



\*10058247664\*

**HOLLY SPRINGS INVESTMENTS LIMITED**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2009**

24 SEP 2009  
P# 24

**CHECKED**  
**3**

BUSINESS & REGISTRIES  
BRANCH, AUCKLAND.  
23 SEP 2009  
**RECEIVED**

**HOLLY SPRINGS INVESTMENTS LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2009**

**CONTENTS**

	<u>PAGES</u>
COMPANY DIRECTORY	1
ANNUAL REVIEW	2
AUDIT REPORT	3
STATEMENT OF FINANCIAL PERFORMANCE	4
STATEMENT OF CHANGES IN EQUITY	5
STATEMENT OF FINANCIAL POSITION	6 - 7
STATEMENT OF CASH FLOWS	8
NOTES TO THE FINANCIAL STATEMENTS	9 - 18
ADDITIONAL STATUTORY & LISTING RULE INFORMATION	19 - 20

## **HOLLY SPRINGS INVESTMENTS LIMITED**

### **COMPANY DIRECTORY**

<b>Nature of Business:</b>	Investment Company
<b>Registered Office:</b>	C/o Chapman Tripp Sheffield Young Level 35, ANZ Centre 23-29 Albert Street Auckland
<b>Postal Address</b>	P O Box 105 745 Auckland City Post Shop New Zealand
<b>Directors:</b>	David F. Stubbs Brett Allan Wilkinson Sam MacDonald
<b>Auditors:</b>	BDO Spicers Auckland Level 8, 120 Albert Street Auckland
<b>Bankers:</b>	ASB Bank Limited Auckland
<b>Solicitors:</b>	Chapman Tripp Auckland

# HOLLY SPRINGS INVESTMENTS LIMITED

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 MARCH 2009

#### Annual Review

The Board of Directors present their Annual Report including financial statements of the company for the year ended 31 March 2009.

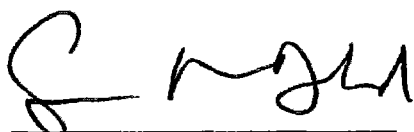
The company was listed on the NZAX alternative market of NZX Limited on 9 June 2006, as a vehicle for a cost effective reverse listing.

During the year the directors sought to progress the Company's conditional agreement for the acquisition of Smart Media Company. On 1 May 2009, the Company announced that several conditions in that agreement had not been met, so the Company had terminated the Smart Media Factory Agreement.

On 5 May 2009, the Company announced that it had entered into a conditional agreement to acquire 100% of the shares on Issue of Retail Information Systems Pty Limited (RIS). If the transaction proceeds it is intended that, on completion of the purchase, the company will remain listed on the NZAX, and will change its name to Retail Information Systems Limited. Retail Information Systems's business offering comprises of card present payment systems and value added retail applications. On 20 July 2009, the Company advised that the condition precedent in the Agreement requiring RIS and the Company to raise not less than NZ\$1,000,000 in aggregate via the issue of securities in RIS and/or the Company, has been satisfied. The only outstanding condition precedent still required to be satisfied before the acquisition may complete is for the Company to obtain all necessary approvals, including (but not limited to) NZX Listing Rules, Takeovers Code, Companies Act and shareholder approvals to complete the transaction by no later than 31 August 2009.

Other disclosures required by section 211 of the Companies Act 1993 are made in the additional statutory information section of this report on pages 19 and 20.

**This annual report has been signed for and on behalf of the Board on 22 July 2009**



Sam MacDonald  
Director



Brett Wilkinson  
Director

**AUDIT REPORT**  
**TO THE SHAREHOLDERS OF**  
**HOLLY SPRINGS INVESTMENTS LIMITED**

We have audited the financial report on pages 4 to 20. The financial report provides information about the past financial performance of the company and its financial position as at 31 March 2009. This information is stated in accordance with the accounting policies described in Note 1 to the financial report.

**Board of Directors' Responsibilities**

The Board of Directors is responsible for the preparation of a financial report which gives a true and fair view of the financial position of the company as at 31 March 2009 and of the results of operations and cash flows for the year ended on that date.

**Auditor's Responsibilities**

It is our responsibility to express an independent opinion on the financial report presented by the Board of Directors.

