

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS CONTINUED

For the year ended 31 May 2014

	2014 R'000	2013 R'000
7. LOANS RECEIVABLE		
Interest-free loans	25 710	21 285
Interest-bearing loans receivable	20 641	16 146
	46 351	37 431
Less: Amounts included in current portion of loans receivable	(27 850)	(36 431)
	18 501	1 000
Interest-free loans are unsecured and have no fixed terms of repayment. Interest-bearing loans bear interest at a range of between prime and prime + 2% and are unsecured. Loans amounting to R26.1 million have no fixed repayment terms; the remaining balance is repayable between one and five years. The loans receivable are neither past due nor impaired with a low risk of default. Of this amount, R24 million (2013: R20 million) relates to loans receivable from related parties, which are interest-free (refer to note 28).		
8. STARTER PACK ASSETS		
Balance at the beginning of the year	3 688	7 692
Additions	1 513	8 388
Impairments*	(1 520)	(4 007)
Disposals*	(364)	(8 385)
At the end of the year	3 317	3 688
Less: Amounts included in current portion of starter pack assets	(1 010)	(1 115)
	2 307	2 573

* These impairments and disposals are charged to the statement of comprehensive income and are included in changes in inventories of finished goods. The impairments represent the value of starter packs that management considers the probability of activation to be low. The disposals represent starter packs that have activated during the year.