

Annexure 1: Evaluation score sheet used to measure the extent of voluntary disclosure

BFA (PTY) LTD, UNIVERSITY OF PRETORIA ☎ (012) 420-3371 FAX (012) 362-5299

**BFA, UNIVERSITY OF PRETORIA FINANCIAL MAIL
"TOP TWENTY" ANNUAL REPORT AWARD
S C O R E S H E E T**

(APPLICABLE TO COMPANIES WITH FINANCIAL YEAR-ENDS DURING 1998)

COMPANY NAME

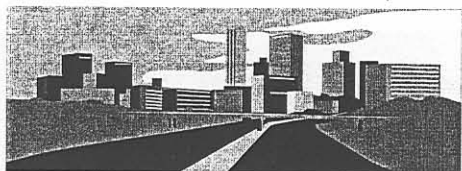
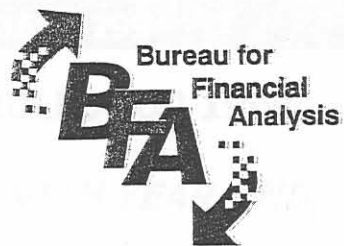


Card Number		1	1
Company Number	<input type="text"/>	<input type="text"/>	2 - 6
Year of Financial Report		9 8	7 - 8
Stock Exchange Section			9 - 10
ANNUAL REPORT	Maximum Marks Awarded		
1. Board of Directors	4	<input type="text"/>	11
2. Top Management	4	<input type="text"/>	12
3. Individual shareholding of directors and management	5	<input type="text"/>	13
4. Distribution of Shareholdings	5	<input type="text"/>	14
5. Contents of director's and chairman's report :			
activities	4	<input type="text"/>	15
reasons for changes in results	5	<input type="text"/>	16
statement of corporate objectives/goals/mission statement	2	<input type="text"/>	17
6. Long-term corporate planning	6	<input type="text"/>	18
7. Dividend policy	4	<input type="text"/>	19
8. Date of publication	4	<input type="text"/>	20
9. Table of statistics	4	<input type="text"/>	21
10. Contents of table :			
turnover	1	<input type="text"/>	22
number of shares issued	1	<input type="text"/>	23
net asset value per share	2	<input type="text"/>	24
ratios	8	<input type="text"/>	25
definitions of terms or ratios	1	<input type="text"/>	26
number of employees	2	<input type="text"/>	27
11. Stock Exchange Performance :			
analysis of transactions, JSE Index and share ratios	9	<input type="text"/>	28
12. Composition of audit committee	4	<input type="text"/>	29
13. Activities of subsidiaries	4	<input type="text"/>	30

		Maximum Marks Awarded				
14. Promotion of products or services	2					3
15. Valuation of fixed property	6					3
16. Valuation of other assets	4					3
17. List of fixed properties	2					3
18. Segmental reporting	7					3
19. Illustrations and colour	1					3
20. Graphical presentation	2					3
21. Highlights	1					3
22. Shareholders' / Lenders' Diary	1					3
23. Group structure	4					4
24. Value added statement	6					4
25. Inflation reporting	5					4
26. Employment reporting	6					4
27. Environmental reporting	6					4
28. Research and development projects	3					4
29. Taxation	4					4
30. Money exchanges with government	4					4
31. Corporate governance	9					4
32. Operating and financial review	8					4
33. Cash flow statement	2					5
34. Current liabilities	2					5
35. Analysis of operating income	4					5
36. Depreciation on intangible assets	2					5
37. Compliance with IAS	2					5
COMPUTER TEST TOTAL						55 - 58
38. INTERIM REPORT						
Card and company number	2					1 - 6
Date of interim report				9		7 - 12
Month of company year end						13 - 14
CONTENTS						
Presentation	9					15
Comments on results	3					16
Date of publication	2					17
Future prospects	4					18
COMPUTER TEST TOTAL						19 - 24

CONTACT PERSON : Ms Jean Myburgh ☎ (012) 420-3692 / 3371 / Fax (012) 362-5142

Annexure 2: Cover letter sent to financial directors with guidelines for completion of the score sheet



Bureau for Financial Analysis (Pty) Ltd. Reg. No: 2000/004497/07
Graduate Centre, Tindall & Duxbury Roads, University of Pretoria, Pretoria, RSA
PO Box 786095, Sandton, South Africa, 2146
Tel: +27 (12) 420 3371 Fax: +27 (12) 362 5299

Date :
The Financial Director

FINANCIAL MAIL ANNUAL REPORT AWARD

The Bureau of Financial Analysis has on behalf of the Financial Mail analysed the published annual financial statements of your company for the purpose of the Annual Report Award.

In order to avoid any discrepancies in our analysis it was decided to send a copy of our score sheet, together with a memorandum setting out the criteria applied and the points allocated to each participating company. Please note that the summarised memorandum sets out the maximum points obtainable for each question. It is however possible to score less than the maximum if the information required is incomplete.

We would be most grateful if you could verify this score sheet and inform us of any items with which you disagree. This will avoid problems occurring after the publication of the results.

In order to alleviate you of the inconvenience of contacting us if no discrepancies exist, we will assume that you are in agreement with our analysis if we do not hear from you ***within three weeks of the date of this letter.***

Should you require any further information regarding this project, please do not hesitate to contact Ms Jean Myburgh at telephone (012) 420-3692.

Please note that there were no changes during the ***last three years*** for the Financial Mail "Top Twenty" Rules for the Annual Reports.

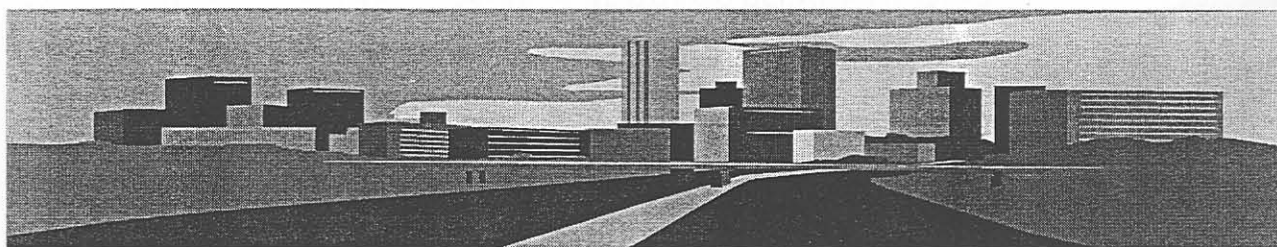
Thanking you in anticipation for your kind co-operation.

Yours faithfully

Prof L M Brümmer
DIRECTOR

**BFA (PTY) LTD, UNIVERSITY OF PRETORIA
TEL (012) 420-3371 FAX (012) 362-5299**

**FINANCIAL MAIL "TOP TWENTY" RULES FOR 1998
ANNUAL REPORTS
(APPLICABLE TO ANNUAL REPORTS WITH YEAR-ENDS
DURING 1998)**



PLEASE NOTE :

**A CODE 9 IMPLIES NOT APPLICABLE –
(MAXIMUM MARKS AWARDED FOR EACH ITEM IS SHOWN IN BRACKETS)**

1. BOARD OF DIRECTORS (4 MARKS)

***ONE MARK WILL BE AWARDED PER ITEM MENTIONED BELOW WITH A MAXIMUM OF 4 MARKS**

Only names disclosed: Companies Act requirement	0
Date of birth or age	1
Qualifications or experience	1
Other major directorships	1
Position in the company or executive duties	1
Date of appointment or term of contract	1
Photographs	1

2. TOP MANAGEMENT (4 MARKS)

See rules applicable for board of directors (Item 1)	4
Name of management consulting firm	4
Not applicable, statement that directors represent top management	4

3. SHAREHOLDING OF BOARD OF DIRECTORS AND TOP MANAGEMENT (5 MARKS)

Combined percentage direct and indirect holdings of directors shown (Companies Act requirement)	0
Names and individual shareholding of directors shown	2
Name and shareholding of individual, or top executives shown	2
Previous year's shareholding of each director also shown	1
statement that a register or list of interests of directors and top management in the shares of the company is available on request to the public	5
Not applicable - Statement that board of directors and top management do not hold shares in the company	9

4. DISTRIBUTION OF SHAREHOLDINGS (5 MARKS)

No mention made	0
Distribution according to size of shareholding	2
Distribution according to type of shareholder	3
Only major shareholders listed : 2 or 3 largest shareholders or shareholders holding more than 5%	3
Detailed analysis of size and type of shareholding	5

5. CONTENTS OF DIRECTORS' AND CHAIRMAN'S REPORT (11 MARKS)**Activities (4 marks)**

Minimum Companies Act requirements – activities stated	0
General discussion of activities	1
Detailed information on activities	4

Reasons for changes in results (5 marks)

No discussion	0
Changes in profits or performance mentioned	3
Reasons for changes in profits or performance discussed in detail	5

Statement of Corporate goals or mission statement (2 marks)

No indication	0
Company profile or mission statement disclosed	2

6. LONG TERM CORPORATE PLANNING (6 MARKS)

Financial objectives, targets or strategic plans :

<input type="checkbox"/> no mention made	0
<input type="checkbox"/> discussed in general	2
<input type="checkbox"/> fully discussed disclosing quantitative details of :	
the budgeted income or expense amount, and	2
the budgeted capital expenditure amount analysed by period	2

7. DIVIDEND POLICY (4 MARKS)

No mentioned made	0
Yes : an indication of % increase or decrease or actual targets, % or cents per share	4

