



**MONEYWEB**  
H O L D I N G S   L I M I T E D  
**ANNUAL REPORT**  
TWO THOUSAND AND NINE



WWW.MONEYWEB.CO.ZA

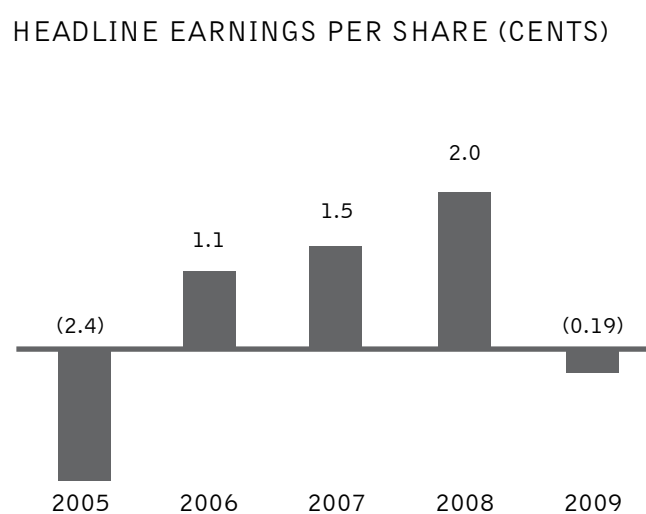
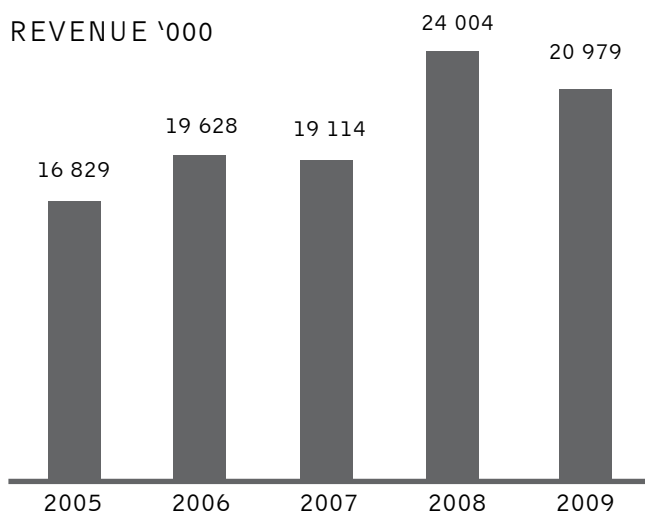
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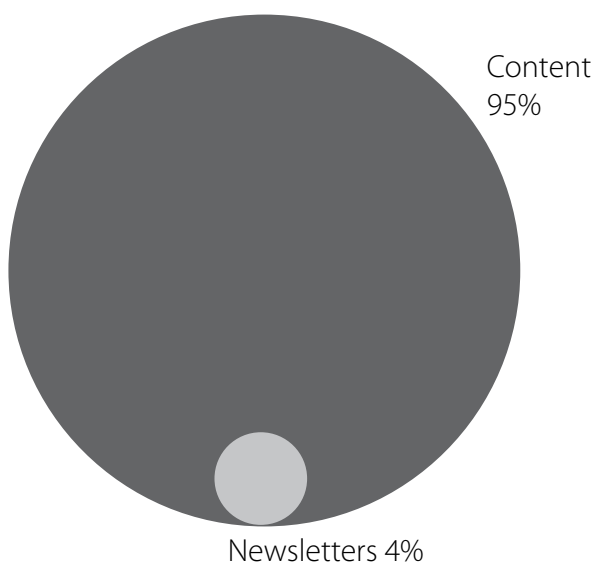
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# Financial highlights

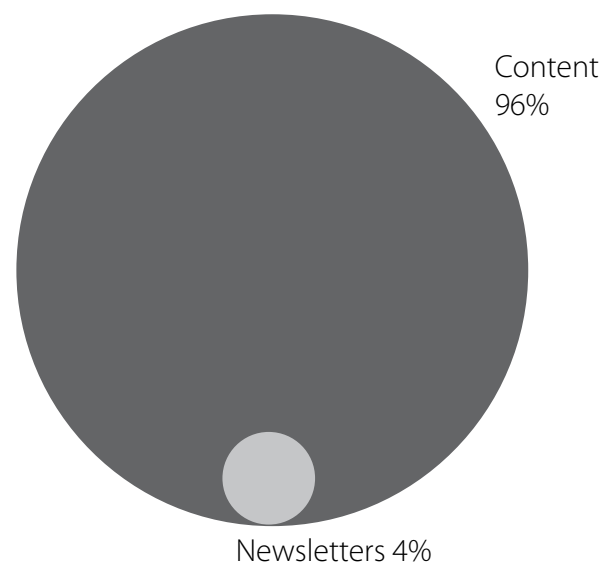
R'000	2009	2008
Revenue	20 979	24 004
EBITDA	(199)	2 356
Headline earnings/(loss)	(146)	1 386
Headline earnings/(loss) per share (cents)	(0,19)	2,0
Cash outflow generated by operating activities	1,808	871



REVENUE SPLIT BY SOURCE 2009



REVENUE SPLIT BY SOURCE 2008



# Board of directors

## ALEC HOGG

### Chief executive officer

Founded Moneyweb in 1997. Widely travelled and a voracious reader, he is passionate about the media sector and remains ultimately responsible for the strategic initiatives of the business.

He was appointed as the chief executive officer on 16 February 2005.

## LOUISE HOGG

### Executive director

Louise Hogg is the Community Manager of Moneyweb. She is responsible for building and maintaining relationships with over 12 000 registered subscribers and thousands more regular users of the service – the Moneyweb Community. Louise has been intimately involved in the development of Moneyweb since its inception, using experience gained in running the subscriber base at Racing Digest, which she helped found and build.

## DR ANDREW SMITH

### Independent non executive chairman

Based in London, Andrew is currently a partner at Unisys Limited. Previously he was the managing partner at Andersen Business Consulting based in Johannesburg, where he had a special interest in the telecommunications and media sector. Prior to this he was the group executive at Datatec Limited, the JSE-listed international networking and technology company. He served as chairman of the Board of Moneyweb from 1999 to 2000 and was re-appointed to the Board on 7 May 2003. He was reappointed as chairman on 16 February 2005.

## EDWIN JAY

### Independent non executive director

Edwin Jay qualified as an attorney at Routledges Incorporated and became a partner at that firm. He left in 1994 to form Jay Incorporated which specialised primarily in banking law. By the time Edwin withdrew from the position of managing partner, the firm had 20 legal professionals and a staff of 55. Edwin joined Moneyweb as its CEO on 1 January 2003 having served on its board as a non-executive director for the previous 2 years. He resigned as CEO on 16 February 2005 to return to practice as an attorney. He remains as a non executive director.

## DANIE WESSELS

### Financial director

Danie started his studies in 1992 at RAU. He joined an audit firm in 1996 where he completed his articles. Wanting to break away from the audit environment and get more involved in the day-to-day running of a corporate, he joined the Moneyweb team in February 2001 as the company's bookkeeper. He became Financial Manager in December 2005 and was appointed Financial Director on 29 June 2009.

## TREVOR NCUBE

### Independent non executive director

Trevor is the owner of M&G Media in South Africa, which publishes the Mail & Guardian newspaper and the M&G Online, among others. He is also the publisher of the Zimbabwe Independent and the Standard in Zimbabwe. He purchased the Mail & Guardian in 2002. Trevor is also the president of Print Media SA, the Southern African Regional Poverty Network and the Institute for War and Peace Reporting. Trevor holds a Bachelor of Arts (Honours) degree in Economic History from the University of Zimbabwe. He was a teacher at Pumula High School in the early 1980s. In 1989 he became assistant editor at The Financial Gazette, and became executive editor in 1991.

## LINDIKHAYA SIPOYO

### Non executive director

Lindikhaya comes from a six years stint heading the Information and Communications department in the Parliament of the Republic of South Africa, focusing in Provincial and Municipal Liaison. He is the current COO for Imbewu Mineral Resources, a diamond mining and exploration company, with resources in platinum and diamond, and has business relationships with leading mining houses in South Africa. He is also a director and shareholder of Miganu Property Development, a BBBEE consortium partner in the R 1,4bn GrowthPoint deal and a non-executive director of a AltX-listed company Total Client Services (TCS).

# Shareholder information

## SHAREHOLDER SPREAD ANALYSIS AS AT 31 MARCH 2009

Type of Shareholders	Number of shareholders	% of shareholders	Number of Shares Held	% of shares in issue
Public	745	98.3%	13,892,344	18.0%
Non-public	13	1.7%	63,079,456	82.0%
	758	100.0%	76,971,800	100.0%

## ANALYSIS OF NON-PUBLIC SHAREHOLDERS AS AT 31 MARCH 2009

Type of Shareholders	Number of shareholders	% of shareholders	Number of Shares Held	% of shares in issue
Directors of the company or any of its Subsidiaries	7	0.9%	57,166,753	74.3%
Associates of the above	5	0.7%	4,846,324	6.3%
Trustee of employees' share schemes	1	0.1%	1,066,379	1.4%
	13	1.7%	63,079,456	82.0%

## SIZE OF REGISTERED SHAREHOLDERS

Type of Shareholders	Number of shareholders	% of shareholders	Number of Shares Held	% of shares in issue
1-1000	515	67.9%	329,948	0.4%
1001-5000	116	15.3%	355,847	0.5%
5001-10000	42	5.5%	362,735	0.5%
10001-50000	53	7.0%	1,259,103	1.6%
50001-100000	9	1.2%	725,830	1.0%
100001-500000	12	1.6%	2,497,067	3.2%
500001-1000000	1	0.1%	523,775	0.7%
1000001 and above	10	1.4%	70,917,495	92.1%
	758	100.0%	76,971,800	100.0%

## SHAREHOLDERS WITH A DIRECT OR INDIRECT BENEFICIAL HOLDING OF GREATER THAN 5% OF THE ISSUED SHARE CAPITAL OF THE COMPANY AT 31 MARCH 2009

	Number of Shares Held	% of shares in issue
ISINGQI INVESTMENT HOLDINGS	15,168,432	19.7%
EQUITY TRUST LIMITED	4,595,474	6.0%
ALLAN GRAY BALANCED FUND	4,155,049	5.4%
MVELAPHANDA HOLDINGS	4,152,000	5.4%

## DIRECTORS' SHAREHOLDING

The following directors have a direct or indirect beneficial holding in the company

	As at 31 March 2009		Nature of Interest Beneficial direct
	Aggregate number of shares held	% of shares in issue	
<b>Direct</b>			
AB Hogg	18,771,788	24.4%	18,771,788
LM Hogg	18,766,373	24.4%	18,766,373
A Smith	288,160	0.3%	288,160
E A Jay	20,000	0.0%	20,000
	<u>37,846,321</u>	<u>49.1%</u>	<u>37,846,321</u>

	As at 31 March 2008		Nature of Interest Beneficial direct
	Aggregate number of shares held	% of shares in issue	
<b>Direct</b>			
AB Hogg	18,771,788	24.4%	18,771,788
LM Hogg	18,766,373	24.4%	18,766,373
A Smith	263,160	0.3%	263,160
E A Jay	20,000	0.0%	20,000
	<u>37,821,321</u>	<u>49.1%</u>	<u>37,821,321</u>

## SHAREHOLDERS' DIARY

Financial Year End 31 March 2009  
Annual General Meeting 28 October 2009

## STOCK EXCHANGE PERFORMANCE

Share Price Data

Period 1 April 2008 to 31 March 2009

Opening price as at 1 April 2008	65c
12 Month High	65c
12 Month Low	44c
Closing Price as at 31 March 2009	51c

## SHARE PRICE HISTORY



# Chief Executive Officer's overview

Fellow shareholders,

Our company has emerged, stronger than ever, from another challenging 12 months.

