2014

ANNUAL FINANCIAL REPORT

for the 52 week period ended 29 March 2014

our numbers

mr price group limited

Finances

Approval of the annual financial statements

The preparation and presentation of the Annual Financial Statements and all information included in this report are the responsibility of the Directors. The Annual Financial Statements were prepared in accordance with the provisions of the Companies Act and comply with International Financial Reporting Standards and the AC 500 Standards, as issued by the Accounting Practices Board and its successors, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council. In discharging their responsibilities, both for the integrity and fairness of these statements, the Directors rely on the internal controls and risk management procedures applied by management.

Based on the information and explanations provided by management and the internal auditors and on comment by the independent auditor on the results of their statutory audit, the Directors are of the opinion that:

- *the internal controls are adequate;*
- *the financial records may be relied upon in the preparation of the Annual Financial Statements;*
- *appropriate accounting policies, supported by reasonable and prudent judgements and estimates, have been applied; and*
- *the Annual Financial Statements fairly present the results and the financial position of the Company and the Group.*

The Annual Financial Statements are prepared on the going concern basis and nothing has come to the attention of the Directors to indicate that the Company and the Group will not remain a going concern.

These Annual Financial Statements as at 29 March 2014 have been prepared under the supervision of the Chief Financial Officer, Mr MM Blair CA(SA).

The Annual Financial Statements of the Company and the Group were approved by the Board on 27 May 2014 and are signed on its behalf by:

NG Payne	**SI Bird**
CHAIRMAN	CEO

company secretary statement

I hereby certify that the Company has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.

HE Grosvenor
COMPANY SECRETARY
27 MAY 2014

report of the directors

for the year ended 29 March 2014

Nature of business

The main business of the Group is retail distribution through 1 079 corporate-owned and 23 franchised stores in Africa. The retail chains focus on clothing, footwear, sportswear, sporting goods, accessories and homewares.

Corporate governance

The Directors subscribe to the values of good corporate governance as set out in the King Report for Corporate Governance in South Africa 2009 (King III). By supporting the code, the Directors have recognised the need to conduct the business with integrity and to account to stakeholders in accordance with International Financial Reporting Standards.

Retail calendar

The Group reports on the retail calendar of trading weeks incorporating trade from Sunday to Saturday each week. Accordingly the results for the financial year under review are for a 52 week period from 31 March 2013 to 29 March 2014 (2013: 52 week period from 1 April 2012 to 30 March 2013).

Financial results

The financial results of the Company and the Group are set out in the Annual Financial Statements, which follow from page 82 onwards.

Dividends

It is the Group's policy to make two dividend payments each year an interim in December and a final in June.

Interim: A cash dividend of 168.0 cents per share (2013: 133.0 cents per share) was made payable on 17 December 2013 to shareholders registered on 13 December 2013.

Final: A cash dividend of 314.0 cents per share (2013: 265.0 cents per share) has been declared payable on 23 June 2014 to shareholders registered on 20 June 2014.

Consolidated entities

The aggregate amount of Group profits and losses after taxation attributable to consolidated entities was:

	2014	2013
Profits	**81 164**	64 421
Losses	**(1 792)**	(3 005)
	79 372	61 416

Net shareholders' equity

There were no changes in the authorised and issued share capital during the year.

Subsequent events

No events, material to the understanding of this report, have occurred between the financial year end and the date of this report.

Directorate

There were no changes to the directorate during the current year.

Particulars of the present Directors and Secretary are provided on pages 75 to 121 respectively of the Annual Integrated Report. None of the Directors have long-term service contracts with the Company or any of its consolidated entities.

Emoluments

Details of emoluments paid to executive and non-executive directors are set out in the Remuneration Report on pages 63 to 74.

report of the directors

for the year ended 29 March 2014 (continued)

Interest in shares of the company

At the financial year end, the directors were interested in the Company's issued shares as follows:

Ordinary shares

	2014					2013				
	Direct Beneficial	Indirect Beneficial	Held By Associate	Total	%	Direct Beneficial	Indirect Beneficial	Held By Associate	Total	%
SI Bird	211 384	94 000	-	305 384	0.12%	211 384	-	-	211 384	0.08%
MM Blair	78 230	26 324	400	104 954	0.04%	56 836	-	800	57 636	0.02%
LJ Chiappini	-	-	-	-	0.00%	-	316 349	-	316 349	0.13%
TA Chiappini-Young	199	-	-	199	0.00%	199	-	-	199	0.00%
SB Cohen	490	14 013	44 588	59 091	0.02%	490	131 121	44 588	176 199	0.07%
SA Ellis	56 853	67 248	-	124 101	0.05%	56 853	67 248	-	124 101	0.05%
K Getz	-	-	20 000	20 000	0.01%	-	-	20 000	20 000	0.01%
MR Johnston	-	-	91 250	91 250	0.04%	-	-	91 250	91 250	0.04%
WJ Swain	-	611 670	-	611 670	0.24%	-	611 670	-	611 670	0.24%
LJ Ring[1]						2 500	-	2 500	5 000	0.00%
SEN Sebotsa[2]						1 000	-	-	1 000	0.00%
				1 316 649	0.52%				**1 614 788**	0.64%

B Ordinary shares

	2014						2013					
	Direct Beneficial	Indirect Beneficial	Held By Associate	Other	Total[3]	%	Direct Beneficial	Indirect Beneficial	Held By Associate	Other	Total[3]	%
LJ Chiappini	-	6 000 759	-	-	6 000 759	44.63%	-	6 000 759	-	-	6 000 759	44.63%
SB Cohen	-	6 000 000	-	-	6 000 000	44.63%	-	6 000 000	-	-	6 000 000	44.63%
MR Johnston	-	-	46 504		46 504	0.35%	-	-	46 504		46 504	0.35%

	Ordinary	B Ordinary
Issued share capital 2014	251 183 867	13 445 081
Issued share capital 2013	251 183 867	13 445 081

Notes:

[1] Retired as alternate Director on 30 March 2013.
[2] Retired by rotation as Director on 30 August 2012.
[3] The 1 397 818 B ordinary shares not detailed above belong to:
(a) trusts (1 397 618 shares) of which Mr MR Johnston's major children are beneficiaries. Mr Johnston has no direct or indirect beneficial ownership in these shares and has relinquished all voting rights thereto; and
(b) Mr AE McArthur (200 shares).

There have been no changes in the above interests between the year end and the date of approval of these Annual Financial Statements.

final cash dividend declaration

Notice is hereby given that a final gross cash dividend of 314.0 cents per share has been declared, an increase of 18.5%. As the dividend has been declared from income reserves and no STC credits are available for utilisation, shareholders, unless exempt or who qualify for a reduced withholding tax rate, will receive a net dividend of 266.9 cents per share.

The issued share capital at the declaration date is 251 183 867 listed ordinary and 13 445 081 unlisted B ordinary shares. The tax reference number is 9285/130/20/0.

The salient dates for the dividend will be as follows:

Last date to trade 'cum' the dividend	**Thursday**	**12 June 2014**
Date trading commences 'ex' the dividend	**Friday**	**13 June 2014**
Record date	**Friday**	**20 June 2014**
Payment date	**Monday**	**23 June 2014**

Shareholders may not dematerialise or rematerialise their share certificates between Friday, 13 June 2014 and Friday, 20 June 2014 both dates inclusive.

On behalf of the board
Durban
27 May 2014

NG Payne
CHAIRMAN

SI Bird
CEO

independent auditor's report

To the Shareholders of Mr Price Group Limited

We have audited the consolidated and separate annual financial statements of Mr Price Group Limited, which comprise the remueration report, the consolidated and separate statements of financial position as at 29 March 2014, and the consolidated and separate statements of comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate cash flows for the 52 weeks then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 82 to120 and pages 63 to 74.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the consolidated and separate financial position of Mr Price Group Limited as at 29 March 2014, and its consolidated and separate financial performance and consolidated and separate cash flows for the 52 weeks then ended in accordance with International Financial Reporting Standards, and the requirements of the Companies Act of South Africa.

Other reports required by the Companies Act

As part of our audit of the consolidated and separate financial statements for the year ended 29 March 2014, we have read the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated and separate financial statements. These reports are the responsibility of the respective preparers. Based on reading these reports we have not identified material inconsistencies between these reports and the audited consolidated and separate financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

Ernst & Young Inc.

Ernst & Young Inc.
Director – Jane Anne Oliva
Registered Auditor
Chartered Accountant (SA)

1 Pencarrow Crescent, La Lucia Ridge Office Estate,
Durban, 4000

27 May 2014

shareholder information

for the period ended 29 March 2014

Shareholder's diary

May	Announcement of annual results and final dividend to shareholders
June	Publication of Annual Integrated Report
	Settlement of final dividend to shareholders
September	Annual General Meeting of shareholders
November	Publication of interim results to September
	Announcement of interim dividend to shareholders
December	Settlement of interim dividend to shareholders

	Ordinary shares				B Ordinary shares			
Holdings	**Number of share-holders**	**%**	**Number of shares**	**%**	**Number of share-holders**	**%**	**Number of shares**	**%**
1 - 1000	12 492	68.88	4 733 166	1.88	1	20.00	200	0.00
1001 - 10 000	4 780	26.36	14 180 733	5.65				
10 001 - 100 000	684	3.77	19 439 647	7.74				
100 001 - 1 000 000	142	0.78	44 598 501	17.76				
1 000 001 and over	38	0.21	168 231 820	66.97	4	80.00	13 444 881	100.00
	18 136	100.00	**251 183 867**	100.00	**5**	100.00	**13 445 081**	100.00

Category	**Number of share-holders**	**%**	**Number of shares**	**%**	**Number of share-holders**	**%**	**Number of shares**	**%**
Pension funds	150	0.83	41 808 485	16.64				
Nominee companies and corporate bodies	1 505	8.30	157 249 982	62.60	2	40.00	3 999 974	29.75
Individuals and trusts	16 475	90.84	35 782 518	14.25	3	60.00	9 445 107	70.25
Staff share schemes	6	0.03	16 342 882	6.51				
	18 136	100.00	251 183 867	**100.00**	**5**	100.00	**13 445 081**	100.00

public and non-public shareholders

At 29 March 2014 the percentage direct or indirect shareholdings of public and non-public shareholders in the listed ordinary shares of the Company were as follows:

	Number of share-holders	**%**
Public shareholders	**18 108**	77.45
Non-public shareholders	**28**	22.55
Holders holding more than 10% (refer to major shareholders below)*	**7**	15.52
Directors of the Company or its subsidiaries	**15**	0.52
Trustees of employees' share schemes**	**6**	6.51

major shareholders

To the Company's best knowledge and belief the following shareholders or fund managers held discretionary beneficial interest and/or administered client portfolios amounting to 5% or more of the issued ordinary shares of the company at 29 March 2014:

	Beneficial holding		**Portfolio administration Discretionary**	
	%	**Shares**	**%**	**Shares**
Public Investment Corporation*	15.52	38 974 604	-	-
American Funds	8.03	20 170 338	-	-
Mr Price Share Trusts**	6.51	16 342 882	-	-
JP Morgan Asset Management U.K. Limited	4.36	10 961 149	1.18	2 946 735

* Seven underlying shareholders under the Public Investment Corporation Limited
** Six underlying shareholders constitute the overall shareholdings of the Mr Price Share Trusts

Details of the Directors beneficial interest in B ordinary shares are reflected in the Report of the Directors on page 79.

statement of accounting policies

for the year ended 29 March 2014

The annual financial statements have been prepared on the historic cost and going concern bases, except where indicated otherwise in a policy below. The annual financial statements are prepared in accordance with International Financial Reporting Standards ('IFRS'). The consolidated financial statements are presented in Rands and all values are rounded to the nearest million (R'm), except when otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period. In addition, the Group presents an additional statement of financial position at the beginning of the earliest period presented when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements. An additional statement of financial position as at 1 April 2012 is presented in these consolidated financial statements due to retrospective application of certain accounting policies, refer Note 1.1.

Unless otherwise indicated, any references to the Group include the Company.

1. Consolidation

The consolidated financial statements comprise the financial statements of the Company and its consolidated entities as at 29 March 2014.

Consolidated entities (which include special purpose entities such as staff share trusts) are defined as entities in which the Group has the power to govern the financial and operating policies of the entity so as to gain benefit from its activities. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised either in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of IAS 39, it is measured in accordance with the appropriate IFRS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes directly attributable costs of investment. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Intercompany transactions, balances and unrealised gains/losses on transactions between Group companies are eliminated.

2. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques where appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Fair values of financial instruments measured at amortised cost are disclosed in Note 28.

3. Property, plant and equipment

Capitalised leased office buildings are recognised at the fair value of the buildings at date of commencement of the lease agreement, or if lower, the present value of the minimum lease payments. The buildings are depreciated over the shorter of the period of the finance lease and the useful life of the buildings.

statement of accounting policies (continued)

for the year ended 29 March 2014

Buildings occupied in the normal course of business are recognised at cost less accumulated depreciation and impairment losses.

Furniture, fittings, equipment, vehicles, computer equipment and improvements to leasehold premises are stated at historic cost less accumulated depreciation and any accumulated impairment and are depreciated, on the straight line basis to their expected residual values, over the estimated useful lives of the assets concerned which are as follows:

Furniture, fittings, equipment and vehicles
- 5 to 14 years

Computer equipment
- 3 to 5 years

Improvements to leasehold premises
- Over period of lease subject to a maximum of 10 years

Buildings
- 20 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, and only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The assets' expected residual values, estimated useful lives, and depreciation policy are reviewed, and adjusted if appropriate, on an annual basis. Changes in the estimated useful life or expected pattern of consumption of future benefits embodied in the asset are accounted for by changing the depreciation period or method, as appropriate, and are treated as changes in accounting estimates.

4. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

Computer software
Acquired software not regarded as an integral part of hardware is capitalised at historic cost and is amortised on the straight line basis over its estimated useful life (2 - 7 years), from the date of it being commissioned into the Group.

All other costs that are directly associated with the production of identifiable software controlled by the Group, and that are expected to generate economic benefits exceeding 1 year, are recognised as part of the cost of the intangible assets. Direct costs include the software development employee costs. Costs associated with developing software are recognised as an expense as incurred if it is not expected that they will provide future economic benefits to the Group.

