



GAUTENG PROVINCE

PROVINCIAL TREASURY
REPUBLIC OF SOUTH AFRICA

FACT SHEET – 2013/14 AUDIT OUTCOMES

1. TREND ANALYSIS

- There has been a steady increase in the number of departments and entities achieving clean audits over the past 3 years;
- One department and ten entities improved to clean audits in the 2013/14 financial year;
- Five departments and three entities sustained their clean audits from the 2012/13 financial year;
- There is a steady decline in the number of departments and entities getting unqualified audits as a result of an increase in clean audits;
- Qualified audit outcomes remain constant over 3 years for departments.

Audit Outcomes Per Department

Department	2013/2014	2012/2013	2011/2012
Office of the Premier	<i>Unqualified with no other matters*</i>	<i>Unqualified with no other matters*</i>	Unqualified
Sports, Arts, Culture and Recreation	<i>Unqualified with no other matters*</i>	<i>Unqualified with no other matters*</i>	Unqualified
Legislature	<i>Unqualified with no other matters*</i>	<i>Unqualified with no other matters*</i>	Unqualified
Social Development	<i>Unqualified with no other matters*</i>	<i>Unqualified with no other matters*</i>	N/A (Merger of Health and Social development)
Treasury	<i>Unqualified with no other matters*</i>	<i>Unqualified with no other matters*</i>	N/A (Merger of GSSC and Treasury)
COGTA	<i>Unqualified with no other matters*</i>	N/A (Merger of Housing and Local Govt)	N/A (Merger of Housing and Local Govt)
Education	Unqualified	Unqualified	Unqualified
Community Safety	Unqualified	Unqualified	Unqualified
Roads and Transport	Unqualified	Unqualified	Unqualified
Infrastructure Development	Unqualified	Unqualified	Unqualified
Agriculture and Rural Development	Unqualified	Unqualified	Unqualified
Economic Development	Unqualified	Unqualified	Unqualified
Finance	Unqualified	Unqualified	Unqualified
Health	Qualified	Qualified	N/A (Merger of Health and Social development)
Human Settlement	Qualified	N/A (Merger of Housing and Local Govt)	N/A (Merger of Housing and Local Govt)
Health and Social Development	N/A	N/A (Demerger of Health and Social development)	Qualified
Housing and Local Government	N/A Demerger	Qualified	Unqualified

N/A - Means that the department did not exist in that particular financial year due to mergers and demergers of departments.

Audit Outcome Per Public Entity

Entity	2013/2014	2012/2013	2011/2012
Gauteng Partnership Fund	<i>Unqualified with no other matters*</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified with no other matters*</i>
Gauteng Funding Agency	<i>Unqualified with no other matters*</i>	<i>Unqualified with no other matters*</i>	Unqualified

<i>Gautrain Management Agency</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified</i>
<i>Gauteng Growth and Development Agency</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified</i>	<i>N/A</i>
<i>IDZ Development Company</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified with no other matters*</i>
<i>Supplier Park Development Company</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified</i>	<i>Unqualified</i>
<i>Constitutional Hill Precinct</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified</i>	<i>Unqualified</i>
<i>Innovation Hub</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified</i>	<i>Unqualified with no other matters*</i>
<i>Greater Newtown Development Company</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified</i>	<i>Unqualified with no other matters*</i>
<i>Cradle of Humankind World Heritage Site</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified</i>	<i>Unqualified with no other matters*</i>
<i>Dinokeng</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified</i>	<i>Unqualified with no other matters*</i>
<i>Gauteng Film Commission</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified</i>	<i>Unqualified</i>
<i>Gauteng Tourism Authority</i>	<i>Unqualified with no other matters*</i>	<i>Unqualified</i>	<i>Unqualified</i>
<i>Gauteng Enterprise Propeller</i>	<i>Unqualified</i>	<i>Unqualified</i>	<i>Unqualified</i>
<i>Gauteng Gambling Board</i>	<i>Unqualified</i>	<i>Unqualified</i>	<i>Unqualified</i>
<i>Gauteng Liquor Board</i>	<i>Unqualified</i>	<i>Qualified</i>	<i>Qualified</i>
<i>Cost Recovery (DACEL)</i>	<i>Unqualified</i>	<i>Unqualified</i>	<i>Unqualified</i>
<i>MEDSAS</i>	<i>Unqualified</i>	<i>Unqualified</i>	<i>Unqualified</i>
<i>Gauteng Housing Fund</i>	<i>Unqualified</i>	<i>Unqualified</i>	<i>Unqualified</i>
<i>G-Fleet</i>	<i>Adverse</i>	<i>Unqualified</i>	<i>Unqualified</i>
<i>Blue IQ Investment Holding</i>	<i>N/A (Merger of GEDA and Blue IQ)</i>	<i>N/A (Merger of GEDA and Blue IQ)</i>	<i>Unqualified</i>
<i>Gauteng Economic Development Agency</i>	<i>N/A (Merger of GEDA and Blue IQ)</i>	<i>N/A (Merger of GEDA and Blue IQ)</i>	<i>Unqualified</i>
<i>Automotive Industry Development Company</i>	<i>N/A (Merged with Greater Newtown)</i>	<i>Unqualified</i>	<i>Unqualified with no other matters*</i>
<i>Blue Catalyst Investment</i>	<i>N/A Liquidated</i>	<i>Under liquidation</i>	<i>Unqualified</i>

