

# OFFICE OF THE PREMIER

## Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2004.

### **Audit Committee Members and Attendance**

Except for ad hoc meetings, the committee held 5 meetings during the year under review and attendance was as follows:

<b>NAME</b>	<b>MEETINGS ATTENDED</b>
E Cousins (Chairperson)	5
K Cloete	5
H Verachia	0*
R Charles	0*

\*Due to the transfer of one audit committee member to another Department, a new member was introduced. Due to circumstances this member did not attend any meetings.

### **Audit Committee Responsibility**

The Audit Committee has performed its functions in accordance with Section 38(1)(a) of the PFMA and Treasury Regulation 3.1.13, and has adopted appropriate formal terms of reference by way of the Audit Committee Charter, has regulated its affairs in compliance with this Charter, and has discharged all of its responsibilities as contained therein.

### **The effectiveness of Internal Control**

According to the Internal Audit reports for the financial year numerous cases of non-compliance with internal control measures were pointed out in internal audit reports and mention was made of deficient internal control systems. The internal control and implementation of the various measures are therefore not yet on a satisfactory level.

### **The quality of in year management and monthly/quarterly reports submitted in terms of the PFMA and the Division of Revenue Act**

Although the Committee requested the submission of monthly management reports, this had not been adhered to. Consequently none of these reports were evaluated and the Committee is not in the position to express an opinion regarding these requirements.

The administration of monthly-quarterly reports submitted in terms of the PFMA and Division of Revenue Act was satisfactory according to internal audit results.

### **Evaluation of Financial Statements**

The Audit Committee has

- Reviewed and discussed with the Auditor-General the audited financial statements included in the annual report;
- Reviewed changes in accounting policies and practices;
- Reviewed significant adjustments resulting from the audit.

The Audit Committee accepts the conclusion of the Auditor-General on the financial statements and is of the opinion that the financial statements can be accepted when read together with the report of the Auditor-General.



Chairperson of the Audit Committee

2004-08-11