**Basis of Opinion**

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgements made by the Board of Directors in the preparation of the financial report; and
- whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in our capacity as auditor we have no relationship with, or interests in, the company.

**Unqualified Opinion**

We have obtained all of the information and explanations we have required.

In our opinion:

- Proper accounting records have been kept by the company as far as appears from our examination of those records; and
- The financial report on pages 4 to 20:
  - complies with generally accepted accounting practice in New Zealand;
  - gives a true and fair view of the financial position of the company as at 31 March 2009 and the results of its operations and cash flows for the year ended on that date.

Our audit was completed on 22 July 2009 and our unqualified opinion is expressed as at that date.



**BDO SPICERS AUCKLAND**  
**AUCKLAND**

**HOLLY SPRINGS INVESTMENTS LIMITED  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 MARCH 2009**

	<b>Note</b>	<b>2009</b>	<b>2008</b>
		<b>\$</b>	<b>\$</b>
Revenue	10	11,367	14,992
Administration Expenses	11	220,183	48,155
		_____	_____
Loss before income tax		(208,816)	(33,163)
Income tax	5	-	-
		_____	_____
Loss for the year attributable to shareholders of the Company		(208,816)	(33,163)
		=====	=====
 <u>Loss per Share</u>			
Basic loss per share (cents per share)	17	(3.6)	(0.1)
Diluted loss per share (cents per share)	17	(3.6)	(0.1)

These statements are to be read in conjunction with the Notes to the Financial Statements.

**HOLLY SPRINGS INVESTMENTS LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2009**

	Note	2009	2008
		\$	\$
Total recognised Income and Expense (Loss for the year)		(208,816)	(33,163)
Issue of shares	8	-	135,196
Movements in equity for the year		(208,816)	102,033
Equity at beginning of year		254,036	152,003
Equity at the end of year		45,220	254,036

These statements are to be read in conjunction with the Notes to the Financial Statements.

**HOLLY SPRINGS INVESTMENTS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2009**

	Note	2009	2008
		\$	\$
<b>Current Assets</b>			
Cash at Bank	3	94,108	233,435
Other Current Assets	4	1,250	1,250
Tax Receivable		12,010	8,337
GST Receivable		7,320	6,115
NZAX Bond	1	15,000	15,000
		<hr/>	<hr/>
<b>TOTAL CURRENT ASSETS</b>		129,688	264,137
		<hr/>	<hr/>
		<hr/>	<hr/>
<b>TOTAL ASSETS</b>		<b>129,688</b>	<b>264,137</b>
<b>Current Liabilities</b>			
Trade and other Payables	7	84,468	10,101
		<hr/>	<hr/>
<b>TOTAL CURRENT LIABILITIES</b>		84,468	10,101
		<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>		<b>84,468</b>	<b>10,101</b>
		<hr/>	<hr/>
<b>NET ASSETS</b>		<b>45,220</b>	<b>254,036</b>
		<hr/>	<hr/>

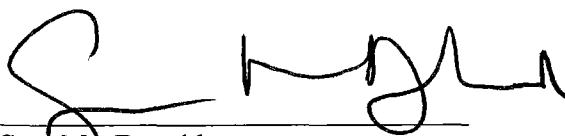
These statements are to be read in conjunction with the Notes to the Financial Statements



**HOLLY SPRINGS INVESTMENTS LIMITED**  
**STATEMENT OF FINANCIAL POSITION - CONT'D**  
**AS AT 31 MARCH 2009**

	Note	2009	2008
		\$	\$
<b>Equity</b>			
Share Capital	9	335,196	335,196
Accumulated Losses	9	(289,976)	(81,160)
<b>Total Equity</b>		<u>45,220</u>	<u>254,036</u>

Signed for and on behalf of the Board dated 22 July 2009



Sam MacDonald  
Director



Brett Wilkinson  
Director

These statements are to be read in conjunction with the Notes to the Financial Statements.

