

13 May 2013

Attention: Mrs S D van Esch
The Director – Standards
Independent Regulatory Board for Auditors
P.O. Box 8237
Greenstone
1616

Dear Sandy

Proposed Guide for Registered Auditors Reporting on Financial Information contained in Interim, Preliminary, Provisional and Abridged Reports

We appreciate the opportunity to provide comments on the Proposed Guide for Registered Auditors Reporting on Financial Information contained in Interim, Preliminary, Provisional and Abridged Reports (proposed Guide). Below you will find our overall comments on the proposed guide as well as our responses to the request for specific comments.

Overall Comments

We believe that guidance which clarifies the requirements of the Johannesburg Stock Exchange (JSE) Listings Requirements (LR) as they apply to Registered Auditors is much needed. The LR can be confusing and our experience is that practitioners struggle with interpreting and identifying their responsibilities. We particularly believe that the LR as they relate to provisional and preliminary reports are confusing and therefore believe that the proposed Guide will be welcomed by all JSE accredited auditors.

However, we suggest restructuring the proposed Guide as the content relating to audit engagements conducted in terms of International Standard on Auditing (ISA) 810, Engagements to Report on Summary Financial Statements, is mixed with the content relating to International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. Practitioners may find this confusing and unable to clearly differentiate their responsibilities in terms of each engagement. Furthermore, practitioners may prefer a mechanism that identifies the content relevant to the engagement they are performing. As a result, we recommend that the requirements specific to each engagement type are separated and paragraphs relating to ISA 810 requirements are marked “A” and paragraphs relating to ISRE 2410 requirements are marked “R” and

presented in a table format, similar to the approach adopted in International Standard on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements.

Throughout the proposed Guide it is implied that there could be circumstances where the annual financial statements have been audited and yet a preliminary or provisional report is issued, as contemplated in the definitions, the illustrative audit reports in Appendix 1, the table in Appendix 4 and various paragraphs of the proposed Guide. We do not understand why there would be a circumstance where the annual financial statements have been audited, yet the issuer issues a preliminary or a provisional report, as we believe the issuer would issue an abridged report in these circumstances. Furthermore, in our experience, audits of interim reports, provisional reports and preliminary reports are rare. Whilst we understand that the proposed Guide needs to be comprehensive and address all possible circumstances, we believe that it is not clear to practitioners which engagement type they would generally be requested to or are required to perform. Therefore, we suggest that paragraph 3 is enhanced as follows:

ISA 810 applies where an issuer's auditor is engaged to report on summary financial statements derived from financial statements audited in accordance with International Standards on Auditing (ISAs) by that same auditor. ISRE 2410 applies to a review of historical financial information undertaken by an issuer's audit. The respective standards are generally used as follows:

- ISA 810 is used in engagements to report on the abridged report, since audited financial statements are available. However, the JSE Listings Requirements do not require that an ISA 810 report be issued on the abridged report.
- ISRE 2410 is generally used in engagements to report on interim, preliminary or provisional reports. Although rare, the issuer may request the auditor to audit the interim report. In exceptional cases, the annual financial statements may have been audited, in which case an ISA 810 report may be issued on the summarised preliminary or provisional report.

We also highlight our concerns regarding compliance with the Companies Act of South Africa, as set out in our response to question 3 below and encourage the task force to consider this matter in the proposed Guide.

Responses to request for specific comments

- 1. Respondents are requested to indicate whether or not they agree that the reference to IAS 34 in 8.57(a) of the JSE Listing Requirements for the preparation of interim reports comprises an acceptable financial reporting framework for purposes of paragraph 6(a) of ISA 210 Agreeing the Terms of Audit Engagements when accepting an engagement to audit or review the interim report of an issuer.
If "Not" please provide suggestions?**

It is our view that since International Accounting Standard (IAS) 34, Interim Financial Reporting, forms part of the International Financial Reporting Standards (IFRS) it is an acceptable framework in the context of interim reports, although we do not believe that IAS 34 on its own is a fair presentation framework. However, we are confused with the question since the consideration of the acceptability of the framework in terms of ISA 210 is irrelevant in the context of this guide, which is focused on circumstances where the auditor will issue an opinion in terms of ISA 810 or a conclusion in terms of ISRE 2410. In terms of ISA 810 the auditor is required to establish the acceptability of the criteria and in terms of ISRE 2410 there is no requirement to consider the acceptability of the framework.

We believe that what needs to be considered is whether IAS 34 is an acceptable financial reporting framework in relation to condensed preliminary and provisional reports as this matter has not been debated in the proposed Guide. Please also refer to our concerns raised in response to Question 3.

Furthermore, we note that the intended purpose of the proposed Guide is to assist practitioners with applying ISA 810 and ISRE 2410 when performing engagements on interim, preliminary, provisional and abridged reports. Consequently, we believe that it is important to identify the requirements of the relevant standard in order to set the context for the discussion. However, in the section that discusses the applied criteria and the acceptable financial reporting framework, the specific requirements of ISA 810 and ISRE 2410 are not identified and therefore we recommend the following matters are included before paragraph 10:

- As a pre-condition for the engagement, ISA 810 paragraph 6(a) indicates that the auditor must determine whether the applied criteria are acceptable. In addition, ISA 810 paragraph 8(c) requires the auditor to evaluate whether the summary financial statements adequately disclose the applied criteria.
- Unlike ISA 210 paragraph 6(a) and ISA 810 paragraph 6(a) ISRE 2410 does not contain a precondition for the engagement that the financial reporting framework (or criteria) must be acceptable. However, since a review conducted in terms of ISRE 2410 is performed by the auditor of the issuer, and IAS 34 requires consistency with the annual financial statements in the accounting policies applied, inherently the auditor would need to determine that the financial reporting framework is acceptable.

Furthermore, we note that paragraph 11 states “paragraph 8.57 (*of the LR*) comprises the “applied criteria” and “financial reporting framework” that is deemed to be acceptable to the JSE and the auditor”. We do not agree with this statement since the proposed Guide is non-authoritative and the use of the term “deemed” indicates some level of authority, which is inappropriate. Rather, the proposed Guide should clarify why paragraph 8.57 would be appropriate “applied criteria” or “financial reporting framework”.

