Notes to the consolidated annual financial statements – continued

for the year ended 31 March 2017

4 Operating revenue

Revenue recognition

The group provides fixed-line, mobile, data communication services and communication-related products to business, residential, wholesale, payphone and mobile customers as well as IT services. Revenue represents the fair value of fixed or determinable consideration that has been received or is receivable.

	Group		Company	
	2017 Rm	2016 Rm	**2017 Rm**	2016 Rm
	40 970	37 325	**35 422**	32 106
Voice	**14 586**	15 299	**15 849**	15 309
Interconnection	**1 102**	1 267	**1 114**	1 270
Data*	**12 147**	11 477	**12 933**	11 501
Customer premises equipment	**3 822**	3 175	**4 078**	3 175
Sundry revenue	**1 759**	1 677	**681**	537
Information technology*	**7 554**	4 430	**767**	314

* *In order to achieve more relevant presentation a decision was made to reclassify revenue from data to information technology amounting to R314 million.*

Operating revenue increased due to higher mobile data revenue, higher equipment sales and the BCX revenue. This is partially offset by the decline in fixed-line voice revenue and lower connectivity revenue.

In the current financial year wholesale reassessed its leased lines customer relationship period (CRP) that is used for the deferral of installation fee revenue. The CRP was changed from five years to four years. This is more reflective of the modern-day customer behaviour within the industry. The change in estimate resulted in revenue increasing by R20 million in the current year.

Included in Telkom company revenue from external customers is revenue which relates to Enterprise customer contracts which were sold to BCX on 1 November 2016 by Telkom.

5 Other income

	Group		Company	
	2017 Rm	2016 Rm	**2017 Rm**	2016 Rm
	734	1 281	**3 017**	1 308
	517	577	**1 029**	586
Interest received from trade receivables	**236**	261	**213**	255
Sundry income	**281**	316	**816**	331
Profit on disposal of property, plant and equipment (PPE), intangible assets (IA) and investments	**217**	704	**1 988**	722

The decrease in the group's other income is due to fewer properties disposed of in the current financial year compared to last year. The increase in the company profit on disposal of property, plant and equipment, intangible assets and investments relates to the profit on the sale of Telkom Enterprise to BCX of R1,827 million.