for the year ended 30 June

	2003 %	2002 Restated %	2001 Restated %
33. Taxation (continued)			
Reconciliation of effective tax rate			
Total income tax expense differs from the amount computed by applying the South African normal tax rate to net income before tax. The reasons for these differences are:			
South African normal tax rate	**30,0**	30,0	30,0
Increase in rate of tax due to			
– STC	**3,1**	2,2	2,0
– different foreign tax rate	**0,2**	1,0	0,7
– increase in assessed losses	**1,2**	—	—
– other disallowed expenditure	**2,9**	1,4	1,0
	37,4	34,6	33,7
Decrease in rate of taxation due to			
– prior year adjustments	**(1,8)**	(0,4)	(0,6)
– utilisation of assessed losses	**—**	(0,5)	(0,2)
– exempt other income	**(2,0)**	(0,5)	—
Effective tax rate	**33,6**	33,2	32,9

The reason for the difference in the effective tax rate between 2003 and 2002 is due mainly to an increase in assessed losses and increased disallowed expenditure, partially offset by the increase in prior year adjustments and exempt other income. The reason for the difference in the effective tax rate between 2002 and 2001 is mainly due to the increased STC payable on higher dividends, increased foreign tax and disallowed expenditure, partially offset by the increase in exempt other income.

	2003 Rm	2002 Rm	2001 Rm
34. Capital items included in operating profit			
Impairment of			
– property, plant and equipment	**(5)**	(145)	(685)
– intangible assets	**(5)**	—	(35)
– goodwill	**(73)**	—	—
(Loss)/profit on disposal of			
– property, plant and equipment	**(16)**	4	(117)
– intangible assets	**84**	—	(1)
– investments in businesses	**(158)**	(50)	(132)
Scrapping of property, plant and equipment	**(69)**	(52)	(116)
	(242)	(243)	(1 086)
Tax effect thereon	**2**	30	275
	(240)	(213)	(811)

Further details on capital items are provided in the chief financial officer's review, refer page 82.