FINANCIAL REVIEW

ACCOUNTING POLICIES

Revenue
Consolidated revenue increased by 10% to N$2,383.4 million from N$2,160.1 million for the year ended 30 June 2013. The increase in revenue is primarily driven by performance in our home market and increased volumes produced and supplied to DHN our South African Joint Venture.

Operating profit
The Group's operating profit for the year ended 30 June 2013 showed an increase of 17% over the previous year. This translates into an operating margin of 21.0% compared to 20.0% in the previous year. The Group's cost base has benefited from continuous focus on our costs and our brewery investments.

Taxation
The taxation charge for the year ended 30 June 2013 was N$126.8 million compared to N$114.0 million for the previous year. In the current year taxable profits from exports were a smaller percentage of total taxable income than in the prior year. The group benefits from allowances on profits derived from exports. Accumulated tax losses of the Group's wholly owned South African subsidiary have not been recognised, due to uncertainty regarding the utilisation of the losses.

Profit after tax and earnings per share
Profit Attributable to Shareholders decreased by 67% over the corresponding period, based on an effective tax rate of 63.5%. The earnings per share for the year ended 30 June 2013 is 35.3 cents (2012: 107.5 cents).

Financial position
The net debt to equity ratio remains healthy at 1% and is still within prescribed borrowing capacity of the Group (see note 31).

Namibian Market
Overall beer sales volumes in Namibia continued to grow at double digits delivering a 12% growth compared to the previous year. The Tafel brand continued to outperform the portfolio and was the main driver of the overall beer growth. Windhoek Draught continues to perform well and has also contributed to the overall growth in volumes. Our ready to drink range (RTD) sales have seen a slight decline whereas Vigo, the new-to-world malt soft drink range launched in 2012 has had a solid start and continues to outperform expectations.

South Africa
The operating loss attributable to DHN Drinks (Pty) Ltd increased compared to the prior year, however taking into account royalties and production margins that NBL receives for contract packing for South Africa, NBL continued to make positive returns from the ongoing operations of our South African business. Total volumes produced by NBL and sold to DHN Drinks (Pty) Ltd were up by 1% compared to the prior year. Our South African joint venture continued to grow sales at single digit levels despite the highly competitive environment.

Exports (excluding South Africa)
Export markets performance continued to deliver mixed performance, with increased competition particularly in the SADC countries we trade in. The business will focus on fewer key markets going forward.

Significant Matters
The Group has invested into DHN Drinks (Pty) Ltd during the year an amount of N$293.3 million (2012: N$94.6 million). In addition, the group further recognised a full write-down of the deferred tax asset in DHN Drinks (Pty) Ltd given that negotiations to amalgamate DHN Drinks (Pty) Ltd and the Sedibeng Brewery operations had not concluded by 30 June 2013. The Group has also continued to invest in plant and equipment in line with its expansion and replacement plans.

Cash flows
Net cash flow from operating activities increased from N$147.3 million in the prior year to N$481.3 million in the current year. The increase was driven by an increase in volumes and greater efficiences achieved within working capital. Net cash flow from investing activities increased from a net outflow of N$204.5 million in the previous year to N$287.4 million in the current year, due to additional investment in DHN (Drinks) Pty Ltd. Net cash out flow from financing activities was due to the decrease in medium term loan facility (see Annexure A).

APPROVAL OF FINANCIAL STATEMENTS

Directors' responsibility statement
The Company's directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements, comprising the statements of financial position at 30 June 2013, and the statements of comprehensive income, the statements of changes in equity and cash flow statements for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in terms of the Namibian Companies Act.

The directors' responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements so that they 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.

The directors' responsibility also includes maintaining adequate accounting records and an effective system of risk management.

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

The auditor is responsible for reporting on whether the group annual financial statements and separate parent annual financial statements are fairly presented in accordance with International Financial Reporting Standards and the Companies Act.

Approval of consolidated and separate financial statements
The consolidated and separate financial statements of the Company, as indicated above, were approved by the board of directors on 17 September 2013 and signed on their behalf by:

S Thieme
Chairman

Hendrik van der Westhuizen
Managing Director

INDEPENDENT AUDITOR'S REPORT

To the members of Namibia Breweries Limited

We have audited the group annual financial statements of Namibia Breweries Limited, which comprise, the consolidated and separate statements of financial position as at 30 June 2013, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes and the report of the directors as set out on pages 59 to 107.

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 in Namibia and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 about whether the financial statements are free of 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 judgement, 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 principles used and reasonableness of accounting estimates made by the directors, as well as evaluating the overall financial statements presentation.

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 consolidated and separate financial position of Namibia Breweries Limited as at 30 June 2013 and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act in Namibia.

Deloitte & Touche

Deloitte & Touche
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: J Cronjé
Partner
Windhoek
14 October 2013

Deloitte Building
Maerua Mall Complex
PO Box 47
Jan Jonker Road
Windhoek
Namibia

ICAN practice number: 9407

Regional Executives: LL Bam (Chief Executive), A Swiegers (Chief Operating Officer), GM Pinnock

Resident Partners: VJ Mungunda (Managing Partner), RH McDonald, J Kock, H de Bruin, J Cronjé, A Akayombokwa, E Tjipuka

Director: G Brand

Member of Deloitte Touche Tohmatsu Limited

REPORT OF THE DIRECTORS

Founded in 1920, Namibia Breweries Limited is principally engaged in the brewing and distribution of beer and is also active in the manufacturing and sale of soft drinks.

Accounting policies

The accounting policies of Namibia Breweries Limited comply with International Financial Reporting Standards (IFRS) and are consistent with those of the previous year.

Financial results

The Group's operating profit for the year ended 30 June 2013 showed an increase of 17% over the previous year. This translates into an operating margin of 21%.

Dividends paid

Details of the ordinary dividends declared, paid and payable in respect of the past year are reflected in note 26 to the financial statements.

Dividend declaration

In addition to the interim dividend paid in May 2013, the board of directors has decided to declare a final dividend of 31 cents per ordinary share resulting in a total dividend of 62 cents per ordinary share for the year under review. Payment will be effected to the shareholders of ordinary shares in the books of the company registered at the close of business on the 1st of November 2013 and will be paid on the 22nd of November 2013.

Capital expenditure

Capital expenditure for the year amounted to N$137.6 million (2012: N$209.4 million).

Issued capital

Full details of the authorised and issued capital of the Company at 30 June 2013 are set out in note 13 to the financial statements. The 92 471 000 unissued shares of the Company are under the control of the Directors in terms of a members' resolution dated 5 December 2012. In terms of the Companies Act, this authority expires at the forthcoming Annual General Meeting, the members will accordingly be asked to extend this said authority until the Annual General Meeting to be held on or around 4 December 2013.

Directorate and secretary

The names of the directors as well as the name and address of the Company's secretary appear on page 8 and below.

Subsidiaries

Details of the Company's subsidiaries are set out in Annexure C of this report.

Holding company

The Company's holding company is NBL Investment Holdings Limited, of which the shareholding is held by Ohlthaver & List Finance and Trading Corporation Limited, Heineken International B.V. ("Heineken") and Diageo Plc ("Diageo"). The Company's ultimate holding company is List Trust Company (Proprietary) Limited.

Events subsequent to reporting date

The following resignations and appointments of directors took place subsequent to the reporting date but before the approval of the financial statements:

Resignations: Bruce Anthony Kidner (Executive Director), Gerald Mahinda (Non-executive Director) and Bernd Masche (Non-executive Director).

Appointments: Graeme Mouton (Executive Director) and Jeff Milliken (Non-executive Director).

Apart from the above non-adjusting events, the directors are not aware of any other significant post balance sheet events to be accounted for or disclosed in the annual financial statements which significantly affect the financial position of the Group and the results of its operations.

STATEMENTS OF FINANCIAL POSITION

COMPANY at 30 June 2012 N$ 000's	COMPANY at 30 June 2013 N$ 000's		Notes	GROUP at 30 June 2013 N$ 000's	GROUP at 30 June 2012 N$ 000's
		ASSETS			
		Non-current assets			
798 483	826 468	Property, plant and equipment	4	827 683	799 762
6 436	12 244	Intangible assets	5	12 244	6 436
828	828	Investment in subsidiaries	6	0	0
405 352	13 635	Investment in a joint venture	7	13 635	118 071
14	14	Available-for-sale investments	8	14	14
1 211 113	853 189			853 576	924 283
		Current assets			
203 175	285 890	Inventories	9	285 890	203 175
452 625	306 127	Trade and other receivables,	10	306 907	453 093
90 969	266 824	Cash and cash equivalents	11	267 801	91 899
71	0	Derivative financial instruments	18	0	71
746 840	858 841			860 598	748 238
1 957 953	1 712 030	**Total assets**		1 714 174	1 672 521
		EQUITY AND LIABILITIES			
		Equity			
1 024	1 024	Share capital	13	1 024	1 024
1 192 220	858 121	Retained earnings		859 447	906 289
1 193 244	859 145	**Ordinary shareholders' equity**		860 471	907 313
		Non-current liabilities			
265 693	9 231	Interest bearing loans and borrowings	14	9 231	265 693
16 531	18 945	Post employment medical aid and severence pay benefit plan	15	18 945	16 531
126 752	152 549	Deferred taxation liability	16	152 757	126 927
408 976	180 725			180 933	409 151
		Current liabilities			
4 594	266 633	Interest bearing loans and borrowings	14	266 211	4 469
346 351	405 090	Trade and other payables	17	406 122	346 801
0	378	Derivative financial instruments	18	378	0
4 788	59	Income tax payable		59	4 787
355 733	672 160			672 770	356 057
1 957 953	1 712 030	**Total equity and liabilities**		1 714 174	1 672 521

STATEMENTS OF COMPREHENSIVE INCOME

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		Notes	GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
2 159 729	2 383 058	**Revenue**	19	2 383 384	2 160 067
(1 726 729)	(1 883 041)	Operating expenses	20	(1 883 295)	(1 731 052)
433 000	500 017	**Operating profit**	21	500 089	429 015
(27 942)	(23 648)	Finance costs	22	(23 648)	(23 233)
22 797	20 361	Finance income	23	20 392	22 346
0	(584 372)	Impairment of investment	7		
0	0	Equity loss from joint venture (on-going operations)	7	(109 002)	(92 147)
0	0	Equity loss from joint venture (deferred tax asset write down)	7	(188 089)	0
427 855	(87 642)	**Profit before income tax**		199 742	335 981
(112 829)	(126 670)	Income tax expense	24	(126 797)	(114 027)
315 026	(214 312)	**Profit for the year**		72 945	221 954
0	0	Other comprehensive income for the year		0	0
315 026	(214 312)	**Total comprehensive income for the year attributable to equity holders of the parent**		72 945	221 954
		Basic earnings per ordinary share (cents)	25.1	35.3	107.5

STATEMENTS OF **CASH FLOWS**

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		Notes	GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		CASH FLOW FROM OPERATING ACTIVITIES			
2 038 251	2 517 056	Cash receipts from customers		2 517 070	2 038 883
(1 669 414)	(1 810 265)	Cash paid to suppliers and employees		(1 810 294)	(1 675 799)
368 837	706 791	Cash generated by operations	27.1	706 776	363 084
(106 345)	(119 787)	Dividends paid	27.2	(119 787)	(106 345)
(91 474)	(105 602)	Income tax paid	27.3	(105 696)	(109 442)
171 018	481 402	Net cash flows from operating activities		481 293	147 297
		CASH FLOW FROM INVESTING ACTIVITIES			
47 416	32 861	Finance income		32 892	46 965
(94 568)	(293 260)	Purchase of shares in joint venture		(293 260)	(94 568)
5 709	100 605	Loans repaid by joint venture		100 605	5 709
125	0	Loans advanced by subsidiaries		0	0
12 899	0	Loans repaid by Share purchase trust		0	12 899
1 540	0	Loans repaid by subsidiaries		0	0
(68 834)	(62 721)	Expansion of property, plant and equipment		(62 721)	(68 834)
(106 879)	(74 919)	Replacement of property, plant and equipment		(74 919)	(106 879)
(3 494)	(2 050)	Acquisition of intangible assets		(2 050)	(3 494)
3 665	12 051	Proceeds on sale of assets		12 051	3 665
(202 421)	(287 433)	Net cash flows from investing activities		(287 402)	(204 537)
		CASH FLOW FROM FINANCING ACTIVITIES			
(27 942)	(23 648)	Finance costs		(23 648)	(23 233)
(6 724)	(7 406)	Repayment of interest bearing loans and borrowings		(7 281)	(6 724)
87 445	12 940	Proceeds from medium term financing		12 940	87 445
30 507	0	Decrease in Subordinated loan		0	0
83 286	(18 114)	Net cash flows from financing activities		(17 989)	57 488
51 883	175 855	Net change in cash and cash equivalents		175 902	248
39 086	90 969	Cash and cash equivalents at beginning of the year		91 899	91 651
90 969	266 824	**CASH AND CASH EQUIVALENTS AT END OF THE YEAR**	11	267 801	91 899

