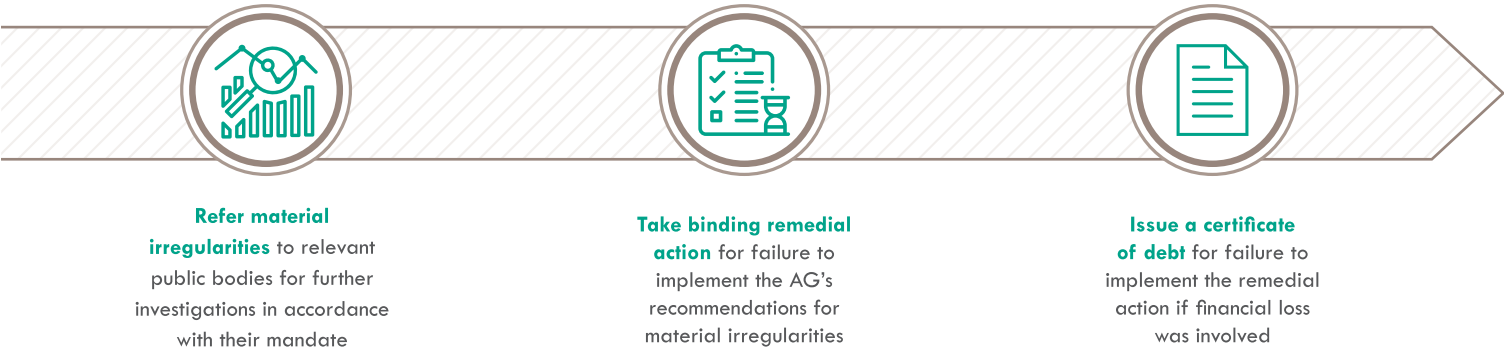
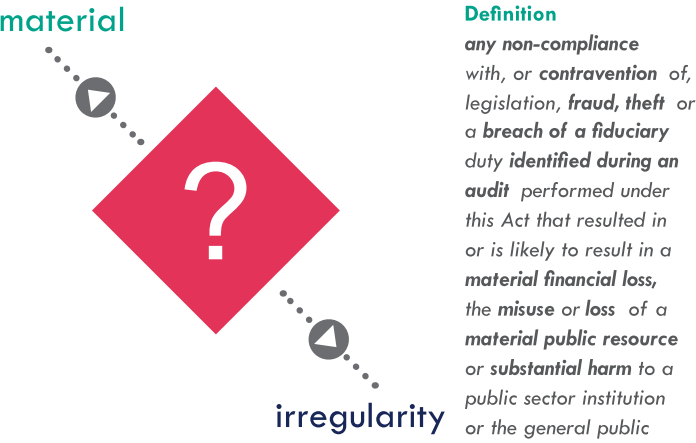


Introducing the concept of material irregularities

Following the amendments to the Public Audit Act, the Auditor-General has been given the following additional powers:



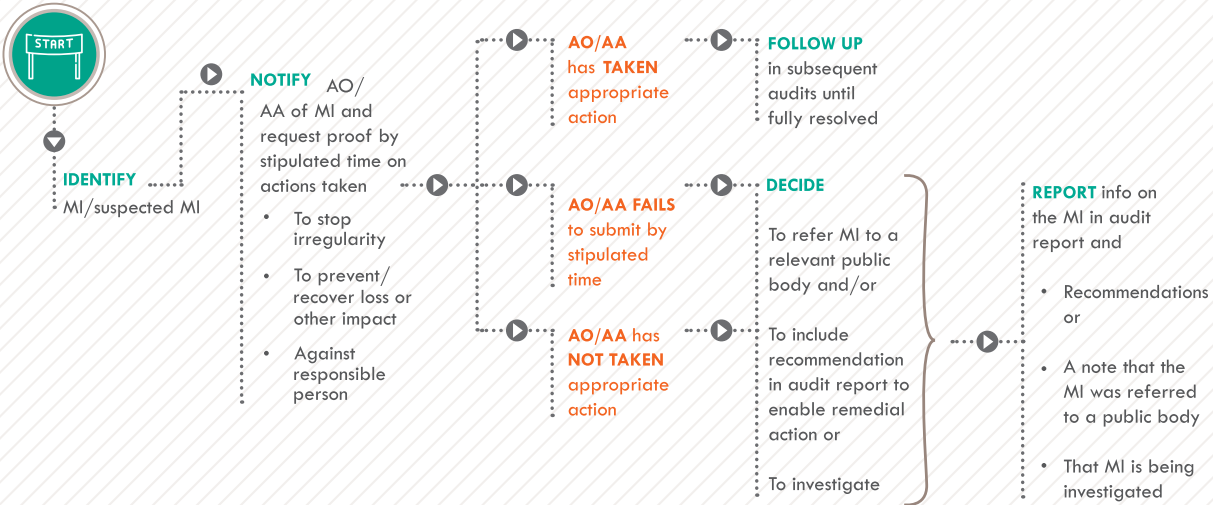
What is a material irregularity?



