

# FORM: Half yearly/preliminary final report

Name of issuer

E-BUSINESS SYSTEMS LTD

ACN or ARBN

107 353 695

Half yearly  
(tick)

✓

Preliminary  
final (tick)

Half year/financial year ended  
(‘Current period’)

31 December 2011

## For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

\$A,000				
Revenue (item 1.1)	up	12%	To	10,120
Profit (loss) for the period (item 1.9)	up	>100%	To	89
Profit (loss) for the period attributable to members of the parent (item 1.11)	up	>100%	To	89
<b>Dividends</b>				
Franking rate applicable:	Current period		Previous corresponding period	
<b>Final dividend</b> (preliminary final report only)(item 10.13-10.14)				
Amount per security	-		-	
Franked amount per security	-		-	
<b>Interim dividend</b> (Half yearly report only) (item 10.11 – 10.12)				
Amount per security	-		-	
Franked amount per security	-		-	
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				
Nil				

**Consolidated income statement** *(The figures are not equity accounted)**(see note 3)**(as per paragraphs 81-85 and 88-94 of AASB 101: Presentation of Financial Statements)*

	Current period - \$A'000	Previous corresponding period - \$A'000
1.1 Revenues <i>(item 7.1)</i>	10,120	9,022
1.2 Expenses, excluding finance costs <i>(item 7.2)</i>	(9,963)	(9,115)
1.3 Finance costs	(7)	(17)
1.4 Share of net profits (losses) of associates and joint ventures <i>(item 15.7)</i>	-	-
1.5 <b>Profit (loss) before income tax</b>	150	(110)
1.6 Income tax expense <i>(see note 4)</i>	(61)	61
1.7 Profit (loss) from continuing operations	89	(49)
1.8 Profit (loss) from discontinued operations <i>(item 13.3)</i>	-	-
1.9 <b>Profit (loss) for the period</b>	89	(49)
1.10 Profit (loss) attributable to minority interests	-	-
1.11 <b>Profit (loss) attributable to members of the parent</b>	89	(49)
1.12 Basic earnings per security <i>(item 9.1)</i>	0.12c	(0.06c)
1.13 Diluted earnings per security <i>(item 9.1)</i>	0.12c	(0.06c)
1.14 Dividends per security <i>( item 9.1)</i>	-	-

## Consolidated balance sheet

(See note 5)

(as per paragraphs 68-69 of AASB 101: Financial Statement Presentation)

<b>Current assets</b>		<b>Current period - \$A'000</b>	<b>Previous corresponding period - \$A'000</b>
3.1	Cash and cash equivalents	739	587
3.2	Trade and other receivables	2,939	2,107
3.3	Inventories	72	45
3.4	Other current assets	75	52
3.5	<b>Total current assets</b>	3,825	2,791
<b>Non-current assets</b>			
3.6	Available for sale investments	-	-
3.7	Other financial assets	-	-
3.8	Investments in associates	-	-
3.9	Deferred tax assets	117	251
3.10	Exploration and evaluation expenditure capitalised	-	-
3.11	Development properties ( <i>mining entities</i> )	-	-
3.12	Property, plant and equipment (net)	150	190
3.13	Investment properties	-	-
3.14	Goodwill	-	-
3.15	Other intangible assets	382	484
3.16	Other - <i>deferred tax asset</i>	-	251
3.17	<b>Total non-current assets</b>	649	925
3.18	<b>Total assets</b>	4,474	3,716
<b>Current liabilities</b>			
3.19	Trade and other payables	2,893	2,279
3.20	Short term borrowings	96	134
3.21	Current tax payable	-	-
3.22	Short term provisions	314	309
3.23	Current portion of long term borrowings	-	-
3.24	Other current liabilities (provide details if	-	-

	material)		
		3,303	2,722
3.25	Liabilities directly associated with non-current assets classified as held for sale ( <i>para 38 of AASB 5</i> )	-	-
3.26	<b>Total current liabilities</b>	3,303	2,722
<b>Non-current liabilities</b>			
		<b>Current period - \$A'000</b>	<b>Previous corresponding period - \$A'000</b>
3.27	Long-term borrowings	-	76
3.28	Deferred tax liabilities	-	-
3.29	Long term provisions	14	10
3.30	Other (provide details if material)	-	-
3.31	<b>Total non-current liabilities</b>	14	86
3.32	<b>Total liabilities</b>	3,317	2,808
3.33	<b>Net assets</b>	1,157	908
	<b>Equity</b>		
3.34	Share capital	1,412	1,412
3.35	Other reserves	-	-
3.36	Retained earnings	(255)	(504)
	Amounts recognised directly in equity relating to non-current assets classified as held for sale	-	-
3.37	<b>Parent interest</b>	1,157	908
3.38	<b>Minority interest</b>	-	-
3.39	<b>Total equity</b>	1,157	908

