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Dear Company Secretaries

REPORTING OF RESTATEMENTS

[This guidance letter supersedes the letter issued on 8 October 2014.](#)

From 2009 accredited auditors were responsible for reporting restatements of results to the JSE. These notifications would then trigger correspondence between the JSE and the issuer. This reporting responsibility will shift to the issuer with effect from the implementation of the 2014 revision of the JSE Listings Requirements (“**the Requirements**”). This letter aims to provide guidance to issuers as to how to fulfil this new responsibility. It also incorporates the information previously set out in our letter of June 2013 which dealt with certain aspects of the reporting responsibility and as such that 2013 letter has been withdrawn.

When to report a restatement

New paragraph 3.14 of the Requirements states the following:

“In the instance where an applicant issuer restates previously published results, for whatever reason, they must submit a restatement notification to the JSE containing details of the restatement and the reasons therefor. Such notification must be submitted within 24 hours from the restated results being published on SENS.”

For the sake of clarity we wish to confirm that previously published results cover interim results, preliminary results, provisional results, abridged results and annual financial statements whether published separately or as part of another document which are restated and republished.

How to report a restatement

The restatement notification must be sent via email to the following email address: restatements@jse.co.za. The notification should contain sufficient information through a detailed narrative for the JSE to understand the nature and circumstances that led to each specific restatement, as well as details regarding how and when the need for restatement was identified. The impact of the restatement on previously published results should also be included.

Which restatements

Restatements (also sometimes called re-presentations) of previous published results can occur in the following instances:

- i) a new accounting standard or interpretation is issued by the IASB, which requires retrospective application;
- ii) a voluntary change of accounting policy or change in the application of IFRS;
- iii) the application of IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations* and/or paragraph 28 of IAS 33-*Earnings per Share* [and/or paragraph 29 of IFRS 8 – Operating Segments](#);
- iv) a reclassification of amounts disclosed in the prior period financials;
- v) the correction of a material prior period error; and/or
- vi) for some other reason.

Historically the JSE required to be advised of any restatement. Going forward the JSE does not wish to be advised of any restatements under points (i) and (iii).

Furthermore, the same restatement will often appear in the interim results, preliminary or provisional results and the annual results. Notification of restatements resulting from category (ii) above need only occur once for each change.

Yours faithfully