This was a year when we found ourselves on the wrong side of a lawsuit brought by a Russian oligarch; where our flagship radio show was dropped by its repositioning host station; and where the implosion of global financial markets caused panic last experienced in 1929.

Yet we can also reflect on another year of progress. That legal issue is well behind us and our offshore structures have been strengthened to ensure there's no repeat. The ending of that four-year radio partnership opened the way for a more appropriate one. And we have a new long-term headline radio sponsor for all three daily radio programmes.

More importantly from a longer-term perspective, while all this was happening our core internet publishing business bounded ahead. It is here that the company's future lies. Here where the potential lies to generate substantial returns as a disruptor of comfortable oligopolies.

The Moneyweb story has many parallels in history.

We draw inspiration from once small companies with the vision to take advantage of tectonic economic change. We have studied and learnt from entrepreneurs who realised opportunities emerging from what the great Austrian economist Joseph Schumpeter called "times of creative destruction". One of which is taking place in South Africa's media sector right now.

Moneyweb was also born from a deep belief that our industry needs much scope for improvement. Decades behind high barriers to entry led to complacency.

Rewards have shifted from the editorial talent to those who manage (own?) them. Moneyweb inverts this pyramid. It believes in rewarding excellence through providing superior working conditions and driving broader participation in financial rewards. Among the more obvious ways is paying 20% of pretax profits as a quarterly bonus to its mainly content-producing staff.

Radical ideas in the context of the media sector, but alone they are not enough to ensure a sustainable model.

From the outset, Moneyweb's challenge was to develop bulk and scale in South Africa's internet publishing space before better-resourced competitors claimed the territory. Without a deep-pocketed parent, the company was disciplined into trading profitably. This encouraged it to enter areas where it might otherwise not have operated. That brought unexpected benefits, notably through pioneering business radio in South Africa. Moneyweb still dominates this arena, reaching 80% of the national business-focused radio audience.

Alongside an appreciation that the internet opened a unique window of opportunity was a determination to build a world-class business. And understanding the best way to do so is to actually operate internationally.

As far back as March 2000, your company entered the global arena by establishing an international presence in our selected niche of mining. That decision has delivered its share of tribulations - including the past financial year's legal reverse - but our persistence has been rewarded. The company's offshore arm, Mineweb.com, is now one of the world's leading mining websites, has a sustainable business model and is a solid contributor to the company's operating profit. It has also given us the experience and confidence to pursue other global opportunities.

As we review the 2009 financial year and consider what may lie ahead during the 12 months to end March 2010, there's a clear message our strategy continues to provide us with exciting options. Although I seem to repeat it annually, it's again true that the company has never been better positioned than it is today.

## Looking Back – 2009 Financial Year

### Online publishing

Every year I like to add something extra to help you get a better feel for the business. This year it's tables detailing the audiences of our various content channels. Hope you find them useful. As the first of these tables shows, the major online titles all posted excellent growth in audiences – exponential in the case of three of the niche sites launched in mid-2007.

We believe the best way of monitoring the progress in internet publishing is through measuring a title's core audience. This, we feel, is best shown in its unique home page visitors – ie, people who have a direct relationship with the site rather than the masses of accidental traffic sent to it via links or search engines. By this conservative definition, the company's dedicated online audience rose above 200 000 for the first time at year end, up 52% on March 2008.

The "mother ship", **Moneyweb.co.za**, benefitted from fresh interest generated by the global financial crisis. Its unique home page visitors rose from August's mid-80k to break 100 000 in September and peak at a fraction under 120 000 during the height of the crisis in October 2008. As fear eased in subsequent months, audiences dropped back. Even so, the March 2009 number was 31% up on March 2008, exceptional growth from a website which we thought had pretty much saturated its target market.

Perseverance through challenging times is paying off at the company's global pioneer, **Mineweb.com**. The title, 96% of whose readers are non-South Africans, was relocated to London in mid 2006 at which time its core audience was a modest 11 756. Substantial investment, primarily in Mineweb's editorial team, was made during 2007 and 2008 when costs rose 84% and 64% respectively. This effort has been rewarded through growth in its core audience from March 2007's 21 000; to over 40 000 a year later; and 60 000 in March 2009.

After their expected slow start, the three niche websites launched in mid 2007 started hitting their straps during the financial year under review. With exposure of its exceptional content helped by South Africa's national election, James Myburgh's **Politicsweb.co.za** posted the most impressive year-on-year growth of all our titles. By March 2009, Politicsweb.co.za had established itself as the company's third biggest website.

Exponential growth was also achieved during the 2009 financial year by Jackie Cameron's **Realestateweb.co.za** and the Monique Vanek/Steven Jones combination's **MoneywebTax.co.za**. Both have reached critical mass for a niche website. The more mature Marketingweb.co.za posted unusually strong growth during the year, a reflection of the focus by our long-time partners, Sandra Gordon's Wag The Dog Publishing.

Towards the end of the financial year, Moneyweb acquired 50% stake of the mainly horseracing title Freeracer.co.za. The site was created and run by Charl Pretorius, a colleague during my Racing Digest years in the late 1980s. The attraction of horse racing to our company is the potential it offers to generate transaction revenue by dis-intermediating expensive offline betting platforms. Freeracer was re-branded and re-launched as **Racingweb.co.za** in March 2009.



During the year, considerable effort was invested into two longer-term projects: a thoroughgoing re-design for all the websites in line with global best practice; and the development of our financial aggregator, Moneywebmarket.co.za. More on these activities later in this letter.

CORE ONLINE AUDIENCES (monthly unique home page visitors)\*

	Mar-08	Mar-09	% growth
Moneyweb.co.za	82,517	108,007	31%
Mineweb.com	40,460	60,369	49%
Politicsweb.co.za	1,169	11,884	917%
Marketingweb.co.za	6,761	9,473	40%
Realestateweb.co.za	1,691	6,490	284%
MoneywebTax.co.za	1,565	5,910	278%

\* Source: Google Analytics

### Broadcasting

As discussed in my 2008 letter, we decided not to renew the contract with satellite television station CNBC Africa which expired in May 2008. This allowed the broadcasting team to focus its attention on radio, with positive consequences.

Moneyweb's partnership with South Africa's national broadcaster, the SABC, kicked off five years ago. This came through an agreement to produce the hour long, prime-time business programme for the Afrikaans-language station Radio Sonder Grense. This relationship resulted in some sacrifice – and rather public schadenfreude from competitors – because it required severing our ties with independents eTV and Classic FM. With hindsight, there is no doubt the short-term pain was well worth today's long-term gain. Our partnership with RSG is rock solid, as most mutually beneficial relationships tend to be.

This was a watershed year in terms of our other partnerships with SABC stations. The repositioning of Radio 2000, which had carried Moneyweb's English language business programme since 2005, opened the way for a move to its natural home on the country's news and information leader, SAfm. This switch, from May 2008, took a relationship full circle as Moneyweb had pioneered business radio in partnership with SAfm in 1997. It is a partnership we treasure and one which, as with RSG, works to mutual advantage.

The past financial year also saw the expansion of our five-year relationship with a third SABC station, Lotus FM when the station introduced a daily 15 minute Moneyweb-produced business show. As with the other two stations, the Lotus FM show is produced and delivered live from Moneyweb's studios. The Moneyweb programmes reach 772 000 listeners daily in their time slots, with plenty of scope to grow into the potential audience of over 1,6m.

MONEYWEB RADIO PARTNERS' AUDIENCES (March 2009)

	Daily listeners	Last seven days
RSG	1,123,000	1,741,000
SAfm	309,000	642,000
Lotus FM	237,000	383,000
Total	1,669,000	2,766,000

### Print

Moneyweb has produced the business section of Johannesburg daily newspaper The Citizen since March 2003. Structured in a joint venture which houses direct advertising revenues and content production costs, this is another "smart partnership" which has contributed much to Moneyweb's development. The relationship is strong and continues to produce satisfactory returns.

The subscription-only newsletters Personal Finance and Tax Breaks serve a small audience but are still making a positive contribution nine years after being acquired in our takeover of Prescon Publishing.

### Financials

The numbers are available in great detail elsewhere in the annual report, so I will not dwell on them here except for commenting on a couple of major issues.

As shareholders were informed in last year's letter and subsequent communication, the company's 2009 financial results were dominated by the settlement of a lawsuit brought in London against Mineweb.com by a wealthy Russian businessman. Details of the settlement are confidential, but sufficiently large to be described as "substantial" in UK law. As legal expenses are part of the ongoing operations of the company, the full cost of the unfortunate episode has been included in 2009's headline earnings, causing them to clock in at a loss of R149 000 (-0.19c a share) – the first ever full year loss at this level by the company, and slightly behind the breakeven result previously expected.

Providence was not entirely against us. Towards the end of the 2008 financial year, a UK mortgage originator made an attractive offer to buy the [www.moneyweb.co.uk](http://www.moneyweb.co.uk) address which we had acquired for £76 000 back in 2001. The purchase made sense for the UK buyers, which for some months had been renting the address from us. Their offer of £120 000 was accepted, generating a tidy profit for us and, as a result, ensuring we closed the 2009 financial year with an overall net profit of R1,3m, or 1,67c a share.

For our company, the timing of the sale was opportune. A few months later the global financial crisis hit and credit dried up. This had a massive impact on mortgage originators, especially in the UK. During the worst of the panic, roughly a year after the sale we were able to successfully negotiate the re-purchase of the Moneyweb UK address. More importantly, as part of this deal, we also acquired what for your company is the most valuable URL on the internet – [www.moneyweb.com](http://www.moneyweb.com) – an address we have coveted for years but which had been far out of our financial reach. As a reflection of the state of the market at the time, both addresses were bought from the UK company for £60 000 – half what we received for the dot.co.uk a year before. We have exciting plans for the "dot com" which I'll return to later in this report. For the moment we are parking the "dot co.uk".

Another significant income statement event occurred in October 2008, also just as the global financial crisis was taking hold. Primarily because of uncertainty surrounding our flagship English radio programme, we had been unable to secure a headline sponsorship. The new partnership with SAfm removed such concerns, and led to a long-term contract being signed by Discovery Invest as the headline sponsor across the company's three nationally broadcast business radio programmes from October 2008. The deal runs for an initial two years with the option to renew. We have worked hard at deepening this relationship and in addition to the radio programmes, now provide Discovery with mobile, online and print content and co-host twice-annual investment seminars around South Africa.

### Looking ahead – 2010 Financial Year

Two key projects of the 12 months under review continued into the new financial year.

**Project Redesign** involves the re-engineering of both the back and front end of our websites to align them with global best practice. The project, conducted with our content management partner Cambrient, involved a substantial investment of your company's time and resources. The flagship site, Moneyweb.co.za, was moved on to the new platform in

July 2009. The company's other websites will be progressively switched across during the course of the new financial year. Apart from a more modern feel, the upgraded platform provides superior speed and ease of use for community members and better integration of content within and across the sites.

