La Concorde Holdings Limited
(Registration number 2009/012871/06)
Annual Financial Statements
for the year ended 31 March 2023

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Investment and property holding
Directors	JA Copelyn AF Pereira Y Shaik JR Nicolella
Registered office	Suite 801 76 Regent Road Sea Point Western Cape 8005
Postal address	PO Box 5251 Cape Town Western Cape 8000
Holding company	Niveus-La Concorde Holdings Proprietary Limited, a company incorporated in South Africa
Ultimate holding company	Hosken Consolidated Investments Limited, a company incorporated in South Africa and listed on the Johannesburg Securities Exchange
Banker	First National Bank
Auditor	PricewaterhouseCoopers Inc. Chartered Accountants (SA) Registered Auditors
Secretary	HCI Managerial Services Proprietary Limited
Company registration number	2009/012871/06
Preparer	The annual financial statements were prepared under the supervision of: AF Pereira CA (SA)

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Directors Commentary

The assets of La Concorde consist of investment property, art and cash, as well as Frontier Transport Holdings ("FTH") shares acquired during the acquisition and distribution of the group's interest in that company. Further development of properties is continuously being considered.

During the period the income generated mainly consisted of rental income, recoveries of utilities and operating expenses, restaurant and accommodation revenue, and interest and dividend income.

Operating expenses mainly consist of utility expenses, food and beverage cost, management fees, salaries, and repairs and maintenance required for the management of the properties.

Fair value adjustments to shares resulted from the increase in the traded price of FTH shares. During the current period, a dividend of R3.4 million was received from FTH.

The group completed the erection of the Sportman's Warehouse and Outdoor Warehouse ("SW and OW") building on the De Hoop Farm. SW and OW commenced trading in August 2022. The Laborie Heritage Wine Estate is also being redeveloped into a hospitality and recreational destination.

Signed on behalf of the Board of directors

Cisco Pereira
Director
Cape Town
31 July 2023

Audit Committee Report

The audit committee of Hosken Consolidated Investments Limited (“HCI”) also acts as the statutory audit committee for La Concorde Holdings Limited (“La Concorde”), a public group company subsidiary that is legally required to have such a committee.

HCI's audit committee fulfils its responsibilities as the statutory audit committee for La Concorde by considering:

- Information and explanations provided by management;
- Discussions with HCI’s representatives serving as non-executive directors on La Concorde’s board;
- Review of minutes of meetings attended by aforementioned individuals to consider La Concorde’s financial reporting for the year under review; and
- Reports provided by La Concorde's external auditor, PricewaterhouseCoopers Inc.

Based on the results of the aforementioned procedures, the HCI audit committee:
- Is satisfied with the independence and objectivity of the external auditor, PricewaterhouseCoopers Inc.;
- Has recommended the fees payable to the external auditor;
- Is satisfied with the extent of non-audit-related services performed;
- Is satisfied that the financial function, including the financial director, has the appropriate expertise, experience and resources; and
- Is satisfied that there was no material breakdown in the internal financial controls of the Company during the year.

The committee has evaluated the annual financial statements of the Company and group for the year ended 31 March 2023, and based on the information provided to the committee, considers that the group complies, in all material respects, with the requirements of the Companies Act, 71 of 2008, as amended, and International Financial Reporting Standards.

HCI Audit Committee

Declaration of the Company Secretary

I hereby confirm, in my capacity as company secretary of La Concorde Holdings, that for the period ended 31 March 2023 the Company has filed all required returns and notices in terms of the Companies Act 71 of 2008, as amended, and that all such returns and notices are to the best of my knowledge and belief true, correct and up to date.

HCI Managerial Services Proprietary Limited

Independent auditor's report

To the Shareholders of La Concorde Holdings Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of La Concorde Holdings Limited (the Company) and its subsidiaries (together the Group) as at 31 March 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

La Concorde Holdings Limited's consolidated and separate financial statements set out on pages 12 to 62 comprise:

- the consolidated and separate statements of financial position as at 31 March 2023;
- the consolidated and separate statements of profit of loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- 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 consolidated and separate 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 Group 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 corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards).*

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Chief Executive Officer: L S Machaba
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "La Concorde Holdings Limited Annual Financial Statements for the year ended 31 March 2023", which includes the Directors' Report, the Audit Committee's Report and the Declaration of the Company Secretary as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate 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 Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of La Concorde Holdings Limited for 80 years.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc.
Director: H Zeelie
Registered Auditor
Stellenbosch, South Africa
31 July 2023

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards (IFRS). The external auditor is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group's cash flow forecast for the year to 31 March 2024 and, in light of this review and the current financial position, they are satisfied that the group has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the group's annual financial statements. The annual financial statements have been examined by the group's external auditor and their report is presented on pages 6 to 8.

The annual financial statements set out on pages 3 to 5 and 10 to 62, which have been prepared on the going concern basis, were approved by the board of directors on 31 July 2023 and were signed on their behalf by:

AF Pereira

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of La Concorde Holdings Limited and the group for the year ended 31 March 2023.

1. Nature of business

La Concorde Holdings Limited is an investment and property holding company operating principally in South Africa.

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

2. Review of financial results and activities

The separate and consolidated annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year, other than new Standards applied during the current year.

Full details of the financial position, results of operations and cash flows of the group are set out in these consolidated annual financial statements.

3. Dividends

The company's dividend policy is to consider an interim and a final dividend in respect of each financial year. At its discretion, the board of directors may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the board of directors may pass on the payment of dividends.

The board has resolved not to declare a final dividend.

The local dividends tax rate is 20%.

4. Directorate

The directors in office at the date of this report are as follows:

Directors	
JA Copelyn	Non-executive
AF Pereira	Executive
Y Shaik	Non-executive
JR Nicolella	Non-executive

5. Holding company

The group's holding company is Niveus-La Concorde Holdings Proprietary Limited, a wholly owned subsidiary of Hosken Consolidated Investments Limited, a company which is incorporated in South Africa.

6. Ultimate holding company

The group's ultimate holding company is Hosken Consolidated Investments Limited which is incorporated in South Africa and listed on the Johannesburg Securities Exchange.

7. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

8. Going concern

The directors reviewed the 2024 forecast to assess the impact of the coronavirus pandemic and no risks were identified which would impact the Company’s status as a going concern. The directors believe that the Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis.

9. Auditor

Mazars will be proposed as auditor for the Company and its subsidiaries.

10. Secretary

The company secretary is HCI Managerial Services Proprietary Limited.

11. Liquidity and solvency

The directors have performed the required liquidity and solvency tests in terms of the Companies Act of South Africa.

