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Performance at a Glance

FINANCIAL RESULTS

	2001 P	2002 P	2003 P	2004 P	2005 P
Group					
Revenue	27 198 332	35 759 508	28 767 249	42 857 636	30 578 675
Gross Profit	9 246 169	11 865 462	9 545 961	9 523 934	4 770 232
Profit before tax	4 826 920	5 776 219	1 431 490	3 757 416	(2 958 750)
Profit after tax	3 749 193	4 584 918	940 320	2 612 923	(2 402 780)
Year-on year growth %					
Revenue	140%	31%	-20%	49%	-29%
Gross Profit	67%	28%	-20%	0%	-50%
Profit/ (loss) before tax	30%	20%	-75%	162%	-179%
Profit/ (loss) after tax	20%	22%	-79%	178%	-192%
Company					
Revenue	16 834 189	22 159 019	21 311 019	40 338 048	28 292 022
Gross Profit	8 226 020	90 248 885	7 716 957	8 943 143	4 031 171
Profit before tax	5 533 093	5 761 557	1 615 791	3 587 620	(2 600 429)
Profit after tax	4 278 822	4 574 540	1 048 844	2 500 496	(2 077 872)
Year-on year growth %					
Revenue	49%	32%	-4%	89%	-30%
Gross Profit	49%	10%	-14%	16%	-55%
Profit before tax	49%	4%	-72%	122%	-172%
Profit after tax	37%	7%	-77%	138%	-183%

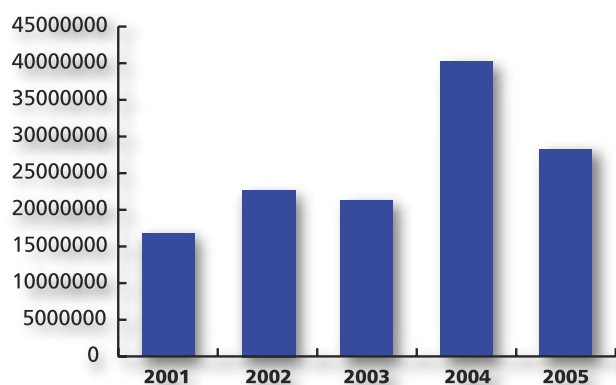
MARKET STATISTICS

	2001 P	2002 P	2003 P	2004 P	2005 P
Profit/ (loss) after tax	3 749 193	4 584 918	940 320	2 612 923	(2 402 780)
Goodwill amortisation/impairment	901 893	801 481	871 481	871 481	2 719 409
Headline earnings	4 651 086	5 386 399	1 811 801	3 484 404	316 629
Total number of shares in issue	31 482 887	31 482 887	31 482 887	31 482 887	31 482 887
Weighted shares in issue	31 152 116	31 482 887	31 482 887	31 482 887	31 482 887
Share price in thebe	140.00	135.00	70.00	60.00	40.00
Interim dividend (thebe)	4.00	4.00	-	2.87	2.08
Final dividend (thebe)	4.44	4.82	2.87	2.66	3.45
Dividend per share (thebe)	8.44	8.82	2.87	5.53	5.53
Headline earnings per share fully diluted (thebe)	14.77	17.11	5.75	11.07	1.01
Price/Earnings ratio	9.48	7.89	12.16	5.42	39.60
Dividend yield %	6.03%	6.53%	4.10%	9.22%	13.83%

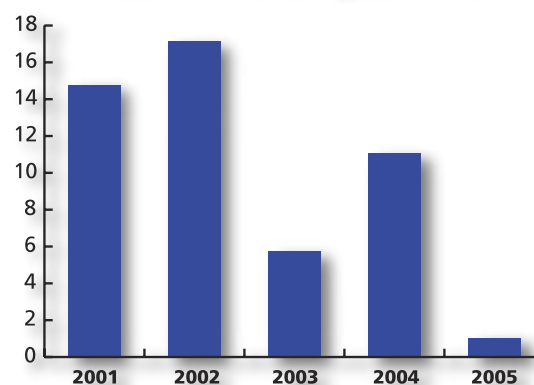
Headline earnings per share has been calculated using the total number of shares in issue at the respective year ends after adjusting profit after tax for goodwill amortisation/impairment charge.

Performance at a Glance

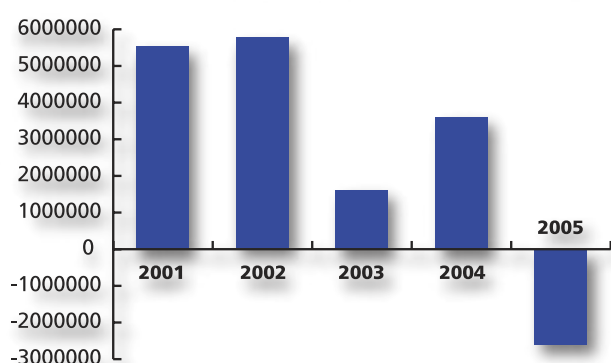
Core Business Revenue



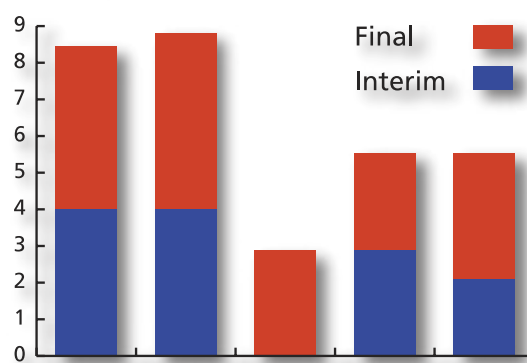
Headline Earnings per share



Core Business PreTax Profit/(loss)



Dividend Per Share



SHARE ANALYSIS

Directors' holding

	2000	2001	2002	2003	2004	2005
NW Armstrong	50,000	50,000	50,000	50,000	50,000	50,000
JR Pool	9,021,468	8,880,380	8,355,380	8,355,380	8,355,380	8,105,380
PD Sunners	3,507,361	3,387,361	3,387,361	3,387,361	3,387,361	3,387,361
PL Paledi	338,241	125,000	125,000	125,000	125,000	125,000
S Raja Ram	951,515	1,789,929	1,489,929	1,489,929	1,489,929	1,489,929
	13,868,585	14,232,670	13,407,670	13,407,670	13,407,670	13,045,170

Range of shareholding	Shareholders		Shares held	
	number	%	number	%
0-1000	213	35%	113,844	0.36%
1001-5000	275	45%	736,883	2.34%
5001-10000	41	6%	310,203	0.99%
10001-50000	43	7%	1,032,160	3.28%
50001-100000	15	2%	1,122,169	3.56%
over 100000	24	5%	28,168,403	89.47%
	611	100%	31,482,887	100.00%

Major shareholders

Stanbic Bank Nominees	2,927,744	9.30%
State Informatics Limited	2,600,000	8.26%
Barclays Bank Nominees	2,377,688	7.55%

**Incorporated in the Republic of Botswana**

Registration Number 89/1844

Date of Incorporation 19 December 1989

Nature of Business

The company is engaged in software sales, development and implementation.

