Notes to the consolidated financial statements

for the year ended June 30

	2016 R'000	2015 R'000
18. Interest in associates *(continued)*		
Summarised aggregated financial information of Adcock: *(continued)*		
Current assets	**3 460 786**	2 841 636
Non-current assets	**2 135 821**	2 616 316
Current liabilities	**(1 749 148)**	(1 722 625)
Non-current liabilities	**(592 862)**	(618 403)
Non-controlling interests	**(26 024)**	(99 509)
Reconciliation of the above summarised financial information to the carrying amount of Adcock recognised in the consolidated financial statements:		
Net assets of Adcock	**3 228 573**	3 017 415
Proportion of Group's interest in Adcock	**1 454 321**	1 312 615
Inherent goodwill	**3 777 372**	3 722 335
Provision for impairment of carrying value	**(1 810 904)**	(1 215 404)
Carrying value of Group's interest in Adcock	**3 420 789**	3 819 546
Market value as at June 30	**3 420 789**	3 819 546

The investment in Adcock forms part of the Corporate and investments operating segment. The recoverable amount of the investment has been assessed with reference to the fair value determined based on the quoted market price at the year ended June 30 2016. This measurement is considered to be "level 1" in the fair value hierarchy. The Group assessed the carrying value of the investment for impairment and an impairment was recognised in the current year.

The same impairment considerations have been applied to other listed investments in associates.

	2016 R'000	2015 R'000
Summarised aggregated financial information of associates that are not individually material:		
The Group's share of profit		
– continuing operations	**20 786**	127 092
– discontinued operations	**(772)**	15 633
The Group's share of other comprehensive income (loss)		
– continuing operations	**23 835**	(24 649)
– discontinued operations	**(310)**	900
The Group's share of total comprehensive income		
– continuing operations	**44 621**	102 443
– discontinued operations	**(1 082)**	16 533
Aggregate carrying amount of the Group investment in these associates	**769 707**	996 866

	2016 R'000	2015 R'000
19. Investments		
Listed held-for-trade	**1 561 958**	1 115 989
Unlisted held-for-trade	**853 038**	775 639
Listed available-for-sale	**283 417**	144 703
Unlisted available-for-sale	**171 409**	514 929
	2 869 822	2 551 260
Fair value hierarchy of investments		
Investments and loans held at cost or amortised cost	**88 984**	430 597
Investments held at fair value as determined on inputs based on:	**2 780 838**	2 120 663
Unadjusted quoted prices in an active market for identical assets	**1 845 821**	1 260 983
Factors that are observable for the asset either as prices or derived from prices	**–**	12 277
Factors that are not based on observable market data	**935 017**	847 403
	2 869 822	2 551 260
Analysis of investments at a fair value not determined by observable market data		
Balance at the beginning of year	**847 403**	654 889
On acquisition of business	**–**	6 948
On disposal or unbundling of business	**(1 051)**	(2 919)
Purchases, loan advances or transfers from other categories	**28 047**	27 786
Fair value adjustment recognised directly in equity	**–**	20 109
Fair value adjustment arising during the year recognised in the income statement	**94 354**	118 037
Proceeds on disposal, unbundling or repayment of loans or transfers to other categories	**(88 517)**	(30 369)
Profit (loss) on disposal of investments	**53 136**	(7 906)
Exchange rate adjustments	**1 645**	60 828
	935 017	847 403

19. Investments *(continued)*

Listed held-for-trade investments include interest-bearing listed government bonds which amount to R128 million (2015: R160 million), with coupon interest rates of between 6,5% and 10,5% (2015: 6,8% and 8,0%) which mature in two to 15 years (2015: four to 15 years). These investments are held by insurance operations and may be realised prior to their maturity dates.

Listed available-for-sale investments include interest-bearing listed government bonds which amount to R229 million (2015: R93 million), with coupon interest rates of between 8,0% to 13,5% (2015: 8,0% to 13,5%) which mature between one and three years (2015: between one and three years). These investments are held by banking operations and may be realised prior to their maturity dates.

The Group's effective beneficial interest in the Indian based Mumbai International Airport Private Limited is included in unlisted investments held-for-trade, where the fair value is not based on observable market data. The carrying value of this investment, based on the directors' valuation at June 30 2016, is R853 million (US$60 million) (2015: R708 million (US$60 million)). The directors used multiple valuation techniques to arrive at the fair value and evaluated these results considering the reasonableness of the range of values indicated by those results. The directors believe the fair value thus arrived at is the point within that range that is most representative of fair value in the circumstances.

The valuation techniques included a discounted cash flow model, taking into account the current and projected performance of the underling operation; and a range of possible values obtained from an independent merchant bank. Consideration was also given to recent infrastructure assets transactions in India; the results and valuation of GVK Power and Infrastructure Limited, MIAL's holding company; and, the Group's prior disposal of the identical sized interest in the 2012 financial year, after adjusting for a control premium achieved in this transaction. This is also a foreign based asset and the ruling year-end exchange rate, US$1 = R14,79 (2015: US$1 = R12,29), was another factor. The directors believe that a reasonable possible change in the various variables used, would not result in a significant adjustment to the carrying value. The valuation is considered a level 3 type valuation in accordance with IFRS 13 *Fair Value measurement*.

A register of investments is available for inspection by shareholders at the registered office of the Company.

	2016 R'000	2015 R'000
20. Banking and other advances		
Instalment finance	**859 832**	648 208
Mortgages	**362 368**	311 089
Call and term loans	**166 880**	94 668
Other advances	**338 552**	239 066
	1 727 632	1 293 031
Impairment allowances	**(29 370)**	(5 477)
	1 698 262	1 287 554
Maturity analysis		
Maturing in one year	**878 627**	547 740
Maturing after one year but within five years	**532 992**	498 378
Maturing after five years	**286 643**	241 436
	1 698 262	1 287 554
Interest rates are based on contractual agreements with customers.		
Refer note 38 for further disclosure.		
21. Vehicle rental fleet		
Cost	**1 496 183**	1 554 543
Accumulated depreciation	**(177 602)**	(178 248)
	1 318 581	1 376 295
Movement in vehicle rental fleet		
Carrying value at beginning of year	**1 376 295**	1 462 715
Additions	**1 475 509**	1 454 752
Disposals	**(1 397 514)**	(1 367 388)
Depreciation	**(137 399)**	(174 242)
Exchange rate adjustments	**1 690**	458
Carrying value at end of year	**1 318 581**	1 376 295