

30. DIVIDENDS

AfroCentric Investment Corporation Limited passed two resolutions whereby dividends were declared in the 2016 financial year. The first dividend was declared in September 2015 of 10 cents per share and the second dividend was declared in March 2016 of 12 cents per share, being the interim dividend. The Rand value of R55.4 million was paid in October 2015 for the first dividend and R66.5 million was paid in May 2016 for the second dividend. These dividends were debited to retained earnings in 2016.

	Group		Company	
	June	June	June	June
	2016	2015	2016	2015
	R'000	R'000	R'000	R'000
Dividend declared by AfroCentric Investment Corporation Limited in September 2015	55 438	84 214	55 438	84 214
Dividend declared by AfroCentric Investment Corporation Limited in March 2016	66 525	46 785	66 525	46 785
Other dividends in the Group:	–	–	–	–
Dividend declared by AfroCentric Health (Pty) Ltd in October 2015	4 536	5 670	–	–
Dividend declared by AfroCentric Health (Pty) Ltd in March 2015	–	4 383	–	–
Dividend declared and paid by Medscheme (Namibia) (Proprietary) Limited to non-controlling interests	4 408	3 544	–	–
Dividend declared and paid by Allegra (Proprietary) Limited to non-controlling interests	578	849	–	–

31. SHARE-BASED PAYMENTS

The 2008 Acquisition Agreement also contemplated an award of a minimum of 20 million AfroCentric shares to certain executives of AHL, to be awarded at the end of the warranty period 30 June 2013. During the course of that period, those executive shares already allocated, have been categorised as share-based payments in terms of IFRS 2 and the actuarially-determined “non-cash” costs were provided for in each of the company’s relevant reporting periods. The Boards of AfroCentric and AHL have approved an allocation of 27 million shares, representing 7 million more shares than that which was originally stipulated in the 2008 Acquisition Agreement.

The issue of the 27 million share executive awards had no effect on the Statement of Cash Flows.

The AfroCentric Investment Corporation Limited Group, of which the AHL Group is a subsidiary, has allocated share-based awards to certain executive directors of the AHL Group as part of their remuneration package. The share awards are at an AfroCentric Investment Corporation Limited Group level. The Group measures the fair value of the share awards or equity instruments granted, in line with the Group’s accounting policy.

The granting of the share awards was based on job level, merit and performance and was entirely at the discretion of executive management acting on the recommendations of the shareholders. Grants were made in November 2013 and additional allocations are made annually, as deemed necessary to both existing and new employees.

Shares will be held by AfroCentric Health Management Services (Pty) Ltd until such time that the pre-determined conditions have been achieved over the period commencing 1 November 2013 and ending 1 November 2016.

These shares awarded are additional shares allocated to the Executive directors of AHL Group depending on the rules as set out in the share awards agreement. The share price on 1 November 2013, which is grant date, was used to determine the IFRS 2 charge for 2016. The number of shares awarded i.e. 1 571 795 multiplied by the share price of R4.10 on grant date resulted in a R6.44 million charge to the Statement of Comprehensive Income. The remaining shares will be awarded up to the period 1 November 2016.