Physical Address:

Plot 39, Gaborone International Commerce Park
Gaborone West
Gaborone

Company Secretary:

Corporate Services (Pty) Ltd
Unit 5, Kgale Mews
P.O. Box 406
Gaborone, Botswana

Transfer Secretaries:

Corpserve Botswana (Pty) Ltd
Plot 39, Gaborone International Commerce Park
Gaborone West, Gaborone

Registered Office:

Plot 50371 Fairground Office Park
Gaborone
P O Box 294
Gaborone
Botswana

Independent Auditors:

PricewaterhouseCoopers
Plot 50371 Fairground Office Park
Gaborone
Botswana

Attorneys/Legal Advisors:

Armstrongs
5th Floor, Barclays House
Khama Crescent
Gaborone
Botswana

Bankers:

Standard Chartered Bank Botswana Limited
Barclays Bank of Botswana Limited

(The financial statements are expressed in Pula, the currency of Botswana)

RPC Data Board Members



RPC Data Directors

J R Pool (Managing Director) (Executive) (British),
N W Armstrong (Chairman)(Non-executive) (Irish), P D Sunners (Executive) (British), P L Paledi (Non-executive) (Motswana),
S Raja Ram (Non-executive) (Indian)
K. Naik (Mauritian) (Not pictured)

Chairman and Managing Director's Report

The last financial year, from June 2004 to May 2005, has been a particularly difficult one for the Botswana economy, the contracting business sector, the IT business sector and RPC Data Ltd.

During this period public sector spending budgets were placed under pressure as the government sought to contain its budget deficit, and the impact was felt in the IT sector as fewer new projects were tendered. Income was down from the previous year, but still higher than 2003.

RPC Data successfully completed a number of important and sophisticated projects for the Government of Botswana during the course of this year, and has done so on time and budget, a significant achievement. Company management has deliberately focussed attention this year on the successful completion and continued support for these and other large public sector projects in Botswana and Uganda. They are strategic accounts to the company, and promise to provide support and extension services revenue in the future if we invest sufficiently in these early stages.

There have been few new contracts awarded in the IT sector this year, and RPC Data has felt the impact of that downturn with its first loss reported since listing on the Stock Exchange in Gaborone.

The company has remained in a positive cash position, however, and since your Board of Directors are positive about the future of the business, have elected to reward shareholders with an Annual Dividend of 5.53 thebe per share, effectively providing a yield of 13.83% at the current share price.



RPC Data continues to look for sensible and complimentary investment opportunities, those that might dovetail neatly with the core business operations to enhance and maximise shareholder value. Various discussions have taken place over the year with a number of potential opportunities, and this alternative growth strategy will continue to be explored in the coming year.

Over the last twelve months the company has also rationalised its non-performing subsidiaries and associate companies. Structural management changes have now been implemented, the results of which will be evident in the coming year. Employment policies and human resource development continues to favour the citizens of the country in which the relevant business unit operates. In Botswana RPC Data has taken an active policy of engaging bright young graduates in internship programs and training programs, occasionally in partnership with other institutions such as the IFSC. We have been able to retain 'key' technical and support staff with the skills and experience our customers demand. All this has been achieved without any significant increase in overhead cost.

Group Financial Performance

With a gross profit of P4,8 million we showed a net loss of 2,4 million pula. P 2.7 million was written down as "Impairment of Intangible Assets" and makes up the net loss for the year. This write off comprises two significant amounts. The first one is the increase in the write off of goodwill on acquisition of RPC Data Consulting and the second relates to the write off of software development costs.

Though management continues to expect recovery of the software development cost the directors have taken a conservative approach and fully provided for this amount.

RPC Data Botswana

RPC Data is a uniquely focused information technology (IT) company that specialises in the implementation of integrated software systems and services. Services include strategic IT planning, systems analysis, software development, software training, systems implementation and systems integration.

Product Sales

Software license sales continue to generate earnings growth for the Group. In 2005, new license sales were up 75% to 8.3 million pula, while annual maintenance license sales were up 20% to 7.1 million pula. The critically important aspect to annual maintenance license fees is that, with few exceptions, this is recurrent revenue. Much of the increase in new license sales shown this year is due to the rollout activities of existing systems, since new users require new licenses.

This financial year RPC acquired an agency to represent and sell the high-end servers manufactured by Sun Microsystems. We are still in the early stages of developing this business with sales of over four hundred thousand Pula worth of this equipment recorded in the 2005 financial year. Sun Microsystems is

Chairman and Managing Director's Report

one of the most innovative and successful manufacturers of Open Systems computer servers and workstations, and their products are widely used by large data centres in our operating territories. We look forward to considerable growth in this area.

Consulting

The Government Accounting and Budgeting system will provide a mechanism for much better controls for the Accountant General, and provide the Ministry of Finance with faster and more accurate information. The second project, the much publicised Government Payroll, Pensions and Passages application also went live, and today over a hundred thousand civil servants obtain their salaries, allowances and benefits through the system. The division is responsible for supporting existing systems under Service Level Agreements, which represent recurrent revenue; and which frequently provide new business opportunities in the form of extensions and enhancements.

RPC Data Zambia

Negotiations have been conducted with a new Zambian investor currently operating in the computer and networking supply and support market. We have completed a shareholder's agreement, and intend to take advantage of their marketing and business development skills to renew activity in this market.

RPC Data South Africa

RPC Data South Africa, based in George in the Western Cape, continues to provide training and consulting of Oracle, Linux and Microsoft software in the immediate area, and obtained some consulting work in Namibia and Zambia. The organisation has won an important new contract with a large local authority in South Africa, and we expect considerable earnings growth next year.

RPC Data Uganda

RPC Data Uganda commenced operations as a subsidiary with effect from 1 June 2005. Previously the Group's presence in Uganda has been at branch level. The company has been awarded a significant training contract and a new rollout support contract with the Government of Uganda.

