



**Broad-Based Black Economic Empowerment
Verification Certificate**

Scatterlings of Africa (Pty) Ltd

Registration no : 2007/013794/07
VAT no : 4320209382
Head Office, Location : 5 Libertas Road,
1 Somerset Office Park,
Bryanston
2021
: PO Box 69507,
Bryanston
2021

Verification standard applied : Codes of Good Practice on Black Economic Empowerment
Issue of the rating standard applied : Section 9 of the B-BBEE Act 53 of 2003
Scorecard applied : Qualifying Small Enterprise Scorecard (<R35 million annual turnover)

Element	Element weighting	Score
Ownership	28	11.70
Management Control	27	N/A
Employment Equity	27	N/A
Skills Development	25	N/A
Preferential Procurement	25	25.00
Enterprise Development	25	25.00
Socio-Economic Development	25	25.00
Overall Score	182	86.70

Broad Based BEE status level : A level 2 contributor to B-BBEE
BEE procurement recognition level : 125%
Black Ownership : 10%
Black Women Ownership : 5,95%
Value Adding Supplier (Yes/No) : No

Although the abovementioned is the current level of turnover/income and is closely related to the economic indicators, it may be more or less in future. Consequently, this certificate does not serve as a guarantee that the income reflected will continue at the same levels.

In our opinion, the B-BBEE Status reflected on this Certificate has been determined, in all material respects, in accordance with the Codes of Good Practice on Black Economic Empowerment, gazetted on 9 February 2007 in terms of the Broad-Based Black Economic Empowerment Act of South Africa. Our independent reasonable assurance report dated 31 October 2012 is available for inspection at the registered office of Scatterlings of Africa (Pty) Ltd together with the accompanying Scorecard and should be referred to for an understanding of our assurance engagement.

This Certificate has been determined, on the basis of information provided by management that may not be complete in all respects. We do not accept or assume responsibility to anyone other than Scatterlings of Africa (Pty) Ltd, for our work, for this report, or for the conclusion we have reached.

DJA Goosen CA(SA)

IRBA Registration No: ME445762B
B-BBEE approved registered auditor
Registered Auditor / Accounting Officer

Certificate No: QSE12/10/013

Date of issue: 31 October 2012
Expiry date: 30 October 2013
Period of validity: 12 months

Scatterlings of Africa (Pty) Ltd

Certificate Number: QSE12/10/013

Expiry Date: 30 October 2013

B-BBEE Approved Registered Auditor:

DJA Goosen CA(SA)

IRBA Registration No: ME445762B



Reasonable assurance report of the independent B-BBEE approved registered auditor

To the directors of Scatterlings of Africa (Pty) Ltd:

We have undertaken a reasonable assurance engagement on the B-BBEE Status as at 31 October 2012, as set out on page 1 of the Broad-Based Black Economic Empowerment ("B-BBEE") Verification Certificate 12/10/013 of Scatterlings of Africa (Pty) Ltd, and the Scorecard as set out on pages 2 to 3 of the Certificate. We clarify that our engagement is on the basis of information provided by management and may not be complete in all respects.

Directors' responsibility:

The directors are responsible for the preparation of the Scorecard and determining the B-BBEE status in accordance with the Codes of Goods Practice on Black Economic Empowerment gazetted on 9 February 2007 in terms of the Broad-Based Black Economic Empowerment Act of South Africa ("the B-BBEE Act"). The directors are also responsible for such internal control as management determines is necessary to enable the preparation of information and the B-BBEE Scorecard that is free from material misstatement, whether due to fraud or error.

B-BBEE Approved registered auditor's responsibility:

Our responsibility is to express a reasonable assurance conclusion on the B-BBEE Status reflected in the Certificate based on the procedures we have performed. We conducted our reasonable assurance engagement in accordance with the *South African Standard on Assurance Engagements (SASAE) 3502: Assurance Engagements on Broad Based Black Economic Empowerment (B-BBEE) Verification Certificates*. This standard requires us to comply with ethical requirements and to plan and perform this engagement to obtain reasonable assurance about whether the Certificate is free from material misstatement.

A reasonable assurance engagement with respect to a B-BBEE Verification Certificate involves performing procedures to obtain evidence regarding the Scorecard and B-BBEE Status of the measured entity based on the criteria and requirements contained in the relevant Codes. The procedures selected depend on the assurance provider's judgement, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments we considered internal control relevant to the preparation of the Scorecard and the determination of the B-BBEE Status.

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

Conclusion

In our opinion, the B-BBEE Status reflected in the Certificate has been determined, in all material respects, in accordance with the Codes of Goods Practice on Black Economic Empowerment gazetted on 9 February 2007 in terms of the Broad-Based Black Economic Empowerment Act of South Africa ("the B-BBEE Act").

