NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 30 JUNE 2017

19. ACCRUAL FOR STRAIGHT-LINING OF LEASES CONTINUED

	GROUP
	June 2017 R'000
Balance as at 30 June 2015	11 956
Credited to the statement of comprehensive income:	
– movements in provision	3 686
Balance as at 30 June 2016	15 642
Credited to the statement of comprehensive income:	
– movements in provision	230
Balance as at 30 June 2017	15 872

	GROUP	
	June 2017 R'000	June 2016 R'000
Non-current portion	18 979	21 289
Current portion	(3 107)	(5 647)
	15 872	15 642

20. EMPLOYMENT BENEFIT LIABILITY

	GROUP		
	Bonuses R'000	Leave pay R'000	Total R'000
Balance as at 30 June 2015	70 878	40 227	111 105
Charged/(credited) to the statement of comprehensive income:			
– additional provisions	93 081	14 108	107 189
– amounts reversed	–	(8 528)	(8 528)
Utilised during the year	(102 842)	(147)	(102 989)
Balance as at 30 June 2016	61 117	45 660	106 777
Charged/(credited) to the statement of comprehensive income:			
– additional provisions	81 003	–	81 003
– amounts reversed	–	(1 158)	(1 158)
Utilised during the year	(95 621)	(4 768)	(100 389)
Balance as at 30 June 2017	46 499	39 734	86 233

	COMPANY		
	Bonuses R'000	Leave pay R'000	Total R'000
Balance as at 30 June 2016	–	–	–
Charged/(credited) to the statement of comprehensive income:			
– additional provisions	4 500	–	4 500
Balance as at 30 June 2017	4 500	–	4 500

The provision for management incentive bonuses is payable at the end of October 2017, while the remaining provision for staff is payable at the end of December 2017 as part of a salary restructuring arrangement based on their cost to company. The leave pay provisions are primarily in respect of leave pay to be settled in the next financial year.

20. EMPLOYMENT BENEFIT LIABILITY CONTINUED

Analysis of employee benefit liabilities:

	GROUP		COMPANY	
	June 2017 R'000	June 2016 R'000	June 2017 R'000	June 2016 R'000
Current portion	**86 233**	106 777	**4 500**	–

21. REVENUE

	GROUP		COMPANY	
	June 2017 R'000	June 2016 R'000	June 2017 R'000	June 2016 R'000
Revenue from sale of goods*	**1 069 435**	748 477	**–**	–
Administration fees	**1 385 844**	1 230 288	**–**	–
Health risk management fees	**929 411**	805 104	**–**	–
Management fees	**1 869**	1 222	**–**	–
IT revenue and other	**398 142**	363 055	**50**	50
Revenue from performance of services	**2 715 266**	2 399 669	**50**	50
Total revenue	**3 784 701**	3 148 146	**50**	50

* *This relates to sale of pharmaceutical products which resulted from the WAD healthcare assets acquisition in the 2016 financial year.*

22. COST OF PHARMACEUTICAL PRODUCTS

	GROUP		COMPANY	
	June 2017 R'000	June 2016 R'000	June 2017 R'000	June 2016 R'000
Opening inventory	**72 310**	6 803	**–**	–
Purchases	**837 800**	653 711	**–**	–
Closing inventory	**(73 376)**	(72 310)	**–**	–
	836 734	588 204	**–**	–

This relates to sale of pharmaceutical products which resulted from the WAD healthcare assets acquisition in the 2016 financial year.