40. Pensions and other retirement obligations

The Group has made provision for pension and provident schemes covering substantially all employees. All eligible employees are members of defined contribution schemes administered by third parties. The assets of the schemes are held in administered trust funds separated from the Group's assets. Scheme assets primarily consist of listed shares, bonds and cash. The South African funds are governed by the Pension Funds Act of 1956.

41. Medscheme Provident Fund and Medscheme Employees Provident Fund

These funds are defined contribution plans. Contributions are fully expensed during the year in which they are funded.

Contributions of 7.6% of retirement funding remuneration are paid by the employer and contributions paid by the employee range between 0% and 12% of retirement funding remuneration. In the interest of the employee members of these funds, the trustees are encouraged to obtain an independent actuarial assessment of the performance of the funds.

42. Subsequent events

At 30 June 2014 the Company had entered into discussions with certain parties with a view to expanding the business of AfroCentric Health Limited. A commencing Cautionary Notice was posted on the Securities Exchange News Service ("SENS") on 10 June 2014. Pursuant thereto, the following information is an extract from a section of the Company's published results announcement on SENS on 30 September 2014 titled "Recent Developments":

1. Agreement has been reached to acquire the wholesale and courier pharmacy businesses belonging to WAD Holdings (Proprietary) Limited ("WAD"), businesses that specialise in the wholesaling, dispensing and delivery of chronic medication for and on behalf of private and public sector clients and patients. In addition, the transaction will include the purchase of the Group's agency enterprise and a strategic minority interest in the generic and OTC complementary medicine distribution business. The Company has also secured an option to acquire WAD's two specialised commercial properties. The purchase price will be satisfied substantially by the issue of AfroCentric shares and a certain amount in cash.

2. Agreement has been reached with Sanlam Limited ("Sanlam"), whereby Sanlam will acquire a 28.7% shareholding in ACT Healthcare Assets (Proprietary) Limited ("AHA"), a wholly owned subsidiary of AfroCentric which owns 94.10% of AfroCentric Health Limited ("AHL"). The total Sanlam investment amount will be approximately R700 million, (after the transfer of acquired WAD businesses referred to above), of which about R160 million will be applied to the repayment of AHA third party borrowings, the balance being applied to the repayment of inter-company loans between AHA and the Company. As a result of the total Sanlam investment and the repayment of third party debt of approximately R160 million, AfroCentric shall be substantially debt-free and have additional cash resources of approximately R542 million. The Sanlam investment is subject to certain suspensive conditions being fulfilled or waived.

Further information and details of the transactions were released on SENS on 30 September 2014.

The above transactions are both non-adjusting subsequent events.