Hosken Consolidated Investments Limited

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

2014

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CORPORATE ADMINISTRATION

DIRECTORS

Executive Directors

Marcel Jonathan Anthony Golding
(Chairman)

John Anthony Copelyn
(Chief Executive Officer)

Theventheran Govindsamy Govender [Kevin]
(Financial Director)

Yunis Shaik

Non-Executive Directors

Virginia Mary Engel

Barbara Hogan #

Leslie Warren Maasdorp #

Mimi Freddie Magugu #

Dr Lynette Moretlo Molefi #

Velaphi Elias Mphande

Jabulani Geffrey Ngcobo #

Rachel Doreen Watson #

Independent

WEBSITE ADDRESS

www.hci.co.za

COMPANY REGISTRATION NUMBER
1973/007111/06

SHARE CODE
HCI ISIN: ZAE000003257

COMPANY SECRETARY
AND REGISTERED OFFICE
HCI Managerial Services Proprietary Limited
Block B, Longkloof Studios, Darters Road, Gardens
Cape Town, 8001

Telephone: (021) 481 7560
Telefax: (021) 426 2777
P O Box 5251
Cape Town, 8000

AUDITORS
Grant Thornton (Jhb) Inc
Registration number 1994/001166/21
42 Wierda Road West, Wierda Valley
Johannesburg, 2196
Private Bag X10046
Sandton, 2146

BANKERS
First National Bank of Southern Africa Limited

SPONSOR
Investec Bank Limited
100 Grayston Drive
Sandton, Sandown, 2196

TRANSFER SECRETARIES
Computershare Investor Services Proprietary Limited
70 Marshall Street
Johannesburg, 2001
PO Box 61051
Marshalltown, 2107

SHAREHOLDERS' SNAPSHOT

Analysis of shareholders

Listed below is an analysis of shareholdings extracted from the register of ordinary shareholders at 31 March 2014.

Range of Units

Share Range			Number of shareholders	% of shareholders	Number of shares	% of Issued Capital
1	–	1000 shares	1 583	64.2	505 775	0.4
1 001	–	10 000 shares	532	21.6	1 828 653	1.5
10 001	–	50 000 shares	209	8.5	4 653 109	3.9
50 001	–	100 000 shares	38	1.5	2 730 037	2.3
100 001	–	500 000 shares	68	2.8	15 329 270	12.8
500 001	–	1000 000 shares	21	0.8	14 431 681	12.0
1 000 001	–	shares and over	16	0.6	80 390 842	67.1
			2 467	100.0	119 869 367	100.0

Distribution of Shareholders

	Number of shareholders	% of shareholders	Number of shares	% of Issued Capital
Public companies	27	1.1	5 285 790	4.4
Banks	22	0.9	3 191 781	2.7
Close corporations	63	2.6	4 032 471	3.4
Individuals	1 984	80.4	43 162 860	36.0
Nominees and trusts	218	8.8	5 957 334	5.0
Other corporations	53	2.1	39 079 788	32.6
Pension funds	48	2.0	1 731 553	1.4
Private companies	52	2.1	17 427 790	14.5
	2 467	100.0	119 869 367	100.0

Shareholders' diary

Financial year end	31 March
Annual general meeting	October
Reports	
- Preliminary report	May
- Interim report at 30 September	November
- Annual financial statements	September

Significant shareholdings

At 31 March 2014, insofar as HCI is aware, the following members beneficially held directly or indirectly 5% or more of the issued shares:

	2014	2013
Southern African Clothing and Textile Workers Union	**32.1**	39.0
M.J.A. Golding	**7.8**	6.8
	39.9	45.8

Shareholder spread

	Percentage held		Number of shareholders	
	2014	2013	**2014**	2013
Public	**42.2**	44.3	**2 458**	2 189
Non Public	**57.8**	55.7	**9**	10
Directors	**13.2**	11.2	**4**	5
Associates of directors	**1.1**	1.0	**1**	1
Significant shareholder	**32.1**	39.0	**1**	1
Share trust	**1.1**	1.6	**1**	1
Treasury shares*	**10.3**	2.9	**2**	2
	100.0	100.0	**2 467**	2 199

*Includes 1 359 788 (2013: 1 887 570) shares held by the company at year end and cancelled subsequently.

Stock exchange performance	31 March 2014
Total number of shares traded (000's)	21 323
Total value of shares traded (R'000)	2 786 555
Market price (cents per share)	
- Closing	14 950
- High	15 543
- Low	11 001
Market capitalisation (R'000)	17 920 470

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The directors of Hosken Consolidated Investments Limited are responsible for the preparation, integrity and fair presentation of the financial statements of the company and of the group and for other information contained in this annual report. The annual financial statements for the year ended 31 March 2014 have been prepared in accordance with International Financial Reporting Standards and include amounts based on prudent judgments and estimates by management.

The going concern basis has been adopted in preparing the financial statements. The directors have no reason to believe that the group or any company within the group will not be a going concern in the foreseeable future based on forecasts and available cash resources. These financial statements support the viability of the company and the group. The financial statements have been audited by the independent auditing firm, Grant Thornton (Jhb) Inc, which was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board.

The directors believe that all representations made to the independent auditors during the audit were valid and appropriate.

The annual financial statements for the year ended 31 March 2014, were approved by the board of directors on 27 August 2014 and are signed on its behalf by:

MJA Golding	JA Copelyn	TG Govender
Chairman	Chief Executive Officer	Financial Director

27 August 2014
Cape Town

DECLARATION BY COMPANY SECRETARY

We certify that Hosken Consolidated Investments Limited has lodged with the Registrar of Companies, for the financial year ended 31 March 2014, all such returns as are required by a public company in terms of the Companies Act of South Africa and that such returns are true, correct and up to date.

HCI Managerial Services
Proprietary Limited

HCI Managerial Services Proprietary Limited
Company secretary
27 August 2014
Cape Town

REPORT OF THE INDEPENDENT AUDITORS

TO THE SHAREHOLDERS OF HOSKEN CONSOLIDATED INVESTMENTS LIMITED

We have audited the annual financial statements of Hosken Consolidated Investments Limited which comprise the consolidated and separate statements of financial position as at 31 March 2014, the consolidated and separate income statements, statements of other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 117.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the consolidated and separate financial position of Hosken Consolidated Investments Limited as of 31 March 2014, and its consolidated and separate financial performance and cash flows for the year then ended in accordance with International Financial Reporting and the requirements of the Companies Act of South Africa.

Other reports required by the Companies Act

As part of our audit of the financial statements for the year ended 31 March 2014 we have read the Directors' Report, the Audit Committee's Report and the Declaration by Company Secretary for the purpose of identifying whether there are material inconsistencies between these reports and the audited financial statements. These reports are the responsibility of the respective preparers. Based on reading these reports we have not identified material inconsistencies between these reports and the audited financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

Grant Thornton (Jhb) Inc

Grant Thornton (Jhb) Inc.
Registered Auditors
Chartered Accountants (SA)
Registration number 1994/001166/21
Director: B.Frey
Johannesburg
27 August 2014

1. Nature of business

Hosken Consolidated Investments Limited ("HCI") is an investment holding company, incorporated in South Africa and listed on the JSE Limited.

2. Operations and business

The business operations of HCI include the making of investments in opportunities as identified by the board of directors and to add value to these investments over time. As such, HCI has consciously established itself and pursued an investment policy in terms of which it has endeavoured to maintain significant equity and capital participation in entrepreneurially run companies with significant growth potential. The investments are constantly reviewed and new ones sought to complement them.

3. Restatement of comparative results

The were various circumstances in the group requiring a restatement of prior year results. The restatements relates to our beverages; clothing, textiles and toys; media and broadcasting; and natual gas segments.

Beverages
The accounting for the acquisition of KWV Holdings Limited ("KWV") was made on a provisional basis in terms of IFRS 3: Business Combinations for the year ended 31 March 2013. In terms of IAS 8, Accounting policies, Changes in Accounting Estimates and Errors, the adjustments to finalise the KWV acquisition have been corrected retrospectively. The comparative figures have been restated to present the prior year figures as if the acquisition accounting was finalised in the prior year.

The revised fair values of the assets and liabilities resulted in additional depreciation, amortisation and defered tax charge for the year end 31 March 2013.

Clothing, textiles and toys
Seardel Investment Corporation Limited have disclosed the results of discontinued operations seperately on the face of the income statement, and where practical, the prior year results have been restated.

Media and broadcasting
As the acquisition of Sunshine Coast Broadcasters Proprietary Limited took place close to the 31 March 2013 year end, the information required to account for the acquisition was incomplete. The initial accounting for the acquisition was therefore determined provisionally in the 31 March 2013 financial report. In accordance with IFRS 3: Business Combinations adjustments to initial provisional accounting for the acquisition disclosed in the 31 March 2013 annual financial statements have been recognised as if the final accounting for the business combination had been completed at the acquisition date. Comparative information for 31 March 2013 has therefore been adjusted.

Natural gas
During the year ended 31 March 2014 a decision was made by the company's board of directors to distribute the group's interest in Johnnic Holdings USA LLC to its shareholders, subject to the receipt of the necessary regulatory approvals. The comparative results of these operations have been restated to disclose results as discontinued operations.

Refer to note 48 for the impact of these restatements on the results for the year ended 31 March 2013.

4. Business combinations

Details of business combinations are set out in note 45 of the annual financial statements.

5. Discontinued operations and disposal group assets and liabilities held for sale
Details of discontinued operations and disposal group assets and liabilities held for sale are set out in notes 36 and 18 of the annual financial statements respectively.

6. Dividends

Ordinary dividend number 48, in the amount of thirty cents per share, was paid to shareholders on 17 December 2013. Ordinary dividend number 49, in the amount of one hundred and ten cents per share, was paid to shareholders on 17th June 2014.

7. Share capital

Details of the authorised and issued share capital are set out in note 19 of the annual financial statements.

8. Directorate

The directors of the company appear on page 2. With effect from 19 March 2014 Ms RD Watson and Mr LW Maasdorp were appointed to the board of HCI as independent non-executive directors and Mr Y Shaik's status was changed to that of executive director. On the same date Mr VE Mphande was appointed lead independent non-executive director, replacing Mr Y Shaik in this capacity.

9. Company secretary

The secretary of the company for the twelve months ended 31 March 2014 is HCI Managerial Services

Proprietary Limited. The secretary has an arms-length relationship with the board of directors. The name, business and postal address of the Company Secretary are set out on page 3 of this report.

10. Auditors

Grant Thornton (Jhb) Inc will continue in office in accordance with section 90 of the South African Companies Act, with Mr Ben Frey as the designated auditor.

11. Significant shareholders

The company's significant shareholders are Southern African Clothing and Textile Workers Union and MJA Golding who own 32.1% and 7.8% respectively. No shareholder has a controlling interest in the company.

12. Special resolutions

The following special resolutions were passed by the company's shareholders at the Annual General Meeting held on 28 October 2013:

- Approval of the fees payable to non-executive directors for their services as directors or as members of the board sub-committees in respect of the financial period ended 31 March 2014;
- Granting the company and the subsidiaries of the company a general authority in terms of the listings requirements of the JSE Limited for the acquisition by the company, or a subsidiary of the company, of ordinary issued shares issued by the company;

The following special resolution was passed by the company's shareholders at a general meeting of shareholders held on 13 December 2013:

Specific authority in accordance with the applicable provisions of the Companies Act, the Listings Requirements and its Memorandum of Incorporation, to acquire 220 000 HCI Shares owned by Mr Andre van der Veen for a consideration of R123.00 per HCI Share, and an aggregate consideration of R27 060 000.

13. Special resolutions of subsidiaries

The statutory information relating to special resolutions passed by subsidiaries is available from the registered office of the company.

14. Auditor's report

The consolidated annual financial statements have been audited by Grant Thornton (Jhb) Inc. and their unqualified audit report on the comprehensive annual financial statements is included on page 7 of this report.

15. Shareholding of directors

The shareholding of directors of the company and their participation in the share incentive scheme and in the issued share capital of the company as at 31 March 2014, are set out in notes 40 and 39 respectively in the annual financial statements.

16. Directors' emoluments

Directors' emoluments incurred by the company and its subsidiaries for the year ended 31 March 2014 are set out in note 41 in the annual financial statements.

17. Subsidiaries

Details of the company's subsidiaries are set out in the annexure A to the annual financial statements.

18. Borrowing powers

There are no limits placed on borrowings in terms of the memorandum of incorporation. Certain companies in the group have entered into various loan agreements with providers of loan finance. These loan agreements include various covenants and undertakings by companies in the group which may restrict the group's borrowing powers. Details of these covenants and undertakings are available from the registered office of the company.

19. Litigation statement

There are no material legal or arbitration proceedings (including proceedings which are pending or threatened of which the directors of HCI are aware) which may have or have had, during the 12-month period preceding the last practicable date, a material effect on the financial position of HCI.

20. Material change

There has been no material change in the financial or trading position of the HCI group since the publication of its provisional results for the year ended 31 March 2014.

21. Subsequent events

Refer note 47 in the annual financial statements for more information. The directors are not aware of any further matter or circumstance arising since the end of the financial period, not otherwise dealt with within the financial statements that would affect the operations or results of the company or the group significantly.

22. Preparer

These annual financial statements were prepared under the supervision of the financial director, Mr TG Govender, B.Compt (Hons).

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2014

		Group			Company	
		2014	2013*#	2012*	**2014**	2013
	Notes	**R'000**	R'000	R'000	**R'000**	R'000
Assets						
Non-current assets		**16 851 858**	15 811 394	13 883 204	**19 149 803**	3 871 835
Property, plant and equipment	1	**3 735 578**	3 959 409	2 932 761	**-**	-
Investment properties	2	**1 695 532**	907 503	557 886	**-**	-
Goodwill	3	**279 011**	256 470	186 212	**-**	-
Intangible assets	4	**695 276**	881 909	609 254	**-**	-
Intangible assets mining	5	**111 611**	102 207	92 094	**-**	-
Investments in associates	6	**9 620 840**	9 083 194	8 846 255	**3 000**	3 000
Investments in joint arrangements	7	**353 356**	378 514	388 924	**-**	-
Other financial assets	8	**9 163**	56 789	105 869	**-**	-
Subsidiary companies	9	**-**	-	-	**19 068 535**	3 744 788
Deferred taxation	10	**127 941**	84 189	67 928	**-**	-
Operating lease equalisation asset	11	**27 185**	8 276	8 258	**-**	-
Finance lease receivables	12	**50 526**	48 674	43 402	**-**	-
Non-current receivables	13	**145 839**	44 260	44 361	**78 268**	124 047
Current assets		**4 935 432**	4 878 741	3 257 200	**2 689**	5 747
Inventories	14	**1 644 269**	1 721 461	701 024	**-**	-
Programme rights	15	**292 726**	255 975	198 340	**-**	-
Other financial assets	8	**37 742**	163 267	76 111	**-**	-
Trade and other receivables	16	**1 761 440**	1 729 017	1 544 812	**352**	-
Taxation		**10 575**	22 520	15 463	**-**	-
Cash and cash equivalents	38.5	**1 188 680**	986 501	721 450	**2 337**	5 747
Disposal group assets held for sale	18	**1 006 446**	2 543	15 288	**-**	-
Total assets		**22 793 736**	20 692 678	17 155 692	**19 152 492**	3 877 582

* Restated. Refer to note 48.

\# Balances have been reclassified. Refer to note 49.

	Notes	Group 2014 R'000	Group 2013*# R'000	Group 2012* R'000	Company 2014 R'000	Company 2013 R'000
Equity and liabilities						
Capital and reserves		**14 930 161**	15 432 755	12 836 030	**18 645 717**	3 651 880
Ordinary share capital	19	**26 544**	30 807	31 550	**29 627**	31 764
Share premium	19	**-**	666 298	704 477	**99 840**	864 238
Other reserves	20	**687 910**	442 175	157 463	**-**	-
Accumulated profits		**11 380 024**	11 761 403	10 884 213	**18 516 250**	2 755 878
Equity attributable to equity holders of the parent		**12 094 478**	12 900 683	11 777 703	**18 645 717**	3 651 880
Non-controlling interest		**2 835 683**	2 532 072	1 058 327	**-**	-
Non-current liabilities		**3 407 985**	1 795 913	1 592 601	**-**	-
Operating lease equalisation liability	11	**3 596**	118	1 808	**-**	-
Borrowings	22	**2 917 689**	1 304 221	1 275 373	**-**	-
Post retirement medical benefit liabilities	23	**154 942**	150 282	133 544	**-**	-
Long term provisions	24	**54 319**	100 684	83 978	**-**	-
Deferred taxation	10	**277 439**	240 608	97 898	**-**	-
Current liabilities		**4 336 792**	3 462 320	2 721 263	**506 775**	225 702
Trade and other payables	25	**1 764 002**	1 605 628	1 112 977	**1 969**	2 005
Financial liabilities	21	**27 494**	15 164	14 383	**-**	-
Amounts owing to subsidiary companies	9	**-**	-	-	**369 581**	74 961
Current portion of borrowings	22	**1 687 231**	1 019 915	886 362	**-**	-
Taxation		**9 993**	6 508	94 494	**20**	8
Provisions	24	**141 164**	140 366	144 738	**-**	-
Bank overdrafts	26	**706 908**	674 739	468 309	**135 205**	148 728
Disposal group liabilities held for sale	18	**118 798**	1 690	5 798	**-**	-
Total equity and liabilities		**22 793 736**	20 692 678	17 155 692	**19 152 492**	3 877 582

* Restated
\# Balances have been reclassified.
Refer to note 49.

INCOME STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

		Group		Company	
		2014	2013*	**2014**	2013
	Notes	**R'000**	R'000	**R'000**	R'000
Revenue	29	**8 382 905**	6 677 101	**-**	-
Net gaming win		**818 421**	689 953	**-**	-
		9 201 326	7 367 054	**-**	-
Depreciation and amortisation		**(407 177)**	(328 306)	**-**	-
Other operating expenses and income		**(7 588 450)**	(5 902 013)	**(9 671)**	(12 984)
Investment income	30	**48 806**	53 159	**1 673 717**	521 353
Share of profits of associates and joint ventures		**748 228**	691 799	**-**	-
Gain on bargain purchase		**-**	476 901	**-**	-
Investment surplus (deficit)	31	**-**	35 416	**14 472 670**	(266 502)
Fair value adjustments of investment properties		**23 284**	427	**-**	-
Other impairment reversals		**509**	21 885	**23 495**	22 196
Asset impairments		**(12 489)**	(55 521)	**-**	-
Fair value adjustments of financial instruments		**21 010**	10 834	**-**	-
Impairment of goodwill and investments	32	**(329)**	(1 084)	**(311)**	(478)
Finance costs	33	**(248 621)**	(150 799)	**(5 642)**	(1 560)
Profit before taxation	34	**1 786 097**	2 219 752	**16 154 258**	262 025
Taxation	35	**(306 259)**	(294 526)	**(1 435)**	20 148
Profit for the year from continuing operations		**1 479 838**	1 925 226	**16 152 823**	282 173
Discontinued operations	36	**(214 141)**	(109 978)	**-**	-
Profit for the year		**1 265 697**	1 815 248	**16 152 823**	282 173
Attributable to:					
Equity holders of the parent		**1 060 455**	1 381 466		
Non-controlling interest		**205 242**	433 782		
		1 265 697	1 815 248		
Earnings per share (cents)	37	**923.84**	1 095.13		
Continuing operations		**1 084.36**	1 173.40		
Discontinued operations		**(160.52)**	(78.27)		
Diluted earnings per share (cents)	37	**908.62**	1 072.16		
Continuing operations		**1 066.50**	1 148.79		
Discontinued operations		**(157.88)**	(76.63)		

* Restated

STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014

	Group		Company	
	2014	2013*	**2014**	2013
	R'000	R'000	**R'000**	R'000
Profit for the year	**1 265 697**	1 815 248	**16 152 823**	282 173
Other comprehensive income/(loss) net of tax:				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences	**200 412**	288 244	**-**	-
Share of other comprehensive profit (loss) of associate	**38 201**	(9 973)	**-**	-
Asset revaluation reserve	**-**	(6 612)	**-**	-
Income tax relating to items that will be reclassified	**-**	1 230	**-**	-
Items that may not be reclassified subsequently to profit or loss				
Actuarial gains on post-employment benefit liability	**8 323**	-	**-**	-
Income tax relating to items not reclassified	**(2 550)**	-	**-**	-
Total comprehensive income for the year	**1 510 083**	2 088 137	**16 152 823**	282 173
Attributable to:				
Equity holders of the parent	**1 300 005**	1 645 249		
Non-controlling interest	**210 078**	442 888		
	1 510 083	2 088 137		

* Restated

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2014

	Share capital R'000	Share premium R'000	Other reserves R'000	Accumulated profits R'000	Non-controlling interest R'000	Total R'000
GROUP						
Balance at 31 March 2012	31 550	704 477	157 463	10 884 213	1 058 327	12 836 030
Share capital and premium						
Treasury shares released	486	75 924	-	-	-	76 410
Shares repurchased	(221)	(114 103)	-	-	-	(114 324)
Current operations						
Total comprehensive income *	-	-	263 783	1 381 466	442 888	2 088 137
Equity settled share-based payments	-	-	17 233	-	-	17 233
Non-controlling interest on acquisition of subsidiaries *	-	-	-	-	794 573	794 573
Effects of changes in holding	(1 008)	-	3 696	(382 692)	470 206	90 202
Capital reductions and dividends	-	-	-	(121 584)	(233 922)	(355 506)
Balance at 31 March 2013	30 807	666 298	442 175	11 761 403	2 532 072	15 432 755
Share capital and premium						
Treasury shares released	181	45 598	-	-	-	45 779
Shares repurchased	(938)	(355 105)	-	(101 400)	-	(457 443)
Current operations						
Total comprehensive income	-	-	232 643	1 067 362	210 078	1 510 083
Equity settled share-based payments	-	-	16 170	-	-	16 170
Non-controlling interest on acquisition of subsidiaries	-	-	-	-	3 359	3 359
Effects of changes in holding	(3 506)	(1 567 216)	(3 078)	(1 196)	227 556	(1 347 440)
Capital reductions and dividends	-	-	-	(135 720)	(137 382)	(273 102)
Transfer	-	1 210 425	-	(1 210 425)	-	-
Balance at 31 March 2014	26 544	-	687 910	11 380 024	2 835 683	14 930 161
Notes	19		20			

* Restated

	Notes	Share capital R'000	Share premium R'000	Accumulated profits R'000	Total R'000
COMPANY					
Balances at 31 March 2012		32 994	978 341	2 966 201	3 977 536
Share capital and premium					
Share repurchases	19	(1 230)	(114 103)	-	(115 333)
Current operations					
Total comprehensive income		-	-	282 173	282 173
Dividends		-	-	(492 496)	(492 496)
Balances at 31 March 2013		31 764	864 238	2 755 878	3 651 880
Share capital and premium					
Share repurchases	19	(2 137)	(764 398)	-	(766 535)
Current operations					
Total comprehensive income		-	-	16 152 823	16 152 823
Dividends		-	-	(392 451)	(392 451)
Balances at 31 March 2014		29 627	99 840	18 516 250	18 645 717

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014

		Group		Company	
		2014	2013	**2014**	2013
	Notes	**R'000**	R'000	**R'000**	R'000
Cash flows from operating activities		**1 045 692**	891 888	**96 047**	298 768
Cash generated/(utilised) by operations	38.1	**1 637 365**	1 524 374	**(14 615)**	(12 984)
Investment income		**46 862**	56 830	**258 670**	521 353
Changes in working capital	38.2	**187 130**	199 282	**(388)**	(83 536)
Cash generated by operating activities		**1 871 357**	1 780 486	**243 667**	424 833
Finance costs		**(244 796)**	(175 959)	**(5 642)**	(1 560)
Taxation paid	38.3	**(307 767)**	(357 133)	**(1 423)**	(1 204)
Dividends paid		**(273 102)**	(355 506)	**(140 555)**	(123 301)
Cash flows from investing activities		**(1 240 277)**	(992 712)	**139 769**	37 342
Business combinations	38.4	**(17 922)**	(81 784)	**-**	-
Investment in:					
-Subsidiary companies		**(44 557)**	(36 054)	**139 175**	(6 914)
-Associated companies and joint ventures		**(32 842)**	(109 735)	**-**	-
-Other		**(4 094)**	(43 698)	**-**	-
Dividends received		**387 741**	369 910	**594**	-
Short term loans advanced		**20 651**	2 550	**-**	-
Decrease in long term receivables		**(105 720)**	(60 384)	**-**	-
Proceeds on disposal of investments		**207 083**	83 964	**-**	44 256
Intangible assets					
- Additions		**(184 309)**	(136 373)	**-**	-
- Disposals		**2 045**	-	**-**	-
Investment properties					
- Additions		**(718 294)**	(202 719)	**-**	-
- Disposals		**1 850**	-	**-**	-
Property, plant and equipment:					
-Additions		**(798 623)**	(818 912)	**-**	-
-Disposals		**46 714**	40 523	**-**	-
Cash flows from financing activities		**430 598**	92 436	**(225 703)**	(484 525)
Ordinary shares issued and treasury shares sold		**45 779**	76 410	**-**	-
Ordinary shares repurchased		**(457 443)**	(114 324)	**(225 703)**	(484 525)
Change in non-controlling interest		**(56 424)**	45 815	**-**	-
Long term funding raised		**898 686**	84 535	**-**	-
Cash and cash equivalents					
Movements		**236 013**	(8 388)	**10 113**	(148 415)
At beginning of year		**311 762**	253 141	**(142 981)**	5 434
Foreign exchange difference		**26 611**	67 009	**-**	-
At end of year	38.5	**574 386**	311 762	**(132 868)**	(142 981)

1. Accounting policies

This summary of the principal accounting policies of the Hosken Consolidated Investments Limited group is presented to assist with the evaluation of the annual financial statements.

a) Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the South African Companies Act, No 71 of 2008, and the Listings requirements of the JSE Limited. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation to fair value of investment properties and certain financial instruments as described in the accounting policies below. The accounting policies are consistent with that applied in the previous year.

b) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board.

c) Basis of consolidation

The consolidated financial statements include the financial information of the subsidiaries, associated entities and joint ventures.

i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Where the group's interest in subsidiaries is less than 100%, the share attributable to outside shareholders is reflected in non-controlling interests. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

The group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Control is presumed to exist when the group owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control. Control also exists where the group has the ability to direct or dominate decision-making in an entity, regardless of whether this power is actually exercised.