STATEMENTS OF **CHANGES IN EQUITY**

	Notes	Issued Capital N$ 000's	Retained Earnings N$ 000's	Total N$ 000's
GROUP				
Balance at 30 June 2011		1 024	790 680	791 704
Profit for the year		0	221 954	221 954
Other comprehensive income for the year		0	0	0
Total comprehensive income for the year attributable to equity holders of the parent		0	221 954	221 954
Dividends to equity holders	27.2	0	(106 345)	(106 345)
Balance at 30 June 2012		1 024	906 289	907 313
Profit for the year		0	72 945	72 945
Other comprehensive income for the year		0	0	0
Total comprehensive income for the year attributable to equity holders of the parent		0	72 945	72 945
Dividends to equity holders	27.2	0	(119 787)	(119 787)
Balance at 30 June 2013		1 024	859 447	860 471
COMPANY				
Balance at 30 June 2011		1 024	983 539	984 563
Profit for the year		0	315 026	315 026
Other comprehensive income for the year		0	0	0
Total comprehensive income for the year attributable to equity holders of the parent		0	315 026	315 026
Dividends to equity holders	27.2	0	(106 345)	(106 345)
Balance at 30 June 2012		1 024	1192 220	1193 244
Profit for the year		0	(214 312)	(214 312)
Other comprehensive income for the year		0	0	0
Total comprehensive income for the year attributable to equity holders of the parent		0	(214 312)	(214 312)
Dividends to equity holders	27.2	0	(119 787)	(119 787)
Balance at 30 June 2013		1 024	858 121	859 145

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1. Reporting entity

Namibia Breweries Limited (the “Company”) is a company domiciled in Namibia. The consolidated financial statements of the Company as at and for the year ended 30 June 2013 comprise the Company and its subsidiaries and the Group’s interest in Joint Ventures (together referred to as the “Group” and individually as “Group entities”).

2. Basis of preparation

(a) Statement of compliance

The Company and Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Namibian Companies Act.

The financial statements were approved by the Board of Directors on 17 September 2013.

(b) Basis of measurement

The Company and Group financial statements are prepared on the historical cost basis, modified for the fair value treatment of financial instruments.

(c) Functional and presentation currency

These financial statements are presented in Namibia Dollars (NAD), which is the Company’s and Group’s functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. All information presented in NAD has been rounded to the nearest thousand.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included below:

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying amount of recognised and unrecognised tax losses are disclosed in note 16 and 24 and management’s judgement with regards to the recoverability of deferred tax asset in its joint venture in note 7.

Post employment benefits

The cost of post employment medical benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, medical inflation, expected return on assets and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 15.

Severance benefit obligations

Severance pay has been provided for all employees. Actuarial valuations are based on assumptions which include employee turnover, mortality rates, the discount rate, the inflation rate and rates of increases in compensation costs. Further details are given in note 15.

Property, plant, equipment and intangible assets

The Group and Company depreciates items of property, plant, equipment and intangible assets down to residual value over the useful life of the assets. Management makes and applies assumptions about the expected useful life and residual value of these assets in determining the annual depreciation charge. Further details are given in the accounting policy note on depreciation.

In particular management have assumed a depreciation rate of 20% on returnable containers, this being management’s best estimate of breakage rate and useful life. The majority of returnable containers are with customers and the estimate of cost along with the corresponding returnable deposit liability is based on management’s judgement of average turnaround periods of between 5 and 6 weeks. Any change to these assumptions could have a significant impact on both the asset and corresponding liability.

2. Basis of preparation (continued)

Recoverability of investment in Jointly controlled entity

The Company’s investment in the jointly controlled entity is carried at cost less impairment. In prior years the recoverability of the investment was determined using discounted cash flow valuation model techniques. The inputs into this model were taken from externally computed values and rates, where this was not possible, management applied judgement in determining the inputs. Such inputs included, but were not limited to, anticipated future industry growth, portfolio growth rates and internally computed discount rates which take into account the Group’s weighted average cost of capital. In the current year, the directors re-evaluated the value of the DHN investment and have considered this to approximate the company’s share of DHN’s net asset value at year end. Changes in the assumptions impacting expected future cash generation could affect the recoverability of the valuation of the investment in the jointly controlled entity.

The Directors have also considered the recoverability of the deferred tax asset in DHN and, given that negotiations between joint venture partners regarding a possible restructuring is not yet concluded, have resolved to impair their full portion of the deferred tax asset. Should circumstances change this judgement may also change with consequential positive impact to the financial statements.

See note 7 for further details on these key assumptions.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the Company’s and Group’s financial statements.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are those entities over whose financial and operating policies the Group has the power to exercise control, so as to obtain benefits from their activities. In assessing control potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Investment in subsidiaries are shown at cost in the Company’s financial statements.

(ii) Jointly controlled entities

The Group’s interest in jointly controlled entities are accounted for using the equity method of accounting. Under the equity method, the interest in a jointly controlled operation is carried in the statement of financial position at cost plus post acquisition changes in the Group’s net share of the assets. The statement of comprehensive income reflects the share of the results of the operations of the jointly controlled entity. Profits and losses resulting from transactions between the Group and the jointly controlled operation are eliminated to the extent of the interest in the jointly controlled entity.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains from transactions with equity accounted investees are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

(b) Foreign currency

Transactions denominated in foreign currencies are initially recorded at the functional currency rate ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(c) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of material and direct labour and other costs directly attributable to bringing the asset to a working condition for its intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised in profit or loss.

3. Significant accounting policies (continued)

(c) Property, plant and equipment (continued)

(ii) Subsequent costs

Subsequent expenditure relating to an item of property, plant and equipment is capitalised when it is probable that future economic benefits from the use of the asset will be increased and its cost can be reliably measured. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each of the items of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful life's unless it is reasonably certain that the Group and Company will obtain ownership by the end of the lease term.

The depreciation rates for the current and comparative periods are as follows:

	2013	2012
Freehold buildings	2 - 12%	2 - 12%
Leasehold land and buildings	4%	4%
Plant and machinery	4 - 20%	4 - 20%
Vehicles	20%	20%
Furniture and equipment	10%	10%
Returnable containers	20%	20%

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year-end. Land is not depreciated. The carrying values are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in the year the asset is derecognised. Depreciation is not provided on assets during the time of construction.

(d) Intangible assets

(i) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, and expenditure on internally generated goodwill and brands is recognised in profit or loss as an expense as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically feasible, costs can be reliably measured, future economic benefits are feasible and the Group or Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in profit or loss as an expense as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses.

(ii) Other intangible assets

Other intangible assets acquired by the Group or Company, which have finite useful lives, are measured at cost less accumulated amortisation and impairment losses.

(iii) Subsequent expenditure

Subsequent development expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefit embodied in the specific assets to which it relates. All other subsequent expenditure is expensed as incurred.

(iv) Amortisation

The useful lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually and are not amortised. If the carrying amount exceeds the recoverable amount, an impairment loss will be recognised. Amortisation and impairment charges on intangible assets are charged to profit or loss. If an intangible asset with an indefinite life has changed to a finite life the change is made on a prospective basis.

3. Significant accounting policies (continued)

(e) Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the Group or Company.

Operating leases are those leases which do not fall within the scope of the above definition. Payments made under leases are recognised in profit or loss on a straight line basis over the term of the lease.

(f) Inventories

Inventories are carried at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition, and is determined as follows:

Raw materials, merchandise and consumable stores:

- Purchase cost on the weighted average basis.

Finished goods and work in progress:

- Cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Obsolete, redundant and slow moving inventories are identified on a regular basis and are written down to their estimated net realisable values.

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

(g) Impairment

(i) Financial assets

A financial asset not carried at fair value through profit or loss, is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the assets that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between the carrying amount, and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value.

All impairment losses are recognised in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Impairment loss reversals are recognised in profit or loss except for impairment reversals of available-for-sale equity securities which are recognised in other comprehensive income.

(ii) Non-financial assets

The carrying amounts of the Company's and the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

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

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

3. Significant accounting policies (continued)

(g) Impairment (continued)

(ii) Non-financial assets (continued)

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(h) Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, interest-bearing borrowings, trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit and loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Accounting for finance income and costs is discussed in note 3(k) and 3(l).

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Company and Group commits to purchase the asset.

(ii) Financial assets or liabilities at fair value through profit or loss

Included in this category are derivative financial instruments. Financial assets or liabilities classified as at fair value through profit or loss, are subsequent to initial recognition, measured at fair value with changes in fair value recognised in profit or loss.

(iii) Loans and receivables

Included in this category are the loans to the share purchase trust as well as to holding company and fellow subsidiaries. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Amortised cost is computed as the amount initially recognised minus principle repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

(iv) Trade and other receivables

Trade receivables, which generally have 30-60 day terms, are subsequent to initial recognition, recognised at amortised cost, less impairment losses.

(v) Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts, all of which are available for use by the Company and Group unless otherwise stated.

(vi) Interest bearing loans and borrowings

Included in this category are long and medium term financing and short term borrowings. Non-derivative financial liabilities are recognised at amortised cost, using the effective interest method.

Interest-bearing bank loans and overdrafts are recorded at the value of proceeds received, net of direct issue costs. Finance charges are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

(vii) Derecognition of financial assets and liabilities

Financial assets - A financial asset is derecognised where the rights to receive cash flows from the asset have expired.

Financial liabilities - A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

3. Significant accounting policies (continued)

(h) Financial instruments (continued)

(viii) Non-interest bearing financial liabilities

Non-interest bearing financial liabilities are recognised at amortised cost.

(i) Provisions

Provisions are recognised when the Company or 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 for the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

A provision for restructuring is recognised when the Company and Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Future operating losses are not provided for.

(j) Revenue

Revenue comprises royalty and rental income and the sales of beer, soft drinks and by-products, less indirect taxes, excise duty and discounts.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company or Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

(ii) Rental income

Rental income is recognised on a straight-line basis over the term of the lease.

(iii) Royalty income

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

(k) Finance income

Finance income comprises interest income on funds. Interest income is recognised in the year as it accrues in profit or loss, using the effective interest method.

(l) Finance costs

Finance costs comprise interest expense on borrowings. Borrowing costs are recognised in profit or loss using the effective interest method. Finance costs on qualifying assets are capitalised.

(m) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Current tax comprises tax payable calculated on the basis of the expected taxable income for the year, using the tax rates and tax laws enacted or substantively enacted at the reporting date and any adjustment of tax payable for previous years.

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax is not recognised for the following temporary differences:

- The initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit not taxable profit or loss; and
- Investments in subsidiaries and jointly controlled entities to the extent that it is probable that the temporary differences will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

The carrying amount of deferred tax assets are reviewed at each reporting date to determine that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

3. Significant accounting policies (continued)

(m) Income tax (continued)

Deferred tax assets and deferred liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(n) Value added tax

Revenues, expenses and assets are recognised net of the amount of value added tax except:

- Where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(o) Earnings per share

The calculation of earnings per share is based on earnings attributable to ordinary shareholders. Account is taken of the weighted average number of ordinary shares in issue for the period during which they have participated in the income of the Group. The Group has no dilutive potential ordinary shares.

Earnings is defined as the, profit for the year after taxation and non-controlling interest.

(p) Employee benefits

(i) Short term benefits

The cost of all short term employee benefits is recognised during the period in which the employee renders the related service, on an undiscounted basis. A liability is recognised for the amount expected to be paid if the Company or Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Retirement benefits

The policy of the Group and Company is to provide retirement benefits for its employees. The contribution paid by the Group and Company to fund obligations for the payment of retirement benefits are recognised as an expense in profit or loss when they are due. The Ohlthaver & List Retirement Fund, which is a defined contribution fund, covers all the Group's employees and is governed by the Pension Funds Act.