**Moneywebmarket.co.za** is the financial aggregator spearheading the company's drive towards generating transaction revenues. Two years in gestation, the project was "soft launched" to the Moneyweb community for a single day in July 2009. The offering was warmly accepted, and as hoped, many improvements were proposed both by users and participating financial institutions. Implementing these improvements pushed out the planned launch until October. We plan to expand from the initial car and home insurance verticals to include credit cards and home loans within the aggregator's first year. Moneywebmarket is expected to make a contribution to profits in the second half of the financial year to March 2010.

Much attention will be given to international expansion during the new financial year, a leg of the business that is becoming increasingly significant for the company. From the modest beginnings nine years ago, Moneyweb's offshore operations have been quietly building to the point where a quarter of the company's 34 full-time staffers now live and work outside of its South African base.

**Mineweb.com** is at the forefront of the global initiative. In July 2009, Geoff Candy – a graduate of the Moneyweb internship programme and long-time staffer – joined Mineweb's management team as its publisher. From his new home in the Netherlands, Geoff supports the excellent editorial/sales team of London-based Lawrie Williams and Jan Chadwick. Geoff is also responsible for shepherding Mineweb's move to the new publishing platform and for deepening its relationship with Canadian partner Infomine.com.

The company's head of editorial, Felicity Duncan, relocated to the United States in August 2009 where she will launch and drive **Moneyweb.com**, a title aimed at providing the global market with investment information about Africa. The site, to be launched in the fourth quarter of calendar 2009, will be populated with information drawn both from the Moneyweb network and articles written specifically for its target audience. It is intended that in the initial period its revenue stream will rely primarily on Google AdSense.

The other major area of our international focus will be in Africa where feasibility studies are being conducted on opportunities in Kenya and Mauritius. Provided the numbers make sense and the right partners can be secured, the company intends replicating the Moneyweb model into these geographies, both as stand-alone entities and as sources of content for Moneyweb.com and other titles in the network.

During September 2009, the company successfully relocated from its long-standing address in Rosebank, to Melrose Arch, a prestigious property development in northern Johannesburg. The decision was not taken lightly as it required a considerable upfront investment, specifically in moving the two radio studios. Judging by the impact on staff morale, the relocation is certain to aid the company's ability to attract and retain staff, a key factor for any intellectual capital business.

On the financial front, the recovery in operating profit during the second half of the 2009 financial year has continued. With long-term advertising contracts secured and the injection of fresh transaction revenue streams, this growth is expected to be sustained in the medium term.

The strategic objective of generating transaction revenue is expected to start bearing fruit in the second half of the new financial year. The bulk of the revenue stream will come from the financial aggregator,

Moneywebmarket.co.za. Efforts are also being made to stimulate betting turnover through the white-labelled horseracing Tote that was added to Racingweb.co.za in July.

Taking all of this together - and without having to pay those pesky British lawyers - the company's financial results are likely to show a substantial improvement in the 2010 financial year.

#### Appreciation

A large part of Moneyweb's success lies with its philosophy of establishing and nurturing long-term partnerships.

At a board level, our Chairman Andrew Smith and fellow directors Louise Hogg and Edwin Jay have been a source of wisdom and support during every step of the company's decade as a publicly listed company. The more recent additions to the directorate, Lindikhaya Sipoyo and Trevor Ncube, have already provided important guidance in their relatively short tenure on the board. Shareholders are truly blessed to have such quality human beings as their custodians.

Our strategic partnership with the Caxton Group on The Citizen newspaper, now entering its seventh year, has played a major part in the development of the company. Equally, the five year old partnership with the South African Broadcasting Corporation, whose officers have always acted with integrity and logic during their engagements with Moneyweb. We hope to deepen both relationships in the new financial year.

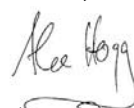
Special mention must also be made of the business partnerships with United Stations and Cambrient.

The decision three years ago to outsource Moneyweb's sales function to United Stations required a leap of faith (and a thick skin after a competitor's pages blared that Moneyweb had "lost a key division" – a downside of being in an industry like ours). The decision has been well rewarded. This is a win-win partnership of the type business strategists often talk about, but which happen so rarely in practice. A special place at the Moneyweb table is permanently reserved for Rivak Bunce, Jenny Ghoos, Justin Keats and their colleagues on the United Stations team.

Of similar duration is Moneyweb's relationship with content management system partner Cambrient Internet Applications. Kevin Lourens and his team consistently go beyond the limits of normal business practice. Whether it's working together to creating Moneyweb's world-class backend, or midnight interventions to sort out unexpected bugs, Cambrient has consistently acted as a loyal and devoted partner, playing a major role in our success.

The most important partnership, however, is with Moneyweb's staff – the 34 full time team members and the dozens of freelancers and part-timers who keep the engine ticking 24/7. There are no nine-to-fivers in our team. Clock-watching is a foreign concept. Instead, Moneyweb staffers are imbued with exceptional talent, an attitude of learning and the ability to do what it takes to get the job done. With that built into the very DNA of the business, who would bet against us?

And finally, our thanks to the hundreds of thousands of people we call the Moneyweb Community. Some of whom have been supporting us from the publication of my very first weekly newsletter in 1997; many more who have come aboard as the company's reach snowballed. Without a community to serve, none of what we do every day and night would make any sense.



Alec Hogg

23 September 2009

# Corporate governance

The Moneyweb Group is committed to the principles of integrity and accountability in its dealings with all stakeholders.

The Board subscribes to the principles incorporated in the amended Code of Corporate Practices and Conduct, as set out in the King Report on Corporate Governance for South Africa 2002 (King II) and the JSE Limited Listing Requirements.

## The Board of Directors

The Board is chaired by an independent non-executive director. The role and person of the chairman is separate from that of the chief executive.

The Board includes two executive directors and four non-executive directors who have been carefully chosen for their wide range of business skills. The Board is responsible for formulating and implementing overall Group strategy and policies, planning of resources, monitoring of performance and maintaining standards of business conduct. The Board meets bi-annually for these purposes.

Certain functions of the Board are facilitated through the main sub-committees of the Board which include the Audit and Remuneration Committees. The Audit Committee meets three times annually and the Remuneration Committee meets annually. The Chairmen of these committees report directly to the Board. In addition, management of the various strategic business units meet weekly. All directors have access to the services and advice of the company secretary who provides the Board and individual directors with guidance regarding their duties and responsibilities.

## Board Attendance

Two meetings were held in the year under review

Attendee	Designation	Meeting held 18 June 2008	Meeting held 13 Nov 2008
AB Hogg	CEO	✓	✓
LM Hogg	Executive director	✓	✓
A Smith	Non-exec chairman	✓	✓
EA Jay	Non-executive director	✓	✓
L Sipoyo	Non-executive director	✓	✓
V Nosi	Non-executive director	✗	✗
T Ncube	Non-executive director	Not director at the time	

## Board appointment and evaluation

Board appointments are conducted in a formal and transparent manner, by the board as a whole. Any appointments to the board are made taking into account the need for ensuring that the board provides a diverse range of skills, knowledge and expertise, the requisite independence, the necessity of achieving the balance between skills and expertise and the professional and industry knowledge necessary to meet the Group's strategic

objectives.

In general, executive directors need to be re-elected on an annual basis, while non executive directors are subject to a short-term notice period.

## Communication

The Group acknowledges that it operates within a community and values a good working relationship with its stakeholders.

The Group consistently strives to strengthen links through regular communication with all its stakeholders which conforms with the criteria of timeous, objective, relevant and transparent communication.

## Committees of the Board

The Board has delegated certain of its responsibilities to sub-committees of the Board.

## Audit Committee

The Audit Committee comprises the non-executive directors, Edwin Andrew Jay (Chairman), Trevor Ncube and in terms of the JSE listing requirements, the Designated Advisers who attend as invitees only.

The terms of reference of the Audit Committee include:

- reviewing financial information
- assessment of the risk of fraudulent reporting
- review of the code of ethics
- compliance procedures
- appointment and evaluation of the external auditors
- determination of audit fees
- reporting to the Board
- setting the principles for recommending the use of the external auditors for non-audit purposes
- satisfying themselves as to the appropriateness of the expertise and experience of the financial director.

The Audit Committee met three times during the financial year, with all members present. The external auditors attended these meetings and had direct access to the chairman of the Audit Committee.

The Audit Committee has satisfied itself of the independence of the external auditors.

The Audit Committee has satisfied itself as to the appropriateness of the expertise and experience of the financial director.

Attendee	Designation	Meeting 18 June 08	Meeting 13 Nov 08	Meeting 26 Mar 09
EA Jay	Non-executive director	✓	✓	✓
V Nosi	Non-executive director	✗	✗	✗

### Remuneration Committee

The Remuneration Committee comprises of an executive director, Louise Hogg, and the three non-executive directors Andrew Smith (Chairman), Edwin Jay and Lindikhaya Sipoyo.

The terms of reference of the Remuneration Committee include:

- appointment/discharge of executive directors
- all matters relating to remuneration of employees
- all matters relating to conditions of service of employees
- staff participation in bonus scheme
- staff participation in share option scheme
- adherence to employment equity

Attendee	Designation	Meeting 18 June 08
EA Jay	Non-executive director	✓
A Smith	Non-exec chairman	✓
L Sipoyo	Non-executive director	✓

### Internal Control

The directors are responsible for the Group's systems of internal financial and operational control and for ensuring that the Group maintains adequate records that disclose, with reasonable accuracy, the financial performance and position of the Group. To enable the directors to meet these responsibilities, the Board sets standards and management implements systems of internal control, comprising policies, standards, procedures, systems and information to assist in:

- safeguarding assets and reducing the risk of loss, error, fraud and other irregularities;
- ensuring the accuracy and completeness of accounting records; and
- the timely preparation of reliable financial statements and information in compliance with relevant legislation and International Financial Reporting Standards.

### Employee Participation

The Group implements the increasing empowerment of its employees through participative structures on employee related matters, training, development and information sharing.

### Employment Equity

The Group is committed to providing equal opportunities for its employees regardless of their ethnic origin or gender. Affirmative action strategies are in place to ensure that employee profiles will be more representative of the demographics of the region in which the Group conducts its business activities. An aggressive intern training programme has been adopted as the most suitable manner to bring the staffing profile to an acceptable level.

### Code of Ethics

The Group endorses a code of ethics which commits the Group to the highest standards of integrity, behaviour and ethics in all

dealings with its stakeholders. An ethical decision-making model has been adopted, which engenders sound business decisions by encouraging staff members to take all relevant aspects into consideration.

Directors and employees who become aware of sensitive financial information cannot directly or indirectly deal in the relevant company's shares until the information is in the public arena.

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# Annual financial statements

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## DIRECTORS' RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS

The directors are responsible for monitoring the preparation and integrity of the financial statements and related information included in this annual report.

In order for the Board to discharge its responsibilities, management has developed and continues to maintain a system of internal control. The Board has ultimate responsibility for the system of internal control and reviews its operation, primarily through the Audit Committee.

The internal controls include a risk-based system of internal accounting and administrative controls designed to provide reasonable but not absolute assurance that assets are safeguarded and that transactions are executed and recorded in accordance with generally accepted business practices and the Group's policies and procedures. These controls are implemented by trained, skilled personnel with an appropriate segregation of duties, are monitored by management and include a comprehensive budgeting and reporting system operating within strict deadlines and an appropriate control framework.

The financial statements are prepared in accordance with International Financial Reporting Standards and the Companies Act and incorporate disclosure in line with the accounting philosophy of the Group. They are based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors believe that the Group will be a going concern in the year ahead. For this reason they continue to adopt the going concern basis in preparing the Group annual financial statements.

