

AKHA Trust Annual Report

Chairperson's report

Needless to say, the AKHA Trust ("the Trust") is fast approaching that crucial stage in its development where it requires careful nurturing from all its stakeholders in order to stay on course as an effective empowerment vehicle. Over the years, we have seen the Trust developing from a mere concept to its current status as a fully-fledged empowerment entity capable of making regular financial distributions to its beneficiaries without any adverse effect on its ability to meet its financial obligations to third parties.

Unlike the first distribution which was substantially utilised by the Trust to make cash payments to qualifying beneficiaries, irrespective of their level of employment with Accenture, a decision was taken by the Trustees to increase the number of initiatives to be funded from the second distribution. These included certain public benefit organisations approved by the Trustees, as well as educational bursaries for qualifying dependants of Accenture employees.

Be that as it may, a fairly substantial payout in the total sum of R9 450 000 was allocated by the Trustees for payment to the qualifying employees of Accenture. Save for taking into account the level of employment with Accenture as one of the criteria, the same method as the first was utilised by the Trustees in determining the actual amount payable to each beneficiary from the second distribution. However, it must be borne in mind that this is subject to regular review by the Trustees based on such distribution principles as they may deem appropriate to adopt from time to time.

Notwithstanding the foregoing, it has been noted by the Trustees that a sizeable portion of the amount set aside for bursaries has remained unused. Apparently, this is due to the low number of applications received from Accenture employees. I accordingly take this opportunity to encourage any Accenture employee who needs financial assistance for the education of any one or more of his or her bona fide dependant/s to submit an application to the Trust for that purpose.

In stark contrast to the allocation for bursaries, the amount allocated for grant funding to public benefit initiatives was insufficient to meet the high number of applications received by the Trustees from a wide variety of public benefit organisations. Unfortunately, inasmuch as the Trustees would have loved to approve every application for funding received from all the public benefit organisations concerned, we had no other option but to turn down a large number of applications for funding due to limited funds.

Be that as it may, I believe that it is a general feeling amongst the Trustees that the grant funding made by the Trust to public benefit organisations ought to be focussed in specific areas of the relevant sector where it is likely to make a difference. To this end, the Trustees will seek guidance from certain experts in the fields of education and health, which are the two sectors currently identified by the Trustees for funding, as to which initiatives in those fields ought to be considered by the Trustees for grant funding.

In conclusion, I am pleased to report that the Trustees had an opportunity towards the end of last year to visit some of the public benefit organisations which received grant funding from the Trust, and am satisfied that such funding will be put to good use. We also had an opportunity to meet with some of the Accenture employees whose dependants were awarded bursaries by the Trust, and they all expressed their inner felt gratitude to the Trust and all its stakeholders for the bursaries awarded to their respective dependants. I have no doubt that such positive feedback will inspire the Trustees to take the Trust to even greater heights for the ultimate benefit of all its stakeholders.

VUSI NKOSI

About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with 257,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US\$27.9 billion for the fiscal year ended Aug. 31, 2012.

We have extensive relationships with the world's leading companies and governments and work with organizations of all sizes—including 92 of the Fortune Global 100 and more than three quarters of the Fortune Global 500. Our commitment to client satisfaction strengthens and extends our relationships. For example, 99 of our top 100 clients in fiscal year 2011, based on revenue, have been clients for at least five years, and 92 have been clients for at least 10 years. Visit www.accenture.com for more information.

Career opportunities at Accenture

Working with Accenture in South Africa, you can join ranks with more than 257,000 people in 120 countries and work with clients in nearly every major industry worldwide, including 96 of the *Fortune* Global 100, more than three-quarters of the *Fortune* Global 500 and government agencies around the

world. Accenture's people build careers in different areas of business, specifically Consulting, Technology and Outsourcing, as well as within our internal corporate functions.

With the breadth of talent our people have, they not only build strong careers, they offer their talents and skills to help clients and communities around the world. Accenture is one of the world's leading technology companies and has made major contributions to many different industries in this country. Its consultants are highly skilled individuals who never cease learning in order to stay ahead in this highly competitive industry. For the fourth consecutive year, Accenture placed in the top 2 of the CRF Institute's annual Best Employer in South Africa for 2012-13. For more information about careers, visit www.careers.accenture.com.

Background of the Trust

Accenture, as a corporate citizen of South Africa, continued to demonstrate its commitment to achieving its ultimate goals of transformation, inclusion and diversity amongst its employees. Part of this was achieved by the establishment of the AKHA Trust in 2005. At that time 30% shares of Accenture South Africa was sold to the Trust and its beneficiaries designated as broad-based groups and the Black Accenture Employees as defined in the DTI B-BBEE Codes of Good Practice. Following its establishment, an independent board of trustees was appointed to oversee the interests of both Accenture and the identified beneficiaries.