The company records its investment in subsidiaries at cost less any impairment charges. These interests include any intergroup loans receivable, which represent by nature a further investment in the subsidiary.

Intra-group balances, and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

ii) Transactions and non-controlling interests

The group treats transactions with non-controlling interests as transactions with equity owners of the group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests and direct costs incurred in respect of transactions with non-controlling interests are also recorded in equity.

iii) Associates and joint arrangements

The group recognises its share of associates' and joint arrangements' results in profit or loss, after accounting for interest, tax and non-controlling interests.

Investments in associates and joint arrangements are accounted for using the equity method of accounting and are initially recognised at cost.

The carrying amount of the group's investment in associates and joint arrangements includes goodwill (net of any accumulated impairment loss) recognised on acquisition.

The group's share of its associates' and joint ventures' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition reserve movements is recognised in other comprehensive income. The cumulative post-acquisition movements are recognised against the carrying amount of the investment. When the group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

Some of the group's associates and joint ventures have accounting reference dates other than 31 March. These are equity accounted using management prepared information on a basis coterminous with the group's reporting date.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in the associates and joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Associates' and joint ventures' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the group.

d) Foreign exchange

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in South African Rands which is the group's functional and presentation currency.

(ii) Transactions and balances

The financial statements for each group company have been prepared on the basis that transactions in foreign currencies are recorded in their functional currency at the rate of exchange ruling at the date of the transaction. Monetary items denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date with the resultant translation differences being recognised in profit or loss. Translation differences on non-monetary assets such as equity investments classified as available-for-sale are recognised in other comprehensive income.

(iii) Foreign subsidiaries and associates – translation

Once-off items in the income statement and statement of cash flows of foreign subsidiaries and associates expressed in currencies other than the South African Rand are translated to South African Rand at the rates of exchange prevailing on the day of the transaction. All other items are translated at weighted average rates of exchange for the relevant reporting period. Assets and liabilities of these undertakings are translated at closing rates of exchange at each reporting date. All translation exchange differences arising on the retranslation of opening net assets together with differences between income statements translated at average and closing rates are recognised as a separate component of equity. For these purposes net assets include loans between group companies that form part of the net investment, for which settlement is neither planned nor likely to occur in the foreseeable future and is either denominated in the functional currency of the parent or the foreign entity. When a foreign operation is disposed of, any related exchange differences in equity are recycled through profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the rate of exchange at reporting date.

e) Business combinations

(i) Subsidiaries

The group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

(ii) Goodwill

Goodwill arising on consolidation represents the excess of the cost of the acquisition over the group's interest in the fair value of the identifiable assets (including intangibles), liabilities and contingent liabilities of the acquired entity at the date of acquisition. Where the fair value of the group's share of identifiable net assets acquired exceeds the fair value of the consideration, the difference is recognised immediately in profit or loss.

Goodwill is stated at cost less impairment losses and is reviewed for impairment on an annual basis. Any impairment identified is recognised immediately in profit or loss and is not reversed.

Where a business combination occurs in several stages goodwill will be recognised on the transaction that results in the group obtaining control of the subsidiary. Goodwill, or gain on bargain purchase, will be measured as the difference between the fair value of the identifiable net assets acquired and the sum of the consideration paid, the non-controlling interest and the fair value of any previous interest held.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash generating units is in accordance with the basis on which the businesses are managed and according to the differing risk and reward profiles.

f) Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and any impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying value or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the specific asset will flow to the group and the cost can be measured reliably. Repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

Assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

(i) Depreciation

No depreciation is provided on freehold land or assets in the course of construction. In respect of all other property, plant and equipment, depreciation is provided on a straight-line basis at rates calculated to write off the cost or valuation, less the estimated residual value of each asset over its expected useful life as follows:

Broadcast and studio equipment	5 years
Buses	5 years
Freehold buildings and infrastructure	10 - 50 years
Leasehold improvements	Lesser of estimated useful life or period of lease
Leasehold land and buildings	Period of the lease
Other equipment and vehicles	3 - 10 years
Plant and machinery	5 - 12½ years

(ii) Profit or loss on disposal

The profit or loss on the disposal of an asset is the difference between the disposal proceeds and the carrying amount of the asset.

(iii) Capitalisation of borrowing costs

Direct financing costs incurred, before tax, on major capital projects during the period of development or construction that necessarily take a substantial period of time to be developed for their intended use are capitalised up to the time of completion of the project.

g) Investment properties

Investment properties are held for capital appreciation and are not occupied by the group. Investment properties are recognised at fair value representing estimated market value. Changes in fair value are recognised in profit or loss in the period in which they arise.

h) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses. Cost is usually determined as the amount paid by the group.

Amortisation is recognised together with depreciation in profit or loss.

Intangible assets with indefinite lives are not amortised but are subject to annual reviews for impairment.

Intangible assets with finite lives are amortised on a straight-line basis over their estimated useful economic lives, and only tested for impairment where there is a triggering event. The directors' assessment of the useful life of intangible assets is based on the nature of the asset acquired, the durability of the products to which the asset attaches and the expected future impact of competition on the business.

(i) Computer software

Where computer software is not an integral part of a related item of property, plant and equipment, the software is capitalised as an intangible asset.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring them to use. Direct costs associated with the production of identifiable and unique internally generated software products controlled by the group that will probably generate future economic benefits are capitalised. Direct costs include software development employment costs (including those of contractors used) and an appropriate portion of overheads. Capitalised computer software, licence and development costs are amortised over their useful economic lives that are reassessed on an annual basis.

Internally generated costs associated with maintaining computer software programs are expensed as incurred.

(ii) Bid costs and casino licences

Costs incurred during the bidding process, including finance costs, for a casino licence are capitalised by the individual casino on the successful award of a casino licence, and amortised over the exclusivity period applicable to each licence, which ranges from 10 to 12,5 years from date of commencement of those operations.

Bid costs are amortised on a straight-line basis. The costs associated with unsuccessful casino licence applications, including finance costs, are written off as and when related bids are determined to be unsuccessful.

(iii) Trademarks

Trademarks are recognised initially at cost. Trademarks have definite useful lives and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks over their estimated useful lives.

(iv) Customer contracts

These contracts represent a guaranteed source of income over the life of the contract for the purchase of processed gas. The contract is amortised over a 15 year period on a straight-line method.

(v) Distribution rights

Distribution rights represent multi-territory and multiplatform programming rights that the group is able to on-sell to other broadcasters. Distribution rights are initially recognised at cost. Distribution rights are amortised over the products' economic life-cycle which is determined on a pro-rate basis of the individual titles' total cost based on the territory and broadcast platform for which the distribution rights have been on sold.

Distribution rights are amortised on a straight-line basis.

Distribution rights are tested for impairment annually until they are brought into use.

(vi) Capitalised evaluation and exploration expenditure, and capitalised development expenditure

Capitalised evaluation and exploration expenditure, and capitalised development expenditure with finite lives are amortised over their estimated useful economic life as follows:

Mineral assets	2 - 25 years
Exploration and evaluation assets	Units of production method over estimated useful life

Direct attributable expenses relating to mining and other major capital projects, site preparations and exploration and development are capitalised until the asset is brought to a working condition for its intended use. These costs include dismantling and site restoration costs to the extent that these are recognised as a provision.

Costs capitalised to evaluation and exploration expenditure are transferred to capitalised development costs once the technical feasibility and commercial viability of developing the mine has been established and the decision to develop the mine has been taken by the directors.

Capitalised evaluation and exploration expenditure is amortised and is tested for impairment only if indicators of impairment exist in accordance with IFRS 6. Capitalised development expenditure will be amortised over the useful life on a unit of production basis once the mine is commissioned, and is tested for impairment at each statement of financial position date in accordance with IAS 38, until the mine is commissioned. Once the mine is commissioned impairment testing is only done if there is an indicator of impairment.

(vii) Capitalisation of borrowing costs

Financing costs directly associated with the construction or acquisition of qualifying assets are capitalised at interest rates relating to loans specifically raised for that purpose, or at the average borrowing rate where the general pool of group borrowings was utilised. Capitalisation of borrowing costs ceases when the asset is substantially complete.

(viii) Gas rights

Gas rights with finite lives are amortised over their estimated useful economic life as follows:
Units of production method of depletion over gas rights' term

(ix) Programming under development

Programming under development represents costs relating to programming that is still in the process of development and cannot yet be brought into use. Once brought into use, these assets will be amortised and transferred to programme rights.

i) Financial assets and financial liabilities

Financial assets and financial liabilities are initially recognised at fair value plus any directly attributable transaction costs (transaction costs are not included on initial recognition for financial instruments carried at fair value through profit or loss).

Financial assets consist of cash, equity instruments, a contractual right to receive cash or another financial asset, or a contractual right to exchange financial instruments with another entity on potentially favourable terms. Financial assets are derecognised when the right to receive cash flows from the asset have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

Financial liabilities are recognised when there is a contractual obligation to deliver cash or another financial asset, or to exchange financial instruments with another entity on potentially unfavourable terms. Financial liabilities are derecognised when they are extinguished; that is discharged, cancelled or expired.

If a legally enforceable right exists to set off recognised amounts of financial assets and liabilities and there is an intention to settle net, the relevant financial assets and liabilities are offset.

Interest costs are recognised using the effective interest method. Premiums or discounts arising from the difference between the net proceeds of financial instruments purchased or issued and the amounts receivable or repayable at maturity are included in the effective interest calculation and taken to net interest payable over the life of the instrument.

(i) Financial instruments at fair value through profit or loss

Financial instruments at fair value through profit or loss are non-derivative financial assets held for trading and/or designated by the entity upon initial recognition as fair value through profit or loss.

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management.

Gains or losses arising from changes in the fair value of the "financial assets at fair value though profit or loss" category are presented in the income statement within other losses/gains – net, in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of other income when the group's right to receive payments is established.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the group's management has the positive intention and ability to hold to maturity.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets (trade and other receivables), except for maturities of greater than 12 months after the statement of financial position date which are classified as non-current assets.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the terms of the receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the impairment is the difference between the asset's carrying value and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of a impairment account, and the amount of the loss is recognised in profit or loss. When a trade receivable is uncollectible, it is written off against the impairment account for trade receivables. Subsequent recoveries of amounts previously written off are recognised in profit or loss as bad debts recovered.

(iv) Financial liabilities at fair value through profit or loss

Non-derivative financial liabilities are measured initially and subsequently at fair value by discounting the future cash payments using the market rate applicable at statement of financial position date. The gain or loss on re-measurement to fair value is recognised immediately in profit or loss.

(v) Financial liabilities at amortised cost

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method; any difference between proceeds and the redemption value is recognised in the profit or loss over the period of the borrowings.

(vi) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either designated in this category or not classified as any of the above. Investments in this category are included in non-current assets unless management intends to dispose of the investment within 12 months of the statement of financial position date.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognised in profit and loss; translation differences on non-monetary securities are recognised in other comprehensive income. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in other comprehensive income are included in profit or loss as gains and losses from investment securities. Interest on available-for-sale securities calculated using the effective interest rate method is recognised in profit or loss as part of other income. Dividends on available-for-sale equity instruments are recognised in profit or loss as part of other income when the group's right to receive payments is established.

(vii) Cash and cash equivalents

Cash and cash equivalents are carried at cost and include cash in hand, bank deposits, other short-term highly liquid investments and bank overdrafts.

Bank overdrafts are included within cash and cash equivalents on the face of the statement of cash flows as they form an integral part of the group's cash management.

Fair Value
The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active, and for unlisted securities, the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity specific inputs.

Impairment
The group assesses at each statement of financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments are not reversed through profit or loss. Impairment testing of trade receivables is described in note (iii) above.

The Company records its investment in subsidiaries at cost less any impairment charges.

j) Derivative financial assets and financial liabilities

Derivative financial assets and financial liabilities are financial instruments whose value changes in response to an underlying variable, require little or no initial investment and are settled in the future.

Derivative financial assets and liabilities are analysed between current and non-current assets and liabilities on the face of the statement of financial position, depending on when they are expected to mature. For derivatives that are not designated to have a hedging relationship, all fair value movements thereon are recognised immediately in profit or loss. See note (k) for the group's accounting policy on hedge accounting.

k) Hedge accounting

The derivative instruments used by the group, which are used solely for hedging purposes (i.e. to offset foreign exchange and interest rate risks), comprise interest rate swaps and forward foreign exchange contracts. Such derivative instruments are used to alter the risk profile of an existing underlying exposure of the group in line with the group's risk management policies.

Derivatives are initially recorded at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the hedging relationship.

In order to qualify for hedge accounting, the group is required to document the relationship between the hedged item and the hedging instrument. The group is also required to document and demonstrate that the relationship between the hedged item and the hedging instrument will be highly effective. This effectiveness test is re-performed at each period end to ensure that the hedge has remained and will continue to remain highly effective.

The group designates certain derivatives as either: hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); hedges of highly probable forecast transactions or commitment (cash flow hedge); or hedges of net investments in foreign operations.

The full fair value of a hedging derivative is classified as a noncurrent asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(i) Fair value hedges

Fair value hedges comprise derivative financial instruments designated in a hedging relationship to manage the group's interest rate risk to which the fair value of certain assets and liabilities are exposed.

Changes in the fair value of the derivative offset the relevant changes in the fair value of the underlying hedged item attributable to the hedged risk in profit or loss in the period incurred.

Gains or losses on fair value hedges that are regarded as highly effective are recognised in profit or loss together with the gain or loss on the hedged item attributable to the hedged risk.

(ii) Cash flow hedges

Cash flow hedges comprise derivative financial instruments designated in a hedging relationship to manage currency or interest rate risk to which the cash flows of certain liabilities are exposed.

The effective portion of changes in the fair value of the derivative that is designated and qualifies for hedge accounting is recognised in other comprehensive income. The ineffective portion is recognised immediately in profit or loss. Amounts accumulated in equity are recycled to profit or loss in the period in which the hedged item affects profit or loss.

However, where a forecasted transaction results in a non-financial asset or liability, the accumulated fair value movements previously deferred in other comprehensive income are included in the initial cost of the asset or liability.

(iii) Hedges of net investments in foreign operations

Hedges of net investments in foreign operations comprise either foreign currency borrowings or derivatives (typically forward exchange contracts) designated in a hedging relationship.

Gains or losses on hedging instruments that are regarded as highly effective are recognised in other comprehensive income. These largely offset foreign currency gains or losses arising on the translation of net investments that are recorded in equity, in the foreign currency translation reserve. The ineffective portion of gains or losses on hedging instruments is recognised immediately in profit or loss. Amounts accumulated in equity are only recycled to profit or loss upon disposal of the net investment.

Where a derivative ceases to meet the criteria of being a hedging instrument or the underlying exposure which it is hedging is sold, matures or is extinguished, hedge accounting is discontinued. A similar treatment is applied where the hedge is of a future transaction and that transaction is no longer likely to occur.

Certain derivative instruments, whilst providing effective economic hedges under the group's policies, are not designated as hedges. Changes in the fair value of any derivative instruments that do not qualify or have not been designated as hedges are recognised immediately in profit or loss.

The group does not hold or issue derivative financial instruments for speculative purposes.

l) Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the weighted average or first in-first-out method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of the business, less selling expenses. Allowance is made for slow moving goods and obsolete materials are written off.

m) Programme rights

Programme rights are stated at the contracted costs incurred in obtaining the rights to transmit the programmes, less the cost of programmes transmitted or written off during the year.

n) Share capital

Ordinary shares are classified as equity. Mandatory redeemable preference shares are classified as liabilities (see Note p). Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options are included in the share premium account. Where subsidiaries hold shares in the holding company's equity share capital, the consideration paid to acquire these shares is deducted from total shareholders' equity as treasury shares. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity. Shares issued to or held by share incentive plans within the group are treated as treasury shares until such time when participants pay for and take delivery of such shares.

o) Trade payables

Trade payables are initially recognised at fair value and subsequently measured at amortised cost. Trade payables are analysed between current and non-current liabilities on the face of the statement of financial position, depending on when the obligation to settle will be realised.

p) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs and are subsequently stated at amortised cost and include accrued interest and prepaid interest. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months from the reporting date.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The non-discretionary dividends on these preference shares are recognised in profit or loss as interest expense.

q) Impairment

This policy covers all assets except inventories (see note l), financial assets (see note i), non-current assets classified as held for sale (see note i). Impairment reviews are performed by comparing the carrying value of the asset to its recoverable amount, being the higher of the fair value less costs to sell and value in use. The fair value less costs to sell is considered to be the amount that could be obtained on disposal of the asset. The value in use of the asset is determined by discounting, at a market based pre-tax discount rate, the expected future cash flows resulting from its continued use, including those arising from its final disposal. When the carrying values of non-current assets are written down by any impairment amount, the loss is recognised in profit or loss in the period in which it is incurred.

Where the asset does not generate cash flows that are independent from the cash flows of other assets the group estimates the recoverable amount of the cash generating unit ("CGU") to which the asset belongs.

For the purpose of conducting impairment reviews, CGU's are considered to be the lowest level of groups of assets and liabilities that have separately identifiable cash flows. They also include those assets and liabilities directly involved in producing the income and a suitable proportion of those used to produce more than one income stream.

When an impairment is recognised, the impairment loss is held firstly against any specifically impaired assets of the CGU, then recognised against goodwill balances. Any remaining loss is set against the remaining intangible and tangible assets on a pro rata basis.

Should circumstances or events change and give rise to a reversal of a previous impairment loss, the reversal is recognised in profit or loss in the period in which it occurs and the carrying value of the asset is increased. The increase in the carrying value of the asset is restricted to the amount that it would have been had the original impairment not occurred. Impairment losses in respect of goodwill are irreversible.

Intangible non-current assets with an indefinite life and goodwill are tested annually for impairment. Assets subject to amortisation are reviewed for impairment if circumstances or events change to indicate that the carrying value may not be fully recoverable.

r) Non-current assets held for sale

Items classified as non-current assets held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Such assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continued use. This condition is regarded as met only when a sale is highly probable, the asset or disposal group is available for immediate sale in its present condition and management is committed to the sale which is expected to qualify for recognition as a completed sale within one year from date of classification.

s) Provisions

Provisions are recognised when there is a present obligation, whether legal or constructive, as a result of a past event for which it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are calculated on a discounted basis where the effect is material to the original undiscounted provision. The carrying amount of the provision increases in each period to reflect the passage of time and the unwinding of the discount and the movement is recognised in the income statement within interest costs.

Provisions are not recognised for future operating losses however provisions are recognised for onerous contracts where a contract is expected to be loss making (and not merely less profitable than expected).

(i) Provision for rehabilitation

Long-term environmental obligations are based on the group's environmental plans, in compliance with current regulatory requirements. Provision is made based on the net present value of the estimated cost of restoring the environmental disturbance that has occurred up to the reporting date. The estimated cost of rehabilitation is reviewed annually and adjusted as appropriate for changes in legislation or technology. Cost estimates are not reduced by the potential proceeds from the sale of assets or from plant clean up at closure, in view of the uncertainty of estimating the potential future proceeds.

Annual contributions will be made to the group's Environmental Rehabilitation Trust Fund to be created in accordance with statutory requirements, to provide for the funding of the estimated cost of pollution control and rehabilitation during, and at the end of the life of mines.

Expenditure on plant and equipment for pollution control is capitalised and depreciated over the useful lives of the assets whilst the cost of ongoing current programs to prevent and control pollution and to rehabilitate the environment is charged against income as incurred.

t) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

(i) Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- The group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

(ii) Rendering of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

(iii) Advertising

Advertising revenues from the group's free to air television and radio platforms are recognised on flighting and over the period of the advertising contract.

(iv) Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired the group reduces the carrying amount to its recoverable amount by discounting the estimated future cash flows at the original effective interest rate, and continuing to unwind the discount as interest income.

(v) Royalty income

Royalty income is recognised on an accrual basis in accordance with the relevant agreements and is included in other income.