8. PERIOD BETWEEN FINANCIAL YEAR-END AND DATE OF PUBLICATION (4 MARKS)

Four months or later or undated	0
Within three months	2
Within two months	4

9. TABLE OF COMPARATIVE STATISTICS (4 MARKS)

No table published	0
Table for less than five years if the company has been in operation for more than four years	2
Five years, or for total period in operation or reasons given for shorter period	3
Six years and more	4
Not applicable, i.e. new company	9

10. CONTENTS OF TABLE (15 MARKS)**Turnover (1)**

Not disclosed	0
Disclosed	1
Not applicable, investment company	9

Number of shares issued (1)		
Not disclosed		0
Disclosed		1
Net asset value per share (2)		
Not disclosed		0
Disclosed		2
Ratios (8)		
No ratios		0
Profitability ratios :		
<input type="checkbox"/> Return on equity		1
<input type="checkbox"/> Return on assets		1
<input type="checkbox"/> Net asset value / market capitalization		1
<input type="checkbox"/> Operating profit margin		1
Liquidity ratios e.g. acid-test ratio		1
Solvability ratios		1
Productivity ratios :		
<input type="checkbox"/> turnover per employee		1
<input type="checkbox"/> assets per employee		1
Definitions of accounting financial ratios (1)		
No definitions		0
Ratios defined		1
Number of employees (2)		
Not disclosed		0
For present year only		1
Shown in table or elsewhere in the report for more than one year		2
11. STOCK EXCHANGE PERFORMANCE (9 MARKS)		
Closing price at year end		1
The total number of transactions recorded on the JSE		1
The total number of shares traded during the year		1
The total value of shares traded during the year		1
The average price or lowest and highest price per share for the year		1
The total volume of shares traded expressed as a percentage of the total issued shares		1
Comparison of share price of company with Actuaries Index for industrial sector		1
Price Earnings Ratio		1
Dividend yield		1
12. COMPOSITON OF AUDIT COMMITTEE (4 MARKS)		
Names not disclosed		0
Names of members of audit committee disclosed		4
13. ACTIVITIES OF SUBSIDIARIES (4 MARKS)		
Subsidiaries listed, but no activities shown		0
Activities of only main subsidiaries shown		2

Activities of all subsidiaries shown	4
Not applicable : no subsidiaries	9

14. PROMOTION OF PRODUCTS OR SERVICES (2 MARKS)

No mention of products or services made	0
Yes : brand names, photographs of products, etc	2
Not applicable	9

15. VALUATION OF FIXED PROPERTY AND IMPROVEMENTS (6 MARKS)

No valuation mentioned	0
Valuation mentioned but no indication of when it was revalued	1
Additional information such as insured value, municipal valuation or directors valuation supplied but no date given	3
Valuation of all property but valuation 6 to 10 years old	3
Valuation of all property during last 5 years	6
Not applicable, no fixed property	9

16. VALUATION OF OTHER ASSETS EXCLUDING FIXED PROPERTY (4 MARKS)

Disclosed at cost	0
Insured value, replacement value or fair value	4
Not applicable, no other assets	9

17. LIST OF FIXED PROPERTIES (2 MARKS)

No list published or only open for inspection by authorised persons or members	0
A complete list is published or the report states that a copy of the list will be posted on request to <u>any</u> member of the public	2
Not applicable	9

18. SEGMENTAL REPORTING ED 122 (7 MARKS)

No disclosure	0
Divisional contributions of various activities are matched with :	
<input type="checkbox"/> Profits : % contribution or actual figures	1
<input type="checkbox"/> Turnover : % contribution or actual figures	3
<input type="checkbox"/> Assets : % contribution or actual figures	2
Geographical contribution or other information on various activities	1
Not applicable : only one activity	9

19. ILLUSTRATIONS AND COLOUR (1 MARK)

Not used	0
Yes	1

20. PRESENTATION OF RESULTS IN THE FORM OF GRAPHS OR DIAGRAMS (2 MARKS)

No graphs	0
Yes : 3 or fewer items covered	1
Yes : 4 or more items covered	2

21. HIGHLIGHTS PRESENTED IN THE REPORT (1 MARK)

No	0
Yes	1

22. SHAREHOLDERS' / LENDERS' DIARY (1 MARK)

No	0
Yes	1

23. GROUP STRUCTURE, PRESENTED DIAGRAMATICALLY (4 MARKS)

No group structure disclosed	0
Yes : in general i.e. only names of companies	1
Yes : an additional point for each of the following :	
<input type="checkbox"/> management team	1
<input type="checkbox"/> products or activities	1
<input type="checkbox"/> geographical location	1
<input type="checkbox"/> percentage shareholding of controlling companies	1
Not applicable, no subsidiaries	9

24. VALUE ADDED STATEMENT OR STATEMENT OF WEALTH CREATED (6 MARKS)

No statement disclosed	0
Yes - for present year only :	
percentages only	3
actual figures	4
Yes - for more than one year :	
percentages only	5
actual figures	6
Not applicable : finance or investment company	9

25. INFLATION REPORTING AND CURRENT COST STATEMENT (5 MARKS)

No mention made	0
Statement in accounting policy giving reason given why company does not wish to incorporate inflation accounting	2
Mention made of inflation policy or impact of inflation on financial position (ED 77)	3
Statement in the form of Guideline AC 201 of SAICA	5
Statement in any other form such as a current cost statement	5

26. EMPLOYMENT REPORT (6 MARKS)

No employment report	0
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***ONE MARK WILL BE AWARDED PER ITEM MENTIONED BELOW WITH A MAXIMUM OF 6 MARKS**

Employment Report includes :

Number of employees divided into occupational categories	1
Total wage bill divided into occupational categories	1
Labour turnover rates, the average number of years the staff have been with the organization, the number of staff members with 5 or more years of service, or proposed redundancy provisions	1
Training facilities provided for training of own employees, such as number of employees trained, cost of training programmes as claimed for taxation purposes and a brief comment about progress made and future developments	1
Housing facilities provided for employees or the provision of subsidised housing loans to staff members	1
Any other fringe benefits provided, such as medical aid schemes, feeding schemes, sports and recreation facilities, after service benefits, provision of bursaries to children of employees, safety measures, etc	1

Brief comment on matters concerning trade unions, wage negotiations, labour relations and related matters and pension policy	1
Number or percentage of disabled persons employed	1
Equal employment opportunity policy	1
Commitment to community involvement	1
Family benefits, e.g. maternity leave, creches on site and day care centres	1
Affirmative action i.r.o. colour and gender or physically handicapped	1
Job creation	1
Quantitative : Budgeted figures or expenditure per item as a percentage of net income	1

27. ENVIRONMENTAL REPORTING (6 MARKS)

No mention made	0
Mention made in :	1

- mission / policy statement
- objective / goals statement
- chairman's / director's report
- elsewhere in the report

Informational disclosure :

- narrative 2
- quantitative, disclosing operating and capital expenditure 3

28. STATEMENT ON RESEARCH AND DEVELOPMENT PROJECTS (AC 122) (3 MARKS)

No statement	0
Expense item shown in the Income Statement or capitalised	1
Detailed discussion of amount spent during the year, budgeted expense and description of projects embarked upon	3
Not applicable : no mention made in the report	9

29. TAXATION (4 MARKS)

No mention made	0
Use of tax concessions	1
A taxation reconcillation statement	4
Not applicable, mention made that no adjustments were necessary or normal company tax paid or loss made	9

30. MONEY EXCHANGES WITH GOVERNMENT (4 MARKS)

Statement stipulating :

- PAYE 1
- VAT 1
- company tax 1
- rates and similar levies 1
- licences 1
- other : social security, registration fees, UIF and workman's compensation 1
- receipts from Government grants or subsidies 1

31. CORPORATE GOVERNANCE (9 MARKS)

No mention made	0
Brief comment on compliance with the King report	2

Detailed disclosure on :

<input type="checkbox"/> external and internal audit committee	1
<input type="checkbox"/> remuneration committee	1
<input type="checkbox"/> statement that chairman is not the chief executive	1
<input type="checkbox"/> list of code of ethics	1
<input type="checkbox"/> disclosure of names of non-executive directors (at least two)	1
<input type="checkbox"/> directors emoluments differentiating between executive and non-executive :	
> in total	1
> details, e.g. salaries and other benefits	1
<input type="checkbox"/> internal control policy	1
<input type="checkbox"/> affirmative action policy	1
<input type="checkbox"/> management reporting	1

32. OPERATING AND FINANCIAL REVIEW (8 MARKS)

Discussion of capital structure of the business, in terms of maturity profile of debt, types of capital instruments used and currency and interest rate structure	2
Discussion of the strengths and resources of the business whose value is not, or is only partially, reflected in the balance sheet, e.g. brands	2
Discussion of approach to general risk management issues, such as currency and interest rate risks and pension fund commitments	2
Discussion of foreign operations, including nature of business and comment on profitability	2

33. CASH FLOW STATEMENT (2 MARKS)

Additions and disposals of fixed assets :

<input type="checkbox"/> net amount shown	0
<input type="checkbox"/> additions and disposals shown separately	2
<input type="checkbox"/> not applicable	9

34. CURRENT LIABILITIES (2 MARKS)

No differentiation	0
Clear differentiation between interest bearing and non-interest bearing current liabilities	2
Not applicable	9

