Efficient Group Limited

Annual Financial Statements for the year ended 31 August 2011

Contents

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

The annual financial statements have been audited in compliance with any applicable requirements of the Companies Act.

Published on 25 November 2011
Prepared by: Anton de Klerk CA (SA)
Chief Financial Officer

Directors' responsibility and approval of annual financial statements

The directors are responsible for the preparation, integrity and fair presentation of the consolidated financial statements and annual financial statements and other financial information included in this report. In presenting the accompanying consolidated financial statements, International Financial Reporting Standards have been followed, applicable accounting assumptions have been used while prudent judgments and estimates have been made. Adequate accounting records and an effective system of internal controls is being maintained by the group.

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

The financial statements have been audited by the independent accounting firm, PKF (Jhb) Inc, which was given unrestricted access to all financial records and related data, including all resolutions and minutes of all meetings of shareholders and the board of directors and committees of the board. The directors believe that all representations made to the independent auditors during the audit were valid and appropriate.

The financial statements were approved by the directors on 8 November 2011 and are signed on their behalf by:

Chairman

CEO

Statement of compliance by the company secretary

In terms of section 88 (2) (e) of the Companies Act 71 of 2008, I certify that, to the best of my knowledge and belief, the company has, in respect of the financial year reported upon, lodged with the Companies and Intellectual Property Commission all returns and notices required of a public company in terms of the Act, and that all such returns and notices are true, correct and up to date.

Adv R Barnard
Company Secretary
8 November 2011

The directors submit their report for the year ended 31 August 2011.

Efficient Group Ltd is a public company incorporated in the Republic of South Africa. The company's registered address is 83 Dely Road, Hazelwood, Pretoria, 0081.

1 Review of activities

Main business and operations

The company is the Holding Company for the Efficient Group. The company's subsidiaries' main activities are that of asset management and offering of financial services.

Our strategy of developing a diversified financial services business gained impetus with progress made in a number of key focus areas; the roll-out of our national distribution footprint and the continued development of our asset management business. During the financial year Efficient Financial Services (Pty) Ltd acquired the business of FH Financial Planning Services PE (Pty) Ltd which now represents the Port Elizabeth branch and opened financial services branches in Bloemfontein and Westrand. A number of financial planners were recruited as part of their independent adviser model.

Operating results

The financial statements presented on pages 3 to 40 set out fully the financial position, results of operations and cash flows of the group and company for the financial year ended 31 August 2011.

The group posted net profit after tax of R 3 090 809 and the company an after tax loss of R349 673.

Acquisitions

On 1 September 2010 Efficient Financial Services acquired the business of FH Financial Planning Services PE (Pty) Ltd for a total purchase price of R2 433 725. R1 164 477 of the purchase price was settled in cash and the balance was settled by issuing Efficient Group Ltd shares to the vendors. The 5% non-controlling interest in Efficient Collective Investments Pty (Ltd) was purchased on 1 May 2011 and was paid for in cash of R900 000. See note 27 for more detail.

2 Share capital

During the year under review, the number of shares authorised and in issue changed as follows:

	Number of shares '000	c/share	R '000
Authorised:			
As at 31 August 2011	361 350	0.000277	1.00
Issued:			
At beginning of year	39 706	0.000277	0.11
Add: Issue of ordinary shares (September 2010)	233	0.000277	0.06
Issued share capital at the end of year	39 939	0.000277	0.17

3 Borrowing limitations

In terms of the Memorandum of Incorporation of the company, the directors may exercise all the powers of the company to borrow money, as they consider appropriate. At 31 August 2011 the group does not owe any money to third parties except for amounts included in trade and other payables.

4 Distribution to shareholders

An interim dividend of 2.85 cents per share was paid on 11 April 2011 and the final dividend of 2.60 cents per share was approved to be paid on 5 December 2011.

5 Share incentive scheme

In terms of the share incentive scheme share-based payments of R99 921 were made during the period under review (2010: R Nil).

6 Directors

The directors of the company during the year and to the date of this report are as follows:

		Date appointed	Date resigned
Executive			
H Weidhase	CEO	27-Nov-06	
AT De Klerk	CFO	27-Mar-08	
DD Roodt	Director	27-Nov-06	
Non Executive			
S Booysen*	Chairman	01-Sep-09	
MJ Giles*		27-Nov-06	
LCZ Cele*		30-Aug-10	
L Taylor*		15-Mar-11	
EA Hern*		05-Nov-07	28-Feb-11
M Cassim		30-Jan-09	
L Gadd		30-Jan-09	
R Paterson		17-Mar-09	
L Whitfield (alternate to Mr R Paterson)		01-Sep-09	
S R Mogototoane (alternate to Ms L Gadd)		16-Mar-10	

* Independent directors

The non-executive directors' contracts do not provide for a fixed-term employment period.

7 Directors' interest

The beneficial interest, direct and indirect, of the directors in office at 31 August are as follows:

	2011				2010			
	Direct '000	Indirect '000	Total '000	%	Direct '000	Indirect '000	Total '000	%
Ordinary shares								
Executive								
DD Roodt	3 250	-	3 250	8.14	3 250	-	3 250	8.19
H Weidhase	3 250	-	3 250	8.14	3 250	-	3 250	8.19
AT De Klerk	335	-	335	0.84	335	-	335	0.85
Non - Executive								
S F Booysen	-	1 946	1 946	4.87	-	1 946	1 946	4.90
MJ Giles	-	698	698	1.75	-	698	698	1.76

No changes in the reported interest of the directors in office was recorded since 31 August 2011 and the date of this report.

	Non-vested Share Appreciation Rights		
	Allocated 2010	Allocated 2011	Closing Balance
Grant price	**R5.66**	**R5.17**	
DD Roodt	100 133	86 509	186 642
H Weidhase	100 133	99 818	199 951
AT De Klerk	100 133	86 509	186 642

8 Directors' interest in contracts

DD Roodt and H Weidhase are shareholders of Midnight Storm Investment (Pty) Ltd. The group rents the Dely Road offices from Midnight Storm Investments (Pty) Ltd at market related tariffs.

9 Company secretary and professional advice

All directors have unlimited access to the services of the company secretary, who in turn has access to the appropriate resources in the provision of this support. All directors are also entitled to seek independent professional advice with regards to the affairs of the company. The secretary of the company is Adv R Barnard, appointed on 1 February 2011:

Business and Postal address	83 Dely Road Hazelwood Pretoria 0081

10 Subsidiaries

Efficient Group is the ultimate holding company of the following companies:

	% Shareholding
Efficient Select (Pty) Ltd	100%
Efficient Collective Investments (Pty) Ltd*	100%
Efficient International Investments (Pty) Ltd*	100%
Midnight Masquerade Investments (Pty) Ltd* (Dormant)	100%
Efficient Financial Services (Pty) Ltd	90%
FH Financial Services (Newlands) (Pty) Ltd# (Dormant)	100%
Multigro Capital (Pty) Ltd* (Dormant)	100%
Efficient Capital (Pty) Ltd	100%
Efficient Asset Finance (Pty) Ltd+	100%

* Subsidiaries of Efficient Select (Pty) Ltd
# Subsidiaries of Efficient Financial Services (Pty) Ltd
+ Subsidiary of Efficient Capital (Pty) Ltd

11 Events after the reporting date

On 8 November 2011 the Board approved the following acquisitions:

- the acquisition of the non-controlling share (10%) held in Efficient Financial Services (Pty) Ltd from the managing director of that company. The total acquisition price is R 9 593 300 and will be settled by issuing 2 085 500 Efficient Group Ltd shares. The effective date of the transaction is 1 September 2011. The transaction forms part of the group's initiative to incentivise senior personnel on a group level rather than a subsidiary level. The acquisition price will be adjusted based on the performance of Efficient Financial Services (Pty) Ltd over the next three years relative to the performance of the group.
- the acquisition of a 50% share in an Information Technology company in partnership with Marion IT Solutions (Pty) Ltd with effect from 1 September 2011. The acquisition price is R 5 625 000 and will be settled partly in cash (R3,5 million) and the balance by transferring software developed by Efficient Group Ltd to the acquired entity. This is a strategic acquisition that is important to support our information technology needs and the commercialisation of the Efficient Group investment reporting and information software. At the date of this report the effective date statement of financial position had not been completed and therefore the fair value of the assets and liabilities assumed is not finalised.
- the acquisition of a 20% share in a Financial Advisory Customer base for R 610 000 and is payable in cash over a 24 month period. The transaction is effective 10 October 2011. Efficient Financial Services (Pty) Ltd appointed an Independent Financial Adviser to service the acquired customer base. The mentioned Independent Financial Adviser is also the beneficial owner of the balance of this customer base.
- the expansion of the Financial Services business into Namibia. Efficient Financial Services (Pty) Ltd has opened a Financial Advise Branch in Namibia in partnership (50% partnership) with BDO Namibia. Initially this transaction will only require working capital and forms part of the roll-out of the distribution network and diversification strategy. The partnership will be effective from 13 October 2011.

