

**+ EFFICIENT GROUP LIMITED**

(Incorporated in the Republic of South Africa)

(Registration Number: 2006/036947/06)

JSE share code: EFG ISIN: ZAE 000151841

("Efficient" or "the Group")

SUMMARISED FINANCIAL RESULTS FOR THE YEAR ENDED 31 AUGUST 2013**1. COMMENTARY**

Considering the changes that continue to take place in the financial services industry, we need to ensure that the practical roll-out of our business strategy is aligned with prevailing industry trends at all times. Whilst recent changes in the regulatory environment have added additional costs to the business, they have also provided us with opportunities for accelerated growth.

Our investment into our business over the past three years, and more specifically the investment in the support infrastructure of our business components and further investment into our Efficient brand, have all contributed to improved financial results.

Whilst a number of important milestones have been achieved with the roll-out of our strategy and although financial performance continues to improve, we will be making further significant investments in Efficient Advise, Efficient Invest and the marketing and branding of the business in the coming financial year.

1.1 Financial Results

The success of the implementation of the Group's long-term strategy to, amongst other, invest in the expansion of its distribution network, invest in the Efficient brand and the realignment of the asset management division, is entrenched in the operating results of the Group. Efficient reported an operating profit of R 2.2 million, generated profit after tax of R 2.5 million and generated cash of R 11.8 million from operations.

Included in the results for the 2013 financial year is the impairment of the investment in Thebe Stockbroking (Pty) Ltd and the loss reported by our non-controlling investment in an information technology business. The Group invested surplus cash in one of the unit trust funds managed by the asset management division. The unrealised fair value adjustment on this investment resulted in an increased return on surplus funds.

Net tangible assets per share increased by 21%. The Group has no interest bearing debt and retains a three month fixed cash expenses reserve. Assets under management remain materially at the same levels as previously reported while assets under advice increased significantly.

A substantial share of the Group's revenue is based on the value of assets under management, assets under administration and assets under advice. Assets under management are represented by amounts invested in the unit trust funds, unit trust funds of funds and private share portfolios managed by the asset management division. The Group has R 2 544 million (2012: R 2 626 million) under management. Assets under administration are represented by unit trust funds and unit trust funds of funds administered by the

Group. Administration of assets includes liability administration and asset administration such as daily pricing of unit trust funds. The Group administers assets amounting to R 2 253 million (2012: R 2 177 million). Assets under advice are represented by client investments made on the recommendation of or with the guidance of financial planners employed by Efficient Financial Services. Total investments by clients with investments under advice amounts to R 2 264 million (2012: R 1 687 million).

The increase in revenue of 43% compared to the prior financial year is a direct result of the success of the asset management enhancement project embarked on approximately two years ago, combined with the increase in the financial services distribution network. For the 12 months ended 31 August 2013 the Group generated R 79 million in revenue (2012: R 55 million).

Performance fees increased by 61% and the asset management base fees and administration fees increased by 5%. The increase in asset management fees is mainly due to the full year effect of the changes in the investment philosophy and process and the alignment of the fee structure to industry best practises.

Financial services (including the asset finance division) increased revenue by 82% primarily by increasing the number of independent financial advisors from 36 to 53. In line with the increase in revenue the variable expenses also escalated. The net effect of the increase in revenue and variable expenses is the improvement of gross contribution (revenue less variable expenses) by the financial services division with 31%.

Fixed expenses (excluding incentive payments) increased by 7% due to the cost relating to the company's investment in its brand and distribution network and the realignment of the asset management division. The realignment of the asset management division included an incentive scheme linked to the performance of the unit trust portfolios. The results of the newly implemented incentive scheme are evidenced in the increased revenue generated by this division. These incentive payments and other incentives in the Group contributed to the higher expenses.

The Group reports an operating profit of R 2.2 million for the financial year under review. The impairment of the investment in an associate and the losses from associates decreased the operating profit. The operating profit was enhanced by higher investment income on surplus funds and the re-measurement of liabilities.

