



Registered Auditors | Accountants | Consultants

www.nkonki.com

JSE Accredited to Audit JSE Listed Companies

Nkonki Incorporated, Registration Number: 2007/046/14/01

Physical Address:

1 Simba Road
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REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE TELKOM FOUNDATION TRUST

We have audited the annual financial statements of the Telkom Foundation Trust, which comprise the statement of financial position as at 31 March 2014, the statement of comprehensive income, the statement of changes in funds and reserves and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 7 to 14.

Trustees' Responsibility for the Financial Statements

The Trust's trustees are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

Reliability • Responsiveness • Assurance • Tangibles • Empathy

Nkonki Inc. (JHB) Directors:

Nkonki Inc. (JHB) Partners:

Mzi Nkonki - CA (SA) Sindi Zilwa - CA (SA)

Mitesh Patel - CA (SA), Brian Mungofa - CA (SA), Nyarai Muzarewetu - CA (SA), Prof. Steven Firer - DBA (UKZN) - CA (SA),

Ahmed Pandor - CA (SA), CISA, MBA, Sangeeta Kallen - CA (SA), Emma Mashilwane - CA (SA), Thuto Masasa - CA (SA),

Morne Kermis - CA (SA), Kiran Bhika - CA (SA), Mahendrin Moodley - CA (SA), Zakhele Nkosi - CA (SA), Julia van Wyk - CA (SA)

Eesa Kara - CA (SA)

Other Offices:

List available on request



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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Telkom Foundation Trust as of 31 March 2014, and of the financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Nkonki Inc.

Nkonki Incorporated

Mahendrin Moodley CA (SA)

Audit Partner

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