

TSOGO SUN HOLDINGS LIMITED

Company annual financial statements
for the year ended 31 March 2015

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Company income statement

for the year ended 31 March

	Notes	2015 R'000	2014 R'000
Other income	2	4 130 423	891 578
Other operating expenses	3	(177 615)	(6 194)
Operating profit		3 952 808	885 384
Interest income	4	8 148	5 787
Profit before income tax		3 960 956	891 171
Income tax expense	5	(2 745)	(6 301)
Profit for the year		3 958 211	884 870

No statement of comprehensive income is presented as the company has no other comprehensive income.

The notes on page 68 to page 77 form an integral part of these company financial statements.

The company's accounting policies are included with the group's accounting policies on page 11 to page 22.

Company balance sheet

as at

	Notes	31 March 2015 R'000	31 March 2014 Restated ⁽¹⁾ R'000	1 April 2013 Restated ⁽¹⁾ R'000
ASSETS				
Non-current assets				
Property, plant and equipment	6	1 850	1 850	3 658
Investment in subsidiaries	7	18 513 191	18 516 416	18 516 416
Investment in associate	8	–	–	–
Non-current receivables	9	19 515	32 477	37 031
		18 534 556	18 550 743	18 557 105
Current assets				
Trade and other receivables	10	1 162	899	50
Current income tax asset		1 033	–	–
Amounts due by subsidiaries	11	15 137	37 045	25 701
Cash and cash equivalents	12	32 023	15 040	851
		49 355	52 984	26 602
Total assets		18 583 911	18 603 727	18 583 707
EQUITY AND LIABILITIES				
Capital and reserves				
Ordinary share capital and premium	13	17 355 048	17 557 721	17 557 721
Share-based payment reserve		517 234	399 434	399 434
Retained earnings		662 503	459 507	453 070
Total shareholders' equity		18 534 786	18 416 662	18 410 225
Current liabilities				
Trade and other payables	14	15 948	15 663	14 692
Current income tax liability		–	2 243	2 902
Amounts due to subsidiaries	11	1 315	155 490	155 349
Bank overdrafts	12	31 862	13 669	539
		49 125	187 065	173 482
Total equity and liabilities		18 583 911	18 603 727	18 583 707

⁽¹⁾ Restatement in respect of IAS 32 Financial Instruments: Presentation amendment – refer note 1b to the consolidated financial statements for details

The notes on page 68 to page 77 form an integral part of these company financial statements.

The company's accounting policies are included with the group's accounting policies on page 11 to page 22.

Company statement of changes in equity

for the year ended 31 March

	Notes	Share capital and premium R'000	Share-based payment reserve R'000	Retained earnings R'000	Total equity R'000
Balance at 1 April 2013		17 557 721	399 434	453 070	18 410 225
Profit for the year		–	–	884 870	884 870
Ordinary dividends		–	–	(878 433)	(878 433)
Balance at 31 March 2014		17 557 721	399 434	459 507	18 416 662
Profit for the year		–	–	3 958 211	3 958 211
Shares repurchased and cancelled	13	(2 672)	–	(2 816 571)	(2 819 243)
Treasury shares acquired	13	(200 000)	–	–	(200 000)
Recognition of share-based payments		–	117 800	–	117 800
Ordinary dividends		–	–	(938 644)	(938 644)
Balance at 31 March 2015		17 355 049	517 234	662 503	18 534 786

The notes on page 68 to page 77 form an integral part of these company financial statements.

The company's accounting policies are included with the group's accounting policies on page 11 to page 22.

