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2. DISCONTINUED OPERATIONS

The board has resolved to dispose of:

- Adcock Ingram Private Limited (India)
- Ayrton Drug Manufacturing Limited (Ayrton)

The results of these businesses are presented below and the net assets were classified as held-for-sale as completion of the disposals are expected subsequent to year-end.

2.1 STATEMENT OF COMPREHENSIVE INCOME

REVENUE	412 289	376 211
TURNOVER	403 892	369 468
Cost of sales	(175 204)	(162 018)
Gross profit	228 688	207 450
Selling, distribution and marketing expenses	(143 210)	(164 062)
Fixed and administrative expenses	(53 883)	(110 431)
Trading profit/(loss) (refer b)	31 595	(67 043)
Non-trading expenses (refer a)	(230 307)	(87 365)
Operating loss	(198 712)	(154 408)
Finance income	8 397	6 743
Finance costs	(8 574)	(4 300)
Loss before taxation	(198 889)	(151 965)
Taxation	(1 353)	842
Loss for the year from discontinued operations	(200 242)	(151 123)
Loss attributable to:		
India	(139 583)	(131 833)
Ayrton	(60 659)	(19 290)
	(200 242)	(151 123)
Profit/(Loss) attributable to:		
Owners of the parent	(203 403)	(146 868)
Non-controlling interests	3 161	(4 255)
	(200 242)	(151 123)
a) Non-trading expenses		
Impairment of assets transferred to held-for-sale	207 971	–
India	135 012	–
Ayrton	72 959	–
Transaction costs	22 656	–
Profit on sale of intangible asset	(320)	–
Impairment of Intangible assets	–	74 432
Impairment of property, plant and equipment	–	7 390
Retrenchment costs	–	770
Scrapping of property, plant and equipment	–	2 241
Lease cancellation expenses	–	316
Write-off of India rental deposit	–	2 216
	230 307	87 365

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2. DISCONTINUED OPERATIONS (continued)

2.1 STATEMENT OF COMPREHENSIVE INCOME (continued)

b) Trading profit/(loss)

Trading profit/(loss) has been arrived at after charging/(crediting) the following expenses/(income):

Depreciation

– Freehold land and buildings	347	205
– Leasehold improvements	32	698
– Plant, equipment and vehicles	1 084	1 089
– Computers	20	5 534
– Furniture and fittings	30	2 549
Amortisation of intangible assets	111	50 561
Inventories written off	4 616	5 755
Foreign exchange profit	(3 790)	(883)
Bad debts written off	–	1 748
Loss/(Profit) on disposal of property, plant and equipment	70	(506)
Total staff cost	93 119	86 931

Included in cost of sales	9 721	7 740
Included in operating expenses	83 398	79 191

2.2 STATEMENT OF FINANCIAL POSITION

Details of assets and liabilities transferred to held-for-sale:

ASSETS

Property, plant and equipment	19 234
Cost	72 313
Accumulated depreciation	(53 079)
Intangible assets	381 109
Cost	756 753
Accumulated amortisation	(375 644)
Inventories	32 757
Trade and other receivables	56 660
Taxation receivable	2 114
Cash and cash equivalents	118 764
Total assets	610 638

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2. DISCONTINUED OPERATIONS (continued)

2.2 STATEMENT OF FINANCIAL POSITION (continued)

LIABILITIES

Long-term borrowings	5 464
Short-term borrowings	5 971
Bank overdraft	13 102
Trade and other payables	71 733
Provisions	3 835
Total liabilities	100 105
Net assets/(liabilities) classified as held-for-sale	
India	527 174
Ayrton	(16 641)
Net assets	510 533
Foreign currency translation reserve related to assets classified as held-for-sale:	(148 663)
India	(203 987)
Ayrton	55 324
Share issue expenses related to assets classified as held-for-sale – India	3 665
Net assets	365 535

2.3 CASH FLOW STATEMENT

Included in the Group's consolidated statement of cash flows are cash flows from the Indian and Ayrton discontinued operations. These cash flows are included in operating, investing and financing activities as follows:

Cash outflow from operating activities	(6 061)	(15 804)
Cash outflow from investing activities	(1 962)	(7 522)
Cash (outflow)/inflow from financing activities	(8 419)	12 516
Net cash outflow	(16 442)	(10 810)

3. REVENUE

Turnover	5 545 610	5 158 901
Finance income	5 107	13 144
Dividend income – Black Managers Share Trust	9 179	10 670
	5 559 896	5 182 715