

Notes to the group financial statements continued

for the year ended 31 December 2017

6 FINANCING STRUCTURE AND COMMITMENTS (continued)

6.6 Finance lease commitments

Assets held under finance leases are capitalised at the lower of the fair value of the leased asset and the estimated present value of the minimum lease payments at the inception of the lease. The corresponding liability to the lessor, net of finance charges, is included in the statement of financial position under other non-current/current liabilities. Each lease payment is allocated between the liability and finance charges. Finance charges, which represent the difference between the total lease commitments and fair value of the assets acquired, are charged to profit or loss over the term of the relevant lease so as to produce a constant periodic rate of interest on the remaining balance of the obligation for each accounting period.

In all significant finance lease arrangements in place during the period, the group acted as the lessee.

At the reporting date, the group had outstanding commitments under non-cancellable finance leases which fall due as follows:

	Minimum lease payments Rm	Future finance charges Rm	Present value Rm
2017			
Current			
Not later than one year	85	(31)	54
Non-current (note 6.2)	809	(164)	645
Later than one year but no later than five years	361	(95)	266
Later than five years	448	(69)	379
	894	(195)	699
2016			
Current			
Not later than one year	86	(33)	53
Non-current (note 6.2)	871	(198)	673
Later than one year but no later than five years	407	(118)	289
Later than five years	464	(80)	384
	957	(231)	726