



Group and Company accounting policies

for the year ended 29 February 2008

BASIS OF ACCOUNTING AND REPORTING

The financial statements as set out on pages 90 to 150 have been prepared on the historical cost basis except for the revaluation of certain financial instruments. Significant details of the Group and Company's accounting policies are set out below which are consistent with those applied in the previous year, except for the adoption of IFRS 7 *Financial Instruments: Disclosures* which is effective for annual reporting periods beginning on or after 1 January 2007, and the consequential amendments to IAS 1 *Presentation of Financial Statements*.

The financial statements comply with the International Financial Reporting Standards ("IFRS") of the International Accounting Standards Board, the JSE Listings Requirements, AIM Rules and the Companies Act of South Africa.

ADOPTION OF NEW ACCOUNTING STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS

The Group and Company have adopted the following statements and interpretations:

New standards

The impact of the adoption of IFRS 7 *Financial Instruments: Disclosures* and the changes to IAS 1 *Presentation of Financial Statements* has been to expand the disclosures provided in these financial statements regarding the Group and Company's financial instruments and management of capital (see Note 25).

New interpretations

Four interpretations issued by the International Financial Reporting Interpretations Committee are effective for the current period. These are: IFRIC 7 *Applying the Restatement Approach under IAS 29, Financial Reporting in Hyperinflationary Economies*; IFRIC 8 *Scope of IFRS 2*; IFRIC 9 *Reassessment of Embedded Derivatives*; IFRIC 10 *Interim Financial Reporting and Impairment*; IFRIC 11 *IFRS 2 Group Treasury Share Transactions*. Two further interpretations are not yet effective but have been early-adopted, namely IFRIC 12 *Service Concession Arrangements*; and IFRIC 14 *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*. The adoption of these interpretations has not led to any changes in the Group's accounting policies, and has had no material impact on the Group and Company financial statements.

New interpretations and standards not yet adopted

At the date of authorisation of these financial statements, the following standards and interpretations applicable to the Group were in issue but not yet effective:

- IFRS 2 *Share-based Payment: Vesting Conditions and Cancellations* (effective for accounting periods beginning on or after 1 January 2009);
- IFRS 3 *Business Combinations* (effective for accounting periods beginning on or after 1 July 2009);
- IAS 1 *Presentation of Financial Statements* (effective for accounting periods beginning on or after 1 January 2009);
- IAS 27 *Consolidated and Separate Financial Statements* (effective for accounting periods beginning on or after 1 July 2009);
- IAS 32 (AC 125) *Financial Instruments: Presentation* together with consequential amendments to IAS 1 *Presentation of Financial Statements: Puttable Financial Instruments and Obligations Arising on Liquidation* (effective for accounting periods beginning on or after 1 January 2009);
- IAS 23 (Revised) *Borrowing Costs* (effective for accounting periods beginning on or after 1 January 2009);
- IFRS 8 *Operating Segments* (effective for accounting periods beginning on or after 1 January 2009); and
- IFRIC 13 *Customer Loyalty Programmes* (effective for accounting periods beginning on or after 1 July 2008).

The revised IFRS 3 *Business Combinations* standard has a number of amendments that will impact the Group for business combinations concluded post the effective date. The most significant of which are expected to be:

- That costs associated with the acquisition must be expensed, such costs include advisory, legal, accounting, valuation, and other professional costs associated with the transaction. Currently these costs are capitalised as part of the cost of the acquisition.
- If the amount of contingent consideration changes as a result of a post-acquisition event (such as meeting an earnings target), accounting for the change in consideration depends on whether the additional consideration is an equity instrument or cash or other assets paid or owed. If it is equity, the original amount is not remeasured. If the additional consideration is cash or other assets paid or owed, the changed amount is recognised in profit or loss. Currently the contingent consideration, regardless of the manner in which it is settled, is remeasured and an adjustment is made to goodwill.
- An option is added to permit an entity to recognise 100% of the goodwill of the acquired entity. This is known as the "full goodwill method" and such option may be elected on a transaction-by-transaction basis.

IFRS 8 is a disclosure standard which may result in a redesignation of the Group's reportable segments but is not expected to have an impact on the reported results or financial position of the Group.



The directors believe that none of the other new or revised standards and interpretations will have a significant effect on the Group's accounting policies.