2. **Respondents are requested to indicate which of the following descriptions they regard as the most appropriate description of the financial reporting framework as required by paragraph 8.57(a) of the JSE Listing Requirements in an auditor’s review report on an interim report:**
 - a) **“International Financial Reporting Standard, IAS 34 Interim Financial Reporting;**
 - b) **“International Accounting Standard (IAS) 34 Interim Financial Reporting;” or**
 - c) **“International Financial Reporting Standards, which include International Accounting Standard (IAS) 34 Interim Financial Reporting.”**

We support option (a) i.e. International Financial Reporting Standard, IAS 34 Interim Financial Reporting, since it is important to acknowledge that the standard forms part of IFRS. Furthermore, we believe that option (c) gives the impression that the financial statements are presented in accordance with (full) IFRS and contains additional disclosures required by IAS 34, which is not the case.

3. Do respondents believe there are any additional matters that should be addressed in the proposed Guide?

If “Yes”, please provide suggestions?

Yes, we believe there are additional matters that need to be addressed in the guide as follows:

Companies Act

We believe that the proposed Guide should consider the relationship between the JSE LR and the Companies Act, 2008 (the Act), relating to Section 29 and Regulation 27.

Section 29(1)(a) states that if a company provides any financial statements to any person for any reason, they must satisfy the financial reporting standards as to form and content, if any such standards are prescribed. These financial reporting standards are prescribed in Regulation 27 as IFRS in respect of public companies listed on an exchange.

Section 29(3) of the Act permits a company to provide a summary of any particular financial statements. In this case, a complete set of financial statements must be available since the Act contains specific disclosure requirements that reference to the complete set of financial statements.

In the case of abridged reports, these comply with the Act, since they represent a summary of the complete set of annual financial statements. With regards to interim reports, these are also compliant with the Act, as these are prepared in accordance with IAS 34, which is specifically designed for use in preparing interim reports and therefore satisfies the financial reporting standards. Provisional or preliminary reports may either comprise:

- Summarised financial statements i.e. complete financial statements have been prepared from which the summarised financial statements are comprised. In this case, these are issued in accordance with Section 29(3) of the Act.
- Condensed financial statements i.e. no complete financial statements are available and the condensed financial statements are presented in terms of IAS 34. In this case, these are not compliant with the Act, since they do not fully comply with the prescribed financial reporting standards, IFRS, as IAS 34 only relates to interim reporting.

We believe the above relationships between the Act and the JSE LR are important for practitioner’s understanding and therefore need further clarification. Furthermore, we have concerns with regards to condensed preliminary and provisional reports being represented as being in compliance with the Act. (Please refer to our recommended amendments to the table in paragraph 14 of the proposed Guide, which we have included in Appendix 1 to this letter)

We also recommend including the Act’s disclosure requirements in respect of the financial statements in the table of Appendix 4.

Reportable irregularities

We note the discussion in paragraph 5 that the illustrative reports contained in Appendix 1 do not contain examples of Reportable Irregularities in the auditor’s reports. The proposed Guide discusses the impact of Reportable Irregularities on the auditor’s opinion on summarised financial statements, where a Reportable Irregularity was included in the auditor’s opinion on the complete set of financial statements. However, the proposed Guide lacks clarity on the treatment of Reportable Irregularities in the auditor’s report where the auditor is engaged to perform a review engagement.

Form of review opinion

Paragraphs 29 to 30 of the proposed Guide discuss the form of opinion in relation to ISA 810, but do not contain a similar discussion relating to the review opinion under ISRE 2410. Paragraphs 43(i) and (j) of ISRE 2410 state that the auditor must include a conclusion in the report that concludes:

- Whether anything has come to the auditor’s attention that causes the auditor to believe that the interim financial information does not present fairly, in all material respects, in accordance with the applicable financial reporting framework; or
- Whether anything has come to the auditor’s attention that causes the auditor to believe that the interim financial information is not prepared, in all material respects, in accordance with the applicable financial reporting framework.

The conclusion “does not present fairly” is used where the financial statements comprise a complete set of general purpose financial statements prepared in accordance with a financial reporting framework designed to achieve fair presentation. Therefore, where an issuer issues a complete set of financial statements prepared in accordance with IFRS (although likely to be rare), the review conclusion should be the former. Where the financial statements comprise a summary or condensed set of financial statements prepared on the basis of IAS 34, the latter review conclusion is appropriate.

4. An increased number of illustrative auditors’ reports are included in Appendix 1 of this proposed Guide by comparison to those provided in the previous SAICA Guide that has been withdrawn.

a) Do respondents believe the additional illustrative auditors’ reports are useful?

If “Not” please indicate which illustrative reports you believe are unnecessary or could be omitted from the proposed Guide.

b) Are there additional illustrative reports that respondents believe should be provided?

If “Yes” please provide suggestions and examples.

We support the inclusion of additional auditors’ reports, although overall we believe there are too many examples. We believe that illustrations 6, 7, 8, 9, 10 and 11 are unnecessary as sufficient examples have already been provided in the proposed Guide or as indicated in our overall comments, we do not foresee a situation where an auditor would issue an ISA 810 report on preliminary or provisional financial statements. However, an illustration of when the unaudited information is not sufficiently differentiated from the audited information is required, but may be more appropriate in the context of an abridged report.

An additional illustrative report where an adverse or disclaimer opinion was expressed on the complete set of financial statements would be useful.

We also recommend the following with respect to the illustrative reports:

- We believe that the illustrative reports relating to the preliminary and provisional financial statements should contain a description of the basis for preparation of the financial statements, despite referring to the note in the financial statements. For example, the following statement could be included below the existing directors’ responsibility paragraph:

The JSE Listings Requirements require provisional financial statements to be prepared in accordance with the conceptual framework, the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and also, as a minimum, to contain the information required by IAS 34 Interim Financial Reporting.

