

	2015 R'000	2014 R'000
29. Post-retirement obligations		
Post-retirement assets		
Defined benefit pension assets	(146 954)	(124 767)
Post-retirement obligations	283 920	345 253
Defined benefit pension obligations	12 152	84 331
Post-retirement medical aid obligations	94 727	105 768
Unfunded defined benefit early retirement plan	177 041	155 154
	136 966	220 486
Pension and provident funds		
The Group provides retirement benefits for its permanent employees through pension funds with defined benefit and defined contribution categories and defined contribution provident funds 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.		
The defined benefit funds operated by the Group are The Bidvest South Africa Pension Fund in South Africa, the Zwitterleven Pension Plan in the Netherlands and the Angliss Hong Kong Food Service Limited Retirement Benefit Plan.		
Employer contributions to defined contribution funds are set out in note 2.		
Summarised details of the defined benefit pension funds		
Defined benefit pension obligations (assets) of the various funds		
The Bidvest South Africa Pension Fund	(146 954)	(124 767)
Zwitterleven Pension Plan	–	79 972
Angliss Hong Kong Food Service Limited Retirement Benefit Plan	12 152	4 359
	(134 802)	(40 436)
Contributions to the funds		
Employer contributions	97 781	88 309
Employee contributions	11 089	10 084
Total pension fund asset (unfunded pension liability)		
Fair value of plan assets	1 916 900	1 697 479
Actuarial present value of defined benefit obligations	(1 743 892)	(1 628 385)
Net surplus in the plans	173 008	69 094
Amounts not recognised due to ceiling adjustments and other limitations	(38 206)	(28 658)
	134 802	40 436
Movement in the liability for defined benefit obligations		
Balance at beginning of year	(1 628 385)	(1 197 304)
Transfer from early retirement fund	(5 168)	(33 808)
Benefits paid	70 955	47 199
Risk premiums and expenses	1 345	1 299
Current service costs	(72 482)	(75 255)
Past service costs	(9 143)	–
Interest expense	(73 037)	(66 060)
Member contributions	(11 089)	(10 084)
Actuarial losses	(79 789)	(236 834)
Settlements	10 899	27 557
Exchange rate adjustments on foreign plans	52 002	(85 095)
Balance at end of year	(1 743 892)	(1 628 385)

29. Post-retirement obligations *(continued)***Pension and provident funds** *(continued)***Summarised details of the defined benefit pension funds** *(continued)***Movement in the plans' assets**

	2015 R'000	2014 R'000
Balance at beginning of year	1 697 479	1 306 321
Transfer from early retirement fund	5 168	33 808
Contributions paid into the plans	108 870	98 393
Benefits paid	(70 955)	(47 199)
Risk premiums and expenses	(6 152)	(6 142)
Interest income	84 423	76 069
Return on plan assets in excess of interest income	147 402	153 297
Exchange rate adjustments on foreign plans	(49 335)	82 932
Balance at end of year	1 916 900	1 697 479

The plans' assets comprise

Cash	66 668	70 238
Equity securities	472 202	455 003
Bills, bonds and securities	1 337 474	1 128 291
Property	28 880	29 298
Other	11 676	14 649
	1 916 900	1 697 479

Amounts recognised in the income statement

Current service costs	72 482	75 255
Past service costs	9 143	–
Interest on obligations	73 037	66 060
Interest income on plan assets	(84 423)	(76 069)
Ceiling adjustments and other limitations	2 493	1 835
Risk premiums and expenses	4 807	4 843
Gain arising from settlements, plan amendments and curtailments	(10 899)	(27 557)
	66 640	44 367

Amounts recognised in other comprehensive income

Return on plan assets in excess of interest income	(147 402)	(153 297)
Actuarial losses	79 789	236 834
Ceiling adjustments and other limitations	7 244	13 174
	(60 369)	96 711

