

8. Other investment continued

	GROUP June 2015 R000	GROUP June 2014 R000	COMPANY June 2015 R000	COMPANY June 2014 R000
Balance at beginning of year				
Acquired during the year	#		#	
Balance at end of year	#		#	

Amount less than R 1 000

No impairment was recognised during the current year.

	GROUP June 2015 R000	GROUP June 2014 R000	COMPANY June 2015 R000	COMPANY June 2014 R000
Statement of financial position – AttAfrica SA				
Total assets	474			
Non-current assets	95			
Current assets	379			
Total liabilities	244			
Non-current liabilities				
Current liabilities	244			
Net assets	230			
Group's share of net assets of AttAfrica SA	86			
Statement of comprehensive income – AttAfrica SA				
Total revenue	5 233			
Total profit for the year	229			
Group's share of profits of AttAfrica SA	86			

9. Goodwill

	GROUP June 2015 R000	GROUP June 2014 R000	COMPANY June 2015 R000	COMPANY June 2014 R000
Goodwill arising on acquisition				
Word4Word	4 280	12 059		
Impairment – current year	(4 280)	(7 779)		
Balance		4 280		

The group tests goodwill for impairments annually.

The recoverable amount of goodwill was determined based on its value in use by using the discounted cash flow method over three years.

■ Budgets and forecasts were prepared by management of Word4Word.

■ Due to changes in the operational structure of Word4Word and the loss of key contracts, its expenses exceed its income. Therefore it is estimated that the company may incur losses in the foreseeable future.

■ Impairment testing, taking into account these developments, resulted in the further reduction of goodwill in 2015 to a recoverable amount of nil.

■ Management is not currently aware of any probable changes that would necessitate changes in the key estimates.

Key assumptions used during this valuation process:

■ Income decreased between 7% and 10% (2014 increased: 5%).

■ Expenses increased between 6% and 7% (2014: 5%).

■ Future cash flows were discounted at 18% (2014: 18%) which is a comparable rate for companies of this nature.