

### IMPORTANT

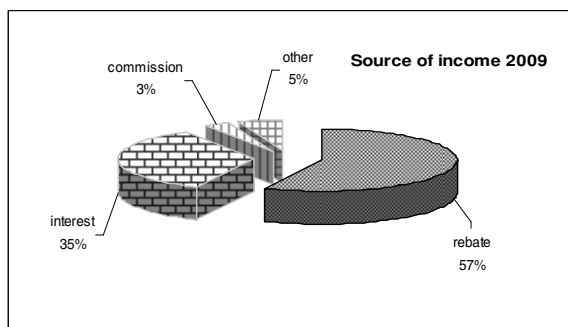
Please note that on Thursday, 24 December and Thursday, 31 December 2009 our office will close at 13:00.

#### Chairperson's report – 2009:

Dear members

It gives me great pleasure to report on the financial results and activities of Koopkrag for the past year.

Even in the midst of a worldwide recession we were able to build on our success of last year. During the year consumer member purchases from contracted suppliers increased by 6.12% (2008 – 4.96%) to R335 million, while the gross income of the company, excluding extraordinary income, increased by a rather disappointing 0.18% (2008 – 10.61%) mainly due to the sharp decline in the market interest rates. While the lowering of interest rates were welcomed by most consumers, this had a negative impact on our company's income for the year and the amount available for our consumer member's annual bonus. Investment income decreased by 5.77% compared to a 22.87% increase in 2008. The importance of our income from interest is clearly illustrated in the following graph.



We are expecting a further decrease in our investment income for 2010 as the real effect of the lowered interest rates during this year, might only be experienced next year. A positive consequence of the lowered rates was that members utilised our hire-purchase facility more frequently resulting in a 11.24% growth for the year compared to a decrease of 3.64% for 2008. Not only do we provide a prime-linked interest rate to consumer members, we also offer no or lower monthly charges than generally available in the market.

#### **Expenses**

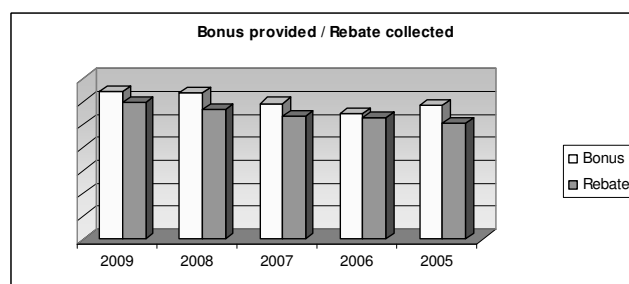
Despite a general increase in administrative expenses we were able to restrict ours to only 0.46% (2008 – 13.97%) thanks to very effective management.

In the current difficult economic climate one would expect bad debt to increase substantially. However, thanks to diligent control it actually decreased by 27.82% (2008 – 93.83% increase) to R523 842 (2008 – R725 699) for the year, an exceptional achievement indeed. Interest paid to consumer members on the balances of their Guarantee Fund amounted to R1 160 262 (2008 – R1 277 359) for the year. The applicable prime-linked interest rates varied according to the balance of each member's Guarantee Fund account. This interest was credited on each consumer member's September account.

#### **Bonus to members 2009**

An amount of R12 868 231 (2008 – R12 816 814) was declared and paid-out to consumer members this year. As none of our income is distributed to our shareholders, all surplus income, once our administrative expenses are paid, is declared as a bonus to members. This year's bonus rates varied between 3.50% and 8.50% (2008 – 3.50% to 8.50%) depending on where purchases were made and is equal to 109.40% (2008 – 115.49%) of the rebate collected on our consumer members' behalf from our contracted suppliers. As you've become accustomed to, the bonus was credited to your December month purchase account.

Petrol purchases do not qualify for a bonus as these suppliers do not grant a rebate on any petrol purchases made.



#### **Appreciation**

On behalf of the directors I would like to thank our suppliers and members for their continued support during the year. Without you our buying association cannot exist. I would also like to thank my fellow directors and our personnel for their support and hard work during the year.

To you and your family a joyous festive season and a prosperous 2010.

P N Botha  
Chairman

---

## *say what?*

Eric is sitting in a bar staring morosely into his beer. Tom walks in and sits down. After trying to start a conversation several times and getting only distracted grunts he asks Eric what the problem is.

"Well," says Eric, "I ran afoul of one of those women's questions only women ask."

"What do you mean?" asked Tom.

"My wife asked me if I would still love her even if she was old, fat and ugly."

"That's easy," said Tom. "You just say 'Of course I will dear'".

'Yeah," said Eric, "that's what I did, except I said, 'Of course I do...'"

---

### **Pay your Koopkrag account**

For your convenience you can settle your monthly Koopkrag account as follows:

- At any Shoprite / Checkers or Checkers Hyper 'Money Market' counter
- At any ABSA branch
- Via the internet\*
- At any ATM\*
- At our offices in Rodericks Road, Lynnwood, Pretoria

\*Contact your bank to help you to activate Koopkrag as a beneficiary on your account.

### **NEW SUPPLIERS**

WE WELCOME THE FOLLOWING BUSINESSES AS SUPPLIERS:

DIS-CHEM Amanzimtoti  
Umbogintwini Galleria Shopping Centre  
Tel: (031) 904 9550

AUTOWIEL – Menlyn (Pretoria)  
Menlyn Motor City, Garsfontein Road  
Tel: (012) 348 8876

The following OK branches joined:

DANABAAI, 220 Flora Road Tel: (044) 698 1024  
OK VALUE – CAROLINA, 49 Voortrekker Road,  
Tel: (017) 843 2455

**Planning your next breakaway in the George / Knysna area? Visit 'special offers' on our website. There are a number of guesthouses and other accommodation that offer exclusive rates to Koopkrag members.**

**A comprehensive list of our suppliers is available at [www.koopkrag.com](http://www.koopkrag.com). This list is updated weekly. If you are aware of any listed suppliers that no longer accept our purchase card, please let us know.**

---

### **BIBLE MEDIA**

*Your partner in faith and ministry*

For more information or enquiries call **0860 26 33 42** or visit their website at [www.bybelmedia.co.za](http://www.bybelmedia.co.za).

---

### **Tiger Wheel & Tyre**

Our annual holiday is upon us. Does your car, bakkie, 4 X 4, caravan or trailer need new tyres? Are you tired of your vehicle's ordinary looks?

Visit a **Tiger Wheel & Tyre** outlet today for unbelievable prices on tyres and the latest rims when you pay with your Koopkrag card.

---

### **Ever wondered?**

How does a blonde lift club work? They meet each other at work at around 07:45.

Why do so many blondes drive BMWs? Because they can spell it.

Why do so many men enjoy blond jokes? Because they can understand them.

What are the similarities between a UFO and an intelligent blond? You often hear about them but you never see them.

How do you know your fax was sent by a blond? There is a postage stamp on it.

Magistrate, "You cannot claim accident-insurance because you're pregnant!"  
Blond, "Why not? It was an accident and it happened at work!"

What is one of the many advantages of being married to a blond? You can use the handicapped parking at shopping centres.

Why are blondes reluctant to double recipes? The oven cannot be set at 700°C.

*On behalf of management and all our personnel we would like to wish you and your family a blessed festive season and a prosperous 2010.*