Company cash flow statement

for the year ended 31 March

	Notes	2015 R'000	2014 R'000
Cash flows from operating activities			
Cash generated from operations	15	3 996 783	879 328
Interest received		6 707	1 287
Income tax paid	16	(6 021)	(6 960)
Dividends paid	17	(938 669)	(878 370)
Net cash generated from/(utilised in) operations		3 058 800	(4 715)
Cash flows from investment activities			
Loans (advanced to)/repaid by associate		(2 189)	1 643
Loans advanced to joint venture		–	(564)
Acquisition of additional interest in subsidiary		(52 520)	–
Net cash (utilised for)/generated by investment activities		(54 709)	1 079
Cash flows generated from financing activities			
Treasury shares acquired	13	(200 000)	–
Shares repurchased	13	(2 819 243)	–
Increase in amounts due to subsidiaries		980	141
Decrease in share scheme loan		12 962	4 554
Net cash (utilised in)/generated from financing activities		(3 005 301)	4 695
Net (decrease)/increase in cash and cash equivalents		(1 210)	1 059
Cash and cash equivalents at beginning of the year, net of bank overdrafts		1 371	312
Cash and cash equivalents at end of the year, net of bank overdrafts	12	161	1 371

The notes on page 68 to page 77 form an integral part of these company financial statements.

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Notes to the company financial statements

1. Financial risk management

1.1 Financial risk factors

The company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the board of directors. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the group's operating units. The board provides principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity. Credit risk is managed at an entity level for trade receivables.

a) Market risk

(i) Currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates

The only foreign exchange risk relates to the foreign denominated guarantee which has been fully provided for and therefore the company is not exposed to significant foreign exchange risk.

(ii) Interest rate risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates

The company has no external interest-related borrowings and is therefore not exposed to interest rate risk.

(iii) Other price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market

The company does not invest in listed securities and holds no available-for-sale investments and therefore does not have any equity price risk. The company is also not exposed to commodity price risk.

b) Credit risk

The risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation

The company has no significant concentrations of credit risk and is therefore not exposed to material credit risk. The loan to the share scheme (refer note 9) and amounts due by subsidiaries (refer note 11) are not impaired or overdue. The loan to the company's associate has been fully impaired.

c) Liquidity risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available.

Management monitors rolling forecasts of the company's liquidity headroom on the basis of expected cash flow and the resultant borrowing position compared with available credit facilities. This process is performed during each financial year end for five years into the future in terms of the company's long-term planning process.

The company has provided security for certain of its associate, subsidiary companies and other related parties (refer notes 9 and 18).

The table below analyses the company's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Inclusive of capital and interest: At 31 March 2015	Less than 1 year R'000
Trade and other payables	880
Amounts due to subsidiaries	1 315
Financial guarantee contracts	799 746
	801 941
<hr/>	
At 31 March 2014	
Trade and other payables	905
Amounts due to subsidiaries	155 490
Financial guarantee contracts	770 160
	926 555

Other than as described above, the company does not expect any cash outflows on financial liabilities to occur significantly earlier, or for significantly different amounts. Refer notes 11 and 14 for details of the company's liabilities. All financial liabilities are current and may be settled in the next 12 months.

1. Financial risk management continued

1.2 Financial instruments by category

The table below shows the company's accounting categorisation of financial assets and financial liabilities (based on initial recognition) to the classes of assets and liabilities as shown on the face of the balance sheet:

	Loans and receivables R'000	Other financial liabilities at amortised cost R'000	Total R'000
At 31 March 2015			
Financial assets			
Trade and other receivables	1 162	–	1 162
Amounts due by subsidiaries	15 137	–	15 137
Cash and cash equivalents	32 023	–	32 023
	48 322	–	48 322
Financial liabilities			
Trade and other payables	–	15 734	15 734
Amounts due to subsidiaries	–	1 315	1 315
Bank overdrafts	–	31 862	31 862
	–	48 911	48 911
At 31 March 2014			
Financial assets			
Trade and other receivables	899	–	899
Amounts due by subsidiaries	37 045	–	37 045
Cash and cash equivalents	15 040	–	15 040
	52 984	–	52 984
Financial liabilities			
Trade and other payables	–	15 439	15 439
Amounts due to subsidiaries	–	155 490	155 490
Bank overdrafts	–	13 669	13 669
	–	184 598	184 598

1.3 Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern and provide optimal returns for shareholders through maintaining an optimal capital structure.

The company defines capital as equity funding provided by shareholders.

Shareholder funding comprises permanent paid-up capital, share premium, revenue reserves and other reserves and loans from shareholders (if any).