Objectives of the Trust

According to the Trust Deed, the purpose and mandated objectives of the Trust may be summarized as follows:

- Generally - to assist the development, implementation and operation of Black Economic Empowerment (BEE) in the Republic of South Africa, by pursuing BEE initiatives through the provision of financial and other assistance to any one or more Beneficiaries as determined by the Trustees from time to time; and
- In particular, to identify and pursue BEE initiatives, including, to the extent that the Trustees in their discretion may consider appropriate to do so, the following :
 1. Provide financial support, professional, technical and other skills and managerial expertise to Beneficiaries;
 2. Raise funding from potential funders and/or assist Beneficiaries to raise funding in connection with any of the above objects;
 3. Make investments in any manner as the Trustees may from time to time in their discretion determine; and

4. Carry out such other functions or roles as are reasonably consistent with the intents and purposes of the Trust.

Governance

The Trust is governed by a Board of Trustees established in accordance with the Deed of Trust. The majority of the trustees, in accordance with the Trust Deed, are not directly linked to Accenture. This ensures that the Board of Trustees remains independent of the Accenture Board.

- The Trust's year end is 31 August.
- The Trust's auditors are KPMG.
- The financial administration of the Trust is provided by SizweNtsaluba VSP.
- The trust's bankers are ABSA Bank.

Board of Trustees



Vusi Nkosi - Chairman

Vusi is a practising attorney and a partner of Shepstone & Wylie, Attorneys, at the firm's head office in Durban. He is heading the firm's Local Government & Administrative Law Department. His qualifications include B.Proc and LLB, which he obtained from the Universities of Zululand and KwaZulu-Natal (Durban), respectively.

Vusi joined Shepstone & Wylie as a candidate attorney in 1992, and became a partner of the firm in 1998. His area of specialization is Local Government & Administrative Law. Vusi's clients include a wide spectrum of municipalities and government departments in and around the KwaZulu-Natal Province. Vusi is the current Chair of AKHA BEE Trust and has been a Trustee since inception in 2005.



Thina Siwendu

Thina currently serves as Director in the Corporate and Commercial practice of DLA Cliffe Dekker Hofmeyr Attorney's, following the merge of her law firm Siwendu and Partners Inc. with Cliffe Dekker in February 2012. Her qualifications include B. Soc Sc (Hons) and LLB, which she obtained from the Universities of Cape Town and and KwaZulu-Natal (Durban), respectively. Thina has worked with various Board of Companies including Transnet Limited, Eskom, Anglo Platinum and has represented a wide spectrum of companies in both public and private sector. She has been a member of various Boards including Grindrod, Grindrod Bank, Airports Company South Africa and Woolworths. Thina has been a trustee of AKHA since 2008.



Mandla Nhlapo

Mandla joined Accenture in 1988 as a junior consultant. He spent most of his working life at Accenture and left the firm in August 2009. During his tenure at Accenture he was an executive in Resource and part of the executive team which managed the Eskom Account; an executive in Products responsible for Transport & Travel services; and a client executive of Transnet . Mandla also played a pivotal role in the transformation of Accenture as the first African Senior Executive; the inaugural Chairperson of the Accenture Board as well as the inaugural Chairperson of the AKHA Trust. Mandla continues to be passionate about economic empowerment and the success of Accenture's transformation journey hence he has agreed to serve as a trustee on the AKHA Trust Board.



Mncane Mthunzi

Mncane is the Group Supplier Development Executive for Massmart, a subsidiary of Wal-Mart. He is the former CEO of the Consumer Goods Council of South Africa (CGCSA), an industry association for the

retailers, manufactures and service providers. He has been the Managing Director of the Black Management Forum (BMF) for a period of three years. Prior to joining the BMF he worked for Microsoft as an Enterprise Strategy Consultant and later in a Sales Executive role within Microsoft. He was also a Senior Manager at PricewaterhouseCoopers. He started his career at Accenture, where he worked in a number of industries both locally and internationally handling large-scale systems integrations and business solutions for a number of clients.

His leadership and stakeholder involvement includes being a member of Board of Trustees of Accenture's Akha Trust and Independent Non-executive Director of Adcorp Holdings Ltd.

Mncane's career span is across a number of industries which includes Transport, Industrial Products, Retail, Telecommunications, Broadcasting, Information Technology and the Government.



