

NAME OF MEMBER: _____

REPORT OF THE INDEPENDENT AUDITORS/ CHARTERED ACCOUNTANT’S REPORT TO THE ASSOCIATION OF SOUTHERN AFRICAN TRAVEL AGENTS ON FACTUAL FINDINGS

The Chief Executive Officer

Association of Southern African Travel Agents (“ASATA”)

P.O. Box 650539

Benmore

2010

Scope

We have performed the procedures agreed with you and enumerated below with respect to the accounting records of _____ (the Member) for the period ending _____ (year end) as required by you. Our engagement was undertaken in accordance with the International Standard on Related Services (4400) Engagements to perform agreed-upon procedures regarding financial information. The responsibility for determining the adequacy or otherwise of the procedures agreed to be performed is that of the ASSOCIATION OF SOUTHERN AFRICAN TRAVEL AGENTS.

Procedures and Findings

Our procedures and the corresponding findings thereon are set out in the table below.

	Procedures	Findings
1.	<p>Companies Act Regulations state that every profit company must calculate its Public Interest Score (PIS) for each financial year at the end of the year, by an Auditor or Chartered Accountant. Confirmation that the Annual Financial Statements have been audited or independently reviewed as per the Financial Reporting Standards document attached.</p> <p>Note: (If applicable) Where the Member or Shareholders of the entity has subordinated their debt in favour of other suppliers, that this be considered as equity funding to the business and therefore be excluded from the definition of liability.</p>	<p>The following procedure was conducted:</p> <ul style="list-style-type: none">a) Statutory Audit based on PIS, orb) Voluntary audit in terms of the MOI, orc) Independent Review <p>If applicable: Subordinated Loan</p> <p><input type="checkbox"/> has</p> <p><input type="checkbox"/> has not</p> <p>treated as Equity:</p>

1.1	<p>That the applicant's financials reflects a satisfactory financial standing which is defined as a current minimum ratio (current assets to current liabilities) of 1:1 .</p> <p>Note: If not, please elaborate on this ratio.</p>	<p>The applicant's financials</p> <p><input type="checkbox"/> do</p> <p><input type="checkbox"/> do not</p> <p>reflect a satisfactory financial standing.</p>
1.2	<p>That the paid up share capital is a minimum of R100 000 (one hundred thousand rand). (Applicable to Wholesale Members only)</p>	<p>The applicants paid up share capital</p> <p><input type="checkbox"/> is</p> <p><input type="checkbox"/> is not</p> <p>a minimum of R100 000 (one hundred thousand rand). (Applicable to Wholesale Members only)</p>
1.3	<p>That the total assets exceed total liabilities by at least R100 000 (one hundred thousand rand). (Applicable to Wholesale Members only)</p>	<p>The applicants total assets total</p> <p><input type="checkbox"/> exceed</p> <p><input type="checkbox"/> do not exceed</p> <p>liabilities by at least R100 000 (one hundred thousand rand). (Applicable to Wholesale Members only)</p>
2.	<p>We selected a sample of the lesser of 25 or 10% of sales invoices from the complete listing of sales issued by the travel agent and performed the following procedures:</p>	
2.1	<p>We agreed the amounts on-charged to the client by the travel agent to the underlying service providers invoice. i.e. Airline/Hotel</p>	<p>The amount on-charged to the customer</p> <p><input type="checkbox"/> agreed</p> <p><input type="checkbox"/> did not agreed</p> <p>to the service providers originating invoice.</p>

2.2	We agreed the amounts of taxes charged to the client by the travel agent to the underlying service providers invoice. i.e. Airline/Hotel	The taxes on charged to the customer <input type="checkbox"/> agreed <input type="checkbox"/> did not agreed to the service providers originating invoice.
2.3	We confirmed that the invoice issued to the customer was a valid tax invoice in terms of the criteria required by SARS Section 20(4) of the Value Added Tax Act, 1991.	The invoice issued to the customer <input type="checkbox"/> was <input type="checkbox"/> was not a valid tax invoice in terms of Section 20(4) of the Value Added Tax Act, 1991.

As the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the procedures performed. Had we performed additional procedures or had we performed an audit or review of the relevant information, other matters might have come to our attention that would have been reported to you.

Our report is solely for regulatory purposes and may not be distributed to, or relied on, by parties other than the Member and ASSOCIATION OF SOUTHERN AFRICAN TRAVEL AGENTS.

Auditor/Other

Professional name: _____

Professional body: _____

Registered Address of Professional/ Firm : _____

Practice number: _____

Per: _____

Name of signatory

Signature

Date