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## Performance at a Glance

### FINANCIAL RESULTS

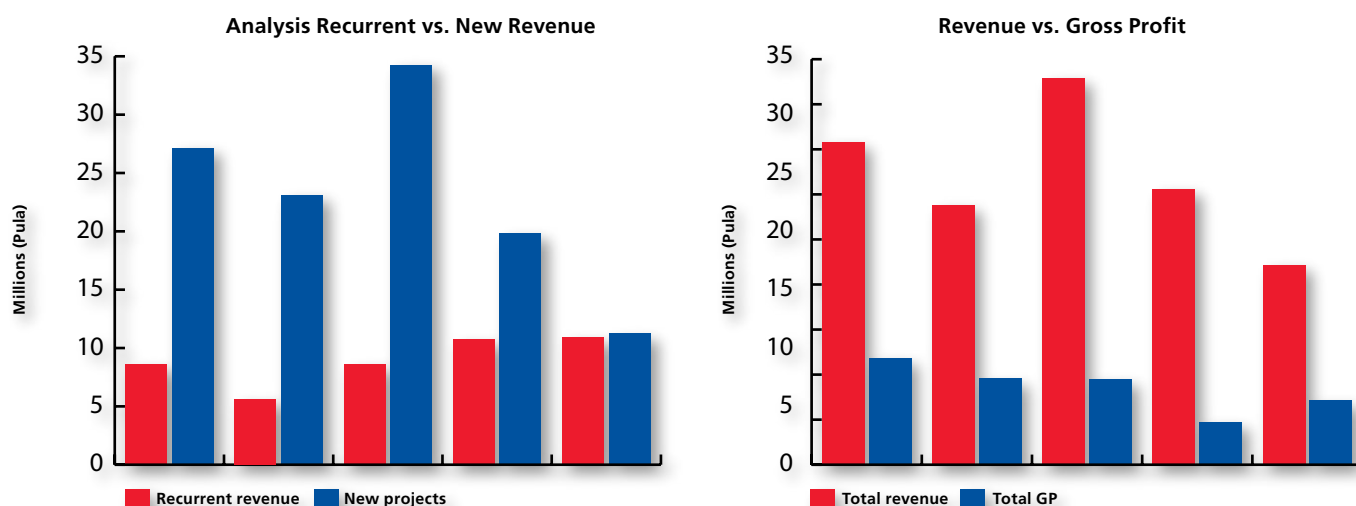
	2002 P	2003 P	2004 P	2005 P	2006 P
<b>RPC group</b>					
Revenue	35,759,508	28,767,249	42,857,636	30,578,675	22,184,445
Gross Profit	11,865,462	9,545,961	9,523,934	4,770,232	7,125,907
Profit after tax	3,749,193	940,320	2,612,923	(2,402,780)	(3,193,310)
<b>Year on year growth %</b>					
Revenue	31%	(20%)	49%	(29%)	(27%)
Gross Profit	28%	(20%)	0%	(50%)	49%
Profit after tax	0%	(75%)	178%	(192%)	(33%)
<b>RPC Data Botswana</b>					
Revenue	16,834,189	21,719,556	40,338,048	28,292,022	15,116,308
Gross Profit	8,226,020	7,674,910	8,943,143	4,031,171	4,499,313
Profit after tax	4,278,822	352,863	2,500,496	(2,077,872)	(3,305,061)
<b>Year on year growth %</b>					
Revenue	0%	29%	89%	(30%)	(46%)
Gross Profit	0%	(7%)	16%	(55%)	12%
Profit after tax	0%	(92%)	138%	(183%)	(59%)
<b>ASC Advancenet</b>					
Revenue	883,153	1,305,124	2,641,763	2,286,653	2,860,223
Gross Profit	453,650	590,991	795,803	742,866	441,247
Profit after tax	(169,000)	(55,070)	78,227	(24,853)	(373,043)
<b>Year on year growth %</b>					
Revenue	-	48%	102%	(13%)	25%
Gross Profit	-	30%	35%	(7%)	(40%)
Profit after tax	-	67%	242%	(132%)	(1,400%)
<b>RPC Zambia</b>					
Revenue	-	-	-	-	248,307
Gross Profit	-	-	-	-	164,556
Profit after tax	-	-	-	(68,712)	(272,237)
<b>Year on year growth %</b>					
Revenue	-	-	-	-	-
Gross Profit	-	-	-	-	-
Profit after tax	-	-	-	-	(296%)
<b>RPC Uganda</b>					
Revenue	-	-	-	-	4,368,951
Gross Profit	-	-	-	-	2,021,009
Profit after tax	-	-	-	-	103,433
<b>Year on year growth %</b>					
Revenue	-	-	-	-	100%
Gross Profit	-	-	-	-	100%
Profit after tax	-	-	-	-	100%

### MARKET STATISTICS

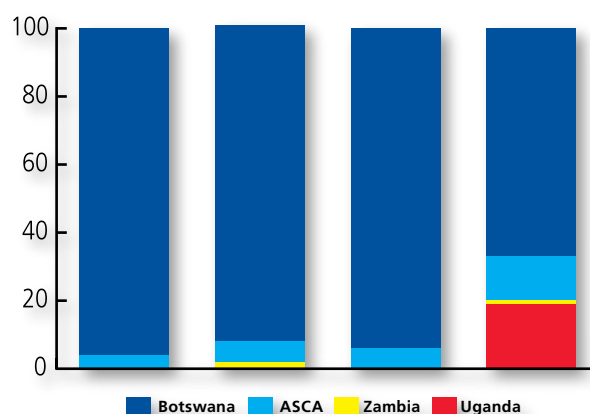
	2002 P	2003 P	2004 P	2005 P	2006 P
Profit/ (loss) after tax	4,584,918	940,320	2,612,923	(2,402,780)	(3,193,310)
Goodwill amortisation/impairment	801,481	871,481	871,481	2,719,409	2,978,143
Headline earnings	5,386,399	1,811,801	3,484,404	316,629	(215,167)
Total number of shares in issue	31,482,887	31,482,887	31,482,887	31,482,887	31,482,887
Weighted shares in issue	31,482,887	31,482,887	31,482,887	31,482,887	31,482,887
Share price in thebe	135.00	70.00	60.00	40.00	35.00
Interim dividend (thebe)	4.00	-	2.87	2.08	-
Final dividend (thebe)	4.82	2.87	2.66	3.45	-
Dividend per share (thebe)	8.82	2.87	5.53	5.53	-
Headline earnings per share fully diluted (thebe)	17.11	5.75	11.07	1.01	-
Dividend yield %	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.