With the contribution of our Ugandan partners we are confident this business will continue to build on its success to date, and grow its customer base in the near future.

Executive Director

A new Executive Director has been appointed effective from the 1st of November 2005. xxx is a Citizen of Botswana whose expertise in both Government and the private sector will be invaluable to the company going forward. A fully qualified Accountant, xxx has spent xx years working at a senior level in the Civil Service, and will be able to make a significant contribution to the company's ability to obtain and execute new business contracts.

Further Citizen Empowerment

Negotiations for equity participation with a Citizen owned investment group have reached an advanced stage. Their involvement will provide tremendous value to the group at both operational and board level. An agreement is expected to be concluded early in the new year.

Future Prospects

The effect of the various structural, management and shareholding changes mentioned above will be to broaden the opportunities available to your company. Your board and its management have a positive view of the immediate future, and consider that these changes will place the company in a very powerful position in the longer term.

Our thanks go to all members of the board for their wise counsel, and the management for their continued commitment to the success of your company. Finally our thanks to our valued and loyal customers for their continued support.



Mr NW Armstrong
Chairman



Mr JR Pool
Managing Director



Corporate Governance

Corporate governance is the process by which companies are directed, controlled and risk managed. Directors of the Board are responsible for the governance of the company whereas the shareholders' role is to appoint the directors and external auditors.

The concept of Corporate Governance continues to grow as the principles outlined in reports such as the King Report in South Africa and the Cadbury and Turnbull reports in the United Kingdom are adopted.

The Board of Directors

The Board is aware of its responsibilities to operate the company with integrity and according to accepted codes of corporate conduct. It is responsible for maintaining a system of internal control at an appropriate level. The Board is responsible for the preparation and integrity of the annual financial statements and the related financial information in this annual report. The financial statements are prepared in accordance with International Financial Reporting Standards and they incorporate full and responsible disclosure to ensure that the information contained therein is relevant and reliable.

The Board is chaired by an independent non-executive director and includes two other non-executive directors. The remaining directors hold executive roles and all directors have extensive experience, which is brought to bear in the overall governance of the Group. The Board meets on a quarterly basis to monitor performance against business plan as well as to formulate and implement group policy.

Risk Management

The Board is responsible for the total process of risk management and internal control. Management is accountable to the Board for designing, implementing and monitoring the process of risk management. The process is regularly reviewed for effectiveness.

External auditors

The external auditors are responsible for the independent review and the expression of an opinion on the reasonableness of the financial statements based on the audit.

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Approval of Financial Statements

For the year ended 31 May 2005

The directors of RPC Data Limited are responsible for the company and group annual financial statements and all other information presented therewith. Their responsibility includes the maintenance of true and fair financial records and the preparation of annual financial statements in accordance with International Financial Reporting Standards and in the manner required by the Botswana Companies Act (CAP 42:01).

The group maintains systems of internal control which are designed to provide reasonable assurance that the records accurately reflect its transactions and to provide protection against serious misuse or loss of the group's assets. The directors are also responsible for the design, implementation, maintenance and monitoring of these systems of internal financial control. Nothing has come to the attention of the directors to indicate that any significant breakdown in the functioning of these systems has occurred during the year under review.

The going concern basis has been adopted in preparing the annual financial statements. The directors have no reason to believe that the group or any company within the group will not be a going concern in the foreseeable future based on forecasts, and available cash resources.

Our external auditors conduct an examination of the company and group financial statements in conformity with International Standards on Auditing, which include tests of transactions and selective tests of internal accounting controls. Regular meetings are held between management and our external auditors to review matters relating to internal controls and financial reporting. The external auditors have unrestricted access to the Board of Directors.

The financial statements set out on pages 12 to 26 were authorised for issue by the Board of Directors on 22 September 2005 and are signed on its behalf by:



.....
Director



.....
Director

Report of the Independent Auditors

To the Shareholders and Board of Directors of RPC Data Limited



We have audited the accompanying company and group balance sheets of RPC Data Limited as of 31 May 2005 and the related company and group statements of income, cash flows and changes in shareholders' equity, as set out on pages 12 to 26, for the year then ended. These financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Botswana Companies Act (CAP 42:01) and International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We have examined the books, accounts and vouchers of the company and group to the extent we considered necessary and have obtained all the information and explanations required. We have satisfied ourselves as to the existence of the securities. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- the company and group has kept proper books of account with which the financial statements are in agreement; and
- the accompanying company and group financial statements give a true and fair view of the financial position of the company and group as of 31 May 2005, and of the results of their operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Botswana Companies Act (CAP 42:01).

22 September 2005
Gaborone
Certified Public Accountants

Income Statements

For the year ended 31 May 2005

	Notes	Group		Company	
		2005 P	2004 P	2005 P	2004 P
Revenue		30 578 675	42 857 636	28 292 022	40 338 048
Cost of sales		(25 808 443)	(33 333 702)	(24 260 851)	(31 394 905)
Gross profit		4 770 232	9 523 934	4 031 171	8 943 143
Other operating (expenses)/income	3	799 401	(72 128)	665 263	(28 965)
Impairment/amortisation of intangible assets	7	(2 719 408)	(871 481)	(2 649 408)	(801 481)
Operating expenses		(5 783 090)	(5 312 453)	(5 158 501)	(5 248 696)
Operating (loss)/profit	1	(2 932 865)	3 267 872	(3 111 476)	2 864 001
Share of associated company (losses)/profit	9	(154 669)	169 176	-	-
Net finance income	4	145 230	321 234	519 625	723 619
Finance expense		(16 446)	(866)	(8 578)	-
(Loss)/profit before tax		(2 958 750)	3 757 416	(2 600 429)	3 587 620
Tax	5	555 970	(1 144 493)	522 557	(1 087 124)
(Loss)/profit for the year		(2 402 780)	2 612 923	(2 077 872)	2 500 496
(Loss)/earnings per share (thebe)	17	(7.63)	8.30	(6.60)	7.94
Dividends per share (thebe)					
- interim dividend paid	17	2.08	2.87	2.08	2.87
- final dividend proposed	17	3.45	2.66	3.45	2.66
		5.53	5.53	5.53	5.53