Goodwill
Goodwill represents the excess of the cost of acquisition over the fair value of the net identifiable assets of the acquired consolidated entity or operation at date of acquisition, and is carried at cost less accumulated impairment losses.

Trademarks
Trademarks are initially recorded at historic cost. Trademarks acquired in a business combination are recognised at fair value at the acquisition date. Trademarks have a finite useful life and are carried at cost less accumulated amortisation and net of accumulated impairment. Amortisation is calculated on a straight line basis to allocate the cost of trademarks over their estimated useful lives which do not exceed 20 years.

Customer lists
Acquired customer lists are initially recorded at historic cost and are carried at cost less accumulated amortisation. Amortisation is calculated on a straight line basis to allocate the cost of the lists over the period from which it is expected to generate revenue (4 years).

Changes in the estimated useful life or expected pattern of consumption of future benefits embodied in intangible assets are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates.

5. Impairment and derecognition of non-financial assets

Assets, other than financial assets, goodwill and intangible assets not yet brought into use, are tested for indicators of impairment on an annual basis. Should such an indicator exist, the asset is then tested for impairment.

Separately recognised goodwill and intangible assets not yet brought into use are tested for impairment annually or more frequently if changes in circumstances indicate that the carrying amount may be impaired.

The amount of the impairment is determined by assessing the recoverable amount of the asset or cash generating unit to which the asset relates. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other fair value indicators. Where the recoverable amount of the asset or cash generating unit or group of cash generating units is less than the carrying amount, an impairment loss is recognised in the income statement.

When an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognised previously. Impairments are reversed in the income statement in the period that the indicator of such reversal is in existence, unless the relevant asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. Impairments to goodwill are never reversed.

The derecognition of a non-financial asset takes place upon disposal or when it is no longer expected to generate any further economic benefits. Any derecognition gain/loss is recorded in the income statement in the period of derecognition.

6. Inventories

Inventories are valued at the lower of cost or net realisable value.

Cost is determined on the following bases:

- The cost of merchandise purchased for resale is determined using the weighted average method; and
- Consumables are valued at invoice cost on a first-in, first-out basis.

Costs include the charges incurred in bringing inventories to their present location and condition and are net of discounts from suppliers.

Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

7. Taxation

The taxation expense represents the sum of current taxation and deferred taxation. Taxation rates that have been enacted or substantively enacted by the reporting date are used to determine the taxation balances.

Current taxation
Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The taxation currently payable is based on the taxable profit for the year, which differs from the profit for the year in the income statement as it excludes both items of income or expense that are taxable or deductible in other years and those items that are never taxable or deductible. Current income taxation relating to items recognised directly in equity is also recognised in other comprehensive income or equity and not in profit or loss.

Deferred taxation
Deferred taxation is provided for all temporary differences (other than temporary differences created on initial recognition which are not part of a business combination and at the time of the transaction no taxation or accounting effect has been recognised and goodwill for which amortisation is not deductible for accounting purposes) arising between the tax bases of assets and liabilities and their carrying amounts on the statement of financial position. Deferred taxation relating to items recognised outside profit and loss is recognised outside profit and loss. Deferred taxation items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

statement of accounting policies (continued)

for the year ended 29 March 2014

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred taxation assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and that future taxable profit will be available to allow all or part of the deferred taxation asset to be utilised. Deferred tax is provided on temporary differences arising on investments in consolidated entities and associates, except for deferred tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred taxation assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

Value-Added Tax (VAT)
Expenses and assets are recognised net of the amount of VAT, except when the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

Revenue and income are recognised net of the amount of VAT, except when the VAT due on the sale or income is not payable to the taxation authority, in which case the full amount is recognised as revenue or income as applicable.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Dividend Withholding Tax (DWT)
DWT replaced STC on 1 April 2012 and is a tax levied on the beneficial owner of the shares instead of the company. The tax is withheld and is paid over to the South African Tax Authority on the beneficiaries' behalf. The resultant tax expense and liability has been transferred to the shareholder and is no longer accounted for as part of the tax charge for the company. Amounts not yet paid over to the relevant tax authorities are included in trade and other payables and the measurement of the dividend amount is not impacted by the withholding tax.

8. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Where the effect of discounting to present value is material, provisions raised are adjusted to reflect the time value of money. Provisions are reviewed at each reporting date and adjusted to reflect current best estimates.

9. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of revenue can be reliably measured. Revenue is shown net of estimated customer returns, discounts and VAT and after eliminating sales within the Group.

Retail sales
Retail sales comprise net income from the sale of merchandise and are recognised when the significant risks and rewards of ownership pass to the customer. It is the Group's policy to sell its products to the retail customer with a right to return within a specified period. Accumulated experience is used to estimate and provide for such returns.

Premium income
Premiums are recognised when due in terms of the relevant contract and are shown before the deduction of commission and claims, which are recognised in administrative and other operating expenses.

Service fee revenue
Revenue from a contract to provide services is recognised in the month in which the service charge accrues. Service fee revenue is derived from the provision of information technology and debtor management services.

Club fees
Club fees are recognised in the month in which the customer charge accrues.

Interest
Interest received is recognised on a time proportion basis at the effective interest rate as imputed in the contract.

Rental income
Rental income in respect of operating leases is recognised on a straight line basis over the lease period.

Dividend income
Dividend income includes the value of cash dividends received and surpluses distributed by a staff share trust. Dividends are recognised when the right to receive payment has been established.

Fees
Fees represent fee income from consolidated entities in respect of various administrative and operating functions performed on their behalf. Fees are recognised when the charge accrues.

Airtime sales
Airtime sales are recognised once the significant risks and rewards of ownership pass to the customer.

10. Leases

Assets held in terms of finance leases, which transfer to the Group substantially all the risks and rewards of ownership, are capitalised at the inception of the lease at the fair value of the leased item or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is recognised as a finance lease obligation. Lease payments are apportioned between finance charges (recognised as finance costs) and a reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense on a straight-line basis over the term of the lease. Contingent rentals (including turnover clause rentals) arising under operating leases are recognised as an expense in the period in which liability is accrued. The resulting difference arising from the straight-line basis and contractual cash flows is recognised as an operating lease obligation or asset.

11. Borrowing costs

Borrowing costs are capitalised where they are directly attributable to the acquisition, construction or production of a qualifying asset. All other borrowing costs are expensed in the period in which they occur.

12. Dividends to shareholders

Dividends in respect of equity instruments are recorded in the period in which the dividend is paid and are charged directly to equity.

13. Foreign currencies

Functional and presentation currency
Items included in the financial statements of the Group's foreign consolidated entities are measured using the currency of the primary economic environment in which the entity operates ('functional currency'). The consolidated financial statements are presented in Rands, which is the Group's functional and presentation currency.

Transactions and balances
Transactions in foreign currencies are translated to the functional currency using the spot exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities designated in foreign currencies are translated using the spot exchange rates prevailing at the reporting date. Non-monetary items are translated at historic rates or, where applicable, at the rate prevailing on the date of revaluation. All exchange differences are recognised in income in the period in which they occur.

Group companies
The results and position of consolidated entities that have a functional currency that differs from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income statement items are translated at the average rate for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are recognised as a separate component of other comprehensive income.

On disposal of the consolidated entity, the accumulated exchange differences in other comprehensive income are recognised in the income statement.

14. Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial instruments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Subsequent measurement is made in accordance with the specific instrument provisions of IAS 39 Financial Instruments: Recognition and Measurement. Where a legally enforceable right of offset exists for recognised financial assets and liabilities, and the Group intends to settle on a net basis, or to realise the asset and settle the liability simultaneously, the related asset and liability are offset.

Financial assets are reviewed annually for any evidence of impairment, and any impairment loss is recognised immediately in the income statement.

Long-term receivables
Long-term receivables are classified as a 'loan or receivable' and are recorded at fair value at inception using the effective interest rate implicit in the cash flows of the receivable. This effective interest rate is established by considering the market rate of interest for a similar investment on the date of each contribution. The long-term receivables are carried at amortised cost.

The deferred receivables, which are classified as a 'loan or receivable', are represented by advances to the participants in the Deferred Implementation Share Scheme and are recoverable when participants exercise their right to take up the shares.

The annual amortised cost adjustments are reflected in the income statement.

Trade and other receivables
Trade receivables, which generally have 6 to 12 month terms and are recognised and carried at amortised cost, namely the original invoice amount plus associated costs and interest charges to date, less any impairment allowance for uncollectible amounts, are classified as 'loans and receivables'. Provision is made when there is objective evidence that the Group will have difficulty collecting the debts. Various economic factors and changes in the delinquency of payments are considered indicators that the trade receivables are impaired. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within selling expenses. Bad debts are written off in the income statement when it is considered that the Group will be unable to recover the debt and it has been handed over for collection. Subsequent recoveries of amounts previously written off are credited against selling expenses in the income statement.

Other receivables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method and are carried net of any accumulated impairment.

Cash and cash equivalents
Cash and cash equivalents comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, net of bank overdrafts. Cash and cash equivalents are classified as receivables originated by the enterprise and are measured at amortised cost.

Derivative financial instruments
The Group uses derivative financial instruments such as forward exchange contracts to hedge its risks associated with foreign currency fluctuations. Derivative financial instruments are initially recognised at fair value on the date the contract is entered into and are subsequently measured at fair value, which is calculated with reference to current forward exchange contracts with equivalent maturity periods. Gains or losses arising from fair value adjustments are taken directly to the income statement.

Trade and other payables
Trade payables, which are primarily settled on 30 day terms, are carried at cost, being the fair value of the consideration to be paid in the future for goods and services rendered. These are subsequently measured at amortised cost using the effective interest rate method.

Other payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Loans and borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received plus directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest rate method.

Financial guarantees
Financial guarantees are initially recognised at their fair value and are subsequently measured at the higher of:

- The amount of the obligation under the contract, as determined in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets; and
- The amount initially recognised less, where appropriate, cumulative amortisation recognised.

Amounts owing by/to consolidated entities
Consolidated entity balances are initially recognised at the fair value of the consideration received, and are subsequently measured at amortised cost using the effective interest rate method. Current amounts owing are settled on 30 day terms.

Impairments and derecognition
Financial assets are reviewed annually for any evidence of impairment. Provision is made for impairment if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably measured.

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the financial asset's original effective interest rate. The carrying amount is reduced and the amount of the loss is recognised in the income statement. If the loan has a variable rate, the discount rate for measuring any impairment loss is the current effective interest rate under the contract. If considered practical, the impairment may be measured on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed in the income statement.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

statement of accounting policies (continued)

for the year ended 29 March 2014

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Any derecognition gain/loss is recorded in the income statement in the period of derecognition. The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or they expire.

15. Reinsurance

The Group assumes insurance risk in the normal course of business. Reinsurance assets represents balances due from registered insurance companies. Amounts receivable are estimated in a manner consistent with the related reinsurance contract.

Reinsurance assets are reviewed for impairment at each reporting date, or more frequently, when an indication of impairment arises during the reporting year. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that as a result of which the Group may or may not receive all outstanding amounts due under the terms of the contact and the event has a reliably measurable impact on the amounts that the Group will receive from the insurer. Any related impairment loss is recorded in the income statement.

Reinsurance liabilities represent balances due to registered insurance companies. Amounts payable are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the insurer's policies and are in accordance with the related reinsurance contract.

Premiums and claims on assumed reinsurance are recognised as revenue or expenses in the same manner as they would be if the reinsurance were considered a direct business/activity of the Group, taking into account the product classification of the reinsurance business.

Premiums and claims, assets and liabilities, are presented on a gross basis for the assumed reinsurance.

Reinsurance assets and liabilities are derecognised when the contractual rights are extinguished or expire or when the contract is transferred to another party.

16. Employee benefits

Short-term employee benefits
Short-term employee benefits are recognised in the period of service. Short-term employee benefits paid in advance are treated as prepayments and are expensed over the period of the benefit.

Post retirement benefits

Defined benefit retirement fund and post retirement medical aid fund.

The costs of providing benefits under the defined retirement benefit fund and the obligation for post retirement medical aid benefits (which is limited to members of the defined benefit retirement fund) is determined using the projected unit credit actuarial valuation method. Actuarial gains or losses, which can arise from differences between expected and actual outcomes, or changes in actuarial assumptions, are recognised immediately in other comprehensive income. Any increase in the present value of plan liabilities expected to arise from employee service during the period is charged to operating profit. The defined benefit fund asset reflected in the statement of financial position represents the present value of the defined benefit asset as adjusted for unrecognised past service costs and as reduced by the fair value of scheme assets. The asset resulting from this calculation is limited to past service costs, plus the present value of available refunds and reductions in future contributions to the plan.

Past service costs are recognised immediately to the extent that benefits have already vested, and are otherwise amortised on a straight line basis over the average period until the benefits become vested.

Defined contribution retirement fund
Payments to defined contribution retirement funds are expensed as they accrue in terms of services provided by employees.

Share-based payments
The Group operates share incentive schemes for the granting of non-transferable options or shares to associates (employees). Equity-settled share-based payments in terms of the schemes are measured at fair value (excluding the impact of any non-market vesting conditions) at the date of the grant, which is expensed over the period of vesting of the grant, with a corresponding adjustment to equity. Fair value is actuarially determined using a binomial valuation model. At each reporting date the estimate of the number of options that are expected to vest is revised, and the impact of this revision is recognised on a cumulative catch-up basis in the income statement, with a corresponding adjustment to equity. Assumptions used in the respective valuations are detailed in note 9.5. Upon vesting, the amount remaining in the share-based payment reserve relating to any such vested tranche is transferred within equity to retained earnings.

Restraints of trade
Restraints of trade payments are expensed over the contractual periods from which benefits are expected.

Performance incentives
The Group recognises a liability and expense for performance incentives which include a component based on formulae which take into consideration the profit for the year and other operational targets.

17. Treasury shares

Shares in Mr Price Group Limited held by the staff share trusts are classified as treasury shares and are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised as equity. Voting rights related to these shares are restricted for the Company. Share options exercised during the reporting period are satisfied with treasury shares.

18. Segment reporting

The Group's retailing operations are reported within two operating segments, namely the Apparel and Home divisions. Group service divisions are reported in the Central Services segment. The Group presents information about geographical areas based on retail sales and other income. The information reported is similar to the information provided to management to enable them to assess performance and allocate resources.