2. SUPPORT PLANS FOR 2014/15

Government is committed to maintain the clean audits that have been achieved, and at the same time improve audit outcomes of other departments and entities going forward. In this regard we will intensify the plans implemented in the previous financial year and improve in areas, which include amongst other things the following:

- Tracking the implementation of audit action plans to eliminate recurring findings;
- Provide targeted training to departments to improve deficiencies in the key control environment;
- Intensify the review on the PFMA Section 40 monthly reports; and
- Intensify the Interim Financial Status review to minimise material adjustments to the Annual Financial Statements.

Irregular, Unauthorised and Fruitless and Wasteful Expenditure

A. The following table represent the Irregular Expenditure for the Gauteng Provincial Departments for the past three financial years:

Irregular Expenditure	2013/14	2012/13	2011/12
	R' 000	R' 000	R' 000
Irregular Expenditure relating to the financial year	3,751,481	4,688,375	3,886,908
TOTAL IRREGULAR EXPENDITURE	3,751,481	4,688,375	3,886,908

The Irregular Expenditures over the past three years relate primarily to instances of non-compliance with Supply Chain Management rules and regulations. The major item of Irregular Expenditure over the past years has been the extension of bus subsidy contracts including the bus monitoring firms by the Department of Roads and Transport.

B. The following table represent the Unauthorised Expenditure for the Gauteng Provincial Departments for the past three financial years:

Unauthorised Expenditure	2013/14	2012/13	2011/12
	R' 000	R' 000	R' 000
Unauthorised Expenditure relating to the financial year	56,847	392,794	1,046,672
TOTAL UNAUTHORISED EXPENDITURE	56,847	392,794	1,046,672

In the 2013/14 financial year: Unauthorised expenditure incurred by Education and Safety only with R 55, 5 million and R 1, 3 million respectively.

In the 2012/13 financial year: Unauthorised expenditure incurred by Health and Education only with R 324, 4 million and R 68, 3 million respectively.

In the 2011/12 financial year: Unauthorised expenditure incurred by Economic Development (R 8, 9 million); Health (R 1 billion); Roads and Transport (R 11, 5 million) and Sports (R369 thousand).

C. The following table represent the Fruitless and Wasteful Expenditure for the Gauteng Provincial Departments for the past three financial years:

Fruitless and Wasteful Expenditure	2013/14	2012/13	2011/12
	R' 000	R' 000	R' 000
Fruitless and Wasteful Expenditure relating to the financial year	166,416	182,929	263,919
TOTAL FRUITLESS AND WASTEFUL EXPENDITURE	166,416	182,929	263,919

The Fruitless and Wasteful expenditures over the past financial years relate mostly to interest due on overdue accounts from various departments and expired medication and litigation settlements relating to Medico Legal for the Department of Health.

Ends

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