

Senbiz (PTY) LTD  
(Registration number 2000/016565/07)  
Financial statements  
for the year ended 28 February 2007

Calculus  
Chartered Accountants (S.A.)  
Registered Auditors  
Issued 13 September 2007

# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

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The reports and statements set out below comprise the financial statements presented to the shareholders:

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# Report of the Independent Auditors

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## To the shareholders of Senbiz (PTY) LTD

We have audited the accompanying financial statements of Senbiz (PTY) LTD, which comprise the director's report, the balance sheet as at 28 February 2007, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 3 to 17.

## Director's Responsibility for the Financial Statements

The company's director is responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act of South Africa, 1973. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

## Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the director, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as of 28 February 2007, and of its financial performance and its cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act of South Africa, 1973.

## Supplementary Information

We draw your attention to the fact that with the supplementary information set out on pages 18 to 19 does not form part of the financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

**Calculus**  
**Chartered Accountants (S.A.)**  
**Registered Auditors**

**Per: Heinrich Möller**  
**13 September 2007**  
**Pretoria**

# **Senbiz (PTY) LTD**

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## **Director's Responsibilities and Approval**

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The director is required by the Companies Act of South Africa, 1973, to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is his responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The director acknowledges that he is ultimately responsible for the system of internal financial control established by the company and places considerable importance on maintaining a strong control environment. To enable the director to meet these responsibilities, the director sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The director is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The director has reviewed the company's cash flow forecast for the year to 29 February 2008 and, in the light of this review and the current financial position, he is satisfied that the company has access to adequate resources to continue in operational existence for the foreseeable future.

Although the director is primarily responsible for the financial affairs of the company, he is supported by the company's external auditors.

The external auditors are responsible for independently reviewing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on page 2.

The financial statements set out on pages 3 to 19, which have been prepared on the going concern basis, were approved by the director on 12 September 2007 and were signed on its behalf by:

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**Johannes Gerhardus Dreyer**

# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## Director's Report

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The director submits his report for the year ended 28 February 2007.

### 1. Review of activities

#### Main business and operations

The company is engaged in information technology communications and operates principally in South Africa.

The operating results and state of affairs of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

Net profit of the company was 1,557,839 (2006: profit 876,611), after taxation of 530,398 (2006: 352,287).

### 2. Post balance sheet events

The director is not aware of any matter or circumstance arising since the end of the financial year.

### 3. Authorised and issued share capital

There were no changes in the authorised or issued share capital of the company during the year under review.

### 4. Director

The director of the company during the year and to the date of this report is as follows:

Name	Nationality
Johannes Gerhardus Dreyer	RSA

### 5. Secretary

The company had no secretary during the year.

### 6. Auditors

Calculus will continue in office in accordance with section 270(2) of the Companies Act.

# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## Balance Sheet

	Note(s)	2007	2006
<b>Assets</b>			
<b>Non-Current Assets</b>			
Investment property	2	800,000	482,274
Intangible assets	3	972,467	818,700
Loans to group companies	4	2,609,845	1,222,274
Other financial assets	5	107,528	-
		<b>4,489,840</b>	<b>2,523,248</b>
<b>Current Assets</b>			
Inventories	6	694,315	14,116
Trade and other receivables	7	100,020	33,642
Cash and cash equivalents	8	156,415	59,231
		<b>950,750</b>	<b>106,989</b>
<b>Total Assets</b>		<b>5,440,590</b>	<b>2,630,237</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	9	100	100
Reserves		107,478	-
Retained income		2,566,089	1,008,250
		<b>2,673,667</b>	<b>1,008,350</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Loans from group companies	4	537,214	863,184
Other financial liabilities	10	350,000	350,000
		<b>887,214</b>	<b>1,213,184</b>
<b>Current Liabilities</b>			
Current tax payable		911,834	408,704
Trade and other payables	11	967,877	-
		<b>1,879,711</b>	<b>408,704</b>
<b>Total Liabilities</b>		<b>2,766,925</b>	<b>1,621,888</b>
<b>Total Equity and Liabilities</b>		<b>5,440,592</b>	<b>2,630,238</b>

# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## Income Statement

	Note(s)	2007	2006
Revenue	12	5,359,389	1,283,803
Cost of sales		(272,538)	-
<b>Gross profit</b>		<b>5,086,851</b>	<b>1,283,803</b>
Other income		52,450	52,200
Operating expenses		(3,435,903)	(29,987)
<b>Operating profit</b>	13	<b>1,703,398</b>	<b>1,306,016</b>
Investment revenue	14	211,356	-
Fair value adjustments	15	317,726	-
Finance costs	16	(144,243)	(77,118)
<b>Profit before taxation</b>		<b>2,088,237</b>	<b>1,228,898</b>
Taxation	17	(530,398)	(352,287)
<b>Profit for the period</b>		<b>1,557,839</b>	<b>876,611</b>

# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## Statement of Changes in Equity

	Share capital	Fair value adjustment assets-available-for-sale reserve	Retained income	Total equity
<b>Balance at 01 March 2005</b>	<b>100</b>	<b>-</b>	<b>131,639</b>	<b>131,739</b>
Changes in equity				
Profit for the year			876,611	876,611
Total changes	-	-	876,611	876,611
<b>Balance at 01 March 2006</b>	<b>100</b>	<b>-</b>	<b>1,008,250</b>	<b>1,008,350</b>
Changes in equity				
Other fair value gains (losses)		107,478		107,478
Net income (expenses) recognised directly in equity	-	107,478	-	107,478
Profit for the year			1,557,839	1,557,839
Total recognised income and expenses for the period	-	107,478	1,557,839	1,665,317
Total changes	-	107,478	1,557,839	1,665,317
<b>Balance at 28 February 2007</b>	<b>100</b>	<b>107,478</b>	<b>2,566,089</b>	<b>2,673,667</b>
Note(s)	9			



# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## Cash Flow Statement

	Note(s)	2007	2006
<b>Cash flows from operating activities</b>			
Cash receipts from customers		5,359,389	1,336,002
Cash paid to suppliers and employees		(3,388,458)	(77,744)
Cash generated from operations	19	1,970,931	1,258,258
Interest income		211,356	-
Finance costs		(144,243)	(77,118)
Tax paid	20	(27,268)	-
<b>Net cash from operating activities</b>		<b>2,010,776</b>	<b>1,181,140</b>
<b>Cash flows from investing activities</b>			
Purchase of investment property	2	-	(482,274)
Purchase of other intangible assets	3	(200,000)	(818,700)
Loans to group companies repaid		129,716	-
Loans advanced to group companies		(1,517,286)	(1,222,274)
Proceeds from loans from group companies		235,845	863,184
Repayment of loans from group companies		(561,816)	-
Purchase of financial assets		(107,578)	-
Sale of financial assets		50	-
Fair Value adjustment through equity		107,477	-
<b>Net cash from investing activities</b>		<b>(1,913,592)</b>	<b>(1,660,064)</b>
<b>Cash flows from financing activities</b>			
Proceeds from other financial liabilities		-	350,000
<b>Net cash from financing activities</b>		<b>-</b>	<b>350,000</b>
<b>Total cash movement for the period</b>		<b>97,184</b>	<b>(128,924)</b>
Cash at the beginning of the period		59,231	188,156
<b>Total cash at end of the period</b>	8	<b>156,415</b>	<b>59,232</b>

# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## Accounting Policies

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### 1. Presentation of Financial Statements

The financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice, and the Companies Act of South Africa, 1973. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

#### 1.1 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Reassessing the useful life of an intangible asset with a definite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Patents, trademarks and other rights	indefinite
Database	3 years

#### 1.2 Financial instruments

##### Initial recognition

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

# Senbiz (PTY) LTD

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Financial Statements for the year ended 28 February 2007

## Accounting Policies

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### 1.2 Financial instruments (continued)

#### Loans to (from) group companies

These include loans to holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Subsequently these loans are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts.

On loans receivable an impairment loss is recognised in profit or loss when there is objective evidence that it is impaired. The impairment is measured as the difference between the investment's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Impairment losses are reversed in subsequent periods when an increase in the investment's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the investment at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

#### Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

#### Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

### 1.3 Tax

#### Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## Accounting Policies

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### 1.3 Tax (continued)

#### Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, directly in equity, or
- a business combination.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.

### 1.4 Inventories

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

### 1.5 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

If the company reacquires its own equity instruments, those instruments are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments. Consideration paid or received shall be recognised directly in equity.

### 1.6 Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

# **Senbiz (PTY) LTD**

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## **Accounting Policies**

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### **1.6 Revenue (continued)**

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the balance sheet date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the balance sheet date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

### **1.7 Turnover**

Turnover comprises sales of study material and course material and income from training courses. Turnover is stated at the invoice amount and is exclusive of value added taxation.

### **1.8 Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.

# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## Notes to the Financial Statements

	2007	2006
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### 2. Investment property

	2007			2006		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Investment property	800,000	-	800,000	482,274	-	482,274

#### Details of property

##### Stand 1219

Stand 1219, Brits Extension 9, measuring 1487 square meters

- Purchase price: 1 December 2005	427,000	-
- Valuation	317,726	-
- Capitalised expenditure	55,274	-
	<b>800,000</b>	<b>-</b>

A register containing the information required by paragraph 22(3) of Schedule 4 of the Companies Act is available for inspection at the registered office of the company.

