	2019 R'000	2018 R'000
5. TAXATION		
5.1 Income taxation expense		
Current taxation	**1 506 926**	1 349 535
Current year	**1 506 353**	1 367 424
Prior years' under (over) provision	**573**	(17 889)
Deferred taxation	**(47 475)**	15 179
Current year	**(37 943)**	7 619
Prior years' (over) under provision	**(12 194)**	9 102
Change in rate of taxation	**2 662**	(1 542)
Foreign withholding taxation	**12 831**	4 104
Total taxation per consolidated statement of profit or loss	**1 472 282**	1 368 818
Comprising		
South African taxation	**191 723**	170 338
Foreign taxation	**1 280 559**	1 198 480
	1 472 282	1 368 818

Income taxation comprises current and deferred taxation. Income taxation expense is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

Current taxation comprises taxation payable calculated on the basis of the expected taxable income for the year, using the taxation rates enacted or substantively enacted at the reporting date, and any adjustment of taxation payable for previous years.

	2019 %	2018 %
The reconciliation of the effective taxation rate with the South African company taxation rate is:		
Taxation for the year as a percentage of profit before taxation	**23,2**	24,5
Associates	**0,2**	0,2
Effective rate excluding associate income	**23,4**	24,7
Dividend and exempt income	**0,7**	0,5
Foreign taxation rate differential	**3,3**	2,7
Non-deductible expenses	**(1,0)**	(1,7)
Deferred taxation assets not previously raised	**0,6**	1,5
Exempt portion of capital gains	**0,8**	0,1
Changes in prior years' estimation	**0,2**	0,2
Rate of South African company taxation (%)	**28,0**	28,0

Non-deductible expenses comprise impairments relating to property, plant and equipment (refer note 7.1) and intangible assets (refer note 7.2) and other non-deductible expenses individually insignificant across the group.

	2019 R'000	2018 R'000

5. TAXATION (continued)

5.2 Deferred taxation

	2019 R'000	2018 R'000
Deferred taxation assets	**944 212**	941 851
Deferred taxation liabilities	**(686 849)**	(776 085)
Net deferred taxation asset	**257 363**	165 766
Movement in net deferred taxation assets and liabilities		
Balance at beginning of year	**165 766**	179 376
Total operations deferred taxation charge	**125 638**	(16 955)
Items recognised directly in equity and other comprehensive income	**7 544**	354
On acquisition of businesses	**(37 820)**	(3 914)
Transfer to assets/liabilities classified as held-for-sale	**1 185**	5 138
Exchange rate adjustments	**(4 950)**	1 767
Balance at end of year	**257 363**	165 766

	Assets R'000	Liabilities R'000	Net R'000
Temporary differences			
2019			
Differential between carrying values and tax values of property, plant and equipment	**(13 444)**	**(368 648)**	**(382 092)**
Differential between carrying values and tax values of intangible assets	**46 576**	**(38 399)**	**8 177**
Estimated taxation losses	**119 752**	**10 839**	**130 591**
Staff-related allowances and liabilities	**244 979**	**44 830**	**289 809**
Operating lease liabilities	**8 588**	**(767)**	**7 821**
Inventories	**18 559**	**2 685**	**21 244**
Investments	**–**	**(126 051)**	**(126 051)**
Trade and other receivables	**80 217**	**4 783**	**85 000**
Trade, other payables and provisions	**438 985**	**(216 121)**	**222 864**
	944 212	**(686 849)**	**257 363**
2018			
Differential between carrying values and tax values of property, plant and equipment	(16 575)	(319 915)	(336 490)
Differential between carrying values and tax values of intangible assets	34 983	(68 342)	(33 359)
Estimated taxation losses	78 998	(2 730)	76 268
Staff-related allowances and liabilities	231 786	24 119	255 905
Operating lease liabilities	31 211	(602)	30 609
Inventories	14 756	597	15 353
Investments	–	(149 779)	(149 779)
Trade and other receivables	78 288	5 607	83 895
Trade, other payables and provisions	488 404	(265 040)	223 364
	941 851	(776 085)	165 766

Deferred taxation has been provided at rates ranging between 15% and 35% (2018: 15% and 35%). The variance in rates arises as a result of the differing taxation and capital gains taxation rates present in the various countries in which the group operates.

		2019 R'000	2018 R'000
5.	**TAXATION** (continued)		
5.2	**Deferred taxation** (continued)		
	Estimated tax losses available for offset against future taxable income	**209 492**	151 072
	Utilised in the computation of deferred taxation	**(131 553)**	(71 643)
	Not accounted for in deferred taxation	**77 939**	79 429

Deferred taxation assets have not been recognised in respect of certain taxation losses as the directors believe it is not probable that the relevant companies will generate taxable profit in the near future, against which the benefits can be utilised.

Deferred taxation is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred taxation provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using taxation rates enacted or substantively enacted at the reporting date.

The following temporary differences are not provided for: initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred taxation is charged to the statement of profit or loss except to the extent that it relates to a transaction that is recognised directly in other comprehensive income or equity, or a business combination that is an acquisition. The effects on deferred taxation of any changes in taxation rates is recognised in the statement of profit or loss, except to the extent that it relates to items previously charged or credited directly to other comprehensive income or equity.

A deferred taxation asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused taxation losses and deductible temporary differences can be utilised. Deferred taxation assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related taxation benefit will be realised.

		2019 R'000	2018 R'000
5.3	**Taxation paid**		
	Amounts payable at beginning of year	**(374 329)**	(426 220)
	Continuing operations current taxation charge	**(1 519 757)**	(1 353 639)
	Businesses acquired	**(7 179)**	1 263
	Exchange rate adjustments	**6 561**	(19 444)
	Amounts payable at end of year	**470 753**	374 329
	Amounts paid	**(1 423 951)**	(1 423 711)

6. BASIC, DILUTED AND HEADLINE EARNINGS PER SHARE FOR CONTINUING OPERATIONS

6.1 Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of Bidcorp by the weighted average number of ordinary shares in issue during the year, excluding those ordinary shares held as treasury shares.

Weighted average number of shares in issue is calculated as the number of shares in issue at the beginning of the year, increased/decreased by shares issued/treasury shares bought/sold during the year, weighted on a time basis for the period in the year during which they have participated in the profit of Bidcorp.