

**NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS**

for the year ended 30 June

	2014 Rm	2013 Rm
<b>1. ACCOUNTING POLICIES</b>		
Accounting policies, significant judgements and estimates and impact of new unissued standards and the adoption of new and revised standards.		
Refer to notes 1, 2 and 3 of the Group annual financial statements, where applicable.		
<b>2. INTEREST IN SUBSIDIARIES</b>		
Shares at cost, net of impairments	6 618	6 743
Indebtedness by subsidiaries, net of impairments	2 838	2 653
	<b>9 456</b>	9 396
Details of the company's principal subsidiaries are reflected in note 39 of the Group Annual financial statements		
<b>3. INVESTMENT IN ASSOCIATES AND JOINT VENTURES</b>		
Unlisted shares at cost	44	80
Impairments	(12)	(12)
	32	68
Indebtedness by associates and joint ventures	16	16
Lereko Mobility (Pty) Ltd call option	1 173	1 244
	<b>1 221</b>	1 328
<b>Lereko Mobility (Pty) Ltd (Lereko) call option</b>		
Balance at beginning of year	1 244	1 009
Fair value adjustment through profit or loss	(71)	235
<b>Balance at end of year</b>	<b>1 173</b>	1 244
In September 2010, 14 516 617 preferred ordinary shares owned by Lereko were converted into ordinary shares. Lereko sold 8 651 673 ordinary shares to settle its third party funding obligation. The remaining 5 864 944 number of shares will be used to settle its obligation to Imperial Holdings Limited.		
The Lereko call option asset is held at fair value and the fair value adjustment is recorded in profit or loss.		
<b>4. INVESTMENTS</b>		
Unlisted shares at fair value and available-for-sale	47	222
<b>5. SHARE CAPITAL AND SHARE PREMIUM</b>		
<b>Authorised share capital</b>		
394 999 000 (2013: 394 999 000) ordinary shares of 4 cents each	15	15
50 000 000 (2013: 50 000 000) deferred ordinary shares of 4 cents each	2	2
15 000 000 (2013: 15 000 000) preferred ordinary shares of 4 cents each	1	1
1 000 (2013: 1 000) redeemable preference shares of 4 cents each		
40 000 000 (2013: 40 000 000) non-redeemable, non-participating preference shares of 4 cents each	2	2
	<b>20</b>	20
<b>Issued and fully paid share capital</b>		
207 815 753 (2013: 208 833 715) ordinary shares of 4 cents each	8	8
11 025 236 (2013: 12 979 082) deferred ordinary shares of 4 cents each	1	1
	<b>9</b>	9
<b>Share premium</b>		
Balance at the beginning of the year	373	13
Issued during the year		360
	<b>373</b>	373
<b>Share capital and share premium</b>	<b>382</b>	382

For non-redeemable, non-participating preference shares in issue see note 6

Refer to note 16 of the Group annual financial statements for further details regarding the deferred ordinary shares, the preferred ordinary shares and notes 18.2 and 40 for the share schemes and directors' interest in share capital.