NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2018

22. Income tax expense

	Group		Company	
	30 June 2018 R'000	30 June 2017 R'000	30 June 2018 R'000	30 June 2017 R'000
Current taxation				
Current year	105 189	104 668	4 924	2 687
Prior year	(2 565)	2 734	–	–
Deferred taxation				
Current year	49 484	42 728	1 852	4 574
Prior year	1 400	(3 594)	1 400	(2 304)
	153 508	146 536	8 176	4 957

	Group		Company	
	30 June 2018 %	30 June 2017 %	30 June 2018 %	30 June 2017 %
Reconciliation of the tax rate				
South African normal tax rate	28.0	28.0	28.0	28.0
Adjusted for:				
Disallowable expenses	1.84	14.63	6.43	(96.51)*
Exempt income	(1.97)	(3.58)	(32.52)	40.53
Other taxable income	0.36	–	1.71	–
Other deductible expenses	(0.29)	–	–	–
Prior year adjustment				
– current tax	(0.48)	0.53	–	–
– deferred tax	0.26	(0.79)	1.25	8.88
Withholding tax	0.79	1.03	–	–
Utilisation of assessed losses	0.01	0.17	–	–
Effective rate of tax (%)	28.52	39.99	4.87	(19.10)

* *The non-deductible expenditure reflected on the tax rate reconciliation relates to expenses relating to the remeasurement of contingent consideration and indemnity expense*

23. Earnings per share

The calculation of basic earnings per share for the Group is based on profit and loss attributable to the parent for the year of R256.6 million (June 2017: net profit of R117.7 million), and a weighted average number of shares of 554.4 million (June 2017: 554.4 million) shares in issue. The calculation of headline earnings per share for the Group is calculated on adjusted headline earnings of R260.9 million (June 2017: R123.8 million), and a weighted average number of shares of 554.4 million (June 2017: 554.4 million) shares in issue.