

	Group		Company	
	2013 Rm	2012 Rm	2013 Rm	2012 Rm
40. RELATED PARTIES				
Details of material transactions and balances with related parties not disclosed separately in the consolidated annual financial statements were as follows:				
With shareholders –				
Government of South Africa				
Related party balances:				
Trade receivables	446	371	446	371
Trade payables				
Department of Communications	–	(71)	–	(71)
Related party transactions				
Revenue	(3,017)	(3,064)	(3,017)	(3,063)
Individually significant revenue*	(1,237)	(1,105)	(1,237)	(1,105)
City of Cape Town	(66)	(84)	(66)	(84)
Department of Correctional Services	(93)	(73)	(93)	(73)
Department of Health: Gauteng	(50)	(63)	(50)	(63)
Department of Justice	(118)	(104)	(118)	(104)
South African National Defence Force	(72)	(59)	(72)	(59)
South African Police Services	(601)	(522)	(601)	(522)
South African Revenue Services	(42)	(41)	(42)	(41)
S.I.T.A. (Pty) Ltd	(195)	(159)	(195)	(159)
Collectively significant revenue	(1,780)	(1,959)	(1,780)	(1,958)
* The nature of the individually and collectively significant revenue consists mostly of data revenue.				
At 31 March 2013, the government of South Africa held 39.8 % (2012: 39.8 %) of Telkom's shares, and has the ability to exercise significant influence, and the Public Investment Corporation held 11.7 % (2012: 10.5 %) of Telkom's shares.				
With subsidiaries:				
Trudon Proprietary Limited				
Related party balances				
Trade receivables			6	5
Trade payables			(304)	(468)
Related party transactions				
Revenue			(76)	(74)
Expenses			14	14
Dividend received			(325)	(146)
Swiftnet Proprietary Limited				
Related party balances				
Trade receivables			1	1
Trade payables			(1)	(6)
Related party transactions				
Revenue			(8)	(15)
Expenses			29	24
Interest paid			–	1
Rossal No 65 Proprietary Limited				
Related party balances				
Accruals and other payables			(285)	(285)

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2013

	Company	
	2013	2012
	Rm	Rm
40. RELATED PARTIES (continued)		
With subsidiaries (continued)		
Rossal No 65 Proprietary Limited (continued)		
<i>Related party transactions</i>		
Dividend paid	–	3
Dividend received	–	(7)
Acajou Investments Proprietary Limited		
<i>Related party balances</i>		
Accruals and other payables	(163)	(164)
<i>Related party transactions</i>		
Dividend paid	–	17
Dividend received	–	(17)
Intekom Proprietary Limited		
<i>Related party balances</i>		
Accruals and other payables	(69)	(58)
<i>Related party transactions</i>		
Expenses	16	14
Q-Trunk Proprietary Limited		
<i>Related party balances</i>		
Loan to subsidiary	4	9
Impairment of loan	(4)	(9)
The loan is unsecured, interest free and has no fixed repayment terms.		
The loan has been subordinated in favour of other creditors.		
<i>Related party transactions</i>		
Expenses	5	5
Special purpose entity – Cell Captive		
<i>Related party balances</i>		
Investment – sinking fund (refer to note 16.2)	928	959
Africa Online Limited (Africa Online)		
<i>Related party balances</i>		
Loan to subsidiary	297	264
Impairment of loan	(262)	(264)
Trade receivables	32	26
Impairment of trade and other receivables	(32)	–
Trade payables	(1)	–
<i>Related party transactions</i>		
Revenue	(2)	(3)
Expenses	5	4
Investment income until September 2011	–	(5)
The loan is unsecured, interest free and has no fixed repayment terms.		
Multi-Links Telecommunications Limited (Multi-Links)		
<i>Related party balances</i>		
Impairment of loan, guarantee, trade receivables and trade payables	–	(319)
Telkom International Proprietary Limited		
<i>Related party transactions</i>		
Loan to subsidiary	2,481	2,481
Impairment of loan	(2,481)	(2,481)
The loan was unsecured, interest free and repayment terms had been negotiated.		

	Company	
	2013	2012
	Rm	Rm
40. RELATED PARTIES (continued)		
With subsidiaries (continued)		
iWayAfrica Proprietary Limited		
(Formerly MWeb Africa Proprietary Limited)		
<i>Related party balances</i>		
Loan to subsidiary	98	98
Impairment of loan	(98)	(98)
Other receivables	49	39
Impairment of trade and other receivables	(49)	(27)
The loan is unsecured, interest free and has no fixed repayment terms.		
<i>Related party transactions</i>		
Revenue	(5)	(7)
Expenses	3	–
Investments income	–	(2)
Telkom Foundation		
<i>Related party balances</i>		
Sundry provision	(9)	(10)
<i>Related party transactions</i>		
Expenses	52	36
Telkom Management Services Proprietary Limited		
<i>Related party balances</i>		
Loan to subsidiary	45	45
Impairment of loan	(45)	(45)

The loan is unsecured, interest free and has no fixed repayment terms.

The sales to and purchases from related parties of telecommunication services are made at normal market prices. Except as indicated above, outstanding balances at year-end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. Except as indicated above, for the year ended 31 March 2013, the company has not made any impairment of amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2013

	Group		Company	
	2013 Rm	2012 Rm	2013 Rm	2012 Rm
40. RELATED PARTIES (continued)				
With entities under common control:				
Major public entities				
<i>Related party balances</i>				
Trade receivables	48	11	48	11
Trade payables	–	(1)	–	(1)
<i>Related party transactions</i>				
Revenue	(301)	(383)	(301)	(381)
Expenses	237	223	237	212
Individually significant expenses	223	207	223	207
<i>South African Post Office</i>	96	95	96	95
<i>Eskom</i>	127	107	127	107
<i>South African Broadcasting Corporation</i>	–	5	–	5
Collectively significant expenses	14	16	14	5
Rent received	(43)	(26)	(43)	(26)
Individually significant rent received:				
South African Post Office	(39)	(22)	(39)	(22)
Collectively significant rent received	(4)	(4)	(4)	(4)
Rent paid	26	21	26	21
Individually significant rent paid:				
South African Post Office	17	13	17	13
Collectively significant rent paid	9	8	9	8
Key management personnel compensation:				
<i>(Including directors' and prescribed officers' emoluments)</i>				
Related party transactions				
Short-term employee benefits	189	191	165	148
Post-employment benefits	10	8	9	8
Termination benefits	24	6	24	6
Transactions with non-executive directors are disclosed in note 39.				
Terms and conditions of transactions with related parties				
Outstanding balances at the year end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for related party receivables or payables.				