



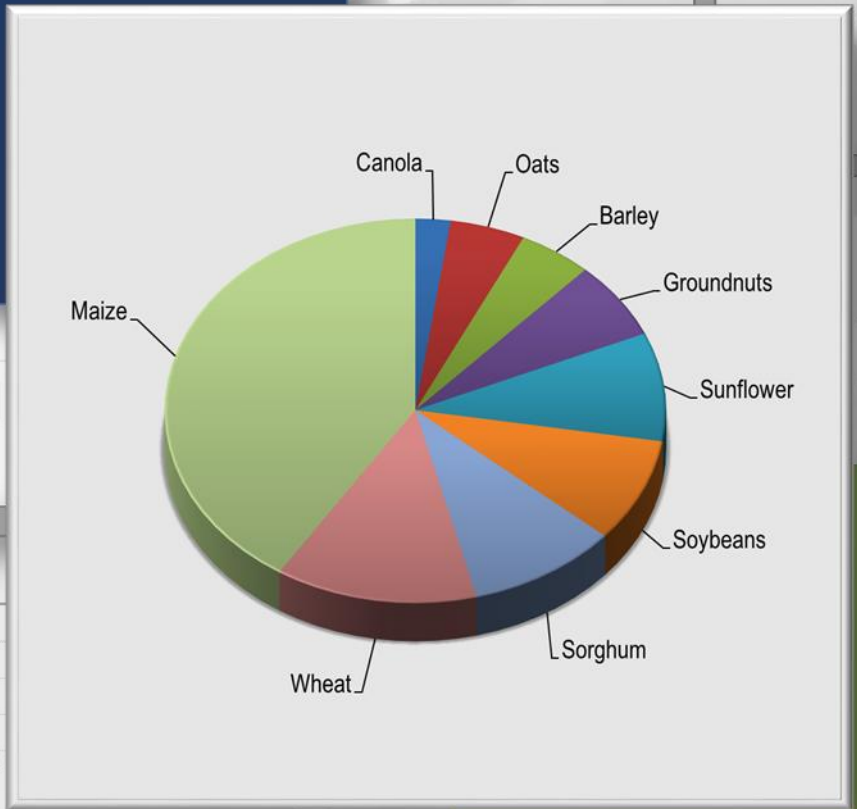
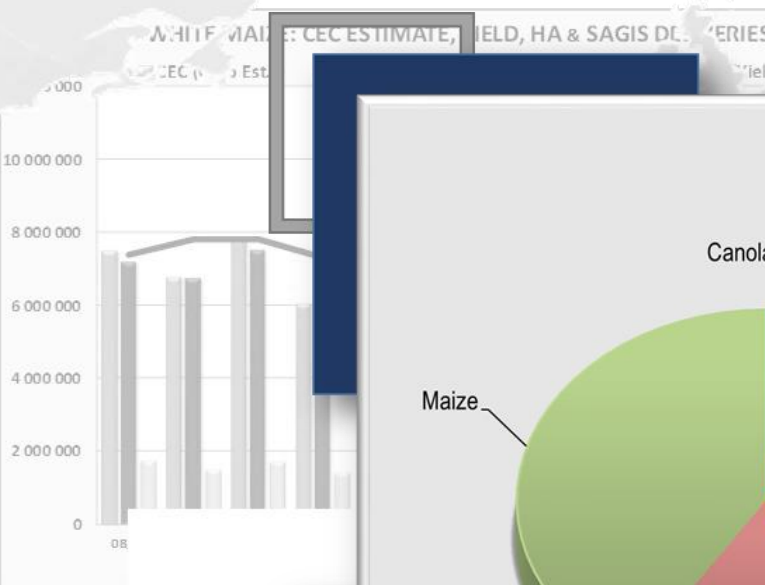
South African Grain Information Service NPC  
Suid Afrikaanse Graaninligtingsdiens NWM

SAGIS	NAMC		International (GMR)	
	May - Apr		Sep - Aug	
Final	2018	Projection 2018/19	Estimate 2017/18	Projection 2018/19
		'000t	Mt	Mt

Maize W... -USNO3Y...

US\$/ton

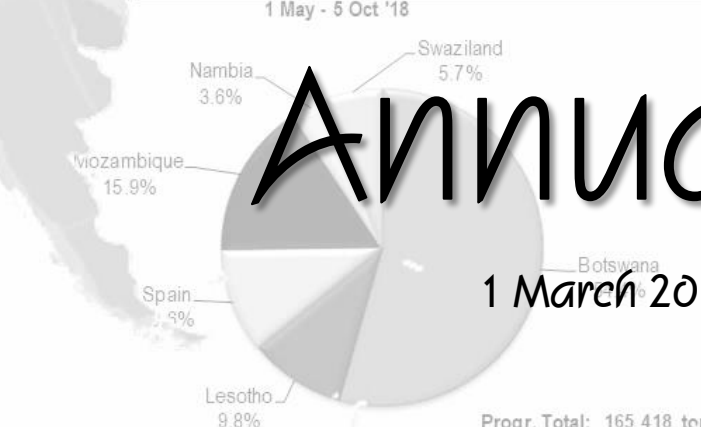
Date	Value
2011-03-01	300
2012-03-01	300
2012-09-01	300
2013-03-01	300
2014-03-01	300
2014-09-01	300
2015-03-01	300
2015-09-01	300
2016-03-01	300
2016-09-01	300
2017-03-01	300
2017-09-01	300
2018-03-01	300
2018-09-01	300



Category	2018	2019	2018	2019	2018	2019	2018	2019
Maize Chop	0	0	0	0	0	0	0	0
Maize Rice	*	0	*	0	*	0	*	0
Maize Grits	*	0	*	0	*	0	*	0
Maize Meal	1 941	15	1 956	7	40	6	29	
Maize products intended for Human consumption	3 678	0	3 678	5 213	2	0	18	
<b>Total</b>	<b>7 171</b>	<b>3 157</b>	<b>10 328</b>	<b>19 683</b>	<b>28 630</b>	<b>68</b>	<b>89</b>	<b>74</b>

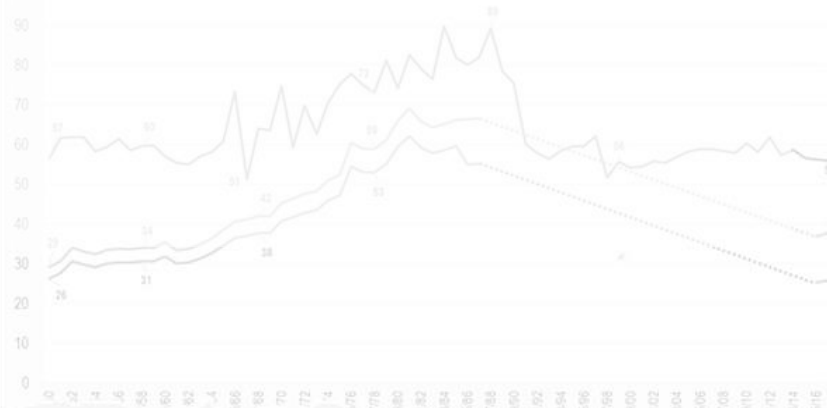
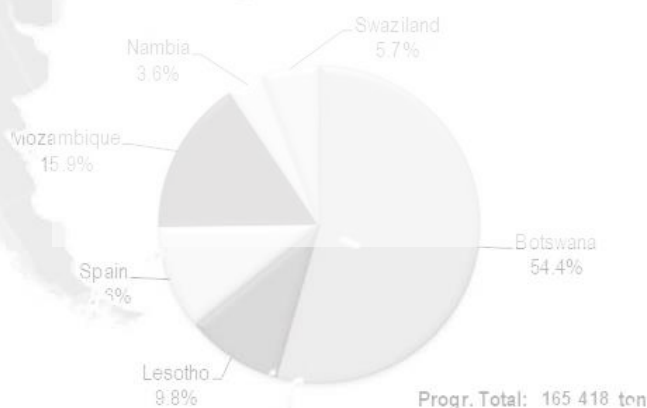
# Annual Report

1 March 2018 - 28 February 2019



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## FOREWORD BY THE CHAIRPERSON

On behalf of the Board of Directors, I am pleased to present the Annual Report of the South African Grain Information Service for the 2018/19 financial year.

Once again, it is a great pleasure to report that for the 2018/19 financial year SAGIS received an unqualified audit report. Members therefore have the assurance that the necessary controls, policies and procedures are in place to safeguard the funds received from the various Trusts.

### **Achievements and challenges**

For 21 years, SAGIS has achieved its main objective of collating, processing and analysing important data in order to timeously supply relevant market information. The distribution of reliable and useful information related to nine of the grain and oilseed commodities produced in South Africa to all role-players in the value chain has led to SAGIS being recognised nationally and internationally as the most reliable provider of market information related to the grain and oilseeds industry in Southern Africa.

At a time when global food security has become an important topic, the need for reliable information is essential. During the past financial year, several meetings were held with role players in the local market as well as international delegations (East African Grains Council, the Ivory Coast, Zambia and Japan). SAGIS has been called on to give an overview of its activities, the role it plays and importance of such an independent body in the agricultural industry as a foundation for market participants all along the value chain who base their business decisions on the market information. It also seems as if more countries on the African continent are realising the need for a similar organisation and services.

Some of the available data dates back as far as the early 1920's and when looking at such historical data, important trends can be identified which assist the grain value chain to make better decisions.

Over the years, SAGIS has shown its willingness to take on new opportunities and challenges, as well as to adapt to change and to expand its services by adding relevant data on grains and oilseeds to its regular offering on the website.

This past year, SAGIS has added the following to its offering:

- Weekly producer deliveries on oilseeds are reported as from 24 February 2018.
- Intent to Import / Export of Maize are reported as from 28 June 2018.



### **Appreciation**

As Chairperson of SAGIS, I would like to thank the four Member Trusts for their financial contributions. My appreciation is also extended to the Board Members for their time, effort and support during the past year.

The efficient and professional manner in which SAGIS is managed is appreciated, and everyone involved can say, without any doubt, that every effort was made to supply the market with credible and timely information.

Also, a special word of thanks to all the co-workers and market participants who supply SAGIS with the necessary information on time.

*Mariana Purnell*

**Chairperson: SAGIS Board of Directors**

## HISTORY AND MILESTONES OF SAGIS

- 1996** • Marketing of Agricultural Products Act, 1996 brought an end to single channel marketing and the Control Boards
- 1997** • SAGIS was incorporated in November 1997 after deregulation of agriculture in RSA.  
• Role-players realised the importance of reliable information for the functioning of a free market and have co-operated to establish SAGIS.  
• The Monthly Data and Weekly Bulletin were published since the establishment of SAGIS.
- 2003** • Weekly whole grain import and export data for maize and wheat are published. (Funded by The Maize and Winter Cereal Trusts)
- 2005** • Since August 2005, weekly producer deliveries for maize (per grade since Aug 2006) and wheat are published. (Funded by The Maize and Winter Cereal Trusts)  
• Since October 2005, import and export tariff lines of the South African Revenue Service are published on the SAGIS website.  
• On 1 August 2005 the inauguration of the new offices at Montana Park took place.
- 2008** • Historic import and export parity prices dated from 2001 for maize and wheat are published
- 2012** • 15<sup>th</sup> commemoration of SAGIS
- 2013** • SAGIS implemented its upgraded IT system - Phase I.
- 2014** • Completion of the weekly information system and additional reports for the monthly return system.  
• Establishment of Statutory Measures (14 November 2014) - Registration in respect of Manufacturers, Importers and Exporters of Maize and Wheat products.
- 2015** • Implementation of the new Statutory Measures - Registration in respect of Manufacturers, Importers and Exporters of Maize and Wheat products.  
• SAGIS relocated to the Grain Building on 1 August 2015.
- 2016** • Establishment of Statutory Measures (23 September 2016) - Registration in respect of Manufacturers, Importers and Exporters of Oilseeds products.  
• Establishment of Statutory Measures (14 October 2016) – Records and returns in respect of Manufacturers, Importers and Exporters of Oilseeds products.
- 2017** • 20<sup>th</sup> commemoration of SAGIS
- 2018** • Maize weekly intentions to import and export are published  
• Oilseeds weekly producer deliveries are published

The SAGIS logo is displayed on a white, 3D-style rectangular block. The word "SAGIS" is written in a bold, black, sans-serif font. The letter "i" is unique, featuring a green dot above it and a green vertical bar extending downwards from the top of the letter.