12 Audit Committee

The audit committee met three times during the year and the external auditors presented formal reports to the committee and attended the meeting by invitation. In accordance with section 94(7)(f) of the Companies Act, No. 71 of 2008, as amended, the committee reports as follows:

- The scope, independence and objectivity of the external auditors was reviewed.
- The audit firm PKF (JHB) Inc, represented by Ms S Kock are, in the committee's opinion, independent of the company, and have been proposed to the shareholders for approval to be the group's auditor for the 2012 financial year.
- On an ongoing basis, the committee reviews and approves the fees proposed by the external auditors.
- The appointment of the external auditor complies with the Companies Act, as amended, and with all other legislation relating to the appointment of external auditors.
- The nature and extent of non-audit services provided by the external auditors has been reviewed to ensure that the fees for such services do not become so significant as to call into question their independence.
- The nature and extent of future non-audit services have been defined and pre-approved.
- The committee had unrestricted access to all financial information, records, documents and processes.
- The appropriateness of the expertise and experience of the financial director was reviewed and reported to be adequate.
- As at the date of this report, no complaints have been received relating to accounting practices of the company or to the content or auditing of the company's financial statements, or to any related matter.

13 Special resolutions

On 21 January 2011 the company held its annual general meeting and it was resolved that:

- the directors be and are authorised to approve and implement the acquisition by the company of ordinary shares issued by the company by way of a general authority, under certain conditions.
- the name of the company be changed from "Efficient Financial Holdings Limited" to "Efficient Group Limited" with effect from 14 February 2011.

chartered accountants
& business advisers

previously

Fisher Hoffman PKF

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF EFFICIENT GROUP LIMITED

Report on the Financial Statements

We have audited the financial statements of Efficient Group Limited, which comprise the consolidated and separate statements of financial position as at 31 August 2011, and the consolidated and separate statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the directors' report, as set out on pages 3 to pages 40.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Tel +27 11 384 8000 | Fax +27 11 384 8008
Email info.jhb@pkf.co.za | www.pkf.co.za
42 Wierda Road West | Wierda Valley | Sandton 2196 | South Africa
Private Bag X10046 | Sandton 2146 | Docex 135 Jhb

PKF (Jhb) Inc. Registered Auditors Chartered Accountants (SA) A member firm of PKF International Ltd Reg No. 1994/001166/21
Directors AJ Hannington (Managing) IG Abbott PR Badrick JM Borowitz GM Chaitowitz DA Church MA da Costa EE du Plessis B Frey RM Huiskamp S Kock RJ Lawson N Passmore T Schoeman AJ van den Berg LT van Manen ID Vorster
Practising consultants DR Howell

Opinion

In our opinion, the financial statements present fairly, in all material respects, the consolidated and separate financial position of Efficient Group Limited as of 31 August 2011, and its consolidated and separate financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

PKF (Jhb) Inc.

Registered Auditors

Chartered Accountants (SA)

Director: S Kock

Johannesburg

8 November 2011

Efficient Group Limited

Statements of financial position as at 31 August 2011

	Notes	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Assets					
Non-Current Assets					
Plant and equipment	2	1 418	1 409	557	667
Goodwill	3	21 731	20 259	-	-
Intangible assets	4	21 803	23 947	-	-
Investments	5	3 297	1 020	141 811	134 610
Equity accounted investments	6	10 678	10 919	8 944	8 944
Deferred tax	7	250	2 032	125	125
		59 177	**59 586**	**151 437**	**144 346**
Current Assets					
Related party loans	23.1	-	-	21 754	32 378
Trade and other receivables	8	5 137	5 835	684	619
Cash and cash equivalents	9	25 070	24 363	11 916	10 335
Tax receivable		-	171	-	-
		30 207	**30 369**	**34 354**	**43 332**
Total Assets		**89 384**	**89 955**	**185 791**	**187 678**
Equity and Liabilities					
Equity					
Ordinary shares and share premium	10	55 458	54 189	168 663	167 394
Treasury shares		(149)	(7 200)	-	-
Non-controlling interest		69	672	-	-
Accumulated income		22 938	30 699	15 839	19 324
Fair-value-adjustment reserve		(3)	19	-	-
Total equity		**78 313**	**78 379**	**184 502**	**186 718**
Non-Current Liabilities					
Deferred tax	7	5 721	6 619	-	-
Current Liabilities					
Trade and other payables	11	5 078	4 868	1 289	949
Tax payable		272	89	-	11
		5 350	**4 957**	**1 289**	**960**
Total Liabilities		**11 071**	**11 576**	**1 289**	**960**
Total Equity and Liabilities		**89 384**	**89 955**	**185 791**	**187 678**
Net asset value per share (cent)		**195.91**	**195.76**		
Net tangible asset value per share (cent)		**86.91**	**84.40**		

Efficient Group Limited

Statements of comprehensive income for the year ended 31 August 2011

	Notes	Group		Company	
		2011	**2010**	**2011**	**2010**
		R'000	**R'000**	**R'000**	**R'000**
Continuing operations					
Revenue	13	48 782	43 981	10 687	10 222
Operating expenses		(45 190)	(40 771)	(11 461)	(11 143)
Operating profit/(loss)	14	**3 592**	**3 210**	**(774)**	**(921)**
Dividends received		110	**-**	-	15 712
Finance income	17	1 451	1 622	700	978
Finance cost	18	(165)	-	-	(34)
Other income		48	-	34	-
Share of (losses)/profits from associates		(241)	1 039	-	-
Profit/(loss) before taxation		**4 795**	**5 871**	**(40)**	**15 735**
Taxation	19	(1 704)	(1 145)	(310)	35
Profit/(loss) for the year		**3 091**	**4 726**	**(350)**	**15 770**
Other comprehensive income:					
Fair value adjustment of available-for-sale financial assets		(22)	20	-	-
Total comprehensive income for the year		**3 069**	**4 746**	**(350)**	**15 770**
Profit/(loss) for the year attributable to:					
Equity holders of the parent		3 104	4 530	(350)	15 770
Non-controlling interest		(13)	196	-	-
		3 091	**4 726**	**(350)**	**15 770**
Total comprehensive income for the year attributable to:					
Equity holders of the parent		3 082	4 549	(350)	15 770
Non-controlling interest		(13)	197	-	-
		3 069	**4 746**	**(350)**	**15 770**
Earnings per share (cents)	20	**7.77**	11.41		
Headline earnings per share (cents)	20	**7.77**	11.40		

Efficient Group Limited

Statements of changes in equity for the year ended 31 August 2011

Group	Ordinary shares and share premium R'000	Treasury shares R'000	Non-controlling Interest R'000	Accumulated Income R'000	Fair value adjustment for available-for-sale-assets reserve R'000	Total Equity R'000
Balance at 31 August 2009	**53 839**	**(7 200)**	**81**	**26 269**	**-**	**72 989**
Issue of share capital	350	-	-	-	-	350
Increase in share premium of subsidiary	-	-	294	-	-	294
Change in ownership	-	-	100	(100)	-	-
Total comprehensive income for the year	-	-	197	4 530	19	4 746
Balance at 31 August 2010	**54 189**	**(7 200)**	**672**	**30 699**	**19**	**78 379**
Issue of share capital	1 269	-	-	-	-	1 269
Share repurchase by the Share Incentive Trust	-	(149)	-	-	-	(149)
Change in ownership	-	-	(476)	(424)	-	(900)
Cancellation of treasury shares	-	7 200	-	(7 200)	-	-
Dividend paid	-	-	(114)	(3 241)	-	(3 355)
Total comprehensive income for the year	-	-	(13)	3 104	(22)	3 069
Balance at 31 August 2011	**55 458**	**(149)**	**69**	**22 938**	**(3)**	**78 313**

Company

Balance at 31 August 2009	**167 044**	**-**	**-**	**3 554**	**-**	**170 598**
Issue of share capital	350	-	-	-	-	350
Total comprehensive income for the year	-	-	-	15 770	-	15 770
Balance at 31 August 2010	**167 394**	**-**	**-**	**19 324**	**-**	**186 718**
Issue of Share Capital	1 269	-	-	-	-	1 269
Dividend paid	-	-	-	(3 135)	-	(3 135)
Total comprehensive income for the year	-	-	-	(350)	-	(350)
Balance at 31 August 2011	**168 663**	**-**	**-**	**15 839**	**-**	**184 502**

