ANNUAL REPORT
JAARVERSLAG

2018

GRAIN SA
GRAAN SA

2017/2018 in focus

2017/2018 in fokus

How will the agricultural scene develop and is there **light on the horizon**? Only the future will tell. However, Grain SA as a producer organisation, and as part of the greater agricultural family, played an active role in carrying the cause of the grain producer into the land debate this year.

Hoe gaan die landboutoneel ontvou en is daar **lig op die horison**? Net die toekoms sal dit leer. Graan SA het egter as produsente-organisasie en as deel van die groter landboufamilie vanjaar 'n aktiewe rol gespeel om die saak van die graanprodusent in die gronddebat uit te dra.

This **focus circle** directs the attention to the land debate – which came to a head during the reporting period. Few things depict the sense of vocation of an agriculturalist better than a young plant greeting the new season with hope.

Dié **fokussirkel** vestig die aandag op die gronddebat – wat in die verslagtydperk op die spits gedryf is. Min dinge kan die geroepenheid van 'n landbouer beter uitbeeld as 'n jong plant wat met hoop die nuwe seisoen begroet.

Sustainable food production is essential for South Africa to maintain its status as a country with **food security**.

Volhoubare voedselproduksie is noodsaaklik ten einde Suid-Afrika se status as 'n land met **voedselsekerheid** te kan handhaaf.

The expropriation without compensation theme placed the extremely emotional **land issue** strongly in the spotlight this year. Diverging views and beliefs – positive and negative – place a cloud of uncertainty over the ownership of land and the effect this could have on the profitability and viability of the sector.

Die onteiening sonder vergoeding-tema het vanjaar die hoogs emosionele **grondkwessie** sterk op die voorgrond geplaas. Uiteenlopende sienings en oortuigings – positief en negatief – plaas 'n wolk van onsekerheid oor die eienaarskap van grond en die uitwerking wat dit op die winsgewendheid en lewensvatbaarheid van die sektor kan hê.

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GRAIN SA
GRAAN SA

IN A NUTSHELL
IN 'N NEUTEDOP

VISION
VISIE

Sustainable grain and oilseed production

Volhoubare graan- en oliesadeproduksie

BUILT ON
GEBOU OP

Voluntary association serving as mouthpiece of grain producers to promote their interests

Vrywillige organisasie wat dien as mondstuk vir graanprodusente om hul belange te bevorder

Autonomous and **independent** organisation

Outonome en **onafhanklike** organisasie

Apolitical and issues are dealt with only on merit

Apolities en sake word aangespreek slegs op meriete

Controlled by **producers** for producers

Beheer deur **produsente** vir produsente

OUR VALUES
ONS WAARDES

Visionary	Visionêr
Integrity	Integriteit
Leadership	Leierskap
Courage	Dapperheid
Partnerships	Vennootskappe
Vibrant	Lewenskragtig
Good governance	Goeie korporatiewe bestuur
Responsible	Verantwoordelik
Innovative	Innoverend
Communication	Kommunikasie

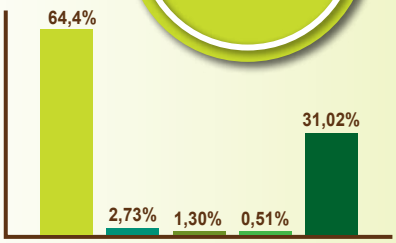
FOCUS AREAS
FOKUSAREAS

Profitability
Winsgewendheid

People
Mense

Planet
Omgewing

WE REPRESENT
ONS VERTEENWOORDIG



- **Subsistence farmers** – Bestaansboere
- **Smallholder farmers** – Kleinskaalse boere
- **Potential commercial farmers** – Potensiële kommersiële boere
- **New era farmers** – Nuwe era-boere
- **Commercial producers** – Kommersiële produsente

12 945 > 0,5 to/tot 10 ha

Including 5 215 supported by Jobs Fund project
Insluitend 5 215 ondersteun deur Jobs Fund-projek

550 > 10 ha to/tot 100 ha

263 > 100 ha to/tot 250 ton

103

6 235

OUR COMMODITIES
ONS KOMMODITEITE

WHEAT | KORING

HARVESTING&PLANTING
OES&PLANT

Bread • flour • animal feeds
Brood • meel • dierevoer

AVERAGE PRODUCTION | GEMIDDELDE PRODUKSIE = 1,7 M TON

MAIZE | MIELIES

HARVESTING&PLANTING
OES&PLANT

Maize meal • animal feeds
Mieliemeel • dierevoer

AVERAGE WHITE | GEMIDDELD WIT = 7,3 M TON
AVERAGE YELLOW | GEMIDDELD GEEL = 5 M TON

AVERAGE PRODUCTION | GEMIDDELDE PRODUKSIE = 12,3 M TON

SOYBEAN | SOJABONE

HARVESTING&PLANTING
OES&PLANT

Soy milk • food protein • animal feeds
Sojamelk • voedselproteïen • dierevoer

AVERAGE PRODUCTION | GEMIDDELDE PRODUKSIE = 800 K TON

SUNFLOWER | SONNEBLOM

HARVESTING&PLANTING
OES&PLANT

Sunflower oil • animal feeds
Sonneblomolie • dierevoer

AVERAGE PRODUCTION | GEMIDDELDE PRODUKSIE = 609 K TON

BARLEY | GARS

HARVESTING&PLANTING
OES&PLANT

Beer • baking • animal feeds
Bier • bak • dierevoer

AVERAGE PRODUCTION | GEMIDDELDE PRODUKSIE = 297 K TON

SORGHUM

HARVESTING&PLANTING
OES&PLANT

Beer • mabele • bio-fuel
Bier • mabella • biobrandstof

AVERAGE PRODUCTION | GEMIDDELDE PRODUKSIE = 173 K TON

CANOLA | KANOLA

HARVESTING&PLANTING
OES&PLANT

Canola oil • animal feeds
Kanola-olie • dierevoer

AVERAGE PRODUCTION | GEMIDDELDE PRODUKSIE = 110 K TON

GROUNDNUTS | GRONDBONE

HARVESTING&PLANTING
OES&PLANT

Nut oil • food • flour • animal feeds
Neutolie • voedsel • meel • dierevoer

AVERAGE PRODUCTION | GEMIDDELDE PRODUKSIE = 61 K TON

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www.grainsa.co.za

EXECUTIVE
HOOFBESTUUR

FRONT / VOOR

Andries Theron
CO-OPTED: SPECIALIST REPRESENTATIVE FOR WINTER CEREALS
GEKOÖPTEER: SPESIALISVERTEENWOORDIGER VIR WINTERGRANE

Kallie Schoeman
REGION 9
STREEK 9

Chris Schoonwinkel
REGION 21
STREEK 21

Jannie de Villiers
CHIEF EXECUTIVE OFFICER
UITVOERENDE HOOFBESTUURDER

Preline Swart
VICE-CHAIRPERSON
VISEVOORSITTER

Jaco Minnaar
CHAIRPERSON
VOORSITTER

Derek Mathews
VICE-CHAIRPERSON
VISEVOORSITTER

Ramodisa Monaisa
REPRESENTATIVE: FARMER DEVELOPMENT
VERTEENWOORDIGER: LANDBOU-ONTWIKKELING

Anton Botha
REGION 20
STREEK 20

Richard Krige
REGION 27
STREEK 27

MIDDLE / MIDDEL

Sarel Haasbroek
REGION 7
STREEK 7

Stephen Krüger
REGION 23
STREEK 23

Deon Bergh
REGION 3
STREEK 3

Gerrit Roos
REGION 11
STREEK 11

Jan George Pretorius
REGION 5
STREEK 5

Marnus Bothma
REGION 1
STREEK 1

Gerhard Bruwer
REGION 25
STREEK 25

Michel Gildenhuys
REGION 32
STREEK 32

Ryk Pretorius
REGION 10
STREEK 10

Jaco Breytenbach
REGION 19
STREEK 19

Ralf Küsel
REGION 14
STREEK 14

Ramoso Pholo
REGION 28
STREEK 28

Danie Reichel
REGION 4
STREEK 4

BACK / AGTER

Israel Motlhabane
REGION 31
STREEK 31

Paul Zietsman
REGION 15
STREEK 15

André Kirsten
REGION 26
STREEK 26

Jeremia Mathebula
REGION 29
STREEK 29

Jaap van der Westhuizen
REGION 16
STREEK 16

Danie Minnaar
REGION 24
STREEK 24

Joseph Swanepoel
REGION 8
STREEK 8

Neil Claassen
REGION 18
STREEK 18

Rudolf Fourie
REGION 12
STREEK 12

Willem Groothof
REGION 13
STREEK 13

Niël Rossouw
REGION 6
STREEK 6

Willie Marais
REGION 22
STREEK 22

Paul Corver
REGION 17
STREEK 17

Jozeph du Plessis
REGION 2
STREEK 2

Vacant/Vakant
REGION 30
STREEK 30

MANAGEMENT COMMITTEE OF THE EXECUTIVE
DAGBESTUUR

FRONT
VOOR

Preline Swart
VICE-CHAIRPERSON
VISEVOORSITTER

Jaco Minnaar
CHAIRPERSON
VOORSITTER

Derek Mathews
VICE-CHAIRPERSON
VISEVOORSITTER

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REGION 20
STREEK 20

BACK
AGTER

Chris Schoonwinkel
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STREEK 21

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CHIEF EXECUTIVE OFFICER
UITVOERENDE HOOFBESTUURDER

Richard Krige
REGION 27
STREEK 27

Ramodisa Monaisa
REPRESENTATIVE:
FARMER DEVELOPMENT
VERTEENWOORDIGER:
LANDBOU-ONTWIKKELING

LAND DEBATE FANS WINDS OF CHANGE

GRONDDEBAT LAAT WINDE VAN VERANDERING OPSTEEK

The summer production areas of the country were greeted with a late season in the 2017/2018 production year. After the previous season's record crop and subsequently large carryover stock, an average maize crop was eventually produced.

A combination of prices moving closer to export parity, an exchange rate that was difficult to predict and an increase in the price levels of inputs due to the high price of Brent crude oil placed producers' profitability under pressure.

In the winter cereals production region conditions were more promising, and after good rains had been received in certain parts an outstanding crop was expected. However, the Southern Cape could not avoid the dry conditions early in the season. Strong winds and frost throughout the Western Cape during harvesting then damaged the expected good harvest.

On the eve of an election year and with all the political posturing in the run-up, we expected controversial statements by politicians. However, the winds of change suddenly appearing on the political horizon after the ANC conference in 2017 and the subsequent outcomes so far have changed the landscape dramatically. However, with uncertainty, ambiguity and concomitant scepticism about the future of the country on the rise.

Jaco Minnaar
CHAIRPERSON
VOORSITTER

When Parliament adopted a motion on the expropriation of land without compensation on 27 February 2018, it caused a whirlwind in the grain industry that blew into the Grain SA Congress early in March. Congress adopted an amended motion on land reform after long discussions with both commercial and developing grain producers resulting in a motion on which all parties could agree. This emphasised how important unity in agriculture is – and the necessity for dialogue to build the future of the sector.

In the subsequent weeks and months Grain SA's leadership and executive management worked tirelessly with Agri SA and other role-players in the greater agricultural family to carry the resolution by Congress clearly into the land debate. **This was a solid process of consultation and participation in which proper and well-thought-out inputs were provided.**

Although it is a challenge to measure the impact of all these actions, we met people during this debate with whom we have reached consensus, with whom one can debate – people who have the same vision as we have for South Africa. There is no doubt that we have to deal properly and carefully with all the inhumane emotions of the past. However, we must also reflect carefully on the future of our children and food security.

Regardless of our differing backgrounds and histories, we all recognise the need for accelerated land reform. I think we all realise the essence of giving all citizens the opportunity to own property and then also to protect their rights associated with this ownership.

Die somerproduksiestreke van die land is in die 2017/2018-produksiejaar deur 'n laat seisoen begroet. Ná die vorige seisoen se rekordoes en gevolglike groot oordragvoorrade, is 'n gemiddelde mielieoes uiteindelik geproduseer.

'n Kombinasie van pryse wat nader aan uitvoerpariteit beweeg het, 'n moeilik-voorspelbare wisselkoers en 'n toename in die prysvlakke van insette weens die hoë Brent-ruolieprys, het produsente se winsgewendheid onder druk geplaas.

In die wintergraanproduksiestreek het toestande meer belowend vertoon en ná goeie reëns in sekere dele ontvang is, is 'n voortreflike oes verwag. Die Suid-Kaap kon egter nie die droë toestande vroeg in die seisoen vryspring nie. Hierna het sterk winde en rypskade regdeur die Wes-Kaap tydens oestyd die verwagte goeie oeste 'n knou toegedien.

Aan die vooraand van 'n verkiesingsjaar en met al die politiekery wat dit voorafgaan, was ons omstrede uitsprake deur politici te wagte. Die winde van verandering wat eensklaps op die politieke horison verskyn het sedert die ANC-konferensie in 2017 en die uiteindelike uitkoms daarna, het die landskap egter dramaties verander – met onsekerheid, dubbelsinnigheid en gepaardgaande skeptisisme oor die toekoms van die land.

Toe die Parlement op 27 Februarie 2018 'n mosie van onteiening van grond sonder vergoeding aanvaar het, het dit in die graanbedryf 'n warrelwind veroorsaak wat vroeg in Maartmaand in die Graan SA Kongres ingewaai het. Kongres het 'n mosie oor grondhervorming goedgekeur nadat lang gesprekke met beide kommersiële en ontwikkelende graanprodusente gelei het tot 'n gewysigde mosie deur alle partye ooreengekom. Dit het uitgewys hoe belangrik eenheid in landbou is – en die noodsaaklikheid van dialoog as boustene vir die toekoms van die sektor.

In die weke en maande wat hierop gevolg het, het Graan SA se leierskap en uitvoerende bestuur onverpoos saam met Agri SA en ander rolspelers in die groter landboufamilie gewerk om die kongresbesluit suiwer in die gronddebat in te dra. **Dit was 'n soliede proses van konsultasie en deelname waarin behoorlike en deurdagte insette gemaak is.**

Hoewel die impak van al die aksies moeilik meetbaar is, het ons in hierdie debat mense ontmoet met wie ons konsensus het; met wie 'n mens kon redeneer – mense wat dieselfde visie as ons vir Suid-Afrika het. Daar is geen twyfel dat ons behoorlik en omsigtig met al die onmenslike emosies van die verlede moet handel nie. Ons moet egter ook versigtig oor die toekoms van ons kinders en voedselsekerheid nadink.

Ongeag ons verskillende agtergronde en geskiedenisse, erken ons almal die behoefte aan versnelde grondhervorming. Ek dink ons almal sien die essensie daarvan om aan alle landsburgers die geleentheid te gee om eiendom te besit en dan ook hul regte verbonde daaraan te beskerm.

Strategic planning

Grain SA's Executive Committee made time to formulate the organisation's strategic vision and long-term strategy this year. Sustainable grain and oilseeds production still forms the basis and core focus of our strategy. With this guideline, medium and short-term plans can be compiled to achieve our goals for 2023.

The organisation continuously plays a significant role at different levels to promote the sustainability of the producer. I would like to encourage you to read through the reports from the chief executive officer and every divisional head contained in this report. From these you will learn about the scope, depth and value of this organisation to us as grain producers.

I am of the opinion that Grain SA properly fulfilled its function as watchdog for the grain and oilseeds industry during the reporting period. Measures have been taken to ensure the quality of inputs, to make market information available as well as to promote it and to contribute to ensuring transparency in the grain market. Grain SA even did not hesitate to bring a successful court action against the Minister of Agriculture, Forestry and Fisheries when role-players tried to stop the application for the breeding and technology levy on soybeans.

The legitimacy and sustainability of the crop estimate process must be protected at all costs. At one stage the payment of service providers by a government institution fell behind, but this was fortunately resolved through the mediation of the National Agricultural Marketing Council. Grain SA will continue to ensure that instruments like the national crop estimate are maintained. Grain SA will also encourage role-players and participants to be involved to ensure that information from the Crop Estimates Committee is as accurate as possible.

Grain SA's priority focus areas with respect to research are crop improvement, crop protection, biosecurity, climate change and conservation agriculture. Good progress was made with the establishment of several research consortiums, and the research flowing from this has commenced. Recognition is given to various role-players from the public and private sector for their funding and effective partnerships.

The organisation offers various platforms to promote dialogue, establish interfaces and give recognition for achievements by producers. It was a privilege to receive our members from the Western Cape at this year's first NAMPO Cape in Bredasdorp. The cornerstone laid here promises to provide a partnership that will undoubtedly become an annual event.

To a voluntary producer organisation like Grain SA is it essential to ensure at all times that our operations are at optimal levels. Good progress was made during the review period with the streamlining of certain aspects. Our membership list was cleaned up with the support of Executive members. A benchmark of the organisation's information technology and telecommunications led to a switch to new suppliers. The implementation of Phase 1 of a new integrated financial system was also completed successfully.

Our member marketing team, in collaboration with the recruitment agents, achieved and surpassed the budgeted member levy targets. This, together with internal savings and reduced spending, meant that a deficit budget could be changed into a year-end that ended with a surplus. Good corporate governance and careful financial controls again ensured that Grain SA received unqualified audits for the organisation's financial statements and those of the Jobs Fund project.

Strategiese beplanning

Graan SA se Dagbestuur het vanjaar tyd ingeruim om die organisasie se strategiese visie en langtermynstrategie te formuleer. Volhoubare graan- en oliesadeproduksie vorm steeds die grondslag en kernfokus van ons strategie. Met dit as riglyn kan medium- en korttermynplanne opgestel word om ons 2023-doelwitte te bereik.

Die organisasie speel deurlopend 'n beduidende rol op verskillende vlakke om die produsent se volhoubaarheid te bevorder. Ek wil u aanmoedig om die verslae van die uitvoerende hoofbestuurder en elke afdelingshoof wat in hierdie verslag vervat is, deur te werk. Daaruit sal u agterkom watter reikwydte, diepte en waarde hierdie organisasie vir ons as graanprodusente bied.

Ek is van mening dat Graan SA in die verslagtydperk sy funksie as waghond vir die graan- en oliesadebedryf behoorlik verrig het. Maatreëls is nagekom om die gehalte van insetmiddele te verseker, om markinligting beskikbaar te stel en te bevorder en om 'n bydrae te lewer om deursigtigheid in die graanmark te verseker. Graan SA het selfs nie geskroom om 'n suksesvolle hofaksie teen die Minister van Landbou, Bosbou en Visserye in te stel, toe rolspelers die aansoek vir die teling- en tegnologieheffing op sojabone probeer stuit het nie.

Die legitimiteit en volhoubaarheid van die oesskattingsproses moet ten alle koste beskerm word. In 'n stadium het die betaling van diensverskaffers deur 'n staatsinstansie agterweë gebly, maar dit is gelukkig ná die bemiddeling van die Nasionale Landboubemarkingsraad opgelos. Graan SA sal voortgaan om 'n wakende oog daaroor te hou dat instrumente soos die nasionale oesskatting in stand gehou word. Graan SA sal ook rolspelers en deelnemers aanmoedig om betrokke te wees om sodoende te verseker dat die inligting vanuit die Oesskattingskomitee so akkuraat moontlik is.

Graan SA se prioriteitsfokusareas wat navorsing betref, is gewasverbetering, gewasbeskerming, biosekuriteit, klimaatsverandering en bewaringslandbou. Goeie vordering is gemaak met die vestiging van verskeie navorsingskonsortiums en die navorsing wat hieruit voortvloei het al beslag gekry. Erkenning word gegee aan verskeie rolspelers uit die openbare en privaat sektor vir hul befondsing en doeltreffende vennootskappe.

Die organisasie bied verskeie platforms om dialoog te bevorder, koppelvlakke te bewerkstellig en erkenning te gee vir prestasie deur produsente. Dit was 'n voorreg om ons lede uit die Wes-Kaap te ontvang by vanjaar se eerste NAMPO Kaap op Bredasdorp. Hierdie hoeksteen wat gelê is, beloof 'n vennootskap wat ongetwyfeld 'n jaarlikse instelling gaan word.

Vir 'n vrywillige produsente-organisasie soos Graan SA is dit noodsaaklik om deurentyd te verseker dat ons bedryfsvoering op optimale vlakke is. Goeie vordering is gedurende die oorsigtydperk met die vaartbelyning van sekere aspekte gemaak. Ons ledelys is met die ondersteuning van Hoofbestuurslede skoongemaak. 'n Markondersoek ten opsigte van die organisasie se inligtingstegnologie en telekommunikasie het gelei tot die oorskakeling na nuwe verskaffers. Fase 1 van die implementering van 'n nuwe geïntegreerde finansiële stelsel is ook suksesvol afgehandel.

Ons ledebemarkingspan, in samewerking met die werwingsagente, het die begrote ledeheffing-teikens behaal en oortref. Dit, tesame met interne besparings en verlaagde spanderings, het meegebring dat 'n tekortbegroting omgekeer kon word in 'n jaareinde wat teen 'n surplus afgesluit is. Goeie korporatiewe beheer en nougesette finansiële kontroles het weer eens gesorg dat Graan SA ongekwalifiseerde oudits op die organisasie se finansiële state asook dié van die Jobs Fund-projek ontvang het.

The competition to represent and fund black grain farmers is intensifying, but whether this is in the interest of unity in agriculture is debatable. Grain SA welcomes any initiative to support our emerging farmers and give them a better start. The organisation has also taken cognisance of the establishment of a new black grain producer association. This development in no way affects Grain SA's sustained commitment and inclusive service to all grain and oilseeds producers. Grain SA's focus will still be to support, develop and assist developing farmers.

Leadership

Good corporate governance is vital to the successful management of the organisation and a new, independent chairperson of the Audit Committee joined the leadership of Grain SA this year. André Hanekom, a former managing director from the food industry who serves on the boards of various companies, took over the reins from Fanie van Zyl, who retired in 2018.

I would like to thank the Executive Committee and the Executive for their inputs and contribution to Grain SA's efficient functioning. Our elected leaders bear the standards in their regions, but often work hand in hand with Jannie de Villiers and his extremely competent staff. Representing the grain producers of our country in various forums inside and outside the agricultural sector requires travelling thousands of kilometres, travelling time – and often a considerable part of this after hours.

On behalf of the members of Grain SA, I would like to convey thanks to the CEO and personnel of Grain SA who serve the grain industry and us as producers through their dedicated work.

The grain industry took its final leave of a few veterans this year. We think with deep regret of the passing of Schalk Pienaar, former chairperson of Agbiz, and Niel Giliomee, chairperson of NAMPO Cape. Vic Mouton, a maize legend and also – among other things – the last chairperson of the Maize Board, also passed away. Our sincere condolences to every producer, farmworker and their relatives who preceded us during the past year.

Prospects

In the past year we in agriculture have already been faced by the uncertainty of expropriation of land without compensation. With a national election in the offing, the chances are slim that there will be no further political squalls for us to weather, while the unfavourable climate and timid grain markets remain a reality.

Profitability and climatic conditions have jeopardized the long-term sustainability of grain production and our constant focus will be to still assist producers with these challenges.

Continue to think strategically and with an eye to the future about your farming operation, and choose partners who can truly add value. May the Lord bless you and keep you in the times ahead.

Jaco Minnaar
CHAIRPERSON
VOORSITTER

Die kompetisie om swart graanboere te verteenwoordig en te befonds, is besig om toe te neem in intensiteit, maar of dit in belang van eenheid in landbou is, is debatteerbaar. Graan SA verwelkom enige inisiatief om ons opkomende boere te ondersteun en 'n beter afskop te gee. Die organisasie het ook kennis geneem van die stigting van 'n nuwe swart graanprodusent-vereniging. Dié ontwikkeling beïnvloed in geen mate Graan SA se volgehoue toewyding en inklusiewe bediening van alle graan- en oliesadeprodusente nie. Graan SA se fokus sal steeds wees om ontwikkelende boere te ondersteun, ontwikkel en by te staan.

Leierskap

Goeie korporatiewe bestuur is van deurslaggewende belang in die suksesvolle bestuur van die organisasie en 'n nuwe, onafhanklike voorsitter van die Ouditkomitee het hom dié jaar by die leierskap van Graan SA aangesluit. André Hanekom, 'n voormalige besturende direkteur uit die voedselbedryf wat op die direksie van verskeie maatskappye dien, het die leisels oorgeneem by Fanie van Zyl wat in 2018 uitgetree het.

Ek bedank die lede van die Dagbestuur en Hoofbestuur vir hul insette en bydrae tot Graan SA se doeltreffende funksionering. Ons gekose leiers dra die vaandel in hul streke, maar werk ook dikwels hand aan hand met Jannie de Villiers en sy uiters bekwame personeel. Om die graanprodusente van ons land op verskeie forums binne en buite die landbousektor te verteenwoordig, verg die aflê van duisende kilometers, reistyd – en dikwels heelwat daarvan na-ure.

Namens die lede van Graan SA dra ek ons dank oor aan die Uitvoerende Hoofbestuurder en personeel van Graan SA wat die graanbedryf en ons as produsente deur hulle harde werk dien.

Die graanbedryf het vanjaar 'n paar strydrosse finaal gegroet. Ons dink met leedwese aan Schalk Pienaar, voormalige voorsitter van Agbiz, en Niel Giliomee, voorsitter van NAMPO Kaap, se afsterwe. Vic Mouton, 'n mielielegende en onder andere ook die laaste voorsitter van die Mielieraad, is ook oorlede. Ons opregte meegevoel ook aan elke produsent, plaaswerker en hul naasbestaandes wat in die afgelope jaar ons vooruit gegaan het.

Vooruitsigte

Ons in landbou is in die afgelope jaar reeds gekonfronteer met die onsekerheid van grondonteiening sonder vergoeding. Met 'n nasionale verkiesing wat voorlê, is die kans skraal dat daar nie nog politieke rukwinde gaan wees om te trotseer nie, terwyl die ongunstige klimaat en ingetoë graanmarkte steeds 'n realiteit is.

Winsgewendheid en klimaatstoestande het die langtermyn volhoubaarheid van graanproduksie in gedrang gebring en ons fokus sal steeds wees om produsente met hierdie uitdagings by te staan.

Dink steeds strategies en toekomsgerig oor jou boerdery en kies vennote wat waarlik waarde kan toevoeg. Ek bid vir U die Here se seën en voorsienigheid toe vir die tye wat voorlê.

1 Jannie de Villiers
CHIEF EXECUTIVE OFFICER
UITVOERENDE HOOFBESTUURDER

2 Dr Marinda Visser
MANAGER: GRAIN RESEARCH AND POLICY CENTRE
BESTUURDER: GRAANNAVORSING EN BELEIDSENTRUM

3 Dr Dirk Strydom
MANAGER: GRAIN ECONOMY AND MARKETING
BESTUURDER: GRAANEKONOMIE EN BEMARKING

4 Nico Vermaak
MANAGER: CORPORATE SERVICES
BESTUURDER: KORPORATIEWE DIENSTE

6 Jane McPherson
MANAGER: FARMER DEVELOPMENT
BESTUURDER: LANDBOU-ONTWIKKELING

6 Christa Herbst
MANAGER: FINANCIAL SERVICES
BESTUURDER: FINANSIËLE DIENSTE

7 Susari Teubes
SECRETARY TO THE CEO
SEKRETARESSE VAN DIE HUB

EXPROPRIATION DEBATE DRIVES EMOTIONS TO A HEAD

ONTEIENING DRYF EMOSIES OP DIE SPITS

The reporting period for this annual report – October 2017 to September 2018 – can be described as an extremely intense and emotional year for the grain industry, and for the agricultural sector as a whole. A combination of prices and climate placed a unique set of circumstances on the table for producers.

The weather during the reporting period once again emphasised the great diversity of the climate in our country. This year we had to face beautiful harvests in the east, scorched early maize in the west, and a parched Western Cape.

In 2017 the water crisis in the Western Cape reached alarming proportions. With the pressure on dam levels because of the disastrous drought, uncertainty about how producers would survive the season without water was the highest in years. In the meantime, record harvests in the north of the country were recorded during the period, in the midst of disappointing grain prices.

The political sensible temperature was perhaps the highest we have yet experienced before a national election year in a democratic dispensation in this country. Debates on land reform also awoke deep emotions. After the ANC conference in December 2017 and the resignation of President Jacob Zuma early in 2018, the euphoria of the appointment of Cyril Ramaphosa as president soon lost its lustre with the acceptance of a motion on the expropriation of land without compensation by Parliament.

In the months following our Congress in March, land reform was at the helm of the agenda. It developed as set out in **Table 1** on page 14.

Given Grain SA's focus areas of profitability, people and the environment, the activities of the organisation had to continue as usual and Grain SA had to adjust its strategy and application of resources accordingly. Below is a summary of highlights from the 2017/2018 reporting year:

Strategic focus area: Profitability

EXPROPRIATION WITHOUT COMPENSATION

Because of the resolution on land reform adopted during Congress, it was a given that Grain SA would participate actively in the land debate. We were involved in numerous discussions, think tanks and interactions on the topic – in front of and behind the scenes.

QUALITY OF INPUTS

This year, several Grain SA members were assisted with dispute resolution concerning the quality of seed, agrochemicals, fertiliser, VAT and the diesel rebate. Ensuring the quality of input resources is an ongoing monitoring action. This is done in collaboration with organisations like the Fertiliser Society of Southern Africa (Fertasa), CropLife, the South African Agricultural Machinery Association (SAAMA) and the South African National Seed Organisation (SANSOR).

- With good co-operation by the Department of Agriculture, Forestry and Fisheries, the **fertiliser monitoring project** was launched once again. All the fertiliser companies who participated were subsequently visited and the results were discussed with them.

Die verslagtydperk van hierdie jaarverslag – Oktober 2017 tot September 2018 – kan beskryf word as 'n uiters intense en emosionele jaar vir die graanbedryf – en vir die landbousektor in geheel. 'n Kombinasie van pryse en klimaat het 'n unieke stel omstandighede vir produsente tafel toe gebring.

Weerstoestande wat in die verslagtydperk geheers het, het weer eens die groot diversiteit van ons land se klimaat beklemtoon. Van mooi oeste in die ooste, na verbrande vroeë mielies in die weste tot 'n verdorde Wes-Kaap, is waarmee ons in dié jaar gekonfronteer is.

In 2017 het die waterkrisis in die Wes-Kaap ernstige afmetings aangeneem. Met die druk op damvlakke weens 'n droogteramp, was daar lanklaas soveel onsekerheid oor hoe produsente die seisoen gaan deurleef sonder water. Intussen is rekordoeste in die noorde van die land in die tydperk aangeteken te midde van teleurstellende graanpryse.

Die politieke aanvoelbaarheidstemperatuur was moontlik die felste wat ons nog in 'n demokratiese bestel in hierdie land voor 'n nasionale verkiesingsjaar ervaar het. Debatte oor grondhervorming het ook diep emosies opgewek. Sedert die ANC-konferensie in Desember 2017 en die bedanking van president Jacob Zuma vroeg in 2018, het die euforie van die aanstelling van Cyril Ramaphosa as president spoedig sy glans verloor ná die Parlement se daaropvolgende aanvaarding van 'n mosie rakende onteiening van grond sonder vergoeding.

Die maande wat op ons Kongres in Maart gevolg het, was 'n tyd waarin grondhervorming bo-aan die sakelys was. Dit het verloop soos uiteengesit in **Tabel 1** op bladsy 14.

Gegewe die organisasie se fokusareas van winsgewendheid, mense en omgewing, moes die werksaamhede van die organisasie egter normaal voortgaan en Graan SA moes sy strategie en toewysing van hulpbronne hiervolgens aanpas. Hier volg 'n samevatting van hoogtepunte uit die 2017/2018-verslagjaar:

Strategiese fokusarea: Winsgewendheid

ONTEIENING SONDER VERGOEDING

Dat Graan SA daadwerklik aan die gronddebat moes deelneem, was 'n gegewe na aanleiding van die besluit oor grondhervorming wat tydens Kongres geneem is. Ons is betrek in vele gesprekke, dinkskrums en interaksies oor die onderwerp, voor en agter die skerms.

KWALITEIT VAN INSETTE

Verskeie Graan SA-lede is vanjaar bygestaan met geskilbeslegting oor die gehalte van saad, landbouchemikalieë, kunsmis, BTW en die dieselkorting. Die versekering rakende die kwaliteit van insetmiddele is 'n deurlopende moniteringsaksie. Dit word in samewerking met organisasies soos die Misstofvereniging van Suider-Afrika (Fertasa), CropLife, Suid-Afrikaanse Landboumasjinerie-assosiasie (SALMA) en die Suid-Afrikaanse Nasionale Saadorganisasie (SANSOR) uitgevoer.

- Met goeie samewerking deur die Departement van Landbou, Bosbou en Visserye, is die **kunsmismoniteringprojek** weer van stapel gestuur. Al die kunsmismaatskappye wat deelgeneem het, is agterna besoek en die resultate is met hulle bespreek.

