

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2016

16. Foreign currency translation reserve

The foreign currency translation reserve arises from the conversion of foreign operations from their functional currencies to South African Rand on consolidation. Refer to note 4 – Subsidiaries and note 6 – Investment in joint ventures.

	GROUP June 2016 R000	GROUP June 2015 R000
Opening balance	13 403	8 074
Movement	(1 491)	5 329
Non-controlling interests	2 685	
Closing balance	14 597	13 403

For more detailed disclosure on the group's foreign currency exposure and rates of conversion. Refer to note 35 – Financial instruments – Fair values and risk management.

17. Borrowings

	Facility R000	Secured by (property) ***	Capital repayment date	Interest rate	GROUP June 2016 R000	GROUP June 2015 R000
SA Rand bank facilities						
Nedbank Limited						
R2,3 billion of the Nedbank loans are fixed at an average rate of 9,1% and have an average maturity of 5,2 years	1 203 935 [^]	*	August 2016	Prime – 1,8%	854 052 [#]	788 936
	1 540 304	*	June 2018	Prime – 1,8%	1 539 076	1 537 902
Old Mutual Specialised Finance Proprietary Limited (OMSFIN)						
R400 million is fixed at a rate of 9,7% and matures in 4,8 years	400 000	Somerset Mall	July 2022	3-month JIBAR + 1,55%	399 317	
US Dollar bank facilities						
Rand Merchant Bank						
90% of the drawn down amount of R339,5 million (USD23 million) is fixed for the full term. The average rate is 4,6%	USD30 million	40% of Canal Walk	May 2018	LIBOR + 3,2%	339 474	296 820
The Standard Bank of South Africa Limited						
82,7% of the drawn down amount of R1,5 billion (USD100 million) is fixed. The average rate is 4,4%	USD100 million	40% of Canal Walk**, 75,15% of The Glen	August 2019	LIBOR + 2,75%	1 477 370	1 183 585
74,0% of the drawn down amount of R1,4 billion (USD97,2 million) is fixed. The average rate is 3,8%	USD120 million		July 2020	LIBOR + 2,40%	1 435 990	
Standard Finance (Isle of Man) Limited						
The drawn down amount of R590,9 million (USD39,6 million) is fixed for the full term at an average rate of 4,2%	USD40 million	40% of Canal Walk**, 75,15% of The Glen	October 2017	LIBOR + 3,17%	590 948	485 940
89% of the drawn down amount of R295,5 million (USD20 million) is fixed for the full term. The average rate is 4,4%	USD20 million		November 2018	LIBOR + 2,85%	295 474	226 726
Stanbic IBTC Bank PLC						
The drawn down amount of R535,6 million (USD36,2 million) is floating at an average rate of 6,9%	USD36,2 million	Ikeja City Mall	December 2017	LIBOR + 6,25%	535 556	
Investec Asset Management Proprietary Limited						
The drawn down amount of R401,7 million (USD27,2 million) is floating at an average rate of 6,9%	USD27,2 million	Ikeja City Mall	December 2017	LIBOR + 6,25%	401 668	

* CapeGate, Atterbury Value Mart, Woodlands Boulevard, Clearwater Mall and Willowbridge South. Subsequent to year end, Nedbank started the process of releasing Woodlands Boulevard, Clearwater Mall and Willowbridge South

[^] The R1,2 billion facility with Nedbank was refinanced with DCM funding subsequent to year-end. Refer to note 37 – Events after the reporting date

[#] Short term

** 40% of Canal Walk and 75,15% of The Glen is secured for borrowings from the Standard Bank of South Africa Limited and its subsidiary, Standard Finance (Isle of Man) Limited

*** Encumbered properties total R20,8 billion (2015: R24,3 billion)

17. Borrowings continued

	Capital repayment date	Interest rate	GROUP June 2016 R000	GROUP June 2015 R000
Debt capital market funding				
Corporate bonds				
Six-year bond – fixed until October 2020 at 9,4%	November 2019	3-month JIBAR + 1,54%	450 000	450 000
Five-year bond – fixed for the full term at 7,3%	September 2017	3-month JIBAR + 1,50%	300 000	300 000
Five-year bond – fixed at an average rate of 8,3% with an average maturity of 7,2 years	May 2018	3-month JIBAR + 1,45%	450 000	450 000
Three-year bond ⁽¹⁾	July 2015	3-month JIBAR + 1,34%		400 000 [#]
Five-year bond – fixed until September 2019 at 9,2%	November 2019	3-month JIBAR + 1,50%	200 000	200 000
Commercial paper				
Six-month commercial paper	October 2016	6-month JIBAR + 0,4%	120 000 [#]	
Three-month commercial paper	August 2016	3-month JIBAR + 0,5%	80 000 [#]	
Six-month commercial paper	August 2016	6-month JIBAR + 0,45%	135 000 [#]	
Six-month commercial paper	August 2016	3-month JIBAR + 0,95%	105 000 [#]	
Three-month commercial paper ⁽¹⁾	October 2015	3-month JIBAR + 0,36%		182 000 [#]
Three-month commercial paper	August 2015	3-month JIBAR + 0,36%		190 000 [#]
Shareholder loans				
AIH International Limited (shareholder loan to Gruppo Investments Nigeria Limited, which owns Ikeja City Mall in Lagos, Nigeria)	March 2021	17,25%	217 163	
Total interest-bearing borrowings			9 926 088	6 691 909
Reconciliation to the statements of financial position				
Non-current			8 632 036	5 919 909
Long-term portion of interest-bearing borrowings			8 632 036	5 919 909
Current			1 294 052	772 000 [#]
Short-term portion of interest-bearing borrowings			1 294 052	772 000 [#]
Total borrowings			9 926 088	6 691 909

⁽¹⁾ The three-year bond and R300 million of the commercial paper were fixed at an average rate of 9,4% and have an average maturity of 6,6 years

[#] Short term

At year-end, interest rates were fixed in respect of 80,8% (2015: 94,5%) of borrowings, at a weighted average rate of 6,7% (2015: 7,1%).

The loan to value ratio at year-end was 30,8% (2015: 22,9%). The loan to value ratio was calculated on a “see-through” basis, including 60% of the Euro denominated debt and 75% of the in-country debt for Ikeja City Mall in Lagos, Nigeria.