Notes to the consolidated financial statements
for the year ended June 30

33. FINANCIAL INSTRUMENTS *(continued)*

33.5 Fair values *(continued)*

Fair value hierarchy *(continued)*

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Non-current assets (liabilities)			Current assets (liabilities)		
R'000	Puttable non-controlling interests	Investments	Vendors for acquisition	Puttable non-controlling interests	Vendors for acquisition	Total
June 30 2017						
Financial assets measured at fair value	**–**	**54 504**	**–**	**–**	**–**	**54 504**
Financial liabilities measured at fair value	**(118 028)**	**–**	**(82 377)**	**(1 077 168)**	**(379 474)**	**(1 657 047)**
June 30 2016						
Financial assets measured at fair value	–	511 122	–	–	–	511 122
Financial liabilities measured at fair value	(1 168 921)	–	–	–	(513 308)	(1 682 229)

	Total	Level 1	Level 2	Level 3
June 30 2017				
Financial assets measured at fair value	**54 504**	**–**	**1 848**	**52 656**
Financial liabilities measured at fair value	**(1 657 047)**	**–**	**–**	**(1 657 047)**
June 30 2016				
Financial assets measured at fair value	511 122	501 293	2 054	7 775
Financial liabilities measured at fair value	(1 682 229)	–	–	(1 682 229)

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring the puttable non-controlling interests and vendors for acquisition fair values at June 30.

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
The expected payments are determined by considering the possible scenarios of forecast EBITDA, the amount to be paid under each scenario and the probability of each scenario. The valuation models consider the present value of expected payment, discounted using a risk-adjusted discount rate.	■ EBITDA growth rates: 10 – 23% (2016: 10% – 23%) ■ EBITDA multiples: 4,8x – 7x (2016: 4,8x – 7x) ■ Risk-adjusted discount rate: 1,99% – 5,0% (2016: 1,99% – 5,0%)	The estimated fair value would increase (decrease) if: ■ the EBITDA were higher (lower); or ■ the risk-adjusted discount rate was lower (higher).

34. CAPITAL MANAGEMENT

The board of directors' policy is to maintain a strong capital base so as to sustain future development of the businesses so that it can continue to provide benefits to its shareholders.

There were no changes in the group's approach to capital management during the year.