**Consolidated statement of cash flows***(See note 6)**(as per AASB 107: Cash Flow Statements)*

		<b>Current period - \$A'000</b>	<b>Previous corresponding period - \$A'000</b>
<b>Cash flows related to operating activities</b>			
5.1	Receipts from customers	11,824	10,662
5.2	Payments to suppliers and employees	(11,722)	(10,969)
5.3	Interest and other costs of finance paid	(7)	(17)
5.4	Income taxes paid	-	52
5.5	Other – <i>interest received</i>	5	4
5.6	<b>Net cash used in operating activities</b>	100	(268)
<b>Cash flows related to investing activities</b>			
5.7	Payments for purchases of property, plant and equipment	(8)	(17)
5.8	Proceeds from sale of property, plant and equipment	-	-
5.9	Payment for purchases of equity investments	-	-
5.10	Proceeds from sale of equity investments	-	-
5.11	Loans to other entities	-	-
5.12	Loans repaid by other entities	-	-
5.13	Interest and other items of similar nature received	-	-
5.14	Dividends received	-	-
5.15	Other - <i>payment for intangibles</i>	(4)	(70)
5.16	<b>Net cash used in investing activities</b>	(12)	(87)
<b>Cash flows related to financing activities</b>			
5.17	Proceeds from issues of securities (shares, options, etc.)	-	-
5.18	Proceeds from borrowings	-	-
5.19	Repayment of borrowings	(78)	(62)
5.20	Dividends paid	-	-
5.21	Other (provide details if material)	-	-

5.22	<b>Net cash used in financing activities</b>	(78)	(62)
	<b>Net increase (decrease) in cash and cash equivalents</b>	10	(417)
5.23	Cash at beginning of period (see <i>Reconciliations of cash</i> )	729	1,004
5.24	Exchange rate adjustments to item 5.23	-	-
5.25	<b>Cash at end of period</b> (see <i>Reconciliation of cash</i> )	739	587

Ratios		Current period	Previous corresponding period
	<b>Profit before tax / revenue</b>		
8.1	Consolidated profit (loss) before tax ( <i>item 1.5</i> ) as a percentage of revenue ( <i>item 1.1</i> )	1.48	(1.22)
	<b>Profit after tax / equity interests</b>		
8.2	Consolidated profit (loss) after tax attributable to members ( <i>item 1.11</i> ) as a percentage of equity (similarly attributable) at the end of the period ( <i>item 3.37</i> )	7.67	(5.4)

### Earnings per Security

- 9.1 Provide details of basic and fully diluted EPS in accordance with paragraph 70 and Aus 70.1 of AASB 133: *Earnings per Share* below:

Basic – 0.12 cents
Diluted – 0.12 cents

### Dividends

- 10.1 Date the dividend is payable -
- 10.2 Record date to determine entitlements to the dividend (i.e. on the basis of registrable transfers received up to 5.00 pm if paper based, or by 'End of Day' if a proper ASTC/CHESS transfer) -
- 10.3 If it is a final dividend, has it been declared?
- 10.4 The *dividend or distribution plans* shown below are in operation.

n/a
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The last date(s) for receipt of election notices to the <i>dividend or distribution plans</i>	n/a
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10.5 Any other disclosures in relation to *dividends or distributions*

n/a
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**Movements in Equity**

(as per paragraph 97 of AASB 101: Financial Statement Presentation)

		Number issued	Number listed	Paid- up value - A\$'000	Current period – A\$'000	Previous corresponding period – A\$'000
14.1	<b>Preference securities</b> (description)	-	-	-	-	-
14.2	Balance at start of period	-	-	-	-	-
14.3	a) Increases through issues	-	-	-	-	-
14.4	a) Decreases through returns of capital, buybacks etc.	-	-	-	-	-
14.5	Balance at end of period	-	-	-	-	-
14.6	<b>Ordinary securities</b> (description)					
14.7	Balance at start of period	80,823,100		1,412	1,412	-
14.8	a) Increases through issues	-		-	-	-
14.9	b) Decreases through returns of capital, buybacks etc.	-		-	-	-
14.10	Balance at end of period	80,823,100		1,412	1,412	-
14.11	<b>Convertible Debt Securities</b> (description & conversion factor)	-	-	-	-	-
14.12	Balance at start of period	-	-	-	-	-
14.13	a) Increases	-	-	-	-	-

