



LA CONCORDE

Registration number: 2009/012871/06

LA CONCORDE HOLDINGS LIMITED

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for year ended 31 March 2024

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Unaudited	Audited
		as at	As at
		31 March 2024	31 March 2023
	Notes	R'000	R'000
ASSETS			
Non-current assets		339 831	307 650
Property, plant and equipment	3	118 893	102 748
Right-of-use assets		69	132
Investment properties	4	149 925	147 052
Intangible assets		213	101
Investment in associate	5	20 242	17 730
Other financial assets	6	40 765	32 230
Deferred tax	7	7 901	5 848
Finance lease receivable	8	1 823	1 809
Current assets		53 802	61 131
Trade and other receivables		3 425	2 061
Inventory		1 757	1 034
Other financial assets		30 844	-
Taxation		-	2 199
Cash and cash equivalents	9	17 776	55 837
Non-current assets held for sale		346	-
Total assets		393 979	368 781
EQUITY AND LIABILITIES			
Equity		273 539	253 299
Ordinary share capital		1	1
Share premium		408 986	408 986
Retained losses		(142 787)	(162 369)
Non-controlling interest		7 339	6 681
Non-current liabilities		107 317	103 658
Borrowings	10	71 272	73 719
Lease liability	8	1 858	1 892
Deferred taxation	7	34 187	28 047
Current liabilities		13 123	11 824
Trade and other payables		5 660	4 101
Current portion of borrowings	10	7 463	7 723
Total equity and liabilities		393 979	368 781

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited	Audited
	Year ended	Year ended
	31 March 2024	31 March 2023
	R'000	R'000
Revenue*	39 992	32 799
Property rental income	17 516	13 558
Income	57 508	46 357
Other operating expenses and income	(51 619)	(40 864)
Depreciation and amortisation	(2 454)	(1 697)
Operating profit	3 435	3 796
Investment income	17 019	7 406
Fair value adjustments of financial instruments	8 531	632
Fair value adjustments on investment property	-	15 268
Investment surplus	123	54
Share of equity-accounted earnings	3 436	2 615
Finance costs	(8 590)	(6 907)
Profit before taxation	23 954	22 864
Taxation	(3 714)	(5 846)
Profit for the year	20 240	17 018
Attributable to:		
Equity holders of the parent	19 582	16 239
Non-controlling interest	658	779
	20 240	17 018
Earnings per share (cents)		
Basic earnings	30.5	25.3
Headline earnings	30.7	6.6
Shares in issue		
Number of shares issued ('000)	64 116	64 116
Net weighted average number of shares in issue	64 116	64 116

* In the prior financial year expenses amounting to R6 995 000 were reclassified from income to other expenses to more accurately reflect the nature of the transaction. This is consistent with the treatment in the current financial year. This reclassification had no impact on the profit for the year.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited	Audited
	Year ended	Year ended
	31 March 2024	31 March 2023
	R'000	R'000
Balance at the beginning of the year	253 299	236 281
Total comprehensive loss for the year	20 240	17 018
	273 539	253 299

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

		Unaudited	Audited
		Year ended	Year ended
		31 March 2024	31 March 2023
	Notes	R'000	R'000
Cash flows from operating activities			
Net cash from operating activities		14 456	4 841
Cash utilised by operations	9	4 792	3 371
Changes in working capital	9	(946)	966
Cash generated by operating activities		3 846	4 337
Investment income		15 822	7 406
Finance costs		(7 994)	(6 907)
Taxation refunded	9	2 782	5
Cash flows from investing activities		(49 214)	(33 470)
Dividends received		924	706
Investment in financial assets		(30 000)	-
Additions to investment property		(2 311)	(28 578)
Additions to property, plant and equipment		(18 524)	(5 990)
Proceeds on disposal of investments		815	400
Intangible assets acquired		(118)	(8)
Cash flows from financing activities		(3 303)	(2 658)
Borrowings repaid		(3 303)	(2 658)
Cash and cash equivalents			
Movements		(38 061)	(31 287)
At the beginning of the year		55 837	87 124
At the end of the year		17 776	55 837

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The results for the year ended 31 March 2024 have been prepared in accordance with IFRS[®] Accounting Standards ("IFRS[®]"), IAS 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the South African Companies Act, No. 71 of 2008 (as amended). The accounting policies of the group are consistent with those applied for the year ended 31 March 2023. These financial statements were prepared under the supervision of the director, Mr AF Pereira CA(SA).

