12. Investment in preference shares

	GROUP June 2014 R'000	GROUP June 2013 R'000	COMPANY June 2014 R'000	COMPANY June 2013 R'000
Investment in preference shares				
36 000 redeemable preference shares	**90 000**	100 000	**90 000**	100 000
	90 000	100 000	**90 000**	100 000

The preference shares are classified as loans and receivables in accordance with IAS 39. A monthly dividend is paid to AfroCentric calculated at 80% of the ruling prime interest rate on the issue price per preference share.

The preference shares will be redeemable at the discretion of Jasco Electronics Holdings Limited after three years, but no later than five years, from the date of issue.

The first redemption of 4 000 shares took place in January 2014 and an amount of R10 million was paid to AfroCentric for the redemption thereof. The next redemption date for the preference shares by Jasco has been extended to 31 December 2014, or any earlier date, if Jasco disposes of its investment in M-Tech. Therefore the investment in preference shares has been treated as a current asset in 2014.

Jasco has consistently serviced the preference dividend with the acquisition of assets during the current and previous years and there is no reason to believe that they are likely to default in their obligations.

13. Interest-bearing loan

	June 2014 R'000	June 2013 R'000
Loan balance arising from the sale of Trade Bridge (Pty) Ltd	**76 378**	74 000
Interest raised	**6 418**	2 378
Payment	**(82 796)**	
Closing balance	**–**	76 378
Non-current portion	**–**	74 000
Current portion	**–**	2 378
	–	76 378

The interest-bearing loan was issued to Tradebridge (Proprietary) Limited as part of an agreement entered into with Medscheme Holdings (Proprietary) Limited, effective 1 March 2013.

In terms of the agreement, Medscheme sold its total shareholding (2 833 333 shares, 27.78%) back to Tradebridge for an amount of R74 000 000. The purchase price was not settled in cash but was instead effected by means of a loan payable to Medscheme.

The loan bears interest at Prime plus 1%, compounded monthly, up until 28 February 2014, whereafter the interest will increase to Prime plus 4%, compounded monthly.

This loan was subsequently settled in May 2014 by Tradebridge (Proprietary) Limited.