

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS CONTINUED

For the year ended 31 May 2014

25. DISPOSAL OF SUBSIDIARIES

31 May 2013

Date disposed	1 September 2012	1 January 2013	
% disposed	100	100	
	Content Connect Africa Proprietary Limited R'000	Multiserv Proprietary Limited R'000	Total R'000
The carrying/fair value of the net assets disposed of:			
Cash and cash equivalents	486	3 744	4 230
Property, plant and equipment	117	216	333
Intangible assets	2 970	4 618	7 588
Inventories	—	1 643	1 643
Receivables	6 503	1 112	7 615
Loans receivable	—	1 839	1 839
Deferred tax	—	(468)	(468)
Borrowings	(3 130)	(6 068)	(9 198)
Current tax liabilities	(45)	—	(45)
Payables	(7 620)	(4 291)	(11 911)
Carrying/fair value of subsidiary disposed of:	(719)	2 345	1 626
Goodwill	4 746	5 846	10 592
Carrying/fair value of net assets disposed of:	4 027	8 191	12 218
(Loss)/profit on disposal of subsidiary	(2 027)	2 147	120
Total proceeds on disposal	2 000	10 338	12 338
Less: Proceeds to be settled	—	(7 853)	(7 853)
Total proceeds on disposal received in cash	2 000	2 485	4 485
Less: Cash and cash equivalents in subsidiary	(486)	(3 744)	(4 230)
Cash inflow on disposal	1 514	(1 259)	255

On 1 September 2012, Blue Label Telecoms Limited sold its 100% shareholding in Content Connect Africa Proprietary Limited to management for an amount of R2 million. The loss on disposal of R2 million has been recognised in the statement of comprehensive income.

On 1 January 2013, Blue Label Telecoms Limited sold its 100% shareholding in Multiserv Proprietary Limited for an amount of R10.3 million. The profit on disposal of R2.1 million has been recognised in the statement of comprehensive income.