(vi) Dividend income

Dividend income is recognised when the right to receive payment is established.

u) Net gaming win

Net gaming win comprises the net table and slot machine win derived by casino and limited payout route operations from gambling patrons. In terms of accounting standards, betting transactions concluded under gaming operations meet the definition of derivatives and therefore income from gaming operations represents the net position arising from financial instruments. The net gaming win is measured as the net cash received from betting transactions from casino operations. Due to the short term nature of the group's casino and limited payout route operations, all income is recognised in profit and loss immediately, at fair value. VAT and other taxes, including gaming levies, that are charged on casino and limited payout winnings are included in net gaming win and are treated as direct costs as these are borne by the group and not patrons (see note 2 [iv]).

v) Leases

(i) The group is the lessee

Leases of property, plant and equipment where the group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the period of the lease.

(ii) The group is the lessor

The group recognises finance lease receivables on its statement of financial position. Finance income is recognised based on a pattern reflecting a constant periodic rate of return on the group's net investment in the finance lease. Assets leased to third parties under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

w) Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. The group's liability for current taxation is calculated using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided in full using the statement of financial position liability method, in respect of all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the consolidated financial statements, except where the temporary difference arises from goodwill or from the initial recognition (other than a business combination) of other assets and liabilities in a transaction that affects neither accounting nor taxable profit.

Deferred tax liabilities are recognised where the carrying value of an asset is greater than its tax base, or where the carrying value of a liability is less than its tax base. Deferred tax is recognised in full on temporary differences arising from investment in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it is probable that future taxable profit will be available against which the temporary differences (including carried forward tax losses) can be utilised. Deferred tax is measured at the tax rates expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is measured on a non-discounted basis.

x) Dividend distributions

Dividend distributions to equity holders of the parent are recognised as a liability in the group's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when approved by the board. Dividends declared after the reporting date are not recognised, as there is no present obligation at the reporting date.

y) Employee benefits

(i) Defined contribution plans
A defined contribution plan is a pension or provident plan

under which the group pays fixed contributions into a separate entity. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For the defined contribution plans, subsidiaries of the group pay contributions to both in-house pension funds managed by employer and employee nominated trustees and public administered provident plans on a contractual basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. The rules of the funds do not allow for prepaid contributions.

(ii) Other post-employment obligations

Subsidiaries of the group operate a defined benefit plan for a portion of the medical aid members. This fund is now closed to new entrants. The assets of the scheme are held separately from those of the group and are administered by trustees. The liability recognised in the statement of financial position in respect of the plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains and losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related plan liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised as income or expense if the net cumulative unrecognised actuarial gains and losses at the end of the previous reporting period exceeded the greater of:

- 10% of the present value of the defined benefit obligation at that date (before deducting plan assets); and
- 10% of the fair value of any plan assets at that date.

Past service costs are recognised immediately in income, unless the changes to the plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

A subsidiary of the group pays a monthly grant to the Golden Arrow Employee's Medical Benefit Fund which the Fund uses to cover outgoings not financed by members' contributions. The subsidiary also makes monthly payments to Discovery Health in respect of certain employees and pensioners.

The cost of providing benefits in respect of retirement healthcare is determined separately for each plan using the projected unit credit method, with actuarial valuations at each reporting date. Past service cost is recognised immediately to the extent that benefits have already vested, or otherwise amortised on a straight-line basis over the average period until the amended benefits become vested. The amount recognised in the statement of financial position represents the present value of the defined benefit obligation.

(iii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits when it is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

(iv) Bonus plans

The group recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation. An accrual is maintained for the appropriate proportion of the expected bonuses which would become payable at the year-end.

(v) Share based payments

The group grants share options to employees in terms of the HCI Employee Share Trust (2001). In terms of IFRS 2 these options are fair valued at the date of grant and the fair value determined on the date of grant recognised as an expense over the relevant vesting periods. The fair value of options granted is measured using the Black Scholes Model.

z) Earnings per share

Earnings per share is calculated on the weighted average number of shares in issue, net of treasury shares, in respect of the year and is based on profit attributable to ordinary shareholders. Headline earnings per share is calculated in terms of the requirements set out in Circular 03/2012 issued by SAICA.

aa) Government grants

Government grants are recognised as other income when there is reasonable assurance that the Group will comply with the relevant conditions attached to them and that the grant will be received.

Grants that compensate the group for expenditure incurred are recognised in profit or loss as other income in the period in which it becomes reasonably assured that the grant will be received.

2. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Principles of critical accounting estimates and assumptions

(i) The group makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(ii) Estimated impairment of goodwill

The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 1(e). The recoverable amounts of cash generating units have been determined based on value in use calculations.

These calculations require the use of estimates – see note 3 for details.

(iii) Income taxes

The group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(iv) Net gaming win

The group regards the national VAT levied on net gaming win to be comparable with the gaming levies which are paid to provincial gaming boards. These are seen as direct costs of the group as they are borne entirely by the group and have no effect on casino activities from the punters' perspective.

In the casino industry, the nature of betting transactions makes it difficult to separate bets placed by customers and winnings paid to punters. It therefore follows that casinos experience practical difficulties reflecting output tax separately from input tax. Accordingly, SARS allows casinos to account for VAT by applying the tax fraction to the net betting transaction. Provincial gaming levies are calculated on a similar basis by applying the tax fraction to the net betting transaction. Any change in either the VAT rate or the provincial gaming levies would be absorbed entirely by the group and would have no impact on the punters. The group thus treats VAT and other taxes levied on casino winnings as direct costs. These costs are included in net gaming win which is disclosed separately on the face of the income statement.

(v) Deferred tax assets

Management has applied a probability analysis to determine future taxable income against which calculated tax losses will be utilised.

(vi) Property, plant and equipment, excluding land

Changes in business landscape or technical innovations may impact the useful lives and estimated residual values of these assets. Similar assets are grouped together, but residual values and useful lives may vary significantly between individual assets in a category. Management reviews assets' residual values, useful lives and related depreciation charges annually at each reporting date.

(vii) Inventory valuation

The group manufactures and trades with perishable products. Judgement is required to determine the saleability of these products. In addition, a significant portion of the group's matured wines and brandies have a lengthy production cycle. The saleability and valuation of work-in-progress inventories are dependent on market and consumer trends. Stringent quality control, detailed sales planning and forecasting and procurement planning are key factors in ensuring that the valuation of the group's inventory is reasonable.

3. New Standards, Interpretations and Amendments to existing Standards issued that are not yet effective:

3.1 Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2014 or later periods which the Group has not early adopted:

Standard	Details of Amendment	Annual periods beginning on or after
IFRS 2 Share-based payments	Annual Improvements 2010 – 2012 Cycle: amendments added the definitions of performance conditions and service conditions and amended the definitions of vesting conditions and market conditions.	The Group will apply the IFRS 2 amendments from annual periods beginning 1 April 2015
IFRS 3 Business Combinations	• Annual Improvements 2010 – 2012 Cycle: amendments to the measurement requirements for all contingent consideration assets and liabilities including those accounted for under IFRS 9. • Annual Improvements 2011 – 2013 Cycle: amendments to the scope paragraph for the formation of a joint arrangement.	The Group will apply the IFRS 3 amendments from annual periods beginning 1 April 2015 The Group will apply the IFRS 3 amendments from annual periods beginning 1 April 2015
IFRS 8 Operating Segments	Annual Improvements 2010 – 2012 Cycle: amendments to some disclosure requirements regarding the judgements made by management in applying the aggregation criteria, as well as those to certain reconciliations.	The Group will apply the IFRS 8 amendments from annual periods beginning 1 April 2015
IFRS 9 Financial Statements	The IASB aims to replace IAS 39 'Financial Instruments: Recognition and Measurement' (IAS 39) in its entirety with IFRS 9. To date, the chapters dealing with recognition, classification, measurement, de-recognition of financial assets and liabilities and hedge accounting have been issued. Chapters dealing with impairment methodology are still being developed. Further, in November 2011, the IASB tentatively decided to consider making limited modifications to IFRS 9's financial asset classification model to address application issues.	The Group will apply the IFRS 9 amendments from annual periods beginning 1 April 2018
IFRS 10 Consolidated Financial Investments	IFRS 10 exception to the principle that all subsidiaries must be consolidated. Entities meeting the definition of 'Investment Entities' must be accounted for at fair value under IFRS 9, Financial Instruments, or IAS 39, Financial Instruments: Recognition and Measurement.	The Group will apply the IFRS 10 amendments from annual periods beginning 1 April 2014
IFRS 11 Joint arrangements	Amendments to provide guidance on the accounting for the acquisition of an interest in a joint operation in which the activity of the joint operation constitutes a business.	The Group will apply the IFRS 11 amendments from annual periods beginning 1 April 2016
IFRS 12 Disclosure of Interest in Other Entities	New disclosures required for Investment Entities (as defined in IFRS 10).	The Group will apply the IFRS 12 amendments from annual periods beginning 1 April 2014

Standard	Details of Amendment	Annual periods beginning on or after
IFRS 13 Fair Value Measurement	• Annual Improvements 2010 – 2012 Cycle: amendments to clarify the measurement requirements for those short-term receivables and payables • Annual Improvements 2011 – 2013 Cycle: amendments to clarify that the portfolio exception applies to all contracts within the scope of, and accounted for in accordance with, IAS 39 or IFRS 9	The Group will apply the IFRS 13 amendments from annual periods beginning 1 April 2014 The Group will apply the IFRS 13 amendments from annual periods beginning 1 April 2014
IAS 19 Employee Benefits	Amendments to Defined Benefit Plans: Employee Contributions whereby the requirements in IAS 19 for contributions from employees or third parties that are linked to service have been amended.	The Group will apply the IAS 19 amendments from annual periods beginning 1 April 2014
IAS 24 Related Party Disclosures	Clarification of the definition of a related party.	The Group will apply the IAS 24 amendments from annual periods beginning 1 April 2014
IAS 36 Impairment Assets	The amendment to IAS 36 clarifies the required disclosures of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal	The Group will apply the IAS 36 amendments from annual periods beginning 1 April 2014
IAS 38 Intangible Assets	• Annual Improvements 2010 – 2012 Cycle: Amendments to the revaluation method - proportionate restatement of accumulated depreciation. • Amendments present a rebuttable presumption that a revenue-based amortisation method for intangible assets is inappropriate except in two limited circumstances, as well as provide guidance in the application of the diminishing balance method for intangible assets.	The Group will apply the IAS 38 amendments from annual periods beginning 1 April 2014 The Group will apply the IAS 38 amendments from annual periods beginning 1 April 2016
IAS 40 Investment Properties	Annual Improvements 2011 – 2013 Cycle: amendments to clarify the interrelationship between IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property	The Group will apply the IAS 40 amendments from annual periods beginning 1 April 2014

The directors have considered the impact of the standards and do not expect a material impact on the financial statements of the Group.

	Group		Company	
	2014	2013*	**2014**	2013
	R'000	R'000	**R'000**	R'000
01. PROPERTY, PLANT AND EQUIPMENT				
Cost				
Broadcast studios and equipment	**655 517**	555 802		
Buses	**1 155 136**	1 071 069		
Land and buildings	**1 178 287**	1 311 233		
Leasehold improvements	**162 639**	99 000		
Mining infrastructure	**168 429**	68 357		
Other equipment and vehicles	**1 278 105**	1 743 055		
Plant and machinery	**1 555 273**	1 611 949		
Properties under construction	**1 311**	1 565		
	6 154 697	6 462 030		
Accumulated depreciation				
Broadcast studios and equipment	**(488 289)**	(420 090)		
Buses	**(388 207)**	(318 406)		
Land and buildings	**(33 573)**	(47 726)		
Leasehold improvements	**(64 271)**	(45 784)		
Mining infrastructure	**(32 939)**	(17 018)		
Other equipment and vehicles	**(696 214)**	(893 561)		
Plant and machinery	**(715 626)**	(760 036)		
Properties under construction	**-**	-		
	(2 419 119)	(2 502 621)		
Carrying value				
Broadcast studios and equipment	**167 228**	135 712		
Buses	**766 929**	752 663		
Land and buildings	**1 144 714**	1 263 507		
Leasehold improvements	**98 368**	53 216		
Mining infrastructure	**135 490**	51 339		
Other equipment and vehicles	**581 891**	849 494		
Plant and machinery	**839 647**	851 913		
Properties under construction	**1 311**	1 565		
	3 735 578	3 959 409		

* Restated

	Group		Company	
	2014	2013*	**2014**	2013
	R'000	R'000	**R'000**	R'000
PROPERTY, PLANT AND EQUIPMENT (continued)				
Movements in property, plant and equipment				
Balance at beginning of year				
Broadcast studios and equipment	**135 712**	135 606		
Buses	**752 663**	625 974		
Land and buildings	**1 263 507**	813 031		
Leasehold improvements	**53 216**	48 345		
Mining infrastructure	**51 339**	33 678		
Other equipment and vehicles	**849 494**	606 525		
Plant and machinery	**851 913**	669 602		
Properties under construction	**1 565**	-		
	3 959 409	2 932 761		
Additions				
Broadcast studios and equipment	**101 081**	71 479		
Buses	**95 772**	189 709		
Land and buildings	**28 789**	99 747		
Leasehold improvements	**60 622**	17 770		
Mining infrastructure	**100 874**	19 542		
Other equipment and vehicles	**331 135**	285 237		
Plant and machinery	**104 417**	60 899		
Properties under construction	**-**	215		
	822 690	744 598		
*Business combinations and dilution of interest in subsidiaries**				
Land and buildings	**-**	413 569		
Leasehold improvements	**-**	1 375		
Other equipment and vehicles	**3 234**	64 764		
Plant and machinery	**10 686**	173 965		
Properties under construction	**-**	1 356		
	13 920	655 029		

* Restated

	Group 2014 R'000	Group 2013* R'000	Company 2014 R'000	Company 2013 R'000
PROPERTY, PLANT AND EQUIPMENT (continued)				
Transfer to disposal group assets held for sale				
Land and buildings	**(90 239)**	(2 295)		
Leasehold improvements	**(106)**	-		
Other equipment and vehicles	**(441 686)**	-		
Plant and machinery	**(2 936)**	(248)		
	(534 967)	(2 543)		
Disposals and transfers				
Broadcast studios and equipment	**(1 366)**	(533)		
Buses	**(4 720)**	(3 924)		
Land and buildings	**(53 623)**	(58 561)		
Leasehold improvements	**(99)**	(17)		
Mining infrastructure	**(803)**	-		
Other equipment and vehicles	**(21 439)**	(10 716)		
Plant and machinery	**(43 997)**	(6 767)		
Properties under construction	**(254)**	(6)		
	(126 301)	(80 524)		
Depreciation				
Broadcast studios and equipment	**(67 815)**	(67 905)		
Buses	**(76 786)**	(59 096)		
Land and buildings	**(8 751)**	(8 433)		
Leasehold improvements	**(14 452)**	(13 408)		
Mining infrastructure	**(15 920)**	(1 881)		
Other equipment and vehicles	**(199 001)**	(161 760)		
Plant and machinery	**(79 677)**	(61 174)		
	(462 402)	(373 657)		
Impairments				
Broadcast studios and equipment	**(151)**	(2 894)		
Leasehold improvements	**(826)**	(849)		
Other equipment and vehicles	**(3 525)**	(2 387)		
Plant and machinery	**(2 052)**	(6 367)		
	(6 554)	(12 497)		

* Restated

	Group		Company	
	2014	2013*	**2014**	2013
	R'000	R'000	**R'000**	R'000
PROPERTY, PLANT AND EQUIPMENT (continued)				
Impairment reversals				
Plant and machinery	**-**	21 885		
Currency translation				
Broadcast studios and equipment	**(233)**	(41)		
Land and buildings	**5 031**	6 449		
Leasehold improvements	**13**	-		
Other equipment and vehicles	**64 616**	67 831		
Plant and machinery	**356**	118		
	69 783	74 357		
Balances at end of year				
Broadcast studios and equipment	**167 228**	135 712		
Buses	**766 929**	752 663		
Land and buildings	**1 144 714**	1 263 507		
Leasehold improvements	**98 368**	53 216		
Mining infrastructure	**135 490**	51 339		
Other equipment and vehicles	**581 891**	849 494		
Plant and machinery	**839 647**	851 913		
Properties under construction	**1 311**	1 565		
	3 735 578	3 959 409		

Internal restructuring as well as changes in the dynamics of the market in which certain businesses within the clothing and textile segments operate, resulted in better than expected performances. Impairment testing of these plants resulted in the impairment losses recorded in previous reporting periods to be reversed in the 2013 financial year.

A register of land and buildings is available for inspection at the registered office of the company.

Encumbrances

Details of the assets that serve as security for borrowings are presented in note 22.

* Restated

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
02. INVESTMENT PROPERTIES				
Investment properties consist of:				
Bare dominiums	**30 533**	28 995		
Other investment properties	**1 664 999**	878 508		
	1 695 532	907 503		

Investment properties are stated at fair value.

Measurement of fair value

The fair value of the dominiums is determined based on external valuations, contracts and taking credit risk into account. Bonds are registered over the bare dominiums.

The fair value of certain investment properties owned by the Group's property interests, totalling R120,1 million at 31 March 2014, has been arrived at on the basis of an external valuation carried out at 31 March 2012 by Mr Conrad Penny, an independent valuer not related to the Group. The fair value of the remaining investment properties owned by the Group's property interests, totalling R50 million at 31 March 2014, was arrived at on the basis of an external valuation carried out at 31 March 2011 by Mr Conrad Penny. The fair values of these properties were assessed to have not changed substantially since the last revaluation, thus no fair value adjustments were required during the current year.

The fair value of investment properties owned by the Group's clothing, textiles and toys interests at 31 March 2014, totalling R670 million, has been arrived at on the basis of a valuation carried out at 31 March 2014 by David Newham Property Management Co. (Pty) Ltd, an independent valuer not related to the Group.

Properties with a carrying value of R822 million are held at cost as they are still wholly or partially under construction and the fair values could not be reliably measured at year end.

The fair value measurement of other investment properties, totalling R34 million, has been arrived at on the basis of an internal valuation, and has been categorised as a level 3 fair value based on the inputs to the valuation technique used.

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
INVESTMENT PROPERTIES (continued)				
Details of investment properties are available at the registered office of the company.				
Reconciliation of carrying value				
At beginning of year	**907 503**	557 886		
Business combinations	**-**	707		
Fair value adjustments	**23 284**	427		
Transfer from property, plant and equipment	**49 301**	104 496		
Transfer to non-current assets held for sale	**(1 850)**	-		
Additions	**260 783**	205 401		
Disposals	**(1 000)**	-		
Improvements	**457 511**	38 586		
At end of year	**1 695 532**	907 503		
Rental income from investment property	**153 139**	102 388		
Direct operating expenses arising from investment property that generated rental income during the period	**37 900**	40 247		
Direct operating expenses arising from investment property that did not generate rental income during the period	**805**	-		

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
03. GOODWILL				
Arising on acquisition of shares in subsidiaries	**279 011**	256 470		
Reconciliation of carrying value				
At beginning of year	**256 470**	186 212		
- Cost	**401 789**	330 447		
- Accumulated impairment	**(145 319)**	(144 235)		
Business combinations	**16 957**	65 337		
Business combinations as previously stated	**16 957**	3 134		
Restatement (refer note 48)	**-**	62 203		
Impairment	**(329)**	(1 084)		
Effects of foreign exchange differences	**5 913**	6 005		
At end of year	**279 011**	256 470		
- Cost	**424 659**	401 789		
- Accumulated impairment	**(145 648)**	(145 319)		

Goodwill relates mainly to the Group's limited payout gaming (2014: R70,8 million; 2013: R70,8 million), media and broadcasting (2014: R162 million; 2013: R153,7 million), information technology (2014: R24,3 million; 2013: R24.3 million) and clothing, textiles and toys (2014: R14,2 million; 2013: Rnil) interests. The value of CGU's to which goodwill has been allocated has been determined based on value in use calculations using management generated cash flow projections. The following were the principal assumptions, based on past experience, that were used to calculate the net present value of those CGU's :

Pre tax discount rates :	10% - 17%
Number of years:	5 years
Cost growth rate:	5% - 7%

The recoverable amounts of the cash generating units, except Niveus Gaming and Entertainment Proprietary Limited were determined to be higher than the relevant portion of goodwill and therefore no impairment was necessary.

	Bid costs R'000	Computer software R'000	Trademarks R'000	Licences R'000	Programming under development R'000
04. INTANGIBLE ASSETS					
Group 2014					
Carrying value at beginning of year	**6 712**	**33 685**	**73 091**	**100 165**	**62 532**
Additions	**1 075**	**14 398**	**1 618**	**10 344**	**8 234**
Foreign exchange differences	**-**	**-**	**869**	**1 229**	**-**
Disposals	**-**	**(107)**	**-**	**-**	**-**
Amortisation	**(465)**	**(10 956)**	**(4 395)**	**(1 381)**	**-**
Impairment	**-**	**(4 117)**	**-**	**-**	**-**
Transfers to disposal group held for sale	**-**	**-**	**-**	**-**	**-**
Carrying value at end of year	**7 322**	**32 903**	**71 183**	**110 357**	**70 766**
Cost	**8 481**	**75 523**	**95 825**	**115 191**	**78 528**
Accumulated amortisation	**(1 159)**	**(42 620)**	**(24 642)**	**(1 834)**	**(7 762)**
	7 322	**32 903**	**71 183**	**110 357**	**70 766**
Group 2013					
Carrying value at beginning of year	5 596	19 165	5 530	1 046	48 219
Additions	1 500	17 914	1 055	-	14 313
Business combinations and dilution of interest in subsidiaries*	-	3 753	65 842	101 118	-
Foreign exchange differences	-	-	912	-	-
Disposals	-	-	-	-	-
Amortisation	(384)	(7 147)	(248)	(1 999)	-
Transfers	-	-	-	-	-
Carrying value at end of year	6 712	33 685	73 091	100 165	62 532
Cost	7 407	63 279	92 672	103 618	62 560
Accumulated amortisation	(695)	(29 594)	(19 581)	(3 453)	(28)
	6 712	33 685	73 091	100 165	62 532

* Restated. Refer to note 48.

	Distribution rights R'000	Customer contracts R'000	Emission allowances R'000	Gas rights R'000	Interconnection R'000	Total R'000

INTANGIBLE ASSETS (continued)

Group 2014

Carrying value at beginning of year	**310 712**	**85 481**	**28 264**	**182 312**	**-**	**882 954**
Additions	**141 321**	**-**	**-**	**445**	**8 741**	**186 176**
Foreign exchange differences	**21 040**	**11 758**	**4 104**	**25 325**	**-**	**64 322**
Disposals	**(2 140)**	**-**	**-**	**-**	**-**	**(2 247)**
Amortisation	**(68 188)**	**(13 950)**	**-**	**(24 488)**	**(64)**	**(123 884)**
Impairment	**-**	**-**	**-**	**-**	**-**	**(4 117)**
Transfers to disposal group held for sale	**-**	**(83 289)**	**(32 368)**	**(183 594)**	**(8 677)**	**(307 928)**
Carrying value at end of year	**402 745**	**-**	**-**	**-**	**-**	**695 276**
Cost	**636 451**	**-**	**-**	**-**	**-**	**1 009 999**
Accumulated amortisation	**(233 706)**	**-**	**-**	**-**	**-**	**(314 723)**
	402 745	**-**	**-**	**-**	**-**	**695 276**

Group 2013

Carrying value at beginning of year	239 741	81 583	38 448	169 926	-	609 254
Additions	94 803	-	-	19	-	129 604
Business combinations and dilution of interest in subsidiaries*	-	-	-	-	-	169 668
Foreign exchange differences	13 202	16 684	7 858	34 720	-	73 376
Disposals	-	-	(18 042)	-	-	(18 042)
Amortisation	(37 564)	(12 786)	-	(22 353)	-	(82 481)
Transfers	530	-	-	-	-	530
Carrying value at end of year	310 712	85 481	28 264	182 312	-	881 909
Cost	364 307	159 515	28 264	327 996	-	1 208 573
Accumulated amortisation	(53 595)	(74 034)	-	(145 684)	-	(326 664)
	310 712	85 481	28 264	182 312	-	881 909

* Restated. Refer to note 48.