Statement of Financial Position as at 31 March 2023

		Group		Company	
	Notes	2023 R '000	2022 R '000	2023 R '000	2022 R '000
Assets					
Non-Current Assets					
Property, plant and equipment	3	102 747	6 571	-	-
Investment property	4	147 052	192 813	-	-
Intangible assets	5	101	145	-	-
Investments in subsidiaries	6	-	-	61 800	61 800
Investments in associates	7	17 730	15 821	-	-
Investment at fair value	8	32 230	31 598	22 106	21 672
Loan to group company	9	-	-	199 061	196 959
Finance lease receivables	10	1 788	1 763	-	-
Right-of-use assets	10	132	164	-	-
Deferred tax	11	5 848	3 809	-	-
		307 628	**252 684**	**282 967**	**280 431**
Current Assets					
Inventories		1 035	575	-	-
Trade and other receivables	12	2 082	3 689	-	-
Current tax receivable		2 199	2 204	-	-
Cash and cash equivalents	13	55 838	87 126	76	19
		61 154	**93 594**	**76**	**19**
Non-current asset held for sale	14	-	346	-	-
Total Assets		**368 782**	**346 624**	**283 043**	**280 450**
Equity and Liabilities					
Equity					
Equity Attributable to Equity Holders of Parent					
Share capital	15	1	1	1	1
Share premium	15	408 986	408 986	409 879	409 879
Retained income		(162 362)	(178 600)	(127 081)	(129 649)
		246 625	230 387	282 799	280 231
Non-controlling interest		6 681	5 902	-	-
		253 306	**236 289**	**282 799**	**280 231**
Liabilities					
Non-Current Liabilities					
Borrowings	16	73 720	77 122	-	-
Finance lease liabilities	10	1 892	1 928	-	-
Deferred tax	11	28 046	20 161	-	-
		103 658	**99 211**	**-**	**-**
Current Liabilities					
Borrowings	16	7 723	6 871	-	-
Current tax payable		-	-	35	31
Trade and other payables	17	4 095	4 253	209	188
		11 818	**11 124**	**244**	**219**
Total Liabilities		**115 476**	**110 335**	**244**	**219**
Total Equity and Liabilities		**368 782**	**346 624**	**283 043**	**280 450**

Statement of Profit or Loss and Other Comprehensive Income

		Group		Company	
	Notes	2023 R '000	2022 R '000	2023 R '000	2022 R '000
Revenue	18	39 361	21 475	2 341	1 994
Other operating gains	19	15 954	16 021	433	8 626
Other operating expenses		(35 567)	(23 595)	(210)	(171)
Operating profit	20	**19 748**	**13 901**	**2 564**	**10 449**
Investment income	21	7 407	7 078	4	-
Finance costs	22	(6 907)	(4 592)	-	-
Share of equity accounted earnings	7	2 615	4 842	-	-
Profit before taxation		**22 863**	**21 229**	**2 568**	**10 449**
Taxation	23	(5 846)	(6 698)	-	(5 384)
Profit for the year		**17 017**	**14 531**	**2 568**	**5 065**
Profit attributable to:					
Owners of the parent		16 238	13 560	2 568	5 065
Non-controlling interest		779	971	-	-
		17 017	**14 531**	**2 568**	**5 065**

Statement of Changes in Equity

	Share capital	Share premium	**Total share capital**	Accumulated loss	**Total attributable to equity holders of the group / company**	Non-controlling interest	**Total equity**
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Group							
Balance at 01 April 2021	**1**	**408 986**	**408 987**	**(192 087)**	**216 900**	**4 931**	**221 831**
Profit for the year	**-**	**-**	**-**	**13 560**	**13 560**	**971**	**14 531**
Dividends	-	-	-	(73)	(73)	-	(73)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**-**	**(73)**	**(73)**	**-**	**(73)**
Balance at 01 April 2022	**1**	**408 986**	**408 987**	**(178 600)**	**230 387**	**5 902**	**236 289**
Profit for the year	**-**	**-**	**-**	**16 238**	**16 238**	**779**	**17 017**
Balance at 31 March 2023	**1**	**408 986**	**408 987**	**(162 362)**	**246 625**	**6 681**	**253 306**
Note	15	15	15				

Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Accumulated loss	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Company							
Balance at 01 April 2021	**1**	**409 879**	**409 880**	**(134 641)**	**275 239**	**-**	**275 239**
Profit for the year	**-**	**-**	**-**	**5 065**	**5 065**	**-**	**5 065**
Dividends	-	-	-	(73)	(73)	-	(73)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**-**	**(73)**	**(73)**	**-**	**(73)**
Balance at 01 April 2022	**1**	**409 879**	**409 880**	**(129 649)**	**280 231**	**-**	**280 231**
Profit for the year	**-**	**-**	**-**	**2 568**	**2 568**	**-**	**2 568**
Balance at 31 March 2023	**1**	**409 879**	**409 880**	**(127 081)**	**282 799**	**-**	**282 799**
Note	15	15	15				

Statement of Cash Flows

		Group		Company	
	Notes	2023 R '000	2022 R '000	2023 R '000	2022 R '000
Cash flows from operating activities					
Cash generated from / (used in) operations	24	4 334	(5 470)	2 151	69
Interest income		3 995	4 171	4	-
Dividend income		3 412	2 907	-	1 994
Finance costs		(6 907)	(2 600)	-	-
Tax received	25	5	233	4	45
Net cash from / (used in) operating activities		**4 839**	**(759)**	**2 159**	**2 108**
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(5 989)	(4 910)	-	-
Proceeds from disposal of property, plant and equipment	3	-	3 416	-	-
Purchase of investment property	4	(28 578)	(59 365)	-	-
Proceeds from sale of investment property	4	400	401	-	-
Purchase of intangible assets	5	(8)	(119)	-	-
Dividend from associate		706	1 208	-	-
Loan to group company repaid		-	-	-	42
Loan advanced to group company		-	-	(2 102)	(2 126)
Net cash (used in) / from investing activities		**(33 469)**	**(59 369)**	**(2 102)**	**(2 084)**
Cash flows from financing activities					
Proceeds from borrowings raised		-	46 011	-	-
Repayment of borrowings		(2 658)	(1 350)	-	-
Dividends paid		-	(73)	-	(73)
Net cash (used in) / from financing activities		**(2 658)**	**44 588**	**-**	**(73)**
Total cash and cash equivalents movement for the year		**(31 288)**	**(15 540)**	**57**	**(49)**
Cash and cash equivalents at the beginning of the year		87 126	102 666	19	68
Total cash and cash equivalents at the end of the year	13	**55 838**	**87 126**	**76**	**19**

Accounting Policies

1. Significant accounting policies

The annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), and the Companies Act of South Africa and incorporate the principal accounting policies set out below. They are presented in South African Rands.

1.1 Basis of preparation

The consolidated and separate annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act of South Africa of South Africa, as amended.

These annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Rands, which is the group and company's functional currency.

These accounting policies are consistent with the previous period, other than the new Standards applied during the current year.

1.2 Consolidation

Basis of consolidation

The consolidated annual financial statements incorporate the annual financial statements of the company and all subsidiaries. Subsidiaries are entities which are controlled by the group.

The group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use its power over the entity.

The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the annual financial statements of subsidiaries to bring their accounting policies in line with those of the group.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the company.

Investments in subsidiaries in the separate financial statements

In the company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses.

1.3 Investments in associates

An associate is an entity over which the group has significant influence and which is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. It generally accompanies a shareholding of between 20% and 50% of the voting rights.

The group has an interest of 30.9% in Paarl Vallei Bottling Company Proprietary Limited.

Investments in associates are accounted for using the equity method. Under the equity method, investments in associates are carried in the Statement of Financial Position at cost adjusted for post-acquisition changes in the group's share of net assets of the associate, less any impairment losses.

The group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. Losses in an associate in excess of the group's interest in that associate, including any other unsecured receivables, are recognised only to the extent that the group has incurred a legal or constructive obligation to make payments on behalf of the associate.

Any goodwill on acquisition of an associate is included in the carrying amount of the investment, however, a gain on acquisition is recognised immediately in profit or loss.

