



CROOKES BROTHERS LIMITED

A N N U A L R E P O R T 2 0 0 7

DIRECTORATE



*Directors at the date of this report – from left to right:
Chris Chance, Alan Crookes, Paul Bhengu, Anthony Hewat, Fred Palmer, Dudley Crookes, Dayalan Naicker, Guy Clarke.*

Name	Qualifications	Appointed to the Board	Position
Non-Executive Directors			
J F C Palmer (69) ■ + ▲ Appointed Chairman 1998	CA (SA)	1980	Chartered Accountant in private practice
P Bhengu (62) ◆ +	M Ed	1999	HR Consultant
P L Campbell (70) # +	CA (SA), AMP (Harvard)	1989 (Retired 31 March 2007)	Director of Companies
C J H Chance (54) * +	B Sc	1993	Director - Citrus export management company
A C Crookes (66) # +	Dip. Sugar Tech.	1979	Director - Agriculture and development companies
D J Crookes (66) ▲	Agribusiness (Cornell)	1980	Agricultural Consultant
J A F Hewat (46) * + ▲	MA (Oxon), CA (SA)	2006	Investment Banker
D T Naicker (49) ● + ▲	B Com, CA (SA), H Dip Tax	2004	Bank Executive
Executive Director			
G S Clarke (50) ◆	M Sc (Eng), MBA	2006	Group Managing Director

- Chairman of the Audit Committee
- * Member of the Audit Committee
- Chairman of the Remuneration/Nominations Committee
- # Member of the Remuneration/Nominations Committee
- + Independent non-executive director
- ◆ Member of the Risk Management Committee
- ▲ Directors who will be retiring by rotation at the annual general meeting of shareholders on 26 July 2007 and who, being eligible, will be offering themselves for re-election. Brief CV's of these directors appear on page 47.

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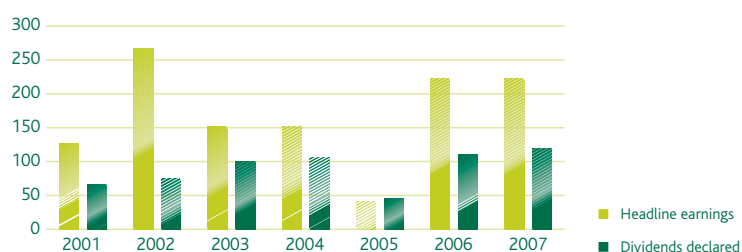


FINANCIAL HIGHLIGHTS

for the year ended 31 March 2007

	2007 R'000	2006 R'000	% Change
Total shareholders' funds	257 298	243 568	6
Revenue	211 670	201 469	5
Profit before taxation	41 867	40 341	4
Profit after taxation	27 779	27 860	–
Headline earnings	27 500	27 338	–
	Cents	Cents	
Headline earnings per share	222.9	222.6	–
Basic earnings per share	225.2	226.9	(1)
Dividends declared per share	120.0	110.0	9
Cash flow from operating activities per share	195.7	266.6	(27)
Net asset value per share	2 084	1 984	5
Market value per share	4 050	3 000	35
Shares in issue at end of year	12 346 333	12 279 333	
Dividend cover (headline earnings and dividends declared)	1.9	2.0	
	%	%	
Return on shareholders' funds	11.1	12.0	
Financial gearing	6.1	6.3	

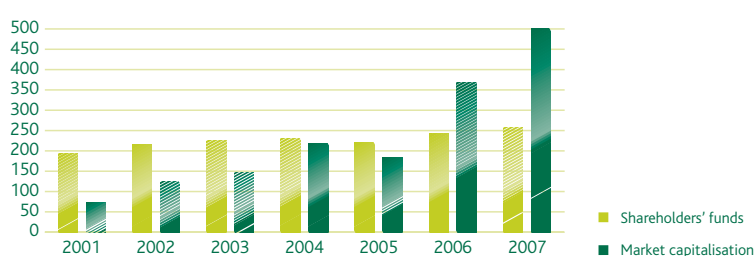
Headline earnings and dividends declared per share (cents)



Wealth created (Rm)



Market capitalisation (Rm)



PROFILE & PRIMARY OBJECTIVES

Profile

The Crookes family has established a proud tradition in the South African sugar industry since the 1860's when Samuel Crookes first planted cane at Renishaw on the KwaZulu-Natal South Coast. Crookes Brothers Limited was incorporated in 1913 to take over and manage the family interests and in 1948 it was listed on the Johannesburg Stock Exchange.

Crookes Brothers today produces a range of primary agricultural products, with sugar cane contributing approximately 60% to both revenue and profits. The company also farms bananas, citrus and deciduous fruit, grain, sheep, cattle and crocodiles on farms located in KwaZulu-Natal, Western Cape, Mpumalanga and Swaziland.

The company's success is derived from its focus on producing quality agricultural products in an efficient and cost effective manner. This is enhanced by a culture of discipline, integrity and fairness maintained throughout its operations.

Primary Objectives

- To create value for all our stakeholders, including shareholders, employees and the communities in which we operate.
- To achieve sustainable growth in profit and dividends in excess of the inflation rate.
- To grow the company by identifying and implementing expansion opportunities which best utilise our skills and other resources to optimise returns.
- To achieve and maintain appropriate geographic and product diversification to mitigate environmental and market risks.
- To provide a working environment that is challenging and rewarding for all employees.
- To support the South African Government in its objective to achieve the transformation of the country's agricultural industry without compromising sustainability.

GROUP PROFILE

OPERATIONAL AREA	AGRICULTURAL ACTIVITIES	TOTAL HECTARES	
		2007	2006
FREEHOLD			
MPUMALANGA – Komatipoort	– Sugar cane, bananas	4 964	4 964
SWAZILAND – Big Bend	– Sugar cane, cattle	7 059	7 059
KWAZULU-NATAL – Nkwalini Valley	– Sugar cane, citrus	2 319	2 319
KWAZULU-NATAL – Doornkop	– Sugar cane	1 963	1 963
KWAZULU-NATAL – Renishaw	– Sugar cane, crocodiles	4 814	4 814
WESTERN CAPE – Napier	– Grain, sheep	4 563	4 563
WESTERN CAPE – Vyeboom	– Deciduous fruit	371	371
TOTAL FREEHOLD		26 053	26 053
LEASEHOLD			
WESTERN CAPE – Napier	– Grain, sheep	–	2 920
TOTAL OPERATIONAL		26 053	28 973

M A N A G E M E N T

Name	Qualifications	Joined the Group	Position
GROUP			
G S Clarke (50)	M Sc (Eng), MBA	2006	Group Managing Director
B Darbyshire-Roberts (60)	CPA (Aus), FCIS	1978	Chief Financial Officer
J J Vorster (52)	BA	1991	Group Human Resources Manager
B L Casarin (60)		1990	Group Transport Manager
P J Barker (54)	BA, ACMA	1985	Group Financial Manager
P R Smith (56)	B Sc (Agric)	1998	Group Management Accountant
D B Sutherland (38)	B Sc (Agric)	2006	Group Agronomist
P S Mogola (41)	B Soc Sc, M Phil	2007	Group Industrial Relations Manager
OPERATIONS			
F P Borrageiro (48)	Dip. Ag. (Cedara)	1990	Senior General Manager – Mpumalanga
E Erlendsson (41)	Dip. Ag. (Cedara)	1995	General Manager – Swaziland
G J F James (62)	Dip. Ag. (Gwebi)	1978	General Manager – Coastal
C J Prowse (37)	Dip. Ag. (Elsenburg)	1996	Estate Manager – Western Cape – Vyeboom
J J Schonken (50)	B Sc (Agric)	1997	Estate Manager – Western Cape – Napier
C M Viljoen (41)		1990	General Manager – Nkwalini



CHAIRMAN'S REPORT



The 2007 financial year saw the appointment of Guy Clarke as group managing director on 1 August 2006 following the retirement of Dudley Crookes who had served in that position for 26 years. Dudley's significant contribution was acknowledged in the last annual report and at the annual general meeting held in July 2006. On the operations front, our diversified crops have shown greatly improved yields and financial contributions, justifying the diversification programme of previous years.

In the interim statement for the half year to September 2006, it was stated that expected earnings for the year ending 31 March 2007 would be between 210 cents and 230 cents per share which was similar to the results achieved in the 2005/06 financial year of 226 cents per share. The final result reflects earnings of 225 cents per share, which is commendable given the effect that the drought of 2004 and 2005 had on the sugar cane operations on the Komatiipoort farms and the cold winter weather in the same area, which affected banana production. On the positive side, citrus, deciduous fruit and grain production benefited from higher production and prices.

Detailed statistics of the various agricultural operations are shown on page 10 and the segmental division of operating profit on page 31. A brief summary of the various divisions follows.

SUGAR CANE

This operation is still the largest single contributor to operating income, though at 58% it is well below the 70% average of previous years due to the increased contribution from diversified crops. A feature of the season was the high rainfall experienced in KwaZulu-Natal which resulted in lower than normal radiation. The actual tonnage of cane harvested this year at 558 015 (2005/06: 618 976) was below target due to the ongoing effect of the prior years' drought in Mpumalanga with the reduced radiation levels causing significantly reduced RV levels on the KwaZulu-Natal estates. Unfortunately this deficit was only partially offset by high RV and sucrose prices in both South Africa and Swaziland, resulting in a reduction in the contribution by cane to operating income to R34.4m (2005/06: R41.2m).

BANANAS

The year has been one of mixed fortunes with high prices being offset by reduced production volumes. Production was 25% below

the previous year due largely to cyclicity in annual production levels which was experienced throughout the industry and aggravated by cold winter weather. On average gross prices were 10% higher than the previous year.

Lebombo Growers (Pty) Ltd, in which the company has a 21.3% interest, and which provides cooling, storage and marketing services to its shareholder growers, enjoyed continued success in establishing its Lebombo and Nkomazi brands on the South African market.

The net operating income amounted to R7.5m, down from R11.7m in the previous year.

CITRUS

The picking season which ranged from May to August 2006 was an excellent one in all respects, following an extensive replanting to grapefruit over many years. Improved volumes and packout percentages, higher prices in all markets and greatly improved marketing, after the disastrous previous season, resulted in a record year with net operating income of R5.2m (2005/06: Loss R1.5m).

The company has a close liaison with the Capespan Group (in which the company has a financial investment) which provides marketing and distribution services.

DECIDUOUS FRUIT

The replant programme of previous years, which incorporated the introduction of new varieties to match the demand of international taste trends, has delivered significant benefits in this financial year, with increased tonnages as young trees mature, better quality and improved prices from both export and local markets. This resulted in a net operating income of R4.3m (2005/06: R0.2m). Effective quality control as well as efficient pack-house operations at Two-a-Day Group Ltd, in which the company has a financial interest, have assisted in achieving the improved results this year.

GRAIN AND SHEEP

This division contributed R5.5m (2005/06: R1.9m) to operating income from slightly higher volumes of wheat and barley and also from higher prices of quality grain, as well as mutton and wool.

The lease of a grain and sheep farm in the Napier area expired at the end of November 2006 and was not renewed.

OTHER OPERATIONS

Crocodile farming and tourism near Scottburgh on the KwaZulu-Natal south coast, cattle ranching in Swaziland and other sundry income contributed R2.8m (2005/06: R2.1m) to operating income.

CHAIRMAN'S REPORT

continued

LAND CLAIMS

Various claims on the company's properties at Mpumalanga (Komatipoort Estates), Nkwalini Valley (Riversbend Estate), Doornkop (Langespruit Estate) and South Coast (Renishaw Estate) registered over a period of years are still some distance from being finalised. The company has participated in numerous discussions with the Land Claims Commission both at Provincial and National levels, communities and funding agencies. At this stage only a single settlement for 195 hectares (50 hectares cane) on our Riversbend Estate is in the process of being finalised.

CAPITAL EXPENDITURE

No purchases or sales of land took place during the year under review.

Capital expenditure for the past year, essentially reinvestment into our existing estates, comprised:

Additions to property and plant	R 3.9m
Replacement of plant and equipment	R 7.8m
Total	<u>R11.7m</u>
Depreciation charged during the year	<u>R10.0m</u>

In addition the company re-planted 679 hectares of canelands at Komatipoort at a cost of

	<u>R 3.9m</u>
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It is company policy to limit normal replacement capital expenditure to the depreciation charge and this has again been achieved this year.

SHARE CAPITAL

The authorised share capital of the company remains at 16m shares. During the year 67 000 shares were issued to staff in terms of the Share Option Scheme for an amount of R0.7m which resulted in the issued share capital being increased to 12.35m shares. There are still 185 000 shares available in the Share Option Scheme, to be granted at a later date, from a total of 600 000 shares as authorised by shareholders on 18 August 1999.

POST BALANCE SHEET EVENTS

Since the year end, two small farms in the Napier district of the Western Cape have been sold as a going concern for R7.2m, effective 1 April 2007. A capital surplus of R2.9m was realised. This, together with the discontinuation of the leased property in the same area from November 2006 will result in a reduction in net income from grain and sheep in the year ahead.

FUTURE PROSPECTS

Sugar cane production is expected to rise by 20% mainly due to the tonnage to be harvested from the replanted land in Mpumalanga during 2006. However, this benefit will be partly offset by a lower RV price as estimated by the SA Sugar Association. World sugar prices, currently below 10 US cents/lb, are considerably reduced from the highs of the 2006 calendar year.

Improved volumes in the other major divisions, bananas, citrus and deciduous fruit, are also expected. As is to be expected in the agricultural industry, the outlook for earnings is subject to fluctuations in the Rand exchange rate, price levels for agricultural produce and unpredictable weather conditions. Additionally, input cost increases at rates higher than inflation, for items such as fuel, transport and fertiliser are affecting the agricultural sector.

Agriculture in Southern Africa is undergoing major changes particularly in respect of land redistribution and empowerment. While fully supporting the State in its efforts, Crookes Brothers Limited aims to use its expertise and resources to participate in the opportunities arising from these processes. The increasing international demand for bio-fuels could offer further opportunities for growth.

DIVIDENDS AND SHAREHOLDER RETURNS

An interim dividend of 35 cents per share was paid in January 2007 (2006: 25 cents). A final dividend of 85 cents per share (2006: 85 cents) has been declared by the directors and will be payable in July 2007. The total distribution of 120 cents per share (2006: 110 cents) for the year is covered by earnings of 225 cents per share.