1 Grain SA's participation in the land debate
Graan SA se deelname aan die gronddebat

07/03/2018 - 08/03/2018	Grain SA Congress adopts motion on land reform and commits itself to in-depth discussions with the ruling party to obtain consensus on all aspects of expropriation without compensation	Graan SA Kongres aanvaar mosie oor grondhervorming en verbind hom daartoe om indringende gesprek met die regerende party te voer om konsensus oor alle aspekte van onteiening sonder vergoeding te kry
27/03/2018 - 28/03/2018	In Transformation Initiative (ITI) dialogue on possible changes to Section 25 of the Constitution	In Transformation Initiative (ITI)-dialoog oor moontlike verandering van Artikel 25 van die Grondwet
10/05/2018	ITI follow-up workshop	ITI-opvolgwerkswinkel
15/05/2018 - 18/05/2018	Nation in Conversation discussion forum at NAMPO Harvest Day dedicated largely to the land debate	Nasie in Gesprek-gespreksplatform by NAMPO Oesdag grootliks aan die gronddebat gewy
15/06/2018	Grain SA's submission to Parliamentary Revision Committee on Section 25	Graan SA se voorlegging ingedien by Parlementêre Hersienings-komitee oor Artikel 25
28/07/2018	Grain SA's states its case during the public hearing on expropriation without compensation in Pretoria	Graan SA stel sy standpunt tydens die onteiening sonder vergoeding openbare verhoor in Pretoria
14/08/2018	Grain SA, Agri SA and Agbiz discuss a five-year plan for agriculture similar to that of the motor vehicle industry with Minister Nkosazana Dlamini-Zuma	Graan SA, Agri SA en Agbiz voer gesprek met minister Nkosazana Dlamini-Zuma oor 'n vyfjaarplan vir landbou soortgelyk aan dié van die motorbedryf
21/08/2018	Meeting with Deputy President David Mabuza, chairperson of the inter-ministerial committee on land reform	Vergadering met adjunkpresident David Mabuza, voorsitter van die inter-ministeriële komitee oor grondhervorming
23/08/2018 - 24/08/2018	Grain SA plays a key role in organising the Bela-Bela Land Summit – which was also attended by Deputy President David Mabuza	Graan SA speel 'n sleutelrol in die organisering van die Bela-Bela Grond-beraad – wat ook deur adjunkpresident David Mabuza bygewoon is
24/08/2018	Meeting with President Cyril Ramaphosa to submit proposals on what the agricultural sector needs to grow	Vergadering met president Cyril Ramaphosa om voorstelle te maak oor wat die landbousektor benodig om te groei
27/08/2018	Members of the Agri-Sector Unity Forum (ASUF) sign a consensus document on land reform	Lede van die Eenheidsforum vir Landbou (ASUF) onderteken 'n kon-sensusdokument oor grondhervorming
28/08/2018 - 29/08/2018	Agri SA arranges a diplomatic gathering with various ambassadors and diplomatic staff from 13 countries to explain concerns about land reform. Grain SA also makes a presentation	Agri SA reël 'n diplomatieke byeenkoms met verskeie ambassadeurs en diplomatieke personeel uit 13 lande om kommer oor grondher-vorming te verduidelik. Graan SA lewer ook 'n voorlegging
04/09/2018	Grain SA submission to the Parliamentary Working Group	Graan SA-voorlegging aan die Parlementêre Werkgroep
07/09/2018	Senior ANC members request a meeting with an Agri SA delegation of 200+ people in Pretoria (including a delegation of Grain SA repre-sentatives) as part of a positive interaction between the government and organised agriculture	Senior ANC-lede vra 'n vergadering aan met 'n Agri SA-afvaardiging van 200+ mense in Pretoria (waaronder 'n afvaardiging van Graan SA-verteenwoordigers) as deel van positiewe interaksie tussen die regering en georganiseerde landbou
10/09/2018	Preparation of agricultural plan in collaboration with Agbiz	Voorbereiding van landbouplan saam met Agbiz
12/09/2018	Nation in Conversation debate during NAMPO Cape focuses on land reform	Nasie in Gesprek-debat tydens NAMPO Kaap fokus op grondher-vorming
17/09/2018	Agbiz planning session on agricultural plan takes place	Agbiz-beplanningsessie oor landbouplan vind plaas
18/09/2018	First meeting of President Ramaphosa's land reform panel on which an agricultural leader and a commercial producer serve	Eerste vergadering van president Ramaphosa se grondhervorming-paneel waarop 'n landbouleier en 'n kommersiële produsent dien
21/09/2018	Follow-up meeting at the Presidency with the grouping that is to com-pile the Agricultural Sector Plan (of which Grain SA is a member)	Opvolgvergadering te Presidensie met die groepering wat die Land-bousektorplan opstel (waarvan Graan SA deel vorm)
12/10/2018	The Motsepe Foundation arranges a gathering of 200 traditional leaders, the CEOs of the four commercial banks, the Land Bank and organised agriculture in order to get communal land into produc-tion. Grain SA made a presentation	Die Motsepe-stigting het 'n byeenkoms van 200 tradisionele leiers, die HUB's van die vier kommersiële banke, die Land Bank en georgani-seerde landbou aangebied, met die doel om kommunale grond in produksie te kry. Graan SA het 'n voorlegging gemaak

- An application was submitted to the state to abolish the **20% import tariff** on certain **tractor tyres**.
- Grain SA managed to have the **10% import tariff** on **canola seed** scrapped. From 2019 canola seed for planting purposes will therefore be imported without a tariff.
- In September 2018 final comments were submitted on the Treasury's proposed **diesel rebate system** after the matter had been discussed in detail during industry workshops with the Treasury and the South African Revenue Services (SARS).

ACTUAL INCOME AND PRODUCTION COSTS

Data and information were gathered to determine the actual income and production costs of the **main maize production areas** for the 2016/2017 production season. The historical real income and production cost figures are established and collected to obtain an idea of actual cost per input item and the profitability of a crop. The budgeted income and production cost figures for maize (2018/2019 production season) were compiled.

- 'n Aansoek is by die staat ingedien vir die afskaffing van die **20%-invoertarief** op sekere **trekkerbande**.
- Graan SA kon daarin slaag om die **10%-invoertarief** op **kanolasaad** afgeskaf te kry. Kanolasaad vir aanplantingsdoeleindes word dus vanaf 2019 sonder 'n tarief die land ingevoer.
- Finale kommentaar is in September 2018 gelewer op die Tesourie se voorgestelde **dieselrabatstelsel**, na dit breedvoerig tydens bedryfswerkswinkels met Tesourie en die Suid-Afrikaanse Inkomste-diens (SAID) bespreek is.

WERKLIKE INKOMSTE EN PRODUKSIEKOSTE

Data en inligting is ingesamel en verkry om die werklike inkomste en produksiekoste van die **belangrikste mielieproduksiegebiede** vir die 2016/2017-produksieseisoen te bepaal. Die historiese werklike in-komste en produksiekostesyfers word bepaal en ingesamel, aangesien dit 'n idee gee van werklike koste per insetitem en die winsgewend-heid van 'n gewas. 'n Begrote inkomste- en produksiekostesyfers vir mielies (2018/2019-produksieseisoen) is opgestel.

BREEDING AND TECHNOLOGY LEVY

The Minister of Agriculture, Forestry and Fisheries approved a **statutory levy on soybeans**. This means that seed companies can be compensated for their performance in the soybean seed market. Grain SA views the implementation of the soybean breeding and technology levy as a breakthrough. It provides producers with access to the newest cultivars and technology to allow them to compete with other countries on an equal footing.

The levy on soybeans was approved for two years, effective from 1 March 2019. In September 2018 the breeding and technology levy for wheat and barley was also renewed for a further two years and oats was included.

SOYBEAN LOCATION DIFFERENTIAL

Requests for the implementation of a **soybean location differential** was submitted to the JSE by role-players. Grain SA participated in a debate on this during a JSE advisory committee workshop. After little support was received for the implementation of a location differential on soybeans, the JSE recommended that it not be implemented.

INSIDER TRADING

Grain SA presented a work session for the Financial Services Board (FSB) and several complaints on **insider trading** in the grain market and the **dissemination of false or misleading information** were pointed out. One of the major multinational grain traders was found guilty of market manipulation during the past year. This grain trader announced with great fanfare during the drought year that they were importing thousands of tons of white maize from Mexico, and they had already sold this here in South Africa. A total of four other cases involving maize and wheat were also investigated by the Financial Sector Conduct Authority (FSCA). This delivers a clear message to everyone participating in the market to remain honest.

AB INBEV BARLEY CONTRACT

A complaint was submitted at the Competition Commission about AB InBev's **possible violation of merger conditions** with SAB in that producers were offered less for their barley. The case was investigated by the Competition Commission, but the verdict was not in favour of Grain SA.

NATIONAL CROP INSURANCE SCHEME

Discussions were held with the **SA Insurance Association (SAIA)**, and later in the year also with the World Bank, in an effort to establish a state-supported national crop insurance scheme. There is no news to report yet, but the matter is still receiving attention.

GRADING OF WHEAT

After almost two years of consultation and several investigations, the Wheat Forum **finally reached consensus** about the **grading** of wheat. An integral part of the debate on grading was the price differences between the various grades. The Wheat Forum Steering Committee furthermore indicated that the Forum would submit an application to the Southern African Customs Union (SACU) to have the wheat rebate for the Botswana, Lesotho, Namibia and Swaziland (BLNS) countries removed. The rebate on foreign wheat of origin will be added to the JSE once more.

EU DUTY-FREE QUOTA

The issue of the **300 000 ton duty-free quota** for wheat for which the European Union (EU) qualifies was taken up with the Department of Trade and Industry and the EU council member concerned. At present only a few individuals and companies benefit from this quota, while the state is slow to adjust the conditions to allow more participants access and enable the market to pass lower prices on to consumers.

TELING- EN TEGNOLOGIEHEFFING

Die Minister van Landbou, Bosbou en Visserye het 'n **statutêre heffing op sojabone** goedgekeur. Hiervolgens kan saadmaatskappye vergoed word vir hul prestasie in die sojaboonsaadmark. Graan SA sien die inwerkingtreding van dié sojaboon teling- en tegnologieheffing as 'n deurbraak. Dit verskaf aan produsente toegang tot die nuutste kultivars en tegnologie om op gelyke voet met ander lande te kan meeding.

Die heffing op sojabone is vir twee jaar goedgekeur, met ingang van 1 Maart 2019. In September 2018 is die teling- en tegnologieheffing vir koring en gars vir nog twee jaar hernu en hawer is ook hierby ingesluit.

SOJABOON-LIGGINGSDIFFERENSIAAL

Versoeke vir die implementering van 'n **sojaboon-liggingsdifferensiaal** is deur rolspelers by die JSE ingedien. Graan SA het tydens 'n JSE-advieskomiteewerkswinkel aan 'n debat hieroor deelgeneem. Ná weinig ondersteuning vir die implementering van 'n liggingsdifferensiaal op sojabone, het die JSE aanbeveel dat dit nie geïmplementeer word nie.

BINNEHANDEL

Graan SA het 'n werksessie vir die Finansiële Diensteraad (FSB) aangebied wat verskeie klagtes oor **binnehandel in die graanmark** en die **verspreiding van valse of misleidende inligting** uitwys. Een van die groot multinasionale graanhandelaars is die afgelope jaar skuldig bevind aan markmanipulasie. Dié graanhandelaars het tydens die droogtejaar met groot fanfare aan almal verkondig dat hulle besig was om duisende tonne witmielies van Mexiko af in te voer – wat hulle alreeds hier in Suid-Afrika verkoop het. 'n Totaal van vier ander sake oor mielies en koring word ook deur die Financial Sector Conduct Authority (FSCA) ondersoek. Dit alleen is 'n duidelike boodskap aan almal wat in die mark deelneem, om eerlik te bly.

AB INBEV-GARSKONTRAK

'n Klagte is by die Mededingingskommissie ingedien oor AB InBev se **moontlike oortreding van samesmeltingvoorwaardes** met SAB, deurdat produsente minder aangebied is vir hul gars. Die saak is deur die Mededingingskommissie ondersoek, maar uitspraak is teen Graan SA gelewer.

NASIONALE OESVERSEKERINGSKEMA

Gesprek is gevoer met die **SA Versekeringsinstituut (SAIA)** en later in die jaar ook met die Wêreldbank in 'n poging om 'n staatsondersteunde nasionale oesversekeringskema gevestig te kry. Daar is tans nog nie nuus om te rapporteer nie, maar die saak word steeds gedryf.

KORINGGRADERING

Na bykans twee jaar van samesprekings en verskeie ondersoeke, het die Koringforum **finaal konsensus bereik** oor die **gradering** van koring. 'n Integrale deel van die debat oor die gradering, was die prysverskille tussen die onderskeie grade. Die Koringforum Stuurkomitee het verder aangedui dat die Forum 'n aansoek gaan indien om die Southern African Customs Union (SACU)-koringkorting vir die Botswana, Lesotho, Namibië en Swaziland (BLNS)-lande te verwyder. Die korting op buitelandse koring van oorsprong gaan weer by die JSE gevoeg word.

EU DOEANEVRYE KWOTA

Die **300 000 ton doeanevrye kwota** vir koring waarvoor die Europese unie (EU) kwalifiseer, is met die Departement van Handel en Nywerheid en die betrokke EU-raadslid opgeneem. Dié kwota bevoordeel tans net enkele individue en maatskappye, terwyl die staat traag is om die voorwaardes aan te pas ten einde meer deelnemers toe te laat en die mark in staat te stel om laer pryse aan verbruikers deur te gee.

The levy per ton per crop for **2018/2019** is as follows:

Crop	Levy per ton
Summer grains	
Maize	R2,85
Sorghum	R2,85
Soybeans	R5,70
Sunflower	R5,70
Groundnuts	R11,00
Winter cereals	
Wheat	R3,35
Canola	R4,50
Barley	R3,35
Other grains	R3,35

Please note: VAT is excluded on the above amounts

Die heffing per ton per gewas vir **2018/2019** is soos volg:

Gewas	Heffing per ton
Somergrane	
Mielies	R2,85
Sorghum	R2,85
Sojabone	R5,70
Sonneblom	R5,70
Grondbone	R11,00
Wintergrane	
Koring	R3,35
Kanola	R4,50
Gars	R3,35
Ander grane	R3,35

Let wel: BTW is uitgesluit op bogenoemde bedrae

New era farmers who produce grain can also become members of Grain SA by paying the same set fees as commercial members.

Exclusive benefits were also created for new members:

- The Momentum policy package was revised and adjusted to members' needs.
- Ford offers Grain SA members special prices on any vehicle.
- The Grain SA app offers marketing information only to Grain SA members.

COLLECTION OF LEVY

Levies are collected in the following ways:

- **By the collection agents**

  Collection agents are companies to whom grain is delivered. Grain SA concludes contracts with the organisations in which they undertake to collect levies at the first point of delivery with the agreement of the producers and to pay over these levies to Grain SA within a stipulated period. The logos of the Grain SA partners appear on page 27.

- **Direct transfers**

  Members can also pay their levies directly to Grain SA by way of a cheque, a bank deposit or an electronic transfer. This payment method is particularly suitable where farmers market their grain to parties who do not form part of the Grain SA levy structures.

EMPLOYMENT OF LEVY

The employment of the levy is approved by members only at the annual Congress. The following graph indicates how the levy was employed during the Congress year.

Nuwe era-boere wat graan produseer kan ook 'n lid van Graan SA word deur die neergelegde gelde (dieselfde as dié vir kommersiële lede) te betaal.

Eksklusiewe voordele is ook vir nuwe lede geskep:

- Momentum se polispakket is hersien en aangepas volgens lede se behoeftes.
- Ford bied spesiale pryse op enige voertuig vir Graan SA-lede aan.
- Die Graan SA-app bied bemarkingsinligting slegs vir Graan SA-lede.

INVORDERING VAN HEFFING

Heffings word op die volgende wyses ingesamel:

- **Deur vorderingsagente**

  Vorderingsagente is maatskappye waar graan gelewer word. Graan SA sluit kontrakte met die organisasies, waar hulle onderneem om met toestemming van die produsente heffings te verhaal by die eerste punt van lewering en dit binne 'n sekere tyd aan Graan SA oor te betaal. Die logo's van Graan SA se vennote verskyn op bladsy 27.

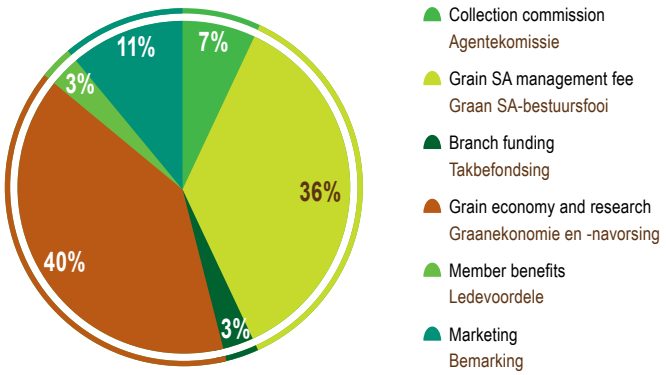
- **Direkte oorbetalings**

  Lede kan ook hul heffings direk aan Graan SA oorbetaal by wyse van tjek, deposito of elektroniese oorbetaling. Die metode van betaling is veral gepas waar produsente se graan aan partye bemark word wat nie deel van Graan SA se heffingstrukture vorm nie.

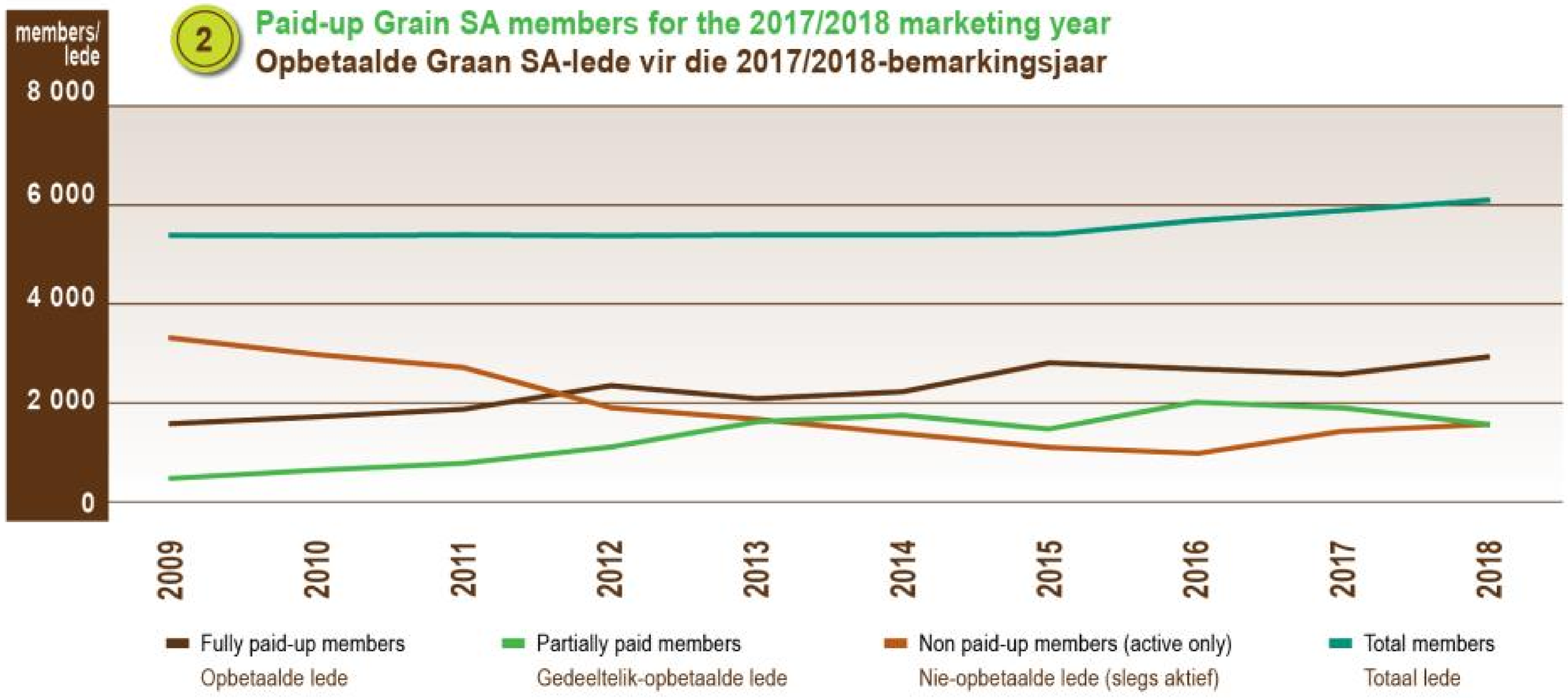
AANWENDING VAN HEFFING

Die aanwending van die heffing word alleenlik deur lede tydens die jaarlikse Kongres goedgekeur. Die volgende grafiek dui aan hoe die heffing tydens die Kongresjaar aangewend is.

1 Employment of levy in the 2017/2018 marketing year
Aanwending van heffings in die 2017/2018-bemarkingsjaar



2 **Paid-up Grain SA members for the 2017/2018 marketing year**
Opbetaalde Graan SA-lede vir die 2017/2018-bemarkingsjaar



The main part of the levy fund (40%) is employed for grain economy and research matters.

A large portion (36%) is also used for affiliations and to support the Executive in the functions they carry out. The levy fund is further used for marketing actions, member benefits and commission for the collection agents contributing to collecting the levies for Grain SA. Marketing actions are launched throughout the year to develop and promote the image of Grain SA and of agriculture in general.

We assure members that the levy is used purely for promoting members' interests, and Grain SA feels strongly that the employment of funds should be driven by the members who represent the organisation.

MEMBER STATISTICS

During the 2017/2018 Congress year the number of paid-up members increased. The number of members who did contribute but did not pay the minimum amount has decreased, which is positive. The total number of members also increased satisfactorily since the previous year. This can largely be attributed to the more favourable agricultural conditions compared to the previous year. The number of paid-up members has also increased since the previous term.

Grain SA thanks every member for their contribution to an organisation that plays a critical role in the sustainability of grain production in South Africa.

Die grootste gedeelte van die heffingsfonds (40%) word aangewend vir graanekonomie- en navorsingsaangeleenthede.

'n Groot gedeelte (36%) word ook as affiliasies aangewend en om Hoofbestuur in funksies deur hulle verrig, te ondersteun. Verder word die heffingsfonds ook vir bemarkingsaksies, ledevoordele en kommissie vir die invorderingsagente, wat 'n bydrae lewer om die heffings vir Graan SA in te vorder, aangewend. Bemarkingsaksies word deur die jaar geloods om Graan SA en landbou in die geheel se beeld uit te bou en te bevorder.

Lede kan daarvan seker wees dat die heffing aangewend word suiwer om lede se belange te bevorder en Graan SA voel sterk daaroor dat die aanwending van die fondse deur die lede wat die organisasie verteenwoordig, gedryf moet word.

LEDESTATISTIEKE

Tydens die 2017/2018-Kongresjaar het die aantal opbetaalde lede toegeneem. Die aantal lede wat wel 'n bydrae gelewer het, maar nie die minimumbedrag betaal het nie, het egter afgeneem – wat positief is. Die totale aantal lede het ook bevredigend toegeneem sedert die vorige jaar. Dit kan grotendeels toegeskryf word aan die gunstiger landboutoestande gemeet teen die vorige jaar. Die aantal opbetaalde studiegroeplede het ook sedert die vorige termyn toegeneem.

Graan SA bedank elke lid vir sy/haar bydrae tot 'n organisasie wat 'n kritiese rol in die volhoubaarheid van graanproduksie in Suid-Afrika speel.

Grain SA's collection agents
Graan SA se vorderingsagente

Amandel Graan
Francois Minnaar
Grain Capital

Stakeholders

The Department of Agriculture, Forestry and Fisheries (DAFF)
Department of Trade and Industry (dti)
National Treasury
South African Revenue Services (SARS)
International Trade Administration Commission (ITAC)
National Agricultural Marketing Council (NAMC)
National Crop Estimates Committee (CEC)
SANSOR
CropLife
Fertasa
SAAMA
Commodities forums
Protein Research Foundation (PRF)
Bureau for Food and Agricultural Policy (BFAP)
Agribusinesses
Input providers
Grain dealers
Levy collection agents
NAMPO exhibitors
Agricultural writers
Agri SA
Provincial agricultural unions
SAGL
SAGIS
JSE – Safex
South African Cereals and Oilseeds Trade Association (Sacota)
Agbiz
Animal Feed Manufacturers Association (AFMA)
Commodity organisations
Commodity trusts
TAU
SA Cultivar and Technology Agency (SACTA)
ARC
National Chamber of Milling (NCM)
AFMA

Belanghebbendes

Departement van Landbou, Bosbou en Vissery (DLBV)
Departement van Handel en Nywerheid (DHN)
Nasionale Tesourie
Suid-Afrikaanse Inkomstediens (SAID)
Internasionale Handelsadministrasie-kommissie (IHIK)
Nasionale Landboubemarkingsraad (NLBR)
Nasionale Oesskattingskomitee (NOK)
SANSOR
CropLife
Fertasa
SALMA
Kommoditeiteforums
Proteïennavorsingstigting (PNS)
Buro vir Voedsel en Landboubeleid (BVLB)
Landboubesighede
Insetverskaffers
Graanhandelaars
Heffinginvorderingsagente
NAMPO-uitstallers
Landbouskrywers
Agri SA
Provinsiale landbou-unies
SAGL
SAGIS
JSE – Safex
Suid-Afrikaanse Graan en Oliesadehandelsvereniging (Sacota)
Agbiz
Dierevoedingvervaardingsvereniging (AFMA)
Kommoditeite-organisasies
Kommoditeitetrusts
TLU
SA Cultivar and Technology Agency (SACTA)
LNR
Nasionale Meulenaarskamer (NMK)
AFMA

Communication and public relations

Grain SA's communication and public relations strategy remains focused on information sharing and creating awareness of grain production amongst key internal and external stakeholders. This strategy describes how information is disseminated, how the strategy will be executed and messages developed for a variety of purposes inside and outside of the organisation. It further meticulously sets out the activities to manage and orchestrate the internal and external communications aimed at creating an understanding of the organisation's activities, goals and aspirations to the agricultural partner-landscape.

FOCUS AREAS

- **Real-time communication**

  The effectiveness of real-time communication, disseminated quickly, based on current events.

- **Visual content**

  Visual content, with an educational, or informative focus to engage members, agri-stakeholders and the broader public with strong emphasis on the Grain SA identity and image.

- **Brand Grain SA**

  Enhancing an understanding of the Grain SA and NAMPO brands and their respective performances, influence and credibility, positively positioned through media engagement activities.

Kommunikasie en openbare betrekkinge

Graan SA se kommunikasie- en openbarebetrekkinge-strategie fokus steeds op die deel van inligting en die skep van bewustheid oor graanproduksie onder belangrike interne en eksterne belanghebbendes. Hierdie strategie beskryf hoe inligting versprei word, hoe die strategie uitgevoer word en boodskappe vir 'n verskeidenheid doeleindes binne en buite die organisasie ontwikkel word. Dit sit verder die aktiwiteite om die interne en eksterne kommunikasie te bestuur en saam te stel met die oogmerk om 'n begrip van die organisasie se aktiwiteite, doelwitte en aspirasies in die landbouvennootlandskap te skep, noukeurig uiteen.

FOKUSAREAS

- **Intydse kommunikasie**

  Die doeltreffendheid van intydse kommunikasie wat vinnig gedisemineer word en op aktuele sake gegrond word.

- **Visuele inhoud**

  Visuele inhoud met 'n opvoedkundige of informatiewe fokus en 'n sterk klem op die Graan SA-identiteit en -beeld om lede, landbou-belanghebbendes en die breër publiek te betrek.

- **Handelsmerk Graan SA**

  Bevordering van die begrip van die Graan SA- en NAMPO-handelsmerk en elkeen se prestasie, invloed en geloofwaardigheid, met 'n positiewe posisionering deur middel van mediabetrokkenheidsaktiwiteite.

- **Stakeholder relations**

  Improve Grain SA's reputation and perceptions among grain producers, agricultural partners and government stakeholders through transparent and effective engagements.

- **Internal communication**

  Managing internal reputation and support to all business functions with their respective communication requirements.

- **Media relations**

  Maintaining and building relationships with local, international and mainstream press in an ever changing media landscape.

- **Digital influence and impact**

  Reaching members and stakeholders online through coherent messages, whilst observing shifting media usage and consumption of target audience's divided attention between different digital media types.

- **Partnerships**

  Much more value can be achieved with a realisation of how all the agri-parts fit together in the big picture. Communication cross-over between agribusinesses creates shared objectives and collaboration driving a shared vision and purpose for the industry as a whole.

Our public relations activities in the year under review, successfully:

- Continued its focus on media engagement, as we sought to formalise relationships in order to ensure longevity and long-term impactfulness, ultimately resulting in increased awareness of the organisation and its strategic focus areas.
- Provided support to Congress, NAMPO Harvest Day, NAMPO Cape and Swartland Show and organised Day of Celebration, and Grain Producer of the Year functions.
- Raised the organisation's profile through media activities complimenting the broader communication strategy.
- Built the organisation's online presence further through a digital strategy through an effective website, utilising social media, online campaigns and identifying much needed resources for online and web marketing.
- Continued to navigate through the much debated topics of land reform, expropriation without compensation and farmer development whilst highlighting the importance of each grain producer's role towards food security.

Media liaison remains an important function to promote and maintain the best image of the organisation, by not only encouraging better knowledge and understanding of its objectives by the news media, but also to effectively communicate background information on matters affecting grain producers, through the media to the public.

OUR ACCOMPLISHMENTS

- Streamlining and fine-tuning the organisation's website, which remains the gateway to knowledge about the organisation's work and a source of information for use by all – both national and international.
- Launching various platforms to broaden communication channels with members, including an exclusive digital membership card.
- Further expansion of the digital marketing strategy through an even wider social media network, through interactive communication tools including the Grain SA, NAMPO Harvest Day and NAMPO Cape websites, as well as Facebook, Twitter and Instagram profiles. Over 23 700 people followed our social media footprint with a combined reach of 13 937 274.

- **Belanghebbendebetrekkinge**

  Verbetering van Graan SA se reputasie en persepsies onder graanprodusente, landbouvennote en regeringsbelanghebbendes deur middel van deursigtige en doeltreffende betrokkenheid.

- **Interne kommunikasie**

  Bestuur van die interne reputasie en ondersteuning aan alle sakefunksies met hulle onderskeie kommunikasievereistes.

- **Mediabetrekkinge**

  Instandhouding en bou van verhoudinge met plaaslike, internasionale en hoofstroompers in 'n immer veranderende medialandskap.

- **Digitale invloed en impak**

  Bereiking van lede en belanghebbendes aanlyn deur samehangende boodskappe terwyl wisselende mediagebruik en verbruik van die teikengehoor se verdeelde aandag tussen verskillende digitale mediatipes waargeneem word.

- **Vennootskappe**

  Baie meer waarde kan bereik word met die besef van hoe al die landboudele in die groot prentjie by mekaar inpas. Kommunikasiekruising tussen landboubesighede skep gedeelde doelwitte en samewerking om 'n gedeelde visie en doel vir die bedryf as geheel aan te dryf.

Ons openbarebetrekkinge-aktiwiteite het in die oorsigjaar met sukses:

- Hulle fokus op mediabetrokkenheid voortgesit met 'n poging om betrekkinge te formaliseer ten einde oorlewing en langtermynimpak te verseker, wat uiteindelik tot groter bewustheid van die organisasie en sy strategiese fokusareas lei.
- Steun vir die Kongres, NAMPO Oesdag, NAMPO Kaap en die Swartland Skou verskaf en die Feesdag- en Graanprodusent van die Jaar-funksies gereël.
- Die organisasie se profiel verbeter deur media-aktiwiteite wat die breër kommunikasiestrategie aanvul.
- Die organisasie se aanlyn-teenwoordigheid verder uitgebou deur 'n digitale strategie met behulp van 'n doeltreffende webwerf, die benutting van sosiale media, aanlynveldtogte en die identifisering van broodnodige hulpbronne vir aanlyn- en webbemarking.
- Voortgegaan om die veel-gedebatteerde onderwerpe van grondhervorming, onteiening sonder vergoeding en landbou-ontwikkeling te navigeer terwyl die belangrikheid van elke graanprodusent se rol ten opsigte van voedselsekerheid beklemtoon is.

Mediaskakeling bly 'n belangrike funksie om die beste beeld van die organisasie te bevorder en te handhaaf, nie net deur beter kennis en begrip van sy doelwitte by die nuusmedia aan te moedig nie, maar om doeltreffend deur middel van die media die agtergrondinligting oor kwessies wat graanprodusente raak aan die publiek oor te dra.

ONS PRESTASIES

- Vaartbelyning en afronding van die organisasie se webwerf, wat die poort tot kennis oor die organisasie se werk en 'n inligtingsbron vir almal – nasionaal en internasionaal – se gebruik bly.
- Bekendstelling van verskillende platforms om kommunikasiekanale met lede te verbreed, insluitend 'n eksklusiewe digitale ledekaart.
- Verdere uitbreiding van die digitale bemarkingstrategie deur middel van 'n selfs wyer sosialemedianetwerk, deur interaktiewe kommunikasiemiddele soos die Graan SA-, NAMPO Oesdag- en NAMPO Kaap-webwerf, asook Facebook-, Twitter- en Instagramprofiele. Meer as 23 700 mense het ons sosialemedia-voetspoor gevolg, met 'n gekombineerde trefkrag van 13 937 274 volgelinge.

- Effectively integrated communication efforts to support the organisation's interactions with the various agricultural stakeholder groups and improve the quality of exchanges.
- Endeavoured to further share the knowledge database contained within the pages of the *SA Graan/Grain* magazine with target audiences, by publicising and promoting top articles monthly on social platforms. This has substantially increased the opportunity for discussion and engagements around important topics in the agricultural environment.
- Interacted with stakeholders and media partners through available networking opportunities, symposiums, workshops and media tours.
- Extended the service offering of the Grain SA exhibition area and members' hall at the NAMPO Harvest Day focusing on the support offered to each producer. The NAMPO merchandise was moved to the NAMPO Hall and proved extremely successful in its own right.
- Participated in and supported the Nation in Conversation initiative, a successful actuality agri-discussion broadcast during NAMPO Harvest Day. The 2018 themes covered policy matters, political perspectives, United Nations: Decade of family farming, inspirational women, economy of scale, agriculture 2035 and how the youth sees agriculture.
- Supported member marketing efforts at exhibitions, workshops and farmers days with aligned audiences and focus to that of the organisation which included the Boertjiefees, Swartland Show, CA farmers days, future focus, membership golf days and various smaller agricultural initiatives.
- Presented outstanding functions to showcase the successes of South African grain producers, big and small.

Values that drive our public relations efforts

Embracing **transparency**, recognising that open and honest communication is the most effective.

Valuing **authenticity**, recognising that communication efforts must be a reflection of organisational behaviour in order to be credible.

Recognising that good public relations will always be about engagement, recognising that mutual understanding requires **dialogue**, and that effective communication requires listening at least as much as it involves talking.

Striving for **humility**, recognising that a hint of arrogance in today's digital and social media will be met with hostility.

Value **engagement**, inviting active participation by members and other stakeholders, with communication designed to engage and motivate.

OUR COMMUNICATION

Aspire to continuously shape relations with policy makers, government departments and other agricultural partners to further improve awareness, understanding and value of the South African grain producers and their vital role in ensuring food security. The organisation's member communication is facilitated through various channels, which include a bi-weekly newsletter, ad-hoc electronic communication, news flashes and utilising digital media channels.

Grain SA newsletter and *News Flash*

The *Perspective* is an electronic newsletter, distributed bi-weekly to members and a selected group of interested stakeholders. It aims to share information, events and important dates and further provide a platform to communicate industry news timeously. The *News Flash* is utilised to distribute important and relevant information to members timeously. This is particularly useful in instances where updates on

- Kommunikasiepogings is doeltreffend geïntegreer om die organisasie se interaksie met die onderskeie landboubelanghebbendegroepe te ondersteun en die gehalte van interaksie te verbeter.
- Verdere pogings is aangewend om die kennis-databasis wat op die bladsye van die *SA Graan/Grain*-tydskrif verskyn met teikengehore te deel deur topartikels maandeliks op sosialemediaplatforms te publiseer en te bevorder. Dit het die geleentheid vir gesprekke en betrokkenheid rondom belangrike onderwerpe in die landbou-omgewing wesenlik vergroot.
- Interaksie met belanghebbendes en mediavennote deur beskikbare netwerkgeleenthede, simposiums, werkswinkels en mediatoere.
- Uitbreiding van die diensaanbod van die Graan SA-uitstalarea en ledesaal by die NAMPO Oesdag, met die fokus op die steun wat aan elke produsent verskaf word. Die NAMPO-handelsware is na die NAMPO-saal verskuif en dit was uiters suksesvol in eie reg.
- Daar is deelgeneem aan die Nasie in Gesprek-inisiatief, 'n suksesvolle aktualiteitsbespreking oor landbou wat tydens NAMPO Oesdag uitgesaai word. Die 2018-temas het beleidsake, politieke perspektiewe, die Verenigde Nasies se dekade van familieboerdery, inspirerende vroue, skaalbesparings, landbou 2035 en die jeug se siening van landbou ingesluit.
- Lede se bemarkingspogings is by uitstallings, werkswinkels en boeredae ondersteun met 'n teikengehoor en fokus wat by die organisasie inpas. Dit het die Boertjiefees, Swartland Skou, BL-boeredae, toekomsfokus, ledegholfdae en verskeie kleiner landbou-inisiatiewe ingesluit.
- Merkwaardige funksies is aangebied om die suksesse van Suid-Afrikaanse graanprodusente – groot en klein – te bevorder.