Net tangible assets per share are reported at 72.38 cents (2012: 59.94 cents). The increase in the net tangible assets per share is mainly due to the increase in cash and cash equivalents as a result of cash generated by operations and the market growth of the surplus cash investment. The cash generated by operations was utilised by investment activities as detailed in the cash flow statement. Cash and cash equivalents represent 67% (2012: 66%) of the net tangible assets.

Cash of R 6.6 million (2012: R 1.3 million) was generated from operations for the 12 months ended 31 August 2013 and the reduction in working capital increased cash and cash equivalents by a further R 5.2 million. Interest earned contributed R 1.3 million to the cash flow. Tax paid reduced cash by R 4.4 million. The cash utilised for investment activities relates mainly to the acquisition of financial advisory client bases, enterprise development investment and loans to Marion Technologies (Pty) Ltd. This reduced cash by R 5.3 million.

1.2 Operating overview

In 2013 Efficient Advise, our financial planning business, grew its advisor base from 36 to 53 financial planners. Whilst over the past few years we invested in establishing the infrastructure to support the growth of this division, we are now experiencing the expected growth in advisor numbers, revenue and assets under advice. We expect this division to continue growing from strength to strength.

Efficient Select, our asset management business, delivered excellent investment results for clients in 2013. This contributed to good financial performance. The investment management team were rewarded with a further Raging Bull award this past financial year. The focus going forward will remain on growing assets under management through delivery of above average investment performance for clients. Product innovation, such as the launch of the Efficient Worldwide Multi Asset Income Fund with a distinct focus on investments in Africa, will remain a key focus in the coming year. The results of the collective investment management company were included in the results for Efficient Select for this financial year.

Efficient Invest, previously known as Efficient Transact, has been restructured to significantly strengthen the company's collective investment, consulting and multi-management capabilities. Efficient Invest will focus on the establishment and growth of two business entities, Boutique Collective Investments (BCI) and Boutique Investment Partners (BIP). BCI, previously Efficient Collective Investments, will offer asset administration to the boutique investment manager market whilst BIP will offer multi-management as well as asset consulting to both the retail and institutional market. The start-up cost associated with this business as well as the lead-time to revenue and profitability is expected to have an impact on the Group earnings for the next financial year. The bulk of the start-up costs are however directly linked to revenue. The impact of this will be short-term.

1.3 Cash Dividend

With the investment philosophy and processes imbedded in the operation of the asset management division and the successful completion of the financial services infrastructure development, the Group is well positioned to consider further investment opportunities. Various prospects are currently being investigated. For this reason the board of directors has decided not to declare any dividends but rather to utilise retained earnings to fund future investments.

1.4 Changes to the board

Joe Rosen was appointed as an independent non-executive director on 10 April 2013 and serves as the chairman of the Audit and Risk Committee and as lead independent non-executive director. Abrie du Preez (and Thys du Preez as his alternate) joined the board as non-executive directors on 4 August 2013. Robert Walton joined the board on 12 August 2013 as an executive director tasked with the significant expansion of our asset administration business.

1.5 Basis of preparation

These summarised Group financial results for the year ended 31 August 2013 constitute a summary, prepared in accordance with the JSE Listings Requirements; the South African Companies Act (Act 71 of 2008) as amended; and the recognition and measurement requirements of International Financial Reporting Standards and the presentation and disclosure requirements of International Accounting Standard 34 and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, of the Group's audited financial statements.

These summarised Group financial results do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 August 2013. The annual financial statements are available for inspection at the company's registered office.

This summarised report is extracted from audited information, but is not itself audited. The audited consolidated annual financial statements and unmodified report, as issued by KPMG Inc., are available for inspection at the company's registered office.

The summarised financial results were prepared by Anton de Klerk CA (SA), the Chief Financial Officer of Efficient.