Balance Sheets

As at 31 May 2005

	Notes	Group		Company	
		2005 P	2004 P	2005 P	2004 P
ASSETS					
Non-current assets					
Property, plant and equipment	6	3 269 669	3 339 931	988 496	1 026 332
Intangible assets	7	3 048 143	5 767 551	2 908 143	5 557 551
Investment in subsidiaries	8	-	-	5 604	3 104
Investment in associated companies	9	-	159 519	85 150	90 000
Loans due from subsidiary companies	10	-	-	2 643 060	2 658 176
Deferred tax	11	523 520	179 379	310 728	-
		6 841 332	9 446 380	6 941 181	9 335 163
Current assets					
Work in progress	12	429 959	11 333 335	429 959	11 333 335
Receivables and prepayments	13	20 501 214	8 159 548	21 064 984	8 287 558
Tax refund due		467 934	-	467 934	-
Cash and cash equivalents	14	5 399 198	3 719 506	4 979 075	3 494 630
		26 798 305	23 212 389	26 941 952	23 115 523
Total assets		33 639 637	32 658 769	33 883 133	32 450 686
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	15	1 574 144	1 574 144	1 574 144	1 574 144
Share premium	16	12 984 774	12 984 774	12 984 774	12 984 774
Retained earnings		1 161 423	5 306 405	2 001 091	5 821 165
Proposed dividend		1 087 977	839 003	1 087 977	839 003
		16 808 318	20 704 326	17 647 986	21 219 086
Non-current liabilities					
Deferred tax liabilities	11	45 170	33 015	45 170	33 015
Current liabilities					
Trade and other payables	18	16 786 149	11 552 536	16 189 977	10 829 693
Current tax liabilities		-	368 892	-	368 892
		16 786 149	11 921 428	16 189 977	11 198 585
Total liabilities		16 831 319	11 954 443	16 235 147	11 231 600
Total equity and liabilities		33 639 637	32 658 769	33 883 133	32 450 686

Statements Of Changes In Equity

For the year ended 31 May 2005

	Note	Share capital P	Share premium P	Retained earnings P	Proposed dividend P	Total P
Group						
Balance at 1 June 2003		1 574 144	12 984 774	4 435 684	903 559	19 898 161
Net profit for the year		-	-	2 612 923	-	2 612 923
Dividends						
- Prior year paid	19	-	-	-	(903 559)	(903 559)
- Interim paid	19	-	-	(903 199)	-	(903 199)
- Final proposed		-	-	(839 003)	839 003	-
Balance at 31 May 2004		1 574 144	12 984 774	5 306 405	839 003	20 704 326
Balance at 1 June 2004		1 574 144	12 984 774	5 306 405	839 003	20 704 326
Loss for the year		-	-	(2 402 780)	-	(2 402 780)
Dividends						
- Prior year paid	19	-	-	-	(839 003)	(839 003)
- Interim paid	19	-	-	(654 225)	-	(654 225)
- Final proposed		-	-	(1 087 977)	1 087 977	-
Balance at 31 May 2005		1 574 144	12 984 774	1 161 423	1 087 977	16 808 318
Company						
Balance at 1 June 2003		1 574 144	12 984 774	5 062 871	903 559	20 525 348
Net profit for the year		-	-	2 500 496	-	2 500 496
Dividends						
- prior year paid	19	-	-	-	(903 559)	(903 559)
- interim paid	19	-	-	(903 199)	-	(903 199)
- final proposed		-	-	(839 003)	839 003	-
Balance at 31 May 2004		1 574 144	12 984 774	5 821 165	839 003	21 219 086
Balance at 1 June 2004		1 574 144	12 984 774	5 821 165	839 003	21 219 086
Loss for the year		-	-	(2 077 872)	-	(2 077 872)
Dividends						
- prior year paid	19	-	-	-	(839 003)	(839 003)
- interim paid	19	-	-	(654 225)	-	(654 225)
- final proposed		-	-	(1 087 977)	1 087 977	-
Balance at 31 May 2005		1 574 144	12 984 774	2 001 091	1 087 977	17 647 986

Cash Flow Statements

For the year ended 31 May 2005

	Notes	Group		Company	
		2005 P	2004 P	2005 P	2004 P
Cash flows from operating activities					
Cash flows from operations	21	4 620 155	3 438 127	3 922 323	2 800 006
Net finance income	4	128 784	320 368	511 047	723 619
Tax paid		(836 826)	(1 230 522)	(836 826)	(1 230 522)
Net cash generated from operating activities		3 912 113	2 527 973	3 596 544	2 293 103
Cash flows from investing activities					
Purchase of property, plant and equipment	6	(479 173)	(212 042)	(469 745)	(179 401)
Purchase of investments	8	-	-	(2 500)	-
Deposits	13	(498 707)	-	(498 707)	-
Intangible assets	7	-	(11 452)	-	(11 452)
Disposal of plant and equipment to subsidiary		-	-	98 278	-
Proceeds from disposal of property, plant and equipment		14 703	-	14 703	-
Net cash used in investing activities		(963 177)	(223 494)	(857 971)	(190 853)
Financing activities					
Increase in shareholders loans		-	-	15 116	-
Net change in long term payables		-	(13 177)	-	-
Dividends paid	19	(1 269 244)	(1 535 744)	(1 269 244)	(1 535 744)
Net cash used in financing activities		(1 269 244)	(1 548 921)	(1 254 128)	(1 535 744)
Increase in cash and cash equivalents		1 679 692	755 558	1 484 445	566 506
Movement in cash and cash equivalents					
At beginning of year		3 719 506	2 963 948	3 494 630	2 928 124
Increase		1 679 692	755 558	1 484 445	566 506
At end of year	14	5 399 198	3 719 506	4 979 075	3 494 630

The following are the principal accounting policies used by the company and the group and which are consistent with those of the prior year unless otherwise stated:

Basis of preparation

The company and group financial statements have consistently been prepared in accordance with International Financial Reporting Standards. The company and group financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial assets and liabilities held for trading.

The accounting policies adopted by the subsidiaries are the same as those of the company.

The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

Segment information

Operations of the Group mainly comprise of hardware and software sales, systems development and implementation. These operations are regarded as one business segment. The majority of the operations of the Group are carried out in Botswana.

Basis of consolidation

The consolidated financial statements include those of RPC Data Limited and its subsidiaries RPC Data Consulting (Pty) Limited, ASC Services (Pty) Limited, RPC Data Zambia (Pty) Limited and RPCDL Properties (Pty) Limited.

Subsidiary undertakings are those companies in which the Group has an interest of more than one half of the voting rights, or otherwise has the power to exercise control over their operations. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date such control ceases.

Inter-group sales and profits are eliminated on consolidation and all revenue and profit figures relate to external transactions only.

