

Notes to the Annual Financial Statements (continued)

for the year ended 29 February 2004

21. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES(continued)

Share Options (continued)

The table below sets out the period that the shares, underlying options not yet exercised, become available for dealing.

	29/02/2004	28/02/2005	28/02/2006	28/02/2007	29/02/2008	28/02/2009	Total
92 cents	1 607 208	-	-	-	-	-	1 607 208
100 cents	4 774 817	2 431 760	2 172 917	1 147 893	193 403	-	10 720 790
125 cents	39 688	79 375	79 375	79 375	39 687	-	317 500
133 cents	-	54 875	89 750	89 750	89 750	34 875	359 000
140 cents	-	175 000	175 000	175 000	175 000	-	700 000
145 cents	-	25 000	25 000	25 000	25 000	-	100 000
150 cents	1 521 825	391 350	45 625	-	-	-	1 958 800
170 cents	459 125	96 304	60 000	58 750	57 500	28 750	760 429
	8 402 663	3 253 664	2 647 667	1 575 768	580 340	63 625	16 523 727

22. NON-DISTRIBUTABLE RESERVE

	Group		Company	
	2004 R'000	2003 R'000	2004 R'000	2003 R'000
Opening balance	14 543	14 543	13 443	13 443
Transfer to distributable reserves	(14 543)	-	(13 443)	-
Closing balance	-	14 543	-	13 443

The directors resolved that the full non-distributable reserves be transferred to the distributable reserves.

23. ACQUISITION CONSIDERATION DUE - GROUP ONLY

	Group	
	2004 R'000	2003 R'000
Styleprops Services 18 (Proprietary) Limited	4 993	7 377
Premier Foods Limited	1 815	3 630
Dezzo Trading (Proprietary) Limited	-	2 500
Solution Management NetworX (Proprietary) Limited	11 919	21 224
Non-achievement of profit warranties		
- shares	-	(1 042)
- cash	-	(1 004)
Value of shares deemed to be issued based on profit warranties at the end of February	(5 050)	(6 503)
Total acquisition consideration due	13 677	26 182
Long-term cash portion as adjusted	(833)	(12 155)
Long-term cash portion	(920)	(12 155)
Deemed interest (AC133 fair value adjustment)	87	-
Short-term cash portion	(11 098)	(7 231)
Acquisition consideration due in form of equity shares to be issued	1 746	6 796

Acquisition consideration due represents amounts owing to the original shareholders, members or owners in respect of acquisitions of subsidiaries and businesses and will be settled through the issue of fixed quantities of shares and the payments of fixed amounts of cash contingent on the fulfillment of profit warranties. The amounts owing are interest free and unsecured.

24. ACCOUNTS PAYABLE AND ACCRUALS - GROUP ONLY

Trade payables	66 176	82 857
Accruals	20 587	19 996
	86 763	102 853

Included in trade payables is an amount payable to the associate, Vukani Technologies (Proprietary) Limited of R1 219 000 (2003: R1 560 000).

25. PROVISION - GROUP ONLY

	Group	
	2004 R'000	2003 R'000
Opening balance	3 295	3 291
Provision made	740	374
Provision utilised	(197)	(370)
Closing balance	3 838	3 295

The above leave pay provision is based on the number of leave days due to the employees at year-end and their cost to company remuneration.

26. RETIREMENT BENEFIT PLANS

The Orion Fixed Contribution Provident Fund and the Supported Software Pension and Provident Funds are defined contribution funds of which the majority of the group's permanent employees are members. These funds have been registered by the Registrar of Pension Funds and are governed by the Pension Funds Act (No 24 of 1956). The group does not provide any post-retirement medical benefits to its employees.

27. RELATED PARTY TRANSACTIONS

Related party	Nature of relationship	Type of transaction	Balance outstanding	
			2004 R'000	2003 R'000
Vukani Technologies (Proprietary) Limited	Associate company	Computer consumables purchased	-	30

These transactions occurred under terms which were no less favourable than those arranged with third parties. (Refer notes 3 and 24 for other related party transactions.)

28. FINANCIAL INSTRUMENTS

The group and company's financial instruments consist mainly of cash at bank and cash equivalents, loans receivable, accounts receivable, accounts payable, acquisition consideration due and derivative financial instruments.

Fair Values

The carrying amounts of the following financial instruments approximate their fair values:

- Cash at bank - deposits with commercial interest rates
- Accounts receivable - subject to normal trade credit terms and provision is made for long outstanding debts
- Accounts payable - subject to normal trade credit terms and a relatively short payment cycle
- Acquisition consideration due

Foreign Currency Risks

Foreign exchange contracts are entered into for most transactions as frequent purchases are made from foreign entities. On short-term contracts, currency fluctuations are passed onto customers. Limited currency risks related to long-term contract exist.

At balance sheet date, the group held the following foreign denominated cash balances:

	Foreign currency amount '000	Spot rate	2004 R'000	2003 R'000
US Dollars	-	-	-	10 297
Euro	-	-	-	1 770
			-	12 067

Other Risks

The credit risks attached to accounts and loans receivable and bank and cash are discussed in notes 14, 17, 19 and 20. Due to the nature, and extent of the group's financial instruments, it is not unduly exposed to price risks, interest rate risks, cash flow risks and liquidity risks.