

General report

Audit outcomes of national public entities 2010/11

Reputation promise/mission

The Auditor-General of South Africa has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, it exists to strengthen our country's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence.



Annual AGSA reports for oversight

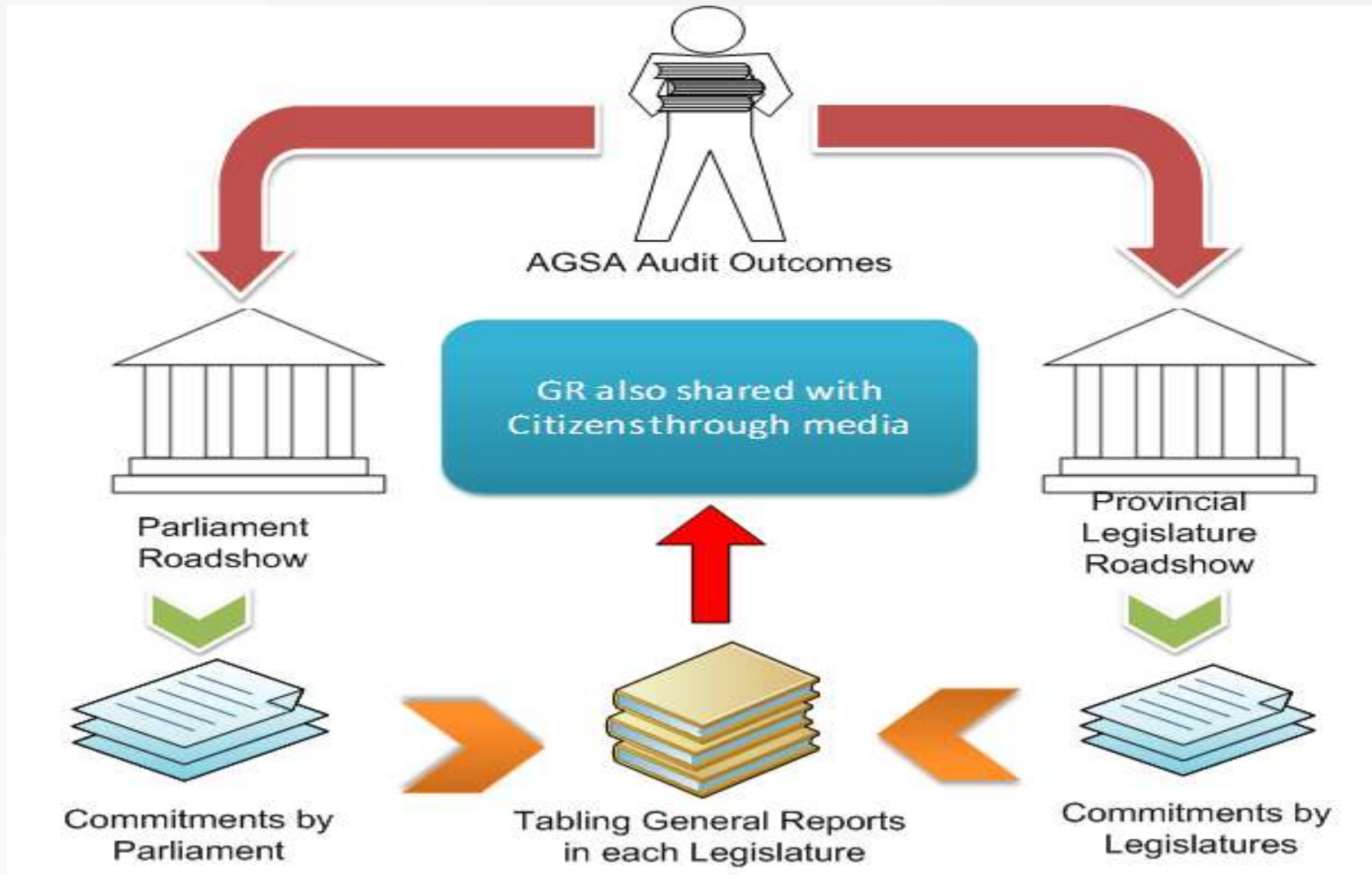


Individual
audit reports



Consolidated
general
report

The General Report Process for legislatures



9 Provincial
general
reports

National
general report

Consolidated
provincial