# HOW SAGIS IS STRUCTURED

## 1. STRUCTURE

### 1.1 Forums

Market participants of each of the four industries established forums where role-players meet for matters of mutual interest, inter alia market information. With regards to information, the forums make recommendations to:

- The National Marketing Council (NAMC) for the information needs of the industry and the institution (SAGIS) to provide the service.
- The Trust of each industry concerning the funding of the institution and additional services.

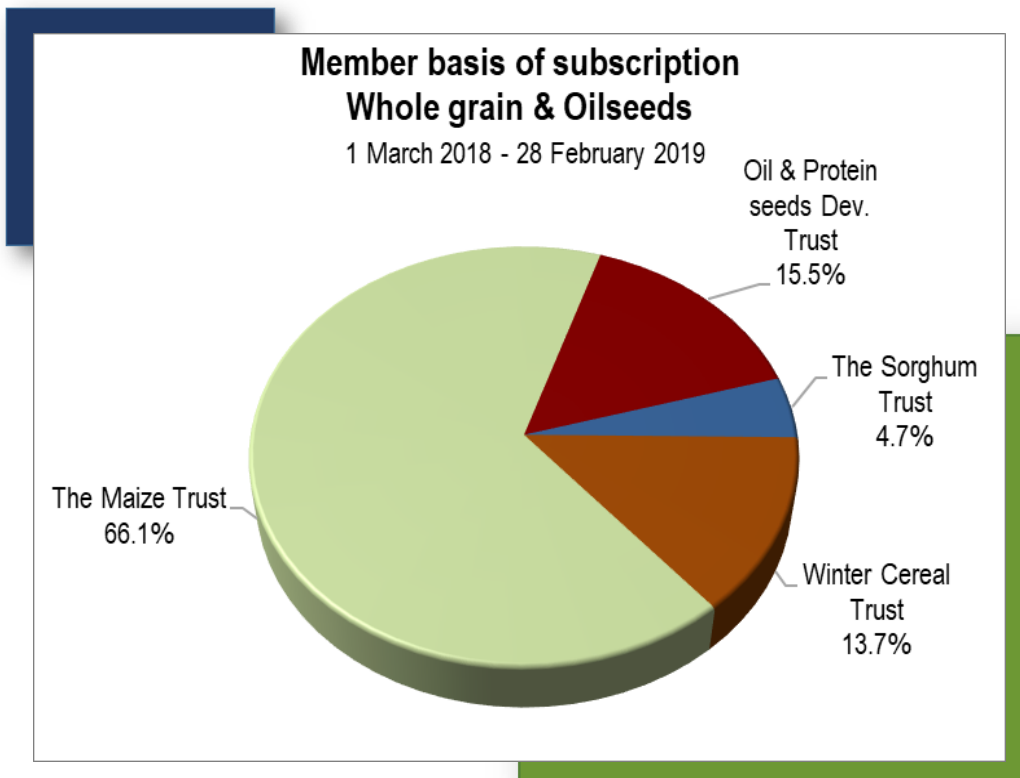
### 1.2 Trusts

The Trusts of the four industries are registered as Members of SAGIS and each Trust annually appoints two Directors as well as one alternate Director.

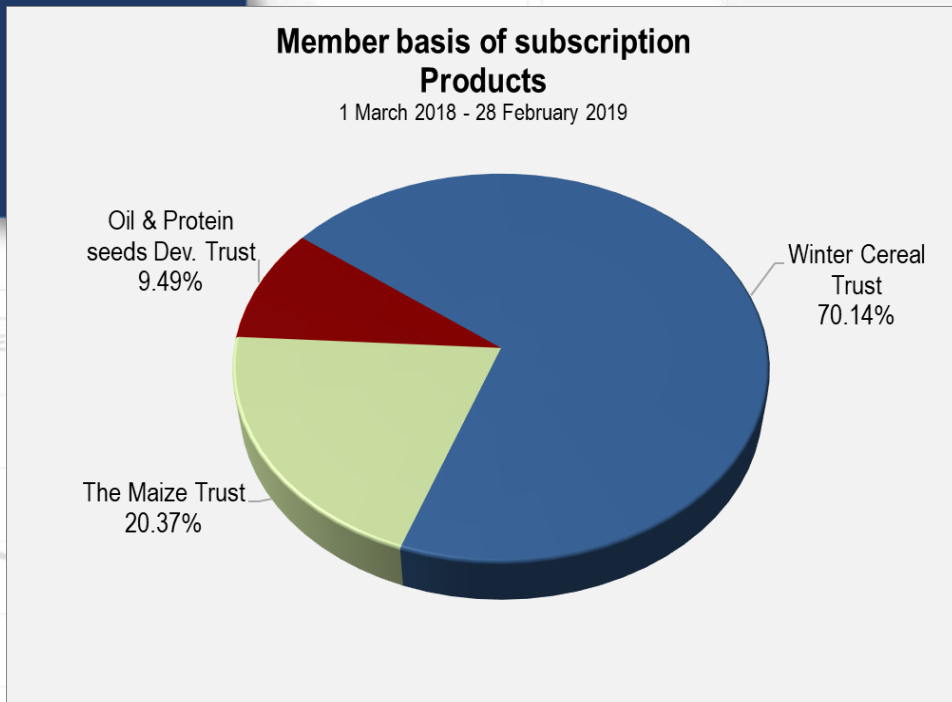
The future existence of SAGIS totally depends on the existence and funding by the Trusts.

During the 2018/19 financial year, SAGIS was funded by the four Members according to the approved basis of calculation for subscription by the Annual General Meeting:

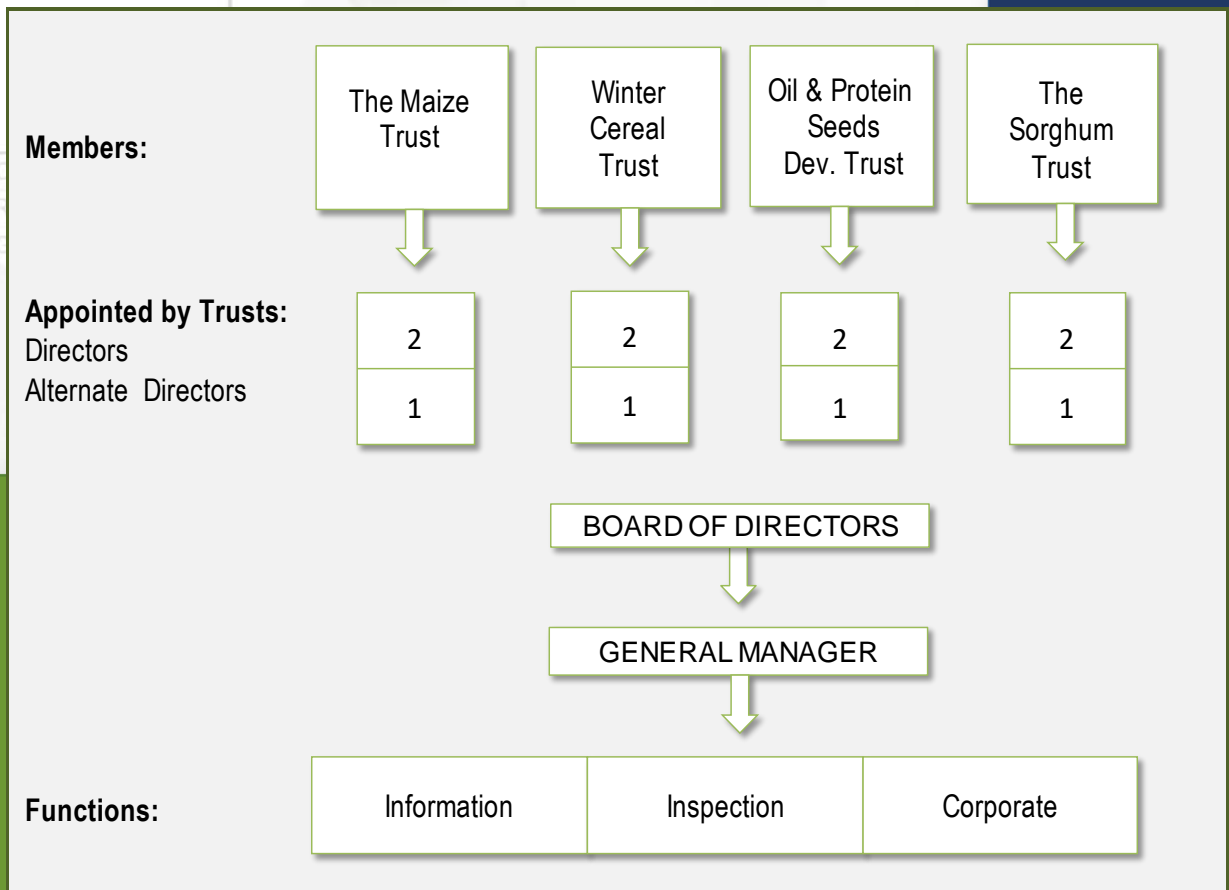
#### 1.2.1 Whole grain and Oilseeds



1.2.2 Products



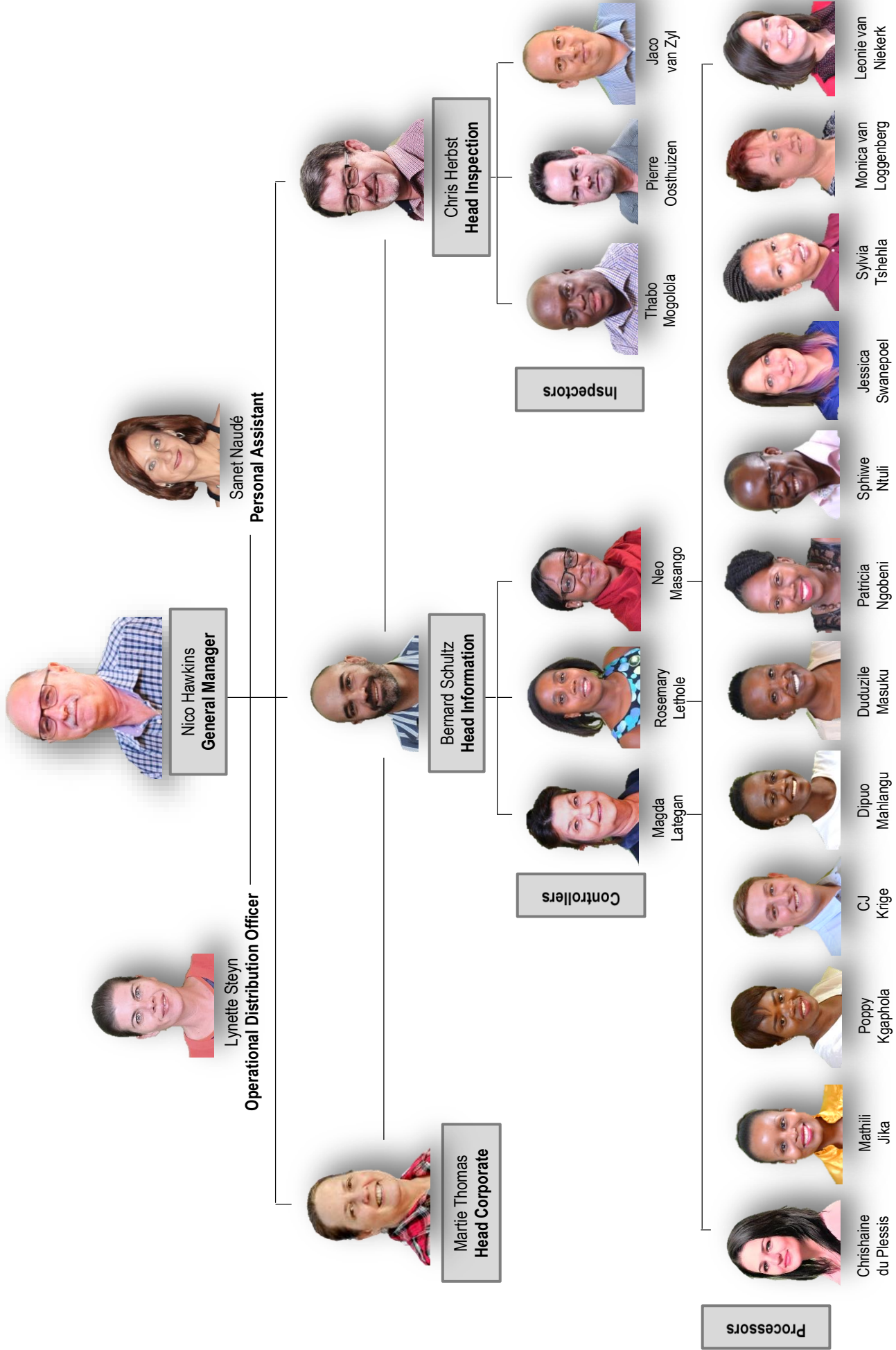
1.3 Management Structure



1.4 Board of Directors 2018/19

<b>The Maize Trust</b>			
	<i>Mr Z Ngejane Director</i>	<i>Dr JL Purchase Vice-Chairperson</i>	<i>Mr BC Schoonwinkel Alternate Director</i>
			
	<i>Mr JDW Boshoff Director</i>	<i>Dr E Briedenhann Director</i>	<i>Ms JM van der Merwe Alternate Director</i>
			<b>Oil &amp; Protein Seeds Development Trust</b>
<b>Winter Cereal Trust</b>			
	<i>Mr BB Make Director</i>	<i>Ms M Purnell Chairperson</i>	<i>Mr GR Penny Alternate Director</i>
			
	<i>Mr HT Mohane Director</i>	<i>Mr AAA Nebe Director</i>	<i>Mr WJ Groothof Alternate Director</i>
			<b>The Sorghum Trust</b>

1.5 Human Resources





## CORE VALUES OF SAGIS

### 2. Vision, Values, Main objectives and Information



## 2.1 SAGIS information objective

To provide reliable information by:

- Releasing information to all role-players on the SAGIS website at 12:00 on pre-determined and approved publication dates. By doing so not give preferential treatment to anybody and to limit possible reaction on markets.
- Not allowing staff to discuss information, except the information on a specific return, with the parties directly involved in the transaction related to the movement declared on the return.
- Not making projections.
- Constantly finding ways to improve the quality of information, processes, systems and procedures
- Processing and evaluating information received for correctness and relevancy in order to ensure the reliability and trustworthiness of the information.
- Comparing the results, as far as possible with external sources, to evaluate the correctness and relevancy of the information.
- Treating each individual's information confidentially and to release information as agreed upon by the industry role-players.
- Not being involved in trading of grain and oilseeds.
- Remaining independent from any party submitting information to SAGIS. This includes any Director of SAGIS, Forum, industry association or decision-making body.
- Collecting information from all parties that are statutory compelled to register with SAGIS.



# THE ROLE OF SAGIS IN THE INFORMATION CHAIN

## 3. Importance and impact of SAGIS information / data

### 3.1 Importance of information

**Free market**

Needs of society automatically met

Government does not get involved

Competition keeps quality high

Profit seeking role players will make more

Competition keeps prices low

Competition & self-interest is an invisible hand that regulates the free market

**Business decisions**



**Policy decisions**



REQUIREMENTS

RULES

STANDARDS

GOVERNANCE

Data

LAW

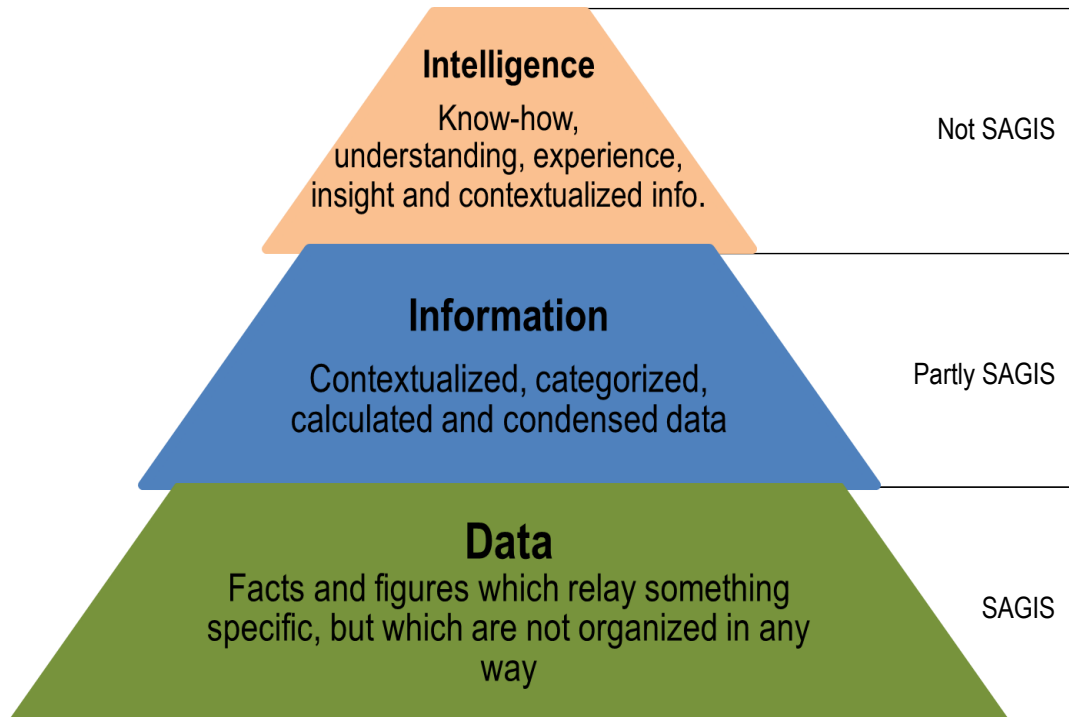
POLICIES

TRANSPARENCY

REGULATIONS

### 3.2 Life cycle of information

The following hierarchy shows the importance of the data supplied by SAGIS to the market because there are no emotions, benefits or preferences involved – only cold, hard facts. This confirms SAGIS' information objective (2.1 p. 10).



### 3.3 Users of SAGIS data / information

The users of SAGIS information can be categorised mainly into three sectors:

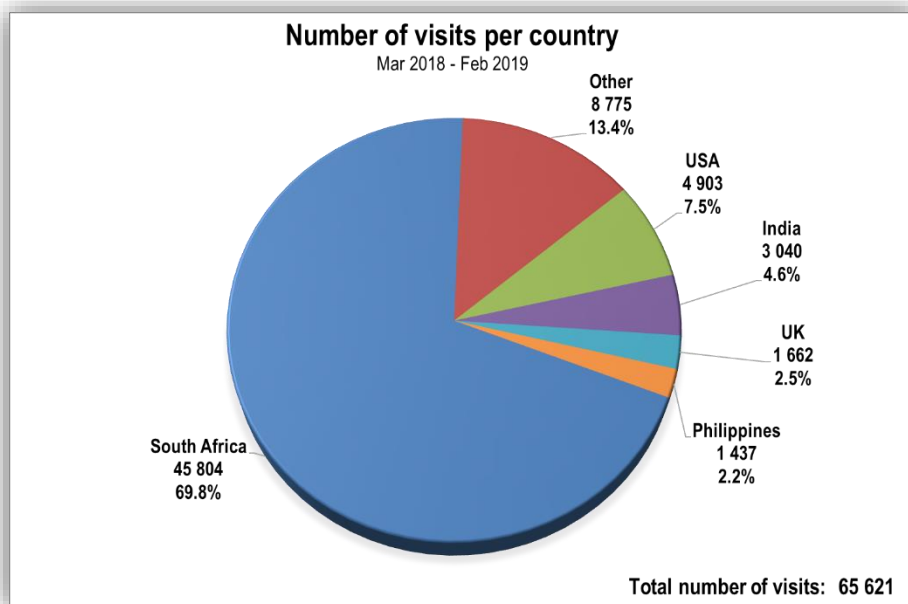
- 3.3.1 Primary producers
  - What to plant?
  - Input management?
  - How much to plant?
  - When to market and how much?
  - What prices can be expected?
- 3.3.2 Traders / processors
  - Availability of local products
  - Imports / exports planning
- 3.3.3 Policy makers
  - Trade agreements
  - Food security
  - Development of new producers



## OPERATIONAL ACTIVITIES

### 4. Users of SAGIS information (RSA and non-RSA)

SAGIS has regular interaction with national and international organisations. During the 2018/19 financial year, users from various countries have visited the SAGIS website.



### 5. Data and information provided by SAGIS

Here under is some of the information / data released to role-players and published on the SAGIS website:

**SAGIS Information:** e.g.

- Monthly data (Whole grain & oilseeds). This includes:
  - *Progressive monthly data, Imports & Exports*
  - *Producer deliveries per Province*
  - *Grain Transport per component*
- Monthly products data – Manufactured, Imports and Exports (maize, wheat and oilseeds)
- Weekly Bulletin: A collection of local and international information such as prices, stock, import parity prices, etc.
- Weekly information:
  - *Imports and Exports (Wheat & Maize)*
  - *Producer deliveries*
  - *Intentions to import and export (maize)*
  - *Producer deliveries of oilseeds*
- Import tariffs on wheat and maize
- Parity prices
- Historic Information (SAGIS and Non-SAGIS) - Some data dates back as far as 1936
  - *Producer deliveries, Consumption, Imports and Exports*
  - *Historic summary: Hectares & Production*
  - *Price Information*
  - *Parity prices*
  - *Population data*

**Non-SAGIS information:** e.g.

- CEC: Estimates of Crop Estimates Committee
- Import and export information (various tariff lines) of the South African Revenue Service
- Statistics SA: Average food prices for various product lines
- Commercial Banks: Economic indicators
- S&DEC: SA Supply & Demand Estimates Report
- Historic price information
- SADC Information
- IGC Freight Indices
- BFAP Information
- Conversion table

**Other**

- Relevant information is presented and discussed, at the meetings of the five industry forums (maize, wheat, oilseeds, sorghum & groundnuts), during the year.
- Market reports are prepared every second month for publication in a well-known Agriculture magazine.
- Issuing of audit certificates for Minimum Market Access.
- Provide data to the International Grains Council.