Efficient Group Limited

Statements of cash flows for the year ended 31 August 2011

	Notes	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Cash flows from operating activities					
Cash receipts from customers		49 480	42 681	10 622	10 818
Cash paid to suppliers and employees		(40 758)	(35 695)	(10 745)	(10 639)
Cash generated/(utilised) from operations	21.1	**8 722**	**6 986**	**(123)**	**179**
Finance income		1 451	1 622	700	978
Interest paid		(165)	-	-	(34)
Dividends received		110	-	-	-
Dividends paid		(3 355)	-	(3 135)	-
Taxation (paid)/received	21.2	(742)	(1 304)	(321)	19
Net cash inflow/(outflow) from operating activities		**6 021**	**7 304**	**(2 879)**	**1 142**
Cash flows from investing activities					
Acquisition of business	21.3	(1 193)	(350)	-	-
Acquisition of available-for-sale financial asset		(2 300)	(1 000)	-	-
Acquisition of non-controlling interest		(900)	-	-	-
Acquisition of equipment		(772)	(647)	(233)	(199)
		(5 165)	(1 997)	(233)	(199)
Cash flows from financing activities					
Increase in share premium of non-controlling interest		-	294	-	-
Share re-purchase		(149)	-	-	-
Increase/(decrease) in interest free liabilities		-	-	4 693	(5 832)
		(149)	294	4 693	(5 832)
Total cash and cash equivalents movement for the year		**707**	**5 601**	**1 581**	**(4 889)**
Total cash and cash equivalents at the beginning of year		24 363	18 762	10 335	15 224
Total cash and cash equivalents at the end of the year	9	**25 070**	**24 363**	**11 916**	**10 335**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

1. Presentation of financial Statements

The financial statements are prepared in accordance with IFRS and in according with the JSE Listing Requirements and the requirements of the Companies Act. IFRS comprise International Financial Reporting Standards, International Accounting Standards (IAS) and the interpretations originated by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC). The standards referred to are set by the International Accounting Standards Board (IASB), as well as the AC500 series of interpretation issued by the APB. The financial statements are prepared on a going concern basis using the historical cost convention, except for the fair value adjustment in relation to available-for-sale assets. The financial statements are presented in South African Rand.

1.1 Standards in issue, not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

- Amendments to IFRS 1 - Accounting policy changes in the year of adoption (effective 1 January 2011)
- Amendments to IFRS 1 - Revaluation basis as deemed cost (effective 1 January 2011)
- Amendments to IFRS 1 - Use of deemed cost for operations subject to rate regulation (effective 1 January 2011)
- Amendments to IFRS 1 - Standard amended to provide guidance for entities emerging from severe hyperinflation and resuming presentation of IFRS compliant financial statements, or presenting IFRS compliant financial statements for the first time (effective 1 July 2011)
- Amendments to IFRS 1 - Standard amended to remove the fixed date of 1 January 2004 relating to the retrospective application of the derecognition requirements of IAS39, and relief for first-time adopters from calculating day 1 gains on transactions that occurred before the date of adoption (effective 1 July 2011)
- Amendments to IFRS 3 - Transition requirements for contingent consideration from a business combination that occurred before the effective date of the revised IFRS (effective 1 January 2011)
- Amendments to IFRS 3 - Measurement of non-controlling interest (effective 1 January 2011)
- Amendments to IFRS 3 - Un-replaced and voluntarily replaced share-based payment awards (effective 1 January 2011)
- Amendments to IFRS 7 - Clarification disclosures (effective 1 January 2011)
- Amendments to IFRS 7 - Additional disclosure on transfer transactions of financial assets (effective 1 July 2011)
- IFRS 9 - New standard that forms the first part of a three part project to replace IAS 39 Financial Instruments: Recognition and Measurement (1 January 2013)
- IFRS 10 - New standard that replaces the consolidation requirements in SIC-12 *Consolidation - Special Purpose Entities and IAS 27 Consolidated and Separate Financial Statements (effective 1 January 2013)*
- IFRS 11 - New standard that deals with the accounting for joint arrangements (effective 1 January 2013)
- IFRS 12 - New and comprehensive standard on disclosure requirements for all forms of interests in other entities (effective 1 January 2013)
- IFRS 13 - New guidance on fair value measurement and disclosure requirements (effective 1 January 2013)
- Amendments to IAS 1 - Clarification of statement of changes in equity (effective 1 January 2011)
- Amendments to IAS 12 - Rebuttable presumption introduced that an investment property will be recovered in its entirety through sale (effective 1 July 2012)
- Amendments to IAS 24 - Simplification of the disclosure requirements for government related entities and clarification of the definition of related party (effective 1 January 2011)
- Amendments to IAS 27 - Consequential amendments resulting from the issue of IFRS 10, 11, 12 (effective 1 January 2013)
- Amendments to IAS 28 - Consequential amendments resulting from the issue of IFRS 10, 11, 12 (effective 1 January 2013)
- Amendments to IAS 31 - Consequential amendments resulting from the issue of IFRS 10, 11, 12 (effective 1 January 2013)
- Amendments to IAS 34 - Interim Financial Reporting (Significant events and transactions) (effective 1 January 2011)

1.1 Standards in issue, not yet effective (continued)

Standards, amendments and interpretations that are not yet effective and not relevant to the company's operations

- IFRIC 13 - Customer loyalty programmes (effective 1 January 2011)

The directors have not yet determined what the impact of these new standards and interpretations will be on the company.

1.2 Consolidation and investments in associates

Subsidiaries are all entities over which the group has the power to govern the financial and operating policies so as to obtain benefit from their activities. Subsidiaries are consolidated from the date on which control is acquired until the date that the control ceases. The acquisition method of accounting is used to account for the acquisition of subsidiaries by the group. The group recognises the identifiable assets, liabilities and contingent liabilities of the acquiree at their relevant fair values at the date of acquisition.

Investments in subsidiaries are carried at cost in the separate financial statements of the parent company less impairments when applicable.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

Transactions with non-controlling interests are treated as transactions with equity holders. Disposals to non-controlling interests result in gains and losses that are recorded in the statement of changes in equity. Purchases from non-controlling interests are recorded in the statement of changes in equity.

An associate is an entity over which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over the policies, generally accompanying a shareholding of between 20% and 50% of the voting rights. The investment in an associate is initially recognised at cost and adjusted for the group's share of the changes in the net assets of the investee after the date of acquisition, and for any impairment in value, until the date that the significant influence ceases. The group's share in investment in associates includes intangible assets (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 statement of comprehensive income, and its share of post-acquisition movement in other comprehensive income is recognised in other comprehensive income. 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 assets transferred.
Investments in associates are carried at cost in the separate financial statements of the parent company less impairment cost when applicable.

1.3 Significant judgements and sources of estimation uncertainty

The preparation of the financial statements necessitates the use of estimates, assumptions and judgements. These estimates and assumptions affect the reported amounts of assets, liabilities and contingent liabilities at the reporting date as well as affecting the reported income and expenses for the year. Although estimates are based on management's best knowledge and judgment of current facts as at the reporting date, the actual outcome may differ from these estimates. Management do not believe that these differences will be significant.

1.3 Significant judgements and sources of estimation uncertainty (continued)

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the company is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The company uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

1.4 Goodwill

The costs of integrating and reorganising acquired businesses are charged to the post acquisition statement of comprehensive income. Goodwill on the acquisitions comprises the excess of (a) over (b) below.

(a) the aggregate of:

(i) the consideration transferred measured in accordance with this IFRS, which generally requires acquisition-date fair value

(ii) in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree.

(b) the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with this IFRS

Goodwill is carried at cost less accumulated impairment losses. Goodwill is tested for impairment at least annually. Gains and losses on disposal of an entity include the carrying amount of goodwill relating to the entity sold.

1.5 Intangible assets

An intangible asset is recognised when:

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

Intangible assets are shown at historical cost less accumulated amortisation and impairment losses.

Amortisation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of the intangible asset unless such lives are indefinite. Intangible assets with an indefinite useful life are tested for impairment at each reporting date. Intangible assets are amortised from the date they are available for use. The useful lives are as follows:

- Trade Names	20 years
- Customer contracts and customer relationships	10 years

Amortisation periods and methods are reviewed at each reporting date and adjusted if appropriate.

1.6 Plant and Equipment

The cost of an item of plant and equipment is recognised as an asset when:
- it is probable that future economic benefits associated with the item will flow to the company; and
- the cost of the item can be measured reliably.

All assets are stated at cost less accumulated depreciation and impairment losses.

Depreciation of plant and equipment is provided to write off the gross carrying value, on a straight line basis over their estimated useful lives to the estimated residual value as follows:

Item	Average useful life
Furniture, fixtures and office equipment	3 - 6 years
Computer equipment	3 years
Leasehold Improvements	5 years
Other assets	5 years

Other assets relates to generators.

The depreciation charge for each period is recognised in profit or loss. Gains or losses on disposal are included in profit or loss.

The residual values and useful lives are reviewed at each reporting date and adjusted if appropriate.

1.7 Impairment

Assets, except those relating to goodwill, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, the latter being the higher of the value in use and fair value less costs to sell. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash - generating units)

For goodwill and intangible assets that have an indefinite life and intangible assets not yet available for use, the recoverable amount is estimated at each reporting date and whenever there is an indication of impairment.