general report

Relevant audit outcomes presented in simple and clear manner

More information than in audit report

Analyses to show trends and identify specific areas of focus

Includes commitments made by leadership and progress in fulfilling commitments

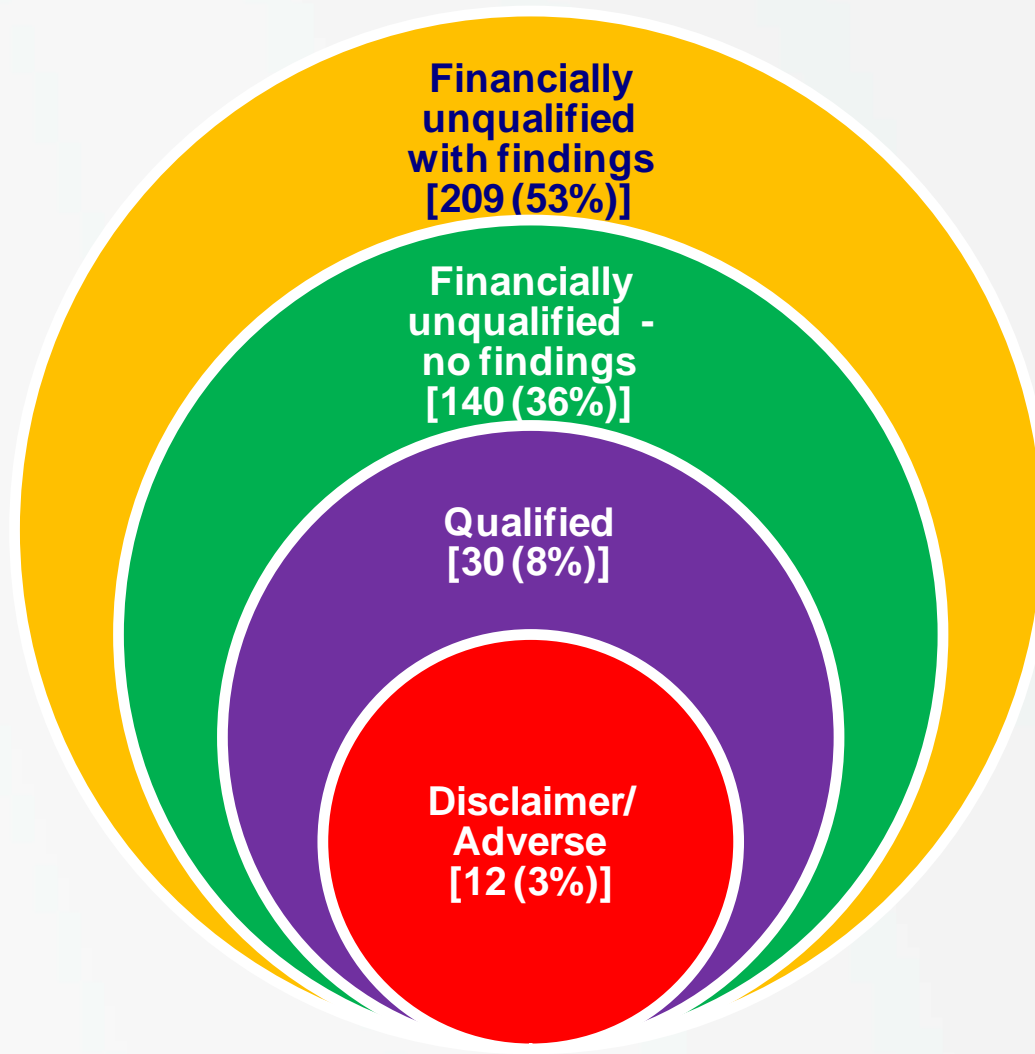
Format and presentation for PFMA to change – shorter, more animation, more relevant, bigger focus on internal controls and commitments



2010/11 AUDIT OUTCOMES



Audit outcomes – All entities

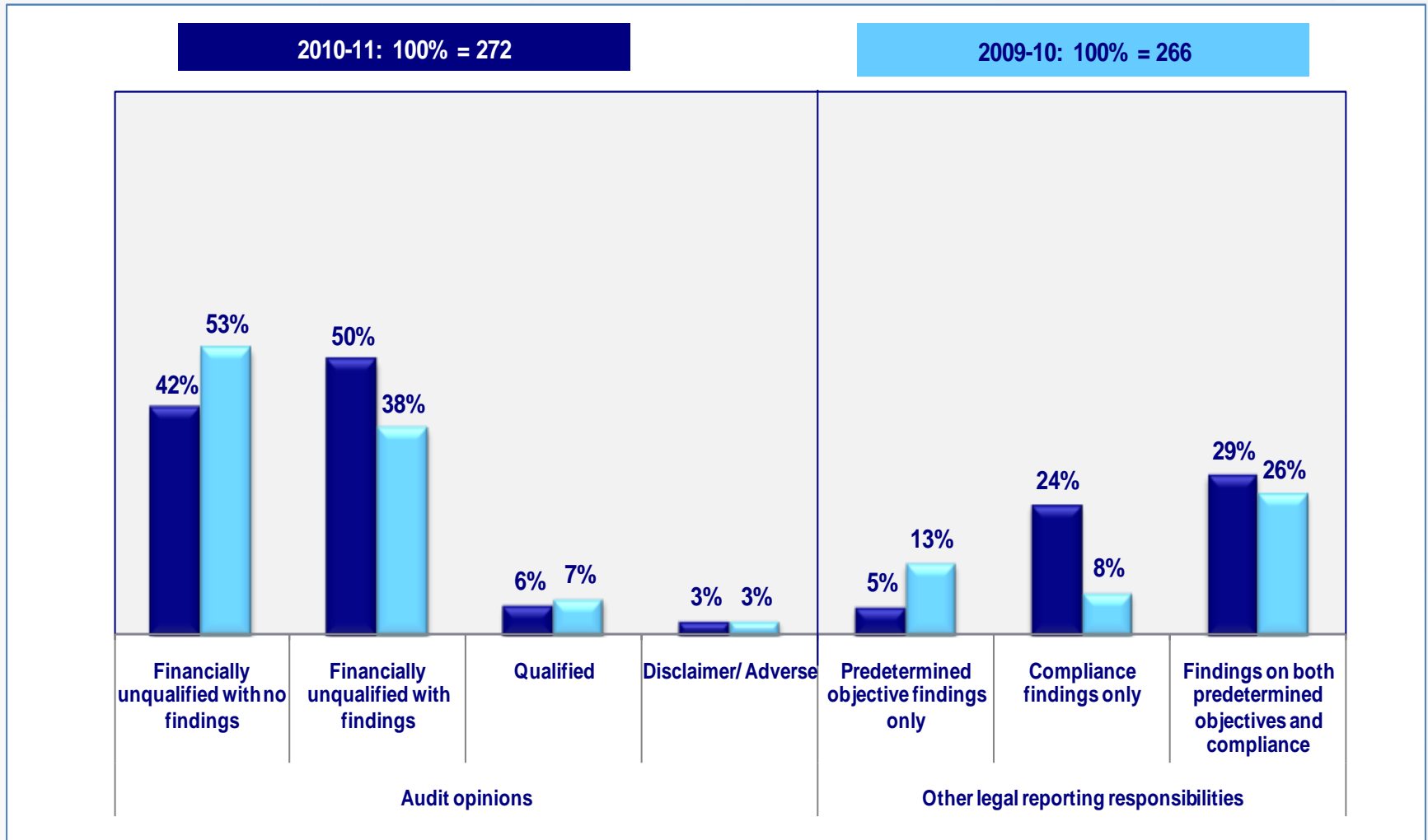


With findings:

Predetermined objectives

Compliance




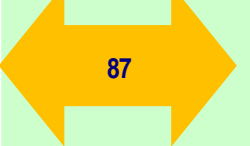


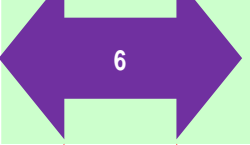
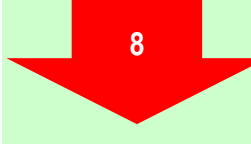
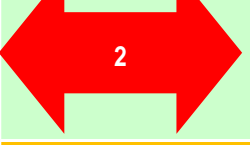
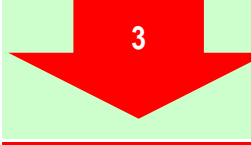
2010-11 audit outcomes: National entities



Movements in audit outcomes

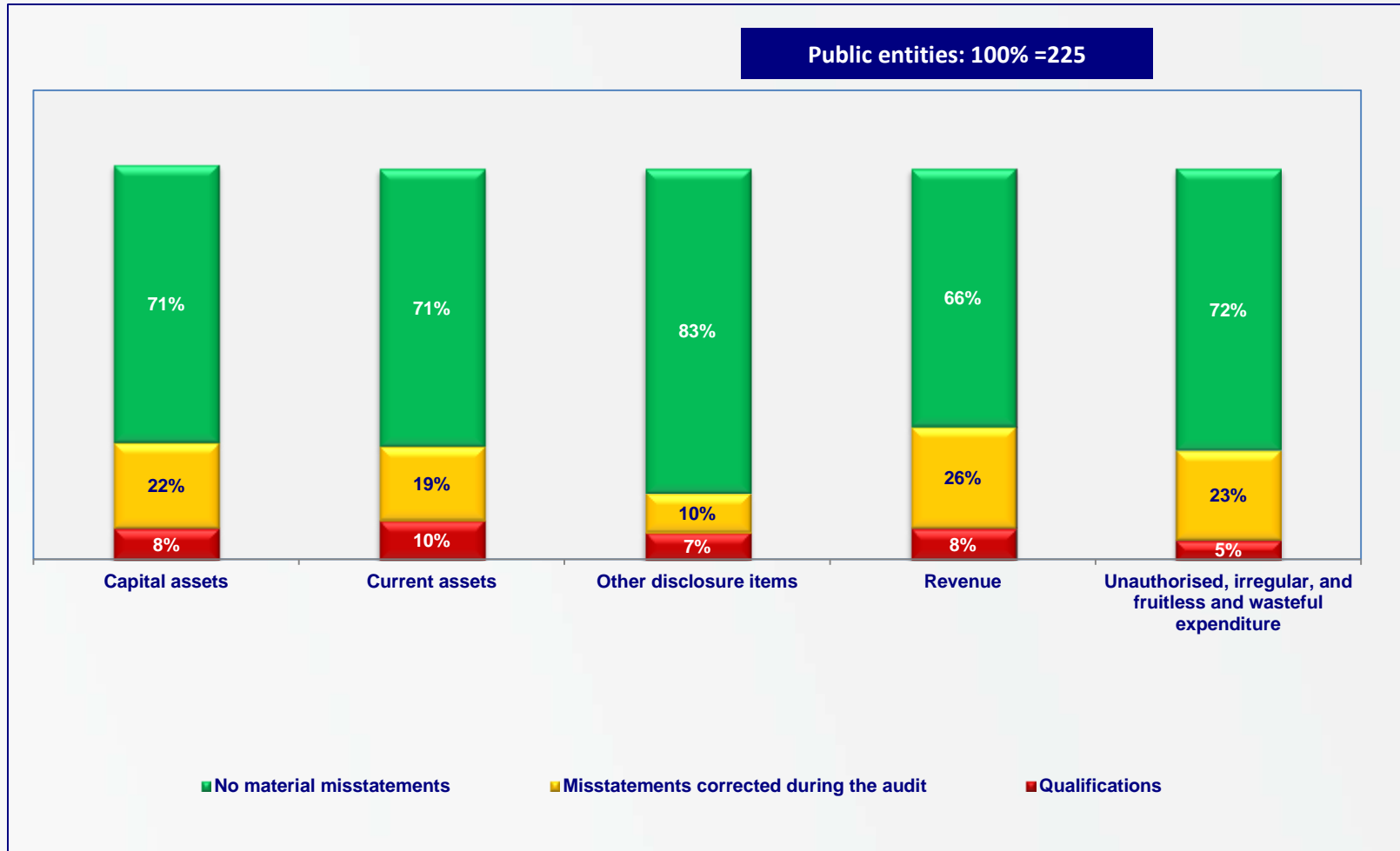
Public entities and other entities

