

Notes to the consolidated financial statements

for the year ended 30 June

19. Investments (continued)

Listed held-for-trade investments include a unitised indirect holding of R141 million in interest-bearing listed government bonds via the Investec Gilt Fund. The bonds included in the Investec Gilt Fund have yields that range from 2,9% to 9,8% and the portfolio has a duration of six years. Bidvest Insurance holds R119 million of the investment with Bidvest Life holding the balance. This investment may be realised in whole or part before its maturity date. The prior year (2016) listed held-for-trade investments included a direct holding of listed government bonds of R128 million with coupon interest rates of between 6,5% and 10,5% and maturity periods of between two and 15 years.

Listed held-for-trade investments include life insurance policy holder assets, which amount to R296 million. The corresponding R296 million policy holder investment contract liability is detailed in note 28 (Life assurance fund).

Listed available-for-sale investments include an interest-bearing listed government bond (R204) which amounts to R229 million (2016: R229 million), with a coupon interest rate of 8,0% (2016: 8,0% to 13,5%) which matures on 21 December 2018 (2016: between one and three years). This investment is held by Banking operations and may be realised prior to its maturity date.

The valuations of all listed investments are considered level 1 type valuations in accordance with IFRS 13 *Fair Value Measurement*.

The Group's effective beneficial interest in MIAL is included in unlisted investments held-for-trade, where the fair value is not based on observable market data (level 3). The carrying value of this investment, based on the directors' valuation at 30 June 2017, is R940 million (US\$72 million) (2016: R853 million (US\$60 million)).

When the Group performs an analysis and notes significant changes in the underlying variables included in the valuation, the value of the investment is reconsidered. As a result of consistent increases in earnings driven off increased passenger volumes the MIAL asset has been revalued in the current year. The updated value was determined as fair value less cost to sell. The calculation used the actual operating results for MIAL based on its most recent financial statements and a median multiple for the peer group which is in a range of 11,6 to 12,5x EBITDA. A 1% change in the multiple or EBITDA used will result in US\$1,6 million change in the value. Consideration was also given to an independent expert valuation as well as the Group's prior disposal of the identical sized interest in the 2012 financial year, after adjusting for a control premium achieved in that transaction.

MIAL is also a foreign-based asset and the ruling year-end exchange rate, US\$1 = R13,06 (2016: US\$1 = R14,79), is another factor that affects 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.

	2017 R'000	2016 R'000
20. Banking and other advances		
Instalment finance	1 076 327	859 832
Mortgages	318 002	362 368
Call and term loans	156 962	166 880
Other advances	369 427	338 552
	1 920 718	1 727 632
Impairment allowances	(29 918)	(29 370)
	1 890 800	1 698 262
Maturity analysis		
Maturing in one year	1 026 974	878 627
Maturing after one year but within five years	641 339	532 992
Maturing after five years	222 487	286 643
	1 890 800	1 698 262
Interest rates are based on contractual agreements with customers.		
More detailed disclosure for banking and other advances can be found in the Bidvest Bank Limited financial statements published on the website, www.bidvestbank.co.za .		
Refer note 38 for further disclosure.		
21. Vehicle rental fleet		
Cost	1 105 496	1 496 183
Accumulated depreciation	(112 554)	(177 602)
	992 942	1 318 581
Movement in vehicle rental fleet		
Carrying value at beginning of year	1 318 581	1 376 295
Additions	1 560 241	1 475 509
Disposals	(1 667 640)	(1 397 514)
Depreciation	(217 449)	(137 399)
Exchange rate adjustments	(791)	1 690
Carrying value at end of year	992 942	1 318 581