## 6. Operational feedback

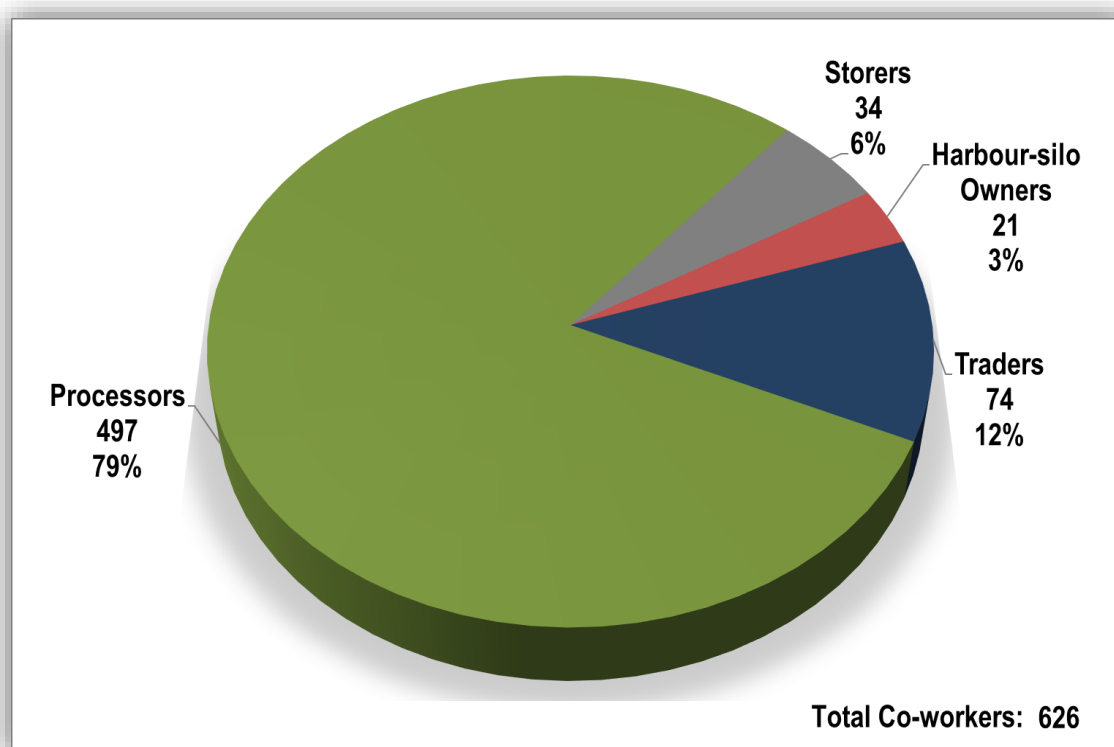
### 6.1 Whole grain and oilseeds: Co-workers

#### 6.1.1 Registrations / cancellations of co-workers and returns

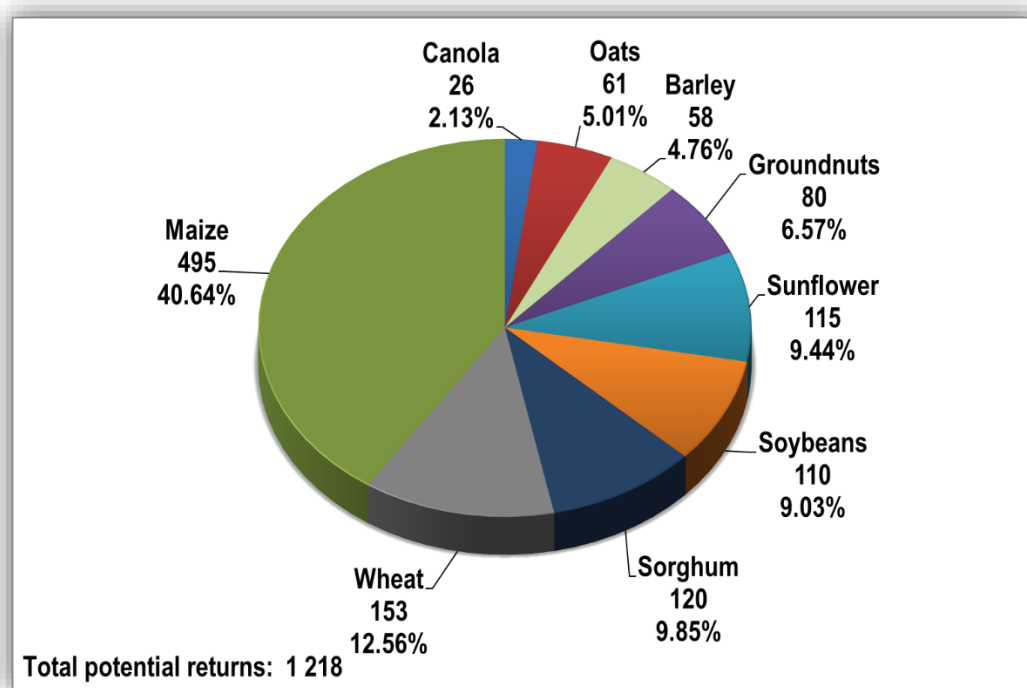
Financial year	Co-workers: Including Voluntary Traders		Total number of returns Per month	
	2017/18 (28 Feb '18)	2018/19 (28 Feb '19)	2017/18 (28 Feb '18)	2018/19 (28 Feb '19)
Total registrations and returns on 1 March	623	635	1 207	1 235
Plus: New registrations	45	31		
Less: Cancellations	(33)	(40)		
<b>Total registrations / returns</b>	<b>635</b>	<b>626</b>	<b>1 235</b>	<b>1 218</b>

#### 6.1.2 Composition of co-workers

The composition of SAGIS co-workers on 28 February 2019



Potential returns for firms registered per cereal on 28 February 2019



### 6.1.3 Co-operation of co-workers

According to the SAGIS Statutory Measures, co-workers are compelled to submit their returns before or on the 10<sup>th</sup> of each month.

For the reporting period **100%** (2018: 99.8%) of the total potential returns were received, of which 73.3% were received by the 10<sup>th</sup>. Co-workers are requested on a regular basis to develop permanent measures in order to submit correct returns on time every month. The efficiency of follow-up procedures is reviewed continuously.

During the 2018/19 financial year, it was not necessary to prosecute any co-workers for not supplying information as prescribed by the Statutory Measures. SAGIS aims to promote good working relationships through visiting problematic co-workers to solve specific problems. Continuous training is also provided to co-workers by the Inspection team where needed,

This willingness and positive co-operation of co-workers to supply data is proof of the success of SAGIS in the grain and oilseeds industry.

### 6.2 Product information

Co-workers registered for products	2017/18	2018/19
Maize products	183	181
Oilseeds products	79	79
Wheaten products	760	817
<b>Total</b>	<b>1 022</b>	<b>1 077</b>



## 6.2.1 Maize Products

From 1 March 2018 until 28 February 2019 the following white and yellow maize products were reported to SAGIS:

Maize Products	White Maize	Yellow Maize	Total Maize
	Tons		
Maize Chop	1 494 256	167 468	1 661 724
Maize Rice	8 273	0	8 273
Maize Grits	62 613	0	62 613
Samp	117 032	0	117 032
Total Yellow Maize Rice / Maize Grits / Samp	0	259 612	259 612
Sifted Maize Meal	30 288	23 905	54 193
Special Maize Meal	375 619	8 082	383 701
Super Maize Meal	2 507 232	28 312	2 535 544
Unsifted Maize Meal	8 644	5	8 649
Other maize products intended for Human consumption	109 011	78 995	188 006
<b>Total</b>	<b>4 712 968</b>	<b>566 379</b>	<b>5 279 347</b>

A total of 6 913 tons white maize products were imported and 78 461 tons (white maize: 52 977 tons, yellow maize: 25 484 tons) were exported.



### 6.2.2 Oilseeds products

From 1 March 2018 until 28 February 2019 the following white and yellow maize products were reported to SAGIS:

<b>Oilseeds Manufactured</b>	<b>Total Tons</b>
Palm Oil and Derivatives	0
Soybean Oil	182 665
Sunflower Oil	315 403
Cottonseed Oil	0
Coconut Oil/ Groundnut Oil/ Canola Oil/ Corn (Maize) Oil/ Blends or mixes of Oils which includes one of the above Oils/ Biodiesel	51 780
Cottonseed Oilcake	0
Sunflower Oilcake	379 391
Coconut Oilcake	0
Palmnut Oilcake	0
Soybean Oilcake/ Canola Oilcake	850 871
Soybean Flours and Meals/ Textured Vegetable Protein	38 779
Soybean Fullfat	224 216
Peanut Butter and Paste	29 734
<b>Total</b>	<b>2 072 839</b>

A total of 821 041 tons of oilseed products were imported and 73 003 tons were exported.

### 6.2.3 Wheat Products

From 1 March 2018 to 28 February 2019 the following wheaten products manufactured were reported to SAGIS:

<b>Wheat Products Manufactured</b>	<b>Total Tons</b>	<b>Pan baked bread Manufactured</b>	<b>Total Units</b>
Cake Flour	910 393	White bread	1 139 154 238
Self-Raising Flour	17 507	Brown bread	1 158 607 821
White Bread Flour	1 141 292	Whole wheat bread	30 142 744
Brown Bread Flour	411 144	Other	4 036 005
Other Flour (Industrial)	112 097		
Whole Wheat Meal	2 982		
Bran	664 669		
Semolina	11 603		
<b>Total</b>	<b>3 271 687</b>	<b>Total</b>	<b>2 331 940 808</b>

A total of 24 175 tons of wheaten products were exported, while 22 900 tons were imported.