Movement in audit outcome over 2009-10 - Public entities

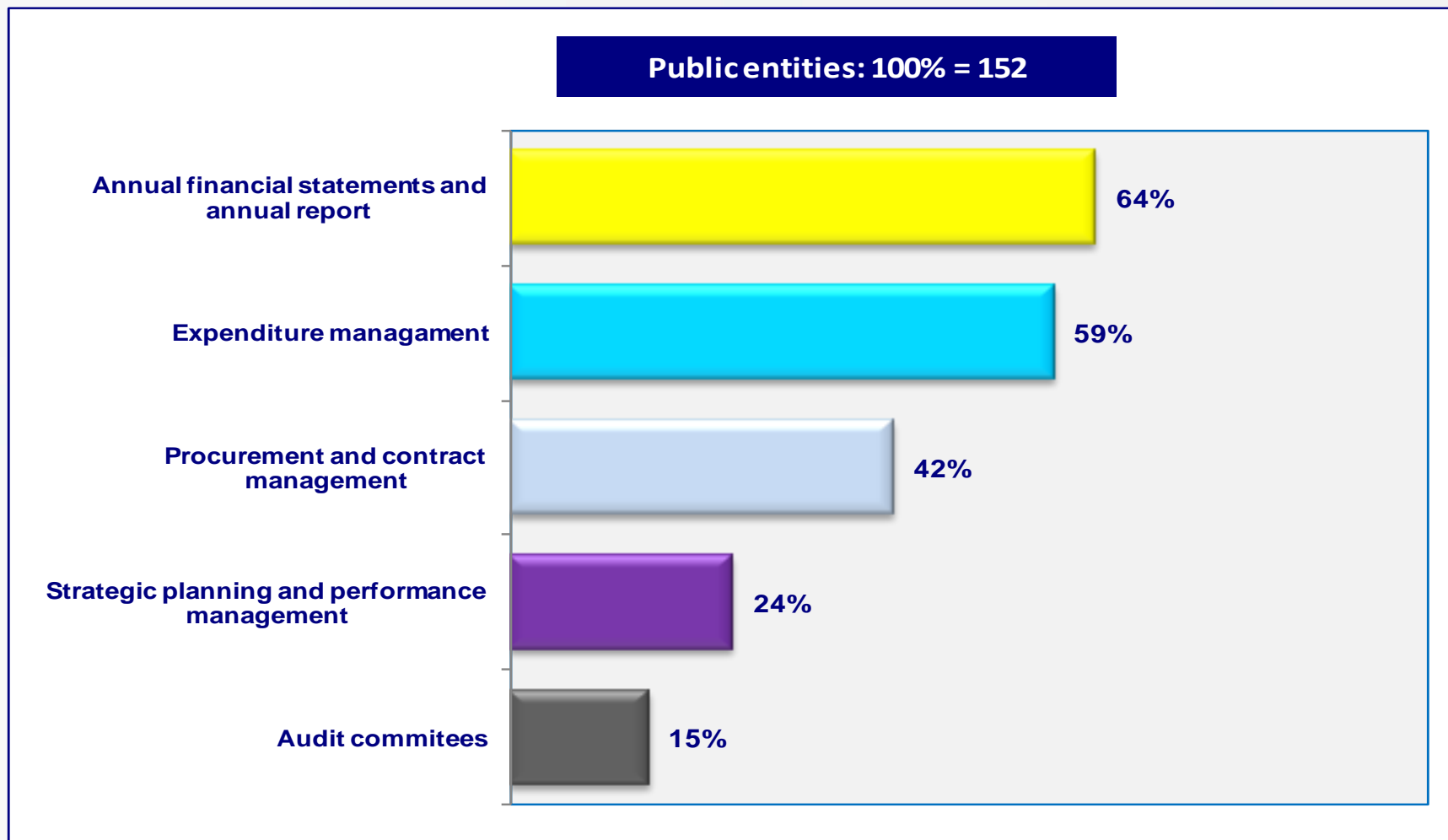
Audit opinion	Improvement	Unchanged	Regressed	New public entities	Total reported on	Prior year opinion on audits outstanding 2010-11
Financially unqualified with no findings	 18	 84		2	104	1
Financially unqualified with findings	 11	 87	 44	4	146	0
Qualified	 1	 6	 8	0	15	0
Disclaimer / Adverse		 2	 3	2	7	1
Total	30	179	55	8	272	2



