

	2017 R'000	2016 R'000
30. Post-retirement obligations		
Post-retirement assets		
Defined benefit pension surplus	(202 886)	(180 035)
Post-retirement obligations		
Post-retirement medical aid obligations	77 197	79 128
	(125 689)	(100 907)
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 Group operates a defined benefit fund through The Bidvest South Africa Pension Fund.		
Employer contributions to defined contribution funds are set out in note 2.		
Summarised details of the defined benefit pension fund		
<i>Defined benefit pension assets of the fund</i>		
The Bidvest South Africa Pension Fund	(202 886)	(180 035)
	(202 886)	(180 035)
<i>Contributions to the funds</i>		
Employer contributions	–	57 527
Employee contributions	384	7 290
<i>Total pension fund asset (unfunded pension liability)</i>		
Fair value of plan assets	601 441	609 475
Actuarial present value of defined benefit obligations	(382 356)	(420 903)
Net surplus in the plans	219 085	188 572
Amounts not recognised due to ceiling adjustments and other limitations	(16 199)	(8 537)
	202 886	180 035
<i>Movement in the liability for defined benefit obligations</i>		
Balance at beginning of year	(420 903)	(1 743 892)
Benefits paid	49 889	83 120
Risk premiums and expenses	1 078	1 236
Current service costs	(2 920)	(49 445)
Interest expense	(39 633)	(56 385)
Member contributions	(384)	(7 290)
Actuarial gains (losses)	30 517	(71 654)
Settlements (Zwitserleven Pension Plan)	–	1 512 733
Discontinued operations	–	136 971
Exchange rate adjustments on foreign plans	–	(226 297)
Balance at end of year	(382 356)	(420 903)
<i>Movement in the plans' assets</i>		
Balance at beginning of year	609 475	1 916 900
Contributions paid into the plans	384	64 817
Benefits paid	(49 889)	(83 120)
Risk premiums and expenses	(2 051)	(4 597)
Interest income	57 403	70 762
Return on plan assets in excess of interest income	(13 881)	49 130
Settlements (Zwitserleven Pension Plan)	–	(1 494 371)
Discontinued operations	–	(138 482)
Exchange rate adjustments on foreign plans	–	228 436
Balance at end of year	601 441	609 475

Notes to the consolidated financial statements

for the year ended 30 June

	2017 R'000	2016 R'000
30. Post-retirement obligations <i>(continued)</i>		
Pension and provident funds <i>(continued)</i>		
Summarised details of the defined benefit pension funds <i>(continued)</i>		
<i>The plans' assets comprise</i>		
Cash	53 528	44 492
Equity securities	433 638	503 426
Bills, bonds and securities	84 202	41 444
Property	21 652	13 408
Other	8 421	6 705
	601 441	609 475
<i>Amounts recognised in the income statement</i>		
Current service costs	2 920	49 445
Interest on obligations	39 633	56 385
Interest income on plan assets	(57 403)	(70 762)
Ceiling adjustments and other limitations	820	1 527
Risk premiums and expenses	973	3 361
Gain arising from settlements, plan amendments and curtailments	–	(18 362)
	(13 057)	21 594
<i>Amounts recognised in other comprehensive income</i>		
Return on plan assets in excess of interest income	13 881	(49 130)
Actuarial (gains) losses	(30 517)	71 654
Ceiling adjustments and other limitations	6 842	(35 465)
	(9 794)	(12 941)
<i>Key actuarial assumptions used in the actuarial valuations:</i>		
The Bidvest South Africa Pension Fund		
Number of in service members 30 June	23	30
Number of pensioners 30 June [#]	652	681
Discount rate (%)	9,9	9,6
Inflation rate (%)	6,8	7,4
Salary increase (%)	7,8	8,4
Pension increase allowance (%)	4,8	5,2
Date of valuation of all funds	30 June 2017	30 June 2016

[#] Includes suspended pensioners.

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 plan, while holding all the other assumptions constant.

	2017 Impact of an increase in assumption R'000	2016 Impact of an increase in assumption R'000
The Bidvest South Africa Pension Fund		
Discount rate – 1%	7 246	12 901
Pension increase – 1%	(14 241)	(18 121)
Salary increase – 1%	(4 653)	(6 080)

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.

	2017 R'000	2016 R'000
30. Post-retirement obligations <i>(continued)</i>		
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		
Opening provision raised against unfunded obligation	79 128	94 727
Current service (relief) costs	(228)	948
Interest expense	6 670	7 370
Benefits paid	(7 889)	(19 206)
Actuarial adjustments recognised in other comprehensive income	(484)	(4 355)
Disposal of businesses	–	(356)
Closing provision raised against unfunded obligation	77 197	79 128
	%	%
Key actuarial assumptions		
Discount rate	9,6	9,6
Inflation rate (CPI)	7,0	7,0
Healthcare cost inflation	9,0	9,0
Date of valuation	30 June 2017	30 June 2016
A change in the medical inflation rates will not have a significant impact on the post-retirement medical aid cost and related obligations.		

31. Puttable non-controlling interest liabilities

The acquisition of certain subsidiaries in prior years, resulted in put options being agreed with certain of the non-controlling shareholders. The put options entitle the non-controlling shareholders to sell their holdings in the subsidiaries to the Group at contracted dates and amounts.

There were no acquisitions that resulted in put option liabilities during the year:

	2017 R'000	2016 R'000
The affect of granting these put options on the Group's results can be summarised as follows:		
Balance at beginning of year	49 167	939 430
Arising on the granting of put options to non-controlling interests during the year	–	68 944
Fair value adjustments recorded directly in retained income	8 676	787
Unwinding of present value discount recognised in the income statement		
– continuing operations	3 147	2 124
– discontinued operations	–	21 486
Exchange rate adjustments	–	269 769
Unbundling of puttable non-controlling interest liabilities	–	(1 253 373)
	60 990	49 167
Discount rate	6,0%	7,5%
Expected settlement dates	1 July 2019 – 30 June 2021	1 July 2019 – 30 June 2021