Profits or losses on transactions between the group and an associate are eliminated to the extent of the group's interest therein. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

1.4 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

1.4 Significant judgements and sources of estimation uncertainty (continued)

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the company to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

Key sources of estimation uncertainty

Trade receivables

The company assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

1.5 Investment property

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement is recognized, the carrying amount of the part replaced is derecognised and the cost of the replacement part is recognised.

Subsequent to initial measurement investment property is measured at fair value.

Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the company uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed as of the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the consolidated financial statements.

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Accounting Policies

1.5 Investment property (continued)

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Changes in fair values are recognised in profit or loss. Investment properties are derecognised when they have been disposed.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item of owner-occupied property becomes an investment property because its use has changed, any differences resulting between the carrying amount and the fair value of this item at the date of transfer is treated in the same way as a revaluation under IAS 16. Any resulting increase in the carrying amount of the property is recognised in the income statement to the extent that it reverses a previous impairment loss, with any remaining increase recognised in other comprehensive income and increase directly to equity in revaluation surplus within equity. Any resulting decrease in the carrying amount of the property is initially charged in other comprehensive income against any previously recognised revaluation surplus, with any remaining decrease charged to profit or loss.

Properties leased to third parties under operating leases are included in investment property in the statement of financial position.

Where the group has ownership of the land and the building, the buildings are leased to tenants under an operating lease for which operating lease rentals are payable to the lessor.

Properties that are leased to tenants under operating leases are accounted for as investment properties and measured using the fair value model.

1.6 Property, plant and equipment

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

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 group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

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 group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

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 group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

Accounting Policies

1.6 Property, plant and equipment (continued)

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

Item	Depreciation method	Average useful life
Land and buildings	Straight line	50 years
Furniture and fixtures	Straight line	10 years
Motor vehicles	Straight line	5 - 20 years
Machinery and equipment	Straight line	10 - 50 years
Computer equipment	Straight line	5 years
Art	Straight line	10 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

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.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.7 Intangible assets

An intangible asset is recognised when:
- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

<u>Computer software:</u>
Acquired computer software licenses are capitalised on the basis of the cost incurred to acquire and bring into use the specific software.

<u>Trademarks:</u>
Trademarks are recognised initially at cost and are carried at cost less accumulated amortisation.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Useful life
Trademarks	5 years
Computer software	5 years

1.8 Financial instruments

Financial instruments held by the group are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the group ,as applicable, are as follows:

Financial assets which are equity instruments:
- Mandatorily at fair value through profit or loss

Financial assets which are debt instruments:
- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Financial liabilities:
- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

Note 27 Financial instruments and risk management presents the financial instruments held by the group based on their specific classifications.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the group are presented below:

Loans receivable at amortised cost

Classification

Loans to group companies are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the group's business model is to collect the contractual cash flows on these loans.

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 12).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the group's business model is to collect the contractual cash flows on trade and other receivables.

Financial instruments (continued)

Investments in equity instruments

Classification

Investments in equity instruments are presented in note 8. They are classified as mandatorily at fair value through profit or loss. As an exception to this classification, the group may make an irrevocable election, on an instrument-by-instrument basis, and on initial recognition, to designate certain investments in equity instruments as at fair value through other comprehensive income.

The designation as at fair value through other comprehensive income is never made on investments which are either held for trading or contingent consideration in a business combination.

Recognition and measurement

Investments in equity instruments are recognised when the group becomes a party to the contractual provisions of the instrument. The investments are measured, at initial recognition, at fair value. Transaction costs are added to the initial carrying amount for those investments which have been designated as at fair value through other comprehensive income. All other transaction costs are recognised in profit or loss.

Investments in equity instruments are subsequently measured at fair value with changes in fair value recognised either in profit or loss or in other comprehensive income (and accumulated in equity in the reserve for valuation of investments), depending on their classification.

Fair value gains or losses recognised on investments at fair value through profit or loss are included in other operating gains (losses).

Dividends received on equity investments are recognised in profit or loss when the group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in investment income (note 21).

Borrowings and loans from related parties

Classification

Loans from group companies (note 9) are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

Borrowings are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the group designated a financial liability at fair value through profit or loss. Subsequently, borrowings are measured at amortised cost using the effective interest method.

Trade and other payables

Classification

Trade and other payables (note 17), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

1.9 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

Accounting Policies

1.10 Leases

The company accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- there is an identified asset;
- the company obtains substantially all the economic benefits from use of the asset; and
- the company has the right to direct use of the asset.

The company considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the company obtains substantially all the economic benefits from use of the asset, the company considers only the economic benefits that arise from use of the asset and not those incidental to legal ownership or other potential benefits.

In determining whether the company has the right to direct use of the asset, the company considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the company considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the company applies other applicable IFRSs rather than IFRS 16.

- initial direct costs were excluded from the measurement of right-of-use assets at the date of initial application for leases where the right-of-use asset was determined as if IFRS 16 had been applied since the commencement date;
- the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term remaining as of the date of initial application was applied; and
- to not recognise right-of-use assets and lease liabilities for some leases of low-value assets based on the value of the underlying asset when new.

(i) The company is the lessor:
Accounting for leases by lessors remains similar to the provisions of IAS 17 in that leases are classified as either finance leases or operating leases.

Assets leased to third parties under operating leases are included in investment properties and property, plant and equipment in the statement of financial position. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Contingent (variable) rentals are included in rental income when the amounts can be reliably measured.

Income for leases is disclosed under revenue in profit or loss.

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.

1.10 Leases (continued)

(ii) The company is the lessee:

All leases are accounted for by recognising a right-of-use asset and a lease liability.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the company's incremental borrowing rate (being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions) on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the company if it is reasonably certain to exercise that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of a termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase or decrease as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being depreciated over the remaining (revised) lease term.

1.10 Leases (continued)

When the company renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the stand-alone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- in all other cases where the renegotiated terms increase the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

1.11 Inventories

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.12 Impairment of assets

The group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

1.12 Impairment of assets (continued)

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.13 Share capital and equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the company’s equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the owners of La Concorde Holdings as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of La Concorde Holdings Limited.

1.14 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave 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.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the group’s obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

1.14 Employee benefits (continued)

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits when it is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

1.15 Provisions and contingencies

Provisions are recognised when:
- the group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Provisions are not recognised for future operating losses.

1.16 Revenue

Revenue arises from the sale of goods as well as the rendering of services.

To determine whether to recognise revenue, the group follows a five-step process:

- identifying the contract with a customer;
- identifying the performance obligations;
- determining the transaction price;
- allocating the transaction price to the performance obligations; and
- recognising revenue when/as the performance obligations are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the group satisfies performance obligations by transferring the promised goods or services to its customers.

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods or services. The transaction price for a contract excludes any amounts collected on behalf of third parties. The group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The group does not have significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers as the revenue is based on stand-alone selling prices and pre-determined settlement dates.

The group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as deferred revenue in the statement of financial position. Similarly, if the group satisfies a performance obligation before it receives the consideration, the group recognises a trade receivable in its statement of financial position as only the passage of time is required before payment of these amounts will be due.

The group considers whether there are other promises in contracts with customers that are separable performance obligations, such as customer reward programmes, to which a portion of the transaction price needs to be allocated.