Investment in associates

Investment in an associate undertaking is accounted for by the equity method of accounting. These are undertakings over which the group has between 20% and 50% of the voting rights, and over which the group exercises significant influence, but which it does not control. Provisions are recorded for long term impairment in value.

When the Group's share of losses in an associate equals or exceeds its interest in an associate, the Group does not recognise further losses unless the Group has incurred obligations or made payments on behalf of the associate.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation. Leasehold land is not depreciated. Depreciation is calculated on the straight-line method to write off the cost of each asset to their estimated residual value over its estimated useful life as follows;

Leasehold land and buildings	40 years
Computer equipment	4 years
Office furniture and equipment	4 years
Motor vehicles	4 years

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in operating profit.

Property is the subject of Fixed Period State Grants and regarded as leasehold properties.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised.

Revenue recognition

Revenue comprises income from software sales, software development, systems implementation and commission on sale of software packages, together with related training and maintenance contracts, and interest income and is recognised as follows;

Hardware and software sales:

On delivery of the hardware and software

Software development and systems implementation:

Over the period of the contract under the percentage of completion method.

Commissions on sale of software:

On delivery of the software

Training and maintenance contracts:

Over the period of the contract on a straight line basis.

Interest

As it accrues on the effective yield basis.

Work in progress

Work in progress on contracts is valued at direct cost together with a proportion of related overheads. The principal portion of the direct costs comprises labour costs. Provision is made for any non-recoverable work in progress.

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks and short term investments, net of any bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the balance sheet.

Foreign currencies

Assets and liabilities expressed in foreign currencies are translated to Botswana Pula at the rates ruling at the end of the financial year. Foreign currency transactions during the year are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Tax

Provision is made for Botswana Income Tax payable on current profits at the applicable rate of tax. Income tax is disclosed at the standard rate less the amount of withholding tax on dividends, utilised against additional company tax. Withholding tax at 15% is payable on the gross amount of dividends and is set off against additional company tax in the year in which the dividends are paid.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow or resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. No provision is recognised when the possibility of the liability crystallising is uncertain, if it depends on a future contingent event or if the obligation cannot be measured with sufficient reliability. In such cases, a contingent liability is disclosed.

Trade receivables

Trade receivables are recognised initially at fair value less provision for impairment and estimate made for doubtful receivables based on a review of all outstanding amounts at year end. A provision for impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate. The amount of the provision is recognised in the income statement. Bad debts are written off when identified.

Intangible assets

In accordance with the provisions of IFRS 3:

- the company and group ceased amortisation of goodwill and other intangible assets from 1 June 2004
- accumulated amortisation has been eliminated with a corresponding decrease in the cost of goodwill and other intangible assets
- from the year ended 31 May 2005 onwards goodwill and other intangible assets are tested annually for impairment, if there are indications of impairment.

Intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is determined as the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition.

Networking Contracts

The cost of purchasing networking contracts by a subsidiary company has been recognised as an intangible asset as its economic benefit exceeds one year.

Computer software development costs

Generally costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. However, costs that are directly associated with identifiable and unique software products controlled by the Group and have probable economic benefits exceeding the costs beyond one year, are recognised as intangible assets. Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads.

Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other in making financial or operating decisions. A number of transactions are entered into with related parties in the normal course of business. These transactions are carried out under

normal commercial terms and conditions at market rates, as summarised in the notes to the financial statements.

Financial instruments and risk management

The balance sheet includes assets and liabilities, reflected at fair values, which are subject to market risks. The fair value of liabilities approximates their carrying values. Details of these assets and liabilities are set out in the notes to the financial statements. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in-first-out method (FIFO). Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

Share Capital

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares, other than on a business combination, are shown as a deduction, net of tax, in equity from the proceeds. Share issue costs incurred directly in connection with a business combination are included in the cost of the acquisition. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

Leased assets

Leases of furniture, equipment and motor vehicles where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalised at the present value of underlying lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in interest bearing borrowings. The interest element of the finance charges is charged to the income statement over the lease period. The assets acquired under finance leasing contracts are depreciated over the useful lives of the assets.

Leases of assets under which the lessor effectively retains all the risks and benefits of ownership are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which the termination takes place.

Terminal benefits

For employees who are citizens of Botswana, the company has implemented the requirements of the Botswana Labour Act relating to severance benefits.

Expatriate employees are paid gratuities in terms of their employment contracts.

Provision for these benefits are made on the accruals basis over the period that it is earned.

Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Notes to the Financial Statements

For the year ended 31 May 2005

	Group		Company	
	2005 P	2004 P	2005 P	2004 P
1. Operating (loss) profit				
The following items have been charged/(credited) in arriving at operating profit:				
Impairment/amortisation of intangible assets (Note 7)	2 719 408	871 481	2 649 408	801 481
Audit fees				
- prior year overprovision	-	(19 800)	-	(19 800)
- current year	119 000	108 000	99 000	90 000
Depreciation on property, plant and equipment				
- owned assets(Note 6)	536 062	610 022	395 930	529 477
Directors' remuneration (Note 20)				
- for management services	990 663	1 273 218	990 663	1 273 218
- as directors' fees	47 900	67 000	47 900	67 000
Exchange rate losses/(gains)	(547 457)	168 208	(504 248)	168 771
Operating lease payments – property	-	-	372 000	372 000
Profit on sale of property plant and equipment	(1 332)	-	(1 332)	-
2. Staff Costs				
Wages and salaries	7 322 810	8 725 749	6 163 126	7 493 207
Termination benefits	188 435	215 722	188 435	215 722
	7 511 245	8 941 471	6 351 561	7 708 929
Average number of employees	55	62	47	53
3. Other operating income / (expenses)				
Exchange gain/(losses)	547 457	(168 770)	504 248	(168 770)
Sundry income	250 612	96 642	159 682	139 805
Profit on sale of property plant and equipment	1 332	-	1 332	-
	799 401	(72 128)	665 262	(28 965)
4. Finance income cost				
Interest income - bank	145 230	321 234	145 142	325 359
Interest income – intercompany	-	-	374 483	398 260
Interest expense- other	(16 446)	(866)	(8 578)	-
Net finance income	128 784	320 368	511 047	723 619

