



# REAL ESTATE AND CONSTRUCTION

OUR CAPABILITIES

"We are serious about sustainability and offering a credible alternative in this market."

*Mark Stewart, CEO*

AUDIT • ADVISORY • TAX

## CLEAR ADVICE FROM ETHICAL, INDEPENDENT AND QUALITY-DRIVEN EXPERTS, THROUGHOUT THE COUNTRY AND AROUND THE WORLD.

Over 1800 people providing clarity in audit, tax, advisory and business outsourcing to companies across numerous industries. Nine offices in South Africa and over 91 000 people in 167 countries around the globe.

We offer industry-specific practices, world-class resources, and an unparalleled commitment to meeting our clients' needs. We serve 45+ JSE-listed clients and over 200+ internationally listed clients, who are clear on why they chose BDO:

- Quality, independence and a high ethical standard across all services
- Unparalleled partner-involvement (10:1 staff to partner ratio, globally)
- Global deep industry knowledge
- Geographic coverage across South Africa and Africa
- Cohesive global network
- Level 1 BEE contributor
- Focused capabilities across over 20 disciplines
- Culture defined by values and purpose

Being ethical and quality driven is a given for us, and to show how this is a part of our DNA, we have developed the [BDO Clarity Charter](#). This is our commitment as individuals and as a firm. It underpins all we say and do, from how we live our values to how we engage with you, our clients and all our stakeholders.

Our **BRAND PROMISE** – exceptional client service, always and everywhere - is founded on three core delivery pillars: being responsive, providing the right resources and strong relationships.

## GLOBAL STATISTICS 2021

GLOBAL HEADCOUNT

**91 000+**

highly skilled partners and staff worldwide



GLOBAL OFFICES

**1 658**



GLOBAL REVENUE

**US\$ 10.3 BILLION\***

\*December 2020

**167**

countries & territories



## LOCAL STATISTICS 2021

LOCAL HEADCOUNT

**1 800+**

highly skilled partners and staff



LOCAL OFFICES

**7** Cape Town  
Durban  
Gqeberha  
Johannesburg  
Pretoria  
Roodepoort  
Stellenbosch



in South Africa

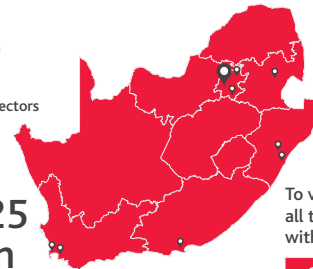
**134**

Partners & Directors



**R1.525 billion**

\*March 2020



To view the list of all the countries with BDO offices.

[CLICK HERE](#)

Level 1 BEE contributor



# REAL ESTATE AND CONSTRUCTION IN SOUTH AFRICA

The power of industry experience is perspective - perspective we use to help our clients leverage their own capabilities and resources. We understand the changes and challenges facing the real estate and construction industry, from fierce competition and rising costs, to bonding and insurance issues. Our clients rest assured that their dedicated BDO industry leaders are at the forefront of the real estate and construction conversation. The property sector is characterised by huge opportunities but also complex challenges; re-creating customer loyalty, protecting margins through volatility in pricing and consumer spending, investment in the right technologies, a continued focus on product range, quality and convenience, to name a few. Companies in this sector need advisers that share their enthusiasm, understand the sector, and have the breadth and international reach to support their needs. We also recognise that today, technology in your IT infrastructure and processes, with investment in internet and mobile, logistics, all have important parts to play. We believe the significance of the shift in the property landscape has not yet been fully understood, as the true impact of digitalisation continues its journey across the sector.

Bringing perspective on trends, opportunities, and issues that affect real estate companies. In addition to traditional audit, tax, and advisory work, BDO helps clients navigate today's issues through profitability analysis, contract compliance, bonding, and credit capabilities, as well as overhead analysis. Additionally, we sat attuned to the current trends affecting the industry through active involvement in various trade groups. What truly sets BDO apart is our commitment to the real estate industry and our dedication to delivering exceptional client service, without exception. Our Real Estate industry practice offers a comprehensive suite of integrated audit, tax and advisory services to clients across all segments of the industry.