Waardes agter ons openbarebetrekkinge-pogings

Omarming van **deursigtigheid**, met die besef dat oop en eerlike kommunikasie die doeltreffendste is.

Waardering van **egtheid**, met die besef dat kommunikasiepogings die organisasie se gedrag moet weerspieël om geloofwaardig te wees.

Besef dat goeie openbare betrekkinge altyd oor betrokkenheid sal gaan, erken dat wedersydse begrip **dialoog** vereis, en dat doeltreffende kommunikasie luister ten minste soveel soos praat behels.

Strewe na **nederigheid**, met die besef dat die geringste arrogansie in vandag se digitale en sosiale media met vyandigheid begroet sal word.

Waardering van **betrokkenheid**, met die aktiewe deelname van lede en ander belanghebbendes en kommunikasie wat ontwerp is om betrokkenheid en motivering aan te moedig.

ONS KOMMUNIKASIE

Streef daarna om deurlopend werksverhoudinge met beleidmakers, staatsdepartemente en ander landbouvennote te vorm om bewustheid van, en begrip en waardering vir Suid-Afrikaanse graanprodusente en hul noodsaaklike rol in die versekering van voedselsekerheid verder te verbeter. Die organisasie se ledekommunikasie word gefasiliteer deur verskillende kanale, wat 'n tweeweeklikse nuusbrief, ad hoc-elektroniese boodskappe, nuusflitse en die benutting van sosialemediakanale insluit.

Graan SA-nuusbrief en *Nuusflits*

Die *Perspektief* is 'n elektroniese nuusbrief wat elke tweede week aan lede en aan 'n geselekteerde groep belanghebbendes versprei word. Die doel is om inligting en gebeure en belangrike datums met lede te deel en 'n platform te verskaf om nuus betyds aan die bedryf te kommunikeer. Die *Nuusflits* word gebruik om belangrike en relevante inligting betyds aan lede te versprei. Dit is veral nuttig waar die

important matters such as agricultural production conditions and biosecurity are communicated.

Publications

Grain SA produces the *SA Graan/Grain*, a specialist monthly publication and official mouthpiece of the organisation, which is regarded as one of the leading agricultural publications. The magazine is used by readers as a knowledge partner and benchmark tool for sustainability in the grain and oilseed industries.

In addition to its magazine, Grain SA also publishes the *Pula Imvula* – a monthly publication in seven languages aimed at developing new era commercial grain producers. Grain SA also publishes the annual *Grain Guide* which contains useful contacts and reference articles on seed, implements, fertilising, integrated pest management, livestock, money and financial services, and last but not least, Grain SA information, important contacts and an updated calendar for the coming year.

MEDIA LIAISON

The media community remains one of the organisation's key stakeholders as they are the most effective means of informing the public about the organisation's activities. Through engagements with media owners across all platforms, social, digital and traditional channels were used to ensure improved accessibility and increased activity of the organisation's strategic focus areas. Press releases issued were fully utilised, resulting in numerous regular interviews across print, broadcast and online platforms, as well as general news coverage valued at an advertising value equivalent (AVE) amount of R103 929 266, up from R74 122 083 during the last reporting period. This coverage comprises an AVE value of R48 560 321 (up 24%) for print media coverage, an AVE value of R20 118 283 (up 9%) for broadcast coverage, and R35 250 662 (up 114%) for online media coverage. The resulting numbers are the equivalent of what an advertiser would have paid if it placed an advertisement of that size or in that time period. By assessing media coverage in this way, and aggregating the calculations, a value can be assigned to the coverage received within a specified time period.

Throughout the reporting period, Grain SA's media coverage month-on-month indicates the majority of print, broadcast and online coverage was generated during the months of March 2018, May 2018 and August to September 2018.

October 2017 media coverage were dominated by the new wheat breeding platform and the gala awards announcements. The new year kicked off with fall armyworm reports, the announcement of Grain SA taking NAMPO to the Cape as well as the drought conditions which affected the South African maize belt. The biosecurity trend continued during the month of February, which was entirely dominated by the

jongste nuus oor belangrike sake soos landbouproduksietoestande en biosekuriteit gekommunikeer word.

Publikasies

Graan SA produseer *SA Graan/Grain*, 'n spesialis maandelikse publikasie en die amptelike spreekbuis van die organisasie. Dit word as een van die voorste landboupublikasies beskou. Die tydskrif word deur lesers as 'n kennisvennoot en metingsinstrument vir volhoubaarheid in die graan- en oliesaadbedryf gebruik.

Benewens die tydskrif publiseer Graan SA ook *Pula Imvula* – 'n maandelikse publikasie wat in sewe tale vertaal word en op ontwikkelende en nuwe era- kommersiële graanprodusente gemik is. Graan SA publiseer ook die jaarlikse *Graangids*, wat nuttige kontakte en artikels oor saad, werktuie, bemesting, geïntegreerde plaagbeheer, lewende hawe, geld en finansiële dienste en – laaste maar nie die minste nie – inligting oor Graan SA bevat, asook belangrike kontakte en 'n bygewerkte kalender vir die komende jaar.

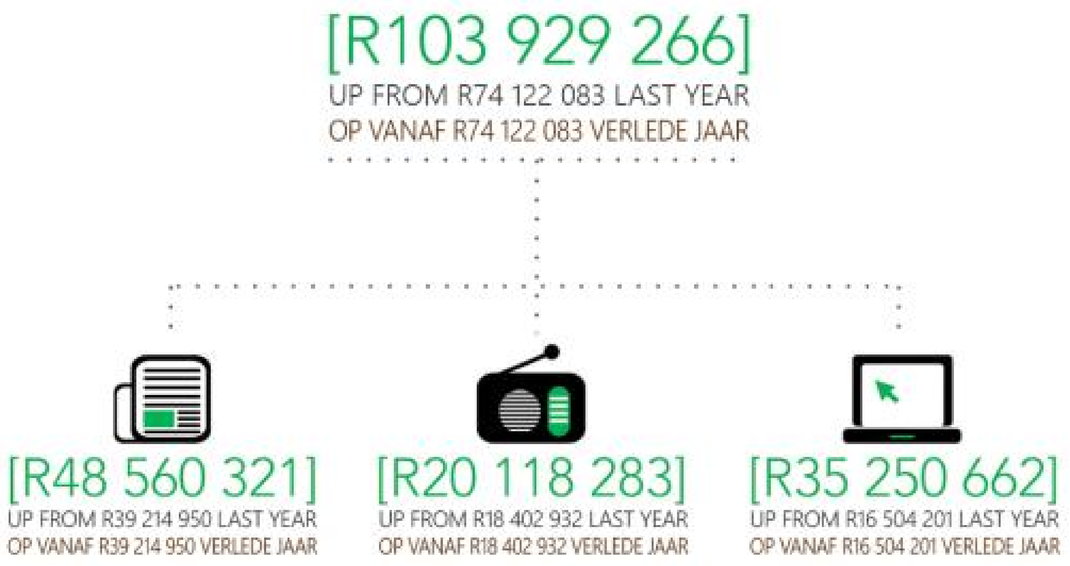
MEDIASKAKELING

Die mediagemeenskap bly een van die organisasie se sleutelbelanghebbendes, aangesien hulle die doeltreffendste manier is om die publiek oor die organisasie se aktiwiteite in te lig. Deur betrokkenheid by mediaeienaars oor alle platforms heen is sosiale, digitale en tradisionele kanale gebruik om beter toeganklikheid en groter aktiwiteit van die organisasie se strategiese fokusareas te verseker. Persvrystellings wat uitgereik is, is ten volle benut, en het tot talle gewone onderhoude op die druk-, uitsaai- en aanlynplatforms gelei, asook tot algemene nuusdekking wat op 'n advertensiewaarde-ekwivalent (AVE) van R103 929 266 gewaardeer word – teenoor R74 122 083 in die vorige verslagtydperk. Hierdie dekking behels 'n AVE-waarde van R48 560 321 (24% hoër) vir drukmediadekking, 'n AVE-waarde van R20 118 283 (9% hoër) vir uitsaaidekking, en R35 250 662 (114% hoër) vir aanlynmediadekking. Die gevolglike syfers is die ekwivalent van wat 'n adverteerder sou betaal het indien 'n advertensie van daardie grootte of in daardie tydperk geplaas is. Deur mediadekking op hierdie manier te evalueer en die totaal van die berekeninge te kry, kan 'n waarde geheg word aan die dekking wat in 'n spesifieke tydperk ontvang word.

Regdeur die verslagdoeningstydperk dui Graan SA se mediadekking van maand tot maand die meeste druk-, uitsaai- en aanlyndekking aan wat regdeur die maande van Maart 2018, Mei 2018 en Augustus tot September 2018 gegenereer is.

Mediadekking in Oktober 2017 is deur die nuwe koringteelplatform en die gala-toekenningsaankondigings oorheers. Die nuwe jaar het afgeskop met aanmeldings van die herfskommandowurm, die aankondiging dat Graan SA NAMPO Kaap toe neem, en die droogtetoestande wat die Suid-Afrikaanse mieliegordel raak. Die biosekuriteittendens is voortgesit in Februarie, wat heeltemal oorheers is deur

1 Grain SA's advertising value equivalent spend
Graan SA se advertensiewaarde-ekwivalent spandeer



fall armyworm's possible spread to all provinces, as well as the then reduced summer grain plantings.

Media coverage in March was generated as a result of Congress, the land reform motion and the generous donation of water to the Moorreesburg district. Further media coverage focused on wheat imports and the Western Cape drought.

Land expropriation and its effect on food production continued to dominate the media through April coupled with the downward revision of the wheat import tariff. May's media coverage was led by the NAMPO Harvest Day, and closely followed by the announcement of the long awaited publishing of the statutory measure for the reporting of maize imports and exports.

The months of June to September were dominated by the AB InBev deal, the announcement of the soybean breeding and technology levy, the Bela-Bela land summit, NAMPO Cape and the parliamentary submissions on land reform plans. See **Graph 1** below.

Further, Grain SA's estimated circulation on all print, broadcast and online news platforms accumulated to a combined 936 million over the twelve-month period with the majority of coverage generated by Grain SA Executives quoted in the media. See **Graph 2** below.

In the local press, Grain SA's publication word cloud changed dramatically over the reporting period with a real focus on land, compared to the previous period. Relevance of topics relating to South African

die moontlike verspreiding van die herfskommandowurm na al die provinsies, en ook deur die kleiner somergraanaanplantings.

Mediadekking in Maart is deur die Kongres, die grondhervorming-mosie en die ruim skenking van water aan die Moorreesburg-distrik oorheers. Verdere dekking het op koringinvoere en die droogte in die Wes-Kaap gefokus.

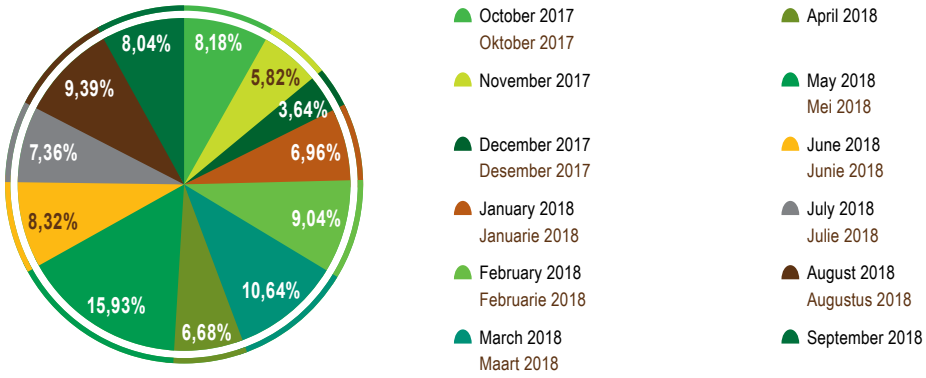
Grondonteiening en die uitwerking daarvan op voedselproduksie het die media regdeur April oorheers, saam met die afwaartse hersiening van die koringinvoertarief. Mei se mediadekking het hoofsaaklik gehandel oor die NAMPO Oesdag, met die aankondiging van die lang verwagte publikasie van die statutêre maatstaf vir die rapportering van mielie-invoere en uitvoere daarmee saam.

Junie tot September is deur die AB InBev-transaksie, die aankondiging van die sojaboon teling- en tegnologieheffing, die Bela-Bela grondberaad, NAMPO Kaap en die parlementêre voorleggings oor grondhervormingsplanne oorheers. Sien **Grafiek 1** hieronder.

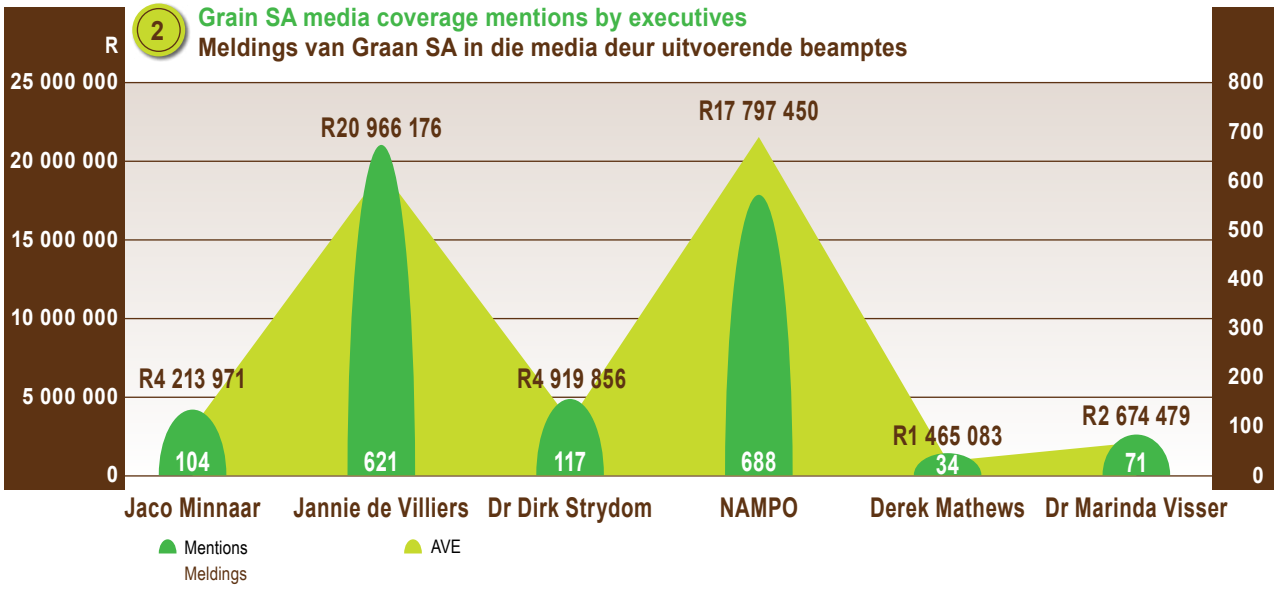
Graan SA se geraamde sirkulasie op alle druk-, uitsaai- en aanlyn-nuusplatforms het verder 'n gekombineerde 936 miljoen oor die twaalfmaande-tydperk beloop, met die meeste van die dekking wat gegenereer is deur Graan SA se uitvoerende beamptes wat in die media aangehaal is. Sien **Grafiek 2** hieronder.

In die plaaslike pers het Graan SA se publikasiewoordwolk dramaties verander oor die verslagdoeningstydperk vergeleke met die vorige

1 Month-on-month media coverage
Maand-tot-maand mediadekking



2 Grain SA media coverage mentions by executives
Meldings van Graan SA in die media deur uitvoerende beamptes



2 Grain SA's publication word cloud changed dramatically in the year under review
Graan SA se publikasiewoordwolk het in die verslagjaar dramaties verander

GRAIN SA WORD CLOUD 2016/2017
GRAAN SA WOORDWOLK 2016/2017

GRAIN SA WORD CLOUD 2017/2018
GRAAN SA WOORDWOLK 2017/2018

Broadcast and online coverage was generated during the months of March 2018, May 2018 and August to September 2018.

October 2017 media coverage were dominated by the new wheat breeding platform and the gala awards announcements. The new year kicked off with fall armyworm reports, the announcement of Grain SA taking NAMPO to the Cape as well as the drought conditions which affected the South African maize belt. The biosecurity trend continued during the month of February, which was entirely dominated by the

250 662]

[R48 560 321]

[R20 118 283]

EMPLOYMENT EQUITY

Grain SA complies with the statutory requirements for the submission of reports to the Department of Labour, as set out in the Employment Equity Act, no 55 of 1998. An Employment Equity Committee meets every quarter.

PERFORMANCE EVALUATION

The performance evaluation of all staff is completed on a six-monthly basis in consultation with department heads. The results are taken into account by the Remuneration Committee.

PENSION FUND

An investigation for amendments to the pension fund scheme was completed. After membership consultation sessions, recommendations were referred to the Remuneration Committee for approval.

Partnerships with funders of Grain SA projects

Grain SA annually submits projects to the Maize Trust, Sorghum Trust, Winter Cereal Trust, the Oil and Protein Seeds Development Trust and the Sasol Trust. Interim reports and annual reports are submitted to the respective trusts in terms of the policies and procedures of the trusts. Factual findings by the external auditors of Grain SA (PricewaterhouseCoopers) are, where requested, submitted to support financial reporting.

Grain SA would like to express its gratitude to the Sasol Trust, Winter Cereal Trust, Maize Trust, Sorghum Trust and Oil and Protein Seeds Development Trust for their continued support to various Grain SA projects.

Constitution task team

Constitutional amendments were requested for:

- The term of office for office bearers.
- Proxy votes.
- Associate membership to external entities.

The Executive considered recommendations and referred them to the 2019 Congress for consideration.

Conclusion

The Corporate Services Department offers support at various levels to the Executive, Management and the staff team. New technology is increasingly used for more effective liaison with members.

DIENSBILLIKHEID

Graan SA voldoen aan die statutêre vereistes vir die indiening van verslae by die Departement van Arbeid, soos uiteengesit in die Wet op Diensbillikheid, nr 55 van 1998. 'n Diensbillikheidskomitee vergader elke kwartaal.

PRESTASIE-EVALUERING

Die prestasie-evaluering van alle personeel word sesmaandeliks in oorleg met departementshoofde gedoen. Die resultate word deur die Vergoedingskomitee in ag geneem.

PENSIOENFONDS

'n Ondersoek vir wysigings aan die pensioenfondsskema is afgehandel. Ná ledekonsultasiesessies is aanbevelings vir goedkeuring na die Vergoedingskomitee verwys.

Vennootskappe met befondsers van Graan SA-projekte

Graan SA lê jaarliks projekte aan die Mielietrust, Sorghumtrust, Wintergraantrust, die Olie- en Proteïensade-ontwikkelingstrust en die Sasol Trust voor. Tussentydse verslae word ingevolge die beleide en prosedures van die trusts aan die onderskeie trusts voorgelê. Feitelike bevindings deur die eksterne ouditeurs van Graan SA (PricewaterhouseCoopers) word, waar versoek, ingedien om finansiële verslagdoening te ondersteun.

Graan SA wil graag sy dank teenoor die Sasol Trust, die Wintergraantrust, die Mielietrust, die Sorghumtrust en die Olie- en Proteïensade-ontwikkelingstrust uitspreek vir hulle deurlopende steun aan verskeie Graan SA-projekte.

Grondwettaakspan

Grondwetlike wysigings is aangevra vir:

- Die ampstermyn van ampsdraers.
- Volmagstemme.
- Assosiaatlidmaatskap aan eksterne entiteite.

Die Hoofbestuur het aanbevelings oorweeg en dit na die 2019 Kongres verwys vir oorweging.

Slot

Die Departement Korporatiewe Dienste verskaf steun op verskeie vlakke aan die Hoofbestuur, Bestuur en die personeelspan. Nuwe tegnologie word toenemend vir meer doeltreffende skakeling met lede gebruik.

MOISTURE DEFICIENCY AFFECTS RESULTS

TEKORT AAN VOG AFFEKTEER RESULTATE

Production conditions in the 2017/2018 production season for summer grains and 2017/2018 season for winter grains

The 2017/2018 production season of summer grains to a great extent started out like the previous season, with an extremely unsteady planting time. Initially, early in the season, it rained reasonably well – which rekindled hope for the new season.

As the season progressed, long periods in the optimal planting window passed with insufficient rain for soil moisture and therefore planting could not take place optimally.

In the more western parts of the country (North West and the western Free State), a large part of the summer grain plantings took place outside the optimal plant window. In the eastern parts of the country there were – especially during December and January – challenging times with high heat units and a shortage of enough moisture. The result was damage to the crops in some areas where crops experienced quite a critical shortage of moisture during this period.

Regardless of the challenges facing the producers during the 2017/2018 production season, the average yields of most of the summer grains were reasonably good for the season. The maize took particularly long to dry this season, and harvesting took place until the end of September in certain areas of the country, while other parts had started planting new season maize already.

Most of the summer grain planting areas declined in the 2017/2018 season, measured against those of the 2016/2017 season – with only the areas of yellow maize, soybeans, groundnuts and dry beans being higher during the 2017/2018 season. The changes in the areas for summer grains planted in the 2017/2018 season, compared to those of the 2016/2017 season, are as follows: White maize: -23%, yellow maize: +6,6%, soybeans: +37%, sunflower seed: -5%, sorghum: -32%, groundnuts: +0,5% and dry beans: +18%.

To the Western Cape, which is the biggest winter grain producing region, the 2017/2018 season was an extremely challenging one in view of the drought conditions prevailing in the Western Cape. These conditions took their toll of the winter grains, and the production of wheat, barley and canola was under major pressure during the 2017/2018 season.

The total wheat production for the season was 20% lower than for the previous season, while that of barley and canola were 13% and 11% lower respectively. The area planted for malt barley as well as that for canola was higher for the 2017/2018 season than for the 2016/2017 season, while the production for both these crops was lower. This

Dr Dirk Strydom
MANAGER: GRAIN ECONOMY AND MARKETING
BESTUURDER: GRAANEKONOMIE EN BEMARKING

Luan van der Walt
AGRICULTURAL ECONOMIST
LANDBOU-EKONOOM

Produksie-omstandighede in die 2017/2018-produksieseisoen vir somergrane en 2017/2018-seisoen vir wintergrane

Die 2017/2018-produksieseisoen van somergrane het tot 'n groot mate soos die vorige seisoen, met 'n uiters wankelrige planttyd, afgeskop. Dit het aanvanklik, vroeg in die plantseisoen, redelik goed gereën – wat hoop vir die nuwe seisoen laat opvlam het.

Namate die seisoen gevorder het, het daar lang tydperke in die optimale plantvenster verbygegaan waar daar nie genoeg reën was vir voldoende grondvog nie en aanplanting kon derhalwe nie optimaal plaasvind nie.

In die meer westelike gedeeltes van die land (Noordwes en Wes-Vrystaat) het 'n groot gedeelte van die somergraanaanplantings buite die optimale plantvenster plaasgevind. In die oostelike gedeeltes van die land was daar – veral tydens Desember en Januarie – uitdagende tye met hoë hitte-eenhede en tekorte aan genoeg vog. Dit het veroorsaak dat daar in sommige gedeeltes skade aan die gesaaides was wat gedurende hierdie tydperk 'n redelike kritiese tekort aan vog beleef het.

Ten spyte van die uitdagings wat tydens die 2017/2018-produksieseisoen aan die produsente gestel is, was die gemiddelde opbrengste van die meeste somergrane vir die seisoen redelik goed. Die mielies het in hierdie seisoen veral geweldig lank gevat om af te droog en daar is nog tot einde September toe in sekere gedeeltes van die land gestroop, terwyl ander gedeeltes reeds weer nuwe seisoen-mielies begin plant het.

Die meeste van die somergrane se aangeplante oppervlaktes in die 2017/2018-seisoen het afgeneem, gemeet teen dié van die 2016/2017-seisoen – met slegs die oppervlakte van geelmielies, sojabone, grondbone en droëbone wat hoër gedurende die 2017/2018-seisoen was. Die verandering in die oppervlaktes vir somergraan wat in die 2017/2018-seisoen aangeplant is, gemeet teen dié van die 2016/2017-seisoen is soos volg: Witmielies: -23%, geelmielies: +6,6%, sojabone: +37%, sonneblomsaad: -5%, sorghum: -32%, grondbone: +0,5% en droëbone :+18%.

Vir die Wes-Kaap, wat die grootste wintergraanproduserende streek is, was die 2017/2018-seisoen 'n uiters uitdagende seisoen met die droogtetoestande wat in die Wes-Kaap oorheers het. Hierdie omstandighede het sy tol op die wintergrane geëis en die produksie van koring, gars en kanola was almal tydens die 2017/2018-seisoen onder geweldige druk.

Die totale koringproduksie vir die seisoen was 20% laer as die vorige seisoen se produksie, terwyl dié van gars en kanola onderskeidelik 13% en 11% laer was. Die oppervlakte aangeplant van beide moutgars en kanola was vir die 2017/2018-seisoen hoër

makes the impact of the dry conditions on the crops cultivated mainly in the Western Cape very clear. However, the new winter grain season appears to be promising and the production conditions in the Western Cape are also considerably better than a year ago – which holds good prospects for the 2018/2019 season, which starts soon.

MAIZE

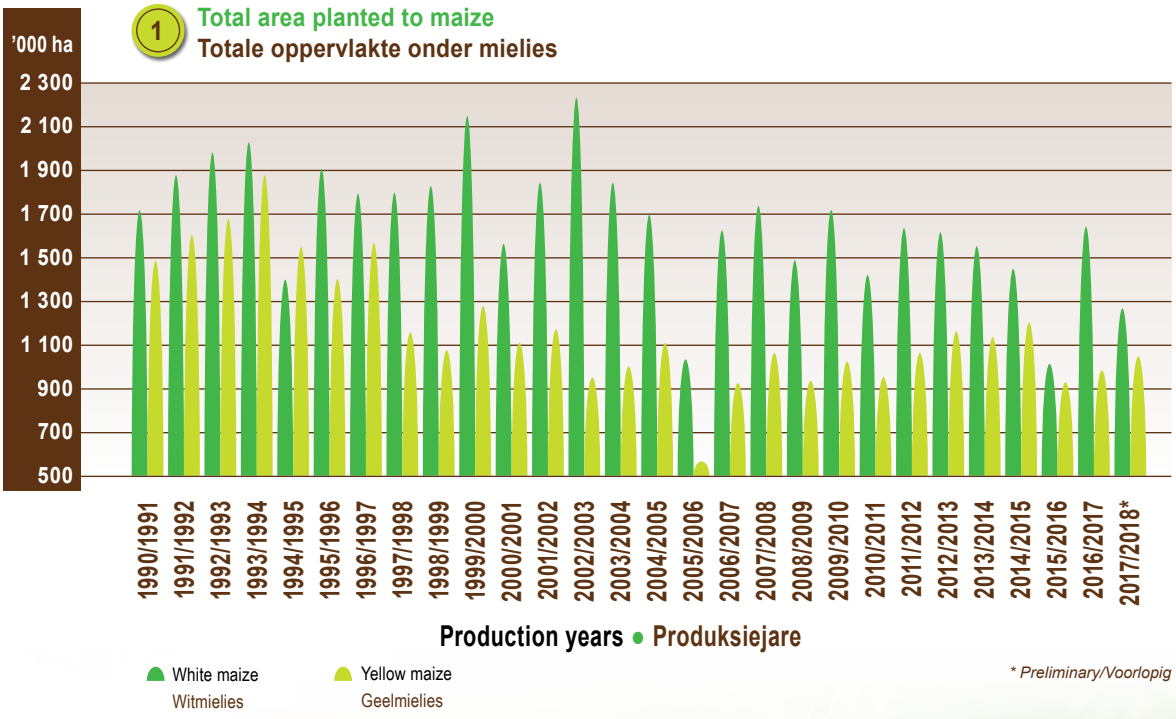
The total maize plantings for the 2017/2018 production season declined by about 310 000 ha (12%) from the previous season's planting. The biggest decrease in the area planted was that for white maize, which decreased by about 23% since the previous season, while the yellow-maize area increased by 6% for the season (see **Graph 1**). The difference in the plantings for white and yellow maize can be largely attributed to the price difference that occurred between these two crops in the course of the season. The previous season's record production caused the prices to start trading closer to export parity, and that is why a premium of between R100/ton and R120/ton higher than white maize was paid for yellow maize for the biggest part of the season. This encouraged the increase in the yellow-maize plantings, while there was a slight decrease in the area planted with white maize.

as vir die 2016/2017-seisoen, terwyl die produksie vir beide hierdie gewasse laer was. Dit maak die impak wat die droë omstandighede op die gewasse het wat hoofsaaklik in die Wes-Kaap verbou word, duidelik. Die nuwe wintergraanseisoen blyk egter belowend te wees en die produksieomstandighede in die Wes-Kaap is ook aansienlik beter as 'n jaar gelede – wat goeie vooruitsigte inhou vir die 2018/2019-seisoen wat eersdaags begin.

MIELIES

Die totale mielie-aanplantings vir die 2017/2018-produksieseisoen het met ongeveer 310 000 ha (12%) afgeneem vanaf die vorige seisoen se aanplantings. Die grootste afname in die oppervlakte aangeplant, was dié van witmielies wat met ongeveer 23% van die vorige seisoen afgeneem het, terwyl die geelmielie-oppervlakte vir die seisoen met ongeveer 6% toegeneem het (sien **Grafiek 1**). Die verskil in die aanplantings tussen wit- en geelmielies kan grootliks toegeskryf word aan die prysverskil wat deur die loop van die seisoen tussen hierdie twee gewasse voorgekom het. Die vorige seisoen se rekordproduksie het veroorsaak dat die pryse nader aan die uitvoerpariteit begin verhandel het en daarom is daar vir die grootste gedeelte van die seisoen 'n premie van tussen R100/ton en R120/ton bo witmielies vir geelmielies betaal. Dit het die toename in die geelmielie-aanplantings aangemoedig, terwyl daar 'n effense afname in aangeplante witmielie-oppervlakte was.

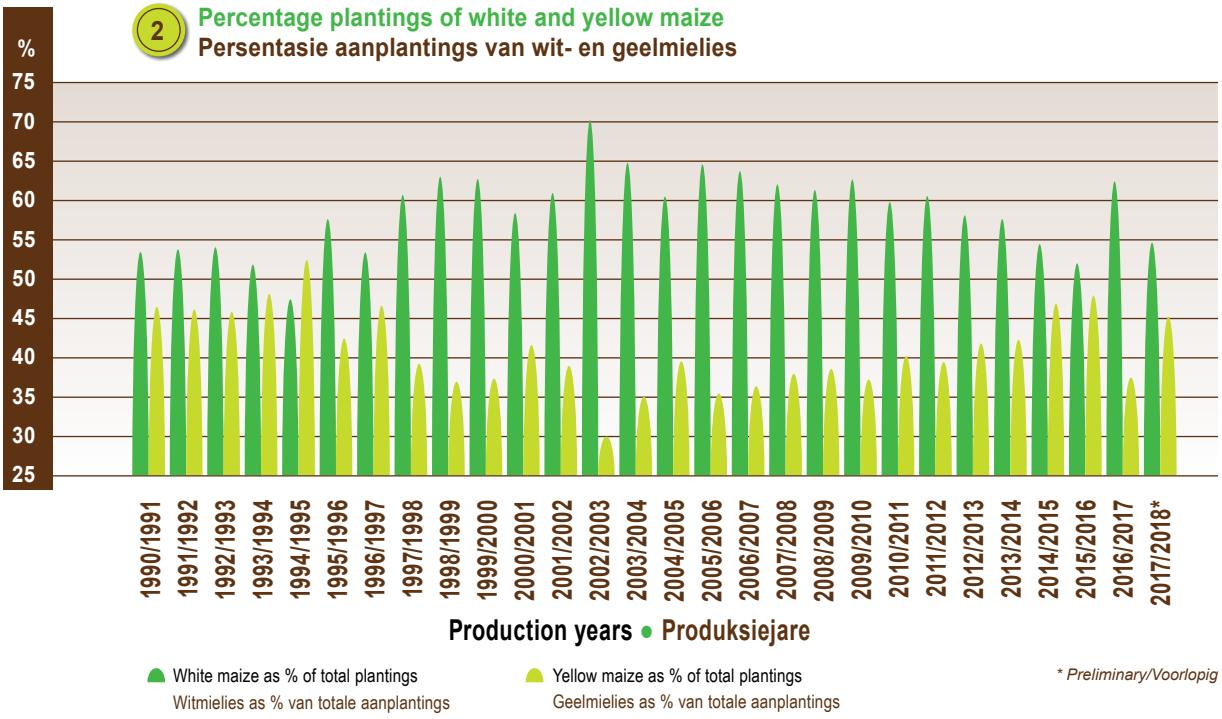
1 **Total area planted to maize**
Totale oppervlakte onder mielies

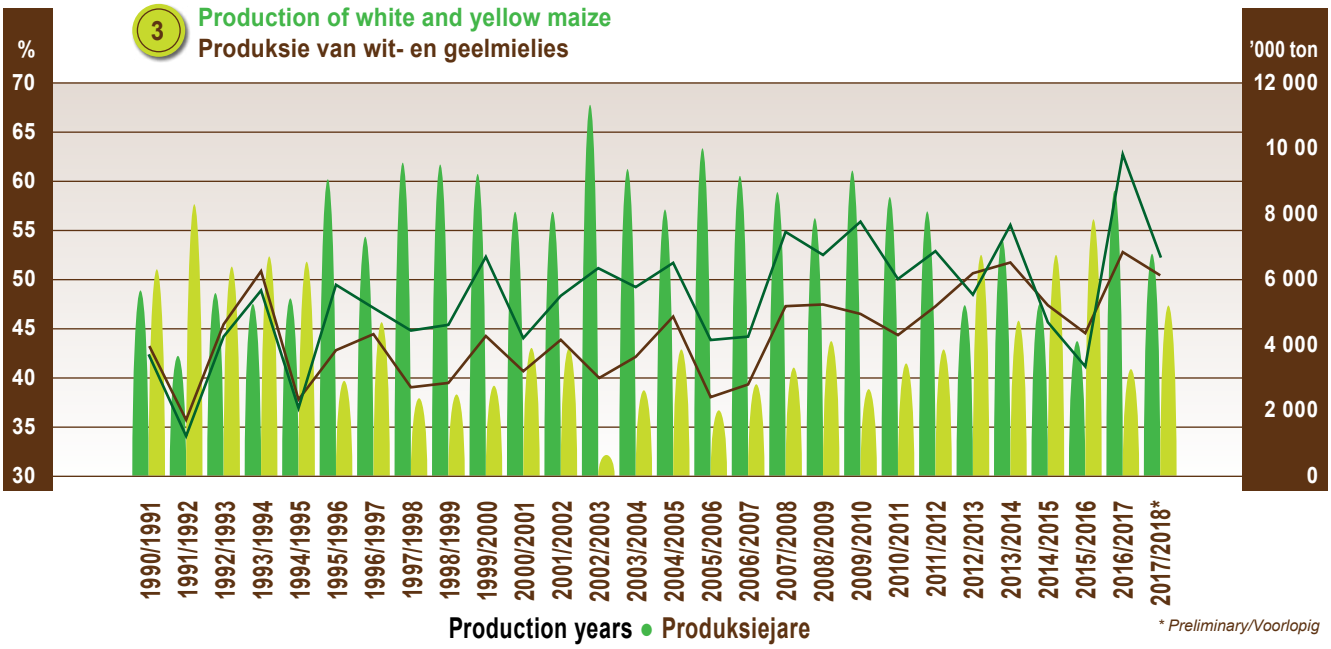


** Preliminary/Voorlopig*

Graph 2 indicates the plantings of white and yellow maize from the 1990/1991 season until the 2017/2018 season as a percentage. In the 2017/2018 production season the white maize plantings contributed approximately 55% to the total area planted under maize, while the plantings of yellow maize covered 45% of the total hectares. In the previous season, white maize plantings contributed approximately 63% to the total area, while yellow maize accounted for 37% of the total area. **Graph 3** shows the total production of white and yellow maize, as well as the ratio between the white and yellow maize production from the 1990/1991 season up to the 2017/2018 season. It is clear that the ratio of production between white and yellow maize in the 2017/2018 season moved much closer to each other again, while the previous season's white maize production was considerably higher.