35. ANALYSIS OF OPERATING INCOME (4 MARKS)

No analysis	0
Detailed analysis setting out :	
<input type="checkbox"/> cost of sales	
<input type="checkbox"/> distribution cost	
<input type="checkbox"/> administrative cost	
<input type="checkbox"/> other operating expense	4
Not applicable, i.e. holding company	9

36. DEPRECIATION ON INTANGIBLE ASSETS (2 MARKS)

Depreciation not provided, no reason given	0
Depreciation disclosed or reason given for no provision made	2
Not applicable	9

37. COMPLIANCE WITH INTERNATIONAL ACCOUNTING STANDARDS (IAS) (2 MARKS)

No statement	0
Statement of intention to comply with IAS	1
Statement that company complies with IAS	2

38. INTERIM REPORT (TOTAL OF 18 MARKS)**Presentation (9 marks)**

JSE requirements i.e. turnover, income statement and balance sheet	0
Summary of cash flow statement	3
Segmental information :	

<input type="checkbox"/> disclosed	3
<input type="checkbox"/> not applicable	9

Ratios	3
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Comments on results (3 marks)

No comment	0
Briefly	1
Detailed review of results	3

Date of publication (2 marks)

Later than 45 days after half year date	0
Within 45 days after half year date	2

Future prospects (4 marks)

No mention made	0
Expected or budgeted profit figures	3
Expected final dividend in figures or as a percentage	1

SCORE

Annual Report	172
Interim Report	18

TOTAL SCORE	190
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Annexure 3: List of sample companies classified according to industry type

ABBREVIATION	FULL NAME OF COMPANY	INDUSTRIAL SECTOR
A-V-I	ANGLOVAAL INDUSTRIES LTD	INDUSTRIAL HOLDING
ANGLOVAAL	ANGLOVAAL LIMITED	INDUSTRIAL HOLDING
BARLOWS	BARLOW LIMITED	INDUSTRIAL HOLDING
BOLTONS	BOLTON INDUSTRIAL HOLDINGS LTD	INDUSTRIAL HOLDING
BIDVEST	BIDVEST GROUP LIMITED	INDUSTRIAL HOLDING
BATSA	BRITISH AMERICAN TOBACCO HLDS	INDUSTRIAL HOLDING
CULLINAN	CULLINAN HOLDINGS LTD.	INDUSTRIAL HOLDING
CONAFEX	CONSOLIDATED SOCIETE ANONYME	INDUSTRIAL HOLDING
CORPGRO	CORPGRO LIMITED	INDUSTRIAL HOLDING
DUNLOP	DUNLOP AFRICA LIMITED	INDUSTRIAL HOLDING
DELHOLD	DEL MONTE ROYAL HOLDINGS LTD	INDUSTRIAL HOLDING
EUREKA	EUREKA INDUSTRIAL LTD	INDUSTRIAL HOLDING
FELTEX	FELTEX LIMITED	INDUSTRIAL HOLDING
FASIC	FASIC LIMITED	INDUSTRIAL HOLDING
GRINCOR	GRINDROD UNICORN GROUP LTD	INDUSTRIAL HOLDING
IMPERIAL	IMPERIAL HOLDINGS LIMITED	INDUSTRIAL HOLDING
JOHNNIC	JOHNNIES INDUSTRIAL CORP LTD	INDUSTRIAL HOLDING
KLIPTON	KLIPTON LIMITED	INDUSTRIAL HOLDING
LENCO	LENCO HOLDINGS LIMITED	INDUSTRIAL HOLDING
LONAFRIC	LONRHO AFRICA PLC	INDUSTRIAL HOLDING
METJE-&-Z	METJE AND ZIEGLER LTD.	INDUSTRIAL HOLDING
METKOR	METKOR GROUP LTD	INDUSTRIAL HOLDING
M&R-HLD	MURRAY AND ROBERTS HOLDINGS	INDUSTRIAL HOLDING
MT-EAGLE	MONTEAGLE SOCEITE ANONYME	INDUSTRIAL HOLDING
MICOR	MICOR LIMITED	INDUSTRIAL HOLDING
NICTUS	NICTUS BEPERK	INDUSTRIAL HOLDING
NAIL	NEW AFRICA INVESTMENTS LIMITED	INDUSTRIAL HOLDING
OZZ	OZZ LIMITED	INDUSTRIAL HOLDING
PLATE-GL	PLATE GLASS + SHUTTERPRUFE IND	INDUSTRIAL HOLDING
REMBR-BEH	REMBRANDT BEHERENDE BELEG BPK.	INDUSTRIAL HOLDING
REMGRO	REMBRANDT GROUP LTD.	INDUSTRIAL HOLDING
RAI	REAL AFRICA INVESTMENTS LTD	INDUSTRIAL HOLDING
CGSMITH	C.G.SMITH LTD.	INDUSTRIAL HOLDING
SAFREN	SAFMARINE & RENNIES HOLDINGS	INDUSTRIAL HOLDING
SABVEST	SABVEST LIMITED	INDUSTRIAL HOLDING
STRAND	STRAND GROUP HOLDINGS LTD	INDUSTRIAL HOLDING
TEGKOR	TEGNIESE BELEGGINGSKORP. BPK.	INDUSTRIAL HOLDING
TIB	TEGNIESE +IND BELEGGINGS BPK.	INDUSTRIAL HOLDING
TOCO	TOCO HOLDINGS LIMITED	INDUSTRIAL HOLDING
UNISERV	UNITED SERVICE TECHNOLOGIES	INDUSTRIAL HOLDING
WACO	WACO INTERNATIONAL LIMITED	INDUSTRIAL HOLDING
AWETHU	AWETHU BREWERIES LIMITED	BEVERAGES & HOTELS
ABI	AMALGAMATED BEVERAGE IND LTD	BEVERAGES & HOTELS
ADMIRAL	ADMIRAL LEISURE WORLD LIMITED	BEVERAGES & HOTELS
AVIS	AVIS SOUTHERN AFRICA LIMITED	BEVERAGES & HOTELS
BEVCON	BEV & CONSUMER IND HLDS LTD	BEVERAGES & HOTELS
CULTEL	CULLINAN HOTELS& LEISURE GROUP	BEVERAGES & HOTELS
CITYLDG	CITY LODGE HOTELS LIMITED	BEVERAGES & HOTELS
DALYS	DALYS LTD.	BEVERAGES & HOTELS
DISTIL	DISTILLERS CORPORATION (SA)	BEVERAGES & HOTELS
DON	DON GROUP LIMITED , THE	BEVERAGES & HOTELS
FEDICS	FEDICS GROUP LIMITED	BEVERAGES & HOTELS
FORTUNE	FORTUNE BEVERAGES LIMITED	BEVERAGES & HOTELS
KWV-BEL	KWV BELEGGINGS BPK	BEVERAGES & HOTELS
KERSAF	KERSAF INVESTMENTS LTD	BEVERAGES & HOTELS