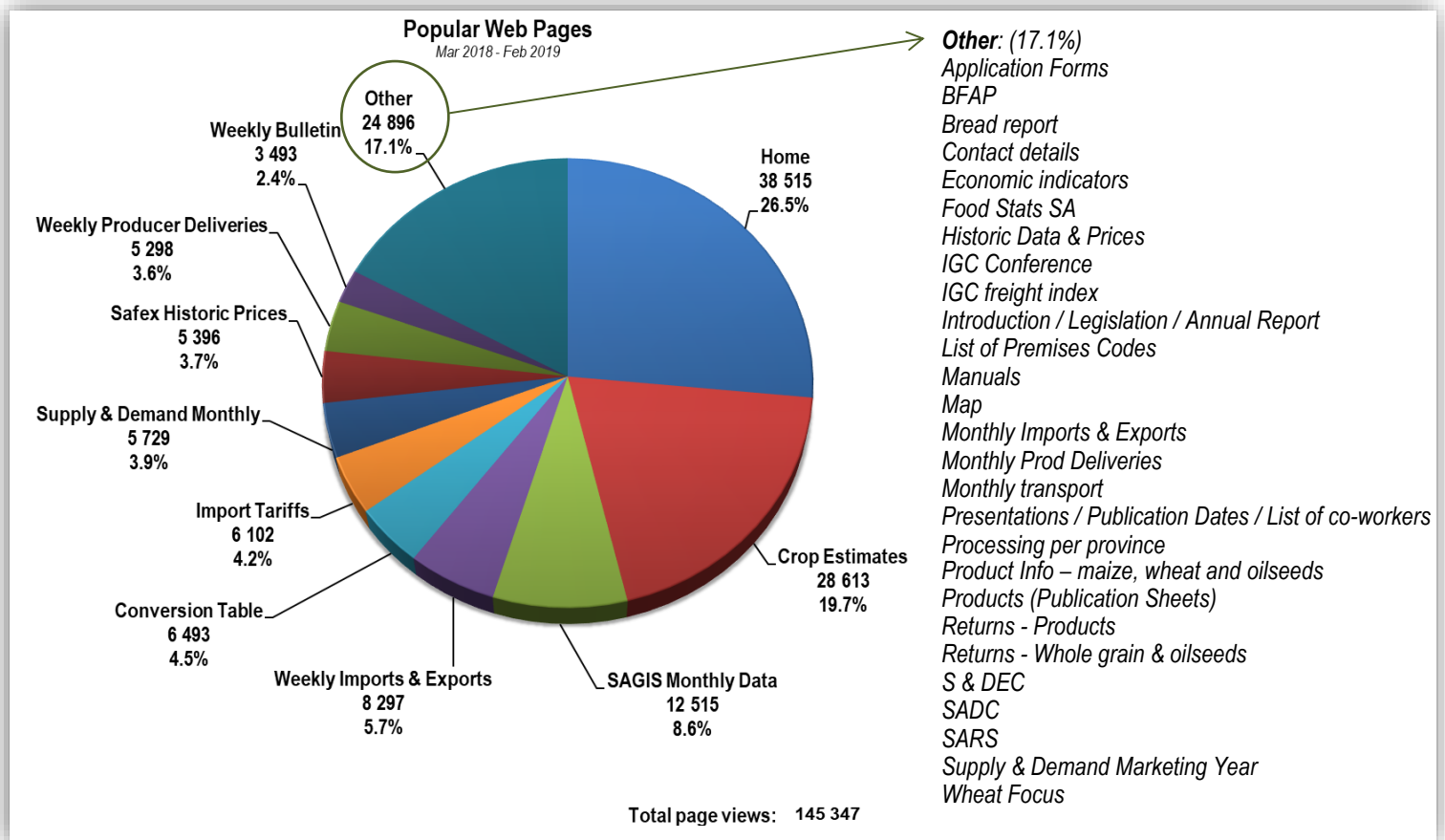


### 6.3 Publishing of data

During the 2018/19 financial year, all Monthly and Weekly data were published on the SAGIS website, on the predetermined dates.

### 6.4 Website

According to Google Analytics, the most popular pages viewed on the SAGIS website ([www.sagis.org.za](http://www.sagis.org.za)) for the reporting period is set out below:



**Note:** Sometimes a link on the SAGIS homepage opens a data file directly instead of opening another web page. If such a link is opened by visitors, Google Analytics counts it as a homepage view.

### 6.5 Cost of the information function

The cost of SAGIS' information services, although this is only an indication, is calculated as follows:

If the total net annual expenditure is divided by the local deliveries plus imports of grain and oilseeds, the information service provided costs is 73c per ton.

	2017/18	2018/19
SAGIS net expenditure	R12 678 796	R13 500 197
Total grain and oilseeds delivered plus imports	22 688 941 tons	18 558 922 tons
Information service cost per ton	R0.56	R0.73

## 6.6 Released information: Feedback from Forums

The SAGIS information/data is discussed during the meetings of the industry and other forums. Forums are continuously requested to give feedback and suggestions for improvements on information needed. Feedback from forums indicated that they are satisfied with the information.

## 6.7 Inspection of wholegrain, oilseeds and products

During the reporting period Inspection functions such as stocktaking, audits, new registrations and cancellations were done at 857 premises across the country. The difference in the number of premises visited per year mainly change due to the fact that audit routes differs annually.

Travel plans for inspectors were planned as cost effectively as possible. The average cost per premise visited was R760.

### 6.7.1 Stocktaking

During the past twelve (12) month period, stock of grain and oilseeds in commercial storage structures at month end varied between 5.9 and 12.5 million tons. A total of 6 599 164 tons of grain and oilseeds were physically verified by 488 co-workers at 657 storage points.



## 6.8 Finances: 2018/19 financial year

### 6.8.1 External Audit

SAGIS received an unqualified audit report for the 2018/19 financial year. "The Ashton CA (SA) Group Inc." have been appointed annually as auditors since March 2006.

### 6.8.2 Subscription (Contribution from Trusts)

A net amount of R14 041 088 was approved by the Members (the four Trusts), for utilisation during the 2018/19 financial year and the final expenditure amounts to R13 500 197. The difference of R540 891 was mainly due to savings on budget items such as communication cost, personnel expenditure and more income received.

## 7. Appreciation

SAGIS appreciates the support and co-operation of all the role-players.

We wish to express our gratitude especially towards the four Members, namely, The Maize Trust, Oil and Protein Seeds Development Trust, The Sorghum Trust and Winter Cereal Trust for their continued support, financially and otherwise.



**The Maize Trust**

Oil & Protein Seeds Development Trust

**OPDT**



**OPOT**

Olie- & Proteïnsade Ontwikkelingstrust

**The Sorghum Trust**



Winter Cereal Trust Wintergraantrust





**SAGIS**

## FINANCIAL STATEMENTS

1 March 2018 to 28 February 2019



# **Audit Report**

## **2018/19**



THE  
**ASHTON**  
CA (SA) GROUP INC.

REGISTERED ACCOUNTANTS  
AND AUDITORS

Ashton House, 51 Lebombo St,  
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### **South African Grain Information Service NPC**

(Reg No. 1997/019186/08)



**SUID-AFRIKAANSE GRAAN INLIGTINGSDIENS (NWM)**  
(Reg No. 1997/019186/08)

**SOUTH AFRICAN GRAIN INFORMATION SERVICE (NPC)**  
(Reg No. 1997/019186/08)

**FINANSIËLE JAARSTATE**  
**VIR DIE JAAR GEËINDIG 28 FEBRUARIE 2019**

**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2019**

<b>INHOUDSOPGAWE</b>	<b>BLADSY PAGE</b>	<b>CONTENTS</b>
Direkteure se aanspreeklikheid ten opsigte van die finansiële jaarstate	2	Directors' responsibility for the annual financial statements
Verslag van die onafhanklike ouditeure	3 – 4	Report of the independent auditors
Direkteursverslag	5 – 6	Directors' report
Rekeningkundige beleid	7 – 8	Accounting policies
Balansstaat	9	Balance sheet
Inkomstestaar	10	Income statement
Staat van verandering in ekwiteit	11	Statement of changes in equity
Kontantvloeiestaar	12	Cash flow statement
Aantekeninge tot die finansiële state	13 – 16	Notes to the financial statements



**DIREKTEURE SE AANSPREEKLIKHEID VIR DIE FINANSIËLE JAARSTATE**

Die Raad van Direkteure is verantwoordelik vir die integriteit van die finansiële state en relevante inligting ingesluit by die jaarverslag.

Vir die Direkteure om hulle verantwoordelikhede na te kom, het Bestuur 'n interne kontrole stelsel geïmplementeer wat deurgaans onderhou word. Die Direkteure aanvaar volle verantwoordelikheid vir die interne kontrole stelsel.

Die interne kontrole stelsel sluit interne rekeningkundige en administratiewe kontroles in wat ontwerp is om redelike maar nie algehele versekering te gee dat:

- Bates veilig bewaar word; en
- Transaksies in ooreenstemming met algemeen aanvaarde besigheidspraktyke en die maatskappy se beleid en prosedures hanteer en aangeteken word.

Die kontroles word uitgevoer deur opgeleide, bekwame personeel met die nodige skeiding van pligte en onder die toesighouding van Bestuur. Dit sluit 'n omvattende begroting en verslagdoening stelsel in wat binne streng spertye en neergesette riglyne funksioneer.

Die eksterne ouditeure is verantwoordelik om verslag te doen oor die finansiële state.

Die finansiële state:

- Word voorberei in ooreenstemming met die Internasionale Finansiële Verslagdoening standaarde vir Klein en Medium grootte Entiteite (met die uitsondering van vaste bates - sien aantekening 7);
- Word voorberei in ooreenstemming met die vereistes van die Maatskappy Wet No 71 van 2008 van Suid Afrika;
- Inkorporeer openbaarmakings ooreenstemmend met die rekeningkundige filosofie van die maatskappy; en
- Is gegrond op toepaslike rekeningkundige beleide wat konsekwent toegepas is, ondersteun word deur redelike en omsigtige ramings asook oordeel.

Die Raad van Direkteure is van mening dat die maatskappy 'n lopende saak in die komende jaar sal wees. Vir hierdie rede aanvaar die Direkteure die lopende saak grondslag as basis in die voorbereiding van die finansiële jaarstate.

Die finansiële jaarstate vir die jaar geëindig 28 Februarie 2019, uiteengesit op bladsye 8 tot 16, is goedgekeur deur die Raad van Direkteure op 30 Mei 2019 en geteken, namens hulle, deur –

  
VOORSITTER / CHAIRPERSON

**DIRECTORS' RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS**

The Board of Directors is responsible for the integrity of the financial statements and related information included in this annual report.

For the Directors to fulfil their responsibilities, Management has developed and continues to maintain a system of internal control. The Directors accept ultimate responsibility for the system of internal control.

The internal control system includes a system of internal accounting and administrative controls designed to provide reasonable but not absolute assurance that:

- Assets are safeguarded; and
- Transactions are executed and recorded in accordance with generally accepted business practices and the company's policy and procedures.

These controls are executed by trained, skilled personnel with an appropriate segregation of duties and are monitored by Management. It includes a comprehensive budgeting and reporting system, operating within strict deadlines and an appropriate control framework.

The external auditors are responsible for reporting on the financial statements.

The financial statements:

- Are prepared in accordance with the International Financial Reporting Standard for Small and Medium sized Entities (with the exception of fixed assets – refer note 7);
- Are prepared in the manner required by the Companies Act No 71 of 2008 of South Africa;
- Incorporate disclosures in line with the accounting philosophy of the company; and
- Are based on appropriate accounting policies consistently applied, supported by reasonable and prudent judgements as well as estimates.

The Board of Directors believes that the company will be a going concern in the year ahead. For this reason the Directors adopt the going concern principle as basis in preparing the annual financial statements.

The annual financial statements, for the year ended 28 February 2019, set out on pages 8 to 16, were approved by the Board of Directors on 30 May 2019 and signed, on their behalf, by -

  
DIREKTEUR/DIRECTOR

## Independent Auditor's Report

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### To the Members of SOUTH AFRICAN GRAIN INFORMATION SERVICE (NPC)

#### **Opinion**

We have audited the Annual Financial Statements of SOUTH AFRICAN GRAIN INFORMATION SERVICE (NPC), which comprise the Statement of Financial Position as at 28 February 2019, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Annual Financial Statements, including a summary of significant accounting policies.