Summarised statements of financial position as at 31 August 2013

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Assets				
Non-Current Assets				
Property and equipment (Note 1)	658	649	215	289
Goodwill	23 703	23 494	-	-
Intangible assets (Note 2)	17 821	20 784	-	-
Investments	9 252	5 625	155 239	152 509
Equity accounted investments (Note 3)	6 313	6 865	97	2 934
Long-term receivable (Note 4)	1 518	2 902	-	895
Deferred tax	1 344	256	828	168
	60 609	60 575	156 379	156 795
Current Assets				
Related party loans (Note 10)	-	-	19 912	26 396
Trade and other receivables	8 565	9 583	965	840
Cash and cash equivalents	19 260	15 861	5 048	589
Short-term portion of long-term receivables (Note 4)	915	1 042	-	494
Tax receivable	302	19	37	36
	29 042	26 505	25 962	28 355
Total Assets	89 651	87 080	182 341	185 150
Equity and Liabilities				
Equity				
Share capital and share premium (Note 5)	58 657	58 657	171 862	171 862
Treasury shares	(149)	(149)	-	-
Accumulated income	12 453	9 933	6 578	8 777
Fair-value-adjustment reserve	65	39	-	-
Equity attributable to equity holders of the parent	71 026	68 480	178 440	180 639
Non-controlling interest	(13)	(44)	-	-
Total Equity	71 013	68 436	178 440	180 639
Non-Current Liabilities				
Long-term liabilities (Note 6)	715	2 298	-	1 898
Deferred tax	3 217	4 854	-	-
	3 932	7 152	-	1 898
Current Liabilities				
Related party loans (Note 10)	-	-	1 205	-
Trade and other payables	13 460	9 615	2 696	2 613
Short-term portion of long-term liabilities (Note 6)	482	1 250	-	-
Tax payable	764	627	-	-
	14 706	11 492	3 901	2 613
Total Liabilities	18 638	18 644	3 901	4 511
Total Equity and Liabilities	89 651	87 080	182 341	185 150
Net asset value per share (cent)	174.25	169.59		
Net tangible asset value per share (cent)	72.38	59.94		

Summarised statements of comprehensive income for the year ended 31 August 2013

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Revenue	79 012	55 433	12 117	11 758
Operating expenses	(76 772)	(58 516)	(15 785)	(13 133)
Operating profit/(loss)	2 240	(3 083)	(3 668)	(1 375)
Dividends received	88	-	88	-
Finance income	1 284	1 537	318	815
Finance cost	(12)	(26)	-	-
Profit on sale of equipment	60	436	60	4
Other income/(expenses)	(3)	(3)	-	1
Realised fair value adjustment of available-for-sale financial assets	51	6	-	-
Realised fair value adjustment of investment designated at fair value through profit or loss	-	241	-	-
Unrealised fair value adjustment of investment designated at fair value through profit or loss	1 301	285	1 286	285
Re-measurement of liabilities	2 222	316	1 898	316
Re-measurement of loan to associate	500	-	-	-
Impairment of investment in associates (Note 7)	(2 837)	(6 010)	(2 841)	(6 010)
Share of losses from associates	(1 091)	(1 983)	-	-
Profit/(loss) before taxation	3 803	(8 284)	(2 859)	(5 964)
Taxation	(1 302)	(147)	660	(60)
Profit/(Loss) for the year	2 501	(8 431)	(2 199)	(6 024)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss	26	42	-	-
Realised fair value adjustment of available-for-sale financial assets	(51)	(6)	-	-
Unrealised fair value adjustment of available-for-sale financial assets	77	48	-	-
Total comprehensive income/(loss) for the year	2 527	(8 389)	(2 199)	(6 024)
Profit/(loss) for the year attributable to:				
Equity holders of the parent	2 520	(8 407)	(2 199)	(6 024)
Non-controlling interest	(19)	(24)	-	-
	2 501	(8 431)	(2 199)	(6 024)
Total comprehensive income/(loss) for the year				
Equity holders of the parent	2 546	(8 365)	(2 199)	(6 024)
Non-controlling interest	(19)	(24)	-	-
	2 527	(8 389)	(2 199)	(6 024)
Earnings /(loss) per share (cents) (Note 8)	6.18	(20.82)		
Diluted earnings/(loss) per share (cents) (Note 8)	6.18	(21.38)		

