

**Audit outcomes of the Cooperative Governance  
and Traditional Affairs portfolio**

**Financial year ended 31 March 2012**

*October 2012*



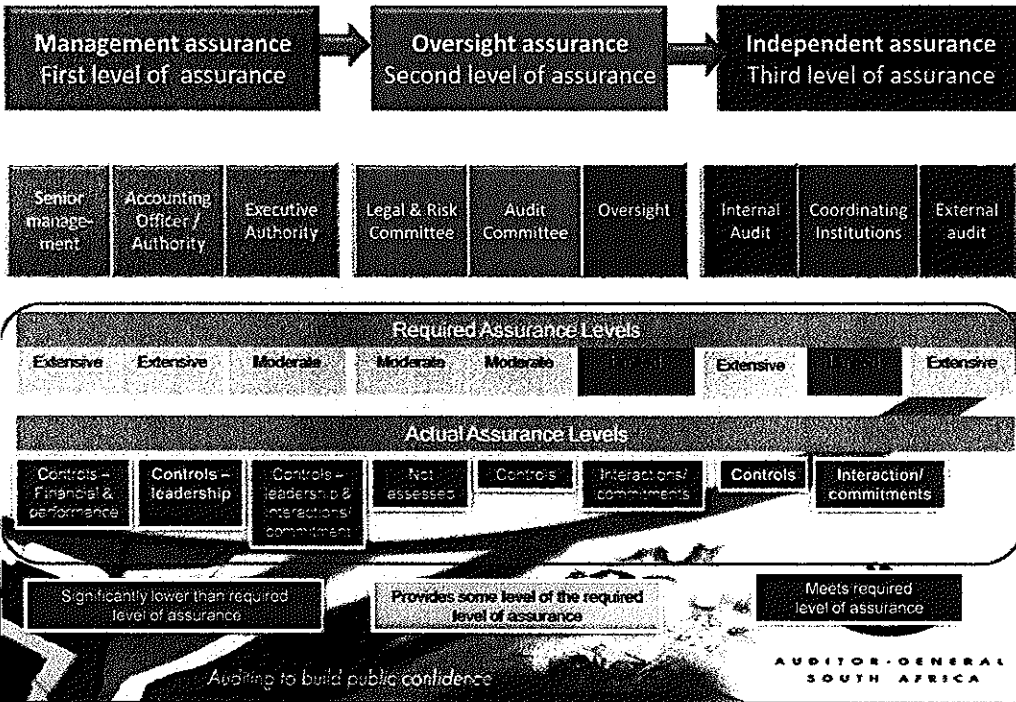
*Auditing to build public confidence*

## Reputation promise/mission

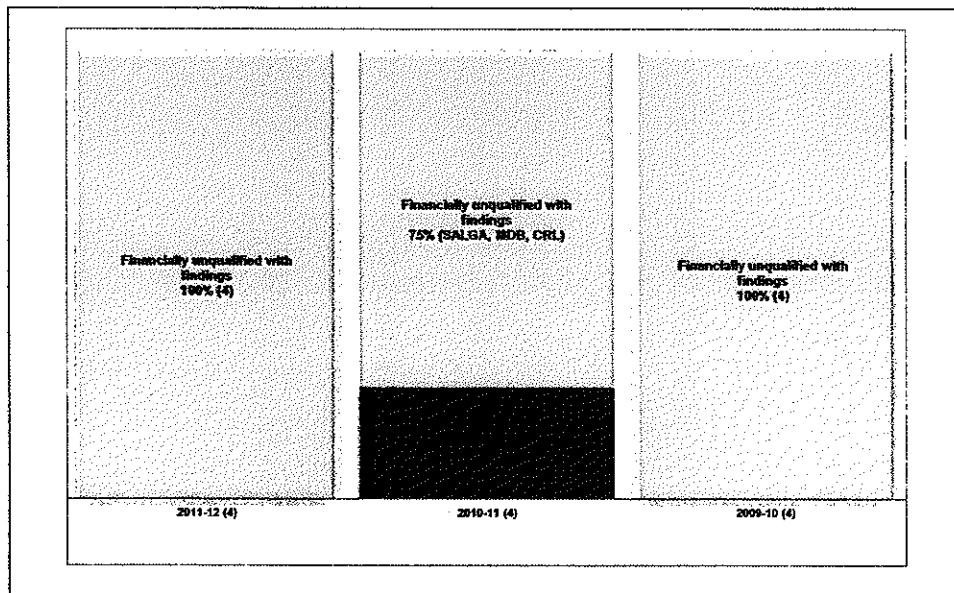
**The Auditor-General of South Africa has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, it exists to strengthen our country's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence.**