## Performance at a Glance



### Revenue Contribution



## SHARE ANALYSIS

Directors' Holding	2002	2003	2004	2005	2006
J R Pool	8,355,380	8,355,380	8,355,380	8,105,380	8,105,380
P L Paledi	125,000	125,000	125,000	125,000	125,000
S Raja Ram	1,489,929	1,489,929	1,489,929	1,489,929	1,489,929
<b>Total</b>	<b>9,970,309</b>	<b>9,970,309</b>	<b>9,970,309</b>	<b>9,720,309</b>	<b>9,720,309</b>

### Range of Shareholding

	Shareholders number	%	Number of shares held	Shares held %
0 - 1,000	214	35.2	112,250	0.4
1,001 - 5,000	273	45.0	724,522	2.3
5,001 - 10,000	42	6.9	322,977	1.0
10,001 - 50,000	39	6.4	959,473	3.0
50,001 - 100,000	15	2.5	1,090,906	3.5
over 100,000	24	4.0	28,272,759	89.8
<b>Total</b>	<b>607</b>	<b>100.0</b>	<b>31,482,887</b>	<b>100.0</b>

### Major Shareholders

	Number of shares held	Shares held %
P D Sunners	3,387,361	10.7
Stanbic Nominees	3,012,494	9.6
Barclays Bank Nominees	2,869,858	9.1
State Informatics Limited	2,600,000	8.2

## Directors and Corporate Information



### DIRECTORS

**Ms. Tebelelo Seretse**  
**Mr. Robert J Pool**  
**Ms. Emeldah Mathe**  
**Mr. Mompoti D Nwako**  
**Mr. Kushan Naik**  
**Mr. Paul Paledi**  
**Ms. Sheela Raja Ram**  
**Mr. Parks Tafa**

**Chairperson**  
**Managing**

**Executive**

### 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 Secretaries:

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

### Registered Office:

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

### Independent Auditors:

PricewaterhouseCoopers  
Plot 50371 Fairground Office Park  
Gaborone  
Botswana

### Transfer Secretaries:

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

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

## Chairperson and Managing Director's Report

### Introduction

We have the pleasure of informing you, the Shareholders, of the appointment of four new citizen directors to the Board of RPC Data Ltd during the current year. This is as a result of the citizen equity participation negotiations alluded to in last year's report. Tebelelo Seretse, Emeldah Mathe, Parks Tafa and Mompoti Nwako bring a wide range of skill and proven business experience, reflecting RPC Data's desire to approach the market with a fresh outlook, vigour and responsiveness to current challenges.

The citizen equity participation scheme was concluded with the signing of an agreement on the 31st May 2006. As a result 26% of the RPC Data Ltd shares were transferred to these new citizen shareholders in November 2006.

The last two years have proved difficult not only for RPC Data but for the Botswana economy as a whole. Once again, few new projects were awarded to the company during the financial year ended 31 May 2006. However, a strong recurrent revenue base, bolstered by training and support income, has managed to give the company a platform from which to approach the ensuing period with confidence.

This optimism is premised on the fact that despite a 27% decrease in revenue compared to the previous year, gross profits improved by 49% mainly due to careful management of costs. Furthermore, positives can be derived from the changing outlook in the public sector's development budget. Government's intention to accelerate the rate of economic growth through some major public and private sector projects over the next five years supports this line of thinking. RPC Data believes it has a role to play in Botswana's objective of building an innovative economy that will lead to, amongst other things, economic diversification and the reduction of unemployment.

The continuation of the roll-out phase of the Government Accounting and Budgeting System (GABS) has consolidated the success of the project such that your company is in a position to continue strongly competing for any large project in Botswana and the region. In this regard, bids for similar projects continue to be submitted in Zambia and Kenya, whilst our support of the Government of Uganda's financial system is continuing for the ensuing financial year.

The expansion strategy that we have embarked upon can be seen to be beginning to generate revenues within ASC Advancenet, RPC Zambia and RPC Uganda contributing over P 7 million or 32% of group revenue.

RPC Data continues to have a strong citizen representation – currently 50% of total staff. The technical qualifications of your company's consultants provide adequate depth and cover for the core business with 62% being degree holders. In spite of Oracle certified personnel being in high demand due to the

increasing number of Oracle installations coming on stream, RPC Data is happy to have the number of staff who have secured their certification rising to 8 in the year under review. The Registrar of Companies computerisation project is expected to absorb over 50 data-capture personnel for a period of almost a year. This emphasises the importance of awarding projects to local companies, locally owned and run, having more than just a token presence in Botswana.

### Group Financial Performance

As stated earlier, our gross profit of P7.1 million Pula was up 49% of that achieved last year. This represents 32.1% of revenue up from 15.6% in the previous year. The net loss of P3.2 million is mainly attributable to a P3 million impairment of the remaining balance of goodwill arising on the acquisition of Acumen Enterprises (Pty) Ltd during 2000. This loss will not affect results in future periods as the goodwill is now completely written off.

Administration costs have increased from the prior year due to our Uganda and Zambia subsidiaries commencing operations, domestic inflation, as well as the recruitment of a new citizen general manager for the Botswana operation.

### RPC Data Ltd - Company

RPC Data is the first authorised Oracle representative in Botswana, a member of the Oracle Partner Network, and was the first Certified Advantage Partner in Africa. RPC Data was also the first company to be authorised as an Oracle Applications Reseller in Africa. As a uniquely focused information technology (IT) company that specialises in the implementation of integrated software systems and services, RPC Data's services include strategic IT planning, systems analysis, software development, software training, systems implementation and systems integration.

### Product Sales

New licence sales stood at 2.6 million Pula while annual maintenance licence sales were 4 million Pula during 2006. The critically important aspect to annual maintenance licence fees is that, with few exceptions, this is recurrent revenue. To this end, RPC Data continues to strive to provide quality solutions at the appropriate cost.

### Consulting

The total consulting revenue billed in 2006 was 14.1 million Pula, marginally down from 14.2 million Pula in 2005. The direct cost associated with consulting was reduced from 13.6 million Pula in 2005 to 9.3 million Pula in 2006. This careful control of costs of sales has proved significant as the consulting division, being the largest, impacts considerably on the group results.

### RPC Data Zambia

The company was restructured and re-invigorated last year with the introduction of a new Zambian shareholder. Under

## Chairperson and Managing Director's Report

this ownership structure, new staff have been engaged with a particular focus on business development. In the financial year under review there has been initial revenue from mostly Oracle training and technical consulting services with every indication of it increasing in the New Year.

### RPC Data Uganda

In its first year operating as a subsidiary company rather than as a branch of the parent company, the company has delivered significant training contracts with the Central Ugandan Government. Our support contract with the Integrated Financial Management Information System project (similar to GABS in Botswana) has been extended, and we were also contracted to provide consulting services for the continued "rollout" of that project into more ministries. From revenue of 4.4 million Pula, gross profit amounting to 2 million pula was achieved – positioning RPC Uganda as a strong contributor to group results.

### ASC Advancenet

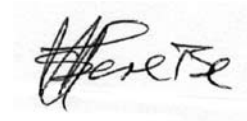
ASC is a subsidiary of RPC Data Ltd, with minority shareholding held by the Realtime Technology Alliance of Africa. The company provides amongst others; IT Networking Support, IT Consultancy Services, Disaster Recovery Planning, Storage Management Systems, Firewalls and Internet Security. Engineers are certified by popular product vendors such as Microsoft, Cisco, and Novell.

ASC Advancenet posted revenues of close to 3 million Pula providing a sound basis for consolidating its target PC to small server sector.

### Future Prospects

The write-off of the substantial amount of goodwill, without which the company would have posted headline profits, paves the way for a positive trading environment into the future. Government's stated position of the pooling of capital resources, of which a listed company is the highest form, gives your board confidence that RPC Data is well positioned for projects coming on stream. Furthermore, The IT industry, on the back of a general upswing in the economy, is already showing signs of recovery.

We expect growth in licences as the use in the major systems installed increase as a result of the benefits now being derived. The successes of these installations uniquely position RPC Data as the premier majority citizen-owned IT consulting company in Botswana.