Summarised statements of changes in equity for the year ended 31 August 2013

Group	Ordinary	Treasury shares	Non- controlling Interest	Accumulated income	Fair value	Total Equity
	shares and				adjustment for	
	share premium				available-for- sale-assets reserve	
	R'000	R'000	R'000	R'000	R'000	R'000
Balance at 31 August 2011	57 221	(149)	69	22 938	(3)	80 076
Issue of share capital	1 436	-	-	-	-	1 436
Acquisition of minority interest in Efficient Financial Services (Pty) Ltd	-	-	(69)	(3 580)	-	(3 649)
Disposal of 20% of the investment in Efficient Asset Finance (Pty) Ltd	-	-	(20)	20	-	-
Dividend paid	-	-	-	(1 038)	-	(1 038)
Total comprehensive loss for the year	-	-	(24)	(8 407)	42	(8 389)
Balance at 31 August 2012	58 657	(149)	(44)	9 933	39	68 436
Non-controlling interest share of the issue of share capital by Efficient Asset Finance (Pty) Ltd	-	-	50	-	-	50
Total comprehensive income for the year	-	-	(19)	2 520	26	2 527
Balance at 31 August 2013	58 657	(149)	(13)	12 453	65	71 013

Company

Balance at 31 August 2011	170 426	-	-	15 839	-	186 265
Issue of Share Capital	1 436	-	-	-	-	1 436
Dividend paid	-	-	-	(1 038)	-	(1 038)
Total comprehensive loss for the year	-	-	-	(6 024)	-	(6 024)
Balance at 31 August 2012	171 862	-	-	8 777	-	180 639
Total comprehensive loss for the year	-	-	-	(2 199)	-	(2 199)
Balance at 31 August 2013	171 862	-	-	6 578	-	178 440

Summarised statements of cash flows for the year ended 31 August 2013

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Cash flows from operating activities				
Cash receipts from customers	80 030	50 987	3 499	11 602
Cash paid to suppliers and employees	(68 279)	(49 746)	(6 973)	(11 444)
Cash generated by/(utilised from) operations	11 751	1 241	(3 474)	158
Finance income	1 280	1 537	314	815
Interest paid	(12)	(26)	-	-
Dividends paid	-	(1 038)	-	(1 038)
Taxation paid	(4 398)	(1 154)	-	(140)
Net cash inflow/(outflow) from operating activities	8 621	560	(3 160)	(205)
Cash flows from investing activities				
Acquisition of business (Note 9)	(382)	(2 453)	-	-
Long-term loan to associate	(1 059)	(2 265)	-	-
Decrease/(Increase) in long-term receivable	123	(1 624)	-	(1 389)
Acquisition of investments	(2 596)	(5 000)	(1 350)	(5 000)
Decrease in long-term liabilities	(1 250)	-	-	-
Proceeds on the disposal of available-for-sale financial assets	441	3 247	-	-
Proceeds on disposal of equipment	63	1	63	-
Acquisition of equipment	(612)	(1 675)	(172)	(2 212)
	(5 272)	(9 769)	(1 459)	(8 601)
Cash flows from financing activities				
Increase/(decrease) in related party loans	-	-	9 078	(2 521)
Increase in subsidiary share capital - non controlling interest portion	50	-	-	-
	50	-	9 078	(2 521)
Total cash and cash equivalents movement for the year	3 399	(9 209)	4 459	(11 327)
Total cash and cash equivalents at the beginning of year	15 861	25 070	589	11 916
Total cash and cash equivalents at the end of the year	19 260	15 861	5 048	589

Notes to the summarised annual financial statements for the year ended 31 August 2013

1. Property and Equipment

Group - Aug 2013					
	Opening Balance R'000	Disposals R'000	Additions R'000	Depreciation R'000	Closing balance R'000
Furniture, fixtures and office equipment	284	(3)	184	(214)	251
Computer equipment	323	-	428	(355)	396
Leasehold improvements	33	-	-	(28)	5
Other fixed assets	9	-	-	(3)	6
Total	649	(3)	612	(600)	658