The annual financial statements for the year ended 31 March 2009, set out on pages 15 to 33, were approved by the Board of directors.



AB Hogg  
Chief Executive Officer  
23 September 2009



Andrew Smith  
Chairman

## DECLARATION BY COMPANY SECRETARY

In my capacity as Company Secretary, I hereby confirm, in terms of the Companies Act, 1973, that for the year ended 31 March 2009, the Company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of this Act and that all such returns are true, correct and up to date.



DG Wessels  
Company Secretary  
23 September 2009

## REPORT OF THE INDEPENDENT AUDITORS

To the members of MONEYWEB HOLDINGS LIMITED

We have audited the Group annual financial statements and annual financial statements of Moneyweb Holdings Limited, which comprise the consolidated and separate balance sheets as at 31 March 2009, and the consolidated and separate income statements, the consolidated and separate statement of changes in equity and consolidated and separate cash flow statements 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 15 to 33.

### **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 in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

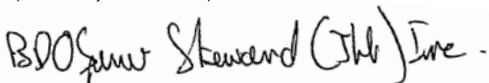
### **Auditor's responsibility**

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. 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 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 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 the 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.

### **Opinion**

In our opinion, these financial statements present fairly, in all material respects, the consolidated and separate financial position of Moneyweb Holdings Limited as at 31 March 2009, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa.



### **BDO Spencer Steward (Johannesburg) Incorporated**

Registered Auditors

per: NA Griffith

Director

Registered Auditor

23 September 2009

JOHANNESBURG

## REPORT OF THE DIRECTORS

The directors present their report together with the audited annual financial statements of the Company and of the Group for the year ended 31 March 2009.

### Nature of Business

Moneyweb Holdings Limited is the holding company of an integrated media company with interests in the electronic and print publishing fields. The Group's focus is on supplying independent high quality and credible information to targeted communities.

### Operating Results

The headline loss for the Group amounted to (R146 000), a decrease from the R1,386 million headline earnings in the previous year. The Group achieved a headline loss of (0.19c) per share, a decrease from the 2,00c earnings per share in the previous year.

### Dividend

A cash dividend of 1.0 cents per share ("the dividend") was declared and was payable to shareholders recorded in the books of Moneyweb at the close of business on Friday, 31 July 2009.

### Share Capital

The authorised share capital remained unchanged during the year.

### Share Repurchase

During the financial year the Group purchased 381 762 shares on the open market at a price of R127 000. The shares are being held as treasury stock by a wholly owned subsidiary of Moneyweb.

### Cancellation of Treasury Shares

No treasury shares were cancelled during the year.

### Share Incentive Scheme

Summary of the details and terms of the Company's share incentive scheme.

Maximum number of shares that may be allocated – 10% of issued share capital	7 697 180
Number of share options allocated at 31 March 2008	585 000
Exercised during the year	–
Lapsed during the year	(585 000)
Number of share options allocated at 31 March 2009	–
Number of share options available for allocation	7 697 180

In terms of the rules the aggregate number of shares was determined as 10% of the issued share capital of the Company being 7 697 180.

### Share Incentive Trust

782 394 issued shares remained in the share trust and have been accounted for as treasury shares.

### Post Balance Sheet Events

The company appointed Mr DG Wessels as Financial Director on 29 June 2009.



## Directorate

The following acted as directors during the year:

AB Hogg	Chief Executive Officer
EA Jay	Non executive director
LM Hogg	Executive director
A Smith	Independent non executive chairman
L Sipoyo	Non executive director
T Ncube	Independent non executive director
D Wessels	Financial director

\* Since year end, Mr A B Hogg has purchased an additional 100 528 shares and Dr A Smith has purchased an additional 30 000 shares in the Company.

On 31 March 2009 the total beneficial shareholdings of the directors was 49,1% of the issued capital.

The Company Secretary is DG Wessels whose business and postal addresses are:

Business Address:	Second floor 20 The Piazza Melrose Arch 2196	Postal Address:	P O Box 8 Melrose Arch 2076
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## Subsidiaries

The following relates to the Company's interest in its subsidiaries:

	Issued Ordinary Capital	Percentage Holding		Cost of Investment		Indebtedness by/(to) Subsidiary	
	2009	2009	2008	2009	2008	2009	2008
		%	%	R'000	R'000	R'000	R'000
<b>Directly held</b>							
Moneyweb Investments (Pty) Ltd	R100	100	100	58 800	58 800	-	-
Prescon Publishing Corporation (Pty) Ltd	R100	100	100	6 443	6 443	100	150
Moneyweb Internet Publishing Limited*	£100	100	100	1 748	1 748	(107)	(107)
<b>Indirectly held</b>							
Moneyweb (Pty) Ltd	R100	100	100			5 075	6 747
Impairment	-	-	-	(39 607)	(39 607)	-	-
				27 384	27 384	5 068	6 790

### \* *unlisted*

All subsidiaries, except Moneyweb Internet Publishing Limited which is incorporated in the United Kingdom, are incorporated in the Republic of South Africa.

The attributable interest of the Company in the aggregate net profits after taxation of its subsidiaries for the year amounted to R1 268 000 (2007: R1 379 000). This amount excludes the net fair value adjustment on the treasury shares held by Moneyweb (Pty) Ltd which is eliminated on consolidation.

## Special Resolutions

On 13 November 2008, the date of the last Annual General Meeting, shareholders granted directors a general authority to repurchase shares in Moneyweb Holdings Limited

No other special resolutions were passed during the year under review.

## BALANCE SHEETS AT 31 MARCH 2009

	Notes	Group		Company	
		2009 R'000	2008 R'000	2009 R'000	2008 R'000
<b>ASSETS</b>					
Non-current assets					
Tangible assets	1	778	1,036	–	–
Intangible assets	2	2,776	2,169	–	–
Investment in subsidiaries	3	–	–	27,384	27,384
Investment in joint ventures	4	863	–	800	–
Other investments	5	7	18	–	–
Deferred tax	6	457	225	–	–
		4,881	3,448	28,184	27,384
Current assets					
Amounts due from subsidiary	3	–	–	5,175	6,897
Trade and other receivables	8	8,098	6,640	–	–
Taxation		–	–	51	58
Cash and cash equivalents	9	8,030	7,372	7	15
		16,128	14,012	5,233	6,970
<b>Total Assets</b>		<b>21,009</b>	<b>17,460</b>	<b>33,417</b>	<b>34,354</b>
<b>EQUITY AND LIABILITIES</b>					
Capital and reserves					
Share capital and premium	10	11,805	11,933	12,147	12,147
Accumulated profit		2,842	2,699	21,144	22,080
Ordinary shareholders' interest		14,647	14,631	33,291	34,228
Current liabilities					
Trade and other payables	11	2,598	2,300	19	19
Amounts due to subsidiary	3	–	–	107	107
Deferred revenue	13	3190	304	–	–
Taxation		574	225	–	–
		6,362	2,829	126	126
<b>Total Equity and Liabilities</b>		<b>21,009</b>	<b>17,460</b>	<b>33,417</b>	<b>34,354</b>

## INCOME STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

	Notes	Group		Company	
		2009 R'000	2008 R'000	2009 R'000	2008 R'000
REVENUE		20,979	24,004	72	117
Advertising		19,897	23,006	–	–
Newsletters		1,082	998	–	–
PROFIT/(LOSS) BEFORE INVESTMENT INCOME, FAIR VALUE ADJUSTMENT, DEPRECIATION, AMORTISATION AND IMPAIRMENTS	14	(199)	2,356	–	–
Depreciation and Amortisation		(856)	(627)	–	–
Investment income		598	111	–	–
Finance cost		(27)	–	–	–
Fair value adjustment of investments		(11)	(6)	–	–
Profit on disposal of intangible assets		1,860	–	–	–
NET PROFIT BEFORE TAXATION		1,365	1,834	–	–
Taxation	15	(741)	(366)	(174)	–
Profit/(loss) from joint ventures		644	(89)	–	–
NET PROFIT/(LOSS) FOR THE YEAR		1,268	1,379	(174)	–
EARNINGS PER SHARE (cents)	17	1.67	1.99		
FULLY DILUTED EARNINGS PER SHARE (cents)	17	1.67	1.98		

## STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2009

Group	Share capital	Share premium	Foreign currency translation reserve	Accumulated profit	Total
	R'000	R'000	R'000	R'000	R'000
<b>Balance at 1 April 2007</b>	<b>67</b>	<b>5,102</b>	<b>–</b>	<b>1,980</b>	<b>7,149</b>
Net profit for the year ended 31 March 2008	–	–	–	1,379	1,379
Ordinary dividend paid	–	–	–	(660)	(660)
New issue	9	6,319	–	–	6,328
Sale of treasury shares	–	662	–	–	662
Treasury shares purchased	–	(227)	–	–	(227)
<b>Balance as at 1 April 2008</b>	<b>76</b>	<b>11,856</b>	<b>–</b>	<b>2,699</b>	<b>14,631</b>
Net profit for the year ended 31 March 2009	–	–	–	1,268	1,268
Foreign currency translation reserve	–	–	(363)	–	(363)
Ordinary dividend paid	–	–	–	(762)	(762)
Treasury shares purchased	–	(127)	–	–	(127)
<b>Balance as at 31 March 2009</b>	<b>76</b>	<b>11,729</b>	<b>(363)</b>	<b>3,205</b>	<b>14,647</b>

Company	Share capital	Share premium	Foreign currency translation reserve	Accumulated profit	Total
	R'000	R'000	R'000	R'000	R'000
<b>Balance as 1 April 2007</b>	<b>76</b>	<b>8,070</b>	<b>–</b>	<b>22,959</b>	<b>31,104</b>
Shares cancelled	(8)	(2,319)	–	(219)	(2,547)
New issue	9	6,319	–	–	6,328
Ordinary dividend paid	–	–	–	(660)	(660)
<b>Balance as at 1 April 2008</b>	<b>77</b>	<b>12,070</b>	<b>–</b>	<b>22,080</b>	<b>34,228</b>
Net loss for the year ended 31 March 2009	–	–	–	(174)	(174)
Ordinary dividend paid	–	–	–	(762)	(762)
<b>Balance as at 31 March 2009</b>	<b>77</b>	<b>12,070</b>	<b>–</b>	<b>21,144</b>	<b>33,291</b>

## CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

	Notes	Group		Company	
		2009 R'000	2008 R'000	2009 R'000	2008 R'000
Cash flows from operating activities					
Cash generated by operations	20.1	2,969	2,229	–	–
Movements in working capital	20.2	(1,161)	(1,358)	–	6
Cash generated by operating activities		1,808	871	–	6
Investment income		587	104	–	–
Finance cost		(27)	–	–	–
Taxation paid	20.3	(633)	(332)	(167)	(48)
Dividend paid		(762)	(660)	(762)	(660)
Net cash flows from operating activities		975	(17)	(929)	(702)
Cash flows from investing activities					
Acquisition of intangible assets	2	(1,013)	(1,704)	–	–
Acquisition of tangible assets	1	(217)	(632)	–	–
Investment in joint ventures		(824)	–	(800)	–
Loans (advanced) to subsidiaries		–	–	(1,721)	(3,140)
Proceeds on disposal of intangible assets		1,860	–	–	–
Proceeds on disposal of tangible assets		4	20	–	–
Net cash (outflows) from investing activities		(190)	(2,316)	(921)	(3,140)
Cash flows from financing activities					
Shares issued		–	6,319	–	6,319
Sale of treasury shares		–	693	–	–
Acquisition of treasury shares		(127)	(227)	–	(2,535)
Net cash outflows/(inflows) from financing activities		(127)	6,785	–	3,784
Net movement in cash and cash equivalents for the year		658	4,452	(8)	(57)
Cash and cash equivalents at beginning of the year		7,372	2,920	15	72
Cash and cash equivalents at end of year		8,030	7,372	7	15

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

### STATEMENT OF COMPLIANCE

The financial statements and Group financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), the interpretations adopted by the International Accounting Standards Board (IASB), the requirements of the South African Companies Act and the Listing Requirements of the JSE Limited.