Safeea Rahiman

Safeea is a Chartered Accountant who qualified in 1996 and completed her traineeship at the accounting firm KMMT. She subsequently took up the position of Financial Manager at Afritel Cellular Systems (Pty) Ltd where she was responsible for implementing a turnaround strategy at this ailing cellular service provider, and which was eventually sold to the Vodacom network in an industry consolidation exercise. She subsequently became Corporate Services and Audit Partner at the accounting and auditing firm now known as RAIN and since 2011 moved out of practice to form an independent consulting company.



Donovan Muller

Donovan joined Accenture in 1988 as an entry-level graduate after graduating from UCT with an M.Sc.(Energy Engineering). He is currently a Senior Executive in the Technology Growth Platform, where he is the portfolio lead for Resources. Currently, his focus is on Mining, Utilities and Energy. Prior to this he was the Executive Director responsible for Outsourcing in South Africa. Donovan is passionate about the Accenture transformation journey, and was one of the first group of Black Senior Executives in South Africa in 2000. He serves on a number of boards, trusts and committees, including the Accenture South

Africa Management Executive, the Board of Enablis South Africa, the Kolbe House Trust and is on the Advisory Board of the UCT Department of Computer Science



Roze Phillips

Roze is an Accenture managing director based in the Johannesburg office. She leads the Products practice in Sub-Saharan Africa, focusing on East, South and West Africa. Having recently celebrated her thirteenth anniversary with Accenture, Roze is a champion for transformation strategies that foster empowerment in the workplace and beyond. She serves on the Accenture SA Board of Directors, Accenture Global Diversity Advisory Forum and represents Accenture on the Board of Enablis in East Africa, a non-governmental organization that fosters entrepreneurship among youth. Roze served as chairman of the AKHA Trust in 2008 and has been a Trustee for the past 6 years. Recently Roze has been appointed the SPAI Human Capital lead, with a special focus on our growing African markets. Roze is a medical doctor with a Masters degree in Business Administration.

Annual Financial Statements for the Year Ended 31 August 2012

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REPORT OF THE INDEPENDENT AUDITORS

To the trustees of AKHA Black Economic Empowerment Trust

We have audited the annual financial statements of AKHA Black Economic Empowerment Trust, which comprise the statement of financial position as at 31 August 2012, and the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes as set out on pages 4 to 18.

Trustees' Responsibility for the Financial Statements

The Trust's trustees are responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice. 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 financial position of AKHA Black Economic Empowerment Trust at 31 August 2012 and its financial performance and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice.

KPMG Inc.

Per: Jan Vliegthart
Chartered Accountants (S.A.)
Registered Auditors
Director
07 December 2012

TRUSTEES' RESPONSIBILITIES AND APPROVAL

The trustees are required in terms of the Trust Deed to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the trust as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the trustees sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the trust and all employees are required to maintain the highest ethical standards in ensuring the trust's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the trust is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the trust endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The trustees have reviewed the trust's cash flow forecast for the year to 31 August 2013 and, in the light of this review and the current financial position, they are satisfied that the trust had or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the trust's annual financial statements. The annual financial statements have been examined by the trust's external auditors and their report is presented on page 2.

The annual financial statements set out on pages 4 to 18, which have been prepared on the going concern basis, were approved by the trustees on 07 December 2012 and were signed on its behalf by:

Elijah Mfuniselwa Nkosi

Rozett Lucille Phillips

TRUSTEES' REPORT

The trustees submit their report for the year ended 31 August 2012.

1. REVIEW OF ACTIVITIES

Main business and operations

The trust is engaged in the assistance with development, implementation and operation of Black Economic Empowerment and operates principally in South Africa.

The operating results and state of affairs of the trust are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Net surplus of the trust was R 79 015 517 (2011: R 33 646 165 surplus), after taxation of R (16 184 756) (2011: R (402 689)).

2. GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. EVENTS SUBSEQUENT TO YEAR END

The trustees are not aware of any matter or circumstance arising since the end of the financial year.

4. DISTRIBUTIONS TO BENEFICIARIES

A distribution amounting to R 14 175 000 (2011: R 12 150 000) was declared to the beneficiaries of the trust on 20 July 2012.

5. TRUSTEES

The trustees of the trust during the year and to the date of this report are as follows:

Name	Nationality
Donovan Herbert Muller	South African
Elijah Mfuniselwa Nkosi	South African
Mandla Bikwa Nhalpo	South African
Mncane Esau Mthunzi	South African
Namhla Thina Yvonne Siwendu	South African
Rozett Lucille Phillips	South African
Safeea Rahiman	South African

6. AUDITORS

KPMG Inc. will continue in office as per approval of the board of trustees.