Group - Aug 2012					
	Opening Balance R'000	Disposals R'000	Additions R'000	Depreciation R'000	Closing balance R'000
Furniture, fixtures and office equipment	421	(2)	83	(218)	284
Computer equipment	828	(1 545)	1 592	(552)	323
Leasehold improvements	132	-	-	(99)	33
Other fixed assets	37	-	-	(28)	9
Total	1 418	(1 547)	1 675	(897)	649

Company - Aug 2013					
	Opening Balance R'000	Disposals R'000	Additions R'000	Depreciation R'000	Closing balance R'000
Furniture, fixtures and office equipment	145	(3)	101	(110)	133
Computer equipment	105	-	71	(103)	73
Leasehold improvements	33	-	-	(28)	5
Other fixed assets	6	-	-	(2)	4
Total	289	(3)	172	(243)	215

Company - Aug 2012					
	Opening Balance R'000	Disposals R'000	Additions R'000	Depreciation R'000	Closing balance R'000
Furniture, fixtures and office equipment	242	-	12	(109)	145
Computer equipment	176	(2 121)	2 199	(149)	105
Leasehold improvements	132	-	-	(99)	33
Other fixed assets	7	-	1	(2)	6
Total	557	(2 121)	2 212	(359)	289

A register containing the information required by paragraph 25(3) of Part C of Chapter 2 of the Companies Regulations 2011 is available for inspection at the registered office of the company.

2 Intangible assets

Group - Aug 2013					
	Opening Balance R'000	Disposals R'000	Acquired through business combination R'000	Amortisation R'000	Closing balance R'000
Trade names	973	-	-	(66)	907
Customer contracts and customer relationships	19 811	-	746	(3 643)	16 914
Total	20 784	-	746	(3 709)	17 821

Group - Aug 2012					
	Opening Balance R'000	Disposals R'000	Acquired through business combination R'000	Amortisation R'000	Closing balance R'000
Trade names	1 039	-	-	(66)	973
Customer contracts and customer relationships	20 764	(2 320)	4 833	(3 466)	19 811
Total	21 803	(2 320)	4 833	(3 532)	20 784

The remaining useful life of the trade names are 14 years, and customer contracts and customer relationships are between 4 and 10 years.

3 Equity accounted investments

Name	Country of	Proportion of ownership		Principal Activities
	Incorporation	interest		
C & A Financial Services (Pty) Ltd	RSA	49%		Financial Services
Thebe Stockbroking (Pty) Ltd	RSA	25.1%		Financial Services
Marion Technology (Pty) Ltd	RSA	50.0%		IT Services
Efficient Financial Services (Namibia)(Pty) Ltd	NAM	50.0%		Financial Services

	Group		Company	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
The Equity accounted investment consists of:				
C & A Financial Services (Pty) Ltd	487	434	-	-
Thebe Stockbroking (Pty) Ltd	-	2 837	-	2 841
Marion Technology (Pty) Ltd	5 826	3 594	-	-
Efficient Financial Services (Namibia)(Pty) Ltd	-	-	97	93
	6 313	6 865	97	2 934

Reconciliation of Equity accounted investments:

Opening balance	6 865	10 678	2 934	8 944
Loss for the year per the statement of comprehensive income	(1 091)	(1 908)	-	-
Loss for the year	(1 131)	(1 983)	-	-
Realisation of inter-company profit on sale of equipment to associate	56	75	-	-
Deferred tax on realisation of inter-company profit on sale of equipment to associate	(16)	-	-	-
Impairment of investment in associate - Note 7	(2 837)	(6 010)	(2 841)	(6 010)
Re-measurement of loan to associate	500	-	-	-
Elimination of inter-company profit on sale of equipment to associate	-	(285)	-	-
	3 437	2 475	93	2 934
Long-term loan granted and transferred from long-term receivables to associate during the year	2 876	4 390	4	-
Investment in associate	6 313	6 865	97	2 934