19. Cost of sales

Cost of sales comprise the direct cost of merchandise sold and incorporates the cost of distribution, inventory losses and provisions for markdowns less discounts received from suppliers.

20. Selling expenses

Selling expenses comprise the cost incurred in the marketing and advertising of merchandise, store operations and the provision of credit facilities.

21. Administrative and other operating expenses

These expenses comprise costs related to the operation of the support functions within the Group other than those included in selling expenses.

consolidated statements of financial position

for the year ended 29 March 2014

R'm	Notes	Group **2014 29 March**	Group 2013 30 March Restated	Group 2012 1 April Restated	Company **2014 29 March**	Company 2013 30 March Restated	Company 2012 1 April Restated
Assets							
Non-current assets		**1 137**	927	744	**1 079**	885	956
Property, plant and equipment	3	**718**	660	540	**659**	589	485
Intangible assets	4	**215**	105	102	**208**	100	97
Consolidated entities	5				**18**	40	277
Long-term receivables	6	**7**	8	10	**7**	8	10
Defined benefit fund asset	29	**45**	20	16	**45**	20	16
Deferred taxation assets	16	**152**	134	76	**142**	128	71
Current assets		**5 426**	3 971	3 552	**5 109**	3 648	3 660
Inventories	7	**1 403**	1 236	1 168	**1 303**	1 163	1 116
Trade and other receivables	8	**1 673**	1 513	1 183	**1 651**	1 491	1 175
Reinsurance assets	14	**98**	72	51	**98**	72	51
Current amounts owing by consolidated entities	5				**290**	146	453
Cash and cash equivalents		**2 252**	1 150	1 150	**1 767**	776	865
Total assets		**6 563**	4 898	4 296	**6 188**	4 533	4 616
Equity and liabilities							
Equity attributable to equity holders of the parent		**3 923**	3 309	2 777	**3 618**	2 982	2 567
Issued capital	9	**-**	-	-	**-**	-	-
Capital reserves	10	**198**	169	141	**161**	137	114
Treasury share transactions	11	**(1 311)**	(1 059)	(869)	**(1 446)**	(1 241)	(971)
Retained income		**5 048**	4 223	3 537	**4 898**	4 094	3 434
Foreign currency translation reserve	12	**(17)**	(16)	(22)			-
Defined benefit fund actuarial gains and losses	13	**5**	(8)	(10)	**5**	(8)	(10)
Non-controlling interests	5	**(1)**	-	-	**-**	-	-
Total Equity		**3 922**	3 309	2 777	**3 618**	2 982	2 567
Non-current liabilities		**220**	206	195	**201**	196	192
Lease obligations	15	**179**	179	171	**172**	174	169
Deferred taxation liabilities	16	**6**	5	1	**-**	-	-
Long-term provisions	17	**7**	6	8	**7**	6	8
Long-term liabilities	5	**6**	-	-	**-**	-	-
Post retirement medical benefits	29	**22**	16	15	**22**	16	15
Current liabilities		**2 421**	1 383	1 324	**2 369**	1 355	1 857
Trade and other payables	18	**1 982**	1 270	1 228	**1 931**	1 240	1 210
Reinsurance liabilities	14	**34**	28	18	**34**	28	18
Current amounts owing to consolidated entities	5				**7**	5	551
Current provisions	17	**4**	4	6	**4**	4	6
Current portion of lease obligations	15	**47**	34	29	**46**	33	29
Taxation		**354**	47	43	**347**	45	43
Total equity and liabilities		**6 563**	4 898	4 296	**6 188**	4 533	4 616

consolidated income statements

for the year ended 29 March 2014

R'm	Notes	Group **2014 29 March**	Group 2013 30 March Restated	Company **2014 29 March**	Company 2013 30 March Restated
Revenue		**15 892**	13 800	**15 754**	13 720
Retail sales and other revenue		**15 829**	13 744	**15 695**	13 668
Interest received		**63**	56	**59**	52
Retail sales and other revenue		**15 829**	13 744	**15 695**	13 668
Retail sales		**15 227**	13 266	**14 883**	13 047
Interest on trade receivables		**311**	261	**310**	261
Income from consolidated entities				**222**	146
Premium income		**147**	106	**147**	106
Club fees		**12**	12	**11**	12
Service fee revenue		**-**	8	**-**	8
Other revenue		**132**	91	**122**	88
Costs and expenses		**13 292**	11 675	**13 147**	11 579
Cost of sales		**8 907**	7 744	**8 929**	7 767
Selling expenses		**3 354**	2 996	**3 193**	2 881
Administrative and other operating expenses		**1 031**	935	**1 025**	931
Profit from operating activities	19	**2 537**	2 069	**2 548**	2 089
Finance costs		**-**	-	**-**	(22)
Finance interest received		**63**	56	**59**	52
Profit before taxation		**2 600**	2 125	**2 607**	2 119
Taxation	20	**733**	591	**708**	564
Profit after taxation		**1 867**	1 534	**1 899**	1 555
Attributable to:					
Non-controlling interests		**(1)**	-		
Equity holders of the parent		**1 868**	1 534		
Profit attributable to shareholders		**1 867**	1 534	**1 899**	1 555
Earnings per share		**cents per share**	cents per share	**% change**	
Basic	21	**757.1**	626.5	**20.8**	
Headline	21	**765.1**	634.8	**20.5**	
Diluted basic	21	**707.2**	576.5	**22.7**	
Diluted headline	21	**715.1**	584.2	**22.4**	

consolidated statements of comprehensive income

for the year ended 29 March 2014

R'm	Notes	Group 2014 29 March	Group 2013 30 March Restated	Company 2014 29 March	Company 2013 30 March Restated
Profit attributable to shareholders		**1 867**	1534	**1 899**	1 555
Other comprehensive income					
Currency translation adjustments	12	**(1)**	6		
Defined benefit fund actuarial gains	13	**18**	3	**18**	3
Deferred taxation thereon	13	**(5)**	(1)	**(5)**	(1)
Total comprehensive income for the year attributable to shareholders, net of taxation		**1 879**	1 542	**1 912**	1 557
Attributable to:					
Non-controlling interests		**(1)**			
Equity holders of the parent		**1 880**	1 542	**1 912**	1 557
Total comprehensive income for the year attributable to shareholders, net of taxation		**1 879**	1 542	**1 912**	1 557

Note:
Of the items included in other comprehensive income above, the actuarial gains/losses will not be recyclable through profit and loss in future periods, however, the currency translation adjustments will.

consolidated statements of cash flows

for the year ended 29 March 2014

R'm	Notes	Group 2014 29 March	Group 2013 30 March Restated	Company 2014 29 March	Company 2013 30 March Restated
Cash flows from operating activities					
Operating profit before working capital changes	24.1	**2 548**	2 116	**2 542**	2 117
Working capital changes	24.2	**343**	(389)	**347**	(361)
Cash generated from operations		**2 891**	1 727	**2 889**	1 756
Interest on trade receivables		**311**	261	**310**	261
Net finance income received		**63**	56	**59**	30
Taxation paid	24.3	**(403)**	(613)	**(380)**	(591)
Net cash inflows from operating activities		**2 862**	1 431	**2 878**	1 456
Cash flows from investing activities					
Net inflows in respect of long-term receivables	24.4	**1**	2	**1**	2
Disposal of investment in subsidiary		**-**	-	**-**	228
Investment in subsidiary		**-**	-	**29**	12
Replacement of intangible assets		**(30)**	(5)	**(30)**	(5)
Additions to intangible assets		**(121)**	(44)	**(119)**	(44)
Replacement of property, plant and equipment		**(124)**	(173)	**(124)**	(173)
Additions to property, plant and equipment		**(129)**	(116)	**(110)**	(93)
Proceeds on disposal of property, plant and equipment		**22**	1	**-**	1
Net cash outflows from investing activities		**(381)**	(335)	**(353)**	(72)
Cash flows from financing activities					
Increase in net current amounts owing to/by consolidated entities	24.5			**(142)**	(239)
Decrease in long-term liability		**6**	-	**-**	-
Dividends to shareholders	24.6	**(1 094)**	(888)	**(1 146)**	(935)
Grants to staff share trusts				**(233)**	(279)
Treasury share transactions		**(289)**	(213)	**(13)**	(20)
Net cash outflows from financing activities		**(1 377)**	(1 101)	**(1 534)**	(1 473)
Net increase/(decrease) in cash and cash equivalents		**1 104**	(5)	**991**	(89)
Cash and cash equivalents at beginning of the year		**1 150**	1 150	**776**	865
Exchange losses		**(2)**	5	**-**	-
Cash and cash equivalents at end of the year		**2 252**	1 150	**1 767**	776

statement of changes in equity

for the year ended 29 March 2014

R'm	Notes	Share capital	Share premium	Participants in staff share investment trust	Capital redemption reserve fund	Share-based payments reserve	Treasury shares at cost	Deficit on treasury share transactions	Taxation relating to grants to share trusts	Foreign currency translation reserve	Defined benefit fund actuarial gains and losses	Insurance reserve	Retained income	**Total**	Non-controlling interests	**Total Equity**
		Attributable to the equity holders of the parent					*Treasury share transactions*									
Group																
Balance at 1 April 2012		-	12	15	-	114	(685)	(260)	76	(22)	(10)	4	3 537	2 781	-	**2 781**
Change in accounting policy	1.1											(4)		(4)		**(4)**
Total comprehensive income										6	2	-	1 534	1 542	-	**1 542**
Profit for the year													1 534	1 534		**1 534**
Other comprehensive income:										6	2	-	-	8	-	**8**
Currency translation adjustments	12									6				6		**6**
Defined benefit fund actuarial gains	13										3			3		**3**
Deferred taxation thereon	13										(1)			(1)		**(1)**
Treasury shares acquired	11						(279)							(279)		**(279)**
Taxation relating to grants to share trusts	11								29					29		**29**
Effect of consolidation of staff share trusts	11			5			(5)							-		**-**
Deficit on treasury share transactions	11							(113)						(113)		**(113)**
Recognition of share-based payments	9					63								63		**63**
Share-based payments reserve released to retained income for vested options						(40)							40	-		**-**
Treasury shares sold	11						178							178		**178**
2012 final dividend to shareholders	22												(551)	(551)		**(551)**
2013 interim dividend to shareholders	22												(337)	(337)		**(337)**
Balance at 30 March 2013		-	12	20	-	137	(791)	(373)	105	(16)	(8)	-	4 223	3 309	-	**3 309**
Total comprehensive income										(1)	13	-	1 868	1 880	(1)	**1 879**
Profit for the year													1 868	1 868	(1)	**1 867**
Other comprehensive income										(1)	13	-	-	12	-	**12**
Currency translation adjustments	12									(1)				(1)		**(1)**
Defined benefit fund actuarial gains	13										18			18		**18**
Deferred taxation thereon	13										(5)			(5)		**(5)**
Treasury shares acquired	11						(365)							(365)		**(365)**
Taxation relating to grants to share trusts	11								41					41		**41**
Effect of consolidation of staff share trusts	11			5			(5)							-		**-**
Deficit on treasury share transactions	11							(186)						(186)		**(186)**
Recognition of share-based payments	9					75								75		**75**
Share-based payments reserve released to retained income for vested options						(51)							51	-		**-**
Treasury shares sold	11						263							263		**263**
2013 final dividend to shareholders	22												(666)	(666)		**(666)**
2014 interim dividend to shareholders	22												(428)	(428)		**(428)**
Balance at 29 March 2014		**-**	**12**	**25**	**-**	**161**	**(898)**	**(559)**	**146**	**(17)**	**5**	**-**	**5 048**	**3 923**	**(1)**	**3 922**

statement of changes in equity

for the year ended 29 March 2014

						Treasury share transactions					
R'm	Notes	Share capital	Share premium	Capital redemption reserve fund	Share-based payments reserve	Treasury shares at cost	Deficit on treasury share transactions	Taxation relating to grants to share trusts	Defined benefit fund actuarial gains and losses	Retained income	**Total Equity**
Company											
Balance at 1 April 2012		-	-	-	114	(874)	(173)	76	(10)	3 403	**2 536**
Change in accounting policy	1.1									31	**31**
Total comprehensive income									2	1 555	**1 557**
Profit for the year										1 555	**1 555**
Other comprehensive income									2		**2**
Defined benefit fund actuarial losses	13								3		**3**
Deferred taxation thereon	13								(1)		**(1)**
Grants to staff share trusts	11					(279)					**(279)**
Deficit on treasury share transactions	11						(20)				**(20)**
Taxation relating to grants to share trusts	11							29			**29**
Recognition of share-based payments	9				63						**63**
Share-based payments reserve released to retained income for vested options					(40)					40	**-**
2012 final dividend to shareholders	22									(583)	**(583)**
2013 interim dividend to shareholders	22									(352)	**(352)**
Balance at 30 March 2013		-	-	-	137	(1 153)	(193)	105	(8)	4 094	**2 982**
Total comprehensive income									13	1 899	**1 912**
Profit for the year										1 899	**1 899**
Other comprehensive income									13		**13**
Defined benefit fund actuarial gains	13								18		**18**
Deferred taxation thereon	13								(5)		**(5)**
Grants to staff share trusts	11					(233)					**(233)**
Deficit on treasury share transactions	11						(13)				**(13)**
Taxation relating to grants to share trusts	11							41			**41**
Recognition of share-based payments	9				75						**75**
Share-based payments reserve released to retained income for vested options					(51)					51	**-**
2013 final dividend to shareholders	22									(701)	**(701)**
2014 interim dividend to shareholders	22									(445)	**(445)**
Balance at 29 March 2014		**-**	**-**	**-**	**161**	**(1 386)**	**(206)**	**146**	**5**	**4 898**	**3 618**

1. Adoption of new Standards and changes in accounting policies

The following new Standards and Interpretations were adopted during the year and did not lead to any changes in the Group's accounting policies, except as detailed in note 1.1:

Statement, Interpretation or Standard	Effective for annual periods beginning
IAS 1 - Presentation of Items of Other Comprehensive Income (amendments)	1 July 2012
IAS 19 - Employee Benefits (amendment)	1 January 2013
IAS 27 - Separate Financial Statements	1 January 2013
IAS 28 - Investments in Associates and Joint Ventures	1 January 2013
IFRS 1 - Relief from full retrospective application when accounting for loans received from government at below market rate of interest	1 January 2013
IFRS 7 - Disclosures - offsetting financial assets and liabilities (amendment)	1 January 2013
IFRS 10 - Consolidated Financial Statements	1 January 2013
IFRS 11 - Joint Arrangements	1 January 2013
IFRS 12 - Disclosure of Involvement with Other Entities	1 January 2013
IFRS 10, IFRS 11 and IFRS 12 - Transition guidance amendments	1 January 2013
IFRS 13 - Fair Value Measurement	1 January 2013
Improvements to IFRSs	Mainly 1 January 2013

1.1 Changes in accounting policies

IFRS 10 - Consolidated financial statements

The Group adopted IFRS 10 in the current year; the application of IFRS 10 affected the accounting for the Group's 100% interest in the Financial Services insurance cell captives. For all financial years up to 30 March 2013, the insurance cell captives were considered to be a subsidiary under IAS 27 and SIC 12, due to the fact that the Group was responsible for 100% of the insurance risk. Under IFRS 10, the cell captives do not meet the requirement of a deemed separate entity as the assets, liabilities and equity are not ring-fenced in all events. Hence the cell captives are no longer consolidated, but are now reflected in the financial statements as reinsurance assets and liabilities in terms of IFRS 4. This change in policy has been accounted for retrospectively and the opening balances as at 1 April 2012 have been restated in the financial statements. The quantitative impact on the financial statements is as follows:

Impact on income statement (increase/(decrease) in profit):

	2013	
R'm	**Group**	**Company**
Retail sales and other revenue	**-**	(57)
Income from consolidated entities	**-**	49
Premium income	**-**	(106)
Costs and expenses	**3**	33
Administrative and other operating expenses	**3**	33
Finance interest received	**-**	(4)
Loss before taxation	**(3)**	(28)
Taxation	**-**	22
Loss after taxation	**(3)**	(6)
Decrease on statement of other comprehensive income:		
Total comprehensive loss for the year attributable to shareholders, net of taxation	**(3)**	(6)

Decrease on earnings per share:

	cents per share
Basic	1.11
Headline	0.70
Diluted basic	1.02
Diluted headline	0.65

Impact on equity (increase/(decrease) in net equity):

R'm	Group 2013	Group As at 1 April 2012	Company 2013	Company As at 1 April 2012
Assets				
Non-current assets	**-**	-	**1**	1
Consolidated entities	**-**	-	**1**	1
Current assets	**-**	-	**65**	49
Reinsurance assets	**72**	51	**72**	51
Current amounts owing by consolidated entities	**-**	-	**(7)**	(2)
Cash and cash equivalents	**(72)**	(51)	**-**	-
Equity and liabilities	**7**	4	**-**	-
Insurance reserve	**7**	4	**-**	-
Current liabilities	**(7)**	(4)	**(28)**	(19)
Trade and other payables	**6**	6	**-**	(1)
Reinsurance liabilities	**(28)**	(18)	**(28)**	(18)
Taxation	**15**	8	**-**	-
Net impact on equity	**-**	-	**38**	31

Decrease on statement of cash flows:

R'm	2013 Group	2013 Company
Operating	**(21)**	-
Net decrease in cash and cash equivalents	**(21)**	-

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 sets out the requirements for disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. The requirements in IFRS 12 are more comprehensive than the previously existing disclosure requirements for subsidiaries. For example, where a subsidiary is controlled with less than a majority of voting rights. The Group has subsidiaries with non-controlling interests, and the cell captives which are treated as consolidated structured entities, in terms of IFRS 10. IFRS 12 disclosures are provided in Note 5.2.

IFRS 13 Fair Value Measurement

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS. IFRS 13 defines fair value as an exit price. As a result of the guidance in IFRS 13, the Group re-assessed its policies for measuring fair values, in particular, its valuation inputs such as non-performance risk for fair value measurement of liabilities. IFRS 13 also requires additional disclosures. Application of IFRS 13 has not materially impacted the fair value measurements of the Group. Additional disclosures where required, are provided in the individual notes relating to the assets and liabilities whose fair values were determined. Fair value hierarchy is provided in Note 28.5.

1.2 Statements, Interpretations or Standards

At the date of authorisation of these financial statements, the following Statements, Interpretations and Standards were in issue but not yet effective:

Statement, Interpretation or Standard	Effective for annual periods beginning on or after
IAS 32 - Offsetting Financial Assets and Financial Liabilities (amendments)	1 January 2014
IAS 36 - Disclosure requirements for the recoverable amount of impaired assets (amendments)	1 January 2014
IFRS 9 - Financial instruments	1 January 2018

The Directors anticipate that the adoption of the above in future periods will have no material financial impact on the financial statements of the Group and will only result in additional disclosure requirements with the exception of IFRS 9. The impact of this new statement is currently being assessed. These Statements, Interpretations and Standards will be adopted at the respective effective dates.

1.3 Reclassification

Application of IAS 8 - Reclassification of amounts related to Airtime sales and cost of sales

As a result of the increase in revenue at a gross margin level, which is dissimilar to merchandise margins, airtime sales and related cost of sales are now disclosed separately. In the current year, airtime sales and cost of sales have been separately disclosed in the statement of comprehensive income and the prior period has been reclassified accordingly for comparative purposes. The value of this reclassification in the prior year is R80 million and there has been no impact on profit. The quantitative impact on the financial statements is as follows:

Impact on income statement:

	2013	
R'm	**Group**	**Company**
Retail sales and other revenue	80	80
Other Income	80	80
Costs and expenses	(80)	(80)
Cost of sales	(80)	(80)
Profit before taxation	-	-
Taxation	-	-
Profit after taxation	-	-

The reclassification is between other income and cost of sales has had no impact on the statement of other comprehensive income, statement of financial position, statement in changes of equity or the statement of cash flows for the affected years.

2. Significant accounting estimates

Estimation uncertainty

The key assumptions concerning the future and other key sources of information uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out as follows:

Employee benefits actuarially determined

The costs of the defined benefit pension fund plan, the post retirement medical benefit fund and share-based payments are determined actuarially. The actuarial valuations involve making assumptions regarding various factors (as detailed in notes 9.4, 9.5 and 29). Due to the long-term nature of these liabilities such estimates are subject to uncertainty.

Provision for net realisable value of inventory

The provision for net realisable value of inventory represents management's estimate of the extent to which merchandise on hand at the reporting date will be sold below cost. This estimate takes into consideration past trends, evidence of impairment at year end and an assessment of future saleability, which takes into account fashionability and seasonal changes.

Provision for impairment of trade receivables

The provision for impairment of trade receivables represents management's estimate of the extent to which trade receivables at the reporting date will not be subsequently recovered. This estimate takes into consideration past trends and makes an assessment of additional risk factors, which are likely to impact recoverability.

Income Taxes

The Group is subject to income tax in more than one jurisdiction. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

notes to the financial statements

for the year ended 29 March 2014

3. Property, plant and equipment

	Group		Company	
R'm	**2014**	2013	**2014**	2013
Owned				
Cost	**1 700**	1 528	**1 611**	1 434
Accumulated depreciation and impairment	**(982)**	(868)	**(952)**	(845)
Net carrying amount	**718**	660	**659**	589
Leased				
Cost	**27**	27	**27**	27
Accumulated depreciation	**(27)**	(27)	**(27)**	(27)
Net carrying amount	**-**	-	**-**	-
Total net carrying amount	**718**	660	**659**	589

An analysis of the movement of property, plant and equipment is shown on pages 117 and 118.

4. Intangible assets

	Group		Company	
R'm	**2014**	2013	**2014**	2013
Cost or carrying amount	**313**	199	**306**	194
Accumulated amortisation and impairment	**(98)**	(94)	**(98)**	(94)
Net carrying amount	**215**	105	**208**	100

An analysis of the movement of intangible assets is shown on page 119.

5. Consolidated entities and material partly-owned subsidiaries

R'm	Company 2014	Company 2013 Restated
5.1 Consolidated entities		
Carrying value of shares	**5**	5
Ordinary shares at cost	**5**	5
Carrying value of long-term loans	**13**	35
Long-term loans at cost	**14**	36
Impairment provisions	**(1)**	(1)
The loans are unsecured, bear interest at rates of up to 15% per annum and have no fixed dates of repayment.		
	18	40
Net current amounts owing by/(to) consolidated entities	**283**	141
Current amounts owing by consolidated entities	**290**	146
Current amounts owing to consolidated entities	**(7)**	(5)
Current accounts are interest free and are settled within 12 months.		
	301	181

An analysis of the financial interest in consolidated entities is shown on page 120.

5.2 Partly-owned subsidiary

Financial information of subsidiaries that have non-controlling interests are provided below:

%	Group 2014	Group 2013
Proportion of equity interest held by non-controlling interests	**45**	-

R'm	2014	2013
Loss attributable to non-controlling interest	**(1)**	-

The summarised financial information of the subsidiary are provided below.
This information is based on amounts before inter-company eliminations.

R'm	2014	2013
Summarised income statement:		
Selling expenses	**(1)**	-
Administrative and other operating expenses	**(1)**	-
Loss before taxation	**(2)**	-
	(2)	**-**
Attributable to non-controlling interests	**(1)**	-

5.2 Partly-owned subsidiary (continued)

Financial information of subsidiaries that have material non-controlling interests are provided below:

R'm	2014	2013
Summarised statement of financial position:		
Intangible assets	2	-
Trade and other receivables	1	-
Cash and cash equivalents	14	-
Long-term liability	(6)	-
Trade and other payables	(5)	-
Inter-company loan	(8)	-
Net equity	(2)	-
Attributable to equity holders of parent	(1)	-
Non-controlling interest	(1)	-
Summarised statement of cash flows:		
Operating	9	-
Investing	(2)	-
Financing	7	-
Net increase in cash and cash equivalents	14	-

Long-term liability

The long term liability disclosed above represents a loan received from the non-controlling shareholders of the subsidiary. The loan has no set date of repayment and bears interest at a rate determined at the discretion of the Directors, currently 0%.

6. Long-term receivables

	Group		Company	
R'm	2014	2013	2014	2013
Enterprise development loan				
Loan to accredited supplier	7	8	7	8
Total loan	8	9	8	9
Less: amount to be received in the next financial year transferred to trade and other receivables	(1)	(1)	(1)	(1)
	7	8	7	8

The Company loaned R10 million to a long-standing supplier as part of an enterprise development initiative to assist in the construction of a new footwear factory with enhanced capacity. The sum is repayable in monthly instalments of R100 000 which commenced in January 2013. The monthly instalment increases by 7.0% annually.

7. Inventories

	Group		Company	
R'm	2014	2013	2014	2013
Merchandise purchased for resale	1 384	1 224	1 283	1 151
Consumable stores	19	12	20	12
	1 403	1 236	1 303	1 163
The write-down of inventories provided for in the valuation of merchandise purchased for resale was:	114	102	108	95

8. Trade and other receivables

R'm	Group 2014	Group 2013	Company 2014	Company 2013
Trade receivables (net)	**1 595**	1 431	**1 590**	1 426
Prepayments	**30**	50	**19**	36
Other receivables	**48**	32	**42**	29
	1 673	1 513	**1 651**	1 491
8.1 Gross trade receivables	**1 766**	1 571	**1 761**	1 566
Impairment provision	**(171)**	(140)	**(171)**	(140)
Net trade receivables	**1 595**	1 431	**1 590**	1 426

The ageing of the gross trade receivables is as follows:

	Days from transaction	Group 2014	Group 2013	Company 2014	Company 2013
Current	30	**1 322**	1 117	**1 317**	1 113
Status 1	60	**242**	240	**242**	240
Status 2	90	**85**	92	**85**	92
Status 3	120	**54**	58	**54**	58
Status 4	150	**37**	42	**37**	41
Status 5	180	**26**	22	**26**	22
		1 766	1 571	**1 761**	1 566

Interest is charged on outstanding accounts in accordance with the National Credit Act (NCA) and has fluctuated in accordance with legislated changes to the repo rate.

The Group has provided for receivables in all ageing status levels based on estimated irrecoverable amounts from the sale of merchandise, determined by reference to past default experience.

Before accepting any new credit customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer, while ensuring compliance with the requirements of the NCA. Limits and scoring are reviewed at least annually in accordance with the requirements of the NCA and upon request by a customer. Due to the nature of the business, there are no customers that represent more than 5% of the total balance of trade receivables. The Group does not have any balances which are past due date that have not been provided for, as the provisioning methodology applied takes the entire debtor population into consideration.

R'm	Group 2014	Group 2013	Company 2014	Company 2013
8.2 Movement in the impairment provision				
Balance at beginning of the year	**(140)**	(115)	**(140)**	(113)
Impairment losses net of recoveries	**(31)**	(25)	**(31)**	(27)
Balance at end of the year	**(171)**	(140)	**(171)**	(140)

In determining the recoverability of trade receivables, the Group considers any changes in credit quality of the receivables up to reporting date. The concentration of credit risk is limited, as the customer base is large and unrelated.

The ageing of the impairment provision is as follows:

	Days from transaction	Group 2014	Group 2013	Company 2014	Company 2013
Current and impaired	30	**16**	11	**16**	11
Past due and impaired					
Status 1	60	**25**	20	**25**	20
Status 2	90	**28**	25	**28**	25
Status 3	120	**41**	34	**41**	34
Status 4	150	**36**	33	**36**	33
Status 5	180	**25**	17	**25**	17
		171	140	**171**	140

8.3 Other receivables

R'm	Group 2014	Group 2013	Company 2014	Company 2013
The expected maturity for other receivables is as follows:				
On demand	**5**	5	**5**	6
Less than 3 months	**33**	18	**27**	14
3 months to one year	**10**	9	**10**	9
	48	32	**42**	29

9. Share capital

R'000	Group 2014	Group 2013	Company 2014	Company 2013
9.1 Authorised				
323 300 000 ordinary shares of 0.025 cent each	**81**	81	**81**	81
19 700 000 B ordinary shares of 0.3 cent each	**59**	59	**59**	59
Total authorised share capital	**140**	140	**140**	140
9.2 Issued				
251 183 867 (2013: 251 183 867) ordinary shares of 0.025 cent each	63	63	**63**	63
B ordinary				
13 445 081 (2013: 13 445 081) B ordinary shares of 0.3 cent each	40	40	**40**	40
Total issued share capital	**103**	103	**103**	103

9.3 B ordinary shares

The B ordinary shares are unlisted and are convertible into ordinary shares on a one-for-one basis at the instance of the B ordinary shareholders. The voting rights attached to the ordinary and B ordinary shares are in the same ratio as the par value of the respective shares. In the event of a poll, ordinary shareholders are entitled to one vote per share and B ordinary shareholders to 12 votes per share.