- With respect to illustration 11, the title of the opinion paragraph is titled “opinion” instead of “qualified opinion”. Although we acknowledge that the similar example contained in ISA 810 also does not indicate that it is a “qualified opinion”, we believe it is necessary to identify this, to achieve consistency with the auditor’s report on the complete set of financial statements and make it clear to the user that the opinion is qualified.
 - The references to the financial statements throughout the reports in the illustrations are inconsistent, namely:
 - “Abridged financial statements” and “summary consolidated financial statements” in illustrations 4 and 5.
 - “Preliminary financial statements” and “summary consolidated financial statements” in illustrations 6, 7, 10 and 11.
 - “Provisional financial statements” and “summary consolidated financial statements” in illustrations 8 and 9.
 - Various changes are required to illustration 5 as follows:
 - The heading of the report should be “auditor’s report on summary financial statements...”.
 - Circumstances paragraph second bullet “*complete set* of annual financial statements”.
 - Circumstances paragraph third bullet “the auditor’s report on the *abridged* financial statements”.
 - The suggested note on the basis of preparation in illustrations 4 to 11 refer to the Companies Act, while the suggested note on the basis of preparation in illustrations 1 to 3 refer to the Companies Act of South Africa.
 - Changes are required to illustrations 3, 8, 9, 10 and 11 as follows:
 - Illustration 3 circumstances describe the issuer being a “company as defined in the Companies Act, 2008”, which is inconsistent with the terminology used in the other examples;
 - Circumstances paragraph second bullet “*complete set* of annual financial statements”.
 - The full stop at the end of the conclusion paragraph in illustration 1 is missing.
- 5. Do respondents find the summary of the relevant Listings Requirements in Appendix 4 that pertain to issuers’ interim, preliminary, provisional and abridged reports and the related auditors’ reporting responsibilities useful?
If you answered “No”, please explain why and, either suggest an alternative, or indicate whether you believe Appendix 4 should be excluded?**

We support the inclusion of Appendix 4 in the proposed Guide. As the fundamental purpose of the proposed Guide is to provide assistance to practitioners, we believe that this guidance is necessary and helpful.

We also have some suggestions for amendments to the table to enhance its usefulness, most particularly including the disclosure requirements of the Act (as indicated in our response to Question 3). We have included these suggestions in Appendix 1 to our commentary letter.

However, we do not support the inclusion of Appendix 3 in the proposed Guide since we believe it repeats much of the guidance contained in Appendix 4 and we do not concur with some of the considerations in the flowchart.

6. Respondents are requested to comment on whether or not the proposed effective date for implementation of the Guide to be applied to auditor's reports issued on or after 30 June 2013 will be sufficient to support effective implementation of the guidance. If not, what implementation date do respondents believe will be appropriate?

We do not support the inclusion of an effective date as we believe that this document is not authoritative. As a result, the application of the guidance contained in the document is at the discretion of the practitioner.

7. Other comments

a) Title

We do not believe that the title of the document clearly explains what it relates to, since there is no indication that these are reports required by the JSE LR and it is not clear that the proposed Guide is addressing audit and review considerations when performing these engagements. As a result, we suggest that the proposed Guide is renamed to "Audit or review of Financial Information contained in Interim, Preliminary, Provisional and Abridged Reports required by the JSE Listings Requirements".

We also note that the document is currently referred to as a "guide", which may need amendment in light of the Proposed South African Preface to the Standards on Quality Control, Auditing, Assurance and Related Services Pronouncements (the Preface).

b) Authority

It is our understanding that the authority of the document may require amendment due to proposed revisions to the Preface. We also highlight that paragraph 1 of the proposed Guide states "the purpose of this proposed Guide is to provide guidance to a JSE accredited auditor", which is inconsistent with other areas of the proposed Guide which explain the authority.

c) Definitions

We propose that the following definitions be enhanced:

- **Interim period**
This should also incorporate that an interim period, in the context of the JSE LR, may also be a year where an issuer has changed their year-end.
- **No change report**
This should also include provisional reports as per Guidance Letter of September 2012 relating to Audit Report Matters i.e. where the information previously published in a provisional report is unchanged.

- Preliminary and provisional reports
We note the definitions relating to preliminary and provisional reports contained in Practice Note 1/2003 and believe that consistency in the definitions between Practice Note 1/2003 and this proposed Guide needs to be achieved

d) Inclusion of the auditor’s report in the information published on SENS

Paragraphs 15 to 18 discuss the requirements of ISA 810 and ISRE 2410 regarding the auditor’s report being included in the financial statements, and how this is applied in the context of the JSE where the auditor’s report is not required to be included in the published results. One of the bases for the “acceptability” of this, as indicated in paragraph 16, is that a signed copy of the report must be submitted to the JSE within 24 hours of the publication of the report. However, we highlight that Bulletin 4 of 2013 now includes a requirement that only modified reports need to be submitted to the JSE. We encourage the IRBA to consider how this impacts the issue.

e) Unaudited or un-reviewed supplementary information

Paragraphs 22 to 23 discuss unaudited or unreviewed supplementary information presented with the audited or reviewed information. ISA 810 paragraph 23 addresses the auditor’s procedures relating to such unaudited supplementary information, which has been incorporated in paragraph 23 of the proposed Guide. ISRE 2410 does not contain similar requirements. However, the proposed Guide refers to unaudited and unreviewed information and the audit or review report throughout paragraph 23. We believe that this is inappropriate as the proposed Guide is not authoritative and therefore cannot impose requirements on the auditor when performing a review engagement i.e. in a review engagement the auditor would not be required to perform these procedures. As discussed previously, we suggest that the content in the proposed Guide be separated between audit and review engagements, in order that the responsibilities of the auditor in each type of engagement are clear.

f) Date of the auditor’s report

Similar to our concerns raised above regarding imposing requirements on the reviewer that are not contained within ISRE 2410, paragraph 28 of the proposed Guide states that where the auditor is engaged to review condensed financial statements, the date of the auditor’s review report on the condensed financial statements may not be prior to the date that the condensed financial statements were approved by the directors. This is not a requirement of ISRE 2410 and therefore should not be indicated as such in the proposed Guide, although practically it should be performed. As a result, we suggest the following enhancements to paragraph 28 (changes highlighted in bold):

Although not a requirement of ISRE 2410, where the auditor is engaged to review condensed financial statements, **it would be inappropriate for** the date of the auditor’s review report on the condensed financial statements **to may not** be prior to the date that the condensed financial statements were approved by the directors.

g) Effect of a modified report on the complete set of financial statements on the auditor’s report on the summary financial statements

We believe that paragraph 31 is incorrect, since it indicates that ISA 810 requires the auditor to include in the auditor’s report on the summary financial statements “report on other legal and regulatory requirements” (reportable irregularities) that were included in the auditor’s report on the complete set of financial statements. Furthermore, there are no requirements in the JSE LR

that modifications in the auditor's report on the complete financial statements need to be indicated in the auditor's report on the summary financial statements. We also note that paragraph 31 refers to a modified opinion, yet ISA 810 paragraph 18 contains slightly different requirements in respect of adverse opinions and disclaimer of opinions.