1.16 Revenue (continued)

(i) Sale of goods

Revenue from the sale of goods for a fixed fee is recognised when or as the group transfers control of the assets to the customer. For stand-alone sales of goods, control transfers at the point in time the customer takes undisputed delivery of the goods.

Some products are sold with trade discounts. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated returns and discounts to the extent that it is highly probable. It is not the group's policy to sell products to the end-customer with a right of return.

The group does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

(ii) Rendering of services

Banqueting and venue hire

Revenue from banqueting and venue hire are recognised over time as the customer receives and consumes the economic benefits.

Food and beverage revenue is recognised at a point in time.

(iii) Payment terms

No element of financing is present as sales of the group's goods and services are generally made by cash.

Revenue other than from contracts with customers

<u>Dividend income</u>

Company dividend income is recognised when the right to receive payment is established.

<u>Investment income</u>

(i) Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired the group reduces the carrying amount to its recoverable amount by discounting the estimated future cash flows at the original effective interest rate and continuing to unwind the discount as interest income.

(ii) Dividend income

Dividend income in the group is recognised when the right to receive payment is established.

1.17 Reserves

Revaluation reserve

Properties which were previously held as property, plant and equipment were revalued as at 31 March 2018 and transferred to Investment properties. The gain was recognised in the revaluation reserve, in line with IAS 16. In the current year the reserve was transferred to retained earnings upon disposal of the property.

1.18 Earnings per share

Earnings per share are calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year, excluding the ordinary shares held by the group as treasury shares.

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment: Onerous Contracts – Cost of Fulfilling a Contract)

The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of 'costs to fulfil a contract'. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract.

Annual improvements cycle 2018 - 2020

IFRS 9, 'Financial Instruments' has been amended to include only those costs or fees paid between the borrower and the lender in the calculation of "the 10% test" for derecognition of a financial liability. Fees paid to third parties are excluded from this calculation.

IFRS 16, 'Leases', amendment to the Illustrative Example 13 that accompanies IFRS 16 to remove the illustration of payments from the lessor relating to leasehold improvements. The amendment intends to remove any potential confusion about the treatment of lease incentives.

Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use

The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such items, together with the costs of producing them, are recognised in profit or loss.

Amendment to IFRS 3, 'Business combinations' - Asset or liability in a business combination clarity

The Board has updated IFRS 3, 'Business combinations', to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination.

In addition, the Board added a new exception in IFRS 3 for liabilities and contingent liabilities. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets', or IFRIC 21, 'Levies', rather than the 2018 Conceptual Framework.

The Board has also clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.

The adoption of the above standards and interpretations have not had a material impact on the financial statements.

2. New Standards and Interpretations (continued)

2.2 Standards and interpretations not yet effective

The following standards and interpretations have been published and are mandatory for the group’s accounting periods beginning on or after 01 April 2023 or later periods but are not relevant to its operations:

IAS 1 Presentation of Financial Statements (Amendment: Classification of Liabilities as Current or Non-current)

The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. A number of requirements are required to be met in conjunction with this amendment.

The group will apply the amendments to IAS 1 from annual periods beginning 1 April 2023.

Amendments to IAS 12, Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.

The group will apply the amendments to IAS 37 from annual periods beginning 1 April 2023.

Narrow scope amendments to IAS 1 'Presentation of Financial Statements', Practice statement 2 and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'

The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish changes in accounting policies from changes in accounting estimates.

The group will apply the amendments to IAS 37 from annual periods beginning 1 April 2023.

All of the above amendments will not result in a material impact on the financial statements.

3. Property, plant and equipment

Group	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land and buildings	91 800	-	91 800	-	-	-
Furniture and fixtures	14 424	(4 657)	9 767	9 896	(4 220)	5 676
Motor vehicles	410	(145)	265	503	(379)	124
IT equipment	1 019	(275)	744	815	(187)	628
Art	185	(184)	1	185	(184)	1
Signage	193	(23)	170	148	(6)	142
Total	**108 031**	**(5 284)**	**102 747**	**11 547**	**(4 976)**	**6 571**

Reconciliation of property, plant and equipment - Group - 2023

	Opening balance	Additions	Transfers from investment property	Depreciation	Total
Land and buildings	-	-	91 800	-	91 800
Furniture and fittings	5 676	5 599	-	(1 508)	9 767
Motor vehicles	124	141	-	-	265
IT equipment	628	204	-	(88)	744
Art	1	-	-	-	1
Signage	142	45	-	(17)	170
	6 571	**5 989**	**91 800**	**(1 613)**	**102 747**

Reconciliation of property, plant and equipment - Group - 2022

	Opening balance	Additions	Depreciation	Total
Furniture and fittings	2 067	4 232	(623)	5 676
Motor vehicles	172	-	(48)	124
IT equipment	176	530	(78)	628
Art	1	-	-	1
Signage	-	148	(6)	142
	2 416	**4 910**	**(755)**	**6 571**

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

4. Investment property

Group	2023	2022
	Carrying value	Carrying value
Investment property	147 052	192 813

Reconciliation of investment property - Group - 2023

	Opening balance	Additions	Transfers to property, plant and equipment	Movement in operating lease asset	Fair value adjustments	Total
Investment property	192 813	28 578	(91 800)	2 193	15 268	147 052

Reconciliation of investment property - Group - 2022

	Opening balance	Additions	Transfers to non-current assets held for sale	Movement in operating lease asset	Total
Investment property	131 314	59 820	(346)	2 025	192 813

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

4. Investment property (continued)

Investment properties are stated at fair value.

Investment properties comprise vacant land and commercial buildings. The fair value of these properties, totalling R147 million at 31 March 2023 (2022: R192.8 million), has been arrived at on the basis of external valuations carried out by Quadrant Properties Proprietary Limited.

The Laborie Heritage Wine Estate, which includes agricultural land, a villa, restaurants and accommodation buildings, was valued at R91.8 million (2022: R66.8 million) by external valuators, The Valuator Group.

During the year under review a fair value adjustment of R15.3 million on the properties, as detailed above, was recognised in the statement of profit or loss (2022: Rnil). The fair value of the vacant land, totalling R0.7 million (2022: R0.9 million), was determined by applying the direct comparable sales valuation technique. Commercial buildings with a fair value of R146.4 million (2022: R125 million) were valued using the discounted cash flow method.

Laborie Heritage Wine Estate with a fair value of R91.8 million (2022: R66.8 million) was valued using direct comparable sales techniques, the profit-based method and depreciable cost. The profit-based method was performed with the following unobservable inputs: apportionment of 50% to 100%, expense ratio of 25% to 50%, perpetual vacancy of 2% and a capitalisation rate of 9%.

In the prior year investment properties also included the Laborie Estate (located in Paarl, Western Cape) at year-end. Laborie became owner-occupied during the year under review and was externally valued by The Valuator Group, an independent firm of valuers not related to the group, before being transferred to property, plant and equipment.

In the prior year Laborie was valued internally by the directors who applied the direct comparable sales valuation technique (agricultural land and villa) and discounted cash flow valuation method (accommodation buildings).

The group recognised a fair value gain of R15 million (2022: Rnil) in respect of the Laborie Estate during the current year.