9.4 Share Trusts and Share Purchase Schemes

The company operates six share trusts, a share option scheme and two forfeitable share plans for the benefit of associates, including executive directors, employed by the Company and its consolidated entities. In terms of the deeds of trust, ordinary shares in Mr Price Group Limited may be acquired by the trust or awarded under the schemes for the benefit of associates in the Group, including directors. These share schemes are more fully detailed in the Remuneration Report on pages 63 to 74.

Details of shares and options held in terms of the deed of trust and the schemes are as follows:

9.4.1 The Mr Price Group Share Trust

This trust is currently dormant.

9.4.2 The Mr Price Group Share Option Scheme

Number	Group 2014	Group 2013
Options over ordinary shares in Mr Price Group Limited		
Beginning of the year	**151 569**	310 539
Surrendered by participants	**-**	(14 500)
Options exercised	**(96 102)**	(144 470)
End of the year	**55 467**	151 569

Options held at the beginning of the year were exercisable at prices between R3.06 and R21.20 per share in a period between 3 and 10 years after the dates of the offers which commenced in May 1989. No new options will be issued under this scheme.

The vesting period of the options is detailed on page 70.

Option prices have been restated where necessary to recognise subdivisions and capitalisation issues.
The share options under this scheme have all vested and have a weighted average option price of R12.73.

9.4.3 Five share trusts were established in November 2006 to replace The Mr Price Group Share Option Scheme. Two forfeitable share plans were established in the current year. Details of these are as follows:

	Mr Price Executive Director Share Trust	Mr Price Executive Share Trust	Mr Price Senior Management Share Trust	Mr Price General Staff Share Trust	Mr Price Partners Share Trust	Mr Price Group Forfeitable Share Plan	Mr Price Executive Forfeitable Share Plan	Group total
Award type	**Options**	**Options**	**Options**	**Options**	**Shares**	**Shares**	**Shares**	
Options/shares at 2 April 2012	3 979 100	3 634 900	4 862 938	14 161 514	6 003 333			32 641 785
New options/shares granted	249 238	333 727	625 793	817 676	430 767			2 457 201
Surrendered by participants	-	(286 000)	(194 721)	(904 618)	(979 170)			(2 364 509)
Options/shares exercised	(678 000)	(482 200)	(659 333)	(2 283 982)	(35 124)			(4 138 639)
Options/shares at 30 March 2013	3 550 338	3 200 427	4 634 677	11 790 590	5 419 806			28 595 838
New options/shares granted*	205 283	275 197	650 400	753 627	368 975	433 576	89 954	2 777 012
Surrendered by participants	-	-	(160 626)	(636 016)	(884 436)			(1 681 078)
Options/shares exercised	(748 000)	(508 866)	(827 332)	(2 536 258)	(27 231)			(4 647 687)
Options/shares at 29 March 2014	3 007 621	2 966 758	4 297 119	9 371 943	4 877 114	433 576	89 954	25 044 085
* New options/shares were granted during the current year at a strike price of (per share): The strike price was determined by the lower of the 30 day volume-weighted average price and the closing share price on the business day prior to the award.	R151.94	R151.94	R127.00-R151.94	R127.00-R151.94	N/A			
The vesting periods of the options/shares are detailed on page 70.								
Number of options vesting per year								
2015	1 017 000	803 999	1 037 912	2 796 547	N/A			5 655 458
2016	1 039 000	735 001	993 932	2 881 624	N/A			5 649 557
2017	497 100	707 833	911 353	2 730 163	N/A			4 846 449
2018	249 238	405 226	660 355	742 775	N/A			2 057 594
2019	205 283	314 699	691 238	213 060	N/A	433 576	89 954	1 947 810
2020			2 329	7 774	N/A			10 103
	3 007 621	2 966 758	4 297 119	9 371 943	N/A	433 576	89 954	20 166 971
Weighted average prices:								
2015	R29.80	R31.29	R30.66	R28.92	N/A			
2016	R53.03	R52.54	R53.38	R61.38	N/A			
2017	R67.04	R71.59	R71.34	R80.73	N/A			
2018	R133.67	R121.17	R125.61	R59.94	N/A			
2019	R151.94	R142.20	R147.37	R72.51	N/A	R154.26	R155.49	
2020			R126.29	R117.57	N/A			
Number of years over which shares are expected to vest unconditionally	N/A	N/A	N/A	N/A	39			

9.5 Share-based payments

R'm	Group 2014	Group 2013	Company 2014	Company 2013
Share-based payments relating to equity-settled share-based payment transactions in terms of the various long-term share incentive schemes (refer notes 9.4.2 to 9.4.3)	**75**	63	**75**	63

Share-based payments are measured at fair value (excluding the impact of any non-market vesting conditions) at the date of the grant, which are expensed over the period of vesting. The fair value of each option granted is estimated at the date of the grant using an actuarial binomial option pricing model.

The assumptions supporting inputs into the model for options granted during the year are as follows:

	Mr Price Executive Director Share Trust	Mr Price Executive Share Trust	Mr Price Senior Management Share Trust	Mr Price General Staff Share Trust	Mr Price Partners Staff Share Trust
Weighted average strike price	R151.94	R151.94	R151.63	R143.18	R0.00
Expected volatility (%)	31.74	32	27.8 - 31.33	28.45 - 29.31	N/A
Expected option life	5 years	5 years	5 years	7 years	39 years
Risk free interest rate (%)	7.37	7.37	7.05 - 7.24	5.11 - 6.89	5.34 - 10.12
Expected dividend yield (%)	2.83	2.83	2.83 - 2.91	2.83 - 3.01	N/A

The expected volatility was determined, based on the historical volatility of the Company's share price over the expected lifetime of each grant. The expected life of the options has been determined taking into account the restrictions on non-transferability and exercise and management's best estimate of probable exercise behaviour.

The risk-free rate used is the yield on zero-coupon South African government bonds which have a term consistent with the expected option life.

In the calculation of the fair value of the options, allowance is not made for non-market conditions (such as forfeitures and leavers) during the vesting period. Adjustment for these conditions is made in the annual expense charge, with an allowance for forfeitures being made in the vesting period at rates varying between 0% and 15% compounded per annum.

9.5 Share-based payments (continued)

The assumptions supporting inputs into the model for the Forfeitable Share Plan's which have an expected option life of 5 years are as follows:

	Probability	Vesting period	% shares retained
Participants that will leave after 1 year	0.0%	1	10%
Participants that will leave after 2 years	7.7%	2	20%
Participants that will leave after 3 years	7.7%	3	30%
Participants that will leave after 4 years	0.0%	4	40%
Participants still employed after 5 years	84.6%	5	100%

9.6 The Mr Price Group Employees Share Investment Trust

The Company administers a staff share purchase scheme which facilitates the purchase of shares in the Company for the benefit of employees, including executive Directors, employed by the Company and its consolidated entities. The acquisition of shares is funded by contributions from participants (employees) while the Company is authorised to provide additional funding of up to 15% of the contributions made. The 15% contribution made by the Company is expensed in the year incurred as an associate cost. In terms of guidance issued by the JSE Limited, the Company has consolidated the Trust as it was created to incentivise and reward the employees of the Group. In the Trust's annual financial statements it has assets being Mr Price Group Limited shares to be delivered to the participants in the future. These shares are registered in the name of the Trust and not the employees. In addition, the financial statements show a liability for the shares to be transferred to employees upon their request. In the Group financial statements the Mr Price Group Limited shares are reflected as treasury shares as they have not yet been transferred to the employees, while the amounts received for the shares to be transferred to employees are treated as equity transactions in terms of paragraphs 16 and 22 of IAS 32.

9.7 Unissued share capital

The unissued share capital required for the purposes of carrying out the terms of the various share trusts and schemes is under the control of the Directors until the conclusion of the forthcoming Annual General Meeting.

notes to the financial statements

for the year ended 29 March 2014

10. Capital reserves

	Group		Company	
R'm	**2014**	2013	**2014**	2013
10.1 Share premium account	**12**	12	**-**	-
10.2 Participants in staff share investment trust (note 9.6)	**25**	20		
Beginning of the year	**20**	15		
Net movement for the year	**5**	5		
10.3 Share-based payments reserve	**161**	137	**161**	137
Beginning of the year	**137**	114	**137**	114
Recognition of share-based payments for the year	**24**	23	**24**	23
Share-based payments for options/shares granted in prior years	**56**	48	**56**	48
Share-based payments for options/shares granted in current year	**11**	5	**11**	5
Adjustment for forfeitures	**8**	10	**8**	10
Share-based payments reserve transferred to retained income for options that have vested from inception to date	**(51)**	(40)	**(51)**	(40)
The above equity account represents cumulative share based payment charges that have been credited to equity net of transfers to retained income for options that have vested				
Total capital reserves	**198**	169	**161**	137

11. Treasury share transactions

R'm	Group 2014	Group 2013	Company 2014	Company 2013
16 553 902 (2013: 18 856 474) ordinary shares in Mr Price Group Limited held by staff share trusts	**(898)**	(791)		
- Balance at beginning of the year	**(791)**	(685)		
- Treasury shares acquired	**(365)**	(279)		
- Treasury shares sold	**263**	178		
- Mr Price Group Employees Share Investment Trust (note 9.6)	**(5)**	(5)		
Deficit on treasury share transactions	**(559)**	(373)	**(206)**	(193)
- Balance at beginning of the year	**(373)**	(260)	**(193)**	(173)
- Current year movement arising from the take-up of vested options	**(186)**	(113)	**(13)**	(20)
Taxation relating to grants to share trusts	**146**	105	**146**	105
- Balance at beginning of the year	**105**	76	**105**	76
- Current year movement	**41**	29	**41**	29
Grants by Company to staff share trusts			**(1 386)**	(1 153)
- Balance at beginning of the year			**(1 153)**	(874)
- Grants made during the year			**(233)**	(279)
	(1 311)	(1 059)	**(1 446)**	(1 241)

12. Foreign currency translation reserve

R'm	Group 2014	Group 2013
Beginning of the year	**(16)**	(22)
Currency translation adjustments for the year	**(1)**	6
End of the year	**(17)**	(16)

The foreign currency translation reserve comprises the cumulative translation adjustments arising on the consolidation of the foreign subsidiaries in Botswana, Nigeria and Ghana.

13. Defined benefit fund actuarial gains and losses

R'm	Group 2014	Group 2013	Company 2014	Company 2013
Beginning of the year	**(8)**	(10)	**(8)**	(10)
Current year actuarial gains	**18**	3	**18**	3
Deferred taxation thereon	**(5)**	(1)	**(5)**	(1)
End of the year	**5**	(8)	**5**	(8)

Refer to note 29 for details of the recognition of defined benefit fund actuarial gains and losses.

14. Reinsurance

The Company retails insurance products to customers. The prinicipal risk that the insurance cells face is that the actual claims and benefit payments, or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the cells is to ensure that sufficient reserves are available to cover these potential liabilities.

14. Reinsurance (continued)

The main risks that the insurance cells are exposed to are as follows:

- Mortality risk: the risk of loss arising due to policyholder death experience differing from that expected;
- Morbidity risk: the risk of loss arising due to policyholder health experience differing from that expected;
- Expense risk: the risk of loss arising from expense experience differing from that expected; and
- Policyholder decision risk: the risk of loss arising due to policyholder experiences (lapses and surrenders) differing from that expected.

The risk structure per product is as follows:

Guardrisk Insurance Company Limited (Cell number 136)

	% of Insured risk	
	Mr Price Group Limited	**Guardrisk Insurance Company Limited**
Customer Protection Plan	**100**	-
Funeral Plan	**100**	-
360 degrees Protection Plan	**100**	-
A2B Commuter Personal Accident Plan	**100**	-
Medinet Critical Illness and Hospitalisation Plan	**100**	-

Guardrisk Life Limited (Cell number 048)

Mr Price Group Limited bears 100% of the risk for all products except motor vehicle insurance where the aggregate excess and stop loss on own damage are insured through AIG.

The reinsurance assets and liabilities are made up of the following components:

	Group and Company	
R'm	**2014**	2013
Reinsurance asset		
Insurance float	**1**	1
Cash and cash equivalents	**97**	71
	98	72

Receivables are measured at amortised cost and the carrying amounts approximate their fair value. All balances are considered current.

	Group and Company	
R'm	**2014**	2013
Reinsurance liabilities		
Unearned premium provision	**1**	1
Outstanding claims	**4**	4
IBNR reserve	**11**	9
Taxation liability	**18**	14
	34	28
Movement in reinsurance liabilities		
Outstanding claims	**4**	3
IBNR reserve	**9**	6
Taxation liability	**14**	8
Balance at beginning of the year	**27**	17
Increase in the year	**6**	10
Outstanding claims	**4**	4
IBNR reserve	**11**	9
Taxation liability	**18**	14
Balance at end of the year	**33**	27
Unearned premium provision		
Balance at beginning of the year	**1**	1
Premium received	**147**	106
Premium recognised	**(147)**	(106)
Balance at end of the year	**1**	1

14. Reinsurance (continued)

Sensitivity analysis

Reinsurance liabilities are subject to changes in variables that could affect the value of the liability due. The effect of any sensitivity is considered immaterial. Outstanding claims, unearned premium provision and the taxation liability are measured at amortised cost and are based on actual amounts due to third parties. The Incurred But Not Reported (IBNR) reserve is maintained in accordance with legislation governing financial service providers. The long term cell maintains an IBNR reserve equal to a claim factor (minimum 33%) applied to 3 months of net premuims (i.e. gross premuims less commissions and administration fees). The short-terms cells are required to maintain a solvency ratio equal to 25% of net premiums as a solvency reserve and an IBNR reserve equal to 7% of the annual risk premium. As these reserves are governed by legislation, only changes in such legislation would lead to the changes in the reserve. At year end no such changes were proposed by the Financial Services Board, however, the following sensitivity has been performed on the IBNR reserve:

Long-term cell reserve adjusted to be a claims factor (minimum 32%) applied to 2 months of net premiums. Short-term cell solvency reserve adjusted to equal 24% of net premiums and an IBNR equal to 6% of the annual risk premium.