	Group		Company	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
4 Long-term receivable				
4.1 Marion Technology (Pty) Ltd	-	1 389	-	1 389
The loan to Marion Technologies forms part of the acquisition of the 50% share in Marion Technology (Pty) Ltd. This loan was converted into a loan without interest and repayment terms.				
4.2 L Benade	2 433	2 555	-	-
The loan to L Benade forms part of the acquisition of a customer base. This loan is unsecured and repayable in 41 monthly instalments of R60 477,18. The loan bears interest at prime rate.				
Less: Short-term portion of long-term receivable	(915)	(1 042)	-	(494)
	1 518	2 902	-	895

5. Share capital and share premium

Authorised

361 350 000 ordinary shares of R 0.00000277 each

1 1 1 1

Issued

40 759 533 ordinary shares of R 0.00000277 each

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Share premium

58 657 58 657 171 862 171 862

58 657 58 657 171 862 171 862

The Efficient Share Incentive Trust holds 67 934 shares in Efficient Group Ltd. These shares are disclosed as treasury shares.

The unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.

6. Long-term liabilities

6.1 Vendor finance

This liability forms part of the acquisition of two customer bases. These loans are unsecured and interest free. There is one remaining instalment of R400 000, payable on 1 March 2014 on one customer base, and three instalments of R82 168 each, payable on 1 November 2013, 1 February 2015 and 1 August 2015, on the second customer base.

Less: Short-term portion

	Group		Company	
	2013	2012	2013	2012
	R'000	R'000	R'000	R'000
	647	1 650	-	-
	(482)	(1 250)	-	-
	165	400	-	-
	-	1 898	-	1 898
	550	-	-	-
	715	2 298	-	1 898

7 Impairment of investment in associate

Thebe Stockbroking (Pty) Ltd is a black empowered stockbroking company focusing on both the retail (private wealth) and institutional market. The institutional division is not profitable due to low volumes and the research cost required to attract institutional business.

The company and Thebe Investment Corporation (Pty) Ltd, as joint shareholders in Thebe Stockbroking, explored various avenues regarding the possibility of incorporating the stockbroking business under the Efficient brand, unfortunately without success. The Efficient Group Board, in the absence of exercising control over Thebe Stockbroking or a change in the strategic direction of that company, accordingly impaired the investment.

	2 837	6 010	2 841	6 010
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8. Earnings and diluted earnings per share

Earnings and diluted earnings per ordinary share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

	Group	
	2013 R'000	2012 R'000
Weighted average number of ordinary shares in issue		
Number of shares in issue at the end of the year	40 760	40 760
Less: Issue of ordinary shares during the year	-	(821)
	40 760	39 939
Add: Weighted average number of ordinary shares issued during the year	-	441
Weighted average number of ordinary shares in issue	40 760	40 380
Earnings/(loss) per share (cents)	6.18	(20.82)
Attributable earnings/(loss)	2 520	(8 407)
Weighted average number of ordinary shares in issue	40 760	40 380
Diluted earnings/(loss) per share (cents)	6.18	(21.38)
Diluted earnings/(loss)	2 520	(8 635)
Weighted average number of ordinary shares in issue	40 760	40 380
Diluted earnings /(loss) are calculated as follows	2 520	(8 635)
Attributable earnings/(loss)	2 520	(8 407)
Less: Re-measurement of long-term liability	-	(316)
Add: Taxation on re-measurement of long-term liability	-	88
Headline earnings/(loss) per share (cents)	13.04	(6.71)
Headline earnings/(loss)	5 314	(2 711)
Weighted average number of ordinary shares in issue	40 760	40 380
Diluted headline earnings /(loss) per share (cents)	13.04	(7.28)
Diluted headline earnings/(loss)	5 314	(2 939)
Weighted average number of ordinary shares in issue	40 760	40 380
Headline earnings/(loss) are calculated as follows	5 314	(2 711)
Attributable earnings/(loss)	2 520	(8 407)
Add: Impairment of investment in associate	2 837	6 010
Less: Profit on disposal of Equipment	(60)	(436)
Adds: Taxation of profit on disposal of Equipment	17	122
Diluted headline earnings /(loss) are calculated as follows	5 314	(2 939)
Headline earnings/(loss)	5 314	(2 711)
Less: Re-measurement of liabilities	-	(316)
Add: Taxation on re-measurement of long-term liability	-	88

9. Acquisition/(Disposal) of business

Group		Company	
2013	2012	2013	2012
R'000	R'000	R'000	R'000

During the period under review the Group acquired various financial advisory customer bases from independent financial advisers.