In order to maintain or adjust the capital structure, in the absence of significant investment opportunities, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

1.4 Fair value estimation

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The company uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date.

The company has no financial assets or liabilities measured at fair value.

Notes to the company financial statements continued

	2015 R'000	2014 R'000
2. Other income		
Dividends received	4 111 712	872 510
Royalty fees	17 295	17 661
Administration fees ⁽¹⁾	1 416	1 407
	4 130 423	891 578

⁽¹⁾ Administration fees received from subsidiary companies amounting to R1.4 million (2014: R1.4 million) have been reclassified from Other operating expenses to Other income which results in more appropriate presentation

	2015 R'000	2014 R'000
3. Other operating expenses		
Other operating expenses comprise the following:		
Other operating expenses	121	35
Impairment of loan to associate (refer note 9)	3 629	2 857
Impairment of financial instruments	–	564
Impairment of property	–	1 808
Write off of investment in subsidiary (refer note 7)	173 545	–
Net foreign exchange loss on financial guarantee	320	930
	177 615	6 194

	2015 R'000	2014 R'000
4. Interest income		
Interest income from subsidiaries	1 217	1 256
Interest income from associate	5 069	4 500
Interest received from banks	1 753	31
Other	109	–
	8 148	5 787

	2015 R'000	2014 R'000
5. Income tax expense		
Current tax – current year charge	6 506	6 689
Current tax – prior year credit	(3 761)	(388)
	2 745	6 301

	2015		2014	
	R'000	%	R'000	%
Income tax rate reconciliation				
Profit before tax	3 960 956		891 171	
Tax thereon at 28% (2014: 28%)	1 109 068	28.0	249 528	28.0
Exempt income – dividends received	(1 151 280)	(29.1)	(244 303)	(27.4)
Expenses not deductible for tax purposes ⁽¹⁾	48 718	1.3	1 464	0.2
Prior year credit	(3 761)	(0.1)	(388)	(0.1)
	2 745	0.1	6 301	0.7

⁽¹⁾ Comprises mainly impairments and write off of investment in subsidiary

	2015 R'000	2014 R'000
6. Property, plant and equipment		
Land		
Net book amount at 1 April	1 850	3 658
Impairment	–	(1 808)
Net book amount at 31 March	1 850	1 850
Cost	3 658	3 658
Accumulated impairment	(1 808)	(1 808)
Net book amount at 31 March	1 850	1 850

Land, which comprises a vacant stand, Erf 18029, Mossel Bay, in the Western Cape province, was impaired during the prior year to its fair value less costs to sell.

	2015 R'000	2014 R'000
7. Investment in subsidiaries		
Shares at cost		
Cost of investment in ordinary shares (refer note 20)	18 410 367	18 413 592
Amount due by Aldiss Investments Proprietary Limited	43 648	43 648
Share-based payments to subsidiary employees (refer note 9)	59 176	59 176
	18 513 191	18 516 416

The investment in Richard Moloko Consortium Proprietary Limited was written off during the year under review due to the subsidiary being in the process of liquidation. A dividend of R155 million was received prior to the liquidation.

The amount due by Aldiss Investments Proprietary Limited has no fixed terms of repayment, is interest free and is considered to be part of the investment in the subsidiary.

The move in the share-based payments to subsidiary employees represents an IFRS 2 *Share-based Payment* charge which has been awarded to participating executives in various subsidiary companies. The exercise price of the share option is equal to the loan granted to the participating executives and, as the loan is interest free, the exercise price is fixed at R200 million. Refer also note 12 *Employee costs*, note 29 *Ordinary share capital and premium* and note 36.1 *Long-term incentive plans* to the consolidated financial statements for further detail.

	2015 R'000	2014 R'000
8. Investment in associate		
Unlisted Capital		
Lukhanji Leisure Proprietary Limited	67	67
Impairment of investment in associate	(67)	(67)
	-	-

The company has the following interest in its associate:

25.1% in Lukhanji Leisure Proprietary Limited. The investment has been fully impaired due to the associate's continuing trading losses and it is not considered to be immediately recoverable. Refer also note 9 *Non-current receivables*.