Top 5 areas of material misstatements in financial statements



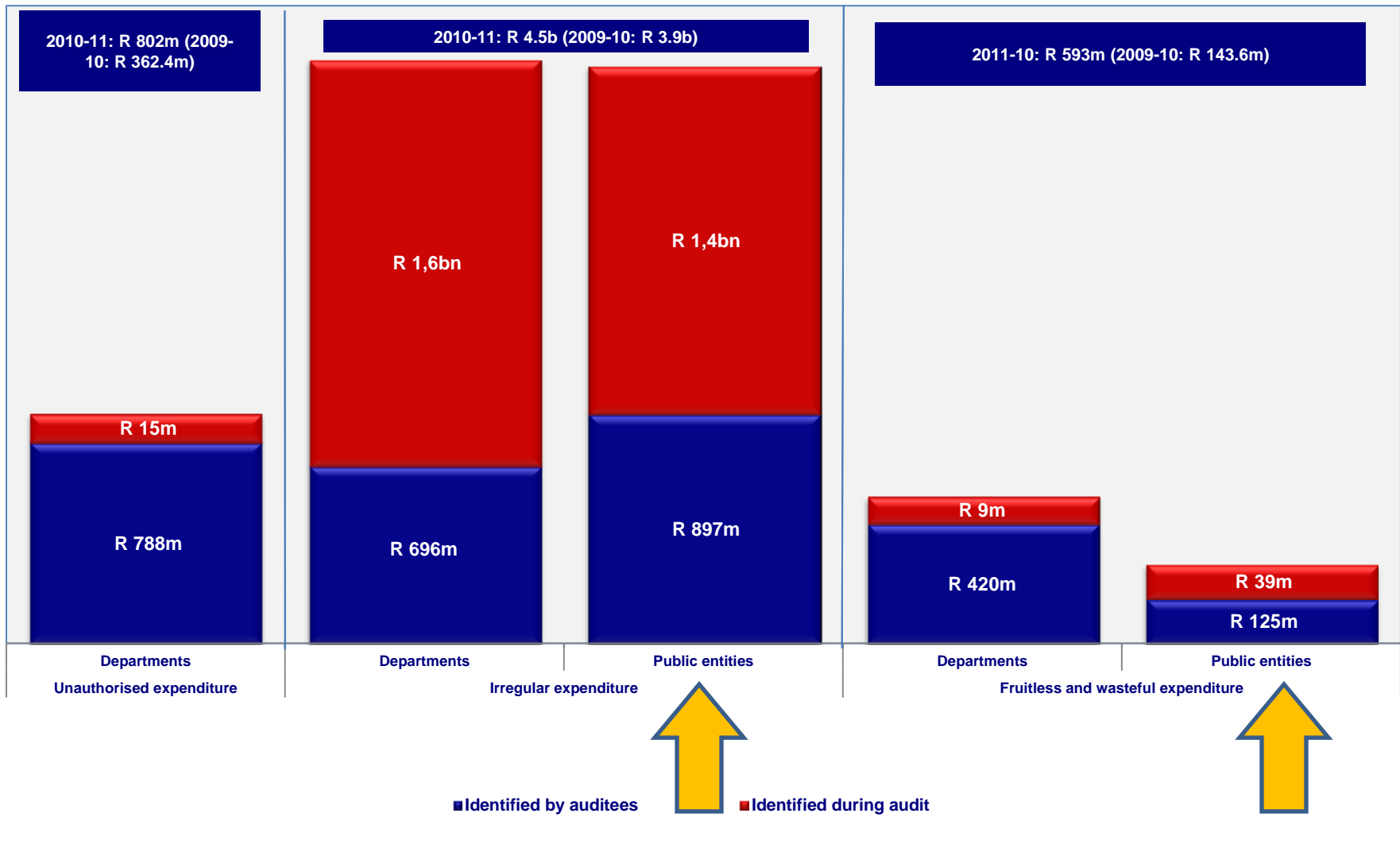
Findings on compliance with laws and regulations