In our opinion, the Annual Financial Statements present fairly, in all material respects, the financial position of SOUTH AFRICAN GRAIN INFORMATION SERVICE (NPC) as at 28 February 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium enterprises.

#### **Basis for opinion**

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

#### **Other information**

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. Other information does not include the Annual Financial Statements and our auditor's report thereon.

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

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

### **Responsibilities of the directors for the Annual Financial Statements**

The directors are responsible for the preparation and fair presentation of the Annual Financial Statements in accordance with the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of Annual Financial Statements that are free from material misstatement, whether due to fraud or error.

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

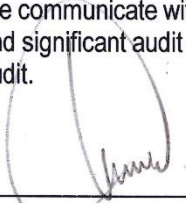
### **Auditor's responsibilities for the audit of the Annual Financial Statements**

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

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

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

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



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The Ashton CA (SA) Group Inc  
HJ Windell  
Chartered Accountants (S.A.)  
Registered Auditor

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Directors: A. Robberts B.Compt (Hons) CA (SA) RA, H.J. Windell B.Compt (Hons) CA (SA) RA, W. Delpont B.Compt (Hons) CA (SA) RA  
Professional Assistants: C.E. Möller B.Com (PGDA) CA (SA), A. Deyse Professional Accountant (SA) B.Com CIMA,  
T.C. Moyo Professional Accountant (SA) B.Com Accounting Sciences  
Registration no: 2016/109731/21 Practice no: 902161

## SUID-AFRIKAANSE GRAAN INLIGTINGSDIENS (NWM)

### DIREKTEURSVERSLAG VIR DIE JAAR GEËINDIG 28 FEBRUARIE 2019

Die Raad van Direkteure bied hulle verslag aan vir die jaar geëindig 28 Februarie 2019.

#### Aard van besigheid

Die hoofdoelwit van die maatskappy is die versameling, prosessering, ontleding en verspreiding van agronomiese inligting met verwantskap tot graan en oliesaad bedrywe via statutêre magte soos per die Wet op die Bemarking van Landbouprodukte (Wet 47 van 1996), om die groep belange van die bedrywe asook van die Republiek te bevorder.

#### Algemene oorsig en werking

Die Suid-Afrikaanse Graan Inligtingsdiens is op 11 November 1997 geïnkorporeer.

Die maatskappy het alle hoof doelwitte bereik vir hierdie jaar. Die doelwitte was, onder andere, die verspreiding van volledige, bruikbare, korrekte en betroubare inligting volgens streng spertye ten opsigte van graan en oliesade aan alle betrokke partye. Die bedryf resultate van die maatskappy word in die finansiële state uiteengesit.

#### Spesiale beleide

##### *Vaste bates*

Vaste bates word nie gekapitaliseer nie en alle aankope word ten volle afgeskryf in die Inkomstestaat. Die Raad van Direkteure is bewus daarvan dat, in ooreenstemming met rekeningkundige standaard IAS 16 (*Eiendom, aanleg en toerusting*), vaste bates gekapitaliseer moet word en waarde verminder word oor die berekende nutsduur. Die Direkteure is van mening dat die afwyking van IAS 16 nie 'n wesenlike invloed het op die finansiële state nie. Verdere inligting word getoon in aantekening 7 tot die finansiële state.

##### *Vervangingsbeleid vir elektroniese toerusting*

Die Raad van Direkteure het besluit om 'n beleid te implementeer vir die vervanging van SAGIS se elektroniese toerusting vanaf 1 Maart 2007. Die Kapitaal Reserwefonds is op 1 Maart 2006 vir hierdie doeleindes aangevul en sal verder aangevul word soos nodig.

##### *Korporatiewe beheer*

Die Raad van Direkteure ondersteun korporatiewe beheer en BEE.

#### Lede

Die lede is:

- The Maize Trust
- Olie- en Proteïensade Ontwikkelingstrust
- Die Sorghumtrust
- Wintergraantrust

Die maatskappy word gefinansier deur die vier lede deur jaarlikse ledegeld wat gehef word op 'n basis soos ooreengekom by 'n Algemene Vergadering.

## SOUTH AFRICAN GRAIN INFORMATION SERVICE (NPC)

### DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2019

The Board of Directors presents their report for the year ended 28 February 2019.

#### Nature of business

The principal activity of the company is to collate, process, analyse and distribute agronomic information relating to the grain and oilseed industries via statutory powers as per the Marketing of Agricultural Products Act (Act 47 of 1996) thereby promoting the group interests of relevant industries as well as those of the Republic.

#### General review and operations

The South African Grain Information Service was incorporated on 11 November 1997.

The company has reached all of its main goals for this year. These goals were, inter alia, the distribution of complete, useful, correct and reliable information within strict deadlines regarding grain and oilseeds to all interested parties. The operating results of the company are set out in the financial statements.

#### Special policies

##### *Fixed assets*

Fixed assets are not capitalised and all acquisitions are written off in full in the Income statement. The Board of Directors is aware that, in accordance with accounting standard IAS 16 (*Property, plant and equipment*), fixed assets should be capitalised and depreciated over the estimated useful lives. The Directors are of the opinion that the deviation from IAS 16 does not have a substantial effect on the financial statements. Further information is disclosed in note 7 to the financial statements.

##### *Policy for replacement of electronic equipment*

The Board of Directors decided to implement a policy for the replacement of SAGIS' electronic equipment from 1 March 2007. The Capital Reserve Fund was replenished on 1 March 2006 for this purpose and will be further replenished as needed.

##### *Corporate governance*

The Board of Directors supports corporate governance and BEE.

#### Members

The members are:

- The Maize Trust
- Oil and Protein Seeds Development Trust
- The Sorghum Trust
- Winter Cereal Trust

The company is financed by the four members through annual subscription levied on a basis agreed upon at a General Meeting.

**SUID-AFRIKAANSE GRAAN INLIGTINGSDIENS (NWM)**

**SOUTH AFRICAN GRAIN INFORMATION SERVICE (NPC)**

**DIREKTEURSVERSLAG VIR DIE JAAR GEëINDIG  
28 FEBRUARIE 2019 (vervolg)**

**DIRECTORS' REPORT FOR THE YEAR ENDED  
28 FEBRUARY 2019 (continues)**

**Raad van Direkteure**

Op die Algemene Jaarvergadering, stel elke Lid twee nie-uitvoerende direkteure plus een alternatiewe direkteur aan.

**Board of Directors**

At the Annual General Meeting, each Member appoints two non-executive directors plus one alternate director.

Die Direkteure op die Raad ten tye van die verslag is:

The Directors on the Board, at the date of this report, are:

Boshoff, J D W  
Briedenhan, E (aangestel 25 Julie 2018 / appointed 25 July 2018)  
Make, BB  
Mahlathi, N (bedank 19 Julie 2018 / resigned 19 July 2018)  
Mohane, H T  
Nebe, A A A  
Ngejane, Z (aangestel 19 Julie 2018 / appointed 19 July 2018)  
Purchase, J L (Onder Voorsitter / Vice Chairperson)  
Purnell, M (Voorsitter / Chairperson)  
Scholtemeijer, G J H (bedank 19 Julie 2018 / resigned 19 July 2018)

*Alternatiewe direkteure / Alternate directors*

Groothof, W J  
Penny, G R  
Schoonwinkel, B C  
Van de Merwe, J M

Die Direkteure ontvang geen vergoeding van die maatskappy nie. / The Directors do not receive any compensation from the company.

*Amptenaar / Officer*

Hawkins, N J

**Besigheidsadres –**

Graangebou, 2<sup>de</sup> vloer,  
Witherite Straat 477,  
Die Wilgers, Pretoria

**Business address –**

Grain Building, 2<sup>nd</sup> floor,  
477 Witherite Road,  
The Willows, Pretoria

**Posadres –**

Postnet Suite 534, Privaatsak X1,  
Die Wilgers,  
0041.

**Postal address –**

Postnet Suite 534, Private Bag X1,  
The Willows,  
0041.

**REKENINGKUNDIGE BELEIDE VIR DIE JAAR GEËINDIG  
28 FEBRUARIE 2019**

Die finansiële state, met die uitsondering van vaste bates, is opgestel in ooreenstemming met Internasionale Finansiële Verslagdoening standaarde vir Klein en Medium grootte Entiteite en inkorporeer die volgende basiese rekeningkundige beleide, wat in ooreenstemming is met dié van die vorige finansiële jaar, behalwe soos anders uiteengesit in die aantekeninge.

**Historiese koste**

Die finansiële state is opgestel op die historiese koste beginsel.

**Vaste bates**

Die vaste bates se rekeningkundige beleid bepaal dat vaste bates nie gekapitaliseer word nie maar by aankope ten volle afgeskryf word in die Inkomstestaat. In ooreenstemming met die rekeningkundige standaard, IAS 16 (*Eiendom, aanleg en toerusting*), moet vaste bates gekapitaliseer en waarde verminder word oor die berekende nutsduur daarvan. Die afwyking van hierdie rekeningkundige standaard het nie 'n wesenlike invloed op die finansiële state nie. Verdere inligting word getoon in aantekening 7 tot die finansiële state.

**Finansiële instrumente***Meting*

Finansiële instrumente word aanvanklik teen kosprys erken, wat transaksie koste insluit. Die latere erkenning van die instrumente vind plaas soos hieronder uiteengesit.

*Handels- en ander debiteure*

Handels- en ander debiteure word getoon teen kosprys minus voorsiening vir slegte skuld sou dit van toepassing wees.

*Kontant en kontantekwivalente*

Kontant en kontantekwivalente word getoon teen billike waarde. Vir kontantvloeiastaat doeleindes bestaan kontant en kontantekwivalente uit kontant voorhande, aanvraag deposito's gehou by banke en beleggings in geldmark instrumente.

**Ledegeld**

Ledegeld is bereken volgens die basis waarop die Lede op die Algemene Jaarvergadering van 23 Julie 2015 ooreengekom het. Die berekende gemiddeld van die laaste drie finansiële jare, soos op die laaste dag van Februarie elke jaar, word gebruik vir die allokasie van ledegeld en word toegepas vanaf 1 Maart 2016 vir drie finansiële jare. Die berekening word jaarliks gedoen en indien die herberekenende basis met meer as 20% verskil vir enige Lid, sal die Algemene Jaarvergadering die basis hersien gedurende die drie finansiële jare.

**Beleggings inkomste**

Rente inkomste word erken op 'n tyd verhoudings grondslag met inagneming van die hoofsaaklik uitstaande en die effektiewe koers oor die tydperk wanneer dit bepaal is dat die inkomste die maatskappy toeval.

**Voorsienings**

Voorsienings word erken wanneer die maatskappy 'n huidige, wettige of konstruktiewe verpligting het as gevolg van 'n historiese gebeurtenis, waar dit waarskynlik is dat daar 'n uitvloeï van ekonomiese voordele sal wees en waar daar 'n betroubare skatting gemaak kan word van die bedrag van die verpligting.

**ACCOUNTING POLICIES FOR THE YEAR ENDED  
28 FEBRUARY 2019**

The financial statements are, with the exception of fixed assets, prepared in accordance with the International Financial Reporting Standard for Small and Medium sized Entities and incorporates the following principal accounting policies, which are consistent with those adopted in the previous financial year, except when disclosed otherwise in the notes.

**Historical cost**

The financial statements are prepared on the historical cost basis.

