽¹²⁾ Zimbabwe |
| ⁽⁵⁾ New Zealand | ⁽¹³⁾ Mauritius |
| ⁽⁶⁾ Belgium | ⁽¹⁴⁾ Seychelles |
| ⁽⁷⁾ Netherlands | ⁽¹⁵⁾ Swaziland |
| ⁽⁸⁾ United Arab Emirates | ⁽¹⁶⁾ Isle of Man |

Nature of business of joint venture and associates

- ^(A)Catering supplies, food and allied products
- ^(B)Financial and related services
- ^(C)Freight, forwarding, clearing, distribution, warehousing and allied activities
- ^(D)Office furniture, supplies and related products
- ^(E)Printing and stationery products
- ^(F)Linen, rental, laundry and cleaning services
- ^(G)Electrical, security and related products
- ^(H)Motor retail and related services

Shareholders

as at June 30 2006

MAJOR SHAREHOLDERS

Owner list

Major shareholders holding in excess of 1% of the issued capital of the Company, as per the share register and information supplied by nominee companies, and based on the total number of shares in issue:

	%
Dinatla Investment Holdings (Pty) Limited	13,9
Public Investment Corporation Limited (SA)	12,3
BB Investment Company (Pty) Limited	8,0
Old Mutual Life Assurance Company (SA) Limited	3,2
Investment Solutions Limited	2,9
Income Fund of America Inc.	2,2
Sanlam Lewensversekering Beperk	2,0
Liberty Life Association of Africa Limited	1,6
Momentum Life Assurance Limited	1,6
Nedbank Rainmaker Equity Fund	1,3
Eskom Pension Fund	1,2
Investec Value Fund	1,2
Simlend Main Account	1,2
European Pacific Growth Fund	1,1
JDL Holdings (Pty) Limited	1,0
Total	54,7

Manager list

Major fund managers investing in excess of 1% of the issued capital of the Company, as per the share register and information supplied by nominee companies, and based on the total number of shares in issue:

	%
RMB Asset Management (Pty) Limited	11,2
Investec Asset Management (Pty) Limited	10,3
Sanlam Investment Management (Pty) Limited	6,9
Old Mutual Asset Managers (South Africa) (Pty) Limited	5,2
Capital Research and Management Inc.	3,6
Stanlib Asset Management Limited	3,2
Public Investment Corporation Limited (SA)	2,8
Futuregrowth Asset Management (Pty) Limited	2,4
African Harvest Fund Managers (Pty) Limited	1,9
Polaris Capital (SA) (Pty) Limited	1,9
Coronation Fund Managers (Pty) Limited	1,8
Investec Securities Limited	1,4
The Boston Company Asset Management Limited	1,2
First State Investments (UK) Limited	1,1
Metropolitan Asset Managers Limited	1,1
Metal Industries Beneficial Fund Administrators	1,0
Total	57,0

ANALYSIS OF SHAREHOLDERS

Effective empowerment holdings Empowerdex certificate in the 2006 Sustainability report

Economic BEE ownership, calculated in terms of the BEE codes of good practice, is 41,4% with effective BEE control of 29,2%. The Dinatla BEE consortium effectively owns 15,0%, The Public Investment Corporation 13,4 % and a further 16,6% is controlled by BEE asset managers.

The Dinatla transaction was at the holding company level, including both the local and offshore operations of Bidvest. If the Dinatla BEE consortium had bought into the South African operations only, at the same transaction value, the total percentage BEE direct and indirect ownership, at the time of the transaction, would have been in excess of 50%.

As a listed company it is not possible to identify the gender of shareholders other than the economic woman's ownership, calculated in terms of the BEE codes of good practice, of 21,8% via Dinatla.

Type of shareholder	Number of shares	%
Pension funds	98 485 866	30,3
Corporate holdings	45 001 744	13,8
Insurance companies	35 129 299	10,8
Unit trusts	71 401 192	22,0
Private investors	23 635 246	7,3
Other managed funds	22 477 980	6,9
Overseas banks	3 023 055	0,9
Treasury shares	26 024 016	8,0
	325 178 398	100,0

Location of beneficial shareholders

South African private investors	23 635 246	7,3
South African registered funds	181 954 318	56,0
Foreign registered funds	48 563 074	14,9
South African corporate	45 001 744	13,8
Treasury shares	26 024 016	8,0
	325 178 398	100,0

Shareholder spread	Number of shareholders	%	Number of shares	%
1 – 10 000	12 525	92,8	11 522 827	3,5
10 001 – 50 000	556	4,1	12 941 603	4,0
50 001 – 100 000	153	1,1	10 710 092	3,3
100 001 – 500 000	193	1,4	42 582 636	13,1
500 001 – 1 000 000	32	0,2	22 160 957	6,8
1 000 001 – 5 000 000	39	0,3	84 335 156	26,0
Above 5 000 000	7	0,1	140 925 127	43,3
	13 505	100,0	325 178 398	100,0