CORE BEE (PTY) LTD 8-BBEE Approved Registered Auditor Registration No. : 879975B



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Broad-Based Black Economic Empowerment Qualifying Small Enterprise Verification Certificate

Certificate No.: 02/B-BBEE: QSE06/03/2015/F658

# NEWTONS

## TRADING AS: NEWTONS

Registration number : Vat number : Physical location : Postal Address : PARTNERSHIP 4470104102 27 PARK ROAD, WILLOWS, BLOEMFONTEIN, 9301 P O BOX 20292, WILLOWS, 9320

This entity is confirmed to be a Qualifying Small Enterprise. The verification thereof was based on the principles contained in Codes of Good Practice as promulgated on 9 February 2007 (Gazette no. 29617), issued in terms of Section 9 of the B-BBEE Act 53 of 2003 & the Chartered Accountancy Sector Code, gazetted on 10 May 2011. The financial information for the year ended 28 February 2014 were scrutinized. Our independant opinion of the BEE status of the entity based on the information provided to us is as follows:

BEE status level: Procurement Recognition Level: Black ownership: Black ownership (modified flow-through): Black woman ownership: Value Adding Supplier:	Level One 135% 0.00% 0.00% Not measured YES	
	Weighting	<u>Score</u>
Ownership:	25	0.00
Management Control:	25	0.00
Employment Equity:	25	0.00
Skills Development:	25	25.00
Preferential Procurement:	25	25.00
Enterprise Development:	25	25.00
Socio-Economic Development:	25	25.00
Overall Score:	100	100.00

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.

Based on our work performed, we have no reason to believe that the B-BBEE status reflected in this Certificate has not been calculated 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 & the Chartered Accountancy Sector Code, gazetted on 10 May 2011.

Our limited assurance report dated 6-Mar-15 is available for inspection at the registered office of NEWTONS together with the accompanying detailed B-BBEE Scorecard and should be referred to for an understanding of our limited assurance engagement and the extent of work preformed.

This Certificate has been determined, on the basis of information provided by management. We do not accept or assume responsibility to anyone other than those who engaged us, for our work, for this report, or for the conclusion we have reached.



Sunékotzé

Registered Auditor Registration No.: 879975B B-BBEE Approved Registered Auditor



Date of issue : Expiry date : Period of validity : 06-Mar-15 05-Mar-16 12 months



CORE BEE (Pty) Ltd B-BBEE Approved Registered Auditor: Suné Kotzé Registration No.: 879975B NEWTONS Certificate No.: 02/B-BBEE: QSE06/03/2015/F658

## Expiry date: 05/03/2016

# LIMITED ASSURANCE REPORT OF THE INDEPENDENT B-BBEE APPROVED REGISTERED AUDITOR

#### To the management of NEWTONS

We have completed our limited assurance engagement on the B-BBEE Status as at 09-Mar-15, as set out on page 1 of the Broad-Based Black Economic Empowerment ("B-BBEE") Verification Certificate, Certificate No.: 02/B-BBEE: QSE06/03/2015/F658 of NEWTONS (the "Certificate"), and the Scorecard as set out on page 3 of the Certificate. We clarify that our engagement is on the basis of information provided by management.

## Responsibility of management

The management are responsible for the preparation of the Scorecard and determining the B-BBEE status in accordance with the Codes of Good Practice on Black Economic Empowerment ("the Codes of Good Practice"), gazetted on 9 February 2007 in terms of the Broad-Based Black Economic Empowerment Act of South Africa ("the B-BBEE Act") & the Chartered Accountancy Sector Code, gazetted on 10 May 2011. The management 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.

## Responsibility of B-BBEE Approved registered auditor

Our responsibility is to express a limited assurance conclusion on the B-BBEE Status reflected in the Certificate based on the procedures we have performed. We conducted our limited 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 limited assurance about whether the Certificate is free from material misstatement.

A limited assurance engagement with respect to a B-BBEE Verification Certificate involves performing procedures regarding the Scorecard and B-BBEE Status of the measured entity based on the criteria and requirements contained in the Codes of Good Practice. The procedures performed depend on the assurance provider's judgement. The nature of those procedures is different from and the extent is substantially less than in a reasonable assurance engagement, and consequently they do not enable us to obtain the assurance necessary to become aware of all significant matters that might be identified in a reasonable assurance engagement.

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

#### Summary of work performed

#### Our work performed included:

1) Obtaining an understanding of the entity and its environment and the underlying records sufficient to identify areas in the Scorecard where material misstatements are likely to arise, and to be able to design procedures to address those areas;

2) Inquiring of management and employees responsible for the preparation of the B-BBEE compliance information;

3) Performing such additional procedures as we considered necessary;

4) Re-performing calculations to determine whether the scores reflected in the Scorecard have been classified and determined in all material respects in accordance with the Codes of Good Practice.

## Limited assurance conclusion

Based on our procedures performed, nothing has come to our attention that causes us to believe that the B-BBEE Status reflected in the Certificate has not been determined, in all material respects, in accordance with the Codes of Good Practice gazetted on 9 February 2007 in terms of the B-BBEE Act & the Chartered Accountancy Sector Code, gazetted on 10 May 2011.

#### Restriction on liability

Our engagement has been undertaken so that we are able to report to NEWTONS in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than NEWTONS, for our work, for this report, or for the conclusion we have reached.