Grafiek 2 dui die aanplantings van wit- en geelmielies vanaf die 1990/1991-seisoen tot en met 2017/2018-seisoen as 'n persentasie aan. In die 2017/2018-produksieseisoen het die witmielie-aanplantings ongeveer 55% tot die totale oppervlakte onder mielies aangeplant bygedra, terwyl die aanplantings van geelmielies 45% van die totale hektare beslaan het. In die vorige seisoen het witmielie-aanplantings ongeveer 63% van die totale oppervlakte beslaan, terwyl geelmielies 37% van die totale oppervlakte beslaan het. **Grafiek 3** toon die totale produksie van wit- en geelmielies, asook die verhouding tussen die wit- en geelmielieproduksie vanaf die 1990/1991-seisoen tot en met die 2017/2018-seisoen. Dit is duidelik dat die verhouding van produksie tussen wit en geelmielies in die 2017/2018-seisoen weer baie nader aan mekaar beweeg het, terwyl die vorige seisoen se witmielieproduksie aansienlik hoër was.





SORGHUM

Graph 4 shows the sorghum area planted, the production and average yield since the 1990/1991 season. It is clear that sorghum production showed a downward trend over this period, while the yield showed an upward trend. The sorghum area of 28 800 ha planted during the 2017/2018 season was the smallest area yet planted since the 1990/1991 season. However, the production for the season was not unsatisfactory. The final production estimate for the 2017/2018 season by the National Crop Estimates Committee (CEC) stood at 109 900 tons. Although it is roughly 28% less than that for the previous season, the average yield for the season was about 6% higher than for the previous season. The average yield of 3,81 t/ha is a new South African record yield for sorghum. It is higher than the previous season's record yield of 3,58 t/ha and also considerably higher than the long-term average yield of 2,68 t/ha.

SUNFLOWER SEED

The sunflower seed area of 601 500 hectares that was planted during the 2017/2018 production season was approximately 5,4% smaller than that for the previous season. The sunflower seed plantings in the western parts of the country occurred particularly late because of the late rain in those areas. This left the market very sceptical initially in terms of yield expectations. The sunflower seed production for this season eventually recovered quite well, and according to the CEC's final production estimate for the 2017/2018 season the sunflower seed production stood at 858 605 tons. This was approximately 2% lower than the previous season's production. The average yield of 1,43 t/ha for the season was approximately 3,8% higher than that for the previous season, while the long-term average yield was approximately 1,25 t/ha. **Graph 5** (on page 82) shows the area planted with sunflower seed, production and the average yield from the 1990/1991 season up to the 2017/2018 season.

GROUNDNUTS

Graph 6 (on page 83) shows the area planted, production and the average yield of groundnuts in South Africa since the 2000/2001 season. It is clear that the plantings as well as the production

SORGHUM

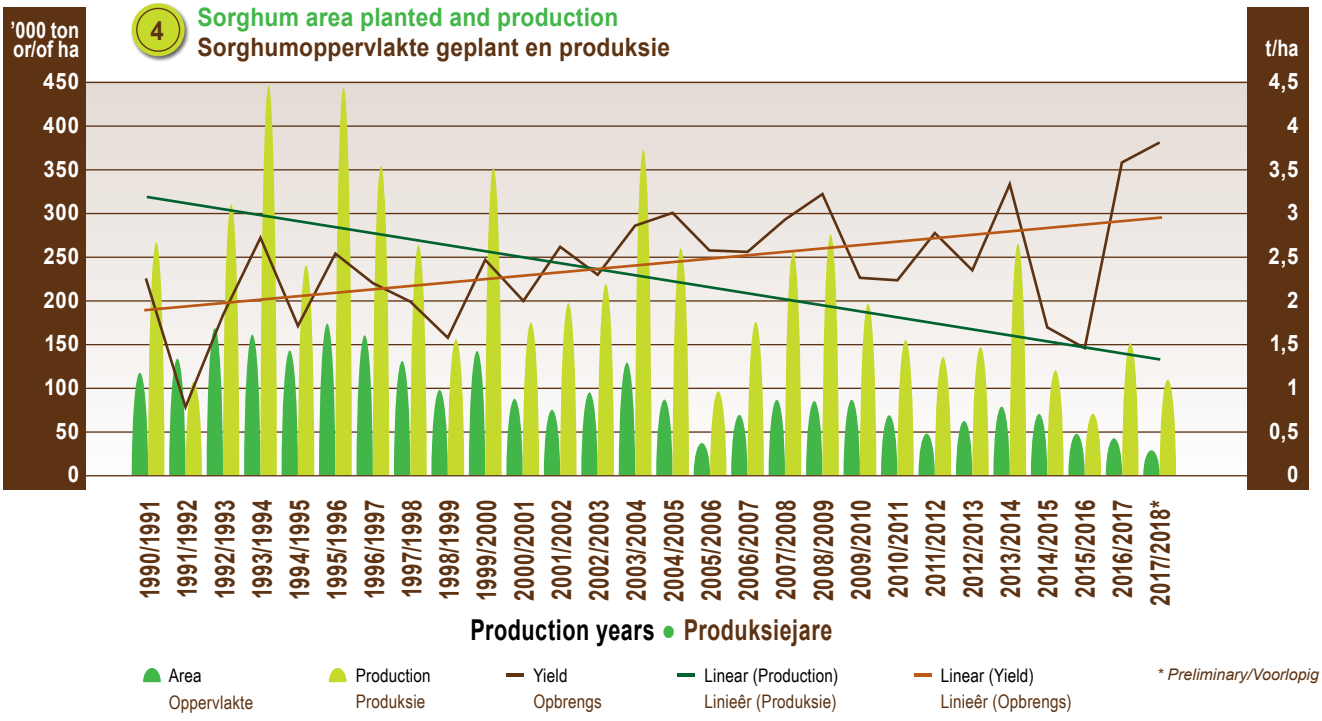
Grafiek 4 toon die sorghumoppervlakte aangeplant, die produksie en gemiddelde opbrengs sedert die 1990/1991-seisoen. Dit is duidelik dat die sorghumproduksie oor hierdie tydperk 'n afwaartse tendens getoon het, terwyl die opbrengste 'n stygende tendens getoon het. Die sorghumoppervlakte van 28 800 ha, wat gedurende die 2017/2018-seisoen aangeplant is, is die kleinste oppervlakte nóg wat sedert die 1990/1991-seisoen aangeplant is. Die produksie vir die seisoen was egter nie onbevredigend nie. Die Nasionale Oesskattingskomitee (NOK) se finale produksieskatting vir die 2017/2018-seisoen word op 109 900 ton geskat. Alhoewel dit ongeveer 28% minder is as die vorige seisoen se skatting, is die gemiddelde opbrengs vir die seisoen ongeveer 6% hoër as die vorige seisoen se opbrengs. Die gemiddelde opbrengs van 3,81 t/ha is 'n nuwe Suid-Afrikaanse rekordopbrengs vir sorghum. Dit is hoër as die vorige seisoen se rekord gemiddelde opbrengs van 3,58 t/ha en ook aansienlik hoër as die langtermyngemiddelde opbrengs van 2,68 t/ha.

SONNEBLOMSAAD

Die sonneblomsaad-oppervlakte van 601 500 hektaar wat gedurende die 2017/2018-produksieseisoen aangeplant is, is ongeveer 5,4% kleiner as wat die vorige seisoen se aanplantings was. Die sonneblomsaad-aanplantings het in die westelike gedeeltes van die land, as gevolg van die reën wat laat was, in hierdie gedeeltes besonder laat plaasgevind. Dit het die mark aanvanklik bitter skepties gelaat in terme van opbrengsverwagtinge. Die sonneblomsaadproduksie vir die seisoen het op die ou einde redelik goed herstel en volgens die NOK se finale produksieskatting vir die 2017/2018-seisoen staan die sonneblomsaadproduksie op 858 605 ton. Dit is ongeveer 2% laer as die vorige seisoen se produksie. Die gemiddelde opbrengs van 1,43 t/ha vir die seisoen is ongeveer 3,8% hoër as die vorige seisoen se opbrengs, terwyl die langtermyngemiddelde opbrengs ongeveer 1,25 t/ha is. **Grafiek 5** (op bladsy 82) toon sonneblomsaad se oppervlakte aangeplant, produksie asook die gemiddelde opbrengste vanaf die 1990/1991-seisoen tot en met die 2017/2018-seisoen.

GRONDBONE

Grafiek 6 (op bladsy 83) toon die oppervlakte aangeplant, produksie en gemiddelde opbrengs van grondbone in Suid-Afrika sedert die



of groundnuts has come under pressure over the past few years and that it is demonstrating a significant downward trend. Factors contributing to this decline are increasing labour costs, the price ratio between groundnuts and maize, and the high capital costs of mechanising groundnut cultivation. The total area of 56 300 hectares planted during the 2017/2018 season was only 300 hectares more than the previous season's area of 56 000 hectares planted. The total production for the season was considerably lower than the previous seasons' production, and in general it was an extremely challenging year for groundnut production. This season also faced considerable challenges in terms of the quality of the local crop. The total production of 53 750 tons for the season was 42% lower than the previous season's production. The average yield of 0,95 t/ha for the season was also considerably lower than the previous season's average yield of 1,64 t/ha.

SOYBEANS

South Africa's soybean production achieved a new record level again during the 2017/2018 production season – both in terms of the area planted and production for the season. The total area of 787 200 hectares planted during the 2017/2018 season was approximately 37% more than the previous season's area planted. The total production of 1,551 million tons was a new record. It topped the previous season's record by 18%. According to the CEC's final crop estimate, the average yield for the season was 1,97 t/ha. Although this was lower than the previous season's yield, it was still, after the previous season's record yield of 2,29 t/ha and the 2,17 t/ha of the 2008/2009 season, the third highest average yield ever obtained in South Africa. **Graph 7** shows the total area planted, production and the average yield of soybeans in South Africa since the 1990/1991 season.

DRY BEANS

The dry-bean plantings for the 2017/2018 season were 53 360 hectares, which represents an increase of 18% in the area planted compared to that of the 2016/2017 season. According to the CEC's final estimate of summer grains the production for the season was 69 360 tons. It increased by approximately 1,2% from the previous season's 68 525 tons. The average yield of 1,3 t/ha for the season

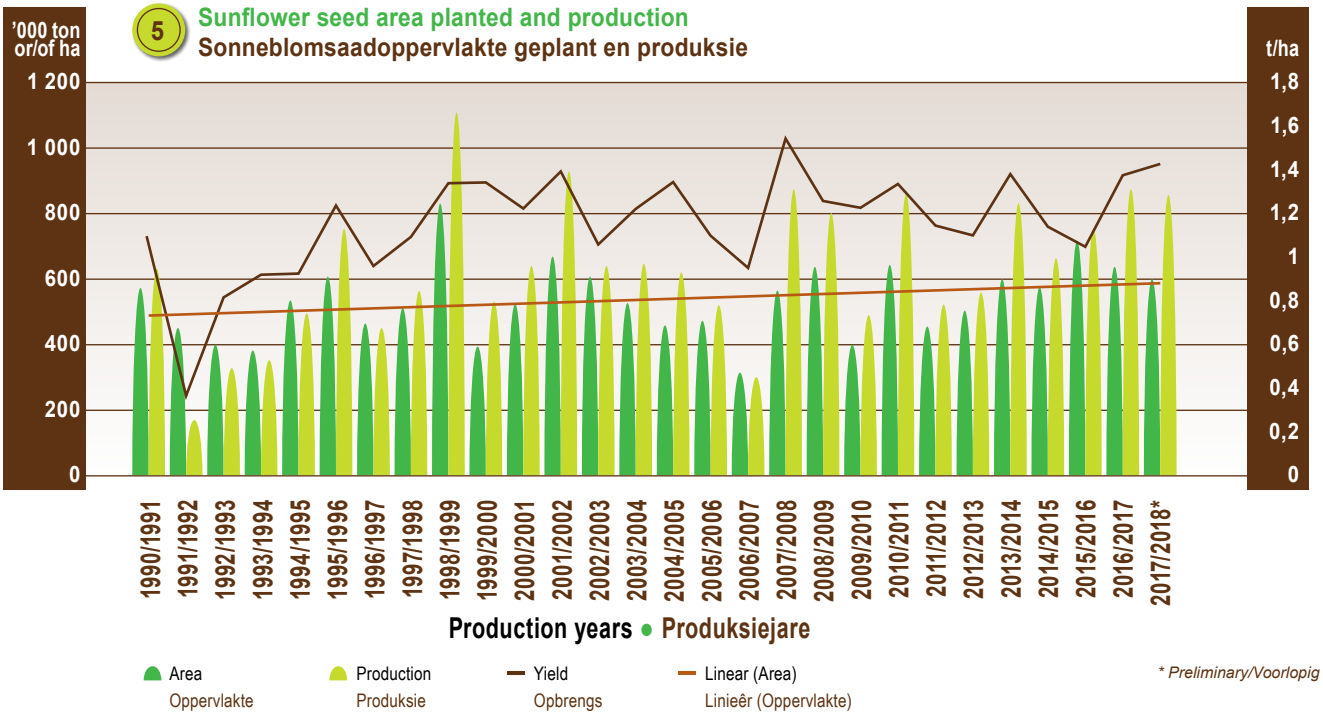
2000/2001-seisoen. Dit is duidelik dat die aanplantings, sowel as die produksie van grondbone, die afgelope paar jaar onder druk gekom het en dat dit 'n duidelike afwaartse tendens toon. Bydraende faktore tot hierdie afname is stygende arbeidskoste, die prysverhouding tussen grondbone en mielies asook die hoë kapitaalkoste verbonde aan die meganisering van grondboonverbouing. Die totale oppervlakte van 56 300 hektaar, wat gedurende die 2017/2018-seisoen aangeplant is, is slegs 300 hektaar meer as die vorige seisoen se oppervlakte van 56 000 ha aangeplant. Die totale produksie vir die seisoen was aansienlik laer as die vorige seisoen se produksie en oor die algemeen was dit 'n uiters uitdagende jaar vir grondboonproduksie. Daar was hierdie seisoen ook heelwat uitdagings in terme van kwaliteit met die plaaslike oes. Die totale produksie van 53 750 ton vir die seisoen is 42% laer as die vorige seisoen se produksie. Die gemiddelde opbrengs van 0,95 t/ha vir die seisoen is ook aansienlik laer as die vorige seisoen se gemiddelde opbrengs van 1,64 t/ha.

SOJABONE

Suid-Afrika se sojaboonproduksie het gedurende die 2017/2018-produksieseisoen weer 'n nuwe rekordvlak bereik – beide in terme van die oppervlakte aangeplant en produksie vir die seisoen. Die totale oppervlakte van 787 200 hektaar, wat gedurende die 2017/2018-seisoen aangeplant is, is ongeveer 37% meer as die vorige seisoen se oppervlakte aangeplant. Die totale produksie van 1,551 miljoen ton is 'n nuwe rekord. Dit het die vorige seisoen se rekord met 18% getroef. Die gemiddelde opbrengs vir die seisoen is volgens die NOK se finale produksieskatting 1,97 t/ha. Alhoewel dit laer as verlede seisoen se opbrengs is, is dit steeds, naas verlede seisoen se rekordopbrengs van 2,29 t/ha en die 2008/2009-seisoen se 2,17 t/ha, die derde hoogste gemiddelde opbrengs wat nóg in Suid-Afrika verkry is. **Grafiek 7** toon die totale oppervlakte aangeplant, produksie en gemiddelde opbrengs van sojabone sedert die 1990/1991-seisoen.

DROËBONE

Die droëboonaanplantings vir die 2017/2018-seisoen was 53 360 hektaar, wat 'n toename van 18% in die oppervlakte aangeplant, gemeet teen dié van die 2016/2017-seisoen, verteenwoordig. Die produksie vir die seisoen was volgens die NOK se finale skatting van somergrane 69 360 ton. Dit het met ongeveer 1,2% vanaf die vorige seisoen se



was also considerably lower than the previous season's average yield of 1,52 t/ha. The yield for the season was higher than the long-term average of 1,2 tons/ha, however. **Graph 8** (on page 84) shows the area planted, production and the average yield for dry beans in South Africa from the 1990/1991 up to the 2017/2018 season.

WHEAT

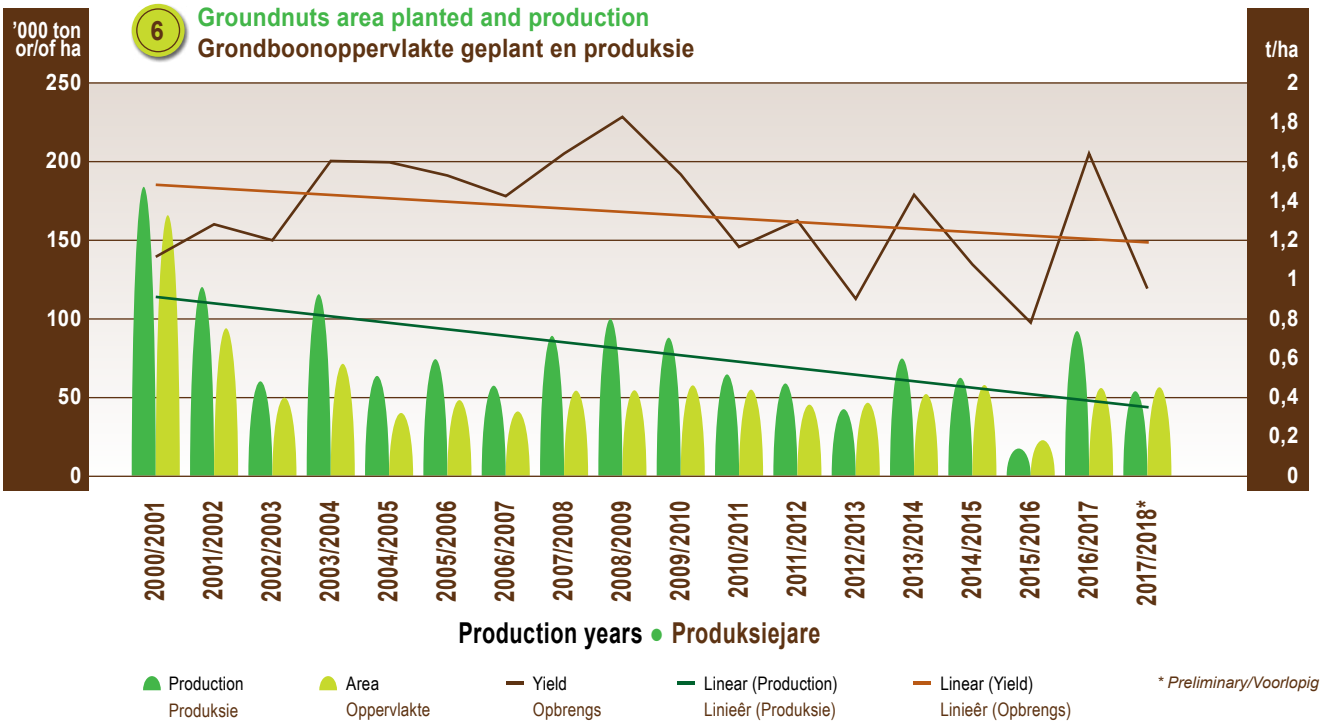
The 2017/2018 season was an extremely challenging one for wheat production, with the environmental conditions in the Western Cape in particular being extremely unfavourable. The biggest part of the production season was dominated by drought conditions. This led to a considerable decrease in the local wheat production.

68 525 ton toegeneem. Die gemiddelde opbrengs vir die seisoen was ongeveer 1,3 t/ha, wat heelwat laer as die vorige seisoen se gemiddelde opbrengs van 1,52 t/ha is. Die opbrengs vir die seisoen was wel hoër as die langtermyngemiddeld van 1,2 t/ha. **Grafiek 8** (op bladsy 84) toon die oppervlakte aangeplant, die produksie asook die gemiddelde opbrengste vanaf 1990/1991 tot en met die 2017/2018-seisoen vir droëbone in Suid-Afrika.

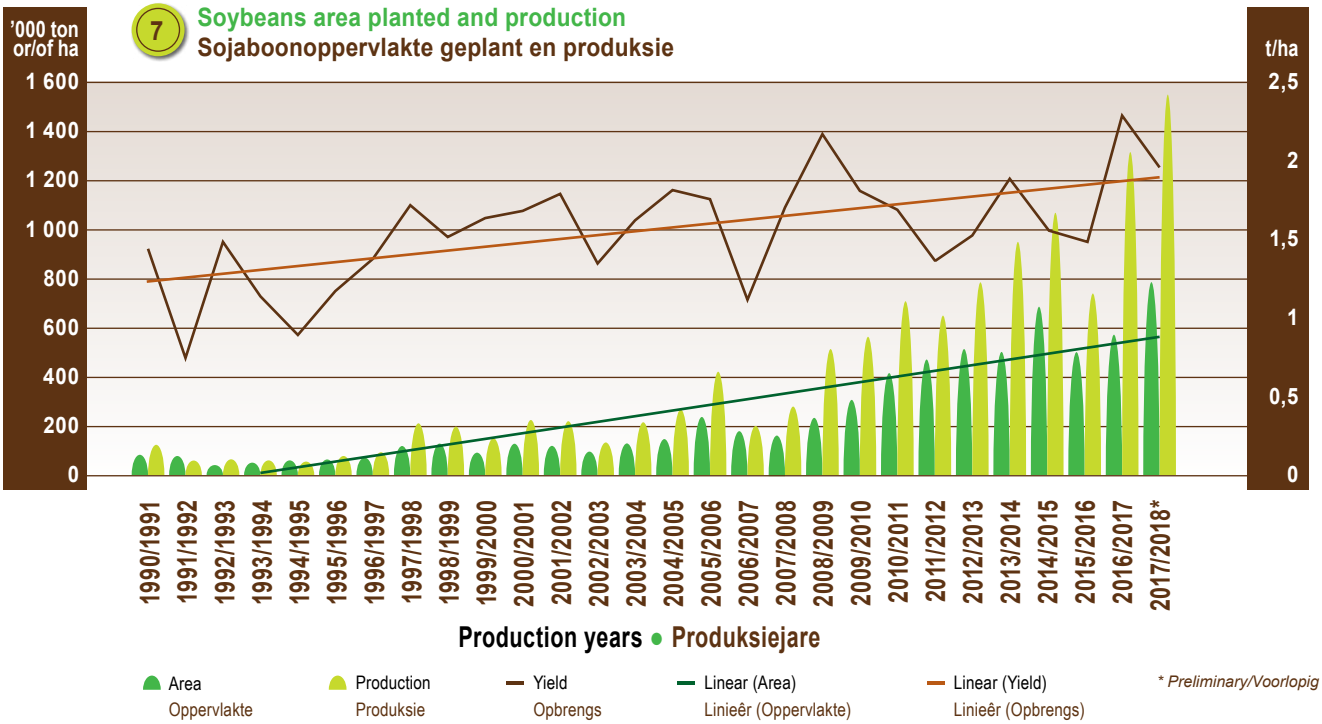
KORING

Die 2017/2018-seisoen was 'n uiters uitdagende seisoen vir koring-produksie – met die omgewingstoestande wat veral in die Wes-Kaap uiters ongunstig was. Die grootste gedeelte van die produksieseisoen

6 Groundnuts area planted and production
Grondboonoppervlakte geplant en produksie



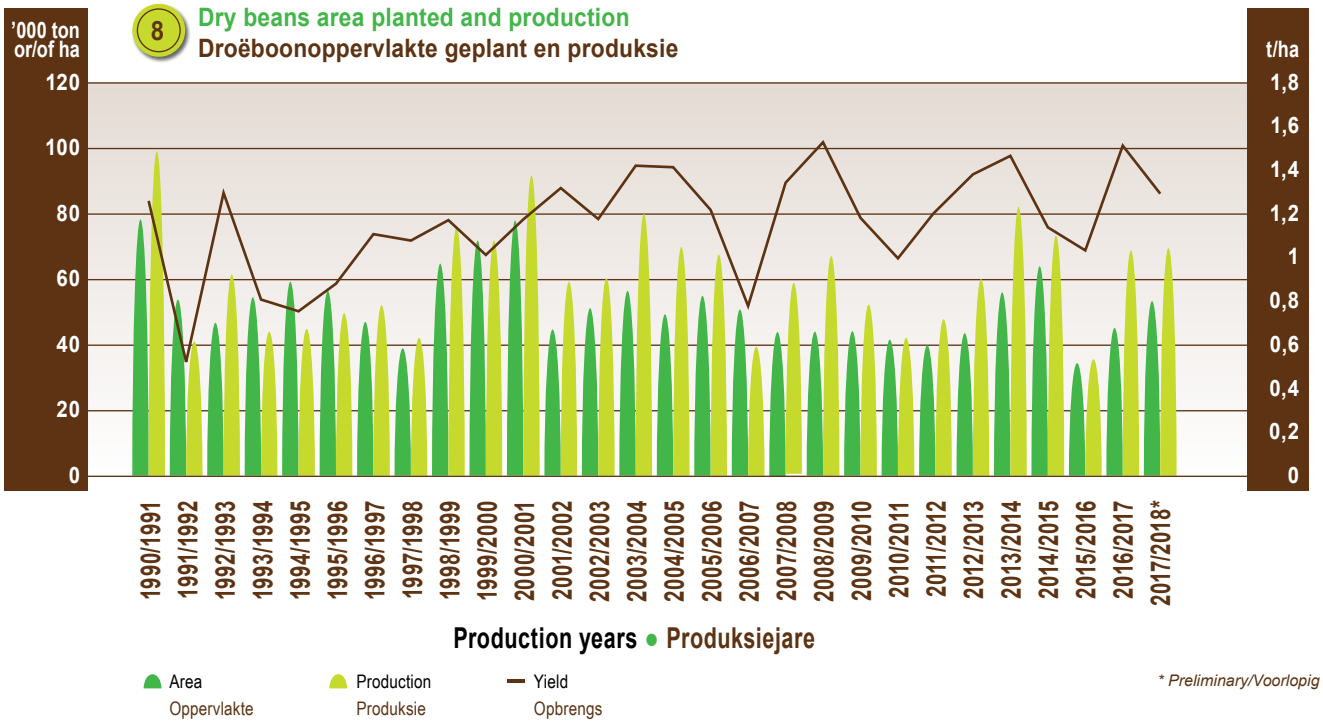
7 Soybeans area planted and production
Sojaboonoppervlakte geplant en produksie



The total area of 491 600 ha planted during the 2017/2018 season was approximately 3% lower than the previous season's plantings of 508 365 ha. According to the CEC's final estimate for winter grains, the total production for the 2017/2018 season amounted to 1 535 000 tons. This was approximately 20% lower than the previous season's production. The lower production can be largely attributed to the dry conditions prevailing in the Western Cape. This province's total production for the season was reported to be 586 800 tons. This represents a drop of 47% from the previous season's wheat production in the Western Cape. The average yield of 2017/2018 season was reported as 3,12 t/ha, which was lower than the previous season's average yield of 3,76 t/ha. The Western Cape's average yield for the season was 1,8 t/ha, compared to the

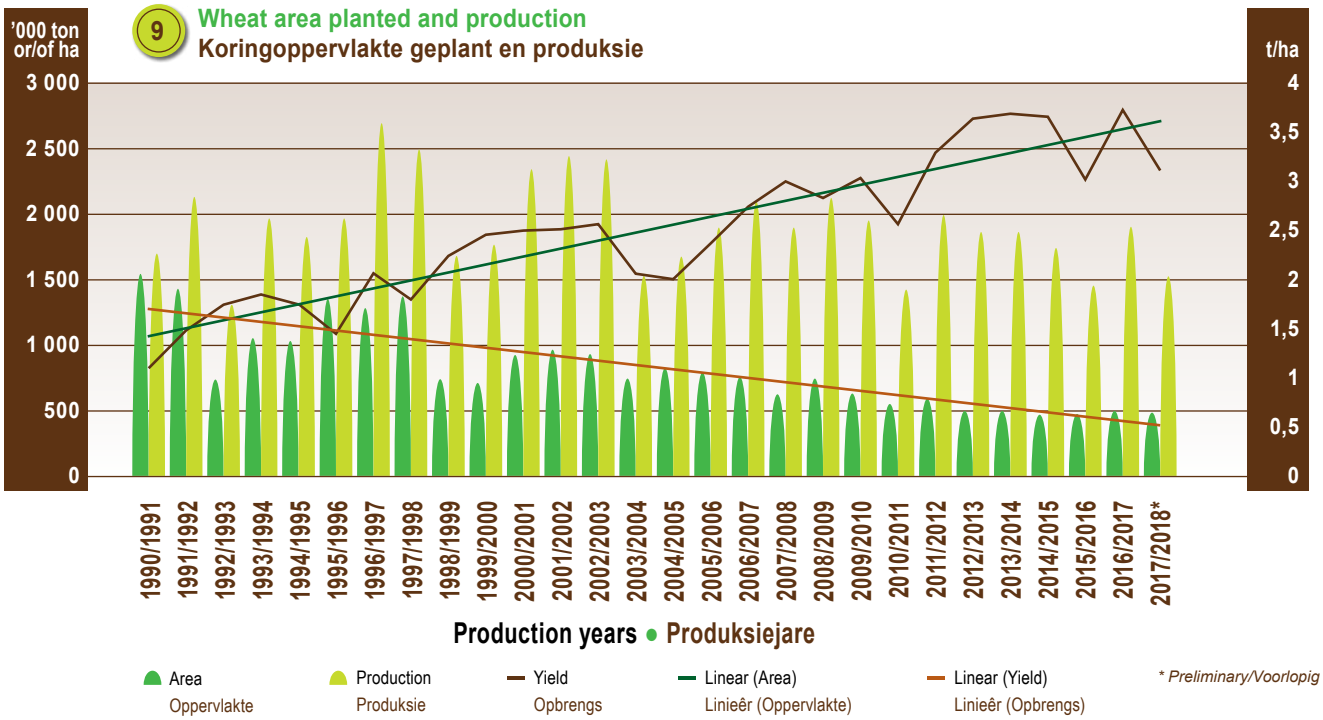
is oorheers deur droogtetoestande. Dit het gelei tot 'n aansienlike daling in die plaaslike koringproduksie. Die totale oppervlakte van 491 600 ha, wat gedurende die 2017/2018-seisoen aangeplant is, is ongeveer 3% laer as die vorige seisoen se aanplantings van 508 365 ha. Die totale produksie vir die 2017/2018-seisoen kom volgens die NOK se finale skatting vir wintergrane op 1 535 000 ton te staan. Dit is ongeveer 20% laer as die vorige seisoen se produksie. Die laer produksie kon grootliks toegeskryf word aan die droë toestande wat in die Wes-Kaap geheers het. Hierdie provinsie se totale produksie vir die seisoen is op 586 800 ton gerapporteer. Dit verteenwoordig 'n daling van 47% vanaf die vorige seisoen se koringproduksie in die Wes-Kaap. Die gemiddelde opbrengs vir die 2017/2018-seisoen is as 3,12 t/ha gerapporteer, wat laer is as die vorige seisoen se gemiddelde opbrengs van 3,76 t/ha. Die Wes-Kaap

8 **Dry beans area planted and production**
Droëboonoppervlakte geplant en produksie



* Preliminary/Voorlopig

9 **Wheat area planted and production**
Koringoppervlakte geplant en produksie



* Preliminary/Voorlopig

previous season's 3,4 t/ha. **Graph 9** shows the total area planted, production and the average yield of wheat since the 1990/1991 season.

MALT BARLEY

In the 2017/2018 season the area planted with malt barley was reported as 91 380 ha – which represented an increase of approximately 3% from the area that was planted in the 2016/2017 season. According to the CEC's final estimate for winter grains, the production for the 2017/2018 season was 307 000 tons, which was 13% lower than the previous season's production. In spite of the increase in the area planted, the lower production was once again a result of the unfavourable production conditions in the Western Cape during the production season. The average yield for the 2017/2018 season was reported as 3,36 t/ha, which was lower than the previous season's average yield of 3,99 t/ha. The long-term average yield of barley was approximately 3,3 t/ha. **Graph 10** shows the total area planted, production and the average yield of malt barley in South Africa since the 2000/2001 season.

