



Statement of Responsibility

by the Members of the Board

The Board Members are responsible for the preparation, integrity and fair presentation of the financial statements and the related information included in this annual report.

In order for the Board to discharge its responsibilities, management has developed and continues to maintain a system of internal control. The Board has ultimate responsibility for the system of internal control and reviews its operation, primarily through the Audit Committee.

The internal controls include a risk-based system of internal accounting and administrative controls designed to provide reasonable but not absolute assurance that assets are safeguarded and that transactions are executed and recorded in accordance with generally accepted business practices and the Board's policies and procedures. These controls are implemented by suitably trained, skilled personnel with an appropriate segregation of duties, are monitored by management and include a comprehensive budgeting and reporting system operating within strict deadlines and an appropriate control framework.

As part of the system of internal control, the Board's internal audit function, outsourced to an accounting firm, conducts the internal audit in accordance with the standards set by the Institute of Internal Auditors and co-ordinates audit coverage with the external auditors. The external auditors are responsible for reporting on the financial statements.

The financial statements are prepared in accordance with generally accepted accounting practice and the reporting requirements of the Public Finance Management Act, based on appropriate accounting

policies consistently applied and supported by reasonable and prudent judgements and estimates.

The financial statements have been prepared on the going concern basis, as the Board Members have every reason to believe that the Board has adequate resources in place to continue in operation for the year ahead.

The financial statements for the year ended 31 March 2002 set out on pages 18 to 28 were approved by the members of the Board on 21 June 2002 and are signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Chris Fisser', written in a cursive style.

Chris Fisser
Chairperson

A handwritten signature in black ink, appearing to read 'Sfiso Buthelezi', written in a cursive style.

Sfiso Buthelezi
Chief Executive Officer