**Tebelelo Seretse**  
Chairperson



**Rob Pool**  
Managing Director

## Corporate Governance

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### Corporate Governance

**Corporate governance is the process by which companies are directed, controlled and risks managed. The concept of Corporate Governance continues to grow as the principles outlined in reports such as the King II Report in South Africa and the Cadbury and Turnbull reports in the United Kingdom are adopted. These reports have as a common goal, the promotion of the highest standards of corporate governance by providing recommendations and principles in line with best practice. Central to all these reports, is the requirement for the Board of Directors to take full responsibility for the Governance of the company at all levels. The shareholders' role is to appoint the Board of Directors and evaluate its performance.**

### 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.

The Board is responsible for maintaining a system of internal control at an appropriate level and for the preparation and integrity of the annual financial statements and the related financial information in this annual report

Given its history, the company's corporate governance procedures have been largely informal. While this approach met the company's requirements to date, the newly appointed Board of Directors believes that the company needs to further formalise certain aspects of governance. This is necessary not only because the concept of corporate governance is gaining a larger foothold in Botswana, but also because it is necessary to have a solid governance footing as the company expands its regional operations further into Africa. As a first step, the newly constituted Board has been expanded to include six non-executive directors (as opposed to three in the past). The Board is chaired by an independent non-executive. The remaining two directors hold executive roles. 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 the performance against the business plan as well as to formulate and implement group policy.

It is the intention of the new Board to introduce further governance measures, including fully functioning Audit and Remuneration Committees (which can consider the appointment of internal auditors), Codes of Conduct and Ethics for all directors and staff, as well as a register of directors' interests in the company and in transactions with the company. Where required, the Board is also committed to making the necessary disclosures in the Annual Financial Statements so as to adequately inform stakeholders of governance and related issues.

### Company Secretary and Professional Advice

All directors have unlimited access to the services of the company secretary, who is responsible to the Board for ensuring that proper board procedures are followed.

All directors are entitled to seek independent professional advice concerning the affairs of the company, at the company's expense.

### 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. The external auditors have unrestricted access to the Board of Directors.

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## Approval of Financial Statements

For the year ended 31 May 2006

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**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, available cash resources and with the continued support of its holding company.

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 10 to 32 were authorised for issue by the Board of Directors on 29 September 2006 and are signed on its behalf by:



.....  
**Director**



.....  
**Director**

**PricewaterhouseCoopers**

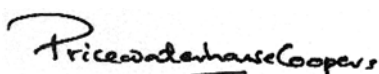
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**Report of the Independent Auditors  
To the Shareholders and Board of Directors of RPC Data Limited**

We have audited the accompanying company and group balance sheets of RPC Data Limited as of 31 May 2006 and the related company and group statements of income, cash flows and changes in shareholders' equity, as set out on pages 11 to 32, 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 2006, 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).



**Gaborone  
29 September 2006  
Certified Public Accountants**

Senior Partner: D K U Corea  
Partners: R Binedell, R P De Silva, O J Janse van Rensburg, B D Phirie

## Income Statement

For the year ended 31 May 2006

	Notes	Group		Company	
		2006 P	2005 P Restated	2006 P	2005 P Restated
Revenue		22,184,445	30,578,675	15,116,308	28,292,022
Cost of sales		(15,058,538)	(25,808,443)	(10,616,995)	(24,260,851)
Gross profit		7,125,907	4,770,232	4,499,313	4,031,171
Other income	3	1,544,805	799,401	1,955,419	665,263
Impairment of goodwill	7	(2,978,143)	(2,719,408)	(2,908,143)	(2,649,408)
Operating expenses		(9,200,966)	(5,713,250)	(6,917,556)	(5,095,529)
Operating loss	1	(3,508,397)	(2,863,025)	(3,370,967)	(3,048,503)
Share of associated company losses	9	-	(154,669)	-	-
Write off of Investment in associate company	9	-	-	(85,150)	-
Interest received	4	96,966	145,230	100,227	519,625
Interest paid	4	(32,543)	(16,446)	(27,004)	(8,578)
Loss before tax		(3,443,974)	(2,888,910)	(3,382,894)	(2,537,456)
Tax	5	250,664	555,970	77,833	522,557
<b>Loss for the year</b>		<b>(3,193,310)</b>	<b>(2,332,940)</b>	<b>(3,305,061)</b>	<b>(2,014,899)</b>
<b>Attributable to:</b>					
Equity holders of the company		(3,243,992)	(2,332,940)	(3,305,061)	(2,014,899)
Minority Interest		50,682	-	-	-
		<b>(3,193,310)</b>	<b>(2,332,940)</b>	<b>(3,305,061)</b>	<b>(2,014,899)</b>
Basic earnings per share (thebe)	17	(10.30)	(7.63)	(10.50)	(6.60)
Dividends per share (thebe)					
- interim dividend paid	17	-	2.08	-	2.08
- final dividend proposed	17	-	3.45	-	3.45
		-	5.53	-	5.53

# Balance Sheet

As at 31 May 2006

	Notes	Group		Company	
		2006	2005	2006	2005
		P	P Restated	P	P Restated
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	6	4,192,510	3,889,890	1,136,361	1,462,478
Intangible assets	7	70,000	3,048,143	-	2,908,143
Investment in subsidiaries	8	-	-	2,618,070	5,604
Investment in associated companies	9	-	-	-	85,150
Loans due from subsidiary companies	10	-	-	892,601	2,643,060
Deferred income tax assets	11	580,809	523,520	264,465	310,728
		4,843,319	7,461,553	4,911,497	7,415,163
<b>Current assets</b>					
Stock		123,573	-	-	-
Work in progress	12	176,313	429,959	176,313	429,959
Receivables and prepayments	13	12,258,216	20,501,214	12,236,851	21,064,984
Income tax refund due		302,877	467,934	302,877	467,934
Cash and cash equivalents	14	5,417,267	5,399,198	4,564,846	4,979,075
		18,278,246	26,798,305	17,280,887	26,941,952
<b>Total assets</b>		<b>23,121,565</b>	<b>34,259,858</b>	<b>22,192,384</b>	<b>34,357,115</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and reserves attributable to equity holders of the company</b>					
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
Revaluation reserve		446,393	92,857	-	-
Foreign currency translation reserve		(28,654)	-	-	-
Retained earnings		(1,692,801)	1,551,191	(932,739)	2,372,322
Proposed dividend		-	1,087,977	-	1,087,977
		13,283,856	17,290,943	13,626,179	18,019,217
<b>Minority Interest</b>		50,682	-	-	-
<b>Total Equity</b>		13,334,538	17,290,943	13,626,179	18,019,217
<b>Non-current liabilities</b>					
Deferred income tax liabilities	11	425,694	182,766	187,023	147,922
<b>Current liabilities</b>					
Trade and other payables	18	9,361,333	16,786,149	8,379,182	16,189,976
		9,361,333	16,786,149	8,379,182	16,189,976
<b>Total liabilities</b>		9,787,027	16,968,915	8,566,205	16,337,898
<b>Total equity and liabilities</b>		<b>23,121,565</b>	<b>34,259,858</b>	<b>22,192,384</b>	<b>34,357,115</b>

