

I. OTHER LIABILITIES
II DEFERRED TAXATION

II.1 Accounting policy

Deferred taxation is recognised for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxation is not recognised for the following temporary differences:

- The initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit
- Goodwill that arises on initial recognition in a business combination, and
- Differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

A deferred taxation asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Deferred taxation assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related taxation benefit will be realised.

Deferred taxation assets and liabilities are measured at the taxation rates that are expected to apply to the period when the asset is realised or the liability is settled, based on taxation rates and taxation laws that have been enacted or substantively enacted by the reporting date.

The effect of any changes in taxation rates on deferred taxation is recognised in profit or loss for the period, except to the extent that it relates to items previously charged or credited directly to other comprehensive income or equity.

Deferred taxation assets and liabilities are offset if there is a legally enforceable right to offset current taxation liabilities and assets, and they relate to income taxes levied by the same taxation authority on the same taxable entity.

II.2 Key assumptions and estimations

Deferred tax The group is subject to income tax in numerous jurisdictions. Significant judgement is required in determining the provision for tax as there are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

A deferred taxation asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Deferred taxation assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related taxation benefit will be realised.

The group recognises liabilities for anticipated tax obligations based on estimates of the taxes that are likely to become 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.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the group has not rebutted this presumption.

II.3 Carrying value

	GROUP		COMPANY	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018
	R000	R000	R000	R000
Arising on:				
Wear and tear claims on investment property, building appurtenances and tenant installations	165 683	164 149	165 683	163 954
Taxation loss brought forward	(78 122)	(78 122)	(78 122)	(78 122)
Fair value of investment property – Gruppo	–	76 165	–	–
Fair value adjustment to convertible loans – Gruppo	–	28 017	–	–
Rent and other receivables – Gruppo	–	(12 207)	–	–
Total deferred taxation	87 561	178 002	87 561	85 832

Notes to the consolidated and separate financial statements continued

for the year ended 30 June 2019

I. OTHER LIABILITIES continued

II DEFERRED TAXATION continued

II.4 Movement reconciliation

	GROUP		COMPANY	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018
	R000	R000	R000	R000
Balance at the beginning of the year	178 002	139 599	85 832	73 993
Currency translation reserve adjustment	3 014	3 299	—	—
Movement through profit or loss	(93 455)	35 104	1 730	11 839
Building appurtenances and tenant installations	10 440	12 078	9 895	12 085
Reversal of wear and tear allowances on asset sales	(8 510)	(264)	(8 510)	(264)
Fair value of investment property – Gruppo	(13 252)	(51)	—	—
Prior year deferred taxation adjustment	345	2 927	345	18
Unutilised losses carried forward	(52 142)	—	—	—
Fair value adjustment on convertible loans – Gruppo	(23 323)	23 706	—	—
Rent and other receivables – Gruppo	(7 013)	(3 292)	—	—
Balance at the end of the year	87 561	178 002	87 562	85 832

II.5	Tax rates used			
	South Africa – temporary differences (%)	28	28	28
	Nigeria – temporary differences (%)	30	—	—
	Nigeria – investment property (%)	10	—	—

II TRADE AND OTHER PAYABLES

II.1 Accounting policy

Trade and other payables are measured at amortised cost. Short-term payables are measured at the original invoice amount as the effect of discounting is immaterial.

II.2 Carrying value

	GROUP		COMPANY	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018
	R000	R000	R000	R000
Trade payables and accrued expenses	83 421	154 636	84 561	65 278
Tenant deposits	80 218	86 647	80 218	72 511
Gift cards	17 885	15 425	17 885	15 425
Interest payable	67 667	44 980	58 042	37 749
Rent received in advance	64 829	86 944	64 829	85 281
Value added tax (VAT)	18 601	26 201	18 601	21 878
Municipal provisions	95 645	39 561	95 645	106 861
Employee provisions	22 950	28 064	22 950	26 770
Other payables	17 925	3 632	4 960	3 369
Total trade and other payables	469 141	486 090	447 691	435 122

J. RELATED PARTIES

J1 RELATED-PARTY TRANSACTIONS AND BALANCES

J1.1 Accounting policy

Related parties are entities that are subsidiaries, joint ventures, co-investors of the group, and individuals that are directors and prescribed officers of the group.

The group, in the ordinary course of business, entered into various sale and purchase transactions on an arm's length basis at market-related rates with related parties.