Acquisition: In the 2012 financial year, the Group acquired various financial advisory customer bases from independent financial advisers, as well as an asset based finance business. Part of the income stream of one of the financial advisory customer bases was sold to an advisor.

Gross trade receivables	1 140	643	-	-
Equipment	-	18	-	-
Intangible assets	746	4 833	-	-
Trade payables	(912)	(517)	-	-
Net assets acquired	974	4 977	-	-
Goodwill	209	-	-	-
Less: Long-term liability raised as part of the purchase price	(247)	(1 650)	-	-
Less: Other creditors raised as part of the purchase price	(345)	(324)	-	-
Less: Deferred tax raised on intangible asset acquired	(209)	(550)	-	-
Cash paid on acquisition	382	2 453	-	-
Disposal				
Intangible assets	-	(2 320)	-	-
Long-term receivable	-	2 320	-	-
Net cash paid on acquisition of business	382	2 453	-	-

10. Loans to Related parties

Group		Company	
2013	2012	2013	2012
R'000	R'000	R'000	R'000

Efficient Collective Investments (Pty) Ltd	-	-	1 542	2 639
Efficient Select (Pty) Ltd	-	-	-	11 960
Efficient Financial Services (Pty) Ltd	-	-	9 230	6 118
Efficient Asset Finance (Pty) Ltd	-	-	1 345	921
Efficient Share Incentive Scheme Trust	-	-	149	149
Efficient Capital (Pty) Ltd	-	-	7 546	4 537
C & A Financial Services (Pty) Ltd	-	-	-	21
Efficient International Investments (Pty) Ltd	-	-	100	51
	-	-	19 912	26 396

Loans from Related parties

Efficient Select (Pty) Ltd	-	-	(1 205)	-
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Loans with Related parties

The loans are unsecured, bear no interest and have no fixed repayment terms.

Included in Equity accounted investments is an amount of R 97 000 owed by Efficient Financial Services (Namibia) (Pty) Ltd and an amount of R7 645 000 owed by Marion Technology (Pty) Ltd to the Group.

Included in trade and other receivables is an amount of R9 023 owed by Marion Technology (Pty) Ltd and included in trade and other payables an amount of R105 317 owed to Marion Technology (Pty) Ltd.

Group		Company	
2013	2012	2013	2012
R'000	R'000	R'000	R'000

10.1 Related party transactions

Rent paid - Midnight Storm Investments 299 (Pty) Ltd	760	735	465	448
Administration fees and rent received - Efficient Select (Pty) Ltd	-	-	4 737	5 171
Administration fees and rent received - Efficient International Investments (Pty) Ltd	-	-	515	474
Administration fees and rent received - Efficient Collective Investments (Pty) Ltd	-	-	1 345	1 666
Administration fees and rent received - Efficient Financial Services (Pty) Ltd	-	-	5 356	5 177
Information Technology Services paid and software development - Marion Technology (Pty) Ltd	1 464	761	360	618
Rent received from Marion Technology (Pty) Ltd	32	13	-	-
Interest received from Marion Technology (Pty) Ltd	35	72	-	-
Service fees received by Efficient Collective Investments (Pty) Ltd from:				
- Efficient Worldwide Flexible Fund	2 120	1 341	-	-
- Efficient Active Quant Fund	759	784	-	-
- Efficient Balanced Fund	3 043	2 101	-	-
- Efficient Equity Fund of Funds	874	596	-	-
- Efficient Flexible Fund of Funds	1 959	1 781	-	-
- Efficient Prudential High Fund of Funds	2 099	1 661	-	-
- Efficient Prudential Low Fund of Funds	661	394	-	-
- Efficient Prudential Medium Fund of Funds	5 393	5 660	-	-
- Efficient Equity Fund	3 479	2 029	-	-
- Efficient Fixed Income Fund	1 875	628	-	-
- Efficient Money Market Fund	226	256	-	-
- Efficient Property Fund	785	1 487	-	-
- Efficient Worldwide Multi Asset Income Fund	215	-	-	-

Transactions with directors and prescribed officers (including their

10.2 families)

Remuneration paid to executive directors and prescribed officers				
- Remuneration	11 997	9 800	7 165	5 693
- Share-Based Payment	79	(49)	45	(28)
	<u>12 076</u>	<u>9 751</u>	<u>7 210</u>	<u>5 665</u>

Staff cost consist of short-term benefits and share-based payments. No long-term, post employment and termination benefits are payable to any employee.