STATEMENT OF FINANCIAL POSITION

Figures in Rand

	Notes	2012	2011
ASSETS			
NON-CURRENT ASSETS			
Investments in associates	2	210 000 000	210 000 000
CURRENT ASSETS			
Cash and cash equivalents	4	36 342 233	31 379 521
Total Assets		246 342 233	241 379 521
EQUITY AND LIABILITIES			
EQUITY			
Trust capital	5	10 000	10 000
Accumulated surplus		114 961 634	50 121 117
		114 971 634	50 131 117
LIABILITIES			
NON-CURRENT LIABILITIES			
Other financial liabilities	6	115 071 602	178 335 885
CURRENT LIABILITIES			
Loans from group companies	3	166 347	148 019
Current tax payable		119 571	87 199
Trade and other payables	7	96 487	144 821
Distributions payable		15 916 592	12 532 480
		16 298 997	12 912 519
Total Liabilities		131 370 599	191 248 404
Total Equity and Liabilities		246 342 233	241 379 521

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	Notes	2012	2011
Operating expenses		(652 592)	(537 991)
Operating loss		(652 592)	(537 991)
Investment revenue	10	106 088 582	46 006 723
Finance costs	11	(10 235 717)	(11 419 878)
Surplus before taxation		95 200 273	34 048 854
Taxation	12	(16 184 756)	(402 689)
Surplus for the year		79 015 517	33 646 165
Other comprehensive income		-	-
Total comprehensive income		79 015 517	33 646 165

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Trust capital	Accumulated surplus	Total equity
Balance at 01 September 2010	10 000	28 624 952	28 634 952
Changes in equity			
Total comprehensive income for the year	-	33 646 165	33 646 165
Distributions to beneficiaries	-	(12 150 000)	(12 150 000)
Total changes	-	21 496 165	21 496 165
Balance at 01 September 2011	10 000	50 121 117	50 131 117
Changes in equity			
Total comprehensive income for the year	-	79 015 517	79 015 517
Distributions to beneficiaries	-	(14 175 000)	(14 175 000)
Total changes	-	64 840 517	64 840 517
Balance at 31 August 2012	10 000	114 961 634	114 971 634
Note(s)	5		

STATEMENT OF CASH FLOWS

Figures in Rand

	Notes	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	13	(700 926)	(471 598)
Interest income		1 088 582	1 006 723
Dividends received		105 000 000	45 000 000
Finance costs		(10 235 717)	(11 419 878)
Tax paid	14	(16 152 384)	(378 443)
Net cash from operating activities		78 999 555	33 736 804
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from loans from group companies		699 240	466 514
Repayment of loans from group companies		(680 912)	(1 383 981)
Net cash from investing activities		18 328	(917 467)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in amounts from other financial liabilities		(63 264 283)	(51 580 123)
Distributions to beneficiaries		(10 790 888)	(15 617 520)
Net cash from financing activities		(74 055 171)	(67 197 643)
Total cash movement for the year		4 962 712	(34 378 306)
Cash at the beginning of the year		31 379 521	65 757 827
Total cash at end of the year	4	36 342 233	31 379 521

ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice. The annual financial statements have been prepared on the historical cost basis, except where otherwise indicated, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

1.1 SIGNIFICANT JUDGEMENTS

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The trust recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

1.2 INVESTMENTS IN ASSOCIATES

An investment in an associate is carried at cost less any accumulated impairment.

1.3 FINANCIAL INSTRUMENTS

Classifications

The trust classifies financial assets and financial liabilities into the following categories:

- Available for sale financial assets
- Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. For financial instruments which are not at fair value through profit or loss, classification is re-assessed on an annual basis.

Initial recognition and measurement

Financial instruments are recognised initially when the trust becomes a party to the contractual provisions of the instruments.

The trust classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available for sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Subsequent measurement

Available for sale financial assets are subsequently measured at fair value.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Loans to (from) group companies

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

ACCOUNTING POLICIES

1.3 FINANCIAL INSTRUMENTS (continued)

Loans from group companies are classified as financial liabilities measured at amortised cost.

Trade and other payables

Trade payables are classified as financial liabilities at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents are classified as available for sale.

Borrowings

Borrowings are classified as financial liabilities at amortised cost.

1.4 TAX

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in surplus or deficit for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.5 IMPAIRMENT OF ASSETS

The trust assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

ACCOUNTING POLICIES

1.5 IMPAIRMENT OF ASSETS (continued)

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in surplus or deficit. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.6 REVENUE

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Dividends are recognised, in surplus or deficit, when the trust's right to receive payment has been established.

1.7 BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand

2012

2011

2. INVESTMENTS IN ASSOCIATES

Name of company	Listed / Unlisted	% holding 2012	% holding 2011	Carrying amount 2012	Carrying amount 2011
Accenture South Africa (Proprietary) Limited	Unlisted	30.00%	30.00%	210 000 000	210 000 000

The carrying amounts of Associates are shown net of impairment losses.