Restriction on liability

Our engagement has been undertaken so that we might report to Scatterlings of Africa (Pty) Ltd in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than Scatterlings of Africa (Pty) Ltd, for our work, for this report, or for the conclusion we have reached.

DJA Goosen CA(SA)

IRBA Registration No: ME445762B

Director – SP3 Ratings (Pty) Ltd

B-BBEE approved registered auditor

Registered Auditor / Accounting Officer

Date signed: 31 October 2012

Scatterlings of Africa (Pty) Ltd

Certificate Number: QSE12/10/013

Expiry Date: 30 October 2013

B-BBEE Approved Registered Auditor:

DJA Goosen CA(SA)

IRBA Registration No: ME445762B



CODE SERIES 801: MEASUREMENT OF THE OWNERSHIP ELEMENT FOR QSE					
Weighting points	Category	Ownership	Weighting points	Compliance Target	Score
25	Voting Rights	Exercisable voting rights in the Enterprise in the hands of black people	6	25% + 1 Vote	2.31
	Economic Interest	Economic interest of black people in the Enterprise	9	25%	3.60
	Realisation points	Ownership fulfillment	1	Release from third party rights	1.00
		Net Value	9	Achieved Economic Interest compliance target	3.60
		10% first year			
		20% second year			
		40% third & fourth year			
		60% fifth & sixth year			
		80% seventh & eighth year			
		100% ninth & tenth year			
3	Bonus Point	Involvement in the ownership of the Enterprise by black women	2	10%	1.19
		Involvement in the ownership of the Enterprise by black participants in Employee Ownership Schemes, Co-operatives or Broad Based Ownership Schemes	1	10%	0
		Total	28		11.70

CODE SERIES 802: MEASUREMENT OF THE MANAGEMENT CONTROL ELEMENT FOR QSE					
Weighting points	Category	Management Control	Weighting points	Compliance Target	Score
25	Management Control	Black Senior and Other Top Management	25	50.1%	0
2	Bonus Points	Black women representation as Top Managers	2	25%	0
		Total	27		0

CODE SERIES 803: MEASUREMENT OF THE EMPLOYMENT EQUITY ELEMENT FOR QSE					
Weighting points	Employment Equity	Weighting points	Compliance Target		Score
			Years 0-5	Years 6-10	
25	Black employees of the Measured Entity who are Management as a percentage of all Management as a percentage of all Management adjusted using the Adjusted Recognition for Gender	15	40% (16%) Sub-Min	60% (24%) Sub-Min	0
	Black employees of the Measured Entity as a percentage of all employees adjusted using the Adjusted Recognition for Gender	10	60% (24%) Sub-Min	70% (28%) Sub-Min	0
2	Bonus Point: for meeting or exceeding the EAP targets in each category above	2			0
	Total	27			0

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Scatterlings of Africa (Pty) Ltd

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DJA Goosen CA(SA)

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CODE SERIES 804: MEASUREMENT OF THE SKILLS DEVELOPMENT ELEMENT FOR QSE				
Weighting points	Skills Development	Weighting points	Compliance Target	Score
25	Adjusted Skills Development spend on Learning programs for black employees as a percentage of leviable amounts	25	2%	0
	Total	25		0

CODE SERIES 805: MEASUREMENT OF THE PREFERENTIAL PROCUREMENT ELEMENT FOR QSE					
Weighting points	Preferential Procurement	Weighting points	Compliance Target		Score
			Years 0-5	Years 6-10	
25	BEE Procurement Spend from all Suppliers based on the B-BBEE Procurement Levels as a percentage of Total Measured Procurement Spend	25	40%	50%	25.00
	Total	25			25.00

CODE SERIES 806: MEASUREMENT OF THE ENTERPRISE DEVELOPMENT ELEMENT FOR QSE				
Weighting points	Enterprise Development	Weighting points	Compliance Target	Score
25	Average annual value of Qualifying Contributions made by the Measured Entity as a percentage of the target	25	2% of NPAT	25.00
	Total	25		25.00

CODE SERIES 807: MEASUREMENT OF THE SOCIAL ECONOMIC DEVELOPMENT ELEMENT FOR QSE				
Weighting points	Social Economic Development	Weighting points	Compliance Target	Score
25	Average annual value of all Qualifying Contributions made by the Measured Entity measured from the commencement of this statement or the Inception Date to the date of measurement as a percentage of the target	25	1% of NPAT	25.00
	Total	25		25.00

TOTAL	182		86.70
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