



AUDITOR - GENERAL
SOUTH AFRICA

MEDIA RELEASE

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National audit office continues to lead by example in good governance

PRETORIA – Auditor-General (AG) Tsakani Maluleke today tabled the national audit office's annual performance results to parliament's Standing Committee on the Auditor-General (Scoag), once again reporting a clean audit for the country's supreme audit institution.

Presenting her office's [integrated annual report 2021-22](#) for the financial year ended 31 March 2022, the AG said she was pleased to announce a solid performance, with 87% of set targets having been achieved under the trying conditions underpinned by the covid-19 pandemic.

She credits her team of dedicated professionals for rising above adversities such as the pandemic to deliver this pleasing performance.

"Undoubtedly, the last reporting period was intense and fruitful for our organisation. Every member of Team AGSA showed up when needed and gave their all in the quest for good governance in the public sector and improving the lives of ordinary South Africans.

"I am particularly proud to lead a group of professionals who are dedicated to their work and do it with diligence. These are professionals who understand their mandate to support the country in its democracy and in realising the aspirations set out in our country's constitution," Maluleke noted.

She says, overall, the Auditor-General of South Africa (AGSA) realised its objectives and targets in the year under review.

Performance at a glance

Among other key achievements and milestones, the report shows that the AGSA:

- recorded a healthy R40 million budget surplus with almost R4,4 billion in [audit revenue](#). This is an immense improvement from last year's R293 million deficit and was mainly because the organisation eliminated backlogs caused by the pandemic

- used its resources effectively by deploying multidisciplinary teams of auditors and specialists to conduct audits, which led to a saving of R112 million from pooling resources
- effectively implemented its expanded powers and identified [327 material irregularities](#) with an estimated financial loss of R14,7 billion. These processes resulted in cases where accounting officers recovered some financial losses and officials were charged for misconduct and, in some instances, dismissed
- reached an important milestone in the use of its enhanced powers by issuing its first remedial action to the Passenger Rail Agency of South Africa (Prasa), the departments of Defence and Human Settlements, and the Ngaka Modiri Molema District Municipality. Remedial action is issued where recommendations are not implemented and is the last step issuing the certificate of debt
- shared its audit insight with Parliament, oversight committees, law enforcement institutions and the wider public to activate the [accountability ecosystem](#) with the aim of influencing public sector accountability
- maintained the largest accounting/auditing training programme in the country, employing 1 151 [trainees](#), 59,8% of whom are female while 55,7% are African female. Through this programme, the AGSA has contributed to transforming the profession, qualifying nearly 2 000 CAs(SA) over the years
- had 308 of its candidates pass their Assessment of Professional Competence (APC) exams the highest annual number ever achieved in history of the AGSA
- expanded its own professionalism, employing 1 367 audit professionals and 850 non-audit professional in its [staff complement of 3 765](#)
- outsourced audit work totalling R880 million to private firms in 2021-22. Outsourced work allocated to [black-owned firms](#) increased to 70%, while that allocated to black women-owned firms increased to 26%
- allocated 88% of its outsourced audit work to [B-BBEE](#) levels 1 and 2 firms
- was voted the Employer of Choice in the Public Sector for 2022 for the second consecutive year, and ranked 3rd in the Aspirational Employer of Choice category, up from #11 in 2021.

Our reporting

The AGSA is the only institution that, by law, has to audit and report on how the government is spending the South African taxpayers' money. In turn, it is annually audited by independent external auditors, with Scoag playing an oversight role.

The independent external auditors audit the AGSA's financial statements, financial management and performance information, and provide some assurance on the selected sustainability performance indicators.

The AGSA produces its integrated annual report as a concise and balanced account of its performance against commitments during the previous financial year.

Conclusion

“Our work as the national audit office is not a solitary assignment. We depend on the effort and collaboration of every single player in the accountability ecosystem to work towards a shared purpose that will contribute towards the wellbeing of our people.

“Our contribution to this developmental trajectory is through our new strategy, #cultureshift2030. It is based on the premise that our audits and the insights they generate, our influence over various role players in the accountability ecosystem and, as a last resort, enforcing our extended powers can have a positive impact on the culture of those we audit so that it is defined by transparency, integrity, accountability and performance. We call on all relevant stakeholders to join us on the journey towards creating a better South Africa,” the AG concluded.

Media note: The *Integrated annual report* is available on www.agsareports.co.za.

About the AGSA: The AGSA is the country's supreme audit institution. It is the only institution that, by law, has to audit and report on how government is spending taxpayers' money. This has been the focus of the AGSA since its inception in 1911.

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