Our clients work with us because we understand their industry and we draw on this deep experience to advise them at every stage of their development.

We look forward to working with you.



**Paul Badrick**  
Real Estate and Construction Leader, BDO in South Africa



## THE POWER OF INDUSTRY EXPERIENCE

We have a clear ambition at BDO, one which sets us apart from other large accounting and advisory firms – to provide exceptional client service through demonstrable knowledge, understanding and focus. We deliver this ambition because we are passionate about understanding your business and its key drivers, but also understanding the sector in which you operate, and its challenges and opportunities.

We firmly believe that exceptional client service is all about the qualities, skills, and behaviors of the whole service team; everyone in our core team has a genuine desire to deliver their best.

Our technical knowledge underpins our experience in Real Estate and Construction is the result of significant time investment in understanding clients' businesses and providing solutions that add value. We are also well-connected to both local and global industry professionals to broaden the depth of our experience.

## OUR REAL ESTATE AND CONSTRUCTION TEAM

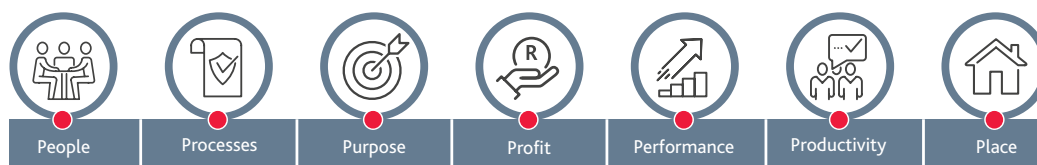
At BDO in South Africa, our Real Estate and Construction team is led by , [Paul Badrick](#) he has an extensive range of experience within property REITS.

Paul is supported by [Fayaz Mohamed](#), head of REC Advisory, [Bradley Jackson](#) head of REC Assurance and [Louis van Manen](#) head of REC Tax.

When you work with BDO, we choose the right mix of partners, associate directors, and managers for your assignment, to ensure we deliver on our Exceptional Client Service promise.

## THE 7P MODEL

BDO's 7p tool identifies the seven core business functions that the global pandemic has impacted. These are the internal factors that need to be optimised – and realised - to ensure that an organisation can successfully adapt to the new reality.



It helps assess your business performance, market position and if you need to rethink your strategy, by cross-checking you are focusing on the right core business areas. The results from all the participants in the survey are also displayed within a benchmark tool where respondents can then compare their score and strengths and weaknesses with the performance of others in their peer group(s), based on sector, country, region and scale.

## SERVICE DELIVERY ENABLED BY CORE TECHNOLOGY

We use several technology solutions developed specifically for BDO:

- ▶ APT Next Generation - a globally developed Audit methodology, for our professionals to devise proper audit procedures and testing based upon applicable auditing standards as well as to factor in engagement and industry-specific facts and circumstances for all types and sizes of audit engagements. APT provides a globally consistent approach and is accessible by BDO audit teams around the globe on a real-time basis
- ▶ The BDO Client portal – enables transparency, accessibility, and real-time responsiveness
- ▶ BDO Advantage - our customised automation and data analytics tool which combines smart technology with our knowledge and understanding of our clients' businesses to deliver information for in-depth interpretation



## GLOBAL CAPABILITIES

In South Africa, we are supported by our colleagues in Real Estate and Construction across 167 countries where we help real estate and construction organisations navigate all kinds of risk, make informed investment decisions, and seize opportunities.

To prosper, REC organisations need to redefine their strategies in response to changing demands, market disrupters, cost pressures, and risk-based reimbursement models. And they need trusted advisers with the knowledge, expertise and necessary resources to help navigate this ever-more-complex and integrated new world.

BDO's Real Estate and Construction Practice professionals understand the changes and challenges facing the sector, from fierce competition and rising costs, to bonding and insurance issues. In addition to traditional audit, tax, and consulting work, BDO helps clients navigate today's issues through profitability analysis, contract compliance, bonding, and credit capabilities, as well as overhead analysis.

