

#### 44. Accounting standards and interpretations not effective at 30 June 2017

At the date of approval of the annual financial statements, the following new standards, interpretations and amendments that apply to the Group were in issue but not yet effective:

| Standard/interpretation                                  | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Reporting period beginning on or after |
|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| IFRS 2 <i>Share-Based Payment</i>                        | Amendments dealing with classification and measurement of share-based payments. The amendments address the effects of vesting conditions on the measurement of a cash-settled share-based payment; the accounting requirements for a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled; and classification of share-based payment transactions with net settlement features.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1 January 2018                         |
| IFRS 4 <i>Insurance Contracts</i>                        | Amendment applying IFRS 9 <i>Financial Instruments</i> with IFRS 4 <i>Insurance Contracts</i> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1 January 2017                         |
| IFRS 9 <i>Financial Instruments</i>                      | <p>A final version of IFRS 9 has been issued which replaces IAS 39 <i>Financial Instruments: Recognition and Measurement</i>. The completed standard comprises guidance on classification and measurement, impairment hedge accounting and derecognition.</p> <p>The statement introduces a new approach to the classification of financial assets, which is driven by the business model in which the asset is held and their cash flow characteristics. A new business model was introduced which does allow certain financial assets to be categorised as "fair value through other comprehensive income" in certain circumstances. The requirements for financial liabilities are mostly carried forward unchanged from IAS 39.</p> <p>Changes have been made to the fair value option for financial liabilities to address the issue of own credit risk.</p> <p>The new model introduces a single impairment model being applied to all financial instruments, as well as an "expected credit loss" model for the measurement of financial assets.</p> <p>The statement contains a new model for hedge accounting that aligns the accounting treatment with the risk management activities of an entity, in addition enhanced disclosures will provide better information about risk management and the effect of hedge accounting on the financial statements.</p> <p>It also carries forward the derecognition requirements of financial assets and liabilities from IAS 39.</p> <p>Bidvest Bank has embarked on a project to consider the impact of the changes in the standard on the Group's financial statements. Preliminary work done indicates that it will not have a material impact on the financial information. However, the expanded disclosure requirement and changes in presentation are expected to change the nature and extent of the Group's disclosure about its financial instruments.</p> | 1 January 2018                         |
| IFRS 12 <i>Disclosure of Interests in Other Entities</i> | Amendments resulting from 2014 – 2016 Annual Improvements Cycle                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1 January 2017                         |
| IFRS 15 <i>Revenue from Contracts with Customers</i>     | <p>The standard requires entities to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is achieved through a five-step methodology that is required to be applied to all contracts with customers.</p> <p>The standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements.</p> <p>Due to the diverse nature of the Group's revenue streams, management will embark on a detailed project to assess the impact on the Group's financial statements. As IFRS 15 requires significant disclosures compared to the current standard, management anticipates that there will be changes to the nature and extend of the Group's disclosure regarding the Group's revenue.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 1 January 2018                         |

# Notes to the consolidated financial statements

for the year ended 30 June

## 44. Accounting standards and interpretations not effective at 30 June 2017 (continued)

| Standard/interpretation                                                 | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Reporting period beginning on or after |
|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| IFRS 16 <i>Leases</i>                                                   | <p>New standard that introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying IAS 7.</p> <p>The standard contains expanded disclosure requirements for lessees. Lessees will need to apply judgement in deciding on the information to disclose to meet the objective of providing a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of the lessee.</p> <p>IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.</p> <p>The statement also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk exposure, particularly to residual value risk.</p> <p>A preliminary assessment indicates that the adoption of the new standard will have a material effect on the Group's financial statements, owing to significant high-value long-term operating leases.</p> | 1 January 2019                         |
| IFRS 17 <i>Insurance Contracts</i>                                      | <p>IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.</p> <p>IFRS 17 was issued in May 2017 and applies to annual reporting periods beginning on or after 1 January 2021.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1 January 2021                         |
| IAS 7 <i>Cash Flow Statement</i>                                        | <p>Disclosure Initiative (Amendments to IAS 7), issued in January 2016, added paragraphs 44A – 44E. An entity shall apply those amendments for annual periods beginning on or after 1 January 2017. Earlier application is permitted. When the entity first applies those amendments, it is not required to provide comparative information for preceding periods.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 1 January 2017                         |
| IAS 28 <i>Investments in Associates and Joint Ventures</i>              | <p>45E Annual Improvements to IFRS 2014 – 2016 Cycle, issued in December 2016, amended paragraphs 18 and 36A. An entity shall apply those amendments retrospectively in accordance with IAS 8 for annual periods beginning on or after 1 January 2018. Earlier application is permitted. If an entity applies those amendments for an earlier period, it shall disclose that fact.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 1 January 2018                         |
| IAS 40 <i>Investment Property</i>                                       | <p>85G Transfers of Investment Property (Amendments to IAS 40), issued in December 2016, amended paragraphs 57 – 58 and added paragraphs 84C – 84E. An entity shall apply those amendments for annual periods beginning on or after 1 January 2018. Earlier application is permitted. If an entity applies those amendments for an earlier period, it shall disclose that fact.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1 January 2018                         |
| IFRIC 22 <i>Foreign Currency Transactions and Advance Consideration</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 1 January 2018                         |
| IFRIC 23 <i>Uncertainty over Income Tax Treatment</i>                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 1 January 2019                         |