CANOLA

Graph 11 (on page 86) shows the area planted, production and average yield of canola from the 1998/1999 production season up to the 2017/2018 production season. The total area planted from the 2016/2017 season up to the 2017/2018 season increased by about 23% and was reported to be 84 000 hectares. During this period the total production dropped by about 11%, and according to the CEC's second production estimate for the 2017/2018 season was estimated at 93 500 tons, measured against the 105 000 tons for the previous

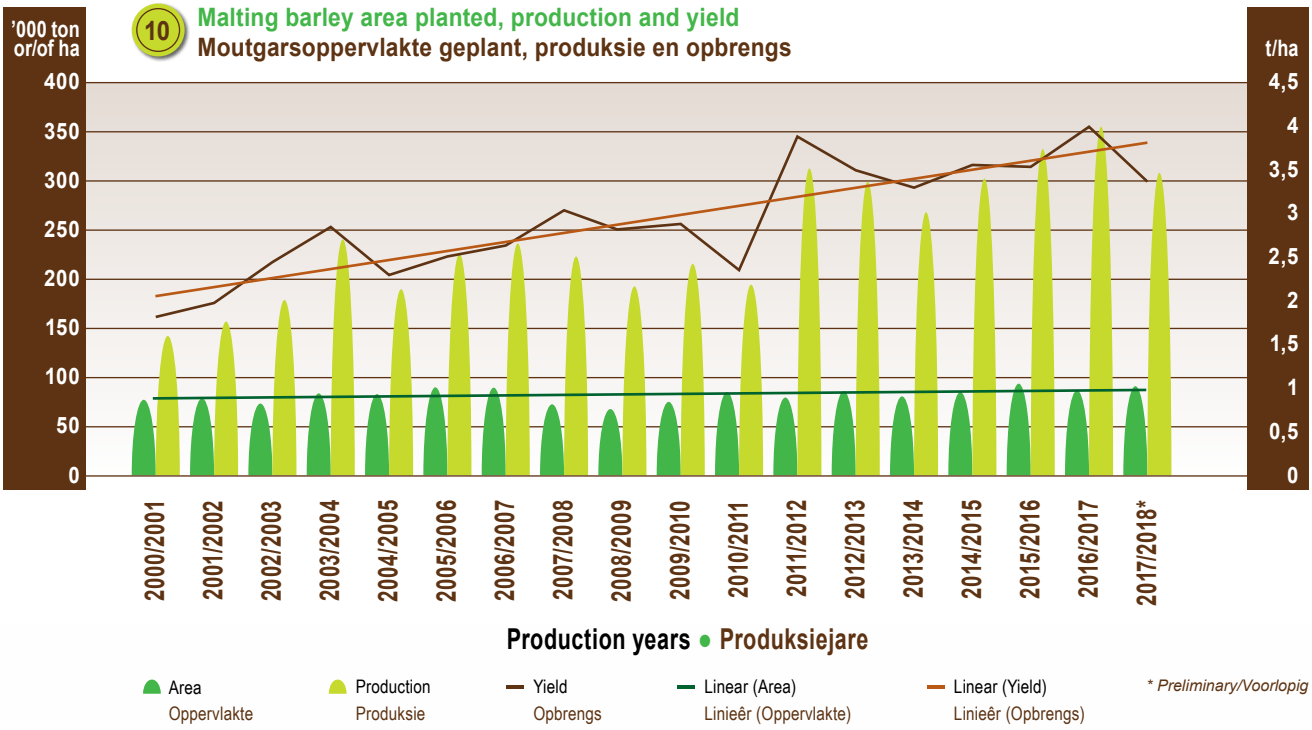
se gemiddelde opbrengs vir die seisoen was 1,8 t/ha teenoor die vorige seisoen se 3,4 t/ha. **Grafiek 9** toon die koringoppervlakte aangeplant, produksie en gemiddelde opbrengs sedert die 1990/1991-seisoen.

MOUTGARS

In die 2017/2018-seisoen is die oppervlakte wat met moutgars beplant is as 91 380 ha gerapporteer – wat 'n toename van ongeveer 3% vanaf die oppervlakte wat gedurende die 2016/2017-seisoen aangeplant is, verteenwoordig. Die produksie vir die 2017/2018-seisoen was, volgens die NOK se finale skatting vir wintergrane, 307 000 ton – wat 13% laer is as die vorige seisoen se produksie. Die laer produksie was, ten spyte van die toename in die oppervlakte wat aangeplant is, ook weer eens 'n resultaat van die ongunstige produksietoestande wat gedurende die produksieseisoen in die Wes-Kaap geheers het. Die gemiddelde opbrengs vir die 2017/2018-seisoen is op 3,36 t/ha gerapporteer – wat laer is as die vorige seisoen se 3,99 t/ha. Die langtermyngemiddelde opbrengs van gars is ongeveer 3,3 t/ha. **Grafiek 10** toon die oppervlakte aangeplant, produksie en gemiddelde opbrengs van moutgars sedert die 2000/2001-seisoen.

KANOLA

Grafiek 11 (op bladsy 86) toon die oppervlakte aangeplant, produksie en gemiddelde opbrengs van kanola vanaf 1998/1999-produksieseisoen tot en met die 2017/2018-produksieseisoen. Die totale oppervlakte aangeplant het met ongeveer 23% vanaf die 2016/2017-seisoen tot en met die 2017/2018-seisoen toegeneem en is as 84 000 ha gerapporteer. Die totale produksie het gedurende hierdie tydperk met ongeveer 11% gedaal en is volgens die NOK se finale produksieskatting vir die 2017/2018-seisoen op 93 500 ton geskat, gemeet teen die vorige



season. The average yield for the 2017/2018 season was estimated at 1,11 t/ha, compared to 1,54 t/ha for the previous season, and the ten-year average yield of 1,34 t/ha. The weather conditions in the Western Cape, where all the canola is produced, were unfavourable during the biggest part of the production season due to the drought conditions. This placed the production for the season under pressure, which can be seen clearly from the average yield obtained in the season.

National Crop Estimates Committee

The CEC has constantly proven itself to be credible over the years by making credible and accurate estimates. The CEC estimates the production per province for the different crops, but also announces the yield of maize per magisterial district for the three main maize-producing provinces of South Africa, namely the Free State, Mpumalanga and North West. The committee estimates the average yields only on a provincial basis and those that are released on the basis of magisterial district are obtained from a sample done by the Department of Agriculture, Forestry and Fisheries. **Table 1**, **Table 2** and **Table 3** show the average yield per magisterial district for the Free State, Mpumalanga and North West respectively. The yields are compared to those for the previous season.

From Table 1 it is clear that the yields obtained in the Free State during the 2017/2018 season were lower than those for the previous season in most parts of the province. The previous season was an absolute record production season, with exceptional average yields reported for the season. However, there are some parts of the Free State, like Wesselsbron, Hoopstad, Frankfort and Odendaalsrus, where the average yield during the 2017/2018 season was in fact higher than for the 2016/2017 season. The average maize yield for the Free State was estimated at 5,21 t/ha.

In Mpumalanga (Table 2) the average yield for most of the areas was also lower in the 2017/2018 season than in the 2016/2017 season. The regions in Mpumalanga where the average yield for the season was higher than that for the previous season were Lydenburg, Belfast, Middelburg and Hoëveldrif. The average yield for Mpumalanga during the 2017/2018 season was 6 t/ha.

seisoen se 105 000 ton. Die gemiddelde opbrengs vir die 2017/2018-seisoen was 1,11 t/ha gemeet teen die vorige seisoen se 1,54 t/ha en die tien jaar gemiddelde opbrengs van 1,34 t/ha. Die weersomstandighede in die Wes-Kaap, waar al die kanola geproduseer word, was vir die grootste gedeelte van die produksieseisoen ongunstig as gevolg van droë toestande wat daar voorgekom het. Dit het die produksie vir die seisoen onder druk geplaas, wat duidelik in die laer gemiddelde opbrengs wat in die seisoen verkry is, gesien kan word.

Nasionale Oesskattingskomitee

Die NOK het hulself deur die jare as geloofwaardig bewys deur deurlopend geloofwaardige en akkurate skattings te maak. Die NOK skat die produksie per provinsie vir die verskillende gewasse, maar maak ook die opbrengste van mielies per landdrosdistrik bekend vir drie hoofmielieproduserende provinsies in die land, naamlik die Vrystaat, Mpumalanga en die Noordwes Provinsie. Die komitee skat die gemiddelde opbrengste net op 'n provinsiale basis en dié wat bekend gemaak word op 'n landdrosdistrikbasis word vanaf 'n steekproef, wat deur die Departement Landbou, Bosbou en Visserye gedoen word, verkry. **Tabel 1**, **Tabel 2** en **Tabel 3** toon die gemiddelde opbrengs per landdrosdistrik vir die Vrystaat, Mpumalanga en Noordwes onderskeidelik. Die opbrengste word vergelyk met die vorige seisoen se opbrengste.

Uit Tabel 1 is dit duidelik dat die opbrengste wat gedurende die 2017/2018-seisoen in die Vrystaat verkry is, in meeste gedeeltes van die provinsie laer as die vorige seisoen se opbrengste was. Die vorige seisoen was 'n absolute rekordproduksiejaar, met uitsonderlike gemiddelde opbrengste wat vir die seisoen gerapporteer is. Daar is egter sommige gedeeltes in die Vrystaat, soos Wesselsbron, Hoopstad, Frankfort en Odendaalsrus, waar die gemiddelde opbrengs gedurende die 2017/2018-seisoen wel hoër as dié vir die 2016/2017-seisoen was. Die gemiddelde mielie-opbrengs vir die Vrystaat is op 5,21 t/ha geskat.

In Mpumalanga (Tabel 2) was die gemiddelde opbrengs ook vir meeste van die areas gedurende die 2017/2018-seisoen laer as gedurende die 2016/2017-seisoen. Die streke in Mpumalanga waar die gemiddelde opbrengs vir die seisoen wel hoër was as dié van die vorige seisoen is Lydenburg, Belfast, Middelburg en Hoëveldrif. Die gemiddelde opbrengs vir Mpumalanga gedurende die 2017/2018-seisoen is 6 t/ha.

11 Canola area planted, production and yield
Kanola-oppervlakte geplant, produksie en opbrengs

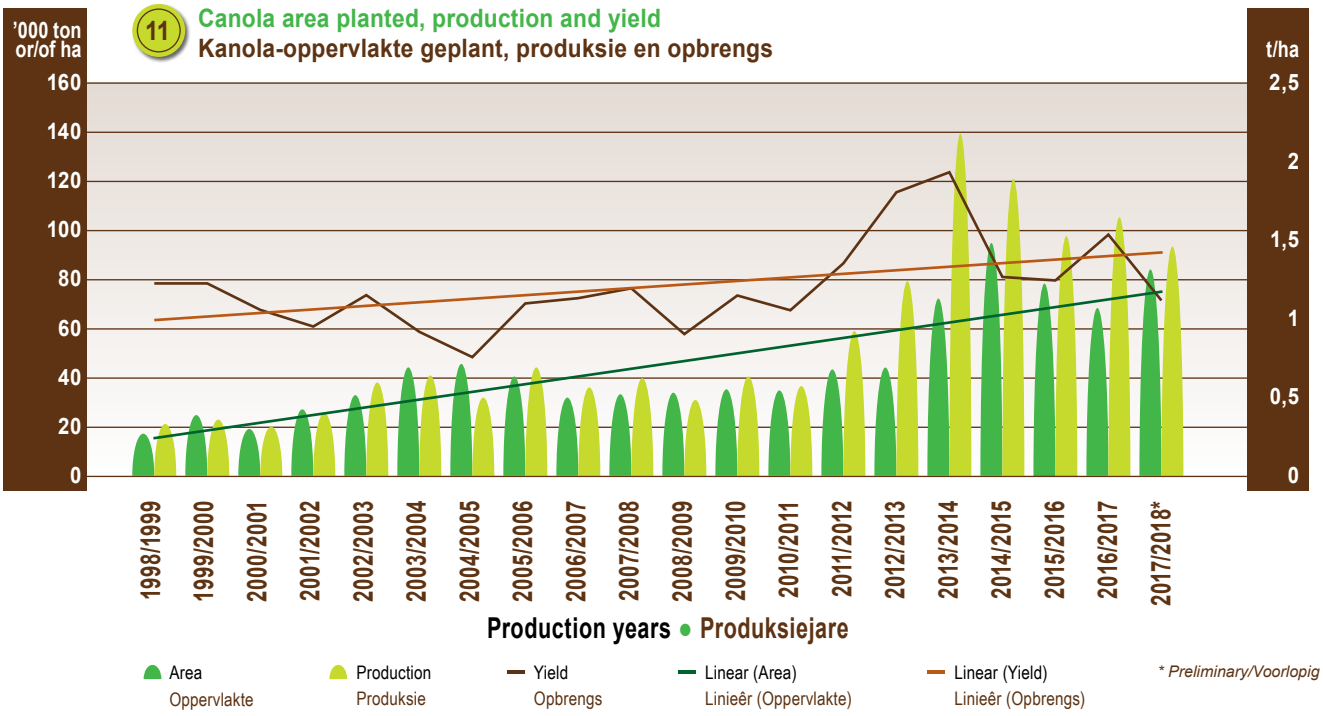


Table 3 shows the average yield per region for North West. Here the same trend as in most of the other provinces could be observed – with the average yield during the 2017/2018 season being largely lower than during the 2016/2017 season. The two districts in North West where the average yield for the 2017/2018 season was higher than during the 2016/2017 season were Potchefstroom and Vryburg. The average yield for the 2017/2018 season for North West was 5,54 t/ha.

If you do not already participate in the crop estimate, Grain SA encourages you to complete the questionnaires that are sent to you. If you do not receive the questionnaire, contact Rona Beukes, member of the CEC, at 012 319 8032 or send her an email at *RonaB@daff.gov.za*.

Tabel 3 toon die gemiddelde opbrengs per streek vir die Noordwes Provinsie. Hier het dieselfde tendens, wat in meeste van die ander provinsies waargeneem is, voorgekom – met die gemiddelde opbrengs wat gedurende die 2017/2018-seisoen meestal laer was as gedurende die 2016/2017-seisoen. Die twee distrikte in die Noordwes Provinsie waar die gemiddelde opbrengs vir die 2017/2018-seisoen hoër was as gedurende die 2016/2017-seisoen is die Potchefstroom- en Vryburg-distrikte. Die gemiddelde opbrengs vir die 2017/2018-seisoen vir die Noordwes is 5,54 t/ha.

Graan SA wil u aanmoedig om, indien u nie alreeds aan die oes-skatting deelneem nie, asseblief die vraelyste wat aan u gestuur word, te voltooi. Indien u nie die vraelys ontvang nie, kontak Rona Beukes, lid van die NOK, gerus by 012 319 8032 of stuur vir haar 'n e-pos na *RonaB@daff.gov.za*.

1 **Free state – final maize yields per magisterial district as obtained from producers**
Vrystaat – finale mielie-opbrengste per landdrosdistrik soos verkry vanaf produsente

Magisterial district Landdrosdistrik	2016/2017 (t/ha)	2017/2018 (t/ha)
Bethlehem	6,74	5,96
Boshof	6,24	5,75
Bothaville	5,64	5,28
Bultfontein	5,60	3,16
Clocolan	6,18	4,73
Excelsior	4,38	3,27
Fouriesburg	6,99	6,21
Fauresmith	-	14,39
Frankfort	5,38	6,18
Harrismith	7,39	6,26
Heilbron	4,01	3,33
Hennenman	6,08	5,76
Hoopstad	6,15	6,47
Jacobsdal	12,86	-
Koppies	5,05	5,04
Kroonstad	7,39	4,64
Ladybrand	5,17	3,48
Lindley	5,51	4,40
Marquard	5,00	3,45
Odendaalsrus	4,70	5,12
Parys	4,33	3,09
Reitz	6,05	5,27
Sasolburg	5,83	4,26
Senekal	3,33	3,00
Theunissen	7,33	5,75
Viljoenskroon	6,99	5,84
Vrede	5,10	3,69
Vredefort	5,51	4,48
Wesselsbron	6,48	6,52
Winburg	3,51	3,50
Average (CEC)/Gemiddeld (NOK)	6,32	5,21

2 **Mpumalanga – final maize yields per magisterial district as obtained from producers**
Mpumalanga – finale mielie-opbrengste per landdrosdistrik soos verkry vanaf produsente

Magisterial district Landdrosdistrik	2016/2017 (t/ha)	2017/2018 (t/ha)
Belfast	7,03	7,07
Bethal	8,85	7,30
Carolina	5,62	5,40
Delmas	7,92	7,11
Ermelo	6,19	5,62
Highveld Ridge/Hoëveldrif	7,31	7,44
Lydenburg	7,41	7,90
Middelburg	5,79	6,27
Piet Retief	7,96	7,91
Standerton	7,40	5,66
Witbank	6,93	6,85
Average (CEC)/Gemiddeld (NOK)	7,00	6,00

3 **North West – final maize yields per magisterial district as obtained from producers**
Noordwes – finale mielie-opbrengste per landdrosdistrik soos verkry vanaf produsente

Magisterial district Landdrosdistrik	2016/2017 (t/ha)	2017/2018 (t/ha)
Bloemhof	12,55	6,47
Coligny	5,24	4,38
Delareyville	4,72	4,26
Klerksdorp	4,28	3,31
Koster	5,25	4,95
Lichtenburg	5,15	4,49
Potchefstroom	4,34	5,33
Schweizer-Reneke	5,17	5,06
Ventersdorp	5,08	4,12
Vryburg	5,11	6,23
Wolmaransstad	5,63	5,48
Average (CEC)/Gemiddeld (NOK)	4,98	4,54

SUSTAINABLE CROP PRODUCTION UNDER PRESSURE

VOLHOUBARE GEWASPRODUKSIE ONDER DRUK

Insufficient soil moisture for planting summer grains in the optimum planting window hampered the production of summer grains. In the Western Cape the extreme drought conditions took their toll with respect to the production of winter grains. In addition, the volatility of the rand and the increases in the price of Brent crude oil forced producers to consider their options carefully.

In spite of all these realities, the average yields of most summer grains were reasonably good, but winter grains collapsed under the most severe drought yet and poorer production figures than for the previous season were recorded.

This report focuses in particular on input costs, actual production costs and the income of producers in order to establish the sustainable production of the crops.

Onvoldoende grondvog vir die aanplant van somergrane in die optimale plantvenster daarvoor, het die produksie van somergrane gekortwiek. In die Wes-Kaap het die uiterste droogtetoestande, wat die produksie van wintergrane betref, sy tol geëis. Daarby het die volatiliteit van die rand en die Brent-ruolieprysstygings produsente hul opsies versigtig laat oorweeg.

Ten spyte van al hierdie realiteite was die gemiddelde opbrengste van die meeste somergrane redelik goed; wintergrane het egter onder die ergste droogte nóg meegegee en swakker produksiesyfers as die vorige seisoen is opgeteken.

In hierdie verslag word veral gefokus op insetkoste, werklike produksiekoste en inkomste van produsente ten einde die volhoubare produksie van die gewasse te bepaal.

INPUT OVERVIEW

Input environment

INTRODUCTION

Most of South Africa's inputs are imported, therefore, international input prices, crude oil prices and the value of the rand has a direct impact on the price discovery of local input prices. Throughout the reporting period, the value of the rand was extremely volatile, varying between a monthly average strongest level of R11,81/$ in February and the weakest level of R14,76/$ in September 2018. From September 2017 to September 2018 the value of the rand has depreciated by 12,2%. Together with price changes in international markets, this volatility made decision-making with respect to effective purchases a challenge. The Brent crude oil price increased significantly over the reporting period, from an average of $57,68 per barrel in October 2017 to $79,13 per barrel in September 2018 (37%). The volatility in the exchange rate and the Brent crude oil price can be seen in **Graph 1**.

Corné Louw
SENIOR ECONOMIST: INPUTS
SENIOR EKONOOM: INSETTE

Petru Fourie
RESEARCH CO-ORDINATOR AND PRODUCTION COST ANALYST
NAVORSINGSKOÖRDINEERDER EN PRODUKSIEKOSTE-ANALIS

DISPUTE RESOLUTION

Grain SA assisted various members during the reporting period – particularly with respect to dispute resolution. Disputes with regards to seed quality, agrochemicals, VAT, the diesel rebate and fertiliser were dealt with in collaboration with Grain SA members.

The seed industry

Seed is an important production input and depending on the plant density, constitutes between 10% and 17% of a maize producer's variable production costs. In order to increase transparency and competitiveness in this industry, seed prices are monitored annually by Grain SA. Ongoing discussions with seed companies and the South African National Seed Organisation (SANSOR) are also held to communicate the needs and concerns of Grain SA members. The

INSETOORSIG

Insetomgewing

INLEIDING

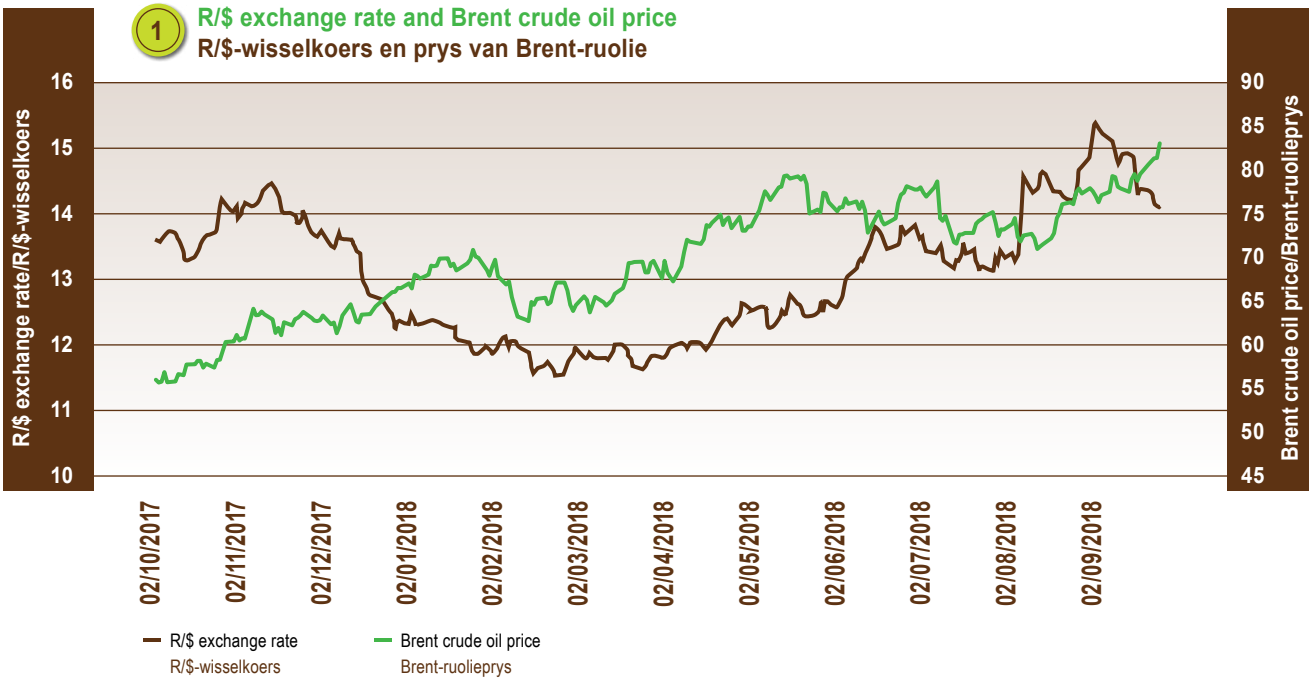
Die meeste van Suid-Afrika se insette word ingevoer, dus het internasionale insetpryse, ruoliepryse en die waarde van die rand 'n direkte impak op die prysbepaling van plaaslike insetpryse. Regdeur die verslagtydperk was die waarde van die rand uiters onbestendig en het dit tussen 'n maandelikse gemiddelde sterkste vlak van R11,81/$ in Februarie en swakste vlak van R14,76/$ in September 2018 gewissel. Vanaf September 2017 tot September 2018 het die waarde van die rand met 12,2% verswak. Saam met die prysveranderinge op internasionale markte het hierdie onbestendigheid besluitneming ten opsigte van doeltreffende aankope 'n uitdaging gemaak. Oor die verslagtydperk het Brent-ruolie se prys beduidend gestyg vanaf 'n gemiddeld van $57,68 per vat in Oktober 2017 tot $79,13 per vat in September 2018 (37%). Die onbestendigheid van die wisselkoers en die prys van Brent-ruolie kan in **Grafiek 1** gesien word.

DISPUUTOPLOSSING

Graan SA het gedurende die verslagdoeningstydperk verskeie lede bygestaan – veral ten opsigte van geskilbeslegting. Geskille oor saadgehalte, landbouchemikalieë, BTW, die dieselkorting en kunsmis is in samewerking met Graan SA-lede hanteer.

Die saadbedryf

Saad is 'n belangrike produksie-inset, en afhangende van die plantdigtheid, beslaan dit tussen 10% en 17% van 'n mielieprodusent se veranderlike produksiekoste. Saadpryse word jaarliks deur Graan SA gemoniteer om deursigtigheid en mededingendheid in hierdie bedryf te verhoog. Deurlopende gesprekke met saadmaatskappye en die Suid-Afrikaanse Nasionale Saadorganisasie (SANSOR) word ook gevoer om die behoeftes en bekommernisse van Graan SA



consistent increase in seed prices has always been a major concern to grain producers and some seed companies might start experiencing resistance to high prices.

Seed prices of companies such as Seed Co, Agri-Seed, Delta Seed and United Seed were included in the 2018/2019 production season for the first time.

SEED PRICES

Seven new wheat cultivars and two new barley cultivars were released in 2018. 33 wheat cultivars are commercially available in the northern production regions (including irrigation cultivars), whilst there are nine different cultivars in the Western Cape. Eleven barley cultivars are available for producers to plant in the Western Cape.

Wheat seed prices increased 3,7% on average on an annual basis. Some prices increased by 14%, while others decreased by as much as 6,7%. It is interesting to note that wheat seed prices in the northern production areas on average cost R344 per 25 kg bag, while seed prices in the Western Cape are R379 for a 50 kg bag. The prices of barley seed decreased by 0,5%. Canola seed prices were on average 5% higher than last year. There were canola cultivars that moved sideways, while others increased by up to 25%.

Maize seed prices for the 2018/2019 production season increased by 1,8% on average. Sunflower seed prices increased by 4,7% on average, grain sorghum seed prices by 7,5% and soybean seed prices by 0,5%. A good barometer for assessing price increases is the producer price index (PPI). Up until May 2018, when seed prices were published, the PPI was 4,4%. In other words, seen on an average basis – seed prices of especially sunflower and grain sorghum – increased more sharply than the production cost inflation of South Africa.

Maize seed prices can be analysed further by comparing them with maize prices. Since the 2001/2002 production season the maize price index (**Graph 2** on page 90) weakened significantly compared to the maize seed price index. With an estimated average producer price[1] of R1 984/ton for the coming season (2018/2019), the maize price index increased minimally more than maize seed prices.

se lede oor te dra. Die deurlopende verhoging in saadpryse was nog altyd 'n groot bekommernis vir graanprodusente, en sommige saadmaatskappye kan begin om weerstand teen hoë pryse te ervaar.

Die saadpryse van maatskappye soos Seed Co, Agri-Seed, Delta Seed en United Seed is in die 2018/2019-produksieseisoen vir die eerste keer ingesluit.

SAADPRYSE

Sewe nuwe koringkultivars en twee nuwe garskultivars is in 2018 vrygestel. 33 kultivars (insluitend besproeiingskultivars) is in die noordelike produksiestreke kommersieel beskikbaar, terwyl nege verskillende kultivars in die Wes-Kaap beskikbaar is. Elf garskultivars is beskikbaar vir produsente in die Wes-Kaap om te plant.

Koringsaadpryse het gemiddeld op 'n jaargrondslag met 3,7% gestyg. Sommige pryse het met 14% gestyg, terwyl ander met soveel soos 6,7% gedaal het. Dit is interessant om daarop te let dat koringsaad in die noordelike produksiegebiede gemiddeld R344 per 25 kg-sak kos, terwyl saad in die Wes-Kaap R379 per 50 kg-sak kos. Die prys van garssaad het met 0,5% gedaal. Kanolasaadpryse was gemiddeld 5% hoër as verlede jaar. Daar was pryse van kanolakultivars wat sywaarts beweeg het, terwyl ander met tot 25% gestyg het.

Mieliesaadpryse vir die 2018/2019-produksieseisoen het gemiddeld met 1,8% gestyg. Sonneblomsaadpryse het gemiddeld met 4,7% gestyg, graansorghumsaadpryse met 7,5%, en sojaboonsaadpryse met 0,5%.'n Goeie barometer vir die evaluering van prysverhogings is die produsenteprysindeks (PPI). Tot met Mei 2018, toe saadpryse gepubliseer is, was die PPI 4,4%. Met ander woorde, op 'n gemiddelde grondslag het die saadpryse van veral sonneblom en graansorghum skerper as die produksiekoste-inflasie van Suid-Afrika gestyg.

Mieliesaadpryse kan verder ontleed word deur dit met mielieprys te vergelyk. Sedert die 2001/2002-produksieseisoen het die mielie-prysindeks (**Grafiek 2** op bladsy 90) vergeleke met die mieliesaad-prysindeks beduidend verswak. Met 'n geraamde gemiddelde produsenteprys[1] van R1 984/ton vir die komende seisoen (2018/2019), het die mielieprysindeks minimaal meer as mieliesaadpryse gestyg.

[1] *Average producer price = Safex, July 2018 price - average differential cost - handling costs*
[1] *Gemiddelde produsenteprys = Safex, Julie 2018-prys - gemiddelde differensiële koste - hanteringskoste*

BREEDING AND TECHNOLOGY LEVY

According to seed companies, roughly 80% of soybean plantings and 70% of wheat plantings are annually planted with seed that was held back. The holding back of seed – which is legal – causes a vicious cycle that limits and to a great extent prevents investment in the soybean and wheat seed industry (in virtually all open-pollinated crops). According to seed companies it takes about twelve years and great expense to bring a new cultivar to the market. Without a proper funding model, this practice of holding back seed prevents new cultivars and the latest technology from coming to South Africa.

On 22 June 2018 the Minister of Agriculture, Forestry and Fisheries approved a statutory levy on soybeans in terms of which seed companies can be compensated for their performance in the soybean seed market. The levy collected will be paid to seed companies on the basis of their market share.

Grain SA regards the approval and implementation of this soybean breeding and technology levy as a major breakthrough. It will mean that producers have access to the newest cultivars and technology to enable them to compete with other countries.

The breeding and technology levy on soybeans has been approved for twice a year, effective from 1 March 2019. The levy is R65/ton for the first year and R80/ton for the second year.

These values were calculated as 1,2% of the average soybean price for the preceding marketing years and will be payable when producers sell their soybeans. For the first year's R65/ton the average price of soybeans for the 2015/2016 marketing year was used – 1,2% of R5 495/ton = R65/ton. For the second year's R80/ton the average price for the 2016/2017 marketing year was used (up to November 2016) – 1,2% of R6 647/ton = R80/ton. Therefore, as the levy continues (after this two-year term), the amount will vary depending on the trend of the soybean price and also the release of new technology.

In September 2018 the breeding an technology levy for wheat and barley was also renewed for a further two years and oats was included. The amounts for the next two marketing seasons will be R30/ton.

TELING- EN TEGNOLOGIEHEFFING

Volgens saadmaatskappye word ongeveer 80% van sojaboonaanplantings en 70% van koringaanplantings jaarliks geplant met saad wat teruggehou is. Hierdie terughouding van saad – wat wettig is – veroorsaak 'n bose kringloop wat belegging in die sojaboon- en koringsaadbedryf (in feitlik alle oop-bestuifde gewasse) beperk en tot 'n groot mate voorkom. Volgens saadmaatskappye neem dit ongeveer twaalf jaar en groot onkoste om 'n nuwe kultivar op die mark te plaas. Sonder 'n behoorlike befondsingsmodel verhinder hierdie praktyk om saad terug te hou dat nuwe kultivars en die jongste tegnologie na Suid-Afrika kom.

Die Minister van Landbou, Bosbou en Visserye het op 22 Junie 2018 'n statutêre heffing op sojabone goedgekeur, waarvolgens saadmaatskappye vergoed kan word vir hul prestasie in die sojaboonsaadmark. Die heffing wat ingevorder word, sal volgens saadmaatskappye se markaandeel aan hulle uitbetaal word.

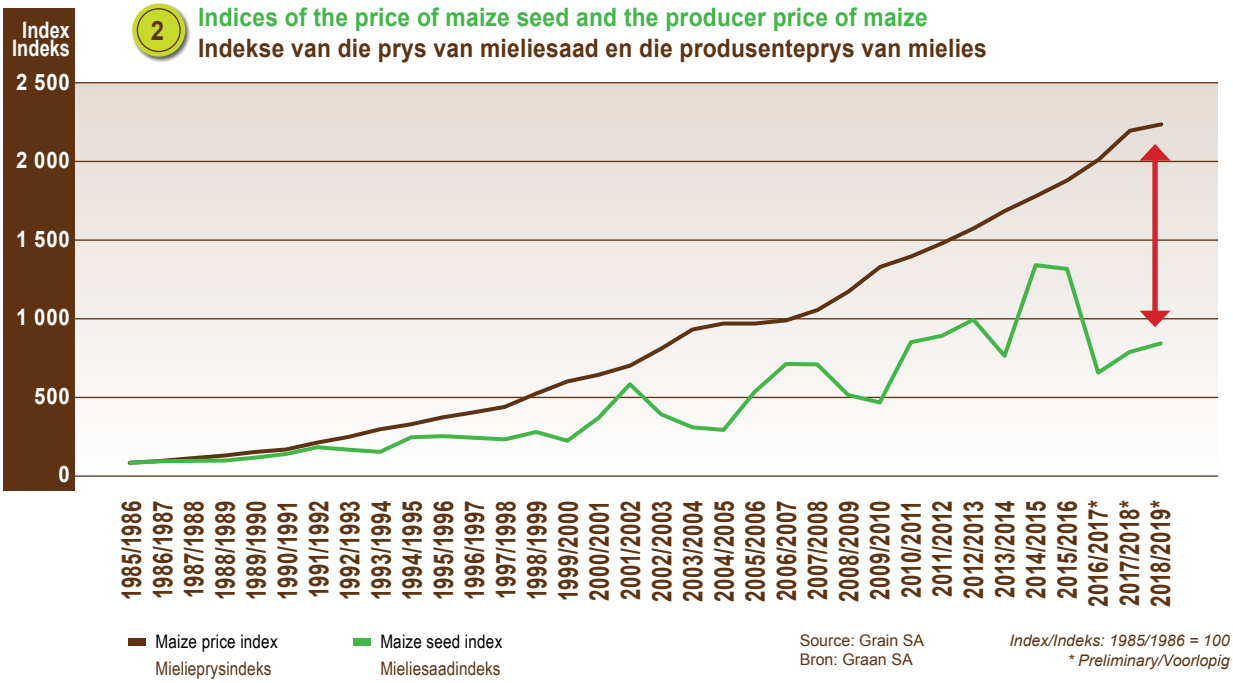
Graan SA sien die goedkeuring en implementering van hierdie sojaboon teling- en tegnologieheffing as 'n groot deurbraak. Dit sal meebring dat ons produsente toegang het tot die nuutste kultivars en tegnologie om sodoende met ander lande te kan meeding.

Die teling- en tegnologieheffing op sojabone is vir twee jaar goedgekeur, met ingang 1 Maart 2019. Die heffing is R65/ton vir die eerste jaar en R80/ton vir die tweede jaar.