INTANGIBLE ASSETS (continued)

The amortisation expense has been included in the line item depreciation and amortisation in the income statement.

The following useful lives were used in the calculation of amortisation:

Bid costs	1 to 7 years
Computer software	1 to 5 years
Customer contracts	15 years
Distribution rights	***
Emission allowances	****
Gas rights	12 to 20 years
Interconnection	10 years
Licences	period of licence
Management contract	indefinite
Programming under development	**
Trademarks	23 years

** Programming under development has not yet been brought into use. The assets were tested for impairment and no impairment was required. Once brought into use the assets would be transferred to programme rights.

*** Distribution rights represent multi-territory and multi-platform programming rights that the group is able to on sell to other broadcasters. These rights are amortised over the estimated useful life, based on the territory and platform for which the respective rights have been on sold.

**** Emission allowances consist of credits that need to be applied to Nitrous Oxide (N_2O) emissions from internal combustion engines. These engines emit levels of N_2O for which specific allowances are required in certain states of the United States of America. Certain assets acquired through the acquisition of a subsidiary by Montauk Energy Holdings, LLC qualify for N_2O allowances. These have been recognised at fair value at date of acquisition and will be amortised only when brought into use.

Encumbrances

Details of the assets that serve as security for borrowings are presented in note 22.

	Evaluation and exploration R'000	Development expenditure R'000	Total R'000

05. INTANGIBLE ASSETS MINING

	Evaluation and exploration R'000	Development expenditure R'000	Total R'000
Group 2014			
Carrying value at beginning of year	**9 334**	**92 873**	**102 207**
Amortisation	**-**	**(3 287)**	**(3 287)**
Rehabilitation provision released	**-**	**3 977**	**3 977**
Additions	**22**	**8 692**	**8 714**
Carrying value at end of year	**9 356**	**102 255**	**111 611**
Group 2013			
Carrying value at beginning of year	9 271	82 823	92 094
Amortisation	-	(1 861)	(1 861)
Rehabilitation provision released	-	4 894	4 894
Additions	63	7 017	7 080
Carrying value at end of year	9 334	92 873	102 207

INTANGIBLE ASSETS MINING (continued)

Additions include capitalised expenses such as geology costs, engineering costs, environmental costs, feasibility costs, consultants fees and mining staff costs.

Capitalised development expenditure is tested annually for impairment in accordance with IAS 38. The recoverable amount of the cash generating units has been determined with reference to a discounted cash flow valuation of the mines. An inflation rate of 6% (2013: 6%) has been applied on cash flows that have been discounted at 11% (2013: 11%).

The following assumptions have been applied when reviewing capitalised development expenditure for impairment:

Future expected profits have been estimated using budgeted project cash flows extending over 564 months for the Palesa mine (including Rooiport reserve) and 53 months for the Mbali mine.

Sales growth and gross margins were based on expected sales prices and sales volumes for export and inland coal. Sales and sales prices were assumed to grow in line with expansion and expected inflation as well as taking prices per sale agreements into account.

Costs were assumed to grow in line with expansion and expected inflation.

The recoverable amount of the cash generating units were determined to exceed the net asset value of the mines as at 31 March 2014 (excluding the effect of the shareholder financing) and therefore no impairment was necessary.

Capitalised development assets are amortised over the total expected tons to be produced during the life of the mine. The total expected tons to be produced for the Palesa mine is 75 000 000 tons and Mbali mine is 8 445 215 tons and the actual tons produced during the year was 2 953 345 tons and 163 341 tons, respectively.

06. INVESTMENTS IN ASSOCIATES

Set out below are the associates which, in the opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of associates	Place of business/country of incorporation	Principal activity	Group's interest 2014	Group's interest 2013
Business Systems Group Proprietary Limited	South Africa	Information technology	**40%**	40%
Cape Town Film Studios Proprietary Limited	South Africa	Media	**42%**	42%
Da Vinci Media GmbH	Germany	Media	**33%**	33%
The Africa Channel Limited	United Kingdom	Media	**47%**	47%
Tsogo Sun Holdings Limited	South Africa	Hotel and casino operator	**41%**	41%

Name of associates	Group Carrying value 2014 R'000	Group Carrying value 2013 R'000	Company Carrying value 2014 R'000	Company Carrying value 2013 R'000
Business Systems Group Proprietary Limited	**20 758**	18 272	**3 000**	3 000
Cape Town Film Studios Proprietary Limited	**47 041**	44 939	**-**	-
Da Vinci Media GmbH	**52 902**	39 636	**-**	-
The Africa Channel Limited	**47 531**	37 869	**-**	-
Tsogo Sun Holdings Limited	**9 348 960**	8 857 961	**-**	-
Other associates**	**103 648**	84 517	**-**	-
	9 620 840	9 083 194	**3 000**	3 000
Directors valuation of unlisted associates	**271 880**	225 233		
Market valuation of listed investment in Tsogo Sun Holdings Limited	**11 515 873**	11 256 630		

** A list of these is available for inspection at the company's registered office.

	Business Systems Group Proprietary Limited	Cape Town Film Studios Proprietary Limited	Da Vinci Media GmbH	The Africa Channel Limited	Tsogo Sun Holdings Limited
INVESTMENTS IN ASSOCIATES (continued)					
The summarised financial information in respect of the Group's principal associates is set out below:					
Summarised statement of financial position					
Non-current assets	10 533	276 796	22 846	670	17 955 045
Current assets	50 626	4 011	51 644	10 943	2 458 883
Non-current liabilities	(1 497)	(146 130)	-	(69 590)	(7 158 191)
Current liabilities	(11 857)	(159 433)	(21 562)	(11 736)	(2 734 000)
Net assets	47 805	(24 756)	52 928	(69 713)	10 521 737
Reconciliation to carrying amounts:					
Opening net assets 1 April 2013	41 590	(18 519)	31 234	(53 113)	9 121 737
Profit (loss) for the year	7 701	(6 237)	(231)	(15 177)	1 972 472
Other comprehensive income	-	-	-	-	181 419
Other equity movements	-	-	21 924	(1 423)	143 966
Dividends paid	(1 486)	-	-	-	(897 857)
Closing net assets 31 March 2014	47 805	(24 756)	52 927	(69 713)	10 521 737
Group's share in %	40%	42%	33%	47%	41%
Group's share in R'000	19 122	(10 398)	17 466	(32 765)	4 313 912
Goodwill	1 636	57 439	35 436	80 296	5 035 048
Carrying amount	20 758	47 041	52 902	47 531	9 348 960
Summarised statement of comprehensive income					
Revenue	98 891	29 176	59 210	18 769	3 948 494
Net gaming win	-	-	-	-	6 818 800
Profit (loss) from operations	7 701	(6 237)	(231)	(15 177)	1 972 472
Profit (loss) for the period	7 701	(6 237)	(231)	(15 177)	1 972 472
Other comprehensive income	-	-	-	-	181 419
Total comprehensive income (loss)	7 701	(6 237)	(231)	(15 177)	2 153 891
Dividends received from associates	594	-	-	-	363 581
Group's share of associates profits (losses) for the year	3 080	(2 650)	(65)	(7 201)	779 791

	2014 R'000	2013 R'000
Group's share of associates:		
- Contingent commitments	**816 673**	**507 937**
- Capital commitments	**1 771 200**	**1 331 099**

07. INVESTMENTS IN JOINT ARRANGEMENTS

The following are the Group's principal joint arrangements:

Name of joint arrangements	Principal activity	Group's interest 2014	Group's interest 2013	Group Carrying value 2014 R'000	Group Carrying value 2013 R'000
Baycorp Holdings Proprietary Limited	Debt collection service provider	**53%**	53%	**319 431**	357 488
Clare Developments Proprietary Limited	Property	**50%**	50%	**27 522**	-
HCI Property Investments Proprietary Limited	Property	**50%**	50%	**223**	15 660
Regal Holdings Proprietary Limited	Property	**50%**	50%	**6 180**	5 366
				353 356	378 514

	2014 R'000	2013 R'000
Cost	**407 109**	421 538
Accumulated impairment	**(53 753)**	(43 024)
Carrying value	**353 356**	378 514

Due to both operational and competitive reasons, the investment in Baycorp Holdings Proprietary Limited was tested for impairment in the prior year, resulting in the carrying value being impaired R43 million. No impairment was required in the current year. Currency fluctuations have been taken into account in the carrying value of this investment, resulting in an increased accumulated impairment balance.

A restructuring of the underlying assets of HCI Property Investments Proprietary Limited was considered to be an indication of impairment by management. The impairment test resulted in the carrying value of the investment being impaired by R5,9 million. The carrying value was further reduced by the dividend declared to shareholders during the year.

The summarised financial information in respect of the Group's principal joint arrangements is set out below:

	2014	2013
Current assets	**592 547**	574 395
Non-current assets	**1 007 955**	900 434
Current liabilities	**(151 002)**	(223 620)
Non-current liabilities	**(641 551)**	(519 650)
Income	**616 531**	321 660
Expenses	**(713 148)**	(284 037)
Group's share of joint arrangements' losses for the year	**(12 383)**	(20 883)
Group's share of joint arrangements' capital commitments	-	-

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
08. OTHER FINANCIAL ASSETS				
Financial assets carried at fair value through profit or loss				
Foreign currency exchange contracts	**15 723**	1 566		
Equity securities	**22 294**	64 679		
	38 017	66 245		
Available for sale investments held at fair value				
Equity securities	**3 644**	3 580		
Redeemable preferences shares	**-**	95 867		
Other	**5 244**	5 282		
	8 888	104 729		
Financial assets held at amortised cost				
Restricted cash held in escrow	**-**	49 082		
	46 905	220 056		
Current portion	**37 742**	163 267		
Non-current portion	**9 163**	56 789		
	46 905	220 056		

Fair value of derivative financial instruments carried at fair value through profit or loss

The fair value of derivatives was based upon market valuations. The net market value of all forward exchange contracts at year end was calculated by comparing the forward exchange contracted rates to the equivalent year end market foreign exchange rates.

Fair value of equity securities carried at fair value through profit or loss

The fair value of the listed equity instruments was determined using the quoted price available for the instruments.

Fair value of redeemable preference shares held as available-for-sale

The fair value of the listed redeemable preference shares was determined using the quoted price available for the instruments.

	Company 2014 R'000	Company 2013 R'000

09. SUBSIDIARY COMPANIES

	2014 R'000	2013 R'000
Shares at cost less impairment	**14 450 955**	1 508 511
Amounts owing by subsidiary companies	**4 617 580**	2 236 277
	19 068 535	3 744 788
Amounts owing to subsidiary companies	**(369 581)**	(74 961)
	18 698 954	3 669 827

These loans are interest free and have no set repayment dates.

Interests in subsidiaries

Set out below are the group's subsidiaries that have non-controlling interests that are material to the group at year end. Unless otherwise stated, the subsidiaries have share capital consisting solely of ordinary shares, which are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal activities	Place of business/Country of incorporation
KWV Holdings Limited	Alcoholic beverage producer	South Africa
Oceania Capital Partners Limited	Investment holding	Australia
Sabido Investments Proprietary Limited	Media and broadcasting	South Africa
Seardel Investment Corporation Limited	Clothing, textiles and toys	South Africa

Name of entity	% of effective interest held by the group 2014	2013	% exercisable voting rights 2014	2013	% of effective interest held by the non-controlling interests (NCI) 2014	2013
KWV Holdings Limited #	28.5%	27.3%	51.6%	51.6%	71.5%	71.5%
Oceania Capital Partners Limited	67.7%	67.7%	67.7%	67.7%	32.3%	32.3%
Sabido Investments Proprietary Limited #	47.4%	63.8%	63.9%	63.9%	52.6%	36.2%
Seardel Investment Corporation Limited	73.5%	76.1%	80.8%	81.1%	26.5%	23.9%

The investment is held through various intermediary companies controlled by the group, resulting in exercisable voting rights being in excess of effective economic interest

Significant restrictions

There are no significant statutory, contractual or regulatory restrictions on the group's ability to access or use the assets and settle the liabilties of the group.

There are no contractual arrangements in place for the provision of financial support to any of the principal subsidiaries, nor has there been any financial or other support provided to these entities during the reporting period. There is no current intention of providing financial or other support to these entities.

SUBSIDIARY COMPANIES (continued)

Non-controlling interests

Set out below is summarised financial information for each subsidiary that has non-controlling interests (NCI) that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

	KWV Holdings Limited##		Oceania Capital Partners Limited	
	2014	2013###	**2014**	2013
	R'000	R'000	**R'000**	R'000
Summarised statement of financial position				
Non-current assets	**738 991**	733 840	**488 423**	573 904
Current assets	**1 355 787**	1 323 092	**347 954**	239 333
Non-current liabilities	**(107 555)**	(112 055)	**(50 548)**	(1 005)
Current liabilities	**(352 759)**	(310 043)	**(12 975)**	(13 604)
Net assets	**1 634 464**	1 634 834	**772 854**	798 628
Accumulated non-controlling interests	**743 354**	791 184	**252 201**	260 348
Summarised statement of comprehensive income				
Revenue	**1 110 212**	233 764	**84 530**	16 618
Profit(loss) for the year	**(1 037)**	(7 002)	**(45 733)**	(27 691)
Other comprehensive income (loss)	**667**	157	**11 129**	1 998
Total comprehensive income (loss) for the year	**(370)**	(6 845)	**(34 604)**	(25 693)
Profit (loss) allocated to non-controlling interests	**(877)**	(3 149)	**(14 625)**	(2 121)
Dividends paid to non-controlling interests	**-**	-	**-**	-
Summarised cash flows				
Cash flows from operating activities	**41 317**	12 311	**1 869**	(12 802)
Cash flows from investing activities	**(17 655)**	(7 479)	**95 831**	(131 913)
Cash flows from financing activities	**-**	-	**51 986**	105 101

figures include acquisition accounting entries.

Statement of comprehensive income is for three months of trading as control was effective on 11 December 2012.

	Sabido Investments Proprietary Limited##		Seardel Investment Corporation Limited	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
SUBSIDIARY COMPANIES (continued)				
Summarised statement of financial position				
Non-current assets	**1 257 733**	999 760	**2 971 894**	1 388 252
Current assets	**981 514**	831 906	**1 055 914**	1 136 387
Non-current liabilities	**(308 160)**	(163 267)	**(113 423)**	(93 662)
Current liabilities	**(466 733)**	(343 968)	**(1 060 334)**	(970 391)
Net assets	**1 464 354**	1 324 431	**2 854 051**	1 460 586
Accumulated non-controlling interests	**692 913**	459 039	**349 363**	342 252
Summarised statement of comprehensive income				
Revenue	**2 364 039**	2 125 384	**2 163 518**	1 845 524
Profit(loss) for the year	**447 897**	551 739	**4 061**	40 851
Other comprehensive income (loss)	**-**	-	**(9 744)**	17 756
Total comprehensive income (loss) for the year	**447 897**	551 739	**(5 683)**	58 607
Profit (loss) allocated to non-controlling interests	**162 766**	177 698	**9 367**	9 907
Dividends paid to non-controlling interests	**116 739**	212 594	**-**	-
Summarised cash flows				
Cash flows from operating activities	**579 901**	596 839	**217 444**	202 584
Cash flows from investing activities	**(380 304)**	(41 705)	**(191 614)**	(210 751)
Cash flows from financing activities	**(135 628)**	(639 464)	**99 646**	(45 859)

Full details of subsidiary companies are provided in Annexure A.

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
10. DEFERRED TAX				
Movements in deferred taxation				
At beginning of year	**(156 419)**	(29 970)		
Asset revaluations	**(11 247)**	681		
Accelerated tax allowances	**(37 692)**	(35 702)		
Provisions and accruals	**14 715**	(1 074)		
Assessed losses	**39 294**	20 246		
Business combinations: Accelerated tax allowances*	**(1 023)**	(77 295)		
Other	**2 874**	(33 305)		
At end of year	**(149 498)**	(156 419)		
Analysis of deferred taxation				
Accelerated tax allowances*	**(375 955)**	(368 669)		
Provisions and accruals	**114 554**	104 395		
Deferred revenue	**4 761**	612		
Asset revaluations	**(136 883)**	(117 105)		
Assessed losses	**239 983**	215 351		
Other	**4 042**	8 997		
	(149 498)	(156 419)		
Composition of deferred taxation				
Deferred taxation assets	**127 941**	84 189		
Deferred taxation liabilities	**(277 439)**	(240 608)		
	(149 498)	(156 419)		

There are tax losses in respect of six subsidiary companies. The directors have considered the future profitability of these entities and on the basis that they are projected to produce taxable income in the foreseeable future, these deferred tax assets are considered fully recoverable. Tax losses have been recognised by these subsidiaries to the extent considered recoverable.

* Restated. Refer to note 48.

11. OPERATING LEASE EQUALISATION

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Straight-lining of operating leases				
Assets	**27 185**	8 276		
Liabilities	**(3 596)**	(118)		
	23 589	8 158		

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
12. FINANCE LEASE RECEIVABLES				
Finance lease receivables	**50 526**	48 674		
Details of finance lease receivables				
Gross investment in leases	**94 719**	87 285		
- within one year	**35 935**	31 562		
- in second to fifth year	**58 784**	55 723		
Unearned finance income	**(16 666)**	(14 272)		
Present value of minimum lease payments	**78 053**	73 013		
- within one year	**27 527**	24 339		
- in second to fifth year	**50 526**	48 674		
Less: current portion**	**(27 527)**	(24 339)		
	50 526	48 674		

Finance lease receivables relates mainly to the groups clothing, textiles and toys (2014: R50,1 million; 2013: R47,5 million) interests. The finance lease arrangement is for copiers, faxes and point-of-sale equipment.

Interest is charged at rates varying between 14% and 25%. There were no contingent rents recognised as income during the year.

Fair value of finance lease receivables

The carrying value approximates fair value as market related rates have been applied to discount the receivable.

Encumbrances

Certain finance lease receivables have been ceded as security for loans due. This has been classified under long term receivables in the note 22.

** Included in trade and other receivables

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
13. NON-CURRENT RECEIVABLES				
Prepayments	**-**	1 009	**-**	-
Loan to HCI Employee Share Trust (2001)	**-**	-	**78 268**	124 047
Letter of credit	**-**	11 963	**-**	-
Other loans#	**149 356**	31 682	**-**	-
These loans are due within 1 to 6 years and bear interest at rates ranging form 0% to 5% per annum.				
Less: Current portion	**(3 517)**	(394)	**-**	-
	145 839	44 260	**78 268**	124 047
Fair value of long-term loans and receivables				
The fair value of long-term interest bearing receivables approximates the carrying value as market related rates of interest are charged on these outstanding amounts. There were no impairment provisions on non-current receivable financial assets during the current or prior years.				
Non-current receivables are denominated in the following currencies:				
South African Rand	**145 839**	30 946	**78 268**	124 047
United States Dollar	**-**	13 314	**-**	-
	145 839	44 260	**78 268**	124 047

Included in other loans are the loan to SACTWU relating to the sale of plant, equipment and inventory from discontinued operations. Refer to note 18.2.

Encumbrances

Certain non-current receivables have been ceded as security for loans due. Refer note 22.

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
14. INVENTORIES				
Raw materials	**1 142 840**	953 523		
Work in progress	**108 730**	149 999		
Finished goods	**356 724**	577 744		
Consumables and spares	**36 241**	42 342		
Coal	**11 313**	4 368		
Provision for obsolete inventory	**(11 579)**	(6 515)		
	1 644 269	1 721 461		

Inventories stated at net realisable value - R125 million (2013: R128 million).

Encumbrances

Certain inventories have been ceded as security for loans due. Refer to note 22.

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
15. PROGRAMME RIGHTS				
Television programmes				
-International	**253 082**	241 782		
-Local	**39 644**	14 193		
	292 726	255 975		
Reconciliation of carrying value				
At beginning of year	**255 975**	198 340		
Additions	**338 954**	318 888		
Currency translation	**1 385**	-		
Amortised through other operating expenses	**(303 588)**	(261 253)		
At end of year	**292 726**	255 975		

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
16. TRADE AND OTHER RECEIVABLES				
Trade receivables	**1 272 427**	1 065 277	**-**	-
Other receivables	**518 003**	693 159	**352**	-
Allowance for impairment of trade receivables	**(28 990)**	(29 419)	**-**	-
	1 761 440	1 729 017	**352**	-
Fair value of trade receivables				
Trade and other receivables	**1 761 440**	1 729 017	**352**	-

The carrying value approximates fair value because of the short period to maturity of these instruments.

Trade receivables neither past due nor impaired

The credit quality of trade and other receivables that are neither past due nor impaired is assessed on an ongoing basis for individual debtors and based on repayment history. No individual customer represents more than 10% of the group's trade receivables.

Collateral

The group holds no collateral over the trade receivables which can be sold or repledged to a third party.

Trade receivables past due but not impaired

At 31 March 2014, trade receivables of R73,6 million (2013: R61,9 million) were past due but not impaired. These relate mainly to a number of customers for whom there is no recent history of default. The aging analysis of these trade receivables is as follows:

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
30 to 60 days	**50 802**	22 598		
60 to 90 days	**3 232**	13 041		
More than 90 days	**19 572**	26 305		

None of the financial assets that are fully performing have been renegotiated in the last year.

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
TRADE AND OTHER RECEIVABLES (continued)				
Impairment of trade receivables				
At 31 March 2014, trade receivables of R29 million (2013: R29 million) were impaired. Impaired trade receivables relate to debtors that have been handed over to attorneys for collection and debtors that have been outstanding for more than one year.				
Movements on the allowance for impairment of trade receivables is as follows:				
At beginning of year	**29 419**	31 480		
Business combinations	**-**	8 318		
Provision for receivables impairment	**9 356**	26 291		
Receivables written off during the year as uncollectible	**(3 763)**	(14 638)		
Unused amounts reversed	**(6 022)**	(22 032)		
At end of year	**28 990**	29 419		

Other receivables past due but not impaired

At 31 March 2014, other receivables of R nil (2013: R nil) were past due but not impaired.

Impairment of other receivables

At 31 March 2014, other receivables of R nil (2013: R nil) were impaired.

TRADE AND OTHER RECEIVABLES (continued)

For both trade and other receivables the creation and release of allowance for impaired receivables have been included in other operating expenses and income in the income statement. Amounts charged to the provision account are written off when there is no expectation of recovery.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable as shown above.

Encumbrances

Details of assets that serve as security for borrowings are presented in note 22.

17. PLEDGED DEPOSITS

Bank deposits of R2 million (2013 : R2 million) have been pledged to support guarantees of R2 million (2013 : R2 million) issued by the company's bankers in favour of a certain South African provincial gaming board for the due and punctual fulfilment of the licence obligations under which certain group subsidiaries operates.