Commercial buildings	2023	2022
- Net income growth rate:	5.9%	6.0%
- Entry capitalisation rate:	8.5%	8.0%
- Exit capitalisation rate:	8.75%	9.8%
- Occupation rate:	100%	100%
- Discount rate:	14.0%	14.5%

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

4. Investment property (continued)

Details of properties

Investment properties consists of:

ERF 31403, Main Street House, Paarl, Western Cape, 549m²	-	4 212	-	-
ERF 11919, Cecilia Precinct (previously De Hoop Farm), Paarl, Western Cape, in extent of 3,3 ha	146 447	125 000	-	-
ERF 212, 213, 214, 224, Klapmuts erven, in extent 4 788m²	605	950	-	-
Erf 13004, Paarl, Western Cape, in extent of 44,3918 ha	-	62 651	-	-
	147 052	**192 813**	**-**	**-**

Investments at fair value reconciliation

Fair value of investment properties per valuations carried out	147 052	192 813	-	-
Adjusted for operating lease equalisation asset	(6 153)	(3 960)	-	-
	140 899	**188 853**	**-**	**-**

Amounts recognised in profit and loss for the year

Rental income from investment property	13 558	21 474	-	-
Direct operating expenses from rental generating property	(5 899)	(19 367)	-	-
	7 659	**2 107**	**-**	**-**

Sensitivity analysis (Group)

2023	**Increase R'000**	**Decrease R'000**
5% change in the net cash flows	7 315	(6 967)
0.25% change in the terminal capitalisation rate	(2 724)	2 884
0.5% change in the discount rate	(2 962)	2 758

2022	**Increase R'000**	**Decrease R'000**
5% change in the net cash flows	6 060	(8 552)
0.25% change in the terminal capitalisation rate	(1 265)	2 331
0.5% change in the discount rate	(3 076)	4 797

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

4. Investment property (continued)

Lease payments receivable

- within 1 year	12 728	9 981	-	-
- within 1 to 2 years	13 034	10 580	-	-
- within 2 to 3 years	13 358	11 215	-	-
- within 3 to 4 years	13 650	11 888	-	-
- within 4 to 5 years	13 983	12 549	-	-
- after 5 years	31 813	49 211	-	-
	98 566	105 424	-	-

The lease receivables arises from a contractual lease with Builders Express, Food Lovers Market, Sportmans Warehouse and Outdoor Warehouse.

5. Intangible assets

Group	2023			2022		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Trademarks	224	(133)	91	224	(92)	132
Computer software	391	(381)	10	383	(370)	13
Total	**615**	**(514)**	**101**	**607**	**(462)**	**145**

Reconciliation of intangible assets - Group - 2023

	Opening balance	Additions	Amortisation	Total
Trademarks	132	-	(41)	91
Computer software	13	8	(11)	10
	145	**8**	**(52)**	**101**

Reconciliation of intangible assets - Group - 2022

	Opening balance	Additions	Amortisation	Total
Trademarks	34	119	(21)	132
Computer software	30	-	(17)	13
	64	**119**	**(38)**	**145**

Notes to the Annual Financial Statements

6. Investment in subsidiaries

The following table lists the entities which are controlled directly by the company, and the carrying amounts of the investments in the company's separate financial statements.

Company

Name of company	% holding 2023	% holding 2022	Carrying amount 2023	Carrying amount 2022
La Concorde South Africa Proprietary Limited	100.00 %	100.00 %	386 810	386 810
La Concorde Projects Proprietary Limited	100.00 %	100.00 %	-	-
			386 810	386 810
Impairment of investment in subsidiaries			(325 010)	(325 010)
			61 800	61 800

7. Investments in associates

Group

Name of company	% ownership interest 2023	% ownership interest 2022	Carrying amount 2023	Carrying amount 2022
Paarl Vallei Bottling Company Proprietary Limited	30.90 %	30.90 %	17 730	15 821

7. Investments in associates (continued)

Summarised financial information of associate

Summarised Statement of Profit or Loss and Other Comprehensive Income	Paarl Vallei Bottling Company Proprietary Limited	
	2023	2022
Profit from operations	7 206	15 673
Total comprehensive income	7 206	15 673
Dividends received from associate	706	1 208

Summarised Statement of Financial Position	Paarl Vallei Bottling Company Proprietary Limited	
	2023	2022
Assets		
Non-current	72 515	72 515
Current	60 029	59 938
Total assets	**132 544**	**132 453**
Liabilities		
Non-current	16 572	17 039
Current	23 039	27 402
Total liabilities	**39 611**	**44 441**
Total net assets	**92 933**	**88 012**

Reconciliation of net assets to equity accounted investment in associate	Paarl Vallei Bottling Company Proprietary Limited	
	2023	2022
Investment at the beginning of the period	15 821	12 187
Share of profits	2 615	4 842
Dividends received	(706)	(1 208)
Carrying value of investment in associate	17 730	15 821

The summarised information presented above reflects the financial statements of the associate.

The investment in Paarl Vallei Bottling is held for dividend earning capacity and capital appreciation.

The company's principal place of business is in Wellington and there are no significant restrictions in place.

Associate with different reporting dates

The group's financial year-end differs from that of Paarl Vallei Bottling Company Proprietary Limited (31 January). For the purposes of these financial statements the results according to management accounts to 31 March were used.

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

8. Investment at fair value

Investments held by the group which are measured at fair value are as follows:

Investment in Frontier Transport Holdings Limited	32 230	31 598	22 106	21 672
Mandatorily at fair value through profit or loss:				
Equity securities	32 230	31 598	22 106	21 672
	32 230	**31 598**	**22 106**	**21 672**

Fair value information

Refer to note 28 Fair value information for details of valuation policies and processes.

9. Loans to group companies

Subsidiary

La Concorde South Africa Proprietary Limited	-	-	374 270	372 168
Credit loss allowance	-	-	(175 209)	(175 209)
	-	**-**	**199 061**	**196 959**

The above loan is unsecured, interest free and repayable on demand. The loan to the group company, although repayable on demand, is not expected to realise in the next 12 months.

Split between non-current and current portions

Non-current assets	-	-	199 061	196 959

Exposure to credit risk

Loans receivable inherently expose the group to credit risk, being the risk that the group will incur financial loss if counterparties fail to make payments as they fall due.

The loan to group company is repayable on demand, expected credit losses are based on the assumption that repayment of the loan is demanded at reporting date.

9. Loans to group companies (continued)

Credit loss allowances

The following tables set out the carrying amount, loss allowance and measurement basis of expected credit losses for group loans receivable by credit rating grade:

Company - 2023

Instrument	Internal credit rating (where applicable)	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
Loans to subsidiaries					
La Concorde South Africa Proprietary Limited	Good for the amount quoted	Portion subordinated	374 270	(175 209)	199 061
Total credit loss allowances					
Loan to subsidiary			374 270	(175 209)	199 061
			374 270	**(175 209)**	**199 061**

Notes to the Annual Financial Statements

9. Loans to group companies (continued)

Company - 2022

Instrument	Internal credit rating (where applicable)	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
Loans to subsidiaries					
La Concorde South Africa Proprietary Limited	Good for the amount quoted	Portion subordinated	372 168	(175 209)	196 959
Total credit loss allowances					
Loan to subsidiary			372 168	(175 209)	196 959
			372 168	**(175 209)**	**196 959**

10. Leases

Nature of leasing activities (in the capacity as lessee)

The group leases other equipment. The lease rentals are fixed and payable monthly. The leases has a remaining term of 19 months at the end of the current financial year.