In view of the fact that no major expansion project has yet been finalised, a dividend covered 1.9 times by earnings is considered acceptable.

Borrowings of the company are relatively low, and should be substantially reduced in the coming year.

DIRECTORATE

Three changes occurred in the composition of the board during the past year. Guy Clarke was appointed managing director following the retirement of Dudley Crookes on 31 July 2006. Dudley has remained on the board as a non-executive director since that date and his on-going contribution to company matters is much appreciated.

Anthony Hewat joined the board on 1 October 2006. He is a chartered accountant and brings with him a wealth of experience in financial

matters, having been involved in private equity and corporate advisory services for a number of years. He is a founder and director of Metier Investment and Advisory Services (Pty) Ltd and is based in Johannesburg. He also serves as a member of the audit committee.

Peter Campbell, who had been a member of the board for 18 years, retired on 31 March 2007 in terms of board policy, on reaching the age of 70. We thank Peter for his guidance and wise counsel to the board, the audit committee (where he served as Chairman) and the remuneration/nominations committee. He also served as an employer elected trustee of the provident, retirement and pension funds. We wish him well into the future with good health and happiness in his retirement.

The names of the four directors who are eligible and available for re-election at the forthcoming annual general meeting appear on page 47 together with a brief CV of each.

APPRECIATION

The board is very appreciative of the manner in which the staff have performed during this past year, particularly in bringing the farms back to near full production in a year of more favourable but still

variable, weather conditions. Every estate visit gives me increased confidence that our best asset is the depth, skill and dedication of our people. Guy Clarke has encouraged his staff at all levels bringing to bear his own participative management style. He in turn has learned a great deal about practical agricultural operations to add to his extensive background in development and agricultural finance.

Head office administration remains strong and staff keep up to-date on changes in legal and other administrative matters. Their contribution so often goes unrecognised as it is difficult to measure in terms of volumes and production.

To my fellow board members, I express my sincere thanks for their support and guidance over the past year which will probably be seen as the start of a new chapter in the long history of Crookes Brothers Limited.



JFC Palmer
Chairman
23 May 2007

S U S T A I N A B I L I T Y R E P O R T

Crookes Brothers Limited (“CBL”) is committed to the sustainable production of primary agricultural products in a manner that is economically viable, socially acceptable and environmentally sound. The company has achieved and maintains its status as an internationally competitive agri-business through a focus on the key drivers of the business, including disciplined cost management, using the latest appropriate technologies and developing the skills of its employees at all levels. As a farming company it pro-actively supports the socio-economic upliftment of the rural communities in which it operates and from which it draws the majority of its employees.

Human Resources

The company endeavours to align itself with the efforts of the South African Government to establish a society and business community which offers equal opportunity to all and avoids discrimination based on race and gender, not only by adhering to the standards set out in codes of practice, but also by establishing a culture of fairness, transparency, support and reward for individual effort.

Skills Development

The maintenance and development of an adequate skills base is identified as a critical component of ensuring the sustainability of the South African agricultural industry into the future. Great success has been achieved by the company in identifying candidates from the ranks of unskilled workers and indunas with potential to progress to management level and applying the NQ4F training courses developed by AGRISETA and run by the South African Sugar Association (“SASA”). A pro-active bursary program has also been implemented to sponsor suitable candidates for post-matric studies in agriculture as potential managers for Crookes' operations. Recent steps have been taken to step up both these programmes. The company has been fortunate in securing the support of AGRISETA in this endeavour.

Entrepreneurial Development

Providing support for emerging black farmers is a further area identified where CBL can use its expertise and resources to promote the transformation of the industry. Discussions have been held with various industry players (including Inkezo, the section 21 company set up by SASA to promote land reform) with a view to establishing black farmers and supporting the recipients of land claims. It is expected that several projects in this category will be implemented in the current financial year.

Health

The health and well-being of its employee communities is of critical importance to CBL, especially in view of the fact that the HIV/Aids pandemic has had such a devastating impact in rural areas.

The company maintains an intensive information programme to make employees aware of the causes, impact and available treatments for HIV/Aids. CBL also facilitates access to the Voluntary Counselling and Testing Services offered by local government health clinics in this regard. Ongoing efforts are applied to add value to the programme of the state to combat the pandemic.

Corporate Social Investment

Crookes Brothers has an active social investment programme to support the rural communities from which it draws its labour. These programmes include the provision of adult education, vegetable farming projects, crèche services and sponsorship of sports teams, to mention a few. Extensive sponsorships are also provided for local community activities. These CSI activities are viewed as a vital component in improving the quality of life for all in rural communities.

Employment Equity

Nearly 96% of CBL's total workforce now comprises black people and women. Some success has been achieved in reaching the employment equity targets of the proposed AgriBEE Charter, but further focus will be applied to expedite progress in this area. It is noteworthy that only two of CBL's employees on the Swaziland operation out of a total of 240 are expatriates from South Africa, the rest all being Swaziland citizens.

Employee Complement

The race and gender composition of the company's workforce at 31 March 2007 was as follows:

	Management & Skilled	Semi- skilled	Unskilled	Total
Male				
– African	11	128	929	1 068
– Coloured	0	22	13	35
– Indian	7	13	7	27
– White	70	2	0	72
	88	165	949	1 202
Female				
– African	1	22	501	524
– Coloured	1	3	10	14
– Indian	3	3	8	14
– White	5	5	1	11
	10	33	520	563
				1 765

Employee Relations

Mr Paul Mogola (Group Industrial Relations Manager) was recently recruited by the company to manage employee relations and with his assistance we expect to be more pro-active in this arena in the future. Ongoing management training in dispute resolution processes was undertaken during the reporting period and policies were updated according to the Codes of Best Practice. Effective communication structures are in place and the company is looking forward to a conflict-free 2007/2008 financial year.

Environmental Management

The company employs best management practices in all its operations so as to ensure agricultural production on a sustainable basis with the minimum impact on the environment. The management practices are based on farming guidelines as advocated by the South African Sugar Research Institute ("SASRI") and other industry organisations. These include inter alia the formulation of land use plans to guide new developments and re-establishment of existing fields; the use of minimum tillage techniques; application of green manures and organic matter; design of irrigation schemes to optimise the use of valuable water resources; irrigation management to prevent waste; the maintenance of infield drainage systems to prevent damage to soils due to water logging; and guidelines for cane burning. The protection of rivers, wetlands, catchment areas, indigenous forests and the removal of alien vegetation is prioritised.

In terms of an agreement concluded in 2006 between CBL, the Noodsburg Cane Growers Association and SASRI, the company has

begun implementing the Sustainable Sugarcane Farm Management System ("SuSFarMS") that has been specifically developed for the sugar industry.

SuSFarMS is a practical, workable and sustainable environmental performance system for sugarcane growers. The system takes into account the economic, social and environmental principles involved in sustainable sugarcane production and it is auditable. This not only provides guidelines for sustainable sugarcane production, but also enables the company to continually check on the implementation of these guidelines. By implementing the SuSFarMS system Crookes Brothers will continue to ensure that the production of sugarcane is economically viable and the rights of its employees and the local community are upheld, while conserving natural assets and critical ecosystems, and utilising agricultural resources sustainably. The system also ensures that all relevant environmental legislation is being adhered to.

SuSFarMS now provides the guidelines for the company's sugarcane enterprises in the same way that Eurepgap and Natures Choice cater for its horticultural enterprises. The company's proven pro-active environmental management in the field will be enhanced by the ongoing roll-out of these formalised environmental management systems. The company will also continue to co-operate with SASRI and other institutions to promote ongoing research that is directed towards the improvement of sustainable farming activities, and in so doing will remain at the forefront of new technological developments.

AGRICULTURAL STATISTICS

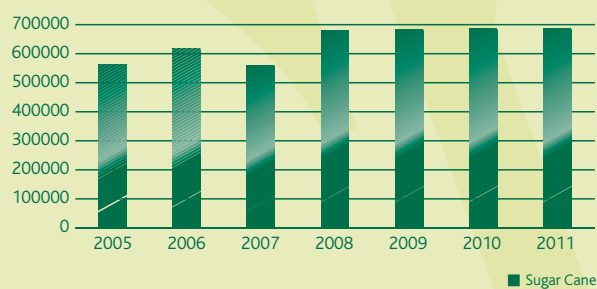
	2007	2006	2005	2004	2003	2002	2001
CANE							
Hectares	7 844	8 521	8 306	8 157	7 668	7 412	7 278
Hectares harvested	7 358	8 102	7 983	7 357	6 624	6 034	6 120
Tons harvested	558 015	618 976	563 931	579 860	559 686	442 585	531 177
Tons per hectare harvested	75.8	76.4	70.6	78.8	84.5	73.3	86.8
Sucrose percent	13.11	13.70	13.47	13.46	13.78	12.88	13.10
Tons RV – South Africa	44 125	53 966	48 342	51 533	52 074	39 317	47 921
Tons sucrose – Swaziland	23 000	24 102	20 965	19 854	18 775	14 669	16 671
Average RV (recoverable value) price per ton							
South Africa	R1 701.86	R1 389.80	R1 297.19	R1 357.01	R1 368.79	R1 352.14	R1 105.00
Average sucrose price per ton							
Swaziland	R1 535.93	R1 381.82	R1 286.75	R1 384.49	R1 595.88	R1 383.60	R1 190.41
CITRUS							
Hectares	176	176	173	255	255	284	337
Hectares harvested	136	147	157	234	207	239	278
Tons harvested	7 491	6 450	5 476	9 568	8 570	11 514	12 308
Export cartons – Grapefruit	181 246	200 470	153 263	146 408	137 454	117 723	150 390
– Oranges	109 212	38 815	73 369	213 498	205 264	168 293	136 796
Price per export carton							
Grapefruit– White	R49.04	R27.26	R43.37	R54.64	R46.55	R39.45	R23.14
Grapefruit– Red	R50.99	R33.96	R40.67	R44.48	R58.31	R42.26	R20.34
Oranges – Valencia	R38.84	R26.08	R34.48	R20.17	R30.77	R31.82	R22.20
Oranges – Delta	R40.72	R18.34	R39.12	R30.77	R41.04	R29.63	R17.02
DECIDUOUS FRUIT							
Hectares	171	167	168	164	166	171	157
Hectares harvested	145	140	134	115	106	103	107
Tons harvested							
– Golden Delicious apples	1 033	994	909	1 062	1 379	1 396	977
– Royal Gala apples	1 018	952	682	867	623	450	466
– Pink Lady apples	759	576	632	528	510	493	134
– Other New Generation apples	1 369	902	881	660	698	397	242
– Pears	688	510	651	479	415	497	419
Net price per kilogram – (export fruit)							
Apples – Golden Delicious	R2.62	R2.27	R1.68	R2.00	R1.68	R2.52	R1.74
– Royal Gala	R2.88	R2.12	R2.08	R2.46	R2.08	R3.18	R2.15
– Pink Lady	R4.99	R3.71	R3.18	R4.08	R7.44	R3.08	R2.02
– Sundowner	R2.85	R1.91	R2.06	R3.19	R5.56	R2.97	R1.22
Pears	R2.84	R3.30	R2.68	R2.24	R1.94	R2.50	R1.32
BANANAS							
Hectares	441	453	456	468	468	417	410
Hectares harvested	302	357	328	344	305	364	316
Tons harvested	15 102	20 117	15 587	17 179	16 785	22 082	17 933
Price per carton	R53.68	R48.68	R48.90	R46.89	R38.23	R31.77	R32.40

	2007	2006	2005	2004	2003	2002	2001
GRAIN							
Hectares	4 052	4 024	4 241	4 284	4 131	3 810	3 910
Tons harvested	10 379	10 053	8 407	11 325	10 494	8 825	8 946
Barley price per ton (malt grade)	R1 351.00	R1 198.00	R1 420.00	R1 390.00	R1 555.00	R998.00	R911.00
Wheat price per ton	R1 384.00	R985.00	R877.00	R1 292.00	R1 323.00	R1 087.00	R909.00
SHEEP							
Hectares under pastures	1 030	2 474	2 257	2 214	2 367	2 688	2 588
Number of sheep	10 351	13 581	13 612	12 800	13 015	12 202	13 494
Sheep sold	3 971	7 267	6 286	7 354	5 456	7 169	6 662
Kilograms of wool sold	35 695	36 477	34 442	32 230	33 374	28 711	36 292
Price per sheep	R584.00	R499.00	R468.00	R398.00	R378.00	R292.00	R273.00
Wool price per kilogram	R36.72	R26.42	R26.83	R33.55	R42.39	R31.84	R20.60
CATTLE							
Number of head	1 165	1 321	972	1 218	1 104	1 217	1 190
Cattle sold	554	335	543	256	442	379	726
CROCODILE FARMING							
Number of head	10 139	8 764	9 957	10 875	9 634	7 880	8 809
Hides/crocodiles sold	3 700	4 002	2 472	2 661	1 824	2 683	3 414

AGRICULTURAL PRODUCTION VOLUMES

Actual and future objectives

Sugar cane (tons)



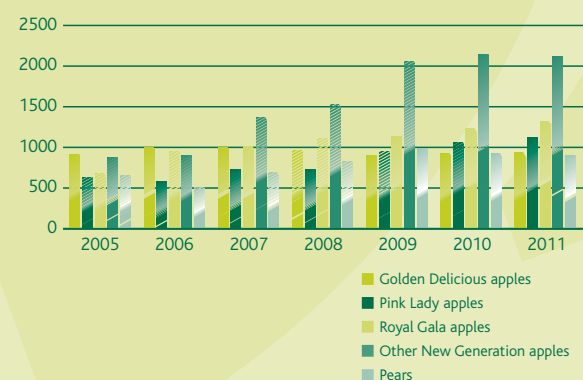
Citrus (tons)



Bananas (tons)



Deciduous fruit (tons)



