NOTES TO CONSOLIDATED ANNUAL FINANCIAL STATEMENTS CONTINUED

for the year ended 30 September 2020

17. INVENTORIES

	2020 R'm	2019 R'm
Ethical drugs and consumable products (including surgicals consumed as well as consumables related to the production of doses relating to the diagnostic services business)	**873**[1]	379
"Drugs and consumables" represents the cost of inventories recorded as an expense in the statement of profit or loss.		
The cost of inventories written off as expired stock is recognised as an expense and is included in 'drugs and consumables' in profit or loss. Inventories written off amounted to:	**11**	10

[1] *Increased mainly due to purchases of personal protective equipment during the current year. The balance at 30 September 2020 amounted to R317 million.*

18. STATED CAPITAL

	2020 R'm	2019 R'm
Stated capital comprises:		
Share capital	**10 507**	10 507
Share premium	**3 373**	3 373
Treasury shares	**(349)**	(365)
	13 531	13 515
Reconciliation of number of shares		
Ordinary shares	**'000**	'000
Authorised (Share capital of R0.000001 each)	**4 149 980**	4 149 980
Total value = R4 149 (2019: R4 149)		
Issued and fully paid:		
Balance at 30 September	**1 467 349**	1 467 349
Total value = R1 467 (2019: R1 467)		

18. STATED CAPITAL continued

	Number of shares		Value of shares	
	2020 '000	2019 '000	**2020 R'm**	2019 R'm
Treasury shares				
Balance at 1 October	**12 856**	11 782	**(365)**	(370)
Granted	**2 536**	3 284	**(44)**	(72)
Forfeited	**(112)**	(17)	**3**	1
Transferred	**112**	–	**(3)**	–
Exercised	**–**	(14)	**–**	1
Vested	**(1 779)**	(2 179)	**60**	75
Balance at 30 September	**13 613**	12 856	**(349)**	(365)

Treasury shares are shares in Life Healthcare Group Holdings Limited that are held for the purpose of the staff benefit schemes (Life Healthcare employee share trust and long-term incentive schemes). Refer note 19.

19. OTHER RESERVES

	2020 R'm	2019 R'm
Life Healthcare employee share trust	**137**	130
Long-term incentive schemes	**79**	54
Transactions with non-controlling interest reserve	**(959)**	(851)
Other[1]	**(44)**	(31)
	(787)	(698)

[1] *Comprise distributable reserves and retirement benefit asset and post-employment medical aid reserves.*