# Statements Of Changes In Equity

For the year ended 31 May 2006

	Note	Share capital P	Share premium P	Revaluation Reserve P	Other Reserve P	Minority Interest P	Retained earnings P	Proposed dividend P	Total P
<b>Group</b>									
<b>Balance at 1 June 2004</b>									
-as previously reported		1,574,144	12,984,774	-	-	-	5,306,405	839,003	20,704,326
-prior year adjustment	22	-	-	-	-	-	319,928	-	319,928
-prior year adjustment- revaluation	22	-	-	92,857	-	-	-	-	92,857
<b>-as restated</b>		<b>1,574,144</b>	<b>12,984,774</b>	<b>92,857</b>	-	-	<b>5,626,333</b>	<b>839,003</b>	<b>21,117,111</b>
Loss for the year as rested		-	-	-	-	-	(2,332,940)	-	(2,332,940)
Dividends:									
- Prior year paid	19	-	-	-	-	-	-	(839,003)	(839,003)
- Interim paid	19	-	-	-	-	-	(654,225)	-	(654,225)
- Final proposed	19	-	-	-	-	-	(1,087,977)	1,087,977	-
		-	-	-	-	-	-	-	-
<b>Balance at 31 May 2005</b>									
<b>- as restated</b>		<b>1,574,144</b>	<b>12,984,774</b>	<b>92,857</b>	-	-	<b>1,551,191</b>	<b>1,087,977</b>	<b>17,290,943</b>
Loss for the year		-	-	-	-	-	(3,243,992)	-	(3,243,992)
Revaluation Reserve	-	-	-	353,536	-	-	-	-	353,536
Foreign currency translation		-	-	-	(28,654)	-	-	-	(28,654)
Minority Interest		-	-	-	-	50,682	-	-	50,682
Dividends;									
- Prior year paid	19	-	-	-	-	-	-	(1,087,977)	(1,087,977)
		-	-	-	-	-	-	-	-
<b>Balance at 31 May 2006</b>									
		<b>1,574,144</b>	<b>12,984,774</b>	<b>446,393</b>	<b>(28,654)</b>	<b>50,682</b>	<b>(1,692,801)</b>	-	<b>13,334,538</b>

	Note	Share capital P	Share premium P	Retained earnings P	Proposed dividend P	Total P
<b>Company</b>						
<b>Balance at 1 June 2004</b>						
-as previously stated		1,574,144	12,984,774	5,821,165	839,003	21,219,086
Prior year adjustment-	22	-	-	308,258	-	308,258
<b>-as restated</b>		<b>1,574,144</b>	<b>12,984,774</b>	<b>6,129,423</b>	<b>839,003</b>	<b>21,527,344</b>
Loss for the year		-	-	(2,014,899)	-	(2,014,899)
Dividends;						
- prior year paid	19	-	-	-	(839,003)	(839,003)
- interim paid	19	-	-	(654,225)	-	(654,225)
- final proposed		-	-	(1,087,977)	1,087,977	-
<b>Balance at 31 May 2005</b>						
		<b>1,574,144</b>	<b>12,984,774</b>	<b>2,372,322</b>	<b>1,087,977</b>	<b>18,019,217</b>
<b>Balance at 1 June 2005</b>						
		<b>1,574,144</b>	<b>12,984,774</b>	<b>2,372,322</b>	<b>1,087,977</b>	<b>18,019,217</b>
<b>Loss for the year</b>		-	-	<b>(3,305,061)</b>	-	<b>(3,305,061)</b>
<b>Dividends;</b>						
<b>- prior year paid</b>	<b>19</b>	-	-	-	<b>(1,087,977)</b>	<b>(1,087,977)</b>
<b>Balance at 31 May 2006</b>						
		<b>1,574,144</b>	<b>12,984,774</b>	<b>(932,739)</b>	-	<b>13,626,179</b>

## Cash Flow Statements

For the year ended 31 May 2006

	Notes	Group		Company	
		2006 P	2005 P	2006 P	2005 P
<b>Cash flows from operating activities</b>					
Cash flows from operations	21	317,748	4,620,155	495,121	3,922,324
Net finance income	4	64,423	128,784	73,223	511,047
Income tax -paid		(250,000)	(836,826)	(250,000)	(836,827)
Income tax -refund received		415,057	-	415,057	-
<b>Net cash generated from operating activities</b>		<b>547,228</b>	<b>3,912,113</b>	<b>733,401</b>	<b>3,596,544</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	6	(416,970)	(479,173)	(288,910)	(469,745)
Purchase of investments		-	-	(2,612,466)	(2,500)
Deposit for property recovered /(paid)		498,707	(498,707)	498,707	(498,707)
Disposal of plant and equipment to subsidiary (note 6)		-	-	129,360	98,278
Proceeds from disposal of property, plant and equipment		313,884	14,703	300,000	14,703
<b>Net cash generated / (used in) from investing activities</b>		<b>395,621</b>	<b>(963,177)</b>	<b>(1,973,309)</b>	<b>(857,971)</b>
<b>Financing activities</b>					
Decrease in shareholders loans		-	-	1,750,459	15,116
Dividends paid- net of withholding tax	19	(924,780)	(1,269,244)	(924,780)	(1,269,244)
<b>Net cash (used in)/ generated from financing activities</b>		<b>(924,780)</b>	<b>(1,269,244)</b>	<b>825,679</b>	<b>(1,254,128)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>18,068</b>	<b>1,679,692</b>	<b>(414,229)</b>	<b>1,484,445</b>
<b>Movement in cash and cash equivalents</b>					
At beginning of the year		5,399,198	3,719,506	4,979,075	3,494,630
Increase/ (decrease) during the year		18,068	1,679,692	(414,229)	1,484,445
<b>At end of year</b>	<b>14</b>	<b>5,417,267</b>	<b>5,399,198</b>	<b>4,564,846</b>	<b>4,979,075</b>

**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 consolidated financial statements of RPC Data Botswana Limited and the group have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Botswana Companies Act. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, financial assets and financial liabilities at fair value through profit and loss.

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. These areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in the "Critical estimates and assumptions" section of the financial statements.

### Adoption of standards in the current financial year

In 2005/06, the Company adopted the following new or revised IFRS, which are relevant to its operations. The comparative figures have been amended in accordance with the relevant requirements.

IAS1	(Revised 2003) Presentation of financial statements
IAS 8	(Revised 2003) Accounting policies, changes in accounting estimates and errors.
IAS 10	(Revised 2003) Events after the Balance sheet date
IAS 16	(Revised 2003) Property, Plant and Equipment
IAS 17	(Revised 2003) Leases
IAS 21	(Revised 2003) the effects of changes in foreign exchange rates
IAS 24	(Revised 2003) Related Party disclosures
IAS 32	(Revised 2004) Impairment of Assets
IAS 38	(Revised 2004) Intangible Assets
IAS 39	(Revised 2003) Financial Instruments: Recognition & measurement.

The adoption of IAS 1, 8, 10, 17, 21, 24 and 32 did not result in substantial changes to the companies accounting policies.

- IAS 1 (Revised 2003) has affected the presentation and other disclosures in the financial statements.
- IAS 16 The adoption of IAS 16 (revised 2003) resulted in prior year adjustment (note 22)
- IAS 24 (Revised 2003) has affected the identification of related parties and some other related part disclosures.

Adoption of standards (future reporting periods)

Certain new standards, amendments and interpretations to the existing standards have been published that are mandatory for the Company's accounting periods beginning on or after 1 January 2006 or later periods as follows:

IAS 39	(Amendment) Cash flow Hedge Accounting of Forecast Intragroup Transactions (effective from 1 January 2006)
IAS 39	(Amendment), the Fair value option) effective 1 January 2006
IAS 39 and IFRS 4 (amendment)	Financial Guarantee Contracts) effective 1 January 2006)
IFRS 7	Financial instruments: disclosures and a complementary Amendment to AS1, Presentation of Financial statements – Capital Disclosures (effective 1 January 2007)
IFRIC 4	Determining whether an arrangement contains a lease (effective 1 January 2006)
IFRIC 5	Rights to interest arising from Decommissioning, Restoration and Environmental Rehabilitation Funds effective 1 January 2006.