Associates pledged as security

The investment in Accenture South Africa (Proprietary) Limited, with a carrying value of R 210 000 000 has been used to secure borrowings granted to the trust of R 115 071 602 (2011: R 178 335 885) by Accenture International S.A.R.L - refer to note 6 .

3. LOANS TO (FROM) GROUP COMPANIES

Associates

Accenture South Africa (Proprietary) Limited	(166 347)	(148 019)
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The loan bears no interest, is unsecured and has no fixed terms of repayment.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Bank balances	19 196 819	15 122 918
Short-term deposits	17 145 414	16 256 603
	36 342 233	31 379 521

Cash and bank earns interest at floating rate based on a daily bank deposit rate.

5. TRUST CAPITAL

Trust capital

Balance at beginning of year	10 000	10 000
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6. OTHER FINANCIAL LIABILITIES

Held at amortised cost

Accenture International S.A.R.L	115 071 602	178 335 885
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Non-current liabilities

At amortised cost	115 071 602	178 335 885
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The interest rate applied is the South African Johannesburg Interbank Agreed 1 Month (BB ticker: JIBA1M) obtained from Bloomberg. The loan is payable as and when distributions are received from the investment in Accenture South Africa (Proprietary) Limited or at 31 August 2020. The investment in Accenture South Africa (Proprietary) Limited per note 2 above has been pledged as security to Accenture Finance Limited (Gibraltar) to secure the loan granted by Accenture International S.a.r.l.

7. TRADE AND OTHER PAYABLES

Trade payables	96 487	144 821
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2012	2011
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8. FINANCIAL ASSETS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

2012

	Loans and receivables	Fair value through profit or loss - held for trading	Fair value through profit or loss - design ated	Held to maturity investments	Available for sale	Total
Cash and cash equivalents	-	-	-	-	36 342 233	36 342 233

2011

	Loans and receivables	Fair value through profit or loss - held for trading	Fair value through profit or loss - designa ted	Held to maturity investments	Available for sale	Total
Cash and cash equivalents	-	-	-	-	31 379 521	31 379 521

9. FINANCIAL LIABILITIES BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

2012

	Financial liabilities at amortised cost	Fair value through profit or loss - held for trading	Fair value through profit or loss - designa ted	Total
Loans from group companies	166 347	-	-	166 347
Distributions payable	15 916 592	-	-	15 916 592
Other financial liabilities	115 071 602	-	-	115 071 602
Trade and other payables	96 487	-	-	96 487
	131 251 028	-	-	131 251 028

2011

	Financial liabilities at amortised cost	Fair value through profit or loss - held for trading	Fair value through profit or loss - designa ted	Total
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand		2012	2011
Loans from group companies	148 019	-	148 019
Distributions payable	12 150 000	-	12 150 000
Other financial liabilities	178 335 886	-	178 335 886
Trade and other payables	144 821	-	144 821
	190 778 726	-	190 778 726

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2012	2011
10. INVESTMENT REVENUE		
Dividend revenue		
Associates - Local	105 000 000	45 000 000
Interest revenue		
Bank	1 088 582	1 006 723
	106 088 582	46 006 723
The following is an analysis of investment revenue earned per financial asset category:		
Available-for-sale financial assets	1 088 582	1 006 723
Loans and receivables	-	-
Held-to-maturity investments	-	-
Total interest income for financial assets not designated as at fair value through profit or loss	1 088 582	1 006 723
Investment income earned on non-financial assets	105 000 000	45 000 000
	106 088 582	46 006 723
11. FINANCE COSTS		
Other financial liabilities	10 235 717	11 419 878
<u>Total interest expense, calculated using the effective interest rate, on financial instruments not at fair value through surplus or deficit amounted to R 10 235 717 (2011: R 11 419 878).</u>		
12. TAXATION		
Major components of the tax expense		
Current		
Local income tax - current period	434 756	402 689
Dividend withholding tax - current period	15 750 000	-
	16 184 756	402 689
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting profit	95 200 273	34 048 854
Tax at the applicable tax rate of 40% (2011: 40%)	38 080 109	13 619 542
Tax effect of adjustments on taxable income		
Local dividend income	(42 000 000)	(18 000 000)
Non deductible expenses	4 354 647	4 783 147
Dividends withholding tax	15 750 000	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2012	2011
	16 184 756	402 689

