

# Statement of Comprehensive Income

For the year ended 31 March 2011

	<u>Group</u>	
	2011	2010
	\$'000	\$'000
<b>Continuing operations</b>		
<b>Revenue</b>	47,339	39,388
Cost of sales	26,751	28,319
<b>Gross Profit</b>	20,588	11,069
Gain on sale of fixed assets	1	11
Other income	9	2
<b>Expenditure</b>		
Administration expenses	1,429	780
Communications	1,004	600
Consultancy services	260	34
Employee costs	8,969	6,310
Marketing expenses	263	214
Occupancy costs	739	427
Other costs	545	535
Travel and accomodation	234	148
	<u>13,443</u>	<u>9,048</u>
Earnings before interest expense, tax, depreciation and amortisation (EBITDA)	<u>7,155</u>	<u>2,034</u>
Depreciation and amortisation	(3,774)	(2,279)
Interest and related costs	(4,120)	(2,403)
	<u>(7,894)</u>	<u>(4,682)</u>
<b>Profit/(loss) before tax</b>	<u>(739)</u>	<u>(2,648)</u>
Tax benefit/(expense)	846	2
<b>Profit/(loss) for the period from continuing operations of owners</b>	107	(2,646)
<b>Other comprehensive income</b>		
FX on translation of foreign subsidiaries	(22)	-
<b>Total comprehensive income of owners</b>	<u>85</u>	<u>(2,646)</u>
<b>Earnings per share from continuing operations attributable to the equity holders of the company during the year.</b>		
Basic earnings/(loss) per share - cents	0.011 cents	(0.36) cents
Diluted earnings/(loss) per share - cents	0.011 cents	(0.35) cents

# Statement of Changes in Equity

For the year ended 31 March 2011

	Group			Total
	Share Capital	Foreign Currency Translation Reserve	Retained Deficits	
<b>Balance at 1 April 2009</b>	14,179	-	(7,435)	6,744
Total comprehensive income of owners			(2,646)	(2,646)
Convertible notes equity component	-			
Share options recognised for value received	1,033			1,033
Contributions from owners recognised directly in equity	4,228			4,228
<b>Total changes in equity</b>	<b>5,261</b>	<b>-</b>	<b>(2,646)</b>	<b>2,615</b>
<b>Balance at 31 March 2010</b>	19,440	-	(10,081)	9,359
Total comprehensive income of owners		(22)	107	85
Convertible notes equity component	50			50
Share options recognised for value received	259			259
Contributions from owners recognised directly in equity	7,682			7,682
<b>Total changes in equity</b>	<b>7,991</b>	<b>(22)</b>	<b>107</b>	<b>8,076</b>
<b>Balance at 31 March 2011</b>	<b>27,431</b>	<b>(22)</b>	<b>(9,974)</b>	<b>17,435</b>

# Statement of Financial Position

As at 31 March 2011

	Group	
	2011	2010
	\$'000	\$'000
<b>Current assets</b>		
Cash and bank balances	2,331	914
Trade and other receivables	11,064	7,659
Inventories	3,606	2,197
<b>Total current assets</b>	<b>17,001</b>	<b>10,770</b>
<b>Non-current assets</b>		
Receivables	12,043	2,540
Property, plant and equipment	2,584	3,902
Computer software and development	8,469	9,164
Goodwill	5,350	5,350
Deferred tax	961	114
<b>Total non-current assets</b>	<b>29,407</b>	<b>21,070</b>
<b>Total assets</b>	<b>46,408</b>	<b>31,840</b>
<b>Current liabilities</b>		
Bank overdrafts	-	14
Trade payables and accruals	5,843	5,445
Provisions	1,788	2,755
Income tax payable	53	33
Borrowings	10,730	12,716
<b>Total current liabilities</b>	<b>18,414</b>	<b>20,963</b>
<b>Non-current liabilities</b>		
Borrowings	10,559	1,518
<b>Total non-current liabilities</b>	<b>10,559</b>	<b>1,518</b>
<b>Total liabilities</b>	<b>28,973</b>	<b>22,481</b>
<b>Net assets</b>	<b>17,435</b>	<b>9,359</b>
<b>Equity</b>		
Share capital	27,431	19,440
Reserves	(22)	-
Retained deficits	(9,974)	(10,081)
<b>Total equity</b>	<b>17,435</b>	<b>9,359</b>

# Statement of Cash Flows

For the year ended 31 March 2011

	<b>Group</b>	
	<b>2011</b>	<b>2010</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	33,592	33,512
Payments to suppliers & employees	(43,001)	(35,944)
Interest paid	(3,005)	(1,297)
Income taxes paid	-	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(12,414)</b>	<b>(3,729)</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of assets	1	11
Purchase of property, plant & equipment	(19)	(232)
Development of computer software	(1,499)	(1,056)
Investment in subsidiaries	-	(6,261)
Overdraft acquired on purchase of subsidiaries	-	43
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(1,517)</b>	<b>(7,495)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	13,726	11,459
Repayments of borrowings	(6,084)	(3,619)
Shares issued	7,963	4,228
Share issue costs	(243)	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>15,362</b>	<b>12,068</b>
<b>Net increase/(decrease) in cash equivalents</b>	<b>1,431</b>	<b>844</b>
<b>Add opening cash equivalents</b>	<b>900</b>	<b>56</b>
<b>Closing cash equivalents</b>	<b>2,331</b>	<b>900</b>
<i>Reconciliation of closing cash equivalents to the balance sheet:</i>		
Cash and bank balances	2,331	914
Bank overdraft	-	(14)
<b>Closing cash equivalents</b>	<b>2,331</b>	<b>900</b>

## Supplementary Information

	<b>2011</b>	<b>2010</b>
<b>1. Net Tangible Assets per Share (cents per share)</b>	0.30	(0.62)

### 2. Change in Accounting Policies

There have been no changes to accounting policies in 2011.

### 3. Segment Information

Geographical Segments

	New Zealand		Australia	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Sales - external	44,254	37,793	3,085	1,595
Sales - inter segment	2,675	485	-	-
Operating earnings (EBITDA)	6,988	2,030	167	4
Finance costs	(4,120)	(2,402)	-	(1)
Profit / (loss) before tax	(889)	(2,635)	150	(13)
Total assets	40,700	29,415	5,708	2,425
Total liabilities	(24,790)	(20,031)	(4,183)	(2,450)
Capital expenditure	1,518	1,288	-	-
Depreciation and amortisation	3,757	2,263	17	16

### 4. Audit Status

The audit is currently ongoing. Directors have received no indication that the Audit Report will be qualified.