	Group		Company	
	2005 P	2004 P	2005 P	2004 P
5. Tax				
Botswana company tax				
Basic tax at 15%	-	711 777	-	711 776
Additional tax at 10%	-	474 518	-	474 518
	-	1 186 295	-	1 186 295
Share of associated company tax (Note 9)	-	45 653	-	-
Tax losses (arising)/utilised (Note 11)	(344 141)	11 716	(310 728)	-
Deferred taxation (Note 11)	12 155	20 446	12 155	20 446
	(331 986)	1 264 110	(298 573)	1 206 741
Prior year underprovision	-	151 397	-	151 397
Set off of withholding tax on dividends paid (Note 19)	(223 984)	(271 014)	(223 984)	(271 014)
	(555 970)	1 144 493	(522 557)	1 087 124
Tax reconciliation				
The tax on the profit before tax differs from the amount that would arise using the basic tax rate of 25% as follows:				
(Loss)/profit before tax	(2 958 750)	3 757 416	(2 600 429)	3 587 620
Tax calculated at 25%	(739 688)	939 354	(650 107)	896 905
Expenses not deductible for tax purposes	407 702	324 756	351 534	309 836
Prior year under/(over) provision	-	151 397	-	151 397
Set off withholding tax on dividends paid	(223 984)	(271 014)	(223 984)	(271 014)
	(555 970)	1 144 493	(522 557)	1 087 124
Tax charge per the income statement				
	(555 970)	1 144 493	(522 557)	1 087 124
Additional Company Taxation				
Balance at 1 June	965 612	762 108	965 612	762 108
Set off against current year dividend paid	(223 984)	(271 014)	(223 984)	(271 014)
Arising during the year	-	474 518	-	474 518
Balance at 31 May	741 628	965 612	741 628	965 612

Notes to the Financial Statements (Continued)

For the year ended 31 May 2005

6. Property, plant and equipment (Group)

	Leasehold land and buildings P	Computer equipment P	Furniture equipment P	Motor vehicles P	Total P
Group					
Year ended 31 May 2005					
Opening net book amount	2 534 172	510 672	172 906	122 181	3 339 931
Additions	-	229 727	54 446	195 000	479 173
Disposals	-	-	(2 518)	(10 855)	(13 373)
Depreciation charge(Note 1)	(68 612)	(295 730)	(92 572)	(79 148)	(536 062)
Closing net book amount	2 465 560	444 669	132 262	227 178	3 269 669
At 31 May 2005					
Cost	2 711 713	2 110 110	845 472	395 210	6 062 505
Accumulated depreciation	(246 153)	(1 665 441)	(713 210)	(168 032)	(2 792 836)
Net book amount	2 465 560	444 669	132 262	227 178	3 269 669
Year ended 31 May 2004					
Opening net book amount	2 566 930	721 023	272 655	177 303	3 737 911
Additions	32 127	104 284	51 947	23 684	212 042
Depreciation charge(Note 1)	(64 885)	(314 635)	(151 696)	(78 806)	(610 022)
Closing net book amount	2 534 172	510 672	172 906	122 181	3 339 931
At 31 May 2004					
Cost	2 711 684	1 896 475	845 731	291 767	5 745 657
Accumulated depreciation	(177 512)	(1 385 803)	(672 825)	(169 586)	(2 405 726)
Net book amount	2 534 172	510 672	172 906	122 181	3 339 931

	Leasehold land and buildings P	Computer equipment P	Furniture equipment P	Motor vehicles P	Total P
Year ended 31 May 2005					
Opening net book amount	267 973	496 693	161 210	100 456	1 026 332
Additions	-	220 299	54 446	195 000	469 745
Disposals	-	-	(2 518)	(10 855)	(13 373)
Transfers to group company	-	(13 475)	(29 074)	(55 729)	(98 278)
Depreciation charge (Note 1)	(7 098)	(280 826)	(70 621)	(37 385)	(395 930)
Closing net book amount	260 875	422 691	113 443	191 487	988 496
As at 31 May 2005					
Cost	283 920	2 062 046	793 857	296 030	3 435 853
Accumulated depreciation	(23 045)	(1 639 355)	(680 414)	(104 543)	(2 447 357)
Net book amount	260 875	422 691	113 443	191 487	988 496
Year ended 31 May 2004					
Opening net book amount	275 071	700 712	255 910	144 715	1 376 408
Additions	-	104 284	51 433	23 684	179 401
Depreciation charge (Note 1)	(7 098)	(308 303)	(146 133)	(67 943)	(529 477)
Closing net book amount	267 973	496 693	161 210	100 456	1 026 332
As at 31 May 2004					
Cost	283 920	1 871 314	823 181	248 316	3 226 731
Accumulated depreciation	(15 947)	(1 374 621)	(661 971)	(147 860)	(2 200 399)
Net book amount	267 973	496 693	161 210	100 456	1 026 332

Details of leasehold land and buildings are as follows:

- Section LA591/KO, Plot 30 Farm Forest Hill (Commerce Park), Number 9-LO, held under deed number MA184/99 for 99 years from August 1999 for RPCDL Properties (Pty) Ltd.

- Plot 39325 Block 6, Gaborone, held under Fixed Period State Grant Number 1251/2001 for 99 years from May 2001 for RPC Data Limited.

	Goodwill P	Software development P	Networking contracts P	Total P
7. Intangible assets				
Group				
Balance as at 1 June 2004	4 408 143	1 149 408	210 000	5 767 551
Impairment during the year (Note 1)	(1 500 000)	(1 149 408)	(70 000)	(2 719 408)
Balance as at 31 May 2005	2 908 143	-	140 000	3 048 143
Company				
Balance as at 1 June 2004	4 408 143	1 149 408	-	5 557 551
Impairment during the year (Note 1)	(1 500 000)	(1 149 408)	-	(2 649 408)
Balance as at 31 May 2005	2 908 143	-	-	2 908 143
Balance as at 1 June 2003	5 209 624	1 137 956	280 000	6 627 580
Additions	-	11 452	-	11 452
Amortisation during the year (Note 1)	(801 481)	-	(70 000)	(871 481)
Balance as at 31 May 2004	4 408 143	1 149 408	210 000	5 767 551
Balance as at 1 June 2003	5 209 624	1 137 956	-	6 347 580
Additions	-	11 452	-	11 452
Amortisation during the year (Note 1)	(801 481)	-	-	(801 481)
Balance as at 31 May 2004	4 408 143	1 149 408	-	5 557 551

Goodwill comprises goodwill arising from the reorganisation of RPC Data Limited and RPC Data Consulting (Pty) Ltd.