**Fixed assets**

The fixed assets' accounting policy states that fixed assets are not capitalised but are written off in full in the Income statement when purchased. In accordance with accounting standard, IAS 16 (*Property, plant and equipment*), fixed assets should be capitalised and depreciated over its estimated useful lives. The deviation from this accounting standard has no substantial impact on the financial statements. Further information is disclosed in note 7 to the financial statements.

**Financial instruments***Measurement*

Financial instruments are initially measured at cost, which includes transaction costs. Subsequent to initial recognition these instruments are measured as set out below.

*Trade- and other debtors*

Trade and other debtors are stated at cost less provision for doubtful debts if applicable.

*Cash and cash equivalents*

Cash and cash equivalents are measured at fair value. For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call accounts with banks and investments in money market instruments.

**Subscriptions**

Subscription is calculated on the basis agreed upon by Members at the General Annual Meeting of 23 July 2015. The calculated average of the last three financial years, as on the last day of February each year, is applied to allocate subscription from 1 March 2016 for three financial years. If the annual recalculated basis differs with more than 20% per any Member, the Annual General Meeting will revise the basis during the three financial years.

**Investment income**

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

**Provisions**

Provisions are recognised when the company has a present, legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**REKENINGKUNDIGE BELEIDE VIR DIE JAAR GEËINDIG  
28 FEBRUARIE 2019 (vervolg)***Werknemer voordele*

Die werknemers se aanspraak tot opgeloopte verlof is voorsien in die Balansstaat. Die voorsiening is bereken teen nie-verdiskonteerde bedrae, gebaseer op huidige pakket vergoeding.

**Bedryfshuur: Huur van perseel**

Huur waar die verhuurder die risiko en vergoeding van eienaarskap van die onderliggende bate behou, word as bedryfshuur geklassifiseer deur die rekeningkundige standaard IAS 17. Bedryfshuur word erken op 'n reguitlyn basis oor die kontrak tydperk (sien aantekening 3).

**Toereikendheid van kapitaal***Bedryfskapitaal*

Bedryfskapitaal word gereken as fondse benodig vir die maatskappy se dag tot dag uitgawes. Ledegeld word gevorder om dié uitgawes te finansier. Vir die finansiële jaar, eindigend 28 Februarie 2018, was die bedryfskapitaal voldoende.

*Algemene Reserwefonds*

Die Algemene Reserwefonds is gestig om voorsorg te tref dat die maatskappy alle finansiële verpligtinge op 'n gegewe tyd kan nakom. Berekeninge van wat die balans in die fonds behoort te wees word jaarliks aan die Raad van Direkteure en Algemene Jaarvergadering voorgelê vir besluitneming ten opsigte van die aanvulling van die fonds.

Volgens die scenario deur die Direkteure aanvaar vir berekeninge sou die balans in die fonds op 1 Maart 2018 voldoende wees om die beleid in die 2018/19-finansiële jaar uit te voer.

*Kapitaal Reserwefonds*

Die Kapitaal Reserwefonds word in stand gehou en van tyd tot tyd aangevul vir uitvoering van die maatskappy se Elektroniese Toerusting Vervangingsbeleid. Fondse benodig in 'n finansiële jaar word vooraf bereken en indien nodig, word aanvullings op 1 Maart van 'n finansiële jaar vanaf Lede gevorder.

Volgens berekeninge sou die balans in die fonds op 1 Maart 2018 voldoende wees om die beleid in die 2018/19-finansiële jaar uit te voer.

**Vergelykende syfers**

Waar nodig, is die vergelykende syfers geherklassifiseer.

**ACCOUNTING POLICIES FOR THE YEAR ENDED  
28 FEBRUARY 2019 (continues)***Employee benefits*

The employees' entitlements to accrued leave are provided for in the Balance sheet. The provision is calculated at undiscounted amounts based on current package remuneration.

**Operational leases: Lease of property**

Leases where the lessor retains the risks and rewards of ownership of the underlying asset are classified operational leases by accounting standard IAS 17. Operational leases are acknowledged on a straight-line basis over the period of the contract (refer note 3).

**Adequacy of capital***Operational capital*

Operational capital is considered as funds required for the company's day-to-day expenses. Subscription is obtained to finance these expenses. For the financial year, ending 28 February 2018, the operational capital was sufficient.

*General Reserve Fund*

The General Reserve Fund was established to enable the company to meet all its financial liabilities at a given time. Calculations of what the balance in the fund should be are presented annually to the Board of Directors and Annual General Meeting for decision making of above replenishment of the fund.

According to the scenario accepted by the Directors for calculations the balance in the fund at 1 March 2018 would have been sufficient to execute the policy during the 2018/19 financial year

*Capital Reserve Fund*

The Capital Reserve Fund is maintained and replenished from time to time for execution of the company's Electronic Equipment Replacement Policy. Funds needed in a financial year are calculated beforehand and, if necessary, replenishments are obtained from Members on 1 March of a financial year.

According to calculations the balance in the fund at 1 March 2018 would have been sufficient to execute the policy during the 2018/19 financial year.

**Comparative figures**

Where necessary, comparative figures have been reclassified.

	2019	AANTEKENING NOTE	2018	
	R		R	
<b>BATES</b>				<b>ASSETS</b>
Bedryfsbates	290 386		289 035	Current assets
Debiteure	277 886		276 535	Debtors
Deposito's	12 500		12 500	Deposits
Kontant en kontant ekwivalent	9 195 575		8 410 636	Cash and cash equivalents
- Geldmark belegging	6 538 582		5 761 282	- Money market investment
- Vaste belegging	3 000 000		3 000 000	- Fixed deposit
- Daggeld	31 845		32 998	- Call account
- Kontant in bank en voorhande	(375 193)	1	(383 678)	- Cash at bank and on hand
- Kleinkas	341		34	- Petty cash
<b>Totale bates</b>	<b>9 485 961</b>		<b>8 699 671</b>	<b>Total assets</b>
<b>EKWITEIT EN LASTE</b>				<b>EQUITY AND LIABILITIES</b>
Kapitaal en Reserwes	4 637 176		4 255 027	Capital and Reserves
Reserwes	4 810 305	2	4 465 015	Reserves
- Algemene Reserwefonds	4 679 589	2.1	4 343 227	- General Reserve Fund
- Kapitaal Reserwefonds	130 716	2.2	121 788	- Capital Reserve Fund
Bedryfshuur voorsiening	(173 129)	3	(209 988)	Operational lease provision
Bedryfslaste	4 848 785		4 444 644	Current liabilities
Krediteure	1 036 099		935 373	Creditors
Bedryfshuur voorsiening	173 129	3	209 988	Operational lease provision
Ledegeld vooruit ontvang	3 639 557	4.2	3 299 283	Subscription received in advance
<b>Totale ekwiteit en laste</b>	<b>9 485 961</b>		<b>8 699 671</b>	<b>Total equity and liabilities</b>



**INKOMSTESTAAT**  
**VIR DIE JAAR GEëINDIG 28 FEBRUARIE 2019**
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 28 FEBRUARY 2019**

	2019	AANTEKENING NOTE	2018	
	R		R	
<b>INKOMSTE</b>	<b>14 474 700</b>		<b>13 521 768</b>	<b>INCOME</b>
Ledegeld huidige jaar:	13 500 197	4.1	12 678 796	Subscription current year:
Diverse inkomste	384 967	5	275 724	Sundry income
Rente ontvang	589 536	6	567 248	Interest received
<b>UITGAWES</b>	<b>14 092 551</b>		<b>13 220 460</b>	<b>EXPENSES</b>
Administratiewe uitgawes	12 868 258		12 185 296	Administrative expenses
Ouditfooi	27 585		25 660	Audit fees
Vaste bate aankope afgeskryf:	264 415		89 063	Fixed asset acquisitions written off:
Rente betaal	22 047		10 195	Interest paid
Bedryfshuur :	910 246	3	910 246	Operational lease:
Betaling van huur van perseel	947 105		876 949	Payment for lease of property
Erkenning volgens die reguitlyn metode	(36 859)		33 297	Acknowledgement according to the straight-line method
Onaangewende inkomste/ (uitgawe) vir die jaar	<b>382 149</b>	8	<b>301 308</b>	Unallocated income/(expense) for the year

STAAT VAN VERANDERING IN EKWITEIT  
VIR DIE JAAR GEëINDIG 28 FEBRUARIE 2019STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 28 FEBRUARY 2019

	Reserwe/ Reserve	Behoue verdiensle/ Retained income	Totaal/ Total	
	R	R	R	
Saldo op 1 Maart 2017	4 130 411	(176 691)	3 953 720	Balance at 1 March 2017
Onaangewende inkomste / (uitgawe) vir die jaar (aantekening 8)	-	301 307	301 307	Unallocated income / (expense) for the year (note 8)
Netto inkomste / (uitgawe) vir die jaar	-	334 604	334 604	Net income / (expense) for the year
Erkenning van bedryfshuur volgens die reguitlyn metode (aantekening 3)	-	(33 297)	(33 297)	Acknowledgement of operational lease according to the straight-line method (note 3)
Oordrag na reserwes (aantekening 8)	334 604	(334 604)	-	Transfer to reserves (note 8)
Saldo op 1 Maart 2018	4 465 015	(209 988)	4 255 027	Balance at 1 March 2018
Onaangewende inkomste / (uitgawe) vir die jaar (aantekening 8)	-	382 149	382 149	Unallocated income / (expense) for the year (note 8)
Netto inkomste / (uitgawe) vir die jaar	-	345 290	345 290	Net income / (expense) for the year
Erkenning van bedryfshuur volgens die reguitlyn metode (aantekening 3)	-	36 859	36 859	Acknowledgement of operational lease according to the straight-line method (note 3)
Oordrag na reserwes (aantekening 8)	345 290	(345 290)	-	Transfer to reserves (note 8)
<b>Saldo op 28 Februarie 2019</b>	<b>4 810 305</b>	<b>(173 129)</b>	<b>4 637 176</b>	<b>Balance at 28 February 2019</b>
Aantekening:	2	3		Note:

KONTANTVLOEIESTAAT  
VIR DIE JAAR GEëINDIG 28 FEBRUARIE 2019CASH FLOW STATEMENT  
FOR THE YEAR ENDED 28 FEBRUARY 2019

	2019	AANTEKENING NOTE	2018	
	R		R	
KONTANTVLOEI UIT BEDRYFSAKTIVITEIT	784 939		569 599	CASH FLOW FROM OPERATING ACTIVITIES
Kontant (aangewend in)/voortgebring deur bedrywighede	173 356	9	(7 844)	Cash (utilised in)/generated by operations
Rente ontvang	589 536	6	567 248	Interest received
Rente betaal	22 047		10 195	Interest paid
KONTANT EN KONTANT EKWIVALENTE				CASH AND CASH EQUIVALENTS
- Vir die jaar	784 939		569 599	- For the year
- Aan begin van jaar	8 410 636		7 841 037	- At beginning of year
- Aan einde van jaar (Balansstaat)	<b>9 195 575</b>		<b>8 410 636</b>	- At end of year (Balance sheet)

AANTEKENINGE TOT DIE FINANSIËLE STATE  
VIR DIE JAAR GEËINDIG 28 FEBRUARIE 2019NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2019

