

# THE REIT ASSOCIATION'S BEST PRACTICE RECOMMENDATIONS

The South African Real Estate Investment Trust (REIT) Association is the representative voice for the country's listed property sector. They issued the second edition of the SA REIT Association's Best Practice Recommendations, which is effective from 01 January 2020, and aims to improve transparency and consistency within the industry. Watch BDO's 'SA REITs Associations Best Practice recommendations, second edition' presentation [here](#).

## THIS DOCUMENT COVERS THREE DISTINCT AREAS

### 1 SUPPLEMENTAL PERFORMANCE MEASURES

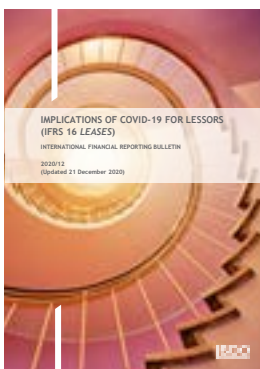
- This relates to non-IFRS (International Financial Reporting Standards) financial measures.
- It rationalises the presentation of these metrics and standardised templates to enhance comparability across REITs.

### 2 SECTOR-SPECIFIC MATTERS

- This section details complex IFRS issues that arise in the property sector.
- It contains useful publications that provide guidance on accounting for these transactions.

### 3 DISCLOSURE GUIDELINES

- This details specific disclosures which are recommended in terms of this best practice guide.
- All recommendations are provided in the context of IFRS, the JSE Listing Requirements, commonly used financial and operating ratios, and the treatment of specific accounting and financial reporting matters in the REIT sector.
- This section focuses on areas of reporting that are most relevant to investors.
- It spotlights where more consistent reporting would bring the greatest benefit to the sector and its stakeholders.



## WHAT ARE THE IMPLICATIONS OF COVID-19 FOR LESSORS?

BDO issued the IFR Bulletin 2020/12 to provide guidance on how lessors should apply the requirements of IFRS 16 related to the effects of Covid-19. You can read it [here](#).

## CONTACT BDO SA FOR ANY ASSISTANCE WITH

- Complex IFRS matters
- The presentation and disclosure of the REIT BPR
- External assurance in terms of the ISAE 3000 special-purpose audit report
- Calculations of supplemental performance measures
- Implementation of Power BI model for your organisation
- Recreating existing management accounts using data models
- Tax challenges faced by REITs In the current climate