These amendments are not expected to have a significant impact on the company or group.

### Basis of consolidation

#### a) Subsidiaries

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

Subsidiaries are all entities (including special purpose entities) over which the group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

#### (b) Transactions and minority interests

The group applies a policy of treating transactions with minority

interests as transactions with parties external to the group. Disposals to minority interests result in gains and losses for the group that is recorded in the income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary.

### c) Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The group's share of its associates post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

### 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 group has operations in Zambia, Uganda and Botswana, which three regions are considered separately reportable segments for financial reporting purposes.

### Foreign currency translation

#### a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in pula, which is the group's functional and presentation currency.

#### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences are recognised in the profit or loss and other changes in carrying amount in equity.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at the fair value through profit or loss are recognised as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in the fair value reserve in equity.

### c) Group Companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have functional currencies which are different from the presentation currency are translated into the presentation currency as follows:

- i) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- ii) Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction); and
- iii) All resulting exchange differences are recognised as a separate component of equity.

On consolidation exchange differences arising from the translation of the net investment in foreign operations and of borrowings and other currency instruments designated as hedges of such investments are taken to shareholders equity. When a foreign operation is sold exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

### Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, but at least biannual, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to other reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against other reserves directly in equity; all other decreases are charged to the income statement. Each year the differences between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from 'other reserves' to 'retained earnings'. Leasehold land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

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

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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 that is subject to a fixed period state grant is classified as leasehold property.

### Deferred income 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 income 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;

- a) Hardware and software sales:**  
On delivery of the hardware and software
- b) Software development and systems implementation:**  
Over the period of the contract under the percentage of completion method.
- c) Commissions on sale of software:**  
On delivery of the software
- d) 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.

### Income Tax

Provision is made for 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 of 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 and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of the 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. Significant financial difficulty of the debtor, probabilities that the debtor will enter bankruptcy or financial re-organisation and default or delinquency in payments are considered indicators that the trade receivables are impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flow discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

### 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. Instead, goodwill and other intangible assets are tested annually for impairment, as well as during the year, if there are indications of impairment.

Intangible assets are reviewed for impairment losses whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. An impairment loss is recognised

for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is determined as the higher of the asset's net selling price and value in use. For purposes of assessing impairment, assets are grouped at the lowest level cash generating units.

### **a) 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.

### **b) 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.

### **c) 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. Key management personnel are also considered to be related parties. 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.

### **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.

### **a) Income taxes**

The group is subject to income taxes in numerous jurisdictions, significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determinations are uncertain during the ordinary course of business. The group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

### **b) Estimated impairment of goodwill**

The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy on intangible assets. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

### **c) Property, plant and equipment**

The Group tests annually whether the useful life and residual value estimates of its property, plant and equipment were appropriate and in accordance with IAS 16 (Revised) requirements, and its accounting policy. In reviewing this, management makes certain assumptions which may make actual results to be different from the estimates of carrying values for property, plant and equipment.

## Notes to the Financial Statements

For the year ended 31 May 2006

	<b>Group</b>	<b>Company</b>		
	<b>2006</b>	<b>2005</b>	<b>2006</b>	<b>2005</b>
	<b>P</b>	<b>P</b>	<b>P</b>	<b>P</b>
<b>1. Operating loss</b>				
The following items have been charged/(credited) in arriving at operating loss:				
Impairment of goodwill (Note 7)	2,978,143	2,719,408	2,908,143	2,649,408
Audit fees				
- prior year under provision	42,974	-	-	-
- current year	168,000	119,000	96,000	99,000
Depreciation on property, plant and equipment				
- owned assets(Note 6)	297,397	13,373	224,792	332,958
Directors' remuneration (Note 20)				
- for management services	1,012,965	990,663	1,012,965	990,663
- as directors' fees	273,300	47,900	223,300	47,900
Exchange (gain)/ losses	(6,006)	(547,457)	(61,882)	(504,248)
Operating lease payments – property	-	-	459,445	372,000
Profit on sale of property and equipment	(25,417)	(1,332)	(39,125)	(1,332)
<b>2. Staff costs</b>				
Wages and salaries	7,954,700	7,322,810	7,217,240	6,163,126
Termination benefits	343,495	188,435	259,935	188,435
	<b>8,298,195</b>	<b>7,511,245</b>	<b>7,477,175</b>	<b>6,351,561</b>
Average number of employees	<b>54</b>	<b>55</b>	<b>42</b>	<b>47</b>
<b>3. Other income</b>				
Exchange gains	6,006	547,457	61,882	504,248
Sundry income	1,513,382	250,612	1,854,412	159,682
Profit on sale of property plant and equipment	25,417	1,332	39,125	1,332
	<b>1,544,805</b>	<b>799,401</b>	<b>1,955,419</b>	<b>665,262</b>
<b>4. Net finance income</b>				
Interest income - bank	96,966	145,230	100,227	145,142
Interest income - intercompany	-	-	-	374,483
Interest expense- Bank	(32,543)	(16,446)	(27,004)	(8,578)
	<b>64,423</b>	<b>128,784</b>	<b>73,223</b>	<b>511,047</b>

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

	Group		Company	
	2006 P	2005 P	2006 P	2005 P
<b>5. Tax</b>				
Current tax				
Basic tax at 15%	-	-	-	-
Additional tax at 10%	-	-	-	-
	-	-	-	-
Deferred tax (Note 11)	67,760	(331,986)	85,364	(298,573)
Prior year overprovision	(155,227)	-	-	-
Set off of withholding tax on dividends paid	(163,197)	(223,984)	(163,197)	(223,984)
	<b>(250,664)</b>	<b>(555,970)</b>	<b>(77,833)</b>	<b>(522,557)</b>
<b>Tax reconciliation</b>				
The tax on the profit before taxation differs from the amount that would arise using the basic tax rate of 25% as follows:				
Loss before taxation	(3,443,974)	(2,888,910)	(3,382,894)	(2,537,456)
Tax calculated at 25%	(860,993)	(722,228)	(845,723)	(634,364)
Expenses not deductible for tax purposes	928,753	390,242	931,087	335,791
Prior year over provision	(155,227)	-	-	-
Set off withholding tax on dividends paid	(163,197)	(223,984)	(163,197)	(223,984)
	<b>(250,664)</b>	<b>(555,970)</b>	<b>(77,833)</b>	<b>(522,557)</b>
<b>Tax charge per the income statement</b>				
<b>Additional Company Tax</b>				
Balance at 1 June	741,628	965,612	741,628	965,612
Set off against current year dividend paid	(163,197)	(223,984)	(163,197)	(223,984)
	<b>578,431</b>	<b>741,628</b>	<b>578,431</b>	<b>741,628</b>