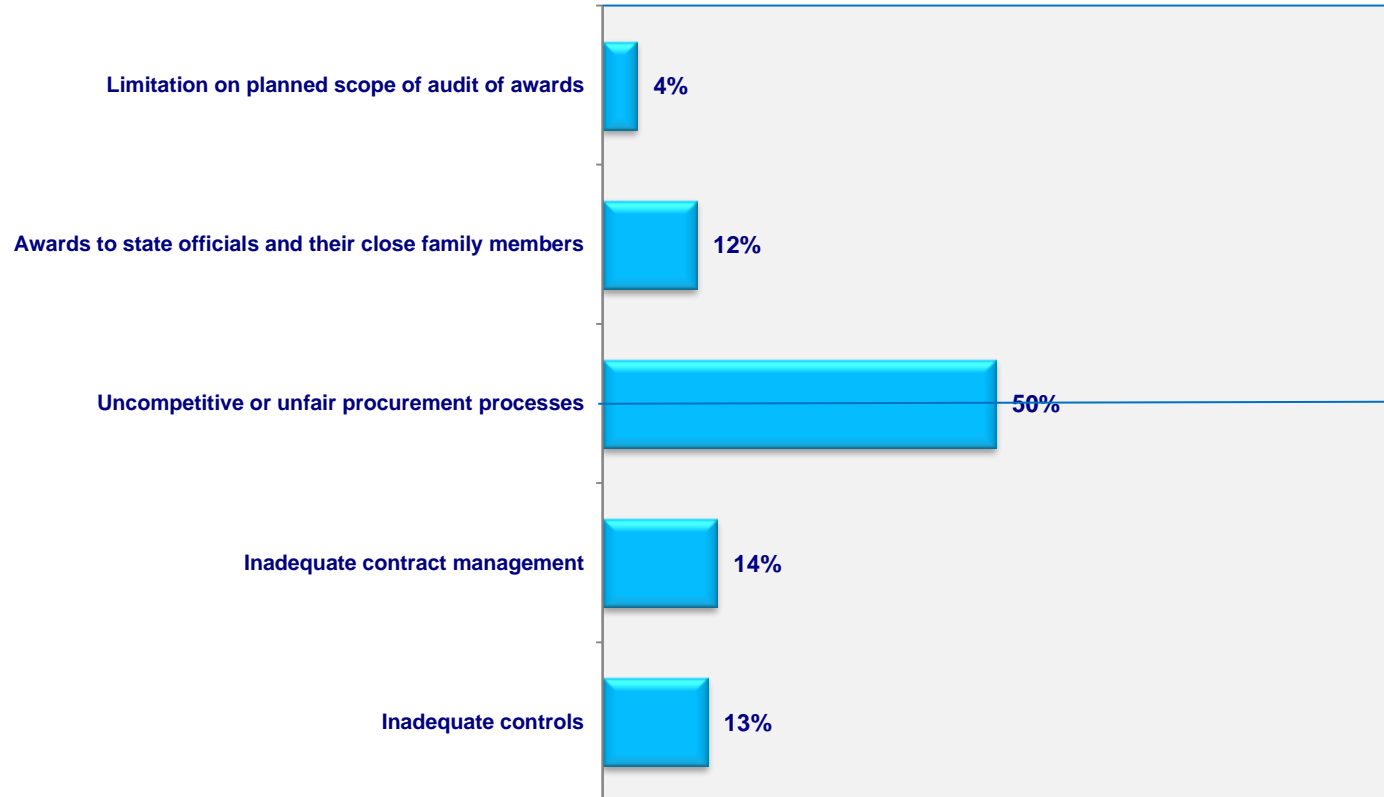
Transversal findings on non-compliance

Focus area	Summary of common findings	Public entities
Expenditure management	Creditors not paid within 30 days of receipt of invoice	7%
	Irregular expenditure not prevented	53%
Annual financial statements	Submitted AFS not prepared in accordance with prescribed generally recognized accounting practices	53%
	Submitted AFS not supported by full and proper records	14%
Procurement and contract management	Three written quotations not invited - no deviation approved	22%
	Procurement from suppliers without SARS Tax clearance	18%
Strategic planning and performance management	Lack of effective, efficient and transparent systems and internal controls	12%
Audit committees	No audit committee in place	7%
	No review of internal controls, risk areas of the institutions' operations, internal audit function, compliance with laws and financial information	6%

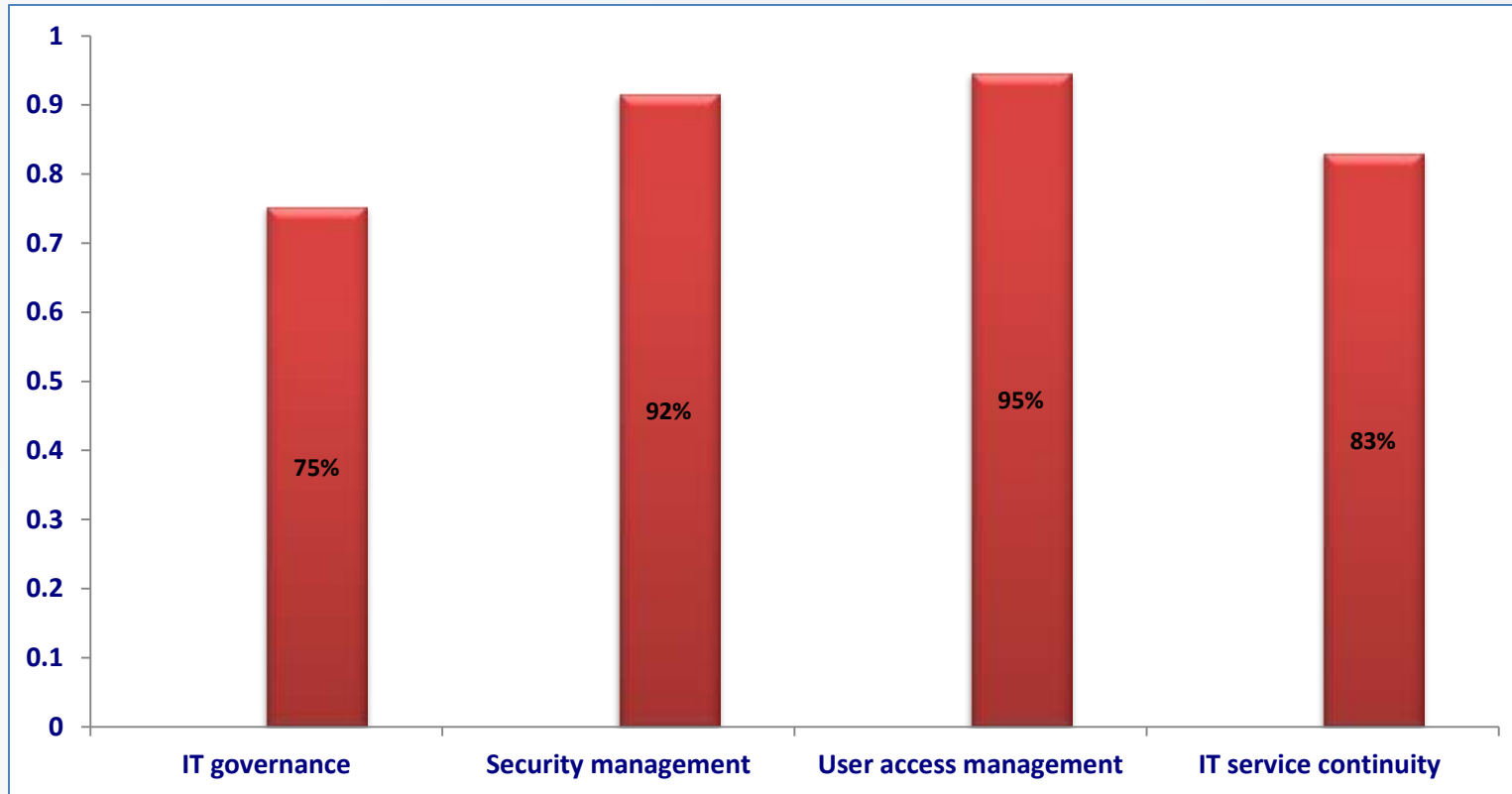
Unauthorised, irregular, and fruitless and wasteful expenditure



