32. Deferred payment

	Group		Company	
	30 June 2018 R'000	30 June 2017 R'000	30 June 2018 R'000	30 June 2017 R'000
Deferred payment	5 263	5 051	–	–

On 1 March 2017 ("effective date") AfroCentric concluded agreements governing the acquisition of 51% of The Cheese Has Moved Proprietary Limited. The Cheese Has Moved Proprietary Limited is an integrated marketing business which specialises in TV, print, radio, social media, relationship and direct marketing, graphic design, direct response advertising to name a few. The purchase consideration was R5.051 million broken into R1 cash consideration as well as R5.051 million as deferred payment liability (forfeited dividends in the future).

33. Subsequent events

Subsequent to the financial year end, the following material events occurred, brief details of which are as follows:

Purchase of Activo Health

AfroCentric acquired a 26% interest in Activo Health ("Activo") as a component of the WAD Assets acquisitions in 2015. Agreement has been reached in principle with the Activo vendors to anticipate the exercise of the call option negotiated at the time, for the remainder of the shares in Activo (74%) not already owned by AfroCentric. The terms of the call option are substantially dictated by the valuation formulae and payment options provided for in the WAD Master Agreement. The acquisition is a related party transaction and is therefore subject *inter alia*, to the approval of AfroCentric shareholders in general meeting and an appropriate Circular with full details will be sent to shareholders, subject to all other contractual matters being concluded.

The Cheese has Moved

AfroCentric acquired 51% of The Cheese has Moved in the 2017 financial year. The shareholders agreement between the parties included a key clause which establishes a threshold of 75% of voting rights for key decisions affecting the strategy of the business. Apart from the mechanisms of power set out in the Shareholders' Agreement and reference to the "standard MOI" in terms of the Companies Act, there are no other mechanisms through which AfroCentric could exert power directly. Several different combinations of shareholders voting in favour of key decisions can achieve the threshold. Therefore, it is evident that AfroCentric did not have control over The Cheese has Moved Proprietary Limited with its 51%. The Group exercised significant influence over this entity.

On 1 July 2018, the shareholders agreement has been amended and AfroCentric now controls The Cheese has Moved.

Directors

AfroCentric's founding directors, Meyer Kahn (79) and Motty Sacks (75), having concluded that their objectives on behalf of AfroCentric have been achieved, have decided to retire from the Board. Their retirement has resulted in them not being available as Directors and will be effective immediately after AfroCentric's Annual General Meeting, scheduled to take place during November 2018. The Board would like to thank them both for their invaluable contribution to the Group. Their experience, guidance and wisdom will be certainly missed at Board and Committee meetings and generally within the Group.