



**ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2011**

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FOR THE YEAR ENDED 31 MARCH 2011

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**ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
COMPANY DIRECTORY
FOR THE YEAR ENDED 31 MARCH 2011**

Nature of Business Business software supplier

Shareholders Enprise Holdings Limited

Directors AJW Howard
MC Loveys
PH Van Tol

Independent Auditor BDO Auckland
Level 8, BDO Tower
120 Albert Street
Auckland
New Zealand

Solicitors Chapman Tripp
23 Albert Street
Auckland
New Zealand

Bankers ASB Ltd
Downtown Branch
Lower Albert Street
Auckland
New Zealand

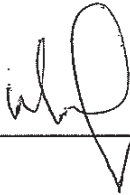
Registered Office 30 Copsey Place
Avondale
Auckland
New Zealand

**ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2011**

The Board of Directors present their annual report including the financial statements of the Company and Group for the year ended 31 March 2010 and the Independent Auditor's report.

The shareholders of the Company have exercised their right under section 211(3) of the Companies Act 1993 and unanimously agreed that this annual report need not comply with paragraphs (a) and (e) - (j) of section 211(1) and section 211 (2) of the Act.

Approved for and on behalf of the Board this 29th day of June 2012.

A handwritten signature in black ink, consisting of a large 'O' and a stylized 'V' or 'W' shape, positioned above a horizontal line.

Director

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ENPRISE SOLUTIONS LIMITED

Report on the Financial Statements

We have audited the financial statements of Enprise Solutions Limited ("the Company") and Group on pages 5 to 22, which comprise the consolidated statement of financial position of Enprise Solutions Limited as at 31 March 2011, the consolidated statement of changes in equity, statements of comprehensive income for the year then ended and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Company's shareholders, as a body, in accordance with Section 205(1) of the Companies Act 1993. Our audit has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinion we have formed.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation of these financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 (New Zealand) and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 auditor's judgement, 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 auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view of the matters to which they relate 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, 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.

In addition to audit services, our firm provides taxation services to the Company and its subsidiaries. We have no other relationship with, or interests in, Enprise Solutions Limited or its subsidiaries.

Opinion

In our opinion the financial statements on pages 5 to 22:

- comply with generally accepted accounting practice in New Zealand; and
- give a true and fair view of the financial position of Enprise Solutions Limited and the Group as at 31 March 2011 and the financial performance of the Company and Group for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In accordance with the Financial Reporting Act 1993 we report that:

- We have obtained all the information and explanations that we have required.
- In our opinion, proper accounting records have been kept by Enprise Solutions Limited as far as appears from our examination of those records.



BDO Auckland
120 Albert Street
Auckland, New Zealand

29 June 2012

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2011

	Note	Group and Parent	
		2011	2010
		\$ 000's	\$ 000's
Revenue	2	4,179	3,237
Less Cost of Sales		<u>1,045</u>	<u>697</u>
Gross Profit		3,134	2,540
Selling and administration expenses	3	<u>4,034</u>	<u>3,134</u>
Operating (Loss) before financing costs		(900)	(594)
Other income and expenses	4	1,520	940
Finance expenses		24	44
Finance income		<u>5</u>	<u>5</u>
Net Finance (Costs)	5	<u>(19)</u>	<u>(39)</u>
Net Profit before Income Tax		601	307
Income tax expense	6	<u>-</u>	<u>-</u>
Net Profit for the year after Income Tax attributable to the equity holders of the company		601	307
Other Comprehensive Income - Net of Income Tax		<u>-</u>	<u>-</u>
Total Comprehensive Income for the year attributable to the equity holders of the company		<u><u>601</u></u>	<u><u>307</u></u>

This statement should be read in conjunction with the notes to and forming part of the financial statements.

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2011

	Group and Parent	
	2011	2010
	\$ 000's	\$ 000's
Profit for the year	601	307
Total recognised income and expense for the year	601	307
Equity at the beginning of the year	(1,646)	(1,953)
Equity at the end of the year	(1,045)	(1,646)

This statement should be read in conjunction with the notes to and forming part of the financial statements.