Hierdie waardes is bereken as 1,2% van die voorafgaande bemarkingsjare se gemiddelde sojaboonprys en sal betaalbaar wees as produsente hulle sojabone verkoop. Vir die eerste jaar se R65/ton is die gemiddelde prys van die 2015/2016-bemarkingsjaar vir sojabone gebruik – 1,2% van R5 495/ton = R65/ton. Vir die tweede jaar se R80/ton is die gemiddelde prys van die 2016/2017-bemarkingsjaar gebruik (tot en met November 2016) – 1,2% van R6 647/ton = R80/ton. Soos die heffing vorder (na hierdie twee jaar-termyn), sal die bedrag dus varieer – afhangend van die tendens in die sojaboonprys en ook na aanleiding van die vrystelling van nuwe tegnologie.

In September 2018 is die teling- en tegnologieheffing vir koring en gars vir nog twee jaar hernu en is hawer ook hierby ingesluit. Die bedrae vir die volgende twee bemarkingseisoene gaan R30/ton beloop.

2 Indices of the price of maize seed and the producer price of maize
Indekse van die prys van mieliesaad en die produsenteprys van mielies



Source: Grain SA
Bron: Graan SA

Index/Indeks: 1985/1986 = 100
** Preliminary/Voorlopig*

SEED AVAILABILITY

SANSOR assured Grain SA during the annual meeting of the two organisations (2 August 2018) that a sufficient quantity of grain and oilseed seeds will be available for the 2018/2019 production season. They cautioned, however, that seed of certain popular sizes and varieties might be limited.

Liaison with SANSOR on a regular basis is important to ensure that challenges can be met together. At the same time, greater efficiencies in grain and oilseed production can be achieved. Other issues that were addressed with the representative body of the seed industry, include:

- Market trends and production costs for the grain and oilseed industry.
- Maize seed exports to the USA.
- Breeding and technology levy.
- Sclerotinia on sunflower and soybean seed.
- Alternaria on sunflower.
- New cultivars versus new active ingredients.
- Maize cultivar trials.
- SANSOR certification scheme.
- Possible alternative for thiram seed treatment.

BESKIKBAARHEID VAN SAAD

SANSOR het Graan SA tydens die jaarlikse vergadering van die twee organisasies (2 Augustus 2018) verseker dat 'n voldoende hoeveelheid graan- en oliesaad-saad vir die 2018/2019-produksieseisoen beskikbaar sal wees. Hulle het egter gewaarsku dat saad van sekere gewilde groottes en variëteite dalk beperk kan wees.

Dit is belangrik om op 'n gereelde grondslag met SANSOR te skakel om seker te maak dat uitdagings saam hanteer kan word. Terselfdertyd kan groter doeltreffendheid met graan- en oliesaadproduksie bereik word. Ander kwessies wat met die verteenwoordigende liggaam van die saadbedryf bespreek is, sluit in:

- Marktendense en produksiekoste vir die graan- en oliesadebedryf.
- Mieliesaaduitvoere na die VSA.
- Teling- en tegnologieheffing.
- Sclerotinia-teenwoordigheid in sonneblom- en sojaboonsaad.
- Alternaria in sonneblom.
- Nuwe kultivars teenoor nuwe aktiewe bestanddele.
- Mieliekultivar evaluasie proewe.
- SANSOR-sertifiseringskema.
- Moontlike alternatief vir saadbehandeling met tiraam.

The fertiliser industry

More and more fertiliser is imported into South Africa. This is not necessarily because of higher demand in South Africa, but because of a decrease in local fertiliser production. According to Fertasa, imports to South Africa are as follows:

Imports of fertiliser to South Africa:

- The import of fertiliser has grown considerably – from 1,9 million tons in 2016 to 2,2 million tons in 2017. Exports have increased from 0,75 million tons in 2016 to 0,83 million tons in 2017.
- The net imports therefore increased by a total of 26% for 2017, mainly as a result of net imports of 14% more urea and 39% more MAP.
- Total fertiliser consumption in South Africa for 2016/2017 was approximately 2,2 million physical tons of fertiliser, which represented 446 000 tons of nitrogen (N), 110 000 tons of phosphate (P), and 103 000 tons of potassium (K). (These figures came from Fertasa's calculations on the basis of crop plantings).

Die kunsmisbedryf

Al hoe meer kunsmis word na Suid-Afrika ingevoer. Dit is nie noodwendig as gevolg van 'n groter vraag in Suid-Afrika nie, maar as gevolg van 'n afname in die plaaslike produksie van kunsmis. Volgens Fertasa het die invoere na Suid-Afrika soos volg daar uitgesien:

Invoere van kunsmis na Suid-Afrika:

- Die invoer van kunsmis het aansienlik toegeneem – van 1,9 miljoen ton in 2016 na 2,2 miljoen ton in 2017. Uitvoere het toegeneem vanaf 0,75 miljoen ton in 2016 na 0,83 miljoen ton in 2017.
- Die netto invoere het dus vir 2017 met altesaam 26% gestyg – hoofsaaklik as gevolg van netto invoere van 14% meer ureum en 39% meer invoere van MAP.
- Totale kunsmisverbruik in Suid-Afrika vir 2016/2017 is ongeveer 2,2 miljoen fisiese ton kunsmis, wat 446 000 ton stikstof (N) verteenwoordig, 110 000 ton fosfaat (P) en 103 000 ton kalium (K). (Hierdie syfers se oorsprong is Fertasa se berekeninge op grond van gewasaanplantings).

FERTILISER PRICES

From September 2017 to September 2018 international prices of ammonia, urea, DAP and potassium chloride increased significantly. **Table 1** shows the year-on-year price changes of international fertiliser prices in dollar terms.

KUNSMISPRYSE

Vanaf September 2017 tot September 2018 het die internasionale prys van ammoniak, ureum, DAP en kaliumchloried beduidend gestyg. **Tabel 1** toon die jaar-tot-jaar-prysveranderinge van internasionale kunsmispryse in dollar-terme.

1 International fertiliser prices in dollar terms
Internasionale kunsmispryse in dollar-terme

Fertiliser Kunsmis	September 2017 (USD/ton)	September 2018 (USD/ton)	% change % verandering
Ammonia (Middle East)/Ammoniak (Midde-Ooste)	246	351	+42,7
Urea (46) (Eastern Europe)/Ureum (46) (Oos-Europa)	237	273	+15,2
DAP (USA Gulf)/DAP (VSA Golf)	339	438	+29,2
KCL (CIS)	235	260	+10,5
R/$ exchange rate/R/$-wisselkoers	**13,16**	**14,76**	**+12,2**

During the period under review, the exchange rate weakened by 12,2%. The effect of a weaker exchange rate from R13,16/$ in September 2017 to R14,76/$ in September 2018 has caused international prices to increase even more in rand value. **Table 2** indicates international fertiliser prices in rand terms, which shows the effect of the weaker exchange rate on price increases.

Gedurende die oorsigtydperk het die wisselkoers met 12,2% verswak. Die effek van 'n swakker wisselkoers vanaf R13,16/$ in September 2017 tot R14,76/$ in September 2018 het veroorsaak dat internasionale pryse nog verder in rand-waarde styg. **Tabel 2** dui internasionale kunsmispryse in rand-terme aan, wat die uitwerking van die swakker wisselkoers op prysverhogings toon.

2 International fertiliser prices in rand terms
Internasionale kunsmispryse in rand-terme

Fertiliser Kunsmis	September 2017 (R/ton)	September 2018 (R/ton)	% change % verandering
Ammonia (Middle East)/Ammoniak (Midde-Ooste)	3 237	5 156	+59
Urea (46) (Eastern Europe)/Ureum (46) (Oos-Europa)	3 119	4 010	+29
DAP (USA Gulf)/DAP (VSA Golf)	4 461	6 434	+44
KCL (CIS)	3 096	3 819	+23

South Africa imports more than 80% of its fertiliser needs; therefore, local and international prices are expected to follow a similar trend. Local fertiliser price movements are mainly influenced by international fertiliser prices, as well as the value of the rand.

Local fertiliser prices between September 2017 and September 2018 also indicate a significant increase in prices. **Graph 3** below indicates the upward trend in international fertiliser prices over the past year (evident from the vertical blue line).

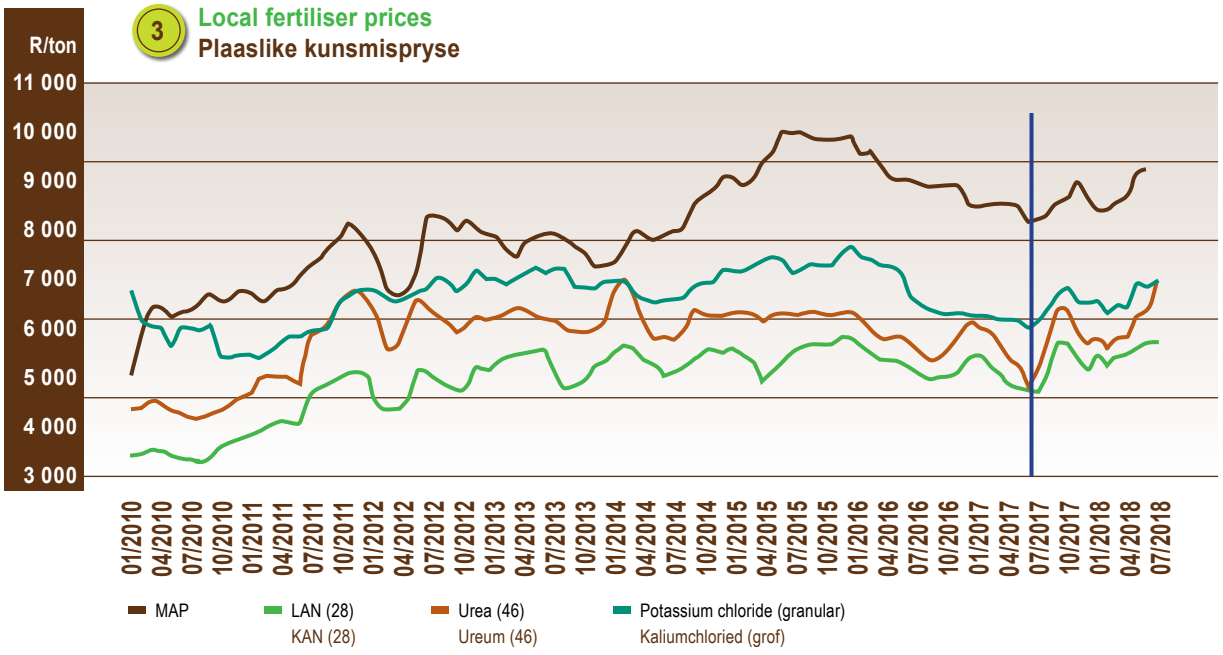
Graph 4 shows the fertiliser price index, compared to the maize price index since the 1985/1986 production season. At an estimated

Suid-Afrika voer meer as 80% van sy kunsmisbehoeftes in, dus word daar verwag dat plaaslike en internasionale pryse 'n ooreenstemmende tendens sal volg. Plaaslike kunsmisprysbewegings word hoofsaaklik deur internasionale kunsmispryse, asook die waarde van die rand beïnvloed.

Plaaslike kunsmispryse tussen September 2017 en September 2018 dui ook op 'n beduidende styging. **Grafiek 3** hiernaas toon die opwaartse tendens in internasionale kunsmispryse oor die afgelope jaar (die vertikale blou lyn).

Grafiek 4 toon die kunsmisprysindeks vergeleke met die mielieprysindeks sedert die 1985/1986-produksieseisoen. Teen 'n

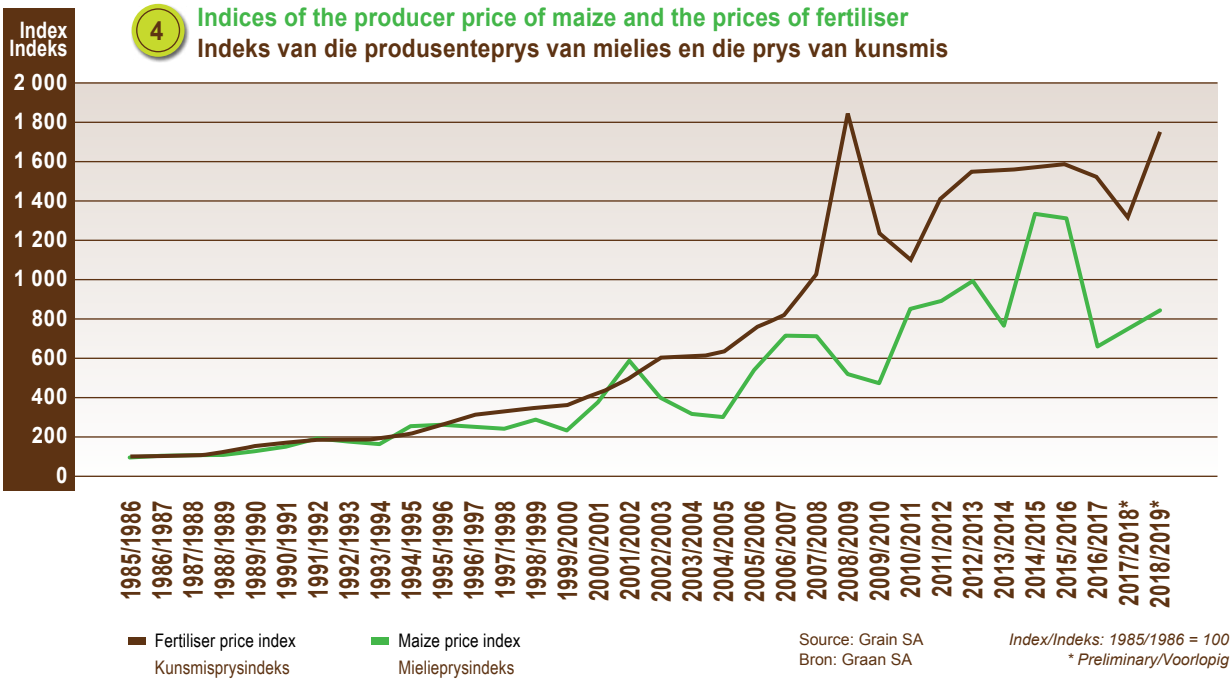
3 Local fertiliser prices
Plaaslike kunsmispryse



3 Local fertiliser prices
Plaaslike kunsmispryse

Fertiliser Kunsmis	September 2017 (R/ton)	September 2018 (R/ton)	% change % verandering
LAN (28)/KAN (28)	4 744	5 742	+21,0
Urea (46)/Ureum (46)	5 228	6 953	+33,0
MAP	8 254	9 398	+13,9
KCL/KCl	6 179	6 979	+12,9

4 Indices of the producer price of maize and the prices of fertiliser
Indeks van die produsenteprys van mielies en die prys van kunsmis



Source: Grain SA
Bron: Graan SA

Index/Indeks: 1985/1986 = 100
** Preliminary/Voorlopig*

average producer price[2] of R1 984/ton for the coming production season (2018/2019), the fertiliser price index is rising more sharply than the maize price index. Therefore, the gap between the two indices has widened further.

ANNUAL MEETING WITH FERTASA

The annual meeting between Grain SA and the Fertiliser Association of Southern Africa (Fertasa) took place on 26 July 2018.

Important matters discussed at the meeting include:

- Market trends in the grain and oilseed industry and production costs for the 2018/2019 production season.
- Fertiliser costs and sustainable grain production against export parity.
- International and local situation in the fertiliser industry.
- The availability of fertiliser and transport logistics.
- Lime industry trends.
- SA's dependence on imports.
- The fertiliser and lime monitoring project.
- Fertiliser Bill.
- Situation at Foskor.

Agrochemical industry

PRICES

Almost 100% of the active ingredients required to manufacture local agricultural chemicals are imported to South Africa. Therefore, the international prices and exchange rate are carefully monitored as these play an important role in domestic price trends.

Table 4 (on page 94) shows the international prices of the active ingredients of five herbicides used in maize. The prices are in both dollar terms and rand terms.

Except for metolachlor, international herbicide price trends show increases year-on-year. From September 2017 to September 2018, international prices of glyphosate increased by 4,8%, while acetochlor, atrazine and trifluralin also indicated increases of 14,4%, 7,8% and 7,4%, respectively. Metolachlor was the exception, decreasing by 4,5%. In the same period, the R/$ exchange rate weakened by 12,2%.

geraamde gemiddelde produsenteprys[2] van R1 984/ton vir die komende produksieseisoen (2018/2019), styg die kunsmisprysindeks skerper as die mielieprysindeks. Die gaping tussen die twee indekse het dus verder vergroot.

JAARLIKSE VERGADERING MET FERTASA

Die jaarlikse vergadering tussen Graan SA en die Kunsmisvereniging van Suider-Afrika (Fertasa) het op 26 Julie 2018 plaasgevind.

Belangrike sake wat tydens die vergadering bespreek is, sluit in:

- Marktendense in die graanbedryf en produksiekoste vir die 2018/2019-produksieseisoen.
- Kunsmiskoste en volhoubare graanproduksie teen uitvoerpariteit.
- Internasionale en plaaslike situasie in die kunsmisbedryf.
- Die beskikbaarheid van kunsmis en vervoerlogistiek.
- Tendense in die kalkbedryf.
- SA se afhanklikheid van invoere.
- Die kunsmis- en kalkmoniteringsprojek.
- Kunsmiswetsontwerp.
- Situasie by Foskor.

Landbouchemikalieëbedryf

PRYSE

Bykans 100% van die aktiewe bestanddele wat nodig is om plaaslike landbouchemikalieë te vervaardig, word na Suid-Afrika ingevoer. Die internasionale pryse en wisselkoers word dus versigtig gemoniteer, aangesien dit 'n belangrike rol in plaaslike prystendense speel.

Tabel 4 (op bladsy 94) toon die internasionale pryse van die aktiewe bestanddele van onkruiddoders wat by mielies gebruik word. Die pryse is in dollar- sowel as in rand-terme.

Buiten vir metolachloor toon internasionale onkruiddoderprysten-dense jaar-tot-jaar-stygings. Vanaf September 2017 tot September 2018 het die internasionale pryse van glifosaat met 4,8% gestyg, terwyl asetochloor, atrasien en trifluralien ook toenames van 14,4%, 7,8% en 7,4% onderskeidelik toon. Metolachloor was die uitsondering en het met 4,5% gedaal. In dieselfde tydperk het die R/$-wisselkoers met 12,2%

[2] *Average producer price = Safex, July 2018 price - average differential cost - handling costs*
[2] *Gemiddelde produsenteprys = Safex, Julie 2018-prys - gemiddelde differensiële koste - hanteringskoste*

4 International herbicide prices (year-on-year change [Sept 2017 - Sept 2018])
Internasionale onkruiddoderpryse (jaar-tot-jaar-verandering [Sept 2017 - Sept 2018])

	September 2017 (USD/ton)	September 2018 (USD/ton)	% change % verandering
Glyphosate/Glifosaat (95%)	4 262	4 467	+4,8%
Acetochlor/Asetochloor (92%)	3 218	3 680	+14,4%
Atrazine/Atrasien (97%)	3 117	3 359	+7,8%
Metolachlor/Metolachloor (97%)	3 928	3 750	-4,5%
Trifluralin/Trifluralien (95%)	4 521	4 854	+7,4%

International herbicide prices – year-on-year change
Internasionale onkruiddoderpryse – jaar-tot-jaar-verandering

	September 2017 (R/ton)	September 2018 (R/ton)	% change % verandering
Glyphosate/Glifosaat (95%)	56 087	65 927	+17,5%
Acetochlor/Asetochloor (92%)	42 349	54 315	+28,3%
Atrazine/Atrasien (97%)	41 014	49 581	+20,9%
Metolachlor/Metolachloor (97%)	51 692	55 356	+7,1%
Trifluralin/Trifluralien (95%)	59 491	71 650	+20,4%

The impact of the depreciation can be seen when international dollar prices are converted to rand, which meant that increases were more than in dollar terms.

Table 5 shows international insecticide prices, which are also used in maize (dollar and rand terms). Lambda-cyhalothrin and carbofuran both show significant increases of 79,1% and 25,2%, respectively; while imidacloprid and deltamethrin decreased by 1,6% and 5,1%, respectively. International prices in rand terms illustrate the effect of the weakening of the exchange rate.

verswak. Die impak van die waardevermindering kan gesien word wanneer internasionale dollar-pryse na rand omgeskakel word, wat beteken dat stygings groter was as in dollar-terme.

Tabel 5 toon die internasionale pryse van insekdoders wat ook op mielies gebruik word (dollar- en rand-terme). Lambda-sihalotrien en karbofuraan toon albei beduidende stygings van 79,1% en 25,2% onderskeidelik, terwyl imidakloprid en deltametrien met 1,6% en 5,1% onderskeidelik gedaal het. Internasionale pryse in rand-terme illustreer die uitwerking van die verswakking van die wisselkoers.

5 International insecticide prices (year-on-year change [Sept 2017 - Sept 2018])
Internasionale insekdoderpryse (jaar-tot-jaar-verandering [Sept 2017 - Sept 2018])

	September 2017 (USD/ton)	September 2018 (USD/ton)	% change % verandering
Imidacloprid/Imidakloprid (95%)	25 227	24 829	-1,6
Lambda-cyhalothrin/Lambda-sihalotrien (95%)	26 319	47 148	+79,1
Carbofuran/Karbofuraan (99%)	10 593	13 267	+25,2
Deltamethrin/Deltametrien (98%)	96 223	91 292	-5,1

International insecticide prices – year-on-year change
Internasionale insekdoderpryse – jaar-tot-jaar-verandering

	September 2017 (R/ton)	September 2018 (R/ton)	% change % verandering
Imidacloprid/Imidakloprid (95%)	332 993	366 471	+10,1
Lambda-cyhalothrin/Lambda-sihalotrien (95%)	347 414	695 899	+100,3
Carbofuran/Karbofuraan (99%)	139 826	195 826	+40,0
Deltamethrin/Deltametrien (98%)	1 270 141	1 347 472	+6,1

ANNUAL MEETING WITH THE CROP PROTECTION INDUSTRY

On 30 July 2018, Grain SA's Production/Input Working Group met with CropLife, and the following issues were discussed:

- Market trends in the grain industry and production costs for the 2018/2019 production season.
- Changes at CropLife.
- The international and local situation in the agrochemical industry.

JAARLIKSE VERGADERING MET DIE GEWASBESKERMINGSBEDRYF

Op 30 Julie 2018 het Graan SA se Produksie/inset-werkgroep met CropLife vergader, en die volgende sake is bespreek:

- Marktendense in die graanbedryf en produksiekoste vir die 2018/2019-mielieproduksieseisoen.
- Veranderinge by CropLife.
- Die internasionale en plaaslike situasie in die landbouchemikalieëbedryf.

3 Comparison of production cost budgets for summer grain for the 2018/2019 season – eastern regions of the country
Vergelyking van produksiekostebegrotings vir somergraan vir die 2018/2019-seisoen – oostelike streke van die land

	Eastern Free State Oos-Vrystaat			Eastern Highveld Oostelike Hoëveld	
	Maize Mielies	Sunflower Sonneblom	Soybeans Sojabone	Maize Mielies	Soybeans Sojabone
1. Income/Inkomste					
Planned yield/Beplande opbrengs (t/ha)	5,00	2,00	1,80	6,00	2,20
Safex price (best grade)/Safex-prys (beste graad) (R/ton)*	R2 300	R4 750	R4 850	R2 300	R4 850
Deductions/Aftrekkings (R/ton)	R313	R363	R63	R289	R59
Producer price/Produsenteprys (R/ton)	R1 987	R4 387	R4 787	R2 011	R4 791
Gross income/Bruto inkomste (R/ha)	**R9 935**	**R8 774**	**R8 617**	**R12 066**	**R10 540**
2. Variable costs/Veranderlike kostes					
Seed/Saad	R1 709	R499	R857	R2 231	R1 027
Fertiliser/Kunsmis	R2 073	R1 974	R1 187	R3 043	R2 051
Lime/Kalk	R530	R-	R-	R200	R-
Fuel/Brandstof	R1 072	R1 025	R767	R1 075	R918
Repairs/Reparasie	R901	R874	R630	R673	R500
Herbicides/Onkruiddoders	R697	R534	R893	R996	R901
Pesticides/Plaagdoder	R511	R24	R646	R603	R252
Input insurance/Insetversekering	R194	R200	R280	R235	R187
Grain price hedging/Graanprysverskansing	R817	R307	R337	R965	R347
Crop insurance/Oesversekering	R312	R386	R869	R457	R364
Aerial spraying/Lugspuit	R-	R-	R125	R-	R-
Casual labour/Losarbeid	R192	R-	R-	R192	R192
Production credit interest/Produksiekrediet-rente	R770	R335	R379	R613	R387
Total variable costs/Totale veranderlike koste (R/ha)	**R9 777**	**R6 158**	**R6 970**	**R11 282**	**R7 126**
Total fixed costs/Totale vaste koste (R/ha)	**R2 599**	**R2 078**	**R1 933**	**R2 533**	**R2 098**
Total costs/Totale koste (R/ha)	**R12 377**	**R8 236**	**R8 902**	**R15 231**	**R9 620**
3. Gross margin/Bruto marge (R/ha)	**R158**	**R2 616**	**R1 647**	**R784**	**R3 414**
4. Net margin/Netto marge (R/ha)	**-R2 442**	**R538**	**-R286**	**-R3 165**	**R920**
Breakeven (variable costs only)/ Gelykbreek (slegs veranderlike koste)					
Yield/Opbrengs (t/ha)	4,92	1,40	1,46	5,61	1,49
Safex price/Safex-prys (R/ha)	2 268	3 442	3 935	2 169	3 298
Breakeven (variable + fixed cost)/ Gelykbreek (veranderlike + vaste koste)					
Yield/Opbrengs (t/ha)	6,23	1,88	1,86	7,57	2,01
Safex price/Safex-prys (R/ha)	2 788	4 481	5 009	2 828	4 432

**Prices are based on an average Safex price, which is calculated from prices during middle December 2018.*
**Pryse is gebaseer op 'n gemiddelde Safex-prys, wat bereken is van pryse in middel Desember 2018.*

GOOD CORPORATE GOVERNANCE OF PARAMOUNT IMPORTANCE TO GRAIN SA

GOEIE KORPORATIEWE BEHEER UITERS BELANGRIK VIR GRAAN SA

To Grain SA, compliance with applicable legislation and the guidelines of the King IV report are essential. Measures are taken to ensure good governance, inclusive of the following:

- Annual report and financial statements

  The annual report and the financial statements of the Grain SA Group are presented annually to Congress for approval.

- Audits and policy

  Management processes are audited to ensure that they comply with the requirements of the internal policy and procedures of Grain SA. Possible risks are discussed during Audit Committee meetings, with recommendations by management for control measures to manage these risks. A risk analysis has also been concluded during the year under review to assist with internal auditing processes.

- Audit Committee meetings

  Meetings by the Audit Committee, with members of the management team and the external auditors promote an environment for good management practices and corporate governance.

Vir Graan SA is dit noodsaaklik om aan toepaslike wetgewing en die riglyne van die King IV-verslag te voldoen. Maatreëls word getref om goeie beheer te verseker, en sluit die volgende in:

- Jaarverslag en finansiële state

  Die jaarverslag en die finansiële state van die Graan SA Groep word jaarliks vir goedkeuring aan Kongres voorgelê.

- Oudits en beleid

  Bestuursprosesse word geouditeer om te verseker dat dit aan die vereistes van die interne beleid en prosedures van Graan SA voldoen. Moontlike risiko's word tydens Ouditkomiteevergaderings bespreek, met aanbevelings deur bestuur van beheermaatreëls om hierdie risiko's te bestuur. 'n Risiko-ontleding is ook gedurende die oorsigjaar gedoen om met interne ouditprosesse te help.

- Ouditkomiteevergaderings

  Vergaderings deur die Ouditkomitee met lede van die bestuurspan en die eksterne ouditeurs bevorder 'n omgewing vir goeie bestuurspraktyke en korporatiewe beheer.

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1 Christa Herbst
MANAGER: FINANCIAL SERVICES
BESTUURDER: FINANSIËLE DIENSTE

2 Roslynne Carelse
FINANCIAL ACCOUNTANT
FINANSIËLE REKENMEESTER

3 Lydia Kasumba
ASSISTANT ACCOUNTANT
ASSISTENT-REKENMEESTER

4 Larochelle Knox
FINANCIAL CLERK
FINANSIËLE KLERK

5 Stien le Roux
DEBTORS CLERK
DEBITEUREKLERK

6 Leticia Reid
CREDITORS CLERK
KREDITEUREKLERK

The Executive is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Executive has reviewed the entity's cashflow forecast for the year to 30 September 2019 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the entity's financial statements. The financial statements have been examined by the entity's independent auditor and their report is presented on pages 118 to 120.

The external auditors were given unrestricted access to all financial records and related data, including minutes of all meetings of the members and the Executive. The Executive believe that all representations made to the independent auditors during their audit are valid and appropriate.

The financial statements and additional schedules set out on pages 116 to 140, which have been prepared on the going concern basis, were approved by the Executive on 5 February 2019 and were signed on its behalf by:

Die Hoofbestuur is van mening, gebaseer op die inligting en verduidelikings wat deur die bestuur gegee is, dat die interne beheerstelsels redelike sekerheid bied dat daar vir die voorbereiding van die finansiële state op die finansiële rekords gesteun kan word. Enige interne finansiële beheerstelsel kan egter slegs redelike, en nie absolute, versekering bied teen enige wesenlike wanvoorstelling of verlies.

Die Hoofbestuur het die entiteit se kontantvloei-vooruitskatting vir die jaar tot 30 September 2019 geëvalueer en, in die lig van hierdie oorsig en die huidige finansiële posisie, is hulle oortuig dat die entiteit toegang het tot toereikende hulpbronne om voort te gaan in operasionele bestaan in die afsienbare toekoms.

Die eksterne ouditeure is verantwoordelik vir die onafhanklike ouditering en verslagdoening van die entiteit se finansiële state. Die finansiële state is deur die entitiet se eksterne ouditeure ondersoek en hul verslag is uiteengesit op bladsye 118 tot 120.

Die eksterne ouditeure het onbeperkte toegang tot alle finansiële rekords en verwante dokumente, insluitende notules van al die vergaderings van die lede en die Hoofbestuur. Die Hoofbestuur glo dat alle vertoë gerig aan die onafhanklike ouditeure gedurende die oudit geldig en van toepassing is.

Die finansiële state en addisionele skedules wat uiteengesit is op bladsye 116 tot 140, en voorberei is op die lopendesaakgrondslag, is goedgekeur en onderteken namens Hoofbestuur op 5 Februarie 2019 deur:

JJ Minnaar
CHAIRPERSON
VOORSITTER

JF de Villiers
CHIEF EXECUTIVE OFFICER
UITVOERENDE HOOFBESTUURDER

COMPOSITION OF THE EXECUTIVE
SAMESTELLING VAN HOOFBESTUUR

JJ Minnaar (Chairperson/Voorsitter)
DJM Mathews (Vice-chairperson/Visevoorsitter)
PC Swart (Vice-chairperson/Visevoorsitter)
GJ Bergh
A Botha
M Bothma
JJ Breytenbach
GL Bruwer
CJ Claassen
PH Corver
JA du Plessis
DR Fourie
MF Gildenhuys
WJ Groothof
SF Haasbroek
AF Kirsten
RP Krige
SG Krüger
RJ Küsel
WJ Marais
JM Mathebula
JDM Minnaar
RE Monaisa
I Motlhabane
RE Pholo
JG Pretorius
RB Pretorius
DJ Reichel
GL Roos
DJH Rossouw
K Schoeman
BC Schoonwinkel
JC Swanepoel
AP Theron
JJ van der Westhuizen
PH Zietsman

EXECUTIVE'S REPORT
HOOFBESTUUR SE VERSLAG

The Executive has pleasure in submitting their report on the financial statements of Grain SA for the year ended 30 September 2018.

1. Nature of business

Grain SA is incorporated in South Africa and is an association that functions to promote the interests of grain producers within South Africa.

The entity operates in South Africa.

There have been no material changes to the nature of the entity's business from the prior year.

CONTACT INFORMATION

Business address	Block C Alenti Office Park 457 Witherite Avenue The Willows Pretoria 0041
Postal address	PO Box 74087 Lynnwood Ridge Pretoria 0040

2. Review of financial results and activities

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The accounting policies have been applied consistently compared to the prior year.

3. Going concern

The Executive believes that the entity has sufficient financial resources to continue trading in the foreseeable future and accordingly the financial statements have been prepared on a going concern basis.

The Executive satisfied themselves that the entity has a sound financial position and that it has access to sufficient loan facilities to comply with all foreseeable cash requirements. The Executive is not aware of any new material changes that may adversely affect the entity. The Executive is also not aware of any material non-compliance with statutory or regulatory requirements or any pending changes to legislation that may affect the entity, except for the contingent liability as disclosed in note 15.

4. Events after the reporting period

The Executive is not aware of any material event which occurred after the reporting date and up to the date of this report that would have a material impact on these financial statements, except for the contingent liability as disclosed in note 15.

Dit is vir die Hoofbestuur 'n plesier om hul verslag oor die finansiële state van Graan SA vir die jaar geëindig 30 September 2018, in te dien.

1. Aard van besigheid

Graan SA is in Suid-Afrika geïnkorporeer en is 'n vereniging wat funksioneer ter bevordering van die belange van graanprodusente binne Suid-Afrika.

Die entiteit dryf handel in Suid-Afrika.

Daar was geen wesenlike veranderings in die entiteit se aard van besigheid sedert die vorige jaar nie.

KONTAKBESONDERHEDE

Besigheidsadres	Blok C Alenti Office Park Witheritelaan 457 The Willows Pretoria 0041
Posadres	Posbus 74087 Lynnwoodrif Pretoria 0040

2. Oorsig van finansiële resultate en aktiwiteite

Die finansiële state is voorberei in ooreenstemming met International Financial Reporting Standard for Small and Medium-sized Entities. Die rekeningkundige beleid is konsekwent in vergelyking met die vorige jaar toegepas.

3. Lopende saak

Die Hoofbestuur glo dat die entiteit oor voldoende finansiële hulpbronne beskik om voort te gaan met handel in die afsienbare toekoms en dienooreenkomstig is die finansiële state op 'n lopendesaak-grondslag voorberei.

Die Hoofbestuur het hulself tevrede gestel dat die entiteit oor 'n gesonde finansiële posisie beskik en dat dit toegang het tot voldoende leningsfasiliteite om alle afsienbare kontantvereistes na te kom. Die Hoofbestuur is nie bewus van enige nuwe wesenlike veranderings wat die entiteit nadelig kan affekteer nie. Die Hoofbestuur is ook nie bewus van enige wesenlike nie-voldoening aan statutêre of regulatoriese vereistes of enige hangende veranderings aan wetgewing wat die entiteit kan affekteer nie, buiten die voorwaardelike aanpsreeklikheid soos geopenbaar in nota 15.

