ANNEXURE L – FINANCIAL STATEMENT ANALYSIS

BUSINESS EVALUATION AND ANALYSIS SERVICES

Requirements for financial analysis

For Finance to be able to perform financial analysis of companies / entities for the above contract, latest 2 years comparative financial statements containing the following information will be required:

Companies

- PIS score
- Signed Independent Auditors' Report/Reviewers' Report
- Directors' Report
- Statement of Financial Position (comparative figures)
- Statement of Comprehensive Income (comparative figures)
- Statement of Changes in Equity (comparative figures)
- Statement of Cash Flows (comparative figures)
- Notes to the financial statements.

Close Corporations

- PIS score
- Signed Accounting Officers' Report
- Members' Report
- Statement of Financial Position (comparative figures)
- Statement of Comprehensive Income (comparative figures)
- Statement of Changes in Equity (comparative figures)
- Statement of Cash Flows (comparative figures)
- Notes to the Financial statements.

Joint Venture

- Signed joint venture agreement indicating percentage shareholding per entity.

New or entities that are less than 1 year old.

- Owner's 5-year tax returns
- Owner's financial position (income and expenditure, assets, and liabilities statements)

Applicable to Companies, Entities, JV's, and Close Corporations

- A Signed Guarantee Letter (if a subsidiary which is tendering does not have its own set of financial statements or its financials are consolidated into that of the Holding company, the Holding company must provide a guarantee letter which will allow Eskom to utilize its financial information for the purposes of their subsidiary and to further guarantee any liability which may arise as a result of a subsidiary failing to perform in terms of the contract).

Other information, where applicable:

1. Parent Company Guarantee (PCG) by the holding company; or

2. Performance Bond from their bank

Please note that the PCG and the Performance Bond should be on an Eskom Legal approved template.

3. If it happens that the entity does not have a holding company and/or the bank cannot provide the Performance Bond, the owners of the entity should provide their tax returns for the past 5 years plus personal financial position.