



The JSE Limited Listings Requirements

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Dear Subscriber

The Listings Requirements require that issuers obtain sign-off in certain circumstances from their reporting accountant on pro forma information. Currently that sign-off is in the form of a limited assurance report, which must follow the guidance set out in a SAICA Guide on Pro Forma Financial Information issued in 2005 and International Standards on Assurance Engagements ("ISAE") applicable to Assurance Engagements Other than Audits or Reviews.

In all instances the Listings Requirements require reporting accountants to conduct their various engagements in accordance with the relevant standards issued by the International Auditing and Assurance Board ("IAASB"). Until recently the IAASB had no specific standard on pro forma information, and thus the development and issue of local guidance in 2005. This has now changed through the issue of ISAE 3420 – Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus. This international assurance standard is effective for assurance reports dated on or after 31 March 2013.

Changes to the Listings Requirements have been made to take into account this change. SAICA has removed the assurance aspects from their pro forma guide and as such will issue a revised 2012 guide without these aspects. Please note that the SAICA guide also contains some other minor amendments as detailed therein.

The changes to the Listings Requirements also delete paragraphs 8.49 and 8.50. These included specific references to auditing standards that were incomplete, and in fact are more fully covered by paragraph 8.47 of the Listings Requirements.

The effective date for the changes to paragraphs 8.49 and 8.50 is 7 October 2012.

The effective date for the remainder of the changes is for all assurance reports issued on or after 31 March 2013.

Section 8 Financial information

Pro forma financial information

General

Paragraph 8.15 as amended:

8.15 If the issuer publishes pro forma financial information, including but not limited to financial effects, in any document requiring submission to the JSE, that information must comply with paragraphs 8.16 to 8.33 and a report in terms of paragraph 8.48(b) must be included in the relevant document. This report is not required to be prepared for an announcement. In all instances, the pro forma financial information must be compiled in terms of the Listings Requirements and The Guide on Pro forma Financial Information, issued by SAICA, and if applicable reported on, in terms of the International Standard on Assurance Engagements ("ISAE") 3420 – Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus and any relevant guidance issued by the IRBA.

Reporting accountant's report

The reporting accountant

Paragraph 8.48(b)(i) as amended:

- (i) whether the pro forma financial information has been compiled, on the basis required by the Listings Requirements;

The following paragraphs have been repealed:

8.49 This paragraph has been repealed.

8.50 This paragraph has been repealed.

Contents of a reporting accountant's report

Paragraph 8.51 as amended:

8.51 A reporting accountant's report as set out in paragraph 8.48, based on work performed in accordance with the relevant standards issued by the IAASB, as set out in paragraph 8.47, should be addressed to the directors of the applicant, in the case of an application for listing of new securities, or the listed company, in the case of an acquisition or disposal, and each report must include the following basic elements, ordinarily in the following layout:

- (a) title;
- (b) addressee;
- (c) Opening or introductory paragraph with:

- (i) the purpose for which the report has been prepared; and
 - (ii) identification of the components of the financial information audited or reviewed, or for which assurance is provided;
- (d) the directors' responsibilities;
- (e) the reporting accountant's responsibilities;
- (f) scope paragraphs, describing the nature of the work undertaken, with:
 - (i) a reference that the audit has been conducted in accordance with International Standards on Auditing (ISAs) (in the case of an audit); and/or
 - (ii) the relevant International Standard on Review Engagements (ISREs) (in the case of a review); and/or
 - (iii) the International Standards on Related Services (ISRS) 4400 Engagements to Perform Agreed-Upon Procedures Regarding Financial Information (in the case of agreed-upon procedures); and/or
 - (iv) the International Standard on Assurance Engagements (ISAE) 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information (in the case of assurance engagement and estimate); and/or
 - (v) the International Standard on Assurance Engagements (ISAE) 3400 – The Examination of Prospective Financial Information and the SAICA Revised Guide on Forecasts (in the case of profit forecasts); and/or
 - (vi) the International Standard on Assurance Engagements (ISAE) 3420 – Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus (in the case of assurance on pro forma financial information); and
 - (vii) a description of the work the reporting accountant has performed;
- (g) an opinion paragraph containing an expression of opinion (in the case of an audit or assurance engagement), or a conclusion paragraph containing an expression of the reporting accountant's conclusion (in the case of other assurance engagements conducted in accordance with ISAEs);
- (h) the reporting accountant's name (both the firm and the partner signing the opinion), address and signature; and
- (i) the date on which the reporting accountant's report is signed.