4. Gebeure na die verslagdoeningstydperk

Die Hoofbestuur is nie bewus van enige wesenlike gebeurlikhede wat plaasgevind het na die verslagdoeningsdatum tot en met die datum van hierdie verslag nie, behalwe die voorwaardelike aanpsreeklikheid soos geopenbaar in nota 15.

pwc

Independent auditor's report

To the Members of Grain SA

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Grain SA (the Entity) as at 30 September 2018, and its financial performance and cashflows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

What we have audited

Grain SA's financial statements set out on pages 121 to 137 comprise:

- The statement of financial position as at 30 September 2018.
- The statement of comprehensive income for the year then ended.
- The statement of changes in equity for the year then ended.
- The statement of cashflows for the year then ended.
- The notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs'). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Entity 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).

Emphasis of matter

We draw attention to Note 16 to these financial statements, where a contingent liability was disclosed for a possible but uncertain income tax obligation. Our opinion is not modified in respect of this matter.

Onafhanklike ouditeur se verslag

Aan die Lede van Graan SA

Ons mening

Na ons mening is die finansiële state, in alle wesenlike opsigte, 'n redelike voorstelling van die finansiële stand van Graan SA (die Entiteit) soos op 30 September 2018, en die Entiteit se finansiële prestasie en kontantvloeie vir die jaar wat op daardie datum geëindig het, ooreenkomstig die International Financial Reporting Standard for Small and Medium-sized Entities.

Wat ons geoudit het

Graan SA se finansiële state soos uiteengesit op bladsye 121 tot 137 bestaan uit:

- Die staat van finansiële posisie soos op 30 September 2018.
- Die staat van omvattende inkomste vir die jaar wat op daardie datum geëindig het.
- Die staat van veranderings in ekwiteit vir die jaar wat op daardie datum geëindig het.
- Die staat van kontantvloeie vir die jaar wat op daardie datum geëindig het.
- Die aantekeninge, wat bestaan uit 'n opsomming van beduidende rekeningkundige beleid en ander verduidelikende inligting.

Grondslag vir mening

Ons het ons oudit ooreenkomstig International Standards on Auditing ("ISAs") uitgevoer. Ons verantwoordelikhede ingevolge daardie standaarde word verder beskryf in die ouditeur se verantwoordelikhede vir die oudit van die finansiële state-afdeling van ons verslag.

Ons glo dat die ouditbewyse wat ons verkry het, toereikend en toepaslik is om 'n grondslag vir ons ouditmening te bied.

Onafhanklikheid

Ons is onafhanklik van die Entiteit in ooreenstemming met die Independent Regulatory Board for Auditors (IRBA) se Code of Professional Conduct for Registered Auditors (IRBA Code) en ander onafhanklikheidsvereistes wat van toepassing is op oudits van finansiële state in Suid-Afrika. Ons het ons ander etiese verantwoordelikhede ooreenkomstig die "IRBA Code" en ooreenkomstig ander etiese vereistes wat van toepassing is op oudits in Suid-Afrika, vervul. Die "IRBA Code" is konsekwent met die International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B).

Beklemtoningsparagraaf

Ons vestig aandag op Nota 16 tot die finasiele state, waar 'n voorwaardelike aanspreeklikheid ten opsigte van 'n moontlike maar onsekere inkomstebelastingverpligting geopenbaar is. Ons mening word nie aangepas vir die aangeleentheid nie.

PricewaterhouseCoopers Inc., 61 Second Avenue, Westdene, Bloemfontein 9301, P O Box 818, Bloemfontein 9300
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Chief Executive Officer: T D Shango
Management Committee: S N Madikane, J S Masondo, P J Mothibe, C Richardson, F Tonelli, C Volschenk
The Company's principal place of business is at 2 Eglin Road, Sunninghill where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682

Other information

The Executive are responsible for the other information. The other information comprises the information included in the 'Grain SA Financial Statements for the year ended 30 September 2018'. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have 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 Executive for the financial statements

The Executive are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and for such internal control as the Executive determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive are responsible for assessing the Entity'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 Executive either intends to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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.

Ander inligting

Hoofbestuur is verantwoordelik vir die ander inligting. Die ander inligting bestaan uit die inligting ingesluit in die "Graan SA Finansiële State vir die jaar geëindig 30 September 2018". Ander inligting sluit nie in die finansiële state en ons ouditeursverslag daaroor in nie.

Ons mening oor die finansiële state dek nie die ander inligting nie en ons spreek geen ouditopinie of enige vorm van gerusstelling daaroor uit nie.

In verband met ons oudit van die finansiële state is dit ons verantwoordelikheid om die ander inligting te lees, en sodoende te oorweeg of die ander inligting wesenlik teenstrydig is met die finansiële state of kennis verkry gedurende die oudit, of andersins blyk om wesenlik wanvoorgestel te wees.

Indien ons, op grond van die werk wat ons uitgevoer het, tot die gevolgtrekking kom dat daar 'n wesenlike wanvoorstelling van hierdie ander inligting is, word van ons vereis om daardie feit te rapporteer. Ons het niks om in hierdie verband te rapporteer nie.

Verantwoordelikhede van die Hoofbestuur vir die finansiële state

Die Entiteit se Hoofbestuur is verantwoordelik vir die opstel en redelike voorstelling van die finansiële state die International Financial Reporting Standard for Small and Medium-sized Entities en vir sodanige interne beheer as wat die Hoofbestuur nodig ag vir die opstel van finansiële state wat vry is van wesenlike wanvoorstelling, hetsy weens bedrog of foute.

As deel van die opstel van die finansiële state is die Hoofbestuur daarvoor verantwoordelik om die Entiteit se vermoë om as 'n lopende saak voort te bestaan te beoordeel, en soos toepaslik aangeleenthede wat verband hou met lopende saak en die gebruik van die lopende-saak-grondslag van verslagdoening te openbaar, tensy die Hoofbestuur beplan om die Entiteit te likwideer of om bedrywighede te staak, of geen realistiese alternatief het as om dit te doen nie.

Ouditeur se verantwoordelikhede vir die oudit van die finansiële state

Ons doelwitte is om redelike gerusstelling te verkry of die finansiële state as 'n geheel vry is van wesenlike wanvoorstelling, hetsy weens bedrog of foute, en om 'n ouditeursverslag uit te reik wat ons mening bevat. Redelike gerusstelling is 'n hoë vlak van gerusstelling, maar is nie 'n waarborg dat 'n oudit wat ooreenkomstig die ISAs uitgevoer is altyd 'n wesenlike wanvoorstelling sal opspoor indien dit bestaan nie. Wanvoorstellings kan ontstaan as gevolg van bedrog of foute, en word individueel of in totaal wesenlik geag indien dit redelikerwys verwag kan word dat sodanige wanvoorstellings die ekonomiese besluite van gebruikers wat op grond van hierdie finansiële state geneem word, sal beïnvloed.

As deel van 'n oudit ooreenkomstig die ISAs oefen ons professionele oordeel uit en handhaaf ons professionele skeptisisme deurlopend deur die oudit. Ons doen ook die volgende:

- Identifiseer en beoordeel die risiko's van wesenlike wanvoorstelling van die finansiële state, hetsy weens bedrog of foute, ontwerp en voer ouditprosedures uit na aanleiding van daardie risiko's, en verkry ouditbewyse wat voldoende en toepaslik is om 'n grondslag vir ons ouditmening te bied. Die risiko van nie-opsporing van 'n wesenlike wanvoorstelling as gevolg van bedrog is groter as vir 'n wesenlike wanvoorstelling as gevolg van foute, aangesien bedrog samespanning, vervalsing, doelbewuste weglatings, wanvoorstellings, of die omseiling van interne beheer kan behels.

- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive.
- Conclude on the appropriateness of the Executive's 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 Entity'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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Executive 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.

PricewaterhouseCoopers Inc.
Director: HB Eksteen
Registered auditor
18 February 2019

- Verkry 'n begrip van interne beheer relevant tot die oudit ten einde ouditprosedures te ontwerp wat toepaslik is in die omstandighede, maar nie vir die doel om 'n mening uit te spreek oor die effektiwiteit van die Entiteit se interne beheer nie.
- Evalueer die toepaslikheid van rekeningkundige beleid wat gebruik is en die redelikheid van rekeningkundige ramings en verwante openbaarmaking wat deur die Hoofbestuur gemaak is.
- Kom tot 'n gevolgtrekking oor die toepaslikheid van die Hoofbestuur se gebruik van die lopende-saak-grondslag van verantwoording, en gebaseer op ouditbewyse verkry, kom tot 'n gevolgtrekking oor die bestaan van 'n wesenlike onsekerheid wat verband hou met gebeure of omstandighede wat beduidende twyfel kan laat bestaan oor die Entiteit se vermoë om as 'n lopende saak voort te bestaan. Waar ons tot die gevolgtrekking kom dat 'n wesenlike onsekerheid bestaan, word daar van ons vereis om in ons ouditeursverslag aandag te vestig op die toepaslike openbaarmaking in die finansiële state, of, indien sodanige openbaarmaking onvoldoende is, om ons mening te wysig. Ons gevolgtrekkings word gebaseer op ouditbewyse verkry tot en met die datum van ons ouditeursverslag. Toekomstige gebeure en omstandighede mag egter daartoe aanleiding gee dat die Entiteit ophou om as 'n lopende saak voort te bestaan.
- Evalueer die algehele voorstelling, struktuur en inhoud van die finansiële state, insluitende die openbaarmaking, en of die finansiële state die onderliggende transaksies en gebeure op só 'n manier weergee dat redelike voorstelling bereik word.

Ons kommunikeer met die Hoofbestuur oor, onder andere, die beplande omvang en tydsberekening van die oudit en beduidende ouditbevindinge, insluitende enige beduidende tekortkominge in interne beheer wat ons tydens ons oudit identifiseer.

PricewaterhouseCoopers Geïnk.
Direkteur: HB Eksteen
Geregistreerde ouditeur
18 Februarie 2019

STATEMENT OF FINANCIAL POSITION
STAAT VAN FINANSIËLE POSISIE

AT 30 SEPTEMBER 2018 | OP 30 SEPTEMBER 2018

	Notes	2018 R	2017 R	Aantekeninge	
Assets					**Bates**
Current assets		**25 928 269**	**21 344 395**		**Bedryfsbates**
Inventories	2	**129 553**	184 815	2	Voorraad
Trade and other receivables	3	**10 178 383**	8 233 958	3	Handels- en ander debiteure
Cash and cash equivalents	4	**15 620 333**	12 925 622	4	Kontant en kontantekwivalente
Non-current assets		**65 290 775**	**61 712 339**		**Nie-bedryfsbates**
Property, plant and equipment	5	**29 479 447**	27 453 515	5	Eiendom, aanleg en toerusting
Other financial assets	6	**35 811 328**	34 258 824	6	Ander finansiële bates
Trust funds	7	**-**	-	7	Trustfondse
Total assets		**91 219 044**	**83 056 734**		**Totale bates**
Equity and liabilities					**Ekwiteit en aanspreeklikhede**
Current liabilities		**28 551 473**	**28 099 503**		**Bedryfslaste**
Trade and other payables	8	**28 551 473**	28 099 503	8	Handels- en ander krediteure
Equity		**62 667 571**	**54 957 231**		**Ekwiteit**
Reserves		**8 500 000**	4 500 000		Reserwes
Retained surplus		**54 167 571**	50 457 231		Behoue surplus
Total equity and liabilities		**91 219 044**	**83 056 734**		**Totale ekwiteit en aanspreeklikhede**

The accounting policies on pages 124 to 128 and the notes on pages 129 to 137 form an integral part of the financial statements.

Die rekeningkundige beleid op bladsye 124 tot 128 en die aantekeninge op bladsye 129 tot 137 vorm 'n integrale deel van die finansiële state.

STATEMENT OF COMPREHENSIVE INCOME
STAAT VAN OMVATTENDE INKOMSTE

FOR THE YEAR ENDED 30 SEPTEMBER 2018 | VIR DIE JAAR GEËINDIG 30 SEPTEMBER 2018

	Notes	2018 R	2017 R	Aantekeninge	
Income	9	**22 515 205**	19 022 022	9	Inkomste
Other income	10	**50 679 160**	45 061 204	10	Ander inkomste
Operating expenses		**(70 874 028)**	(64 947 988)		Bedryfskoste
Operating surplus/(deficit)		**2 320 337**	**(864 762)**		**Bedryfsurplus/(tekort)**
Investment income	11	**1 217 999**	3 020 155	11	Beleggingsinkomste
Fair value adjustment	12	**172 544**	(1 136 844)	12	Billikewaarde-aanpassing
Finance cost	13	**(540)**	(41)	13	Finansieringskoste
Surplus for the year		**3 710 340**	**1 018 508**		**Surplus vir die jaar**
Other comprehensive income		**-**	-		Ander omvattende inkomste
Total comprehensive income for the year		**3 710 340**	**1 018 508**		**Totale omvattende inkomste vir die jaar**

The accounting policies on pages 124 to 128 and the notes on pages 129 to 137 form an integral part of the financial statements.

Die rekeningkundige beleid op bladsye 124 tot 128 en die aantekeninge op bladsye 129 tot 137 vorm 'n integrale deel van die finansiële state.

STATEMENT OF CHANGES IN EQUITY
STAAT VAN VERANDERING IN EKWITEIT

FOR THE YEAR ENDED 30 SEPTEMBER 2018 | VIR DIE JAAR GEËINDIG 30 SEPTEMBER 2018

	2018 R	2017 R	
Retained surplus			**Behoue surplus**
Balance at beginning of the year	**50 457 231**	**49 438 723**	**Saldo begin van jaar**
Surplus for the year	**3 710 340**	1 018 508	Surplus vir die jaar
Other comprehensive income	**-**	-	Ander omvattende inkomste
Total comprehensive income	**3 710 340**	**1 018 508**	**Totale omvattende inkomste**
Balance at the end of the year	**54 167 571**	**50 457 231**	**Saldo einde van die jaar**
Legal aid reserve specifically approved by Congress			**Regshulpfonds spesifiek goedgekeur deur Kongres**
Balance at beginning of the year	**-**	**-**	**Saldo begin van jaar**
Transfer	**3 000 000**	-	Oorplasing
Balance at the end of the year	**3 000 000**	**-**	**Saldo einde van jaar**
General legal aid reserve			**Algemene regshulpfonds**
Balance at beginning of the year	**4 500 000**	**4 500 000**	**Saldo begin van jaar**
Transfer	**1 000 000**	-	Oorplasing
Balance at the end of the year	**5 500 000**	**4 500 000**	**Saldo einde van jaar**
Total reserves	**8 500 000**	**4 500 000**	**Totale resewes**

The accounting policies on pages 124 to 128 and the notes on pages 129 to 137 form an integral part of the financial statements.

Die rekeningkundige beleid op bladsye 124 tot 128 en die aantekeninge op bladsye 129 tot 137 vorm 'n integrale deel van die finansiële state.

STATEMENT OF CASHFLOWS
STAAT VAN KONTANTVLOEIE

FOR THE YEAR ENDED 30 SEPTEMBER 2018

VIR DIE JAAR GEËINDIG 30 SEPTEMBER 2018

	Notes	2018 R	2017 R	Aantekeninge	
Cashflow from operating activities					**Kontantvloei uit bedryfsaktiwiteite**
Cash receipts from customers and members		**20 570 780**	20 807 531		Kontantontvangste van kliënte en lede
Cash paid to suppliers and employees		**(13 357 850)**	(16 491 424)		Kontant betaal aan verskaffers en werknemers
Cash generated from operations	**14**	**7 212 930**	4 316 107	**14**	*Kontant gegenereer deur bedrywighede*
Interest received		**895 318**	1 038 938		Rente ontvang
Dividends received		**322 681**	1 981 217		Dividende ontvang
Finance cost		**(540)**	(41)		Finansieringskoste
Nett cashflow from operating activities		**8 430 389**	**7 336 221**		**Netto kontantvloei uit bedryfsaktiwiteite**
Cashflow from investment activities					**Kontantvloei uit beleggingsaktiwiteite**
Purchase of property, plant and equipment	**5**	**(4 371 723)**	(3 266 311)	**5**	Verkryging van eiendom, aanleg en toerusting
Sale of property, plant and equipment	**5**	**16 009**	288 357	**5**	Verkoop van eiendom, aanleg en toerusting
Loans to group companies		**-**	65 531		Lenings aan groepmaatskappye toegestaan
Nett movement of other financial assets		**(1 379 964)**	3 403 629		Netto beweging van finansiële bates
Nett cashflow from investment activities		**(5 735 678)**	**491 206**		**Netto kontantvloei uit beleggingsaktiwiteite**
Total cash movement for the year		**2 694 711**	**7 827 427**		**Totale kontantbeweging vir die jaar**
Balance at the beginning of the year		**12 925 622**	5 098 195		Saldo aan die begin van die jaar
Balance at the end of the year	**4**	**15 620 333**	**12 925 622**	**4**	**Saldo aan die einde van die jaar**

The accounting policies on pages 124 to 128 and the notes on pages 129 to 137 form an integral part of the financial statements.

Die rekeningkundige beleid op bladsye 124 tot 128 en die aantekeninge op bladsye 129 tot 137 vorm 'n integrale deel van die finansiële state.

ACCOUNTING POLICIES
REKENINGKUNDIGE BELEID

FOR THE YEAR ENDED 30 SEPTEMBER 2018

VIR DIE JAAR GEËINDIG 30 SEPTEMBER 2018

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African rands.

Grain SA is an entity incorporated in South Africa. Grain SA is an association that functions to promote the interests of grain producers within South Africa. The registered office is Block C, Alenti Office Park, 457 Witherite Avenue, The Willows, Pretoria.

This accounting policy is consistent with the previous period.

1.1 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

Critical judgements in applying accounting policies

There was no significant judgement in respect of the accounting policy, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

The financial statements do not include assets and liabilities whose carrying amounts are determined based on estimates for which there is a significant risk of material adjustments in the following financial year as a result of the key estimates assumptions.

1.2 INVESTMENT PROPERTY

Investment property is land and buildings held to earn rental income or for capital growth or both, rather than for use in the production or supply of goods or services or for administrative purposes, or for sell in the ordinary course of business.

Investment property is initially measured at cost and thereafter at fair value with changes in fair value recognised in profit or loss. If the fair value of investment property can not be measured reliably without undue cost or effort, it is measured at cost less accumulated depreciation and accumulated impairment.

1.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible assets which the entity holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

1. Opstellingsgrondslag en opsomming van beduidende rekeningkundige beleid

Die finansiële state is ooreenkomstig die International Financial Reporting Standard for Small and Medium-sized Entities opgestel. Die finansiële state is op die historiese kostegrondslag opgestel. Dit word in Suid-Afrikaanse rand aangebied.

Graan SA is 'n entiteit geïnkorporeer in Suid-Afrika. Graan SA is 'n vereniging wat funksioneer ter bevordering van die belange van graanprodusente binne Suid-Afrika. Die geregistreerde kantoor is Blok C, Alenti Office Park, Witheritelaan 457, The Willows, Pretoria.

Hierdie rekeningkundige beleid stem ooreen met die vorige tydperk.

1.1 BEDUIDENDE OORDEEL EN BRONNE VAN RAMINGSONSEKERHEID

Belangrike oordeel in die toepassing van rekeningkundige beleid

Daar was geen beduidende oordeel van toepassing ten opsigte van die rekeningkundige beleid nie, afgesien van dié met betrekking tot ramings wat die mees beduidende uitwerking op die finansiële state sal hê.

Sleutelbronne van ramingsonsekerheid

Die finansiële state sluit nie bates en laste in waarvan die drabedrae bepaal is, gebaseer op ramings waarvoor daar 'n beduidende risiko van wesenlike aanpassings in die volgende finansiële jaar as 'n resultaat van die sleutel raming aannames bestaan nie.

1.2 BELEGGINGSEIENDOM

Beleggingseiendom is grond en geboue wat gehou word om huurinkomste te verdien of vir kapitaalgroei, of beide, eerder as vir gebruik in die produksie of verskaffing van goedere of dienste of vir administratiewe doeleindes, óf vir verkoop in die gewone gang van sake.

Beleggingseiendom word aanvanklik teen kosprys gemeet en daarna teen billike waarde met veranderings in billike waarde wat in wins of verlies erken word. Indien die billike waarde van beleggingseiendom nie betroubaar gemeet kan word sonder onnodige koste of moeite nie, word dit dan teen kosprys minus opgehoopte depresiasie en opgehoopte waardedaling gemeet.

1.3 EIENDOM, AANLEG EN TOERUSTING

Eiendom, aanleg en toerusting is tasbare bates wat die entiteit hou vir eie gebruik of vir verhuring aan ander en wat na verwagting vir meer as een tydperk gebruik sal word.

'n Item van eiendom, aanleg en toerusting word as 'n bate erken wanneer dit waarskynlik is dat toekomstige ekonomiese voordele wat verband hou met die item na die entiteit sal vloei en die koste van die item betroubaar gemeet kan word. Eiendom, aanleg en toerusting word aanvanklik teen kosprys gemeet.

Die kosprys sluit koste in wat aanvanklik aangegaan is om 'n item van eiendom, aanleg en toerusting te verkry of te bou en koste wat daarna aangegaan is om daarby toe te voeg, 'n deel daarvan te vervang, of dit te diens. Indien 'n vervangingskoste erken word in die drabedrag van 'n item van eiendom, aanleg en toerusting word die drabedrag van die vervangde gedeelte omgeswaai.

The initial estimate of the costs of dismantling and removing an asset and restoring the site on which it is located is also included in the cost of property, plant and equipment, when such dismantling, removal and restoration is obligatory.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the entity.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average depreciation rate
Land and buildings	0% - 10%
Plant and machinery	20%
Furniture and fixtures	20%
Motor vehicles	20%
Office equipment	20%
Computer equipment	20%
Restaurant equipment	20%
Catering and other equipment	20%
Computer software	33%

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

1.4 FINANCIAL INSTRUMENTS

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Die aanvanklike raming van die koste van afbreek en verwydering van 'n bate en die herstel van die terrein waarop dit geleë is, word ook by die kosprys van eiendom, aanleg en toerusting, ingesluit wanneer sodanige afbreek, verwydering en herstel verpligtend is.

Uitgawes wat daarna aangegaan is vir groot dienste, toevoegings tot of vervangings van dele van eiendom, aanleg en toerusting word gekapitaliseer indien dit waarskynlik is dat toekomstige ekonomiese voordele wat verband hou met die uitgawe na die entiteit sal vloei en die koste betroubaar gemeet kan word. Dag tot dag-dienskoste word in die tydperk waarin dit aangegaan is, by wins of verlies ingesluit.

Eiendom, aanleg en toerusting word gevolglik openbaar gemaak teen kosprys minus opgehoopte waardevermindering en enige opgehoopte waardedalingsverliese, behalwe vir grond wat teen kosprys minus enige opgehoopte waardedalingsverliese openbaar gemaak word.

Waardevermindering van 'n bate begin wanneer die bate beskikbaar is vir gebruik soos deur bestuur beoog. Waardevermindering word gehef om die drabedrag van die bate oor sy geskatte nuttige lewensduur af te skryf na sy geskatte reswaarde, deur gebruik te maak van 'n metode wat die patroon waarin die bate se ekonomiese voordele wat deur die entiteit opgeneem word, die beste reflekteer.

Die nuttige lewensduur van items van eiendom, aanleg en toerusting is soos volg geëvalueer:

Item	Gemiddelde waardever-minderingskoers
Grond en geboue	0% - 10%
Aanleg en masjinerie	20%
Meubels en toebehore	20%
Motorvoertuie	20%
Kantoortoerusting	20%
Rekenaartoerusting	20%
Restauranttoerusting	20%
Spysenierings- en ander toerusting	20%
Rekenaarsagteware	33%

Wanneer aanwysers teenwoordig is dat die nuttige lewensduur en reswaardes van items van eiendom, aanleg en toerusting sedert die mees onlangse jaarlikse verslagdoeningsdatum verander het, word dit herevalueer. Enige veranderings word vooruitwerkend as 'n verandering in rekeningkundige raming verantwoord.

Waardedalingstoetse word uitgevoer op eiendom, aanleg en toerusting wanneer daar 'n aanduiding is dat waardedaling moontlik plaasgevind het. Wanneer die drabedrag van 'n item van eiendom, aanleg en toerusting se evaluasie hoër is as die beraamde verhaalbare bedrag, word 'n waardedalingsverlies onmiddellik in wins of verlies erken om die drabedrag in lyn te bring met die verhaalbare bedrag.

1.4 FINANSIËLE INSTRUMENTE

Aanvanklike meting

Finansiële instrumente word aanvanklik gemeet teen die transaksieprys (insluitend transaksiekoste, behalwe in die aanvanklike meting van finansiële bates en laste wat gemeet word teen billike waarde deur wins of verlies) tensy die ooreenkoms, in effek, 'n finansieringstransaksie uitmaak in welke geval dit gemeet word teen die huidige waarde van die toekomstige betalings verdiskonteer teen 'n markkoers van rente vir 'n soortgelyke skuld-instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in Section 11.8(b) of the Standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Trade receivables

Trade receivables are measured at initial recognition at fair value and subsequently calculated at amortised cost using the effective interest rate method. Appropriate provisions for estimated irrecoverable amounts are recognised in profit or loss when there is objective proof that the asset is unreachable. Significant financial problems of the debtor, the likelihood that the debtor will be declared bankrupt or undergo financial restructuring and default or arrears of payments are considered as indicators that trade debtors are subject to impairment. The recognised provisions are calculated as the difference between the asset's carrying amount and the present value of the estimated future cashflow, discounted at the effective interest rate method with initial recognition.

The carrying amount of the asset is reduced by the use of a provisioning account and the amount of the asset loss is recognised in profit or loss in operating expenses. When a trade debtor is irrecoverable, it becomes written off against the provisioning account for trade debtors. Amounts previously written off and thereafter are recognised as other income.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown as a current liability on the statement of financial position.

Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss.

Trade payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest rate method.

1.5 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Finansiële instrumente teen geamortiseerde koste

Hierdie sluit in lenings, handelsdebiteure en handelskrediteure. Daardie skuld-instrumente wat voldoen aan die kriteria in Artikel 11.8(b) van die Standaard, word daarna teen geamortiseerde koste gemeet deur gebruik te maak van die effektiewe rentekoersmetode. Skuld-instrumente wat as bedryfsbates of -laste geklassifiseer is, word gemeet teen die onverdiskonteerde bedrag van die kontant wat verwag word om ontvang of betaal te word, tensy die ooreenkoms effektief 'n finansieringstransaksie uitmaak.

Op elke verslagdoeningsdatum, word die drabedrae van bates wat in hierdie kategorie gehou word, hersien om te bepaal of daar enige objektiewe bewyse van waardedaling is. Indien daar objektiewe bewyse is, word die verhaalbare bedrag beraam en met die drabedrag vergelyk. Indien die beraamde verhaalbare bedrag laer is, word die drabedrag verminder na sy beraamde verhaalbare bedrag, en 'n waardedalingsverlies word onmiddellik in wins of verlies erken.

Handelsdebiteure

Handelsdebiteure word met aanvanklike erkenning teen billike waarde gemeet en daarna teen die geamortiseerde koste bereken deur die effektiewe rentekoersmetode te gebruik. Toepaslike voorsiening vir beraamde onverhaalbare bedrae word in wins of verlies erken wanneer daar objektiewe bewys is dat die bate oninbaar is. Beduidende finansiële probleme van die debiteur, die waarskynlikheid dat die debiteur bankrot verklaar sal word of finansiële herorganisasie sal ondergaan en wanbetaling of agterstalligheid van betalings word as aanduiders beskou dat die handelsdebiteure aan waardedaling onderhewig is. Die erkende voorsienings word bereken as die verskil tussen die bate se drabedrag en die huidige waarde van die beraamde toekomstige kontantvloei, verdiskonteer teen die effektiewe rentekoersmetode met aanvanklike erkenning.

Die drabedrag van die bate word verminder deur die gebruik van 'n voorsieningsrekening en die bedrag van die verlies word in die wins of verlies in bedryfskoste erken. Wanneer 'n handelsdebiteur oninvorderbaar is, word dit afgeskryf teen die voorsieningsrekening vir handelsdebiteure. Bedrae wat voorheen afgeskryf is en daarna ingevorder word, word as ander inkomste erken.

Kontant en kontantekwivalente

Kontant en kontantekwivalente bestaan uit kontant voorhande en aanvraagdeposito's en ander hoogs likiede korttermynbeleggings wat geredelik in 'n bekende kontantbedrag omskepbaar is en aan nietige risiko's ten opsigte van waardeverandering onderhewig is. Dit word aanvanklik en daarna teen billike waarde erken.

Finansiële instrumente teen billike waarde

Alle ander finansiële instrumente word deur wins en verlies teen billike waarde gemeet.

Handelskrediteure

Handelskrediteure word aanvanklik teen billike waarde gemeet en daarna teen geamortiseerde koste bereken deur die effektiewe rentekoersmetode te gebruik.

1.5 HURE

'n Huur word as 'n bruikhuur geklassifiseer as dit aansienlik al die risiko's en belonings verbonde aan eienaarskap aan die huurder oordra. Alle ander hure is bruikhure.

Operating leases – lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term unless:

- Another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- Another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.6 INVENTORIES

Inventories are measured at the lower of cost and estimated selling price less costs to sell, on the weighted average cost basis.

1.7 TRUST FUNDS

Trust funds consist of trust funds invested and the corresponding trust creditors for the utilisation of funds for specific projects as approved by the Congress.

Bedryfshure – verhuurder

Bedryfshuurinkomste word as 'n inkomste op 'n reguitlyngrondslag oor die huurtermyn erken, behalwe as:

- 'n Ander sistematiese grondslag van die tydspatroon van die voordeel vanuit die huurbate verteenwoordigend is, selfs as die ontvangste van betalings nie op daardie grondslag is nie, of
- die betalings gestruktureer is om te verhoog in lyn met verwagte algemene inflasie (gebaseer op gepubliseerde indekse of statistieke) om te vergoed vir die verhuurder se verwagte inflasionêre stygings.

Aanvanklike direkte koste wat aangegaan is in die onderhandeling en die reël van bedryfshure word by die drabedrag van die verhuurde bate getel en as 'n uitgawe erken oor die huurtermyn op dieselfde grondslag as die huurinkomste.

Bedryfshure – huurder

Bedryfshuurbetalings word as 'n uitgawe op 'n reguitlyngrondslag oor die huurtermyn erken, behalwe as:

- 'n Ander sistematiese grondslag van die tydspatroon van die voordeel vanuit die huurbate verteenwoordigend is, selfs as die betaling nie op daardie grondslag is nie, of
- die betalings gestruktureer is om te verhoog in lyn met verwagte algemene inflasie (gebaseer op gepubliseerde indekse of statistieke) om te vergoed vir die verhuurder se verwagte inflasionêre stygings.

Enige voorwaardelike hure word 'n uitgawe in die tydperk waarin dit aangegaan is.

1.6 VOORRAAD

Voorraad word gemeet teen die laagste van die kosprys en beraamde verkoopsprys minus koste om te verkoop, op die geweegde gemiddelde koste-grondslag.

1.7 TRUSTFONDSE

Trustfondse bestaan uit trustgelde wat op belegging geplaas word en die ooreenstemmende trustkrediteure vir die aanwending van die fondse vir spesifieke projekte soos goedgekeur deur die Kongres.

1.8 IMPAIRMENT OF ASSETS

The entity assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.9 EMPLOYEE BENEFITS

Short-term employee benefits

The cost of short-term employee benefits, (those payable within twelve months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.10 PROVISIONS AND CONTINGENCIES

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

1.11 INCOME

Income is defined as management fees, rental income and member contributions. Other income consists of sponsorships, commercial income and other sundry income.

Income is calculated at the fair value of the consideration received or receivable and represents the receivables for services provided in the normal course of business, after deduction of value added tax.

When the outcome of the transaction involving service delivery can not be calculated reliably then revenue is recognised only in respect of recognised expenses recoverable.

Membership contributions are voluntary and are accountable when the funds are received.

Rental income is calculated on an accrual basis in accordance with the essence of the applicable agreements recognised. Rental income is recognised on a straight-line basis over the rental period, even if payments are not made on a straightforward basis, or where payments are structured to increase in line with inflation.

Interest is recognised in profit or loss using the effective interest rate method.

Dividends are recognised, in profit or loss, when the entity's right to receive payment has been established.

1.8 WAARDEDALING VAN BATES

Die entiteit evalueer op elke verslagdoeningsdatum of daar enige aanduiding is dat eiendom, aanleg en toerusting se waarde mag daal.

Indien daar enige sodanige aanduiding is, word die verhaalbare bedrag van enige geraakte bate (of groep van verwante bates) beraam en met sy drabedrag vergelyk. Indien die beraamde verhaalbare bedrag laer is, word die drabedrag verminder na sy beraamde verhaalbare bedrag, en 'n waardedalingsverlies word onmiddellik in wins of verlies erken.

Indien 'n waardedalingsverlies daarna omswaai, word die drabedrag van die bate (of groep van verwante bates) verhoog na die hersiene beraming van sy verhaalbare bedrag, maar nie meer as die bedrag wat bepaal sou word indien geen waardedalingsverlies vir die bate (of groep van bates) in die vorige jare erken is nie. 'n Omswaai van waardedaling word onmiddellik in wins of verlies erken.

1.9 WERKNEMERVOORDELE

Korttermynwerknemervoordele

Die koste van korttermynwerknemervoordele (daardie wat betaalbaar is binne twaalf maande nadat die diens gelewer is, soos betaalde verlof en siekverlof, bonusse en nie-monetêre voordele soos mediese sorg) word erken in die tydperk waarin die diens gelewer is en word nie verdiskonteer nie.

1.10 VOORSIENINGS EN GEBEURLIKHEDE

Voorsienings word erken wanneer die entiteit 'n verpligting het op die verslagdoeningsdatum as gevolg van 'n gebeurtenis in die verlede; dit waarskynlik is dat die entiteit vereis sal word om ekonomiese voordeel oor te dra in vereffening; en die bedrag van die verpligting betroubaar beraam kan word.

Voorsienings word gemeet teen die huidige waarde van die bedrag wat na verwagting nodig sal wees om die verpligting te vereffen deur gebruik te maak van 'n voorbelaste koers wat die huidige markevaluering van die tydwaarde van geld en die risiko's eie aan die verpligting weerspieël. Die styging in die voorsiening weens tydsverloop word as 'n rente-uitgawe erken. Voorsienings word nie vir toekomstige bedryfsverliese erken nie.

1.11 INKOMSTE

Inkomstes word gedefinieer as bestuursfooie, huurinkomstes en ledebydrae. Ander inkomste bestaan uit borgskappe, kommersiële inkomste en ander diverse inkomstes.

Inkomste word bereken teen die billike waarde van die teenprestasie wat ontvang is of ontvangbaar is en verteenwoordig die ontvangbare bedrae vir dienste wat in die normale gang van sake verskaf word, na aftrekking van belasting op toegevoegde waarde.

Wanneer die uitslag van die transaksie wat dienslewering behels, nie betroubaar bereken kan word nie, word inkomste slegs erken ten opsigte van die erkende uitgawes wat verhaalbaar is.

Ledebydrae is vrywillig van aard en word verantwoord wanneer die fondse ontvang word.