The tax rate used for the above reconciliation is the corporate tax rate payable by trusts in South Africa on taxable profits under tax law in that jurisdiction.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2012	2011
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13. CASH USED IN OPERATIONS		
Profit before taxation	95 200 273	34 048 854
Adjustments for:		
Dividends received	(105 000 000)	(45 000 000)
Interest received	(1 088 582)	(1 006 723)
Finance costs	10 235 717	11 419 878
Changes in working capital:		
Trade and other payables	(48 334)	66 393
	(700 926)	(471 598)
14. TAX PAID		
Balance at beginning of the year	(87 199)	(62 953)
Current tax for the year recognised in profit or loss	(16 184 756)	(402 689)
Balance at end of the year	119 571	87 199
	(16 152 384)	(378 443)
15. RELATED PARTIES		
<hr/>		
Relationships		
Associate of the Trust	Accenture South Africa (Proprietary) Limited	
Holding company of associate	Accenture International S.A.R.L	
Trustees of the trust	Refer to the Trustees' Report	
Related party balances		
Loan accounts - Owing (to) by related parties		
Accenture International S.A.R.L	(115 071 602)	(178 335 885)
Accenture South Africa (Proprietary) Limited	(166 347)	(148 019)
Provision for doubtful debts related to the amount of outstanding balances		
None		
Related party transactions		
Interest paid to (received from) related parties		
Accenture International S.A.R.L	10 235 717	11 419 878
Administration fees paid to (received from) related parties		
Trustees	365 624	284 200

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2012	2011
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16. RISK MANAGEMENT

Capital risk management

The trust's objectives when managing capital are to safeguard the trust's ability to continue as a going concern in order to provide returns for beneficiaries and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the trust consists of debt, which includes the borrowings disclosed in notes 3 & 6 cash and cash equivalents disclosed in note 4, and equity as disclosed in the statement of financial position.

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

The gearing ratio at 2012 and 2011 respectively were as follows:

Total borrowings

Loans from group companies	3	166 347	148 019
Other financial liabilities	6	115 071 602	178 335 885
Trade and other payables	7	96 487	144 821
Distributions payable		15 916 592	12 532 480
		131 251 028	191 161 205
Less: Cash and cash equivalents	4	36 342 233	31 379 521
Net debt		94 908 795	159 781 684
Total equity		114 971 634	50 131 117
Total capital		209 880 429	209 912 801

Gearing ratio	45%	76%
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Financial risk management

The trust's activities expose it to a variety of financial risks: market risk, cash flow interest rate risk, credit risk and liquidity risk.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, trust treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The trust's risk to liquidity is a result of the funds available to cover future commitments. The trust manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2012	2011
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The table below analyses the trust's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2012	2011
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16. RISK MANAGEMENT (continued)

At 31 August 2012	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Loans from group companies	166 347	-	-	-
Other financial liabilities	-	-	-	175 163 759
Trade and other payables	96 487	-	-	-
Distributions payable	15 916 592	-	-	-
Taxation payable	40 532	-	-	-
At 31 August 2011	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Loans from group companies	148 019	-	-	-
Other financial liabilities	62 475 000	-	-	197 440 240
Trade and other payables	144 821	-	-	-
Distributions payable	12 532 480	-	-	-
Taxation payable	87 199	-	-	-

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2012	2011
Cash and cash equivalents	36 342 233	31 379 521

DETAILED INCOME STATEMENT

Figures in Rand

	Note(s)	2012	2011
Other income			
Dividend revenue	10	105 000 000	45 000 000
Interest received	10	1 088 582	1 006 723
		106 088 582	46 006 723
Operating expenses			
Accounting fees		(33 654)	(47 176)
Administration and management fees		(37 859)	-
Auditors remuneration		(19 334)	(18 240)
Bank charges		(1 691)	(5 083)
Consulting and professional fees		(122 687)	(92 180)
Meeting expenditure		(4 132)	(9 338)
Postage		-	(1 043)
Printing and stationery		(780)	(9 300)
Secretarial fees		(53 939)	(35 807)
Travel - local		(12 892)	(35 624)
Trustee fees		(365 624)	(284 200)
		(652 592)	(537 991)
Operating profit		105 435 990	45 468 732
Finance costs	11	(10 235 717)	(11 419 878)
Profit before taxation		95 200 273	34 048 854
Taxation	12	16 184 756	402 689
Profit for the year		79 015 517	33 646 165

