

## Finance requirements for financial statement analysis.

1. Auditors/ independent reviewers / accounting officer's / compiler's report.
2. A signed director's / member's report.
3. Set of Annual financial statements: Approved financial statements, signed auditors / independent reviewers / accounting officer's report must be valid and not outdated, received within 18 months after year end (S (30) of Companies Act)
  - 3.1 Statement of Financial Position
  - 3.2 Statement of Comprehensive Income(Income Statement)
  - 3.3 Statement of Changes in Equity
  - 3.4 Statement of Cash Flows
  - 3.5 Notes to the Financial Statements
4. ITA 34C Income tax assessment for current year under review, only used if supplier is not audited
5. Public Interest Score (PIS) – used to determine whether the financial statements are required to be audited / independently reviewed or neither.
6. Procurement to send the following
  - 6.1 Contracts that the supplier has with Eskom breaking down the target value, value spent and remaining value
  - 6.2 The contract reference as per tender enquiry for new contracts for cessions and other modifications (remaining contract value and contract number)
  - 6.3 Contract description as per the tender issue or mandate or modification

To note:

Finance will not review financials with errors. We do not adjust financial statements

Finance does not communicate with suppliers unless it is a clarification meeting set with the buyer and minuted as per commercial requirements.

PIS score will be verified according to the AFS where possible

**Report turnaround time will be 7 days from the date finance receives all required documentation**

PIS Score and report requirements clarification

Owner Managed Companies

If PIS 350 regardless of financials being compiled internally or externally – Finance requires an audited report

Between 100-349 internally compiled = Audited report if externally/independently compiled compilation report or accountants report

Less than 100- An accountants report regardless of financials being compiled internally or externally

Not Owner Managed.

If PIS 350 regardless of financials being compiled internally or externally – Finance requires an audited report

Between 100-349 internally compiled = Audited report if externally/independently compiled  
 an independent review report  
 Less than 100- An independent review report regardless of financials being compiled  
 internally or externally

<u>PIS Score Interpretation Table</u>		
<b>A: Owner Managed</b>		
<u>Public interest Score</u>	<u>Internally Compiled</u>	<u>Independently Compiled</u>
350	Audit	Audit
Between 100 - 349	Audit	Compilation
100 or less	Compilation	Compilation
<b>B: Not Owner Managed</b>		
350	Audit	Audit
Between 100 - 349	Audit	Independent review
100 or less	Independent review	Independent review