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

### 6. Property, plant and equipment (Group)

	Leasehold land and buildings	Computer equipment	Furniture equipment	Motor vehicles	Total
	P	P	P	P	P
<b>Year ended 31 May 2006</b>					
Opening net book amount	2,589,370	745,130	300,786	254,604	3,889,890
Additions	-	67,192	94,395	255,383	416,970
Disposals	(260,883)	(27,584)	-	-	(288,467)
Revaluation surplus	471,514	-	-	-	471,514
Depreciation charge(Note 1)	-	(145,242)	(107,482)	(44,673)	(297,397)
<b>Closing net book amount</b>	<b>2,800,001</b>	<b>639,496</b>	<b>287,699</b>	<b>465,314</b>	<b>4,192,510</b>
<b>As at 31 May 2006</b>					
Cost or valuation	2,328,487	2,162,196	908,995	694,192	6,093,870
Revaluation surplus	471,514	-	-	-	471,514
Accumulated depreciation	-	(1,522,700)	(621,296)	(228,878)	(2,372,875)
<b>Net book amount</b>	<b>2,800,001</b>	<b>639,496</b>	<b>287,699</b>	<b>465,314</b>	<b>4,192,510</b>
<b>Year ended 31 May 2005</b>					
Opening net book amount- as previously reported	2,534,172	510,672	172,906	122,181	3,339,931
Prior year adjustment- note 22	123,810	230,621	168,524	27,426	550,381
<b>As restated</b>	<b>2,657,982</b>	<b>741,293</b>	<b>341,430</b>	<b>149,607</b>	<b>3,890,312</b>
Additions	-	229,727	54,446	195,000	479,173
Disposals	-	-	(2,518)	(10,855)	(13,373)
Depreciation charge (Note 1)	(68,612)	(225,890)	(92,572)	(79,148)	(466,222)
<b>Closing net book amount</b>	<b>2,589,370</b>	<b>745,130</b>	<b>300,786</b>	<b>254,604</b>	<b>3,889,890</b>
<b>As at 31 May 2005</b>					
Cost or Valuation	2,835,523	2,110,110	845,472	395,210	6,186,315
Accumulated depreciation	(246,153)	(1,364,980)	(544,686)	(140,606)	(2,296,425)
<b>Net book amount</b>	<b>2,589,370</b>	<b>745,130</b>	<b>300,786</b>	<b>254,604</b>	<b>3,889,890</b>

Leasehold land & buildings were valued by CB Richard Ellis in June 2005 at an open market value Of P2 800 000.

The revaluation surplus net of applicable deferred Income taxes was credited to the revaluation reserve in the shareholders equity.

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.

If Land and Buildings were stated on the historical cost basis, the amounts would be as follows

	2006	2005
	P	P
Cost	2,427,794	2,711,713
Accumulated depreciation	(291,720)	(246,153)
<b>Net book amount</b>	<b>2,136,074</b>	<b>2,465,560</b>

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

### 6. Property, plant and equipment (Company)

	Leasehold land and buildings P	Computer equipment P	Furniture equipment P	Motor vehicles P	Total P
<b>Year ended 31 May 2006</b>					
Opening net book amount	260,875	716,770	272,436	212,397	1,462,478
Additions	-	41,992	30,729	216,189	288,910
Disposals	(260,875)	-	-	-	(260,875)
Transfers to Group company	-	(79,390)	(49,970)	-	(129,360)
Depreciation charge(Note 1)	-	(104,158)	(59,094)	(61,540)	(224,792)
<b>Closing net book amount</b>	<b>-</b>	<b>575,214</b>	<b>194,101</b>	<b>367,046</b>	<b>1,136,361</b>
<b>As at 31 May 2006</b>					
Cost	-	2,686,131	750,132	512,218	3,948,481
Accumulated depreciation	-	(2,110,917)	(556,031)	(145,172)	(2,812,120)
<b>Net book amount</b>	<b>-</b>	<b>575,214</b>	<b>194,101</b>	<b>367,046</b>	<b>1,136,361</b>
<b>Year ended 31 May 2005</b>					
Opening net book amount as previously reported	267,973	496,693	161,210	100,456	1,026,332
Prior year adjustment- note 22	-	231,107	158,993	20,910	411,010
<b>As restated</b>	<b>267,973</b>	<b>727,800</b>	<b>320,203</b>	<b>121,366</b>	<b>1,437,342</b>
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)	(217,854)	(70,621)	(37,385)	(332,958)
<b>Closing net book amount</b>	<b>260,875</b>	<b>716,770</b>	<b>272,436</b>	<b>212,397</b>	<b>1,462,478</b>
<b>As at 31 May 2005</b>					
Cost	283,920	2,062,046	793,857	296,030	3,435,853
Accumulated depreciation	(23,045)	(1,345,276)	(521,421)	(83,633)	(1,973,375)
<b>Net book amount</b>	<b>260,875</b>	<b>716,770</b>	<b>272,436</b>	<b>212,397</b>	<b>1,462,478</b>

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

	Goodwill P	Software development P	Networking contracts P	Total P
<b>7. Intangible assets</b>				
<b>Group</b>				
Balance as at 1 June 2005	2,908,143	-	140,000	3,048,143
Impairment during the year (Note 1)	(2,908,143)	-	(70,000)	(2,978,143)
<b>Balance at 31 May 2006</b>	<b>-</b>	<b>-</b>	<b>70,000</b>	<b>70,000</b>
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)
<b>Balance as at 31 May 2005</b>	<b>2,908,143</b>	<b>-</b>	<b>140,000</b>	<b>3,048,143</b>
<b>Company</b>				
Balance as at 1 June 2005	2,908,143	-	-	2,908,143
Impairment during the year (Note 1)	(2,908,143)	-	-	(2,908,143)
<b>Balance at 31 May 2006</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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)
<b>Balance as at 31 May 2005</b>	<b>2,908,143</b>	<b>-</b>	<b>-</b>	<b>2,908,143</b>

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

Software development costs principally comprised internally generated expenditure on major development projects where it is probable that the costs will be recovered through future commercial activity.

The cost of purchasing networking contracts by ASC Services (Pty) Ltd has been recognised as an intangible asset as its economic benefit exceeds one year. This cost amounting to P350 000 is being written off from 1 June 2002 over a period of 5 years being the expected life of the benefit.

At 31 May 2006, the directors reassessed the carrying value of goodwill for impairment in line with IFRS 3 Business combinations and IAS 36 Impairment of Assets. In the directors assessment, there were no future benefits to be derived from goodwill and the carrying amount as at 31 May 2006 was accordingly fully impaired.

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

	Group		Company	
	2006 P	2005 P	2006 P	2005 P
<b>8. Investment in subsidiaries</b>				
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	2,500
ASC Services (Pty) Limited				
Shares at cost representing 51% of the issued share capital	-	-	102	102
Share Premium	-	-	234,792	-
RPCDL Properties (Pty) Limited				
Shares at cost representing 100% of the issued share capital	-	-	100	2
Share Premium arising on capitalisation of share holders loan in subsidiary	-	-	2,377,576	-
	-	-	<b>2,618,070</b>	<b>5,604</b>
<b>9. Investment in associate companies</b>				
Knowledge Systems Botswana (Pty) Limited				
Investment at cost- 50% shareholding	-	50	-	50
Provision for diminution in value	-	(50)	-	(50)
	-	-	-	-
Mid Africa Value Added Distributors (Pty) Ltd				
Investment at cost – 20% shareholding	-	200	-	200
Share of losses after taxation	-	(200)	-	(200)
	-	-	-	-
Snowscape Holdings (Pty) Ltd t/a Advancenet Botswana				
Investment - 30% shareholding	-	159,519	85,150	90,000
Exchange difference	-	(4,850)	-	(4,850)
Write off of investment in an associate	-	-	(85,150)	-
Share of loss before taxation	-	(154,669)	-	-
	-	-	-	85,150
	-	-	-	<b>85,150</b>
<b>10. Loans due from subsidiaries</b>				
Amounts due from				
RPCDL Properties (Pty) Limited	-	-	-	2,377,676
RPC Data Uganda	-	-	156,685	-
RPC Data Zambia	-	-	385,916	-
ASC Services (Pty) Limited	-	-	350,000	265,384
	-	-	<b>892,601</b>	<b>2,643,060</b>

The amounts due from the subsidiary companies are unsecured and are not subject to any fixed terms of repayment. The amounts are denominated in Pula.