For purpose of impairment testing, goodwill is allocated to cash generating units expected to benefit from the synergies relating to the business combination. Impairment losses to a cash generating unit are allocated first to goodwill and then to the other assets in the cash generating unit on a proportionate basis.

Impairments relating to intangible and tangible assets, can be reversed if indicators that were present when the impairment was initially recognised are no longer there or indicate that the impairment has decreased. The carrying value after reversing the impairment cannot exceed the carrying value of the asset had no impairment loss been recognised.

Impairment losses relating to goodwill cannot be reversed.

1.8 Financial instruments

Classification

The company classifies financial assets and financial liabilities into the following categories:
- Financial assets at fair value through profit or loss-designated
- Available-for-sale financial assets
- Held-to-maturity investment
- Loans and receivables
- Financial liabilities at fair value through profit or loss-designated
- Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained and takes place at initial recognition.

Initial recognition

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial assets and financial liabilities are recognised on the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Loans and receivables

These include loans to /(from) subsidiaries and trade and other receivables and are recognised initially at fair value plus any transaction cost.

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

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are not classified in any other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

Available-for-sale financial assets are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition. Unrealised gains and losses arising from changes in the fair value are recognised in other comprehensive income. When these assets are sold or impaired, the accumulated fair value adjustments are included in the statement of comprehensive income as realised gains or losses.

Working Capital Balances

These include loans and trade receivables and loans and trade payables and other payables and receivables which arise in the normal company business. Initially these instruments are recognised at fair value plus transaction costs

Subsequently these are measured at amortised cost using the effective interest rate method.

Trade receivables are presented net of a provision for doubtful debts which is raised when indicators of impairment suggest that the receivable might not be collected. The provision is the difference between the carrying amount of the trade receivable and the discount future cash flows receivable using an effective interest rate computed at initial recognition. The movement in the provision is recognised in the statement of comprehensive income and uncollectable receivables are written off against the provision. Recoveries of amounts previously written off are credited to the statement of comprehensive income.

Cash and cash equivalents

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

1.8 Financial instruments (continued)

Discounting

Where the carrying value of financial instruments approximate their fair values and where the effects of discounting are not considered to be material, no such discounting is applied.

Derecognition

Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset

Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled

Offset

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the company has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.9 Share-based payments

Agreements entered into with employees whereby equity instruments are issued in return for services received are accounted for as equity settled share-based payments. The fair value of equity instruments issued is determined on grant date and is recognised immediately in the statement of comprehensive income with a corresponding adjustment made to equity. If equity instruments are issued, subject to vesting conditions the fair value of the equity instruments issued is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity, based on an estimate of the number of equity instruments that will eventually vest. At each reporting date, management reassess the number of equity instruments expected to vest and recognise the adjustment, if any, in the statement of comprehensive income with the corresponding adjustment taken to equity.

Equity settled share-based payments are not adjusted for subsequent changes in fair value of the instruments granted, but rather the number of equity instruments granted are adjusted based on the fulfilment of the attached non-market related vesting conditions.

For cash-settled share-based payment transactions, the goods or services acquired and the liability incurred are measured at the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

If the share-based payments granted do not vest until the counterparty completes a specified period of service, the company accounts for those services on a straight line basis over the vesting period.

If the share-based payments vest immediately the services received are recognised in full.

For share-based payment transactions in which the terms of the arrangement provides either the entity or the counterparty with the choice of settling the transaction in cash (or other assets) or by issuing equity instruments, the components of that transaction are recorded as a cash-settled share-based payment transaction if, and to the extent that, a liability to settle in cash or other assets has been incurred, or as an equity-settled share-based payment transaction if, and to the extent that, no such liability has been incurred.

1.10 Leases

Leases are classified as finance leases where the terms of the lease agreement transfer substantially all the risks and rewards associated with ownership of the leased asset to the lessee. All other leases are classified as operating leases.

Payments made under operating leases are recognised in the statement of comprehensive income on a straight line basis over the term of the lease.

1.11 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset. Current tax liabilities/(assets) for the current and prior periods are measured at the amount expected to be paid to/(recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction (other than business combinations) which at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss). It is also not recognised on initial recognition of goodwill.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction (other than business combinations) which at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantially enacted by the reporting date. Deferred tax is recognised using the comprehensive liability method.

Taxation expenses

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

- a transaction or event which is recognised, in the same or different period, to other comprehensive income,
- a transaction or event which is recognised, in the same or different period, directly in equity, or
- a business combination

1.12 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses and medical care), is recognised in the period in which the service is rendered and is not discounted. The employer's obligation in terms of the medical care plan do not extend beyond employment. The cost of the plan is the contributions made and these are recognised as an expense as and when they fall due.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.13 Retirement benefit plans

The policy of the company is to provide retirement benefits to employees through a defined contribution plan.

1.14 Provisions and contingencies

Provisions are recognised when:

- The company has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the obligation.

The amount of a provision is the present value, discounted using a pre-tax market related rate that has been adjusted for the risks associated with the obligation, of the expenditure expected to be required to settle the obligation.

Where the effects of discounting are considered to be immaterial, discounting has not been applied as the carrying value of the provision approximated the present value.

Contingent assets and contingent liabilities are not recognised on the statement of financial position.

1.15 Revenue

Revenue comprises management fees and commission that are recognised when the service is provided and performance fees that are recognised when targets are achieved in accordance with the service level agreements with the clients.

Revenue is measured at the fair value of the consideration received or receivable, net of value added tax.

Revenue comprises:

- fees and profit participations charged for portfolio management services
- fees for the asset and liability administration
- commission received from the provision of financial services

1.16 Finance income

Finance income comprises:
- interest earned on bank balances
- interest earned on portfolio management services.

Finance income is recognised on a basis that reflects the effective yield on the underlying instruments.

1.17 Dividends received

Dividends are brought into account when declared in respect of unlisted shares.

1.18 Segment reporting

Operating segments have been identified using the management approach as required by IFRS 8, in terms of which segment classification is determined according to the basis on which management and the board review the operating results. The Group operates in the following business segments:
- Asset Management
- Asset Administration
- Financial Services

2. Plant and equipment

Group - 2011	Cost R'000	Accumulated Depreciation R'000	Carrying value R'000
Furniture, fixtures and office equipment	1 563	(1 142)	421
Computer equipment	3 727	(2 899)	828
Leasehold improvements	497	(365)	132
Other fixed assets	212	(175)	37
Total	**5 999**	**(4 581)**	**1 418**

Group - 2010	Cost R'000	Accumulated Depreciation R'000	Carrying value R'000
Furniture, fixtures and office equipment	1 379	(931)	448
Computer equipment	3 137	(2 480)	657
Leasehold improvements	497	(266)	231
Other fixed assets	206	(133)	73
Total	**5 219**	**(3 810)**	**1 409**

Company - 2011	Cost R'000	Accumulated Depreciation R'000	Carrying value R'000
Furniture, fixtures and office equipment	539	(297)	242
Computer equipment	960	(784)	176
Leasehold improvements	497	(365)	132
Other fixed assets	10	(3)	7
Total	**2 006**	**(1 449)**	**557**

Company - 2010	Cost R'000	Accumulated Depreciation R'000	Carrying value R'000
Furniture, fixtures and office equipment	488	(199)	289
Computer equipment	820	(682)	138
Leasehold improvements	497	(266)	231
Other fixed assets	10	(1)	9
Total	**1 815**	**(1 148)**	**667**

2. Plant and equipment (continued)

Reconciliation of plant and equipment

	Group - 2011				
	Opening Balance R'000	Acquired through business combination R'000	Additions R'000	Depreciation R'000	Closing balance R'000
Furniture, fixtures and office equipment	448	-	184	(211)	421
Computer equipment	657	8	582	(419)	828
Leasehold improvements	231	-	-	(99)	132
Other fixed assets	73	-	6	(42)	37
Total	**1 409**	**8**	**772**	**(771)**	**1 418**

	Group - 2010			
	Opening Balance R'000	Additions R'000	Depreciation R'000	Closing balance R'000
Furniture, fixtures and office equipment	525	119	(196)	448
Computer equipment	673	518	(534)	657
Leasehold improvements	330	-	(99)	231
Other fixed assets	103	10	(40)	73
Total	**1 631**	**647**	**(869)**	**1 409**

	Company - 2011			
	Opening balance R'000	Additions R'000	Depreciation R'000	Closing balance R'000
Furniture, fixtures and office equipment	289	51	(98)	242
Computer equipment	138	182	(144)	176
Leasehold improvements	231	-	(99)	132
Other fixed assets	9	-	(2)	7
Total	**667**	**233**	**(343)**	**557**

	Company - 2010			
	Opening balance R'000	Additions R'000	Depreciation R'000	Closing balance R'000
Furniture, fixtures and office equipment	271	100	(82)	289
Computer equipment	310	89	(261)	138
Leasehold improvements	330	-	(99)	231
Other fixed assets	-	10	(1)	9
Total	**911**	**199**	**(443)**	**667**

A register containing the information required by paragraph 25(3) of Part C of Chapter 2 of the Companies

	Group		Company	
	2011	**2010**	**2011**	**2010**
3. Goodwill	**R**	**R**	**R**	**R**
Recognised on acquisition of subsidiaries	21 731	20 259	-	-

Impairment testing for cash-generating units containing goodwill:
For the purpose of impairment testing, goodwill is allocated to the group's operating divisions which represents the lowest level within the group at which the goodwill is monitored for internal management purposes. In performing the impairment test the same principles and methodology was applied as in previous years.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

	2011	2010
Efficient Financial Services (Pty) Ltd	8 456	6 984
Efficient Select (Pty) Ltd	13 275	13 275
	21 731	20 259

Reconciliation of Goodwill:

	2011	2010
Opening balance	20 259	20 259
Acquisitions		
- FH Financial Planning Services PE (Pty) Ltd	1 472	-
Closing balance	21 731	20 259

The recoverable amount of Efficient Financial Services (Pty) Ltd was based on its value in use. The carrying amount of the unit was determined to be lower than the recoverable amount and no impairment loss (2010: nil) was recognised.