KEY ASSUMPTIONS MADE BY MANAGEMENT IN APPLYING ACCOUNTING POLICIES

In the application of the Group's accounting policies described below, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors which are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key areas of estimation included in the Group's annual financial statements, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year:

- estimates made in determining the recoverable amount of acquired intangible assets included in the balance sheet at \$55,0 million (2007: \$20,7 million). The Group continually assesses the carrying value of its intangible assets recognised as part of historical acquisitions. This requires an estimation of the value in use, based on estimated future cash flows and discount rates, of the asset or cash-generating units to which these assets belong;
- estimates made in determining the recoverable amount of goodwill included in the balance sheet at \$284,3 million (2007: \$162,6 million). Similar to acquired intangible assets this requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated;
- estimates made in determining the probability of future taxable income thereby justifying the recognition of deferred tax assets included in the balance sheet at \$29,3 million (2007: \$22,4 million);
- estimates regarding the recognition and measurement of financial instruments. Details of the assumptions made and sensitivity analyses of these assumptions are provided in Note 25;
- estimates made in determining the level of provision required for obsolete inventory and doubtful debts in Note 14 and 15, respectively;
- estimates made in determining changes in estimated useful lives and residual values of property, plant and equipment; and
- estimates made of contingent liabilities disclosed.

BASIS OF CONSOLIDATION

The Group reports in US Dollars in order to be consistent with the economic substance of the underlying events and circumstances of the Group's businesses. The US Dollar is the functional currency in which the major part of the Group's trading is conducted. Reporting in US Dollars reduces the distorting effects of changes in currency exchange rates, simplifies financial analysis and enhances the transparency of the financial results. Presenting financial information in US Dollars is also more meaningful to global investors and for international benchmarking.

The translation for reporting purposes into US Dollars is done as follows:

- assets and liabilities (including comparatives) are translated at the closing rate ruling at the date of each balance sheet; and
- income and expense items for all periods presented (including comparatives) are translated at a weighted average rate that approximates the ruling exchange rates at the dates of the transactions.

The consolidated Group financial statements incorporate the financial statements of the Company and all enterprises controlled by the Company up to the end of February each year. Control is achieved where the Group has the power to govern the financial and operating policies of an enterprise so as to obtain economic benefits from its activities.

The operating results of Group entities have been included from the effective dates of acquisition to the effective dates of disposal. All significant inter-company transactions, balances, income and expenses have been eliminated in full on consolidation.

On acquisition, the assets and liabilities of a subsidiary are measured at their fair values at the date of acquisition. To the extent that the cost of the acquisition, in excess of the fair value of the net assets acquired, is attributable to intangible assets that the entity holds for its own use or for rental to others, this value is recognised as an intangible asset. Any additional difference between the cost



Group and Company accounting policies *continued*

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of acquisition and total net asset value of the entity is recognised as goodwill. The interest of minority shareholders is stated at the minority's proportion of the fair values of the net assets recognised (excluding goodwill).

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

BUSINESS COMBINATIONS

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured as the aggregate of the fair values (at date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions of recognition under IFRS 3 *Business Combinations* are recognised at their fair values at the acquisition date, except for non-current assets that are classified as held-for-sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit and loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

FOREIGN CURRENCY TRANSACTIONS

Transactions in currencies other than the reporting currency are initially recorded at the rates of exchange ruling on the dates of the transactions. At each balance sheet date, monetary assets and liabilities denominated in such currencies are retranslated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are dealt with in the income statement except for profits and losses on exchange arising from equity loans which are taken directly to equity, until the entity to which the loan was made has been disposed of, at which time they are recognised as income or an expense.

Exchange differences arising on equity loans and the translation of foreign subsidiaries are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or expenses in the period during which disposals are effected.

Where appropriate, in order to minimise its exposure to foreign exchange risks, the Group enters into forward exchange contracts.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

PROPERTY, PLANT AND EQUIPMENT

Land and buildings comprise mainly warehouses and offices. All property, plant and equipment have been stated at cost less accumulated depreciation and impairment except land, which is shown at cost less impairment. Depreciation is calculated based on cost using the straight-line method over the estimated useful lives of the assets and their recoverable amount.

The basis of depreciation provided on property, plant and equipment is:

	Useful lives (years)
Office furniture and equipment	2 – 6
Motor vehicles	2 – 4
Computer equipment and software	2 – 6
Buildings	20
Leasehold improvements	Period of the lease
Land is not depreciated.	

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.



Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the income statement.