KAROS	KAROS HOTELS LIMITED	BEVERAGES & HOTELS
KING	KING CONSOLIDATED HOLDINGS LTD	BEVERAGES & HOTELS
LESRNET	LEISURENET LIMITED	BEVERAGES & HOTELS
MORIBO	MORIBO LEISURE LIMITED	BEVERAGES & HOTELS
NANDOS	NANDOS GROUP HOLDINGS LIMITED	BEVERAGES & HOTELS
OAKFLDS	OAKFIELD THOROUGHBREDS LIMITED	BEVERAGES & HOTELS
OHAGANS	O'HAGANS INVESTMENT HLDS LTD	BEVERAGES & HOTELS
REBHOLD	REBHOLD LIMITED	BEVERAGES & HOTELS
SABPLC	SOUTH AFRICAN BREWERIES PLC	BEVERAGES & HOTELS
SISA	SUN INTERNATIONAL(SA) LIMITED	BEVERAGES & HOTELS
SPUR	SPUR STEAK RANCHES LTD	BEVERAGES & HOTELS
SFW	STELLENBOSCH FARMERS WINERY	BEVERAGES & HOTELS
SPURHLD	SPUR HOLDINGS LIMITED	BEVERAGES & HOTELS
STEERS	STEERS HOLDINGS LIMITED	BEVERAGES & HOTELS
STOCHOT	STOCKS HOTELS AND RESORTS LTD	BEVERAGES & HOTELS
TELJOY	TELJOY HOLDINGS LIMITED	BEVERAGES & HOTELS
TEREXKO	TEREXKO LIMITED	BEVERAGES & HOTELS
TOURVST	TOURISM INVESTMENT CORP LTD	BEVERAGES & HOTELS
BOUMAT	BOUMAT LTD.	BUILDING & CONSTRUCTION
BASREAD	BASIL READ HOLDINGS LIMITED	BUILDING & CONSTRUCTION
BUILDMAX	BUILDMAX LIMITED	BUILDING & CONSTRUCTION
CONCOR	CONCOR LIMITED.	BUILDING & CONSTRUCTION
CERAMIC	CERAMIC INDUSTRIES LIMITED	BUILDING & CONSTRUCTION
GROUP-5	GROUP FIVE LTD.	BUILDING & CONSTRUCTION
GRINAKE	GRINAKE CONSTRUCTION LIMITED	BUILDING & CONSTRUCTION
R-L-T-A	LTA LTD.	BUILDING & CONSTRUCTION
MASONITE	MASONITE AFRICA LTD.	BUILDING & CONSTRUCTION
MONEX	MONEX LIMITED	BUILDING & CONSTRUCTION
PPC	PRETORIA PORTLAND CEMENT CO.	BUILDING & CONSTRUCTION
PORTHLD	PORTLAND HOLDINGS LTD	BUILDING & CONSTRUCTION
S&SHOLD	STOCKS AND STOCKS HOLDINGS LTD	BUILDING & CONSTRUCTION
YORKCOR	YORK TIMBER ORG LTD	BUILDING & CONSTRUCTION
WBHO	WILSON BAYLY HOLMES-OVCON LTD	BUILDING & CONSTRUCTION
AECI	AECI LTD.	CHEMICALS & OILS
CHEMSERVE	CHEMICAL SERVICES LTD.	CHEMICALS & OILS
ENERGY	ENERGY AFRICA LIMITED	CHEMICALS & OILS
ENSERVE	ENVIROSERV HOLDINGS LIMITED	CHEMICALS & OILS
FRANSAF	FRANSAF LIMITED	CHEMICALS & OILS
OMNIA	OMNIA HOLDINGS LTD	CHEMICALS & OILS
POLIFIN	POLIFIN LIMITED	CHEMICALS & OILS
SASOL	SASOL LTD	CHEMICALS & OILS
SPANJAARD	SPANJAARD LIMITED	CHEMICALS & OILS
ADONIS	ADONIS KNITWEAR HOLDINGS LTD.	CLOTHING, FOOTWEAR & TEXTILES
AF-&-OVER	AFRICAN & OVERSEAS ENTERPRISES	CLOTHING, FOOTWEAR & TEXTILES
AMMGROUP	AM MOOLLA GROUP LIMITED	CLOTHING, FOOTWEAR & TEXTILES
BURLINGTN	BURLINGTON INDUSTRIES LTD.	CLOTHING, FOOTWEAR & TEXTILES
BOLWEAR	BOLTON FOOTWEAR LIMITED	CLOTHING, FOOTWEAR & TEXTILES
CONSHU	CONSHU HOLDINGS LIMITED	CLOTHING, FOOTWEAR & TEXTILES
COASTAL	COASTAL GROUP LIMITED	CLOTHING, FOOTWEAR & TEXTILES
DA-GAMA	DA GAMA TEXTILE CO LIMITED	CLOTHING, FOOTWEAR & TEXTILES
FRAMGOL	FRAME GROUP HOLDINGS LIMITED	CLOTHING, FOOTWEAR & TEXTILES
GUBINGS	GUBB AND INGGS LTD.	CLOTHING, FOOTWEAR & TEXTILES
GLODINA	GLODINA HOLDINGS LIMITED	CLOTHING, FOOTWEAR & TEXTILES
NINIAN	NINIAN + LESTER HOLDINGS LTD.	CLOTHING, FOOTWEAR & TEXTILES
PALS	PALS HOLDINGS LIMITED	CLOTHING, FOOTWEAR & TEXTILES
REX-TRUE	REX TRUEFORM CLOTHING CO. LTD.	CLOTHING, FOOTWEAR & TEXTILES
ROMATEX	ROMATEX LTD	CLOTHING, FOOTWEAR & TEXTILES
SEARDEL	SEARDEL INVESTMENT CORP. LTD	CLOTHING, FOOTWEAR & TEXTILES

TOLARAM	TOLARAM 2000 LIMITED	CLOTHING,FOOTWEAR & TEXTILES
UNISPIN	UNISPIN HOLDINGS LIMITED	CLOTHING,FOOTWEAR & TEXTILES
AFBRAND	AFRIBRAND HOLDINGS LIMITED	FOOD
CROOKES	CROOKES BROTHERS LTD.	FOOD
CADSWEP	CADBURY SCHWEPES SA LTD	FOOD
CGS-FOOD	C G SMITH FOODS LTD	FOOD
CHOICE	CHOICE HOLDINGS LIMITED	FOOD
GLOPVT	GLOBAL CAPITAL PVT EQUITY LTD	FOOD
HLH	HUNT LEUCHAR &HEPBURN HLDS LTD	FOOD
I-&-J	IRVIN AND JOHNSON LTD.	FOOD
ILLOVO	ILLOVO SUGAR LIMITED	FOOD
KOLOSUS	KOLOSUS HOLDINGS LIMITED	FOOD
LANGEBERG	LANGEBERG HOLDINGS LIMITED	FOOD
LIFESTYLE	FIRST LIFESTYLE HOLDINGS LTD	FOOD
MACADAM	MACADAMS BAKERY SUPPLIES LTD	FOOD
MOLOPE	MOLOPE GROUP LIMITED	FOOD
NAMSEA	NAMIBIAN SEA PRODUCTS LIMITED	FOOD
NAMFISH	NAMIBIAN FISHING INDUSTRIES	FOOD
NATCHIX	NATIONAL CHICK LIMITED	FOOD
OCFISH	OCEANA FISHING GROUP LTD	FOOD
OTK	OTK HOLDINGS LIMITED	FOOD
PREM-GRP	PREMIER GROUP , THE	FOOD
RAINBOW	RAINBOW CHICKEN LIMITED	FOOD
SOVFOOD	SOVEREIGN FOOD INVESTMENTS LTD	FOOD
SEAHARV	SEA HARVEST CORPORATION LTD	FOOD
TIGR-OATS	TIGER OATS LTD.	FOOD
TONGAAT	TONGAAT HULETTS GROUP LTD	FOOD
WBHOLD	WB HOLDINGS LIMITED	FOOD
ALTRON	ALLIED ELECTRONICS CORP LTD	ELECTRONICS
AUTOPGE	AUTOPAGE HOLDINGS LIMITED	ELECTRONICS
ANBEECO	ANBEECO INVESTMENTS HLDS LTD	ELECTRONICS
ADVTECH	ADVANCED TECHNICAL SYSTEMS LTD	ELECTRONICS
AMAPS	AMALGAMATED APPLIANCE HLDS LTD	ELECTRONICS
ABRAXAS	ABRAXAS INVESTMENT HLDS LTD	ELECTRONICS
BICAF	BICC CAFCA LIMITED	ELECTRONICS
CONTROL	CONTROL INSTRUMENTS GROUP LTD	ELECTRONICS
CONNECT	CONNECTION GROUP HLDS LTD	ELECTRONICS
CCH	COMPUTER CONFIGURATION HLDS	ELECTRONICS
COMPAREX	COMPAREX HOLDINGS LIMITED	ELECTRONICS
CONLOG	CONLOG HOLDINGS LIMITED	ELECTRONICS
DELTA	DELTA ELECTRICAL INDUS LTD	ELECTRONICS
DIDATA	DIMENSION DATA HOLDINGS LTD	ELECTRONICS
DATATEC	DATATEC LIMITED	ELECTRONICS
DAEWOO	DAEWOO ELECTRONICS SA LIMITED	ELECTRONICS
FINTECH	FINTEC LTD.	ELECTRONICS
FMCOTEC	FEMCO TECHNOLOGY HOLDINGS LTD	ELECTRONICS
FRIDGEM	MASTERFRIDGE LIMITED	ELECTRONICS
GRINTEK	GRINTEK LIMITED	ELECTRONICS
INFINITI	INFINITI TECHNOLOGIES LTD	ELECTRONICS
IFUSION	I-FUSION HOLDINGS LIMITED	ELECTRONICS
JASCO	JASCO ELECTRONICS HOLDINGS LTD	ELECTRONICS
KTL	KUNENE TECHNOLOGY LTD	ELECTRONICS
MGX	MGX HOLDINGS LIMITED	ELECTRONICS
MDMGRO	MDM GROWTH INVESTMENTS LTD	ELECTRONICS
MUSTEK	MUSTEK LIMITED	ELECTRONICS
MBTECH	MB TECHNOLOGIES LIMITED	ELECTRONICS
NUWORLD	NUWORLD HOLDINGS LIMITED	ELECTRONICS
OMEGA	OMEGA HOLDINGS LIMITED	ELECTRONICS