The recoverable amount of Efficient Select (Pty) Ltd was based on its value in use. The carrying amount of the unit was determined to be lower than the recoverable amount and no impairment loss (2010: nil) was recognised.

The value in use of all the units was determined by discounting the future cash flows generated from the continuing use of the unit and was based on cash flows that were projected on actual operating results and 2-year forecast. Cash flows beyond this were extrapolated using a constant growth rate of 4%, which does not exceed the long-term average growth rate for the industry. The cash flows are discounted using a WACC of 13.12%.

Management determines the expected performance of assets based on past performance and its expectations of market development. Future cash flows are estimated for a cash generating unit in its current condition based on the latest approved budget by management. The estimated future cash flows and discount rate used are post-tax and reflect specific risks relating to the relevant unit. Discounting post-tax cash flows at a post-tax discount rate yields the same results as discounting pre-tax cash flows at a pre-tax discount rate.

Management has considered the sensitivity of the values in use determined above to assumptions such as the JSE equity prices change and financial market conditions. These sensitivities have been taken into consideration in determining the possible impairments.

4. Intangible assets

	Group - 2011		
	Cost R'000	Accumulated Amortisation R'000	Carrying value R'000
Trade names	1 758	(719)	1 039
Customer contracts and customer relationships	33 540	(12 776)	20 764
Total	**35 298**	**(13 495)**	**21 803**

	Group - 2010		
	Cost R'000	Accumulated Amortisation R'000	Carrying value R'000
Trade names	1 758	(653)	1 105
Customer contracts and customer relationships	32 266	(9 424)	22 842
Total	**34 024**	**(10 077)**	**23 947**

Reconciliation other intangible assets

	Group - 2011			
	Opening Balance R'000	Acquired through business combination R'000	Amortisation R'000	Closing balance R'000
Trade names	1 105	-	(66)	1 039
Customer contracts and customer relationships	22 842	1 274	(3 352)	20 764
Total	**23 947**	**1 274**	**(3 418)**	**21 803**

	Group - 2010			
	Opening Balance R'000	Acquired through business combination R'000	Amortisation R'000	Closing balance R'000
Trade names	1 193	-	(88)	1 105
Customer contracts and customer relationships	25 164	891	(3 213)	22 842
Total	**26 357**	**891**	**(3 301)**	**23 947**

The remaining useful life of the trade names are 16 years, and customer contracts and customer relationships are between 6 and 9 years.

5. Investments

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
5.1 Investment in subsidiaries				
- Efficient Select (Pty) Ltd	-	-	104 898	97 697
- Efficient Financial Services (Pty) Ltd	-	-	36 913	36 913
Investments at cost	-	-	141 811	134 610

The net profit after tax of the group subsidiaries for the current financial year amounts to R5 223 039 (2010: R7 050 460) and the losses amount to R2 133 230 (2010: R2 327 433)

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
5.2 Available-for-sale financial asset				
Linked unit investment at cost	3 000	1 000	-	-
Listed share portfolios (Level 1)	300	-	-	-
Fair value adjustment	(3)	20	-	-
Market value of investment	3 297	1 020	-	-
Total Investments	3 297	1 020	141 811	134 610

The quoted linked unit Investment represent statutory seed capital invested in new funds, Efficient CPI Plus 2% Fund of Funds, Efficient CPI Plus 4% Fund of Funds and Efficient CPI Plus 6% Funds of Funds, launched by Efficient Collective Investments.

6. Equity accounted investments

Name	**Country of Incorporation**	**Proportion of ownership interest**	**Principal Activities**
C & A Financial Services (Pty) Ltd	RSA	49%	Financial Services
Thebe Stockbroking (Pty) Ltd	RSA	25.1%	Financial Services

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Opening balance	10 919	9 880	8 944	8 944
(Loss)/Profit for the year	(241)	1 039	-	-
	10 678	10 919	8 944	8 944

Aggregate amounts relating to associates:

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Assets	256 825	295 580	-	-
Liabilities	(218 767)	(261 383)	-	-
	38 058	34 197	-	-
Group's share of net assets	9 694	8 725	-	-
Revenues	58 284	58 244		-
(Loss)/Profit after tax	(1 063)	4 052	-	-
Group's share of net (loss)/profit after tax	(241)	1 039	-	-

The respective year ends for the associates differ from the year end of the Group. C & A Financial Services (Pty) Ltd have a February year-end and Thebe Stockbroking (Pty) Ltd a March year-end. The results of these associates are equity accounted using management-prepared information on a basis co-terminus to the group's year-end.

Thebe Stockbroking (Pty) Ltd is a co-defendant in a matter in which the plaintiff is claiming damages of R17,6 million plus interest. Thebe Stockbroking (Pty) Ltd disputes this claim and has, to this extent, instructed its lawyers to vigorously defend the claim. As at the reporting date the litigation matter was yet to be resolved. The carrying amount of the investment is R9,6 million.

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
7. Deferred tax				
- Asset per statement of financial position	250	2 032	125	125
- Liability per statement of financial position	(5 721)	(6 619)	-	-
Net deferred tax (liability)/asset	(5 471)	(4 587)	125	125
Deferred tax assets comprise:				
Accruals	316	311	109	109
Doubtful debt allowance	4	4	-	-
Liability on lease assets	34	48	48	48
Assessed losses	204	1 784	-	-
	558	**2 147**	**157**	**157**
Deferred tax liabilities comprise:				
Prepaid expenses	(142)	(97)	(32)	(32)
Intangible assets	(5 887)	(6 637)	**-**	**-**
	(6 029)	**(6 734)**	**(32)**	**(32)**
Net deferred tax (liability)/asset	(5 471)	(4 587)	125	125

The utilisation of the deferred tax asset raised on calculated losses is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences. Management is confident that the deferred tax asset will be recovered in future years.

8. Trade and other receivables

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Trade receivables	3 968	3 432	349	23
Staff loans	424	525	72	414
Prepaid expenses	525	395	200	121
Deposits	-	18	-	-
VAT Receivable	21	376	-	-
Other	199	1 089	63	61
	5 137	**5 835**	**684**	**619**

9. Cash and cash equivalents

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Cash and cash equivalents consist of:				
Cash on hand	3	6	-	-
Call account	18 386	14 600	11 521	10 265
Current account	6 681	9 757	395	70
	25 070	**24 363**	**11 916**	**10 335**

10. Share capital and share premium

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Authorised				
361 350 000 ordinary shares of R 0.00000277 each	1	1	1	1
Issued				
39 939 033 ordinary shares of R 0.00000277 each	-	-	-	-
Share premium	55 458	54 189	168 663	167 394
	55 458	54 189	168 663	167 394

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. The authority is limited to a maximum of 5% of the issued share capital. This authority remains in force until the next annual general meeting.

11. Trade and other payables	**Group 2011 R'000**	**Group 2010 R'000**	**Company 2011 R'000**	**Company 2010 R'000**
Trade payables	1 636	1 361	233	172
Accruals	1 206	949	273	327
Leave pay accrual	730	633	307	274
Bonus accrual	475	519	136	73
VAT payable	445	825	87	103
Payroll accruals	586	581	253	-
	5 078	**4 868**	**1 289**	**949**

12. Contingent liabilities and capital commitments

Capital commitments for the development of computer software authorised but not yet contracted for at the date of this report amounts to R1 300 000 (2010: R300 000).

The company issued a guarantee in favour of Old Mutual properties to the amount of R327 000 in terms of a lease agreement for Efficient Select (Pty) Ltd offices in Cape Town.