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

	Group		Company	
	2006 P	2005 P Restated	2006 P	2005 P Restated
<b>11. Deferred tax</b>				
Deferred income tax assets	290,334	523,520	303,759	310,728
Deferred income tax liabilities	(135,219)	(182,766)	(226,317)	(147,922)
Net deferred income tax asset	<b>155,115</b>	<b>340,754</b>	<b>77,442</b>	<b>162,806</b>
Deferred income tax assets are made up of the following;				
Deferred tax liabilities - timing differences on property, plant and equipment:				
Balance at 1 June 2005				
-as previously reported	182,766	33,015	147,922	33,015
-prior year adjustment (note 22)	-	137,596	-	102,752
-as restated	182,766	170,611	147,922	135,767
Arising during the year:				
-to income statement (Note 5)	125,049	12,155	39,101	12,155
- to statement of changes in equity	117,879	-	-	-
Balance at 31 May 2006	<b>425,694</b>	<b>182,766</b>	<b>187,023</b>	<b>147,922</b>
Deferred tax asset-timing differences on tax losses:				
Balance at 1 June 2005	523,520	179,379	310,728	-
Assessed losses (utilised)/arising (Note 5)	57,289	344,141	(46,263)	310,728
<b>Balance at 31 May 2006</b>	<b>580,809</b>	<b>523,520</b>	<b>264,465</b>	<b>310,728</b>
Net deferred income tax asset	<b>155,115</b>	<b>340,754</b>	<b>77,442</b>	<b>162,806</b>
<b>12. Work in progress</b>				
Balance at 31 May	<b>176,313</b>	<b>429,959</b>	<b>176,313</b>	<b>429,959</b>
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.				
<b>13. Receivables and prepayments</b>				
Trade accounts receivable	9,269,447	19,457,181	6,953,780	18,954,250
Deposit for property in South Africa	-	498,707	-	498,707
Amounts due from subsidiaries (Note 20)	-	-	2,656,469	1,250,402
Amounts due from CDP Africa (Note 20)	1,690,917	-	1,690,917	-
Amount due from associate companies (Note 20)	-	141,201	-	14,122
Other receivables and prepaid charges	1,297,852	404,125	935,685	347,503
	<b>12,258,216</b>	<b>20,501,214</b>	<b>12,236,851</b>	<b>21,064,984</b>
Included in trade debtors are the following amounts which have been invoiced in US Dollars and are receivable as at the year end:				
	1,514,732	2,998,130	1,089,638	2,984,170
<b>14. Cash and cash equivalents</b>				
Cash and cash equivalents comprise the following:				
Cash at bank and in hand	5,417,267	5,109,103	4,564,846	4,688,980
Short-term investments	-	290,095	-	290,095
	<b>5,417,267</b>	<b>5,399,198</b>	<b>4,564,846</b>	<b>4,979,075</b>

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

	Group		Company	
	2006 P	2005 P	2006 P	2005 P
<b>15. Share capital</b>				
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
<b>16. Share premium</b>				
At 31 May 2004	12,984,774	12,984,774	12,984,774	12,984,774
<b>17. Earnings and dividends per share</b>				
The calculation of earnings and dividends per share is based on the net profit for the year and the weighted average number of 31 482 887 shares in issue.				
<b>18. Trade and other payables</b>				
Trade accounts payable	6,920,915	13,903,517	6,535,716	13,847,790
Amounts due to subsidiaries (Note 20)	-	-	11,888	3,000
Amounts due to Associate companies (Note 20)	-	42,919	-	-
Deferred income	-	217,220	-	136,818
Other payables and accruals	2,440,418	2,622,493	1,831,578	2,202,368
	<b>9,361,333</b>	<b>16,786,149</b>	<b>8,379,182</b>	<b>16,189,976</b>
Included in trade creditors are amounts denominated in foreign currencies as follows:				
United States Dollar	1,012,196	2,241,532	788,956	2,241,532
South African Rand	122,603	76,953	24,837	76,953

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

	Group		Company	
	2006 P	2005 P	2006 P	2005 P
<b>19. Dividends paid</b>				
Final dividend for prior year	1,087,977	839,003	1,087,977	839,003
Withholding tax thereon	(163,196)	(125,850)	(163,196)	(125,850)
Gross interim dividend for the year	-	654,225	-	654,225
Withholding tax thereon	-	(98,134)	-	(98,134)
	<b>924,781</b>	<b>1,269,244</b>	<b>924,781</b>	<b>1,269,244</b>
<b>20. Related party transactions</b>				
The group is controlled by RPC Data Limited, a company incorporated in the Republic of Botswana and listed on the Botswana Stock Exchange. Related parties comprise the holding company, entities under common control and Directors. Related parties also include companies owned by Directors. The following transactions were carried out with related parties:				
<b>Snowscape Holdings (Pty) Ltd</b> trading as Advancenet Botswana - a 30% owned associate company of RPC Data Limited				
- Sales of goods and services	-	75,631	-	71,800
- Purchases of goods and services	-	360,746	-	139,798
<b>RPC Data Uganda</b> - a 51% subsidiary of RPC Data Limited: Management fees				
	-	-	608,000	-
<b>RPCDL</b> - a 100% subsidiary of RPC Data Limited: Operating lease rentals				
	-	-	459,445	372,000
<b>ASC Services</b> - a 51% subsidiary of RPC Data Limited: Operating lease rentals				
	-	-	95,020	61,000
Year end balances arising from sale/purchase of goods and services				
Receivables from related parties				
ASC Services;				
-on contracts	-	-	-	350,000
-other	-	-	31,850	14,130
RPCDL	-	-	86,021	415,206
RPC Data Uganda Limited	-	-	2,155,072	-
RPC Data Zambia Limited	-	-	383,526	385,916
Advancenet- loan account	-	15,631	-	85,150
	-	<b>15,631</b>	<b>2,656,469</b>	<b>1,250,402</b>
Other balances receivable from Advancenet				
Non trade accounts receivable balance	-	127,079	-	-
Trade account receivable balance	-	14,122	-	14,122
	-	<b>141,201</b>	-	<b>14,122</b>
Receivables from other related parties				
CDP Africa (Pty) Ltd	<b>1,690,917</b>	-	<b>1,690,917</b>	-
This represents advances due from CDP Africa (Pty) Ltd. The advance is guaranteed by the Director of CDP Africa (Pty) Ltd who is also the Managing Director of RPC Data Botswana Limited and is secured by a pledge of securities owned by the Director, valued at P2.7 million. The advance is repayable within one year and interest at the Standard Chartered Bank prime rate as determined from time to time will be charged if the loan becomes overdue. The advance has been included as a receivable in current assets.				
Payables to related parties;				
Payables to subsidiaries				
ASC Services	-	-	8,886	-
RPCDL	-	-	3,002	3,000
	-	-	11,888	3,000
Payables to associate				
Advancenet- trade payables	-	42,919	-	-
Directors' remuneration (Note 1)	1,286,265	1,038,563	1,236,265	1,038,563
Dividends paid to directors - gross	459,742	630,987	459,742	630,987

