

16. Discontinued operations

Identification and classification of discontinued operations

There were a number of businesses that were approved for sale at 31 July 2019, and for which the sale is expected to be completed within 12 months from the reporting date, as well as businesses that were already sold during the current and previous reporting periods that have met the requirements to be presented as discontinued operations and have accordingly been presented as such.

Judgement was applied in determining whether a component is a discontinued operation by assessing whether it represents a separate major line of business or geographical area of operations or is part of a single plan to dispose of a separate major line of business or geographical area of operations.

The Group's intention to dispose of these non-core assets triggered an initial impairment assessment on the underlying assets at 31 July 2019, and the resulting impairment was allocated to the identified disposal groups (refer to note 6 Goodwill).

<i>Figures in Rand thousand</i>	2019	Restated* 2018
Revenue	3 582 329	3 768 030
Expenses	(4 180 645)	(3 494 790)
Other income	76 247	55 636
Profit before tax	(522 069)	328 876
Tax expense	(40 822)	(66 155)
Remeasurement to fair value less costs to sell	(628 167)	–
Gain/(loss) on disposal	329 603	(392 450)
Total loss from discontinued operations	(861 455)	(129 729)
Attributable to:		
Equity-holders of the parent	(863 515)	(129 729)
Non-controlling interest	2 060	–
Earnings per share (cents)		
Loss per share from discontinued operations	(531)	(90)
Diluted loss per share from discontinued operations	(531)	(90)
Net cash flows in relation to discontinued operations		
Cash inflow/(outflow) from operating activities	46 644	(89 127)
Cash inflow/(outflow) from investing activities	123 148	(59 472)
Cash outflow from financing activities	(135 940)	(6 114)

* Comparative figures previously reported have been amended to reflect continuing operations prevailing for the year ended 31 July 2019.

<i>Figures in Rand thousand</i>	2019			
	iOCO**	NEXTEC	IP	Total
Revenue	659 027	2 472 118	451 184	3 582 329
Expenses	(941 112)	(2 726 198)	(513 335)	(4 180 645)
Other income	369	69 747	6 131	76 247
Profit before tax	(281 716)	(184 333)	(56 020)	(522 069)
Tax expense	(2 605)	(45 993)	7 776	(40 822)
Remeasurement to fair value less costs to sell	(135 373)	(450 995)	(41 799)	(628 167)
Gain/(loss) on disposal	109 389	–	220 214	329 603
Total profit or (loss) from discontinued operations	(310 305)	(681 321)	130 171	(861 455)

** iOCO discontinued operations include the TTCS Group and other international businesses.

17. Disposal of subsidiaries

<i>Figures in Rand thousand</i>	CCS Group
Treatment before disposal	100% Subsidiary
Date of disposal	31 Jul 19
Consideration received or receivable:	
Cash	399 951
Fair value of contingent consideration	44 439
Total disposal consideration	444 390
Carrying amount of net assets sold	
Net assets disposed of	102 862
Goodwill and PPA	317 704
Total net asset value	420 566
Accounting profit on disposal	23 824
30% investment in associate remaining	190 453
Reclassification of foreign currency translation reserve	5 937
Gain on conversion of subsidiary to associate	220 214