**MEDIA STATEMENT**

**STANDING COMMITTEE ON AUDITOR-GENERAL IMPRESSED WITH AUDITOR-GENERAL’S PERFORMANCE**

**Parliament, Friday, 25 November 2022 –** The Standing Committee on the Auditor-General has expressed its appreciation for the strategic plan and budget for 2023–2026 presented by the Auditor-General (AG) today.

The committee noted the implementation of the AG’s extended powers, which is scaling up the implementation of the material irregularities (MI) process significantly across all auditee categories. The committee also noted the fast-tracking of the AG’s plans and the full application of the MI definition, as well as the AG’s plans to implement its expanded powers in every audit it conducts by the end of the 2024/25 financial year.

The committee is impressed by the Auditor-General’s budget surplus, particularly since its auditees owe it almost R1 billion. This speaks to the effectiveness and efficiency with which the AG conducts it work and manages its finances. The committee also commends the Office of the AG for leading by example in obtaining clean audits. As a custodian of South Africa’s audit function, the AG is expected to excel in this area.

The committee encourages the AG to take serious measures against those auditees that owe it money. In an effort to assist the AG in recovering outstanding debt, some committee members have tabled questions to the Minister of Finance, asking for guidance on what can be done in these instances. The committee is pleased to hear that the Minister of Finance has put aside R72.6 million for the 2022/23 financial year, R124 million for the 2023/24 financial year and R128 in 2024/25 to assist financially distressed municipalities to pay the AG’s audit fees.

What was presented by the AG goes to the heart of financial accountability, value for money and performance of government departments, its entities and municipalities. The committee appreciates that the Office of the AG is focusing on performance, as this is a critical aspect of financial accountability. The committee asked the AG to submit more information on MIs, to be presented to the committee at the beginning of 2023.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE STANDING COMMITTEE ON THE AUDITOR-GENERAL, MR SAKHUMZI SOMYO.**

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