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2011

	Note	Group and Parent	
		2011	2010
		\$ 000's	\$ 000's
Assets			
Current Assets			
Cash and cash equivalents	13	280	239
Trade and other receivables	11	743	591
Total Current Assets		<u>1,023</u>	<u>830</u>
Non - Current Assets			
Goodwill	8	89	50
Property plant and equipment	10	100	152
Intangible assets	12	287	343
Advance to Related Parties	17	736	155
Other Non- Current Assets		70	61
Total Non - Current assets		<u>1,282</u>	<u>761</u>
Total Assets		<u><u>2,305</u></u>	<u><u>1,591</u></u>
Equity and Liabilities			
Equity			
Share Capital	17	129	129
Accumulated (loss)/profit	18	(1,174)	(1,775)
		<u>(1,045)</u>	<u>(1,646)</u>
Current Liabilities			
Trade and other payables	14	973	726
Employee Benefits	9	140	119
Finance Lease Liabilities	16	-	81
Advance from Related Parties		2,237	2,244
Total Current Liabilities		<u>3,350</u>	<u>3,170</u>
Non - Current Liabilities			
Finance Lease Liabilities	16	-	67
Total liabilities		<u>3,350</u>	<u>3,237</u>
Total Equity and Liabilities		<u><u>2,305</u></u>	<u><u>1,591</u></u>

Approved and authorised for issue by the Board of Directors on 29th day of June 2012.

Director

This statement should be read in conjunction with the notes to and forming part of the financial statements.

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. STATEMENT OF ACCOUNTING POLICIES

Enprise Solutions Limited (the Parent) is a company incorporated and domiciled in New Zealand and registered under the Companies Act 1993 and a reporting entity for the purposes of the Financial Reporting Act 1993. The Group comprises of Enprise Solutions Limited and its subsidiaries, Enprise Australia Pty Limited and Enprise Limited.

a) Statement of compliance and basis of preparation

The consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards as appropriate to profit-orientated entities that qualify for and apply differential reporting concessions. The Group is a profit-oriented entity. The Group is a reporting entity for the purposes of the Financial Reporting Act 1993 and its consolidated financial statements comply with that Act.

The Group qualifies for Differential Reporting exemptions as it has no public accountability, and the Group is not large. All available reporting exemptions allowed under the Framework for Differential Reporting have been adopted, except for NZIS21 : Foreign currency transactions are initially recorded at the rate on the day of the transaction.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

The consolidated financial statements are prepared on the historical cost basis.

The consolidated financial statements are presented in New Zealand Dollars (\$) which is the Group's functional and presentation currency, rounded to the nearest thousand.

b) Basis of Consolidation

Enprise Solutions Limited is primarily a supplier of software and services. Since its subsidiaries have not transacted since incorporation, the financial statements of the parent are the same as the group.

c) Revenue recognition

Revenue includes sales of software licenses and software implementation and support services.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the balance sheet date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. STATEMENT OF ACCOUNTING POLICIES (CONT'D)

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group;
- the stage of completion of the transaction at the balance sheet date can be measured reliably; and
- the cost incurred for the transaction and the costs to complete the transaction can be measured reliably.

The revenue from the sale of third party software is recognised at the time of sale. Revenue from Enprise developed software is recognised on acceptance by the client.

The revenue from the maintenance on software developed by group companies is amortised over the period that the maintenance applies on a straight line basis.

Rental Income

Rental income is recognised in the Income Statement on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

d) Finance income and expenses

Finance costs are recognised as an expense in the period in which they are incurred, using the effective interest method. Interest income is recognised in the Income Statement in the period it is earned, using the effective interest method.

e) Acquisition of assets

All assets acquired, including property, plant and equipment and intangibles are initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

f) Property, plant and equipment

Owned assets

Property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

Where material parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent costs

Subsequent costs are added to the carrying amount of an item of property, plant and equipment when the cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the Income Statement as an expense when incurred.

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. STATEMENT OF ACCOUNTING POLICIES (CONT'D)

Leased assets

Property, plant and equipment acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. The property, plant and equipment acquired under a finance lease is depreciated over the shorter of the asset's useful life and the lease term.

Depreciation

Depreciation is charged at the same rate as permitted by the Income Tax Act 2007. Depreciation is charged to the Income Statement. The following rates have been used:

Computer Equipment	40%	DV
Office furniture and equipment	12-40%	DV

The residual value of assets is reassessed annually.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Income Statement.

g) Intangible assets

Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the identifiable assets, liabilities and contingent liabilities acquired at the date of acquisition, for this reason goodwill is not a separable asset and does not have a useful life.

Goodwill is measured at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units for the purpose of impairment testing and is tested annually for impairment.

Software Development

Software has a finite useful life. Software is capitalised and written off over the currently estimated useful lives of 3 to 5 years.

Research costs are recognised as an expense as incurred.

Costs that are directly associated with the development and production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the costs of software development employees and an appropriate portion of relevant overheads.

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. STATEMENT OF ACCOUNTING POLICIES (CONT'D)

h) Impairment

Financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar characteristics.

