

8 Capital additions and disposals	2017 Rm	2016 Rm
Property, plant and equipment		
Additions	7 539	5 263
Disposals	(23)	(231)
	7 516	5 032
Intangible assets		
Additions	1 069	726
Disposals	(27)	-
	1 042	726

The additions are largely due to the deployment of fibre and other technologies to support the growing data services business, internet capacity growth, links to the mobile cellular operators and access line deployment in selected high growth commercial and business areas.

An estimated amount of R48 million (FY2016: R101 million) included in inventories will be used for Telkom's network expansion, R48 million of which was purchased in the current financial year (FY2016: R83 million).

Finance charges of R130 million (FY2016: R103 million) were capitalised to property, plant and equipment and intangible assets in the current financial year.

9 Employee benefits	2017 Rm	2016 Rm
	635	846
Telkom Pension Fund asset	23	114
Post-retirement medical aid net plan asset	612	732

The assets recognised are determined in accordance with IAS 19. The Telkom Pension Fund assets decreased due to a S15E transfer in terms of the Pension Act to the Telkom Retirement Fund of approximately R96 million.

The decrease in the post-retirement medical aid net plan asset is due to the decrease in the fair value of the annuity policy.

10 Other investments and financial assets	2017 Rm	2016 Rm
Non-current other investments		
Other investments	40	2 318
Cell captive preference shares	-	2 235
FutureMakers	11	13
Equity investment in Number Portability Company	5	4
BCX group interests in associates and joint ventures	24	66
Other financial assets	2 514	1 754
Current other financial assets consist of:	126	1 754
> Repurchase agreements	-	1 634
> Derivative instruments	78	101
Forward exchange contracts	54	20
Firm commitments	24	43
Cross currency swaps	-	38
> Asset finance receivables	48	19
	2 388	-
Current other investments consist of:	2 388	-
> Cell captive preference shares	2 388	-

The decrease in other financial assets is primarily due to the disposal of the repurchase agreement.

The cell captive preference shares were reclassified from non-current assets to current assets in the current financial year as it is highly probable that it will be liquidated in the short term.