12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION

12.1 Capital and reserves attributable to shareholders of the company

Stated capital

	2019 R'000	2018 R'000
Issued stated capital	**5 428 016**	5 428 016
Treasury shares held by subsidiary	**(435 584)**	(601 908)
Balance at beginning of year	**(601 908)**	(795 187)
Shares purchased during year	**(6 306)**	–
Shares disposed of in terms of share incentive plans	**172 630**	193 279
Reserves		
Foreign currency translation reserve	**5 263 176**	5 497 156
Hedging reserve	**(1 056)**	(450)
Equity-settled share-based payment reserve	**341 798**	325 383
Retained earnings	**17 902 350**	15 896 255
Total capital reserves comprise		
Amounts attributable to shareholders of the company	**28 498 700**	26 544 452
Amounts attributable to non-controlling interests	**237 267**	244 452
	28 735 967	26 788 904

Stated capital

No par value ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new no par value ordinary shares are deducted against the stated capital account.

Treasury shares

Shares in the company, held by its subsidiary, are classified as the group's shareholders' interest as treasury shares. These shares are treated as a deduction from the issued and weighted average number of shares. The cost price of the treasury shares is presented as a deduction from total equity. When treasury shares are purchased the cost is debited to this separate category of equity. When treasury shares are sold the amount received for the instruments is credited to this separate category of equity.

Foreign currency translation reserve

The translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations.

Equity-settled share-based payment reserve

The equity-settled share-based payment reserve (SBP reserve) includes the fair value of the share appreciation right awards granted and conditional share awards made to executive directors and staff, which have been recognised over the vesting period at fair value with a corresponding expense recognised in the statement of profit or loss. The total share-based payment expense for the group during the year was R116,9 million (2018: R102,3 million). Our settlement practice of the share-based payment incentive plans has been through a subsidiary company (other than the employer company of the participant), which holds Bidcorp treasury shares (Bid Treasury Company). In terms of an inter-group repayment arrangement, the employer company pays the purchase contribution to the Bid Treasury Company for the market value of the shares that were awarded to the participant exercising the award. The R172,6 million (2018: R193,3 million) utilisation during the year represents the market value of Bidcorp shares received by participants for share awards that were exercised. The credit entry for the R172,6 million (2018: R193,3 million) is recorded under treasury shares representing the Bidcorp shares that were sold to satisfy the participant share awards that were exercised. The transfer to retained earnings of R65,0 million (2018: R395,3 million) merely represents a transfer between equity reserves for settled share awards.

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.1 Capital and reserves attributable to shareholders of the company (continued)

Stated capital

Authorised

540 000 000 ordinary shares of no par value (2018: 540 000 000 ordinary shares of no par value)

Issued

	2019 Number of shares ('000)	2019 Number of shares ('000)
335 404 212 ordinary shares of no par value (2018: 335 404 212 ordinary shares of no par value)	**335 404**	335 404
Less: Treasury shares held by Bidcorp Treasury Company	**(1 721)**	(2 291)
Balance at beginning of year	**(2 291)**	(2 968)
Shares disposed in terms of share incentive plans	**593**	677
Shares purchased during year	**(23)**	0
	333 683	333 113

16 750 000 unissued no par value ordinary shares are under the control of the directors until the next annual general meeting.

12.2 Dividends paid

	2019 R'000	2018 R'000
2018 final dividend paid of 280,0 cents per share (2017: final dividend paid: 250,0 cents per share)	**(939 132)**	(838 511)
2019 interim dividend paid of 310,0 cents per share (2018: interim dividend paid: 280,0 cents per share)	**(1 039 753)**	(939 132)
Amounts paid per the consolidated statement of cash flows	**(1 978 885)**	(1 777 643)

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION

12.3 Group composition

A list of the group's significant subsidiaries, their country of incorporation and principal place of business, the group's percentage shareholding and an indication of their nature of business is included below:

	Principal place of business	Nature of business	Effective holdings % 2019	Effective holdings % 2018
Subsidiaries				
Bidfood Efe Dağıtım ve Pazarlama A.Ş.	Turkey	1	**65**	65
Bidfood Holdings AS	Turkey	1	**85**	85
Al Diyafa Company for Catering Services LLC	Saudi Arabia	1	**53**	53
Angliss Beijing Food Service Limited	China	1	**70**	70
Angliss Guangzhou Food Service Co Limited	China	1	**90**	90
Angliss Hong Kong Foodservice Limited	Hong Kong	1	**100**	100
Angliss International Investment Limited	Hong Kong	1	**100**	100
Angliss Macau Food Service Limited	Macau	1	**100**	100
Angliss Shanghai Food Service Limited	China	1	**100**	97
Angliss Shenzen Food Service Limited	China	1	**100**	99
Angliss Singapore Pte Limited	Singapore	1	**100**	100
Applied Logic Systems Limited	New Zealand	1	**100**	100
Bidfood Bestfood NV	Belgium	1	**100**	100
BFS Botany Proprietary Limited	Australia	1	**100**	100
BFS Byron Bay Limited	Australia	1	**100**	100
BFS Group Limited (trading as 3663)	England	1	**100**	100
BFS Port Macquarie Proprietary Limited	Australia	1	**100**	100
Bidcorp (UK) Limited	England	1	**100**	100
Bidcorp Finance Limited	Isle of Man	1	**100**	100
Bidcorp Food Africa Proprietary Limited	South Africa	1	**100**	100
Bidcorp Food Property Proprietary Limited	South Africa	1	**100**	100
Bidcorp Foodservice International Limited	Isle of Man	2	**100**	100
Bidcorp Foodservice (Europe) Limited	England	1	**100**	100
Bidcorp International Limited	Isle of Man	2	**100**	100
Bidcorp Properties International Limited	Isle of Man	2	**100**	100
Bidfood (NSW) Proprietary Limited	Australia	1	**100**	100
Bidfood (Victoria) Proprietary Limited	Australia	1	**100**	100
Bidfood (WA) Proprietary Limited	Australia	1	**100**	100
Bidfood Australia Limited	Australia	1	**100**	100
Bidfood Belgium NV	Belgium	1	**100**	100
Bidfood Czech Republic s.r.o.	Czech Republic	1	**94**	94
Bidfood Chile S.A.	Chile	1	**90**	90
Bidfood China Limited	China	1	**100**	100
Bidfood Deli XL. B.V	Netherlands	1	**100**	100
Bidfood De Clercq NV	Belgium	1	**100**	100
Bidfood Langens NV	Belgium	1	**100**	100
Bidfood Spain S.L.	Spain	1	**90**	90
Bidfood Limited	Botswana	1	**100**	100
Bidfood Limited	New Zealand	1	**100**	100
Bidfood Proprietary Limited	South Africa	1	**100**	100
Bidfood SA	Belgium	1	**100**	100

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.3 Group composition (continued)

	Principal place of business	Nature of business	Effective holdings % 2019	Effective holdings % 2018
Subsidiaries (continued)				
Bidfood Malaysia Sdn. Bhd.	Malaysia*	1	**85**	85
Bidfood SA	Chile	1	**90**	90
Bidfresh Limited	England	1	**100**	100
Bidfresh Proprietary Limited	South Africa*	1	**70**	70
BTW Investments Proprietary Limited	South Africa	2	**100**	100
Burleigh Marr Distributions Proprietary Limited	Australia	1	**100**	100
Campbell Brothers Limited	England	1	**100**	100
Cárnicas Sáez, S.L.	Spain*	1	**68**	68
Cater Plus Proprietary Limited	Australia	1	**100**	100
Caterfood Holdings Limited	England	1	**100**	88
Cimandis Limited	Jersey	1	**100**	100
Clayton Cold Store Proprietary Limited	Australia	1	**100**	100
Cold Seas Proprietary Limited	Australia	1	**100**	100
Crown Food Group Proprietary Ltd	South Africa	1	**100**	100
D&D S.p.A.	Italy*	1	**60**	42
Distribuidora E Importadora Irmaos Avelino Ltda	Brazil*	1	**60**	60
Distrubuzione Alimentari Convivenze SPA	Italy*	1	**60**	60
Farutex Sp. z.o.o.	Poland	1	**91**	91
Food & Wine Sp.z.o.o	Poland	1	**91**	91
Foodreporter B.V.	Netherlands	1	**100**	100
Frustock – Foodservice, S.A.	Portugal*	1	**72**	72
Goldline Distributors Proprietary Limited	Australia	1	**100**	100
Guzman Gastromania S.L.	Spain*	1	**90**	90
Him Kee Food Distribution Co. Limited	Hong Kong	1	**100**	100
Horeca Trade LLC	United Arab Emirates	1	**70**	70
Igartza, S.L	Spain*	1	**90**	–
Jilin Bidcorp Food Service Limited	China	1	**60**	60
John Lewis Foodservice Proprietary Limited	Australia	1	**100**	100
KBC Foods	Australia	1	**100**	–
Linson Global Seafood Trading Limited	Hong Kong	1	**70**	70
Mariusso Comércio De Alimentos E Representação Ltda	Brazil*	1	**48**	48
Pastry Global Foodservice Limited	Hong Kong	1	**100**	100
PCL Transport 24/7 Limited	England	1	**100**	100
Pier 7 Holding GmbH	Germany	1	**70**	70
The Punjab Kitchen Limited	England	1	**90**	–
Quartiglia Food Service S.p.A	Italy*	1	**36**	36
R Noone & Son Limited	England	1	**100**	80
Six Bar Trading 409 CC	South Africa	1	**100**	–
Tekoo SPOL s.r.o	Czech Republic	1	**100**	100
UAB Bidfood Lietuva	Lithuania	1	**100**	100
United Imports & Exports Co. Proprietary Limited	Australia	1	**100**	100
Van de Mheen Foodservices B.V.	Netherlands	1	**100**	100

