CLASSIFICATION FINANCIAL ASSETS AT AMORTISED COST

Deposits are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. The deposits are included as non-current assets, except for those with maturities less than 12 months from the end of the reporting period, which would be classified as current assets. The carrying amount approximates the fair value of the investments.

The following tables represent the fair value hierarchical disclosure if the Investments at amortised costs were to be classified at fair value:

	Impact of change in volatility of the fair value adjustment on profit or loss	
	Increase +10% R'000	Decrease -10% R'000
Investment at amortised cost	367	(367)

The following table presents the investments that are measured at fair value at 30 June 2016:

	Group			Company		
2016	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investment at amortised cost	**143 761**	–	–	**143 761**	–	–

10. INVESTMENT IN ASSOCIATES

	Group		Company	
	June 2016 R'000	June 2015 R'000	**June 2016 R'000**	June 2015 R'000
Carrying value	**24 477**	14 873	**–**	–

During the year a 26% interest was purchased in Activo Health (Pty) Ltd. The Group has significant influence over this entity.

At 30 June 2016, Invisible Card Company was fully impaired as the business is not trading.

During the 2015 financial year, AfroCentric Investment Corporation Limited's shareholding decreased from 20.27% to 19.30%. Subsequently, management has made the decision to sell the Jasco Electronics Holdings Limited investment and was accordingly reclassified this investment to a non-current asset held for sale (refer to note 12). In the current financial year the sale has not materialised and the 19.30% investment in Jasco Electronics Holdings was reclassified to Financial assets at fair value through profit and loss (refer to note 9.11).

In the current year, only Activo Health (Pty) Ltd's total aggregate assets, liabilities and results of operations are disclosed as it is the most significant associate.

10. INVESTMENT IN ASSOCIATES continued

In the prior year, the total aggregate assets, liabilities and results of operation of all associates were included.

	Group	
	June 2016 R'000	June 2015 R'000
Non-current assets (excluding intangible assets)	**20 832**	25 601
Intangible assets	**–**	10 359
Current assets	**110 015**	17 802
Total assets	**130 847**	53 762
Non-current liabilities	**74 918**	27 732
Current liabilities	**36 957**	10 808
Total liabilities	**111 875**	38 540
Total comprehensive income attributable to ordinary shareholders	**7 479**	14 540
Net profit for the year	**7 479**	14 540
Other comprehensive income	**–**	–

	Group		Company	
	June 2016 R'000	June 2015 R'000	**June 2016 R'000**	June 2015 R'000
Balance at the beginning of period	**14 873**	77 183	**–**	42 493
Share of after taxation profit	**10 118**	19 037	**–**	–
Dividends received	**(4 112)**	(19 570)	**–**	–
Impairment of Invisible Card Company[2]	**(5 359)**	–	**–**	–
Fair value of investment in associates[1]	**–**	–	**–**	(17 705)
Impairment of Jasco[1]	**–**	(21 792)	**–**	–
Purchase of Activo Health[3]	**8 957**	–	**–**	–
Sale of 1% of AFA Botswana (Pty) Ltd	**–**	(292)	**–**	–
Reclassification of Jasco Electronics Holdings Limited to non-current assets held for sale[1]	**–**	(24 788)	**–**	(24 788)
Impairment of Afrocentric Health Solutions Limited	**–**	(14 905)	**–**	–
Balance at the end of period	**24 477**	14 873	**–**	–

Note 1: The investment in Jasco Electronics Holdings Limited was reclassified to a non-current asset held for sale in the prior year. Immediately before the reclassification to a non-current asset held for sale Jasco was impaired/ fair valued to its recoverable amount being the fair value as at 30 June 2015. In the current year it was reclassified from non- current asset held for sale to fair value through profit and loss as it no longer met some of the criteria as a non-current asset held for sale as disclosed in Note 9.10.

Note 2: At year end, Invisible Card Company (Pty) Ltd was fully impaired.

Note 3: Activo Health (Pty) Ltd was acquired during the year as part of the WAD acquisition to strategically align with the Groups integrated healthcare offering.