GROUP SEVEN YEAR REVIEW

	2007 R'000	2006 R'000	2005 R'000	2004 R'000	2003* R'000	2002* R'000	2001 R'000
INCOME STATEMENTS							
Revenue	211 670	201 469	173 443	181 984	179 957	139 472	126 751
Operating profit before interest	43 614	42 330	11 675	29 028	26 095	45 211	16 507
Share of (losses)/profits of associate company	(8)	1	2	8	28	–	–
Dividends from investments	82	10	79	35	37	22	853
Interest received	285	298	256	694	2 434	2 797	2 756
Interest paid	(2 106)	(2 298)	(2 905)	(1 274)	(279)	(47)	(66)
Profit before taxation and abnormal items	41 867	40 341	9 107	28 491	28 315	47 983	20 050
Abnormal items	–	–	–	1 026	86	25	2 591
Profit before taxation	41 867	40 341	9 107	29 517	28 401	48 008	22 641
Taxation	(14 088)	(12 481)	(3 271)	(9 609)	(9 976)	(15 712)	(4 774)
Profit after taxation	27 779	27 860	5 836	19 908	18 425	32 296	17 867
Headline earnings	27 500	27 338	5 078	18 431	18 174	32 097	15 276
BALANCE SHEETS							
Assets							
Property, plant and equipment	174 626	173 828	172 541	172 609	143 587	135 812	120 011
Bearer biological assets	70 283	60 580	58 576	52 933	45 874	42 239	27 993
Investments	3 132	3 131	3 097	2 083	2 110	598	664
Other non-current assets	630	582	538	855	1 398	1 398	2 625
Current assets	106 839	99 921	89 507	85 201	99 638	101 631	93 026
Total assets	355 510	338 042	324 259	313 681	292 607	281 678	244 319
Equity and liabilities							
Capital and reserves	257 298	243 568	219 460	230 726	224 425	216 500	192 442
Deferred taxation	51 564	45 337	39 416	41 358	39 555	40 446	30 481
Post-employment liabilities	17 843	18 568	18 907	8 987	14 192	11 790	10 397
Current liabilities							
– interest bearing	15 658	15 277	33 982	17 246	946	273	291
– interest free	13 147	15 292	12 494	15 364	13 489	12 669	10 708
Total equity and liabilities	355 510	338 042	324 259	313 681	292 607	281 678	244 319
CASH FLOW STATEMENTS							
Cash generated from operations	34 883	38 481	9 791	33 709	41 849	23 693	25 834
Interest paid	(2 106)	(2 298)	(2 905)	(1 274)	(279)	(47)	(66)
Taxation paid	(8 633)	(3 452)	(4 139)	(6 924)	(11 049)	(6 175)	(9 905)
Cash inflow from operating activities	24 144	32 731	2 747	25 511	30 521	17 471	15 863
Dividends paid	(14 816)	(4 298)	(11 085)	(13 603)	(10 500)	(8 280)	(7 440)
Net cash flow from operating activities	9 328	28 433	(8 338)	11 908	20 021	9 191	8 423
Net cash outflow from investing activities	(10 410)	(10 262)	(9 233)	(40 588)	(17 925)	(22 987)	(8 107)
(Increase)/decrease in funding requirements	(1 082)	18 171	(17 571)	(28 680)	2 096	(13 796)	316

		2007	2006	2005	2004	2003*	2002*	2001
SHARE PERFORMANCE								
Headline earnings per share	cents	222.9	222.6	41.7	152.4	151.5	267.5	127.3
Basic earnings per share	cents	225.2	226.9	47.9	164.6	153.5	269.1	148.9
Dividends declared per share	cents	120.0	110.0	45.0	106.0	100.0	75.0	66.0
Dividend cover (headline earnings)	times	1.9	2.0	0.9	1.4	1.5	3.6	1.9
Earnings yield (headline earnings)	%	5.5	7.4	2.8	8.5	12.3	26.0	21.1
Dividend yield	%	3.0	3.7	3.0	5.9	8.1	7.3	10.9
Net worth per share	cents	2 084	1 984	1 802	1 908	1 870	1 804	1 604
Market price per share								
– closing	cents	4 050	3 000	1 500	1 801	1 230	1 030	603
– highest	cents	4 100	3 000	1 950	2 000	1 350	1 075	650
– lowest	cents	2 555	1 425	1 250	1 150	1 030	610	500
Crookes Brothers Ltd share price index (adjusted base 2001 = 100)		672	498	249	299	204	171	100
JSE Food Producers index (adjusted base 2001 = 100)		425	376	228	173	120	138	100
Closing price/net worth per share	%	194.3	151.2	83.2	94.4	65.8	57.1	37.6
Price/headline earnings ratio at year end	times	18.2	13.5	36.0	11.8	8.1	3.9	4.7
Shares in issue	'000	12 346	12 279	12 181	12 092	12 000	12 000	12 000
Volume of shares traded	'000	581	1 230	382	2 155	399	796	1 277
Number of share transactions		244	338	194	419	171	270	335
Value of shares traded	Rm	20.5	25.1	6.5	35.5	4.8	7.1	7.6
Volume of shares traded/issued shares	%	4.7	10.0	3.1	17.8	3.3	6.6	10.6
RETURNS AND PROFITABILITY								
Return on shareholders' funds	%	11.1	12.0	2.6	8.7	8.4	15.7	8.2
Taxed return on net assets	%	8.4	8.8	1.9	6.9	6.7	12.9	6.7
Pre-tax return on total assets	%	12.6	12.8	3.7	9.6	9.1	17.2	7.2
Operating margin	%	20.6	21.0	6.7	16.0	14.5	32.4	13.0
SOLVENCY AND LIQUIDITY								
Total liabilities to total shareholders' funds	%	38.2	38.8	47.8	36.0	30.4	30.1	27.0
Financial gearing ratio	%	6.1	6.3	15.5	7.5	0.4	0.1	0.2
Current ratio	times	3.7	3.3	1.9	2.6	6.9	7.9	8.5
Cash flow per share	cents	195.7	266.6	22.6	211.0	254.3	145.6	132.2
Interest cover	times	20.8	18.6	4.1	23.4	102.4	1 021.9	304.8

GROUP SEVEN YEAR REVIEW

continued

		2007	2006	2005	2004	2003*	2002*	2001
PRODUCTIVITY								
Number of permanent and contract employees (average)								
– based on actual days worked		1 979	1 929	1 994	2 026	2 040	2 027	2 009
Revenue per employee	R'000	107.0	104.4	87.0	89.8	88.2	68.8	63.1
Assets per employee	R'000	179.6	175.2	162.6	154.8	143.4	139.0	121.6
Wealth created								
per employee	R'000	61.1	58.7	40.3	47.5	44.9	50.0	35.5
Employment cost								
per employee	R'000	33.9	31.7	29.5	28.0	26.6	22.0	21.4
Operating profit per employee	R	22 038	21 944	5 855	14 328	12 792	22 304	8 217
Headline earnings per employee	R	13 896	14 172	2 547	9 097	8 909	15 835	7 604
INFLATION ADJUSTED INFORMATION								
CPI index (base 2001 = 100)								
		134.0	127.3	122.0	120.5	116.1	104.4	100.0
Deflation factor (base 2001 = 100)								
		74.6	78.6	82.0	83.0	86.1	95.8	100.0
Headline earnings per share								
– historical	cents	222.9	222.6	41.7	152.4	151.5	267.5	127.3
– deflated	cents	166.3	175.0	34.2	126.5	130.4	256.3	127.3
Dividends declared per share								
– historical	cents	120.0	110.0	45.0	106.0	100.0	75.0	66.0
– deflated	cents	89.5	86.5	36.9	88.0	86.1	71.9	66.0
Cash available from operations								
– historical	R'000	24 144	32 775	2 814	25 511	30 521	17 471	15 863
– deflated	R'000	18 011	25 761	2 307	21 174	26 279	16 737	15 863
Total assets								
– historical	R'000	355 510	338 042	324 259	313 681	292 607	281 678	244 319
– deflated	R'000	265 210	265 701	265 892	260 355	251 935	269 847	244 319

*** Notes**

Information on pages 12 to 14 for the years 2002 and 2003 has been amended in order to incorporate changes in accounting policies arising from the introduction of certain accounting standards introduced during the 2004 financial year. Previous years' statistics have not been adjusted. Information on pages 12 to 14 for the years 2001 to 2004 was prepared under South African Statements of Generally Accepted Accounting Practice, and has not been restated in accordance with International Financial Reporting Standards ("IFRS") introduced during the 2006 financial year (2005 financial year information has been restated for IFRS). For the comparative information to comply with IFRS, adjustments would have to be made to post-retirement liabilities and the net book value of property, plant and equipment.

DEFINITIONS

Cash flow per share

Cash available from operating activities divided by the average number of shares in issue during the year.

Current ratio

Current assets divided by current liabilities.

Dividend cover

Headline earnings per share divided by dividends per share (interim – paid, final – declared).

Dividend yield

Dividends per share (interim – paid, final – declared) as a percentage of year end market price.

Financial gearing ratio

Interest-bearing debt expressed as a percentage of shareholders' funds.

Inflation adjusted information

Historical statistics adjusted using the mid year (September) Consumer Price Index.

Interest cover

Operating profit before interest paid and taxation (but including income from investments), divided by interest paid.

Net assets

Total assets less all interest free liabilities.

Operating margin

Operating profit before interest, expressed as a percentage of revenue.

Pre-tax return on total assets

Operating profit before interest and taxation (but including income from investments), expressed as a percentage of the average of the financial period's opening and closing total assets.

Price: headline earnings ratio

Market price at year end, divided by headline earnings per share.

Return on shareholders' funds

Profit after taxation, expressed as a percentage of the average of the financial period's opening and closing shareholders' funds.

Revenue per employee

Revenue divided by the average number of permanent and fixed term contract employees during the year.

Taxed return on net assets

Profit after taxation, expressed as a percentage of average net assets.

Total liabilities ratio

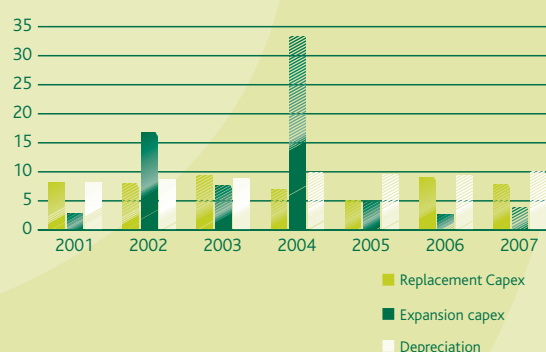
Interest-bearing debt and other liabilities expressed as a percentage of shareholders' funds.

Note: Ratios relative to profit exclude abnormal items.

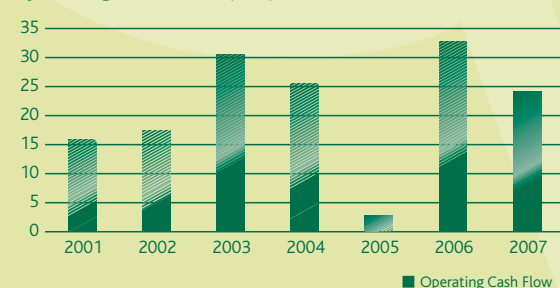
Total Assets/Revenue (Rm)



Capital Expenditure/Depreciation (Rm)



Operating Cash Flow (Rm)



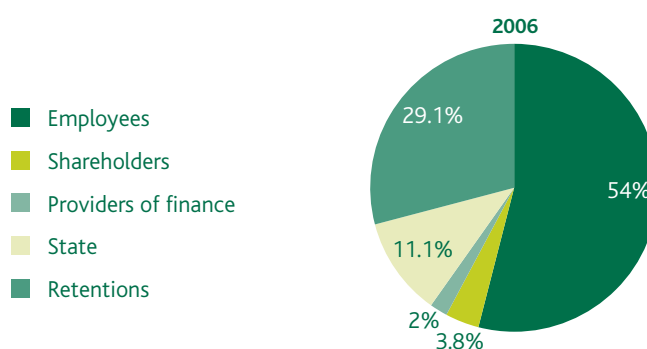
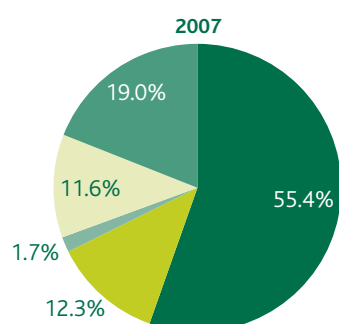
VALUE ADDED STATEMENT

for the year ended 31 March 2007

VALUE ADDED IS THE WEALTH THE GROUP HAS CREATED AND THIS STATEMENT SHOWS HOW THIS WEALTH HAS BEEN DISTRIBUTED AMONGST ITS VARIOUS STAKEHOLDERS

	2007		2006	
	R'000	%	R'000	%
Wealth created				
Revenue	211 670	99.8	201 469	99.9
Share of (losses)/profits of associate company	(8)	–	1	–
Dividends received	82	–	10	–
Interest received	285	0.2	298	0.1
Profit on disposal of shares	–	–	4	–
	212 029	100.0	201 782	100.0
Materials and services purchased	(91 041)	(42.9)	(88 481)	(43.8)
	120 988	57.1	113 301	56.2
Wealth distributed				
To pay employees' salaries, wages and other benefits	67 017	55.4	61 231	54.0
To pay providers of capital	16 922	14.0	6 596	5.8
Dividends	14 816	12.3	4 298	3.8
Interest paid	2 106	1.7	2 298	2.0
To pay direct taxation to the state	14 088	11.6	12 481	11.1
	98 027	81.0	80 308	70.9
Wealth retained for future growth	22 961	19.0	32 993	29.1
Depreciation	9 998	8.3	9 431	8.3
Retained earnings	12 963	10.7	23 562	20.8
	120 988	100.0	113 301	100.0
Analysis of taxes paid:				
Direct taxes (including STC) – as above	14 088		12 481	
Value added tax and GST	3 373		3 641	
Employees' tax	6 381		5 348	
Regional Service Council levies	67		313	
Rates and taxes paid to local authorities	92		136	
Skills development levies	441		403	
Channelled through the group	24 442		22 322	

Percentage Distributions



C O R P O R A T E G O V E R N A N C E

The group is committed to the principles of openness, integrity, accountability, transparency and social responsibility. The implementation of sound corporate governance practices has been an integral part of the group's business operations for many years, with changes and refinements being made from time to time to recognise, where deemed appropriate, international trends and best practices. The board of directors believes that it has complied, in all material respects, with the Code of Corporate Practices and Conduct embodied in the 2002 King Report ("King II").