OMEGA	OMEGA HOLDINGS LIMITED	ELECTRONICS
POWTECH	POWER TECHNOLOGIES LTD	ELECTRONICS
REUNERT	REUNERT LTD	ELECTRONICS
RADIOSPR	RADIOSPOOR TECHNOLOGY HLDS LTD	ELECTRONICS
SPESCOM	SPESCOM LIMITED	ELECTRONICS
SILTEK	SILTEK LIMITED	ELECTRONICS
SEARTEC	SEARTEC LIMITED	ELECTRONICS
SOFTLINE	SOFTLINE LIMITED	ELECTRONICS
STANTRN	STANTRONIC GROUP HOLDINGS LTD	ELECTRONICS
SETHOLD	SETPOINT TECHNOLOGY HLDS LTD	ELECTRONICS
SENTRY	SENTRY LIMITED	ELECTRONICS
TMX	TELEMETRIX PLC	ELECTRONICS
USKO	USKO LIMITED	ELECTRONICS
UCS	UCS GROUP LIMITED	ELECTRONICS
VOLTEX	VOLTEX HOLDINGS LIMITED	ELECTRONICS
YTHRK	Y3K GROUP LIMITED	ELECTRONICS
CORNICK	CORNICK GROUP LIMITED	FURNITURE & HOUSEHOLD
ELLERINE	ELLERINE HOLDINGS LTD.	FURNITURE & HOUSEHOLD
JDGROUP	JD GROUP LIMITED	FURNITURE & HOUSEHOLD
PROFURN	PROFURN LIMITED	FURNITURE & HOUSEHOLD
RELYANT	RELYANT RETAIL LIMITED	FURNITURE & HOUSEHOLD
AFROX	AFRICAN OXYGEN LIMITED	FURNITURE & HOUSEHOLD
BATECOR	BATEMAN INDUSTRIAL CORP LTD	ENGINEERING
BELL	BELL EQUIPMENT LIMITED	ENGINEERING
BATEPRO	BATEMAN PROJECT HOLDINGS LTD	ENGINEERING
CEMENCO	CEMENTATION COMPANY AFRICA LTD	ENGINEERING
CLYDE	CLYDE INDUSTRIAL CORP LTD	ENGINEERING
CORPCAP	CORPCAPITAL LIMITED	ENGINEERING
DORBYL	DORBYL LTD	ENGINEERING
ED-LBATE	EDWARD L. BATEMAN LTD.	ENGINEERING
FRALEX	FRALEX LTD	ENGINEERING
HUDACO	HUDACO INDUSTRIES LTD.	ENGINEERING
HOWDEN	HOWDEN AFRICA HOLDINGS LTD	ENGINEERING
INMINS	INMINS LIMITED	ENGINEERING
NEI-AFR	NORTHERN ENG INDUSTRIES AFRICA	ENGINEERING
SONDOR	SONDOR INDUSTRIES LIMITED	ENGINEERING
UNIHOLD	UNIHOLD LIMITED	ENGINEERING
WINBEL	WINBEL LIMITED	ENGINEERING
WINHOLD	WINHOLD LIMITED	ENGINEERING
AUTOQIP	AUTOQUIP GROUP LIMITED	ENGINEERING
CMH	COMBINED MOTOR HOLDINGS LTD	MOTORS
METAIR	METAIR INVESTMENTS LTD.	MOTORS
SUPRGRP	SUPER GROUP LIMITED	MOTORS
TOYOTA	TOYOTA SOUTH AFRICA LTD.	MOTORS
TIWHEEL	TIGER WHEELS LIMITED	MOTORS
VALCAR	VAALTRUCAR LIMITED	MOTORS
WESCO	WESCO INVESTMENTS LTD.	MOTORS
ARIES	ARIES INVESTMENT HOLDINGS LTD	PRINTING & PUBLISHING
ALEXWYT	ALEX WHITE HOLDINGS LIMITED	PRINTING & PUBLISHING
ASTRAPAK	ASTRAPAK LIMITED	PRINTING & PUBLISHING
BOWCALF	BOWLER METCALFE LIMITED	PRINTING & PUBLISHING
COATES	COATES BROTHERS SA LTD.	PRINTING & PUBLISHING
COPI	CANADIAN OVERSEAS PACKAGING	PRINTING & PUBLISHING
GUNDLE	GUNDLE LIMITED	PRINTING & PUBLISHING
HARWILL	HARWILL INVESTMENTS LTD	PRINTING & PUBLISHING
KOHLER	KOHLER LIMITED	PRINTING & PUBLISHING
LITECH	LITHOTECH LIMITED	PRINTING & PUBLISHING
MALBAK	MALBAK LTD	PRINTING & PUBLISHING

NAMPAK	NAMPAK LTD	PRINTING & PUBLISHING
PROSPUR	PROSPUR PACKAGING & PLASTICS	PRINTING & PUBLISHING
PARAGON	PARAGON BUSINESS COMMUNICATION	PRINTING & PUBLISHING
TRNPACO	TRANSPACO LIMITED	PRINTING & PUBLISHING
ADCOCK	ADCOCK INGRAM LTD	PHARMACEUTICALS
ALIANCE	ALLIANCE PHARMACEUTICALS LTD	PHARMACEUTICALS
ASPEN	ASPEN HEALTHCARE HOLDINGS LTD	PHARMACEUTICALS
AHEALTH	AFROX HEALTHCARE LIMITED	PHARMACEUTICALS
BEIGE	BEIGE HOLDINGS LIMITED	PHARMACEUTICALS
CARSON	CARSON HOLDINGS LIMITED	PHARMACEUTICALS
GEN-OPTIC	GENERAL OPTICAL CO LTD.	PHARMACEUTICALS
GOLDREEF	GOLDREEF CASINO RESORTS LTD	PHARMACEUTICALS
MEDCLIN	MEDI-CLINIC CORPORATION LTD	PHARMACEUTICALS
MACMED	MACMED HEALTH CARE LIMITED	PHARMACEUTICALS
NETCARE	NETWORK HEALTHCARE HLDS LTD	PHARMACEUTICALS
SA-DRUG	SOUTH AFRICAN DRUGGISTS LTD.	PHARMACEUTICALS
ALTECH	ALLIED TECHNOLOGIES LTD	PHARMACEUTICALS
ABACUS	ABACUS TECHNOLOGY HOLDINGS LTD	MEDIA
AME	AFRICAN MEDIA LIMITED	MEDIA
CTP	CTP HOLDINGS LIMITED	MEDIA
CORPCOM	CORPCOM LIMITED	MEDIA
CAXTON	CAXTON PUBLISHERS & PRINTING	MEDIA
M-NET/SS	ELECTRONIC MEDIA NETWORK LTD	MEDIA
EDUCOR	EDUCATION INV CORP LTD , THE	MEDIA
KG MEDIA	KAGISO MEDIA LIMITED	MEDIA
MIHH	MIH HOLDINGS LIMITED	MEDIA
NASPERS	NASPERS LIMITED	MEDIA
OMNICOR	OMNI MEDIA CORPORATION LTD	MEDIA
PRIME	PRIMEDIA LIMITED	MEDIA
PARADIGM	PARADIGM CAPITAL HOLDINGS LTD	MEDIA
PENROSE	PENROSE HOLDINGS LIMITED	MEDIA
SASANI	SASANI LIMITED	MEDIA
AROMA	AROMA LIQUOR HOLDINGS LIMITED	STORES
AMLAC	AMLAC LIMITED	STORES
BUSBY	BUSBY , THE HOUSE OF	STORES
BEARMAN	BEARING MAN LIMITED	STORES
CASHBIL	CASHBUILD LTD	STORES
CHARIOT	CHARIOT HOLDINGS LIMITED	STORES
CEDAGRO	CEDARGRO HOLDINGS LIMITED	STORES
CHET	CHET INDUSTRIES LIMITED	STORES
DYNAMO	DYNAMO RETAIL LIMITED	STORES
EDCON	EDGARS CONSOLIDATED STORES LTD	STORES
FOSCHINI	FOSCHINI LTD.	STORES
FASHAF	FASHION AFRICA LIMITED	STORES
GLOHOLD	GLOHOLD LIMITED	STORES
HICORL	HICOR LIMITED	STORES
HEAVEN	SWEETS FROM HEAVEN HLDS LTD	STORES
HOMECHOIC	HOMECHOICE HOLDINGS LIMITED	STORES
ITLTILE	ITALTILE LIMITED	STORES
INVICTA	INVICTA HOLDINGS LIMITED	STORES
ILIAD	ILIAD AFRICA LIMITED	STORES
LA-STORE	LA RETAIL STORE LIMITED	STORES
LABAT	LABAT AFRICA LIMITED	STORES
MIDAS	MIDAS LTD	STORES
METCASH	METRO CASH & CARRY LIMITED	STORES
MCRTAIL	MCCARTHY RETAIL LIMITED	STORES
MATHOMO	MATHOMO GROUP LIMITED	STORES
MAXTYRES	MAXIPREST LIMITED	STORES

NUCLICKS	NEW CLICKS HOLDINGS LIMITED	STORES
PEP	PEP LIMITED	STORES
PEPGRO	PEPGRO LIMITED.	STORES
PIKWIK	PICK N PAY HOLDINGS LTD	STORES
PRIMATOY	PRIMA TOY & LEISURE GROUP LTD	STORES
PACIFIC	PACIFIC ASIA INV INTERNATIONAL	STORES
RETCORP	RETAIL CORPORATION LIMITED	STORES
RAG	RETAIL APPAREL GROUP LIMITED	STORES
RENAISAN	RENAISSANCE RETAIL GROUP LTD	STORES
SHOPRIT	SHOPRITE HOLDINGS LIMITED	STORES
STORECO	STORECO LIMITED	STORES
TELTRON	TELTRON LIMITED	STORES
TRUWTHS	TRUWORTHS INTERNATIONAL LTD	STORES
TRADEK	TRADEK.COM HOLDINGS LIMITED	STORES
UNIGRO	UNIVERSAL GROWTH HOLDINGS LTD	STORES
WOOLTRU	WOOLTRU LTD	STORES
WETHLYS	WETHERLYS INVESTMENT HLDS LTD	STORES
WOOLIES	WOOLWORTHS HOLDINGS LIMITED	STORES
HIVELD	HIVELD STEEL & VANADIUM CORP.	STEEL & ALLIED
ISCOR	ISCOR LIMITED	STEEL & ALLIED
CARGO	CARGO CARRIERS LIMITED	TRANSPORTATION
COMAIR	COMAIR LIMITED	TRANSPORTATION
LASER	LASER GROUP LIMITED	TRANSPORTATION
PUTCO	PUTCO LTD.	TRANSPORTATION
ROADCOR	ROADCORP LIMITED	TRANSPORTATION
UNITRAN	UNITRANS LIMITED	TRANSPORTATION
VENTEL	VENTER LEISURE & COMM TRAILERS	TRANSPORTATION
SAPPI	SAPPI LTD.	PAPER
ALUDIE	ALUDIE LIMITED	DEVELOPMENT CAPITAL
BRANDCO	BRANDCORP HOLDINGS LIMITED	DEVELOPMENT CAPITAL
CENMAG	CENMAG HOLDINGS LIMITED	DEVELOPMENT CAPITAL
ELEXIR	ELEXIR TECHNOLOGY HLDS LIMITED	DEVELOPMENT CAPITAL
JIGSAW	JIGSAW HOLDINGS LIMITED	DEVELOPMENT CAPITAL
MMWTECH	MMW TECHNOLOGY HOLDINGS LTD	DEVELOPMENT CAPITAL
QUICKCO	QUICK HOLDINGS LIMITED	DEVELOPMENT CAPITAL
S&JLAND	S&J LAND HOLDINGS LIMITED	DEVELOPMENT CAPITAL
APLITEC	NET 1 APPLIED TECHNOLOGY HLDS	VENTURE CAPITAL
BRNWARE	BRAINWARE LIMITED	VENTURE CAPITAL
XCHANGE	IXCHANGE TECNOLOGY HLDS LTD	VENTURE CAPITAL
ITITECH	ITI TECHNOLOGY HOLDINGS LTD	VENTURE CAPITAL
ITECH	INTEGRATED TECH HOLDINGS LTD	VENTURE CAPITAL
TRYLOGY	TRYLOGY WINECORP LIMITED	VENTURE CAPITAL
SAIL	SA INVESTMENTS LIMITED	CASH COMPANIES
CARE	MANAGED CARE SOUTH AFRICA LTD	DEVELOPMENT STAGE
M-CELL	M-CELL LIMITED	DEVELOPMENT STAGE
TRIDELTA	TRIDELTA MAGNET TECHNOLOGY HLD	DEVELOPMENT STAGE