2 SEGMENTS

The group is an investment company. No separately identifiable operating segments exist.

3 PROPERTY, PLANT AND EQUIPMENT

	2024	2023
	R'000	R'000
Cost		
Land and buildings	105 127	91 800
Other equipment and vehicles	21 428	16 231
	126 555	108 031
Accumulated depreciation and impairments		
Other equipment and vehicles	(7 662)	(5 283)
	(7 662)	(5 283)
Carrying value		
Land and buildings	105 127	91 800
Other equipment and vehicles	13 766	10 948
	118 893	102 748
Movements in property, plant and equipment		
Balance at the beginning of the year		
Land and buildings	91 800	-
Other equipment and vehicles	10 948	6 571
	102 748	6 571
Additions		
Land and buildings	13 327	-
Other equipment and vehicles	5 197	5 990
	18 524	5 990
Transfers		
Land and buildings	-	91 800
	-	91 800
Depreciation		
Other equipment and vehicles	(2 379)	(1 613)
	(2 379)	(1 613)
Balances at the end of the year		
Land and buildings	105 127	91 800
Other equipment and vehicles	13 766	10 948
	118 893	102 748

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

4 INVESTMENT PROPERTIES

	2024	2023
	R'000	R'000
Investment properties at fair value	142 172	140 899
Non-current operating lease equalisation asset	7 753	6 153
	149 925	147 052
Reconciliation of carrying value		
At the beginning of the year	147 052	192 813
Transfer to non-current assets held for sale	(346)	-
Transfer to property, plant and equipment	-	(91 800)
Fair value adjustments	-	15 268
Additions	2 311	28 578
Disposals	(692)	-
Movements in non-current operating lease equalisation assets	1 600	2 193
At the end of the year	149 925	147 052

Investment properties are stated at fair value.

Investment properties comprise vacant land and commercial buildings. The fair value of these properties, totalling R150 million at 31 March 2024 (2023: R147 million), has been arrived at on the basis of directors' valuations.

Commercial buildings with a fair value of R150 million (2023: R146 million) were valued using the discounted cash flow method.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

4 INVESTMENT PROPERTIES *(continued)*

Significant unobservable inputs were as follows:

	2024	2023
	%	%
Commercial buildings		
Rental growth rate	6.0	5.9
Cost growth rate	5.5	8.5
Occupation rate	100.0	100.0
Exit capitalisation rate	8.8	8.8
Discount rate	14.0	14.0
	2024	2023
	R'000	R'000
Amounts recognised in profit and loss for the year:		
Rental income and recoveries from investment property	20 334	13 558
Direct operating expenses from rental-generating property	(6 533)	(5 899)
	13 801	7 659
Contractual rent receivable:		
- within one year (included in trade and other receivables)	13 491	12 728
- within two to five years	57 617	54 025
- after five years	21 870	31 813
	92 978	98 566
Investment properties consist of:		
Erf 11919, De Hoop Farm, Paarl, Western Cape, in extent of 3.3 ha	149 925	146 447
Erf 212, 214 and 224, Klapmuts erven, Western Cape, in extent of 3 337 m ²	-	605
	149 925	147 052

5 INVESTMENT IN ASSOCIATE

Name of associate	Place of business	Principal activity	Group interest		2024	2023
			2024	2023		
			%	%	R'000	R'000
Paarl Vallei Bottling Company Proprietary Limited	South Africa	Bottling	30.7	30.9	20 242	17 730
					20 242	17 730
Group						
Reconciliation of investment in associate						
At the beginning of the year					17 730	15 821
Share of the profits					3 436	2 615
Dividend received					(924)	(706)
					20 242	17 730

The value of the Company's investment in Paarl Vallei Bottling Company Proprietary Limited was reviewed based on forecast volumes and profitability.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

6 OTHER FINANCIAL ASSETS

	2024 R'000	2023 R'000
Financial assets carried at fair value through profit or loss		
Equity securities	40 765	32 230
Non-current portion	40 765	32 230

Fair value of equity securities carried at fair value through profit or loss

The fair value of the listed equity instruments was determined using the quoted price available for the instruments.

