

# AUDIT AND RISK COMMITTEE REPORT

TO THE MEMBERS OF REMGRO LIMITED

The Audit and Risk Committee has pleasure in submitting this report, as required in terms of the Companies Act (No. 61 of 1973), as amended ("Companies Act"). The Audit and Risk Committee consists of four non-executive directors who act independently as described in section 269A of the Companies Act. During the year under review four meetings were held and the committee members attended all the meetings. At the meetings the members fulfilled all their functions as prescribed by the Companies Act. A detailed list of the functions of the Audit and Risk Committee is contained in the corporate governance report. The Audit and Risk Committee has satisfied itself that the auditor is independent of the

Company and is thereby able to conduct his audit functions without any influence from the Company.



**Herman Wessels**  
*Chairman of the Audit and Risk Committee*

Stellenbosch  
21 June 2010

## REPORT OF THE INDEPENDENT AUDITOR

TO THE MEMBERS OF REMGRO LIMITED

We have audited the Group annual financial statements and annual financial statements of Remgro Limited, which comprise the consolidated and separate statements of financial position as at 31 March 2010, and the consolidated and separate income statements, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the directors' report, as set out on pages 85 to 154.

### **Directors' responsibility for the financial statements**

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa. 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.

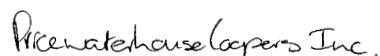
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on

the auditor's judgement, 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 management, as well as evaluating the overall presentation of the financial statements.

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 consolidated and separate financial position of Remgro Limited as at 31 March 2010, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa.



**PricewaterhouseCoopers Inc.**

**Director: N H Döman**

*Registered Auditor*

Cape Town  
21 June 2010