	2015	2014
29. Post-retirement obligations <i>(continued)</i>		
Pension and provident funds <i>(continued)</i>		
Summarised details of the defined benefit pension funds <i>(continued)</i>		
Key actuarial assumptions used in the actuarial valuations		
The Bidvest South Africa Pension Fund		
Number of in service members June 30	39	73
Number of pensioners June 30	652	637
Discount rate (%)	8,7	8,7
Inflation rate (%)	6,4	6,4
Salary increase (%)	7,4	7,4
Pension increase allowance (%)	4,5	4,5
Zwitserleven Pension Plan		
Number of in service members June 30	846	888
Number of pensioners June 30	644	624
Discount rate (%)	2,5	3,1
Inflation rate (%)	2,0	2,0
Salary increase (%)	2,0	2,0
Pension increase allowance (%)	0,9	0,7
Angliss Hong Kong Food Service Limited Retirement Benefit Plan		
Number of in service members June 30	343	302
Number of pensioners June 30	–	–
Discount rate (%)	1,4	1,9
Inflation rate (%)	3,3	3,3
Salary increase (%)	5,0	5,0
Date of valuation of all funds	June 30 2015	June 30 2014

Assumptions regarding future mortality are based on published statistics and mortality tables.

Sensitivity analysis

The table below summarises the impact that a reasonably possible change in the respective assumption, occurring at the end of the year, would have, by increasing (decreasing) the net surplus in the plans, while holding all the other assumptions constant.

	Impact of an increase in assumption R'000	Impact of a decrease in assumption R'000
The Bidvest South Africa Pension Fund		
Discount rate – 1%	19 684	(24 953)
Pension increase – 1%	(33 416)	17 141
Salary increase – 1%	(8 300)	7 012
Zwitserleven Pension Plan		
Discount rate – 0,25%	60 880	(83 698)
Pension increase – 0,25%	(75 837)	14 607
Salary increase – 0,25%	(10 459)	9 566
Angliss Hong Kong Food Service Limited Retirement Benefit Plan		
Discount rate – 0,25%	1 636	(1 691)
Salary increase – 0,25%	(1 541)	1 501

The sensitivity analyses presented above may not be representative of the actual change in the net surplus in the plans as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

29. Post-retirement obligations *(continued)***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

	2015 R'000	2014 R'000
Opening provision raised against unfunded obligation	105 768	124 825
Current service costs (relief)	1 234	(4 229)
Interest expense	7 887	8 637
Benefits paid	(18 643)	(21 680)
Actuarial adjustments recognised in other comprehensive income	(1 519)	(3 561)
Acquisition of businesses	–	1 776
Closing provision raised against unfunded obligation	94 727	105 768

Key actuarial assumptions

	%	%
Discount rate	8,6	8,6
Inflation rate (CPI)	6,2	6,2
Healthcare cost inflation	8,0	8,2
Date of valuation	June 30 2015	June 30 2014

A change in the medical inflation rates will not have a significant impact on the post-retirement medical aid cost and related obligations.

Unfunded defined benefit retirement plans

Subsidiaries in the Netherlands and Italy provide retirement plans for their employees. The liability recognised is based on the actuarial valuation performed as at June 30.

Number of members at June 30

Number	Number
576	423
R'000	R'000

Movement in the liability for unfunded defined benefit early retirement plan

Balance at beginning of year	155 154	187 914
Benefits paid	(7 092)	(46 663)
Current service costs	5 762	5 376
Interest expense	2 976	3 161
Transfer to pension fund	(648)	(24 989)
Actuarial adjustments recognised in other comprehensive income	17 792	12 389
Acquisition of businesses	12 314	–
Exchange rate adjustments on foreign plans	(9 217)	17 966
Balance at end of year	177 041	155 154

Key actuarial assumptions

	%	%
Discount rate	0,9 – 2,1	1,9
Salary increase rate	1,5 – 2,75	1,5
Date of valuation	June 30 2015	June 30 2014