Notes to the financial statements continued

for the year ended 30 September 2014

COMPANY 2014	COMPANY 2013		(R'million)	GROUP 2014	GROUP Restated* 2013
		4	**Operating income/(loss) before abnormal items**		
		4.1	Operating income/(loss) has been determined after charging/(crediting)		
			External auditors' remuneration	35,6	35,2
0,3	–		– Audit fees	29,9	30,7
			– Other fees and expenses	5,7	4,5
			Internal auditors' remuneration	10,9	9,9
			Depreciation	679,1	640,1
			– On buildings	58,1	52,2
			– On plant, equipment and vehicles	617,5	584,1
			– On capitalised leased assets	3,5	3,8
			Amortisation	38,1	47,4
			– On trademarks	33,2	42,0
			– On licence agreements, supplier relationships and other intangibles	0,1	0,5
			– On customer lists	4,8	4,9
1,8	1,5		Fees paid for administrative, managerial and technical services	97,3	115,8
			Operating lease charges	165,0	162,2
			– On land and buildings	68,2	72,4
			– On plant, equipment and vehicles	96,8	89,8
			Net loss on disposal of plant, equipment and vehicles	1,2	9,0
			Research, development and related expenditure	21,7	17,1
			Share-based payment expenses	105,4	134,2
			– Cash settled	44,4	98,0
37,7	31,3		– Equity settled, including BEE-related IFRS 2 expenses	61,0	36,2
			Staff costs	2 900,4	2 501,4
			Employer's contribution to retirement funding	201,3	181,3
			Employer's contribution to medical aid	91,7	86,7
0,9	28,7		Foreign exchange (profit)/loss	(21,7)	(21,6)
		4.2	Directors' emoluments		
			Executive directors		
			– Salaries and bonuses	17,6	11,6
			– Retirement, medical and other benefits	29,3	19,5
			Non-executive directors		
5,9	5,3		– Fees	5,9	5,3
5,9	5,3		Total directors' emoluments	52,8	36,4
			Less: Paid by subsidiaries	46,9	(31,1)
5,9	5,3		Emoluments paid by company	5,9	5,3

* *The amounts have been restated due to the adoption of IAS 19R.*

4 Operating income/(loss) before abnormal items continued

4.2 Directors' emoluments continued

Table of directors' emoluments for the year ended 30 September 2014:

	GROUP						
(R000)	Fees	Cash salary	Bonus	Other benefits	Retirement fund contributions	Gains on options exercised	Total 2014
Executive directors							
O Ighodaro	–	3 617	3 051	60	604	–	7 332
PB Matlare	–	4 564	–	316	801	3 491	9 172
CFH Vaux	–	3 417	2 965	40	693	23 365	30 480
Total A	–	11 598	6 016	416	2 098	26 856	46 984
Non-executive directors		EFs					
AC Parker (Chairman)	1 465	85	–	–	–	–	1 550
SL Botha	494	17	–	–	–	–	511
MJ Bowman	315	17	–	–	–	–	332
RMW Dunne	825	17	–	–	–	–	842
M Makanjee	384	10	–	–	–	–	394
KDK Mokhele	536	17	–	–	–	–	553
RD Nisbet	460	17	–	–	–	–	477
MP Nyama	404	17	–	–	–	–	421
BL Sibiya (Deputy Chairman)	757	17	–	–	–	–	774
Total B	5 640	214	–	–	–	–	5 854
Total A + B	5 640	11 812	6 016	416	2 098	26 856	52 838
Details of remuneration paid to prescribed officers of the company are set out below:							
Prescribed officers							
NG Brimacombe	–	3 276	2 901	120	674	4 535	11 506
NP Doyle – Note 1	–	3 509	2 972	593	588	–	7 662
AG Kirk – Note 2	–	2 894	1 355	278	536	–	5 063
N Segoale (1 October 2013 to 28 February 2014) – Note 3	–	1 909	–	1 061	268	2 703	5 941
Total	–	11 588	7 228	2 052	2 066	7 238	30 172
Aggregated details of remuneration paid to members of the executive committee, other than the executive directors and prescribed officers above, are set out below:							
Total – Note 4	–	17 618	10 082	982	2 764	12 995	44 441