(iii) Equity compensation benefits

The Group and Company grants share options to certain employees under an employee share plan controlled by the ultimate holding company.

(iv) Post employment medical benefits

The Group and Company provides for post employment healthcare benefits to qualifying employees and retired personnel by subsidising a portion of their medical aid contributions. This scheme operates as a defined benefit plan and the cost of providing benefits under the plan is determined using the projected credit unit method.

Actuarial gains and losses are recognised in profit or loss in full. The past service cost is recognised as an expense on a straight line basis over the average period until the benefits become vested. If the benefits are already vested immediately following the introduction of, or changes to pension plan, past service cost is recognised as an expense immediately.

The entitlement to the benefits is usually based on the employee remaining in service up to retirement age and completing a minimum service period.

(v) Severance benefit obligation

In accordance with the Namibia Labour Act, 2007, severance benefits are payable to an employee, if the employee is dismissed, dies while employed or resigns/retires on reaching the age of 65 years. The obligation for severance benefits to current employees is actuarially determined in respect of all Group employees and is provided for in full. The cost of providing benefits is determined using the projected-unit-credit method, with actuarial valuations being carried out at the end of each reporting period. The movement for the year is recognised in profit or loss in the year in which it occurs.

3. Significant accounting policies (continued)

(q) Operating segment

The Chief Operating Decision Maker reviews the financial results of the Group as a whole. Therefore the Group, in terms of IFRS 8, only has one segment. Further divisional information has been provided as additional information.

The Group's operations are located in Namibia. The Group's products are sold on the local market and are exported to South Africa and other African countries.

(r) New and amended IFRS and IFRIC interpretations adopted

The Group and Company has adopted the following new and amended IFRS and IFRIC interpretations during the year. Adoption of these revised standards and interpretations did not have any effect on the financial performance or position of the Group and company. .

Adoption of new and revised Standards and Interpretations effective in current year:

The following Standards and Interpretations issued by the International Financial Reporting Interpretations Committee are effective for the current year:

New/Revised International Financial Reporting Standards		Issued/ Revised	Effective for annual periods beginning on or after
IAS 1	Presentation of Financial Statements *- Amendments to revise the way other comprehensive income is presented*	June 2011	1 July 2012
IAS 12	Income Taxes *- Limited scope amendment (recovery of underlying assets)*	December 2010	1 January 2012

The adoptions of the above Standards and Interpretations have resulted in a number of changes in presentation and disclosure. The revised Standards and Interpretations had no impact on the reported results or financial position of the company.

RECENT AMENDMENTS

The following table contains effective dates of IFRS's and recently revised IAS's, which have not been early adopted by the company and that might affect future financial periods:

New/Revised International Financial Reporting Standards		Issued/ Revised	Effective for annual periods beginning on or after
IFRS 1	First-time Adoption of International Financial Reporting Standards *- Amendments for government loan with a below-market rate of interest when transitioning to IFRS*	March 2012	1 January 2013
IFRS 1	First-time Adoption of International Financial Reporting Standards *- Amendments resulting from Annual Improvement 2009-2011 Cycle (repeat application, borrowing costs)*	May 2012	1 January 2013
IFRS 7	Financial Instruments: Disclosure *- Amendments related to the offsetting of assets and liabilities*	December 2011	1 January 2013 and interim periods within those periods
IFRS 7	Financial Instruments: Disclosure *- Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures*	December 2011	1 January 2015
IFRS 9	Financial Instruments *- Original issue (Classification and measurement of financial assets)*	November 2009	1 January 2015
IFRS 9	Financial Instruments *- Reissue to include requirements for the classification and measurement of financial liabilities and incorporate existing derecognition requirements*	October 2010	1 January 2015
IFRS 9	Financial Instruments *- Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures*	October 2010	1 January 2015
IFRS 10	Consolidated Financial Statements	May 2011	1 January 2013
IFRS 10	Consolidated Financial Statements *- Amendments to transitional guidance*	June 2012	1 January 2013
IFRS 10	Consolidated Financial Statements *- Amendments for investment entities*	October 2012	1 January 2014

New/Revised International Financial Reporting Standards (continued)		Issued/ Revised	Effective for annual periods beginning on or after
IFRS 11	Joint Arrangements	May 2011	1 January 2013
IFRS 11	Joint Arrangements - Amendments to transitional guidance	June 2012	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities	May 2011	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities - Amendments to transitional guidance	June 2012	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities - Amendments for investment entities	October 2012	1 January 2014
IFRS 13	Fair Value Measurement	May 2011	1 January 2013

New/Revised International Financial Reporting Standards		Issued/ Revised	Effective for annual periods beginning on or after
IAS 1	Amendments resulting from Annual Improvements 2009-2011 Cycle (Comparative Information)	May 2012	1 January 2013
IAS 16	Property, Plant and Equipment *- Amendments resulting from Annual Improvements 2009-2011 Cycle (servicing equipment)*	May 2012	1 January 2013
IAS 19	Employee Benefits *- Amended Standard resulting from the Post-Employment Benefits and Termination Benefits projects*	Amended June 2011	1 January 2013
IAS 27	Consolidated and Separate Financial Statements *- Original issue*	May 2011	1 January 2013
IAS 27	Consolidated and Separate Financial Statements *- Amendments for investment entities*	October 2012	1 January 2014
IAS 28	Investments in Associates *- Reissued as IAS 28 Investments in Associates and Joint Ventures (as amended in 2011)*	May 2011	1 January 2013
IAS 32	Financial Instruments: Presentation *- to clarify certain aspects because of diversity in application of the requirements on offsetting*	December 2011	1 January 2014
IAS 32	Amendments resulting from Annual improvements 2009-2011 Cycle (tax effect on equity distribution)	May 2012	1 January 2013
IAS 34	Amendments resulting from Annual improvements 2009-2011 Cycle (Interim Reporting Segment assets)	May 2012	1 January 2013

New/Revised International Financial Reporting Standards (continued)		Issued/ Revised	Effective for annual periods beginning on or after
IAS 36	Amendments arising from Recoverable Amount Disclosures for Non-Financial Assets	May 2013	1 January 2014
IAS 39	Amendments for Novations of Derivatives	June 2013	1 January 2014

New/Revised	International Financial Reporting Interpretations Committee Interpretations issued but not yet effective	Effective for annual periods beginning on or after
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		4. PROPERTY, PLANT AND EQUIPMENT		
		At cost		
135 132	144 154	Freehold land and buildings	144 154	135 132
3 869	3 892	Leasehold land and buildings	6 050	6 027
756 099	878 830	Plant and machinery	878 830	756 099
52 027	62 723	Vehicles	62 723	52 027
37 471	43 480	Furniture and equipment	43 480	37 471
127 307	168 605	Returnable containers	168 605	127 307
124 212	35 628	Assets under construction	35 628	124 212
1 236 117	1 337 312		1 339 470	1 238 275
		Accumulated depreciation and impairment losses		
26 474	27 573	Freehold land and buildings	27 573	26 474
1 694	2 175	Leasehold land and buildings	3 119	2 573
304 296	340 746	Plant and machinery	340 746	304 296
32 851	35 551	Vehicles	35 551	32 851
22 439	26 348	Furniture and equipment	26 348	22 439
49 880	78 451	Returnable containers	78 450	49 880
437 634	510 844		511 787	438 513
		Carrying value		
108 658	116 581	Freehold land and buildings	116 581	108 658
2 175	1 717	Leasehold land and buildings	2 931	3 454
451 803	538 084	Plant and machinery	538 084	451 803
19 176	27 172	Vehicles	27 172	19 176
15 032	17 132	Furniture and equipment	17 132	15 032
77 427	90 154	Returnable containers	90 155	77 427
124 212	35 628	Assets under construction	35 628	124 212
798 483	826 468		827 683	799 762
		Movement of property, plant and equipment has been detailed in Annexure B.		
		Leased assets		
		Included above are leased vehicles under a number of finance lease agreements, details of which are set out below:		
		Vehicles		
19 161	24 851	- at cost	24 851	19 161
(9 128)	(9 029)	- accumulated depreciation	(9 029)	(9 128)
10 033	15 822	Carrying value	15 822	10 033
		The leased assets are encumbered in terms of finance lease agreements (see notes 14 & 29).		

Land and buildings

The Group's land and buildings are not encumbered. Details of the Group's land and leasehold land and buildings are maintained at the registered office of the Company.

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		5. INTANGIBLE ASSETS		
		At cost		
3 005	11 016	Automation processes	11 016	3 005
6 301	8 272	Software licences	8 272	6 301
9 306	19 288		19 288	9 306
		Accumulated amortisation		
1 052	3 243	Automation processes	3 243	1 052
1 818	3 801	Software licences	3 801	1 818
2 870	7 044		7 044	2 870
		Carrying value		
1 953	7 773	Automation processes	7 773	1 953
4 483	4 471	Software licences	4 471	4 483
6 436	12 244		12 244	6 436

Movement of intangible assets has been detailed in Annexure B.

6. INVESTMENT IN SUBSIDIARIES (ANNEXURE C)

COMPANY 2012	COMPANY 2013	
988	988	Shares at cost
(285)	(582)	Loan from subsidiary
703	406	
0	0	Loan to subsidiaries
703	406	
(125)	(422)	Current (Note 14)
828	828	Non-current
703	406	Net investment in subsidiaries

Aggregated losses of subsidiaries amounted to N$ 36.3million (2012 N$36.3 million). Income earned by subsidiaries for the year amounted to N$0.3 million (2012: N$0.3 million).

The loans are interest free and have no fixed repayment terms.

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		7. INVESTMENT IN A JOINT VENTURE		
100 605	0	Loans to joint venture	0	100 605
304 747	598 007	Shares at cost	598 007	304 747
0	(584 372)	Impairment in investment		
0	0	Accumulated equity accounted losses from on-going operations	(396 283)	(287 281)
0	0	Accumulated equity accounted losses from deferred tax asset write-down	(188 089)	0
405 352	13 635	Carrying amount of the investment	13 635	118 071
		Disclosed as		
0	0	Current	0	0
405 352	13 635	Non-current	13 635	118 071
405 352	13 635		13 635	118 071

As of the date of these Consolidated Financial Statements, Namibia Breweries Limited is in an ongoing stage of negotiations with its Joint Venture partners concerning the amalgamation of DHN Drinks (Pty) Ltd and the Sedibeng Brewery operations.

During the current year additional shares were acquired by the existing joint venture partners in proportion to the existing ownership percentages. Furthermore, management reassessed the recoverability of the Group and Company investment in DHN Drinks (Pty) Ltd and in particular the recoverability of the DHN deferred tax asset, taking into account that the negotiations with the Joint Venture partners had not concluded by the end of the financial year. As a result, the group has recognised a full write-down of its portion of the deferred tax asset in DHN Drinks (Pty) Ltd. This has in turn impacted the net asset value of the joint venture and consequently the group's equity accounted loss.

The loan to the Joint Venture was unsecured and bore interest at JIBAR +2% and had no fixed repayment terms.

Trade receivables from the Joint Venture are disclosed in note 10.

Jointly controlled entity - DHN Drinks (Pty) Ltd
The Group, through a distribution rights and joint venture agreement with Heineken and Diageo, has a shareholding in this jointly controlled entity. The principal activity of this entity is the sale the Venturers' various beverages in the South African market. This joint venture commenced on 1 May 2008. The Group has a 15.5% equity interest in the jointly controlled entity.

The share of assets, liabilities, income and expenses of the jointly controlled entity at 30 June and for the years then ended, which would have been included in the consolidated financial statements if proportionally consolidated, would have been as follows:

	GROUP 2013	GROUP 2012
Current assets	138 105	146 165
Non-current assets	53 320	128 728
	191 425	274 893
Current liabilities	124 093	274 025
	124 093	274 025
Revenue	654 519	611 305
Total expenses	(805 814)	(739 087)
Loss before income tax	(151 295)	(127 782)
Income tax	(145 796)	35 635
Net loss	(297 091)	(92 147)

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		8. AVAILABLE-FOR-SALE INVESTMENTS		
		Unlisted investments		
14	14	L&T Ventures (Proprietary) Limited	14	14
14	14	Directors' valuation of unlisted investments	14	14
		9. INVENTORIES		
53 290	72 696	Raw materials	72 696	53 290
16 064	18 501	Work in progress	18 501	16 064
50 012	119 768	Finished products	119 768	50 012
83 146	73 785	Consumable stores	73 785	83 146
663	1 140	Merchandise	1 140	663
203 175	285 890		285 890	203 175

On 30 June 2013 the impairment to inventories amounted to N$5.1 million (2012: N$4.6 million). The impairment is included in operating expenses in the statement of comprehensive income and is mainly due to redundant spares and changes in packaging design.