All impairment losses are recognised in the Income Statement.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Receivables with a short duration are not discounted. For trade receivables, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default in payments are considered indicators that the receivable is impaired.

When the receivable is uncollectible, it is written off against the allowance account for receivables.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available for sale financial assets that are debt securities, the reversal is recognised in the Income Statement. For available for sale financial assets that are equity securities, the reversal is recognised directly in equity.

Non-financial assets

The carrying amounts of the Group's assets are reviewed at each balance date to determine whether there is any objective evidence of impairment. If any such indication exists, the assets recoverable amount is estimated. For goodwill, the recoverable amount is estimated at each reporting date.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the Income Statement.

The estimated recoverable amount of non-financial assets is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

A cash-generating unit is the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of the other assets or groups of assets.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of goodwill allocated to the units and then to reduce the carrying amount of other assets in the unit on a pro rata basis.

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. STATEMENT OF ACCOUNTING POLICIES (CONT'D)

An impairment loss in respect of goodwill is not reversed. Other impairment losses are reversed when there is a change in the estimates used to determine the recoverable amount and there is an indication that the impairment loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. All other impairment losses are reversed through the Income Statement.

i) Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis with the exception of trade receivables and trade payables which are stated inclusive of GST.

j) Financial Instruments

Financial instruments are recognised in the balance sheet initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition financial instruments are measured as described below.

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the financial instrument. 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 asset 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.

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in shares, trade and other receivables, cash and cash equivalents (including bank overdrafts), loans and borrowings, and trade and payables.

Trade and other receivables

Trade and other receivables are measured at amortised cost, using the effective interest method, less impairment losses. Trade receivables of a short-term nature are not discounted.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held on current account, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and bank overdrafts .

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. STATEMENT OF ACCOUNTING POLICIES (CONT'D)

Trade and other payables

Trade and other payables are measured at amortised cost, using the effective interest method. Trade payables of a short-term nature are not discounted.

k) Foreign currency transactions

Transactions in foreign currencies that are settled in the accounting period are translated at the settlement rate. Transactions in foreign currency that are not settled in the accounting period, resulting in monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are translated to New Zealand dollars at the foreign exchange rate ruling at that date. Exchange differences arising on their translation are recognised in the Income Statement.

l) Tax

The income tax expense recognised for the year is calculated using the taxes payable method and is determined using tax rules. Under the taxes payable method, income tax expense in respect of the current period is equal to the income tax payable for the same period.

m) Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows as a pre-tax rate that reflects current market rates and, where appropriate, the risks specific to the liability. Provisions are not recognised for future operating losses.

n) Employee Entitlements

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave, and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled on an undiscounted basis.

The Group recognises a liability for sick leave to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent the Group anticipates it will be used by staff to cover those future absences.

The Group recognises a liability and an expense for bonuses where it is contractually obliged to pay them, or where there is a past practice that has created a constructive obligation.

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. STATEMENT OF ACCOUNTING POLICIES (CONT'D)

o) Leases

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Income Statement on a straight-line basis over the period of the lease. Lease incentives received are recognised in the Income Statement over the lease term as an integral part of the total lease expense.

Finance leases

Leases in which the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding, using the effective interest method.

The corresponding rental obligations, net of finance charges are shown as liabilities on the balance sheet. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under a finance lease is treated in the same manner as owned assets as detailed in note (f).

2. REVENUE

Revenue arises from:

	Group and Parent	
	2011	2010
	\$ 000's	\$ 000's
Sale and maintenance of licenses	2,303	1,734
Consulting and support services	1,876	1,503
	<u>4,179</u>	<u>3,237</u>

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	Group and Parent	
	2011	2010
	\$ 000's	\$ 000's
3. SELLING AND ADMINISTRATION EXPENSES		
Amortisation - software development	127	116
Depreciation - other assets	39	56
Impairment of trade receivables (bad and doubtful debts)	47	15
Rental and operating lease costs	295	246
Directors Fees	64	64
Employee wages and salaries	2,714	2,210
Audit fees	17	20
Other expenses	731	509
	4,034	3,236
4. OTHER INCOME AND EXPENDITURE		
<i>Other Income</i>		
Rental Income from property subleases	37	16
Management Fees charged to related parties	1,483	924
	1,520	940
5. FINANCE INCOME AND EXPENSE		
<i>Finance Income</i>		
Interest received	5	5
	5	5
<i>Finance costs</i>		
Foreign currency losses	-	23
Interest paid	24	21
	24	44
Net Finance Costs	(19)	(39)
6. TAX EXPENSE		
<i>Current tax expense</i>		
Current income tax for the year	-	-
The reasons for the difference between the actual tax charge for the year and the standard rate of tax in NZ applied to the results for the year are as follows:		
Profit before taxation	601	307
Expected tax charge based on standard rates of tax	180	69
Tax effect of permanent differences - non-deductible expenses	-	1
Add tax (offset)/losses not recognised	(180)	(70)
Total tax charge for the year	-	-

