

# German regulator cannot probe Deloitte

By [Linda Ensor](#)

19 Dec 2017

The German regulatory authority for auditors has no direct legal competence to investigate Deloitte's handling of the financial statements of the international retail holding company Steinhoff International Holdings.



©tadamichi – [123RF.com](#)

The chief executive director of the German authority, Ralf Bose, said in a letter to DA finance spokesman David Maynier since Steinhoff International Holdings was incorporated in the Netherlands, its auditor was Deloitte in Amsterdam.

Bose's letter was in reply to a request by Maynier that the German regulator, Abschlussprüferaufsichtsstelle beim Bundesamt für Wirtschaft und Ausfuhrkontrolle, investigate the role of Deloitte in the audit of Steinhoff's financial statements.

Steinhoff was established in Germany in 1964 before it acquired assets in SA. It moved its primary listing to the Frankfurt Stock Exchange in December 2015, and founded a new Dutch holding company based in Amsterdam. The management remained in SA.

"We would like to point out that in the current regulatory framework we have no direct legal competence regarding the

investigation of the audit firm in question," Bose said. He referred Maynier to the Dutch Authority for the Financial Markets.

Independent Regulatory Board for Auditors (Irba) CEO Bernard Agulhas has initiated an investigation into Deloitte SA, which audited Steinhoff International Holdings following the allegations of accounting irregularities that led to the collapse of the group's share price and the resignation of former CEO Markus Jooste.

Agulhas said Irba would look into the audits for the 2014, 2015 and 2016 financial years.

He would engage with the audit regulators in Germany and the Netherlands.

Maynier said that the "ground zero" of an investigation into Deloitte in the Netherlands rested with foreign regulators.

*Source: Business Day*

For more, visit: <https://www.bizcommunity.com>