Huurinkomste word op 'n toevallingsgrondslag in ooreenstemming met die wese van die toepaslike ooreenkomste erken. Huurinkomste word op 'n reguitlyngrondslag oor die huurtydperk erken, selfs al word die betalings nie op 'n reguitlyngrondslag ontvang nie, of waar betalings gestruktureer is om in lyn met inflasie toe te neem.

Rente word erken in wins of verlies deur gebruik te maak van die effektiewerentekoersmetode.

Dividende word erken in wins of verlies wanneer die entiteit se reg om betaling te ontvang, gevestig is.

NOTES TO THE FINANCIAL STATEMENTS
AANTEKENINGE TOT DIE FINANSIËLE STATE

FOR THE YEAR ENDED 30 SEPTEMBER 2018 | VIR DIE JAAR GEËINDIG 30 SEPTEMBER 2018

	2018 R	2017 R	
2. Inventory			**2. Voorraad**
Concrete rings	-	51 447	Betonringe
Entertainment inventory	**114 326**	120 773	Onthaalvoorraad
Consumables	**15 227**	12 595	Verbruiksgoedere
	129 553	**184 815**	
3. Trade and other receivables			**3. Handels- en ander debiteure**
Trade receivables	**6 443 931**	4 498 367	Handelsdebiteure
Prepaid expenses	**636 950**	572 195	Vooruitbetaalde uitgawes
Deposits	**248 975**	251 732	Deposito's
VAT	**139 521**	386 202	BTW
Income receivable	**2 708 386**	2 525 167	Inkomste ontvangbaar
Employee loans	**620**	295	Personeellenings
	10 178 383	**8 233 958**	
4. Cash and cash equivalents			**4. Kontant en kontantekwivalente**
Cash and cash equivalents consist of:			Kontant en kontantekwivalente bestaan uit:
Cash on hand	**6 032**	3 875	Kontant voorhande
Bank accounts	**2 852 011**	1 088 704	Bankrekeninge
Short term investments	**12 762 290**	11 833 043	Korttermynbeleggings
	15 620 333	**12 925 622**	

5. Property, plant and equipment

5. Eiendom, aanleg en toerusting

	2018			2017		
	Cost price Kosprys	Accumulated depreciation Opgehoopte waarde-vermindering	Carrying value Drawaarde	Cost price Kosprys	Accumulated depreciation Opgehoopte waarde-vermindering	Carrying value Drawaarde
Land and buildings/Grond en geboue	48 878 287	(22 149 819)	26 728 468	45 911 182	(20 655 276)	25 255 906
Machinery and equipment/ Aanleg en masjinerie	2 791 859	(2 080 219)	711 640	2 531 980	(1 771 203)	760 777
Furniture and fittings/ Meubels en toebehore	2 235 787	(1 794 926)	440 861	1 866 866	(1 673 816)	193 050
Motor vehicles/Motorvoertuie	700 565	(692 398)	8 167	690 565	(690 565)	-
Computer equipment/Rekenaartoerusting	3 372 757	(2 393 634)	979 123	3 159 298	(2 075 948)	1 083 350
Office equipment/Kantoortoerusting	268 990	(157 032)	111 958	153 838	(140 833)	13 005
Computer software/Rekenaarsagteware	793 996	(360 870)	433 126	381 816	(332 861)	48 955
Catering and other equipment/ Spysenierings- en ander toerusting	347 338	(281 234)	66 104	347 338	(248 866)	98 472
Total/Totaal	**59 389 579**	**(29 910 132)**	**29 479 447**	**55 042 883**	**(27 589 368)**	**27 453 515**

Reconciliation of property, plant and equipment – 2018 **Rekonsiliasie van eiendom, aanleg en toerusting – 2018**	Opening balance Openingsaldo	Additions Byvoegings	Written off Afskrywing	Depreciation Waarde-vermindering	Closing balance Sluitingsaldo
Land and buildings/Grond en geboue	25 255 906	2 967 105	-	(1 494 543)	26 728 468
Machinery and equipment/Aanleg en masjinerie	760 777	259 879	-	(309 016)	711 640
Furniture and fittings/Meubels en toebehore	193 050	373 890	-	(126 079)	440 861
Motor vehicles/Motorvoertuie	-	10 000	-	(1 833)	8 167
Computer equipment/Rekenaartoerusting	1 083 350	233 516	(3 220)	(334 523)	979 123
Office equipment/Kantoortoerusting	13 005	115 152	-	(16 199)	111 958
Computer software/Rekenaarsagteware	48 955	412 181	-	(28 010)	433 126
Catering and other equipment/ Spysenierings- en ander toerusting	98 472	-	-	(32 368)	66 104
Total/Totaal	**27 453 515**	**4 371 723**	**(3 220)**	**(2 342 571)**	**29 479 447**

Reconciliation of property, plant and equipment – 2017 **Rekonsiliasie van eiendom, aanleg en toerusting – 2017**	Opening balance Openingsaldo	Additions Byvoegings	Sales Verkope	Depreciation Waarde-vermindering	Closing balance Sluitingsaldo
Land and buildings/Grond en geboue	24 688 419	1 844 195	-	(1 276 708)	25 255 906
Machinery and equipment/Aanleg en masjinerie	745 799	289 214	-	(274 236)	760 777
Furniture and fittings/Meubels en toebehore	227 292	85 018	-	(119 260)	193 050
Motor vehicles/Motorvoertuie	39 154	-	-	(39 154)	-
Computer equipment/Rekenaartoerusting	846 222	887 708	(288 357)	(362 223)	1 083 350
Office equipment/Kantoortoerusting	7 646	11 657	-	(6 298)	13 005
Computer software/Rekenaarsagteware	-	49 000	-	(45)	48 955
Catering and other equipment/ Spysenierings- en ander toerusting	41 336	99 519	-	(42 383)	98 472
Total/Totaal	**26 595 868**	**3 266 311**	**(288 357)**	**(2 120 307)**	**27 453 515**

5. Property, plant and equipment

Land consists of the following:

1. Remainder of the farm Marthaville 911, Bothaville district, Free State Province.
2. Section 6 (of 2) of the farm Rietfontein Hart 512, Bothaville district, Free State Province.
3. Remainder of portion 2 of the farm Rietfontein Hart 512, Bothaville district, Free State Province.
4. The farm NAMPO 1203, Bothaville district, Free State Province.
5. Remainder of the farm Doornpan Zuid 858, Bothaville district, Free State Province.
6. Section 3 of the farm Eden 327, Bothaville district, Free State Province.

5. Eiendom, aanleg en toerusting

Grond bestaan uit die volgende:

1. Restant van die plaas Marthaville 911, Bothaville-distrik, Vrystaatprovinsie.
2. Gedeelte 6 (van 2) van die plaas Rietfontein Hart 512, Bothaville-distrik, Vrystaatprovinsie.
3. Restant van gedeelte 2 van die plaas Rietfontein Hart 512, Bothaville-distrik, Vrystaatprovinsie.
4. Die plaas NAMPO 1203, Bothaville-distrik, Vrystaatprovinsie.
5. Restant van die plaas Doornpan Zuid 858, Bothaville-distrik, Vrystaatprovinsie.
6. Gedeelte 3 van die plaas Eden 327, Bothaville-distrik, Vrystaatprovinsie.

	2018 R	2017 R	
6. Other financial assets			**6. Ander finansiële bates**
Sanlam Investment portfolio – Grain SA	**30 668 828**	30 256 552	Sanlam Beleggingsportefeulje – Graan SA
Sanlam Investment portfolio – Farmer development	**4 982 190**	3 811 503	Sanlam Beleggingsportefeulje – Ontwikkelende landbou
Senwesbel Limited – 32 062 shares @ R5 each (2017: 32 062 shares @ R5,95)	**160 310**	190 769	Senwesbel Limited – 32 062 aandele @ R5 elk (2017: 32 062 aandele @ R5,95)
	35 811 328	**34 258 824**	
7. Trust funds			**6. Trustfondse**
Commodity Levy Fund	**-**	**-**	**Heffingsfonds**
Trust funds	**23 115 137**	23 025 216	Trustgelde
Trust payables	**(23 115 137)**	(23 025 216)	Trustkrediteure
Recapitalisation project (RECAP)	**-**	**-**	**Herkapitaliseringsprojekte (RECAP)**
Trust funds	**1 556 271**	1 639 633	Trustgelde
Trust payables	**(1 556 271)**	(1 639 633)	Trustkrediteure
Jobs Fund	**-**	**-**	**Jobs Fund**
Trust funds	**21 116 428**	15 971 965	Trustgelde
Trust payables	**(21 116 428)**	(15 971 965)	Trustkrediteure
REID	**-**	**-**	**REID**
Trust funds	**1 395**	241 157	Trustgelde
Trust payables	**(1 395)**	(241 157)	Trustkrediteure
Eastern Cape Mechanisation	**-**	**-**	**Oos-Kaap Meganisasie**
Trust funds	**2 933 670**	3 508 075	Trustgelde
Trust payables	**(2 933 670)**	(3 508 075)	Trustkrediteure

8. Trade and other payables	2018 R	2017 R	8. Handels- en ander krediteure
Trade payables	**4 793 656**	5 145 693	Handelskrediteure
Income received in advance	**17 799 542**	17 912 345	Vooruitontvange inkomste
NAMPO Geboue Proprietary Limited	**2**	2	NAMPO Geboue Eiendoms Beperk
Accrued leave	**2 427 826**	2 399 983	Opgelope verlof
Employee cost	**3 530 447**	2 641 480	Werknemerkoste
	28 551 473	**28 099 503**	

9. Income			9. Inkomste
Management fee	**4 286 615**	5 985 263	Bestuursfooi
Rental income	**1 089 894**	1 042 128	Huurinkomste
Membership contribution	**17 138 696**	11 994 631	Ledebydrae
	22 515 205	**19 022 022**	

10. Other income			10. Ander inkomste
Other income	**652 280**	824 261	Ander inkomste
Sponsorships	**6 998 620**	2 984 480	Borgskappe
Commercial income	**41 310 777**	37 907 673	Kommersiële inkomste
Nett levies fund income (supplementary information 2)	**-**	-	Netto heffingsfondsinkomste (aanvullende inligting 2)
Nett project income (supplementary information 3)	**1 696 910**	3 344 790	Netto projekinkomste (aanvullende inligting 3)
Exchange profit	**7 784**	-	Valuta wins
Profit on sale of assets	**12 789**	-	Wins met verkoop van bates
	50 679 160	**45 061 204**	

11. Investment income			11. Beleggingsinkomste
Dividend income			**Dividendinkomste**
NAMPO Geboue Proprietary Limited	**-**	1 672 977	NAMPO Geboue Eiendoms Beperk
Sanlam – Grain SA	**290 248**	273 146	Sanlam – Graan SA
Sanlam – Farmer Development	**32 433**	35 094	Sanlam – Ontwikkelende landbou
	322 681	**1 981 217**	
Finance income			**Finansieringsinkomste**
Sanlam – Grain SA	**840 490**	947 751	Sanlam – Graan SA
Sanlam – Farmer Development	**54 828**	91 187	Sanlam – Ontwikkelende landbou
	895 318	**1 038 938**	
	1 217 999	**3 020 155**	

	2018 R	2017 R	
12. Fair value adjustment			**12. Billikewaarde-aanpassing**
Sanlam – Grain SA	**71 270**	(1 207 834)	Sanlam – Graan SA
Sanlam – Farmer Development	**101 274**	70 990	Sanlam – Ontwikkelende landbou
	172 544	**(1 136 844)**	
13. Finance costs			**13. Finansieringskoste**
Interest paid	**540**	41	Rente betaal
	540	**41**	
14. Cash generated through operations			**14. Kontant gegenereer deur bedrywighede**
Surplus before tax	**3 710 340**	1 018 508	**Surplus voor belasting**
Adjusted for:			Aanpassings vir:
Depreciation	**2 342 571**	2 120 306	Waardevermindering
Dividends received	**(322 681)**	(1 981 217)	Dividende ontvang
Interest received	**(895 318)**	(1 038 938)	Rente ontvang
Finance cost	**540**	41	Finansieringskoste
Fair value adjustment	**(172 544)**	1 136 844	Billikewaarde-aanpassing
Profit on exchange differences	**(7 784)**	-	Wins met valutaverskille
Profit on sale of asset	**(12 789)**	-	Wins met verkoop van bate
Non-cash items: Provision	**4 000 000**	-	Nie-kontantitems: Voorsienings
Change in operating capital			**Veranderings in bedryfskapitaal**
Inventory	**55 262**	260 663	Voorraad
Trade and other receivables	**(1 944 425)**	1 785 509	Handels- en ander debiteure
Trade and other payables	**459 758**	1 014 391	Handels- en ander krediteure
	7 212 930	**4 316 107**	

15. Contingent liability

No provision has been made for taxation, as Grain SA has acted in terms of an South African Revenue Services (SARS)' letter dated 18 September 2006, according to which Grain SA is exempt from income tax in terms of Section 10(1)(d)(iv)(bb) of the Act. The letter states, however, that the exemption will be reviewed when new regulations and legislation regarding the exemption are implemented. Section 10(1)(d)(iv)(bb) of the Income Tax Act with effect from on 2 November 2010 and Section 30B was implemented. Grain SA's tax status has not been confirmed by SARS since the Section 30B introduction.

A contingent liability exists for a possible under payment of income tax, as well as possible fines and interest rates. At year-end, no recording of the possible income tax, fines and interest rates was made in the financial statements. Clarification of the possible income tax, fines and interest will only be obtained after the application and consideration by SARS.

An application to SARS by management is in process to obtain tax exemption.

15. Voorwaardelike aanspreeklikheid

Geen voorsiening is vir belasting gemaak nie, aangesien Graan SA opgetree het in terme van 'n Suid-Afrikaanse Inkomstediens (SAID)-skrywe, gedateer 18 September 2006, waarvolgens Graan SA vrygestel is van inkomstebelasting ingevolge van Artikel 10(1)(d)(iv)(bb) van die Wet. Die skrywe meld egter dat die vrystelling hersien sal word wanneer nuwe regulasies en wetgewing met betrekking tot die vrystelling geïmplementeer word. Artikel 10(1)(d)(iv)(bb) van die Inkomstebelatingswet is gewysig effektiewelik 2 November 2010 en Artikel 30B is geïmplementeer. Graan SA se belastingstatus is sedert die wetswysiging vir Artikel 30B nie deur SAID bevestig nie.

'n Voorwaardelike aanspreeklikheid bestaan ten opsigte van 'n moontlike onderbetaling van inkomstebelasting, asook moontlike boetes en rentes. Op jaareinde is geen teboekstelling van die moontlike inkomstebelasting, boetes en rentes in die finansiele state gemaak nie. Uitklaring van die moontlike inkomstebelasting, boetes en rentes sal eers verkry word na die aansoek en oorweging deur die SAID.

'n Aansoek aan die SAID deur bestuur is in proses om die belasting-vrystellingstatus te verkry.

	2018 R	2017 R	
16. Related parties			**16. Verwante partye**
Relationships			**Verwantskap**
Subsidiary:			Filiaal:
NAMPO Geboue Proprietary Limited			NAMPO Geboue Eiendoms Beperk
Members of key management:			Sleutelbestuur:
The Kommersiële Wintergraan Produsente Trust			Die Kommersiële Wintergraan Produsente Trust
The Kommersiële Mielie Produsente Navorsingstrust			Die Kommersiële Mielie Produsente Navorsingstrust
Related party balances			**Verwantepartysaldo's**
Amounts included in trade receivables (trade payables) in respect of related parties			**Bedrae ingesluit by handelsdebiteure (handels-krediteure) ten opsigte van verwante partye**
The Kommersiële Wintergraan Produsente Trust	-	31 554	Die Kommersiële Wintergraan Produsente Trust
The Kommersiële Mielie Produsente Navorsingstrust	-	631 089	Die Kommersiële Mielie Produsente Navorsingstrust
NAMPO Geboue Proprietary Limited	**(2)**	(2)	NAMPO Geboue Eiendoms Beperk
Related party transactions			**Verwantepartytransaksies**
Income: The Kommersiële Wintergraan Produsente Trust			**Inkomstes: Die Kommersiële Wintergraan Produsente Trust**
Management fee	**15 729**	14 700	Bestuursfooi
Research projects	**70 000**	109 600	Navorsingsprojekte
Income: The Kommersiële Mielie Produsente Navorsingstrust			**Inkomstes: Die Kommersiële Mielie Produsente Navorsingstrust**
Management fee	**137 441**	120 000	Bestuursfooi
Research projects	**1 987 000**	2 823 815	Navorsingsprojekte
17. Comparative figures			**17. Vergelykende syfers**
The disclosure of the financial statements for 2018 has changed from function to nature. The 2017 figures have been reclassified so that it is also revealed by nature and that the two years can be compared with each other. The figures indicated under 2017 is the nett effect per line item that has been reallocated to meet this requirement.			Die 2018-finansiële state se openbaarmaking is verander van funksie na aard. Die 2017-syfers is geherklassifiseer sodat dit ook volgens aard geopenbaar word en dat die twee jare met mekaar vergelyk kan word. Die syfers aangedui onder 2017 is die netto effek per lynitem wat herallokeer is om hieraan te voldoen.
Statement of financial position			**Staat van finansiële posisie**
Trade and other receivable	-	(155 909)	Handels- en ander debiteure
Other financial assets	-	(44 386 047)	Ander finansiële bates
Loans from group companies	-	2	Lenings vanaf groepmaatskappye
Trade and other payables	-	155 901	Handels- en ander krediteure
Trust funds	-	48 886 046	Trustfondse
Provisions	-	(4 500 000)	Voorsienings
Retained earnings	-	7	Behoue verdienste
Profit or loss			**Wins of verlies**
Income	-	72 881 535	Inkomste
Other income	-	(42 457 439)	Ander inkomste
Operating cost	-	(33 057 803)	Bedryfskoste
Administrative fee – government projects	-	1 465 000	Administratiewe fooi – staatsprojekte
Investment income	-	841 405	Beleggingsinkomste
Fair value adjustment	-	327 307	Billikewaarde-aanpassing

18. Categories of financial instruments

Categories of financial instruments – 2018

18. Kategorieë van finansiële instrumente

Kategorieë van finansiële instrumente – 2018

	Financial assets at fair value through profit or loss Finansiële bates teen billike waarde deur wins of verlies	Financial assets at amortised cost Finansiële bates teen ge-amortiseerde koste	Financial liabilities at fair value through profit or loss Finansiële laste teen billike waarde deur wins of verlies	Financial liabilities at amortised cost Finansiële laste teen ge-amortiseerde koste	Equity and non-financial assets and liabilities Ekwiteit en nie-finansiële bates en laste	Total Totaal	
Assets							**Bates**
Non-current assets							**Nie-bedryfsbates**
Property, plant and equipment	-	-	-	-	29 479 447	29 479 447	Eiendom, aanleg en toerusting
Other financial assets	35 811 328	-	-	-	-	35 811 328	Ander finansiële bates
	35 811 328	**-**	**-**	**-**	**29 479 447**	**65 290 775**	
Current assets							**Bedryfsbates**
Inventory	-	-	-	-	129 553	129 553	Voorraad
Trade and other receivables	-	9 401 912	-	-	776 471	10 178 383	Handels- en ander debiteure
Cash and cash equivalents	-	15 620 333	-	-	-	15 620 333	Kontant en kontantekwivalente
	-	**25 022 245**	**-**	**-**	**906 024**	**25 928 269**	
Total assets	**35 811 328**	**25 022 245**	**-**	**-**	**30 385 471**	**91 219 044**	**Totale bates**
Equity and liabilities							**Ekwiteit en aanspreeklikhede**
Equity							**Ekwiteit**
Reserves					8 500 000	8 500 000	Reserwe
Retained surplus	-	-	-	-	54 167 571	54 167 571	Behoue surplus
Total equity	**-**	**-**	**-**	**-**	**62 667 571**	**62 667 571**	**Totale ekwiteit**
Liabilities							**Laste**
Current liabilities							**Bedryfslaste**
Trade and other payables	-	-	-	26 123 647	2 427 826	28 551 473	Handels- en ander krediteure
Total liabilities	**-**	**-**	**-**	**26 123 647**	**2 427 826**	**28 551 473**	**Totale laste**
Total equity and liabilities	**-**	**-**	**-**	**26 123 647**	**65 095 397**	**91 219 044**	**Totale ekwiteit en aanspreeklikhede**

18. Categories of financial instruments

Categories of financial instruments – 2017

18. Kategorieë van finansiële instrumente

Kategorieë van finansiële instrumente – 2017

	Financial assets at fair value through profit or loss Finansiële bates teen billike waarde deur wins of verlies	Financial assets at amortised cost Finansiële bates teen ge-amortiseerde koste	Financial liabilities at fair value through profit or loss Finansiële laste teen billike waarde deur wins of verlies	Financial liabilities at amortised cost Finansiële laste teen ge-amortiseerde koste	Equity and non-financial assets and liabilities Ekwiteit en nie-finansiële bates en laste	Total Totaal	
Assets							**Bates**
Non-current assets							**Nie-bedryfsbates**
Property, plant and equipment	-	-	-	-	27 453 515	27 453 515	Eiendom, aanleg en toerusting
Other financial assets	34 258 824	-	-	-	-	34 258 824	Ander finansiële bates
	34 258 824	**-**	**-**	**-**	**27 453 515**	**61 712 339**	
Current assets							**Bedryfsbates**
Inventory	-	-	-	-	184 815	184 815	Voorraad
Trade and other receivables	-	7 275 561	-	-	958 397	8 233 958	Handels- en ander debiteure
Cash and cash equivalents	-	12 925 622	-	-	-	12 925 622	Kontant en kontantekwivalente
	-	**20 201 183**	**-**	**-**	**1 143 212**	**21 344 395**	
Total assets	**34 258 824**	**20 201 183**	**-**	**-**	**28 596 727**	**83 056 734**	**Totale bates**
Equity and liabilities							**Ekwiteit en aanspreeklikhede**
Equity							**Ekwiteit**
Reserves					4 500 000	4 500 000	Reserwes
Retained surplus	-	-	-	-	50 457 231	50 457 231	Behoue surplus
Total equity	**-**	**-**	**-**	**-**	**54 957 231**	**54 957 231**	**Totale ekwiteit**
Liabilities							**Laste**
Current liabilities							**Bedryfslaste**
Trade and other payables	-	-	-	25 699 520	2 399 983	28 099 503	Handels- en ander krediteure
Total liabilities	**-**	**-**	**-**	**25 699 520**	**2 399 983**	**28 099 503**	**Totale laste**
Total equity and liabilities	**-**	**-**	**-**	**25 699 520**	**57 357 214**	**83 056 734**	**Totale ekwiteit en aanspreeklikhede**

19. Going concern

The financial statements have been prepared on the basis of accounting policies that apply to a going concern. The basis assumes that funds will be available to finance future operations and that the realisation of assets and liquidation of liabilities, contingent liabilities and liabilities in the ordinary course of matters will take place.

The entity's ability to continue as a going concern depends on a number of factors. The most important of these is that the entity continues to obtain funding.

20. Events after reporting date

Management is not aware of any events after the reporting date up to and including the date of issue except for the contingent liability as disclosed in note 15.

21. Post-employment benefits

The permanent employees belong to the pension fund which is a fixed contribution plan and is subject to the Pension Funds Act.

19. Lopende saak

Die finansiële state is opgestel op grond van rekeningkundige beleid wat op 'n lopende saak van toepassing is. Die grondslag veronderstel dat fondse beskikbaar sal wees om toekomstige bedrywighede te finansier en dat die realisering van bates en vereffening van laste, voorwaardelike verpligtinge en aanspreeklikhede in die gewone gang van sake sal plaasvind.

Die entiteit se vermoë om as 'n lopende saak voort te gaan, hang af van 'n aantal faktore. Die belangrikste hiervan is dat die entiteit voortgaan om befondsing te verkry.

20. Gebeure na verslagdoeningsdatum

Die bestuur is nie bewus van enige gebeure na die verslagdoeningsdatum tot en met datum van uitreiking wat openbaarmaking vereis nie behalwe die voorwaardelike aanspreeklikheid soos geopenbaar in nota 15.

21. Nadiensvoordele

Die permanente werknemers behoort aan die pensioenfonds wat 'n vastebydraeplan is en onderhewig is aan die Wet op Pensioenfondse.

SUPPLEMENTARY INFORMATION
AANVULLENDE INLIGTING

FOR THE YEAR ENDED 30 SEPTEMBER 2018 | VIR DIE JAAR GEËINDIG 30 SEPTEMBER 2018

	2018 R	2017 R	
Income	**22 515 205**	**19 022 022**	**Inkomste**
Management fee	**4 286 615**	5 985 263	Bestuursfooi
Rental income	**1 089 894**	1 042 128	Huurinkomste
Members' contribution	**17 138 696**	11 994 631	Ledebydrae
Other income	**52 069 703**	**48 152 349**	**Ander inkomste**
Other income	**652 280**	824 261	Ander inkomste
Fair value adjustment	**172 544**	70 990	Billikewaarde-aanpassing
Sponsorships	**6 998 620**	2 984 480	Borgskappe
Dividend received	**322 681**	1 981 217	Dividende ontvang
Commercial income	**41 310 777**	37 907 673	Kommersiële inkomste
Nett levy fund income (supplementary information 2)	**-**	-	Netto heffingsfonds-inkomste (aanvullende inligting 2)
Nett project income (supplementary information 3)	**1 696 910**	3 344 790	Netto projekinkomste (aanvullende inligting 3)
Interest received	**895 318**	1 038 938	Rente ontvang
Exchange difference profit	**7 784**	-	Valuta wins
Profit on sale of assets	**12 789**	-	Wins met verkoop van bates
Expenses (refer to page 139)	**(70 874 028)**	**(64 947 988)**	**Uitgawes (verwys na bladsy 139)**
Operating surplus	**3 710 880**	**2 226 383**	**Bedryfsurplus**
Finance cost	**(540)**	(41)	Finansieringskoste
Fair value adjustment	**-**	(1 207 834)	Billikewaarde-aanpassing
Surplus for the year	**3 710 340**	**1 018 508**	**Surplus vir die jaar**
Administration (Recap)	**(1 633 000)**	(1 465 000)	Administrasie (Recap)
Operational surplus/(deficit)	**2 077 340**	**(446 492)**	**Operasionele surplus/(tekort)**

The supplementary information does not form part of the financial statements and is unaudited.

Die aanvullende inligting vorm nie deel van die finansiële state nie en is nie geoudit nie.

	2018 R	2017 R	
Expenses			**Uitgawes**
Bank costs	**109 971**	85 981	Bankkoste
Investment fee	**369 198**	384 299	Beleggingsfooi
Marketing and sponsorships	**2 782 784**	3 276 586	Bemarking en borgskappe
Fuel	**49 829**	61 113	Brandstof
Printing and stationery	**276 373**	294 365	Drukwerk en skryfbehoeftes
Electricity	**191 060**	218 376	Elektrisiteit
Levies: Office Park	**628 077**	484 567	Heffings: Kantoorpark
Repairs and maintenance	**2 869 234**	2 325 270	Herstelwerk en instandhouding
Service agreements	**257 877**	298 406	Dienste-ooreenkomste
Market information	**16 875**	86 793	Markinligting
Clothing	**122 486**	203 051	Kleredrag
Commercial expenses	**19 863 594**	16 559 359	Kommersiële uitgawes
Membership and affiliation	**1 288 953**	1 295 601	Lidmaatskap en affiliasie
Functions and entertainment	**3 917 487**	2 926 005	Funksies en onthaalkoste
Training	**356 144**	372 962	Opleiding
Auditors' remuneration	**342 295**	338 292	Ouditeursvergoeding
Professional services	**584 397**	630 744	Professionele dienste
Travel costs and accommodation	**500 419**	366 286	Reiskoste en verblyf
Computer expenses	**2 163 492**	1 745 702	Rekenaaruitgawes
Security	**19 866**	16 352	Sekuriteit
Cleaning costs	**161 265**	149 213	Skoonmaakkostes
Bad debt	**10 630**	124 942	Slegte skuld
Telephone and fax	**714 217**	705 321	Telefoon en faks
Exchange difference loss	**14 315**	6 483	Valutaverlies
Meeting costs	**4 149 086**	3 789 989	Vergaderingskoste
Loss on sale of asset	**-**	286 373	Verlies met verkoop van bates
Insurance	**475 327**	429 423	Versekering
Refreshments	**94 034**	103 202	Verversings
Depreciation	**2 342 571**	2 120 306	Waardevermindering
Employee costs	**26 202 172**	25 262 626	Werknemerskoste
	70 874 028	**64 947 988**	

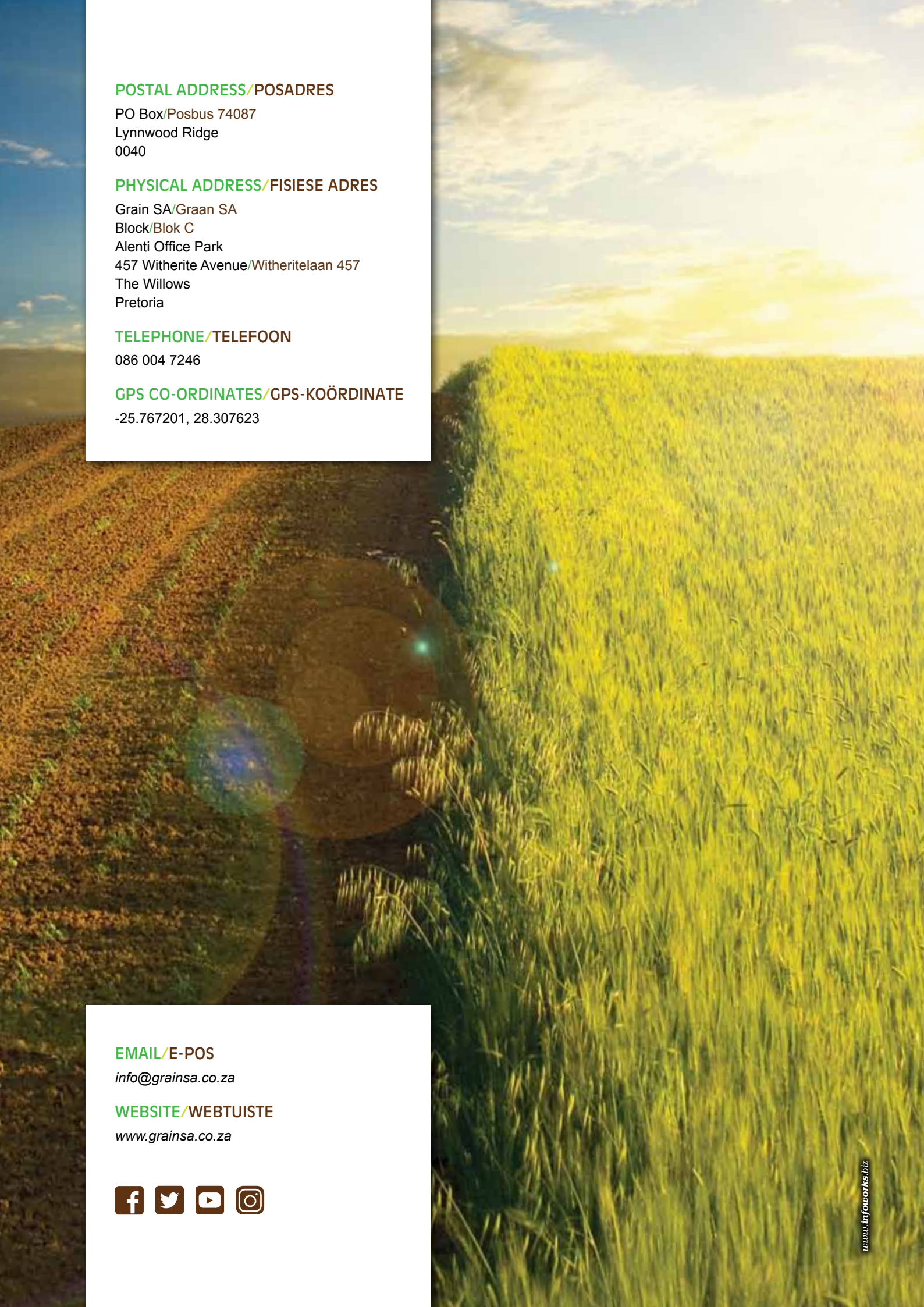
The supplementary information does not form part of the financial statements and is unaudited.

Die aanvullende inligting vorm nie deel van die finansiële state nie en is nie geoudit nie.

1. Commodity levy fund	2018 R	2017 R	1. Heffingsfonds
Balance at the beginning of the year	**23 025 215**	18 943 754	Saldo begin van die jaar
Received from prior year	**2 853 516**	1 346 552	Ontvang vanaf vorige jaar
(Receipts)/Payments for the year:			**Ontvangstes/(betalings) vir die jaar:**
Levies received	**18 893 678**	18 424 480	Heffings ontvang
Interest received Absa	**642 819**	489 967	Rente ontvang Absa
Returns: Sanlam	**220 730**	552 709	Opbrengs: Sanlam
Membership fees	**(2 971 000)**	(2 590 000)	Ledegeld
Membership fees less than R1 000	**(640 998)**	(537 893)	Ledegeld minder as R1 000
Industry services	**(8 087 554)**	(6 042 118)	Bedryfsbediening
Farmer development	**(525 000)**	-	Ontwikkelende landbou
Members' benefits	**(627 020)**	(456 992)	Ledevoordele
Legal aid	**(74 385)**	(41 651)	Regshulp
Provincial agricultural union affiliation	**(8 478)**	(58 556)	Provinsiale landbou-unie-affiliasie
5% branch funding	**(333 405)**	(502 879)	5% takbefondsing
Marketing	**(1 797 479)**	(1 806 193)	Bemarking
Grain SA management fee	**(1 658 672)**	(1 842 448)	Graan SA-bestuursfooi
Levy fund 2018 surplus to Grain SA	**(2 300 311)**	-	Heffingsfonds 2018 surplus na Graan SA
Amount payable to commodity levy fund at year end	**(3 496 520)**	(2 853 516)	Bedrae verskuldig aan heffingsfonds op jaareinde
Balance at the end of the year	**23 115 136**	**23 025 216**	Saldo einde van die jaar
Levy fund invested at:			**Heffingsfonds belê by:**
Absa	**11 015 717**	11 129 910	Absa
Sanlam	**12 099 419**	11 895 306	Sanlam
	23 115 136	**23 025 216**	
2. Commodity levy fund income (other income)			**2. Heffingsfonds-inkomste (ander inkomste)**
Income	**1 118 150**	1 294 027	Inkomste
Expenses	**(1 118 150)**	(1 294 027)	Uitgawes
	-	**-**	
3. Projects			**3. Projekte**
Income	**42 354 837**	35 571 041	Inkomste
Expenses	**(40 657 927)**	(32 226 251)	Uitgawes
	1 696 910	**3 344 790**	

The supplementary information does not form part of the financial statements and is unaudited.

Die aanvullende inligting vorm nie deel van die finansiële state nie en is nie geoudit nie.



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