Prof. L. M. Brummer and Ms. J.E. Myburgh

If you would like to receive a summary of the results of this special issue please fill in your address below.

Annexure 4: Cover letter addressed to individuals chosen for the pilot run



Bureau for Financial Analysis (Pty) Ltd. Reg. No: 2000/004497/07
Graduate Centre, Tindall & Duxbury Roads, University of Pretoria , Pretoria, RSA, 0002
PO Box 786095, Sandton, South Africa, 2146
Tel: +27 (12) 420 3371 Fax: +27 (12) 362 5299

The Financial Director or name
XX Company Limited
Address

Date

Dear Sir/Madam

Voluntary disclosure in annual and interim reports has been the subject of many research papers and the question of its importance to users is debatable.

The Bureau of Financial Analysis of the University of Pretoria and myself from the Department of Accounting are presently conducting an extensive research project on the perceptions of compilers and users of annual reports on the price informative value of voluntary disclosure in corporate reports. In order to ensure the reliability and credibility of the results of the project, the proposed questionnaire needs to be tested thoroughly before being sent out on a large scale.

In view of your high professional abilities and experience in financial accounting, you have been chosen as one of a selected group to participate in the pilot field test of the questionnaire. Your comments on the layout, length, and clarity of the questionnaire as well as suggestions for improvements and your completion of the questionnaire will be highly appreciated.

On completion, please indicate the approximate time it took to complete the questionnaire and kindly mail the questionnaire in the self addressed postage paid envelope.

Thanking you in anticipation for contributing your valuable time and for your kind co-operation.

Yours sincerely

Prof L.M. Brümmer and Ms J.E. Myburgh

*If you would like to receive a summary of the results of this questionnaire,
please fill in your address below.*

.....
.....
.....
.....

Annexure 5: Names of individuals who reviewed and pilot tested the questionnaires

Name	Position
Academics:	
Prof. C W I Pistorius	U.P. - Vice principal
Prof. A P Zevenbergen	Retired chartered accountant
Prof. W Buys	U.P. - Department of Accounting
Prof. D du Plessis	U.P. - Department of Accounting
Prof. Q Vorster	U.P. - Department of Accounting
Prof. C Koornhof	U.P. - Department of Accounting
Prof. C de Villiers	U.P. - Department of accounting
Prof. J H de la Rey	U.P. - Graduate School of Management
Prof. H A Lambrechts	U.P. - Graduate School of Management
Prof. D Gloeck	U.P. - School of Accounting
Prof. H de Jager	U.P. - School of Accounting
Mr S M Millard	U.P. - Department of Statistics

Professionals:

Mr H Deveugele	Managing director - Mobijack Ltd, Johannesburg
Mr T Vorster	Analyst - Boenatwest, Pretoria
Mr M Adrian	KPMG, Durban
Dr P J A Nagel	Sasol, Ltd, Johannesburg

Annexure 6: Cover letter to accompany questionnaire A addressed to financial directors (compilers) of annual reports



Bureau for Financial Analysis (Pty) Ltd. Reg. No: 2000/004497/07
Graduate Centre, Tindall & Duxbury Roads, University of Pretoria, Pretoria, RSA, 0
PO Box 786095, Sandton, South Africa, 2146
Tel: +27 (12) 420 3371 Fax: +27 (12) 362 5299

The Financial Director
Company
Address

Dear Sir / Madam,

EXTENT OF VOLUNTARY DISCLOSURE IN CORPORATE REPORTS

I am a senior lecturer in the Department of Accounting at the University of Pretoria and currently conducting a research survey for my doctorate in Accountancy.

Voluntary disclosure in annual and interim reports has been the subject of many research papers and the question of its importance is debatable. My studies are focused on researching the extent of voluntary disclosure, that is information disclosed over and above the requirements of the companies Act, GAAP and the Johannesburg Stock Exchange listing requirements, as contained in the annual and interim reports of quoted industrial companies. The aim of this investigation is to determine the relationship between the extent of voluntary disclosure and the effect on share prices.

I have drafted a questionnaire to determine what are the perceptions of **compilers** of annual reports of the price informative value of voluntary disclosure. Your completion of the enclosed questionnaire will be highly valued and your personal input invaluable.

The answers contained in the individual questionnaires will be analysed and processed into the final results. The information will at all times be treated as confidential and will not be made available to any other institution or private individual. After completion of the questionnaire, kindly return the questionnaire in the self addressed postage paid envelope.

Should you require further information, do not hesitate to contact Jean Myburgh at:
Telephone: 012-4203692 Fax: 012-3625142 E-Mail: jmyburgh@hakuna.up.ac.za

Thanking you in anticipation for your kind co-operation and assistance with this research project.

Yours sincerely,

J E MYBURGH

*If you would like to receive a summary of the results of this questionnaire,
please fill in your address below.*

.....
.....
.....
.....

Annexure 7: Questionnaire A sent to financial directors (compilers) of quoted industrial companies included in the survey

V1						1-5
				V2	1	6

THE EFFECT OF VOLUNTARY DISCLOSURE ITEMS IN ANNUAL REPORTS ON SHARE PRICES

Questionnaire to be completed by **compilers** of annual reports
 All answers will be treated as strictly confidential and will be used for statistical purposes only.

SECTION 1 : BIOGRAPHICAL INFORMATION

Please mark with a where relevant.

For office use only

1.1 Highest level of academic education.

Matric	Diploma	Bachelors degree	Honours degree	Chartered Accountant	Masters degree	Doctorate
--------	---------	------------------	----------------	----------------------	----------------	-----------

V3		7
----	--	---

1.2 What is your primary reason for investing in shares of a company?

Capital growth	Dividend income	Keeping abreast of inflation	Form of saving	Tax relief
----------------	-----------------	------------------------------	----------------	------------

V6		10
----	--	----

Other, please specify

1.3 How useful do you find annual and interim reports for investment decisions?

Essential	Very useful	Moderately useful	Of little use	Useless
-----------	-------------	-------------------	---------------	---------

V7		11
----	--	----

1.4 Position or rank held in the company.

Managing director	Financial director	Chief accountant	Financial controller	Company secretary
-------------------	--------------------	------------------	----------------------	-------------------

V4		8
----	--	---

Other, please specify

1.5 Number of years of experience in the field of accounting or finance

Less than 10 years	10 - 20 years	More than 20 years
--------------------	---------------	--------------------

V5		9
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SECTION 2: GENERAL

2.1 Do you believe that the share prices on the Johannesburg Stock Exchange react immediately to information made public?

Strongly agree	Agree	Disagree	Strongly disagree	Uncertain
----------------	-------	----------	-------------------	-----------

Office use

V8		12
----	--	----

2.2 Which *five* most important sources of information are used by you when making an investment decision?
Please rank only 5 in order of importance.

1 = most important to 5 = less important Rank

Prospectus of a company	
Annual and interim report of a company	
Releases in general and business newspapers	
Financial periodicals, e.g. Fin. Mail, Finance Week	
Financial analysts and stockbrokers	
Personal contact with the management/employees of the company	
Investment services of financial institutions	
Television and radio announcements	
Accountants or auditors	
Attorneys	
Technical analysis and public forums	
Friends, family, tips or rumours	
Your own analysis and accumulated information	
Other	

V9		13-14
V10		15-16
V11		17-18
V12		19-20
V13		21-22

2.3 Do you use corporate reports for investment decisions?

Yes	No
-----	----

V14		23
-----	--	----

If NO, please give a reason

If, NO, please ignore the rest of the questionnaire and kindly return the questionnaire for control purposes in the envelope provided.
Thank you for your valuable time.

