

Notes to the consolidated financial statements

for the year ended 30 June

	2017 R'000	2016 R'000
5. Discontinued operations		
On 16 May 2016 the shareholders approved the unbundling and separate listing (unbundling) of the Group's foodservices businesses as Bid Corporation Limited (Bidcorp/discontinued operations) via a distribution in specie. This unbundling was undertaken in order to implement a strategic decision to restructure the business operations and management focus of the Group and to provide shareholders the opportunity to participate directly in the Group's foodservices operations.		
The contribution of discontinued operations included in the Group's results until the loss of control, 30 May 2016, is detailed below:		
<i>Income statement – discontinued operations</i>		
Revenue	–	127 857 294
Cost of revenue	–	(101 476 483)
Gross profit	–	26 380 811
Operating expenses	–	(22 358 944)
Sales and distribution expenses	–	(16 281 954)
Administration expenses	–	(3 985 391)
Other expenses	–	(2 091 599)
Other income	–	181 401
Trading result	–	4 203 268
Income from investments	–	23 352
Trading profit	–	4 226 620
Share-based payment expense	–	(96 845)
Acquisition costs	–	(7 555)
Net capital items	–	25 531
Operating profit	–	4 147 751
Net finance charges	–	(281 169)
Finance income	–	45 779
Finance charges	–	(326 948)
Share of profit of associates	–	22 580
Profit before taxation	–	3 889 162
Taxation	–	(913 755)
Profit for the year from discontinued operations	–	2 975 407
Net profit on unbundling	–	76 277 945
Profit after taxation	–	79 253 352
<i>Attributable to</i>		
Shareholders of the Company	–	79 215 705
Non-controlling interest	–	37 647
	–	79 253 352
The total comprehensive income attributable to shareholders of the Company from discontinued operations was	–	83 321 374

	2017 R'000	2016 R'000
5. Discontinued operations <i>(continued)</i>		
Cash flows from discontinued operations		
Net operating cash flows from discontinued operations	–	1 435 311
Net investing cash flows from discontinued operations	–	(2 263 856)
Net financing cash flows from discontinued operations	–	1 171 176
Net increase in cash and cash equivalents from discontinued operations	–	342 631
Effects of exchange rate fluctuations on cash and cash equivalents from discontinued operations	–	814 703
Cash disposed from discontinued operations	–	(3 016 462)
Net decrease in cash and cash equivalents from discontinued operations	–	(1 859 128)
Net profit on unbundling of Bidcorp		
Net carrying value of assets unbundled	–	(26 008 009)
Property, plant and equipment	–	(11 750 945)
Intangible assets	–	(1 363 482)
Goodwill	–	(14 251 736)
Deferred taxation assets	–	(180 945)
Interest in associates	–	(128 680)
Investments	–	(379 625)
Inventories	–	(9 044 363)
Trade and other receivables	–	(17 462 210)
Cash and cash equivalents	–	(3 016 462)
Deferred taxation liabilities	–	(420 288)
Borrowings	–	7 891 652
Post-retirement obligations	–	11 688
Puttable non-controlling interest liabilities	–	1 253 373
Long-term portion of provisions	–	831 997
Long-term portion of operating lease liabilities	–	13 755
Trade and other payables	–	20 955 904
Taxation	–	481 798
Vendors for acquisition	–	550 560
Non-controlling interest	–	98 068
Group's portion of net assets unbundled	–	(25 909 941)
Reserves realised on unbundling	–	8 920 305
Foreign currency translation reserve	–	8 921 634
Hedging reserve	–	1 876
Equity-settled share-based payment reserve	–	(3 205)
	–	(16 989 636)
Fair value of businesses unbundled	–	93 302 744
Profit on unbundling before transaction costs	–	76 313 108
Transaction costs	–	(41 672)
Accelerated vesting of conditional share plan	–	(23 245)
Other transaction costs	–	(18 427)
Profit on unbundling before taxation	–	76 271 436
Tax relief	–	6 509
Net profit on unbundling	–	76 277 945

The fair value of Bidcorp was determined with reference to the volume weighted average price of Bidcorp's trading on the JSE over the first 10 days of trading, being 27 818 cents per share.

Included in the net assets unbundled were 3 614 487 Bidvest shares (treasury shares) held by Bidcorp. These shares have been treated as shares issued without a corresponding change in resources, in terms of IAS 33 *Earnings Per Share*, and the current and comparative total, weighted average and diluted weighted average number of shares in issue have been restated to include these shares, for the basic, diluted basic, headline and diluted headline earnings per share calculations; and the net asset and net tangible assets values per share calculations.