**HOLLY SPRINGS INVESTMENTS LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

	Note	2009	2008
		\$	\$
<b>Operating Activities</b>			
Cash receipts from interest earned	10	7,694	9,690
GST refunds		6,115	7,102
Payments to suppliers		(153,136)	(61,731)
		<hr/>	<hr/>
<b>Net cash outflows from operating activities</b>	<b>14</b>	<b>(139,327)</b>	<b>(44,939)</b>
 <b>Financing Activities</b>			
Proceeds from shares issued		-	135,196
		<hr/>	<hr/>
<b>Net cash inflows from financing activities</b>		<b>-</b>	<b>135,196</b>
		<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents for the year		(139,327)	90,257
Cash and cash equivalents at beginning of year		233,435	143,178
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of year</b>	<b>3</b>	<b>94,108</b>	<b>233,435</b>
		<hr/>	<hr/>
 <b>Reconciliation of Cash and Cash Equivalent</b>			
Cash at Bank		10,080	4,791
Deposits at call		84,028	228,644
		<hr/>	<hr/>
		<b>94,108</b>	<b>233,435</b>
		<hr/>	<hr/>

These statements are to be read in conjunction with the Notes to the Financial Statements.

**HOLLY SPRINGS INVESTMENTS LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**1. STATEMENT OF ACCOUNTING POLICIES**

Reporting Entity

The Financial Statements presented here are for Holly Springs Investments Limited (“the Company”) as a separate entity.

Reporting Basis

The Company is a profit-orientated listed public company incorporated in New Zealand. The company is a reporting entity for the purposes of the Financial Reporting Act 1993 and its financial statements comply with that Act.

The financial statements are prepared in accordance with New Zealand generally accepted accounting practice (‘NZ GAAP’). They comply with the New Zealand Equivalents to International Financial Reporting Standards (‘NZ IFRS’) and other applicable financial reporting standards as appropriate for profit-orientated entities. Compliance with NZ IFRS ensures that the financial statements also comply with International Financial Reporting Standards (“IFRS”).

Holly Springs Investments Limited only operates in one segment, being the potential vehicle for a cost effective reverse listing on the NZAX.

The presentation currency is New Zealand Dollars, which is also the Company’s functional currency.

The financial statement were authorised for issue by the directors on 22 July 2009.

Measurement Base

The measurement base adopted is that of historical cost.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies that materially affect the measurement of financial performance and financial position are set out below:

Goods and Services Tax (GST)

The statement of financial performance has been prepared so that all components are stated exclusive of GST. All items in the statement of financial position are stated net of GST, with the exception of receivables and payables, which are shown GST inclusive.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from financing activities which are recoverable from, or payable to, the taxation authority is classified as operating cash flow.

#### Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividends is recognised.

#### Revenue Recognition

##### *Finance Income*

Finance income comprises of interest income on funds invested. Interest revenue is recognised as it accrues, using the effective interest method.

#### Earnings per Share

The company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

### Statement of Cashflows

The following is the definition of the terms used in the Statement of Cash Flows:

- Cash means coins, notes, demand deposits and other highly liquid investments in which the company has invested in part of its day to day cash management. Cash includes current liabilities such as negative cash balances in the form of overnight bank overdrafts. Cash does not include receivables or payables or any borrowing that forms part of a term facility.
- Financing activities are those activities that result in changes in the size and composition of the capital structure of the company.
- Operating activities include all transactions and other events that are neither investing or financing activities.

### Financial Instruments

Non-derivative financial instruments comprise cash and cash equivalents, NZAX bond and trade payables.

Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured at amortised cost using the effective interest rate method, less any impairment losses. Receivable and payables of short-term duration are not discounted as the effect of discounting is not considered to be material.

The NZAX bond is required to be held by the NZAX. This is held on demand in a bank account controlled by the Company.

### Use of Estimates and Judgements

The preparation of financial accounts requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The only critical areas of judgement in applying the Company's accounting policies are the non recognition of the benefit of taxation losses disclosed in note 5 and the going concern assumption as disclosed in note 15.

### Impairment – Financial Assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

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

All impairment losses are recognised in the Income Statement. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. The reversal is recognised in the Income Statement.

#### New Standards and Interpretations Not Yet Adopted

At the date of authorisation of the financial statements, a number of standards and interpretations were in issue but not yet effective. The Company has not early adopted any of these standards or interpretations.

On review of these standards and interpretations it was determined that given the Company's current activities the only standards and interpretations that will have a significant effect on the financial statements is the application of NZ IFRS 8 Operating Segments (effective date 1 January 2009) and NZ IAS 1 (effective 1 January 2009). The adoption of these standards will not have any material effect on the accounting policies as these standards relate to the disclosure contained within the financial statements.