In respect of the inclusion of reportable irregularities in the auditor's report on the summary financial statements, we believe that as a result of the requirements of sections 44(2) and 44(3) of the Auditing Profession Act, a reportable irregularity would be noted in the auditor's report on the summary financial statements. However, the proposed Guide indicates that this requirement arises from ISA 810.

We also would like to highlight that paragraph 31 indicates that the auditor explains the effect on the *auditor's report* on the summary financial information, whereas the requirement of ISA 810 paragraph 17(b) is that the auditor explains the effect on the summary financial information (not the auditor's report).

As a result of the above matters, we suggest the following amendments (changes highlighted in bold):

ISA 810 paragraph 17 requires that when the auditor's report on the complete set of financial statements from which the summary financial statements are derived, contains a **qualified modified** opinion, **and** an emphasis of matter, ~~a reportable irregularity,~~ **and/or** an "other matter" paragraph, the auditor's report on the summary financial statements states that the auditor's report on the complete set of financial statements contains such a modification, and explains the basis for the modification and effect on the ~~auditor's report on the~~ summary financial information (refer illustrative report 11 in Appendix 1).

ISA 810 paragraph 18 requires that when the auditor's report on the complete set of financial statements from which the summary financial statements are derived, contains an adverse opinion or disclaimer of opinion, the auditor's report on the summary financial statements states that the auditor's report on the complete set of financial statements contains such an adverse opinion or disclaimer of opinion, and explains the basis for the opinion. Furthermore, ISA 810 requires the auditor to state that, as a result of the adverse opinion or disclaimer of opinion, it is inappropriate to express an opinion on the summary financial statements.

Sections 44(2) and 44(3) of the Auditing Profession Act (APA) require the auditor to include appropriate modifications in the auditor's report in respect of reportable irregularities. The APA refers to an opinion on any financial statement, which would include summary financial statements. As a result, where a reportable irregularity exists, it would need to be identified in the auditor's report on the complete set of financial statements as well as the auditor's report on the summary financial statements.

Modifications of the auditor's opinion, an emphasis of matter or a reportable irregularity in the auditor's report (other than an "other matter" paragraph) will result in an annotation of the issuer on the JSE. **Furthermore, such modifications are required to be indicated in the press announcement.**

Paragraph 32 states "the Directors' Report, the Audit Committee's Report (when applicable) and the Company Secretary's Certificate (when applicable), form part of the annual financial statements prescribed by the Companies Act that must be audited or reviewed, as and when

applicable”. This is inconsistent with the description of the auditor’s work effort in the auditor’s report.

h) Auditor association

We believe it may be appropriate to highlight that the JSE does not require the auditor to report on the summarised financial statements where the complete set of financial statements has been audited, as per Bulletin 4 of 2013 (paragraphs 3.18(c), 3.22(b) and 3.21(c)).

Furthermore, we believe that it is necessary for the proposed Guide to further clarify the auditor’s responsibilities where an abridged report is issued and the auditor has not been engaged to audit the abridged report. For example, although not prescribed in the JSE Listings Requirements or ISA 810, it is recommended that the auditor reads the abridged report to ensure that it is consistent with the audited annual financial statements. It may also be useful if it explains the requirements of the JSE Listings Requirements regarding what needs to be disclosed in an abridged report relating to the audit report on the annual financial statements i.e. the requirements set out in the Guidance Letter of 20 September 2012 relating to audit report matters.

i) Appendix 2

Appendix 2 contains illustrative wording regarding the auditor and the auditor’s report on financial information to be included in an issuer’s SENS announcement where the auditor’s report is not included therein. We have the following recommendations for improvements:

- Condensed financial statements have been reviewed:
 - We recommended the following wording in respect of an unmodified conclusion:

These provisional financial statements have been reviewed by the auditors, *[name of firm]*, on which an unmodified conclusion was expressed. A copy of their review report is available for inspection at the company’s registered office.
 - We recommended the following wording in respect of a qualified conclusion:

These provisional financial statements have been reviewed by the auditors, *[name of firm]*, on which a qualified conclusion was expressed as follows:

[Insert exact modification paragraph]

A copy of their review report is available for inspection at the company’s registered office.
 - We recommended the following wording in respect of an unmodified conclusion with an emphasis of matter paragraph contained in the report:

These provisional financial statements have been reviewed by the auditors, *[name of firm]*, on which an unmodified conclusion was expressed and their report contained the following emphasis of matter:

[Insert exact emphasis of matter paragraph]

A copy of their review report is available for inspection at the company's registered office.

- We recommended the following wording in respect of an unmodified conclusion with a reportable irregularity paragraph contained in the report:

These provisional financial statements have been reviewed by the auditors, *[name of firm]*, on which an unmodified conclusion was expressed and their report contained the following paragraph with respect to a reportable irregularity:

[Insert exact reportable irregularity paragraph]

A copy of their review report is available for inspection at the company's registered office.

- Summary financial statements included in an abridged report:

- We recommend making use of subheadings i.e. abridged report not audited, abridged report audited.
- We recommend the example relating to an unaudited abridged report appears first, as this is more common.
- We recommend the wording in respect of an unaudited abridged report where the auditor's report on the annual financial statements contained an unmodified opinion could be as follows:

This abridged report is extracted from audited information but is not itself audited. The directors take full responsibility for the preparation of the report and the information has been correctly extracted from the underlying annual financial statements. The auditors, *[name of firm]*, have audited the *[consolidated]* annual financial statements for the year ended *[year end date]*, from which this abridged report has been derived, and their report contained an unmodified opinion.

- We recommend the wording in respect of an unaudited abridged report where the auditor's report on the annual financial statements contained a qualified opinion could be as follows:

This abridged report is extracted from audited information but is not itself audited. The directors take full responsibility for the preparation of the report and the information has been correctly extracted from the underlying annual financial statements. The auditors, *[name of firm]*, have audited the *[consolidated]* annual financial statements for the year ended *[year end date]*, from which this abridged report has been derived. The auditor's report on the audited *[consolidated]* annual financial statements contained a qualified opinion in respect of *[describe nature of qualification]*.

- We recommended the following wording in respect of an abridged report which has been audited and contains an unmodified opinion:

These audited abridged financial statements are derived from the audited *[consolidated]* annual financial statements. The auditors, *[name of firm]*, have audited the *[consolidated]* annual financial statements and the abridged financial statements for the

year ended *[year end date]*, and their reports contained an unmodified opinion. A copy of their audit report is available for inspection at the company's registered office.

