Notes to the financial statements continued

for the year ended 30 June 2014

27. Taxation

	GROUP June 2014 R000	GROUP June 2013 R000	COMPANY June 2014 R000	COMPANY June 2013 R000
Major components of the taxation expense				
Current taxation – current year	1 896	1 927		
Current taxation – prior year	86		62	
Deferred taxation – current year	17 725	(2 240 935)	17 885	(2 240 894)
Deferred taxation – prior year	(1 988)		(1 988)	
Tax for the year/period	17 719	(2 239 008)	15 959	(2 240 894)
Reconciliation of taxation charge				
Net profit before taxation at 28%	552 807	419 115	509 612	417 719
Permanent differences	(562 173)	(439 105)	(514 721)	(439 105)
Prior year tax adjustment				
Income tax	86	1 552	62	
Deferred tax	(1 988)		(1 988)	
Capital gains taxation		10 414		10 414
Unrecognised deferred tax asset	30 166		19 280	
Adjustment in respect of Hyprop Investments (Mauritius) Limited	(4 893)	(1 062)		
REIT reversal	3 714	(2 229 922)	3 714	(2 229 922)
Taxation expense recognised in statements of comprehensive income	17 719	(2 239 008)	15 959	(2 240 894)

Hyprop converted to a REIT from 1 July 2013. South African REITs are not subject to capital gains taxation. Therefore 100% of deferred capital gains taxation was eliminated through the statement of comprehensive income on 30 June 2013.

The taxation rate applied in the reconciliations above was 28%.