All other standards and interpretations on issue, but not yet effective, up to the date of authorisation of the financial statements are not expected to impact on the Company.

**HOLLY SPRINGS INVESTMENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - CONT'D**  
**FOR THE YEAR ENDED 31 MARCH 2009**

**2. NATURE OF BUSINESS**

At the time of its listing on the NZAX, Holly Springs Investments Limited stated that it would identify a business for acquisition and undertake a capital raising through the issue of shares to enable the acquisition of the business. The directors of the Company envisaged that Holly Springs Investments Limited could be used as a vehicle for a cost effective reverse listing.

During the year the directors sought to progress the Company's conditional agreement for the acquisition of Smart Media Factory. On 1 May 2009, the Company announced that several conditions in that agreement had not been met, so the Company had terminated the Smart Media Factory Agreement.

The Company's activities take place solely within New Zealand, and the segmental information is as represented by the information disclosed in the statement of financial position and statement of financial performance.

**3. CASH AND CASH EQUIVALENTS**

	<b>2009</b>	<b>2008</b>
	\$	\$
Cash at bank	10,080	4,791
Deposits at call	84,028	228,644
	94,108	233,435

The funds attract interest at current market rates. In 2009 these were nil for the current account and 3.15% for call deposits.

**4. OTHER CURRENT ASSETS**

	<b>2009</b>	<b>2008</b>
	\$	\$
Prepayments	1,250	1,250
	1,250	1,250

## 5. TAXATION

	2009	2008
Income Tax Expense		
Loss for the year	(208,816)	(33,163)
Permanent differences		
- non deductible expenditure	-	13,259
- losses not recognised	<u>208,816</u>	<u>19,904</u>
Taxable income	-	-
Income tax expense	-	-

The company has not recognised the benefit of tax losses of \$261,270 (2008 \$52,454) due to the probability of these not being able to be utilised in the future due to the change in shareholding.

The amount of deferred tax assets not recognised in relation thereto is \$78,381 (2008 \$15,736).

## 6. CAPITAL COMMITMENTS & CONTINGENT LIABILITIES

The company has no commitments or contingencies (31 March 2008 – \$Nil).

## 7. TRADE AND OTHER PAYABLES

	2009	2008
Trade payables	3,219	5,100
Accruals	<u>81,250</u>	<u>5,000</u>
	<u>84,468</u>	<u>10,101</u>

Trade payables are all due within 30 days and are interest free.

## 8. PAID UP CAPITAL

Issued and Paid in Capital of 5,722,294 (2008: 5,722,294) ordinary shares.

All shares have equal rights and share equally in dividends and surplus on winding-up.

## 9. SHAREHOLDERS INVESTMENTS AND EQUITY

Ordinary Shares (# of shares)	2009	2008
Opening Balance	5,722,294	4,370,339
Shares Issued	-	<u>1,351,955</u>
Balance at end of year	<u>5,722,294</u>	<u>5,722,294</u>



<b>Share Capital</b>	<b>2009</b>	<b>2008</b>
	\$	\$
Opening Balance	335,196	200,000
Shares Issued	<u>-</u>	<u>135,196</u>
Balance at end of year	<u>335,196</u>	<u>335,196</u>
<b>Accumulated Losses</b>	<b>2009</b>	<b>2008</b>
	\$	\$
Opening Balance	(81,160)	(47,997)
Loss for the year attributable to shareholders	<u>(208,816)</u>	<u>(33,163)</u>
Balance at end of year	<u>(289,976)</u>	<u>(81,160)</u>

#### 10. REVENUE

	<b>2009</b>	<b>2008</b>
	\$	\$
Interest received	11,367	14,992

#### 11. ADMINISTRATION COSTS

Included in administration costs are Audit Fees \$5,000 (2008: \$5,000).

#### 12. FINANCIAL INSTRUMENTS

The following financial assets and liabilities have been recognised in the financial statements and carrying values are considered to be an approximation of their fair values. The maximum exposure to credit risk is the carrying value of each financial asset in the Statement of Financial Position.