With a unique breadth, depth, and quality of resources, BDO is built to help healthcare organisations re-define their operations and processes comprehensively, based on both patient-centric demands and rigorous best business practices. We work closely with clients to seek the most efficient route to affect change for providers, payers, and investors, and leverage our extensive network to connect clients with the right sources of capital to fuel transactions.

## OUR DEPTH OF EXPERTISE

### Real Estate Funds

For today's Real Estate Funds, the greatest challenge isn't raising funds. Rather, as competition drives the prices of quality investments upward and concerns linger regarding rising interest rates, funds often encounter difficulty finding opportunities to deploy capital. As a result, many owners are considering whether it is more prudent to refinance and retain assets or sell. We offer comprehensive assurance, tax, valuation, and advisory services, drawing on the resources of an established national and international network to scale them specifically to our clients' needs. BDO also offers a variety of thought leadership resources to help clients keep up with a constantly changing environment.

### REITs

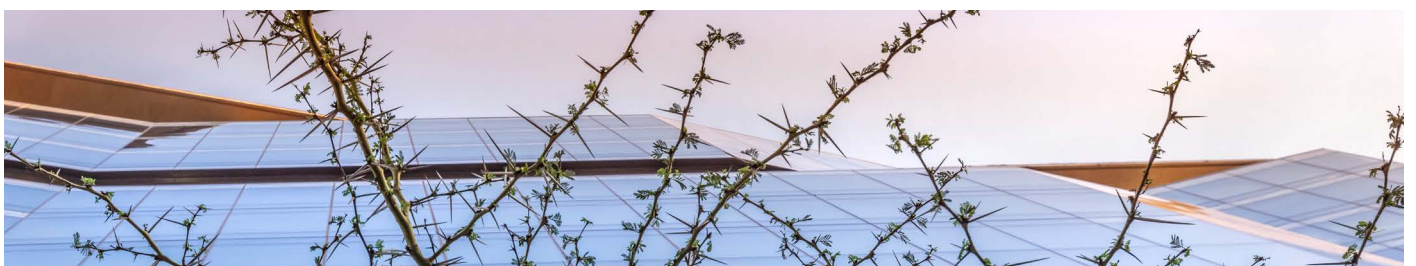
An uncertain economy, the potential for a rise in interest rates, and changes in tax regulations all have the potential to delay growth for real estate investment trusts. BDO's Real Estate & Construction Practice understands changing market conditions in South Africa and abroad, as well the challenges they present. Our professionals leverage industry specific experience and direct access to experienced national and international REIT teams in order to best serve the needs of our clients. Through assurance, tax, and advisory services, BDO brings perspective on the trends, opportunities, and issues that affect REITs. BDO's involvement with our various REIT clients and participation in organizations, keeps us abreast of the current political, economic, and market events impacting our clients.

### Residential Development and Construction

We work with housebuilders and developers of residential property throughout the build and development process, providing financial advice from site acquisition and planning through to construction, development, and sales. Our insight from working with private residential developers is complemented by our services to social housing providers and contractors providing us with knowledge across the full spectrum of homes delivery. We deliver financial and business advisory expertise across assurance, tax, internal audit, risk management, corporate finance, forensic and CIS services.

### Infrastructure

BDO's assurance, tax and advisory teams work with clients from both the private and public sector to deliver infrastructure projects across a number of key sectors, including health, housing, waste and renewables, transport, leisure, emergency services, education, water and defence. Our services are delivered by financial specialists with a deep knowledge of South African infrastructure, construction and property sectors enabling us to tailor and scale our services to meet our clients' ongoing requirements and the specific objectives of each of their projects.



## OTHER SERVICES

Our team of Real Estate and Construction specialists work across the business and as the need dictates, we can introduce subject matter experts from a range of service lines, from Accounting and Corporate Finance to Tax Consulting and Wealth Advisory for high net worth individuals. We are happy to discuss your specific needs and will introduce you to the right people to tailor our offering.