- We recommended the following wording in respect of an abridged report which has been audited and the audited annual financial statements contain a qualified opinion:

These audited abridged financial statements are derived from the audited *[consolidated]* annual financial statements. The auditors, *[name of firm]*, have audited the *[consolidated]* annual financial statements and the abridged financial statements for the year ended *[year end date]*. The auditor's report on the audited *[consolidated]* annual financial statements and the audited abridged financial statements contained a qualified opinion in respect of *[describe nature of qualification]*. A copy of their audit report is available for inspection at the company's registered office.

- Summary financial statements included in a preliminary or provisional report:

- We recommended the following wording in respect of a provisional report which contains summarised financial statements and has been audited and contains an unmodified opinion: (example also applies to preliminary and interim reports)

These audited provisional financial statements are derived from the audited *[consolidated]* annual financial statements. The auditors, *[name of firm]*, have audited these provisional financial statements, on which an unmodified opinion was expressed. A copy of their audit report is available for inspection at the company's registered office.

- We recommended the following wording in respect of a provisional report which contains summarised financial statements and has been audited and contains a qualified opinion: (example also applies to preliminary and interim reports)

These audited provisional financial statements are derived from the audited *[consolidated]* annual financial statements. The auditors, *[name of firm]*, have audited these provisional financial statements, on which a qualified opinion was expressed as follows:

[Insert exact modification paragraph]

A copy of their audit report is available for inspection at the company's registered office.

j) Formatting matters

We identified the following formatting related matters:

- Paragraph 2 indicates that issuers are required to publish preliminary reports. We note that preliminary reports are issued on a voluntary basis.
- Paragraph 5 is incorrectly worded as it refers to a Reportable Irregularity being an emphasis of matter paragraph. It should be worded as follows:

The illustrative reports in Appendix 1 of this proposed Guide do not provide illustrative reports containing modified opinions or conclusions, emphasis of matter paragraphs, other matter paragraphs or Reportable Irregularities where these are required to be included in the auditor's report.

- We recommend that a subheading is included above paragraph 12, such as “Interim reports – basis of preparation” and paragraph 13 “Preliminary, provisional and abridged reports – basis of preparation” to clearly differentiate the discussion.
- Paragraph 16 should incorporate a footnote which references to paragraph 8.60 and 3.18(f) of the LR.
- Paragraph 18 is linked to paragraph 16 and therefore should be inserted between paragraph 16 and 17.
- We believe the heading above paragraph 19 would be more appropriately named “Initial review engagements” to indicate the content of this section.
- Paragraph 24 refers to what information is covered by the auditor’s *report*. We believe that it should be what information is covered by the auditor’s *opinion or conclusion*.
- We believe that paragraph 25 would be more appropriately placed before paragraph 22.
- We recommend restructuring paragraph 27 as follows (changes highlighted in bold):

Where the auditor is engaged to audit summary financial statements contained in a preliminary, provisional or abridged report, the date of the auditor’s report on the summary financial statements may not be prior to the date of the auditor’s report on the audited financial statements⁴² and the date on which the auditor has obtained sufficient appropriate evidence on which to base the opinion, including evidence that **the summary financial statements⁴²**, the complete set of financial statements, the Directors’ Report, the Audit Committee Report **and** the Company Secretary **Certificate⁴³ and the ~~summary financial statements~~** were approved by their respective preparers.


⁴³ ISA 810 requires the complete financial statement to be signed off by the auditor before signing off on the summary financial statements. ISA 700 paragraph 41(b) requires those with the recognised authority to have taken responsibility for the complete financial statements before the auditor may sign off on them.

- We suggest that the title of the section “auditor association” is enhanced to “auditor association where the auditor has audited the complete set of financial statements but is not engaged to report on the summarised financial statements”.
- Paragraph 33 relates to a situation where the financial statements have been audited. The last sentence, however, refers to “the auditor’s audit or *review report*”.

Conclusion

Please do not hesitate to contact Shelly Nelson (shenelson@deloitte.co.za or 082 854 0103) or Natalie Klonaridis (nklonaridis@deloitte.co.za or 083 391 7144) should you wish to discuss any of the matters included in our letter.

Yours faithfully,



Shelly Nelson

Appendix 1

Proposed changes to Appendix 4 (highlighted in yellow)

	Interim reports	Preliminary reports	Provisional reports	Abridged reports
Requirement to publish	<p>To be published within three months after the expiration of the first six-month period of a financial year.</p> <p>Where a change in year-end results in the financial period being longer than twelve months, interim financial statements shall be published and distributed in respect of both:</p> <p>(a) The six-month period commencing on the first day of the financial period; and</p> <p>(b) A twelve month period commencing on the first day of such financial period. Which second interim report must also comply with paragraph JSE Listings Requirements paragraph 3.18(h);</p> <p>(c) By no later than three months after the expiration of the first six months and the second twelve months respectively¹.</p>	<p>The JSE does not require the publication of a preliminary report – this is a voluntary report for a full financial year that is issued in advance of being required to issue the annual report².</p>	<p>If an issuer has not distributed annual financial statements to all shareholders within three months of its financial year-end, it must publish and distribute to all holders of securities provisional annual financial statements within the three months as specified³.</p>	<p>An abridged report is required to be published at the same time that an issuer’s annual financial statements are distributed to its holders of securities and the JSE⁴.</p> <p>If an issuer has published a preliminary or provisional report and the information so published hasn’t changed, an issuer may elect not to publish an abridged report when it distributes its annual financial statements to its holders or securities and the JSE. In such cases the issuer must publish an announcement that it is not publishing an abridged report as the information previously published in its preliminary report is unchanged (no change report).</p>

¹ Listings Requirements, paragraph 3.15

² Listings Requirements, paragraph 3.22

	Interim reports	Preliminary reports	Provisional reports	Abridged reports
Basis of presentation	Interim reports must be presented on a consolidated basis if the company has subsidiaries ⁵ .	Preliminary reports must be presented on a consolidated basis if the company has subsidiaries ⁶ .	Provisional reports must be presented on a consolidated basis if the company has subsidiaries ⁷ .	Abridged reports must be presented on a consolidated basis if the company has subsidiaries ⁸ .
Basis of preparation	<p>Interim reports must be prepared in accordance with IAS 34 <i>Interim Financial Reporting</i> as well as the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council⁹.</p> <p>A statement that it has been prepared as described above must be included in the financial statements¹⁰.</p> <p>A statement must be included confirming that the accounting policies are in terms of IFRS and are consistent with those of the previous annual financial</p>	<p>Preliminary reports must be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and must also, as a minimum contain the information required by IAS 34 <i>Interim Financial Reporting</i>¹².</p> <p>A statement that it has been prepared as described above must be included in the financial statements¹³.</p>	<p>Provisional reports must be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and must also, as a minimum contain the information required by IAS 34 <i>Interim Financial Reporting</i>¹⁵.</p> <p>A statement that it has been prepared as described above must be included in the financial statements¹⁶.</p>	<p>Abridged reports must be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and must also, as a minimum contain the information required by IAS 34 <i>Interim Financial Reporting</i>¹⁸.</p> <p>A statement that it has been prepared as described above must be included in the financial statements¹⁹.</p>