7 DEFERRED TAXATION

	2024 R'000	2023 R'000
Movements in deferred taxation		
At the beginning of the year	(22 199)	(16 353)
Fair value remeasurements	(11 868)	(1 199)
Accelerated tax allowances	6 704	(5 682)
Provisions and accruals	266	62
Assessed losses	2 366	2 019
Fair value remeasurements of listed and unlisted shares	(1 123)	(455)
Lease smoothing	(432)	(591)
At the end of the year	(26 286)	(22 199)
Analysis of deferred taxation		
Accelerated tax allowances	(3 791)	(10 495)
Fair value remeasurements	(24 752)	(12 884)
Provisions and accruals	520	254
Assessed losses	6 810	4 444
Fair value remeasurements of listed and unlisted shares	(2 980)	(1 857)
Lease smoothing	(2 093)	(1 661)
	(26 286)	(22 199)
Composition of deferred taxation		
Deferred taxation assets	7 901	5 848
Deferred taxation liabilities	(34 187)	(28 047)
	(26 286)	(22 199)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

8 LEASES

Nature of leasing activities (in the capacity as lessee)

The group leases land from the Stellenbosch Municipality. The lease rentals are payable annually and escalates at the consumer price index ("CPI") rate. The lease has a remaining term of 17 years at the end of the current financial year.

	Other equipment R'000	Land and buildings R'000	Total R'000
Reconciliation of carrying value: finance lease receivable			
2024			
Carrying value as at 1 April 2023	-	1 809	1 809
Interest income	-	183	183
Lease receipts	-	(169)	(169)
Carrying value as at 31 March 2024	-	1 823	1 823
2023			
Carrying value as at 1 April 2022	-	1 788	1 788
Interest income	-	181	181
Lease receipts	-	(160)	(160)
Carrying value as at 31 March 2023	-	1 809	1 809
Reconciliation of carrying value: lease liabilities			
2024			
Carrying value as at 1 April 2023	104	1 788	1 892
Finance costs	16	183	199
Lease payments	(70)	(163)	(233)
Carrying value as at 31 March 2024	50	1 808	1 858
2023			
Carrying value as at 1 April 2022	165	1 763	1 928
Finance costs	9	181	190
Lease payments	(70)	(156)	(226)
Carrying value as at 31 March 2023	104	1 788	1 892

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

	Less than one year R'000	Between one and five years R'000	Over five years R'000	Total R'000
2024				
Lease liabilities	170	756	3 587	4 513
2023				
Lease liabilities	163	725	3 788	4 676

Residual value guarantees

None of the group's lease contracts contain residual value guarantees.

Committed leases not yet commenced

The group has not committed to any lease contracts which had not commenced by the reporting date.

Encumbrances

Lease agreements do not impose any covenants. Leased assets may not be used as security for borrowing purposes.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

9 NOTES TO THE CASH FLOW STATEMENT

	2024	2023
	R'000	R'000
Cash generated by operations		
Profit for the year	20 240	17 018
Taxation	3 714	5 846
Depreciation and amortisation	2 454	1 697
Share of equity-accounted earnings	(3 436)	(2 615)
Fair value adjustments of financial instruments	(8 531)	(632)
Fair value adjustments of investment properties	-	(15 268)
Investment income	(17 019)	(7 406)
Finance costs	8 590	6 907
Expected credit loss allowance, net of reversals	(54)	-
Investment surplus	(123)	(54)
Lease smoothing	(1 600)	(2 193)
Other non-cash items	557	71
	4 792	3 371
Changes in working capital		
Inventory	(723)	(459)
Trade and other receivables	(1 782)	1 513
Trade and other payables	1 559	(88)
	(946)	966
Taxation paid		
Unpaid at the beginning of the year	2 199	2 204
Charged to the statement of profit and loss	583	-
Unpaid at the end of the year	-	(2 199)
	2 782	5
Group		
Cash and cash equivalents		
Bank balances and deposits	17 776	55 837