LEASED ASSETS

Assets leased in terms of agreements, which are considered to be finance leases, are capitalised. Capitalised leased assets are depreciated at the same rate and on the same basis as equivalent owned assets or over the term of the lease if this is shorter. The liability to the lessor is included in the balance sheet as a finance lease obligation. Lease finance charges are amortised over the duration of the underlying leases, using the effective interest rate method.

Operating leases, mainly for the rental of premises, office furniture, computer equipment and motor vehicles are not capitalised and rentals are expensed on a straight-line basis over the lease term.

CAPITALISED DEVELOPMENT EXPENDITURE

An intangible asset arising from internal development (or from the development phase of an internal project) is recognised only if the Group can demonstrate all of the following:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) its intention or ability to complete the intangible asset, and use or sell it;
- (c) how the intangible asset will generate probable future economic benefits, including the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- (d) the availability of adequate technical, financial and other resources to complete the development, and to use or sell the intangible asset; and
- (e) its ability to reliably measure the expenditure attributable to the intangible asset during its development.

Capitalised development costs are amortised using the straight-line method over their useful lives, which generally do not exceed seven years.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

OTHER INTANGIBLE ASSETS

Other intangible assets include those intangible assets acquired and identified as part of a business combination. Intangible assets are identifiable non-monetary assets without physical substance that an entity holds for its own use or for rental to others and include technology-based items like patents, copyrights and databases; customer-based items, research and development and contract-based items.

An intangible asset is recognised when it meets the following criteria:

- (a) is identifiable;
- (b) the entity has control over the asset;
- (c) it is probable that economic benefits will flow to the entity; and
- (d) the cost of the asset can be measured reliably.

Intangible assets are amortised using the straight-line method over their useful lives, which generally do not exceed 10 years. Intangible assets which do not meet the criteria listed above are recognised as an expense in the period in which it is incurred.

GOODWILL

Goodwill represents the excess cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. The carrying amount of goodwill (or relevant portion thereof) is included in computing the gains and losses on the disposal of an entity.

Impairment tests are conducted annually on goodwill based on future discounted cash flows, and other appropriate methods.

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.



Group and Company accounting policies *continued*

for the year ended 29 February 2008

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control, that is, when the strategic financial and operating policy decisions relating to the activities of the joint venture require the unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these financial statements using the equity method of accounting.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a Group entity transacts with an associate or joint venture of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate or joint venture.

IMPAIRMENT

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, its carrying amount is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately and are reflected in the income statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but will never exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

INVENTORIES

Inventories, comprising merchandise for resale and raw materials, are stated at the lower of cost and net realisable value and are mainly valued on the weighted average cost basis.

Provision is made for obsolete and slow-moving inventory.

Contract work in progress is recognised on the percentage of completion method by reference to the milestones for each contract.

FINANCIAL INSTRUMENTS

Measurement

Financial instruments are initially measured at fair value, which includes transaction costs and approximates fair value. Subsequent to initial recognition these instruments are measured at amortised cost using the effective interest rate method.

Investments

Investments, other than investments in subsidiaries, are recognised on a trade-date basis and are initially measured at cost, including transaction costs. These investments are classified as either held-for-trading or available-for-sale, and are measured at subsequent reporting dates at fair value. An investment is classified as held-for-trading if it has been acquired principally for the purpose of selling in the near future, or it is part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking. An investment is classified as available-for-sale if it is not held for trading.

Where securities are held for trading purposes, gains or losses arising from changes in fair value are included in the income statement for the period in operating profit. For available-for-sale investments, gains and losses arising from changes in fair value are recognised directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the income statement for the period.



Fair value of listed investments is calculated by reference to the quoted selling price at the close of business on the balance sheet date.

Unlisted investments are shown at fair value or at cost where fair value cannot be measured reliably. Fair value is determined with reference to independent valuations using discounted cash-flow analysis or other suitable valuation methodologies or recent arm's length market transactions between knowledgeable, willing parties.

Trade receivables

Trade receivables are recognised initially at cost, which approximates fair value and are subsequently measured at amortised cost using the effective interest rate method. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or expense over the period of the instrument. Effectively, this method determines the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or, if appropriate, a shorter period, to the net carrying amount of the financial asset or liability.

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all the amounts due according to the original terms of the receivables. Objective evidence includes observable data about the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract;
- a creditor granting concessions to the debtor which it would not normally consider, but for the debtor's financial difficulty;
- it becomes probable that the debtor will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for the debtor; or
- an increase in delayed payments from the debtor or an increase in the number of times the debtor exceeds its credit limit.