COMPANY 2012	COMPANY 2013		GROUP 2013	GROUP 2012
		10. TRADE AND OTHER RECEIVABLES		
100 186	135 941	Trade receivables	135 994	100 319
(5 506)	(725)	Allowance for credit losses	(725)	(5 506)
246 675	89 816	Receivables from Joint Ventures	90 543	247 010
2 273	3 998	Receivables from holding company and fellow subsidiaries (Note 28.1)	3 998	2 273
22 888	20 423	Receivables from other related parties (Note 28.2)	20 423	22 888
50 485	33 054	Value added taxation	33 054	50 485
12 768	13 300	Refundable deposits	13 300	12 768
3 918	5 416	Prepayments	5 416	3 918
18 938	4 904	Other receivables	4 904	18 938
452 625	306 127		306 907	453 093

Trade receivables are non-interest bearing and are generally on 30-60 days' terms.

For terms and conditions relating to related party receivables, refer to note 28.

Trade receivables are pledged as security for the medium term loan disclosed in note 14 and annexure A.

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		10. TRADE AND OTHER RECEIVABLES (Continued)		
		Movement in the allowance account for impairment losses:		
(6 437)	(5 506)	Balance at the beginning of the year	(5 506)	(6 437)
(486)	(632)	Charge for the year	(632)	(486)
17	4 588	Utilised	4 588	17
1 400	825	Unused/recovered amounts reversed	825	1 400
(5 506)	(725)	Balance at the end of the year	(725)	(5 506)
		Analysed as follows:		
(5 506)	(725)	Individually impaired trade receivables	(725)	(5 506)
0	0	Collectively impaired trade receivables	0	0
(5 506)	(725)		(725)	(5 506)

In determining the recoverability of a trade receivable, the Company and Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. See also note 30.3

The concentration of credit risk is limited and is fully detailed in note 30.3. The directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

Included in the allowance for doubtful debts are individually impaired trade receivables with a balance of N$489,000 (2012: N$5,237,000) against which the group has instituted legal action.

The impairment recognised represents the difference between the carrying amount of these trade receivable and the present value of the expected liquidation proceeds. The group does not hold any collateral over these balances.

COMPANY 2012	COMPANY 2013		GROUP 2013	GROUP 2012
		11. CASH AND CASH EQUIVALENTS		
47 072	37 379	Cash and bank	37 637	47 307
43 897	229 445	Funds on call	230 164	44 592
90 969	266 824	Cash and cash equivalents at end of the year	267 801	91 899

The carrying amount of these assets approximate their fair value.

COMPANY 2012	COMPANY 2013		GROUP 2013	GROUP 2012
		12. SUBORDINATED LOANS		
57 912	0	Balance at beginning of the year		
(57 912)	0	Decrease in current year		
0	0	Balance at end of the year		

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		13. SHARE CAPITAL		
		Ordinary - Authorised		
		299 000 000 shares of no par value (2012 - 299 000 000)		
		Ordinary - Issued		
1 024	1 024	206 529 000 shares of no par value (2012 - 206 529 000). All shares issued are fully paid.	1 024	1 024

The 92 471 000 unissued shares of the Company are under the control of the Directors in terms of a members' resolution dated 5 December 2012. In terms of the Companies Act, this authority expires at the forthcoming Annual General Meeting. Members will accordingly be asked to extend this said authority until the Annual General Meeting to be held in 2014. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share on meetings of the company.

14. INTEREST-BEARING LOANS AND BORROWINGS

This note provides information about the contractual terms of the Company and Group's interest-bearing loans and borrowings. For more information about the exposure to interest rate risk, see annexure A.

COMPANY 2012 N$ 000's	COMPANY 2013 N$ 000's		GROUP 2013 N$ 000's	GROUP 2012 N$ 000's
		Non-current liabilities		
		Secured		
260 000	0	Medium term loans (Annexure A)	0	260 000
5 693	9 231	Finance lease liabilities (Note 4) (Annexure A)	9 231	5 693
265 693	9 231		9 231	265 693
		Current liabilities		
		Secured		
0	260 000	Medium term loan (Annexure A)	260 000	0
125	422	Loans from related parties (Annexure A)	0	0
4 469	6 211	Finance lease liabilities (Annexure A) (Note 4)	6 211	4 469
4 594	266 633		266 211	4 469

For terms and conditions relating to related party receivables, refer to note 29 and Annexure A.

Movable assets
A General Notorial Bond has been registered over moveable assets to secure the Group and Company liability of R80.0 million.

15. RETIREMENT BENEFIT INFORMATION

15.1 Retirement fund

The total value of contributions to the Ohlthaver & List Retirement Fund during the period amounted to:

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
8 108	12 719	Members	12 719	8 108
12 740	18 447	Employer contributions	18 447	12 740
20 848	31 166		31 166	20 848

This is a defined contribution plan and is regulated by the Pension Fund Act. The fund is valued at intervals of not more than three years. The fund was valued by an independent consulting actuary at 30 June 2013 and its assets were found to exceed its actuarially calculated liabilities.

15.2 Post employment medical aid benefit plan

COMPANY 2012 N$ 000's	COMPANY 2013 N$ 000's		GROUP 2013 N$ 000's	GROUP 2012 N$ 000's
8 613	9 300	Balance at the beginning of the year	9 300	8 613
724	739	Interest cost	739	724
597	1 248	Actuarial gain	1 248	597
(634)	(678)	Benefits paid	(678)	(634)
9 300	10 609	Non-current balance at the end of the year	10 609	9 300

The Ohlthaver & List group provides for post employment medical aid benefits in respect of retired employees. The present value of the provision at 30 June 2013, as determined by using projected unit credit method was N$10.6 million (2012: N$9.3 million).

The principal actuarial assumptions used in determining post employment medical aid benefit obligations for the Group's plan are as follows:

COMPANY 2012	COMPANY 2013		GROUP 2013	GROUP 2012
8.75%	7.70%	Discount rate	7.70%	8.75%
7.75%	8.10%	Healthcare cost inflation	8.10%	7.75%
28	28	Members	28	28

COMPANY 2012	COMPANY 2013		GROUP 2013	GROUP 2012
		Sensitivity of results		
		1% increase in medical inflation assumption		
991	1 168	Accrued liability	1 168	991
10.7%	11.0%	% increase	11.0%	10.7%
819	877	Current service + interest cost in next year	877	819
11.0%	11.4%	% increase	11.4%	11.0%
		1% decrease in medical inflation assumption		
(848)	(993)	Accrued liability	(993)	(848)
(9.1%)	-9.4%	% decrease	-9.4%	(9.1%)
(668)	(710)	Current service + interest cost in next year	(710)	(668)
(9.5%)	-9.8%	% decrease	-9.8%	(9.5%)

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		15. RETIREMENT BENEFIT INFORMATION (Continued)		
		15.3 Severence benefit		
6 823	7 231	Balance at the beginning of the year	7 231	6 823
565	623	Current service costs	623	565
642	642	Interest cost	642	642
(687)	(78)	Actuarial gain	(78)	(687)
(112)	(82)	Benefits paid	(82)	(112)
7 231	8 336	Non-current balance at the end of the year	8 336	7 231
16 531	18 945	Total Retirement benefit liability	18 945	16 531
		The principal actuarial assumptions used in determining severence pay obligations for the Group is as follows:		
8.25%	8.20%	Discount rate	8.20%	8.25%
5.75%	5.80%	Inflation rate	5.80%	5.75%
5.75%	6.00%	Salary increase rate	6.00%	5.75%
		16. DEFERRED TAXATION		
		Deferred taxation liability		
99 913	126 752	Balance at beginning of the year	126 927	109 389
24 946	33 228	Accelerated depreciation for tax purposes	33 261	24 979
238	1 404	Debtors allowances	1 404	238
174	1 588	Consumables	1 588	174
(7 627)	(3 491)	Customer deposits	(3 491)	(7 627)
(1 063)	(2 672)	Other provisions	(2 672)	(1 063)
9 316	0	Lease and leaseback rentals	0	0
(245)	(1 795)	Other leases	(1 795)	(245)
838	1 004	Prepayments	1 004	820
(373)	(820)	Retirement and severance pay benefit obligations	(820)	(373)
635	1 974	Intangible assets	1 974	635
0	(4 623)	Effect of change in tax rate	(4 623)	0
26 839	25 797	Movement during the year	25 830	17 538
126 752	152 549		152 757	126 927
		Analysis of deferred taxation liability:		
144 963	178 191	Accelerated depreciation for tax purposes	178 417	145 156
(1 404)	0	Debtors allowances	0	(1 404)
4 579	6 167	Consumables	6 167	4 579
(7 627)	(11 118)	Customer deposits	(11 118)	(7 627)
0	0	Lease and leaseback rentals	0	0
(7 709)	(10 381)	Other provisions	(10 381)	(7 709)
(3 455)	(5 250)	Other leases	(5 250)	(3 455)
838	1 842	Prepayments	1 824	820
(5 621)	(6 441)	Retirement and severance pay benefit obligations	(6 441)	(5 621)
2 188	4 162	Intangible assets	4 162	2 188
0	(4 623)	Effect of change in tax rate	(4 623)	0
126 752	152 549		152 757	126 927

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		17. TRADE AND OTHER PAYABLES		
189 537	224 187	Trade and other payables	224 797	189 927
48 293	52 611	Excise duties	52 611	48 293
84 413	93 956	Accruals	93 956	84 473
22 432	32 701	Returnable packaging deposits	32 701	22 432
1 676	2 057	Payables to related parties (Note 28).	2 057	1 676
346 351	405 512		406 122	346 801
		Terms and conditions of the above financial liabilities:		
		For terms and conditions and balances owing to relating to related parties refer to note 28.		
		Trade payables are non-interest bearing and are normally settled on 30-60 day terms.		
		Accruals include leave, medical, bonus, electricity and management fee accruals.		
		18. DERIVATIVE FINANCIAL INSTRUMENTS		
71	(378)	Forward foreign exchange contract asset / (liability)	(378)	71
		Refer to note 31.2 for details of outstanding forward exchange contracts at year end.		
		19. REVENUE		
2 132 563	2 359 134	Sale of goods	2 359 155	2 132 596
(31 839)	(46 532)	Discounts allowed	(46 532)	(31 839)
59 005	70 456	Royalty income	70 456	59 005
0	0	Rent received	305	305
2 159 729	2 383 058		2 383 384	2 160 067
		20. OPERATING EXPENSES		
		Costs by nature		
988 150	1 051 378	Raw material and consumables	1 051 378	988 150
224 703	251 202	Employment costs	251 202	224 703
261 341	272 868	Administration and marketing expenses	273 057	264 099
142 121	170 349	Outbound railage and transport	170 349	142 121
34 789	37 021	Repairs and maintenance	37 021	34 789
77 125	100 223	Depreciation, amortisation and net of impairments	100 288	77 190
(1 500)	0	Reversal of impairment of loans	0	0
1 726 729	1 883 041		1 883 295	1 731 052

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		21. OPERATING PROFIT		
		is arrived at after taking account of		
		Income		
1 500	0	Impairment reversal of loans and investments	0	0
1 000	4 220	Net gains on disposal of plant and equipment	4 220	1 000
		Expenses		
		Audit fees		
1 175	1 250	- for statutory audit	1 250	1 175
787	1 342	- for other services	1 342	787
80 187	93 963	Depreciation	94 028	80 252
1 624	4 174	Amortisation - intangible asset	4 174	1 624
8 407	7 521	Directors' emoluments (Annexure D)	7 521	8 407
18 685	31 499	Management fees	31 499	18 685
2 819	2 713	Royalties paid	2 713	2 819
774	0	Technical fees	0	774
(6 353)	0	Realised loss on foreign exchange transactions	0	(6 353)
		Operating lease payments		
6 349	6 155	- land and buildings	6 155	6 349
(767)	500	Impairment / (reversal) of inventories	500	(767)
486	632	Impairment of trade receivables	632	486
(4 687)	0	Reversal of impairment of fixed assets	0	(4 687)

