Notes to the annual financial statements continued

for the year ended 31 March 2025

6. Financing structure and commitments

6.1 Investment income

	Group		Company	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
	Rm	Rm	**Rm**	Rm
Investment income	**369**	229	**2 408**	4 381
Interest income	**339**	229	**1 149**	1 115
Dividend income from subsidiaries	**—**	—	**1 229**	3 266
Dividend received in cash	**—**	—	**1 189**	616
Non-cash dividend	**—**	—	**40**	2 650
Dividend income from insurance cell captive	**30**	—	**30**	—

Interest income relates to interest earned from financial assets (cash and cash equivalents and loans) measured at amortised cost. Interest is recognised on a time proportionate basis, taking into account the principal amount outstanding and the effective interest rate.

The decrease in dividend received is mainly due to the decrease in dividends declared by BCX in the current financial year.

R40 million (31 March 2024: R2 650 million) of the dividends declared by BCX and Gyro were non-cash and were net settled through the entities' intercompany accounts.

6.2 Net finance charges and fair value movements

	Group		Company	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
	Rm	Rm	**Rm**	Rm
Net finance charges and fair value movements	**(1 984)**	(2 181)	**(1 859)**	(2 002)
Net finance charges	**(1 926)**	(2 127)	**(1 809)**	(2 030)
Finance charges on lease liabilities	**(529)**	(586)	**(463)**	(468)
Net finance charges on local debt[1]	**(1 445)**	(1 580)	**(1 377)**	(1 590)
Less: Finance charges capitalised[2]	**48**	39	**31**	28
Foreign exchange and fair value movements	**(58)**	(54)	**(50)**	28
Foreign exchange gain/(loss)	**167**	(185)	**112**	(101)
Fair value adjustments	**(225)**	131	**(162)**	129
Capitalisation rate for borrowing costs (%)	**10.2**	10.2	**10.2**	10.2

[1] *For the interest-bearing debt movement, refer to note 6.4.*

[2] *Finance charges on general borrowings are capitalised to qualifying assets (property, plant and equipment and intangible assets).*

Finance charges relate to interest expense on financial liabilities measured at amortised cost.

Net finance charges on local and foreign debt decreased from R2 127 million in March 2024 to R1 926 million in March 2025 for the Group and decreased from R2 030 million in March 2024 to R1 809 million in March 2025 for the Company. The decrease in finance charges is largely due to decreases in interest rates and lower average debt levels during the current financial year.