### BASIS OF PREPARATION

The financial statements and group financial statements have been prepared on the historical cost basis with the exception of certain financial instruments that are stated at fair value. The policies are consistent with the previous year.

### JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities and income and expenses.

Estimates are based on historical experience and various other factors that management believe are reasonable under the circumstances. Actual results may differ from these estimates. Revisions to estimates are recognised in the year in which the revision is made. The main areas where such judgements and estimates have been made are:

- Whether expenditure on intangible assets meets the criteria for recognition as an asset and the estimated useful life of the intangible asset;
- The useful lives and residual values of tangible assets;
- The amount of taxation and deferred taxation;
- The impairment of financial and non-financial assets.

#### • Basis of consolidation

#### Investment in subsidiaries

Subsidiaries are those entities over whose financial and operating policies the Group has the power to exercise control, so as to obtain benefits from their activities.

The Group financial statements incorporate the assets, liabilities and results of the operations of the Company and its subsidiaries. The results of subsidiaries acquired and disposed of during a financial year are included from the dates effective control was acquired to the dates effective control ceased.

#### Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

#### Equity accounting

Investments in joint ventures are accounted for by the equity method of accounting and are initially recognised at cost. The Group's share of its joint ventures post-acquisition profits or losses is recognised in the income statement; its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, including any other unse-

cured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture. Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses in associates are recognised in the income statement.

#### Company's separate financial statements

In the company's financial statements, investments in subsidiaries are carried at cost less impairment, if any.

#### • Tangible assets

Tangible assets are stated at historical cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided for on a straight line basis estimated to write each asset down to estimated residual value over the term of its useful life. The estimated residual values and useful lives as well as depreciation method are reassessed by the directors at each reporting date.

The principal annual rates used for this purpose are as follows:

Furniture	5 years
Computer hardware and software	3 years
Other assets	5 years
Office equipment	5 years
Studio equipment	7 years

Subsequent expenditure relating to a tangible asset is capitalised when it is probable that future economic benefits from the use of the asset will flow to the Group and costs can be reliably measured. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Surpluses or deficits on the disposal of tangible assets are credited or charged to income as appropriate. The surplus or deficit is the difference between the net disposal proceeds and the carrying amount of the asset.

#### • Website development costs

Development costs include the direct costs of personnel, materials and services consumed in the setting up of the infrastructure for products and services to be offered by the Group. Development costs are recognised as an asset only when it is probable that the costs will give rise to future economic benefits and that the cost of the asset can be measured reliably. Development costs are amortised on the straight line basis over the estimated useful life of the website which is estimated at 7 years. The unamortised balance is reviewed on a regular basis and, if an impairment in value has occurred, it is written off in the period in which the circumstances have been determined.

Subsequent expenditure on website development costs after its completion is recognised as an expense when it is incurred unless it is probable that this expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard

of performance, and this expenditure can be measured and attributed to the asset reliably.

#### • Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated. The recoverable amount is the higher of its fair value less cost to sell and its value in use.

In assessing value in use, the expected future cash flows from the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

A previously recognised impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior years. Any impairment losses are recognised in profit or loss in the period in which it arises.

#### • Accounting for foreign currencies

##### Foreign currency transactions

Foreign currency transactions are recorded in the functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange rate differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the periods, are recognised in the income statement in the period in which they arise.

##### Foreign operations

The results and financial position of foreign operations that have a functional currency different to the group's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate on the balance sheet date;
- Income and expenses are translated at average exchange rates for the year to the extent that such average rates approximate actual rates;
- Differences arising on current inter group monetary assets and liabilities and financial assets measured at fair value through profit or loss, are recognised in profit or loss;
- Other resulting exchange differences, if any, are recognised directly in equity.

#### • Financial instruments

Financial instruments on the balance sheet include cash and cash equivalents, other investments, trade and other receivables, and trade and other payables. Financial instruments are initially recognised when the group becomes party to the contractual arrangement of the instrument.

Financial assets (or portions thereof) are derecognised when the Group realises the rights to the benefits specified in the contract, the rights expire or the Group surrenders or otherwise loses control of the contractual rights that comprise the financial asset. On derecog-

niton, the difference between the carrying amount of the financial asset and proceeds receivable, as well as any prior adjustments to reflect fair value that had been recognised in equity, is included in the income statement.

Financial liabilities (or portions thereof) are derecognised when the obligation specified in the contract is discharged or cancelled or has expired. On derecognition, the difference between the carrying amount of the financial liability, including related unamortised costs, and the amount paid for it is included in the income statement.

#### Measurement

Financial instruments are initially measured at fair value, which includes transaction costs except for those items measured at fair value through profit and loss. Subsequent to initial recognition these instruments are measured as set out below:

##### Amounts due from subsidiaries

Amounts due from subsidiaries are classified as loans and receivables and are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest method.

##### Other investments

Other investments comprise listed investments and are classified as carried at fair value through profit and loss. Fair value is calculated by reference to stock exchange quoted bid prices at close of business on balance sheet date.

##### Trade and other receivables

Receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable may be impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within operating expenses. When a receivable is uncollectable, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the income statement. Trade and other receivables are classified as loans and receivables.

##### Cash and cash equivalents

Cash and cash equivalents have been classified as loans and receivables and are measured at amortised cost.

##### Trade and other payables

Trade and other payables are recognised at amortised cost.

##### Gains and losses on subsequent measurement

Gains and losses arising from a change in the fair value of financial instruments through profit and loss are included in net profit or loss in the period in which the change arises.

**Offset**

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when the Group 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.

The carrying value of all financial instruments approximates their fair value.

**• Treasury shares**

Shares in the Company held by Group entities are classified as treasury shares. These shares are treated as a deduction from the number of shares in issue and the cost of shares is deducted from equity in the Statement of Changes in Equity. Dividends received on treasury shares are eliminated on consolidation.

**• Taxation**

Current tax comprises tax payable calculated on the basis of the expected taxable income for the year, using the tax rates substantively enacted at the balance sheet date, and any adjustment of tax payable for previous years.

Deferred tax is provided using the balance sheet liability method, on all temporary differences, other than those arising from the initial recognition of a transaction that is not a business combination and at the time of the transaction affects neither accounting profit nor taxable income.

Temporary differences are differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax is charged to the income statement except to the extent that it relates to a transaction that is recognised directly in equity, or a business combination that is an acquisition. The effect on deferred tax of any changes in tax rates is recognised in the income statement, except to the extent that it relates to items previously charged or credited directly to equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**• Provisions**

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event and 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 amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

**• Deferred revenue**

Subscriptions and advertising revenues received in advance are recognised for revenue purposes once the service has been provided.

**• Revenue recognition**

Revenue is recognised at fair value and comprises the invoiced

sales from trading operations and excludes value added tax. Revenue earned from advertisements is recognised on a monthly basis as they are placed. Revenue from newsletters and broadcasting is recognised as the service is provided. Commission on e-commerce is recognised when the transaction is completed.

**• Cost of sales**

Cost of sales consists of agency commissions, sales commissions, content costs of services provided, production costs for advertising and broadcasting as well as the cost of mailing lists. The cost of sales of printed publications includes commissions, editorial, printing and distribution costs.

**• Investment income**

Interest is recognised on a time proportion basis, taking account of the principal outstanding and the effective interest rate over the period to maturity, when it is probable that such income will accrue to the Group. Dividends are recognised when the right to receive payment is established.

**• Leases**

Leases that transfer substantially all risks and rewards of ownership are classified as finance leases. The Group is not party to any finance leases. Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases.

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

**• Employee benefits****Short term employee benefits**

The cost of all short term employee benefits is recognised during the period in which the employee renders the related service.

The provisions for employee entitlements to salaries and annual leave represent the amount which the Group has a present obligation to pay as a result of employees' services provided to the balance sheet date. The provisions have been calculated at undiscounted amounts based on current salary rates.

**Equity compensation benefits**

The Group grants share options to certain employees under an employee share plan. Other than costs incurred in administering the scheme which is expensed as incurred, the scheme does not result in any expense to the Group. All options were granted before 7 November 2002 and the Group has elected not to apply IFRS 2: Share-based Payments.

**• Cash and cash equivalents**

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand and deposits held on call with banks, all of which are available for use by the Group unless otherwise stated.

**• Segment reporting**

Under IAS 14 Segment reporting has not been applied as the Group is a single segment business.

**NEW ACCOUNTING POLICIES AND INTERPRETATIONS**

Management considered all new accounting standards, interpretations and amendments to IFRS that were issued prior to 31 March 2009, but not yet effective on that date. The standards that are applicable to the group, but that were not implemented early, are the following:



Standards and interpretations		Details of amendment	Effective for annual periods beginning on or after
IFRS 1	First-time Adoption of International Financial Reporting Standards	Measurement of the cost of investments in subsidiaries, jointly controlled entities and associates when adopting IFRS for the first time.	1 July 2009
IFRS 2	Share Based Payments	Amendments to vesting conditions and cancellations	1 January 2009
IFRS 3	Business Combinations	Amendments to accounting for business combinations	1 July 2009
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	Plan to sell the controlling interest in a subsidiary	1 July 2009
IFRS 7	Financial Instruments: Disclosures	Presentation of finance costs	1 January 2009
IFRS 8	Operating Segments	New standard on segment reporting	1 January 2009
IAS 1	Presentation of Financial Statements	Amendments to structure of Financial Statements Current/non-current classification of derivatives	1 January 2009 1 July 2009
IAS 7	Statement of Cash Flows	Cash flows from assets held for rental classified as operating activities	1 January 2009
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Status of implementation guidance	1 January 2009
IAS 10	Events after the Reporting Period	Dividends declared after the end of the reporting period	1 January 2009
IAS 16	Property, Plant and Equipment	Recoverable amount definitions Accounting for sale of assets held for rental	1 January 2009
IAS 17	Leases	Classification of leases of land and buildings	1 January 2010
IAS 18	Revenue	Costs of originating a loan	1 January 2009
IAS 19	Employee Benefits	Curtailments and negative past service cost Plan administration costs Replacement of term 'fall due' Guidance on contingent liabilities	1 January 2009
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	Government loans with a below-market rate of interest Consistency of terminology with other IFRSs	1 January 2009
IAS 23	Borrowing Costs	Amendment requiring capitalisation only model Components of borrowing costs	1 January 2009
IAS 27	Consolidated and Separate Financial Statements	Amendment dealing with measurement of the cost of investments when adopting IFRS for the first time. Consequential amendments from changes to Business Combinations	1 January 2009 1 July 2009
IAS 28	Investments in Associates	Measurement of subsidiary held for sale in separate financial statements Required disclosures when investments in associates are accounted for at fair value through profit or loss Impairment of investment in associate Consequential amendments from changes to Business Combinations	1 July 2009 1 January 2009 1 July 2009
IAS 29	Financial Reporting in Hyperinflationary Economies	Description of measurement basis in financial statements Consistency of terminology with other IFRSs	1 January 2009
IAS 31	Interests in Joint Ventures	Required disclosures when interests in jointly controlled entities are accounted for at fair value through profit or loss Consequential amendments from changes to Business Combinations	1 January 2009 1 July 2009
IAS 32	Financial Instruments: Presentation	Certain financial instruments will be classified as equity whereas, prior to these amendments, they would have been classified as financial liabilities	1 January 2009
IAS 34	Interim Financial Reporting	Earnings per share disclosures in interim financial reports	1 January 2009
IAS 36	Impairment of Assets	Disclosure of estimates used to determine recoverable amount	1 January 2009
IAS 38	Intangible Assets	Advertising and promotional activities Unit of production method of amortization Additional consequential amendments arising from revised IFRS 3 Measuring the fair value of an intangible asset acquired in a business combination	1 July 2009
IAS 39	Financial Instruments: Recognition and Measurement	Reclassification of derivatives into or out of the classification of at fair value through profit or loss Designating and documenting hedges at the segment level Applicable effective interest rate on cessation of fair value hedge accounting Clarifies two hedge accounting issues: - Inflation in a financial hedged item - A one-sided risk in a hedged item	1 January 2009 1 July 2009
IAS 40	Investment Property	Property under construction or development for future use as investment property Consistency of terminology with IAS 8 Investment property held under lease	1 January 2009
IFRIC 12	Service Concession Arrangements	Interpretation	1 January 2008
IFRIC 13	Customer Loyalty Programmes	Interpretation	1 July 2008
IFRIC 14	IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	Interpretation	1 January 2008
IFRIC 15	Agreements for the Construction of Real Estate	Interpretation	1 January 2009
IFRIC 16	Hedges of a Net Investment in a Foreign Operation	Interpretation	1 October 2008
IFRIC 17	Distribution of Non-cash Assets to Owners	Interpretation	1 July 2009
IFRIC 18	Transfers of Assets from Customers	Interpretation	1 July 2009

NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009

1. Tangible Assets

	Cost R'000	Group 2009 Accumulated Depreciation R'000	Carrying Amount R'000
Furniture	221	(214)	7
Computer hardware	2,496	(2,196)	300
Computer software	811	(681)	130
Other assets	73	(67)	6
Office equipment	303	(235)	68
Studio equipment	1,258	(991)	267
Total	5,162	(4,384)	778

	Cost R'000	Group 2008 Accumulated Depreciation R'000	Carrying Amount R'000
Furniture	221	(207)	14
Computer hardware	2,391	(2,037)	354
Computer software	796	(648)	148
Other assets	73	(61)	12
Office equipment	303	(196)	107
Studio equipment	1,162	(761)	401
Vehicles	–	–	–
Total	4,946	(3,910)	1,036

Movement Summary 2009

	Carrying Amount 2008 R'000	Additions R'000	Group Depreciation R'000	Impairment and disposals R'000	Carrying Amount 2009 R'000
Furniture	14	–	(7)	–	7
Computer hardware	354	104	(159)	(9)	300
Computer software	148	15	(33)	–	130
Other assets	12	–	(6)	–	6
Office equipment	107	–	(39)	–	68
Studio equipment	401	98	(232)	–	267
Total	1,036	217	(476)	(9)	778

Movement Summary 2008

	Carrying Amount 2007 R'000	Additions R'000	Group Depreciation R'000	Impairment and disposals R'000	Carrying Amount 2008 R'000
Furniture	16	10	(12)	–	14
Computer hardware	124	350	(120)	–	354
Computer software	42	164	(58)	–	148
Other assets	18	–	(6)	–	12
Office equipment	24	108	(25)	–	107
Studio equipment	601	–	(200)	–	401
Vehicles	21	–	(8)	(13)	–
Total	846	632	(429)	(13)	1,036

## 2. Intangible assets

	Group 2009		
	Cost R'000	Accumulated amortisation R'000	Carrying amount R'000
Website	3,394	(618)	2,776

	Group 2008		
	Cost R'000	Accumulated amortisation R'000	Carrying amount R'000
Website	2,381	(212)	2,169

Movement Summary 2009	Carrying Amount 2008	Additions	Group Amortisation charged to Income statement	Amortisation charged to Joint Ventures	Carrying Amount 2009
	Website	2,169	1,013	(376)	(30)

Movement Summary 2008	Carrying Amount 2007	Additions	Group Amortisation charged to Income statement	Amortisation charged to Joint Ventures	Carrying Amount 2008
	Website	677	1,704	(198)	(14)

## 3. Investment in subsidiaries

	Company	
	2009 R'000	2008 R'000
Shares at cost less impairments	27,384	27,384
Amounts due from subsidiary	5,175	6,897
Amounts due to subsidiary	(107)	(107)
Net amounts due from subsidiaries	5,068	6,790

Loans to and from subsidiaries are unsecured, interest free and being fluctuating current accounts have no fixed terms for repayment.

## 4. Investment in joint ventures

The Group has a 50% holding in Tuscaloosa 45 (Pty) Ltd which is the publishers of the annual publication "SA at a Glance" as well as a 50% holding in Mine-web Canada (Pty) Ltd which is an online content provider of mining related articles. The Group also has a 33% holding in Make a Million (Pty) Ltd which is a share trading competition. The following amounts represents the Group's combined share of the assets and liabilities, sales and results of the joint venture. They are included in the balance sheet and income statement:

	Group		Company	
	2009 R'000	2008 R'000	2009 R'000	2008 R'000
Investment at cost	800	-	800	-
Post-acquisition profit	63	-	-	-
	863	-	800	-
Assets				
Non-current assets	71	37	-	-
Current Assets	1,257	277	-	-
	1,328	314	-	-
Liabilities				
Non-current liabilities	-	200	-	-
Current liabilities	664	310	-	-
	664	510	-	-
Income	1,638	481	-	-
Expenses	(995)	(570)	-	-
Profit after income tax	644	(89)	-	-

## 5. Other Investments

### 5.1 Listed Investment

Old Mutual plc (1 000 shares)

	Group	
	2009 R'000	2008 R'000
	7	18

**6. Deferred taxation**

Deferred tax asset comprises:

Accelerated capital allowances  
Income received in advance  
Tax losses  
Provisions and doubtful debts  
Operating lease creditor  
Other

<b>Group</b>	
<b>2009</b>	<b>2008</b>
<b>R'000</b>	<b>R'000</b>
(353)	129
819	(15)
–	3
71	48
–	7
(80)	53
<u>457</u>	<u>225</u>

**Deferred taxation movement**

At 1 April  
Exchange differences  
Income statement charge  
At 31 March

<b>2009</b>		<b>2008</b>	
<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
225	251	–	–
–	–	232	(26)
<u>457</u>	<u>225</u>	–	–

	Accelerated capital allowances	Income received in advance	Tax losses	Provisions and doubtful debts	Operating lease creditor	Other	Total
At 1 April 2007	98	–	262	30	49	(188)	251
Exchange differences	–	–	–	–	–	–	–
Income statement charge	31	(15)	(259)	18	(42)	241	(26)
At 31 March 2008	129	(15)	3	48	7	53	225
Exchange differences	–	–	–	–	–	–	–
Income statement charge	(482)	834	(3)	23	(7)	(133)	232
At 31 March 2009	<u>(353)</u>	<u>819</u>	<u>–</u>	<u>71</u>	<u>–</u>	<u>(80)</u>	<u>457</u>

**7. Financial assets by category**

The accounting policies for financial instruments have been applied to the line items below:

<b>2009</b>	Loans and receivables	Fair value through profit or loss-held for trading	Fair value through profit or loss -designated	Held to maturity	Available for sale	Total
Other investments	–	–	7	–	–	7
Trade and other receivables	8,098	–	–	–	–	8,098
Cash and cash equivalents	8,030	–	–	–	–	8,030
	<u>16,128</u>	<u>–</u>	<u>7</u>	<u>–</u>	<u>–</u>	<u>16,135</u>
<b>2008</b>	Loans and receivables	Fair value through profit or loss-held for trading	Fair value through profit or loss -designated	Held to maturity	Available for sale	Total
Other investments	–	–	18	–	–	18
Trade and other receivables	6,640	–	–	–	–	6,640
Cash and cash equivalents	7,372	–	–	–	–	7,372
	<u>14,012</u>	<u>–</u>	<u>18</u>	<u>–</u>	<u>–</u>	<u>14,030</u>

**8. Trade and other receivables**

Trade receivables  
Prepayments  
Sundry debtors  
Other receivables

<b>Group</b>	
<b>2009</b>	<b>2008</b>
<b>R'000</b>	<b>R'000</b>
5,725	6,000
748	289
14	65
1,611	286
<u>8,098</u>	<u>6,640</u>

**Credit quality of trade and other receivables**

The credit quality of trade and other receivables that are neither past due nor impaired are assessed by reference to external credit ratings or to historical information about counterparty default rates.

**Trade and other receivables past due but not impaired**

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 March 2009, R284 291 (2008: R 230 312) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

	Group 2009 R'000	2008 R'000
1 month past due	149	108
2 months past due	72	70
3 months past due	63	52

#### Trade and other receivables impaired

As of 31 March 2009, trade and other receivables of Rnil (2008: (R180 000)) were written-off in the income statement. The amount of the provision was R252 482 (2008: R252 482)

The carrying amount of trade and other receivables are denominated in the following currencies:

	Group 2009 R'000	2008 R'000
Rand	8,098	6,640

#### Reconciliation of provision for impairment of trade and other receivables

	Group 2009 R'000	2008 R'000
Opening balance	252	72
Movement in provision	–	180
	<u>252</u>	<u>252</u>

#### 9. Cash and cash equivalents

	Group		Company	
	2009 R'000	2008 R'000	2009 R'000	2008 R'000
Cash on hand and balances with banks	1,117	2,172	7	15
Short term money-market instruments	6,913	5,200	–	–
	<u>8,030</u>	<u>7,372</u>	<u>7</u>	<u>15</u>

#### 10. Share capital and premium

	Group		Company	
	2009 R'000	2008 R'000	2009 R'000	2008 R'000
Authorised 500 000 000 ordinary shares of R0,001 each	500	500	500	500
Share capital				
Balance brought forward	77	76	77	76
Shares cancelled	–	(8)	–	(8)
Shares issued	–	9	–	9
76 971 800 (2008: 76 971 800) ordinary shares of R0,001 each	77	77	77	77
283 985 (2008: Nil) treasury shares held by subsidiary	–	–	–	–
782 394 (2008: 782 394) treasury shares held by share incentive trust	(1)	(1)	–	–
	<u>76</u>	<u>76</u>	<u>77</u>	<u>77</u>
Share premium				
Balance brought forward	12,070	8,070	12,070	8,070
Shares cancelled	–	(2,319)	–	(2,319)
Shares issued	–	6,319	–	6,319
Balance carried forward	12,070	12,070	12,070	12,070
283 985 (2008: Nil) treasury shares held by subsidiary	(127)	–	–	–
782 394 (2008: 782 394) treasury shares held by share incentive trust	(213)	(213)	–	–
	<u>11,729</u>	<u>11,857</u>	<u>12,070</u>	<u>12,070</u>
Balance at end of year	11,729	11,857	12,070	12,070
Total share capital and premium	<u>11,805</u>	<u>11,933</u>	<u>12,147</u>	<u>12,147</u>

