

# NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

|  | 2016<br>R'000 | 2015<br>R'000 |
|--|---------------|---------------|
|--|---------------|---------------|

## 6. TRADING PROFIT (continued)

### 6.3 DIRECTORS' EMOLUMENTS

|                         |               |        |
|-------------------------|---------------|--------|
| Executive directors     | <b>6 261</b>  | 11 601 |
| Non-executive directors | <b>4 518</b>  | 4 459  |
| Total                   | <b>10 779</b> | 16 060 |

For more details, please refer to pages 64 to 67.

### 6.4 KEY MANAGEMENT

|                                        |               |        |
|----------------------------------------|---------------|--------|
| Salaries and bonuses                   | <b>33 835</b> | 32 022 |
| Retirement, medical and other benefits | <b>3 830</b>  | 3 689  |
| Total                                  | <b>37 665</b> | 35 711 |

Key management comprises the Group Executive Committee, other than the executive directors. For more details, please refer to pages 62 and 63.

## 7. TAXATION

### South African taxation

|                              |                |         |
|------------------------------|----------------|---------|
| Current income tax           |                |         |
| – current year               | <b>152 522</b> | 79 722  |
| – prior year under provision | <b>14 359</b>  | 5 945   |
| Deferred tax                 |                |         |
| – current year               | <b>(100)</b>   | 17 680  |
| – prior year over provision  | <b>(3 480)</b> | (3 068) |
| – utilisation of tax loss    | <b>4 679</b>   | 43 522  |
|                              | <b>167 980</b> | 143 801 |

### Foreign taxation

|                    |                |         |
|--------------------|----------------|---------|
| Current income tax |                |         |
| – current year     | <b>1 137</b>   | –       |
| Deferred tax       |                |         |
| – current year     | <b>1 430</b>   | (1 928) |
|                    | <b>2 567</b>   | (1 928) |
| Total tax charge   | <b>170 547</b> | 141 873 |

In addition to the above, deferred tax amounting to R5.5 million has been charged to other comprehensive income (2015: R0.1 million released from). Refer note 20.

## 7. TAXATION (continued)

|                                                   | 2016<br>%    | 2015<br>% |
|---------------------------------------------------|--------------|-----------|
| Reconciliation of the taxation rate:              |              |           |
| Effective rate                                    | <b>31.0</b>  | 41.5      |
| Adjusted for:                                     |              |           |
| Exempt income (dividend income)                   | <b>1.9</b>   | 2.1       |
| Non-realisation of deferred tax                   | <b>0.1</b>   | (6.3)     |
| Non-deductible expenses*                          | <b>(6.2)</b> | (13.9)    |
| Prior year under provision**                      | <b>(2.0)</b> | (0.9)     |
| Equity accounted earnings                         | <b>3.0</b>   | 5.4       |
| Utilisation of tax loss not previously recognised | <b>0.4</b>   | –         |
| Other                                             | <b>(0.2)</b> | 0.1       |
| South African normal tax rate                     | <b>28.0</b>  | 28.0      |

The Group has tax losses of R108.7 million (2015: R207.1 million) for offsetting against future taxable profits of the companies in which the tax losses arose. The Group has utilised R16.7 million (2015: R155.4 million) of the tax losses relating to South African operations. All unutilised assessed losses from continuing operations has been recognised as deferred tax asset in the current year. The unutilised assessed loss of R11 million has not been recognised as deferred tax asset in the prior year.

|              | 2016<br>R'000  | 2015<br>R'000 | Expiry                       |
|--------------|----------------|---------------|------------------------------|
| Ghana***     | –              | 15 583        | Between two and five years   |
| India****    | –              | 56 008        | Between five and eight years |
| South Africa | <b>108 698</b> | 135 477       | Indefinite                   |
|              | <b>108 698</b> | 207 068       |                              |

\* Includes amortisation/impairment of intangibles, share-based payment expenses, professional fees, impairment of investments amongst others

\*\* Current tax and deferred tax

\*\*\* Discontinued operations (refer note 2)