	Reporting date	Number of shares held	Percentage Holdings		Group carrying amount		Company carrying amount	
			June 2016	June 2015	**June 2016**	June 2015	**June 2016**	June 2015
			%	%	**R'000**	R'000	**R'000**	R'000
Directly held – listed								
Jasco Electronics Holdings Limited	30 June	44 263 793	**19.3**	19.3	**–**	–	**–**	–
Unlisted								
Activo Health (Proprietary) Limited	28 February	26	**26**	–	**16 436**	–	**–**	–
Associated Fund Administrators (Proprietary) Limited	30 September	24 000	**24**	24	**8 041**	8 800	**–**	–
Invisible Card Company (Pty) Ltd *	30 June	30	**40**	40	**–**	6 073	**–**	–
Afrocentric Health Solutions Limited (Kenya Investments)	31 December	26	**26**	26	**–**	–	**–**	–
					24 477	14 873	**–**	–

All the above are incorporated in South Africa except for Associated Fund Administrators Botswana (Proprietary) Limited which is incorporated in Botswana and AfroCentric Health Solutions Limited which is incorporated in Kenya.

Due to the Group's non-controlling interest in Associated Fund Administrators Botswana (Proprietary) Limited and Activo Health (Proprietary) Limited, it has no influence in aligning their reporting dates with the Group's.

* *At year end, Invisible Card Company (Proprietary) Limited was fully impaired.*

	1 July 2015 R '000 Opening carrying amount	**Share of after tax profit/ (losses)**	**Fair value/ impairment**	**Reclassification/ disposals/ acquisitions**	**Dividends received**	**30 June 2016 R '000 Closing carrying amount**
Unlisted						
Activo Health (Proprietary) Limited	–	**7 479**	**–**	**8 957**	**–**	**16 436**
Associated Fund Administrators (Proprietary) Limited	8 800	**3 353**	**–**	**–**	**(4 112)**	**8 041**
Invisible Card Company (Pty) Ltd	6 073	**(714)**	**(5 359)**	**–**	**–**	**–**
	14 873	**10 118**	**(5 359)**	**8 957**	**(4 112)**	**24 477**

10. INVESTMENT IN ASSOCIATES continued

	Shares at cost		Equity profits		Carrying amount of investment	
	June 2016 R '000	June 2015 R '000	**June 2016 R '000**	June 2015 R '000	**June 2016 R '000**	June 2015 R '000
Unlisted						
Activo Health (Proprietary) Limited	**8 957**	–	**7 479**	–	**16 436**	–
Associated Fund Administrators (Proprietary) Limited	**523**	523	**7 518**	8 277	**8 041**	8 800
Invisible Card Company (Pty) Ltd**	**6 346**	6 346	**(6 346)**	(273)	**–**	6 073
Afrocentric Health Solutions Limited (Kenya Investments)*	**18 211**	18 211	**(18 211)**	(18 211)	**–**	–
	34 037	25 080	**(9 560)**	(10 207)	**24 477**	14 873

* *In 2015 AfroCentric Health Solutions Kenya Limited declared a dividend in specie to Medscheme Holdings (Pty) Ltd which represents the entire value of the investments in AfroCentric Health Solutions Kenya Limited, being the shares AAR Insurance holdings. In 2015, AfroCentric Health Solutions Limited was fully impaired.*

** *Invisible Card Company (Pty) Ltd was fully impaired at year-end.*

11. INVESTMENT IN SUBSIDIARIES

	Group		Company	
	2016	2015	**2016**	2015
Unlisted investments at cost	**–**	–	**428 144**	–*

* *Amounts less than R1 000.*

Name	Main business	Country of incorporation	Interest held
2016			
Directly held			
AfroCentric Resources (Pty) Ltd	Dormant	South Africa	100%
AfroCentric Capital (Pty) Limited	Dormant	South Africa	100%
ACT Healthcare Assets (Pty) Ltd	Investment holding	South Africa	71.3%**
ACT Funding (Pty) Ltd	Financing	South Africa	100%
Indirectly held			
AfroCentric Health (Pty) Limited	Healthcare administration	South Africa	71.3%

The indirectly held subsidiary, Medscheme Holdings (Proprietary) Limited, operates in the healthcare administration and health risk management industry. The total aggregate assets, liabilities and results of Medscheme Holdings (Proprietary) Limited operations are summarised as follows:

Summarised statement of financial position of Medscheme Holdings (Proprietary) Limited:

	Group	
	June 2016 R'000	June 2015 R'000
Non-current assets (excluding intangible assets)	**149 183**	139 832
Intangible assets	**15 079**	3 483
Current assets	**725 973**	679 539
Total assets	**890 235**	822 854
Non-current liabilities	**22 764**	24 185
Current liabilities	**219 484**	211 070
Total liabilities	**242 248**	235 255