BOARD OF DIRECTORS

The group has a unitary board structure which, at the date of this report, comprises one executive and seven non-executive directors. All of the non-executive directors are independent, with the exception of Mr D J Crookes who retired as group managing director on 31 July 2006 and who renders certain agricultural consulting services to the group, other than in his capacity as a director.

A formal charter setting out the board's responsibilities was adopted in May 2003. The responsibility for the functioning of the board and the executive responsibility for managing the business are separated and the chairman is an independent non-executive director. The board meets at least five times per annum and the details of attendance during the 2006/2007 financial year are disclosed on page 18. The board is responsible for the strategic direction of the group and maintains control over all material matters affecting the group including operational performance and management, determination of policy and processes to ensure the integrity of the group's risk management and internal controls, communications policy, and selection, orientation and evaluations of directors.

Non-executive directors are chosen for their business acumen and skills and ability to ensure independent judgement on key issues.

Mr G S Clarke was appointed group managing director on 1 August 2006 and he is subject to a fixed-term service contract as managing director for a period of five years. All non-executive directors are subject to retirement and re-election by shareholders at intervals of no more than three years. New directors are subject to confirmation by shareholders at the first annual general meeting after their appointment. Biographical details of all the directors are set out on the inside front cover. All directors have access to the advice and services of the company secretary and are entitled to seek independent professional advice about the affairs of the company at the company's expense.

BOARD COMMITTEES

Audit Committee

The group audit committee, which meets at least twice a year, is chaired by an independent non-executive director and consists

exclusively of non-executive directors.

Members: P L Campbell (Chairman to 31 March 2007)
D T Naicker (Chairman from 1 April 2007)
C J H Chance
J A F Hewat (from 1 October 2006)

The meetings are also attended by the managing director and the appropriate executives responsible for finance.

The external auditors have unrestricted access to this committee and attend the audit committee meetings. The committee chairman is available at the annual general meeting.

The committee operates within written terms of reference adopted in May 1995, which were reviewed and amended in May 2003 to take into account recommendations contained in the King II Report. This committee reviews the standards of internal control of the group with reference to the findings of the external auditors and, where applicable, the internal audit tasks undertaken by management.

Other areas covered include the review of important accounting issues, pending litigation, specific disclosures in the financial statements and a review of the major audit recommendations. The board reviews the appointment of the external auditors each year based on the recommendations of the audit committee. The committee monitors all non-audit services provided by the independent external auditors.

The group has outsourced certain internal audit functions to Deloitte & Touche – Enterprise Risk Services Division.

The audit committee determines the purpose, authority and responsibility of the internal audit function in an internal audit charter which was approved by both the committee and the board in May 2003.

During the year the committee satisfied its responsibilities in compliance with its terms of reference.

Remuneration/Nominations Committee

The remuneration/nominations committee, which meets at least twice a year, is chaired by an independent non-executive director and consists exclusively of non-executive directors.

Members: J F C Palmer (Chairman)
P L Campbell (to 31 March 2007)
A C Crookes

The group managing director attends the meetings by invitation, but does not participate in discussions regarding his own remuneration. The remuneration philosophy of the group and the main purpose of the committee is to ensure that the company's executive directors and senior employees are appropriately rewarded for their individual

C O R P O R A T E G O V E R N A N C E

continued

and joint contributions to the group's overall performance. The remuneration structure comprises three major elements, namely guaranteed package, short-term incentive scheme and long-term rewards (share options). Independent external studies and comparisons are used to ensure that compensation is market and industry related.

The committee is also mandated to review and make representations to the board on the structure, size and composition of the board and its committees. New appointments to the board are subject to the recommendation of the remuneration/nominations committee and formal approval by the board.

The board approved the terms of reference for the remuneration/nominations committee in May 2003.

The remuneration paid to executive and non-executive directors is disclosed in Note 19 to the financial statements on page 41.

Attendance at board and committee meetings during the year ended 31 March 2007

	Board		Audit Committee		Remuneration/ Nominations Committee	
	A	B	A	B	A	B
	P Bhengu	5	5			
P L Campbell	5	5	2	2	3	3
C J H Chance	5	5	2	2		
G S Clarke	5	5				
A C Crookes	5	5			3	3
D J Crookes	5	5				
J A F Hewat	2	2	1	1		
D T Naicker	5	4	2	2		
J F C Palmer	5	5			3	3

Column A: Indicates the number of meetings held during the period the director was a member of the board and/or committee.

Column B: Indicates the number of meetings attended during the period the director was a member of the board and/or committee.

ACCOUNTABILITY AND CONTROL

The directors are responsible for the preparation and integrity of the annual financial statements and other information presented in the annual report in a manner that fairly presents the state of affairs and results of the operations of the company and the group.

The external auditors are responsible for carrying out an independent examination of the financial statements in accordance with

International Standards on Auditing and reporting their findings thereon.

The group maintains internal controls and systems designed to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability for its assets. Such controls and systems are based on established policies and procedures. These are implemented by trained personnel and are monitored in a number of ways, as set out below, dependant upon the particular circumstances:

- through the utilisation by management of internal accounting control checklists;
- the establishment of defalcation reporting procedures;
- the use of the group's external auditors (internal audit division) to assist with the conduct of internal audit reviews, as well as independent reviews on the scope and approach of the group's internal audit function.

There are comprehensive management reporting disciplines in place which include the preparation of annual budgets by all operating and service units. Individual and consolidated operational budgets are reviewed and approved by the board. Monthly results and the financial status of operating units are reported against approved budgets and prior years. Profit projections and cash flow forecasts are updated on a quarterly basis; these are reviewed and approved by the board.

In the opinion of the directors, the group has adequate resources to continue in operational existence for the foreseeable future. Financial gearing, cash flows and access to equity and loan capital are considered to be sufficient to fund existing, and any chosen opportunities to expand the business cost-effectively. For this reason, the directors continue to adopt the going concern basis in preparing the annual financial statements.

RISK MANAGEMENT

The risk management committee operates within written terms of reference approved by both the audit committee and the board in May 2006. The committee, which is required to meet at least once per annum, reports to the board via the audit committee and comprises one non-executive director, one executive director and several members of senior management (both operational and service divisions).

The focus of risk management is on identifying, assessing, mitigating, managing and monitoring all material forms of risk across the group. The board retains responsibility for the total process of risk management and its policy on risk management encompasses all

significant business risks to the group including financial, operational and compliance risks.

There is an ongoing process for identifying, evaluating and managing the significant risks faced by the group. These are subject to review and discussion at both audit committee and board meetings.

The seven main inherent risks identified by this process are as follows:

- Product price volatility
- Pressure on profit margins
- Resolution of land claims
- Prolonged adverse climatic conditions and uncontrollable outbreaks of disease
- Availability of agricultural employees
- Farm security
- Interrupted power supply.

The group maintains a very limited self-insurance policy and therefore most assets and other insurable risks are externally insured.

ETHICS

The company has a written Code of Business Ethics and Professional Management Practices, with which all directors and employees are required to comply. The Code requires all employees to act with honesty and integrity and to maintain the highest ethical standards.

The group adopts a zero tolerance approach to theft, fraud and the offering of bribes or favours. Appropriate action has been taken in respect of all reported instances of non-compliance with the Code by employees.

INSIDER TRADING

The group has a formal policy in place which governs the dissemination of price-sensitive information and only the chairman and the managing director may discuss matters which may involve price-sensitive information with third parties.

Directors and officers of the group who have access to unpublished and price-sensitive information, are prohibited from dealing in shares of the company during restricted periods covering those immediately prior to the announcement of the interim and final results, as well as at any other time the directors may deem it necessary. This prohibition does not apply to the exercising of options in terms of the company's share option scheme. Share dealings by directors and officers of the company are notified to the JSE Limited for publication via the Stock Exchange News Services ("SENS"). Directors and the

company secretary may not deal in the company's shares without first advising the chairman in advance and after receiving clearance from him.

SAFETY, HEALTH AND THE ENVIRONMENT

The company accepts its responsibility to its employees and the community in which it operates in matters relating to the environment, health and safety. All activities are conducted in compliance with applicable laws and regulations.

The group has a formal HIV/AIDS policy in place which attempts to address and manage the potential impact of HIV/AIDS on the company and its stakeholders. The company is committed to educating and informing all employees and their immediate families of this life threatening disease, and will continue with its code of good practice:

- non-discriminatory employment practices regardless of an employee's HIV/AIDS status
- prohibition of testing by the company for the purpose of selection of employees
- the assurance of confidentiality regarding an employee's HIV/AIDS status.

Due to confidentiality restrictions with respect to the testing and recording of the disease, at this stage it is not possible to establish what percentage of the group's employees are HIV positive and therefore the potential impact on the company cannot be quantified.

HUMAN RESOURCES

The company has a variety of participative structures on issues which affect employees directly or materially. These structures, which have been set up with trade union and/or other employee representatives, are designed to achieve good employer/employee relations through effective sharing of relevant information, consultation and the identification and resolution of conflict.

The group is committed to providing equal opportunities for its employees regardless of their ethnic origins or gender.

A programme is in place to ensure that the employee profile will be more representative of the demographics of the regions in which it operates whilst maintaining the group's high standards. The company has submitted its original Employment Equity Report and the ongoing annual revisions of this Report to the Department of Manpower in compliance with the Employment Equity Act. The process of compiling the Employment Equity reports was fully consultative and all operations have ongoing employment equity committees which oversee and monitor the implementation of the Act.

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2007

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The directors are responsible for the preparation and integrity of the annual financial statements of the company and the group and other information included in this report that has been prepared in accordance with International Financial Reporting Standards.

The directors, supported by the Audit Committee, are of the opinion, based on the information and explanations given by management and the internal auditors that the group's internal accounting controls are adequate, so that the financial records may be relied upon for preparing the financial statements and maintaining accountability for assets and liabilities. The directors believe that the group's assets are protected and used as intended in all material respects with appropriate authorisation. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year.

In preparing the financial statements, the company and the group have used appropriate accounting policies, supported by reasonable

and prudent judgments and estimates, and have complied with all applicable accounting standards. The directors are of the opinion that the financial statements fairly present the financial position of the company and the group at 31 March 2007 and the results of their operations for the year then ended. The directors are also of the opinion that the company and the group will continue as a going concern in the year ahead.

The company's independent external auditors, Deloitte & Touche, have audited the financial statements and their unmodified report appears on page 21.

The annual financial statements were approved by the board of directors on 23 May 2007 and are signed on its behalf by:



J F C Palmer
Chairman



G S Clarke
Group Managing Director

CERTIFICATE BY COMPANY SECRETARY

for the year ended 31 March 2007

I certify that the company has lodged with the Registrar of Companies all returns that are required of a public company in terms of the Companies Act, 1973, as amended, in respect of the year ended 31 March 2007 and that all such returns are true, correct and up to date.



B Darbyshire-Roberts
Company Secretary
Renishaw
23 May 2007

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF CROOKES BROTHERS LIMITED

We have audited the group and company annual financial statements of Crookes Brothers Limited, which comprise the directors' statutory report, the balance sheet and the consolidated balance sheet as at 31 March 2007, the income statement and the consolidated income statement, the statement of changes in equity and the consolidated statement of changes in equity, and the cash flow statement and the consolidated cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 22 to 44.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on

the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company and the group at 31 March 2007, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa.



Deloitte & Touche
Audit KZN
Registered Auditors
Per K E Schmidt
Partner
23 May 2007
2 Pencarrow Crescent
La Lucia Ridge Office Estate
Durban

National Executive: GG Gelink – Chief Executive, AE Swiegers – Chief Operating Officer, GM Pinnock – Audit, DL Kennedy – Tax, L Geeringh – Consulting, MG Crisp – Financial Advisory, L Bam – Strategy, CR Beukman – Finance, TJ Brown – Clients & Markets, SJC Sibisi – Public Sector and Corporate Social Responsibility, NT Mtoba – Chairman of the Board, J Rhyne – Deputy Chairman of the Board

Regional Leader: G C Brazier

A full list of partners and directors is available on request.

DIRECTORS' STATUTORY REPORT

The directors have pleasure in submitting the annual financial statements for the company and the group for the year ended 31 March 2007.

NATURE OF BUSINESS

The principal activities of the company and the group are described on page 3.

SHARE CAPITAL

The authorised share capital at 31 March 2007 consisted of 16 000 000 shares of 25 cents each (2006: 16 000 000).

The number of issued shares increased from 12 279 333 to 12 346 333 at 31 March 2007 as a result of the allotment and issue during the year of 67 000 shares in terms of the Crookes Brothers Share Option Scheme.

At the forthcoming annual general meeting, which is to be held on 26 July 2007, shareholders will be asked to place the unissued shares of the company, up to ten percent of the authorised share capital of the company (excluding those reserved for the share option scheme), under the control of the directors to allot these shares on such terms and conditions as they deem fit including, but not limited to, any allotments to shareholders as capitalisation awards.

Details of the authorised and issued share capital are set out in Note 7 to the financial statements on page 34.

GROUP FINANCIAL RESULTS

	2007 R'000	2006 R'000
Operating profit before interest	43 614	42 326
Share of (losses)/profits of associate company	(8)	1
Finance costs	(2 106)	(2 298)
Investment income	367	312
Profit before taxation	41 867	40 341
Taxation	(14 088)	(12 481)
Profit for the year	27 779	27 860
Headline earnings for the year	27 500	27 338
Basic earnings per share – cents	225.2	226.9
Headline earnings per share – cents	222.9	222.6

DIVIDENDS

An interim dividend (No. 183) of 35.0 cents (2006: 25.0 cents) per share was paid on 15 January 2007.

A final dividend (No. 184) of 85.0 cents (2006: 85.0 cents) per share has been declared and will be paid on 16 July 2007 making a total distribution of 120.0 cents (2006: 110.0 cents) for the year.

DIRECTORS AND SECRETARY

The names of the directors at the date of this report are set out on the inside front cover of this report and the name and business address of the secretary on page 48.

Mr P L Campbell, having reached the mandatory retirement age, retired as a non-executive director on 31 March 2007 after having served on the board for a period of 18 years.

Mr D J Crookes became a non-executive director on 1 August 2006 and Mr J A F Hewat was appointed to the board, and as a member of the audit committee of the company, on 1 October 2006. In terms of the company's articles of association, Messrs D J Crookes and J A F Hewat will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

In terms of the articles of association, Messrs J F C Palmer and D T Naicker retire by rotation at the annual general meeting and, being eligible, offer themselves for re-election.

