

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 560 [NW725E]

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Mr E H Eloff (DA) to ask the Minister of Finance:

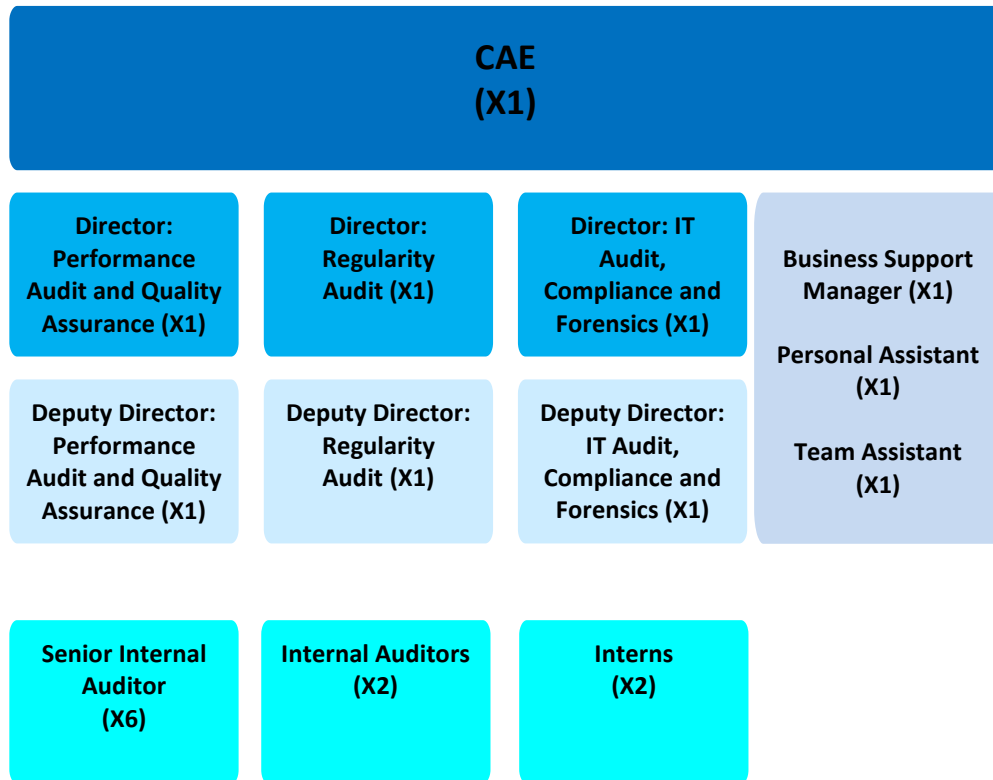
- (1) Whether the National Treasury has an internal audit unit; if not, why not; if so,
(a) how many staff members are employed in the unit and (b) what (i) is the structure and (ii) are the functions of the unit;
- (2) whether the audit committee considers the internal audit reports; if not, why not; if so, what are the relevant details;
- (3) whether he holds meetings to discuss (a) the internal reports and (b) their findings with the audit committee; if not, why not, in each case; if so, (i) on what dates has each specified meeting taken place and (ii) what are the further relevant details?

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REPLY:

- (1) Yes, the National Treasury has an Internal Audit Function.
- (a) The National Treasury's Internal Audit Function has a total staff compliment of 20 employees.

(b) (i) Internal Audit Organisational Structure



(ii) Functions of National Treasury's Internal Audit Unit

▪ **Roles and responsibilities of Internal Audit**

Internal Audit assists the Director General of National Treasury, in achieving the objectives of NT, by evaluating and developing recommendations for the enhancement or improvement of internal controls, in line with the Treasury Regulations and the Public Finance Management Act of 1999 (PFMA).

- The Audits are performed in line with the standards of the Institute of Internal Auditors (IIA).

- (2) Yes the Internal Audit Reports are tabled in the quarterly audit committee meetings. These reports highlight the internal control deficiencies noted during the review of processes and provide recommendations to management to address the deficiencies or improve the internal control environment.
- (3) (a+b) Whilst no regular meetings with the Chair of the Audit Committee (AC) are held, the Minister has met with the Chair and intends to do so in the future. The Audit Committee (AC) uses its discretion to report exceptional matters to the Executive Authority (The Minister). This is because the Accounting Officer (Director-General), who is also the administrative head of the Department, is a permanent invitee to all AC meetings and deals with all issues of concern, raised by the AC.

(i)		(ii)
2011/12 Financial Year	Dates	
Three (3) audit committee meetings took place.	<ul style="list-style-type: none"> • 28 June 2011, • 8 September 2011, • 22 November 2011 	Scheduled, audit committee meetings.

(i)		(ii)
2011/12 Financial Year	Dates	
Two (2) special audit committee meetings took place.	20 July 2011	To approve the Financial Statements, Auditor General's Management reports and Audit Reports.
	28 Oct 2011	Consolidated Financial Statements of Government, State Debt, Revenue Fund, AG Management and Audit Reports.