COMPANY 2012 N$ 000's	COMPANY 2013 N$ 000's		GROUP 2013 N$ 000's	GROUP 2012 N$ 000's
		22. FINANCE COSTS		
0	0	Bank interest	0	174
21 885	22 259	Interest bearing loans	22 259	21 885
1 174	1 389	Finance leases	1 389	1 174
4 883	0	Fellow subsidiaries and other related parties	0	0
27 942	23 648	Total finance costs	23 648	23 233

COMPANY 2012 N$ 000's	COMPANY 2013 N$ 000's		GROUP 2013 N$ 000's	GROUP 2012 N$ 000's
		23. FINANCE INCOME		
7 270	7 887	Interest - bank and funds on call	7 918	7 882
14 221	12 474	- jointly controlled entities	12 474	14 221
1 306	0	- fellow subsidiaries and other related parties	0	243
22 797	20 361	Total finance income	20 392	22 346

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		24. INCOME TAX EXPENSE		
		The major components of income tax expense for the years ended 30 June 2013 and 2012 are:		
(92 870)	(109 869)	Namibian taxation	(109 996)	(94 068)
(19 959)	(16 801)	South African taxation	(16 801)	(19 959)
(112 829)	(126 670)	Total income tax expense in income statement	(126 797)	(114 027)
		Comprising		
(66 004)	(84 072)	Normal taxation - current period: Namibia	(84 166)	(76 503)
(27)	0	- prior period: Namibia	0	(27)
(19 959)	(19 717)	- current period: South Africa	(19 717)	(19 959)
0	2 916	- prior period: South Africa	2 916	0
(26 839)	(25 797)	Deferred taxation - current period: Namibia	(25 830)	(17 538)
(112 829)	(126 670)	**Income tax expense**	(126 797)	(114 027)
		No provision for normal taxation has been made for certain subsidiaries which have estimated tax losses of N$35.9 million (2012: N$35.9 million). No deferred tax asset has been recognised for these calculated tax losses as it is uncertain that future taxable profits will be available against which the associated unused tax losses can be utilised.		
		Estimated tax losses available for		
0	0	Set-off against future taxable income	35 954	35 940
0	0	Less: Applied to offset any deferred taxation liability	0	0
0	0		35 954	35 940
0	0	Utilised to create deferred tax asset	0	0
0	0	Available to reduce future taxable income	35 954	35 940
%	%	**Reconciliation of effective tax rate**	%	%
34.0	34.0	Namibian normal tax rate	34.0	34.0
		(Reduction)/ increase in rate of taxation		
(0.2)	2.4	- exempt income	(1.0)	0.0
(7.4)	32.8	- manufacturing allowances	(14.4)	(9.4)
0	5.3	- decrease in tax rate	(2.3)	0
0.1	(0.4)	- disallowable expenditure	0.2	0.2
(0.1)	8.2	- effect of rate differential between tax jurisdictions	(3.6)	(0.2)
0	(226.7)	- impairment of investment in joint venture	0	0
0.0	0.0	- equity loss in joint venture	50.6	9.3
26.4	(144.5)	Effective rate of taxation	63.5	33.9

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		25. BASIC AND HEADLINE EARNINGS PER ORDINARY SHARE (RESTATED)		
		Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the parent by weighted average number of ordinary shares outstanding during the year.		
		Calculation of weighted average number of shares for basic earnings per share and dilutive earnings per share:		
206 529	206 529	Shares issued at beginning of period	206 529	206 529
0	0	Shares issued during the year to ordinary shareholders	0	0
206 529	206 529	Weighted average number of shares	206 529	206 529
		Profit attributable to ordinary shareholders	72 945	221 954
		Net impairment reversal on property, plant and equipment (after tax of N$2 415 000)	0	(4 687)
		Accumulated equity accounted losses from ongoing operations	109 002	92 147
		Accumulated equity accounted losses from deferred tax asset	188 089	0
		Net gain on the sale of property, plant and equipment (after tax)	(2 785)	(660)
		Headline earnings	367 251	308 754
		25.1 Basic earnings per ordinary share (cents)		
315 025	(214 312)	Profit attributable to ordinary shareholders	72 945	221 954
206 529	206 529	Weighted number of shares in issue (000's)	206 529	206 529
152.5	(103.8)	Basic earnings per ordinary share (cents)	35.3	107.5
		25.2 Headline earnings per ordinary share (cents)		
		Headline earnings	367 251	308 754
		Weighted average number of shares in issue (000's)	206 529	206 529
		Headline earnings per ordinary share (cents)	177.8	149.5
		During the prior year the equity accounted loss of the joint venture (N$92 147 000) was inadvertently omitted from the Headline earnings per share calculation. This resulted in Headline earnings per share being disclosed as 104.9 cents instead of 149.5 cents as shown above. The error does not have any other impact on the financial statements.		
		26. DIVIDENDS PAID AND PROPOSED		
		In respect of the 2013 financial year		
0	64 024	- interim (31 cents per share, paid 10 May 2013)	64 024	0
0	0	- final (31 cents per share, proposed)	0	0
		In respect of the 2012 financial year		
55 763	0	- interim (27 cents per share, paid 11 May 2012)	0	55 763
0	55 763	- final (27 cents per share, paid 23 November 2012)	55 763	0
		In respect of the 2011 financial year		
0	0	- interim (25 cents per share, paid 13 May 2011)	0	0
50 582	0	- final (25 cents per share, paid 18 November 2011)	0	50 582
106 345	119 787	Dividends to equity holders	119 787	106 345
		The dividends paid and proposed are shown after the elimination of dividends received from shares held in the NBL Share Purchase Trust.		
		Dividend paid per ordinary share (net of share purchase trust)		
24.5	27.0	Final dividend (cents)	27.0	24.5
27.0	31.0	Interim dividend (cents)	31.0	27.0
51.5	58.0		58.0	51.5

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		26. DIVIDENDS PAID AND PROPOSED (Continued)		
		Proposed dividend		
55 763	64 024	On 17 September 2013 the directors declared a final dividend of 31 cents (3 September 2012: 27 cents) per ordinary share. This dividend will be paid on 22 November 2013.	64 024	55 763
		27. NOTES TO THE CASH FLOW STATEMENTS		
		27.1 Cash generated by operations		
427 855	(87 642)	Profit before income tax	199 742	335 981
		Adjustments for:		
80 187	93 963	Depreciation	94 028	80 252
1 624	4 174	Amortisation	4 174	1 624
(1 000)	(4 220)	(Gain) on disposal of property plant and equipment	(4 220)	(1 000)
(1 500)	0	Impairment reversal of loan granted to subsidiary	0	0
(4 687)	0	Impairment reversal of plant and equipment	0	(4 687)
(796)	449	Fair value adjustment for derivative financial instruments	449	(796)
1 095	2 414	Increase in provisions	2 414	1 095
0	584 372	Impairment of investment in joint venture	0	92 147
0	0	Accumulated equity accounted losses from on-going operations	109 002	0
0	0	Accumulated equity accounted losses from deferred tax asset write-off	188 089	0
(22 797)	(20 361)	Finance income	(20 392)	(22 346)
27 942	23 648	Finance costs	23 648	23 233
507 923	596 797	Operating profit before working capital changes	596 934	505 503
(52 044)	(82 715)	Inventories	(82 715)	(52 044)
(121 478)	133 998	Trade and other receivables	133 686	(121 184)
34 436	58 711	Trade and other payables	58 871	30 809
0	0	Non-interest bearing loans and borrowings	0	0
(139 086)	109 994	Working capital changes	109 842	(142 419)
368 837	706 791	Cash generated by operations	706 776	363 084
		27.2 Dividends paid		
		Dividends paid are reconciled to the amounts disclosed in the statement of changes in equity as follows:		
(106 345)	(119 787)	Ordinary dividends per statement of changes in equity	(119 787)	(106 345)
		27.3 Income tax paid		
(10 272)	(4 788)	Balance at beginning of the year	(4 787)	(17 740)
(85 990)	(100 873)	Current tax charge	(100 968)	(96 489)
4 788	59	Balance at end of the year	59	4 787
(91 474)	(105 602)	Income tax paid during the year	(105 696)	(109 442)

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's

28. RELATED PARTIES

The immediate holding company of Namibia Breweries Limited is NBL Investment Holdings Limited of which the shareholding is held by Ohlthaver & List Finance and Trading Corporation Limited and Heineken International B.V. and Diageo plc.

The Company's ultimate holding Company is List Trust Company (Proprietary) Limited.

During the year the Company and the Group, in the ordinary course of business, entered into various sales, purchases and loan transactions with fellow subsidiaries and its holding company.

The following table provides the total amount of transactions, which have been entered into with related parties for the relevant financial year. For infromation regarding outsanding balances at 30 June 2013 and 2012, refer to notes 6, 7, 8, 10, 12, 14 and 17.

28.1 Holding company and fellow subsidiaries

Company 2012	Company 2013		Group 2013	Group 2012
		Current assets (note 10)		
27	0	Eros Air (Proprietary) Limited	0	27
0	0	Broll and List Property Management (Namibia) (Proprietary) Limited	0	0
38	35	Dimension Data (Proprietary) Limited	35	38
0	0	Kilimandjaro Investments (Proprietary) Limited	0	0
1 935	3 811	Namibia Dairies (Proprietary) Limited	3 811	1 935
55	40	Ohlthaver & List Centre (Proprietary) Limited	40	55
54	87	Olifa Hotels & Resorts Namibia (Proprietary) Limited	87	54
72	23	W.U.M. Properties Limited t/a Model Pick 'n Pay	23	72
40	0	W.U.M. Properties Limited t/a Namib Sun Hotels	0	40
0	0	W.U.M. Properties Limited t/a O & L Properties Division	0	0
0	0	Wernhill Park (Proprietary) Limited	0	0
0	2	O&L Energy (Proprietary) Limited	2	0
52	0	Hangana Seafood (Proprietary) Limited	0	52
2 273	3 998		3 998	2 273

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's

28. RELATED PARTIES (Continued)

28.1 Holding company and fellow subsidiaries (Continued)

Company 2012	Company 2013		Group 2013	Group 2012
		Revenue		
		Sales during the year		
45	56	Broll and List Property Management (Namibia) (Proprietary) Limited	56	45
1 157 226	1 250 549	DHN Drinks (Proprietary) Limited	1 250 549	1 157 520
13 616	8 739	Diageo Great Britain Limited	8 739	13 616
111 657	71 172	Diageo South Africa (Proprietary) Ltd	71 172	111 657
45	24	Hangana Seafood (Proprietary) Limited	24	45
88 278	87 115	Heineken South Africa Export Company (Proprietary) Ltd	87 115	88 278
243	0	Kilimandjaro Trading (Proprietary) Limited	0	243
1 625	2 703	Namibia Dairies (Proprietary) Limited	2 703	1 625
170	448	O&L Leisure (Proprietary) Limited	448	170
216	269	Ohlthaver & List Centre (Proprietary) Limited	269	216
180	0	Olifa Hotels & Resorts Namibi (Proprietary) Ltd	0	180
54	59	Wernhill Park (Proprietary) Limited	59	54
0	3	O&L Energy (Proprietary) Limited	3	0
0	0	W.U.M. Properties Limited t/a Kraatz Steel Division	0	0
301	337	W.U.M. Properties Limited t/a Model Pick 'n Pay	337	301
0	0	W.U.M. Properties Limited t/a Namib Sun Hotels	0	0
1 373 656	1 421 474		1 421 474	1 373 950
		Rent received		
0	0	W.U.M. Properties Limited t/a Model Pick 'n Pay	305	305
1 373 656	1 421 474	**Total Revenue from related parties**	1 421 779	1 374 255
		Current liabilities (note 18)		
481	496	Dimension Data (Proprietary) Limited	496	481
7	0	Hangana Seafood (Proprietary) Limited	0	7
120	125	ICT Holdings (Proprietary) Limited	125	120
0	3	Namibia Dairies (Proprietary) Limited	3	0
1 059	805	Ohlthaver & List Centre (Proprietary) Limited	805	1 059
0	230	Broll and List Property Management (Namibia) (Proprietary) Limited	230	0
0	392	O&L Energy (Proprietary) Limited	392	0
0	0	W.U.M. Properties Limited t/a O & L Farming Division	0	0
9	6	W.U.M. Properties Limited t/a Model Pick 'n Pay	6	9
1 676	2 057		2 057	1 676
		Purchases during the year		
115	113	Eros Air (Proprietary) Limited	113	115
1 249	1 306	ICT Holdings (Proprietary) Limited	1 306	1 249
27	30	Namibia Dairies (Proprietary) Limited	30	27
197	102	O&L Leisure (Proprietary) Limited	102	197
0	0	W.U.M. Properties Limited t/a Namib Sun Division	0	0
0	0	W.U.M. Properties Limited t/a O&L Properties Division	0	0
103	212	W.U.M. Properties Limited t/a Model Pick 'n Pay	212	103
1 691	1 763		1 763	1 691
		Interest received		
244	397	O&L Centre (Proprietary) Limited	397	244
14 221	12 474	DHN Drinks (Proprietary) Limited	12 474	14 221
1 062	0	CBONAB and SBN trusts	0	0
15 527	12 871		12 871	14 465