³ Listings Requirements, paragraph 3.16

⁴ Listings Requirements, paragraph 3.21

⁵ Listings Requirements, paragraph 8.61

⁶ Listings Requirements, paragraph 8.61

⁷ Listings Requirements, paragraph 8.61

⁸ Listings Requirements, paragraph 8.61

⁹ Listings Requirements, paragraph 8.57(a) and JSE Guidance Letter issued 13 December 2013

¹⁰ Listings Requirements, paragraph 8.57(a)

	Interim reports	Preliminary reports	Provisional reports	Abridged reports
	statements (or include details of the changes) ¹¹ .	A statement must be included confirming that the accounting policies are in terms of IFRS and are consistent with those of the previous annual financial statements (or include details of the changes) ¹⁴ .	A statement must be included confirming that the accounting policies are in terms of IFRS and are consistent with those of the previous annual financial statements (or include details of the changes) ¹⁷ .	A statement must be included confirming that the accounting policies are in terms of IFRS and are consistent with those of the previous annual financial statements (or include details of the changes) ²⁰ .
Disclosure required by the Listings Requirements in addition to IFRS disclosures	In respect of the period under review and the immediately preceding comparable period, a headline earnings per share and a diluted headline earnings per share figure must be disclosed, together with an itemised reconciliation between headline earnings and the earnings used in the calculation of earnings per share ²¹ . Disclosures as per paragraph	In respect of the period under review and the immediately preceding comparable period, a headline earnings per share and a diluted headline earnings per share figure must be disclosed, together with an itemised reconciliation between headline earnings and the earnings used in the calculation of earnings per share ²⁴ . Disclosure where there is a	In respect of the period under review and the immediately preceding comparable period, a headline earnings per share and a diluted headline earnings per share figure must be disclosed, together with an itemised reconciliation between headline earnings and the earnings used in the calculation of earnings per share ²⁶ . Disclosure where there is a	In respect of the period under review and the immediately preceding comparable period, a headline earnings per share and a diluted headline earnings per share figure must be disclosed, together with an itemised reconciliation between headline earnings and the earnings used in the calculation of earnings per share ²⁸ . Disclosure where there is a

¹² Listings Requirements, paragraph 8.57(b) and JSE Guidance Letter issued 13 December 2013

¹³ Listings Requirements, paragraph 8.57(b)

¹⁵ Listings Requirements, paragraph 8.57(b) and JSE Guidance Letter issued 13 December 2013

¹⁶ Listings Requirements, paragraphs 8.57(b) and 3.18(c)

¹⁸ Listings Requirements, paragraph 8.57(b) and JSE Guidance Letter issued 13 December 2013

¹⁹ Listings Requirements, paragraph 8.57(b)

¹¹ Listings Requirements, paragraph 8.57(c)

¹⁴ Listings Requirements, paragraph 8.57(c)

¹⁷ Listings Requirements, paragraph 8.57(c)

²⁰ Listings Requirements, paragraph 8.57(c)

²¹ Listings Requirements, paragraph 8.58(a)

²⁴ Listings Requirements, paragraph 8.58(a)

²⁶ Listings Requirements, paragraph 8.58(a)

²⁸ Listings Requirements, paragraph 8.58(a)

	Interim reports	Preliminary reports	Provisional reports	Abridged reports
	<p>3.59 where there have been changes to the board of directors or company secretary.</p> <p>With respect to Mineral Companies, summary information must be provided in the interim financial statements disclosing any material changes to the information disclosed in compliance with 8.63(1) for the prior year/period ended, or an appropriate negative statement where there have been no material changes²².</p> <p>Disclosure where there is a material change to the initial estimates of a contingent consideration payable or receivable in terms of an acquisition or disposal, as used in the pro forma financial effects calculations²³.</p> <p>Disclosure requirements where constant currency information is presented as part of or accompanying the annual financial statements, including a statement advising investors that</p>	<p>material change to the initial estimates of a contingent consideration payable or receivable in terms of an acquisition or disposal, as used in the pro forma financial effects calculations²⁵.</p> <p>Disclosure requirements where constant currency information is presented as part of or accompanying the annual financial statements.</p>	<p>material change to the initial estimates of a contingent consideration payable or receivable in terms of an acquisition or disposal, as used in the pro forma financial effects calculations²⁷.</p> <p>Disclosure requirements where constant currency information is presented as part of or accompanying the annual financial statements.</p>	<p>material change to the initial estimates of a contingent consideration payable or receivable in terms of an acquisition or disposal, as used in the pro forma financial effects calculations²⁹.</p> <p>Disclosure requirements where constant currency information is presented as part of or accompanying the annual financial statements.</p>

²² Listings Requirements, paragraph 8.58(b)

²³ Listings Requirements, paragraph 8.58(c)

²⁵ Listings Requirements, paragraph 8.58(c)

²⁷ Listings Requirements, paragraph 8.58(c)

²⁹ Listings Requirements, paragraph 8.58(c)