# Combined Assurance on risk management in the Public Sector



## Three year audit outcome

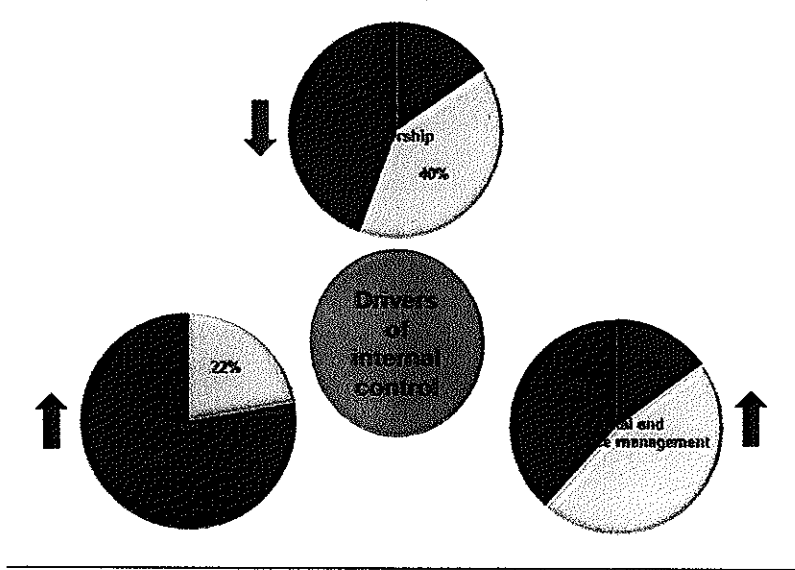


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Auditee	2011-2012	2010-2011	2009-2010
CoGTA	Unqualified with other findings		Unqualified with other findings
SALGA	Unqualified with other findings	Unqualified with other findings	Unqualified with other findings
MDB	Unqualified with other findings	Unqualified with other findings	Unqualified with other findings
CRL	Unqualified with other findings	Unqualified with other findings	Unqualified with other findings

## Drivers of Internal Control

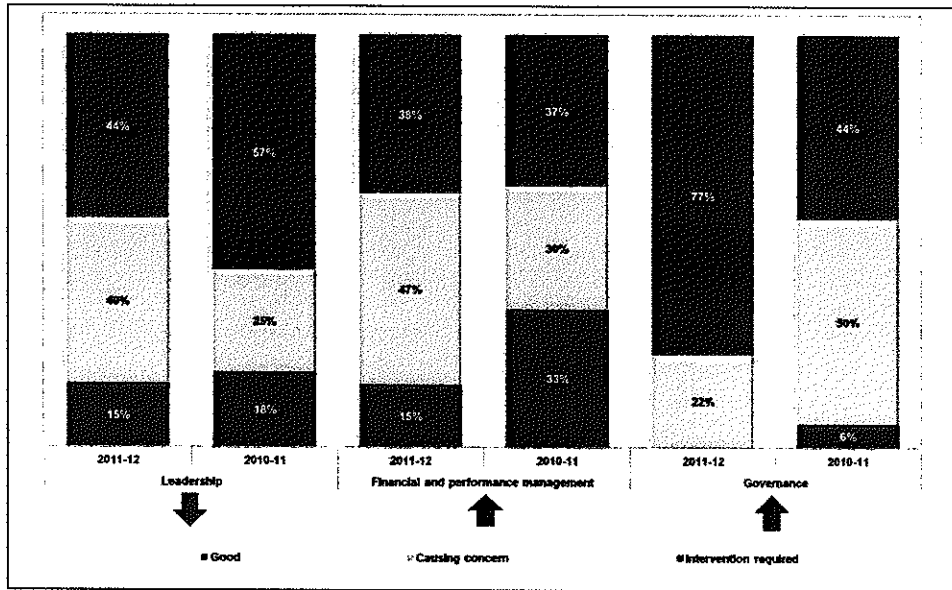


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	Leadership	Financial	Governance
CoGTA			
SALGA			
MDB			
CRL			

