



**PROVINCIAL TREASURY**

**MEDIA RELEASE**

**MEC Sa'ad Cachalia introduces the new Audit Committee for Limpopo**

*Date: 04 November 2009*

*"It is clearly evident that our policies are correct and we have our fingers on the pulse – we are on the right track"- Sa'ad Cachalia*

Member of the Executive Council (MEC) for Provincial Treasury, Sa'ad Cachalia hosted a gathering to introduce new Audit Committee members for Limpopo at Bolivia Lodge, outside Polokwane today (04 November 2009).

The occasion was also graced by the presence of Dirk Strydom from the Auditor-General's office, Standing Committee on Public Accounts (SCOPA) Chairperson Derrick Ngobeni the Chief Audit Executive Ngoako Morudu, Heads of Departments (HoDs) across provincial government, Chief Financial Officers (CFOs), representatives from National Treasury and other key players in government.

This session was prepared in order to welcome the Limpopo Provincial Government Audit Committee members and provide some brief information on how their working arrangements will be, clarify roles and expectations for the various stakeholders.

MEC Cachalia pointed out, "As government, we are unambiguous in our resolve to ensure that there is proper accounting at all levels. Our aim is to make sure that with provincial government in Limpopo we receive clean audit outcomes before 2014."

Clean audits are an indication of the effectiveness of government's efforts towards realising the goals of the five priority areas of service delivery in government, namely, on, rural development, education, health, as well as the fight against unemployment and crime.

Mr Rob Tooley, Head of Department for Provincial Treasury, welcomed guests and expressed appreciation for their presence and how seriously they took the mandate that our people have given to government.

"PFMA requires of an Accounting Officer for a department to ensure that a system of internal audit - under the control and direction of an audit committee – is established and maintained", explained the Provincial Accountant-General, Ms Fanisa Lamola.

Ms Glory Khumalo, a Director at PriceWaterCoopers, emphasised that this requirement is also supported by the Code of Corporate Practice and Conduct published in the King III report which requires of management to publicly confirm that they have reviewed the effectiveness of the internal control of their organisation.

“The implementation of control and information systems is essential to the effective discharge of the management’s responsibilities,” Yatswant Gordhan, the Central Audit Committee chairperson concurred.

A lot of nominations were received for consideration, which indicates that the public is very interested in what provincial departments do with public funds. The appointment of the audit committee members followed a stringent process. The PFMA prescribes that any audit committee members appointed outside the Public Service, must have appropriate experience. Through this process, the best candidates to serve this committee were selected.

Qualifications and work experience in Risk Management, Internal Control (Audit), Financial Management or Legal Services as well as current or past involvement in Audit Committees formed a key part of assessment.

MEC Sa’ad Cachalia concluded by saying “We believe with the combinations of your attributes we can derive the best value for money for the Province. We have noted improvements in departmental financial management, with 8 departments obtaining unqualified audit opinions in the 2008/09 financial year and we believe that the Audit Committee did contribute to this improvement.”

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