	Group and Company
R'm	**2014**
Impact on IBNR	**(4)**

Long-term cell reserve adjusted to be a claims factor (minimum 34%) applied to 4 months of net premiums. Short-term cell solvency reserve adjusted to equal 26% of net premiums and an IBNR equal to 8% of the annual risk premium.

	Group and Company
R'm	**2014**
Impact on IBNR	**4**

During the year a dividend of R60 million (2013: R48.9 million) was paid by the cells to the Company.

Premium income and claims history:

	2014	2013	2012	2011
Premium income (R'm)	**147**	106	71	48
Number of claims	**3 769**	2 318	2 043	2 038
Claim costs (R'm)	**12**	9	5	4
Claim costs as a percentage of premium income	**8.2%**	8.9%	7.5%	8.8%

15. Lease obligations

	Group		Company	
R'm	**2014**	2013	**2014**	2013
Straight line operating lease liability	**226**	213	**218**	207
Less: amounts due for settlement within 12 months	**(47)**	(34)	**(46)**	(33)
Total long-term portion of lease obligations	**179**	179	**172**	174

16. Deferred taxation

R'm	Group 2014	Group 2013	Company 2014	Company 2013
Attributable to:				
Post retirement medical aid	**(2)**	-	**(2)**	-
Prepayments	**2**	7	**2**	7
Provisions	**(141)**	(115)	**(141)**	(115)
Other temporary differences	**15**	12	**17**	12
Share-based payments	**(85)**	(65)	**(85)**	(65)
Defined benefit fund asset	**13**	6	**13**	6
Grants to staff share trusts	**115**	85	**115**	85
Straight line operating lease liability	**(63)**	(59)	**(61)**	(58)
	(146)	(129)	**(142)**	(128)
Beginning of the year	**(129)**	(75)	**(128)**	(71)
Movements during the year	**(17)**	(54)	**(14)**	(57)
Prepayments	**(5)**	-	**(5)**	-
Provisions	**(26)**	(45)	**(26)**	(45)
Other temporary differences	**2**	(10)	**5**	(13)
Share based payments	**(20)**	(18)	**(20)**	(18)
Defined benefit fund actuarial gains	**7**	2	**7**	1
Grants to staff share trusts	**30**	20	**30**	20
Straight line operating lease liability	**(3)**	(3)	**(3)**	(2)
Post retirement medical aid	**(2)**	-	**(2)**	-
End of the year	**(146)**	(129)	**(142)**	(128)
Deferred taxation liabilities	**6**	5	**-**	-
Deferred taxation assets	**(152)**	(134)	**(142)**	(128)
	(146)	(129)	**(142)**	(128)

17. Provisions

R'm	Group 2014	Group 2013	Company 2014	Company 2013
Onerous lease contracts				
Balance at beginning of the year	**10**	14	**10**	14
Provision raised/(released) during the period	**1**	(4)	**1**	(4)
Balance at end of the year	**11**	10	**11**	10
Long-term	**7**	6	**7**	6
Current	**4**	4	**4**	4
	11	10	**11**	10

The provision for onerous lease contracts represents the present value of the future lease payments that the Group is presently obligated to make under non-cancellable onerous operating lease contracts, less revenue expected to be earned on the lease, including estimated future sub-lease revenue, where applicable. The estimate may vary as a result of changes in the utilisation of the leased premises and sub-lease arrangements where applicable. The unexpired terms of the leases range from 1 to 5 years.

18. Trade and other payables

R'm	Group 2014	Group 2013	Company 2014	Company 2013
Trade payables	**1 178**	673	**1 177**	672
Other payables	**804**	597	**754**	568
	1 982	1 270	**1 931**	1 240

19. Profit from operating activities

R'm	Group 2014	Group 2013	Company 2014	Company 2013
Arrived at after (crediting)/charging the following:				
Income from consolidated entities			**(222)**	(195)
Dividend income			**(101)**	(120)
Fees			**(121)**	(75)
Amortisation of intangible assets (page 119)	**29**	27	**29**	27
Associate costs	**1 698**	1 506	**1 644**	1 470
Salaries, wages and other benefits	**1 524**	1 353	**1 472**	1 319
Share-based payments (note 9.5)	**75**	63	**75**	63
Defined contribution pension fund expense	**96**	88	**94**	86
Defined benefit pension fund net expense	**3**	2	**3**	2
Current service cost	**4**	4	**4**	4
Interest cost	**8**	7	**8**	7
Expected return on fund assets	**(9)**	(9)	**(9)**	(9)
Auditors' remuneration	**6**	4	**6**	4
Audit fees	**6**	3	**6**	3
Other services	**-**	1	**-**	1
Consulting fees	**18**	12	**16**	11
Technical services	**16**	11	**16**	11
Administrative and other services	**2**	1	**-**	-
Depreciation of property, plant and equipment (pages 117 and 118)	**162**	162	**152**	154
Movement in provisions (note 17)	**1**	(4)	**1**	(4)
Impairment of intangible assets	**-**	11	**-**	11
Net loss on disposal and scrapping of intangible assets	**12**	8	**12**	8
Net loss on disposal and scrapping of property, plant and equipment	**8**	8	**8**	8
Net (gain)/loss on foreign exchange	**(3)**	12	**(3)**	12
Forward exchange contracts	**(1)**	12	**(1)**	12
Transactions	**(2)**	-	**(2)**	-
Operating lease rentals	**1 125**	1 013	**1 052**	960
Land and buildings	**1 094**	982	**1 021**	931
Equipment	**21**	20	**21**	19
Motor vehicles	**10**	11	**10**	10

20. Taxation

20.1 South African and foreign taxation

20.1.1 South African taxation

R'm	Group 2014	Group 2013	Company 2014	Company 2013
This year	**694**	564	**692**	556
Current				
Normal taxation	**746**	642	**742**	632
Deferred				
Current year temporary differences	**(52)**	(78)	**(50)**	(76)
20.1.2 Foreign taxation				
This year	**38**	27	**16**	8
Current	**38**	23	**16**	8
Deferred	**-**	4	**-**	-
Prior years	**1**	-	**-**	-
Current	**1**	-	**-**	-
Total taxation	**733**	591	**708**	564

In addition to the above, current normal taxation and deferred taxation amounting to R71.2 million (2013: R49.4 million) and R30.4 million (2013: R20.5 million) respectively have been credited and charged to equity relating to the grants to staff share trusts (refer note 11). Deferred income taxation of R4.9 million (2013: R0.8 million) has been credited to the statement of comprehensive income.

20.2 Reconciliation of taxation rate

%	Group 2014	Group 2013	Company 2014	Company 2013
Standard rate	**28.0**	28.0	**28.0**	28.0
Adjusted for:				
Exempt income	**-**	-	**(1.1)**	(1.4)
Capital gains tax	**-**	(0.8)	**-**	(0.9)
Other	**0.2**	0.6	**0.3**	0.2
Effective tax rate	**28.2**	27.8	**27.2**	25.9

21. Earnings per ordinary and B ordinary share

21.1 Reconciliation of earnings

The calculation of basic and headline earnigs per share is based on:

R'm	Group 2014	Group 2013 Restated
Basic earnings - profit attributable to shareholders	**1 868**	1 534
Loss on disposal, scrapping and impairment of property, plant and equipment and intangible assets	**24**	27
Taxation	**(4)**	(7)
Headline earnings	**1 888**	1 554

21.2 Number of shares

The weighted average number of shares in issue amount to 246 725 759 (2013: 244 979 901).

21.3 Dilution impact

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potential dilutive shares, which currently comprise share options and shares. A calculation is made in order to determine the number of shares that could have been issued at fair value (determined as the average annual market price of the shares) based on the monetary value of the subscription rights attached to outstanding options.

	Group 2014 shares	Group 2013 shares
Number of shares per basic earnings per share calculation	**246 725 759**	244 979 901
Weighted average number of ordinary shares under option deemed to have been issued for no consideration	**17 246 906**	21 222 081
Number of shares for calculation of diluted earnings per share	**263 972 665**	266 201 982

22. Dividends to shareholders

R'm	Group 2014	Group 2013	Company 2014	Company 2013
Ordinary and B ordinary shares				
	666	551	**701**	583
Prior year final distribution: 265.0 cents per share (2013: 220.4 cents per share)	**701**	583	**701**	583
Dividend paid by Partners Share Trust	**11**	11		
Less: dividend received on shares held by staff share trusts	**(46)**	(43)		
	428	337	**445**	352
Interim dividend: 168.0 cents per share (2013: 133.0 cents per share)	**445**	352	**445**	352
Dividend paid by Partners Share Trust	**6**	6		
Less: dividend received on shares held by staff share trusts	**(23)**	(21)		
Total net dividend to shareholders	**1 094**	888	**1 146**	935

In respect of the current year, the Board of Directors propose that on the 23 June 2014 a cash dividend of 314.0 cents per share be paid to shareholders who are registered on the "Record date" of 20 June 2014. This dividend has not been reflected as a liability in these financial statements. The total estimated dividend to be paid by the Company is R830.9 million.

23. Directors' emoluments

R'm	Company 2014	Company 2013
The emoluments received by the Directors from the Company were:		
Executive Directors		
Salaries	**10**	9
Bonuses and performance related payments	**18**	13
Vehicle allowances and expenses	**2**	1
Pension contributions	**2**	2
Other material benefits	**-**	-
	32	25
Non-executive Directors		
Salaries	**2**	4
Fees	**5**	5
Vehicle allowances and expenses	**1**	1
Pension contributions	**1**	1
Other material benefits	**-**	-
	9	11

Details of individual Director's emoluments and share incentive scheme transactions are disclosed on pages 71 and 73.

24. Notes to the statements of cash flows

24.1 Operating profit before working capital changes

R'm	Group 2014	Group 2013 Restated	Company 2014	Company 2013 Restated
Profit before taxation	**2 600**	2 125	**2 607**	2 119
Adjustments for:				
Depreciation of property, plant and equipment	**162**	162	**152**	154
Amortisation of intangible assets	**29**	27	**29**	27
Loss on disposal and scrapping of property, plant and equipment	**8**	8	**8**	8
Impairment of property, plant and equipment	**4**	-	**4**	-
Impairment of intangible assets	**-**	11	**-**	11
Loss on disposal of intangible assets	**12**	8	**12**	8
Movement in reinsurance asset	**(26)**	(21)	**(26)**	(21)
Movement in reinsurance liability	**6**	10	**6**	10
Net finance income	**(63)**	(56)	**(59)**	(26)
Interest on trade receivables	**(311)**	(261)	**(310)**	(261)
Other non-cash items	**127**	103	**119**	88
Straight line operating lease liability movement	**13**	13	**11**	9
Share option expenses	**75**	63	**75**	63
Other	**39**	27	**33**	16
	2 548	2 116	**2 542**	2 117

24.2 Working capital changes

	Group 2014	Group 2013 Restated	Company 2014	Company 2013 Restated
Increase in trade and other receivables	**(192)**	(356)	**(191)**	(342)
Increase in inventories	**(181)**	(70)	**(154)**	(44)
Increase in trade and other payables	**716**	37	**692**	25
	343	(389)	**347**	(361)

24.3 Taxation paid

	Group		Company	
R'm	**2014**	2013	**2014**	2013
Amounts unpaid at beginning of the year	**(82)**	(32)	**(83)**	(28)
Taxation	**47**	43	**45**	43
Deferred	**(129)**	(75)	**(128)**	(71)
Amounts charged to the income statements	**733**	591	**708**	564
Taxation	**785**	665	**758**	640
Deferred	**(52)**	(74)	**(50)**	(76)
Cash flow impact of change in accounting policy	**(4)**		**(4)**	
Amounts charged to equity	**(36)**	(28)	**(36)**	(28)
Taxation	**(41)**	(49)	**(41)**	(49)
Deferred taxation	**5**	21	**5**	21
Amounts unpaid at end of the year	**(208)**	82	**(205)**	83
Taxation	**(354)**	(47)	**(347)**	(45)
Deferred taxation	**146**	129	**142**	128
Amounts paid	**403**	613	**380**	591

24.4 Net inflows in respect of long-term receivables

	Group		Company	
R'm	**2014**	2013	**2014**	2013
Loan to accredited supplier	**1**	2	**1**	2
Net amounts received	**1**	2	**1**	2

24.5 Amounts owing to/(by) consolidated entities

	Company	
R'm	**2014**	2013
Increase/(Decrease) in current amounts owing to consolidated entities	**2**	(546)
(Decrease)/Increase in current amounts owing by consolidated entities	**(144)**	307
	(142)	(239)

24.6 Dividends to shareholders

	Group		Company	
R'm	**2014**	2013	**2014**	2013
Dividends to ordinary and B ordinary shareholders	**1 146**	935	**1 146**	935
Less: dividends on shares held by staff share trusts	**(70)**	(64)		
Add: dividends paid by Partners Share Trust	**18**	17		
	1 094	888	**1 146**	935

25. Capital expenditure

R'm	Group 2014	Group 2013	Company 2014	Company 2013
The capital expenditure authorised by the Directors of the Company or its consolidated entities but not provided for in the financial statements amounts to	**608**	549	**608**	549
of which contracts have been placed for	**144**	99	**144**	99

The above capital expenditure is expected to be financed from future cash flows.

26. Operating lease commitments

R'm	Group 2014	Group 2013	Company 2014	Company 2013
Future minimum rentals payable under non-cancellable leases, which predominantly relate to land and buildings, are as follows:				
Within one year	**1 042**	917	**981**	866
After one year but less than five years	**2 138**	1 991	**2 008**	1 865
More than five years	**287**	324	**284**	314
	3 467	3 232	**3 273**	3 045

27. Financial guarantees

The Company had previously provided support to the purchasers of the Hub chains as security for operating lease obligations. The business was subsequently resold in 2008 and the Company has been irrevocably indemnified by the new owner in respect of any amount that may be payable as a result of previously providing these guarantees. The probability of incurring any expense in this regard is considered to be remote.