Registered Auditor Registration No.: 879975B B-BBEE Approved Registered Auditor Date signed: 6-Mar-15

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CORE BEE (Pty) Ltd B-BBEE Approved Registered Auditor: Suné Kotzé Registration No.: 879975B

NEWTONS

Certificate No.: 02/B-BBEE: QSE06/03/2015/F658

Expiry date: 05/03/2016

	CATEGORY		D BLACK ECONOMIC EMPOWED		WEIGH			
	CATEGORY		CRITERIA		POIN		TARGET ACHIEVED	SCORE ACHIE
			CODE SERIES 8	01 – OWNE	RSHIP			
801.1	VOTING RIGHTS	801.1	EXERCISABLE VOTING RIGHTS IN THE ENTERPRISE IN TH PEOPLE		10	32.5%	0.00%	.00
801.2	ECONOMIC INTEREST	801.2	ECONOMIC INTEREST IN THE ENTERPRISE TO WHICH B ENTITLED		15	32.5%	0.00%	.00
			EXERCISABLE VOTING RIGHTS IN THE ENTERPRISE IN TH PEOPLE, FOR HAVING ACHIEVED THE FOLLOWING TARGE	E HANDS OF BLACK TS:				
801.3	BONUS POINTS	801.3	BETWEEN 32.5% AND 39%		1	32.5% - 39%		
			BETWEEN 40% AND 49% 50% OR MORE		2	40% - 49% 50% OR MORE	0.00%	.00
			L	TARGET	28		ACHIEVED	0.00
			CODE SERIES 802 – MA	NAGEMEN	T CON	TROL		
802.1	TOP MANAGEMENT PARTICIPATION	802.1	BLACK REPRESENTATION AT TOP MANAGEMENT LEVEL		25	50.1%	0.00%	.00
802.2	BONUS POINTS	802.2	BLACK WOMAN REPRESENTATION AT TOP MANAGEMENT	LEVEL	2	25%	0.00%	.00
				TARGET	27	SCORE	ACHIEVED	0.00
			CODE SERIES 803 – EN	<b>IPLOYME</b>	NT EQI	JITY		
803.1	EMPLOYMENT	803.1.1	BLACK EMPLOYEES WHO ARE MANAGEMENT AS A % OF A (USING ADJUSTED RECOGNITION FOR GENDER)	ALL MANAGEMENT	15	60%	0.00%	.00
	EQUITY	803.1.2	BLACK EMPLOYEES AS A % OF ALL EMPLOYEES RECOGNITION FOR GENDER)	USING ADJUSTED	10	70%	0.00%	.00
803.2	BONUS POINTS	803.2.1	MEETING OR EXCEEDING THE EAP TARGETS		2			.00
				TARGET	27	and a second	ACHIEVED	0.00
			<u>CODE SERIES 804 – SK</u>	ILLS DEVI	ELOPM	ENT		
04.10	LEARNING PROGRAMMES	804.1	ADJUSTED SKILLS DEVELOPMENT SPEND ON LEARNING I BLACK EMPLOYEES AS A % OF LEVIABLE AMOUNT (INCI SPENT ON LEARNERSHIPS)	PROGRAMMES FOR LUDING AMOUNTS	25	296	2.09%	25.00
	1			TARGET	25	SCORE	ACHIEVED	25.00
			CODE SERIES 805 – PREFE	RENTIAL F	ROCU	REMENT		
805.1	PREFERENTIAL PROCUREMENT	805.1	BEE PROCUREMENT SPEND FROM ALL SUPPLIERS BASED O RECOGNITION LEVELS AS A % OF TOTAL MEASURED PROC	ON PROCUREMENT UREMENT SPEND	25	50%	73.63%	25.00
				TARGET	25	SCORE	ACHIEVED	25.00
			CODE SERIES 806 – ENTE	RPRISE DE	EVELO	PMENT		
806.1	ENTERPRISE DEVELOPMENT	806.1	AVERAGE ANNUAL VALUE OF ALL QUALIFYING ENTERPRI CONTRIBUTIONS AS A % OF NPAT:	SE DEVELOPMENT	25	2.0%	2.36%	25.00
	wolven, and the company wild a second			TARGET	25	SCORE	ACHIEVED	25.00
			CODE SERIES 807 - SOCIO-E	CONOMIC	DEVE	LOPMENT	£1. (1	
307.1	SOCIO-ECONOMIC DEVELOPMENT	807.1	AVERAGE ANNUAL VALUE OF ALL QUALIFYING DEVELOPMENT CONTRIBUTIONS AS A % OF NPAT	SOCIO-ECONOMIC	25	1.0%	1.42%	25.00
	e - management and Management and and			TARGET	25	SCORE	ACHIEVED	25.00
						TOTAL SCORE A	CHIEVED:	100.00
	ILT OF SCORE AC		ED: Level One	B-BBEE Contribu	tor Status	Scorecard - Overall Score	e	t Recognition
BEE PROCUREMENT RECOGNITION LEVEL: 135 %		Level 1 contr	ibutor			.00%		
		Level 2 contr	ibutor	= 85 -< 100 points				
		Level 3 contr	ibutor	= 75 -< 85 points				
		Level 4 contr		= 65 -< 75 points				
		Level 5 contr		= 55 -< 65 points				
			-	Level 6 contr		= 45 -< 55 points	and the second	00%
			_	Level 7 contri	ibutor	= 40 -< 45 points	50.	00%
					ibutor	= 30 -< 40 points		00%