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		28. RELATED PARTIES (Continued)		
		28.1 Holding company and fellow subsidiaries (Continued)		
		Key management personnel		
		For directors' emoluments refer to Annexure D.		
		Interest paid		
4 883	0	CBONAB and SBN trusts	0	0
0	0	W.U.M. Properties Limited t/a O&L Properties Division	0	0
4 883	0		0	0
		Management and shared service fees paid		
13 575	25 955	Ohlthaver & List Trust Company Limited	25 955	13 575
		Directors' fees		
390	415	Ohlthaver & List Trust Company Limited	415	390
		28.2 Other related parties		
		Management fees paid		
2 555	2 772	Diageo Plc	2 772	2 555
2 555	2 772	Heineken International B.V.	2 772	2 555
5 110	5 544		5 544	5 110
		Royalties received		
60 594	70 456	DHN Drinks (Proprietary) Limited	70 456	60 594
(1 589)	0	Diageo South Africa (Proprietary) Limited	0	(1 589)
59 005	70 456		70 456	59 005
		Royalty expense		
2 819	2 713	Heineken International B.V.	2 713	2 819
		Directors' fees		
115	100	Engling, Stritter & Partners	100	115
320	220	Diageo Plc	220	320
238	180	Heineken International B.V.	180	238
673	500		500	673
		Current assets (note 10)		
3 084	1 938	Diageo Great Britain Limited	1 938	3 084
12 636	14 803	Diageo South Africa (Proprietary) Limited	14 803	12 636
7 168	3 682	Heineken South Africa Export Company (Proprietary) Limited	3 682	7 168
22 888	20 423		20 423	22 888
		Legal fees		
676	1 363	Engling, Stritter & Partners	1 363	676
		Technical fees		
774	0	Heineken International B.V.	0	774

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		28. RELATED PARTIES (Continued)		
		28.2 Other related parties (Continued)		
		Dividends received		
1 051	0	Share purchase trust	0	1 051

Subsidiaries

Details of the subsidiaries are disclosed in Annexure C.

Joint Venture

Details of the Joint Venture are disclosed in note 7.

Retirement benefit information and post employment medical aid benefit plan

Details of the above are disclosed in note 15.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made at normal market prices. Outstanding balances at year-end are unsecured, on 30-90 day terms, interest free and settlement occurs in cash.

For the year ended 30 June 2013, the Group did not have any impairment losses relating to amounts owed by related parties (2012: Nil) and the impairment of the NBL RSA (Pty) Ltd. remained the same at N$36.2 million (see Annexure C).

Directors interest

At the financial year end the directors were directly interested in the Company's issued shares as follows:

	GROUP 2013 %	GROUP 2012 %
Ordinary shares		
Directly	0.10	0.06
	0.10	0.06

No individual director has a direct shareholding in excess of 1% of the issued shares of the Company.

The Company has not been informed of any material changes in these holdings between year end and the date of this report.

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		29. CAPITAL COMMITMENTS AND CONTINGENCIES		
		Authorised		
63 980	28 260	Contracted for	28 260	63 980
182 250	141 139	Not contracted for	141 139	182 250
246 230	169 399		169 399	246 230
		These capital commitments are mainly for the acquisition of new plant and machinery.		
		This proposed capital expenditure is to be financed by own funds, and are expected to be settled in the following year.		
6 229	6 500	**Guarantees and suretyship**	6 500	6 229
		The suretyships are issued by First Rand Bank Limited in favour of the South African Revenue Services.		
		Finance lease liabilities		
		The Group has entered into finance leases on certain motor vehicles. These leases have fixed terms of repayments and purchase options. Lease payments are linked to prime variable interest rates. Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:		
		Minimum lease payments		
5 277	7 448	Within one year	7 448	5 277
6 212	10 313	After one year but not more than five years	10 313	6 212
11 489	17 761	Total minimum lease payments	17 761	11 489
(1 328)	(2 319)	Less amounts representing finance charges	(2 319)	(1 328)
10 161	15 442	Principal minimum lease payments	15 442	10 161

Repurchase obligation
There exists a potential repurchase obligation relating to the Group's Joint Venture in South Africa. The potential obligation arises from a change in product mix or the Joint Venture agreement terminating, necessitating a repurchase of the distribution rights by the Group. The Directors are of the opinion that in substance this obligation is a derivative over a non-financial asset and as such is assessed in terms of IAS 37: Provisions, Contingent Liabilities and Contingent Assets. The obligation only arises upon termination of the agreement and, in the opinion of the Directors cannot be reliably measured at the reporting date. The Directors have assessed the probability of the contract being terminated in the foreseeable future and consider this as being unlikely.

Joint Venture - proposed transaction (note 7)
As of the date of these Finance Statements, there are on-going discussions surrounding a proposed transaction which involves a restructuring of existing arrangements between Diageo Highlands Holdings B.V ("Diageo"), Heineken International B.V. ("Heineken") and NBL ("the parties") in South Africa. Through this transaction DHN Drinks (Pty) Ltd ("DHN"), the shareholders of which are Diageo, a subsidiary of Diageo Plc, Heineken, a subsidiary of Heineken N.V. and NBL, intend to acquire 100% of the issued share capital of Sedibeng Brewery (Pty) Limited ("Sedibeng"), which owns the Sedibeng brewery, the current shareholders of which are Heineken and Diageo.

Whilst negotiations are still in progress, it is possible that DHN may require a proportion of shareholder funding for this proposed transaction. Where such shareholder funding is requested by DHN, NBL will simultaneously raise additional financing to fund such a possible funding request.

DHN Funding obligation
Each financial year the shareholders of DHN shall estimate the amount of funding required by DHN. Each shareholder is then required to provide this funding in proportion to its shareholding. In the current financial year, the group's share of the funding requirement was N$293.6m (2012: N$94.5m)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principle financial instruments, other than derivatives, comprise bank loans, loans to and from holding company and fellow subsidiaries, leases and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The Group also enters into derivative transactions such as forward exchange contracts. The reason for this is to manage the currency risk from the Group's operations. As a matter of principle, the Group does not enter into derivative contracts for speculative purposes.

The fair value of foreign exchange forward contracts represents the estimated amounts that the company would receive, should the contracts be terminated at the reporting date, thereby taking into account the unrealised gains or losses.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. The board reviews and agrees policies for managing each of these risks.

30.1 Foreign currency risk
The Group has transactional currency exposures. Such exposures arise from purchases of raw materials and sales of the Group's products in a currency other than the Group's functional currency.

The Group appropriately hedges foreign purchases in order to manage its foreign currency exposure. The Group does not apply hedge accounting. Forward exchange contracts are entered into in order to manage the Group's exposure to fluctuations in foreign currency exchange rates on foreign transactions. Refer note 31.2 for unutilised forward exchange contracts and uncovered foreign trade receivables and payables at year end.

30.2 Interest rate risk
The Group is exposed to interest rate risk as it borrows and places funds at floating interest rates. The risk is managed by maintaining an appropriate mix between fixed and floating borrowings and placings within market expectations.

Refer to Annexure A and note 31.3 for further detail on interest rates.

30.3 Credit risk
Financial assets which potentially subject the Group to a concentration of credit risk consist principally of cash, funds on call and trade receivables. The Group's cash equivalents and funds on call are placed with high credit quality financial institutions. Trade receivables are stated at their cost less impairment losses. The Group's single largest customer is DHN Drinks (Pty) Ltd. The Group has no other significant concentration of credit risk or significant exposure to any individual customer or counterparty.

The Group's exposure to credit risk arises from possible default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. In respect of possible default by a counterparty, the Group holds collateral as security in the amount of N$ Nil (2012: Nil).

Management monitors adherence to payment terms by the joint venture, on a monthly basis. Financial performance and projected cash flows of the joint venture are monitored on a monthly basis to ensure recoverability of all amounts.

The granting of credit is made on application and is approved by management. At year-end the company did not consider there to be any significant concentration of credit risk or significant exposure to any individual customer or counter party which has not been adequately provided for.

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

30.3 Credit risk (Continued)

Major concentrations of credit risk that arise from the Group's receivables in relation to the location of the customers by the percentage of total receivables from customers are:

	GROUP 2013	GROUP 2012
	%	%
Namibia	53.60	21.1
RSA	32.00	68.5
Other export markets	14.40	10.4
	100.00	100.0

As at 30 June, the ageing of trade receivables is as follows:

		Original terms	Changed terms	Past due but not impaired		
	Total	Neither past due nor impaired	Neither past due nor impaired	0 - 60 days	60 - 120 days	120 + days
GROUP	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000
2013	250 233	214 557	0	5 732	7 123	22 821
2012	366 984	347 258	0	5 394	3 864	10 468
COMPANY						
2013	249 453	213 777	0	5 732	7 123	22 821
2012	366 515	346 789	0	5 394	3 864	10 468

30.4 Liquidity risk

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

Borrowing capacity is assessed by the directors of the Company. The directors consider a ratio of not higher than 50% of shareholders' equity as conservative.

	GROUP 2013	GROUP 2012
50% of Shareholder's Equity	430 236	453 657
Less total interest bearing borrowings	(275 442)	(270 162)
Unutilised borrowing capacity	154 794	183 495

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

30.5 Capital risk management

The Company and Group manages its capital to ensure that entities in the group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The company's and group's overall strategy remains unchanged from the prior year.

The capital structure of the company and group consists of debt, which includes the borrowings disclosed in note 14, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital reserves and retained earnings.

Gearing ratio

The company's and group's management committee reviews the capital structure on a semi-annual basis. Consistent with others in the industry, the group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

The gearing ratio at the year end was as follows:

COMPANY 2012	COMPANY 2013		GROUP 2013	GROUP 2012
270 162	275 442	Debt (i)	275 442	270 162
(90 969)	(266 824)	Less: Cash and cash equivalents	(267 801)	(91 899)
179 193	8 618	Net debt	7 641	178 263
1 193 245	859 145	Equity (ii)	860 471	907 313
15%	1%	Net debt to equity ratio	1%	20%

(i) Debt is defined as long- and short-term borrowings.

(ii) Equity includes all capital and reserves of the company.

31. FINANCIAL INSTRUMENTS

31.1 Fair values

The fair value of all financial instruments are substantially identical to the carrying amounts reflected in the balance sheet.

31. FINANCIAL INSTRUMENTS (Continued)
31.2 Hedging activities and foreign currency risk

Forward exchange contracts are entered into with banks but are not designated as hedges for specific purchases. If contract rates are more favourable than the spot rate, on the date of payment of foreign creditors, they will be used. The maturity date represents the date when the contract must be exercised if it is not exercised before this date. The following table summarises, by major currency, the unutilised forward exchange contracts and amounts to be paid/ received in foreign currency, for the Group and Company:

	Maturity date	Foreign amount 2013 '000	Foreign amount 2012 '000	Exchange rate 2013	Exchange rate 2012	Namibian Dollar amount 2013 N$ '000	Namibian Dollar amount 2012 N$ '000
Forward exchange contracts:							
Bought:							
Euro	1 - 12 months	1 200	1 501	13.15	10.58	15 778	15 876

These contracts will be utilised during the next twelve months. No amounts were recognised during the year against equity as a result of cash flow hedges.

