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KPMG could be the next Bell Pottinger

The Save South Africa campaign calls on corporate South Africa to urgently review business relations with KPMG in light of ongoing revelations about the audit firm's central role in facilitating state capture -- and to cancel their contracts where possible.

We support demands by other civil society organisations, including FutureSA, for ongoing action and pressure against KPMG, as well as full investigations by regulatory bodies into their relationship with the Gupta family.

Organised business formations, including Business Leadership South Africa and Business Unity South Africa, must take a clear stand given that many corporates continue to use KPMG as their auditors despite the revelations. These include British American Tobacco, BHP Billiton and other mining companies, a number of leading financial institutions – including Standard Bank, Old Mutual, Barclays Africa, Absa, Investec and Nedbank – and the JSE itself.

(A full list of South African companies using KPMG for auditing services is published here: <http://www.biznews.com/global-investing/2017/08/10/kpmg-gupta-state-capture/>)

KPMG was clearly a central player in several controversial Gupta deals, including the acquisition of Optimum coal mine and Shiva uranium mine. It was also involved in “auditing” Linkway Trading, which channeled R30m in public money to fund the Gupta wedding in Sun City, and helped Duduzane Zuma and the Guptas set up shop in Dubai by advising on investments and company formation there.

KPMG has provided services to the Guptas and at least 36 linked companies, as recently as April 2016, according to media reports, and is clearly embedded in the state capture process. During this period, several KPMG staff members were wined and dined by the family, including 2010 World Cup match tickets and invitations to the launch of The New Age and Diwali celebrations.

It's clear from the Gupta emails that there was a totally unprofessional and unacceptable level of familiarity between KPMG staff and the people they were supposed to be auditing, not to mention conflicts of interest.

KPMG cannot shrug off responsibility with an apology or the promise of an internal review. Its fingerprints are all over the Gupta empire and the company has been facilitating the family's nefarious activities since as far back as 2008.

There must be a full clean-out and full disclosure, and heads must roll.

We commend those companies that have already reviewed or terminated their relationships, and encourage others to do the same while we await accountability and disclosure from KPMG.

Private companies should know they will face the same civil society pressure as the Guptas, Duduzane Zuma and those in government who have contributed to the looting of public assets.

As we push back against state capture, we will continue to target all those who form part of their criminal conspiracy, using local and international pressure.

As things stand, KPMG risks becoming the Bell Pottinger of the auditing profession – and we all know what public protest did to them.