

13. Intangible Assets

| Figures in Rand | 2017 | | | 2016 | | |
|---|-------------------|---|-------------------|-------------------|---|-------------------|
| | Cost | Accumulated depreciation and accumulated impairment | Carrying value | Cost | Accumulated depreciation and accumulated impairment | Carrying value |
| Computer software, internally generated | 12 761 889 | - | 12 761 889 | 12 761 889 | - | 12 761 889 |
| Computer software | 2 026 986 | (351 548) | 1 675 438 | 318 841 | (110 926) | 207 915 |
| Total | 14 788 875 | (351 548) | 14 437 327 | 13 080 730 | (110 926) | 12 969 804 |

Reconciliation of intangible assets - 2017

| Figures in Rand | 2017 | | | |
|---|-------------------|------------------|------------------|-------------------|
| | Opening balance | Additions | Amortisation | Total |
| Computer software, internally generated | 12 761 889 | - | - | 12 761 889 |
| Computer software | 207 915 | 1 702 447 | (234 924) | 1 675 438 |
| | 12 969 804 | 1 702 447 | (234 924) | 14 437 327 |

Reconciliation of intangible assets - 2016

| Figures in Rand | 2016 | | | |
|---|-------------------|---------------|-----------------|-------------------|
| | Opening balance | Additions | Amortisation | Total |
| Computer software, internally generated | 12 761 889 | - | - | 12 761 889 |
| Computer software | 226 267 | 22 755 | (41 107) | 207 915 |
| | 12 988 156 | 22 755 | (41 107) | 12 969 804 |

2016/17: No impairment is required for intangible assets.

14. Deferred Tax

| Figures in Rand | 2017 | 2016 |
|--|--------------------|--------------------|
| Deferred tax liability | | |
| Prepaid Expenses | (18 901) | (18 901) |
| Property, Plant, Equipment and Intangibles | (943 936) | (619 131) |
| Finance Lease Fixed Assets | (2 652 293) | (2 181 583) |
| Total deferred tax liability | (3 615 130) | (2 819 615) |
| Deferred tax asset | | |
| Provision for Post Retirement Medical Aid | 237 122 | 187 537 |
| Provision for Leave Pay | 4 497 045 | 4 264 790 |
| Provision for Bonuses | 3 439 535 | 3 093 504 |
| Debtors Discounting | 1 494 237 | - |
| Straightlining of Operating Leases | 217 783 | 1 050 135 |
| Finance Lease Liability | 1 958 132 | 1 237 329 |
| Losses | - | 26 185 536 |
| Total deferred tax asset | 11 843 854 | 36 018 831 |
| Deferred tax liability | (3 615 130) | (2 819 615) |
| Deferred tax asset | 11 843 854 | 36 018 831 |
| Total net deferred tax asset | 8 228 724 | 33 199 216 |
| Reconciliation of deferred tax asset | | |
| At beginning of year | 33 199 216 | 36 094 804 |
| Increases (decrease) in tax loss available for set off against future taxable income | (24 970 492) | (2 895 588) |
| | 8 228 724 | 33 199 216 |

It is unlikely that there will be profits in the foreseeable future, against which losses incurred in the previous financial years can be offset. Therefore, the deferred tax asset on losses cannot be recognised for future financial years.