	Foreign amount 2013 '000	Foreign amount 2012 '000	Exchange rate 2013	Exchange rate 2012	Namibian Dollar amount 2013 N$ '000	Namibian Dollar amount 2012 N$ '000
Foreign trade receivables:						
US Dollars	658	1 017	9.96	8.41	6 558	8 556
Euro	52	406	13.01	10.48	676	4 259
British Sterling	51	0	15.19	0	775	0
Canadian Dollar	33	0	10.39	0	342	0
					8 351	12 815
Foreign trade payables:						
US Dollars	1.5	30	9.96	8.41	15	256
Euro	761	6 704	13.01	10.48	9 897	70 256
Swiss Franc	23	0	9.37	N/A	220	0
					10 132	70 512

COMPANY for the year ended 30 June 2012 Restated N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 Restated N$ 000's
		Foreign currency sensitivity analysis		
		The Group is primarily exposed to the currency of the European Central Bank (Euro).		
		The following table details the company's sensitivity to a 10% increase and decrease in the Namibia Dollar (N$) against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel an represents management's assessment of the reasonably possible change in foreign exchange rates.		
		Below, a positive number indicates an increase in profit, a negative number indicates a decrease in profit based on the Namibia Dollar strengthening 10% against the relevant currency. For a 10% weakening of the Namibia Dollar against the relevant currency, there would be an equal and opposite impact on the profit and other equity.		
		Effect on profit before taxation		
5 012	(656)	Euro	(656)	5 012
0	78	British Sterling	78	0
830	654	US Dollars	654	830
0	34	Canadian Dollars	34	0
0	(22)	Swiss Franc	(22)	0
5 842	88		88	5 842
0	0	**Effect on equity**	0	0

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31. FINANCIAL INSTRUMENTS (Continued)
31.3 Maturity profile

The following tables detail the Group and Company's remaining contractual maturity for its financial liabilities and assets. The tables have been drawn up based on the undiscounted cash flows based on the earliest date on which the Group and Company can be required/anticipate to incur and outflow/inflow. The table includes both interest and principal cash flows.

	Effective interest rate	1 year N$ '000	2 years N$ '000	3-5 years N$ '000	5 years + N$ '000	Total N$ '000
2013 - Group						
Financial assets						
Cash and cash equivalents	6.75%	267 801	0	0	0	267 801
Trade and other receivables	0.00%	283 377	0	0	0	283 377
Other investments	0.00%	0	0	0	14	14
		551 178	0	0	14	551 192
Financial liabilities						
Interest-bearing liabilities	Ref. Anex. A	284 437	5 433	4 880	0	294 750
Trade and other payables	0.00%	330 543	0	0	0	330 543
Derivative financial instruments	0.00%	378	0	0	0	378
		615 358	5 433	4 880	0	625 671
2012 - Group						
Financial assets						
Cash and cash equivalents	6.75%	91 899	0	0	0	91 899
Derivative financial instruments	0.00%	71	0	0	0	71
Loans to joint venture	JIBAR +2.0%	0	0	100 605	0	100 605
Trade and other receivables	0.00%	366 983	0	0	0	366 983
Other investments	0.00%	0	0	0	14	14
		458 953	0	100 605	14	559 572
Financial liabilities						
Interest-bearing liabilities	Ref. Anex. A	5 277	264 090	2 122	0	271 489
Trade and other payables	0.00%	267 969	0	0	0	267 969
		273 246	264 090	2 122	0	539 458

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31. FINANCIAL INSTRUMENTS (Continued)
31.3 Maturity profile (Continued)

	Effective interest rate	1 year N$ '000	2 years N$ '000	3-5 years N$ '000	5 years + N$ '000	Total N$ '000
2013 - Company						
Financial assets						
Cash and cash equivalents	6.75%	266 824	0	0	0	266 824
Trade and other receivables	0.00%	282 876	0	0	0	282 876
Other investments	0.00%	0	0	0	14	14
		549 700	0	0	14	549 714
Financial liabilities						
Interest-bearing liabilities	Ref. Anex. A	284 437	5 433	4880	0	294 750
Trade and other payables	0.00%	329 933	0	0	0	329 933
Derivative financial instruments		378	0	0	0	378
		614 748	5 433	4880	0	625 061
2012 - Company						
Financial assets						
Cash and cash equivalents	6.75%	90 969	0	0	0	90 969
Derivative financial instruments	0.00%	71	0	0	0	71
Loans to joint venture	JIBAR +2.0%	0	0	100 605	0	100 605
Trade and other receivables	0.00%	366 983	0	0	0	366 983
Other investments	0.00%	0	0	0	14	14
		458 023	0	100 605	14	558 642
Financial liabilities						
Interest-bearing liabilities	Ref. Anex. A	5 402	264 090	2 122	0	271 614
Trade and other payables	0.00%	267 519	0	0	0	267 519
		272 921	264 090	2 122	0	539 133

Interest rate sensitivity analysis

Refer to Annexure A.

COMPANY for the year ended 30 June 2012 N$ 000's	COMPANY for the year ended 30 June 2013 N$ 000's		GROUP for the year ended 30 June 2013 N$ 000's	GROUP for the year ended 30 June 2012 N$ 000's
		31. FINANCIAL INSTRUMENTS (Continued)		
		31.4 Carrying value of financial instruments on the statement of financial position		
		Financial assets		
		Derivative instruments at fair value through profit or loss		
71	0	- Forward foreign exchange contracts (note 19)	0	71
		Loans and receivables		
0	0	- Subordinated loans (note 13)	0	0
0	0	- Loans to subsidiaries (note 6)	0	0
0	0	- Loans (note 8)	0	0
100 605	0	- Loans to joint venture (note 7)		100 605
366 983	282 876	- Trade and other receivables (note 10)	283 377	366 983
90 969	266 824	- Cash and cash equivalents (note 11)	267 801	91 899
558 557	549 700		551 178	559 487
		Available-for-sale financial assets		
14	14	- Available-for-sale investments (note 8)	14	14
		Financial liabilities		
		Derivative instruments at fair value through profit or loss		
0	378	- Forward foreign exchange contracts (note 18)	378	0
		Amortised cost		
267 519	329 933	- Trade and other payables (note 17)	330 543	267 969
270 287	275 442	- Interest bearing loans and borrowings (note 14)	275 442	270 162
537 806	605 375		605 985	538 131

Fair values of financial instruments that are not the same as the carrying amounts are detailed in note 31.1.

32. SHARE BASED PAYMENTS

Share options are granted to senior management based on the year's service to the company and the employment grade. The share trust is not active as the last shares were granted in 2000. The Group elected the exemption previously under IFRS 1, paragraph 25(B) not to apply IFRS 2 on share based payments for equity instruments that were granted on or before 7 November 2002. List Trust Company (Proprietary) Limited, the ultimate holding company, manages and consolidates the trust in their financial statements. The trust effectively closed down during the prior year and the loan to the trust was repaid.

33. DIVISIONAL REPORTING

The Chief Operating Decision Maker reviews the financial results of the Group as a whole. Therefore the Group, in terms of IFRS 8, only has one segment. Further divisional information has been provided as additional information.

Information about these divisions is presented below:

	BEER		SOFTS		RTD'S		OTHER		TOTAL	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	N$ 000's	N$ 000's	N$ 000's	N$ 000's	N$ 000's	N$ 000's	N$ 000's	N$ 000's	N$ 000's	N$ 000's
Division revenue	2 044 668	1 870 923	108 586	76 161	220 199	199 355	9 931	13 628	2 383 384	2 160 067
Division expenses	(1 593 105)	(1 491 063)	(103 593)	(73 412)	(186 557)	(163 646)	(40)	(2 931)	(1 883 295)	(1 731 052)
Division results	451 563	379 860	4 993	2 749	33 642	35 709	9 891	10 697	500 089	429 015
Unallocated corporate expenses									0	0
Operating profit									500 089	429 015
Finance costs									(23 648)	(23 233)
Finance income									20 392	22 346
Equity loss from Joint Venture									(297 091)	(92 147)
Profit before taxation									199 742	335 981
Taxation									(126 797)	(114 027)
Profit attributable to ordinary shareholders									72 945	221 954

ANNEXURE A
SECURED INTEREST-BEARING, LOANS AND BORROWINGS

	EFFECTIVE INTEREST RATE			COMPANY		GROUP	
	2013 %	2012 %	Maturity date	2013 N$ 000's	2012 N$ 000's	2013 N$ 000's	2012 N$ 000's
PREFERENCE SHARE CAPITAL							
Authorised							
1 000 000 Variable rate redeemable preference shares of N$0.50 each				500	500	500	500
LOANS FROM RELATED PARTIES							
Fixed rate instruments							
- Northgate Properties (Proprietary) Limited		0.00	No repayment terms	422	125		
Less: Current portion included in short-term interest-bearing borrowings				(422)	(125)		
Long-term portion of loans from related parties				0	0		
MEDIUM TERM LOAN							
Variable rate instruments							
- ABSA Bank Limited repayable in instalments commencing in January 2014. Secured by a General Notorial Bond over moveable assets to the value of R80 000 000. (Note 14)	JIBAR +2.15%		01/06/2014	80 000	80 000	80 000	80 000
- FirstRand Bank Limited repayable in instalments commencing in September 2013	JIBAR +1.85%		01/06/2014	180 000	180 000	180 000	180 000
Less: Current portion included in short-term interest-bearing borrowings				(260 000)	0	(260 000)	0
Long-term portion of medium term loans				0	260 000	0	260 000
FINANCE LEASE LIABILITIES							
Variable rate instruments							
- Repayable in monthly instalments of N$489 000 (201: N$439 000)	9.75	9.75		15 442	10 162	15 442	10 162
Less: Current portion included in short-term interest-bearing borrowings				(6 211)	(4 469)	(6 211)	(4 469)
Long-term portion of finance lease liabilities				9 231	5 693	9 231	5 693
TOTAL NON-CURRENT INTEREST-BEARING BORROWINGS				9 231	265 693	9 231	265 693

ANNEXURE A
SECURED INTEREST-BEARING, LOANS AND BORROWINGS (CONT.)

	COMPANY		GROUP	
	2013 N$ 000's	2012 N$ 000's	2013 N$ 000's	2012 N$ 000's
ANALYSIS OF REPAYMENTS INCLUDING INTEREST				
Repayable within:				
year 1	284 437	5 402	284 437	5 277
year 2	5 433	264 090	5 433	264 090
year 3	3 340	1 807	3 340	1 807
year 4	1 453	315	1 453	315
Repayable thereafter	87	0	87	0
	294 750	271 614	294 750	271 489
ANALYSIS BY CURRENCY				
South Africa Rands	260 000	260 000	260 000	260 000
Namibia Dollars	34 750	11 614	34 750	11 489

INTEREST RATE SENSITIVITY ANALYSIS

The sensitivity analyses have been determined based on the exposure to interest rates for non-derivative instruments at the reporting date. For variable rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 100 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher or lower and all other variables were held constant:

	COMPANY 2013	COMPANY 2012	GROUP 2013	GROUP 2012
Interest received:				
- profit before tax for the year would decrease/increase by:	4 735	4 009	4 735	3 249
- other equity reserves would decrease/increase by:	0	0	0	0
Interest paid				
- profit before tax for the year would decrease/increase by:	(3 535)	(4 749)	(3 535)	(4 877)
- other equity reserves would decrease/increase by:	0	0	0	0

ANNEXURE B
PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings N$ 000's	Leasehold land and buildings N$ 000's	Plant and machinery N$ 000's	Vehicles N$ 000's	Furniture and equipment N$ 000's	Returnable containers N$ 000's	Assets under construction N$ 000's	Total N$ 000's
GROUP								
2013								
Cost								
Balance at beginning of the year	135 132	6 027	756 099	52 027	37 471	127 307	124 212	1 238 275
Additions	8 733	23	64 448	19 029	4 109	41 298	0	137 640
Disposals	(4 852)	0	(14 156)	(8 333)	(361)	0	(811)	(28 513)
Other movements	5 141	0	72 439	0	2 261	0	(87 773)	(7 932)
Balance at end of the year	144 154	6 050	878 830	62 723	43 480	168 605	35 628	1 339 470
Accumulated depreciation								
Balance at beginning of the year	26 474	2 573	304 296	32 851	22 439	49 879	0	438 512
Depreciation charges	1 607	546	49 992	9 049	4 263	28 571	0	94 028
Accumulated depreciation on disposals	(508)	0	(13 542)	(6 349)	(354)	0	0	(20 753)
Balance at end of the year	27 573	3 119	340 746	35 551	26 348	78 450	0	511 787
Carrying amount at end of the year	116 581	2 931	538 084	27 172	17 132	90 155	35 628	827 683
2012								
Cost								
Balance at beginning of the year	115 925	6 186	542 301	51 056	35 010	98 651	189 591	1 038 720
Additions	15 737	0	60 235	10 032	2 195	28 656	92 563	209 418
Disposals	0	(159)	(130)	(9 061)	(22)	0	(491)	(9 863)
Other movements	3 470	0	153 693	0	288	0	(157 451)	0
Balance at end of the year	135 132	6 027	756 099	52 027	37 471	127 307	124 212	1 238 275
Accumulated depreciation								
Balance at beginning of the year	31 110	2 162	260 895	31 548	18 535	25 896	0	370 146
Depreciation charges	963	546	42 561	8 285	3 913	23 984	0	80 252
Accumulated depreciation on disposals	0	(135)	(73)	(6 981)	(9)	0	0	(7 198)
Impairment charge/(reversal)	(5 600)	0	913	0	0	0	0	(4 687)
Other movements	1	0	0	(1)	0	0	0	0
Balance at end of the year	26 474	2 573	304 296	32 851	22 439	49 880	0	438 513
Carrying amount at end of the year	108 658	3 454	451 803	19 176	15 032	77 427	124 212	799 762

ANNEXURE B
PROPERTY, PLANT AND EQUIPMENT (CONT.)