** The group has put option arrangements for these entities or its holding company. In terms of the anticipated acquisition method, these entities are consolidated as 100% held subsidiaries. (Refer note 10.4 for details).*

for the year ended June 30

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.3 Group composition (continued)

	Principal place of business	Nature of business	Effective holdings % 2019	Effective holdings % 2018
Associates				
ATL Seafood Ijmuiden BV	Netherlands	1	**30**	30
ATL Vastgoed BV	Netherlands	1	**30**	–
COAR S.p.A	Italy	1	**50**	50
Griffith Crown Foods Proprietary Limited	South Africa	1	**49**	49
Farm Fresh Holding BV	Netherlands	1	**25**	25
Maxxam BV	Netherlands	1	**17**	17
Maxxam CV	Netherlands	1	**17**	17
Van Gelder Ridderkerk BV	Netherlands	1	**20**	20
Jointly-controlled entities				
Chipkins Puratos Proprietary Limited	South Africa	1	**50**	50
Distribuidora Blancaluna S.A	Argentina	1	**38**	–

Nature of business
1. Catering supplies, food and allied products
2. Group services, investments and property holding

12.4 Related parties

Identification of related parties

The group has a related-party relationship with its subsidiaries and associates. Key management personnel has been defined as the executive and non-executive directors of the company. The definition of key management includes the close members of family of key management personnel and any other entity over which key management exercises control. Close members of family are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the group. They may include the individual's domestic partner and children, the children of the individual's domestic partner, and dependants of the individual or the individual's domestic partner.

Transactions with key management personnel

Directors' remuneration in total, paid by a subsidiary, is included in note 4.2. Details pertaining to executive and non-executive directors' compensation are set out in note 11.2.

The group encourages its employees to purchase food products from group companies. These transactions are generally conducted on terms similar to those with third parties, although in some cases nominal discounts are granted. Transactions with key management personnel are conducted on similar terms. No abnormal or non-commercial credit terms are allowed, and no impairments were recognised in relation to any transactions with key management personnel during the year, nor have they resulted in any non-performing debts at the year-end.

Similar policies are applied to key management personnel at subsidiary level who are not defined as key management personnel at the group level.

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.4 Related parties (continued)

Transactions with related parties

	2019 R'000	2018 R'000
Outstanding advances due at year-end by associates (note 9.1)	**31 884**	100 758
Total value of revenue received from associates	**52 976**	33 440
Amounts due by associates included in trade receivables	**23 055**	6 145
Total value of inventory purchased from associates	**1 006 262**	1 238 949
Total value of services purchased from associates	**109 606**	15 995
Amounts due to associates included in trade payables	**117 822**	108 975
Total value of revenue received from jointly-controlled entity	**45 214**	20 831
Property rental income from jointly-controlled entity	**14 141**	11 759

Details of effective interest, investments and loans to associates are disclosed in note 9.1

12.5 Commitments and capital management

The board of directors' policy is to maintain a strong capital base so as to sustain future development of the businesses so that it can continue to provide benefits to its shareholders.

	2019 R'000	2018 R'000
Capital expenditure approved:		
Contracted for	**1 113 122**	831 471
Not contracted for	**1 188 901**	1 015 846
	2 302 023	1 847 317
Capital expenditure split		
Property, plant and equipment	**2 171 767**	1 794 724
Computer software	**130 256**	52 593
	2 302 023	1 847 317

It is anticipated that capital expenditure will be financed out of existing cash resources.

12.6 Contingent liabilities

The group has outstanding legal and other claims arising out of its normal ongoing operating activities which have to be resolved. None of these claims are significant.

12.7 Subsequent events

The group is currently in negotiations for the sale of the UK Contract Distribution business in the United Kingdom. The process is at an advanced stage and management is optimistic of a successful conclusion to these negotiations. Other than the matter above, there are no material events subsequent to June 30 2019.

12.8 Going concern

The directors have made an assessment of the group's ability to continue as a going concern and there is no reason to believe that the group will not be a going concern in the year ahead.