	<b>2009</b>	<b>2008</b>
Cash at Bank	94,108	233,435
NZ AX Bond	15,000	15,000
Trade and Other Payables	(84,468)	(10,101)

All payables are due within 6 months of balance date and are interest free.

#### 13. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks from the use of financial instruments:

- Credit Risk
- Market Risk
- Liquidity Risk

This note presents information about the Company's exposure to each of the above risks, the Company's policies for measuring and managing risk, and the Company's management of capital.

### Credit Risk

Credit Risk is the risk of the financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's investment securities. As at 31 March 2009, credit risk was concentrated with the Company's bankers the ASB Bank Limited who hold the company's cash and the NZX bond. The directors have selected the bank to hold these funds having considered the banks credit worthiness. No collateral is required. The maximum exposure to credit risk is represented by the carrying value of each of the financial assets in the statement of financial position.

### Market Risk

Market risk is the risk that changes in market prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return. The Company has no currency risk, and in respect of interest rate risk accepts the current rates offered by the bank having elected to hold its funds with a registered bank.

### *Interest Rate Risk*

Interest rate risk is the risk that the value of the Company's assets and liabilities will fluctuate due to changes in market interest rates. The Company is exposed to interest rate primarily through its cash and bank balances. The company accepts its exposure to interest rate risk given the amounts involved are insignificant.

Based on historical movements and volatilities and management's knowledge and experience, management believes that the following movements are 'reasonably possible' over a 12 month period:

A parallel shift of +1%/-1% in market interest rates for the year end deposit rate of 3.15%.

	Carrying Amount	Interest Rate			
		-1%		+1%	
		Profit	Equity	Profit	Equity
<u>Financial Assets</u>					
Cash and Cash Equivalents	94,108	( 941)	( 659)	941	659

### *Currency Risk*

The Company is not exposed to foreign currency fluctuations as it does not deal in foreign currency.

### Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure,

as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

#### Capital Management

The Board's policy is to maintain a level of capital adequate to provide funding for it to undertake its objectives as detailed in note 2.

The Company is not subject to any externally imposed capital requirements.

#### **14. RECONCILIATION OF NET (DEFICIT) WITH NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2009</b>	<b>2008</b>
Operating Deficit after taxation	(208,817)	(33,163)
Add/less movement in working capital items		
(Increase) in receivables	(4,878)	(10,175)
Increase/(Decrease) in trade payables	<u>74,368</u>	<u>(1,601)</u>
Net Cashflows used in operating activities	<u>(139,327)</u>	<u>(44,939)</u>

#### **15. GOING CONCERN**

As at 31 March 2009 the Company had a loss of (\$208,816) (2008: (33,163)). The net asset value of the Company however is \$44,240 (2008: \$254,036). The directors have prepared the financial statements using the going concern assumption. The directors have completed a reverse acquisition as disclosed below in note 16, subject to approval by the Company's shareholders. The financial statements have been prepared on a going concern basis as the directors expect shareholder approval of the acquisition and that the capital raising of \$1million disclosed in note 16 will occur. Should the acquisition not be approved additional shareholder funds may need to be sourced in order for the Company to pursue its objectives, as set out in note 2.

#### **16. SUBSEQUENT EVENTS**

Following the Company's balance date, the Company announced on 1 May 2009 that several conditions in the conditional agreement to acquire Smart Media Factory had not been met, so the company had terminated that agreement.

On 5 May 2009, the company announced that it had entered into a conditional agreement to acquire 100% of the shares on issue of Retail Information Systems Pty Limited. The Company will purchase the RIS Shares for a consideration of NZ \$27,000,000 to be satisfied by the issue of

- 450,000,000 ordinary fully paid shares in the Company at an issue price of NZ 6 cents per share to the shareholders of RIS and
- 50,000,000 options to acquire 50,000,000 shares in the Company on the following terms:

\* The terms of the options will be for three years from the date of their issue

\* The exercise price for the Options shall be NZ 10 cents per share acquired upon the exercise of each option.

On 20 July 2009, the Company advised that the condition precedent in the Agreement requiring RIS and the Company to raise not less than NZ\$1,000,000 in aggregate via the issue of securities in RIS and/or the Company, has been satisfied. The only outstanding condition precedent still required to be satisfied before the acquisition may complete is for the Company to obtain all necessary approvals, including (but not limited to) NZX Listing Rules, Takeovers Code, Companies Act and shareholder approvals to complete the transaction by no later than 31 August 2009.