Software development costs principally comprise internally generated expenditure on major development projects where it is probable that the costs will be recovered through future commercial activity. During the year, doubt was raised regarding the recoverability of these amounts and the costs were treated as having been fully impaired.

The cost of purchasing networking contracts by a subsidiary company, ASC Services (Pty) Ltd was recognized as an intangible asset as its economic benefit exceeds one year.

An annual review for impairment of these amounts is performed.

Notes to the Financial Statements (Continued)

For the year ended 31 May 2005

	Group		Company	
	2005 P	2004 P	2005 P	2004 P
8. Investment in subsidiaries				
RPC Data Consulting (Pty) Limited				
Shares at cost representing 100% of the issued share capital	-	-	3 000	3 000
RPC Data Zambia (Pty) Limited				
Shares at cost representing 100% of the issued share capital	-	-	2 500	-
ASC Services (Pty) Limited				
Shares at cost representing 51% of the issued share capital	-	-	102	102
RPCDL Properties (Pty) Limited				
Shares at cost representing 100% of the issued share capital	-	-	2	2
	-	-	5 604	3 104
9. Investment in associate companies				
Knowledge Systems Botswana (Pty) Limited				
Investment at cost- 50% shareholding	50	50	50	50
Provision for diminution in value	(50)	(50)	(50)	(50)
	-	-	-	-
Mid Africa Value Added Distributors (Pty) Ltd				
Investment at cost – 20% shareholding	200	200	200	200
Share of losses after taxation	(200)	(200)	(200)	(200)
	-	-	-	-
Snowscape Holdings (Pty) Ltd t/a Advancenet Botswana				
Investment - 30% shareholding	159 519	35 996	90 000	90 000
Exchange difference	(4 850)	-	(4 850)	-
Share of (loss) /profit before taxation	(154 669)	169 176	-	-
Share of current year taxation (Note 5)	-	(45 653)	-	-
	-	159 519	85 150	90 000
	-	159 519	85 150	90 000
10. Loans due from subsidiaries				
Amounts due from				
RPCDL Properties (Pty) Limited	-	-	2 377 676	2 377 676
ASC Services (Pty) Limited	-	-	265 384	280 500
	-	-	2 643 060	2 658 176

The amounts due from the subsidiary companies are unsecured, bear interest at 15.75%(2004:14.5%) and are not subject to any fixed terms of repayment. The amounts are denominated in Pula.

	Group		Company	
	2005	2004	2005	2004
	P	P	P	P
11. Deferred tax				
Deferred tax liabilities - timing differences on property, plant and equipment:				
Balance at 1 June 2004	33 015	12 569	33 015	12 569
Arising during the year (Note 5)	12 155	20 446	12 155	20 446
Balance at 31 May 2005	45 170	33 015	45 170	33 015
Deferred tax asset-timing differences on tax losses:				
Balance at 1 June 2004	179 379	191 095	-	-
Assessed losses arising/(utilised) (Note 5)	344 141	(11 716)	310 728	-
Balance at 31 May 2005	523 520	179 379	310 728	-
Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through future taxable profits is probable.				
12. Work in progress				
Balance at 31 May	429 959	11 333 335	429 959	11 333 335
Work in progress on contracts is valued at direct cost together with a proportion of related overheads. The principal portion of the direct costs comprises labour costs.				
13. Receivables and prepayments				
Trade accounts receivable	19 457 181	7 863 832	18 954 250	7 160 445
Deposits	498 707	-	498 707	-
Amounts due from subsidiaries	-	-	1 250 402	856 304
Amount due from associate companies (Note 20)	141 201	38 168	14 122	20 787
Other receivables and prepaid charges	404 125	257 548	347 503	250 022
	20 501 214	8 159 548	21 064 984	8 287 558
Included in trade debtors are the following amounts which have been invoiced in US Dollars and are receivable as at the year end:	\$2 998 130	\$1 194 270	\$2 984 170	\$1 194 270
14. Cash and cash equivalents				
Cash and cash equivalents comprise the following:				
Cash at bank and in hand	5 109 103	3 194 762	4 688 980	2 970 186
Short-term investments	290 095	524 744	290 095	524 744
	5 399 198	3 719 506	4 979 075	3 494 930
Short-term investments comprise Bank of Botswana Certificates. The effective interest rate on Bank of Botswana Certificates was 11%(2004:12%)				

Notes to the Financial Statements (Continued)

For the year ended 31 May 2005

	Group		Company	
	2005	2004	2005	2004
	P	P	P	P
15. Share capital				
Authorised:				
100 000 000 ordinary shares of P0.05 each	5 000 000	5 000 000	5 000 000	5 000 000
Issued and fully paid				
31 482 887 ordinary shares of P0.05 each	1 574 144	1 574 144	1 574 144	1 574 144
16. Share premium				
At 31 May	12 984 774	12 984 774	12 984 774	12 984 774
17. (Loss)/earnings and dividends per share				
The calculation of (loss)/earnings and dividends per share is based on the net (loss)/profit for the year and the weighted average number of 31 482 887 shares in issue.				
18. Trade and other payables				
Trade accounts payable	13 903 517	8 756 713	13 847 790	8 651 109
Amounts due to subsidiaries	-	-	3 000	6 742
Amounts due to associate companies (Note 20)	42 919	95 328	-	18 185
Deferred income	217 220	348 049	136 818	255 149
Other payables and accruals	2 622 493	2 352 446	2 202 369	1 898 508
	16 786 149	11 552 536	16 189 977	10 829 693
Included in trade creditors are amounts denominated in foreign currencies as follows:				
United States Dollar	2 241 532	1 032 653	2 241 532	1 032 653
South African Rand	76 953	69 732	76 953	69 732