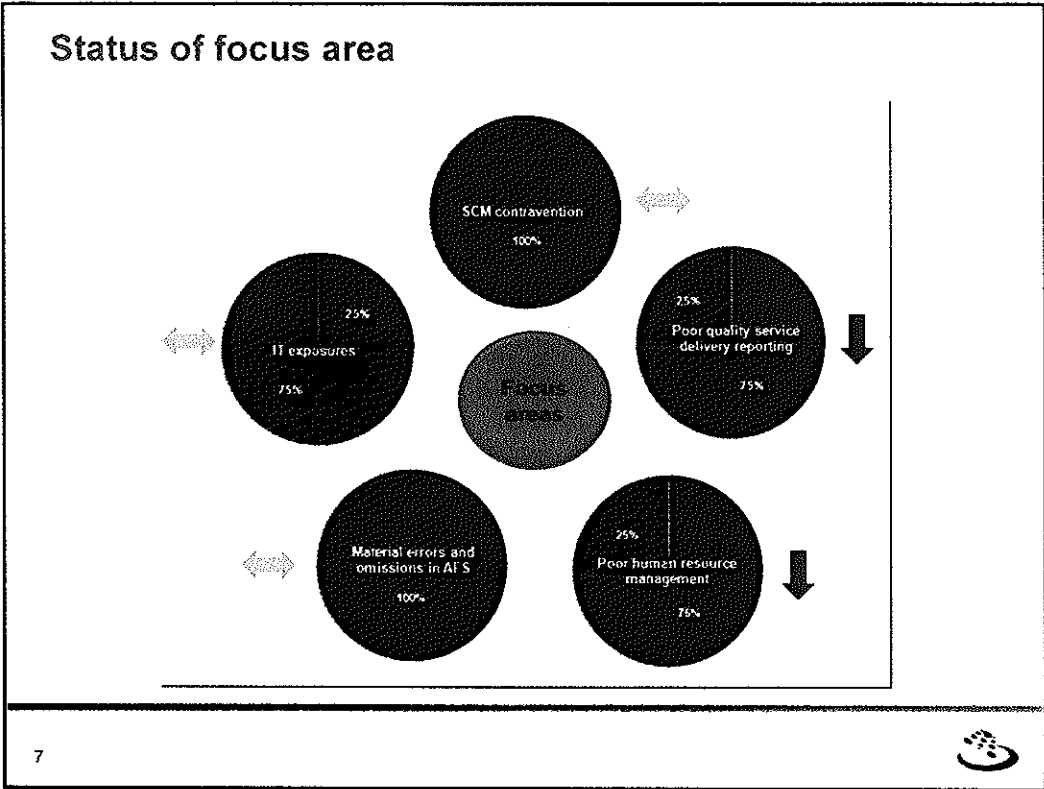
# Movement in key controls



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	2011/12/01			2011/12/01		
	Leadership	Financial	Governance	Leadership	Financial	Governance
CoGTA	Light	Dark	Dark	Light	Dark	Dark
SALGA	Light	Light	Dark	Dark	Dark	Light
MDB	Dark	Dark	Dark	Dark	Dark	Dark
CRL	Light	Light	Dark	Dark	Dark	Light



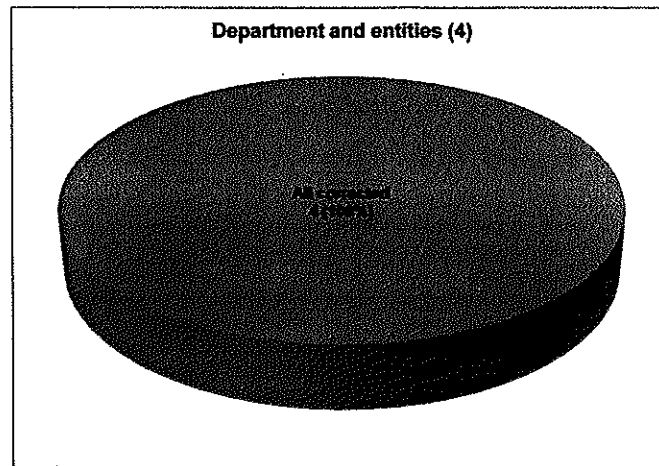
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	SCM findings	Material corrections	HR	IT focus	AOPO
CoGTA	R	R	R	R	R
SALGA	R	R	N		N
MDB	R	R	N		
CRL	R	R			R
2011/2012	4/4	4/4	3/4	1/4	3/4
2010/2011	4/4	4/4	1/4	1/4	2/4
Movement	↔	↔	↓	↔	↓
% Movement	0%	0%	50%	0%	25%

