

14. Intangible assets						
Group	2015			2014		
	Cost Rm	Accumulated amortisation Rm	Carrying value Rm	Cost Rm	Accumulated amortisation Rm	Carrying value Rm
Goodwill	–	–	–	63	–	63
Trademarks, copyrights and other	251	(205)	46	463	(319)	144
Software	9 989	(7 788)	2 201	9 197	(7 065)	2 132
Under construction	546	–	546	494	–	494
	10 786	(7 993)	2 793	10 217	(7 384)	2 833

Company	2015			2014		
	Cost Rm	Accumulated amortisation Rm	Carrying value Rm	Cost Rm	Accumulated amortisation Rm	Carrying value Rm
Trademarks, copyrights and other	245	(199)	46	235	(183)	52
Software	9 989	(7 788)	2 201	9 183	(7 051)	2 132
Under construction	546	–	546	493	–	493
	10 780	(7 987)	2 793	9 911	(7 234)	2 677

The carrying amounts of intangible assets can be reconciled as follows:

Group	Carrying value at beginning of year Rm	Transfers to disposal group Rm	Additions Rm	Transfers Rm	Amortisation Rm	Write-offs Rm	Carrying value at end of year Rm
2015							
Goodwill	63	(63)	–	–	–	–	–
Trademarks, copyrights and other	144	(93)	10	2	(17)	–	46
Software	2 132	–	530	348	(741)	(68)	2 201
Under construction	494	–	393	(336)	–	(5)	546
	2 833	(156)	933	14	(758)	(73)	2 793
2014							
Goodwill	71	–	–	–	–	(8)	63
Trademarks, copyrights and other	146	–	68	(23)	(47)	–	144
Software	1 929	–	278	616	(642)	(49)	2 132
Under construction	435	–	417	(325)	–	(33)	494
	2 581	–	763	268	(689)	(90)	2 833

Notes to the consolidated annual financial statements (continued)

For the year ended 31 March 2015

14. Intangible assets (continued)

The carrying amounts of intangible assets can be reconciled as follows:

Company	Carrying value at beginning of year Rm	Additions Rm	Transfers Rm	Write-offs Rm	Amortisation Rm	Carrying value at end of year Rm
2015						
Trademarks, copyrights and other	52	10	–	–	(16)	46
Software	2 132	529	349	(68)	(741)	2 201
Under construction	493	393	(335)	(5)	–	546
	2 677	932	14	(73)	(757)	2 793
2014						
Trademarks, copyrights and other	63	24	(23)	–	(12)	52
Software	1 927	278	616	(48)	(641)	2 132
Under construction	435	416	(325)	(33)	–	493
	2 425	718	268	(81)	(653)	2 677

There are no intangible assets whose titles are restricted, or that have been pledged as security for liabilities at 31 March 2015.

Intangible assets that are material to the group consist of software, copyrights and trademarks whose average remaining amortisation period is 4.1 years (2014: 3.75 years).

No intangible asset apart from goodwill has been assessed as having an indefinite useful life.

Approximately R245 million (2014: R190 million) and R244 million (2014: R145 million) of additions relate to externally acquired intangible assets for group and company respectively while R688 million (2014: R573 million) relates to internal developments for group and company. Changes to the estimated useful lives on intangible assets were necessary due to the transformation programme and the group policies and procedures, resulting in an increase in the amortisation by a further R96 million (2014: Rnil).

Impairment testing of cash-generating units (CGU): group and company

During 2013, the group decided to significantly reduce the size of its legacy network. In line with other fixed-line incumbents globally, the group has, for more than a decade, faced technology changes, competition from mobile operators and an evolving regulatory landscape which have contributed to lower investment returns generated from legacy network assets. While the assets form a significant part of the asset base, they are not relevant in the efficiency focused service offering of the group, with an emphasis on internet protocol compliant assets.

In determining the recoverable amount of the Telkom CGU, the company considered several sources of estimation uncertainty and made certain assumptions/judgements about the future.

The group assessed internal and external indicators of impairment of the CGU and concluded that the carrying value approximates the recoverable amount. No impairment losses or reversals were recognised in profit and loss during the year.