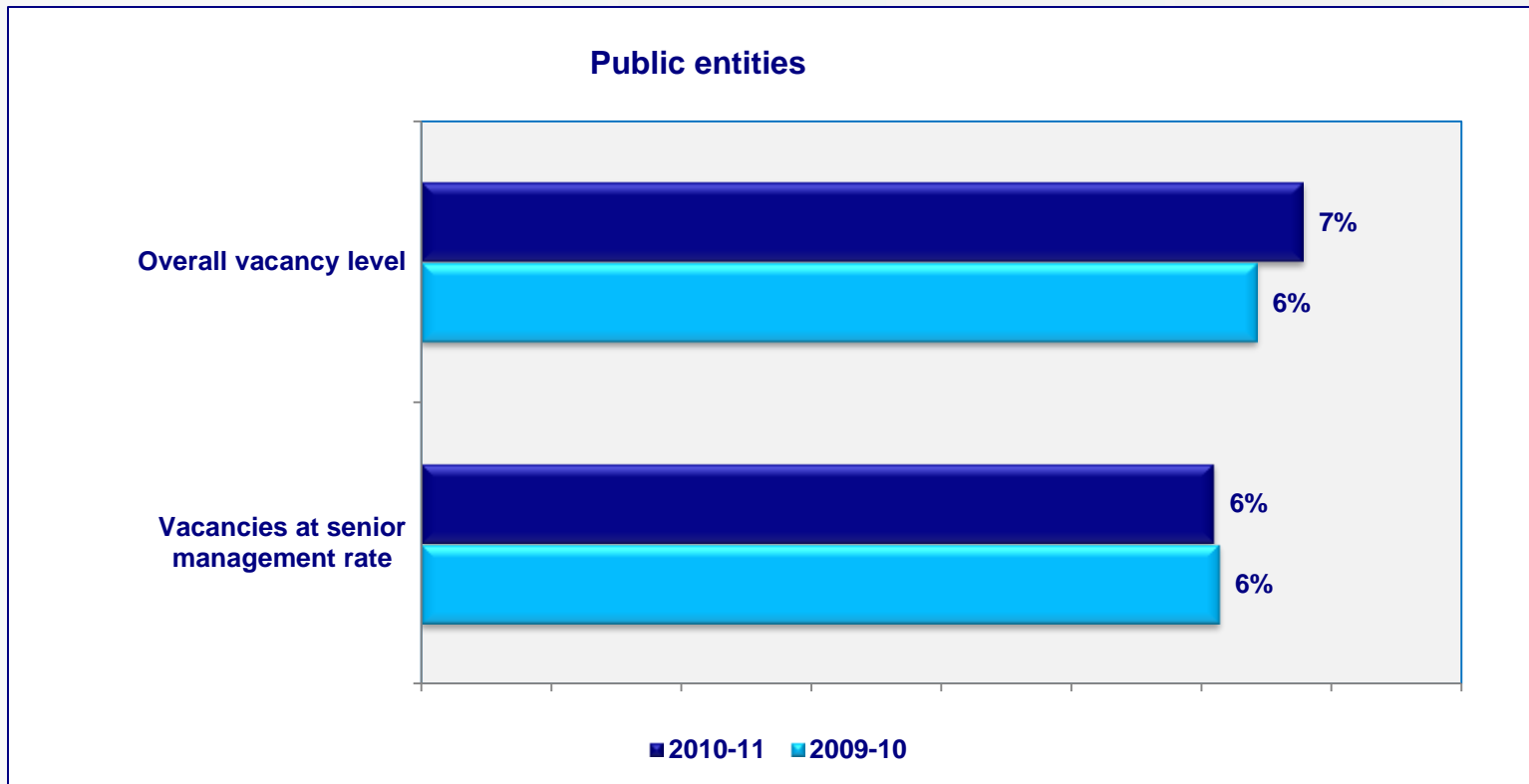
Summary of findings on supply chain management



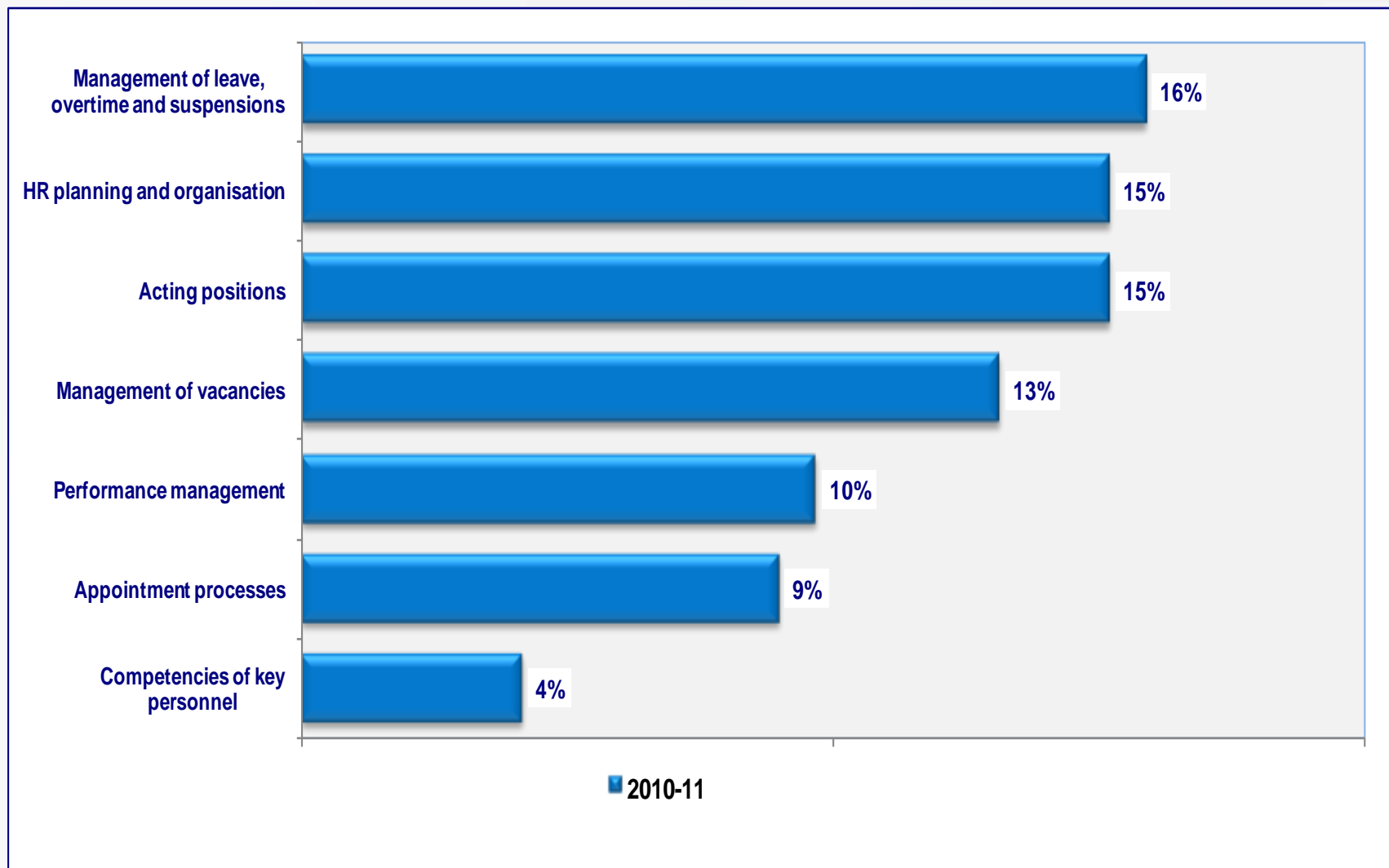
Findings on IT control focus areas related to all auditees



