44. Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair values, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Property, plant and equipment and right-of-use assets
The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market values of other assets are based on the quoted market prices for similar items.

Intangible assets
The fair value of intangible assets recognised as a result of a business combination is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

Inventory
The fair value of inventory acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the efforts required to complete and sell the inventory.

Investments
Fair value of listed investments is calculated by reference to stock exchange quoted selling prices at the close of business on the report date. Fair value of unlisted investments is determined by using appropriate valuation models (refer *note 21 Investments*).

Forward exchange contracts
The fair value of forward exchange contracts is based on their market prices.

Borrowings
Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements. The carrying value of the bank overdrafts is the fair value.

Share-based payments
The fair value of the share options is measured using a modified Black Scholes method. Measurement inputs include share price at measurement date, exercise price of the instrument, expected volatility (based on the historic volatility), option life, distribution yield and the risk-free interest rate (based on the ZAR bond static yield curve).

45. Subsequent events

Subsequent to 30 June 2020 the Group has received a non-binding offer for Bidvest Car Rental, which has been disclosed as a disposal group held for sale and discontinued operation. There have been no other events noted, that occurred subsequent to the reporting date, including events associated with the COVID-19 pandemic, that could have a material impact on these annual consolidated financial statements.