	2019	2018	
	R	R	
<b>1 Kontant in bank en voorhande</b>			<b>1 Cash at bank and on hand</b>
Bankbalans soos per bankstaat	290 118	272 856	Bank balance as per bank statement
Uitstaande betalings	(665 311)	(656 534)	Outstanding payments
	(375 193)	(383 678)	
<b>2 Reserwes</b>			<b>2 Reserves</b>
Daar is op die maatskappysse Algemene Jaarvergadering van 24 Junie 1998 besluit om fondse oor te dra na reserwefondse en op die Algemene Jaarvergadering van 30 Junie 2000 is besluit om die fondse aan te vul met die rente wat daarop verdien word.			At the company's Annual General Meeting held on 24 June 1998 a resolution was taken to transfer funds to reserve funds and at the Annual General Meeting of 30 June 2000 it was decided to replenish the funds with the interest received on it.
<b>2.1 Algemene Reserwe</b>			<b>2.1 General Reserve</b>
Die Raad van Direkteure het die volgende besluite geneem:			The Board of Directors made the following decisions:
- 2 Augustus 2007:			- 2 August 2007:
Die Algemene Reserwefonds moet aangevul word sodat SAGIS instaat is om alle finansiële verpligtinge te enige tyd na kan kom.			The General Reserve Funds should be replenished to enable SAGIS to meet all its financial liabilities at any time.
- 27 Oktober 2016:			- 27 October 2016:
Geen aanvulling is nodig vir die 2017/18 finansiële jaar nie.			No replenishment is required for the 2017/18 financial year.
- 26 Oktober 2017:			- 26 October 2017:
Geen aanvulling is nodig vir die 2018/19 finansiële jaar nie.			No replenishment is required for the 2018/19 financial year.
Saldo aan die begin van die jaar	4 343 227	4 017 196	Balance at the beginning of the year
Rente ontvang (aantekening 6)	336 362	326 031	Interest received (note 6)
Balans aan die einde van die jaar	4 679 589	4 343 227	Balance at the end of the year
<b>2.2 Kapitaal Reserwefonds</b>			<b>2.2 Capital Reserve Fund</b>
Die Direkteure het op 6 November 2006 besluit om die Kapitaal Reserwefonds jaarliks aan te vul vir die vervanging van elektroniese toerusting sou dit nodig wees.			The Directors decided on 6 November 2006 to annually replenish the Capital Reserve Fund for the replacement of electronic equipment if necessary.
Saldo aan die begin van die jaar	121 788	113 215	Balance at the beginning of the year
Rente ontvang (aantekening 6)	8 928	8 573	Interest received (note 6)
Balans aan die einde van die jaar	130 716	121 788	Balance at the end of the year
Totale reserwes aan die einde van die jaar	4 810 305	4 465 015	Total reserves at the end of the year

AANTEKENINGE TOT DIE FINANSIËLE STATE  
VIR DIE JAAR GEËINDIG 28 FEBRUARIE 2019 (vervolg)NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2019 (continues)

		2019			
		A	B		
		Werklike kontraktuele verpligting/ Actual contractual obligation	Huur: reguitlyn metode / Lease: straight- line method		
<b>3</b>	<b>Bedryfshuur - Kontraktuele verpligtinge</b>			<b>3</b>	<b>Operational lease - Contractual obligations</b>
	Om vanaf 1 Augustus 2015, asook vir die oorblywende tydperk van die kontrak, vir kantoorspasie, die verskil in bedryfshuur te illustreer tussen werklike kontraktuele verpligtinge en die reguit-lyn metode vir die volgende periodes:				To illustrate from 1 August 2015, as well as for the remaining period of the contract, for office space, the difference in the operational lease between actual contractual obligations and the straight-line method for the following periods:
	Graangebou kontrak 1 Augustus 2015 - 31 Julie 2020:				Grain Building contract 1 August 2015 - 31 July 2020:
	Augustus 2015 - Februarie 2017 (R176 691) <sup>(a)</sup>	1 264 532	1 441 223		August 2015 - February 2017 (R176 691) <sup>(a)</sup>
	Maart 2017 - Februarie 2018 (R 33 297)	876 949	910 246		March 2017 - February 2018 (R 33 297)
	Sub totaal (R209 988) <sup>(a)</sup>				Sub total (R209 988) <sup>(a)</sup>
	Maart 2018 - Februarie 2019 R 36 859	947 105	910 246		March 2017 - February 2018 R 36 859
	Sub totaal (R173 129) <sup>(a)</sup>	3 088 586	3 261 715		Sub total (R173 129) <sup>(a)</sup>
	Maart 2019 - Julie 2020	1 462 645	1 289 516		March 2019 - July 2020
		<b>4 551 231</b>	<b>4 551 231</b>		
	a) Balansstaat.				a) Balance sheet.
		<b>2019</b>	<b>2018</b>		
		<b>R</b>	<b>R</b>		
<b>4</b>	<b>Verwante party transaksies</b>			<b>4</b>	<b>Related party transactions</b>
4.1	Ledegeld ontvang (Inkomstestaat)	13 500 197	12 678 796	4.1	Subscription received (Income statement)
4.2	Ledegeld vooruit ontvang (Balansstaat)	3 639 557	3 299 283	4.2	Subscription received in advance (Balance sheet)
	Onaangewend: die jaar	540 891	323 793		Unallocated: this year
	Min: Rente betaal op laat betaling	-	(36)		Plus: Interest paid on late payment
	Plus: Rente verdien op vroeë betaling	22 047	9 346		Plus: Interest received on early payments
	Sub totaal	562 938	333 103		Subtotal
	Vir volgende finansiële jaar	3 076 619	2 966 180		For next financial year
	Totale ledegeld	17 139 754	15 978 079		Total subscription
4.3	Spesiale projekte:			4.3	Special projects:
	Netto befondsing van weeklikse en produkte inligting ten opsigte van mielies en koring (aantekening 5.1)	322 793	206 986		Net funding of the weekly and product information with regards to maize and wheat (note 5.1)
		17 462 547	16 185 065		

**AANTEKENINGE TOT DIE FINANSIËLE STATE  
VIR DIE JAAR GEËINDIG 28 FEBRUARIE 2019 (vervolg)**
**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2019 (continues)**

	2019	2018	
	R	R	
<b>5 Diverse inkomste</b>			<b>5 Sundry income</b>
Netto inkomste ontvang vir spesiale projekte -			Net income received for special projects -
5.1 Spesiale projekte (aantekening 4.3)	322 793	206 986	5.1 Special projects (note 4.3)
5.1.1 Weeklikse inligting (mielies, koring en oliesade)	154 126	56 694	5.1.1 Weekly information (maize, wheat & oilseeds)
- Fondse ontvang	380 620	196 477	- Funds received
- Min: direkte uitgawes	(226 494)	(139 783)	- Less: direct expenses
5.1.2 Produkte inligting (mielies, koring & oliesaad produkte)	168 667	150 292	5.1.2 Product information (maize, wheat & oilseeds products)
- Fondse ontvang	1 030 435	974 860	- Funds received
- Min: uitgawes	(861 768)	(824 568)	- Less: expenses
5.2 Minimum marktoegang	49 370	49 047	5.2 Minimum market access
5.3 Diverse inkomste	8 108	7 219	5.3 Sundry information
5.4 Vaardigheidshewing teruggevorder	4 696	12 472	5.4 Skills Development levy refunded
	384 967	275 724	
<b>6 Rente ontvang</b>			<b>6 Interest received</b>
Rente ontvang is as volg geallokeer:			Interest received is allocated as follows:
Reserwefondse:	345 290	334 604	Reserve Funds:
- Algemeen (aantekening 2.1)	336 362	326 031	- General (note 2.1)
- Kapitaal (aantekening 2.2)	8 928	8 573	- Capital (note 2.2)
Res	244 246	232 644	Rest
Totaal (Inkomstestaat)	589 536	567 248	T total (Income statement)
<b>7 Vaste bates</b>			<b>7 Fixed assets</b>
<b>7.1 Kumulatiewe kosprys</b>			<b>7.1 Cumulative cost price</b>
Kumulatiewe kosprys aan die begin van jaar:	1 415 190	1 409 761	Cumulative cost price at the beginning of year:
- Totale bates afgeskryf in Inkomstestaat vorige jare	2 825 049	2 735 986	- Total assets written off in Income statement previous years
- Kosprys van bates verkoop/verreem vorige jare	(1 409 859)	(1 326 225)	- Cost price of assets sold/disposed previous years
Beweging gedurende jaar:	152 757	5 429	Movement during year:
- Aankope - afgeskryf in Inkomstestaat:	277 960	89 063	- Acquisitions - written off in Income statement:
Ex Produkte	13 545	-	Ex Products
Res	264 415	89 063	Rest
- Kosprys van bates verkoop/verreem	(125 203)	(83 634)	- Cost price of assets sold/disposed
Kumulatiewe kosprys aan die einde van jaar	1 567 947	1 415 190	Cumulative cost price at the end of year
<b>7.2 Berekende boekwaarde</b>			<b>7.2 Calculated bookvalue</b>
Die berekende boekwaarde, indien volgens IAS16 bereken, sou die volgende wees:			The calculated bookvalue, if calculated according to IAS16, would be the following:
Kumulatiewe boekwaarde aan die begin van jaar	614 884	717 939	Cumulative book value at the beginning of year
Plus: aankope	277 960	89 063	Plus: acquisitions
Min: waardevermindering	(231 183)	(176 544)	Less: depreciation
Min: bates verkoop/verreem	(12 520)	(15 574)	Less: assets sold/disposed
Kumulatiewe boekwaarde aan die einde van jaar	649 141	614 884	Cumulative book value at the end of year

**AANTEKENINGE TOT DIE FINANSIËLE STATE  
VIR DIE JAAR GEËINDIG 28 FEBRUARIE 2019 (vervolg)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2019 (continues)**

	2019	2018	
	R	R	
<b>8 Onaangewende inkomste/(uitgawe) vir die jaar</b>			<b>8 Unallocated income/(expense) for the year</b>
Rente ontvang op Reserwes (aantekening 6)	345 290	334 604	Interest received on Reserves (note 6)
Oordrag na reserwes	345 290	334 604	Transfer to reserves
Erkenning van bedryfshuur volgens die reguitlyn metode (aantekening 3)	36 859	(33 297)	Acknowledgement of operational lease according to the straight-line method (note 3)
	382 149	301 307	
<b>9 Kontant aangewend in bedrywighede</b>			<b>9 Cash utilised in operations</b>
Netto (uitgawe) / inkomste voor rente en veranderinge in bedryfskapitaal	(229 435)	(276 136)	Net (expense) / income before interest and changes in operational capital
(Toename) / afname in debiteure	(1 350)	(2 149)	(Increase) / decrease in debtors
(Afname) / toename in krediteure	404 141	270 441	(Decrease) / increase in creditors
Kontant (aangewend) / voortgebring deur bedrywighede	173 356	(7 844)	Cash (utilised) / generated by operations
<b>10 Belasting</b>			<b>10 Taxation</b>
Die Kommissaris het SAGIS in kennis gestel dat die maatskappy vrygestel is van belasting in terme van seksie 10(1)(d)(iv)(bb) van die Wet op Inkomstebelasting totdat die Kommissaris die maatskappy van enige ander beslissing in kennis stel.			The Commissioner has informed SAGIS that the company is exempted from tax in terms of section 10(1)(d)(iv)(bb) of the Income Tax Act until the Commissioner informs the company of any other decision.



# SAGIS

**For informed  
decision making**