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

7. INVESTMENTS

PARENT INVESTMENT IN SUBSIDIARIES

	Country of Incorporation	Ownership Interest (%)
Enprise Australia Pty Limited	Australia	100%
Enprise Limited	New Zealand	100%

Since incorporation, Enprise Limited and Enprise Australia Pty Limited both have been dormant. Issued and paid up capital in both subsidiaries is \$1.

	Group and Parent	
	2011	2010
	\$ 000's	\$ 000's
8 GOODWILL		
Balance at the beginning of the year	50	-
Net assets acquired	39	50
Less impairment	-	-
	<u>89</u>	<u>50</u>

Goodwill is allocated to the following cash generating units for the purposes of impairment testing :

Enprise Exonet Services - Wellington	<u>89</u>	<u>50</u>
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9. EMPLOYEE BENEFITS

Liability for annual leave	<u>140</u>	<u>119</u>
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ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

10. PROPERTY, PLANT AND EQUIPMENT

	Computer Equipment \$000's	Office Equipment & Furniture \$000's	Group and Parent Total \$000's
Cost			
Balance at 1 April 2010	235	200	435
Additions	20	26	46
Disposals	90	20	110
Balance at 31 March 2011	165	206	371
Depreciation			
Balance at 1 April 2010	145	138	283
Depreciation	19	20	39
Disposals	29	22	51
Balance at 31 March 2011	135	136	271
Net book value			
As at 31 March 2011	30	70	100
As at 31 March 2010	90	62	152
Leased Assets			

The Company leases property, plant and equipment under a finance lease agreement. At the end of the leases the ownership is transferred to the Company provided all payments have been made. At 31 March 2011, the net carrying amount of property, plant and equipment was \$100,000 (2010: \$152,000). The leased property, plant and equipment secure the Company's lease obligations.

11. TRADE AND OTHER RECEIVABLES

	2011 \$ 000's	Group and Parent 2010 \$ 000's
Trade Receivables	699	571
Other receivables and prepayments	44	20
	743	591

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

12. INTANGIBLE ASSETS	Group and Parent	
	2012	2011
	\$ 000's	\$ 000's
	Software Development	Software Development
Cost		
At 1 April 2010	640	560
Additions	71	80
Disposals	-	-
Balance at 31 March	<u>711</u>	<u>640</u>
Amortisation		
At 1 April 2010	297	181
Amortisation	127	116
Disposals	-	-
Balance at 31 March	<u>424</u>	<u>297</u>
Carrying value		
At 31 March	<u>287</u>	<u>343</u>

13. CASH AND CASH EQUIVALENTS	Group and Parent	
	2011	2010
	\$ 000's	\$ 000's
Bank balances	52	70
Call Deposits	228	169
Total cash and cash equivalents	<u>280</u>	<u>239</u>

The Group has banking facilities with Bank of New Zealand and ASB Limited, however, ASB Limited are the primary bankers of the Group.

14. TRADE AND OTHER PAYABLES	Group and Parent	
	2011	2010
	\$ 000's	\$ 000's
Trade payables	378	327
Other payables and accruals	305	129
Goods and services tax	20	32
Deposits from customers	64	58
Maintenance income received in advanced	206	180
	<u>973</u>	<u>726</u>

Trade payables generally have terms of 30 days and are interest free. Trade payables of a short - term duration are not discounted.

ENPRISE SOLUTIONS LIMITED AND SUBSIDIARIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

15. RELATED PARTY TRANSACTION

Related party advances

Enprise Holdings Limited (EHL) became the parent company of Enprise Solutions Limited by purchasing 100% of its shares on 1 December 2005. EHL provided the company with a cash advance. The advance was interest free and repayable on demand. EHL and its shareholders had indicated that they will not seek repayment of the advance and will continue to support the company until it is in a position to repay all its creditors when they fall due. EHL sold its shares to ENCAP Group Limited on 1 March 2012 (refer Note 22).