	through issues					
14.14	b) Decreases through maturity, converted.	-	-	-	-	-
14.15	Balance at end of period	-	-	-	-	-
14.16	<b>Options</b> <i>(description &amp; conversion factor)</i>					
14.17	Balance at start of period	-	-	-	-	-
14.18	Issued during period	-	-	-	-	-
14.19	Exercised during period	-	-	-	-	-
14.20	Expired during period	-	-	-	-	-
14.21	Decrease through capital reorganisation	-				
14.22	Balance at end of period	-	-	-	-	-
14.23	<b>Debentures</b> <i>(description)</i>	-	-	-	-	-
14.24	Balance at start of period	-	-	-	-	-
14.25	a) Increases through issues	-	-	-	-	-
14.26	b) Decreases through maturity, converted	-	-	-	-	-
14.27	Balance at end of period	-	-	-	-	-
14.28	<b>Unsecured Notes</b> <i>(description)</i>	-	-	-	-	-
14.29	Balance at start of period	-	-	-	-	-
14.30	a) Increases through issues	-	-	-	-	-
14.31	b) Decreases	-	-	-	-	-



	through maturity, converted					
14.32	Balance at end of period	-	-	-	-	-
14.33	Other securities (description)	<i>Converting performance shares fully paid up at an aggregate sum of \$1 – refer to circular for shareholders dated 10 October 2008 in connection with the merger with Corpnet (Australia) Pty Ltd for specific details.</i>				
14.34	Balance at start of period	50,399,450	-	-	-	-
14.35	Increases through issues	-	-	-	-	-
14.36	Decreases through maturity, converted	-	-	-	-	-
14.37	Balance at end of period	50,399,450	-	-	-	-
14.38	<b>Total Securities</b>	131,222,550				-

		Current period – A\$'000	Previous corresponding period – A\$'000
	<b>Reserves</b>		
14.39	Balance at start of period	-	-
14.40	Transfers to/from reserves	-	-
14.41	Total for the period	-	-
14.42	Balance at end of period	-	-
14.43	<b>Total reserves</b>	-	-
	<b>Retained earnings</b>		
14.44	<b>Balance at start of period</b>	(344)	(455)
14.45	Changes in accounting policy	-	-
14.46	Restated balance	-	-
14.47	Profit for the balance	89	(49)
14.48	Total for the period	-	-
14.49	Dividends	-	-

14.50 **Balance at end of period**

(255)

(504)

**Details of aggregate share of profits (losses) of associates and joint venture entities**

(equity method)

(as per paragraph Aus 37.1 of AASB 128: Investments in Associates and paragraph Aus 57.3 of AASB 131: Interests in Joint Ventures)

Name of associate or joint venture entity

n/a

Reporting entities percentage holding

n/a

		Current period - \$A'000	Previous corresponding period - \$A'000
15.1	Profit (loss) before income tax	-	-
15.2	Income tax	-	-
15.3	<b>Profit (loss) after tax</b>	-	-
15.4	Impairment losses	-	-
15.5	Reversals of impairment losses	-	-
15.6	Share of non-capital expenditure contracted for (excluding the supply of inventories)	-	-
15.7	<b>Share of net profit (loss) of associates and joint venture entities</b>	-	-

**Control gained over entities having material effect**

(See note 8)

16.1 Name of *issuer* (or *group*)

n/a

		\$A'000
16.2	Consolidated profit (loss) after tax of the <i>issuer</i> (or <i>group</i> ) since the date in the current period on which control was acquired	-
16.3	Date from which profit (loss) in <i>item 16.2</i> has been calculated	-
16.4	Profit (loss) after tax of the <i>issuer</i> (or <i>group</i> ) for the whole of the previous corresponding period	-

## Loss of control of entities having material effect

(See note 8)

17.1	Name of <i>issuer</i> (or <i>group</i> )	n/a
		\$A'000
17.2	Consolidated profit (loss) after tax of the entity (or <i>group</i> ) for the current period to the date of loss of control	-
17.3	Date from which the profit (loss) in <i>item</i> 17.2 has been calculated	-
17.4	Consolidated profit (loss) after tax of the entity (or <i>group</i> ) while controlled during the whole of the previous corresponding period	-
17.5	Contribution to consolidated profit (loss) from sale of interest leading to loss of control	-

## Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities.