AKHA Trust Success Stories

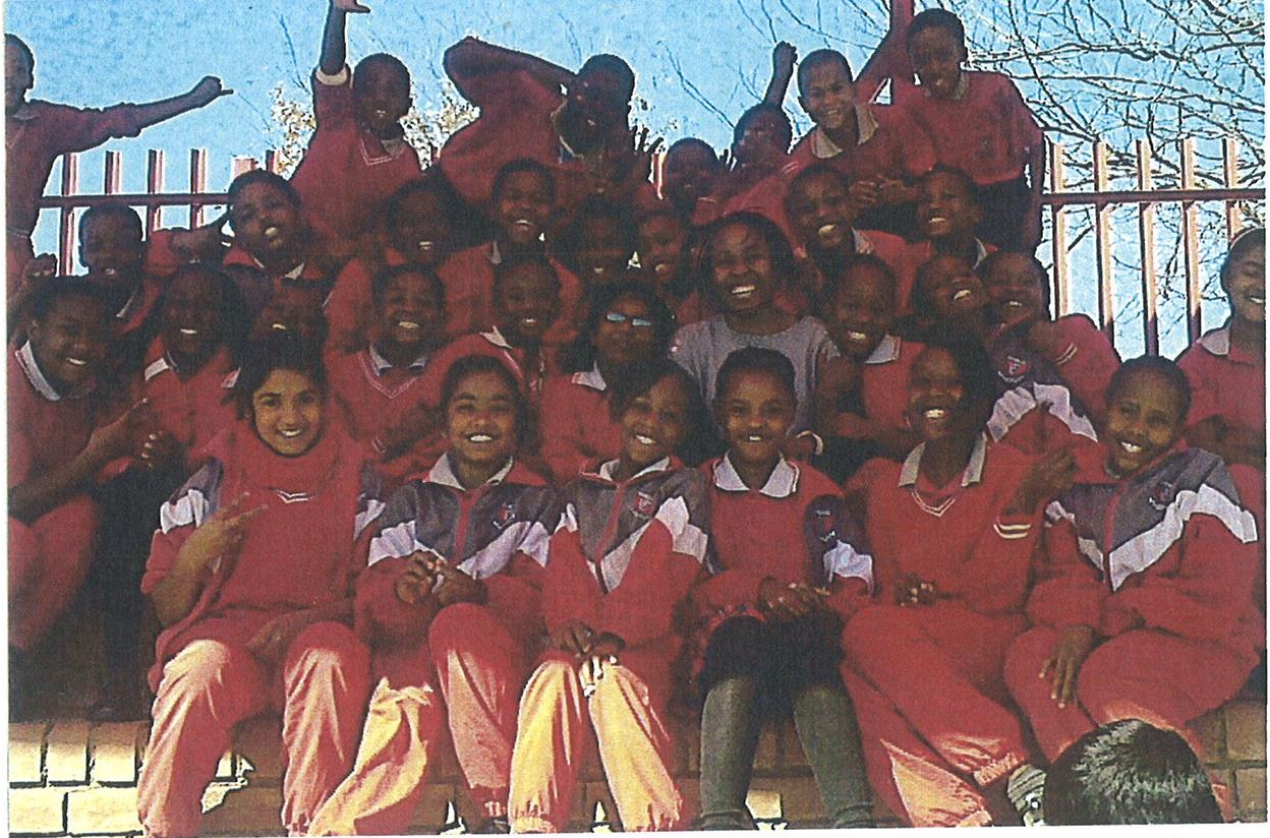
AKHA BEE Trust Educational Assistance Scheme

The AKHA BEE Trust Educational Assistance Scheme was launched in 2012 to provide financial assistance towards primary, secondary and tertiary education to the children and legal dependents of Accenture employees in South Africa. In 2012, this financial assistance was in the form of an award where applicants who demonstrated a financial need, amongst other criteria, were provided with financial assistance.

We are extremely pleased that in 2012, the inaugural AKHA BEE Trust Educational Assistance Scheme was able to provide assistance to Accenture employees to the amount of R874,388.00.

- We received over 90 applications, and were able to help 44 Accenture employees, representing 64 students
- R7,600.00 went to Pre-School educational funding
- R237,220 went towards Primary School educational funding
- R218,152 went towards Secondary School educational funding
- R359,900 went towards Tertiary educational funding
- Funding per student ranged from R1,460.00 to R25,000, depending on the value of the request. On average R18,000 was paid per student that received funding
- A maximum amount of R25,000 per beneficiary student was applied to ensure that the scheme benefited a broad base of employees
- Monies were paid into 63 different educational institutions

The Trustees hope that this scheme comes in useful as the beneficiaries empower themselves, their families and those in need of a helping hand. We are very pleased at the immense positive response we have had to the educational assistance scheme and the difference it has made in the lives of beneficiaries.