- R = Repeat
- N = New
- C = Cleared

## Material misstatements in submitted financial statements



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	All corrected	Partially corrected	No material misstatements
CoGTA	X		
SALGA	X		
MDB	X		
CRL	X		
<b>TOTAL</b>	<b>4/4</b>	<b>0/4</b>	<b>0/4</b>
	<b>100%</b>	<b>0%</b>	<b>0%</b>



## Areas of qualification in financial statement

Statement of financial position at 31 March 2012				Statement of financial results for the year ended 31 March 2012		
Non-current assets	Current assets	Liabilities	Other disclosure items	Revenue	Expenditure	Unauthorised, irregular as well as fruitless and wasteful expenditure
■ Auditees qualified in 2011-12				■ Auditees qualified in 2010-11		

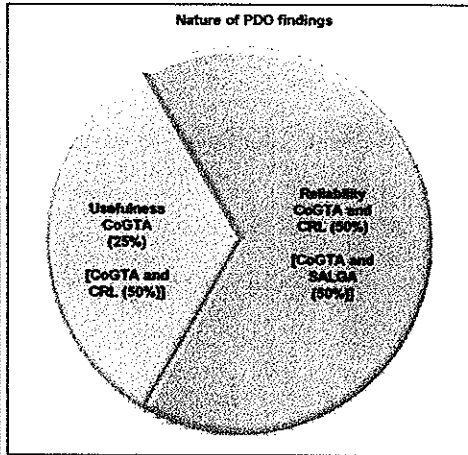
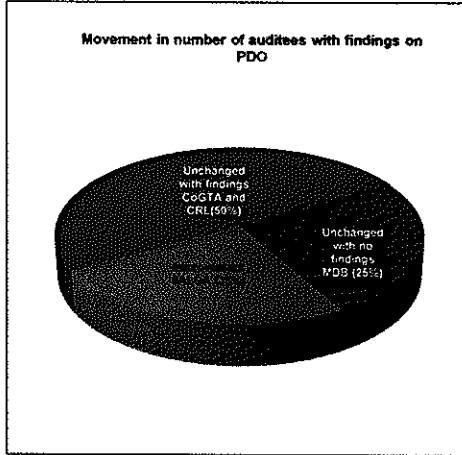
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	UIF
CoGTA	
<b>TOTAL</b>	<b>1/4</b>
	<b>25%</b>

## Predetermined objectives ( PDO) findings

2011-12 Department	100%	Auditees with no PDO findings	67%	33%
2010-11	100%	Auditees with PDO findings	100%	



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	Other non compliance	Presentation	Usefulness	Reliability
CoGTA	R		R	R
SALGA	C			C
MDB				
CRL			C	N
TOTAL	1/4	0/4	1/4	2/4

