Notes to the consolidated financial statements
for the year ended June 30

26. POST-RETIREMENT OBLIGATIONS *(continued)*

Unfunded defined benefit retirement plans *(continued)*

Movement in the liability for unfunded defined benefit early retirement plan *(continued)*

	2017 R'000	2016 R'000
Balance at beginning of year	**13 884**	177 041
Benefits paid	**–**	(3 657)
Current service costs	**–**	3 335
Interest expense	**144**	1 067
Actuarial adjustments recognised in other comprehensive income	**(633)**	3 454
Settlement	**(1 395)**	(199 705)
Exchange rate adjustments on foreign plans	**(1 381)**	32 349
Balance at end of year	**10 619**	13 884

	%	%
Key actuarial assumptions		
Discount rate	**1,5**	0,5 – 1,2
Inflation rate	**1,5**	1,75
Salary increase rate	**2,55**	1,5 – 2,75
Date of valuation	**June 30 2017**	June 30 2016

27. PUTTABLE NON-CONTROLLING INTEREST LIABILITIES

The acquisition of Guzmán Gastronomía and Cuttings, and Quartiglia Food Service SPA during the year resulted in a put option being agreed with the non-controlling shareholders. The put options entitle the non-controlling shareholders to sell their holdings in the subsidiaries to the group at contracted dates and amounts.

The group has the following put options:

- The non-controlling shareholders in Distrubuzione Alimentari Convivenze SPA (DAC) have the option to put their 40% interest in DAC to the group, using a market valuation formula on or about September 30 2017.
- The non-controlling shareholders in Guzmán have the option to put their 10% interest in Guzmán to the group, using a market valuation formula on or about June 30 2021.
- The non-controlling shareholders in Caterfood have the option to put their 12% interest in Caterfood to the group, using a market valuation formula on or about September 30 2017.
- The non-controlling shareholders in Quartiglia Food Service Spa have the option to put their 40% interest in Quartiglia Food Service Spa to the group, using a market valuation formula on or about September 30 2019.

	2017 R'000	2016 R'000
The affect of granting these put options on the group's results can be summarised as follows:		
Balance at beginning of year	**1 168 921**	913 638
Arising on the granting of put options to non-controlling interests during the year	**119 832**	44 700
Payments made to non-controlling interests during the year	**(39 927)**	–
Remeasurement of puttable option during the year	**48 076**	–
Unwinding of present value discount recognised in the statement of profit or loss	**21 167**	23 085
Exchange rate adjustments	**(122 873)**	187 498
	1 195 196	1 168 921
Long-term portion	**118 028**	1 168 921
Short-term portion	**1 077 168**	–

	2017 R'000	2016 R'000
27. PUTTABLE NON-CONTROLLING INTEREST LIABILITIES *(continued)*		
DAC		
Discount rate	**1,99%**	1,99%
Expected settlement date	**September 30 2017**	September 30 2017
Guzmán		
Discount rate	**2,0%**	
Expected settlement dates	**June 30 2021**	
Caterfood		
Discount rate	**5,0%**	5,0%
Expected settlement date	**September 30 2017**	September 30 2017

The effect of discounting the put option for Quartiglia Food Service Spa was determined as insignificant.

28. OPERATING LEASES

Leases which have fixed determinable escalations are charged to the income statement on a straight-line basis and liabilities are raised for the difference between the actual lease expense and the charge recognised in the statement of profit or loss. The liabilities are classified based on the timing of the reversal which will occur when the actual cash flow exceeds the statement of profit or loss amounts.

	2017 R'000	2016 R'000
Operating lease liabilities	**21 757**	13 991
Less: Short-term portion included in trade and other payables	**(16 762)**	(7 661)
Long-term portion	**4 995**	6 330
Operating lease commitments		
Land and buildings	**4 981 830**	5 382 787
Due in one year	**723 533**	707 333
Due after one year but within five years	**2 314 085**	2 254 886
Due after five years	**1 944 212**	2 420 568
Equipment and vehicles	**1 521 026**	2 056 573
Due in one year	**406 486**	486 323
Due after one year but within five years	**893 909**	1 179 554
Due after five years	**220 631**	390 696
	6 502 856	7 439 360
Less: Amounts raised as liabilities	**(21 757)**	(13 991)
	6 481 099	7 425 369

29. TRADE AND OTHER PAYABLES

	2017 R'000	2016 R'000
Trade payables	**16 649 605**	17 369 810
Forward exchange contracts liability	**6 882**	11 416
Other payables and accrued expenses	**2 471 276**	4 124 040
	19 127 763	21 505 266

The majority of trade and other payables are fixed in the subsidiaries' local currency. Since trade and other payables have limited exposure to exchange rate fluctuations, a currency analysis has not been included.

Refer to note 33 for further disclosure.