Reconciliation of carrying value: Right-of-use assets - 2023	Other equipment
Carrying value as at 1 April 2022	164
Additions	-
Depreciation	(32)
Carrying value as at 31 March 2023	132

Reconciliation of carrying value: Right-of-use assets - 2022	Other equipment
Carrying value as at 1 April 2021	-
Additions	190
Depreciation	(26)
Carrying value as at 31 March 2022	164

The group leases land from the municipality in Stellenbosch and subleases the same land out to a third party. The lease rentals are payable annually and escalates at CPI. The lease has a remaining term of 19 years at the end of the current financial year.

Reconciliation of carrying value: Finance lease receivable - 2023	Land and buildings
Carrying value as at 1 April 2022	1 763
Interest income	181
Lease receipts	(156)
Carrying value as at 31 March 2023	1 788

Reconciliation of carrying value: Finance lease receivable - 2022	Land and buildings
Carrying value as at 1 April 2021	1 735
Interest income	178
Lease receipts	(150)
Carrying value as at 31 March 2022	1 763

Reconciliation of carrying value: Lease liability - 2023	Land and buildings	Other equipment	Total
Carrying value as at 1 April 2022	1 763	165	1 928
Finance costs	181	9	190
Additions	-	-	-
Lease payments	(156)	(70)	(226)
Carrying value as at 31 March 2023	1 788	104	1 892

Reconciliation of carrying value: Lease liability - 2022	Land and buildings	Other equipment	Total
Carrying value as at 1 April 2021	1 735	-	1 735
Finance costs	178	-	178
Additions	-	190	190
Lease payments	(150)	(25)	(175)
Carrying value as at 31 March 2022	1 763	165	1 928

10. Leases (continued)

The table below analyses the group's finance lease receivables and payables into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

2023	Undiscounted lease payments R '000	Unearned finance income / (cost) R'000	Net investment in leases R'000
Lease payments receivable and payable:			
- within 1 year	163	(184)	(21)
- within 1 to 2 years	170	(185)	(15)
- within 2 to 3 years	177	(187)	(10)
- within 3 to 4 years	185	(188)	(3)
- within 4 to 5 years	193	(189)	4
- after 5 years	3 788	(1 956)	1 833
	4 676	**(2 889)**	**1 788**

2022	Undiscounted lease payments R '000	Unearned finance income / (cost) R'000	Net investment in leases R'000
Lease payments receivable and payable:			
- within 1 year	156	(181)	(25)
- within 1 to 2 years	163	(183)	(20)
- within 2 to 3 years	170	(185)	(15)
- within 3 to 4 years	177	(187)	(10)
- within 4 to 5 years	185	(188)	(3)
- after 5 years	3 981	(2 145)	1 836
	4 832	**(3 069)**	**1 763**

Notes to the Annual Financial Statements

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

11. Deferred tax

Deferred tax liability

Capital allowances	(10 495)	(4 813)	-	-
Fair value remeasurement	(15 890)	(14 279)	-	-
Lease smoothing asset	(1 661)	(1 069)	-	-
Total deferred tax liability	**(28 046)**	**(20 161)**	**-**	**-**

Deferred tax asset

Investments at fair value	1 149	1 192	-	-
Provisions	254	192	-	-
Deferred tax balance from temporary differences other than unused tax losses	1 403	1 384	-	-
Tax losses available for set off against future taxable income	4 445	2 425	-	-
Total deferred tax asset	**5 848**	**3 809**	**-**	**-**

Reconciliation of deferred tax liability

At beginning of year	(16 352)	(9 654)	-	5 384
Realisation of fair value measurements	(1 611)	575	-	-
Accelerated tax allowances	(5 682)	(1 558)	-	-
Investments at fair value	(43)	(7 008)	(94)	(1 932)
Provisions	62	45	6	(5)
Tax losses	2 020	1 775	49	58
Lease smoothing asset	(592)	(527)	-	-
Deferred tax asset not recognised	-	-	39	(3 380)
Change in corporate tax rate	-	-	-	(125)
	(22 198)	**(16 352)**	**-**	**-**

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

12. Trade and other receivables

Financial instruments:				
Trade receivables	2 100	1 554	-	-
Loss allowance	(54)	(54)	-	-
Trade receivables at amortised cost	2 046	1 500	-	-
Dividend receivable	8	-	-	-
Other receivables	-	18	-	-
Non-financial instruments:				
VAT	-	2 150	-	-
Deposits	28	21	-	-
Total trade and other receivables	**2 082**	**3 689**	**-**	**-**

Categorisation of trade and other receivables

Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments:

At amortised cost	2 054	1 518	-	-
Non-financial instruments	28	2 171	-	-
	2 082	**3 689**	**-**	**-**

Exposure to credit risk

Trade receivables inherently expose the group to credit risk, being the risk that the group will incur financial loss if customers fail to make payments as they fall due.

All trade and other receivables are continuously reviewed on an individual basis. When all reasonable measures have been taken in recovering a receivable amount and when reasonable doubt exists as to the recoverability of an such individual receivable amount, a corresponding allowance for impairment is raised. Allowances for impairment raised against receivables are reversed when a receivable amount is either written off as a bad debt, or when a previous allowance is received.

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade and other receivables:

Provision raised on trade receivables	(54)	(54)	-	-

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

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	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

13. Cash and cash equivalents

Cash and cash equivalents consist of:

Short term deposits	439	419	-	-
Money market accounts	52 036	82 902	19	19
Bank balances	3 363	3 805	57	-
	55 838	**87 126**	**76**	**19**

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit risk exposure relating to cash and cash equivalents is managed on a Group level and is placed with a limited group of creditable financial institutions.

Fair value of cash and cash equivalents

The carrying value of cash and cash approximates fair value due to the short-term maturity of these instruments.

14. Non-current assets held for sale

The directors concluded a sale agreement in February 2022 in terms of which Erf 213, Klapmuts, was sold for R0.43 million. The transfer was successfully completed on 1 June 2022.

Assets and liabilities

Non-current assets held for sale				
Investment property	-	346	-	-

15. Share capital

Authorised				
200 000 000 ordinary profit-sharing shares of R 0.00001 each	2	2	2	2
Issued				
64 115 672 ordinary profit-sharing shares of R0.00001 each	1	1	1	1
Share premium	408 986	408 986	409 879	409 879
	408 987	**408 987**	**409 880**	**409 880**

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

16. Borrowings

Held at amortised cost

Secured				
Nedbank Limited - fixed rate The facility bears interest at rate of 8.7% per annum. The facility is repayable in 60 instalments with a residual of approximately 72% maturing approximately 7 July 2025.	21 253	22 400	-	-
Nedbank Limited - variable rate The facility bears interest at a rate of prime less 1% per annum. The facility is repayable in 60 instalments with a residual value of 73% maturing approximately 7 July 2025.	9 060	9 565	-	-
Nedbank Limited - variable rate The facility bears interest at a rate of 3 month JIBAR plus 2.6% per annum. The facility is repayable in 60 installments with a residual value of 81% maturing approximately 7 April 2027.	47 379	48 277	-	-
Unsecured				
Loans from non-controlling interests (Bell Vue Developments) The loan is unsecured, bears no interest and has no fixed terms of repayment.	3 751	3 751	-	-
	81 443	**83 993**	**-**	**-**

Split between non-current and current portions

Non-current liabilities	73 720	77 122	-	-
Current liabilities	7 723	6 871	-	-
	81 443	**83 993**	**-**	**-**

The following represents the book value of the security for these borrowings:

	2023	2022
Investment properties (R'000)	146 447	125 000
Weighted average effective interest rates	9.52%	7.43%

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

16. Borrowings (continued)

Investment properties, with a carrying value of R 146.4 million (2022: R 125 million), relates to La Concorde Builders Precinct properties over which mortgage bonds have been registered in favour of the debt funding providers to La Concorde Group included in borrowings.