### Improvements:

- SALGA

### Unchanged with Findings

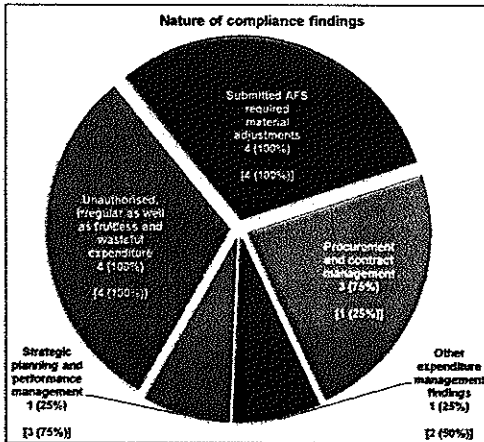
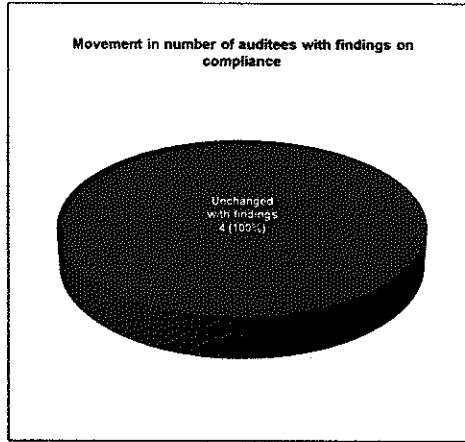
- CoGTA
- CRL

### Unchanged with No findings

- MDB

# Findings on compliance with laws and regulations

2011-12 Department	100%	Auditees with no compliance findings	2011-12 PE and CI	100%
2010-11	100%	Auditees with compliance findings	2010-11	100%

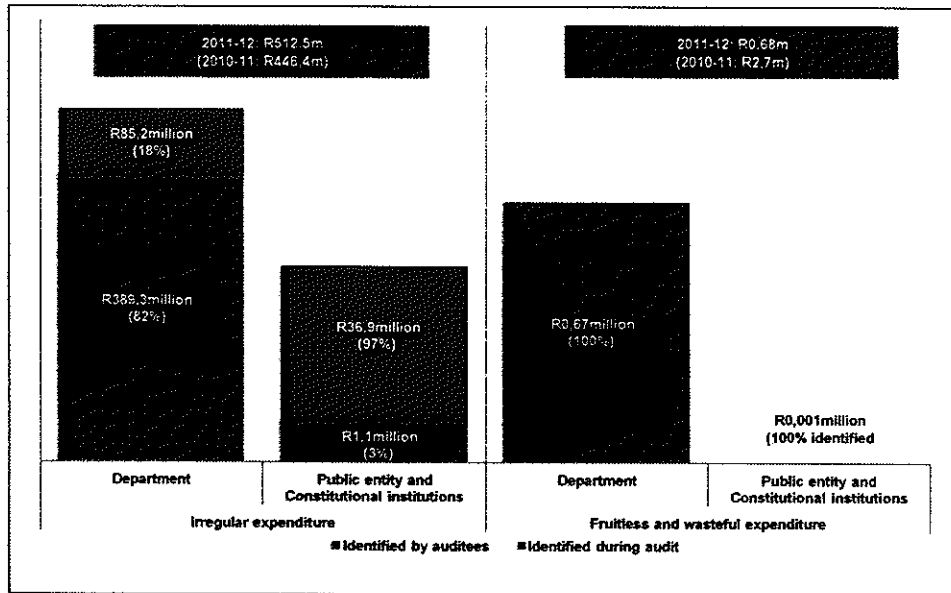


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	Strategic planning	Procurement	Material corrections	Unauthorised/irregular	Expenditure management	Transfers and conditional grants	AC	I/A	HR	Asset
CoGTA										N
SALGA										
MDB										
CRL										N
<b>TOTAL</b>	<b>1/4</b>	<b>4/4</b>	<b>4/4</b>	<b>4/4</b>	<b>1/4</b>	<b>0/4</b>	<b>0/4</b>	<b>0/4</b>	<b>1/4</b>	<b>2/4</b>