In terms of the employment agreements with some of the Financial Advisers, Efficient Financial Services (Pty) Ltd will acquire the income stream generated by these advisers when certain future events occur. The amount of this contingent liability could not be determined.

13. Revenue	**Group 2011 R'000**	**Group 2010 R'000**	**Company 2011 R'000**	**Company 2010 R'000**
Revenue consist off the following categories:				
Asset management fees				
- Performance fees	12 090	12 688	-	-
- Fixed fees	18 553	14 948	-	-
Asset administration fee	8 581	9 242	-	-
Financial Services fees	8 916	6 686	-	-
Research and administration fees	642	417	10 687	10 222
	48 782	**43 981**	**10 687**	**10 222**

14. Operating profit/(loss)

Operating profit for the year is stated after the following:

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Audit fees	699	583	266	178
Operating lease charges				
- Premises	1 890	1 653	340	332
- Equipment	172	121	-	60
Amortisation of other intangible assets	3 418	3 301	-	-
Depreciation on plant and equipment	771	69	343	443
Directors' emoluments	9 689	7 237	4 594	4 055

The operating lease agreements are for a five year period and the future lease payments are disclosed in Note 22. The lease agreements make provision for escalation of between 0% and 10% and some of the escalation clauses are limited to the consumer price index. No purchase options exist on any of the leased property and equipment.

15. Directors' emoluments

The following directors' emoluments have been incurred by the company for the year ended 31 August 2011:

	2011					
	Basic Salary	**Other Benefits (2)**	**Bonus**	**Directors fees**	**Other services**	**Total**
Executive						
H Weidhase	1 107	230	-	-	-	1 337
AT De Klerk	1 063	82	-	-	-	1 145
DD Roodt	1 161	156	-	-	-	1 317
	3 331	468	-	-	-	3 799
Non Executive						
S F Booysen (6)	-	-	-	300	90	390
MJ Giles	-	-	-	137	-	137
EA Hern (3)	-	-	-	66	-	66
Z Cele	-	-	-	137	-	137
L Taylor (5)	-	-	-	65	-	65
M Cassim (1)	-	-	-	-	-	-
L Gadd (1)	-	-	-	-	-	-
R Paterson (1) (7)	-	-	-	-	240	240
L Whitfield (alternate to Mr R Paterson) (1)	-	-	-	-	-	-
S R Mogototoane (alternate to Ms L Gadd) (1)	-	-	-	-	-	-
	-	-	-	705	330	1 035
Total	**3 331**	**468**	**-**	**705**	**330**	**4 834**

	2010					
	Basic Salary	**Other Benefits (2)**	**Bonus**	**Directors fees**	**Other services**	**Total**
Executive						
H Weidhase	1 007	221	-	-	-	1 228
AT De Klerk	878	119	-	-	-	997
DD Roodt	1 081	164	-	-	-	1 245
	2 966	504	-	-	-	3 470
Non Executive						
S F Booysen (6)	-	-	-	273	60	333
MJ Giles	-	-	-	126	-	126
EA Hern	-	-	-	126	-	126
Z Cele (4)	-	-	-	-	-	
M Cassim (1)	-	-	-	-	-	-
L Gadd (1)	-	-	-	-	-	-
MC Khwinana (1)	-	-	-	-	-	-
R Paterson (1)	-	-	-	-	-	-
L Whitfield (alternate to Mr R Paterson) (1)	-	-	-	-	-	-
S R Mogototoane (alternate to Ms L Gadd) (1)	-	-	-	-	-	-
	-	-	-	525	60	585
	2 966	**504**	**-**	**525**	**60**	**4 055**

1. No directors remuneration paid to non-independent non-executive directors
2. Other benefits include travel allowance, medical aid contributions and retirement fund contributions
3. Mr Hern resigned on 28 February 2011.
4. Ms Z Cele was appointed 30 August 2010.
5. Ms Taylor was appointed on 15 March 2011.
6. Other services relates to services rendered as member of the investment committee.
7. Other services relates to referral fees paid.

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
16. Staff cost				
Salaries and wages	12 609	11 358	2 513	2 984
Share-based payments	99	-	40	-
	12 708	11 358	2 553	2 984

17. Finance income	2011 R'000	2010 R'000	2011 R'000	2010 R'000
Interest received				
- Bank	1 451	1 591	700	978
- Other	-	31	-	-
	1 451	1 622	700	978

18. Finance cost

Interest paid				
- Other	165	-	-	34
	165	-	-	34

19. Taxation

SA Normal taxation				
- current year	841	2 397	-	11
- prior year	(80)	(213)	(4)	(42)
Deferred tax				
- current year	589	(1 047)	-	(4)
- prior year	19	8	-	-
STC				
- current year	335	-	314	-
	1 704	1 145	310	(35)

<u>Tax rate reconciliation</u>				
Standard tax rate	28.0%	28.0%	28.0%	28.0%
Share profit from associates	1.4%	(4.9%)	0.0%	0.0%
Permanent differences	0.4%	0.1%	(28.0%)	(28.0%)
Utilising of assessed loss	(0.1%)	0.0%	0.0%	0.0%
Prior year (over)/under provision	(1.3%)	(3.7%)	(10.0%)	(0.3%)
STC	7.1%	0.0%	785.0%	0.0%
Effective tax rate	35.5%	19.5%	775.0%	(0.3%)

20. Earnings per ordinary share

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 2011 '000	Group 2010 '000
Weighted average number of ordinary shares in issue		
Number of shares in issue at the end of the year	39 939	39 706
Less: Issue of ordinary shares during the year	(233)	(65)
	39 706	39 641
Add: Weighted average number of ordinary shares issued during the year	233	54
Weighted average number of ordinary shares in issue	39 939	39 695
Earnings per share (cents)	7.77	11.41
Attributable earnings	3 104	4 530
Weighted average number of ordinary shares in issue	39 939	39 695
Headline earnings per share	7.77	11.40
Headline earnings	3 104	4 526
Weighted average number of ordinary shares in issue	39 939	39 695
Headline earnings are calculated as follows	3 104	4 526
Attributable earnings	3 104	4 530
Add: Disposal of PPE	-	(6)
Less: Taxation on disposal of PPE	-	2

21. Notes to the statement of cash flow

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
21.1 Cash generated/(utilised) from operations				
Profit before taxation	4 795	5 871	(40)	15 735
Adjustments for:				
Depreciation	771	869	343	443
Amortisation of intangible assets	3 418	3 301	-	-
Dividends received	(110)	-	-	(15 712)
Finance income	(1 451)	(1 622)	(700)	(978)
Finance cost	165	-	-	34
Share of (losses)/profits from associates	241	(1 039)	-	-
Changes in working capital				
Trade and other receivables	801	(1 293)	(65)	596
Trade and other payables	92	899	339	61
	8 722	6 986	(123)	179
21.2 Tax paid/(received)				
Balance at beginning of year	(82)	(962)	11	(23)
Current tax for the year recognised in statement of comprehensive income	1 096	2 184	310	15
Balance at end of year	(272)	82	-	(11)
	742	1 304	321	(19)

21.3 Acquisition of business

During 2011 the group acquired the business of FH Financial Planning Services PE (Pty) Ltd and the book of an independent financial adviser as per note 27.

During 2010 the group acquired a cash management book as per note 27.

The fair value of assets required and liabilities assumed and the relative cash flows are set out below:

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Cash and cash equivalents	4	-	-	-
Gross trade receivables	103	-	-	-
Equipment	8	-	-	-
Intangible assets	1 274	891	-	-
Trade payables	(112)	-	-	-
Net assets acquired	1 277	891	-	-
Goodwill	1 472	-		
Less: Fair value of shares issued	(1 269)	(350)	-	-
Less: Deferred tax raised on intangible asset acquired	(283)	(191)		
Less: Cash of business acquired	(4)	-	-	-
Cash paid on acquisition net of cash acquired	1 193	350	-	-

22. Operating Lease Commitments

Future minimum lease payments under non-cancellable operating leases:

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Within one year	1 812	1 329	425	373
From one to five years	3 962	2 983	1 738	318
	5 774	4 312	2 163	691

23. Related parties

Related parties	Relationships
Efficient Select (Pty) Ltd	Subsidiary
Efficient Asset Finance (Pty) Ltd	Subsidiary
Efficient Capital (Pty) Ltd	Subsidiary
Efficient Collective Investments (Pty) Ltd	Subsidiary
Efficient International Investments (Pty) Ltd	Subsidiary
Efficient Financial Services (Pty) Ltd	Subsidiary
Multigro Capital (Pty) Ltd (Dormant)	Subsidiary
Midnight Masquerade Investments (Pty) Ltd (Dormant)	Subsidiary
Efficient Share Incentive Scheme Trust	Subsidiary
C & A Financial Services (Pty) Ltd	Associate
FH Financial Services (Newlands) (Pty) Ltd (Dormant)	Subsidiary
Efficient Equity Fund	Unit trust portfolios
Efficient Prudential Fund	Unit trust portfolios
Efficient Prudential Fund of Funds	Unit trust portfolios
Efficient Flexible Fund of Funds	Unit trust portfolios
Efficient Money Market Fund	Unit trust portfolios
Efficient Active Quant Fund	Unit trust portfolios
Efficient CPI + 2% Fund of Funds	Unit trust portfolios
Efficient CPI + 4% Fund of Funds	Unit trust portfolios
Efficient CPI + 6% Fund of Funds	Unit trust portfolios
Efficient Active Allocation Fund	Unit trust portfolios
Efficient Property Fund	Unit trust portfolios
Refer to page 4 for a listing of the directors	Directors
Midnight Storm Investments 299 (Pty) Ltd	Directors hold an interest
Dorothy Dalton Family Trust	Director is trustee
The Hobos Trust	Director is trustee