	Interim reports	Preliminary reports	Provisional reports	Abridged reports
	<p>this information has not been reviewed and reported on by the issuer's auditors.</p> <p>Disclosure requirements in paragraph 8.11 where the reviewed interim report is prepared for the purposes of a prospectus/pre- listing statement/circular (as more than nine months have elapsed since the end of the last financial year and the interim report is required per the JSE LR paragraph 8.7).</p>			
Audit/review requirement	<p>Interim reports are not required to be audited³⁰.</p> <p>Unaudited interim reports are required to be reviewed if the issuer's auditor disclaimed, qualified or gave an adverse opinion in the issuer's last annual financial statements, unless the JSE otherwise decides³¹.</p> <p>An issuer may voluntarily engage its auditor to audit or</p>	<p>Preliminary reports must, at a minimum, be reviewed by the issuer's auditor unless an audit report has been issued on the underlying annual financial statements³².</p> <p>Where constant currency information is presented as part of or accompanying the annual financial statements, a limited assurance report in terms of ISAE 3000 must be issued and the auditor's report must be</p>	<p>Unaudited provisional reports shall be reviewed by an issuer's auditor, unless an audit report has been issued on the underlying annual financial statements³³.</p> <p>Where constant currency information is presented as part of or accompanying the annual financial statements, a limited assurance report in terms of ISAE 3000 must be issued and the auditor's report must be</p>	<p>There is no requirement in the Listings Requirements for abridged reports to be audited as the underlying information would have been audited by the time the abridged report is published³⁴.</p> <p>Where constant currency information is presented as part of or accompanying the annual financial statements, a limited assurance report in terms of ISAE 3000 must be issued and</p>

³⁰ Listings Requirements paragraph 3.18(a)

³¹ Listings Requirements, paragraph 3.18(b)

³² Listings Requirements, paragraph 3.22

³³ Listings Requirements, paragraph 3.18(c)

³⁴ Listings Requirements, paragraph 3.21

	Interim reports		Preliminary reports		Provisional reports		Abridged reports
	review its interim report.		available for inspection.		available for inspection.		the auditor's report must be available for inspection.
Applicable audit/review standard (Note – the audit and review requirement for preliminary and provisional reports have been swapped around)	Reviewed ISRE 2410 on the condensed financial statements When an interim report is reviewed by the issuer's auditor, such a review is performed in accordance with ISRE 2410 ³⁵ .	Audited (expected to be rare) ISA 700, regarding the complete set of interim financial statements. ISA 810 regarding the summary financial statements	Reviewed ISRE 2410 on the condensed financial statements	Audited (expected to be rare) ISA 700, regarding the complete set of annual financial statements. ISA 810 regarding the summary financial statements	Reviewed ISRE 2410 on the condensed financial statements	Audited (expected to be rare) ISA 700, regarding the complete set of annual financial statements. ISA 810 regarding the summary financial statements	ISA 810 regarding the summary financial statements.

³⁵ Listings Requirements, paragraph 3.18(e)

	Interim reports		Preliminary reports		Provisional reports		Abridged reports
Type of opinion/conclusion (Note – the audit and review requirement for preliminary and provisional reports have been swapped around)	Complete set of interim financial statements <i>“presents fairly, in all material respects”</i> ³⁶	Complete set of interim financial statements <i>“presents fairly, in all material respects”</i> ³⁸	Reviewed “prepared, in all material respects”	Audited <i>(expected to be rare)</i> “presents fairly” on the complete set of annual financial statements. “consistent, in all material respects” on the preliminary financial statements.	Reviewed “prepared, in all material respects”	Audited <i>(expected to be rare)</i> “presents fairly” on the complete set of annual financial statements. “consistent, in all material respects” on the provisional report.	“consistent, in all material respects”
	Condensed interim financial statements <i>“prepared, in all material respects”</i> ³⁷	Condensed interim financial statements <i>“prepared, in all material respects”</i> ³⁹					
		Summarised interim financial statements “consistent, in all material respects” on the.					

³⁶ ISRE 2410, paragraph 43(i)

³⁷ ISRE 2410, paragraph 43(j)

³⁸ ISRE 2410, paragraph 43(i)

³⁹ ISRE 2410, paragraph 43(j)

	Interim reports	Preliminary reports	Provisional reports	Abridged reports
<p>Disclosure required by the Listings Requirements regarding the auditor and auditor's report</p> <p>(note – moved after audit / review requirements, to set the context for the disclosure requirements)</p>	<p>If an interim report has been audited or reviewed by an auditor, this fact and the name of the auditor shall be stated in such published report.</p> <p>If the report of the auditor is not included in the published report, it shall state that the report of the auditor is available for inspection at the company's registered office. If such report has not been audited or reviewed by an auditor, an appropriate negative statement must appear in such published report⁴⁰.</p> <p>The published report must state the type of review conclusion/audit opinionconclusion, i.e. unqualified, qualified, disclaimer or adverse, and should contain an extract of the exact modification paragraph from the auditor's report. The published report must also mention and contain details of any emphasis of matter paragraph, paragraphs regarding reportable irregularities or material inconsistencies in other information contained in the</p>	<p><i>If reviewed or audited:</i></p> <p>The name of the auditor shall be stated in the published report.</p> <p>Although the review/audit report of the auditor need not be included in the published report, the published report must state the type of review conclusion / audit opinion, i.e. unqualified, qualified, disclaimer or adverse and should contain an extract of the exact modification paragraph from the auditor's report. The published report must also mention and contain details of any emphasis of matter paragraph, paragraphs regarding reportable irregularities or material inconsistencies in other information contained in the auditor's report. If the report of the auditor is not included in the published report, it must state that the report of the auditor is available for inspection at the issuer's registered office⁴².</p> <p><i>If not reviewed or audited:</i></p> <p>Include the following statement: "This summarised report is</p>	<p><i>If reviewed or audited:</i></p> <p>The name of the auditor shall be stated in the published report.</p> <p>Although the review/audit report of the auditor need not be included in the published report, the published report must state the type of review conclusion/audit opinion, i.e. unqualified, qualified, disclaimer or adverse and should contain an extract of the exact modification paragraph from the auditor's report. The published report must also mention and contain details of any emphasis of matter paragraph, paragraphs regarding reportable irregularities or material inconsistencies in other information contained in the auditor's report. If the report of the auditor is not included in the published report, it must state that the report of the auditor is available for inspection at the issuer's registered office⁴⁶.</p> <p><i>If not reviewed or audited:</i></p> <p>Include the following statement: "This summarised report is</p>	<p><i>If audited:</i></p> <p>If the abridged report has been audited, this fact and the name of the auditor shall be stated in the published report.</p> <p>Although the audit report of the auditor need not be included in the published report, the published report must indicate whether there is a modified report state the type of audit opinion, i.e. unqualified, qualified, disclaimer, or adverse, emphasis of matter or reportable irregularity and should provide details of the contain an extract of the exact modification paragraph from the auditor's report. The published report must also mention and contain details of any emphasis of matter paragraph or paragraphs regarding reportable irregularities contained in the auditor's report. If the audit report is not modified then a statement to this effect must be included in the report. If the report of the auditor is not included in the published report,</p>