		Percentage of ownership interest (ordinary securities, units etc) held at end of period or date of disposal		Contribution to profit (loss) ( <i>item</i> 1.9)	
18.1	Equity accounted associated entities	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
				Equity accounted	
		-	-	-	-
18.2	Total	-	-	-	-
18.3	Other material interests			Non equity accounted (i.e. part of <i>item</i> 1.9)	
				-	-
18.4	Total	-	-	-	-

## NTA Backing

(see note 7)

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary <i>security</i>	\$0.010	\$0.005

**Non-cash financing and investing activities**

*Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.*

21.1

n/a

**International Financial Reporting Standards**

*Under paragraph 39 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, an entity's first Australian-equivalents-to-IFRS's financial report shall include reconciliations of its equity and profit or loss under previous GAAP to its equity and profit or loss under Australian equivalents to IFRS's. See IG63 in the appendix to AASB 1 for guidance.*

22.1

n/a

*Under paragraph 4.2 of AASB 1047: Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards, an entity must disclose any known or reliably estimable information about the impacts on the financial report had it been prepared using the Australian equivalents to IFRSs or if the aforementioned impacts are not known or reliably estimable, a statement to that effect.*

22.2

n/a

**Comments by directors**

*Comments on the following matters are required by the Exchange or, in relation to the half yearly statement, by AASB 134: Interim Financial Reporting. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) but may be incorporated into the directors' report and statement. For both half yearly and preliminary final statements, if there are no comments in a section, state NIL. If there is insufficient space in comment, attach notes to this statement.*

**Basis of accounts preparation**

*If this statement is a half yearly statement, it is a general purpose financial report prepared in accordance with the listing rules and AASB 134: Interim Financial Reporting. It should be read in conjunction with the last annual report and any announcements to the market made by the issuer during the period. This report does not include all notes of the type normally included in an annual financial report [Delete if inapplicable.]*

Included in Interim Financial Report

Any other factors which have affected the results in the period, or which are likely to affect results in the future, including those where the effect could not be quantified.

Nil

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

There is an available franking account balance of \$496,146. No prediction is made as to dividend prospects.

Changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows.

*(Disclose changes in the half yearly statement in accordance with paragraph 16(a) of AASB 134: Interim Financial Reporting. Disclose changes in the preliminary final statement in accordance with paragraphs 28-29 of 108: Accounting Policies, Changes in Accounting Estimates and Errors.)*

Nil

An issuer shall explain how the transition from previous GAAP to Australian equivalents to IFRS' affected its reported financial position, financial performance and cash flows. *(as per paragraph 38 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards)*

n/a

Revisions in estimates of amounts reported in previous periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous annual reports if those revisions have a material effect in this half year *(as per paragraph 16(d) of AASB 134: Interim Financial Reporting)*

Nil

Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last annual report *(as per paragraph 16(j) of AASB 134: Interim Financial Reporting)*

Nil

The nature and amount of items affecting assets, liabilities, equity, profit or loss, or cash flows that are unusual because of their nature, size or incidence *(as per paragraph 16(c) of AASB 134: Interim Financial Reporting)*

Nil

Effect of changes in the composition of the entity during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations *(as per paragraph 16(i) of AASB 134: Interim Financial Reporting)*

Nil

The nature and amount of items affecting assets, liabilities, equity, profit or loss, or cash flows that are unusual because of their nature, size or incidence *(as per paragraph 16(c) of AASB 134: Interim Financial Reporting)*

Nil

Effect of changes in the composition of the entity during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations *(as per paragraph 16(i) of AASB 134: Interim Financial Reporting)*

Nil

### Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

Nil

2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.

3. This statement does give a true and fair view of the matters disclosed (see note 2).

4. This statement is based on financial statements to which one of the following applies:

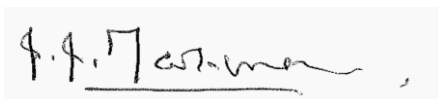
- ☐ The financial statements have been audited. ☒ The financial statements have been subject to review by a registered auditor (or overseas equivalent).
- ☐ The financial statements are in the process of being audited or subject to review. ☐ The financial statements have *not* yet been audited or reviewed.

5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached as set out in the box below. (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)

Nil

6. The *issuer* does not have a formally constituted audit committee.

Sign here:



Date: 14 March 2012

(Company secretary)

Print name: Jeremy Martineau