

2016
R'0002015
R'000

26. NOTES TO THE STATEMENTS OF CASH FLOWS

26.1 OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES

Profit before taxation from continuing operations	549 931	491 805
Loss before taxation from discontinued operations	(198 889)	(151 965)
Profit before taxation	351 042	339 840
Adjusted for:		
– amortisation of intangibles	9 161	60 372
– depreciation	138 904	135 726
– loss on disposal/scrapping of property, plant and equipment	958	491
– dividend income	(9 179)	(10 670)
– finance income	(13 504)	(19 887)
– finance costs	85 462	100 983
– profit on disposal of business	–	(8 260)
– equity accounted earnings	(59 288)	(65 608)
– share-based payment expenses	39 919	15 081
– accelerated Mpho ea Bophelo settlement	(26 511)	(1 235)
– provision for accounts receivable impairment and credit notes	10 888	18 423
– increase in provisions and post-retirement medical liability	2 760	25 055
– profit on disposal of intangibles property, plant and equipment	(320)	–
– impairment in discontinued operations	207 971	–
– straight-lining of leases	3 555	6 196
– impairment of property, plant and equipment and intangible assets	3 149	81 822
– impairment of long-term receivable and investment	5 489	6 336
– inventories written off	68 602	89 425
– increase/(decrease) in inventory provisions	14 558	(57 243)
– foreign exchange (gain)/loss	(6 244)	5 487
– write-off of India rental deposit	–	2 216
	827 372	724 550

26.2 WORKING CAPITAL CHANGES

Increase in inventories	(89 656)	(139 408)
Increase in trade and other receivables	(56 006)	(182 471)
Increase in trade and other payables	259 414	195 456
	113 752	(126 423)

26.3 DIVIDENDS PAID

Dividends paid to equity holders of the parent	(190 762)	–
Dividends paid to non-controlling shareholders	(6 215)	(4 537)
	(196 977)	(4 537)

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

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26. NOTES TO THE STATEMENTS OF CASH FLOWS (continued)		
26.4 TAXATION PAID		
Amounts overpaid at beginning of year	77 948	76 306
Amounts charged to profit or loss	(171 900)	(141 031)
Movement in deferred tax	2 648	55 397
Exchange rate adjustments	(1 149)	(36)
Deconsolidation of Blue Falcon Trading Proprietary Limited	119	–
Amounts overpaid at end of year	(84 087)	(77 948)
	(176 421)	(87 312)
26.5 NET CASH FLOW ON DISPOSAL OF BUSINESS		
Consideration received	–	7 344
Net cash disposed of	–	(10 007)
Cash outflow	–	(2 663)
26.6 FINANCE INCOME RECEIVED		
Finance income – continuing operations	5 107	13 144
– discontinued operations	8 397	6 743
	13 504	19 887
Add/(less) – movement in receivable	10 785	(5 478)
– current year receivable transferred to assets held-for-sale	(7 040)	–
	17 249	14 409
26.7 FINANCE COSTS PAID		
Finance costs – continuing operations	(76 888)	(96 683)
– discontinued operations	(8 574)	(4 300)
	(85 462)	(100 983)
Less: movement in accrual	(1 227)	(2 888)
	(86 689)	(103 871)
26.8 DECREASE IN OTHER FINANCIAL ASSETS		
Proceeds from sale of interest in Group Risk Holdings Proprietary Limited	–	345
Decrease in Black Managers Share Trust	11 961	37 617
	11 961	37 962

27. CONTINGENT LIABILITIES

The wholly-owned South African companies in the Group provide cross-sureties for the debt obligations (refer to note 21) and overdraft facilities (refer to note 17) in South Africa.