⁴⁰ Listings Requirements, paragraph 8.60

⁴² Listings Requirements, paragraph 3.22(b)(ii) and 3.18(g)

⁴⁶ Listings Requirements, paragraph 3.18(g)

	Interim reports	Preliminary reports	Provisional reports	Abridged reports
	<p>auditor’s report. If the report of the auditor is not included in the published report, it shall state that the report of the auditor is available for inspection at the issuer’s registered office⁴¹.</p>	<p>extracted from audited information but is not itself audited”.</p> <p>A statement that the directors take full responsibility for the preparation of the report and the information has been correctly extracted from the underlying annual financial statements.⁴³</p> <p>The name of the auditor who audited the annual financial statements must be included and that the report of the auditor is available for inspection at the issuer’s registered office.⁴⁴</p> <p>The published report must state the type of opinion, i.e. unqualified, qualified, disclaimer or adverse and should contain an extract of the exact modification paragraph from the auditor’s report. The published report must also mention and contain details of any emphasis of matter paragraph, paragraphs regarding reportable irregularities or material inconsistencies in other</p>	<p>extracted from audited information but is itself not audited.”⁴⁷</p> <p>A statement that the directors take full responsibility for the preparation of the report and the information has been correctly extracted from the underlying annual financial statements.⁴⁸</p> <p>The name of the auditor who audited the annual financial statements must be included and that the report of the auditor is available for inspection at the issuer’s registered office.⁴⁹</p> <p>The published report must state the type of opinion, i.e. unqualified, qualified, disclaimer or adverse and should contain an extract of the exact modification paragraph from the auditor’s report. The published report must also mention and contain details of any emphasis of matter paragraph, paragraphs regarding reportable irregularities or material inconsistencies in other</p>	<p>it must state that the report of the auditor is available for inspection at the issuer’s registered office⁵¹.</p> <p>If not audited:</p> <p>Include the following statement: “This abridged report is extracted from audited information but is not itself audited”.</p> <p>A statement that the directors take full responsibility for the preparation of the report and the information has been correctly extracted from the underlying annual financial statements.⁵²</p> <p>All abridged report (audited and unaudited):</p> <p>In respect of all abridged reports (audited and unaudited), the name of the auditor who audited the annual financial statements must be included and, if the report on the AFS is modified, details of the nature of such modification shall also be stated therein. If the report is not</p>

⁴¹ Listings Requirements, paragraph 3.18(f)

⁴³ Listings Requirements, paragraphs 3.22(b)(i) and 3.21(c)

⁴⁴ Listings Requirements, paragraph 3.22(b)(i) and 3.18(c)(ii)

	Interim reports	Preliminary reports	Provisional reports	Abridged reports
		information contained in the auditor's report. ⁴⁵	information contained in the auditor's report. ⁵⁰	modified, then a statement to this effect. ⁵³

⁴⁷ Listings Requirements, paragraph 3.18(c)(i) and 3.21(c)

⁴⁸ Listings Requirements, paragraph 3.18(c)(iii) and 3.21(c)

⁴⁹ Listings Requirements, paragraph 3.18(c)(ii)

⁵¹ Listings Requirements, paragraphs 3.21 and 8.60

⁵² Listings Requirements, paragraphs 3.21(c)

⁴⁵ Listings Requirements, paragraphs 3.22(b)(i) and 3.21(g)

⁵⁰ Listings Requirements, paragraphs 3.21(g)

⁵³ Listing Requirements, paragraph 3.21(c)

	Interim reports		Preliminary reports		Provisional reports		Abridged reports
Prepared in accordance with the Companies Act	Condensed interim financial statements	Complete interim financial statements	Condensed preliminary financial statements	Complete annual financial statements	Condensed provisional financial statements	Complete annual financial statements	Summarised abridged financial statements
	<i>“in accordance with the Companies Act of South Africa”</i>	<i>“in accordance with the Companies Act of South Africa”</i>	No reference to the Companies Act of South Africa	<i>“in accordance with the Companies Act of South Africa”</i>	No reference to the Companies Act of South Africa	<i>“in accordance with the Companies Act of South Africa”</i>	<i>“in accordance with the Companies Act of South Africa as applicable to summary financial statements”</i>
		Summarised interim financial statements		Summarised preliminary financial statements		Summarised provisional financial statements	
		<i>“in accordance with the Companies Act of South Africa as applicable to summary financial statements”</i>		<i>“in accordance with the Companies Act of South Africa as applicable to summary financial statements”</i>		<i>“in accordance with the Companies Act of South Africa as applicable to summary financial statements”</i>	

	Interim reports		Preliminary reports		Provisional reports		Abridged reports
Companies Act Disclosure Requirements	Condensed interim financial statements	Complete interim financial statements	Condensed preliminary financial statements	Complete annual financial statements	Condensed provisional financial statements	Complete annual financial statements	Summarised abridged financial statements
	Section 29(1)	Section 29(1)	Section 29(1)	Section 29(1)	Section 29(1)	Section 29(1)	Section 29(3)
		Summarised interim financial statements		Section 30 (3)		Section 30 (3)	
				Section 30 (4)		Section 30 (4)	
				Section 30 (5)		Section 30 (5)	
				Section 88 (2)		Section 88 (2)	
		Section 29(3)		Section 94 (7)		Section 94 (7)	
				Summarised preliminary financial statements		Summarised preliminary financial statements	
				Section 29(3)		Section 29(3)	

Appendix 2

Proposed changes to the table in paragraph 14 (highlighted in yellow)

	Description of the “applied criteria” in an audit report on summary financial statements	Description of the “financial reporting framework” in review report on condensed financial statements
Interim Report	“International Financial Reporting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the requirements of the Companies Act as applicable to summary financial statements ” (if applicable to the issuer).	“International Financial Reporting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the requirements of the Companies Act” (if applicable to the issuer).
Preliminary or Provisional Report	“the requirements of the JSE Limited Listings Requirements for [preliminary / provisional] reports, set out in the notes to the financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements” (if applicable to the issuer).	“the requirements of the JSE Limited Listings Requirements for [preliminary / provisional] reports, set out in the notes to the financial statements, and the requirements of the Companies Act of South Africa ” (if applicable to the issuer).
Abridged Report	“the requirements of the JSE Limited Listings Requirements for abridged reports, set out in the notes to the financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements” (if applicable to the issuer).	N/a