	2020 R'000	2019 R'000
32. Post-retirement obligations		
Post-retirement assets		
Defined benefit pension surplus	**(214 329)**	(241 390)
Post-retirement obligations		
Post-retirement medical aid obligations	**79 075**	74 317
	(135 254)	(167 073)

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.

The PHS Group, acquired in the current year, operates a defined benefit scheme, which is closed to new members. The assets of the scheme are measured using closing market values. The scheme liabilities are measured using the projected unit method discounted at rates of return of a high quality bond of equivalent term and currency to the liability. The summarised details of the Warner Howard Limited Pension and Life Assurance Plan are included.

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 Profit before finance charges and associate income*.

Summarised details of the defined benefit pension funds

	2020 R'000	2019 R'000
Defined benefit pension obligations (assets) of the fund		
The Bidvest South Africa Pension Fund	**(214 329)**	(241 390)
	(214 329)	(241 390)
Contributions to the fund		
Employee contributions	**338**	356
Total pension fund asset		
Fair value of plan assets	**587 143**	625 295
Actuarial present value of defined benefit obligations	**(363 155)**	(381 253)
Net surplus in the plans	**223 988**	244 042
Amounts not recognised due to ceiling adjustments and other limitations	**(9 659)**	(2 652)
	214 329	241 390
Movement in the liability for defined benefit obligations		
Balance at beginning of year	**(381 253)**	(390 780)
Benefits paid	**27 797**	25 496
Risk premiums and expenses	**990**	999
Current service costs	**(2 338)**	(2 296)
Transfers in for the benefit of pensioners	**(1 399)**	–
Interest expense	**(34 580)**	(37 000)
Member contributions	**(338)**	(356)
Actuarial gains	**27 966**	22 684
Balance at end of year	**(363 155)**	(381 253)

32. Post-retirement obligations (continued)

Pension and provident funds (continued)

Summarised details of the defined benefit pension funds (continued)

	2020 R'000	2019 R'000
Movement in the plans' assets		
Balance at beginning of year	**625 295**	623 979
Transfer in *	**2 797**	101
Contributions paid into the plans	**338**	356
Benefits paid	**(27 797)**	(25 496)
Risk premiums and expenses	**(990)**	(1 986)
Interest income	**57 059**	59 345
Return on plan assets in excess of interest income	**(69 559)**	(31 004)
Balance at end of year	**587 143**	625 295

* *From the unclaimed benefits reserve (2019: to pensioner pool in respect of ex-gratia payments)*

The plans' assets comprise		
Cash	**56 366**	64 405
Equity securities	**267 737**	310 772
Bills, bonds and securities	**110 970**	108 801
Property	**21 137**	18 759
International	**124 474**	117 555
Other	**6 459**	5 003
	587 143	625 295
Amounts recognised in the income statement		
Current service costs	**2 338**	2 296
Transfer in from unclaimed benefit reserve	**–**	(101)
Interest on obligations	**34 580**	37 000
Interest income on plan assets	**(57 059)**	(59 345)
Ceiling adjustments and other limitations	**247**	836
Risk premiums and expenses	**–**	987
	(19 894)	(18 327)
Amounts recognised in other comprehensive income		
Return on plan assets in excess of interest income	**69 559**	31 004
Actuarial gains	**(27 966)**	(22 684)
Transfers in	**(1 398)**	–
Ceiling adjustments and other limitations	**6 760**	(6 806)
	46 955	1 514
Key actuarial assumptions used in the actuarial valuations:		
The Bidvest South Africa Pension Fund		
Number of in service members 30 June	**15**	19
Number of pensioners 30 June	**530**	537
Discount rate (%)	**10.6**	9.3
Inflation rate (%)	**5.6**	5.6
Salary increase (%)	**6.6**	6.6
Pension increase allowance (%)	**3.9**	3.9
Date of valuation of all funds	**30 June 2020**	30 June 2019

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

Notes to the consolidated financial statements (continued)

32. Post-retirement obligations (continued)

Summarised details of the defined benefit pension funds (continued)

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.