All funding is denominated in South African Rands and bear a fixed and floating rate. At 31 March 2023 the carrying value of borrowings approximates their fair value as market-related interest rates apply.

17. Trade and other payables

	Group 2023 R '000	Group 2022 R '000	Company 2023 R '000	Company 2022 R '000
Financial instruments:				
Trade payables	2 506	3 213	-	-
Other payables	971	733	209	188
Deposits received	562	307	-	-
Non-financial instruments:				
VAT	56	-	-	-
	4 095	**4 253**	**209**	**188**

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

18. Revenue

	Group 2023 R '000	Group 2022 R '000	Company 2023 R '000	Company 2022 R '000
Revenue from contracts with customers				
Sale of goods	18 559	6 757	-	-
Revenue other than from contracts with customers				
Rental Income	16 799	11 172	-	-
Recoveries	4 003	3 546	-	-
Dividends received	-	-	2 341	1 994
	20 802	**14 718**	**2 341**	**1 994**
	39 361	**21 475**	**2 341**	**1 994**

Disaggregation of revenue from contracts with customers

The group disaggregates revenue from customers as follows:

	Group 2023 R '000	Group 2022 R '000	Company 2023 R '000	Company 2022 R '000
Sale of goods				
Hospitality revenue	18 559	6 757	-	-

Timing of revenue recognition

	Group 2023 R '000	Group 2022 R '000	Company 2023 R '000	Company 2022 R '000
At a point in time				
Sale of goods	18 559	6 757	-	-

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		Group		Company	
		2023 R '000	2022 R '000	2023 R '000	2022 R '000
19. Other operating gains / (losses)					
Gains on disposals, scrappings and settlements					
Property, plant and equipment	3	54	3 445	-	-
Fair value gains					
Investment property	4	15 268	-	-	-
Financial assets mandatory at fair value through profit or loss		632	12 576	433	8 626
		15 900	**12 576**	**433**	**8 626**
Total other operating gains		**15 954**	**16 021**	**433**	**8 626**
20. Operating profit					
Operating profit for the year is stated after charging the following, amongst others:					
Remuneration, other than to employees					
Consulting and professional services		1 375	2 024	-	-
Employee costs					
Salaries, wages, bonuses and other benefits		8 380	3 931	-	-
Depreciation					
Depreciation of property, plant and equipment		1 652	781	-	-
Amortisation of intangible assets		45	38	-	-
Total depreciation and amortisation		**1 697**	**819**	**-**	**-**
21. Investment income					
Dividend income					
Investments		3 412	2 907	-	-
Interest income					
Investments and deposits		133	3 994	-	-
Bank		3 862	177	4	-
Total interest income		**3 995**	**4 171**	**4**	**-**
Total investment income		**7 407**	**7 078**	**4**	**-**
22. Finance costs					
Borrowings		6 726	4 414	-	-
Lease liabilities		181	178	-	-
Total finance costs		**6 907**	**4 592**	**-**	**-**

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

23. Taxation

Major components of the tax expense (income)

Deferred				
Originating and reversing temporary differences	5 846	6 698	-	5 384

Reconciliation of the tax expense (income)

Reconciliation between applicable tax rate and average effective tax rate.

Applicable tax rate	27.00 %	28.00 %	27.00 %	28.00 %
Non-taxable income	(5.00)%	(5.43)%	- %	(5.34)%
Non-deductible expenses	- %	0.65 %	- %	0.04 %
Deferred tax at capital gains tax rate	(11.00)%	(5.62)%	- %	(4.71)%
Deferred tax asset not recognised on assessed losses	- %	15.93 %	(27.00)%	32.34 %
Transfer from investment property to property, plant and equipment	15.00 %	- %	- %	- %
Change in corporate tax rate	- %	(1.97)%	- %	1.20 %
	26.00 %	**31.56 %**	**- %**	**51.53 %**

24. Cash generated from / (used in) operations

Profit before taxation	22 863	21 229	2 568	10 449
Adjustments for:				
Depreciation and amortisation	1 697	819	-	-
Profit on sale of property, plant and equipment	(54)	(3 445)	-	-
Share of equity accounted earnings	(2 615)	(4 842)	-	-
Dividend income	(3 412)	(2 907)	-	(1 994)
Interest income	(3 995)	(4 171)	(4)	-
Finance costs	6 907	4 592	-	-
Fair value gains	(15 900)	(12 576)	(433)	(8 626)
Non-cash movement in group loans	71	(110)	-	240
Movement in operating lease asset	(2 193)	(2 025)	-	-
Expected credit loss allowance	-	54	-	-
Operating equipment usage	-	(190)	-	-
Changes in working capital:				
Inventories	(459)	(287)	-	-
Trade and other receivables	1 513	(1 008)	-	-
Trade and other payables	(89)	(603)	20	-
	4 334	**(5 470)**	**2 151**	**69**

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	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000
25. Tax refunded				
Balance at the beginning of the year	2 204	2 437	(31)	14
Balance at the end of the year	(2 199)	(2 204)	35	31
	5	**233**	**4**	**45**

26. Related parties

Relationships	
Ultimate holding company	Hosken Consolidated Investments Limited
Holding company	Niveus-La Concorde Holdings Proprietary Limited
Subsidiaries	Refer to note 6
Entities related to Hosken Consolidated Investments Limited and Niveus-La Concorde Holdings Proprietary Limited	Frontier Transport Holdings Proprietary Limited HCI Managerial Services Proprietary Limited Niveus Managerial Services Proprietary Limited
Associate	Paarl Vallei Bottling Company Proprietary Limited

Related party balances

	Group 2023 R '000	Group 2022 R '000	Company 2023 R '000	Company 2022 R '000
Loan account - Owing by related parties				
La Concorde South Africa Proprietary Limited	-	-	199 061	196 959
Amounts included in trade payables regarding related parties				
HCI Managerial Services Proprietary Limited	1 620	1 505	-	-

Related party transactions

	Group 2023 R '000	Group 2022 R '000	Company 2023 R '000	Company 2022 R '000
Compensation to directors and other key management (Management fees)				
HCI Managerial Services Proprietary Limited	3 128	3 000	-	-
Compensation to directors and other key management (Directors emoluments)				
HCI Managerial Services Proprietary Limited	-	38	-	-
Dividends from related parties				
Paarl Vallei Bottling Company Proprietary Limited	706	1 208	-	-
Frontier Transport Holdings Proprietary Limited	2 706	2 907	-	1 994

27. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2023

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total
Investments at fair value	8	32 230	-	-	32 230
Finance lease receivable	10	-	-	1 788	1 788
Trade and other receivables	12	-	2 054	-	2 054
Cash and cash equivalents	13	-	55 838	-	55 838
		32 230	**57 892**	**1 788**	**91 910**

