# Notes to the company financial statements CONTINUED

**FOR THE YEAR ENDED 30 SEPTEMBER**

| | | 2020 Rm | 2019 Rm |
|---|---|---|---|
| 16 | **DIVIDENDS** | | |
| | **Ordinary shares** | | |
| | Final dividend No 182 paid on 13 January 2020: 297 cents per share (2019: No 180 – 317 cents per share) | **651** | 674 |
| | Special dividend No 182 paid on 13 January 2020: 228 cents per share (2019: Nil) | **498** | |
| | Interim dividend (2019: No 181 – 165 cents per share) | | 350 |
| | Paid to Barloworld Limited shareholders | **1 149** | 1 024 |

No final dividend was declared.

## 17 RESTATEMENT OF PRIOR YEAR ERRORS AND RECLASSIFICATIONS

**1. Cash and cash equivalents**

The balances with our treasury and corporate office subsidiaries were previously all disclosed as part of short-term loans to subsidiaries. We have subsequently reassessed the nature of these loans in terms of the definition of cash and cash equivalents. A key indicator was that the ability of the extent to which the operations of Barloworld Limited generate sufficient cash flows to pay loans, maintain the operating capacity of the entity, pay dividends and make new investments without reverting to external funding was met and therefore we have reclassified these loans to cash and cash equivalents. The statement of cash flow has also been impacted and restated below.

**2. Classification of current and non-current loans**

Loans to subsidiaries were also accessed for the nature of the loans and it was subsequently identified that certain loans are long-term in nature, rather than disclosed as short-term and has been adjusted accordingly.

**3. Classification of accrued interest**

The interest accrued on commercial loans and bonds was previously include in the carrying amount of the loan balance. This has now been reclassified as accruals in payables.

## 17 RESTATEMENT OF PRIOR YEAR ERRORS AND RECLASSIFICATIONS continued

| Statement of financial position | Reference to above | As Reported 2019 Rm | Restatement Rm | 2019 Rm |
|---|---|---|---|---|
| **Non-current assets** | | **7 187** | **2 661** | 9 848 |
| Plant and equipment | | **3** | | 3 |
| Investment property | | **58** | | 58 |
| Intangible assets | | **1** | | 1 |
| Investments | | **2 741** | | 2 741 |
| Loans to subsidiaries | 2 | **4 384** | **2 661** | 7 045 |
| **Current assets** | | **8 821** | **(2 661)** | 6 160 |
| Loans to subsidiaries | 1, 2 | **8 817** | **(5 890)** | 2 927 |
| Trade and other receivables | | **4** | | 4 |
| Cash and cash equivalents | 1 | | **3 229** | 3 229 |
| **Assets classified as held for sale** | | **676** | | 676 |
| **TOTAL ASSETS** | | **16 684** | | 16 684 |
| **EQUITY AND LIABILITIES** | | | | |
| **Capital and reserves** | | | | |
| Share capital and premium | | **286** | | 286 |
| Other reserves | | **168** | | 168 |
| Retained Income | | **10 514** | | 10 514 |
| **Interest of shareholders of Barloworld Limited** | | **10 968** | | 10 968 |
| **Non-current liabilities** | | **4 402** | | 4 402 |
| Deferred taxation liability | | **18** | | 18 |
| Interest-bearing liabilities | | **4 384** | | 4 384 |
| **Current liabilities** | | **1 314** | | 1 314 |
| Loans from subsidiaries | | **168** | | 168 |
| Trade and other payables | 3 | **15** | **50** | 65 |
| Amounts due to bankers and short-term borrowings | 3 | **1 131** | **(50)** | 1 081 |
| **TOTAL EQUITY AND LIABILITIES** | | **16 684** | | 16 684 |

FOR THE YEAR ENDED 30 SEPTEMBER

## 17 RESTATEMENT OF PRIOR YEAR ERRORS AND RECLASSIFICATIONS continued

| Statement of cash flows | As Reported 2019 Rm | Restatement Rm | 2019 Rm |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| **Cash utilised in operations** | **76** | **(25)** | 51 |
| Dividends received from investments (excluding withholding tax) | **893** | | 893 |
| Interest income | **588** | | 588 |
| Finance costs | **(528)** | **(25)** | (553) |
| Taxation paid | **(57)** | | (57) |
| **Cash flow from operations** | **972** | **(50)** | 922 |
| Dividends paid | **(1 024)** | | (1 024) |
| **Cash inflows/(outflows) from operating activities** | **(52)** | **(50)** | (102) |
| **Cash flows from investing activities** | | | |
| Additions to investment property | | | |
| Acquisition of investment property | **(18)** | | (18) |
| Proceeds on disposal of investment property | | | |
| Increase in financial assets | **(72)** | | (72) |
| Increase in loans to subsidiaries | **837** | **(942)** | (105) |
| **Net cash inflow from investing activities** | **747** | **(942)** | (195) |
| **Net cash inflow before financing activities** | **695** | **(992)** | (297) |
| **Cash flows from financing activities** | | | |
| Proceeds from long-term borrowings | **621** | | 621 |
| Repayment of short-term borrowings | **(1 316)** | **50** | (1 266) |
| **Net cash outflow from financing activities** | **(695)** | **50** | (645) |
| **Net movement in cash and cash equivalents** | | **(942)** | (942) |
| Cash equivalents at the beginning of year | | **4 170** | 4 170 |
| **Cash and cash equivalents at the end of year** | | **3 228** | 3 228 |

## 17 RESTATEMENT OF PRIOR YEAR ERRORS AND RECLASSIFICATIONS continued

| Statement of financial position | | As Reported 2018 Rm | Restatement Rm | 2018 Rm |
|---|---|---|---|---|
| **Non-current assets** | | **17 350** | | 17 350 |
| Plant and equipment | | **4** | | 4 |
| Investment property | | **632** | | 632 |
| Intangible assets | | **3** | | 3 |
| Investments | | **2 669** | | 2 669 |
| Loans to subsidiaries | 2 | **3 767** | **6 018** | 9 785 |
| **Current assets** | | **10 275** | **(6 018)** | 10 275 |
| Loans to subsidiaries | 2 | **10 273** | **(10 188)** | 85 |
| Trade and other receivables | | **2** | | 2 |
| Cash and cash equivalents | 1 | | **4 170** | 4 170 |
| **Assets classified as held for sale** | | **93** | | 93 |
| **TOTAL ASSETS** | | **17 443** | | 17 443 |
| **EQUITY AND LIABILITIES** | | | | |
| **Capital and reserves** | | | | |
| Share capital and premium | | **286** | | 286 |
| Other reserves | | **168** | | 168 |
| Retained Income | | **10 590** | | 10 590 |
| **Interest of shareholders of Barloworld Limited** | | **11 044** | | 11 044 |
| **Non-current liabilities** | | **3 781** | | 3 781 |
| Deferred taxation liability | | **14** | | 14 |
| Interest-bearing liabilities | | **3 767** | | 3 767 |
| **Current liabilities** | | **2 618** | | 2 618 |
| Loans from subsidiaries | | **167** | | 167 |
| Trade and other payables | 3 | **3** | **75** | 78 |
| Amounts due to bankers and short-term borrowings | 3 | **2 448** | **(75)** | 2 373 |
| **TOTAL EQUITY AND LIABILITIES** | | **17 443** | | 17 443 |

## 18 PRINCIPAL SUBSIDIARY COMPANIES

Refer to note 40 of the consolidated annual financial statements.