		Group		Company	
	Note	**2017**	2016	**2017**	2016
		R'000		**R'000**	R'000
19. Cash generated from operating activities					
Profit before tax		**1 277 722**	743 948	**167 019**	59 715
Adjustments for:					
Depreciation		**368 212**	329 893	**149**	355
Finance income	*16*	**(8 633)**	(4 044)	**(2 911)**	(11 625)
Finance expense	*16*	**27 958**	63 400	**-***	1
Share based payment expense		**5 588**	12 805	**5 588**	12 805
Share grants exercised		**(11 053)**	(4 624)	**(11 053)**	(4 624)
Embedded derivative – fair value adjustment		**155 852**	(134 549)	**-**	-
Increase in provisions		**135 771**	12 396	**-**	-
Effect of exchange rate fluctuations on cash held during the year		**47 175**	13 239	**-**	-
		1 998 592	1 032 464	**158 792**	56 627
(Increase)/decrease in inventories		**(387 719)**	347 659	**-**	-
Decrease/(Increase) in trade and other receivables		**529 424**	(826 144)	**877**	521
(Decrease)/Increase in trade and other payables		**(361 371)**	167 740	**151 326**	2 638
Cash generated from operating activities		**1 778 926**	721 719	**310 995**	59 786
19.1 Cash and cash equivalents					
Positive cash balances		**671 655**	287 880	**18 539**	56 325
Bank balance		**192 208**	233 093	**626**	1 705
Call deposits		**479 392**	54 618	**17 911**	54 618
Cash on hand		**55**	169	**2**	2
Bank overdraft		**-**	(24 576)	**-**	-
Net cash and cash equivalents in statements of cash flows		**671 655**	263 304	**18 539**	56 325
Reconciliation of cash in the group					
Cash in the Venture		**207 650**	54 615	**-**	-
Cash in Merafe Resources		**18 539**	56 325	**18 539**	56 325
Cash in Merafe Ferrochrome		**439 800**	146 954	**-**	-
Cash in Kroondal Rehabilitation Trust		**5 666**	5 410	**-**	-
Total		**671 655**	263 304	**18 539**	56 325

Note: Cash at bank earns interest at a floating rate based on daily bank deposit rates. Call deposits are made for varying periods of between one day and one month depending on the immediate cash requirements of the group, and earn interest at the respective call deposit rates. The group's exposure to interest rate risk and sensitivity analysis for financial assets and financial liabilities are disclosed in Note 20.

** less than one thousand.*