In addition to the issue of the shares and the options, the resignation of the Company's current directors and the appointment of Robert Best, Mark Nagy, Sean Joyce and Roger Gower is required by the agreement.

If the transaction proceeds it is intended that, on completion of the purchase, the company will remain listed on the NZAX and will change its name to Retail Information Systems Limited. Retail Information System's business offering comprises of icard present payment systems and value added retail applications.

#### **17. LOSS PER SHARE**

##### Basic loss per share

The calculation of basic loss per share at 31 March 2009 was based on the loss attributable to ordinary shareholders of (\$208,816) (2008: (\$33,163)) and a weighted average number of ordinary shares outstanding of 5,167,714 (2008: 5,167,714). As the Company has no dilutive instruments, diluted loss per share equates to basic loss per share.

#### **18. RELATED PARTY TRANSACTIONS**

The key management personnel of the entity consist of directors who do not get paid salaries. Directors fees of \$7,500 were paid during the period (2008: nil).

A fee of \$60,000 was paid to Wilkinson & White for services performed in managing the Company. Brett Wilkinson, a director of Holly Springs Investments Limited is a shareholder of Wilkinson & White. This fee was charged on an arm's length basis.

There are no other related parties, other than key management personnel and entities owned/controlled by key management personnel.

## HOLLY SPRINGS INVESTMENTS LIMITED

### ADDITIONAL STATUTORY & LISTING RULE INFORMATION

#### Directors' Relevant Interests in Quoted Equity Securities as at 31 March 2009

David Stubbs	64,329
Brett Wilkinson	2,490,621
Sam MacDonald	NIL

#### Substantial security holders

As at 9 June 2009, the Company had the following substantial security holders according to the file kept under section 35C of the Securities Markets Act 1988:

<i>Name of Substantial Securityholder</i>	<i>Number of voting securities</i>	<i>Class of voting securities</i>
Wilkinson and White Limited	2,490,621	Ordinary Shares
Troubadour Holdings Limited	800,000	Ordinary Shares

As at 9 June 2009 the company had 5,772,294 ordinary shares on issue. The Company does not have other classes of listed voting shares on issue.

#### Spread of shareholdings as at 11 June 2009

<i>Size of Holding</i>	<i>No of holders</i>	<i>No of shares</i>	<i>%</i>
1 – 1,000	1271	48,588	0.85
1,001 – 5,000	224	548,634	9.59
5,001 – 103000	28	200,905	3.51
10,001 – 100,000	44	914,612	15.98
100,001 and Over	6	4,009,555	70.07
<b>Totals</b>	<b>1,573</b>	<b>5,722,294</b>	<b>100.000</b>

#### 20 Largest Shareholders as at 9 June 2009

<b>Holders Details</b>	<b>Shares Held</b>	<b>%</b>
Wilkinson & White Limited	2,490,621	43.52
Troubadour Holdings Ltd 2001	800,000	13.98
Charoong Thai Wire & Cable Public Company Limited *	215,916	3.77
Mark David Lahood & Donna Maree Lahood	200,018	3.50
Mounterowen Limited	200,000	3.5
Ronald Macgregor Irvine & Rodney George Willis	103,000	1.8
Ming Asia Group Limited	75,993	1.33
David Frederick Stubbs & Jacobsen Associates Ltd & Barbara Shaw Stubbs	64,329	1.12
Graeme Bruce Lowe	40,000	0.70
Forsyth Barr Custodians Ltd	26,210	0.46
Tai-Ho Investment Co Ltd	25,000	0.44
Roy Richard Jackson	23,000	0.40
Ross Dix Harvey & Bbw Trustees Limited	22,000	0.38
New Zealand Central Securities Depository Limited	20,700	0.36
Ross Asset Management Limited	20,549	0.36
Dagger Nominees Limited	20,088	0.35

David John Hardy	20,088	0.35
John Paul Dallow	20,075	0.35
Lawrence Henry Barker & Petrea Margaret Barker	20,051	0.35
William Francis Mcentee & Diane Mary Mcentee	20,050	0.35

**Interests Register**

There were no entries in the Interests Register during the year ended 31 March 2009.