Lebogang Dube is a first year student at the University of the Witwatersrand studying towards a Bachelor of Education degree. "At the beginning of the year I was privileged enough to receive sponsorship from the AKHA Trust fund. I am proud to say that through all the challenges I faced in this year, I was able to do well in my first semester. I have learnt that becoming a teacher is not only about passion, but a lot of hard work, preparation and content knowledge. I am extremely grateful to the AKHA Trust and Accenture for giving me this opportunity to success. The faith you have put in me is going to help me put the same faith in those that I will teach in the years to come. May God richly bless you and your company for not withholding such opportunities to the under privileged.

L. Dube (a proud Witsie and teacher to be)

An Accenture employee that has 4 kids and received funding to support a 3rd year B.Comm student, a 1st year Dentistry student and a standard 7 pupil. "I'm extremely grateful to the AKHA Trust in helping alleviate the burden of high education costs. Without this funding, it would have been impossible to support my kids in further empowering themselves"

Accenture employee

Another beneficiary was young 9 year old son of an Accenture employee. Through the funding received from the Akha Trust, he was able to go to a school that provides a much higher standard of education and much closer to his home. "The results are evident in his behavior and skills." "The Akha Trust is an excellent one that has looked at my situation as a "single mother" and provided me with the opportunity to ensure that my son is able to have a decent education. He has also now been able to partake in some of the extra mural activities that were previously not affordable. This has not only assisted in boosting his confidence and benefitting his health tremendously; but he is noticeably a much happier child, energized and very excited about learning. I strongly believe that children are our Future and an educated nation is a successful nation. By giving my son the opportunity for a good education; the Trust has not only helped me and my family but has helped in building the foundations that support a country. I am utterly grateful to the AKHA BEE Trust for accepting me as a beneficiary. I cannot fully express the gratitude and Thanks we feel for the assistance given to us. "

Accenture employee

Another Accenture employee has expressed eternal gratitude for the Akha Trust support. Having been in financial difficulties in January 2012, we were in a real struggling to finance the basics. "My daughter just started school; the eldest has been accepted and enrolled at varsity and another child at high school. How am I going to manage was one of the questions that I kept asking myself?"

"When I received a call informing me that the applications for assistance were approved. I was almost in tears. Thank you was all I could say at that stage. This gracious act of assistance helped me to decline a job offer from another company. I can only thank God and asked him to bless the company further so that they are successful and continue to help the less privileged. The children did exceptionally well at school. Thank you to the trustees and board members of the AKHA BEE Trust. Keep on doing such wonderful acts and enriching ordinary disadvantaged people's lives. With much appreciation, Incognito"

Accenture employee

The Trustees would like to thank you for your ongoing contribution to the success of both Accenture and the AKHA BEE Trust. We look forward to another successful year ahead as we hope to grow the AKHA BEE Trust Educational Assistance Scheme

AKHA Trust Public Benefit Organisations Successes

The following Public Benefit Organisations was awarded sponsorship from the AKHA Trust.

- Dominican Convent School
- Cotlands
- Mentec Foundation
- QuadPara Association of KwaZulu Natal
- San Salvador Home
- Thusanang HIV/AIDS Relief Project

Student support at the Dominican Convent School

AKHA BEE Trust 2012 Support at the Dominican Convent School:

- 17 students support
- 2 Grade 12 students
- 100% pass rate anticipated for all students



Phumzile performs at Sherborne School in the UK. A private individual sponsored Phumzile's journey with the Dominican Convent School Choir in 2012.

A STORY OF HOPE

Phumzile Madiba's mother died in 2001 when she was 7 years old. Her father passed away she was 11. Orphaned, she moved in with her aunt who left her when she was 14. Since then, she has lived in a flat in Johannesburg's city centre with her older sister. When Phumzile turned 18, her sister said she could no longer support her education and asked Phumzile to leave and live in an overcrowded hostel for single women.

Despite these challenges, Phumzile dreamed of a brighter future. With the support from the AKHA BEE Trust, Phumzile was able to continue her Grade 12 studies at Dominican Convent School, and live in the school boarding house full time. Her marks improved, and she enrolled to study nursing at the University of Witwatersrand in 2013.

IMPACT OF AKHA BEE TRUST SUPPORT

Phumzile is not alone in her success at Dominican Convent School. She is part of a cohort of over 80 orphan and vulnerable children. Support from the AKHA BEE Trust ensured that 17 of these children received full, or partial, support for education, boarding, and support services such as counselling, medical care, dentistry, and optometry. We are pleased to report that all of the learners supported by AKHA BEE Trust are on target to pass the year, and pass well. In addition to academic performance, students supported by the AKHA BEE Trust excelled on the sports field and in the arts.

Without your support this would never have been possible. Thank you for all you do to contribute to the transformation of South Africa.

Paul Horn, Dominican Convent School, Johannesburg