SHAREHOLDERS

An analysis of shareholders and their shareholdings is set out on page 45. The register of members reflects three registered shareholdings equal to or more than 5% of the issued ordinary share capital of the company. Details are set out on page 45.

INTERESTS OF DIRECTORS IN SHARE CAPITAL

The interests of the directors in the issued share capital of the company at the end of the financial year are set out in Note 16 to the financial statements on page 38.

THE CROOKES BROTHERS SHARE OPTION SCHEME

As approved at the annual general meeting of members held on 18 August 1999, a total of 600 000 ordinary shares are reserved and placed under the control of the directors for the purpose of the Crookes Brothers Share Option Scheme for employees.

Share options are awarded on the basis of performance, contribution to the business and seniority. Options are allocated at the market price ruling at the date of issue, vest after stipulated periods and are exercisable up to a maximum of ten years from the date of grant.

Options granted to executive directors and senior managers as at 31 March 2007:

	No. of Shares
Shares reserved for the Share Option Scheme	600 000
Shares issued to 31 March 2007	(346 333)
Options granted and unexpired as at 31 March 2007	(68 667)
Balance available for the granting of further options	185 000

Options granted and unexpired as at 31 March 2007:

	Expiry date	Options as at 31 March 2006	Options granted/ (forfeited) during the year	Shares allotted during the year	Options as at 31 March 2007	Option price (cents)
Non-executive director:						
D J Crookes	30 May 2012	10 000	–	(6 667)	3 333	1 160
Executive director:						
G S Clarke	18 April 2016	–	30 000	–	30 000	2 999
Management:						
	17 April 2010	10 667	–	(10 667)	–	560
	30 May 2012	85 000	–	(49 666)	35 334	1 160
Total		105 667	30 000	(67 000)	68 667	
Average						1 963

SUBSIDIARY COMPANIES

The names and financial information in respect of the interest of the company in its subsidiaries is set out in Note 4 to the financial statements on page 32.

SPECIAL RESOLUTIONS ADOPTED BY THE COMPANY AND ITS SUBSIDIARY COMPANIES

No special resolutions have been passed by the company or its subsidiary companies since the date of the previous Annual Report.

AUDITORS

Deloitte & Touche will continue in office in accordance with the provisions of Section 270 (2) of the Companies Act, 1973.

POST BALANCE SHEET EVENTS

On 1 April 2007, the company sold two grain and sheep farms, in extent 964 hectares, for the sum of R7.2m. The farms were sold as a going concern and the total selling price included R1.2m for 1 317 sheep and other farming assets.

There were no other material events between the balance sheet date and the date of this report.

ACCOUNTING POLICIES

The annual financial statements are prepared in accordance with the group's accounting policies which fully comply with International Financial Reporting Standards ("IFRS") and are consistent with those applied in the previous year.

1. BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the company and its subsidiaries. Operating results of subsidiaries are included from the effective dates of acquisition. All significant inter-company transactions and balances have been eliminated on consolidation.

2. BUSINESS COMBINATIONS

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquiree, plus any costs attributable to the business combination.

3. ASSOCIATE COMPANIES

Associate companies are those companies, which are not subsidiaries or joint ventures, in which the group holds a long-term equity interest and over which it exercises significant influence. The post acquisition results of associate companies are accounted for in the group financial statements using the equity accounting method from their most recent financial statements. Equity accounted income, which is included in the carrying value of the investments, represents the group's proportionate share of associate companies' retained income after accounting for dividends payable by those associates.

4. PROPERTY, PLANT AND EQUIPMENT

Land and buildings

Land and buildings are shown at cost less depreciation to date, less impairment. Depreciation is provided on the straight line basis over the anticipated useful lives of buildings (2% p.a. to 4% p.a.). No depreciation is provided on land.

Vehicles, plant and other assets

Vehicles, plant and other assets are shown at cost less depreciation to date, less impairment. Depreciation is provided on the straight line basis at rates calculated to write off the cost, less the estimated residual value of each asset, over their anticipated useful lives. The rates used vary between 5% p.a. and 25% p.a., and are determined by conditions existing for the relevant asset. The methods of depreciation, useful lives and residual values are reviewed annually.

5. BIOLOGICAL ASSETS

Biological assets are measured on initial recognition and at each balance sheet date at their fair values and any change in values is included in the net profit or loss for the period in which it arises.

Growing crops and orchards

Growing crops and orchards comprise two elements:

- Bearer biological assets – sugar cane roots, citrus trees, deciduous trees and banana plants
- Consumable biological assets – standing sugar cane, citrus fruit, deciduous fruit, bananas, wheat and barley.

Bearer biological assets are valued at fair value based on the current replacement cost of planting and establishment, subsequently reduced in value over the period of their productive lives.

Consumable biological assets are measured at their fair value, determined on estimated market prices less estimated harvesting,

transport, packing and point-of-sale costs.

- Standing cane at estimated sucrose content, age and market price.
- Growing fruit at estimated yields, quality standards, age and market prices.

Livestock

Livestock are measured at their fair value less estimated point-of-sale costs, fair value being determined upon the age and size of the animals and market price. Market price is determined on the basis that the animal is sold to be slaughtered. Livestock held for sale are classified as consumable biological assets.

6. FINANCIAL INSTRUMENTS

Financial instruments recognised on balance sheet include trade receivables, cash and cash equivalents, investments, trade payables, interest bearing bank loans and derivative instruments.

Financial instruments are initially measured at cost, including directly attributable costs. Subsequent to initial recognition these instruments are measured as follows:

Trade and other receivables

Trade and other receivables originated by the group are held at amortised cost, using the effective interest rate method, after deducting accumulated impairment losses. Receivables with no fixed maturity are held at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, overdrafts and interest bearing money market borrowings. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. The carrying amount of these assets approximates their fair value.

Investments

Investments other than held to maturity investments are classified as available for sale and are measured at fair value with gains and losses recognised in equity until the asset is derecognised or determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income statement. Fair value of unlisted investments are based upon directors' valuations.

Trade and other payables

Trade and other payables are stated at their nominal value and due to their short-term nature are not discounted.

Equity instruments

Equity instruments issued by the company are recorded at the value of the proceeds received, net of direct issue costs.

Derivative instruments

The group uses derivative instruments including foreign exchange contracts and certain commodity futures. The derivative instruments are marked to market at balance sheet date.

Gains or losses on subsequent measure of financial instruments that are carried at fair value and that are not part of a hedging relationship are included in net profit or loss in the period of subsequent measure.

7. CONSUMABLE STORES

Stores are valued at average cost. Obsolete items are written down to a nominal value.

8. MERCHANDISE

Merchandise is valued at the lower of cost or net realisable value, cost being determined on the average basis.

9. AGRICULTURAL PRODUCE

Deciduous fruit and grain stocks are valued at fair value less estimated point-of-sale costs.

10. TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided on the comprehensive basis using the balance sheet liability method. Deferred taxation liabilities are recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets or liabilities in a transaction that affects neither taxable profit nor accounting profit. Temporary differences are differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base.

11. REVENUE RECOGNITION

Revenue comprises sales arising from normal trading activities and rental income, and is recognised when the significant risks and rewards of ownership are transferred to the buyer. In the determination of revenue all material inter-company transactions and value added tax are excluded. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Dividend income is recognised when the right to receive payment has been established.

12. POST-RETIREMENT BENEFITS

The policy of the group is to provide post-retirement benefits for its employees through a number of defined contribution plans. On 1 January 2003 two of the three funds were converted from defined benefit to defined contribution funds. Certain minimum guaranteed benefits were retained in respect of members nearing retirement age and therefore the two funds are required to be valued at intervals of not more than three years.

The cost of providing benefits is determined using the projected unit credit method. Actuarial gains and losses that exceed 10% of the greater of the present value of the group's obligation and the fair value of plan assets, are amortised over the expected average remaining lives of the participating employees.

Contributions by the group to fund obligations for the payment of pension benefits are recognised as an expense in the year in which the related services are rendered by employees.

The group subsidises medical costs of certain pensioners and some employees, and the present value of the expected cost of post-retirement benefits is accrued over the years employees render the services necessary to become entitled to receive the benefits. These costs are provided on the accrual basis, determined actuarially.

13. FOREIGN CURRENCIES

Transactions in foreign currencies are accounted for at the exchange rate ruling at the date of the transaction.

Assets and liabilities denominated in foreign currencies are restated at exchange rates ruling at the balance sheet date. Profits or losses on exchange are included in the net profit or loss for the period.

14. IMPAIRMENT

The carrying values of the group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which it belongs. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised immediately.

15. PROVISIONS

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

16. SHARE-BASED PAYMENTS

The group issues equity-settled share-based payments in terms of the Crookes Brothers Share Option Scheme for employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period. No expense has been recognised for share options granted before 7 November 2002. Fair value of the share-based payment is measured using the Black-Scholes pricing model.

17. CONTINGENT LIABILITIES

Financial guarantee contracts are accounted for as insurance contracts and consequently are measured initially at cost and therefore in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

18. LEASES

Finance leases are leases whereby substantially all the risks and rewards of ownership are passed onto the lessee.

Assets acquired in terms of finance leases are capitalised and depreciated over the shorter of the useful life of the asset or lease period, with a corresponding liability raised on the balance sheet. Related finance costs are charged to income using the effective interest rate method over the period of the lease.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease expenses and income are recognised in the income statement on a straight line basis over the lease term. Contingent rental escalations, such as those relating to turnover, are expensed in the year in which the escalation is determined.

19. COMPARATIVE FIGURES

When an accounting policy is revised with retrospective effect, comparative figures are restated in accordance with the new policy where sufficient information is available.

I N C O M E S T A T E M E N T S

for the year ended 31 March 2007

Company			Group	
2006	2007		2007	2006
R'000	R'000	Note	R'000	R'000
166 545	173 516	Revenue	211 670	201 469
(93 201)	(99 962)	Cost of sales	(119 775)	(110 795)
73 344	73 554	Gross profit	91 895	90 674
4 747	5 403	Other operating income	6 802	6 318
(27 175)	(24 328)	Distribution costs	(27 580)	(30 607)
(20 986)	(24 485)	Administrative expenses	(27 503)	(24 059)
29 930	30 144	Operating profit	43 614	42 326
–	–	Share of (loss)/profit of associate company	(8)	1
291	327	Investment income	367	312
(2 290)	(2 099)	Finance costs	(2 106)	(2 298)
27 931	28 372	Profit before taxation	41 867	40 341
(8 809)	(10 084)	Taxation	(14 088)	(12 481)
19 122	18 288	Profit after taxation	27 779	27 860
		Earnings per share (cents)		
		Basic	225.2	226.9
		Diluted	224.4	226.0
		Dividends per share (cents)		
		Declared for the financial year	120.0	110.0

BALANCE SHEETS

as at 31 March 2007

Company			Group	
2006	2007		2007	2006
R'000	R'000	Note	R'000	R'000
ASSETS				
208 953	220 441		248 671	238 121
Non-current assets				
150 990	152 803	9	174 626	173 828
53 459	63 077	10.1	70 283	60 580
574	583	3.1	583	574
2 518	2 518	3.2	2 549	2 557
830	830	4		
582	630	14	630	582
75 920	82 666		106 839	99 921
Current assets				
9 724	11 147	11	12 332	11 055
50 299	56 563	10.1	75 389	67 929
8 708	7 685	10.2	10 721	11 647
7 112	7 186		8 309	9 210
77	85		88	80
284 873	303 107		355 510	338 042
Total assets				
EQUITY AND LIABILITIES				
176 566	180 805		257 298	243 568
Capital and reserves				
3 070	3 086	7	3 086	3 070
5 175	5 868	7	5 868	5 175
–	58	7	58	–
168 321	171 793		248 286	235 323
50 065	55 448		69 407	63 905
Non-current liabilities				
32 025	38 020	5.3	51 564	45 337
18 040	17 428	18	17 843	18 568
58 242	66 854		28 805	30 569
Current liabilities				
9 478	7 664		8 261	10 034
14 927	14 986	8/12	15 658	15 277
1 420	584		951	1 723
2 369	2 693	15	3 935	3 535
30 048	40 927	4		
284 873	303 107		355 510	338 042
Total equity and liabilities				

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 March 2007

Company				Group				
Share capital and premium R'000	Share-based payment reserve R'000	Retained earnings R'000	Total R'000		Share capital and premium R'000	Share-based payment reserve R'000	Retained earnings R'000	Total R'000
7 699	–	153 497	161 196	Balance at 31 March 2005	7 699	–	211 761	219 460
		19 122	19 122	Net profit attributable to shareholders			27 860	27 860
		(4 298)	(4 298)	Ordinary dividends paid			(4 298)	(4 298)
546			546	Issue of share capital	546			546
8 245	–	168 321	176 566	Balance at 31 March 2006	8 245	–	235 323	243 568
		18 288	18 288	Net profit attributable to shareholders			27 779	27 779
		(14 816)	(14 816)	Ordinary dividends paid			(14 816)	(14 816)
709			709	Issue of share capital	709			709
	58		58	Share-based payment credit		58		58
8 954	58	171 793	180 805	Balance at 31 March 2007	8 954	58	248 286	257 298
7	7			Note	7	7		