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
18. DISPOSAL GROUP ASSETS/LIABILITIES AS HELD FOR SALE				
Disposal group assets classified as held for sale	**1 006 446**	2 543		
Liabilities associated with the disposal group assets held for sale	**(118 798)**	(1 690)		
	887 648	853		

18.1 During the year ended 31 March 2014 a decision was made by the company's board of directors to distribute the group's interest in Johnnic Holdings USA LLC to its shareholders, subject to the receipt of the necessary regulatory approvals.

Assets and liabilities associated with Johnnic Holdings USA LLC classified as held for distribution included in Natural Gas

	Group 2014 R'000	Group 2013 R'000
Property, plant and equipment	**473 123**	-
Intangible assets	**307 931**	-
Non-current receivables	**17 864**	-
Inventories	**7 713**	-
Other financial assets	**3 253**	-
Trade and other receivables	**42 104**	-
Cash and cash equivalents	**92 614**	-
Provisions	**(71 158)**	-
Trade and other payables	**(47 573)**	-
	825 871	-

Refer to note 36.1 for details of operations related to the above assets and liabilities that have been classified as discontinued.

18.2 The directors of Seardel have resolved to exit Seardel's apparel manufacturing businesses through the closure of its Western Cape and KwaZulu-Natal operations and the disposal of the remainder of its apparel manufacturing businesses to SACTWU, details of which are set out in the circular to Seardel Shareholders dated 18 December 2013 ("Circular"). Further to this strategy Seardel has concluded an agreement with SACTWU for the sale of a property situated at the corner of Bofors Circle and Losack Avenue, Epping Industria, Cape Town, of which the apparel manufacutring businesses is the primary tenant of the property for a total purchase consideration of R52.2 million.

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
DISPOSAL GROUP ASSETS/LIABILITIES AS HELD FOR SALE (continued)				
Curtailment of certain operations has rendered these assets surplus to requirements and they will be realised to best advantage. To this end land and buildings valued at R55.7 million is currently in the process of being sold.				
Assets associated with the Seardel group classified as held for sale included in Clothing, textiles and toys				
Property	**53 985**	2 295		
Plant and machinery	**551**	-		
	54 536	2 295		
Refer to note 36.2 for details of operations related to the above assets that have been classified as discontinued.				
18.3 Following the closure of the pulley division of Formex Industries the remaining assets which are in the process of being disposed of have been reflected as non-current assets/disposal group assets held for sale:				
Assets associated with the pulley division of the Formex group classified as held for sale included in Vehicle Component Manufacture				
Property	**7 308**	-		
Plant and equipment	**-**	248		
Liabilities associated with the pulley division of the Formex group classified as held for sale	**(67)**	(1 690)		
Net assets (liabilities) of the pulley division of the Formex group classified as held for sale	**7 241**	(1 442)		
Refer to note 36.3 for details of operations related to the above assets and liabilities that have been classified as discontinued.				

	Number of shares 2014 '000	2013 '000	2014 R'000	2013 R'000
19. ORDINARY SHARE CAPITAL				
Authorised				
Ordinary shares of 25 cents each	**450 000**	450 000	**112 500**	112 500
Issued				
In issue in company	**119 869**	128 944	**29 967**	32 236
Acquired and pending cancellation	**(1 360)**	(1 888)	**(340)**	(472)
In issue in company	**118 509**	127 056	**29 627**	31 764
Treasury shares held by subsidiary and employee share trust	**(12 333)**	(3 832)	**(3 083)**	(957)
	106 176	123 224	**26 544**	30 807

Details of the issued share capital and share premium and changes during the current and prior year are as follows:

	Number of shares '000	Share capital R'000	Share premium R'000
In issue at 31 March 2012	131 976	32 994	978 341
Shares repurchased	(4 920)	(1 230)	(114 103)
Treasury shares held by subsidiary and employee share trust	(3 832)	(957)	(197 940)
In issue at 31 March 2013	123 224	30 807	666 298
In issue at 31 March 2013	127 056	31 764	864 238
Shares repurchased	(8 547)	(2 137)	(764 398)
Treasury shares held by subsidiary and employee share trust	(12 333)	(3 083)	(99 840)
In issue at 31 March 2014	106 176	26 544	-

Details of options over shares are set out in note 39.

The unissued shares are under the control of the directors until the next annual general meeting.

20. OTHER RESERVES

	FCTR R'000	Share based payments R'000	Hedging R'000	Revaluation R'000	Other R'000	Total R'000
Group 2014						
At beginning of year	**396 548**	**61 709**	**(18 323)**	**1 779**	**462**	**442 175**
Exchange differences on of translation foreign subsidiaries	**194 574**	-	-	-	-	**194 574**
Equity-settled share based payments	-	**16 170**	-	-	-	**16 170**
Fair value gains		-	**38 032**	**37**	-	**38 069**
Changes in holding	**(3 078)**	-	-	-	-	**(3 078)**
Tax relating to other comprehensive income	-	-	-	-	-	-
At end of year	**588 044**	**77 879**	**19 709**	**1 816**	**462**	**687 910**
Group 2013						
At beginning of year	113 404	44 476	(8 373)	7 494	462	157 463
Exchange differences on of translation foreign subsidiaries	279 115	-	-	-	-	279 115
Equity-settled share based payments	-	17 233	-	-	-	17 233
Fair value losses	-	-	(9 950)	-	-	(9 950)
Changes in holding	4 029	-	-	(333)	-	3 696
Current revaluations	-	-	-	(6 612)	-	(6 612)
Tax relating to other comprehensive income	-	-	-	1 230	-	1 230
At end of year	396 548	61 709	(18 323)	1 779	462	442 175

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
21. FINANCIAL LIABILITIES				
Financial liabilities carried at fair value through profit or loss				
Foreign exchange contracts	**27 494**	15 164		
Current portion	**27 494**	15 164		
Non-current portion	**-**	-		
	27 494	15 164		

Fair value of derivative financial instruments carried at fair value through profit or loss

The fair value of derivatives was based upon market valuations. The net market value of all foreign exchange contracts at year end was calculated by comparing the foreign exchange contracted rates to the equivalent year end market foreign exchange rates.

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
22. BORROWINGS				
Bank borrowings	**1 198 629**	1 579 190		
Other borrowings	**2 471 840**	351 961		
Redeemable preference shares	**934 451**	392 985		
	4 604 920	2 324 136		
Current portion of borrowings	**(1 687 231)**	(1 019 915)		
	2 917 689	1 304 221		
Secured	**4 432 878**	2 009 195		
Unsecured	**172 042**	314 941		
	4 604 920	2 324 136		
The following represents the book value of the security for these borrowings:				
Property, plant and equipment	**1 579 631**	1 601 767		
Investment properties	**1 445 525**	525 229		
Inventory	**522 376**	627 768		
Intangible assets	**9 197**	13 030		
Other assets	**210 797**	448 580		
Long term receivables	**126 747**	47 544		
Trade receivables	**519 515**	504 788		
Non-current assets held for sale	**54 536**	2 295		
	4 468 324	3 771 001		

The above securities are inclusive of securities pledged for bank overdrafts. Refer to note 26.

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
BORROWINGS (continued)				
Fixed rates	**104 637**	281 418		
Floating rates	**4 500 283**	2 042 718		
	4 604 920	2 324 136		
Maturity of these borrowings is as follows:				
Due within 1 year	**1 687 231**	1 019 915		
Due within 2 - 5 years	**2 180 550**	922 659		
Due after 5 years	**737 139**	381 562		
	4 604 920	2 324 136		
Analysis by currency				
Australian Dollar	**52 456**	-		
South African Rand	**4 453 023**	2 020 244		
United States Dollar	**99 441**	303 892		
	4 604 920	2 324 136		
	%	%		
Weighted average effective interest rates	**7,10**	7,15		

At 31 March 2014, the carrying value of borrowings approximates their fair value as market related rates have been applied to discount the instruments.

23. RETIREMENT BENEFIT INFORMATION

23.1 Medical aid

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Non-current post retirement benefit liabilities	**154 942**	150 282		
Current portion of post retirement benefit liabilities**	**6 280**	5 045		
	161 222	155 327		

23.1.1 A subsidiary pays a monthly grant to the Golden Arrow Employees' Medical Benefit Fund ("MBF" or "the Fund"). The Fund uses the grant to cover the outgoings not financed from member contributions. The administrators of MBF are the Metropolitan Health Group. The subsidiary also makes contributions to Discovery Health.

** Included in trade and other payables

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
POST RETIREMENT BENEFIT (continued)				
Movements in the liability recognised in the statement of financial position are as follows:				
Balance at beginning of year	**65 894**	58 899		
Net expense recognised in the income statement	**(2 132)**	6 995		
	63 762	65 894		
Less: Current portion	**-**	-		
Balance at end of year	**63 762**	65 894		

The calculation of accrued service liability in respect of post-retirement healthcare was performed by Towers Watson Actuaries and Consultants as at 31 March 2014.

The amounts recognised in the income statement are as follows:

	Group 2014 R'000	Group 2013 R'000
Current service cost	**4 069**	3 803
Interest cost	**5 698**	5 223
Net actuarial (gain) loss	**(9 285)**	472
Pensioner subsidy	**(2 614)**	(2 503)
Total included in employee costs	**(2 132)**	6 995

	%	%
The principal actuarial assumptions used for the valuation were:		
Discount rate	**9.50**	8.30
Medical aid subsidy increase rate	**7.20**	6.90
Normal retirement age	**65 years**	65 years
Continuation of membership at retirement	**55.00**	55.00

	2014	2013	2012	2011	2010
	R'000	R'000	R'000	R'000	R'000
As at 31 March					
Present value of obligations	**63 762**	65 894	58 899	48 504	44 937

Contributions of R33 million (2013: R23 million) are expected to be paid into the Group's defined benefit scheme during the annual period after 31 March 2014.

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
POST RETIREMENT BENEFIT (continued)				
As at 31 March, the effects of a 1% movement in the discount rate and the subsidy rate would change the post-retirement medical aid liability to the following:				
Upward movement				
Discount rate increased by 1%	**52 191**	53 069		
Subsidy increase rate increased by 1%	**73 127**	76 265		
Downward movement				
Discount rate reduced by 1%	**67 619**	70 169		
Subsidy increase rate decreased by 1%	**56 056**	57 448		
23.1.2 A subsidiary of the group subsidises certain past employees, who participate in the National Independent Medical Aid Society ("NIMAS") and who joined before 1 July 1996. These past employees are eligible for a 50% retirement subsidy of the total medical scheme contributions.				
Movements in the liability recognised in the statement of financial position are as follows:				
Opening balance	**89 433**	79 307		
Net expense recognised in the income statement	**8 098**	7 005		
Contributions	**(6 036)**	(4 841)		
Actuarial losses	**5 965**	7 962		
	97 460	89 433		
Less: Current portion**	**(6 280)**	(5 045)		
Balance at end of year	**91 180**	84 388		
** Included in trade and other payables				
The amounts recognised in the income statement are as follows:				
Current service cost	**444**	482		
Interest on obligation	**7 654**	6 523		
	8 098	7 005		
	%	%		
The principal actuarial assumptions used for the valuation were:				
Discount rate	**8.70**	7.90		
Medical aid subsidy increase rate	**8.40**	8.00		
Normal retirement age	**65 years**	65 years		

	2014 R'000	2013 R'000	2012 R'000	2011 R'000	2010 R'000
As at 31 March					
Present value of obligations	**97 460**	89 433	79 307	71 233	69 725
Experience adjustments on plan liabilities	**(5 965)**	(7 962)	(5 792)	571	1 757

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
POST RETIREMENT BENEFIT (continued)				
There is no surplus or deficit in the plan as there are no plan assets.				
Contributions of R6,5 million are expected to be paid into the Group's defined benefit scheme during the annual period after 31 March 2014 (2013: R5,2 million).				
As at 31 March, the effects of a 1% movement in the assumed medical cost trend rate would change the current service cost and interest cost, and the post-retirement medical aid liability to the subsidy				
Upward movement				
Effect on the current service cost and interest cost	**9 157**	8 035		
Effect on the post-retirement medical aid liability	**108 488**	100 863		
Downward movement				
Effect on the current service cost and interest cost	**7 210**	6 153		
Effect on the post-retirement medical aid liability	**88 157**	79 906		
24. PROVISIONS				
Rehabilitation liability				
Balance at beginning of year	**100 684**	83 978		
Transfer to disposal group liabilities held for sale	**(69 039)**	-		
Raised during the year	**8 526**	9 509		
Utilised	**-**	(453)		
Other	**2 081**	-		
Exchange differences	**11 647**	7 650		
Balance at end of year	**53 899**	100 684		
Leave pay				
Balance at beginning of year	**30 023**	27 802		
Transfers	**(1 759)**	-		
Raised during the year	**17 100**	9 917		
Unused amounts reversed	**-**	(16)		
Other	**202**	239		
Utilised	**(11 937)**	(7 919)		
Balance at end of year	**33 629**	30 023		
Staff bonuses				
Balance at beginning of year	**21 001**	21 319		
Transfers	**(4 238)**	-		
Other	**451**	526		
Raised during the year	**21 702**	25 908		
Utilised	**(18 540)**	(26 752)		
Balance at end of year	**20 376**	21 001		

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
PROVISIONS (continued)				
Repurchase of service				
Balance at beginning of year	**41 576**	41 576		
Restructuring				
Balance at beginning of year	**5 105**	13 615		
Raised during the year	**23 116**	8 463		
Unused amounts reversed	**(6)**	(340)		
Utilised	**(5 099)**	(16 633)		
Balance at end of year	**23 116**	5 105		
Third party claims				
Balance at beginning of year	**13 326**	12 014		
Raised during the year	**5 122**	7 265		
Utilised	**(5 446)**	(5 953)		
Balance at end of year	**13 002**	13 326		
Provision in respect of guarantees given				
Balance at beginning of year	**20 000**	20 000		
Unused amounts reversed	**(20 000)**	-		
Balance at end of year	**-**	20 000		
Other				
Balance at beginning of year	**9 335**	8 412		
Raised during the year	**7 327**	20 982		
Unused amounts reversed	**(478)**	(243)		
Utilised	**(6 299)**	(19 816)		
Balance at end of year	**9 885**	9 335		
Total provisions	**195 483**	241 050		
Non-current	**54 319**	100 684		
Current	**141 164**	140 366		
	195 483	241 050		

PROVISIONS (continued)

Rehabilitation liability

Rehabilitation obligations are based on the Group's environmental plans, in compliance with current regulatory requirements. Provision is made based on the net present value of the rehabilitation of landfill gas and coal mining sites.

Leave pay

This provision is raised in respect of accumulated annual leave days accrued to employees as the group has a present legal obligation as a result of past service provided by the employee. The timing of the settlement is uncertain given the nature of the provision.

Staff bonuses

This provision is recognised when the group has a present legal or constructive obligation as a result of past service provided by the employee. The timing and extent of claims settled remain uncertain until settlement occurs.

Repurchase of service

This is a provision raised in respect of costs that will be payable to employees on completion of the restructuring of the bus industry by the Department of Transport. This process is ongoing at year end.

Restructuring

These provisions relate to management's restructuring plans already implemented and/or communicated before 31 March 2014. It is anticipated that the costs associated with restructuring and retrenchments will occur within the next 12 months. The uncertainties surrounding the provisions relate to the exact costs of restructuring and which employees will be retrenched and which will be reassigned.

Third party claims

Third party claims are legal claims resulting from traffic accidents. Claims that are insured are excluded from this provision. The timing and extent of claims settled remain uncertain until settlement occurs.

	Group		**Company**	
25. TRADE AND OTHER PAYABLES	**2014**	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
Trade payables	**1 003 064**	977 846	**-**	-
Operating lease liabilities	**1 599**	2 038	**-**	-
Other payables	**759 339**	625 744	**1 969**	2 005
	1 764 002	1 605 628	**1 969**	2 005

Fair value of trade and other payables

The carrying value approximates fair value because of the short period to settlement of these obligations.

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000

26. BANK OVERDRAFTS

26.1 Trade receivables totalling R40 million (2013: R40 million) have been ceded as security for debtors' factoring facilities. The balance of the facility at year end was R33,9 million (2013: R21,3 million).

26.2 A subsidiary, Seardel Investment Corporation Limited, has secured its debt facilities, including overdraft facilities, by providing general, special and mortgage bonds over assets of the group to a special purpose vehicle, which has in turn guaranteed the obligations of Seardel group companies in favour of the Seardel group lenders.

The following assets are subject to the above bonds:

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Property, plant and equipment	**610 529**	754 481		
Investment property	**669 619**	525 229		
Intangible assets	**9 197**	13 030		
Other assets	**3 644**	3 580		
Non-current receivables	**126 747**	47 544		
Inventories	**522 376**	627 768		
Trade & other receivables	**519 515**	504 788		
Non-current assets held for sale	**54 536**	2 295		

26.3 Overdrafts of a subsidiary of R537,7 million (2013: R504,6 million) are secured over assets as part of its general borrowings. Refer note 22.

Fair value of bank overdrafts

The carrying value of bank overdrafts approximates fair value due to the short-term maturity of these instruments.

27. GOVERNMENT GRANTS

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Receivable balance for government grants brought forward	**39 456**	67 256		
Total income from government grants, included in other operating expenses and income, recognised during the year amounted to	**33 875**	67 260		
Total cash received during the year from government grants amounted to	**(39 456)**	(95 060)		
Amount outstanding as at year-end	**33 875**	39 456		

The government grants received related to the Production Incentive Scheme established by the Department of Trade and Industry.

There are no unfulfilled conditions or contingencies relating to the government assistance recognised.

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
28. COMMITMENTS				
Operating lease arrangements where the Group is a lessee:				
Future leasing charges:				
- Payable within one year	**69 287**	54 295		
- Payable within two to five years	**165 174**	74 165		
- Payable after five years	**32 965**	7 421		
	267 426	135 881		
Operating lease arrangements where the Group is a lessor:				
Future leasing charges for premises:				
Receivable within one year	**176 526**	82 645		
Receivable within two to five years	**749 116**	264 889		
Receivable after five years	**494 563**	4 266		
	1 420 205	351 800		
Capital expenditure				
Authorised by directors but not yet contracted for:				
- Investment property	**203 900**	-		
- Property, plant and equipment	**657 734**	291 886		
	861 634	291 886		
Authorised by directors and contracted to be expended:				
- Investment property	**256 955**	20 265		
- Property, plant and equipment	**414 004**	116 057		
- Intangible assets	**11 000**	1 356		
	681 959	137 678		

It is intended that this expenditure will be funded from bank finance and operating cash flows.

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
29. REVENUE				
Sale of goods	**4 276 621**	3 013 545		
Provision of services	**4 106 284**	3 663 556		
	8 382 905	6 677 101		
30. INVESTMENT INCOME				
Dividends				
Listed investments	**1 559**	8 168	**-**	-
Associates	**-**	-	**594**	-
Subsidiaries	**-**	-	**1 595 642**	512 118
	1 559	8 168	**1 596 236**	512 118
Interest				
Bank	**47 072**	42 965	**140**	138
Other	**175**	2 026	**77 341**	9 097
	47 247	44 991	**77 481**	9 235
	48 806	53 159	**1 673 717**	521 353
31. INVESTMENT SURPLUS (DEFICIT)				
Gain on sale of associate	**-**	25 954	**-**	40 084
Gain (loss) on sale of other investments	**-**	9 462	**-**	(299 826)
Gain (loss) on disposal of subsidiaries	**-**	-	**14 472 670**	(6 760)
	-	35 416	**14 472 670**	(266 502)
32. IMPAIRMENT OF GOODWILL AND INVESTMENTS				
Impairment of goodwill	**329**	1 084	**-**	-
Impairment of investments in subsidiaries	**-**	-	**311**	478
	329	1 084	**311**	478
33. FINANCE COSTS				
Interest	**164 607**	115 429	**5 642**	1 560
Preference dividends	**84 014**	35 370	**-**	-
	248 621	150 799	**5 642**	1 560

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000

34. PROFIT BEFORE TAXATION

The following items have been included in arriving at profit before taxation:

Auditors remuneration				
- Audit fees - current year	**18 507**	15 240	**1 059**	1 534
- prior year	**263**	125	**-**	-
- Other services	**228**	81	**134**	-
Consultancy fees	**60 465**	30 957	**-**	20
Foreign exchange loss/(gain)	**40 489**	(10 781)	**-**	-
Gaming levies	**103 496**	88 924	**-**	-
Government grant income	**(33 875)**	(67 260)	**-**	-
Inventory recognised as expense	**50 103**	96 316	**-**	-
Operating lease charges				
- Premises	**78 211**	73 197	**-**	-
- Plant and equipment	**34 281**	9 005	**-**	-
Pension fund contributions	**86 234**	75 690	**-**	-
Loss (Profit) on disposal of property, plant and equipment	**23 556**	(16 846)	**-**	-
Profit on disposal of intangibles	**-**	(22 550)	**-**	-
Research and development	**9 518**	10 247	**-**	-
Secretarial fees	**32**	318	**-**	-
Share based payments	**16 170**	17 233	**16 170**	17 233
Staff costs	**1 909 144**	1 641 844	**-**	-
VAT on net gaming win	**61 328**	53 594	**-**	-

35. TAXATION

South African taxes

Current normal tax	**313 588**	300 328	**1 435**	38
Prior year normal tax	**5 922**	(20 526)	**-**	(21 044)
Deferred normal tax	**(14 799)**	13 251	**-**	-
Capital gains tax	**1 466**	615	**-**	-
Securities transfer tax	**-**	858	**-**	858
Withholding tax	**82**	-	**-**	-
	306 259	294 526	**1 435**	(20 148)

Various subsidiaries have incurred operating losses which result in losses for tax purposes. Deferred tax assets have not been raised unless it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

* Restated. Refer to note 48.

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
TAXATION (continued)				
Losses for tax purposes available for set off against future taxable income and which deferred tax assets have not been raised are estimated at:				
- Normal tax	**639 424**	747 018		
- Secondary tax on companies	**294 065**	464 174		
Tax relief at current rates:				
- Normal tax	**179 039**	209 165		
- Secondary tax on companies	**44 110**	69 626		
Reconciliation of tax rate	%	%		
Normal tax rate	**28**	28		
Deferred tax not raised on losses	**3**	3		
Utilisation of deferred tax assets not previously raised	**(1)**	(1)		
Capital losses and non-deductible expenses	**1**	2		
Non-taxable income including share of associates income	**(12)**	(17)		
Prior year charges	**1**	(1)		
Differential tax rates - CGT and foreign	**(1)**	-		
Effective rate	**19**	14		
The income tax relating to each component of other comprehensive income is set out below:				
Revaluations	**-**	1 230		

36. DISCONTINUED OPERATIONS

Losses for the year from discontinued operations	**(214 141)**	(109 978)		

36.1 During the year ended 31 March 2014 a decision was made by the company's board of directors to distribute the group's interest in Johnnic Holdings USA LLC to its shareholders, subject to the receipt of the necessary regulatory approvals. The results of these operations have therefore been classified as discontinued operations for the group.

