Notes to the Group annual financial statements continued

For the year ended 31 May 2017

3. Financial instruments and financial risks continued

3.1 Financial assets continued

3.1.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held on call with banks.

	2017 R'000	2016 R'000
Cash at bank	**1 350 553**	588 950
Cash on hand	**113**	77
	1 350 666	589 027

Included in this balance is restricted cash of R29.1 million (2016: R26.2 million), received on behalf of and immediately due to third parties, that may not be utilised in the Group's ordinary course of business.

Cash at bank and short-term bank deposits

Credit rating based on latest S&P Global Ratings local currency long-term issuer default ratings

	2017 R'000	2016 R'000
AA-	**—**	207 822
A+	**258**	—
A-	**—**	310
BBB-	**—**	380 806
BB+	**1 350 262**	—
Other	**33**	12
	1 350 553	588 950

3.2 Financial liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Refer to accounting policies on borrowings and trade and other payables for financial liabilities (which exclude employee-related liabilities and VAT), and share capital for equity instruments issued by the Group.