## Irregular and Fruitless and wasteful expenditure

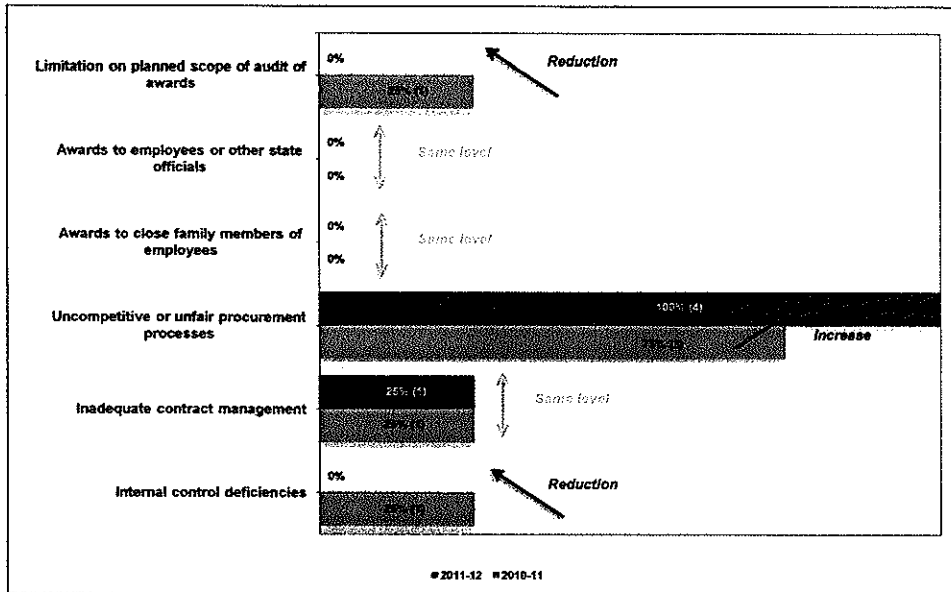


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Entity	Fruitless and wasteful			Irregular expenditure			2010-11	
	2011-12	pY in cur year	Total	2011-12	pY in cur year	Total	FW	Irregular
CoGTA	679,000.00	-	679,000.00	427,527,000.00	46,978,000.00	474,505,000.00	396,484.00	419,585,001.00
SALGA	-	-	-	37,090,372.00	-	37,090,372.00	2,134,687.00	24,191,744.00
MDB	-	-	-	628,000.00	-	628,000.00	-	726,000.00
CRL	1,000.00	-	1,000.00	303,844.00	-	303,844.00	314,463.00	1,972,422.00
<b>TOTAL</b>	<b>680,000.00</b>	<b>-</b>	<b>680,000.00</b>	<b>465,549,216.00</b>	<b>46,978,000.00</b>	<b>512,527,216.00</b>	<b>2,785,634.00</b>	<b>446,475,167.00</b>

## Summary of findings on SCM

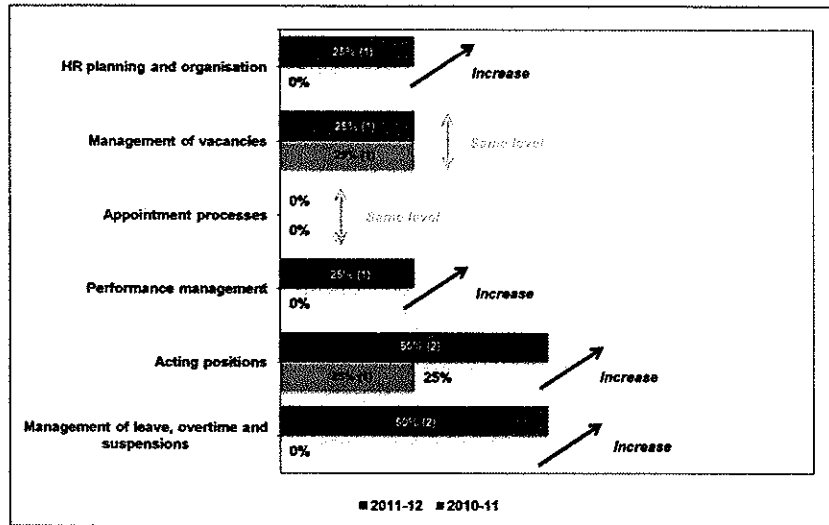


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	Uncompetitive bid	Contract management	Inadequate controls
CoGTA			
SALGA			
MDB			
CRL			
<b>TOTAL</b>	<b>4/4</b>	<b>1/4</b>	<b>0/4</b>

## HR Management- Key findings



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2012	HR Planning	Management of vacancies	Appointment process	Performance management	Acting Positions	Management of Leave, suspensions
CoGTA	N			N		
SALGA		N			N	
MDB					N	N
CRL						
<b>TOTAL</b>	<b>1/4</b>	<b>1/4</b>	<b>0/4</b>	<b>1/4</b>	<b>2/4</b>	<b>1/4</b>

## Root Causes