	Group 2014 R'000	Group 2013* R'000	Company 2014 R'000	Company 2013 R'000
DISCONTINUED OPERATIONS (continued)				
Loss from discontinued operations relating to Johnnic Holdings USA LLC				
Revenue	**336 258**	237 298		
Operating and other costs	**(381 212)**	(289 258)		
Net finance costs	**(9 255)**	(10 767)		
Loss before taxation	**(54 209)**	(62 727)		
Taxation	**-**	-		
	(54 209)	(62 727)		
Cash flows from discontinued operations				
Cash flows from operating activities	**112 488**	21 517		
Cash flows from investing activities	**(101 747)**	12 240		
Cash flows from financing activities	**2 399**	(2 969)		
	13 140	30 788		

Refer to note 18.1 for details of assets and liabilities relating to the above discontinued operation that have been classified as held for sale.

36.2 The directors of Seardel have resolved to exit Seardel's apparel manufacturing businesses through the closure of its Western Cape and KwaZulu-Natal operations and the disposal of the remainder of its apparel manufacturing businesses to SACTWU.

	Group 2014 R'000	Group 2013* R'000	Company 2014 R'000	Company 2013 R'000
Loss from discontinued operations relating to Apparel Manufacturing Business				
Revenue	**604 457**	667 962		
Operating and other costs	**(671 116)**	(695 666)		
Impairment of assets	**(4 617)**	-		
Restructuring and retrenchment costs	**(43 617)**	(1 063)		
Loss on sale of plant, equipment and inventory	**(31 260)**	-		
Net finance costs	**(13 748)**	(16 406)		
Loss before taxation	**(159 901)**	(45 173)		
Taxation	**-**	-		
	(159 901)	(45 173)		
Cash flows from discontinued operations				
Cash flows from operating activities	**(41 305)**	(18 356)		
Cash flows from investing activities	**7 061**	(2 751)		
Cash flows from financing activities	**-**	-		
	(34 244)	(21 107)		

Refer to note 18.2 for details of assets and liabilities relating to the above discontinued operation that have been classified as held for sale.

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
DISCONTINUED OPERATIONS (continued)				
36.3 Loss for the year relating to the discontinued door module and pulley divisions of Formex Industries Proprietary Limited				
Revenue	-	-		
Operating costs	(31)	(378)		
Impairment of assets	-	(1 700)		
Loss before tax	(31)	(2 078)		
Taxation	-	-		
	(31)	(2 078)		
Cash flows from discontinued operations				
Cash flows from operating activities	-	-		
Cash flows from investing activities	-	-		
Cash flows from financing activities	(1 375)	(4 083)		
	(1 375)	(4 083)		

Refer to note 18.3 for details of assets and liabilities relating to the above discontinued operation that have been classified as held for sale.

37. EARNINGS AND DIVIDENDS PER SHARE

37.1 Earnings per share as presented on the income statement is based on the weighted average number of 114 788 226 ordinary shares in issue (2013 : 126 145 880).

37.2 Diluted earnings per share is based on the weighted average number of 116 710 004 ordinary shares in issue (2013: 128 848 540).

Reconciliation of weighted average number of shares:

	Group 2014	Group 2013	Company 2014	Company 2013
Used in calculation of earnings per share	114 788 226	126 145 880		
Options outstanding in employee share scheme	1 921 778	2 702 660		
Used in calculation of diluted earnings per share	116 710 004	128 848 540		
37.3 Headline earnings per share (cents) *	946,23	860,06		
-Continuing operations	1 083.74	956.99		
-Discontinued operations	(137.51)	(96.93)		
Diluted headline earnings per share (cents) *	930.64	842.02		
-Continuing operations	1 065.88	936.91		
-Discontinued operations	(135.24)	(94.89)		

* Restated

	2014		2013*	
	Gross	**Net**	Gross	Net
	R'000	**R'000**	R'000	R'000
EARNINGS AND DIVIDENDS PER SHARE (continued)				
Earnings attributable to equity holders of the parent		**1 060 455**		1 381 466
IAS 16 loss (profit) on disposal of plant and equipment	**23 556**	**17 695**	(16 846)	(14 688)
IAS 16 impairment of plant and equipment	**6 563**	**2 265**	15 134	8 344
IAS 38 impairment of intangible assets	**4 617**	**3 396**	-	-
IAS 36 impairment of goodwill	**329**	**172**	1 084	922
IFRS 3 gain on bargain purchase	**-**	**-**	(476 901)	(255 194)
IAS 28 gain on disposal of associates	**-**	**-**	(25 954)	(25 954)
IAS 36 impairment of assets	**5 925**	**4 823**	43 024	29 059
IAS 36 reversal of impairments	**(509)**	**(203)**	(22 822)	(17 361)
IAS 38 losses on disposal of intangible assets	**107**	**43**	-	-
IAS 40 fair value adjustment to investment property	**(23 284)**	**(17 418)**	(427)	(463)
Other remeasurements and gains #	**-**	**-**	(32 012)	(30 050)
Re- measurements included in equity-accounted earnings of associates	**31 101**	**14 926**	8 886	8 851
Headline earnings attributable to equity holders of the parent		**1 086 154**		1 084 932

Gross amount for 2013 includes profit on disposal of intangible assets of R22,6 million and profit on disposal of financial investments of R9,5 million.

* Restated

	Group		Company	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
38. NOTES TO THE STATEMENTS OF CASH FLOWS				
38.1 CASH GENERATED/(UTILISED) BY OPERATIONS				
Profit after taxation	**1 265 697**	1 603 264	**16 152 823**	282 173
Taxation	**306 259**	294 759	**1 435**	(20 148)
Depreciation and amortisation	**593 473**	412 906	**-**	-
Share based payments	**16 170**	17 233	**-**	-
Gain on bargain purchase	**-**	(264 422)	**-**	-
Loss (profit) on disposal of property, plant and equipment	**23 555**	(16 846)	**-**	-
Profit on disposal of intangibles	**-**	(22 550)	**-**	-
Impairment of goodwill and investments	**6 255**	44 108	**311**	(21 718)
Other impairments	**21 852**	15 134	**-**	-
Impairment reversals	**(509)**	-	**(23 495)**	-
Equity accounted profits retained in subsidiaries	**(748 228)**	(691 799)	**-**	-
Forex translation	**(11 648)**	15 414	**(4 947)**	-
Fair value adjustments	**(44 293)**	(11 261)	**-**	-
Investment income	**(48 806)**	(45 113)	**(1 673 717)**	(521 353)
Preference dividends and interest	**257 894**	178 094	**5 642**	1 560
Investment surplus	**-**	(35 416)	**(14 472 670)**	266 502
Movement in provisions	**12 217**	(571)	**-**	-
Post retirement medical aid benefits	**11 829**	7 897	**-**	-
Operating lease equalisation asset	**(6 710)**	(2 573)	**-**	-
Other non cash items	**(17 642)**	26 116	**3**	-
	1 637 365	1 524 374	**(14 615)**	(12 984)
38.2 CHANGES IN WORKING CAPITAL				
Inventory	**61 608**	(132 103)	**-**	-
Programming rights	**(35 367)**	(55 696)	**-**	-
Trade and other receivables	**(18 441)**	111 115	**(352)**	3 951
Trade and other payables	**179 330**	275 966	**(36)**	(87 487)
	187 130	199 282	**(388)**	(83 536)
38.3 TAXATION PAID				
Unpaid at beginning of year	**16 012**	(46 844)	**(8)**	(21 360)
Charged to the income statement	**(323 530)**	(282 072)	**(1 435)**	20 148
Claim settlement	**-**	(13 172)	**-**	-
Business combinations	**445**	-	**-**	-
Foreign exchange difference	**(85)**	967	**-**	-
Unpaid at end of year	**(609)**	(16 012)	**20**	8
	(307 767)	(357 133)	**(1 423)**	(1 204)

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
NOTES TO THE STATEMENTS OF CASH FLOWS (continued)				
38.4 BUSINESS COMBINATIONS				
ACQUISITIONS				
Property, plant and equipment #	**(12 657)**	(657 320)		
Intangible assets #	**(2 167)**	(158 174)		
Deferred tax asset	**(517)**	-		
Taxation receivable	**(445)**	-		
Investment in joint venture	**-**	(15 297)		
Other non-current assets	**(93)**	(8 707)		
Trade and other receivables #	**(22 634)**	(243 388)		
Inventory #	**(8 418)**	(817 551)		
Cash and cash equivalents	**(5 078)**	(102 378)		
Other current assets	**-**	(31 561)		
Deferred tax liability #	**1 848**	114 760		
Other non-current liabilities	**6 716**	609		
Other current liabilities	**16 184**	166 343		
	(27 262)	(1 752 664)		
Non-controlling interest #	**4 600**	794 078		
Interest already owned	**3 359**	291 361		
Gain on bargain purchase #	**252**	476 901		
Goodwill Restated	**(16 628)**	(65 337)		
Shares issued	**12 678**	71 499		
Cash and cash equivalents at date of acquisition	**5 078**	102 378		
Net cash outflow	**(17 922)**	(81 784)		
38.5 CASH AND CASH EQUIVALENTS				
Bank balances and deposits	**1 188 680**	986 501	**2 337**	5 747
Bank overdraft and loans	**(706 908)**	(674 739)	**(135 205)**	(148 728)
Cash in disposal group assets held for sale (refer note 18.1)	**92 614**	-	**-**	-
	574 386	311 762	**(132 868)**	(142 981)

Fair value of cash and cash equivalents

The carrying value of cash and cash equivalents approximates fair value due to the short-term maturity of these instruments.

Restated

39. HCI EMPLOYEE SHARE OPTION SCHEME

The Group operates a share option scheme, The HCI Employee Share Scheme, in terms of which shares in the Group are offered on a share option basis to participants, provided they remain in the Group's employ until the options vest. Any gain realised on the exercise of these options is settled on a net equity basis, whereby the participant receives that number of shares that equates in value to the gain made on exercise date.

Options must be exercised within three months of the vesting date, where after the options lapse. Options vest over periods of three to five years. These vesting periods may be varied by the board of directors.

In terms of The HCI Employee Share Trust (2001), the previous option scheme, shares in the Group were offered either on a share option or on a combined share option and deferred sale basis. Participants were able to exercise options to purchase shares in tranches within periods of three to seven years from the grant date at the exercise price, provided that they remained in the Group's employ until the options vested. The terms of the previous option scheme remain applicable to all options issued in terms of that scheme and that have not yet been paid for or become unconditional.

Options issued in terms of the previous scheme must be exercised within three years of being granted, where after the options lapse. Options vest over periods of three to seven years. These vesting periods may be varied by the trustees of the scheme. Participants are required to pay for the shares between five and ten years from the date of grant.

HCI EMPLOYEE SHARE OPTION SCHEME (continued)

Share options granted to eligible participants that have not yet become unconditional:

	2014 Number of share options	**2014** Weighted exercise price average R	2013 Number of share options	2013 Weighted exercise price average R
Balance at beginning of the year	**3 074 868**	**62.76**	4 637 655	52.45
Options granted	**504 145**	**119.70**	645 558	76.68
Options unconditional	**(699 479)**	**60.96**	(1 946 675)	40.22
Options forfeited	**(70 000)**	**58.24**	(261 670)	37.80
Balance at the end of the year	**2 809 534**	**73.01**	3 074 868	62.76

The fair value of options granted is measured using the Black Scholes Model. Share options granted in the current year were fairly valued using a volatility indicator of 19% and 16% (2013: 16%) and an annual interest rate of 5% and 5.5% (2013: 5%). The cost relating to these options is recognised by allocating the fair value over the vesting period on a straight-line basis.

The volume weighted average share price during the current year was R130.68 (2013: R90.88).

The options issued in terms of The HCI Employee Share Trust (2001) and outstanding at 31 March 2014 become unconditional between the following dates:

	Number of share options	Exercise price R
29 June 2012 and 28 June 2014	238 175	70.00
4 June 2012 and 3 June 2014	7 500	37.80
4 June 2014 and 3 June 2016	7 500	37.80
17 June 2013 and 16 June 2014	8 948	71.52
17 June 2014 and 16 June 2015	8 948	71.52
	271 071	
Options vested but not yet paid for	264 027	40.50
Options vested but not yet paid for	632 604	70.00
Options vested but not yet paid for	15 000	37.80
	1 182 702	

HCI EMPLOYEE SHARE OPTION SCHEME (continued)

The options issued in terms of The HCI Employee Share Scheme and outstanding at 31 March 2014 become unconditional between the following dates:

	Number of share options	Exercise price R
16 May and 16 August 2014	178 000	30.00
15 March and 15 June 2015	455 053	72.32
29 August and 29 November 2015	397 886	77.24
28 August and 28 November 2016	379 638	118.06
29 August and 29 November 2016	45 874	77.24
19 March and 19 June 2017	39 696	125.02
28 August and 28 November 2017	2 711	118.06
29 August and 29 November 2017	45 874	77.24
19 March and 19 June 2018	39 695	125.02
28 August and 28 November 2018	2 710	118.06
19 March and 19 June 2019	39 695	125.02
	1 626 832	
Total number of options in issue	2 809 534	

A maximum number of 1 037 966 (2013: 751 975) shares may be issued in respect of 1 626 832 (2013: 1 122 687) options issued in terms of The HCI Employee Share Scheme.

In addition to the options in issue at the reporting date, a further 8 873 168 (2013: 9 377 313) options may be issued in terms of The HCI Employee Share Scheme. 504 145 (2013: 645 558) options were issued in terms of this scheme during the year.

	2014		2013	
	Number of share options	**Weighted exercise price average**	Number of share options	Weighted exercise price average
HCI EMPLOYEE SHARE OPTION SCHEME (continued)				
Options granted to executive directors				
JA Copelyn				
Balance at the beginning of the year	**727 622**	**72.10**	1 052 103	56.40
Options granted	**103 607**	**118.06**	136 471	77.24
Options vested and shares delivered	**(145 565)**	**71.52**	(460 952)	37.80
Balance at the end of the year	**685 664**	**79.17**	727 622	72.10
Unconditional between the following dates:				
29 June 2008 and 28 June 2014	**308 571**	**70.00**	308 571	70.00
17 June 2010 and 16 June 2013	**-**	**71.52**	145 565	71.52
15 March and 15 June 2015	**137 015**	**72.32**	137 015	72.32
29 August and 29 November 2015	**136 471**	**77.24**	136 471	77.24
28 August and 28 November 2016	**103 607**	**118.06**	-	-
MJA Golding				
Balance at the beginning of the year	**727 622**	**72.10**	1 052 103	56.40
Options granted	**103 607**	**118.06**	136 471	77.24
Options vested and shares delivered	**(145 565)**	**71.52**	(460 952)	37.80
Balance at the end of the year	**685 664**	**79.17**	727 622	72.10
Unconditional between the following dates:				
29 June 2008 and 28 June 2014	**308 571**	**70.00**	308 571	70.00
17 June 2010 and 16 June 2013	**-**	**71.52**	145 565	71.52
15 March and 15 June 2015	**137 015**	**72.32**	137 015	72.32
29 August and 29 November 2015	**136 471**	**77.24**	136 471	77.24
28 August and 28 November 2016	**103 607**	**118.06**	-	-
TG Govender				
Balance at the beginning of the year	**191 616**	**71.32**	361 629	54.87
Options granted	**69 646**	**118.06**	6 354	77.24
Options vested and shares delivered	**(55 695)**	**71.52**	(176 367)	37.80
Balance at the end of the year	**205 567**	**87.10**	191 616	71.32
Unconditional between the following dates:				
29 June 2008 and 28 June 2014	**77 143**	**70.00**	77 143	70.00
17 June 2010 and 16 June 2013	**-**	**71.52**	55 695	71.52
15 March and 15 June 2015	**52 424**	**72.32**	52 424	72.32
29 August and 29 November 2015	**6 354**	**77.24**	6 354	77.24
28 August and 28 November 2016	**69 646**	**118.06**	-	-

	2014 Number of share options	2014 Weighted exercise price average	2013 Number of share options	2013 Weighted exercise price average
HCI EMPLOYEE SHARE OPTION SCHEME (continued)				
Y Shaik				
Balance at the beginning of the year	-	-	-	-
Options granted	119 086	125.02	-	-
Balance at the end of the year	119 086	125.02	-	-
Unconditional between the following dates:				
19 March and 19 June 2017	39 696	125.02	-	-
19 March and 19 June 2018	39 695	125.02	-	-
19 March and 19 June 2019	39 695	125.02	-	-

The following loans were advanced in terms of The HCI Employee Share Trust (2001) in respect of the strike price of options issued in terms of that scheme. These loans are interest free and are repayable within three years of the options' vesting date.

	2014 R'000	2013 R'000
JA Copelyn	27 835	17 424
Payable by 11 June 2014	8 712	8 712
Payable by 11 June 2015	8 712	8 712
Payable by 17 June 2016	10 411	-
MJA Golding	27 835	17 424
Payable by 11 June 2014	8 712	8 712
Payable by 11 June 2015	8 712	8 712
Payable by 17 June 2016	10 411	-
TG Govender	10 649	6 666
Payable by 11 June 2014	3 333	3 333
Payable by 11 June 2015	3 333	3 333
Payable by 17 June 2016	3 983	-

	Direct beneficial Number	Direct beneficial Percentage holding	Indirect beneficial Number	Indirect beneficial Percentage holding	Associates Number	Associates Percentage holding

40. DIRECTORS' SHAREHOLDINGS

31 March 2014

	Direct beneficial Number	Direct beneficial Percentage holding	Indirect beneficial Number	Indirect beneficial Percentage holding	Associates Number	Associates Percentage holding
Executive directors						
JA Copelyn	**5 584 766**	**5.2**	-	-	-	-
MJA Golding	**7 018 646**	**6.5**	**1 371 519**	**1.3**	-	-
TG Govender	**215 024**	**0.2**	**17 250**	-	**1 354 244**	**1.1**
Non-executive directors						
VM Engel	**2 000**	-	-	-	-	-
	12 820 436	**11.9**	**1 388 769**	**1.3**	**1 354 244**	**1.1**

31 March 2013

	Direct beneficial Number	Direct beneficial Percentage holding	Indirect beneficial Number	Indirect beneficial Percentage holding	Associates Number	Associates Percentage holding
Executive directors						
JA Copelyn	5 426 801	4.3	-	-	-	-
MJA Golding	7 273 081	5.7	1 371 519	1.1	-	-
TG Govender	159 329	0.1	17 250	-	1 354 244	1.0
Non-executive directors						
VM Engel	2 000	-	-	-	-	-
VE Mphande	40 230	-	-	-	-	-
	12 901 441	10.1	1 388 769	1.1	1 354 244	1.0

There were no changes in directors' shareholdings between 31 March 2014 and the date of issue of this report.

41. DIRECTORS' EMOLUMENTS

Year ended 31 March 2014

		Board fees R'000		Salary R'000	Other benefits R'000	Gains from share options R'000	Bonus R'000	Total R'000
Executive directors								
JA Copelyn		-		**5 449**	**1 521**	**3 579**	**4 085**	**14 634**
MJA Golding		-		**5 449**	**1 521**	**3 579**	**4 085**	**14 634**
TG Govender		-		**2 503**	**582**	**1 167**	**1 626**	**5 878**
Y Shaik	#	**512**	*	**92**	-	**48**	-	**652**
Non-executive directors								
BA Hogan		**306**	**	-	-	-	-	**306**
JG Ngcobo		**439**	***	-	-	-	-	**439**
LW Maasdorp	##	**11**	****	-	-	-	-	**11**
MF Magugu		**273**	*****	-	-	-	-	**273**
ML Molefi		**509**	******	-	-	-	-	**509**
R Watson	##	**125**	*******	-	-	-	-	**125**
VE Mphande		**531**	********	-	-	-	-	**531**
VM Engel		**216**		-	-	-	-	**216**
		2 922		**13 493**	**3 624**	**8 373**	**9 796**	**38 208**

#	appointed as executive director 19 March 2014
##	appointed as non-executive director 19 March 2014
*	includes R86 400 audit committee fees and R217 000 board fees paid by subsidiary companies
**	includes R89 500 audit committee fees
***	includes R47 304 remuneration committee fees, R54 988 social and ethics committee fees, and R120 000 board fees paid by subsidiary companies
****	includes R3 219 audit committee fees
*****	includes R56 666 remuneration committee fees
******	includes R39 660 audit committee fees, R62 633 social and ethics committee fees, and R190 000 board fees paid by subsidiary companies
*******	includes R117 000 board fees paid by subsidiary companies
********	includes R315 000 board fees paid by subsidiary companies

	Board fees R'000		Salary R'000	Other benefits R'000	Gains from share options R'000	Bonus R'000	Total R'000
DIRECTORS' EMOLUMENTS (continued)							
Year ended 31 March 2013							
Executive directors							
JA Copelyn	-		5 145	1 091	3 682	3 858	13 776
MJA Golding	-		5 145	1 084	3 682	3 858	13 769
TG Govender	-		1 832	417	1 149	1 190	4 588
Non-executive directors							
B Hogan ##	172	*	-	-	-	-	172
JG Ngcobo	275	**	-	-	-	-	275
MF Magugu	255	***	-	-	-	-	255
ML Molefi	293	****	-	-	-	-	293
VE Mphande	210		-	-	-	-	210
VM Engel	210		-	-	-	-	210
Y Shaik	289	*****	-	-	-	-	289
	1 704		12 122	2 592	8 513	8 906	33 837

appointed 29 August 2012

* includes R49 333 audit committee fees

** includes R65 000 remuneration committee and social and ethics committee fees

*** includes R45 000 remuneration committee fees

**** includes R82 500 audit committee and social and ethics committee fees

***** includes R78 500 audit committee fees

	2014 R'000	2013 R'000	2014 R'000	2013 R'000

42. SEGMENT INFORMATION

The following are the summarised results for the various reportable operating segments:

	Revenue		Net gaming win	
	2014	2013	**2014**	2013
Continuing operations				
Media and broadcasting	**2 538 841**	2 200 355	**-**	-
Non-casino gaming	**44 770**	27 672	**818 421**	689 953
Information technology	**294 054**	286 527	**-**	-
Transport	**1 194 948**	1 130 774	**-**	-
Vehicle component manufacture	**300 620**	333 722	**-**	-
Beverages	**1 110 212**	233 764	**-**	-
Properties	**80 944**	56 521	**-**	-
Mining	**652 873**	556 129	**-**	-
Clothing, textiles and toys	**2 163 518**	1 845 524	**-**	-
Other	**2 125**	6 113	**-**	-
	8 382 905	6 677 101	**818 421**	689 953
Discontinued operations				
Natural gas	**336 258**	237 298	**-**	-
Clothing and textile	**604 457**	667 962	**-**	-
	940 715	905 260	**-**	-

	Segment Result (profit before tax)	
	2014	2013
Continuing operations		
Media and broadcasting	**620 998**	717 732
Non-casino gaming	**113 747**	108 592
Casino gaming and hotels	**779 791**	675 324
Information technology	**43 675**	59 452
Transport	**126 638**	131 731
Vehicle component manufacture	**1 520**	(7 397)
Beverages	**(448)**	(24 601)
Properties	**70 226**	33 146
Mining	**65 008**	64 226
Clothing, textiles and toys	**168 448**	88 214
Other	**(203 506)**	373 333
	1 786 097	2 219 752

	2014 R'000	2013 R'000	2014 R'000	2013 R'000

SEGMENT INFORMATION (continued)

	Segment Result (profit after tax)	
Discontinued operations		
Natural gas	**(54 209)**	(62 727)
Vehicle component manufacture	**(31)**	(2 078)
Clothing, textiles and toys	**(159 901)**	(45 173)
	(214 141)	(109 978)

	Assets		Liabilities	
Media and broadcasting	**2 617 896**	1 847 232	**932 159**	652 522
Non-casino gaming	**621 621**	470 920	**334 085**	309 424
Casino gaming and hotels	**9 313 876**	8 824 743	**-**	-
Information technology	**220 687**	200 276	**82 086**	81 125
Transport	**1 205 738**	1 123 613	**712 656**	671 880
Vehicle component manufacture	**149 015**	169 723	**131 153**	150 897
Mining	**702 507**	661 398	**161 559**	121 132
Natural gas	**944 602**	940 091	**118 731**	342 420
Properties	**1 272 401**	484 447	**683 022**	38 449
Clothing, textiles and toys	**2 551 914**	2 437 043	**1 151 693**	1 041 595
Beverages	**2 100 628**	2 056 938	**460 339**	422 113
Other	**1 092 851**	1 476 254	**3 096 092**	1 428 366
	22 793 736	20 692 678	**7 863 575**	5 259 923

	Fixed asset additions		Depreciation and amortisation	
Media and broadcasting	**255 903**	160 398	**177 808**	97 049
Non-casino gaming	**202 274**	129 335	**78 677**	68 266
Information technology	**25 253**	17 073	**19 735**	15 951
Transport	**104 104**	195 270	**83 163**	66 634
Vehicle component manufacture	**3 856**	12 425	**9 424**	9 936
Beverages	**38 658**	9 779	**28 911**	6 069
Properties	**878**	131	**1 381**	1 836
Mining	**124 150**	26 209	**41 444**	23 181
Natural gas	**33 492**	84 009	**113 512**	85 328
Clothing, textiles and toys	**32 359**	107 331	**41 773**	38 036
Other	**2 103**	2 638	**1 778**	620
	823 030	744 598	**597 307**	412 906

	2014	2014	2013	2013
	R'000	R'000	R'000	R'000

SEGMENT INFORMATION (continued)

Amounts applicable to associates and joint ventures included above :

	Equity accounted earnings	**Investment in associates and joint ventures**	Equity accounted earnings	Investment in associates and joint ventures
Media and broadcasting	**(17 443)**	**215 142**	(18 636)	168 444
Casino gaming and hotels	**779 791**	**9 348 960**	675 324	8 857 961
Transport	**10 334**	**21 794**	12 243	24 461
Beverages	**331**	**15 272**	(14 722)	15 141
Properties	**488**	**33 925**	3 302	21 026
Other	**(25 273)**	**339 103**	34 288	374 675
	748 228	**9 974 196**	691 799	9 461 708

	Impairments		Reversal of impairments	
	2014	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000
Media and broadcasting	**150**	3 033	**-**	-
Non-casino gaming	**6 742**	3 964	**-**	-
Vehicle component manufacture	**-**	8 284	**-**	-
Information technology	**-**	-	**509**	-
Properties	**5 925**	-	**-**	-
Clothing, textiles and toys	**4 617**	-	**-**	21 885
Other	**-**	43 024	**-**	-
	17 434	58 305	**509**	21 885

SEGMENT INFORMATION (continued)

The natural gas segment operates in the United States of America.