28. Financial risk management

The Group is exposed, directly and indirectly, to market risk, including, primarily, changes in interest rates and currency exchange rates and uses derivatives and other financial instruments in connection with its risk management activities. The Board of Directors carries the ultimate responsibility for the overseeing of the Group's risk management framework. The Board has a Risk and Sustainability committee and is responsible for the overall process of risk management. The Committee meets at least 4 times per year and assists the Board who is accountable for designing, implementing and monitoring the process of risk management and integrating it into the daily activities of the Group.

28.1. Capital and treasury risk management

The Group which is a cash-based business, monitors capital through a process of analysing the underlying cash flows, which in turn drives the residual capital structure, consisting of share capital, share premium, reserves and retained income as quantified in the statement of changes in equity. The Group manages its capital to ensure that it will be able to maintain healthy capital ratios in order to sustain its business and maximise shareholder value. Any adjustments are made in light of economic conditions and may include adjusting dividend cover or returning capital to shareholders.

Due to its level of net cash resources, the Group has no material borrowings. Cash reserves are available to meet current working capital and capital investment requirements.

The treasury function is administered at Group level where strategies for the funding of working capital requirements and capital expenditure projects are implemented, taking into account cash flow projections and expected movements in interest rates. The Group has a policy of remaining highly liquid in order to have the available cash flow to fund expansion of existing businesses and any possible new ventures.

An interest sensitivity analysis for cash and cash equivalents has not been disclosed as the amounts involved are considered immaterial.

28.2. Foreign exchange risk management

28.2.1 Investment in foreign operations

The Group is directly exposed to exchange rate fluctuations through its investments in operations outside South Africa. All amounts lent to consolidated entities are rand denominated. The Group's investment exposure to currency fluctuations is limited to the Botswana, Nigeria and Ghana subsidiaries as the other African countries in which the Group is invested have currencies that are pegged to the rand. The analysis below details the Group's sensitivity to a 10% increase and decrease in the rand against the pula, naira and cedi respectively and its effect on equity for the year. The sensitivity analysis adjusts their translation at year end for a 10% change in the exchange rate.

28.2.1 Investment in foreign operations (continued)

R'm		Group 2014	Group 2013
Rate variance - pula	+10%	**4**	2
	-10%	**(4)**	(2)
Rate variance - naira	+10%	**2**	-
	-10%	**(2)**	(0)
Rate variance - cedi	+10%	**1**	1
	-10%	**(1)**	(1)
Group - total foreign exchange exposure	+10%	**7**	3
	-10%	**(7)**	(3)

28.2.2 Transactions in foreign currencies

Direct importing is done on a limited basis with transactions being covered by forward exchange contracts (FEC's). FEC's are used to address the Groups direct exposure to foreign currencies.

R'm	Group 2014	Group 2013	Company 2014	Company 2013
At year end forward exchange contract commitments were:				
Current liability US$'m	**6**	1	**6**	1
Exchange rate R/US$ - average contract rate	**R10.789**	R8.811	**R10.789**	R8.811
Exchange rate R/US$ - year end closing rate	**R10.619**	R9.243	**R10.619**	R9.243
Current liability ZMW'm	**20**	-	**20**	-
Exchange rate R/ZMW - average contract rate	**R0.539**	R0.000	**R0.539**	R0.000
Exchange rate R/ZMW - year end closing rate	**R0.602**	R0.000	**R0.602**	R0.000

28.2.2 Transactions in foreign currencies (continued)

The contracts will mature within periods varying up to six months after year end and translates to R93.6 million (2013: R7.3 million) at the market rate of an equivalent contract at year end. With reference to these FEC's, the analysis below details the Group's sensitivity to a 10% increase and decrease in the rand against the dollar and its effect on income for the year assuming no change in retail selling prices. The sensitivity analysis includes outstanding FEC's and adjusts their translation at year end for a 10% change in the exchange rate.

R'm		Group 2014	Group 2013	Company 2014	Company 2013
Rate variance - US$	+10%	**(6)**	(1)	**(6)**	(1)
	-10%	**6**	1	**6**	1
Rate variance - ZMW	+10%	**(1)**		**(1)**	
	-10%	**1**		**(1)**	

28.3 Credit risk management

Credit risk is concentrated principally in periodic short-term cash investments, in trade receivables and loans to consolidated entities. The Group deposits short-term cash surpluses only with major banks of high quality credit standing. The granting of credit to trade debtors is controlled with statistical scoring models and performance parameters which are reviewed on a regular basis. The maximum exposure in respect of trade receivables and the Group's risk management policies regarding trade receivables are disclosed in note 8. The analysis below details the Group's sensitivity to a 1% increase and decrease in the interest rate charged to debtors and its effect on income for the year.

R'm		Group 2014	Group 2013	Company 2014	Company 2013
Rate variance	+1%	**17**	14	**17**	14
	-1%	**(17)**	(14)	**(17)**	(14)

28.4 Liquidity management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows. The Group has significant cash reserves and minimal borrowings which enable it to borrow funds externally should it require to do so to meet any working capital or possible expansion requirements. As a consequence banking legislation which requires fees to be paid relative to the size of the facility, the Group has only entered into limited loan facility arrangements to the extent that fees are not payable. The year end position was a follows:

R'm	Group 2014	Group 2013	Company 2014	Company 2013
Total facilities	**445**	445	**445**	445
Less: drawn down portion	**-**	-	**-**	-
Total undrawn banking facilities	**445**	445	**445**	445

Based on the Group's existing cash resources and expected future cash flows, there is no foreseeable need to enter into borrowings. Furthermore, due to the Group's strong financial position, should further borrowings be required, the Group should be able to obtain any necessary funding within a short period, subject to bank approval.

R'm	Group 2014	Group 2013	Company 2014	Company 2013
Borrowing powers				
In terms of the Company's Articles of Association, borrowing powers at year end were limited to 150% of Group equity attributable to shareholders	**5 884**	4 964	**5 884**	4 964
Actual borrowings outside the Group at year end were	**(6)**	-	**-**	-
At year end bank balances were	**2 249**	1 166	**2 249**	1 166
Net cash resources were	**2 243**	1 166	**2 249**	1 166

The table below details the Group's expected maturity for its non-derivative financial liabilities:

Group (R'm)	On demand	Less than 3 months	3 months to one year	3 months to one year	One to five years
2014					
Trade and other payables	**676**	**1 200**	**106**	**-**	**1 982**
2013					
Trade and other payables	174	1 012	84	-	1 270
Company (R'm)					
2014					
Trade and other payables	**658**	**1 168**	**104**	**-**	**1 931**
2013					
Trade and other payables	165	995	80	-	1 240

The Group expects to meet its obligations from existing cash reserves and from operating cash flows. The Group's derivative financial liabilities comprise FEC's which are disclosed in note 28.2.2.

28.5 Fair value hierarchy

As at 29 March 2014 the Group held financial instruments measured at fair value in the form of FEC's. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

28.5 Fair value hierarchy (continued)

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value of forward exchange contracts is measured using Level 2 techniques. The significant inputs into the Level 2 fair value of forward exchange contracts are yield curves, market interest rates and market foreign exchange rates. There have been no transfers between the levels during the year (refer note 28.2.2).

Fair value of financial instruments
The estimated fair values of recognised financial instruments approximate their carrying amounts.

29. Retirement benefits

29.1 Pension schemes

29.1.1 Membership

The funds are registered in terms of the Pension Funds Act and provide for pensions and related benefits for all permanent employees. Membership is compulsory after the first year of service. Membership details are disclosed in the Remuneration Report on page 66.

29.1.2 Contributions

In the case of the Group defined benefit fund, pensions are based on length of service and highest average annual salary earned over 2 years during the last 10 years of employment. The members are required to contribute to the funds mainly at the rate of 7.5% of their pensionable remuneration while the employer is required to contribute mainly at the rate of 13.7% and to the defined contribution funds mainly at the rate of 11.0% of pensionable remuneration. In the case of the defined benefit fund, the employer rate has been calculated based on the projected unit credit method.

29.1.3 Valuations

Defined benefit pension fund
In terms of the Pension Funds Act the defined benefit fund should be actuarially valued every three years. In the statutory valuation as at 31 December 2011, past service liabilities were determined by valuing all future payments expected to be made out of the fund in respect of benefits accrued up to the valuation date. The actuarial valuation of assets was R91.4 million and the liability for accrued benefits, including a solvency reserve of R13.9 million, was R88.7 million, resulting in a funding level of 103.1% and a distributable surplus of R2.8 million. The possible conversion of the fund's benefit structure from defined benefit to defined contribution is currently being investigated. It is expected that the distributable surplus could be required to fund such a conversion and accordingly it has been retained in the employer surplus account. The valuation took into account the minimum benefits payable on a member's exit from the fund after 1 January 2004, in terms of the Pension Funds Second Amendment Act of 2001. In the opinion of the actuary the fund was in a sound financial position.

29.1.3 Valuations (continued)

	Group and Company	
R'm	**2014**	2013
The funded status of the defined benefit retirement fund, actuarially calculated annually at reporting date in terms of IAS 19, is as follows		
Benefit obligation	**(78)**	(85)
Plan assets	**123**	105
Net benefit plan asset	**45**	20

The amounts recognised in the income statement are detailed in note 19.

The following main assumptions were used in performing the calculation:

- Discount rate - 10.00% per annum (2013: 8.90% per annum)
- Inflation - 7.00% per annum (2013: 6.60% per annum)
- Future salary increases - 8.00% per annum (2013: 7.60% per annum)

	Group and Company	
R'm	**2014**	2013
Movements in the present value of the defined benefit obligation in the current period were as follows:		
Defined benefit obligation at beginning of the year	**85**	76
Current service cost	**4**	4
Member contributions	**1**	1
Interest cost	**8**	7
Actuarial (gain)/loss	**(15)**	6
Benefits paid	**(4)**	(8)
Risk premiums	**(1)**	(1)
Defined benefit obligation at end of the year	**78**	85

29.1.3 Valuations (continued)

R'm	Group and Company 2014	2013
Movements in the present value of the plan assets in the current period were as follows:		
Fair value of plan assets at beginning of the year	**105**	92
Expected return on assets	**9**	9
Contributions	**5**	4
Risk premiums	**(1)**	(1)
Benefits paid	**(4)**	(8)
Actuarial gain	**8**	9
Fair value of plan assets at end of the year	**122**	105

%	2014	2013
The estimated asset composition of the fair value of total plan assets is as follows:		
Cash	**16.3**	12.6
South African equities	**41.3**	44.4
South African bonds	**11.4**	13.4
South African property and other	**5.4**	4.9
International assets	**25.6**	24.7
	100.0	100.0

The amounts for the current and previous four periods are as follows (R'm):

	2014	2013	2012	2011	2010
Defined benefit obligation	**(78)**	(85)	(76)	(64)	(58)
Plan assets	**123**	105	92	84	75
Net plan asset	**45**	20	16	20	17

The valuation determined above is based on a number of assumptions, the defined benefit obligation could vary from the amounts disclosed above, depending on the extent to which actual experience differs from the assumption adopted.

The estimated defined benefit cost for 2015 financial year is as follows; a current service cost of R113.2 million (2013: R94.1 million), an expected return on plan assets of R12.4 million (2013: R 9.5 million) and an interest cost of R8.1 million (2013: R7.9 million).

Defined contribution funds
The defined contribution funds are valuation exempt. The actuarial function remains present through an Enhanced Financial Assessment (EFA) process, which is a quarterly actuarial assessment that looks at the financial soundness of the Fund; and sets out the allocations of contributions to the Fund. The report includes a comparison of the total assets to the total liabilities of the Fund in order to determine the funding level. The most recent EFA reports as at 31 December 2013 concluded that the funding level of the Funds was within the tolerance levels set by the administrators.

29.2 Post retirement medical benefits

The obligation of the Group to pay medical aid contributions for members who have retired is no longer part of the conditions of employment for new associates. A limited number of pensioners and current associates who remain members of the defined benefit pension fund are entitled to this benefit. The entitlement to the benefit for current associates is dependent upon the associate remaining in service until retirement age. An actuarial valuation, in terms of IAS 19, of the Group's liability at 31 March 2014 for this future benefit was undertaken. Valuations are undertaken every three years. The main assumptions used in performing these valuations are reviewed annually. Any detection of a material variation in a main assumption would give rise to a new valuation. The obligation for post retirement medical aid benefits is unfunded. The following main assumptions were used in performing the valuation at 31 March 2014, based on current membership:

Health care cost inflation - 9.0% per annum
Discount rate - 10.0% per annum
Average retirement age - 62 years
Continuation at retirement - 100%

Activity during the year was as follows:

R'm	Group and Company 2014	2013
Benefit obligation at beginning of the year	**16**	15
Net increase in provision during the year	**6**	1
Benefit obligation at end of the year	**22**	16

29.2 Post retirement medical benefits (continued)

The amounts for the current and previous four periods are as follows (R'm):

	2014	2013	2012	2011	2010
Defined benefit obligation	**22**	16	15	13	11

30. Related party transactions

30.1 Directors

Refer to the Report of the Directors on page 78 in respect of transactions with Directors.

30.2 Compensation of key management personnel

	Group		Company	
R'm	**2014**	2013	**2014**	2013
Short-term employee benefits	**72**	68	**72**	68
Post employment pension benefits	**8**	8	**8**	8
Share-based payments	**14**	10	**14**	10
	94	86	**94**	86

The above compensation includes amounts paid to executive senior management personnel and excludes amounts paid to Directors as disclosed in the Remuneration Report.

30.3 Transactions with related parties

The following transactions were entered into with individuals, who meet the definition of close family members to key management personnel, or entities over which such individuals are deemed to have a controlling influence:

Related Party - BVPG, firm of attorneys of which Mr K Getz, a non-executive Director, is a partner.

Legal fees of R3.2 million (2013: R0.6 million)

30.4 Participants in staff share trusts

Refer to notes 9.4 and 9.6 in respect of transactions with participants in the staff share trusts.

30.5 Post retirement benefit funds

Refer to notes 19 and 29 in respect of transactions with post retirement benefit funds.

30.6 Inter group transactions

The following transactions occurred between the Company and its consolidated entities:

	Company	
R'm	**2014**	2013
Sales	**661**	498

Refer to note 19 for income received from consolidated entities.