	2015 R'000	2014 R'000
9. Non-current receivables		
At amortised cost		
<i>Financial instruments</i>		
Lukhanji Leisure Proprietary Limited	51 776	48 147
Less: Provision for impairment	(51 776)	48 147
	-	-
Loan to share scheme	19 515	32 477
Total non-current receivables	19 515	32 477

The loan to Lukhanji Leisure Proprietary Limited, an associate, bears interest at prime plus 1%. The company has subordinated this loan for the benefit of other creditors, limited to an amount of R37 million (2014: R34 million). The company has provided security for all Lukhanji Leisure Proprietary Limited's borrowing obligations in favour of Investec Limited to a capital amount of R12 million (2014: R12 million) – refer also note 8 *Investment in associate*. The loan has been provided for in full due to the associate's continued trading losses and is not considered to be immediately recoverable.

The company operates an equity-settled, share-based compensation plan established in September 1999. Options over the company's shares are granted to permanent employees at the discretion of the directors in terms of which shares in the company may be acquired based on prices prevailing at the dates of granting the options. Delivery of the shares so acquired is effected in three equal tranches vesting over four years: one-third after two years, one-third after three years and one-third after four years. Shares acquired through the share scheme have to be paid for by the employees at the subscription prices as determined in the option contracts. Upon vesting and exercise of the options the subscription value is credited to share capital (nominal value) and share premium and debited to a non-current asset. The non-current asset is considered payable when the employees exercise the options and the options have vested. Any dividends paid on these shares are utilised to reduce the balance owing by the employees. A complete accounting policy for the scheme is included in note 1z(vi) to the consolidated financial statements.

The maximum exposure to credit risk at the reporting date is the carrying value of the loans classified as non-current receivables. The company does not hold any collateral as security other than as shown above.

Notes to the company financial statements continued

	2015 R'000	2014 R'000
10. Trade and other receivables		
<i>Financial instruments</i>		
Other debtors	1 162	899
Loan to Indol Proprietary Limited	–	–
Loan	16 628	16 628
Impairment of loan	(16 628)	(16 628)
	1 162	899

The company's 50% interest in Indol Proprietary Limited, previously a joint venture, was sold with effect from 24 April 2013. The loan of R17 million (2014: R17 million) remains payable following suspensive conditions in the sale agreement and has been reclassified from investments in joint ventures to trade and other receivables. The loan remains impaired.

The maximum exposure to credit risk at the reporting date is the carrying value of the receivable as shown above. The company does not hold any collateral as security.

The net carrying values less impairment provision of trade and other receivables is assumed to approximate its fair values due to the short-term nature of trade receivables.

	2015 R'000	2014 R'000
11. Amounts due by/to subsidiaries		
Amounts due by subsidiaries:		
<i>Current accounts</i>		
Akani Egoli Proprietary Limited	–	12
Akani Msunduzi Proprietary Limited	–	12
Garden Route Casino Proprietary Limited	–	68
Goldfields Casino Proprietary Limited	–	17
Gold Reef Management Proprietary Limited	3 046	1 688
Mogale Silverstar Holdings Proprietary Limited	–	18
Richard Moloko Consortium Holdings Proprietary Limited	–	39
Tsogo Sun KwaZulu-Natal Proprietary Limited	–	51
Tsogo Sun Proprietary Limited	12 091	35 125
West Coast Leisure Proprietary Limited	–	15
	15 137	37 045
Amounts due to subsidiaries:		
<i>Current accounts</i>		
Akani Egoli Proprietary Limited	1	–
Akani Msunduzi Proprietary Limited	87	–
Newsshelf 786 Proprietary Limited	–	68 540
Richard Moloko Consortium Proprietary Limited	–	86 615
Silverstar Casino Proprietary Limited	14	79
Tsogo Sun Casinos Proprietary Limited	996	256
West Coast Leisure Proprietary Limited	217	–
	1 315	155 490

The loans shown above, with the exception of the loan to Tsogo Sun Proprietary Limited, are unsecured, interest free and are repayable on demand. The amount due by Tsogo Sun Proprietary Limited is an unsecured treasury loan, bearing interest at market rates and is also repayable on demand.