### 3. Intangible assets

	2007			2006		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Patents, trademarks and other rights	1,000,000	(40,000)	960,000	800,000	-	800,000
Database	18,700	(6,233)	12,467	18,700	-	18,700
<b>Total</b>	<b>1,018,700</b>	<b>(46,233)</b>	<b>972,467</b>	<b>818,700</b>	<b>-</b>	<b>818,700</b>

#### Reconciliation of intangible assets - 2007

	Opening Balance	Additions	Amortisation	Total
Patents, trademarks and other rights	800,000	200,000	(40,000)	960,000
Database	18,700	-	(6,233)	12,467
	<b>818,700</b>	<b>200,000</b>	<b>(46,233)</b>	<b>972,467</b>

#### Reconciliation of intangible assets - 2006

	Opening Balance	Additions	Total
Patents, trademarks and other rights	-	800,000	800,000
Database	-	18,700	18,700
	<b>-</b>	<b>818,700</b>	<b>818,700</b>

# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## Notes to the Financial Statements

	2007	2006
<b>4. Loans to/from group companies</b>		
<b>Fellow subsidiaries</b>		
Wealth Creation Trust	(38,533)	45,496
Wealth Pro Trust	-	56,052
Property Pro Trust	853,858	(61,816)
The Financial Office CC	265,030	-
Oppurtunity Investment Trust	(26,409)	(1,368)
The loans are unsecured and bears interest at 6% p.a. The terms of repayment are subject to the discretion of the director.		
Financial Office Marketing Services (Pty) Ltd	1,351,482	1,092,558
The loan is unsecured and bears interest at prime plus 2%. There are no fixed payment terms.		
Property Pro Trust	-	28,168
The loan is unsecured and bears interest at 6% p.a. The terms of repayment are subject to the discretion of the director.		
MT Beleggings	(300,000)	(800,000)
The loans are unsecured and bears interest at prime plus 2% per annum. The terms of repayment are subject to the discretion of the directors.		
Lix Technologies (Pty) Ltd	139,475	-
Financial Marketing Solutions (Pty) Ltd	(172,272)	-
The loans are unsecured and bears interest at 6% p.a. The terms of repayment are subject to the discretion of the director.		
	<b>2,072,631</b>	<b>359,090</b>
Non-current assets	2,609,845	1,222,274
Non-current liabilities	(537,214)	(863,184)
	<b>2,072,631</b>	<b>359,090</b>
<b>5. Other financial assets</b>		
<b>Available for sale</b>		
Unlisted shares	107,528	-
<b>Non-current assets</b>		
Available for sale	107,528	-
Fair values are determined annually at balance sheet date.		
<b>Investments at fair value</b>		
<b>Listed - at fair value</b>		
<b>Unlisted - at fair value - director's valuation</b>		
Financial Mastering Solutions (Pty) Ltd - 50 ordinary shars (50%)	107,528	-

# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## Notes to the Financial Statements

	2007	2006
<b>6. Inventories</b>		
Finished goods	694,315	14,116
<b>7. Trade and other receivables</b>		
Trade receivables	-	24,047
Prepayments (if immaterial)	-	9,595
VAT	100,020	-
	<b>100,020</b>	<b>33,642</b>
<b>8. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Bank balances	153,911	43,394
Other cash and cash equivalents	2,504	15,837
	<b>156,415</b>	<b>59,231</b>
<b>9. Share capital</b>		
<b>Authorised</b>		
1000 Ordinary shares of R1	1,000	1,000
<b>Reconciliation of number of shares issued:</b>		
Reported as at 01 March 2006	100	100
900 unissued ordinary shares are under the control of the director in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.		
<b>Issued</b>		
Ordinary	100	100
<b>10. Other financial liabilities</b>		
<b>At fair value through profit or loss</b>		
DP Rautenbach	350,000	350,000
The loan is unsecured and bears interest at prime minus 2% per annum. The interest is payable montly. The capital is paybale in full on/or before the 18 June 2010		
<b>Non-current liabilities</b>		
At fair value (FV adjustments through P&L)	350,000	350,000
<b>11. Trade and other payables</b>		
Trade payables	967,877	-



# Senbiz (PTY) LTD

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Financial Statements for the year ended 28 February 2007