Group revenue and net gaming win is attributable to the following geographical areas:	**2014 R'000**	2013 R'000
South Africa	**8 685 802**	7 292 083
Europe and United Kingdom	**430 280**	57 590
Australia	**67 935**	6 443
Other	**17 309**	10 938
	9 201 326	7 367 054

Non-current assets** of the Group are held in the following geographical areas:	**2014 R'000**	2013 R'000
South Africa	**15 414 731**	14 853 438
Australia	**844 664**	520 280
United Kingdom	**293 606**	242 201
Other	**15 914**	10 237
	16 568 915	15 626 156

* Restated

** Excludes financial instruments, deferred tax assets and post-employment benefit assets.

	Group		**Company**	
	2014 R'000	2013 R'000	**2014 R'000**	2013 R'000
43. RELATED PARTY TRANSACTIONS				
43.1 The group entered into transactions in the ordinary course of business with various owned subsidiaries and associated companies.				
Dividends received by the company are as follows:				
- Subsidiaries			**1 595 642**	512 118
- Associates			**594**	-
43.2 Details of loans to these entities are set out in note 6 and annexure A.				
Key management compensation was paid as follows:				
Salaries and other short-term employees benefits	**151 773**	100 207		

Details of directors' remuneration are disclosed in note 40 to the financial statements.

44. CONTINGENT LIABILITIES

Group

The Group has established bank guarantees in favour of the Department of Minerals and Energy against the future rehabilitation of its operations in the amount of R 56,2 million (2013: R32 million).

The Group has issued a guarantee in favour of Investec Bank Limited in respect of obligations of three subsidiaries, namely, Permasolve Investments Proprietary Limited, Kalahari Village Mall Proprietary Limited and Highland Night Investments 93 Proprietary Limited. The amount of the guarantee is limited to R76,8 million, R46,6 million and R11,6 million respectively.

In terms of the 90 year Notarial Deed of Lease entered into with the Khara Hais Municipality, a subsidiary, Kalahari Village Mall Proprietary Limited, will have an obligation to pay rent to the lessor, monthly in arrears, from the date of commencement of trade of the Kalahari Village Mall shopping centre. The monthly rent payable will be calculated as per the following formula:

- For the first 15 years after commencement of trade: 5% of income after deduction of operating expenses
- For the remaining 75 years of the lease period: 8% of income after deduction of operating expenses

Company

The company has issued a guarantee in favour of The Standard Bank of South Africa Limited in respect of the obligations of a subsidiary, HCI Coal Proprietary Limited. The amount of the guarantee is limited to R 59 million (2013: R35 million).

The company has issued guarantees in favour of Sasol Oil Proprietary Limited in respect of obligations of subsidiaries, Palesa Coal Proprietary Limited and Mbali Coal Proprietary Limited. The amounts of the guarantee are limited to R12 million (2013: R 10 million) and R10 million (2013: R nil) respectively.

The company has issued a guarantee in favour of First Rand Bank Limited in respect of the obligations of a subsidiary, CONTINGENT LIABILITIES (continued)

HCI Invest 9 Holdco Proprietary Limited. The amount of the guarantee is limited to R 69,4 million (2013: R nil).

The company has issued a guarantee in favour of Investec Bank Limited in respect of the obligations of a subsidiary, Arctozone Investments Proprietary Limited. The amount of the guarantee is limited to R 80 million (2013: R nil).

The company has issued a guarantee in favour of Rand Merchant Bank Limited in respect of the obligations of a subsidiary, Highland Night Investments 93 Proprietary Limited. The amount of the guarantee is limited to R 82,1 million (2013: R nil).

The company has issued a guarantee in favour of Investec Bank Limited in respect of the obligations of a subsidiary, HCI Invest 8 Holdco Proprietary Limited. The amount of the guarantee is limited to R 82,1 million (2013: R nil).

During the year, the company refinanced the preference share debt of R240 million granted to Mercanto Investments Proprietary Limited and the short term loan facility of R360 million granted to HCI Treasury Proprietary Limited, subsidiaries.

The company has issued guarantees and suretyships to ABSA Bank Limited and First Rand Bank Limited for the preference share debt granted to TIH Prefco Proprietary Limited. At 31 March 2014 an amount of R 600 million (2013: R nil) remained owing to First Rand Bank Limited and R 400 million (2013: R nil) to ABSA Bank Limited in respect of this preference share debt. The company has issued guarantees and suretyships to Investec Bank Limited for a term loan granted to HCI Treasury Proprietary Limited. At 31 March 2014 the total amount owing in respect of this term loan amounted to R 136 million (2013: R 136 million). In addition, guarantees and suretyships have been issued by the company to Investec Bank Limited for a term loan granted to Vukani Gaming Corporation Proprietary Limited in the amount of R185 million (2013: R185 million).

	Principal activity	Date of acquisition	Proportion of shares acquired

45. BUSINESS COMBINATIONS

45.1 SUBSIDIARIES ACQUIRED

Year ended 31 March 2014

	Principal activity	Date of acquisition	Proportion of shares acquired
Media and broadcasting			
Strika Entertainment Proprietary Limited	Animated content producer	01/12/2013	70%
The acquisition was facilitated through the purchase of the company's issued share capital. The subsidiary was acquired to expand the Group's business in the media and broadcasting sector within which this entity operates.			
Afrikaans Satelliet Televisie Proprietary Limited	Television broadcaster	01/10/2013	80%
The acquisition was facilitated through the purchase of the company's issued share capital. The subsidiary was acquired to expand the Group's business in the media and broadcasting sector within which this entity operates.			
Clothing, textiles and toys			
Custom Extrusion Proprietary Limited	Polypropolene manufacturer	04/07/2013	100%
The acquisition was facilitated through the purchase of the company's issued share capital. The subsidiary was acquired to expand the Group's business in the manufacturing sector within which this entity operates.			
Clever Little Monkey Proprietary Limited	Online furniture retailer	01/08/2013	100%
The acquisition was facilitated through the purchase of the company's issued share capital. The subsidiary was acquired to expand the Group's business in the retailing sector.			

	Principal activity	Date of acquisition	Proportion of shares acquired
BUSINESS COMBINATIONS (continued)			
Non-Casino Gaming			
Niveus Investments 4 Proprietary Limited	Gaming	16/08/2013	100%
The acquisition was facilitated through the purchase of the company's issued share capital. The subsidiary was acquired to expand the Group's business in the gaming sector.			
Galaxy Bingo North West Proprietary Limited	Gaming	04/11/2013	100%
The acquisition was facilitated through the purchase of the company's issued share capital. The subsidiary was acquired to expand the Group's business in the gaming sector.			
Year ended 31 March 2013			
Beverages			
KWV Holdings Limited	Alcoholic beverage producer	11/12/2012	51,6%
The acquisition was facilitated through the purchase of the company's issued share capital. This subsidiary was acquired to expand the Group's business in the beverage sectors within which this entity operates.			
Media and broadcasting			
Sunshine Coast Broadcasters Proprietary Limited	Radio broadcasting	01/03/2013	100%
The acquisition was facilitated through the purchase of the company's issued share capital. This subsidiary was acquired to expand the Group's business in the radio broadcasting sector within which this entity operates.			

	Media and broadcasting	Clothing, textiles and toys	Non-casino gaming
	R'000	R'000	R'000
45.2 COST OF ACQUISITION, NET CASH OUTFLOW ON ACQUISITION AND ANALYSIS OF ASSETS AND LIABILITIES ACQUIRED			
Year ended 31 March 2014			
Non-current assets			
Property, plant and equipment	741	11 916	1 263
Intangible assets	2 167	-	-
Deferred tax asset	517	-	-
Current assets			
Trade and other receivables	9 584	13 050	-
Inventory	17	8 401	-
Cash and cash equivalents	9 718	59	-
Other current assets	445	93	-
Non-current liabilities			
Deferred tax liability	-	(1 848)	-
Other non-current liabilities	(3 009)	(3 707)	-
Current liabilities			
Bank overdraft	-	(4 698)	-
Other current liabilities	(5 393)	(10 791)	-
	14 787	12 475	1 263
Pre-acquisition profits distributed	(4 600)	-	-
Non-controlling interests	(3 359)	-	-
Gain on bargain purchase	(252)	-	-
Goodwill on acquisition	2 424	14 204	329
Cost of acquisitions	9 000	26 679	1 592
Contingent consideration **	-	(12 678)	-
Cash balances acquired	(9 718)	4 639	-
Net cash (inflow) outflow on acquisition	(718)	18 640	1 592

** The contingent consideration arrangement requires the Group to pay the former owners a fixed amount based on future operational profits. The potential undiscounted amount of all future payments that the group could be required to make under this arrangement is between R Nil and R14 500 000.

The fair value of the contingent consideration arrangement of R12 677 912 was estimated by applying a discount rate of 9.05%.

BUSINESS COMBINATIONS (continued)

Year ended 31 March 2013

Beverages

The accounting for the acquisition of KWV Holdings Limited ("KWV") was made on a provisional basis in terms of IFRS 3: Business Combinations for the year ended 31 March 2013. In terms of IAS 8, Accounting policies, Changes in Accounting Estimates and Errors, the adjustments to finalise the KWV acquisition have been made retrospectively. The comparative figures have been restated to present the prior year figures as if the acquisition accounting was finalised in the prior year. No statement of financial position for the year ended 31 March 2012 has been presented as required by IAS 1 for any restatements of prior period amounts, as the KWV business combination affected only the year ended 31 March 2013.

Other

All of the shares in the capital of Sunshine Coast Broadcasters Proprietary Limited was acquired on 15 March 2013.

As the acquisition took place close to the 31 March 2013 year end the information required to account for the acquisition was incomplete. The initial accounting for the acquisition was therefore determined provisionally in the 31 March 2013 financial report. In accordance with IFRS 3: Business Combinations, adjustments to initial provisional accounting for the acquisition disclosed in the 31 March 2013 annual financial statements have been recognised as if the final accounting for the business combination had been completed at the acquisition date. Comparative information for 31 March 2013 has therefore been adjusted.

	Beverages Reported 2013 R'000	Beverages Adjustments R'000	Beverages *Restated* 2013 R'000	Other Reported 2013 R'000	Other Adjustments R'000	Other *Restated* 2013 R'000
BUSINESS COMBINATIONS (continued)						
Non-current assets						
Property, plant and equipment	201 222	439 360	640 582	4 478	(1 005)	3 473
Intangible assets	19 328	49 222	68 550	150 822	(61 198)	89 624
Investment in joint venture	15 297	-	15 297	-	-	-
Other non-current assets	8 356	-	8 356	351	-	351
Current assets						
Trade and other receivables	333 762	-	333 762	7 534	-	7 534
Inventory	719 628	-	719 628	-	-	-
Cash and cash equivalents	102 686	-	102 686	-	-	-
Other current assets	31 561	-	31 561	-	-	-
Non-current liabilities						
Deferred tax liability	(37 465)	(77 295)	(114 760)	-	-	-
Other non-current liabilities	-	-	-	(609)	-	(609)
Current liabilities						
Other current liabilities	(164 478)	-	(164 478)	-	-	-
	1 229 897	411 287	1 641 184	162 576	(62 203)	100 373
Non-controlling interests	(595 270)	(198 808)	(794 078)	-	-	-
Goodwill on acquisition	-	-	-	-	62 203	62 203
Gain on bargain purchase	(264 422)	(212 479)	(476 901)	-	-	-
Cost of acquisitions	370 205	-	370 205	162 576	-	162 576
Shares issued	(71 499)	-	(71 499)	-	-	-
Interest already owned	(291 361)	-	(291 361)	-	-	-
Cash balances acquired	(102 686)	-	(102 686)	-	-	-
Net cash (inflow) outflow on acquisition	(95 341)	-	(95 341)	162 576	-	162 576

45.3 GOODWILL ARISING ON ACQUISITION

The purchase price of the businesses acquired includes amounts in relation to the benefit of expected synergies, revenue growth and the assembled workforce of these businesses. These benefits are not recognised separately from goodwill as the future economic benefits arising from them cannot be reliably measured.

45.4 IMPACT OF THE ACQUISITIONS ON THE RESULTS OF THE GROUP

The businesses acquired during the year contributed revenues of R 78,8 million and net profits after of R 4 million to the group for the periods from dates of effective control to 31 March 2014. Had the acquisitions been effective on 1 April 2013 the contribution to revenue would have been R 117,1 million and net profit of R 6 million would have been the contribution to profit after tax.

46. FINANCIAL RISK MANAGEMENT

46.1 FINANCIAL RISK FACTORS

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the treasury departments of the major operating units under policies approved by their board's of directors. Their boards provide principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity. Credit risk is also managed at an entity level for trade receivables.

46.1.1 MARKET RISK

Currency risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar and the Euro. Foreign exchange risk arises from exposure in the foreign operations due to trading transactions in currencies other than the functional currency. The Group secures its debt denominated in US Dollar in the offshore entities with assets and cash flows of those offshore operations (where the functional currency of these entities is US Dollars). As a result no forward cover contracts is required on this debt. Foreign currency import and exports within the Group are managed using forward exchange contracts.

The following significant exchange rates applied during the year:

	Average rate		Reporting date	
	2014	2013	**2014**	2013
Australian Dollar	**9.42**	8.80	**9.78**	9.66
British Pound	**16.11**	13.42	**17.62**	14.01
Euro	**13.57**	10.94	**14.59**	11.81
United States Dollar	**10.12**	8.53	**10.60**	9.25

A 10% strengthening of the functional currency against the following currencies at 31 March would have increased/(decreased) profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. This analysis is performed on the same basis for 2013.

	Profit/(loss)	
	2014	2013
	R'000	R'000
Local currency:		
Australian Dollar	**368**	(1 447)
British Pound	**1 125**	139
Euro	**30 754**	(1 892)
United States Dollar	**(17 528)**	(19 065)

A 10% weakening of the functional currency against the above currencies at 31 March would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

The following carrying amounts were exposed to foreign currency exchange risk:

	2014	2013
	R'000	R'000
Non-current receivables		
Euro	**387**	-
United States Dollar	**-**	13 314
Trade and other receivables		
Australian dollar	**13 064**	858
Canadian dollar	**6 309**	-
British Pound	**4 141**	1 877
Euro	**68 104**	7 874
Japanese Yen	**3 764**	-
Nigerian Naira	**242**	54
Swiss Franc	**56**	-
United States Dollar	**113 161**	278 066
Trade and other payables		
Australian dollar	**9 385**	15 329
British Pound	**921**	489
Canadian Dollar	**1 795**	2 939
Euro	**51 641**	26 791
Japanese Yen	**-**	1 315
United States Dollar	**344 478**	468 712

Interest rate risk

The Group's primary interest rate risk arises from long-term borrowings. It is exposed to a lesser extent to interest rate changes on loans to non-controlling interest of fellow subsidiary companies. Borrowings at variable rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk. Where appropriate the Group manages its interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting floating rate borrowings to fixed rates. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals (mainly quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to an agreed reference interest rate calculated on agreed notional principal amounts.

At 31 March the interest rate profile of the Group's interest-bearing financial instruments was:

	Carrying amount	
	2014	2013
	R'000	R'000
Fixed rate instruments		
Financial assets	**38 430**	73 580
Financial liabilities	**(134 637)**	(281 417)
	(66 207)	(207 837)
Variable rate instruments		
Financial assets	**8 475**	146 476
Financial liabilities	**(4 502 383)**	(2 042 719)
	(4 493 808)	(1 896 243)

Fair value sensitivity analysis for fixed rate instruments:

A change of 100 basis points in interest rates would have increased or decreased equity by R0,75 million (2013: R2,01 million).

Cash flow sensitivity analysis for variable rate instruments:

A change of 100 basis points in interest rates would have increased or decreased profit or loss by R32,4 million (2013: R14,7 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2013.

Other price risk

The Group is not exposed to commodity price risk other than the market price of natural gas. In order to mitigate the risks associated with the fluctuations in natural gas prices from time to time the group enters short term future exchange contract to fix gas prices for portions of expected production volumes. A change of 1% in the gas price would have increased/decreased post tax profits by R1 million (2013: R1 million). The analysis assumes that all other variables remain constant.

46.1.2 CREDIT RISK

The group has no significant concentrations of credit risk. Overall credit risk is managed at entity level. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to the Group's customer base, including outstanding receivables and committed transactions. For banks and financial institutions, only Group Audit Committee approved parties are accepted. The group has policies that limit the amount of credit exposure to any financial institution. Trade receivables comprise a large, widespread customer base and the group performs ongoing credit evaluations of the financial condition of its customers. The utilisation of credit limits are regularly monitored. Refer note 16 for further credit risk analysis in respect of trade and other receivables. No credit limits were exceeded during the year under review, and management does not expect any losses from non-performance by these counterparties.

The table below shows the Group's maximum exposure to credit risk by class of asset:

	Carrying amount	
	2014	2013
	R'000	R'000
Debt securities	**-**	95 867
Derivatives used for hedging	**15 723**	1 566
Receivables	**1 752 645**	1 706 674
Cash and cash equivalents	**1 188 680**	986 501
	2 957 048	2 790 608

46.1.3 LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the treasury functions of the major subsidiaries aims to maintain flexibility in funding by keeping committed credit lines available. Management monitors rolling forecasts of the Group's liquidity headroom on the basis of expected cash flow and the resultant borrowing position compared to available credit facilities. This process is performed during each financial year end for five years into the future in terms of the Group's long term planning process.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 year	Between 2 and 5 years	Over 5 years
	R'000	R'000	R'000
At 31 March 2014			
Bank and other borrowings	**2 983 074**	**1 968 227**	**787 666**
Financial guarantees	**580 446**	**-**	**-**
Derivative financial instruments	**27 494**	**-**	**-**
Trade and other payables	**1 764 002**	**-**	**-**
	5 355 016	**1 968 227**	**787 666**

	Less than 1 year	Between 2 and 5 years	Over 5 years
	R'000	R'000	R'000
At 31 March 2013			
Bank and other borrowings	1 888 634	1 075 561	406 293
Financial guarantees	155 400	-	-
Derivative financial instruments	15 164	-	-
Trade and other payables	1 605 628	-	-
	3 664 826	1 075 561	406 293

Defaults and breaches on loans

There were no breaches or defaults on the repayment of any loans payable during the current or prior year.