	2020 Impact of an increase in assumption R'000	2019 Impact of an increase in assumption R'000
The Bidvest South Africa Pension Fund		
Discount rate – 1%	**4 346**	7 497
Pension increase – target 100% of inflation (assumption 70%)	**(14 343)**	(12 060)
Salary increase – 1%	**(1 284)**	(4 650)

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.

	2020 R'000	2019 R'000
Defined benefit pension obligations (assets) of the fund		
Warner Howard Limited Pension and Life Assurance Plan	**–**	–
Total pension fund asset		
Fair value of plan assets	**272 073**	–
Actuarial present value of defined benefit obligations	**(240 939)**	–
Net surplus in the plans	**31 134**	–
Amounts not recognised due to ceiling adjustments and other limitations	**(31 134)**	–
	–	–
Movement in the liability for defined benefit obligations		
Benefits paid	**1 378**	–
Interest expense	**(1 072)**	–
Actuarial gains	**(30 774)**	–
Acquisition of businesses	**(232 062)**	–
Exchange rate adjustments on foreign plans	**21 591**	–
Balance at end of year	**(240 939)**	–
Liabilities are measured		
Movement in the plans' assets		
Benefits paid	**(1 378)**	–
Interest income	**1 247**	–
Return on plan assets in excess of interest income	**28 937**	–
Acquisition of businesses	**268 095**	–
Exchange rate adjustments on foreign plans	**(24 828)**	–
Balance at end of year	**272 073**	–
The plans' assets comprise		
Cash	**272**	–
Equity securities	**92 505**	–
Bills, bonds and securities	**179 296**	–
	272 073	–

32. Post-retirement obligations (continued)

	2020 R'000	2019 R'000
Amounts recognised in the income statement		
Interest on obligations	**1 072**	–
Interest income on plan assets	**(1 247)**	–
Ceiling adjustments and other limitations	**175**	–
	–	–
Amounts recognised in other comprehensive income		
Return on plan assets in excess of interest income	**(28 937)**	–
Actuarial losses	**30 774**	–
Ceiling adjustments and other limitations	**(1 837)**	–
	–	–
Key actuarial assumptions used in the actuarial valuations:		
Number of pensioners 30 June	**143**	–
Discount rate (%)	**1.4**	–
Inflation rate (%)	**3.3**	–
Pension increase allowance (%)	**3.2**	–
Date of valuation of all funds	**30 June 2020**	

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.

	2020 Impact of an increase R'000	2019 Impact of an increase R'000
Warner Howard Limited Pension and Life Assurance Plan		
Discount rate – 1%	**28 773**	–
Pension increase – target 100% of inflation	**(10 886)**	–

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.

32. Post-retirement obligations (continued)

	2020 R'000	2019 R'000
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	**74 317**	76 943
Current service costs (relief)	**369**	(244)
Interest expense	**5 667**	6 170
Benefits paid	**(7 722)**	(7 981)
Actuarial adjustments recognised in other comprehensive income	**(8 226)**	(571)
Acquisition of businesses	**15 660**	–
Disposal of businesses and transfer to discontinued operations	**(990)**	–
Closing provision raised against unfunded obligation	**79 075**	74 317

	%	%
Key actuarial assumptions		
Discount rate	**9.0**	8.7
Inflation rate (CPI)	**4.4**	5.7
Health care cost inflation	**6.4**	7.7
Date of valuation	**30 June 2020**	30 June 2019

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

33. 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.

No new put options were entered into during the period

	2020 R'000	2019 R'000
The affect of granting these put options on the Group's results can be summarised as follows:		
Balance at beginning of the year	**82 317**	90 530
Fair value adjustments recorded directly in retained income	**(1 266)**	7 115
Unwinding of present value discount recognised in the income statement	**1 796**	5 013
Put options settled	**(57 050)**	(16 500)
Dividends paid	**(3 795)**	(3 841)
	22 002	82 317
Discount rate	**7.0%**	6.0% – 7.0%
Expected settlement dates	**1 July 2022**	1 July 2020 – 1 July 2022