	2015 R'000	2014 Restated ⁽¹⁾ R'000
12. Cash and cash equivalents		
Current accounts	32 023	15 030
Call accounts	–	10
Gross cash and cash equivalents	32 023	15 040
Less: Bank overdrafts	(31 862)	(13 669)
Net cash and cash equivalents per cash flow statement	161	1 371

⁽¹⁾ Restatement in respect of IAS 32 Financial Instruments: Presentation amendment – refer note 1b to the consolidated financial statements for details

The above cash and cash equivalents bear interest at market-related rates.

13. Ordinary share capital and premium

	Number of ordinary shares	Treasury shares	Net number of shares	Ordinary share capital	Share premium R'000	Treasury shares R'000	Total R'000
At 31 March 2014	1 182 765 988	–	1 182 765 988	23 655	17 534 066	–	17 557 721
Shares repurchased and cancelled	(133 584 599)	–	(133 584 599)	(2 672)	–	–	(2 672)
Treasury shares acquired ⁽¹⁾	–	(7 766 990)	(7 766 990)	–	–	(200 000)	(200 000)
At 31 March 2015	1 049 181 389	(7 766 990)	1 041 414 399	20 983	17 534 066	(200 000)	17 355 049

⁽¹⁾ Refer note 7 Investment in subsidiaries

The total authorised number of ordinary shares is 1 200 000 000 (2014: 1 200 000 000) with a par value of 2 cents per share (2014: 2 cents per share). On 5 August 2014, Tsogo Sun authorised 20 000 000 preference shares of no par value, none of which have been issued. All issued shares, other than those related to the Gold Reef Share Scheme and the IFRS 2 *Share-based Payment* – equity-settled⁽¹⁾, are fully paid up.

During the year under review, the group managed the exit of SABMiller Plc ('SABMiller'), from its long-term 39.6% shareholding in the group, including a specific repurchase of 133.6 million Tsogo Sun ordinary shares for R2.8 billion on 28 August 2014. These shares, which were cancelled, were acquired at a price of R20.96 per share representing an 18.6% discount to the final bookbuild price achieved on the sale of the SABMiller investment of R25.75 per share.

	2015 R'000	2014 R'000
14. Trade and other payables		
<i>Financial instruments</i>		
Unclaimed dividends owing to shareholders	880	905
Liability relating to financial guarantee provided for in full	14 854	14 534
	15 734	15 439
<i>Non-financial instruments</i>		
VAT payable	214	224
	15 948	15 663

All of the above trade and other payables are current with the exception of the liability relating to the financial guarantee, the timing of which is uncertain – refer note 18 *Contingencies and guarantees*.

	2015 R'000	2014 R'000
15. Cash generated from operations		
Operating profit	3 952 808	885 384
<i>Adjusted for non-cash movements (refer note 3):</i>		
Dividends received from subsidiaries	(155 212)	–
Foreign exchange loss	320	930
Impairment of loan to associate	3 629	2 857
Impairment of financial instruments	–	564
Impairment of property	–	1 808
Write off of investment in subsidiary	173 545	–
Cash generated from operations before working capital movements	3 975 090	891 543
Working capital movements		
Increase in trade and other receivables	(263)	(849)
Decrease/(increase) in amounts due by subsidiaries	21 965	(11 344)
Decrease in trade and other payables	(9)	(22)
Cash generated from operations	3 996 783	879 328

	2015 R'000	2014 R'000
16. Income tax paid		
Tax liability at 1 April	(2 243)	(2 902)
Current tax provided	(2 745)	(6 301)
Tax (asset)/liability at 31 March	(1 033)	2 243
	(6 021)	(6 960)

Notes to the company financial statements continued

	2015	2014
	R'000	R'000
17. Dividends paid to the company's shareholders		
Unclaimed dividends owing to shareholders at 1 April	(905)	(842)
Ordinary dividends declared	(938 644)	(878 433)
Unclaimed dividends owing to shareholders at 31 March	880	905
	(938 669)	(878 370)