Note 1 – *a special once-off allowance of R521 070 was paid to NP Doyle in September 2014 in recognition of the additional responsibilities he had assumed in respect of the company's Nigerian subsidiaries, namely Dangote Flour Mills and Deli Foods.*

Note 2 – *the bonus value of R1 354 510 excludes an amount of R1 354 510 which has been deferred for the purchase of restricted shares in terms of the rules of the Tiger Brands Limited 2013 Share Plan.*

Note 3 – *other benefits include accommodation and flights home for personal visits as part of expatriate package.*

Note 4 – *the bonus value of 10 082 179 excludes an amount of R486 255 in respect of one member of the executive committee, who has deferred a portion of his bonus for the purchase of restricted shares in terms of the rules of the Tiger Brands Limited 2013 Share Plan.*

EFs – *fees paid to the Chairman for his attendance at meetings of the board of directors of Empresas Carozzi, an associate of Tiger Brands (R51 000). Also includes fees paid to non-executive directors in respect of their attendance at special board meetings of the company.*

Notes to the financial statements continued

for the year ended 30 September 2014

4 Operating income/(loss) before abnormal items continued

4.2 Directors' emoluments continued

Table of directors' emoluments for the year ended 30 September 2013:

	GROUP						
(R000)	Fees	Cash salary	Bonus	Other benefits (Note 4)	Retirement fund contributions	Gains on options exercised	Total 2013
Executive directors							
O Ighodaro	–	3 150	–	60	526	–	3 736
PB Matlare – Note 1	–	4 251	1 000	310	748	11 352	17 661
CFH Vaux	–	3 225	8	36	653	5 859	9 781
Total A	–	10 626	1 008	406	1 927	17 211	31 178
Non-executive directors		EFs					
AC Parker (Chairman)	1 382	17	–	–	–	–	1 399
SL Botha	465	–	–	–	–	–	465
MJ Bowman	298	–	–	–	–	–	298
RMW Dunne	765	–	–	–	–	–	765
M Makanjee	362	–	–	–	–	–	362
KDK Mokhele	500	–	–	–	–	–	500
RD Nisbet	429	–	–	–	–	–	429
MP Nyama	382	–	–	–	–	–	382
BL Sibiya (Deputy Chairman)	714	–	–	–	–	–	714
Total B	5 297	17	–	–	–	–	5 314
Total A + B	5 297	10 643	1 008	406	1 927	17 211	36 492
Details of remuneration paid to prescribed officers of the company are set out below:							
Prescribed officers							
NG Brimacombe	–	3 059	4	114	629	3 951	7 757
NP Doyle	–	2 480	–	54	415	–	2 949
AG Kirk (8 July 2013 to 30 September 2013)	–	670	–	67	124	–	861
PM Roux (1 October 2012 to 28 February 2013) – Note 2	–	1 528	–	438	261	–	2 227
N Segoale – Note 3	–	3 870	163	1 920	607	3 003	9 563
Total	–	11 607	167	2 593	2 036	6 954	23 357
Aggregated details of remuneration paid to members of the executive committee, other than the executive directors and prescribed officers above, are set out below:							
Total	–	9 799	1	798	1 963	19 271	31 832

Note 1 – *a special incentive bonus of R1 000 000 was paid to PB Matlare in December 2012 in recognition of his efforts in respect of progressing the Africa expansion strategy.*
Note 2 – *other benefits include notice and leave pay.*
Note 3 – *other benefits include accommodation and flights home for personal visits as part of expatriate package.*
Note 4 – *includes a long service allowance of R218 929 paid to a member of the executive committee for 30 years' service effective August 2013.*
EFs – *fees paid to the Chairman for his attendance at meetings of the board of directors of Empresas Carozzi, an associate of Tiger Brands.*

4.3 Directors' service contracts

No directors have service contracts with notice periods of more than three months.