23. Related parties (continue)

23.1 Loans to Related parties

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Efficient Collective Investments (Pty) Ltd	-	-	2 367	2 148
Efficient Select (Pty) Ltd	-	-	16 235	28 612
Efficient Financial Services (Pty) Ltd	-	-	2 459	1 032
Efficient Asset Finance (Pty) Ltd	-	-	278	-
Efficient Share Incentive Scheme Trust	-	-	149	-
Efficient International Investments (Pty) Ltd	-	-	266	586
	-	**-**	**21 754**	**32 378**

The loans are unsecured, bear no interest and have no fixed repayment terms. The loans to Efficient Select (Pty) Ltd, Efficient Asset Finance (Pty) Ltd and Efficient Financial Services (Pty) Ltd are subordinated in favour of the creditors.

23.3 Related party transactions

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Rent paid - Midnight Storm Investments 299 (Pty) Ltd	600	540	340	270
Administration fees and rent received - Efficient Select (Pty) Ltd	-	-	6 752	5 958
Administration fees and rent received - Efficient Collective Investments (Pty) Ltd	-	-	1 539	1 077
Administration fees and rent received - Efficient Financial Services (Pty) Ltd	-	-	1 318	2 341
Service fees received by Efficient Collective Investments (Pty) Ltd from:				-
- Efficient Prudential Fund	1 289	771	-	-
- Efficient Prudential Fund of Funds	3 684	4 602	-	-
- Efficient Flexible Fund of Funds	2 157	2 826	-	-
- Efficient Money Market Fund	305	350	-	-
- Efficient CPI +2% Fund of Fund	163	21	-	-
- Efficient CPI +4% Fund of Fund	97	-		
- Efficient CPI +6% Fund of Fund	109	-		
- Efficient Active Quant Fund	1 673	519	-	-
- Efficient General Equity Fund	2 258	429	-	-
- Efficient Active Allocation Fund	1 393	381	-	-
- Efficient Property Fund	2 732	734	-	-

23.4 Transactions with directors and prescribed officers (including their families)

	Group 2011 R'000	Group 2010 R'000	Company 2011 R'000	Company 2010 R'000
Remuneration paid to executive directors and prescribed officers				
- Remuneration	9 449	10 115	4 594	5 061
- Share-Based Payment	99	-	(40)	-
	9 548	10 115	4 554	5 061

Staff cost consist of short term and post-employment benefits and shared-based payments.

24. Segmental Analysis

The group is organised into 3 main business segments:

1. Asset management and includes the following companies and divisions:
Efficient Select and Efficient International Investments.

2. Asset administration and includes the following companies:
Efficient Collective Investments.

3. Financial Services and includes the following companies
Efficient Financial Services, C&A Financial Services, Efficient Asset Finance and Thebe Securities.

2011	Asset Management	Asset Administration	Financial Services	Other	Total
Revenue	30 644	15 943	8 916	(6 721)	48 782
- External	23 364	15 943	8 916	559	48 782
- Inter - segment	7 280	-	-	(7 280)	-
Expenses	25 503	14 638	9 721	(4 672)	45 190
Net profit for the year	4 063	1 141	(876)	(1 237)	3 091
Assets	42 496	5 356	5 190	36 342	89 384
Liabilities	21 906	3 354	4 074	(18 263)	11 071
Acquisition of PPE	383	27	132	238	780
Depreciation and amortisation	2 479	22	294	1 394	4 189
Share of loss from associates	-	-	241	-	241

2010	Asset Management	Asset Administration	Financial Services	Other	Total
Revenue	27 333	11 011	6 698	(1 061)	43 981
- External	25 930	1 011	6 698	342	43 981
- Inter - segment	1 403	-	-	(1 403)	-
Expenses	24 196	9 227	5 256	2 092	40 771
Net profit for the year	2 592	1 569	2 170	(1 605)	4 726
Assets	43 015	7 037	2 968	36 935	89 955
Liabilities	28 604	3 924	1 193	(22 145)	11 576
Acquisition of PPE	45	3	400	199	647
Depreciation and amortisation	1 290	16	116	2 748	4 170
Share of profit from associates	-	-	1 039	-	1 039

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

Transactions between segments takes place at arm's length

25. Share Incentive Schemes

Share incentives in the form of Share Appreciation Rights (SAR's) and Deferred Bonus Plan (DBP's) awards are offered to the executive directors and other employees and aim to retain key skills in the group.

The schemes have a vesting period of three years. The grant price and exercise price of these rights and awards are equal to the 20 days weighted average traded market price of the shares preceding the date of the grant or exercise. Rights and awards are conditional on performance conditions being met. The conditions focus on the group's earnings growth and share price performance.

The following rights and rewards were granted during the financial year.

	Grant date	Vesting date	Grant Price per SAR'S cents	Total number of rights granted '000	Total number of rights forfeited '000	Balance '000
Share Appreciation Rights - 2010	2010/01/04	2012/08/31	566	1 081	80	1 001
Share Appreciation Rights - 2011	2011/02/16	2013/08/31	517	1 018	360	658
						1 659

Reconciliation of rights and rewards:	2011 SAR's '000	2011 DBP's '000	2010 SAR's '000	2010 DBP's '000
Opening balance	1 001	-	-	
Grant during the year	1 018	3	1 081	-
Forfeited during the year	(360)	-	(80)	-
Outstanding at the end of the year	1 659	3	1 001	-

	2011 Cents	2010 Cents
Weighted fair value of SAR's	16	13

The fair value of the SAR's was determined using a Black Scholes model to value the SAR's. The following assumptions were used in the model:

Risk-free Interest rate	5.94%	5.21%
Dividend yield	0.50%	0.50%
Expected volatility	35.00%	35.00%
Cost recognised in statement of comprehensive income	99	-
Total accrual for shared-based payments included in trade and other payables.	99	-

26. Risk management

As risk is an inherent part of any business, risk management within the company is a multi-faceted process which involves independent monitoring, frequent communication, the application of judgement and detailed knowledge of specialised products and markets. Senior management takes an active role in the risk management process and is responsible for the maintenance of, and ultimately compliance with, risk management framework. The business recognises that in a complex financial services environment, risk management processes are evolutionary and should be subject to ongoing review and modification.

The board is responsible for identifying the risks faced by the company, ensuring that the controls established to manage those risks are effective, and for the monitoring of their application. The risk management function is also responsible for ensuring that consistent policies and procedures are established for measuring, managing and reporting risk.

The company has identified various risks as being of particular significance to its business.

Market risk: Price risk

This is the risk that the value of the group's positions will be adversely affected by movements in equity. The group's revenue is dependent on the value of assets under management, which is subject to this market risk factor.

The table below summarises the impact on the company's post-tax profit of reasonable possible changes in the returns of each of the strategies to which the group is exposed through the 14 collective investment schemes and the private share portfolios which it manages.

The impact on post-tax profit is calculated by applying the reasonable possible movement determined for each strategy to the market value of each collective investment scheme which the company manages. The analysis is based on the assumption that the returns have increased or decreased as disclosed with all other variables held constant. The underlying risk disclosures represent the market risks to which the collective investment schemes are exposed.

Strategy	Number of funds	Reasonable possible change %	Impact on post-tax profit R'000
Equities 2011	15	10	4 878
2010	12	10	10 108

Market risk: Interest rate risk

Deposits and bank balances attract interest at rates that vary with market interest rate. The group policy is not to manage interest rate risk, as fluctuations in variable rates do not have a material impact on profit (loss). This risk is a cash flow risk, as interest rates to which the group is exposed vary with market interest rate.

Sensitivity analysis

At 31 August 2011, if interest rates relevant to the current accounts of the group had been 1% lower, with all other variables held constant, net profit for the year would have been R77 704 (2010:R120 986) lower. If interest rates relevant to the current accounts had been 1% higher, with all other variables held constant, net profit for the year would have been R77 704 (2010:R120 986 higher).

26. Risk management (continued)

Credit risk

Potential concentrations of credit risk consist principally of accounts receivable and short-term cash investments. The group did not consider there to be any significant concentration of credit risk which had not been adequately provided for.