11. Segmental Analysis

The group changed the reporting segments from the previous financial year by consolidating Asset management and Asset administration and separately disclosing Asset finance previously included in Financial services.

The group is organised into 3 main business segments:

1. Asset management and administration, and includes the following companies and divisions:

Efficient Select, Efficient Collective Investments and Efficient International Investments.

2. Financial Services, and includes the following companies:

Efficient Financial Services, C & A Financial Services and Thebe Stockbroking

3. Asset Finance, and includes the following company:

Efficient Asset Finance

2013

	Asset Management & Administration	Financial Services	Asset Finance	Other	Total
Revenue	60 912	30 000	2 848	(14 748)	79 012
- External	47 712	28 028	2 848	424	79 012
- Inter - segment	13 200	1 972	-	(15 172)	-
Expenses	50 529	32 810	3 439	(10 008)	76 772
Interest paid	6	-	-	6	12
Interest received	700	258	8	318	1 284
Net profit for the year	8 145	(1 815)	(96)	(3 733)	2 501
Net Asset Value	31 934	(1 184)	(66)	40 329	71 013
Assets	41 259	3 781	430	44 181	89 651
Liabilities	9 324	4 964	496	3 854	18 638
Depreciation and amortisation	2 411	444	157	1 296	4 308
Share of profit/(loss) from associates	-	53	-	(1 144)	(1 091)

2012 (Restated)

	Asset Management & Administration	Financial Services	Asset Finance	Other	Total
Revenue	45 097	18 641	992	(9 297)	55 433
- External	37 983	16 016	992	442	55 433
- Inter - segment	7 114	2 625	-	(9 739)	-
Expenses	43 968	14 260	1 164	(876)	58 516
Interest paid	26	-	-	-	26
Interest received	581	137	4	815	1 537
Net loss for the year	1 603	(8 552)	(121)	(1 361)	(8 431)
Net Asset Value	23 762	632	(220)	44 262	68 436
Assets	32 735	4 463	610	49 372	87 180
Liabilities	8 874	3 831	830	5 109	18 644
Depreciation and amortisation	2 540	419	55	1 415	4 429
Share of losses from associates	-	(1 489)	-	(494)	(1 983)

Other consist of consolidation entries, amortisation of intangible assets, Efficient Capital and Efficient Group.

Transactions between segments takes place at arm's length.

12. Events after the reporting date

- Efficient Group Ltd sold its minority shareholding in Thebe Stockbroking (Pty) Ltd with effect from 1 October 2013 to Thebe Investment Corporation for a consideration of R527 100.
- On 12 September 2013 the company issued 1 997 661 shares @ R1.53 per share to senior employees as part of an executive share purchase scheme.
- On 11 November 2013 shareholders will be requested to approve a specific issue of 10 689 299 shares for cash at a price of R1.53 per share to Robert Walton, an executive director of Efficient Group.

2. CORPORATE INFORMATION

Non-Executive Directors

Dr S Booysen (Chairman), Z Cele*, L Taylor*, M Cassim, J Mabena , J Rosen*, A du Preez and T du Preez.

(*) Independent

Executive Directors

DD Roodt, H Weidhase, AT De Klerk and R Walton.

Registered and Business address

81 Dely Road, Hazelwood, 0081

Company Secretary

Adv Rudi Barnard

Sponsor

Java Capital

Reporting Accountants and Auditors

KPMG Inc.

Transfer Secretaries

Link Market Services South Africa (Pty) Ltd

6 November 2013