#### 11. Trade and other payables

	Group		Company	
	2009 R'000	2008 R'000	2009 R'000	2008 R'000
Trade payables	1,621	948	19	19
Accruals	264	740	–	–
Sundry creditors	60	4	–	–
Other	438	438	–	–
Accrued leave pay	215	170	–	–
	<u>2,598</u>	<u>2,300</u>	<u>19</u>	<u>19</u>

**12. Financial liabilities by category**

The accounting policies for financial instruments have been applied to the line items below:

2009	Financial liabilities at amortised cost	Fair value through profit or loss-held for trading	Fair value through profit or loss -designated	Total
Trade and other payables	2,598	–	–	2,598
	<u>2,598</u>	<u>–</u>	<u>–</u>	<u>2,598</u>

2008	Financial liabilities at amortised cost	Fair value through profit or loss-held for trading	Fair value through profit or loss -designated	Total
Trade and other payables	2,300	–	–	2,300
	<u>2,300</u>	<u>–</u>	<u>–</u>	<u>2,300</u>

**13. Deferred revenue**

	Group	
	2009 R'000	2008 R'000
Annual subscriptions to newsletters	89	91
Advertising contracts	3,101	213
	<u>3,190</u>	<u>304</u>

**14. Net profit before taxation**

	Group		Company	
	2009 R'000	2008 R'000	2009 R'000	2008 R'000
<b>Net profit before taxation is stated after charging:</b>				
Cost of Sales	10,031	12,841		
Auditors' remuneration	253	178		
- for services as Auditors	253	178	–	–
Depreciation	476	429	–	–
Furniture	7	12	–	–
Computer hardware	159	120	–	–
Computer software	33	58	–	–
Other assets	6	6	–	–
Office equipment	39	25	–	–
Motor vehicles	–	8	–	–
Studio equipment	232	200	–	–
Amortisation	376	198	–	–
Net foreign exchange losses on trade and other receivables	479	28	–	–
Operating lease charges - Property	554	308	–	–
Staff costs (including freelance journalists)	7,707	6,365	–	–
Profit on disposal of tangible asset	–	(7)	–	–
Interest received	598	111	–	–
Impairment of trade and other receivables	–	180	–	–

**15. Income tax expense**

	Group		Company	
	2009 R'000	2008 R'000	2009 R'000	2008 R'000
South African normal tax	983	340	–	–
- current	974	288	–	–
- prior year	9	52	–	–
Deferred	(242)	26	–	–
- current	(242)	26	–	–
Secondary Tax on Companies	–	–	174	–
- current	–	–	77	–
- prior year	–	–	97	–
Total normal tax	<u>741</u>	<u>366</u>	<u>174</u>	<u>–</u>

**16. Reconciliation of tax rate**

Standard tax rate	%	%	%	%
Adjusted for:	28	29	28	29
Disallowed expenses	9.7	0.4	–	–
Secondary Tax on Companies	5.6	5.3	–	–
Foreign tax differences	(5.1)	(6.7)	–	–
Unutilised losses	0.5	(3.8)	–	–
Prior year underprovision	11.2	3.1	–	–
Other	4.4	(6.3)	–	–
Effective tax rate	54.3	21.0	28	29

Should all available reserves be declared as a dividend, the company will incur Secondary Tax on Companies (STC) of approximately R290,000 (2008: R340,000)

**17. Earnings per share and headline earnings per share**

The calculation of earnings per share is based on net profit of R1,268,000 (2008 net profit: R1,379,000) and a weighted average number of issued shares of 76 036 716 (2008: 69 453 171).

The calculation of fully diluted earnings per share is based on net profit of R1,268,000 (2008 profit: R1,379,000) and a fully diluted weighted average number of shares of 76 036 716 (2008: 69 518 449).

The calculation of headline earnings per share is based on the net loss before profit on disposal of intangible assets of R146,000 (2008 profit: R1,392,000) and the weighted average number of issued shares of 76 036 716 (2008: 69 453 171).

The calculation of fully diluted headline earnings per share is based on net loss profit on disposal of intangible assets of R146,000 (2008 profit: R1,392,000) and the fully diluted weighted average number of share of 76 036 716 (2008: 69 518 449).

	<b>Group</b>	
	<b>2009</b>	<b>2008</b>
	<b>R'000</b>	<b>R'000</b>
Reconciliation of headline earnings:		
Net profit for the year	1,268	1,379
Profit on disposal of intangible assets	(1,414)	–
Profit on disposal of tangible assets	–	(7)
<b>HEADLINE EARNINGS/(LOSS) FOR THE YEAR</b>	<b>(146)</b>	<b>1,386</b>
Earnings per share (cents)	1.67	1.99
Fully diluted earnings per share (cents)	1.67	1.98
Headline earnings/(loss) per share (cents)	(0.19)	2.00
Fully diluted headline earnings/(loss) per share (cents)	(0.19)	2.00

**18. Risk management**

The Group is not party to any financial derivative contracts nor to any hedging arrangements. The risks to which it is exposed in the conduct of its operations, and the management thereof, are:

**Currency risk management**

The Group has limited currency risk as a result of purchases, sales and bank balances in foreign currencies. The currencies in which the Group primarily deals are Pounds Sterling, US Dollars and Australian Dollars.

The Group's exposure to changes in the rate of exchange is not significant.

**Interest rate management**

The Group does not have any interest bearing borrowings or long-term debt financing arrangements. Given the large net cash holdings of the Group, it is exposed to the effects of fluctuating deposit interest rates. Whilst it is policy to remain as liquid as possible to take advantage of acquisition opportunities, certain funds have been invested in term deposits / investments to minimise the effects of fluctuating interest rates and to achieve a satisfactory return for shareholders.

The Group's exposure to interest rate changes on average working balances throughout the year is not significant.

**Credit risk management**

The Group has no significant concentration of credit risk. Financial assets, which potentially subject the Group to concentrations of credit risk, consist principally of cash, deposits and trade receivables. The Group's cash equivalents and short-term deposits are placed with high quality financial institutions. Trade receivables are presented net of the provision for doubtful receivables. Credit risk with respect to trade receivables is reduced due to the large number of customers comprising the Group's customer base and their dispersion across different industries and geographical areas. Accordingly the Group has no significant concentration of credit risk.

**Liquidity risk management**

The Group has minimal exposure to liquidity risk as it has no borrowings and maintains sufficient cash balances to meet all obligations as they fall due. All trade and other payables are payable within 12 months.

## 19. Related party transactions

Related party transactions exist within the Group. All purchasing and selling transactions with related parties are concluded at arm's length. Details of subsidiaries are given in the directors' report.

### Key management

All members of key management are executive directors of the company.

The following persons held the position of directors of Moneyweb Holdings Limited during the past financial year, unless otherwise stated:

AB Hogg (CEO), EA Jay\*, LM Hogg, T Ncube\*, A Smith\* (Chairman), L Sipoyo\*. (\* Non-executive director)

Directors' emoluments are disclosed in note 21.

### Directors' shareholdings

The aggregate number of shares held by directors of the Company and their director-related entities are disclosed in the Shareholder Information section on page 4.

### Amounts due to and receivable from related parties in the Group

These amounts are set out in the respective notes to the financial statements.

### Ownership interests

The ownership interests in subsidiaries are set out in the directors' report.

### Transactions with group entities

#### Management fees received by Holding Company

	2009	2008
Moneyweb (Pty) Ltd	36	39
Prescon Publishing Corporation (Pty) Ltd	36	39
Moneyweb Internet Publishing Limited	–	39
	<u>72</u>	<u>117</u>

## 20. Cash Flow Statements

The following convention applies to figures other than adjustments: Outflows of cash are represented by figures in brackets.

Inflows of cash are represented without brackets.

	Group	
	2009	2008
	R'000	R'000
<b>20.1 Cash generated by operations</b>		
Operating profit before depreciation and amortisation	(199)	2,356
Adjustments:		
Profit/loss from joint ventures	644	(89)
Profit on disposal of tangible assets	–	(7)
Movement in deferred revenue	2,887	(31)
Foreign currency translation reserve	(363)	–
	<u>2,969</u>	<u>2,229</u>

### 20.2 Movements in working capital

	Group		Company	
	2009	2008	2009	2008
	R'000	R'000	R'000	R'000
(Increase) in trade and other receivables	(1,458)	(1,137)		
Increase / (Decrease) in trade and other payables	297	(221)	–	6
	<u>(1,161)</u>	<u>(1,358)</u>	<u>–</u>	<u>6</u>

### 20.3 Taxation paid

	Group		Company	
	2009	2008	2009	2008
	R'000	R'000	R'000	R'000
Amounts owing at the beginning of the year	225	(216)	58	10
Amounts charged per Income Statement	(982)	(340)	(174)	–
Amounts owing at the end of the year	124	225	(51)	(58)
Amounts paid	<u>(633)</u>	<u>(332)</u>	<u>(167)</u>	<u>(48)</u>



## 21. Operating Lease

The company and its subsidiaries have an operating lease agreement for offices. The lease contains a renewal option and an escalation clause. Lease terms do not contain restrictions on the Company's activities concerning dividends, additional debt or further leasing. The lease agreement expires on 31 January 2010. The following rentals are committed to for the future.

	2009 R'000	2008 R'000
Within one year		
- Premises	764	452
One to three years		
- Premises	2,966	401

## 22. Directors' emoluments

	Paid to March 2009 (R'000) by the company					Total
	For Services As director	Other services	Salary	Bonus and Performance related payments	Medical Aid Contributions	
AB Hogg	-	-	764	23	18	805
LM Hogg	-	-	496	11	-	507
EA Jay	8	-	-	-	-	8
L Sipoyo	8	-	-	-	-	8
T Ncube	3	-	-	-	-	3
A Smith	8	161	-	-	-	169
	27	161	1,260	34	18	1,500

	Paid to March 2008 (R'000) by the company					Total
	For Services As director	Other services	Salary	Bonus and Performance related payments	Medical Aid Contributions	
AB Hogg	-	-	495	27	34	556
LM Hogg	-	-	445	19	-	464
EA Jay	8	-	-	-	-	8
V Nosi	8	-	-	-	-	8
A Smith	8	-	-	-	-	8
	24	-	940	46	34	1,044

No other directors received any benefit during the period under review.

## 23. Employee benefits

### Share incentive scheme

Moneyweb offers share options to certain of the employees of the Company or its subsidiary companies.

Participants are entitled to exercise their options as follows:

After two years - up to 25% of the shares; After three years - up to 50% of the shares; After four years - up to 75% of the shares; After 5 years - up to 100% of the shares

If an option is not exercised within 7 years from the date such option was granted, it will lapse. In the event that the participant ceases to be an employee otherwise than as a result of death, retirement or other reasons approved by the trustees, any option not yet exercised will lapse.

Details of outstanding share options at 31 March 2009:

Expiry date	Option price	Outstanding 2008	Number of shares		Lapsed	Outstanding 2009
			Granted	Exercised		
1 April 2007	R0,64	-	-	-	-	-
9 November 2007	R0,46	-	-	-	-	-
8 May 2008	R0,26	235 000	-	-	235 000	-
		235 000	-	-	235 000	-

There was no change in outstanding options in the prior year.

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**24. Capital Management**

The Company manages its shareholders' equity as capital. The Group's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns to shareholders in the form of dividends and capital appreciation.

In order to maintain or adjust the capital structure the Group may adjust the amount of dividends paid to shareholders. A general authority needs to be obtained from shareholders on an annual basis to place the authorised but unissued ordinary shares under control of the directors as well as giving the directors the authority to issue shares for cash, as and when suitable opportunities arise.