CASH FLOW STATEMENTS

for the year ended 31 March 2007

Company			Group	
2006	2007		2007	2006
R'000	R'000		R'000	R'000
		Operating activities		
29 930	30 144	Operating profit for the year	43 614	42 326
		Adjustments for:		
6 982	7 547	Depreciation	9 998	9 431
(309)	(239)	Profit on disposal of property, plant and equipment	(395)	(736)
428	389	Increase in provision for post-retirement medical aid obligation	276	612
(951)	(1 001)	Decrease in provision for retirement funds deficits	(1 001)	(951)
165	1 262	Decrease/(increase) in biological assets – livestock	1 293	(218)
(10 396)	(15 882)	Increase in biological assets – growing crops and orchards	(17 163)	(12 983)
–	58	Share-based payments expense	58	–
(44)	(48)	Notional interest received	(48)	(44)
25 805	22 230	Operating cash flows before movements in working capital	36 632	37 437
(1 653)	(1 423)	Increase in inventories	(1 277)	(1 380)
2 420	(74)	Decrease/(increase) in accounts receivable and prepayments	901	1 349
7 671	10 879	Net increase in amounts owing to subsidiaries		
1 014	(1 490)	(Decrease)/increase in accounts payable and provisions	(1 373)	1 075
35 257	30 122	Cash generated from operations	34 883	38 481
(2 290)	(2 099)	Interest paid	(2 106)	(2 298)
(1 093)	(4 925)	Taxation paid	(8 633)	(3 452)
31 874	23 098	Net cash inflow from operating activities	24 144	32 731
		Investing activities		
277	245	Interest received	285	298
10	82	Dividends received from investments	82	10
4	–	Proceeds on sale of shares	–	4
(30)	(9)	Increase in investments (loan)	(9)	(30)
819	1 079	Proceeds on disposal of property, plant and equipment	1 294	1 805
		Purchases of property, plant and equipment:		
(2 134)	(3 517)	New	(3 899)	(2 693)
(8 179)	(6 683)	Replacement	(7 796)	(9 094)
(122)	(239)	Purchases of livestock	(367)	(559)
(3)	–	Investment in associate company	–	(3)
(9 358)	(9 042)	Net cash used in investing activities	(10 410)	(10 262)
		Financing activities		
		Dividends paid:		
(1 228)	(10 495)	Previous year final	(10 495)	(1 228)
(3 070)	(4 321)	Current year interim	(4 321)	(3 070)
546	709	Proceeds from issue of shares	709	546
(18 752)	59	Net increase/(decrease) in short-term borrowings	381	(18 705)
(22 504)	(14 048)	Net cash used in financing activities	(13 726)	(22 457)
12	8	Net increase in cash and cash equivalents	8	12
65	77	Cash and cash equivalents at beginning of the year	80	68
77	85	Cash and cash equivalents at end of the year	88	80

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2007

Company			Group	
2006	2007		2007	2006
R'000	R'000		R'000	R'000
		1. Profit before taxation		
		Profit before taxation has been determined after taking into account the following:		
		Revenue		
		Revenue comprises the proceeds from the following sources:		
77 121	78 698	Sugar cane	115 216	111 189
50 831	42 334	Bananas	42 334	50 831
8 081	14 645	Citrus fruit	14 645	8 081
10 311	15 664	Deciduous fruit	15 664	10 311
11 260	13 889	Grain	13 889	11 260
4 514	3 513	Sheep	3 513	4 514
3 636	3 920	Crocodile farming/tourism	3 920	3 636
–	–	Cattle	1 502	760
791	853	Rentals on leased buildings	987	887
166 545	173 516		211 670	201 469
		Income		
309	239	Profit on disposal of plant and equipment	395	736
291	327	Investment income	367	312
10	82	Dividends received	82	10
4	–	Profit on disposal of shares	–	4
277	245	Interest received	285	298
		Expenditure		
51 236	57 141	Staff costs	67 017	61 231
6 982	7 547	Depreciation	9 998	9 431
947	917	Buildings	1 064	1 095
2 761	3 057	Vehicles	3 822	3 520
3 274	3 573	Plant and other assets	5 112	4 816
776	1 227	Post-retirement health care benefits	1 123	992
2 937	3 550	Retirement benefit costs	4 071	3 402
3 888	4 551	Retirement benefit contributions	5 072	4 353
(951)	(1 001)	IAS 19 valuation adjustments	(1 001)	(951)
–	58	Share-based payment expenses	58	–
		Auditors' remuneration		
385	537	Audit – current year	616	442
38	40	– expenses	54	49
185	279	Other services	305	185
525	644	Operating lease charges – farm land	644	525
296	543	Managerial, administrative, technical and secretarial fees	600	341
9	53	Research and development costs	53	9
127	106	Listing fees paid to the JSE Limited	106	127

2. Group segmental analysis

2.1 Primary segmentation based on nature of business

	Year to 31 March 2007 (R'000)								
	Sugar Cane	Bananas	Citrus Fruit	Grain & Sheep	Deciduous Fruit	Crocodile Farming/ Tourism	Cattle	Other Ops/ Sundry Income	Group Total
REVENUE	115 216	42 334	14 645	17 402	15 664	3 920	1 502	987	211 670
OPERATING PROFIT									
Segmental results	34 381	7 475	5 200	5 506	4 325	1 132	214	1 429	59 662
Unallocated corporate expenses									(16 048)
									43 614
BALANCE SHEET									
ASSETS									
Segment assets	215 915	33 590	15 629	22 216	32 787	4 461	3 749	2 672	331 019
Investments and loans									3 762
Unallocated corporate current assets									20 729
Consolidated total assets									355 510
LIABILITIES									
Unallocated corporate liabilities									98 212
Consolidated total liabilities									98 212
OTHER INFORMATION									
Capital additions	8 054	735	452	408	485	35	64	1 462	11 695
Depreciation	5 437	814	441	668	581	86	89	1 882	9 998
	Year to 31 March 2006 (R'000)								
	Sugar Cane	Bananas	Citrus Fruit	Grain & Sheep	Deciduous Fruit	Crocodile Farming/ Tourism	Cattle	Other Ops/ Sundry Income	Group Total
REVENUE	111 189	50 831	8 081	15 774	10 311	3 636	760	887	201 469
OPERATING PROFIT									
Segmental results	41 239	11 703	(1 533)	1 871	236	799	5	1 268	55 588
Unallocated corporate expenses									(13 262)
									42 326
BALANCE SHEET									
ASSETS									
Segment assets	202 388	32 945	13 961	23 594	30 977	4 515	3 640	1 964	313 984
Investments and loans									3 713
Unallocated corporate current assets									20 345
Consolidated total assets									338 042
LIABILITIES									
Unallocated corporate liabilities									94 474
Consolidated total liabilities									94 474
OTHER INFORMATION									
Capital additions	8 289	424	661	886	541	39	65	882	11 787
Depreciation	4 968	835	393	683	568	88	87	1 809	9 431

2.2 Secondary segmentation based on geographic location

The group's operations are located in South Africa and Swaziland. Therefore as there is effectively only one geographical segment no further disclosure is provided. Further disclosure in respect of geographical units and agricultural activities thereon is set out on page 3 under Group Profile.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2007

continued

Company		Group		
2006 R'000	2007 R'000	No. of Shares held	2007 R'000	2006 R'000
3. Investments				
3.1 Unlisted investments				
Directors' valuation				
91	100			
–	–			
294	294			
110	110			
14	14			
65	65			
–	–			
574	583		583	574
3.2. Interest in associate company				
Lebombo Growers (Pty) Ltd				
2 518	2 518		2 518	2 518
–	–		31	39
2 518	2 518		2 549	2 557
Principal activity – Banana marketing and distribution Percentage holding 21.3% (2006: 21.3%)				
Aggregate assets and liabilities of associate company as per the most recent audited results: (31 March 2006)				
Property, plant, equipment and investments			14 864	12 511
Current assets			15 459	12 581
Total assets			30 323	25 092
Long-term liabilities			(473)	(7 255)
Current liabilities			(15 392)	(10 630)
Net assets			14 458	7 207
4. Interest in subsidiary companies				
4.1 Profits of subsidiaries				
8 738	9 491	Aggregate profits		
4.2 Shares at cost				
–	–	% Holding	Issued Capital	Place of Incorporation
830	830			Principal Activity
–	–			
830	830			
4.3 Amounts owing to subsidiaries				
Crookes Plantations Ltd				
30 048	40 927	This loan is unsecured, interest free, and has no fixed terms of repayment.		

Company			Group	
2006 R'000	2007 R'000		2007 R'000	2006 R'000
5. Taxation				
5.1 Normal				
3 044	2 265	South Africa – current year	2 265	3 044
–	(18)	– prior year	(18)	–
–	–	Swaziland – current year	3 772	2 985
531	1 842	Secondary taxation on companies – current year	1 842	531
Deferred				
5 234	5 995	South Africa – current year	5 995	5 234
–	–	Swaziland – current year	232	687
8 809	10 084		14 088	12 481
5.2 Reconciliation of rate of taxation				
%	%	Standard rate	%	%
29.0	29.0	Secondary tax on companies	29.0	29.0
1.9	6.5	Adjusted for:	4.4	1.3
30.9	35.5	Tax rate differentials	33.4	30.3
–	–	Non-taxable income	0.3	0.3
(0.1)	(0.5)	Non-allowable expenditure	(0.4)	(0.2)
0.7	0.5	Net increase	0.3	0.5
0.6	0.0	Effective rate of taxation	0.2	0.6
31.5	35.5		33.6	30.9
5.3 Deferred taxation				
Provision for taxation on temporary differences resulting from:				
9 511	10 004	Agricultural capital development allowances	15 078	14 724
1 875	1 957	Consumable stores	2 312	2 275
26 683	31 817	Biological assets	40 429	34 873
(6 044)	(5 758)	Other	(6 255)	(6 535)
32 025	38 020		51 564	45 337
The movement on the deferred tax liability for the year was as follows:				
29 582	32 025	Balance at beginning of year as previously reported	45 337	42 207
(2 791)	–	Effect of transition to IFRS	–	(2 791)
26 791	32 025	Restated balance	45 337	39 416
Charged to income during the year:				
5 234	5 995	Temporary differences	6 227	5 921
32 025	38 020	Balance at end of year	51 564	45 337

6. Earnings and headline earnings per share

6.1 Basic earnings per share

Profit after taxation amounting to R27.779m (2006: R27.860m), divided by the weighted average number of shares in issue during the year – 12 335 166 (2006: 12 279 333).

6.2 Diluted earnings per share

Profit after taxation amounting to R27.779m (2006: R27.860m) divided by the weighted average number of shares in issue during the year after adjusting for a weighted average 79 834 potentially dilutive ordinary shares. The average share price for the year was R37.46 compared with the average strike price on the outstanding options of R18.38 per share. Weighted average number of ordinary shares for the purposes of diluted earnings per share – 12 375 835 (2006: 12 328 294).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2007

continued

Company			Group	
2006 R'000	2007 R'000		2007 R'000	2006 R'000
		6.3 Reconciliation of headline earnings:		
		Profit after taxation	27 779	27 860
		Adjusted for:		
		Profit on disposal of shares	–	(4)
		Profit on disposal of property, plant and equipment	(395)	(736)
		Tax effect of disposal of property, plant and equipment	116	218
		Headline earnings	27 500	27 338
		Headline earnings per share (cents)	222.9	222.6
		Headline earnings per share (diluted) (cents)	222.2	221.8
		6.4 Headline earnings per share		
		Profit after taxation before taking into account capital items, amounting to R27.500m (2006: R27.338m) divided by the weighted average number of shares in issue during the year – 12 335 166 (2006: 12 279 333).		
		6.5 Diluted headline earnings per share		
		Profit after taxation before taking into account capital items, amounting to R27.500m (2006: R27.338m) divided by the weighted average number of shares in issue during the year after adjusting for the potentially dilutive ordinary shares – 12 375 835 (2006: 12 328 294).		
		7. Share capital and premium		
		Authorised		
4 000	4 000	16 000 000 (2006: 16 000 000) ordinary shares of 25 cents (2006: 25 cents) each	4 000	4 000
		Issued		
3 070	3 086	12 346 333 (2006: 12 279 333) ordinary shares of 25 cents (2006: 25 cents) each	3 086	3 070
5 175	5 868	Share premium account	5 868	5 175
8 245	8 954		8 954	8 245
		The movement on the share capital and share premium accounts for the year was as follows:		
7 699	8 245	Balance at beginning of year	8 245	7 699
546	709	Issue of new shares	709	546
8 245	8 954	Balance at end of year	8 954	8 245
		Share-based payments reserve		
–	–	Balance at beginning of year	–	–
–	58	Share-based payments expense	58	–
–	58	Balance at end of year	58	–
		8. Short-term borrowings		
402	471	Call loans	471	402
14 525	14 515	Bank overdrafts	15 187	14 875
14 927	14 986		15 658	15 277

The company has bank overdraft facilities of R60m. These unsecured facilities are subject to annual review and bear interest at prime less 1.5%.

Company			Group	
2006 R'000	2007 R'000		2007 R'000	2006 R'000
		9. Property, plant and equipment		
		At cost		
90 105	89 440	Freehold land	91 977	92 642
32 095	32 223	Buildings	37 797	37 669
96 517	104 239	Vehicles, plant and other assets	137 190	128 466
218 717	225 902		266 964	258 777
		Accumulated depreciation and impairments		
12 952	13 816	Buildings	16 726	15 715
54 775	59 283	Vehicles, plant and other assets	75 612	69 234
67 727	73 099		92 338	84 949
150 990	152 803	Net book value	174 626	173 828
		Reconciliation of net book value of property, plant and equipment		
148 169	150 990	Net book value at beginning of year	173 828	172 541
10 313	10 200	Additions	11 695	11 787
(6 982)	(7 547)	Depreciation	(9 998)	(9 431)
(819)	(1 079)	Proceeds on disposal	(1 294)	(1 805)
309	239	Surplus on disposal	395	736
150 990	152 803	Net book value at end of year	174 626	173 828
		The company's properties amount to 26 053 (2006: 26 053) hectares in extent and are summarised by location on page 3 of this report.		
		Registers of freehold land and buildings are available for inspection at the registered office of the company.		
		10. Biological assets		
		10.1 Growing crops and orchards		
		At fair value less estimated point-of-sale costs		
57 092	68 177	Sugar cane	94 209	81 843
10 394	12 103	Citrus	12 103	10 394
18 764	20 731	Deciduous	20 731	18 764
17 508	18 629	Bananas	18 629	17 508
103 758	119 640	Carrying amount at end of year	145 672	128 509
53 459	63 077	Non-current assets – bearer biological assets	70 283	60 580
50 299	56 563	Current assets – crops	75 389	67 929
103 758	119 640		145 672	128 509
		Reconciliation of carrying amounts of growing crops and orchards		
93 362	103 758	Net book value at beginning of year	128 509	115 526
53 046	72 526	Gain arising from changes attributable to physical changes and price changes	92 232	71 262
(42 650)	(56 644)	Decreases due to sales/harvest	(75 069)	(58 279)
103 758	119 640	Net book value at end of year	145 672	128 509
		The areas under crops are detailed on pages 10 to 11 of this report.		
		10.2 Livestock		
		Reconciliation of carrying amounts of livestock – cattle, sheep and crocodiles		
8 751	8 708	Carrying amount at beginning of year	11 647	10 870
122	239	Increases due to purchases	367	559
4 005	4 605	Gain arising from changes attributable to physical changes and price changes	5 836	5 116
–	(3 057)	Termination of sheep lease	(3 057)	–
(4 170)	(2 810)	Decreases due to sales	(4 072)	(4 898)
8 708	7 685	Carrying amount at end of year	10 721	11 647
112 466	127 325	Total biological assets.	156 393	140 156

