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Redefine Properties puts auditor KPMG on notice

JSE listed diversified Real Estate Investment Trust (REIT) Redefine Properties (JSE: RDF) has announced its decision to place auditors KPMG on notice. Redefine's board has resolved to terminate its association with KPMG.

At the Company's Annual General Meeting in February 2018, it was proposed that KPMG be re-appointed as the Company's independent external auditors for the 2018 financial year, on the proviso that "the Audit and Risk Committee actively monitor the outcomes of the investigations underway and take appropriate action as and when further information becomes available."

Subsequent to the AGM and the successful re-appointment of KPMG, the Board, through the Audit and Risk Committee, thoroughly assessed the continuing and more recent developments as were communicated by KPMG and reported on in the media. Concerns over good governance and ethics compliance motivated the decision.

KPMG's appointment as external auditors will terminate on conclusion of the audit relating to the 2018 financial year, which is expected to be on or about 30 November 2018.

Redefine CEO Andrew Konig said, "Redefine's reputation is everything and our decision was made for this reason. We will have a new auditor on board for the 2019 financial year."

Redefine CFO Leon Kok said the decision was not taken lightly.

"Audit quality, consistency and continuity are of paramount importance to Redefine and we are mindful of the time and effort it takes to onboard new external auditors. Given the current circumstances and in the best interest of all our stakeholders, we felt it appropriate to commence with this change as soon as possible."

The Board remains satisfied with the real estate experience and technical expertise of KPMG and the designated audit partner will accordingly support its continuance as auditors during the transition period to assist in a smooth and efficient handover to the new auditors.

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