

Notes to the Group annual financial statements continued

2 DISCONTINUED OPERATIONS

Adcock Ingram Private Limited (India) and 53.47% of Ayrton Drug Manufacturing Limited (Ayrton) in Ghana were disposed of on 14 October 2016 and 7 December 2016 respectively. The loss of control on disposal resulted in the foreign currency translation reserve relating to both entities being recycled to profit and loss during the previous financial year.

2017

R'000

2.1 STATEMENT OF COMPREHENSIVE INCOME

REVENUE	120 174
TURNOVER	118 901
Cost of sales	(47 191)
Gross profit	71 710
Selling, distribution and marketing expenses	(39 077)
Fixed and administrative expenses	(17 384)
Trading profit	15 249
Non-trading expenses	(6 833)
Operating profit	8 416
Finance income	1 273
Finance costs	(2 014)
Profit before taxation	7 675
Taxation	(1 301)
Profit for the period from discontinued operations	6 374
Profit on disposal of the discontinued operations	34 758
Profit for the period from discontinued operations	41 132
Profit/(loss) attributable to:	
India	46 638
Ayrton	(5 506)
	41 132
Profit attributable to:	
Owners of the parent	39 903
Non-controlling interests	1 229
	41 132

2.2 CASH INFLOW ON DISPOSAL

Consideration received	338 601
India	327 565
Ayrton	11 036
Net cash disposed of with the discontinued operations	(47 505)
India	(48 807)
Ayrton	1 302
Net cash inflow	291 096

Notes to the Group annual financial statements continued

2 DISCONTINUED OPERATIONS (continued)

2.3 CASH FLOW STATEMENT

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

	2018 R'000	2017 R'000
Cash inflow from operating activities		19 487
Cash inflow from investing activities		744
Cash outflow from financing activities		(78 388)
Net cash outflow		(58 157)

3 REVENUE

		2017 R'000
Turnover	6 540 255	5 936 056
Finance income	18 270	15 665
Dividend income – Black Managers Share Trust	4 340	5 979
	6 562 865	5 957 700

4 NON-TRADING EXPENSES

Impairments (Refer Annexure G)	5 235	217
Intangible assets	2 700	–
Long-term receivable	2 535	217
Transaction costs	7 315	6 251
Share-based payment expenses (Refer Annexure B)*	34 345	40 660
Cash-settled	4 656	5 358
Equity-settled	22 426	20 971
Black Managers Share Trust – equity-settled	323	2 739
Black Managers Share Trust – cash-settled	6 940	11 592
	46 895	47 128

*Includes expense for key management of R7.0 million (2017: R9.0 million) and for Executive Directors of R6.6 million (2017: R4.5 million)

5 FINANCE INCOME AND FINANCE COSTS

5.1 FINANCE INCOME

Bank	18 225	14 731
Receiver of Revenue	45	934
	18 270	15 665

5.2 FINANCE COSTS

Bank	7 963	4 014
Borrowings	15 561	29 619
Commitment fees	2 632	4 263
Receiver of Revenue	–	229
Other	31	114
	26 187	38 239