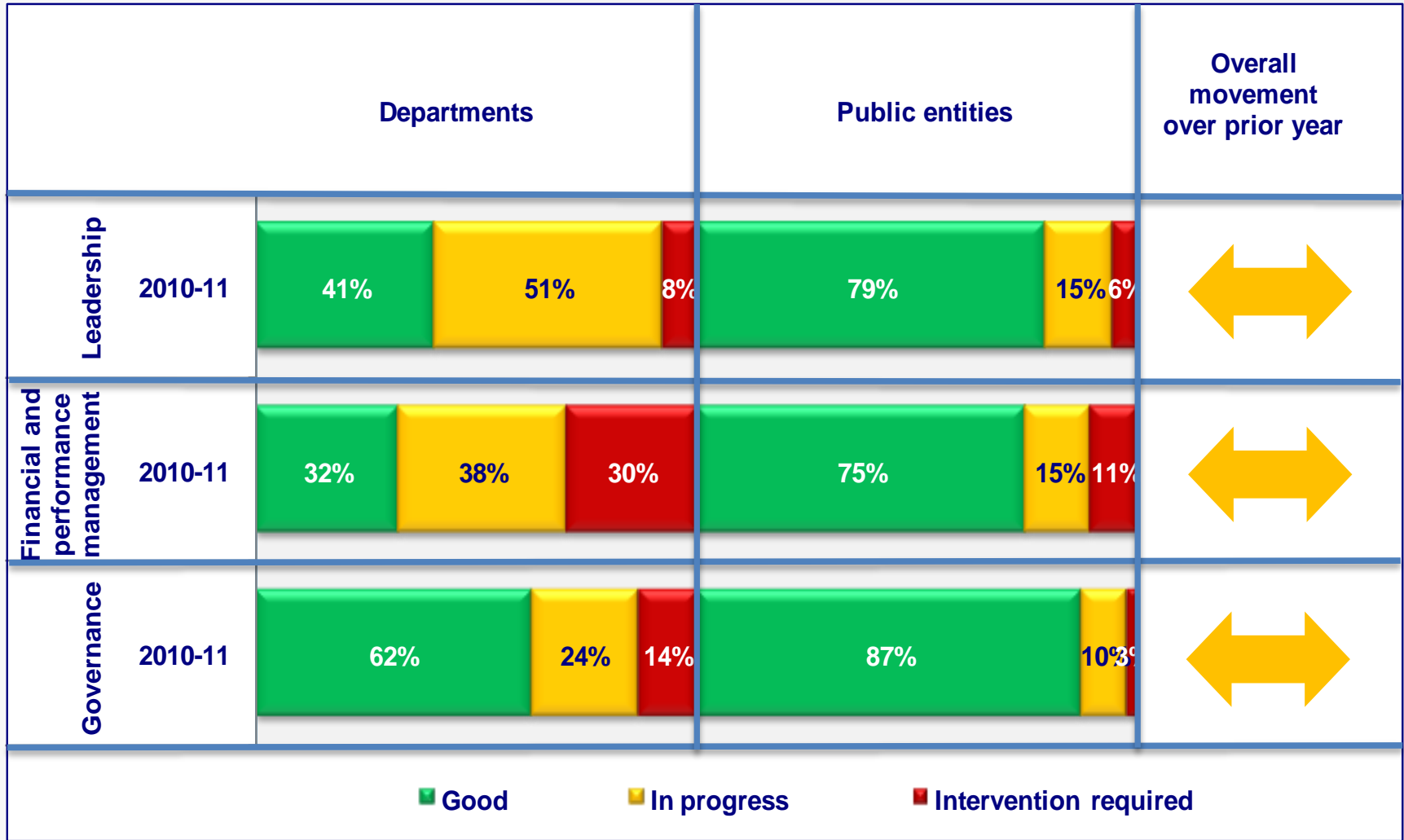
HR management – Key findings



HR management – Key findings - Entities



Key Controls





Questions