	Freehold land and buildings N$ 000's	Leasehold land and buildings N$ 000's	Plant and machinery N$ 000's	Vehicles N$ 000's	Furniture and equipment N$ 000's	Returnable containers N$ 000's	Assets under construction N$ 000's	Total N$ 000's
COMPANY								
2013								
Cost								
Balance at beginning of the year	135 132	3 869	756 099	52 027	37 471	127 307	124 212	1 236 117
Additions	8 733	23	64 448	19 029	4 109	41 298	0	137 640
Disposals	(4 852)	0	(14 156)	(8 333)	(361)	0	(811)	(28 513)
Other movements	5 141	0	72 439	0	2 261	0	(87 773)	(7 932)
Balance at end of the year	144 154	3 892	878 830	62 723	43 480	168 605	35 628	1 337 312
Accumulated depreciation								
Balance at beginning of the year	26 474	1 694	304 296	32 851	22 439	49 880	0	437 634
Depreciation charges	1 607	481	49 992	9 049	4 263	28 571	0	93 963
Accumulated depreciation on disposals	(508)	0	(13 542)	(6 349)	(354)	0	0	(20 753)
Balance at end of the year	27 573	2 175	340 746	35 551	26 348	78 451	0	510 844
Carrying amount at end of the year	116 581	1 717	538 084	27 172	17 132	90 154	35 628	826 468
2012								
Cost								
Balance at beginning of the year	115 925	4 028	542 301	51 056	35 010	98 651	189 591	1 036 562
Additions	15 737	0	60 235	10 032	2 195	28 656	92 563	209 418
Disposals	0	(159)	(130)	(9 061)	(22)	0	(491)	(9 863)
Other movements	3 470		153 693	0	288	0	(157 451)	0
Balance at end of the year	135 132	3 869	756 099	52 027	37 471	127 307	124 212	1 236 117
Accumulated depreciation								
Balance at beginning of the year	31 110	1 348	260 895	31 548	18 535	25 896	0	369 332
Depreciation charges	963	481	42 561	8 285	3 913	23 984	0	80 187
Accumulated depreciation on disposals	0	(135)	(73)	(6 981)	(9)	0	0	(7 198)
Impairment charge/(reversal)	(5 600)	0	913	0	0	0	0	(4 687)
Other movements	1	0	0	(1)	0	0	0	0
Balance at end of the year	26 474	1 694	304 296	32 851	22 439	49 880	0	437 634
Carrying amount at end of the year	108 658	2 175	451 803	19 176	15 032	77 427	124 212	798 483

GROUP & COMPANY

The carrying amount of motor vehicles held under finance leases at 30 June 2013 was N$14,999,000 (2012 : N$10,033,000). Additions during the year include N$ 5,113,000 (2012: N$7,455,000) of motor vehicles held under finance leases.

ANNEXURE B
INTANGIBLE ASSETS

	20% Automation processes 2013 N$ 000's	33% Externally purchased software licences 2013 N$ 000's	Total 2013 N$ 000's	26% Automation processes 2012 N$ 000's	33% Externally purchased software licences 2012 N$ 000's	Total 2012 N$ 000's
GROUP						
Cost						
Balance at beginning of the year	3 005	6 301	9 306	3 005	2 807	5 812
Additions	79	1 971	2 050	0	3 494	3 494
Other movements	7 932	0	7 932	0	0	0
Balance at end of the year	11 016	8 272	19 288	3 005	6 301	9 306
Accumulated amortisation						
Balance at beginning of the year	1 052	1 818	2 870	451	795	1 246
Amortisation charges	2 191	1 983	4 174	601	1 023	1 624
Balance at end of the year	3 243	3 801	7 044	1 052	1 818	2 870
Carrying amount at end of the year	7 773	4 471	12 244	1 953	4 483	6 436
COMPANY						
Cost						
Balance at beginning of the year	3 005	6 301	9 306	3 005	2 807	5 812
Additions	79	1 971	2 050	0	3 494	3 494
Other movements	7 932	0	7 932	0	0	0
Balance at end of the year	11 016	8 272	19 288	3 005	6 301	9 306
Accumulated amortisation						
Balance at beginning of the year	1 052	1 818	2 870	451	795	1 246
Amortisation charges	2 191	1 983	4 174	601	1 023	1 624
Balance at end of the year	3 243	3 801	7 044	1 052	1 818	2 870
Carrying amount at end of the year	7 773	4 471	12 244	1 953	4 483	6 436

Amortisation periods are reviewed at the end of each financial year. If the expected useful life of the asset differ from previous estimates, the amortisation period shall be changed accordingly. The amortisation charge is recognised in the operating expenses in the income statement.

ANNEXURE C
INTEREST IN SUBSIDIARIES

Subsidiary Company	Country of Incorporation	Issued Capital N$ 000's	Effective Holding 2013 %	Effective Holding 2012 %	Interest of Holding Company: Shares 2013 N$ 000's	Shares 2012 N$ 000's	Indebtedness 2013 N$ 000's	Indebtedness 2012 N$ 000's
BEVERAGES								
Hansa Brauerei (Proprietary) Limited	Namibia	160	100	100	160	160	(160)	(160)
Namibia Breweries South Africa (Proprietary) Limited	South Africa	0	100	100	0	0	36 199	36 199
PROPERTY								
Northgate Properties (Proprietary) Limited	Namibia	0	100	100	828	828	(422)	(125)
Northgate Exports (Proprietary) Limited	Namibia	0	100	100	0	0	0	0
Accumulated loan impairment							(36 199)	(36 199)
					988	988	(582)	(285)

Trading activities of Namibia Breweries South Africa (Proprietary) Limited substantially changed in May 2008, which has resulted in the assessment that the subsidiary might not be able to pay back borrowed monies.

ANNEXURE D
DIRECTORS' EMOLUMENTS

	Directors' fees 2013 N$ 000's	Salary 2013 N$ 000's	Bonuses 2013 N$ 000's	Other Benefits 2013 N$ 000's	Pension/ Medical Aid 2013 N$ 000's	Total 2013 N$ 000's	Total 2012 N$ 000's
Executive directors							
B Kidner	0	1 386	701	627	384	3 098	2 801
D van Jaarsveld	0	0	0	0	0	0	669
J Fitzgerald	0	0	0	0	0	0	2 996
H van der Westhuizen	0	1 232	800	1 028	298	3 358	600
Non-executive directors							
BHW Masche	70	0	0	0	0	70	80
CL List	80	0	0	0	0	80	80
E Ender	80	0	0	0	0	80	65
G Mahinda	70	0	0	0	0	70	65
HB Gerdes	100	0	0	0	0	100	115
JJ Campbell	0	0	0	0	0	0	41
NB Blazquez	70	0	0	0	0	70	110
S Baraz	0	0	0	0	0	0	55
P Grüttemeyer	110	0	0	0	0	110	120
S Thieme	155	0	0	0	0	155	170
TA de Man	0	0	0	0	0	0	43
TZ Hijarunguru	0	0	0	0	0	0	100
Z Mina	0	0	0	0	0	0	83
S Heimstra	60	0	0	0	0	60	92
L van der Borght	50	0	0	0	0	50	50
M Kromat	80	0	0	0	0	80	49
D Leleu	70	0	0	0	0	70	13
L Mcleod-Katjirua	70	0	0	0	0	70	10
Total emoluments	1 065	2 618	1 501	1 655	682	7 521	8 407

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 92nd Annual General Meeting of shareholders of the Company will be held in the auditorium of Namibia Breweries Limited, Namibia Breweries premises, Iscor Street, Northern Industrial Area, Windhoek on Wednesday 4 December 2013 at 09h00 for the following purposes:

1. To receive and consider, and if approved, adopt the Group Annual Financial Statements and the Report of the Independent Auditors for the financial year ended 30 June 2013 as submitted, and to confirm all matters and things undertaken and discharged by the directors on behalf of the Company.

2. To elect directors Messrs S Thieme, H-B Gerdes, and E Ender who retire by rotation in accordance with the Company's Articles of Association but, being eligible, offer themselves for re-election.

3. Confirmation of the appointment of directors subsequent to the previous year end: J Milliken and G Mouton.

4. To approve the directors remuneration as set out in the financial report.

5. To authorise the directors to re-appoint the auditors and to determine the auditors' remuneration.

6. To place the unissued 92 471 000 ordinary shares of no par value of the Company under the control of the directors who shall be authorised to allot all or any of those shares at their discretion on such terms and conditions and at such times as they may deem fit.

7. To confirm the payment of a final dividend of 31.0 cents, which had been approved by the directors, to the holders of ordinary shares, registered in the books of the Company at the close of business on 1 November 2013 and payable on 22 November 2013.

8. To transact such other business as may be transacted at an Annual General Meeting. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his or her stead. A proxy need not also be a member of the Company. In order to be effective, proxy forms should be forwarded to reach the registered office of the Company not less than 48 hours prior to the time for the holding of the meeting.

By order of the Board
Ohlthaver and List Centre (Proprietary) Limited Secretaries

Windhoek
23 September 2013

Shareholders' Diary
Annual General Meeting: Wednesday, 4 December 2013 at 09:00

Reports Published

Interim Financial Report	15 March 2013
Abridged Financial Report	19 September 2013
Annual Financial Statements	21 October 2012

Dividends	Declared	Payable
Interim	12 April 2013	10 May 2013
Final	17 September 2013	22 November 2013

PROXY FORM

for the 92nd Annual General Meeting of NAMIBIA BREWERIES LIMITED
Registration number 2/1920

The Secretaries
Namibia Breweries Limited
PO Box 16, Windhoek, Namibia

I/We...(name in full)
of...(address)
being a shareholder of..(no. of shares) of the above mentioned Company hereby appoint
(a)...(name); or failing him/her
(b)...(name); or failing him/her
(c)...(name).

or failing him/her, the chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the 92nd Annual General Meeting of the Company to be held in the auditorium of Namibia Breweries Limited, Namibia Breweries premises, Iscor Street, Northern Industrial Area, Windhoek on Thursday 4 December 2013 at 09h00 and at any adjournment thereof, in particular to vote for/against/abstain* the resolutions contained in the notice of the meeting.

I/we desire as follows:

Item Number *	For	Against	Abstain
1. Adoption of the annual financial statements			
2. Re-election of retiring directors			
S Thieme			
H-B Gerdes			
E Ender			
3. Confirm appointment of new directors			
J Milliken			
G Mouton			
4. Approval of director's remuneration			
5. Authorisation of directors to re-appoint the auditors and approve auditors' remuneration			
6. General authority to the directors to allot and issue shares			
7. Confirmation of the final dividend			

*Please indicate by inserting an (X') in the appropriate block either "for/against/abstain". If no indication is given, the proxy may vote as he/she deems fit.

Signed at...this.............................day of 2013.   Signature(s) of shareholder...

NOTES TO THE PROXY

1. A member entitled to attend and vote at the aforementioned meeting is entitled to appoint a proxy (who need not be a member of the company) to attend, speak and, on a poll, to vote in his/her stead.
2. Shareholders who wish to appoint proxies must lodge their proxy forms at the registered office of the Company not later than 09h00 on Monday 2 December 2013.
3. In respect of shareholders which are companies, an extract of the relevant resolution of directors must be attached to the proxy form.

Namibia Breweries Limited

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www.namibiabreweries.com

Designed by Weathermen & Co.