	Group		Company	
	2005 P	2004 P	2005 P	2004 P
19. Dividends paid				
Final dividend for prior year	839 003	903 559	839 003	903 559
Withholding tax thereon	(125 850)	(135 534)	(125 850)	(135 534)
Gross interim dividend for the year	654 225	903 199	654 225	903 199
Withholding tax thereon	(98 134)	(135 480)	(98 134)	(135 480)
	1 269 244	1 535 744	1 269 244	1 535 744
20. Related party transactions				
Snowscape Holdings (Pty) Ltd trading as Advancenet Botswana is a 30% owned associate company of RPC Data Limited. Transactions entered into between the two companies are as follows:				
Sales of goods and services	75 631	44 892	71 800	44 892
Purchases of goods and services	360 746	389 488	139 798	28 142
Loan balance	15 631	90 000	85 150	90 000
Trade account balance payable	42 919	95 328	-	18 185
Non trade accounts receivable balance	127 079	-	-	-
Trade account receivable balance	14 122	38 168	14 122	20 787
Directors' remuneration (Note 1)	1 038 563	1 340 218	1 038 563	1 340 218
Dividends paid to directors - gross	630 987	769 447	630 987	769 447
Employee share option scheme - refer note 25.				
21. Cash flows from operations				
Reconciliation of profit before tax to cash generated from operations:				
(Loss)/profit before tax	(2 958 750)	3 757 416	(2 600 429)	3 587 620
Adjustments for:				
Depreciation (Note 6)	536 062	610 022	395 930	529 477
Impairment/amortisation of intangible assets (Note 7)	2 719 408	871 481	2 649 408	801 481
Exchange loss in investment in associate	4 850	-	4 850	-
Profit on sale of property, plant and equipment (Note 1)	(1 332)	-	(1 332)	-
Net finance income (Note 4)	(128 784)	(320 368)	(511 047)	(723 619)
Share of associate company losses (profit)(Note 9)	154 669	(169 176)	-	-
Changes in working capital				
- work in progress	10 903 376	(9 692 690)	10 903 376	(9 692 690)
- receivables and prepayments	(11 842 959)	2 098 685	(12 278 719)	2 242 858
- trade and other payables	5 233 615	6 282 757	5 360 286	6 054 879
Cash generated from operations	4 620 155	3 438 127	3 922 323	2 800 006

Notes to the Financial Statements (Continued)

For the year ended 31 May 2005

22. Financial instruments

The balance sheet includes assets and liabilities, reflected at fair values, which are subject to market risks, foreign currency, credit and others. Details of these assets and liabilities are set out in the notes to the financial statements.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Interest rate risk

Fluctuations in interest rate impact on the value of short term cash investment and financing activities, giving rise to interest rate risk. The cash is managed to ensure surplus funds are invested in a manner to achieve maximum returns while minimising risks.

Credit risk

The financial assets of the Group which are subject to the credit consist mainly of cash resources and debtors. The cash resources are placed with reputable financial institutions and Group companies, which are in a sound financial position. Trade debtors are monitored on a regular basis.

Foreign currency risk

In the normal course of business, the Group enters into transactions denominated in foreign currencies. In addition, the Group has liabilities in foreign currencies, which expose it to fluctuations in foreign currency exchange rates.

Fair value

At 31 May 2005 and 2004, the carrying values of financial instruments reported in the financial statements approximate their fair values due to their short term maturity. The financial instruments are held in the ordinary course of business.

23. Commitments

Capital commitments

There are no capital commitments at year end.

Operating lease commitments

The company has entered into a lease agreement with a subsidiary company, RPCDL Properties (Pty) Limited for an indefinite period in respect of office premises at an annual rental currently P372 000 (2004- P372 000). This rental is revised annually in line with market rates.

24. Contingent liabilities

The company has given the following guarantees to customers and suppliers at year end:

- a) Performance guarantees of P1 427 000 and P799 000 to the Government of Botswana in terms of two separate contracts in progress at year end. These guarantees will remain in force until the expiry of the warranty period of the final deliverable in terms of the respective contract.
- b) Government of Botswana - Department of Customs P20 000

There are no other known contingent liabilities at the balance sheet date.

25. Employee share option scheme

The RPC Data Limited Employee option scheme makes provision for the grant of options to approved employees to subscribe for shares in the company. The employee option scheme is limited to 10% of the issued share capital of the company. Movements in the number of share options held by employees are as follows:

	31 May 2005	31 May 2004
Options issued at 1 June	145 000	275 000
Exercised	-	-
Lapsed	(145 000)	(130 000)
Outstanding at 31 May	-	145 000

26. Minority interest

Losses relating to minority shareholders absorbed by the majority shareholders amounted to P84 458 (2004:P71 463).

27. Post Balance Sheet Events

There were no significant post balance sheet events that would affect the financial statements.

Notice of Annual General Meeting

Notice is hereby given that the 6th Annual General Meeting of shareholders of RPC Data Limited, will be held at the office of the company, Plot 39 Commerce Park, Gaborone, Botswana on 20 January 2006 at 4.30 p.m, for the purpose of transacting the following agenda.

AGENDA

1. To read the notice convening the meeting.
2. To receive and approve the audited financial statements for the year ended 31 May 2005.
3. To ratify the interim net dividend proposed on 18 March 2005 and paid 18 April 2005 of 1.77 thebe (2.08 thebe gross) and the final net dividend proposed on 10 August 2005 and paid 26 September 2005 of 2.21 thebe (2.66 thebe gross) per share.
4. To elect directors of the company in place of John Robert Pool and Paul Sheela Raja Ram who retire by rotation in terms of Article 54 of the Articles of Association and being eligible offer themselves for re-election.
5. To approve the remuneration for the directors for the year ended 31 May 2005.
6. To approve the remuneration of the auditors for the past financial year.
7. To appoint auditors for the ensuing year and to fix their remuneration.
8. To transact other such business as may be transacted at an Annual General Meeting.

PROXIES

A member entitled to attend and vote may appoint a proxy to attend and vote on his behalf, and such proxy need not be a member of the company. The instrument appointing such a proxy must be deposited at the registered office of the company not more than 48 hours and not less than 24hours before the meeting. A proxy form is enclosed with this notice.

By order of the Board

Corporate Services (Pty) Limited
Company Secretary

22 September 2005

Registered Office
Plot 50371, Fairgrounds Office Park
PO Box 294, Gaborone

Proxy Form



I / We _____

of (address) _____

being of member of the above mentioned company, hereby appoint

_____ or failing him or her

_____ or failing him or her

_____ or failing him or her

the chairman of the meeting as my proxy to vote on my behalf at the annual general meeting of the company, to be held on 20 January 2006 at 4.30 p.m, at the offices of the company in Gaborone.

Signed this _____ day of _____ 2005

Signature _____

This form is to be in favour of/against the resolution as detailed below:

	For	Against
1. Approval of financial statements:		
2. Approval of final dividend:		
3. Election of directors:		
4. Approval of Directors' remuneration:		
5. Approval of auditors' remuneration:		
6. Appointment of auditors:		

Unless otherwise instructed, the proxy will vote as he/she deems fit.

Please return this form to:

**Corporate Services (Pty) Ltd
Unit 5, Kgale Mews
P.O. Box 406
Gaborone Botswana**

not more than 48 hours and not less than 24 hours before the meeting.