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2007

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Company			Group	
2006	2007		2007	2006
		The following key assumptions have been used in determining the fair value of biological assets:		
		Sugar cane		
		(i) Standing sugar cane		
		Expected area to harvest (ha)		
5 882	6 575	– South Africa	6 575	5 882
		– Swaziland	1 608	1 613
		Estimated yields (tons cane/ha)		
71.0	77.3	– South Africa	77.3	71.0
		– Swaziland	107.6	110.1
		Average maturity of cane at 31 March		
60%	60%	– South Africa	60%	60%
		– Swaziland	64%	64%
R1 664	R1 608	Estimated RV price – South Africa	R1 608	R1 664
		Estimated sucrose price – Swaziland	R1 566	R1 428
		(ii) Cane roots		
5 to 8	6 to 8	Estimated productive ratoons	6 to 8	5 to 8
R2 629	R3 364	Average indexed current replacement cost of establishment (per ha) – reduced according to age	R3 563	R2 997
		Bananas		
		(i) Crop		
		Expected area to harvest (ha)	342	369
369	342	Estimated yields (tons/ha)	53.3	57.6
57.6	53.3	Average maturity of crop at 31 March	50%	50%
50%	50%	Estimated price per carton	R 53.60	R 48.00
R 48.00	R 53.60	(ii) Banana plants		
9	9	Estimated productive life (years)	9	9
R27 840	R29 110	Average indexed current replacement cost of establishment (per ha) – reduced according to age	R29 110	R27 840
		Citrus fruit		
		(i) Crop		
		Expected area to harvest (ha)	136	136
136	136	Estimated yields (tons/ha)	54.2	44.9
44.9	54.2	Average maturity of crop at 31 March – grapefruit	66%	66%
66%	66%	Average maturity of crop at 31 March – oranges	50%	50%
50%	50%	Estimated price per carton – grapefruit	R 49.00	R 47.00
R 47.00	R 49.00	Estimated price per carton – oranges	R 39.90	R 37.25
R 37.25	R 39.90	(ii) Citrus trees		
15	15	Estimated productive life (years) – grapefruit	15	15
30	30	Estimated productive life (years) – oranges	30	30
R42 197	R42 978	Average indexed current replacement cost of establishment (per ha) – reduced according to age	R42 978	R42 197
		Deciduous fruit		
		(i) Crop		
		Expected area to harvest (ha) – after 31 March	41	43
43	41	Estimated yields (tons/ha)	38.6	40.1
40.1	38.6	Average maturity of crop at 31 March	78%	78%
78%	78%	Estimated net price per kg – apples	R 2.00	R 1.32
R 1.32	R 2.00	(ii) Deciduous trees		
30	30	Estimated productive life (years)	30	30
R105 448	R112 694	Average indexed current replacement cost of establishment (per ha) – reduced according to age	R112 694	R105 448

Company			Group	
2006	2007		2007	2006
R'000	R'000		R'000	R'000
		11. Inventories		
6 547	6 748	Consumable stores	7 933	7 878
2 903	4 127	Agricultural produce	4 127	2 903
274	272	Merchandise	272	274
9 724	11 147		12 332	11 055
2 903	4 127	The value of inventories included above at fair value	4 127	2 903
		12. Borrowing powers		
176 566	180 805	Total level of borrowings permitted in terms of the articles of association	180 805	176 566
14 927	14 986	Actual borrowings	15 658	15 277
		13. Proposed capital expenditure		
3 737	4 627	Contracted	5 716	4 428
4 244	8 226	Authorised by the directors but not yet contracted	9 036	5 465
7 981	12 853		14 752	9 893
		The above expenditure will be funded from the group's resources and short-term borrowings.		
		14. Long-term receivable		
		Loan – Valley Packers (Pty) Ltd		
538	582	Balance at beginning of year	582	538
44	48	Fair value adjustment	48	44
582	630		630	582
		This unsecured loan is interest free and is repayable in December 2010.		
		15. Provisions		
2 328	2 369	Balance at beginning of year	3 535	3 487
2 067	2 106	Leave pay	2 426	2 377
261	263	Bonuses	296	293
–	–	Severance allowances	813	817
41	324	Increases during the year	400	48
39	298	Leave pay	305	49
2	26	Bonuses	25	3
–	–	Severance allowances	70	(4)
2 369	2 693	Balance at end of year	3 935	3 535
2 106	2 404	Leave pay	2 731	2 426
263	289	Bonuses	321	296
–	–	Severance allowances	883	813

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2006

continued

Company			Group	
2006	2007		2007	2006
R'000	R'000		R'000	R'000
Shares	Shares	16. Directors' and managers' interests in share capital as at 31 March 2007 were as follows:		
		Shares in the company held by directors:		
400	400	P Bhengu – Direct		
3 000	3 000	P L Campbell – Direct		
400	400	C J H Chance – Direct		
62 500	62 500	– Indirect		
–	500	G S Clarke – Direct		
7 300	7 300	A C Crookes – Direct		
199 580	199 580	– Indirect (non-beneficial)		
50 000	56 667	D J Crookes – Direct		
500	500	D T Naicker – Direct		
50 000	50 000	J F C Palmer – Direct		
196 500	196 500	– Indirect (non-beneficial)		
111 600	118 767	Direct		
458 580	458 580	Indirect		
		Shares in the company held by managers:		
80 467	118 050	Direct		
–	–	Indirect		
		There have been no changes in the above interests since the end of the year under review.		
		The register of interests of directors and managers in the share capital of the company is available for inspection at the registered office of the company.		
327	412	17. Contingent liabilities	412	327

(a) Rates dispute – Umdoni Municipality

The company has an ongoing dispute with the Umdoni Municipality in respect of the agricultural rebates on agricultural buildings/housing in terms of Section 153 (5) (a) of the Local Authorities Ordinance No. 25 of 1974. The company submitted the required Agricultural Certificate in terms of Section 153 (4) and (5) of the abovementioned legislation during 2001 however the Umdoni Municipality has not processed the applicable rebates on the agricultural buildings/housing as declared in the Agricultural Certificate. The company has taken legal opinion, including senior counsel, and as a result the company is confident that it can successfully defend any legal action against the outstanding monies per current Rates Assessments.

The rates contingent liability (for the 9 year period – 1998/99 rates year to 2006/07 rates year) includes R170 005 for rates and R241 580 for interest and penalties.

(b) The company's subsidiary company – Crookes Plantations Limited, which is incorporated in Swaziland, has provided unlimited suretyship in favour of the company's bankers in respect of borrowing facilities granted to Crookes Brothers Limited. At the year-end the facilities utilised amounted to R7.515m (2006: R8.525m).

Company			Group	
2006 R'000	2007 R'000		2007 R'000	2006 R'000
9 688	10 077	18. Post-employment obligations		
8 352	7 351	Post-retirement medical aid benefits	10 492	10 216
18 040	17 428	Retirement benefit plans	7 351	8 352
			17 843	18 568
		18.1 Post-retirement medical aid benefits		
		The obligation of the group to pay medical aid benefits after retirement is no longer part of the conditions of employment for employees engaged after August 1996.		
		A number of pensioners and current employees, however, remain entitled to this benefit. The entitlement to this benefit for current employees is dependent upon the employee remaining in service until retirement age. During the current year the group funded the post-retirement liability in respect of certain pensioners at a cost of R462 490 (2006: Nil). The actuarial present value of the unfunded post-retirement medical aid obligation as at 31 March 2007 and 31 March 2006 has been determined by NMG Consultants and Actuaries (Pty) Ltd, using the projected unit credit method.		
		The liability can be reconciled as follows:		
9 260	9 688	Net liability at beginning of year	10 216	9 604
776	1 227	Charge to income statement	1 123	992
361	361	Service cost	387	371
752	690	Interest cost	728	780
(337)	176	Net actuarial losses/(gains)	8	(159)
(348)	(838)	Contributions paid	(847)	(380)
(348)	(376)	Benefit payments	(385)	(380)
–	(462)	Purchase of annuities	(462)	–
9 688	10 077	Net liability at end of year	10 492	10 216

The principal actuarial assumptions in the latest valuation were, health care cost inflation of 5.75 percent per annum (2006: 5.50 percent) and a discount rate of 7.50 percent per annum (2006: 7.25 percent).

18.2 Pension and provident funds

SOUTH AFRICA

The group provides retirement benefits through three defined contribution plans, all of which are governed by the Pension Funds Act of 1956.

Their assets consist primarily of listed shares, fixed income securities and investments in the money market. The plans' assets are held separately from the group and are administered by boards of trustees, each of which includes elected employee representatives.

The majority of the group's South African permanent employees are members of one of the plans.

On 1 January 2003 two of the three funds were converted from defined benefit to defined contribution funds. Certain minimum guaranteed benefits were retained in respect of members nearing retirement age and therefore the two funds are required to be actuarially valued at intervals of not more than three years.

At 1 January 2003 the combined fair value of the benefit plan assets amounted to R31.707m whilst the actuarial present value of guaranteed retirement benefits totalled R35.311m. The actuarial deficit of R3.604m was fully funded by lump sum payments during the 2002/2003 financial year and expensed during that period.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2007

continued

18.2 Pension and provident funds (continued)

With effect from 7 December 2001, The Pension Funds Second Amendment Bill was enacted. In terms of these amendments any surplus residing in pension funds governed by the South African Pension Funds Act of 1956 must be allocated on a fair basis to current and past members of the respective funds, and prescribed minimum benefit levels were introduced.

The two retirement funds were actuarially valued as at 1 January 2003 (for Financial Services Board requirements – surplus apportionment exercise), as at 1 April 2004 and 1 April 2005 (in order to incorporate the prescribed minimum benefits introduced in terms of the Pension Funds Act) and as at 1 January 2006 (in terms of IAS 19 Employee Benefits). The next statutory valuation, as at 1 January 2006, is in the process of finalisation.

In terms of IAS 19, a valuation using the projected unit credit method was last performed on the two retirement funds as at 1 January 2007.

All valuations were carried out by NMG Consultants and Actuaries (Pty) Ltd.

The principal assumptions and methods used for the purpose of the valuations in accordance with IAS 19 were as follows (These assumptions and methods used may not necessarily be consistent with the assumptions and methods used in the statutory actuarial valuations used for assessing funding requirements):

	1/1/2007	1/1/2006
Discount rate	9.0%	9.0%
Expected return on plan assets	9.0%	9.0%
Expected rate of salary increases	6.48%	6.98%
Future pension increases	4.0%	4.0%
	1/1/2007	1/1/2006
	R'000	R'000
The amount recognised in the balance sheet in respect of the group's retirement benefit plans is as follows:		
Present value of funded obligations	50 824	43 766
Fair value of plan assets	46 830	38 238
	3 994	5 438
Unrecognised actuarial gains	3 357	2 914
Net liability recognised in the balance sheet	7 351	8 352
The reconciliation for the period is as follows:		
Opening balance	8 352	9 303
Charge to income statement	2 039	1 845
Service cost	1 720	1 179
Interest cost	3 923	3 142
Expected return on plan assets	(3 491)	(2 476)
Amortisation of unrecognised gains	(113)	–
Contributions paid	(3 040)	(2 796)
Closing balance	7 351	8 352
The actual return on plan assets	7 546	4 948

SWAZILAND

All employees who are Swaziland citizens contribute to the government-operated Swaziland National Provident Fund which is a defined contribution plan.

The Swaziland subsidiary contributes an amount equivalent to the employees contributions, which is charged against profits in the year in which it is due. Employees who are not Swaziland citizens are members of the group's South African retirement fund.

Company		
2006 R'000	2007 R'000	
644	747	19. Directors' remuneration
		For services as directors
		Non-executive directors
160	160	– J F C Palmer – directors' fees
–	–	– committee fees
75	75	– P Bhengu – directors' fees
19	19	– committee fees
75	75	– P L Campbell – directors' fees
49	49	– committee fees
75	75	– C J H Chance – directors' fees
7	15	– committee fees
75	75	– A C Crookes – directors' fees
19	19	– committee fees
–	50	– D J Crookes – directors' fees (from 1 August 2006)
–	–	– committee fees
–	38	– J A F Hewat – directors' fees (from 1 October 2006)
–	7	– committee fees
75	75	– D T Naicker – directors' fees
15	15	– committee fees
2 370	3 747	
		For managerial services
2 370	1 383	Executive director – D J Crookes (to 31 July 2006)
1 386	492	Salary
620	534	Bonus
–	141	Accumulated leave pay
25	9	Retirement, medical, accident and death benefits
276	148	Share option gains
63	59	Other material benefits
–	2 364	Executive director – G S Clarke (from 1 April 2006)
–	1 296	Salary
–	560	Bonus
–	215	Retirement, medical, accident and death benefits
–	293	Other material benefits
3 014	4 494	Total directors' remuneration

20. Employee share incentive schemes

The group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value at the grant date of the equity-settled share-based payments is expensed on a straight line basis over the vesting period, based on the group's estimate of the shares that will eventually vest. Options vest over a period of 5 years and all shares must be taken up by way of purchase and delivery by no later than 10 years after the date of grant. The exercise price of the option is not less than the market value of the ordinary shares on the day preceding the date of grant. Fair value is measured using the Black-Scholes option-pricing model and the following assumptions were used in valuing the option grants at R9.64 per share.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2007

continued

	2007	2006
20. Employee share incentive schemes (continued)		
Date of grant	19 April 2006	–
Number of share options granted	30 000	–
Share price at grant date	R29.99	–
Exercise price	R29.99	–
Expected volatility	37%	–
Risk-free interest rate	7.42%	–
Expected dividend yield	3.7% to 4.7%	–
Expected life (years)	7	–
Contractual life (years)	10	–
Expected volatility of 37% is based on historical volatility determined by the statistical analysis of the share price movements over the past four years.		
Performance (vesting) conditions – There are no performance conditions other than the passage of time.		
Non-market performance conditions – No non-market conditions.		
Market performance conditions – No market conditions.		
The charge to the income statement is as follows:		
	2007	2006
	R'000	R'000
Share-based payments expense	58	–

21. Financial risk management

The group's financial instruments consist primarily of cash deposits with banks, short-term investments, short-term loans, accounts receivable and payable, and loans to and from associates and others. All financial instruments are carried at cost or amortised cost.