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

	2006 P	Group 2005 P Restated	2006 P	Company 2005 P Restated
<b>21. Cash flows from operations</b>				
Reconciliation of profit before taxation to cash generated from operations:				
Loss before taxation	(3,443,974)	(2,888,910)	(3,382,894)	(2,537,456)
Adjustments for:				
Depreciation (Note 6)	297,397	466,222	224,792	332,958
Impairment and amortisation of intangible assets (Note 7)	2,978,143	2,719,408	2,908,143	2,649,408
Impairment of investment in associate	-	-	85,150	-
Foreign Currency Translation Reserve (FCTR)	(28,654)	-	-	-
Exchange loss in investment in associate	-	4,850	-	4,850
Profit on sale of plant and equipment (Note 1)	(25,417)	(1,330)	(39,125)	(1,330)
Net finance income (Note 4)	(64,423)	(128,784)	(73,223)	(511,047)
Share of associate company losses (Note 9)	-	154,669	-	-
Changes in working capital				
- decrease in work in progress	253,646	10,903,376	253,646	10,903,376
- Increase in inventory	(123,574)	-	-	-
- decrease / (increase) in trade and other receivables	7,899,419	(11,842,959)	8,329,426	(12,278,719)
- (decrease)/ increase in trade and other payables	(7,424,816)	5,233,613	(7,810,794)	5,360,284
Cash generated from operations	317,748	4,620,155	495,121	3,922,324

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

### 22. Prior Year Adjustment

#### Property, plant and equipment

i) As per the requirement of IAS 16 (revised), property, plant and equipment, the group now reviews the estimated useful lives and residual values of all property, plant and equipment annually and accounts for any resulting changes as a change in accounting estimate in accordance with IAS 8, accounting policies, changes in accounting estimates and errors. As these estimates were not reviewed after initial recognition in the past, the accumulated depreciation was recalculated in line with the policy of annual review and due to the significance of the amounts, the relevant comparative information has been restated as per the requirements of IAS 8, Accounting, policies, changes in Accounting estimates and errors.

ii) During the year the directors changed the accounting policy for the group's property, from a cost model to a fair value model as per IAS 16 'Property, plant and equipment'. In compliance with IAS 8, Accounting policies, changes in accounting estimates and errors, the voluntary change in the accounting policy is expected to result in a more appropriate presentation of the carrying value of the property in the financial statements. The impact of the change in accounting policy is as shown below and in the statement of changes in equity.

<b>a) Retained earnings</b>	<b>Group 2005 P</b>	<b>Company 2005 P</b>
Previously reported	1,161,423	2,001,091
Change in estimate - reversal of accumulated depreciations;		
- prior years	426,571	411,010
-deferred tax thereon	(106,643)	(102,752)
-current year	69,840	62,973
<b>Restated Balance</b>	<b>1,551,191</b>	<b>2,372,322</b>
b) Revaluation reserve- net of Deferred income tax	<b>92,857</b>	-
c) The following is the summary of the restated comparative balances resulting from events (i) and (ii) above;		
<b>Property, Plant and Equipment</b>		
Previously reported	3,269,669	988,496
Effect of change in accounting policy:-		
Revaluation reserve	123,810	-
Change in estimate - reversal of accumulated depreciations;	496,411	473,983
Restated	<b>3,889,890</b>	<b>1,462,479</b>
<b>Stated at;</b>		
Cost	6,062,505	3,435,853
Revaluation reserve	123,810	-
	6,186,315	3,435,853
Accumulated depreciation	(2,296,425)	(1,973,375)
	<b>3,889,890</b>	<b>1,462,478</b>
<b>Operating Surplus</b>		
Previously reported	(2,402,780)	(2,077,872)
Effect of change in accounting estimates	69,840	62,973
<b>Restated</b>	<b>(2,332,940)</b>	<b>(2,014,899)</b>
<b>Depreciation</b>		
Property, Plant & Equipment		
Previously reported	536,062	395,931
Effect of change in accounting estimates	(69,840)	(62,973)
<b>Restated</b>	<b>466,222</b>	<b>332,958</b>

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

### 23. Business segment information

Operations of the Group mainly comprise of hardware and software sales, systems development and implementation.

No primary segmental information has been provided as these operations are regarded as one business segment.

#### Geographical segment information

The group has subsidiaries operating in Zambia and Uganda. The home country of the company- which is also the main operating company is Botswana. Geographical segmental information for the year ended 31 May 2006 is presented below.

	Botswana P	Uganda P	Zambia P	Eliminations P	Consolidated P
Revenue					
Segment external total revenue	17,567,186	4,368,951	248,308		22,184,445
Inter-segmental revenue	409,127	-	-	(409,127)	-
	17,976,313	4,368,951	248,308	(409,127)	22,184,445

Inter-segment sales are charged at an arms length basis.

#### Results

Segment profit/ (loss) after tax	(3,024,505)	103,432	(272,237)	-	(3,193,310)
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#### Balance Sheet

Total segment assets	19,751,782	2,752,441	617,342	-	23,121,565
Total segment liabilities	6,182,327	2,648,909	955,791	-	9,787,027

#### Other information

Additions to property, plant and equipment	213,246	170,775	32,949	-	416,970
Depreciation	(254,163)	(31,034)	(12,200)	-	(297,397)

Geographical segment information for the year ended 31 May 2005 (restated) is presented below;

	Botswana (Restated) P	Uganda P	Zambia P	Eliminations P	Consolidated (Restated) P
Revenue					
Segment total revenue	30,578,675	-	-	-	30,578,675
Results					
Segment loss after tax	(2,264,228)	-	(68,712)	-	(2,332,940)
Balance Sheet					
Total segment assets	33,912,376	-	347,482	-	34,259,858
Total segment liabilities	(16,555,221)	-	(413,694)	-	(16,968,915)
Other information					
Additions to property, plant and equipment	380,895	-	98,278	-	479,173
Depreciation	(411,615)	-	(54,607)	-	(466,222)

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

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### 24. Financial instruments

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 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 2006 and 2005, 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.

### 25. 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 P459 455 (2005- P372 000). This rental is revised annually in line with market rates.

### 26. 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) Overdraft facilities amounting to BWP 300 000 from Standard Chartered Bank for working capital requirements.

c) Guarantee of P 120 000 as Continuation of Guarantee ifo Botswana Government at a reduced level

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

## Notes to the Financial Statements (Continued)

For the year ended 31 May 2006

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### 27. 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 2006	31 May 2005
Options issued at 1 June	-	145 000
Exercised	-	-
Lapsed	-	(145 000)
Outstanding at 31 May	-	-

### 28. Minority interest

Losses relating to minority shareholders absorbed by the majority shareholders amounted to P 148 309 (2005:84 458).

### 29. Events after the balance sheet date

There are no material events after the balance sheet date that may require adjustment or disclosure in the financial statements.

## Notice of Annual General Meeting

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**Notice is hereby given that the 7th 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 22 December 2006 at 3.30 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 2006
3. To elect directors of the company in place of Kushan Naik, Paul Lesedi Paledi and Mompati Darling Nwako who retire by rotation in terms of Article 54 of the Articles of Association and being eligible offer themselves for re-election.
4. To approve the remuneration for the directors for the year ended 31 May 2006.
5. To approve the remuneration of the auditors for the past financial year.
6. To appoint auditors for the ensuing year and to fix their remuneration.
7. 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 24 hours before the meeting. A proxy form is enclosed with this notice.

### **By order of the Board**

**Corporate Services (Pty) Limited**  
**Company Secretaries**

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





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 Chairperson of the meeting as my proxy to vote on my behalf at the annual general meeting of the company, to be held on 22 December 2006 at 3.30 p.m, at the offices of the company in Gaborone.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2006

Signature \_\_\_\_\_

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

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