Fair value of cash and cash equivalents

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

10 BORROWINGS

	2024	2023
	R'000	R'000
Bank mortgages	74 984	77 691
Loans from non-controlling interests	3 751	3 751
	78 735	81 442
Current portion of borrowings	(7 463)	(7 723)
	71 272	73 719
Secured	74 984	77 691
Unsecured	3 751	3 751
	78 735	81 442

Loans from non-controlling interests, which includes an amount of R3.8 million (2023: R3.8 million) owing to Bell Vue Developments Proprietary Limited, are unsecured, bear no interest and have no fixed terms of repayment.

The bank borrowings bear interest at an effective rate of 10.32% (the fixed borrowings bear interest at 8.7% and the variable borrowings bear interest at prime less 1% and three-month JIBAR plus 2.6%). The facility is repayable in 60 instalments with a residual of approximately 73% maturing 7 July 2025 and 5 April 2027.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

10 BORROWINGS *(continued)*

Movements in the carrying value of borrowings are as follows:

	Long-term borrowings R'000	Short-term borrowings R'000	Total R'000
Group			
2024			
Carrying value at the beginning of the year	73 719	7 723	81 442
Cash flows			
Debt repayments	-	(3 303)	(3 303)
Interest paid	-	(7 806)	(7 806)
Non-cash			
Reclassification	(2 447)	2 447	-
Interest capitalised	-	8 294	8 294
Amortisation of raising fees	-	108	108
Carrying value at the end of the year	71 272	7 463	78 735
2023			
Carrying value at the beginning of the year	77 122	6 871	83 993
Cash flows			
Interest paid	-	(6 611)	(6 611)
Debt repayments	-	(2 658)	(2 658)
Non-cash			
Reclassification	(3 403)	3 403	-
Interest capitalised	-	6 611	6 611
Amortisation of raising fees	-	107	107
Carrying value at the end of the year	73 719	7 723	81 442

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

	2024 R'000	2023 R'000
Investment properties*	149 925	146 447
Maturity of these borrowings are as follows:		
Due within one year	7 463	7 723
Due within one to two years	27 618	4 567
Due within two to five years	43 654	69 152
	78 735	81 442
	%	%
Weighted average effective interest rates	10.32	9.52

* Investment properties, with a carrying value of R150 million (2023: R146 million), relate to La Concorde Builders Precinct properties over which mortgage bonds have been registered in favour of the debt providers to La Concorde Group included in borrowings.

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

11 EVENTS AFTER REPORTING DATE

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.

12 GOING CONCERN

The directors reviewed the 2025 forecast 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.

13 DIVIDENDS

The Board has resolved not to declare a final dividend.

COMMENTARY

The assets of La Concorde consist of 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, however, the current zoning of these properties will naturally result in significant delays.

During the year the income generated mainly consisted of rental income, recoveries of utilities and operating expenses, restaurant and accommodation sales, 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 year, a dividend of R12.4 million was received from FTH.

The group commenced the erection of the Cycle Lab and Pro Shop building on the De Hoop Farm. The expected opening is during October 2024.

The group has seen an improvement in its operations, with growing income from the new ventures entered into.

Signed on behalf of the Board of directors

Cisco Pereira

Director

Cape Town

24 May 2024

ADMINISTRATIVE INFORMATION

REG NO.

2009/012871/06

DIRECTORS

JA Copelyn, JR Nicolella, AF Pereira and Y Shaik

COMPANY SECRETARY

HCI Managerial Services Proprietary Limited

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TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited



LA CONCORDE
