

**Revised Illustrative assurance report prepared to meet the JSE Listing  
Requirements**

**Illustrative Reporting Accountant's Report<sup>1</sup>**

**Independent Reporting Accountant's Assurance Report on the Compilation of  
Pro Forma Financial Information Included in a <Prospectus/Pre-listing  
Statement/Circular<sup>2</sup>>**

To the *Directors of <insert name of company>*

***Report on the Assurance Engagement on the Compilation of Pro Forma Financial  
Information Included in a <Prospectus/Pre-listing Statement/Circular<sup>3</sup>><sup>4</sup>***

We have completed our assurance engagement to report on the compilation of pro forma financial information of <ABC Limited> by the directors. The pro forma financial information, as set out on pages <xx-xx> of the <prospectus/pre-listing statement/circular<sup>5</sup>>, consists of <<the pro forma net asset statement as at <date>>, <the pro forma income statement for the period ended <date>><sup>6</sup>> and related notes. The applicable criteria on the basis of which the directors have compiled the pro forma financial information are specified in the Johannesburg Stock Exchange Limited (JSE) Listings Requirements<sup>7</sup> and described in <Paragraph X / Annexure X<sup>8</sup>>.

The pro forma financial information has been compiled by the directors to illustrate the impact of the corporate action or event, described in <Paragraph X / Annexure X<sup>9</sup>>, on the <company's financial position> as at <specify date>, and the <company's financial performance> for the period then ended, as if the corporate action or event had taken place at <specified date> and for the period then ended. As part of this process, information about the company's <financial position> and <financial performance> has been extracted by the directors from the company's financial statements for the period ended <date>, on which <an auditor's report<sup>10</sup>> was issued on <date>.

***Directors' Responsibility for the Pro Forma Financial Information***

The directors are responsible for compiling the pro forma financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in <Paragraph X / Annexure X<sup>11</sup>>.

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<sup>1</sup> JSE Listings Requirements: 8.45(c), 8.46, 8.47, 8.48(b) and 8.51.

<sup>2</sup> Delete whichever is not applicable.

<sup>3</sup> Delete whichever is not applicable.

<sup>4</sup> The sub-title "Report on the Assurance Engagement on the Compilation of Pro Forma Financial Information Included in a <Prospectus/Pre-listing Statement/Circular>" is unnecessary in circumstances when the second sub-title "Report on Other Legal and Regulatory Requirements" is not applicable.

<sup>5</sup> Delete whichever is not applicable.

<sup>6</sup> When applicable, replace with the appropriate title of each statement that comprises the pro forma financial information.

<sup>7</sup> JSE Listings Requirements: 8.16 to 8.33.

<sup>8</sup> Identify appropriate paragraph and / or annexure or delete whichever is not applicable.

<sup>9</sup> Identify appropriate paragraph and / or annexure or delete whichever is not applicable.

<sup>10</sup> State whether the auditor's opinion has been modified or an emphasis of matter paragraph or reportable irregularity paragraph has been included. Reference is to be made to the modification or emphasis of matter paragraph described in the <prospectus/pre-listing statement/circular>.

<sup>11</sup> Identify appropriate paragraph and / or annexure.

Revised ISAE 3420 Assurance Engagements to Report on the Compilation of  
Pro Forma Financial Information Included in a Prospectus

*Our Independence and Quality Control*

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B).

<Name of firm> / <The firm> applies the International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

*Reporting Accountant's Responsibility*

Our responsibility is to express an opinion about whether the pro forma financial information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* <which is applicable to an engagement of this nature<sup>12</sup>> issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the pro forma financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the corporate action or event at <specify date> would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

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<sup>12</sup> Insert where the engagement relates to pro forma information in a document, other than a prospectus.

Revised ISAE 3420 Assurance Engagements to Report on the Compilation of  
Pro Forma Financial Information Included in a Prospectus

Our procedures selected depend on our judgement, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Opinion*<sup>13</sup>

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria specified in the JSE Listings Requirements and described in <Paragraph X / Annexure X<sup>14</sup>>.

***Report on Other Legal and Regulatory Requirements***<sup>15</sup>

*<The form and content of this section of the auditor's report will vary depending on the nature of the auditor's other reporting responsibilities.>*

*Reporting Accountant's Signature*

Name of Firm<sup>16</sup>

Name of individual reporting accountant

Capacity: <Director / Partner>

Registered Auditor

Date of report

Reporting accountant's address

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<sup>13</sup> The JSE should be consulted as soon as it becomes apparent that the reporting accountant may consider issuing a modified opinion on the pro forma financial information.

<sup>14</sup> Appropriate paragraph and / or annexure as identified previously.

<sup>15</sup> Where the reporting accountant has a statutory or other obligation to report matters to a regulatory oversight body or other person, such as the IRBA, the reporting accountant needs to adhere to the statutory requirements imposed on him / her. Reference should also be made to part 2 (paragraph 6) and part 3 (paragraph 14) of the *Revised Guide for Registered Auditors: Reportable Irregularities in terms of the Auditing Profession Act* which describes the Registered Auditor's (reporting accountant) reporting responsibilities relating to an audit of financial statements and other reasonable assurance engagements.

<sup>16</sup> Both the audit firm and the individual reporting accountant specialist that issues the reporting accountant's report on pro forma financial information for any issuer, or applicant issuer, must be accredited by the JSE.