



AUDITOR-GENERAL
SOUTH AFRICA

Honourable N Khunou, MP
Chairperson
Standing Committee on the Auditor-General
Parliament
PO Box 15
Cape Town
8000

16 October 2018

Reference: Draft regulations/23 Oct 2018

Dear Honourable Khunou, MP

Consultation on the draft regulations made in accordance with section 52 of the Public Audit Act, 2004 (Act No. 25 of 2004) (the “PAA”).

On 29 May 2018, the National Assembly adopted the Public Audit Amendment Bill, 2018 (the “Bill”). On 28 June 2018, the National Council of Provinces concurred with the adoption thereof.

The Bill contains several amendments, one of which requires the Auditor-General to make regulations on certain aspects in the Bill within 90 days of the commencement of the Public Audit Amendment Act, 2018 [section 52(1A) of the Bill]. These regulations are complex in nature and critical for the implementation of some of the amendments to the PAA. For this reason, the institution commenced with the task of drafting the regulations well in time.

Section 52(2) of the PAA requires the Auditor-General to consult its oversight mechanism before submitting any regulations to the Speaker for tabling in the National Assembly. The meeting with the Standing Committee on the Auditor-General (the “Committee”) on 23 October 2018 provides a suitable platform for our institution to consult the Committee on our draft regulations.

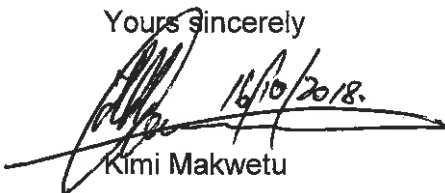
I am grateful for the opportunity to submit to the Committee a pack consisting of the following documents that will facilitate the conversation on the draft regulations –

- Annexure A – PowerPoint presentation titled “Auditor-General consultation with SCoAG on PAA regulations”
- Annexure B – Material Irregularity Regulations
- Annexure C – Regulations on Audits by Auditors in Private Practice

- Annexure D – Investigations and Special Audits Regulations
- Annexure E – Audit Fees Regulations
- Annexure F – AGSA delegate list

We are mindful of the fact that the President has not as yet assented to the Bill. However, the upcoming meeting honours our commitment to engage the Committee on our draft regulations prior to Parliament's December recess and we welcome the opportunity to solicit the Committee's timely inputs on these draft regulations.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Kimi Makwetu', with a date '16/10/2018.' written next to it.

Kimi Makwetu

Auditor-General South Africa

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