21.1 Interest rate risk

Fluctuations in interest rates impact on the value of short-term cash investments and financing activities giving rise to interest rate risk. The exposure to interest rate risk is managed through the group's cash management system which enables the group to maximise returns while minimising risks. The group has not entered into any interest rate derivatives.

21.2 Liquidity risk

The group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

21.3 Credit risk

The group's financial instruments do not represent a concentration of credit risk because the group deals with a variety of major banks, and its accounts receivable are spread among a number of agricultural sectors and geographical areas. At 31 March 2007, the directors did not believe there is any significant concentration of credit risk which has not been adequately provided for.

21.4 Foreign currency risk

The group undertakes certain transactions denominated in foreign currency and hence exposure to exchange rate fluctuations arise. Exchange rate exposure is hedged through the use of forward exchange contracts.

There were no material forward exchange contracts outstanding as at 31 March 2007 (2006: Nil).

21.5 Commodity price risk

In order to hedge prices for the group's local market grain sales, certain commodity futures are used, including fixed and minimum price sales contracts. The fair value of commodity futures contracts outstanding as at 31 March 2007 was Nil (2006: Nil).

21.6 Fair value

The directors are of the opinion that the book value of financial assets and liabilities does not exceed the approximate fair value.

22. Related party transactions

	Group	
	2007 R'000	2006 R'000
22.1 Compensation relating to key management personnel		
The remuneration of executive directors and three other members of key management during the year was as follows:		
Salary	3 178	2 685
Bonus	1 489	1 044
Accumulated leave pay	165	9
Retirement, medical, accident and death benefits	653	424
Share option gains	518	436
Other material benefits	620	395
	6 623	4 993
22.2 Interest in associate company		
Short-term receivable to/(from) associate at year end	70	(34)
Total banana marketing and transport costs paid to associate company on an arm's length basis	12 485	15 727

22.3. Interest of directors in contracts

All directors of the company have confirmed that they were not materially interested in any contract of significance with the company or any of its subsidiaries which could have resulted in a conflict of interest during the year.

Agricultural consulting fees paid to Mr D J Crookes for the year ended 31 March 2007 amounted to R90 665 (2006: Nil).

22.4. Shareholdings and related interests of directors and officers in share capital

Details have been disclosed in Note 16 to the financial statements on page 38.

22.5. Shareholders

Details of the major shareholders of the company and a summary of the categories of shareholders are disclosed on page 45.

23. Operating lease commitments

Certain of the company's grain and sheep operations were conducted on 2 920 hectares of leasehold land in the Western Cape. The lease covered an initial five year period to 31 December 2002 and the company exercised its option to renew thereafter on an annual extension basis through to the termination date being 30 November 2006. The rentals were determined based upon percentages of revenues earned from grain and sheep.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2007

continued

24. Judgements made by management

Preparing financial statements in accordance with IFRS requires estimates and assumptions that affect reported amounts and related disclosures.

Certain accounting policies have been identified as involving complex or subjective judgements or assessments. The items for consideration have been identified as follows:

– Growing crop valuations:

The accounting policy is detailed on page 24 of this report and the assumptions that have been used to determine the fair value of the consumable biological assets are detailed in Note 10 to the financial statements on page 36.

– Asset lives and residual values:

The accounting policy is detailed on page 24 of this report.

– Impairment of assets:

Ongoing assessments are made regarding any potential impairment of assets across the group, using valuation models prescribed under IFRS.

– Post-employment benefit obligations:

Details are provided in Note 18 to the financial statements on pages 39 and 40.

25. Key sources of estimation uncertainty

Apart from the valuation of growing crops in terms of IAS 41 – Agriculture, there are no key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that management have assessed as having significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the next financial year.

26. New or revised IFRS Standards applicable to future periods

The following new standards and interpretations were in issue but not effective for the 2006/07 financial year. The group is in the process of evaluating the effects of these new standards and interpretations. Except for IFRS 7 and IFRS 8, they are not expected to have a significant impact on the group's results and disclosures:

AC 503 Accounting for Black Economic Empowerment Transactions

IFRS 7 Financial Instruments: Disclosures

IFRS 8 Operating Segments

IFRIC Interpretation 8 Scope of IFRS 2

IFRIC Interpretation 9 Reassessment of Embedded Derivatives

IFRIC Interpretation 10 Interim Financial Reporting and Impairment

IFRIC Interpretation 11 IFRS 2 – Group and Treasury Share Transactions

IFRIC Interpretation 12 Service Concession Arrangements

Amendments to IAS 1 – Capital disclosures

Amendments to IAS 23 – Borrowing costs.

ANALYSIS OF SHAREHOLDERS

as at 31 March 2007

Size of holding	No. of beneficial shareholders	No. of shares	% of Total
1 – 2 000	192	155 521	1.3
2 001 – 10 000	147	762 598	6.2
10 001 – 20 000	53	774 344	6.3
20 001 – 50 000	39	1 257 638	10.2
50 001 – 100 000	17	1 170 747	9.4
over 100 000	21	8 225 485	66.6
	469	12 346 333	100.0

Shareholder spread

Non-public shareholders:

RMB Securities (Pty) Ltd	1	2 844 539	23.0
Directors of holding company and subsidiaries	10	577 347	4.7
Associates of directors	8	253 600	2.1

Public shareholders

	19	3 675 486	29.8
	450	8 670 847	70.2
	469	12 346 333	100.0

Major shareholders

Shareholdings equal to or exceeding 5% of the issued share capital:

RMB Securities (Pty) Ltd	2 844 539	23.0
Ellingham Estate (Pty) Ltd	840 000	6.8
T C B Crookes Grandchildrens' Trust	700 000	5.7
	4 384 539	35.5

SHAREHOLDERS' DIARY

Financial year end	31 March	Dividends		
Annual general meeting	July	Interim	– declared	November
Reports to shareholders			– paid	mid January
Interim for half year to September	November	Final	– declared	May
Announcement of annual results	May		– paid	mid July
Annual financial statements	June			

NOTICE OF MEETING

Notice is hereby given that the 94th annual general meeting of shareholders will be held in the Belvedere Room, Durban Country Club, Walter Gilbert Road, Durban, 4001 on Thursday, 26 July 2007 at 12h00 for the transaction of the following business:

1. Financial statements

To receive and adopt the annual financial statements for the year ended 31 March 2007.

2. Election of directors

To individually elect the following non-executive directors who retire by rotation in terms of the articles of association, and who, being eligible, offer themselves for re-election:

2.1 D J Crookes

2.2 J A F Hewat

2.3 D T Naicker

2.4 J F C Palmer

Details of each of these retiring directors are set out on page 47 of the 2007 Annual Report.

3. Unissued shares

To consider and, if deemed fit, to pass with or without modification the following ordinary resolutions:

3.1. Placing unissued shares under the control of the directors

"Resolved as an ordinary resolution that in terms of section 221 of the Companies Act, 1973 (as amended), the company hereby grants, until the next annual general meeting, the directors' authority to allot and issue at their discretion and on such terms and conditions as they may determine, the unissued shares of the company (other than those reserved for the purposes of the Crookes Brothers Share Option Scheme over which the directors have specific authority), subject to the proviso that the aggregate number of shares to be allotted and issued in terms of this resolution shall be limited to ten percent of the authorised share capital and subject to the regulations of the JSE Limited."

3.2. Issuing of shares for cash

"Resolved as an ordinary resolution that subject to the passing of ordinary resolution number 3.1. and the approval of a 75 percent majority of the votes cast by shareholders present in person or represented by proxy at the annual general meeting at which this resolution is proposed, and the JSE Listings Requirements, the directors of the company be and are hereby authorised and empowered to allot and issue for cash, without restriction, all or any of the unissued shares in the capital of the company placed under their control in terms of ordinary resolution number 3.1. as they in their discretion may deem fit; provided that:

- a. this authority shall not extend beyond 15 months from the date of this annual general meeting;
- b. a paid press announcement giving full details, including the impact on net asset value and earnings per share, will be published at the time of any issue representing, on a cumulative basis within one financial year, five percent or more of the number of ordinary shares of

the company's ordinary share capital in issue prior to such issues provided further that such issues shall not in any one financial year exceed ten percent of the company's issued ordinary share capital; and

- c. in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted shall be ten percent of the weighted average traded price of the share in question over the 30 business days prior to the date that the price of the issue is determined or agreed by the directors. The JSE will be consulted for a ruling if the company's securities have not traded in such 30 business day period."
- d. the shares will be issued to public shareholders, as defined in paragraph 4.25 to 4.27 of the JSE Listings Requirements, and not related parties.

4. Remuneration of directors

To consider and, if deemed fit, to pass with or without modification the following ordinary resolution:

"that the annual fees paid to the chairman be increased from R160 000 to R180 000 (inclusive of all board committees) and the base fees to other non-executive directors from R75 000 to R82 000, and that the remuneration herein determined shall be payable by the company quarterly in arrears with effect from 1 April 2007. In addition, a director who sits on a board committee will receive an additional R9 000 per annum (previously R8 000), a director who represents the company as a trustee of the retirement funds will receive an additional R12 000 per annum (previously R11 000), while a director who chairs the audit committee will receive an additional R60 000 per annum (previously R30 000), a director who sits as a member of the audit committee will receive an additional R30 000 per annum (previously R15 000), the chairman of the remuneration committee will receive an additional R12 000 per annum (previously R11 000)."

5. Other business

To transact such other business as may be transacted at an annual general meeting of members.

A member who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and, on a poll, vote in his/her stead. The proxy need not be a member of the company.

Proxy forms should be forwarded to reach the company's registered office, or the company's transfer secretaries at the addresses as stated on page 48, not less than 48 hours before the commencement of the meeting.

By order of the board,



B Darbyshire-Roberts
Secretary
Renishaw

23 May 2007

VOTING AND PROXIES

All shareholders are entitled to attend and vote at the annual general meeting. Shareholders who hold their shares in certificated form or who are own name registered dematerialised shareholders who are unable to attend the general meeting but who wish to be represented thereat, are required to complete and return the attached form of proxy so as to be received by the company, or the company's transfer secretaries, by not later than 12h00 on Tuesday, 24 July 2007.

Shareholders who have dematerialised their shares through a Central Securities Depository Participant (CSDP) or broker, other than by own name registration who wish to attend the general meeting should instruct their CSDP or broker to issue them with the necessary

authority to attend the meeting, in terms of the custody agreement entered into between such shareholders and their CSDP or broker. Shareholders who have dematerialised their shares through a CSDP or broker, other than by own name registration who wish to vote by way of proxy, should provide their CSDP or broker with their voting instructions, in terms of the custody agreement entered into between such shareholders and their CSDP or broker. These instructions must be provided to their CSDP or broker by the cut-off time or date advised by their CSDP or broker for instructions of this nature.

Re-election of Directors, Curricula Vitae

CV's of the directors retiring by rotation who, being eligible, will offer themselves for re-election at the annual general meeting of shareholders on 26 July 2007.

D J Crookes

Agricultural Consultant
Agribusiness (Cornell)

Dudley (66) has been in the sugar industry for some 47 years. He was employed by Illovo Sugar Estates in 1960 and then in 1966 by Ubombo Ranches Ltd (Swaziland) where he progressed from a farm manager through to general manager. In 1976 he was transferred to Dwangwa Sugar Corporation in Malawi as general manager and was appointed an executive director in 1978. Dudley joined Crookes Brothers Limited in January 1980 and was appointed as managing director in November 1980, a position he held until his retirement in July 2006. He became a non-executive director on 1 August 2006.

J A F Hewat

Investment Banker
MA (Oxon), CA (SA)

Anthony (46) co-founded the Metier private equity and corporate advisory group in 2004. He has thirteen years experience in private equity investing, and previously spent six years in each of the management consulting and financial accounting fields. His previous work experience is with the Brait, Capital Partners, Gemini Consulting and Deloitte groups.

Anthony has a degree in mathematics and qualified as a chartered accountant in the United Kingdom and South Africa.

He was appointed to the Crookes Brothers Limited board on 1 October 2006 as an independent non-executive director and he serves as a member of the audit committee.

D T Naicker

Bank Executive
B Com, CA (SA), H Dip Tax

Dayalan (49) qualified as a chartered accountant in 1980 and specialised in taxation. He practised as a tax partner at Deloitte & Touche for twelve years before joining Marriott Merchant Bank Ltd as director responsible for Corporate Finance and Structured Finance, a position he held for a period of eight years. He presently sits as an accounting member of the Special Income Tax Court and joined the Investment Banking unit at Standard Bank in April 2005. He was appointed to the Crookes Brothers Limited board on 1 October 2004 and has served as a member of the audit committee since that date. On 1 April 2007 he was appointed chairman of the audit committee.

J F C Palmer

Chartered Accountant in private practice
CA (SA)

Fred (69) qualified as a chartered accountant in 1962 with Deloitte & Touche and after a short period in commerce he rejoined the firm in Pietermaritzburg during 1964. He served as the partner in charge between 1971 and 1980. Fred started his own accounting practice in 1981 and he is still involved as a sole practitioner. He was appointed to the Crookes Brothers Limited board in 1980 and as chairman in 1998. He is also chairman of the remuneration/nominations committee.

ADMINISTRATION

Company registration number

1913/000290/06

Share code

CKS

ISIN number

ZAE000001434

Auditors

Deloitte & Touche

Attorneys

Livingston Leandy Inc.

Bankers

FirstRand Bank Limited

Transfer secretaries

Computershare Investor Services 2004 (Pty) Ltd

70 Marshall Street

Johannesburg, 2001

P O Box 61051

Marshalltown

2107

Telephone 011 370 5000

Telefax 011 688 5200

Sponsor

Sasfin Capital

a division of Sasfin Bank Limited

Group secretary

B Darbyshire-Roberts

Registered office and postal address

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P O Renishaw

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CROOKES
BROTHERS
LIMITED

Registration No. 1913/00029/06