

## Proposed changes to the JSE Listings Requirements

**Note:**

In order for respondents to comment on the proposed Guide for Registered Auditors: *Reporting Responsibilities of the Reporting Accountant Relating to Property Entities in terms of the JSE Listings Requirements* we have included the extract from the proposed changes to the JSE Listings Requirements, paragraph 13.15(b) below.

The full proposed changes to the JSE Listings Requirements can be found on the [JSE Website](#) and any comments thereon should be submitted to the JSE as directed.

**Item 6****Financial Information – Forecasts**

13.15 A special property forecast reporting accountant's report on the forecast statement of comprehensive income detailed in paragraphs 13.12 to 13.14:

- (a) must be prepared by the reporting accountant appointed in terms of paragraph 8.46;
- (b) this reporting accountant must, *inter alia*, perform the procedures below in preparing such report, *inter alia*:
  - (i) conduct an inspection of the signed legally binding agreements accounting for at least 70% of the contracted rental revenue and recoveries and determine that the rental revenue and recoveries to be derived therefrom are accurately reflected as contracted rental revenue;
  - (ii) agree the information presented in terms of paragraphs 13.18(c),(d) and (e) to the forecast information prepared in terms of paragraph 13.12 to 13.14 and recalculate the arithmetic accuracy thereof; and
  - (iii) as it relates to near-contracted rental revenue, if directed to do so by the JSE, conduct an inspection of the original legally binding agreements for a certain percentage of the near-contracted rental revenue, as advised by the JSE, and determine that the revenue to be derived therefrom is accurately reflected as near-contracted rental revenue from the date of expiry of the original legally binding agreement and that the that management assumptions of future market related rates for that near-contracted rental revenue is reasonable. The JSE may make such a request when the issuer has non-rental revenue and the near-contracted rental revenue portion is a large part of rental revenue.
- (c) must be performed in accordance with the International Standard on Assurance Engagements relating to the Examination of Prospective Financial Information (ISAE 3400) and the IRBA guide entitled *Reporting Responsibilities of the Reporting Accountant Relating to Property Entities in terms of the Listings Requirements*; and
- (d) must comply with paragraphs 8.51 to 8.56.