18. Contingencies and guarantees

The company has provided the following securities:

Lukhanji Leisure Proprietary Limited's (an associate) borrowing obligations in favour of Investec Limited to a capital amount of R12 million (2014: R12 million) – refer notes 8 and 9;

Indol Proprietary Limited's (a previously held joint venture, a company incorporated in Botswana) banking facilities in favour of Bank of Gaborone for a capital amount to the maximum of Botswana Pula 12.1 million – refer note 14 *Trade and other payables*. This amount has been provided for and included in trade and other payables;

Ikoyi Hotels Limited's (a subsidiary company incorporated in Nigeria) borrowing obligations in favour of Absa to a capital amount not exceeding US\$16 million (2014: US\$20 million);

Southern Sun (Mozambique) Limited's (a subsidiary company incorporated in Mozambique) borrowing obligations in favour of Absa to a capital amount not exceeding US\$17million (2014: US\$18 million); and

Southern Sun Africa's (a subsidiary company incorporated in Mauritius) borrowing obligations in favour of Absa to a capital amount not exceeding US\$32 million (2014: US\$34 million).

19. Related party transactions

As detailed below, the company has concluded certain transactions with related parties. Details of the group's associates and subsidiaries are shown in notes 7, 8 and 20.

Except as otherwise indicated all related party transactions are based on a market-related basis.

	2015	2014
	R'000	R'000
19.1 Purchases/sales of services		
<i>Royalty fees received from subsidiaries:</i>		
Akani Egoli Proprietary Limited	10 634	11 216
Akani Msunduzi Proprietary Limited	2 937	2 934
Garden Route Casino Proprietary Limited	1 783	1 704
West Coast Leisure Proprietary Limited	1 455	1 327
<i>Royalty fees received from associate:</i>		
Lukhanji Leisure Proprietary Limited	486	480
	17 295	17 661
<i>Administration fees received from subsidiaries:</i>		
Akani Egoli Proprietary Limited	20	39
Akani Msunduzi Proprietary Limited	124	116
Garden Route Casino Proprietary Limited	340	334
Goldfields Casino Proprietary Limited	29	106
Tsogo Sun Casino Management Company Proprietary Limited	207	–
Silverstar Casino Proprietary Limited	57	102
Tsogo Sun Proprietary Limited	47	42
Tsogo Sun Casinos Proprietary Limited	39	214
Tsogo Sun KwaZulu-Natal Proprietary Limited	265	240
West Coast Leisure Proprietary Limited	163	148
<i>Administration fees received from associate:</i>		
Lukhanji Leisure Proprietary Limited	125	66
	1 416	1 407
Total fees from related parties	18 711	19 068

19. Related party transactions continued

19.2 Amounts due by/(to) related parties

	2015 R'000	2014 R'000
Amounts due by subsidiaries ⁽¹⁾	15 137	37 045
Amounts due to subsidiaries ⁽¹⁾	(1 315)	(155 490)

⁽¹⁾ Refer note 11

The company has granted interest-free loans to the participating executives in the IFRS 2 *Share-based Payment* scheme as shown in note 12 *Employee costs* and note 36.1 *Long-term incentive plans* in the consolidated financial statements which are secured by the shares taken up by these participating executives. These loans have no specified date of repayment. There are no other loans to directors, key management or their families of the group.

19.3 Key management compensation

Directors and prescribed officers of the company are considered to be key management (including the highest paid members of management). Remuneration and fees paid to key management and IFRS 2 *Share-based Payment* charges during the year are as follows:

19.3.1 Executive directors

	Year ended 31 March 2015				
	Basic remuneration R'000	Benefits R'000	Short-term incentives R'000	Long-term incentives R'000	Total paid R'000
<i>Remuneration paid by subsidiaries:</i>					
MN von Aulock	5 114	1 100	4 768	7 877	18 859
RB Huddy	2 663	610	2 033	4 649	9 955
Total remuneration	7 777	1 710	6 801	12 526	28 814
<i>IFRS 2 Share-based Payment charge expensed in subsidiaries⁽¹⁾</i>					
MN von Aulock	53 859				
RB Huddy	15 415				
Total expense	69 274				