### AUDIT

Your business is about more than the balance sheet and profit and loss statement. Our audit teams use a globally developed audit methodology and we provide you with constructive ideas for improving internal controls and business systems. Our team provides the following:

- Compliance and regulatory audits
- Financial reporting advisory
- Financial statement audits
- Global IFRS resources
- IFRS advisory services
- Joint venture audits
- Other assurance services
- Special purpose audits and reviews



### TAX

We will offer robust Tax solutions to ensure good corporate governance and the best tax outcomes, while also meeting your commercial objectives. Our Tax team provides services in the following areas:

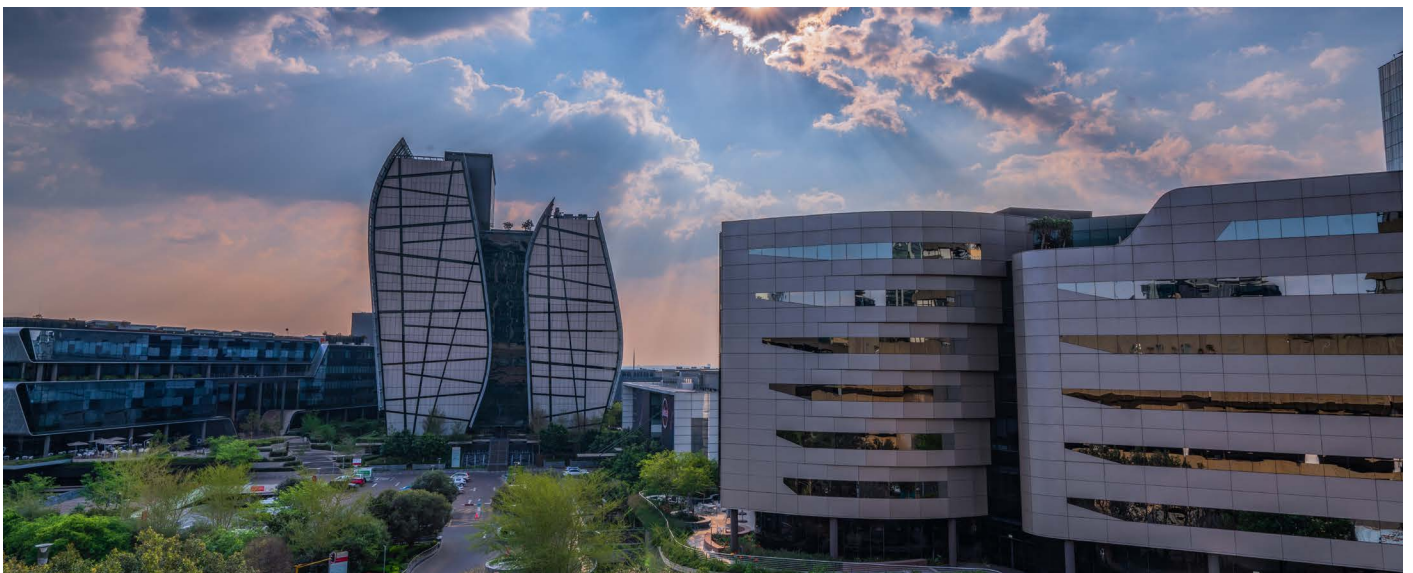
- Corporate Tax Consulting and Compliance
- Global Employer Services
- Indirect Tax, VAT and Customs
- Individual Tax Compliance and Consulting
- International Tax and Transfer Pricing
- Trusts and Estates



### ADVISORY

BDO's Advisory practice provides services to clients navigating a range of business challenges, changes and opportunities, both locally and globally. We work regularly with our global teams to design solutions for clients across the following specialist areas:

- Business Services
- Business Continuity Management
- Control Self-Assessment processes
- Company Secretarial
- Corporate Finance
- Corporate Governance
- Economic Advisory
- Environmental Sustainability
- Carbon Footprint Services
- Environment, Social and Governance (ESG)
- Forensic Services
- Information Technology Advisory and Cyber Security
- Infrastructure Assurance and Advisory
- Internal Audit
- Legal
- People Advisory
- Power BI Analytics Solution
- REC Digital Suite
- Risk Management
- Strategic Development
- Supply Chain Consulting



FOR A CLEAR PERSPECTIVE,  
PLEASE CONTACT US:

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