2.4 What do you normally do upon receipt of a corporate report?

Read it in depth for analysis purposes	Browse through it for specific information	Discard it without reading it
--	--	-------------------------------

Office use

V15		24
-----	--	----

**2.5 Who do you regard as the most important users of corporate reports?
Choose only five and rank in order of importance, 1 = most important to 5 = less important Rank**

Shareholders (individual investors)	
Stockbrokers	
Security analysts	
Institutional investors	
Investment bankers and underwriters	
Bank loan departments	
Academics	
Employees and unions	
Editors of financial magazines	
Other	

V16		25-26
V17		27-28
V18		29-30
V19		31-32
V20		33-34

2.6 Rate each of the following corporate report characteristics that enhance the usefulness of information obtained from corporate reports

Ranking scale: Mark with a \checkmark where relevant.

Very important (VI)

Fairly important (FI)

Moderately important (MI)

Slightly important (SI)

Unimportant (UI)

Characteristic	VI	FI	MI	SI	UI
Relevant					
Reliable					
Understandable					
Comparable					

V21		35
V22		36
V23		37
V24		38

2.7 Which sections of an annual report are the most important?
 Choose only *five* and *rank* in order of importance.
 1 = most important to 5 = less important

	Rank
Income Statement	
Balance Sheet	
Notes to the financial statements	
Cash flow statement	
Value added statement	
Current cost financial statements	
Financial highlights	
Table of statistics	
Segmental reports	
Chairperson's report	
Director's report	
Auditor's report	
Other, please specify	

For office use

V25		39-40
V26		41-42
V27		43-44
V28		45-46
V29		47-48

2.8 Has your company appointed the following committees in accordance with the requirements of the King Report on corporate governance?

Type of committee	No	Yes	If yes, are names disclosed?
Executive committee			
Management resources			
Remuneration committee			
Audit committee			
Retirement funds			
Other, specify.....			

V30		49
V31		50
V32		51
V33		52
V34		53
V35		54

2.9 Do competitions for best reporting practices affect your company's voluntary disclosure policy?

Strongly agree	Agree	Disagree	Strongly disagree	No opinion or uncertain
----------------	-------	----------	-------------------	-------------------------

V36		55
-----	--	----

SECTION 3 : VOLUNTARY DISCLOSURE ITEMS IN ANNUAL REPORTS

Rank the level of importance of the following voluntary information disclosure items appearing in **any** quoted company annual report in terms of what **you personally** consider will have an **effect on the market price of the shares** of the company.

Please consult enclosed set of Financial Mail Top Twenty rules for further clarification of each disclosure item.

Ranking scale: Mark with a ✓ where relevant.

Very important (VI)

Fairly important (FI)

Moderately important (MI)

Slightly important (SI)

Unimportant (UI)

3.1 Additional reports and statements in the annual report.

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
Inflation adjusted financial statements					
Employee/social report					
Environmental report					
Tax reconciliation statement					
Statement of money exchanges with government					
Managements' operating and financial review					

Office use

V37		56
V38		57
V39		58
V40		59
V41		60
V42		61

3.2 Value added statements

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
Presented: - as a statement					
- as a pie-chart					
- for one year					
- for two years					

V43		62
V44		63
V45		64
V46		65

3.3 Fixed and intangible assets.

Office use

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
Insurance or replacement value of other fixed assets					
List of fixed property available for inspection by the general public					
Movements of fixed assets shown in the cash flow statement					
Depreciation of intangible assets					

V47		66
V48		67
V49		68
V50		69

3.4 Do you prefer a table of comparative statistics to cover:

Less than 5 years	5 years	More than 5 years
-------------------	---------	-------------------

V51		70
-----	--	----

Contents of table:

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
--	----	----	----	----	----

Disclosure in table of:

Turnover figure					
Number of shares issued					
Net asset value per share					
Ratios: Profitability					
Liquidity/solvability					
Productivity ratios					
Definitions of ratios					
Number of employees					

V52		71
V53		72
V54		73
V55		74
V56		75
V57		76
V58		77
V59		78

Stock exchange performance:

Volume and value of shares traded, lowest, highest and year-end prices					
Comparison of company's share price with industry index					

V60		79
V61		80

3.2 Profile and shareholding of directors and distribution of shareholdings and group

V62						1-5
V63	2					6

Office use

3.5 General voluntary disclosure items

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
Long-term dividend policy					
Activities of all subsidiaries					
Promotion of activities					
Illustrations and colour					
Results presented graphically					
Highlights					
Shareholders' diary					
Research and developments projects: - discussed in detail					
- cost of R & D shown					
Differentiation between interest- and non-interest bearing current liabilities in notes to the financial statements					
Cost of sales and gross profit					
Statement that report complies with International Accounting Standards					

V64		7
V65		8
V66		9
V67		10
V68		11
V69		12
V70		13
V71		14
V72		15
V73		16
V74		17
V75		18

3.6 Voluntary/non-statutory disclosure in annual reports plays a fundamental role in your decision making process?

Strongly agree	Agree	Disagree	Strongly disagree	No opinion uncertain
----------------	-------	----------	-------------------	----------------------

V76		19
-----	--	----

3.7 To avoid information overload, would it be preferable for a company to publish separate reports such as a financial report, social report, management discussion and analysis report and an eMlronmental report?

Yes	No	Uncertain
-----	----	-----------

V77		20
-----	--	----

3.8 Profile and shareholding of directors and top management, distribution of shareholdings and group structure

Office use

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
Biographical profile of directors and top management e.g. qualifications, age, photos, experience and other					
Individual shareholdings of directors and top management					
Distribution of total shareholding according to size and type					
Group structure presented diagrammatically with percentages, activities, products and locations					

V78		21
V79		22
V80		23
V81		24

3.9 Contents of directors' and chairman's report:	VI	FI	MI	SI	UI
- Detailed activities of the company					
- Reasons for changes in results					
- Corporate goals/mission					

V82		25
V83		26
V84		27

3.10 Interim reports

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
Contents: Turnover					
Cash flow statement					
Segmental analysis					
Detailed comments on results					
Future dividend and profit expectations					
Should interim reports be audited?					

V85		28
V86		29
V87		30
V88		31
V89		32
V90		33

**Thank you for completing the above questionnaire.
Your response is highly appreciated and your information invaluable.**

Thanking you in appreciation for your kind co-operation and assistance with this research project.

Yours sincerely,

J E MYBURGH

Annexure 8: Cover letter to accompany questionnaire B addressed to users of annual reports



Bureau for Financial Analysis (Pty) Ltd. Reg. No: 2000/004497/07
Graduate Centre, Tindall & Duxbury Roads, University of Pretoria , Pretoria, RSA, 0002
PO Box 786095, Sandton, South Africa, 2146
Tel: +27 (12) 420 3371 Fax: +27 (12) 362 5299

Department of Accounting
Economic and Business Sciences
UNIVERSITY OF PRETORIA

Attention: Investment adviser, stockbroker, portfolio holder and professional accountant.
Address

Dear Sir/Madam,

EXTENT OF VOLUNTARY DISCLOSURE IN CORPORATE REPORTS

I am a senior lecturer in the Department of Accounting at the University of Pretoria and currently conducting a research survey for my doctorate in Accountancy.

Voluntary disclosure in annual and interim reports has been the subject of many research papers and the question of its importance is debatable. My studies are focused on researching the extent of voluntary disclosure that is information disclosed over and above the requirements of the companies Act, GAAP and the Johannesburg Stock Exchange listing requirements as contained in the annual and interim reports of quoted industrial companies. The aim of this investigation is to determine the relationship between the extent of voluntary disclosure and the effect on share prices.

I have drafted a questionnaire to determine what are the perceptions of **users** of annual reports of the price informative value of voluntary disclosure. Your completion of the enclosed questionnaire will be **highly valued** and your personal input **invaluable**.

The answers contained in the individual questionnaires will be analysed and processed into the final results. The information will at all times be treated as confidential and will not be made available to any other institution or private individual. After completion of the questionnaire, kindly return the questionnaire in the self addressed postage paid envelope.

Should you require further information, do not hesitate to contact Jean Myburgh at:

Telephone: 012-4203692
Fax: 012-3422752
E-Mail: jmyburgh@hakuna.up.ac.za

Thanking you in anticipation for your kind co-operation and assistance with this research project.

Yours sincerely,

J E MYBURGH

If you would like to receive a summary of the results of this questionnaire, please fill in your address below.

Annexure 9:

Questionnaire: Quarterly reports

1	2	3	4	5	6

THE EFFECT OF VOLUNTARY DISCLOSURE ITEMS
IN ANNUAL REPORTS ON SHARE PRICES

Consent to participate in this research is given by users of annual reports. All data collected is treated as strictly confidential and will be used for research purposes only.

SECTION 1: BIOGRAPHICAL INFORMATION

Please mark with a ✓ where relevant.