⁽¹⁾ Refer note 12 and note 36.1 to the consolidated financial statements

	Year ended 31 March 2014				
	Basic remuneration R'000	Benefits R'000	Short-term incentives R'000	Long-term incentives R'000	Total R'000
<i>Remuneration paid by subsidiaries:</i>					
MN von Aulock	4 798	1 033	5 313	3 048	14 192
RB Huddy	2 500	574	2 175	329	5 578
Total remuneration	7 298	1 607	7 488	3 377	19 770

Notes to the company financial statements continued

19. Related party transactions continued

19.3 Key management compensation continued

19.3.2 Non-executive directors

	Year ended 31 March 2015			Year ended 31 March 2014		
	Directors' fees R'000	Other benefits R'000	Total R'000	Directors' fees R'000	Other benefits R'000	Total R'000
<i>Fees and services paid by subsidiaries:</i>						
JA Copelyn	814	–	814	762	–	762
JA Mabuza ⁽¹⁾	–	28 198	28 198	–	21 526	21 526
J Davidson ⁽²⁾	145	–	145	–	–	–
MJA Golding	234	–	234	219	–	219
BA Mabuza ⁽³⁾	135	–	135	–	–	–
EAG Mackay ⁽⁴⁾	–	–	–	275	–	275
VE Mphande	234	–	234	219	–	219
JG Ngcobo	295	–	295	275	–	275
Y Shaik	356	–	356	331	–	331
RG Tomlinson	468	–	468	438	–	438
JS Wilson ⁽¹⁾	115	–	115	111	–	111
MI Wyman ⁽¹⁾	115	–	115	219	–	219
	2 911	28 198	31 109	2 849	21 526	24 375

⁽¹⁾ Resigned 28 August 2014

⁽²⁾ Appointed 17 January 2014, resigned 28 August 2014

⁽³⁾ Appointed 3 June 2014

⁽⁴⁾ Deceased 18 December 2013

19.3.3 Other key management and prescribed officers

	Year ended 31 March 2015				
	Basic remuneration R'000	Benefits R'000	Performance incentives R'000	Long-term incentives R'000	Total paid R'000
<i>Remuneration paid by subsidiaries:</i>					
J Booyesen	3 139	899	2 085	2 255	8 378
RF Weilers	4 078	915	1 700	6 289	12 982
Total remuneration	7 217	1 814	3 785	8 544	21 360
<i>IFRS 2 Share-based Payment charge expensed in subsidiaries⁽¹⁾</i>					
J Booyesen	26 348				
Total expense	26 348				

⁽¹⁾ Refer note 12 and note 36.1 to the consolidated financial statements

	Year ended 31 March 2014					
	Basic remuneration R'000	Benefits R'000	Performance incentives R'000	Long-term incentives R'000	Termination benefits R'000	Total R'000
<i>Remuneration paid by subsidiaries:</i>						
J Booyesen	3 092	526	2 706	347	–	6 671
RA Collins ⁽¹⁾	1 381	247	2 841	21 716	22 315	48 500
RF Weilers	4 241	456	2 411	3 422	–	10 530
GI Wood ⁽¹⁾	1 180	190	2 148	11 861	16 363	31 742
Total remuneration	9 894	1 419	10 106	37 346	38 678	97 443

⁽¹⁾ Resigned 31 August 2013

20. Subsidiary companies

The following information relates to the company's financial interest in its principal subsidiaries:

Subsidiary	Issued share capital		Effective holding		Shares at cost	
	2015 R	2014 R	2015 %	2014 %	2015 R'000	2014 R'000
<i>Direct shareholding:</i>						
Akani Egoli Management Proprietary Limited	1 000	1 000	100	100	1	1
Akani Egoli Proprietary Limited	1 000	1 000	100	100	984 992	984 992
Akani Msunduzi Management Proprietary Limited	1 000	1 000	100	100	1	1
Akani Msunduzi Proprietary Limited	100	100	100	100	135 948	135 948
Aldiss Investments Proprietary Limited	1	1	100	100	*	*
Garden Route Casino Proprietary Limited	1 000	1 000	100	85	221 357	168 837
Gold Reef Management Proprietary Limited	100	100	100	100	98 376	98 376
Gold Reef Resorts Training Institute Proprietary Limited	2	2	100	100	*	*
Goldfields Casino and Entertainment Centre Proprietary Limited	1 000	1 000	100	100	165 084	165 084
Richard Moloko Consortium Holdings Proprietary Limited ⁽¹⁾	–	1 002	–	100	–	173 545
Silverstar Casino Proprietary Limited	1 000	1 000	100	100	972 933	972 933
Tsogo Sun Hotels, Gaming and Entertainment Proprietary Limited ⁽²⁾	25 000	25 000	100	100	15 768 960	15 651 160
West Coast Leisure Proprietary Limited	1 000	1 000	70	70	62 715	62 715
<i>Indirect shareholding:</i>						
Durban Add-Ventures Limited	3 156 723	3 156 723	100	100	–	–
Ikoyi Hotels Limited	3 116 968	3 116 968	76	76	–	–
Ripple Effect 31 Proprietary Limited	1 000	1 000	100	100	–	–
Southern Sun Africa	92 850	92 850	100	100	–	–
Southern Sun Hotel Interests Proprietary Limited	2 145 000	2 145 000	100	100	–	–
Southern Sun Hotels Proprietary Limited	100	100	100	100	–	–
Southern Sun Middle East Investment Holdings Proprietary Limited	100	100	100	100	–	–
Southern Sun (Mozambique) Lda	18 181 559	18 181 559	87	87	–	–
Southern Sun Offshore Proprietary Limited	100	100	100	100	–	–
Southern Sun Secretarial Services Proprietary Limited	2	2	100	100	–	–
SUN1 Hotels Proprietary Limited	4 000	4 000	100	100	–	–
The Cullinan Hotel Proprietary Limited	4 000	4 000	50	50	–	–
The Millennium Casino Limited	200	200	100	100	–	–
Tsogo Sun Casino Management Company Proprietary Limited	2 000	2 000	100	100	–	–
Tsogo Sun Casinos Proprietary Limited	2 402	2 402	100	100	–	–
Tsogo Sun Emonti Proprietary Limited	1 230	1 230	65	65	–	–
Tsogo Sun Gaming Proprietary Limited	100	100	100	100	–	–
Tsogo Sun KwaZulu-Natal Proprietary Limited	1 000	1 000	100	100	–	–
Tsogo Sun Proprietary Limited	120	120	100	100	–	–
					18 410 367	18 413 592

⁽¹⁾ Subsidiary in the process of liquidation (refer note 7)

⁽²⁾ The move in the cost of shares in Tsogo Sun Hotels, Gaming and Entertainment Proprietary Limited relates to share-based payments to subsidiary employees representing an IFRS 2 Share-based Payment charge which has been awarded to participating executives in various subsidiary companies. The exercise price of the share option is equal to the loan granted to the participating executives and, as the loan is interest-free, the exercise price is fixed at R200 million. Refer also note 12 Employee costs, note 36.1 Long-term incentive plans and note 29 Ordinary share capital and premium to the consolidated financial statements for further detail

* Amount less than R1 000

The group comprises a large number of companies. The list above only includes those subsidiary undertakings which materially affect the profit or net assets of the group, or a business segment, together with the principal intermediate holding companies of the group. In addition to the above mentioned subsidiaries, the company has interests in other indirectly held subsidiaries. A register detailing such information in respect of all subsidiaries of the company is available for inspection at the registered office of the company, which may be inspected by members or their duly authorised agents.

All of the above subsidiaries are unlisted. With the exception of Ikoyi Hotels Limited which is incorporated in Nigeria, Southern Sun (Mozambique) Lda which is incorporated in Mozambique and Southern Sun Africa which is incorporated in Mauritius, all of the above subsidiaries are incorporated in South Africa.