46.2 CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and provide optimal returns for shareholders through maintaining an optimal capital structure. The Group defines capital as equity funding provided by shareholders and debt funding from external parties. Shareholder funding comprises permanent paid up capital, share premium, revenue reserves and other reserves being revaluation reserves (if any) and foreign currency translation reserves together with loans from shareholders. The board's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The board of directors monitors the cost of capital, which the Group defines as the weighted average cost of capital, taking into account the Group's internally calculated cost of equity (shareholder funding) and long term cost of debt assumptions. The board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound equity position. The Group's debt capacity and optimal gearing levels are determined by the cash flow profile of the Group and are measured through applicable ratios such as net debt to EBITDA and interest cover. In order to maintain or adjust the capital structure, in the absence of significant investment opportunities, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. There were no changes in the Group's approach to capital management during the year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

46.3 FAIR VALUE ESTIMATION

IFRS 7 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

Level 1 - Quoted prices available in active markets for identical assets or liabilities

Level 2 - Inputs used, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly

Level 3 - Fair value determined by valuation that uses inputs that are not based on observable market data

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
Group 2014				
Assets				
Financial assets at fair value through profit or loss				
Foreign exchange contract	**-**	**15 723**	**-**	**15 723**
Equity securities	**22 294**	**-**	**-**	**22 294**
Available-for-sale financial assets				
Equity securities	**3 644**	**-**	**-**	**3 644**
Other	**-**	**-**	**5 244**	**5 244**
Non-financial assets at fair value through profit or loss				
Investment property	**-**	**-**	**1 695 532**	**1 695 532**
Total assets	**25 938**	**15 723**	**1 700 776**	**1 742 437**
Liabilities				
Financial liabilities at fair value through profit or loss				
Foreign exchange contracts	**-**	**27 494**	**-**	**27 494**
Contingent consideration	**-**	**-**	**12 678**	**12 678**
Total liabilities	**-**	**27 494**	**12 678**	**40 172**

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
Group 2013				
Assets				
Financial assets at fair value through profit or loss				
Foreign exchange contract	-	1 566	-	1 566
Equity securities	64 679	-	-	64 679
Available-for-sale financial assets				
Equity securities	3 580	-	-	3 580
Debt securities	-	95 867	-	95 867
Other	-	-	5 282	5 282
Non-financial assets at fair value through profit or loss				
Investment property	-	-	907 503	907 503
Total assets	68 259	97 433	912 785	1 078 477
Liabilities				
Financial liabilities at fair value through profit or loss				
Foreign exchange contracts	-	15 164	-	15 164
Total liabilities	-	15 164	-	15 164

The following table presents the changes in level 3 financial instruments for the year:

	Other R'000	Investment property R'000	Total R'000
Group 2014			
Assets			
Carrying value at beginning of year	**5 282**	**907 503**	**912 785**
Additions	**2 839**	**260 783**	**263 622**
Improvements	**-**	**457 511**	**457 511**
Disposals	**-**	**(1 000)**	**(1 000)**
Transfer from property, plant and equipment	**-**	**49 301**	**49 301**
Transfer out of level 3 to disposal group assets held for sale	**(2 877)**	**(1 850)**	**(4 727)**
Profits recognised in profit and loss	**-**	**23 284**	**23 284**
Carrying value at end of year	**5 244**	**1 695 532**	**1 700 776**

	Contingent consideration R'000
Liabilities	
Carrying value at beginning of year	-
Assumed in a business combination	**12 678**
Carrying value at end of year	**12 678**

	Other R'000	Investment property R'000	Total R'000
Group 2013			
Assets			
Carrying value at beginning of year	8 585	557 886	566 471
Additions	2 078	205 401	207 479
Improvements	-	38 586	38 586
Settlements	(3 756)	-	(3 756)
Transfer out of level 3	(2 235)	-	(2 235)
Profits recognised in profit and loss	610	427	1 037
Transfer from property, plant and equipment	-	104 496	104 496
Acquired in a business combination	-	707	707
Carrying value at end of year	5 282	907 503	912 785

47. POST BALANCE SHEET EVENTS

Subsequent to the reporting date the following significant events have occurred:

- Seardel Investment Corporation Limited ("SIC"), a subsidiary of the group, concluded a rights issue in April 2014 in terms of which 3 125 000 000 N-Ordinary no par value shares were issued for a cash consideration of R1.60 per share. The proceeds were partly used by a subsidiary of SIC to redeem preference shares issued to Hosken Consolidated Investments Limited which, together with dividends accrued thereon, totalled R3 144 million. An interest bearing loan owing to the Southern African Clothing and Textile Workers Union in the amount of R1 347 million was also settled using these proceeds.

- During August 2014 Sabido Investments Proprietary Limited ("Sabido"), a subsidiary of the group, concluded an agreement with Deepkloof Limited ("Deepkloof"), a fellow subsidiary of the group, to purchase 80% of the ordinary share capital of Longkloof Limited ("Longkloof") for a nominal amount and have Longkloof repay its loans owing to Deepkloof in the amount of US$37 million. At the same time Sabido purchased 20% of the ordinary share capital of Longkloof from a third party for a nominal amount and caused Longkloof to repay its loans owing to this party in the amount of US$9 million. Subsequent to the transactions, Sabido owned 100% of the ordinary share capital of Longkloof.

- Deepkloof Limited ("Deepkloof"), a subsidiary of the group, concluded an agreement during July 2014 to subscribe for 13% of the ordinary share capital of Impact Oil and Gas Limited ("IOG"), an oil and gas exploration company based in the United Kingdom, for a total of US$25 million. An agreement was also concluded with a third party during September 2014 whereby Deepkloof purchased a further 7% of the ordinary share capital of IOG for US$8 million.

Other than as previously detailed in this report, the directors are not aware of any event or circumstance occurring between the reporting date and the date of this report that materially affects the results of the group or company for the year ended 31 March 2014 or the financial position at that date.

48. PRIOR PERIOD RESTATEMENT

The were various circumstances in the group requiring a restatement of prior year results. The restatements relate to the beverages; clothing, textiles and toys; media and broadcasting; and natural gas segments.

Beverages

The accounting for the acquisition of KWV Holdings Limited ("KWV") was made on a provisional basis in terms of IFRS 3: Business Combinations, for the year ended 31 March 2013. In terms of IAS 8, Accounting policies, Changes in Accounting Estimates and Errors, the adjustments to finalise the KWV acquisition have been made retrospectively. The comparative figures have been restated to present the prior year figures as if the acquisition accounting was finalised in the prior year.

The revised fair values of the assets and liabilities resulted in additional depreciation, amortisation and defered tax charge for the year end 31 March 2013.

Clothing, textiles and toys

Seardel Investments Corporation Limited have disclosed the results of discontinued operations seperately in the income statement, and where practical, the prior year results have been restated.

Media and broadcasting

As the acquisition of Sunshine Coast Broadcasters Proprietary Limited took place close to the 31 March 2013 year end, the information required to account for the acquisition was incomplete. The initial accounting for the acquisition was therefore determined provisionally in the 31 March 2013 financial report. In accordance with IRFS 3: Business Combinations adjustments to initial provisional accounting for the acquisition disclosed in the 31 March 2013 annual financial statements have been recognised as if the final accounting for the business combination had been completed at the acquisition date. Comparative information for 31 March 2013 has therefore been adjusted.

PRIOR PERIOD RESTATEMENT (continued)

Natural gas

During the year ended 31 March 2014 a decision was made by the company's board of directors to distribute the group's interest in Johnnic Holdings USA LLC to its shareholders, subject to the receipt of the necessary regulatory approvals. The comparative results of these operations have been restated to disclose results as discontinued operations.

The effect of the restatements on the annual financial statements for the years ended 31 March 2013 is as follows:

	Previously reported 2013 R'000	*Media and broadcasting restatement* R'000	*Beverages restatement* R'000	Restated 2013 R'000
Statement of financial position				
Non-current assets				
Property, plant and equipment	3 521 054	(1 005)	439 360	3 959 409
Goodwill	194 267	62 203	-	256 470
Intangible assets	893 885	(61 198)	49 222	881 909
Equity				
Equity attributable to equity holders of the parent	12 788 446	-	112 237	12 900 683
Non-controlling interest	2 233 022	-	299 050	2 532 072
Non current liabilities				
Deferred taxation	163 313	-	77 295	240 608

Earnings per share

Basic earnings per share	1 095.13
As previously stated	1 006.16
Increase on gain on bargain purchase	88.97
Diluted earnings per share	1 072.16
As previously stated	985.05
Increase on gain on bargain purchase	87.11

49. CHANGES IN ACCOUNTING POLICIES

Beverages

Excise duty became more and more relevant to KWV in recent years as KWV's business shifted away from packed wine exports and bulk spirit sales in the local market; towards packed product sales (spirits in particular) in the SA market. In addition, the above-inflation increases in SA excise duties over the past few years increased its impact on the business and the relevance of how it is accounted for and managed.

As a result the policy regarding the accounting for excise duties was reviewed during the year and changed to include excise duties in the valuation of inventory; and in Revenue and Cost of sales. The change will result in better visibility on the total investment in inventory and on the impact of inventory losses; and improved management of selling expenses (i.e. discounts and commissions) that are based on gross turnover.

The change in the accounting policy had the following effect on the financial statements:

	Previously reported	*Change in policy*	Restated
	R'000	R'000	R'000
Impact of changes in accounting policy on consolidated statement of financial position on 31 March 2013:			
Current assets			
Inventory	1 558 495	162 966	1 721 461
Trade and other receivables	1 891 983	(162 966)	1 729 017
Impact of changes in accounting policy on consolidated statement of profit and loss:			
Increase in revenue		58 199	
Decrease in other operating expenses		(58 199)	

The change in accounting policy had no impact on the statements of other comprehensive income, changes in equity and of cash flows.

50. FINANCIAL INSTRUMENTS

An analysis of the Group's assets and liabilities, classified by financial instrument, are set out below:

	Loans and receivables		Financial liabilities at amortised cost		Non financial instruments	
	2014	2013	**2014**	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000	**R'000**	R'000
Group						
Assets						
Non-current assets	**196 365**	91 925	**-**	-	**16 646 330**	15 662 680
Property, plant and equipment	**-**	-	**-**	-	**3 735 578**	3 959 409
Investment properties	**-**	-	**-**	-	**1 695 532**	907 503
Goodwill	**-**	-	**-**	-	**279 011**	256 470
Intangible assets	**-**	-	**-**	-	**695 276**	881 909
Intangible assets mining	**-**	-	**-**	-	**111 611**	102 207
Investments in associates	**-**	-	**-**	-	**9 620 840**	9 083 194
Investments in joint ventures	**-**	-	**-**	-	**353 356**	378 514
Other financial assets	**-**	-	**-**	-	**-**	-
Deferred taxation	**-**	-	**-**	-	**127 941**	84 189
Operating lease equalisation asset	**-**	-	**-**	-	**27 185**	8 276
Finance lease receivables	**50 526**	48 674	**-**	-	**-**	-
Non-current receivables	**145 839**	43 251	**-**	-	**-**	1 009
Current assets	**2 832 713**	2 680 782	**-**	-	**2 064 977**	2 083 774
Inventories	**-**	-	**-**	-	**1 644 269**	1 721 461
Programme rights	**-**	-	**-**	-	**292 726**	255 975
Other financial assets	**-**	49 082	**-**	-	**-**	-
Trade and other receivables	**1 644 033**	1 645 199	**-**	-	**117 407**	83 818
Taxation	**-**	-	**-**	-	**10 575**	22 520
Cash and cash equivalents	**1 188 680**	986 501	**-**	-	**-**	-
Disposal group assets held for sale	**134 718**	-	**-**	-	**868 475**	2 543
Total assets	**3 163 796**	2 772 707	**-**	-	**19 579 782**	17 748 997

Available for sale 2014 R'000	Available for sale 2013 R'000	Fair value through profit or loss 2014 R'000	Fair value through profit or loss 2013 R'000	Held to maturity investments 2014 R'000	Held to maturity investments 2013 R'000	Total 2014 R'000	Total 2013 R'000
3 684	3 620	**5 479**	53 169	**-**	-	**16 851 858**	15 811 394
-	-	**-**	-	**-**	-	**3 735 578**	3 959 409
-	-	**-**	-	**-**	-	**1 695 532**	907 503
-	-	**-**	-	**-**	-	**279 011**	256 470
-	-	**-**	-	**-**	-	**695 276**	881 909
-	-	**-**	-	**-**	-	**111 611**	102 207
-	-	**-**	-	**-**	-	**9 620 840**	9 083 194
-	-	**-**	-	**-**	-	**353 356**	378 514
3 684	3 620	**5 479**	53 169	**-**	-	**9 163**	56 789
-	-	**-**	-	**-**	-	**127 941**	84 189
-	-	**-**	-	**-**	-	**27 185**	8 276
-	-	**-**	-	**-**	-	**50 526**	48 674
-	-	**-**	-	**-**	-	**145 839**	44 260
5 204	101 109	**32 538**	13 076	**-**	-	**4 935 432**	4 878 741
-	-	**-**	-	**-**	-	**1 644 269**	1 721 461
-	-	**-**	-	**-**	-	**292 726**	255 975
5 204	101 109	**32 538**	13 076	**-**	-	**37 742**	163 267
-	-	**-**	-	**-**	-	**1 761 440**	1 729 017
-	-	**-**	-	**-**	-	**10 575**	22 520
-	-	**-**	-	**-**	-	**1 188 680**	986 501
-	-	**3 253**	-	**-**	-	**1 006 446**	2 543
8 888	104 729	**41 270**	66 245	**-**	-	**22 793 736**	20 692 678

FINANCIAL INSTRUMENTS (continued)

	Loans and receivables		Financial liabilities at amortised cost		Non financial instruments	
	2014	2013	**2014**	2013	**2014**	2013
	R'000	R'000	**R'000**	R'000	**R'000**	R'000
Liabilities						
Non-current liabilities	**-**	-	**2 917 689**	1 304 221	**490 296**	491 692
Operating lease equalisation liability	**-**	-	**-**	-	**3 596**	118
Borrowings	**-**	-	**2 917 689**	1 304 221	**-**	-
Post retirement medical benefit liabilities	**-**	-	**-**	-	**154 942**	150 282
Long term provisions	**-**	-	**-**	-	**54 319**	100 684
Deferred taxation	**-**	-	**-**	-	**277 439**	240 608
Current liabilities	**-**	-	**4 156 542**	3 298 244	**152 756**	148 912
Trade and other payables	**-**	-	**1 762 403**	1 603 590	**1 599**	2 038
Financial liabilities	**-**	-	**-**	-	**-**	-
Current portion of borrowings	**-**	-	**1 687 231**	1 019 915	**-**	-
Taxation	**-**	-	**-**	-	**9 993**	6 508
Provisions	**-**	-	**-**	-	**141 164**	140 366
Bank overdrafts	**-**	-	**706 908**	674 739		-
Disposal group liabilities held for sale	**-**	-	**47 573**	-	**71 225**	1 690
Total liabilities	**-**	-	**7 121 804**	4 602 465	**714 277**	642 294

Available for sale		Fair value through profit or loss		Held to maturity investments		Total	
2014	2013	**2014**	2013	**2014**	2013	**2014**	2013
R'000	R'000	**R'000**	R'000	**R'000**	R'000	**R'000**	R'000
-	-	**-**	-	**-**	-	**3 407 985**	1 795 913
-	-	**-**	-	**-**	-	**3 596**	118
-	-	**-**	-	**-**	-	**2 917 689**	1 304 221
-	-	**-**	-	**-**	-	**154 942**	150 282
-	-	**-**	-	**-**	-	**54 319**	100 684
-	-	**-**	-	**-**	-	**277 439**	240 608
-	-	**27 494**	15 164	**-**	-	**4 336 792**	3 462 320
-	-	**-**	-	**-**	-	**1 764 002**	1 605 628
-	-	**27 494**	15 164	**-**	-	**27 494**	15 164
-	-	**-**	-	**-**	-	**1 687 231**	1 019 915
-	-		-	**-**	-	**9 993**	6 508
-	-		-	**-**	-	**141 164**	140 366
-	-		-	**-**	-	**706 908**	674 739
-	-	**-**	-	**-**	-	**118 798**	1 690
-	-	**27 494**	15 164	**-**	-	**7 863 575**	5 259 923

FINANCIAL INSTRUMENTS (continued)

	Loans and receivables		Financial liabilities at amortised cost		Non financial instruments	
	2014	2013	**2014**	2013	**2014**	2013
Company						
Assets						
Non-current assets	**4 695 848**	2 360 324	**-**	-	**14 453 955**	1 511 511
Investments in associates	**-**	-	**-**	-	**3 000**	3 000
Subsidiary companies	**4 617 580**	2 236 277	**-**	-	**14 450 955**	1 508 511
Non-current receivables	**78 268**	124 047	**-**	-	**-**	-
Current assets	**2 689**	5 747	**-**	-	**-**	-
Trade and other receivables	**352**	-	**-**	-	**-**	-
Bank balances and deposits	**2 337**	5 747	**-**	-	**-**	-
Total assets	**80 957**	129 794	**-**	-	**19 071 535**	3 747 788
Liabilities						
Current liabilities	**-**	-	**506 755**	225 694	**20**	8
Trade and other payables	**-**	-	**1 969**	2 005	**-**	-
Amounts owing to subsidiaries	**-**	-	**369 581**	74 961	**-**	-
Taxation	**-**	-	**-**	-	**20**	8
Bank overdrafts	**-**	-	**135 205**	148 728	**-**	-
Total liabilities	**-**	-	**506 755**	225 694	**20**	8

Available for sale		Fair value through profit or loss		Held to maturity investments		Total	
2014	2013	**2014**	2013	**2014**	2013	**2014**	2013
-	-	**-**	-	**-**	-	**19 149 803**	3 871 835
-	-	**-**	-	**-**	-	**3 000**	3 000
-	-	**-**	-	**-**	-	**19 068 535**	3 744 788
-	-	**-**	-	**-**	-	**78 268**	124 047
-	-	**-**	-	**-**	-	**2 689**	5 747
-	-	**-**	-	**-**	-	**352**	-
-	-	**-**	-	**-**	-	**2 337**	5 747
-	-	**-**	-	**-**	-	**19 152 492**	3 877 582
-	-	**-**	-	**-**	-	**506 775**	225 702
-	-	**-**	-	**-**	-	**1 969**	2 005
-	-	**-**	-	**-**	-	**369 581**	74 961
-	-	**-**	-	**-**	-	**20**	8
-	-	**-**	-	**-**	-	**135 205**	148 728
-	-	**-**	-	**-**	-	**506 775**	225 702

INTEREST IN PRINCIPAL SUBSIDIARY COMPANIES

FOR THE YEAR ENDED 31 MARCH 2014

	Issued share capital R'000	Effective interest %	**2014** Shares R'000	**2014** Loans R'000	2013 Shares R'000	2013 Loans R'000
Annexure A						
Shares and loans stated at cost less impairment						
Investment holding companies						
Catwalk Investments 167 Proprietary Limited	*	100	**	**213**	**	213
Deepkloof Limited (3)	*	100	**	-	**	-
Fabcos Investment Holding Company Proprietary Limited	*	100	**	-	**	-
Flaghigh Investments Proprietary Limited	*	100	**	-	35 000	111 500
Foothills Trading and Investment 8 Proprietary Limited	*	100	*	-	*	(3 857)
Fulela Trade and Invest 81 Proprietary Limited	*	100	**	-	**	-
HCI Central Investments Proprietary Limited	*	100	**	**(53)**	**	(53)
HCI Food & Beverages Proprietary Limited	*	100	*	**5**	*	5
HCI International Holdings Limited	1 221 900	100	**1 162 675**	**251 259**	***	-
HCI Invest 6 Holdco Proprietary Limited	800 000	100	**560 000**	-	-	-
HCI Investments Australia Proprietary Limited (2)	*	100	**1**	-	1	-
Johnnic Holdings Limited	*	100	**	-	**	-
Mercanto Investments Proprietary Limited	*	100	**	-	*	1 052 899
Merilyn Investments Proprietary Limited	25 002	100	**25 065**	**13 660**	25 065	13 660
Move On Up 104 Proprietary Limited	*	100	*	**5**	*	5
Niveus Investments Limited	790 345	52	**81 775**	-	71 170	-
Squirewood Investments 64 Proprietary Limited	*	100	*	**1 069 218**	*	59 486
Tangney Investments Proprietary Limited	1	100	**	-	32 500	45 035
TIH Prefco Proprietary Limited	11 779 570	100	**11 779 570**	-	-	-
TIHC Investments Proprietary Limited	12 039 448	100	**	-	-	-
Casino gaming and hotels						
Tsogo Investment Holding Company Proprietary Limited	1	100	**	-	**	-
Non-casino gaming						
Niveus Gaming and Entertainment Proprietary Limited	*	52	**	-	**	-
Vukani Gaming Corporation Proprietary Limited	5 107	52	**	-	**	-
Financial and management services						
HCI Managerial Services Proprietary Limited	*	100	*	**55 465**	*	68 608
HCI Treasury Proprietary Limited	500 000	100	**500 000**	**(338 382)**	500 000	873 866
Vehicle component manufacture						
Formex Industries Proprietary Limited	100	100	*	**286 028**	*	286 028

	Issued share capital R'000	Effective interest %	2014 Shares R'000	2014 Loans R'000	2013 Shares R'000	2013 Loans R'000
Transport						
Golden Arrow Bus Services Proprietary Limited	*	100	**265 014**	-	265 014	-
Hollyberry Props 12 Proprietary Limited	*	100	**	-	**	-
Media and broadcasting						
Crystal Brook Distribution Proprietary Limited	*	80	**	-	**	-
e.sat tv Proprietary Limited	*	47	**	-	**	-
e.tv Proprietary Limited	860 488	47	**	-	**	-
Longkloof Limited (3)	*	80	**	-	**	-
Sabido Investments Proprietary Limited	743 044	47	**	-	23 496	-
Sabido Properties Proprietary Limited	*	47	**	-	**	-
Yired Proprietary Limited	*	47	**	-	**	-
HCI Invest 3 Holdco Proprietary Limited	800 000	74	**	**3 183 105**	-	-
Mining						
HCI Coal Proprietary Limited	*	80	**6 794**	-	6 794	-
Natural gas						
Johnnic Holdings USA LLC (1)	1 108 000	100	**	-	**	-
Clothing, textiles and toys						
Seardel Group Trading Proprietary Limited	2 500	74	**	-	**	-
Seardel Investment Corporation Limited	163 036	74	**	-	**	-
Seartec Trading Proprietary Limited	1	74	**	-	**	-
Information technology						
Mars Holdings Proprietary Limited	*	55	**19 801**	-	19 801	-
Properties						
Gallagher Estate Holdings Limited	19 300	100	**	-	**	-
Kalahari Village Mall Proprietary Limited	80 087	41	**	-	**	-
Permasolve Investments Proprietary Limited	*	60	*	-	*	
Mironetix Proprietary Limited	41 467	80	**33 173**	-	*	-
HCI Invest 5 Holdco Proprietary Limited	*	100	**	-	-	-
HCI Invest 8 Holdco Proprietary Limited	*	100	*	-	-	-
HCI Invest 9 Holdco Proprietary Limited	*	100	*	-	-	-
HCI-Propco 2 Proprietary Limited	*	100	*	-	-	-
Beverages						
KWV Holdings Limited	1	52	**	-	**	-

INTEREST IN PRINCIPAL SUBSIDIARY COMPANIES
FOR THE YEAR ENDED 31 MARCH 2014

	Issued share capital	Effective interest	2014 Shares	2014 Loans	2013 Shares	2013 Loans
	R'000	%	R'000	R'000	R'000	R'000
Other						
Almania Investments Proprietary Limited	*	100	1	-	1	-
Ancestral Investments Proprietary Limited	*	100	*	-	*	-
Blue Beacon Investments 240 Proprietary Limited	*	85	*	-	*	-
C&A Associated Consultants Proprietary Limited	*	100	*	-	*	-
Descarte Investments No. 8 Proprietary Limited	2	100	*	-	*	-
HCI Lifting Services Proprietary Limited	*	100	*	-	*	-
HJS Advisory Services Proprietary Limited	*	100	*	-	*	-
IGI Investment Company Limited	37 546	55	*	(1 026)	*	(1 026)
Limtech Biometric Solutions Proprietary Limited	*	51	**	-	**	-
Rowan Tree 4 Proprietary Limited	*	100	*	-	*	-
Sam Sisonke Proprietary Limited	*	100	*	-	*	-
Tylon Holdings Proprietary Limited	*	100	16 429	-	16 429	(64 165)
			14 450 298	4 519 497	995 271	2 442 204

* under R1 000

** indirectly held

*** directly and indirectly held

Subsidiaries whose financial position or results are not material are excluded.
Details of excluded subsidiaries are available from the company secretary.

	2014 R'000	2013 R'000
Profits and losses of consolidated subsidiary companies attributable to the company		
Aggregate profits after tax	23 195 370	2 471 863
Aggregate losses after tax	(311 886)	(154 236)

Subsidiaries are incorporated in South Africa unless otherwise shown.

(1) USA
(2) Australia
(3) Channel. Islands

Encumbrances

Shares and claims having a total carrying value of R15 797 million (2013: R 3 167 million) have been pledged a security for certain loans owing to loan funders of the Group. Refer note 22.

Hosken Consolidated Investments Limited

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

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