1.1 Highest level of academic education:

None	Diploma	Bachelor's Degree	Honours degree	Chartered accountant	Master's degree	Doctorate
------	---------	-------------------	----------------	----------------------	-----------------	-----------

For priority
availability

V1	
----	--

1.2 Number of years of experience in the field of financial statement analysis:

Less than 5 years	5 to 10 years	More than 20 years
-------------------	---------------	--------------------

V5	V10
----	-----

1.3 What is your primary reason for investing in shares of a company?

Capital growth	Dividend income	Knowledge of the company	Form of shares	Tax relief
----------------	-----------------	--------------------------	----------------	------------

V1	
----	--

1.4 How useful do you find annual and interim reports for investment decisions?

Essential	Very Useful	Moderately useful	Of little use	Useless
-----------	-------------	-------------------	---------------	---------

V7	V1
----	----

1.5 What is the size of your share portfolio?

Not applicable No portfolio	Less than R100 000	R100 000 - R999 999	R1m - R50m	Over R50m
--------------------------------	--------------------	---------------------	------------	-----------

V4	V5
----	----

Annexure 9: Questionnaire B sent to users of annual reports

V1						1-5
				V2	1	6

THE EFFECT OF VOLUNTARY DISCLOSURE ITEMS IN ANNUAL REPORTS ON SHARE PRICES

Questionnaire to be completed by **users** of annual reports.
 All answers will be treated as strictly confidential and will be used for statistical purposes only.

SECTION 1 : BIOGRAPHICAL INFORMATION

Please mark with a where relevant.

1.1 Highest level of academic education.

For office use only

Matric	Diploma	Bachelors degree	Honours degree	Chartered accountant	Masters degree	Doctorate
--------	---------	------------------	----------------	----------------------	----------------	-----------

V3		7
----	--	---

1.2 Number of years of experience in the field of investment analysis.

Less than 10 years	10 - 20 years	More than 20 years
--------------------	---------------	--------------------

V5		9
----	--	---

1.3 What is your primary reason for investing in shares of a company?

Capital growth	Dividend income	Keeping abreast of inflation	Form of saving	Tax relief
----------------	-----------------	------------------------------	----------------	------------

V6		10
----	--	----

Other, please specify

1.4 How useful do you find annual and interim reports for investment decisions?

Essential	Very useful	Moderately useful	Of little use	Useless
-----------	-------------	-------------------	---------------	---------

V7		11
----	--	----

1.5 What is the size of your share portfolio?

Not applicable No portfolio	Less than R100 000	R100 000 - R999 999	R1m - R50m	Over R50m
--------------------------------	--------------------	---------------------	------------	-----------

V4		8
----	--	---

*If NO, please ignore the rest of the questionnaire and kindly return the questionnaire for control purposes in the envelope provided.
 Thanking you for your valuable time.*

SECTION 2: GENERAL

2.1 Do you believe that the share prices on the Johannesburg Stock Exchange react immediately to information made public?

Strongly agree	Agree	Disagree	Strongly disagree	No opinion or uncertain
----------------	-------	----------	-------------------	-------------------------

Office use

V8		12
----	--	----

2.2 Which five most important sources of information are used by you when making an investment decision. Rank in order of importance? (1 = most important to 5 = less important) Rank

Prospectus of a company	
Annual and interim report of a company	
Releases in general and business newspapers	
Financial periodicals, e.g. Fin. Mail, Finance Week	
Financial analysts and stockbrokers	
Personal contact with the management/employees of the company	
Investment services of financial institutions	
Television and radio announcements	
Accountants or auditors	
Attorneys	
Technical analysis and public forums	
Friends, family, tips or rumours	
Your own analysis and accumulated information	
Other, specify	

V9		13-14
V10		15-16
V11		17-18
V12		19-20
V13		21-22

2.3 Do you use corporate annual reports for investment decisions?

Yes	No
-----	----

V14		23
-----	--	----

If NO, please give a reason

If, NO, please ignore the rest of the questionnaire and kindly return the questionnaire for control purposes in the envelope provided. Thanking you for your valuable time.

2.4 What do you normally do upon receipt of a corporate annual report?

Office use

Read it in depth for analysis purposes	Browse through it for specific information	Discard it without reading it
--	--	-------------------------------

V15		24
-----	--	----

2.5 Who do you regard as the most important users of financial reports? Choose only five and rank in order of importance, 1 = most important to 5 = less important Rank

Shareholders (individual investors)	
Stockbrokers	
Security analysts	
Institutional investors	
Investment bankers and underwriters	
Bank loan departments	
Academics	
Employees and unions	
Editors of financial magazines	
Other, specify	

V16		25-26
V17		27-28
V18		29-30
V19		31-32
V20		33-34

2.6 Rate each of the following characteristics of annual reports that enhance the usefulness of information obtained from annual reports.

Ranking scale: Mark with a √ where relevant.

Very important (**VI**)

Fairly important (**FI**)

Moderately important (**MI**)

Slightly important (**SI**)

Unimportant (**UI**)

Characteristic	VI	FI	MI	SI	UI
Relevant					
Reliable					
Understandable					
Comparable					

V21		35
V22		36
V23		37
V24		38

2.7 Which sections of a corporate report are the most important?
 (Choose only *five* and *rank* in order of importance)
 1 = most important to 5 = less important

	Rank
Income Statement	
Balance Sheet	
Notes to the financial statements	
Cash flow statement	
Value added statement	
Current cost financial statements	
Financial highlights	
Table of statistics	
Segmental reports	
Chairperson's report	
Director's report	
Auditor's report	
Other	

Office use

V25		39-40
V26		41-42
V27		43-44
V28		45-46
V29		47-48

2.8 Is it important to you as user of an annual report for a company to appoint the following committees in accordance with the requirements of the King Report on corporate governance?

Type of committee	No	Yes	Should names be disclosed?
Executive committee			
Management resources			
Remuneration committee			
Audit committee			
Retirement funds			
Other			

V30		49
V31		50
V32		51
V33		52
V34		53
V35		54

0	55
---	----

SECTION 3 : VOLUNTARY DISCLOSURE ITEMS IN ANNUAL REPORTS

Rank the level of importance of the following voluntary information disclosure items appearing in **any** quoted company annual report in terms of what **you personally** consider will have an **effect on the market price of the shares** of the company.

Ranking scale: Mark with a ✓ where relevant.

- Very important (**VI**)
- Fairly important (**FI**)
- Moderately important (**MI**)
- Slightly important (**SI**)
- Unimportant (**UI**)

3.1 Additional reports and statements in a corporate report

Office use

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
Inflation adjusted financial statements					
Employee/social report					
Environmental report					
Tax reconciliation statement					
Statement of money exchanges with government					
Managements' operating and financial review					

V37		56
V38		57
V39		58
V40		59
V41		60
V42		61

3.2 Value added statements

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
Presented: - as a statement					
- as a pie-chart					
- for one year					
- for two years					

V43		62
V44		63
V45		64
V46		65

3.3 Fixed and intangible assets.

Office use

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
Insurance or replacement value of other fixed assets					
List of fixed property available for inspection by the general public					
Movements of fixed assets shown in the cash flow statement					
Depreciation of intangible assets					

V47		66
V48		67
V49		68
V50		69

3.4 Do you prefer a table of comparative statistics to cover:

Less than 5 years	5 years	More than 5 years
-------------------	---------	-------------------

V51		70
-----	--	----

Contents of table:

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
---	-----------	-----------	-----------	-----------	-----------

Disclosure in table of:

Turnover figure					
Number of shares issued					
Net asset value per share					
Ratios: Profitability					
Liquidity/solvability					
Productivity ratios					
Definitions of ratios					
Number of employees					

V52		71
V53		72
V54		73
V55		74
V56		75
V57		76
V58		77
V59		78

Stock exchange performance:

Volume and value of shares traded, lowest, highest and year-end prices					
Comparison of company's share price with industry index					

V60		79
V61		80

Yes No Uncertain

V77 83

V62						1-5
V63	2					6

3.5 General voluntary disclosure items

Office use

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
Long-term dividend policy					
Activities of all subsidiaries					
Promotion of activities					
Illustrations and colour					
Results presented graphically					
Highlights					
Shareholders' diary					
Research and development projects: - discussed in detail					
- cost of R & D shown					
Differentiation between interest- and non-interest bearing current liabilities in notes to the financial statements					
Cost of sales and gross profit					
Statement that report complies with International Accounting Standards					

V64		7
V65		8
V66		9
V67		10
V68		11
V69		12
V70		13
V71		14
V72		15
V73		16
V74		17
V75		18

3.6 Voluntary/non-statutory disclosure in annual reports plays a fundamental role in your decision making process?

Strongly agree	Agree	Disagree	Strongly disagree	Uncertain
----------------	-------	----------	-------------------	-----------

V76		19
-----	--	----

3.7 To avoid information overload, would it be preferable for a company to publish separate reports such as a financial report, social report, management discussion and analysis report and an environmental report?

Yes	No	Uncertain
-----	----	-----------

V77		20
-----	--	----

3.8 Profile and shareholding of directors and top management, distribution of shareholdings and group structure

Office

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
Biographical profile of directors and top management e.g. qualifications, age, photos, experience and other					
Individual shareholding of directors and top management					
Distribution of total shareholding according to size and type					
Group structure presented diagrammatically with percentages, activities, products and locations					
3.9 Contents of directors' and chairman's report:	VI	FI	MI	SI	UI
- Detailed activities of the company					
- Reasons for changes in results					
- Corporate goals/mission					

V78		21
V79		22
V80		23
V81		24

V82		25
V83		26
V84		27

3.10 Interim reports

Voluntary disclosure items and their effect on share market prices	VI	FI	MI	SI	UI
Presentation: Turnover					
Cash flow statement					
Segmental analysis					
Detailed comments on results					
Future dividend and profit expectations					
Should interim reports be audited?					

V85		28
V86		29
V87		30
V88		31
V89		32
V90		33

**Thanking you for completing the above questionnaire.
Your response is highly appreciated and your information invaluable.**