Balance outstanding at year end	Nature of relationship	Group and Parent	
		2011 \$ 000's	2010 \$ 000's
Enprise Holdings Ltd ("EHL")	Parent from 1/12/2005 - 1/3/2012	(2,237)	(2,244)
EMS Cortex Ltd	Subsidiary of EHL	736	154
Management fees			
Enprise Holdings Ltd	Parent from 1/12/2005 - 1/3/2012	6	5
EMS Cortex Ltd	Subsidiary of EHL	1,477	919

From 1 April 2009, operations relating to the Cortex software were transferred to EMS Cortex Limited. These were primarily reported in Enprise Solutions Limited. No fees were associated with this transfer.

Other related parties

The company has the following 100% owned subsidiaries: Enprise Limited, Enprise Australia Pty Limited. Advances are from Enprise Holdings Limited and EMS Cortex Limited, the advance to and from subsidiaries is interest free and repayable on demand.

None of these balances are secured. There have been no impairments of related party balances during the year (2010: \$Nil) and there have been no write-offs of related party balances during the year (2010: \$Nil).

Consulting fees of \$27,000 (2010: \$31,000) were paid to a Director in respect of advisory services rendered. A balance of \$22,009 (2010: \$22,009) is outstanding at the year end.

Total directors remuneration for the year was \$91,000 (2010 : \$95,000)

16. FINANCE LEASE LIABILITIES

	Group and Parent	
	2011 \$ 000's	2010 \$ 000's
Finance leases - Hire purchase agreements	-	148

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16. FINANCE LEASE LIABILITIES (CONT'D)

The Group's finance lease liabilities are payable as follows:

	Group and Parent		
	Minimum lease payments \$000's	Interest \$000's	Principal \$000's
2011			
Current	-	-	-
Non-current	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
	Group and Parent		
	Minimum lease payments \$000's	Interest \$000's	Principal \$000's
2010			
Current	95	14	81
Non-current	71	4	67
	<u>166</u>	<u>18</u>	<u>148</u>
	<u>166</u>	<u>18</u>	<u>148</u>

Finance lease liabilities are secured by the property, plant and equipment to which they relate.

	Group and Parent	
	2011 \$ 000's	2010 \$ 000's
17. CAPITAL		
Opening Balance	129	129
Shares issued and paid up	-	-
Balance as at 31 March	<u>129</u>	<u>129</u>

As at 31 March 2011, paid-up capital comprised as follows:

	Number of shares issued	Value per share	Issue Price	Value of paid up capital
Ordinary shares	146,000	\$1.00	\$1.00	129,000
	<u>146,000</u>			<u>129,000</u>

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17. CAPITAL (CONT'D)

As at 31 March, issued capital comprised as follows:

	Number of shares issued	Value per share	Issue Price	Value of issued capital
Ordinary shares	146,000	\$1.00	\$1.00	129,000
	<u>146,000</u>			<u>129,000</u>

18. ACCUMULATED (LOSSES)

	Group and Parent	
	2011	2010
	\$ 000's	\$ 000's
Opening Balance	(1,774)	(2,081)
Total recognised income and expenses	601	307
Balance as at 31 March	<u>(1,173)</u>	<u>(1,774)</u>

19. FINANCIAL INSTRUMENTS

Foreign Currency Risk

The Company is exposed to foreign currency risk through its transactions with its customers. The Directors monitor the exposure to movements in foreign exchange rates on a regular basis. At the balance sheet date the Company had not entered into any forward currency contracts.

20. LEASES

Operating leases

The group has a non cancellable operating lease over the premises it operates from in Avondale. The lease commenced 28 April 2006 and has a term of 6 years. There is also a non cancellable lease for 1 year commencing 1 February 2011 for the premises that Enprise occupies in Wellington. The totals of future minimum lease payments due are as follows:

	Group and Parent	
	2011	2010
	\$ 000's	\$ 000's
The totals of future minimum lease		
Not later than one year	262	273
Later than one year and not later than five years	61	306
Later than five years	-	-
	<u>323</u>	<u>579</u>

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21. CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 March 2011 (2010: \$Nil).

22. SUBSEQUENT EVENTS AND GOING CONCERN

On 1 March 2012, Enprise Holdings Limited sold its shares in Enprise Solutions Limited to ENCAP Group Limited. As a result of this sale, ENCAP Group Limited issued further shares worth \$2,061,042 and undertook a restructure of the company by moving into smaller premises in June 2012.

The audited 31 March 2012 financial statements show equity of \$930,000, working capital of \$316,000 and a loss for the year of \$86,000.

In light of the above, the directors, who continually review the cash flow requirements of the business, consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. They consider there is sufficient cash and the forecasts are for a return to profit in the short term. On this basis, they consider that it is appropriate to prepare the financial statements on a going concern basis.