Trade and other receivables consist primarily of service fees receivable from the various collective investment schemes. The risk of default is considered minimal as all parties are highly regulated financial institutions and operate within the Collective Investment Schemes Control Act, 2002.

The cash on call is held with high credit quality banks (Standard Bank of South Africa, First National Bank, Nedbank and Investec Bank). The company has no other significant concentrations of credit risk.

The group's maximum exposure to credit risk at 31 August 2011 is represented by the carrying amounts of trade and other receivables and cash and cash equivalents. The company does not hold any collateral in respect of these financial assets.

At 31 August 2011, an amount of R 18 137 was passed due and provided for as a doubtful debt.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Management monitors rolling forecasts of the group's liquidity reserves, borrowing facility and cash and cash equivalents on the basis of expected cash flow.

The following are the undiscounted contractual maturities of financial liabilities, including interest payments.

	Carrying amount R'000	Payable within 1 month R'000	More than one month but not exceeding one year R'000	Exceeding one year R'000
GROUP 2011				
Non-derivative financial liabilities				
Trade and other payables	5 078	-	5 078	-
	5 078	**-**	**5 078**	**-**
GROUP 2010				
Non-derivative financial liabilities				
Trade and other payables	4 868	-	4 868	-
	4 868	**-**	**4 868**	**-**
COMPANY 2011				
Non-derivative financial liabilities				
Trade and other payables	1 289		1 289	
	1 289	**-**	**1 289**	**-**
COMPANY 2010				
Non-derivative financial liabilities				
Trade and other payables	949	-	949	
	949	**-**	**949**	**-**

26. Risk management (continued)
Capital risk management

Capital consists of capital and reserves as disclosed on the face of the statement of financial position.

The group's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Management considers capital to be equivalent to the amount reflected as 'Capital and reserves' on the face of the statement of financial position.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders or sell assets to reduce debt.

27. Business Combinations

The group acquired the business of FH Financial Planning Services PE (Pty) Ltd with effect of 1 September 2010 as part of the roll out of the distribution network. The acquisition price was R2 433 725, of which R1 164 477 was paid in cash and the balance was settled by a specific issue of 232 895 Efficient Group Ltd shares to vendors at R0.000002767 each. The fair value of the shares issued was R5,45, the trade price on the JSE on the date of the transaction. On 28 February 2011 the group also acquired the book of an independent financial adviser at a cost of R32 916, which was paid in cash. The fair value of assets acquired and liabilities assumed are set out in note 21.3. The goodwill of R 1 472 000 arising from the acquisition is attributable to the economic benefits expected from the expansion of the distribution network.

The business acquired contributed revenues of R 1 482 065 and loss after tax of R 12 801 to the group from the date of acquisition to 31 August 2011.

In 2010 the group acquired a cash management book.

The business acquired contributed revenues of R86 000 and profit after tax of R62 000 to the group from the date of acquisition to 31 August 2010.

If the acquisition had occurred on 1 September 2009 the contribution to group revenue would have been R107 000 and the contribution to profit after tax would have been R77 000. The fair value on acquisition is shown in note 21.3

28. Retirement Fund

The policy of the group is to provide retirement benefits to its employees through a defined contribution plan.

The group has been participating in the Aster Marinus Group Provident Fund since May 2009. The Aster Marinus Provident Fund is an umbrella provident fund administered by Firstlight Administration Services (Pty) Ltd which is governed by the Pension Fund Act of 1956.

The contribution is paid by the group companies to fund obligations for payment of retirement benefits charged against the statement of comprehensive income as and when it is incurred. The group contributed R1 154 271 (2010:R1 063 094) for the year under review and 50 (fifty) (2010:45 (forty-five)) employees are members of the Aster Marinus Provident Fund.

The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

29. Analysis of assets and liabilities by financial instrument classification

	Loans and receivables	Financial liabilities at amortised cost	Available-for-sale financial assets	Non financial instruments	Total
	R	R	R	R	R
GROUP 2011					
Non-Current Assets					
Plant and equipment	-	-	-	1 418	1 418
Goodwill	-	-	-	21 731	21 731
Intangible assets	-	-	-	21 803	21 803
Investments	-	-	3 297	-	3 297
Equity accounted investments	-	-	-	10 678	10 678
Deferred tax	-	-	-	250	250
	-	-	3 297	55 880	59 177
Current Assets					
Trade and other receivables	4 591	-	-	546	5 137
Cash and cash equivalents	25 070	-	-	-	25 070
	29 661	-	-	546	30 207
Total Assets	29 661	-	3 297	56 426	89 384
Non-Current liabilities					
Deferred tax	-	-	-	5 721	5 721
Current Liabilities					
Trade and other payables	-	4 633	-	445	5 078
Tax payable	-	-	-	272	272
	-	4 633	-	717	5 350
Total liabilities	-	4 633	-	6 438	11 071
COMPANY 2011					
Non- Current Assets					
Plant and equipment	-	-	-	557	557
Investments	-	-	-	141 811	141 811
Equity accounted investments				8 944	8 944
Deferred tax	-	-	-	125	125
	-	-	-	151 437	151 437
Current Assets					
Related party loans	21 754	-	-	-	21 754
Trade and other receivables	484	-	-	200	684
Cash and cash equivalents	11 916	-	-	-	11 916
	34 154	-	-	200	34 354
Total Assets	34 154	-	-	151 637	185 791
Current Liabilities					
Trade and other payables	-	1 202	-	87	1 289
Total liabilities	-	1 202	-	87	1 289

	Loans and receivables	Financial liabilities at amortised cost	Available-for-sale financial assets	Non financial instruments	Total
	R	R	R	R	R
GROUP 2010					
Non-Current Assets					
Plant and equipment	-	-	-	1 409	1 409
Goodwill	-	-	-	20 259	20 259
Intangible assets	-	-	-	23 947	23 947
Investments	-	-	1 020	-	1 020
Equity accounted investments	-	-	-	10 919	10 919
Deferred tax	-	-	-	2 032	2 032
	-	-	1 020	58 566	59 586
Current Assets					
Trade and other receivables	5 064	-	-	771	5 835
Cash and cash equivalents	24 363	-	-	-	24 363
Current tax receivable	-	-	-	171	171
	29 427	-	-	942	30 369
Total Assets	29 427	-	1 020	59 508	89 955
Non-Current liabilities					
Deferred tax	-	-	-	6 619	6 619
Current Liabilities					
Trade and other payables	-	4 043	-	825	4 868
Tax payable	-	-	-	89	89
	-	4 043	-	914	4 957
Total liabilities	-	4 043	-	7 533	11 576
COMPANY 2010					
Non-Current Assets					
Plant and equipment	-	-	-	667	667
Investments				134 610	134 610
Equity accounted investments				8 944	8 944
Deferred tax	-	-	-	125	125
	-	-	-	144 346	144 346
Current Assets					
Related party loans	32 378	-	-	-	32 378
Trade and other receivables	498	-	-	121	619
Cash and cash equivalents	10 335	-	-	-	10 335
	43 211	-	-	121	43 332
Total Assets	43 211	-	-	144 467	187 678
Current Liabilities					
Trade and other payables	-	846	-	103	949
Current tax payable	-	-	-	11	11
	-	846	-	114	960
Total liabilities	-	846	-	114	960

Shareholders analysis as at 31 August 2011

Listed below is an analysis of holdings extracted from the register of ordinary shareholders at 31 August 2011:

Portfolio size	Number of shareholders	% of total	Number of shares held	% of total
1 - 1 000	245	71.42	43 941	0.11
1 001 - 10 000	53	15.45	239 418	0.60
10 001 - 100 000	24	7.00	809 542	2.03
100 001 - 1 000 000	11	3.21	6 376 139	15.96
1 000 001 and over	10	2.92	32 469 993	81.30
Total	**343**	**100.00**	**39 939 033**	**100.00**

Shareholders' spread analysis				
Non - public shareholders	19	5.54	24 435 361	61.18
– Directors	5	1.46	9 480 570	23.74
– Directors of subsidiaries	3	0.87	2 620 129	6.56
– Associates of directors and directors of subsidiaries	4	1.17	1 360 228	3.41
– Share holding greater than 10%	1	0.29	9 427 175	23.60
– Employees restricted to trade in EFG shares	6	1.75	1 547 259	3.87
Public shareholders	324	94.46	15 503 672	38.82
Total	**343**	**100.00**	**39 939 033**	**100.00**

Beneficial shareholders with a holding greater than 5% of issued shares:

Snyman CN	2 799 602	7.01
Roodt DD	3 250 342	8.14
Weidhase H	3 250 342	8.14
The Doris Crossley Foundation*	3 600 000	9.01
The Harry Crossley Foundation*	3 619 990	9.06
Thebe Investment Corporation	9 427 175	23.60
Total	**25 947 451**	**64.96**

** Public shareholders*