

Notes to the consolidated financial statements

for the year ended June 30

	2014 %	2013 %
4. Taxation <i>(continued)</i>		
The reconciliation of the effective tax rate with the company tax rate is:		
Taxation for the year as a percentage of profit before taxation	30,3	26,1
Associates	0,4	0,8
Effective rate excluding associate income	30,7	26,9
Dividend and exempt income	2,5	2,0
Foreign taxation rate differential	0,3	(0,2)
Non-deductible expenses	(6,0)	(1,3)
Deferred taxation assets not previously raised	(0,7)	0,5
Exempt portion of capital gains	0,5	0,1
Changes in prior years' estimation	0,5	(0,1)
Change in rate of taxation	0,2	0,1
Rate of South African company taxation	28,0	28,0
	R'000	R'000
Estimated tax losses available for offset against future taxable income	1 308 808	740 083
Utilised in the computation of deferred taxation	(565 099)	(415 680)
Not accounted for in deferred taxation	743 709	324 403
Deferred taxation assets have not been recognised in respect of certain tax losses as the directors believe it is not probable that the relevant companies will generate taxable profit in the near future, against which the benefits can be utilised.		
5. Earnings per share		
Weighted average number of shares ('000)		
Weighted average number of shares in issue for basic earnings per share and headline earnings per share calculations	314 873	312 577
Potential dilutive impact of outstanding staff share options and conditional awards	1 986	1 802
Number of outstanding staff share options	12 058	11 178
Number of share options deemed to be issued at fair value	(10 395)	(9 690)
Contingent issuable shares in terms of conditional share plan to be issued at fair value	323	314
Adjusted weighted average number of shares in issue used for the calculation of diluted earnings and diluted headline earnings per share	316 859	314 379
Attributable earnings (R'000)		
Basic earnings per share and diluted earnings per share are based on profit attributable to shareholders of the Company	4 603 307	4 772 432
Basic earnings per share (cents)	1462,0	1 526,8
Diluted basic earnings per share (cents)	1452,8	1 518,1
Dilution (%)	0,6	0,6

	2014 R'000	2013 R'000
5. Earnings per share <i>(continued)</i>		
Headline earnings		
Profit attributable to shareholders of the Company	4 603 307	4 772 432
Impairment of property, plant and equipment, goodwill and intangible assets	18 731	101 101
Property, plant and equipment	1 964	3 536
Goodwill	–	29 328
Intangible assets	20 961	98 637
Tax relief	(4 194)	(30 400)
Net loss on disposal of interests in subsidiaries and disposal and closure of businesses	70	12 779
Net loss on disposal and closure	70	17 749
Tax relief	–	(4 970)
Net loss (profit) on disposal, impairment and reversal of impairment of investments in associates	906 542	(41 230)
Net profit on change in shareholding in associates	(47 560)	(47 988)
Impairment of investment in associate	1 056 060	75 000
Reversal of impairment of investment in associate	(130 000)	(80 000)
Tax charge	28 042	11 758
Net loss (profit) on disposal of property, plant and equipment and intangible assets	(3 136)	4 183
Property, plant and equipment	(1 888)	6 214
Intangible assets	(1 967)	–
Tax charge (relief)	244	(2 031)
Minority shareholders	475	–
Non-headline earnings items included in equity-accounted earnings of associated companies	29 303	28 755
Net fair value adjustment arising on acquisition of control of associates	(70 929)	–
Negative goodwill arising on acquisition of subsidiaries	(24 338)	–
Headline earnings	5 459 550	4 878 020
Headline earnings per share (cents)	1 733,9	1 560,6
Diluted headline earnings per share (cents)	1 723,0	1 551,6
Dilution (%)	0,6	0,6
6. Distributions per share		
Interim distribution (cents)		
A capitalisation issue of 1,65 shares for every 100 shares held, being the equivalent of 398,1 cents, with a cash alternative of 378,0 cents awarded or paid to shareholders on April 14 2014 (2013: Dividend paid to shareholders on April 2 2013)	398,1	324,0
Final dividend (cents)		
A capitalisation issue of 1,55 shares for every 100 shares held, being the equivalent of 436,0 cents, with a cash alternative of 420,0 cents awarded or paid to shareholders on October 13 2014 (2013: Dividend payable to shareholders on September 23 2013)	436,0	396,0
	834,1	720,0