In instances where there is clear and unassailable evidence that a trade receivable has been impaired and that there is no evidence to indicate that the trade receivable is recoverable and all reasonable measures to recover the amount have been exhausted, the Group would reduce the carrying amount of the impaired trade receivable directly against the asset account or the provision for impairment of trade receivables if one had previously been raised.

Any increase or decrease in the provision for impairment of trade receivables or any reduction in trade receivables directly against the asset account is recorded in operating profit.

Renegotiated financial assets

Financial assets whose terms have been renegotiated to terms outside the entities' normal terms and conditions, but the new terms are still within acceptable industry standards and norms, will not be deemed to have been derecognised and the renegotiated terms will be accounted for as part of the old financial asset.

In those instances where an entity has renegotiated the terms of an existing financial asset to terms outside the entities' normal terms and conditions and the new terms are beyond acceptable industry standards and norms, the financial asset will be deemed to have been derecognised and a new financial asset would be raised with the resultant gain or loss on derecognition being recognised in operating profit.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Borrowings

Borrowings are initially recorded at fair value, net of direct issue costs, and are subsequently measured at amortised cost using the effective interest rate method. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade payables

Trade payables are recognised initially at cost, which approximates fair value and are subsequently measured at amortised cost using the effective interest rate method.

**Equity instruments**

Equity instruments issued by the Company are recorded at the proceeds received, net of the direct issue costs.

PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made for the amount of the obligation. Non-current provisions are adjusted to reflect the time value of money.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

AMOUNTS OWING TO VENDORS

Amounts owing to vendors represent purchase considerations owing in respect of acquisitions. These purchase considerations are to be settled with the vendors in cash or shares on fulfilment of the relevant profit warranties. The amounts owing are interest-free and will be settled within the next year. Any additional amounts payable to vendors will be allocated to goodwill arising on acquisition and will have no effect on the income statement.

TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable income for the year. Taxable income differs from net income as reported in the income statement because it includes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's liability for current tax uses relevant rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences which arise from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable income. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable income will be available against which deductible temporary differences can be utilised. The carrying value of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

REVENUE RECOGNITION

Revenue is measured at fair value of the consideration received or receivable and, except for certain sales arrangements where the Group acts as agent, represents the invoiced value of sales and services rendered, excluding discounts and sales-related taxes. Revenue from sales arrangements where the Group acts as agent is recognised on a net basis and the commission or gross profit earned on these contracts is recognised as revenue. In respect of trading operations revenue is recognised at the date on which goods are delivered to customers or services are provided.

Revenue and profits from the rendering of services on long-term and fixed-price contracts are recognised on the percentage-of-completion method, after providing for contingencies and once the outcome of the contract can be assessed with reasonable assurance. The percentage of completion is measured by reference to milestones set out in each contract. As soon as losses on individual contracts become evident, they are provided for in full.



Revenue from cost plus contracts is recognised by reference to the recoverable costs incurred during the period plus the fee earned, measured by the proportion that costs incurred to date bear to the estimated total costs of the contract.

Within the Group, inter-company and inter-divisional revenue is eliminated on consolidation.

Interest received is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

BORROWING COSTS

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

SHARE-BASED PAYMENTS

The Group issues equity-settled and cash-settled share-based incentives to certain employees.

Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straightline basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

For cash-settled share-based payments the liability for the fair value of all unexercised share rights which are expected to vest, is determined initially at grant date and then revalued at each reporting date and amortised over the applicable period.

Fair value is measured by use of a binomial model for equity-settled share-based payments and by use of a Black-Scholes-Merton model for cash-settled share-based payments. The expected life used in the models has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

PENSION SCHEME ARRANGEMENTS

Certain subsidiaries of the Group make contributions to various defined contribution retirement plans on behalf of employees, in accordance with the local practice in the country of operation. These contributions are charged against income as incurred.

The Group has no liability to these defined contribution retirement plans other than the payment of its share of the contribution in terms of the agreement with the funds and employees concerned, which differs from country to country.

DISCONTINUING OPERATIONS

Discontinuing operations are significant, distinguishable components of the Group that have been sold, abandoned or are the subject of formal plans for disposal or discontinuance. Any operation disposed of subsequent to year-end is considered to be a discontinuing operation for disclosure purposes.

Once an operation has been identified as discontinuing, comparative information is restated.