Group - 2022

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Leases	Total	
Investments at fair value	8	31 598	-	-	31 598	
Finance lease receivables	10	-	-	1 763	1 763	-
Trade and other receivables	12	-	1 518	-	1 518	
Cash and cash equivalents	13	-	87 126	-	87 126	
		31 598	**88 644**	**1 763**	**122 005**	

Company - 2023

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Total
Loan to group company	9	-	199 061	199 061
Investments at fair value	8	22 106	-	22 106
Cash and cash equivalents	13	-	76	76
		22 106	**199 137**	**221 243**

Company - 2022

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Total
Loan to group company	9	-	196 959	196 959
Investments at fair value	8	21 672	-	21 672
Cash and cash equivalents	13	-	19	19
		21 672	**196 978**	**218 650**

27. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2023

	Notes	Amortised cost	Leases	Total
Trade and other payables	17	4 095	-	4 095
Borrowings	16	81 443	-	81 443
Lease liability	10	-	1 892	1 892
		85 538	**1 892**	**87 430**

Group - 2022

	Notes	Amortised cost	Leases	Total
Trade and other payables	17	4 253	-	4 253
Borrowings	16	83 993	-	83 993
Lease liability		-	1 928	1 928
		88 246	**1 928**	**90 174**

Company - 2023

	Note	Amortised cost	Total
Trade and other payables	17	209	209

Company - 2022

	Note	Amortised cost	Total
Trade and other payables	17	188	188

27. Financial instruments and risk management (continued)

Financial risk management

Overview

The group is exposed to the following risks from its use of financial instruments:
- Credit risk;
- Liquidity risk
- Market risk (interest rate risk).

Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The maximum exposure to credit risk is presented in the table below:

Group		2023			2022		
	Notes	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Finance lease receivable	10	1 788	-	1 788	1 763	-	1 763
Trade and other receivables	12	2 108	(54)	2 054	1 572	(54)	1 518
Cash and cash equivalents	13	55 838	-	55 838	87 126	-	87 126
		59 734	**(54)**	**59 680**	**90 461**	**(54)**	**90 407**

Company		2023			2022		
	Notes	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loan to group company	9	374 270	(175 209)	199 061	372 168	(175 209)	196 959
Cash and cash equivalents	13	76	-	76	19	-	19
		374 346	**(175 209)**	**199 137**	**372 187**	**(175 209)**	**196 978**

27. Financial instruments and risk management (continued)

Liquidity risk

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

Group - 2023

	Notes	Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Borrowings	16	-	11 424	78 841	90 265	73 720
Finance lease liabilities	10	-	170	4 343	4 513	1 892
Current liabilities						
Trade and other payables	17	4 095	-	-	4 095	4 095
Borrowings	16	14 978	-	-	14 978	7 723
Finance lease liabilities	10	163	-	-	163	-
		19 236	**11 594**	**83 184**	**114 014**	**87 430**

Group - 2022

	Notes	Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Borrowings	16	-	9 487	85 424	94 911	77 122
Finance lease liabilities	10	-	163	4 513	4 676	1 928
Current liabilities						
Trade and other payables	17	4 253	-	-	4 253	4 253
Borrowings	16	8 726	-	-	8 726	6 871
Finance lease liabilities	10	156	-	-	156	-
		13 135	**9 650**	**89 937**	**112 722**	**90 174**

27. Financial instruments and risk management (continued)

Company - 2023

	Note	Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables	17	209	209	209

Company - 2022

	Note	Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables	17	188	188	188

Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Group

At 31 March 2023, if the interest rate had been 1% per annum (2022: 1%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been R 16 000 (2022: R 210 000) lower and R 16 000 (2022: R 210 000) higher.

		Group		Company	
		2023 R '000	2022 R '000	2023 R '000	2022 R '000

28. Fair value information

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the group can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 1

Recurring fair value measurements

Assets	Note				
Financial assets mandatorily at fair value through profit or loss	8				
Listed shares		32 230	31 598	22 106	21 672
Total		**32 230**	**31 598**	**22 106**	**21 672**

Level 3

Recurring fair value measurements

Assets	Note				
Investment property	4				
Investment property		147 052	192 813	-	-
Total		**147 052**	**192 813**	**-**	**-**

28. Fair value information (continued)

Reconciliation of assets and liabilities measured at level 3

	Note	Opening balance	Additions	Movement in operating lease asset	Transfers	Fair value adjustments	Closing balance
Group - 2023							
Investment properties							
Investment properties		192 813	28 578	2 193	(91 800)	15 268	147 052
Group - 2022							
Assets							
Investment properties							
Investment properties		131 314	59 820	2 025	(346)	-	192 813
Total		**131 314**	**59 820**	**2 025**	**(346)**	**-**	**192 813**

29. Going concern

The directors reviewed the 2024 forecast to assess the impact of the coronavirus pandemic and no risks were identified which would impact the Company's status as a going concern. The directors believe that the Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis.

30. Events after the reporting period

No material events which may have a significant influence on the financial position of the group occurred between the end of the financial period and the date of circulation of the financial results.

31. Segments

The group is an investment company, no separate operating segments exist, other than the income received from the property rentals of which the financial effects are disclosed in the financial statements.

32. Directors' emoluments

Executive

2023

	Emoluments	IFRS 2 expense	Total
AF Pereira	4 706	1 581	6 287
Less: Amounts paid by Hosken Consolidated Investments Limited	(4 706)	(1 581)	(6 287)
	-	-	-

2022

	Emoluments	IFRS 2 expense	Total
AF Pereira	3 843	1 569	5 412
Less: Amounts paid by Hosken Consolidated Investments Limited	(3 843)	(1 569)	(5 412)
	-	-	-

	Group		Company	
	2023 R '000	2022 R '000	2023 R '000	2022 R '000

32. Directors' emoluments (continued)

Non-executive

2023

	Emoluments	IFRS 2 expense	Total
JA Copelyn	15 090	7 045	22 135
Y Shaik	7 351	3 019	10 370
JR Nicolella	8 874	3 733	12 607
Less: Amounts paid by Hosken Consolidated Investments Limited	(31 315)	(13 797)	(45 112)
	-	-	-

2022

	Emoluments	IFRS 2 expense	Total
LI Bethlehem	3 670	-	3 670
JA Copelyn	12 747	7 075	19 822
Y Shaik	6 270	3 027	9 297
JR Nicolella	3 154	1 573	4 727
Less: Amounts paid by Hosken Consolidated Investments Limited	(25 841)	(11 675)	(37 516)
	-	-	-

33. Earnings per share

The calculation of earnings per share is based on net profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares issued.

	Group 2023	Group 2022	Company 2023	Company 2022
Ordinary shares				
Shares issued	64 116	64 116	-	-
Share buy-back	-	-	-	-
Weighted average number of ordinary shares	**64 116**	**64 116**	**-**	**-**

	Group 2023	Group 2022	Company 2023	Company 2022
Reconciliation of headline earnings				
Profit attributable to ordinary shareholders of parent	16 239	13 552	-	-
Adjusted for:				
Fair value adjustment on investment properties	(11 970)	-		
Profit on sale of property, plant and equipment	-	(2 651)	-	-
Profit on sale of investment property	(42)	(23)	-	-
Headline earnings	**4 227**	**10 879**	**-**	**-**

	Group 2023	Group 2022	Company 2023	Company 2022
Earnings per share (cents)				
Basic earnings per share	25.3	21.1	-	-
Headline earnings per share	6.6	16.9	-	-