31. Segmental reporting

For management purposes, the Group is organised into business units based on their products and services, and has 3 reportable segments as follows:

- The Apparel segment retails clothing, sportswear, footwear, sporting equipment and accessories;
- The Home segment retails homewares; and
- The Central Services segment provides services to the trading segments including information technology, internal audit, human resources, group real estate and finance.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.
Segment performance is evaluated based on operating profit or loss. Net finance income and income taxes are managed on a group basis and are not allocated to operating segments.

	Apparel		Home		Central Services		Eliminations		Total	
R'm	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Revenue	**11 413**	9 758	**4 290**	3 893	**253**	237	**(127)**	(144)	**15 829**	13 744
External	**11 413**	9 758	**4 290**	3 893	**126**	93	**-**	-	**15 829**	13 744
Internal	**-**	-	**-**	-	**127**	144	**(127)**	(144)	**-**	-
Profit from operating activities	**2 102**	1 725	**591**	492	**(156)**	(148)	**-**	-	**2 537**	2 069
Net finance income									**63**	56
Profit before taxation									**2 600**	2 125
Taxation									**733**	591
Profit attributable to shareholders									**1 867**	1 534
Divisional assets	**2 760**	2 511	**846**	721	**2 957**	1 666	**-**	-	**6 563**	4 898
Divisional liabilities	**1 458**	905	**631**	482	**559**	207	**(7)**	(5)	**2 641**	1 589
Capital expenditure	**127**	174	**62**	45	**216**	119	**-**	-	**405**	338
Depreciation and amortisation	**86**	89	**33**	38	**72**	62	**-**	-	**191**	189

32. Geographical segments

	South Africa		Other Africa		Total	
R'm	**2014**	2013	**2014**	2013	**2014**	2013
Revenue	**14 822**	13 026	**1 007**	718	**15 829**	13 744
Assets	**6 092**	4 596	**471**	302	**6 563**	4 898
Capital expenditure	**386**	326	**19**	12	**405**	338

Analysis of the movement of owned property, plant and equipment

R'm	Furniture fittings equipment and vehicles		Computer equipment		Improvements to leasehold premises		Buildings		Total	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Group										
Net carrying amount at beginning of the year	**544**	450	**70**	42	**11**	11	**35**	37	**660**	540
Cost or carrying amount	**1 274**	1 079	**174**	134	**41**	39	**39**	39	**1 528**	1 291
Accumulated depreciation and impairment	**(730)**	(629)	**(104)**	(92)	**(30)**	(28)	**(4)**	(2)	**(868)**	(751)
Current year movements										
Additions	**210**	237	**32**	50	**10**	2	**1**	-	**253**	289
Disposals and scrapping	**(8)**	(7)	**-**	(1)	**-**	-	**(22)**	-	**(30)**	(8)
Impairments	**(4)**	-	**-**	-	**-**	-	**-**	-	**(4)**	-
Exchange differences	**1**	1		-	**-**	-	**-**	-	**1**	1
Depreciation	**(129)**	(137)	**(30)**	(21)	**(2)**	(2)	**(1)**	(2)	**(162)**	(162)
Net carrying amount at end of the year	**614**	544	**72**	70	**19**	11	**13**	35	**718**	660
Made up as follows:										
Net carrying amount	**614**	544	**72**	70	**19**	11	**13**	35	**718**	660
Cost or carrying amount	**1 429**	1 274	**206**	174	**50**	41	**15**	39	**1 700**	1 528
Accumulated depreciation and impairment	**(815)**	(730)	**(134)**	(104)	**(31)**	(30)	**(2)**	(4)	**(982)**	(868)
Company										
Net carrying amount at beginning of the year	**510**	433	**68**	41	**11**	11	**-**	-	**589**	485
Cost or carrying amount	**1 233**	1 061	**171**	131	**30**	28	**-**	-	**1 434**	1 220
Accumulated depreciation and impairment	**(723)**	(628)	**(103)**	(90)	**(19)**	(17)	**-**	-	**(845)**	(735)
Current year movements										
Additions	**192**	215	**32**	49	**10**	2	**-**	-	**234**	266
Disposals and scrapping	**(8)**	(7)	**-**	(1)	**-**	-	**-**	-	**(8)**	(8)
Impairment	**(4)**	-	**-**	-	**-**	-	**-**	-	**(4)**	-
Depreciation	**(122)**	(131)	**(29)**	(21)	**(1)**	(2)	**-**	-	**(152)**	(154)
Net carrying amount at end of the year	**568**	510	**71**	68	**20**	11	**-**	-	**659**	589
Made up as follows:										
Net carrying amount	**568**	510	**71**	68	**20**	11	**-**	-	**659**	589
Cost or carrying amount	**1 369**	1 233	**202**	171	**40**	30	**-**	-	**1 611**	1 434
Accumulated depreciation and impairment	**(801)**	(723)	**(131)**	(103)	**(20)**	(19)	**-**	-	**(952)**	(845)

Details of building:

Remaining extent of Erf 4749 Bethlehem District, Bethlehem Province, Free State, in extent of 3538 square metres.

Analysis of the movement of leased property, plant and equipment

R'm	Buildings 2014	Buildings 2013
Group and company		
Net carrying amount at beginning and end of the year	**-**	**-**
Made up as follows:		
Net carrying amount	**-**	-
Cost	**27**	27
Accumulated depreciation	**(27)**	(27)

Analysis of the movement of intangible assets

R'm	Computer software 2014	Computer software 2013	Customer lists 2014	Customer lists 2013	Goodwill 2014	Goodwill 2013	Trademarks 2014	Trademarks 2013	Total 2014	Total 2013
Group										
Net carrying amount at beginning of the year	**98**	82	**1**	14	**6**	6	**-**	-	**105**	102
Cost or carrying amount	**149**	122	**26**	34	**6**	6	**18**	18	**199**	180
Accumulated amortisation and impairment	**(51)**	(40)	**(25)**	(20)	**-**	-	**(18)**	(18)	**(94)**	(78)
Current year movements										
Additions arising from external development/acquisition	**141**	41	**-**	2	**-**	-	**-**	-	**141**	43
Additions arising from internal development	**10**	6		-		-	**-**	-	**10**	6
Disposals	**(12)**	(8)	**-**	-	**-**	-	**-**	-	**(12)**	(8)
Impairment	**-**	-	**-**	(11)	**-**	-	**-**	-	**-**	(11)
Amortisation	**(28)**	(23)	**(1)**	(4)	**-**	-	**-**	-	**(29)**	(27)
Net carrying amount at end of the year	**209**	98	**-**	1	**6**	6	**-**	-	**215**	105
Made up as follows:										
Net carrying amount	**209**	98	**-**	1	**6**	6	**-**	-	**215**	105
Cost or carrying amount	**263**	149	**26**	26	**6**	6	**18**	18	**313**	199
Accumulated amortisation and impairment	**(54)**	(51)	**(26)**	(25)	**-**	-	**(18)**	(18)	**(98)**	(94)
Company										
Net carrying amount at beginning of the year	**98**	82	**1**	14	**1**	1	**-**	-	**100**	97
Cost or carrying amount	**149**	122	**26**	34	**1**	1	**18**	18	**194**	175
Accumulated amortisation and impairment	**(51)**	(40)	**(25)**	(20)	**-**	-	**(18)**	(18)	**(94)**	(78)
Current year movements										
Additions arising from external development/acquisition	**139**	41	**-**	2	**-**	-	**-**	-	**139**	43
Additions arising from internal development	**10**	6	**-**	-	**-**	-	**-**	-	**10**	6
Disposals	**(12)**	(8)	**-**	-	**-**	-	**-**	-	**(12)**	(8)
Impairment	**-**	-	**-**	(11)	**-**	-	**-**	-	**-**	(11)
Amortisation	**(28)**	(23)	**(1)**	(4)	**-**	-	**-**	-	**(29)**	(27)
Net carrying amount at end of the year	**207**	98	**-**	1	**1**	1	**-**	-	**208**	100
Made up as follows:										
Net carrying amount	**207**	98	**-**	1	**1**	1	**-**	-	**208**	100
Cost or carrying amount	**261**	149	**26**	26	**1**	1	**18**	18	**306**	194
Accumulated amortisation and impairment	**(54)**	(51)	**(26)**	(25)	**-**	-	**(18)**	(18)	**(98)**	(94)

The goodwill raised in the prior year relates to the acquisition of Associated Credit Specialists, a debt collection business.

financial interest in consolidated entities

for the year ended 29 March 2014

R'm	Notes	Issued capital 2014 Shares	Issued capital 2013 Shares	Carrying value of shares 2014	Carrying value of shares 2013	Indebtedness less impairment provisions 2014	Indebtedness less impairment provisions 2013
Operating subsidiaries							
Specialty Stores (Botswana) (Pty) Limited	1	**100**	100	**-**	-	**80**	38
Mr Price (Lesotho) (Pty) Limited	2	**1 000**	1 000	**-**	-	**13**	7
Mr Price Group (Namibia) (Pty) Limited	3	**100**	100	**-**	-	**94**	35
Mr Price Chain Stores International Limited (Nigeria)	4	**500 000**	500 000	**2**	2	**66**	37
Mr Price Chain Stores International Limited (Ghana)	5	**480 000**	480 000	**2**	2	**17**	20
Millews Fashions (Johannesburg) (Pty) Limited	6	**28 000**	28 000	**-**	-	**6**	34
Associated Credit Specialists (Pty) Limited	7	**100**	100	**-**	-	**6**	1
MRP Mobile (Pty) Limited	8	**100**	-	**-**	-	**8**	-
Share Trusts							
Mr Price Group Staff Share Trust and Share Purchase Scheme						**-**	-
Mr Price Group Employees Share Investment Trust						**-**	-
Mr Price Executive Director Share Trust						**1**	1
Mr Price Executive Share Trust						**1**	1
Mr Price Senior Management Share Trust						**1**	1
Mr Price General Staff Share Trust						**3**	1
Mr Price Partners Share Trust						**-**	-
Dormant subsidiaries							
Raava Jewellers (Namibia) (Pty) Limited		**100**	100	**1**	1	**-**	-
Hughes Extension 17 Township (Pty) Limited		**100**	100	**-**	-	**-**	-
Total				**5**	5	**296**	176

Notes:

1. Operates Mr Price Apparel, Mr Price Home, Miladys and Sheet Street stores in Botswana.
2. Operates Mr Price Apparel, Mr Price Home and Sheet Street stores in Lesotho.
3. Operates Mr Price Apparel, Mr Price Home, Miladys, Sheet Street and Mr Price Sport stores in Namibia.
4. Operates Mr Price Apparel stores in Nigeria.
5. Operates Mr Price Apparel and Mr Price Home stores in Ghana.
6. Develops and leases premises to Group operations.
7. Recovers overdue debts from credit customers.
8. Represents a 55% held subsidiary of the Company.

The Company owns 100% of the equity and preference share capital (where applicable) of all other subsidiaries and cell captives except for MRP Mobile (Pty) Ltd in which it holds 55% of the issued share capital with the remaining 45% being held by non-controlling interests.

administration and contact details

company secretary and registered office Mrs HE Grosvenor Upper level, North Concourse, 65 Masabalala Yengwa Avenue, Durban, 4001. PO Box 912, Durban, 4000.	**transfer secretaries** Computershare Investor Services (Proprietary) Limited, 70 Marshall Street, Johannesburg, 2001. PO Box 61051, Marshalltown, 2107.
domicile and country of incorporation Republic of South Africa	**sponsor** Rand Merchant Bank
registration number 1933/004418/06	**independent auditor** Ernst & Young Inc.

	address	phone	fax	websites
Mr Price Apparel	Upper level, North Concourse, 65 Masabalala Yengwa Avenue, Durban, 4001 Private Bag X04, Snell Parade, Durban, 4074	031 310 8638	031 304 3358	*mrp.com* *mrp.com/ng*
Mr Price Home		031 310 8809	031 328 4138	*mrphome.com*
Mr Price Sport		031 310 8545	031 306 9347	*mrpricesport.com*
Sheet Street		031 310 8300	031 310 8317	*sheetstreet.co.za*
RedCap Foundation		031 310 8242	031 328 4609	*redcapfoundation.org*
Corporate		031 310 8000	031 304 3725	*mrpricegroup.com*
Miladys	30 Station Drive, Durban, 4001 PO Box 3562, Durban, 4000	031 313 5500	031 313 5620	*miladys.co.za*
Financial Services	380 Dr Pixley KaSeme Street, Durban, 4001 PO Box 4996, Durban, 4000	031 367 3311	031 306 0164	*mrpmoney.co.za*
Whistleblowers	PO Box 51006, Musgrave, 4062	0860 005 111		*whistleblowing.co.za*
Customer Care		0800 212 535		
Account Services		0861 066 639		

definitions

AMPS	Measure of through-the-door shoppers
B-BBEE	Broad-Based Black Economic Empowerment
CAGR	Compound annual growth rate
Comparable sales	Like-for-like location store sales
Company	Refers to Group
CRM	Customer Relationship Management
DC	Distribution Centre
DPS	Dividends per share
dti	The department of Trade and Industry
ERP	Enterprise Resource Planning
ETI	Ethical Trading Initiative
Gross margin	Gross profit as a percentage of retail sales
Group	Refers to Company
HCM	Human Capital Management
HEPS	Headline earnings per share
Inventory turn	Cost of sales as a ratio of average inventories
JSE	Johannesburg Stock Exchange
LSM	Living Standard Measures
MPC	Mr Price Group
Operting margin	Profit from operating activities as a percentage of retail sales
PMO	Price mark on
RedCap Sport	RedCap Sport NPC, a registered Non-Profit and Public Benefit Organisation.
RedCap Foundation	RedCap Foundation NPC, a registered Non-Profit and Public Benefit Organisation.
Return on average shareholder equity	Headline earnings attributable to ordinary and B ordinary shareholders as a percentage of average equity attributable to shareholders
Return on net worth (RONW)	Profit attributable to shareholders as a percentage of equity attributable to shareholders
Return on operating assets	Profit from operating activities as a percentage of average equity attributable to shareholders, interest-bearing loan finance
RLC	Retail Liaison Committee
RSP	Retail Selling Price
Sales density	Retail sales per weighted average net square metre
SEDEX	Supplier Ethical Data Exchange