

Notes to the financial statements for the year ended 29 February 2008

COMPANY

					2008 R'000	2007 R'000	
1. ACCOUNTING POLICIES							
	Please refer to the group accounting policies on pages 120 to 127.						
2. PROPERTY					—	50	
	The property was disposed of during the year and consisted of stand portions 331 and 51 of farm, Turffontein 961R.						
3. INTEREST IN SUBSIDIARIES							
	Issued capital R millions	Effective holding 2008 %	2007 %	Shares at cost less amounts written off 2008 R'000	2007 R'000	Indebtedness 2008 R'000	2007 R'000
Allied Technologies Limited	3	62	57	223 225	48 541	—	—
Bytes Technology Group Limited	737	100	58	2 016 863	620 390	—	—
Power Technologies (Pty) Limited	411	100	100	249 869	249 869	567 473	—
Altron Finance (Pty) Limited – ordinary shares	—	100	100	235	235	211 453	389 077
Altron Finance (Pty) Limited – preference shares	—	—	—	121 509	121 509	—	—
Investment in subsidiaries – share-based payments				2 593	2 290	—	—
Other	3	100	100	3	3	—	—
				2 614 297	1 042 837	778 926	389 077
Less: Current portion disclosed as current assets						228 926	389 077
Non-current loans						550 000	—

Notes

The above details are given in respect of interests in subsidiaries, where material. A full list of South African subsidiaries is available on request, at the registered office of the company. All subsidiaries are incorporated in South Africa.

	2008 R'000	2007 R'000
4. LOANS		
Unsecured bank loans at amortised cost	566 132	—
Current portion reflected as current liabilities	(16 132)	—
Non-current loans	550 000	—
The loan bears interest at the rate of JIBAR + 0.95% payable quarterly in arrears and the capital amount is repayable on 2 September 2010.		
5. SHARE CAPITAL AND PREMIUM		
Please refer to the group note 10 on page 143.		
6. TAXATION		
Current tax	796	—
Reconciliation of rate of taxation		
	%	%
South African normal tax rate	29.0	29.0
Non-taxable income	(28.8)	(29.0)
Effective tax rate	0.2	—

Notes to the financial statements for the year ended 29 February 2008 *continued*

	COMPANY	
	2008 R'000	2007 R'000
6. TAXATION (continued) Unutilised STC credits amounting to R22.2 million (2007: R79.2 million) have not been recognised as deferred tax assets at 10% in the absence of a change to the existing dividend policy of the group, that would give rise to the utilisation of the STC credits.		
7. GROUP SHARE-BASED PAYMENTS Details of employee share options granted by the company are reflected in group notes 10.6 to 10.8 on pages 145 to 149. Options granted under the conditional rights scheme are subject to a recharge arrangement with participating subsidiaries upon exercise of the options by employees of those companies and have been accounted for as follows: Group share scheme recharge receivable at fair value Deferred group share scheme recharge pending settlement Cumulative equity-settled charge recognised by subsidiaries and receivable per balance sheet The fair value of the recharge receivable under the conditional rights scheme is determined using the Black-Scholes model. The fair value of the receivable is remeasured at each balance sheet date and at settlement date. The model inputs were as follows: Share price (Rand) Exercise price (Rand) Terms (years) Volatility Dividend yield Risk-free interest rate	45 333 (20 169) 25 164 36.00 22.50 to 30.75 0.95 to 3.73 23.35% to 26.97% 3.28% 9.6%	20 096 (13 880) 6 216 42.00 22.50 to 30.75 3.5 to 5.2 20.54% to 23.50% 1.86% 7.99%
8. TAXATION PAID Taxation payable at the beginning of the year Charge per income statement Taxation payable at the end of the year	23 796 (153)	23 — (23)
	666	—
9. RELATED PARTIES The company has a related-party relationship with its subsidiaries (refer to note 3). Dividends The company received dividends from subsidiaries Interest The company received interest from subsidiaries	383 265 34 119	290 993 —
Shareholders The principal shareholders of the company are detailed in the analyses of shareholders on pages 90 to 93 of the annual report. Directors The company has a related-party relationship with its directors (refer to note 20 of the group accounts). Directors' interests are disclosed in the directors' report.		
10. FINANCIAL RISK MANAGEMENT Financial risk management and related disclosures have been dealt with in the group financial statements.		