## Notes to the Financial Statements

	2007	2006
<b>12. Revenue</b>		
Sale of goods	831,372	783,426
Rendering of services	4,528,017	500,377
	<b>5,359,389</b>	<b>1,283,803</b>
<b>13. Operating profit</b>		
Operating profit for the year is stated after accounting for the following:		
<b>Operating lease charges</b>		
Premises		
• Contractual amounts	122,000	-
Amortisation on intangible assets	46,233	-
Employee costs	649,147	-
<b>14. Investment revenue</b>		
<b>Interest revenue</b>		
Interest on loans	211,356	-
<b>15. Fair value adjustments</b>		
Investment property (Fair value model)	317,726	-
<b>16. Finance costs</b>		
Non-current borrowings	132,029	77,118
Interest paid SARS	12,214	-
	<b>144,243</b>	<b>77,118</b>
<b>17. Taxation</b>		
<b>Major components of the tax expense (income)</b>		
<b>Current</b>		
Local income tax - current period	530,398	352,287
<b>18. Auditors' remuneration</b>		
Fees	5,850	-

# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## Notes to the Financial Statements

	2007	2006
<b>19. Cash generated from operations</b>		
Profit before taxation	2,088,237	1,228,898
<b>Adjustments for:</b>		
Depreciation and amortisation	46,233	-
Interest received	(211,356)	-
Finance costs	144,243	77,118
Fair value adjustments	(317,726)	-
<b>Changes in working capital:</b>		
Inventories	(680,199)	(14,116)
Trade and other receivables	(66,378)	(33,642)
Trade and other payables	967,877	-
	<b>1,970,931</b>	<b>1,258,258</b>
<b>20. Tax (paid) refunded</b>		
Balance at beginning of the period	(408,704)	(56,417)
Current tax for the period recognised in income statement	(530,398)	(352,287)
Balance at end of the period	911,834	408,704
	<b>(27,268)</b>	<b>-</b>

# Senbiz (PTY) LTD

(Registration number 2000/016565/07)

Financial Statements for the year ended 28 February 2007

## Detailed Income statement

	Notes	2007	2006
<b>Revenue</b>			
Sale of goods		831,372	783,426
Rendering of services		4,528,017	500,377
	12	<b>5,359,389</b>	<b>1,283,803</b>
<b>Cost of sales</b>			
Opening stock		(14,116)	-
Purchases		(952,737)	(14,116)
Closing stock		694,315	14,116
		<b>(272,538)</b>	<b>-</b>
<b>Gross profit</b>		<b>5,086,851</b>	<b>1,283,803</b>
<b>Other income</b>			
Rental income		52,450	52,200
Interest received	14	211,356	-
Fair value adjustments	15	317,726	-
		<b>581,532</b>	<b>52,200</b>
<b>Operating expenses</b>			
Accounting fees		(17,664)	(1,900)
Administration and management fees		(1,209,769)	-
Auditors remuneration	18	(5,850)	-
Bank charges		(41,329)	(1,130)
Computer expenses		(20,369)	(17,937)
Conference rooms		(467,973)	-
Depreciation, amortisation		(46,233)	-
Employee costs		(649,147)	-
Entertainment		(24,900)	(103)
Insurance		(7,253)	(4,076)
Lease rentals on operating lease		(122,000)	-
Legal expenses		-	(1,404)
Mentoring fees		(276,973)	-
Postage		(28,537)	(1,162)
Printing and stationery		(118,778)	-
Repairs and maintenance		(20,853)	(134)
Security		(7,162)	-
Telephone and fax		(61,733)	(26)
Travel - local		(267,432)	(324)
Utilities		(41,948)	(1,791)
		<b>(3,435,903)</b>	<b>(29,987)</b>
<b>Operating profit</b>	13	<b>2,232,480</b>	<b>1,306,016</b>
Finance costs	16	(144,243)	(77,118)
<b>Profit before taxation</b>		<b>2,088,237</b>	<b>1,228,898</b>
Taxation	17	530,398	352,287
<b>Profit for the period</b>		<b>1,557,839</b>	<b>876,611</b>

## Senbiz (PTY) LTD

Tax registration number 9217/129/14/8

Financial Statements for the year ended 28 February 2007

### Tax Computation

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Net income per income statement	2,088,237
<b>Permanent differences</b>	(259,279)
Fair Value Adjustments not taxable	(317,726)
Interest paid to SARS	12,214
Amortisation of intangible assets not deductible	46,233
Taxable income for 2007	<u>1,828,958</u>
Taxation thereon @ 29c in the Rand	<u>530,398</u>
<b>Tax liability</b>	
Amount owing/(prepaid) at the beginning of year	408,704
Tax owing/(prepaid) for the current year	
Normal tax	503,130
Per calculation	530,398
1st provisional payment	(27,268)
2nd provisional payment	-
Amount owing/(prepaid) at the end of year	<u>911,834</u>

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