For the year under review, dividends amounting to R761 894 (2008: R660 496) were paid and shares to the value of Rnil (2008: R6 327 860 ) were issued. The Group also sold treasury shares to the value of Rnil (2008:R700 000) and also repurchased its own shares to the value of R127 246 (2008: R227 067 ).

Refer to the statement of changes in equity for further details regarding the Group's capital.

**25. Reclassification**

An amount of R88 513 recognised as revenue in 2008 has been reclassified from revenue to income from joint ventures. This has been necessary because of new information coming to light regarding the structure of the relationship with other parties.

# Notice of the Annual General Meeting

## MONEYWEB HOLDINGS LIMITED

Registration number 1998/025067/06

(Incorporated in the Republic of South Africa)

JSE code: MNY ISIN:ZAE000025409

("Moneyweb" or "the Company")

Notice is hereby given that the Annual General Meeting of shareholders of Moneyweb will be held in the boardroom of the Company, Second Floor, 20 The Piazza, Melrose Arch, 2196, on 28 October 2009 at 10:00 to consider and, if deemed fit, to pass with or without modifications, the following resolutions:

### Ordinary Resolutions

1. "To receive, consider and adopt the Annual Financial Statements of the Company and the Group for the financial year ended 31 March 2009, together with the reports of the Auditors and Directors."

2. "To confirm the re-appointment of Mr EA Jay who retires in accordance with the Articles of Association, and being eligible, offers himself for re-election as a director."

3. "To confirm the re-appointment of Dr A Smith who retires in accordance with the Articles of Association, and being eligible, offers himself as re-election for a director."

4. "Confirmation of the appointment of Mr DG Wessels as the Company's financial director."

4.1 Brief CVs of the above directors are set out on Page 3 of this Annual Report.

5. "To approve the directors' emoluments for the year ended 31 March 2009."

6. "To confirm the re-appointment of BDO Spencer Steward (Johannesburg) Incorporated as auditors of the Company for the ensuing financial year and to register Mr N Griffith as the individual registered auditor who will undertake the audit and to authorise the directors to determine the remuneration of the auditors."

### 6. Control of authorised but unissued ordinary shares

"Resolved by way of a general authority that the authorised but unissued ordinary shares in the capital of Moneyweb be and are hereby placed under the control and authority of the Directors of the company ("Directors") and that the Directors be and are hereby authorised and empowered to allot and issue all or any of such ordinary shares, or to issue any options in respect of all or any of such ordinary shares, to such person/s on such terms and conditions and at such times as the Directors may from time to time and in their discretion deem fit, subject to the provisions of sections 221 and 222 of the Companies Act (Act 61 of 1973), as amended, the articles of association of the Company and the Listings Requirements of JSE Limited from time to time."

### 7. Renewal of general authority to issue shares for cash

• "Resolved that in terms of the Listings Requirements of the JSE Limited, the mandate given to the directors of the company in terms of a general authority to issue shares for cash, as and when suitable opportunities arise, be renewed subject to the following conditions:

- this authority be valid until the Company's next Annual General Meeting or for 15 (fifteen) months from the date of the resolution, whichever period is shorter;

- the equity securities which are the subject of the general authority, must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;

- the securities must be issued to public shareholders as defined in the JSE Listing Requirements and not to related parties;

- the general issues of shares for cash in the aggregate in any one financial year may not exceed 50% (fifty per cent) of the Company's issued share capital of that class;

- the maximum discount at which securities may be issued is 10% (ten per cent) of the weighted average traded price of such securities over the 30 business days prior to the date that the price of the issue is determined or agreed between the Company and the party subscribing for the securities; and

- after the Company has issued securities representing, on a cumulative basis within a financial year, 5% (five per cent) or more of the number of securities in issue, prior to such issue, the Company shall publish an announcement containing full details of the issue and the impact of the issue on net asset value, net tangible asset value, earnings and headline earnings per share."

### Voting

In terms of the Listings Requirements of the JSE, the approval of a 75% majority of the votes cast by the Shareholders present or represented by proxy and entitled to vote at the Annual General Meeting at which this Ordinary Resolution is proposed, is required to approve Ordinary Resolution Number 7, excluding the Designated Adviser and the controlling shareholders together with their associates.

### Special Resolution Number 1

Renewal of General Authority to the Company to repurchase its own shares

"Resolved, as a special resolution, that the mandate given to the company in terms of its Articles of Association (or one of its wholly-owned subsidiaries) providing authorisation, by way of a general approval, to acquire the company's own securities, upon such terms and conditions and in such amounts as the directors may from time to time decide, but subject to the provisions of the Companies Act, 1973 (Act 61 of 1973), as amended, ("the Act") and the Listings Requirements of the JSE Limited ("the JSE"), be extended, subject to the following terms and conditions:

• the repurchase of the ordinary shares must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty;

• this general authority shall only be valid until the earlier of the next Annual General Meeting of the Company and the expiry of a period of 15 (fifteen) months from the date of passing of this Special Resolution Number 1;

• in determining the price at which the Company's ordinary shares are acquired in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten per cent) of the weighted average of the market value at which such ordinary shares are traded on the JSE, as determined over the 5 (five) business days immedi-

ately preceding the date on which the transaction is effected;

- should derivatives be repurchased, the company must comply with the relevant paragraphs of the JSE Listings Requirements; subject to any exemptions and/or additions contained therein;
- at any point in time, the Company may only appoint one agent to effect any repurchases on its behalf;
- the repurchase may only be effected, if the shareholder spread requirements as set out in the JSE Listings Requirements are still met after such repurchase;
- Repurchases may not be made by the company and/or its subsidiaries during a prohibited period as defined by the Listings Requirements of the JSE unless a repurchase programme is in place where the dates and quantities of securities to be traded during the relevant period are fixed and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period;
- the acquisitions of ordinary shares in the aggregate in any one financial year may not exceed 20% (twenty per cent) of the Company's issued ordinary share capital at the date of passing this special resolution;
- when the Company has cumulatively repurchased 3% of the number of the ordinary shares in issue at the time that this general authority is granted ("initial number"), and for each 3% in aggregate of the initial number acquired thereafter, an announcement will be made; and
- the company may not enter the market to proceed with the repurchase of its ordinary shares until the company's designated adviser has confirmed the adequacy of the company's working capital for the purpose of undertaking a repurchase of securities in writing to the JSE."

The directors are of the opinion that, after considering the effect of the maximum repurchase permitted and for a period of 12 months after the date of the notice of the annual general meeting:

- the Company and the Group will be able to repay its debts in the ordinary course of business;
- the assets of the Company and the Group will be in excess of the liabilities of the Company and the Group. For this purpose, the assets and the liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited group annual financial statements;
- the share capital and reserves of the Company and Group will be adequate for ordinary business purposes; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes.

#### **Reason for and effect of Special Resolution Number 1**

The effect of the special resolution and the reason therefor is to extend the general authority given to the directors in terms of the Act and the JSE Listings Requirements for the acquisition by the company and/or its subsidiaries of the company's securities, which authority shall be used at the directors' discretion during the course of the period so authorised. The Directors of the Company do not have any specific intentions for utilising the General Authority at the date of the Annual General Meeting. It is the intention of the Directors of the Company to use such authority should prevailing circumstances, such as market conditions, in their opinion warrant it and will take into account the long term cash needs of the Company and the Group and their interests.

#### **Other disclosures in terms of paragraph 11.26 of the JSE Listings Requirements**

The JSE Listings Requirements require the following disclosures which are

contained in the Annual Report of which this Notice of Annual General Meeting forms part:

Directors	Page 3
Major shareholders of Moneyweb	Page 4
Directors' interests in securities	Page 5
Share capital of the Company	Page 19 and Page 28 (note 9)

#### **Material Changes**

There have been no material changes in the financial or trading positions of the Company and its subsidiaries since the Company's financial year-end and the signature date of this Annual Report.

#### **Directors' Responsibility Statement**

The Directors, whose names are given on page 3 of the Annual Report, collectively and individually accept full responsibility for the accuracy of the information pertaining to Special Resolution Number 1 and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution contains all such information required by the JSE.

#### **Litigation Statement**

Neither Moneyweb nor its subsidiaries are party to any legal or arbitration proceedings, including any proceedings that are pending or threatened of which Moneyweb is aware, which may have or have had in the previous 12 months a material effect on the Group's financial position.

#### **Voting and proxies**

Certificated shareholders and dematerialised shareholders who hold shares in "own name" registration who are unable to attend the Annual General Meeting and who wish to be represented thereat, must complete the form of proxy as attached to this Annual Report, in accordance with the instructions contained therein and return it to the office of the transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received by no later than 10:00 on Tuesday, 27 October 2009.

Dematerialised shareholders, other than those with "own name" registration who wish to attend the Annual General Meeting, must inform their Central Securities Depository Participant ("CSDP") or broker of their intention to attend and request their CSDP or broker to issue them with the relevant Letter of Representation to attend the Annual General Meeting in person and vote, or, if they do not wish to attend the Annual General Meeting in person, but wish to be represented thereat, provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and their CSDP or broker in the manner and cut-off time stipulated therein.

By order of the board  
23 September 2009  
AB Hogg – Chief Executive Officer

## MONEYWEB HOLDINGS LIMITED

Registration Number 1998/025067/06  
Incorporated in the Republic of South Africa

### Registered Office

Second floor  
20 The Piazza  
Melrose Arch, 2196  
Tel: 011 344 8600  
Fax: 011 344 8601

### Postal Address

PO Box 8  
Melrose Arch  
2076

### Directors

AB Hogg (Chief Executive Officer)  
EA Jay\*  
LM Hogg  
T Ncube\*  
L Sipoyo\*  
DG Wessels  
A Smith\* (Chairman)  
\* Non-Executive Director

### Audit Committee

E Jay\* (Chairman)  
T Ncube\*  
\* Non-Executive Director

### Remuneration Committee

EA Jay\*  
L Sipoyo  
A Smith\* (Chairman)  
\* Non-Executive Director

### Company Secretary

DG Wessels

### Transfer Secretaries

Computershare Investor Services (Pty) Ltd  
(Registration number 2004/003647/07)  
70 Marshall Street  
Johannesburg, 2001 South Africa  
(PO Box 61051 Marshalltown, 2107 South Africa)

### Auditors

BDO Spencer Steward (Jhb) Inc  
13 Wellington Rd  
Parktown, 2193

### Attorneys

Edwin Jay (Membership number: M06246)  
Ground floor, MUAI House,  
26 Sturdee Avenue,  
Rosebank, 2196  
(PO Box 413012, Craighall, 2024)

### Commercial Bank

First National Bank  
(Registration number 1929/001225/06)  
FNB Building  
Tyrwhitt Avenue  
Rosebank, 2196  
(PO Box 52005,  
Saxonwold, 2132)

### Designated Adviser

Vunani Corporate Finance  
Vunani House  
Athol Ridge Office Park  
151 Katherine Street  
Sandton  
2196

**Mineweb**  
UNCOMPROMISING INDEPENDENCE

**MARKETINGWEB**  
INTEGRITY | INNOVATION | INTERACTION

**politicsweb**

 **realestateweb**

**MONEYWEBTAX**

**sportingweb**

**racingweb**



**SAFM MARKET  
UPDATE  
WITH MONEYWEB**



**RSG GELDSAKE  
MET MONEYWEB**



**LOTUS FM  
MARKET UPDATE  
WITH MONEYWEB**

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