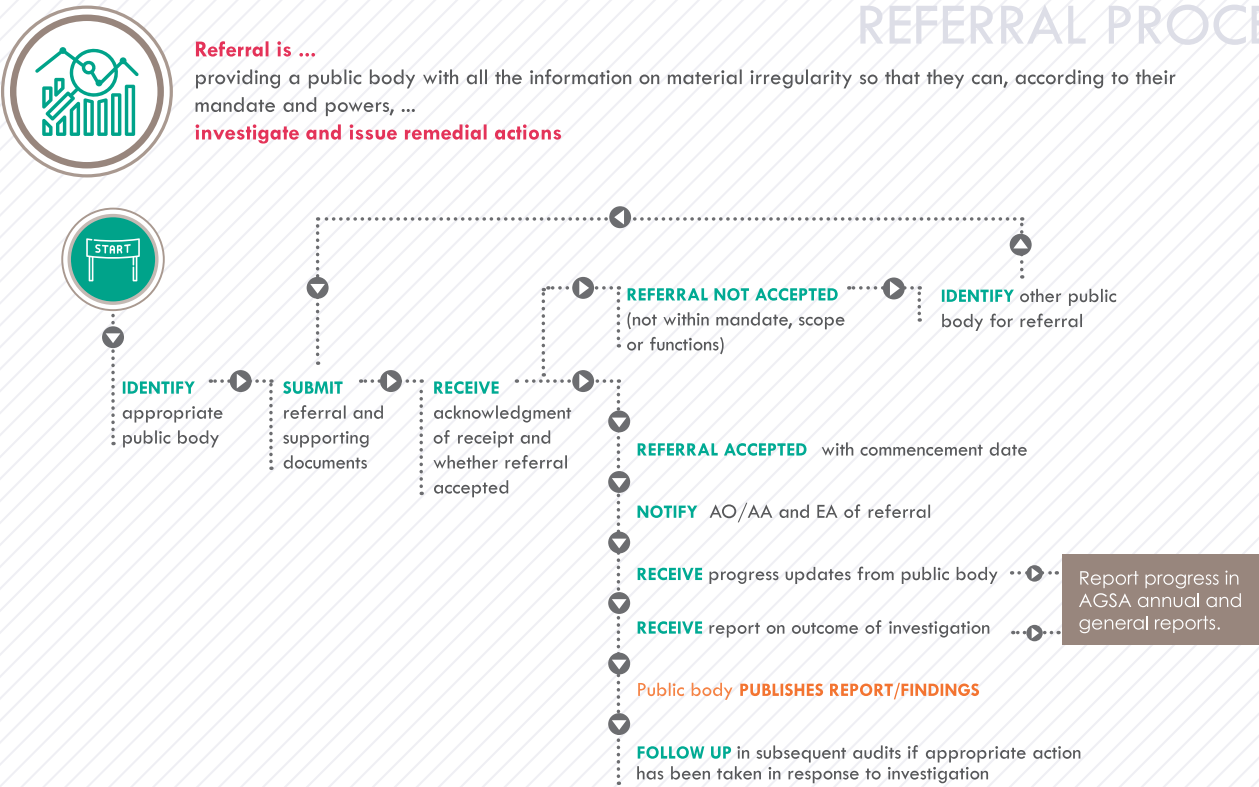
Abbreviations:

- AGSA Auditor-General South Africa
- AG Auditor-General
- MI Material Irregularity
- AO Accounting Officer
- AA Accounting Authority
- EA Executive Authority
- CoD Certificate of Debt

In line with MI regulation, this process will be followed when MIs are identified during the normal audit process.



REFERRAL PROCESS

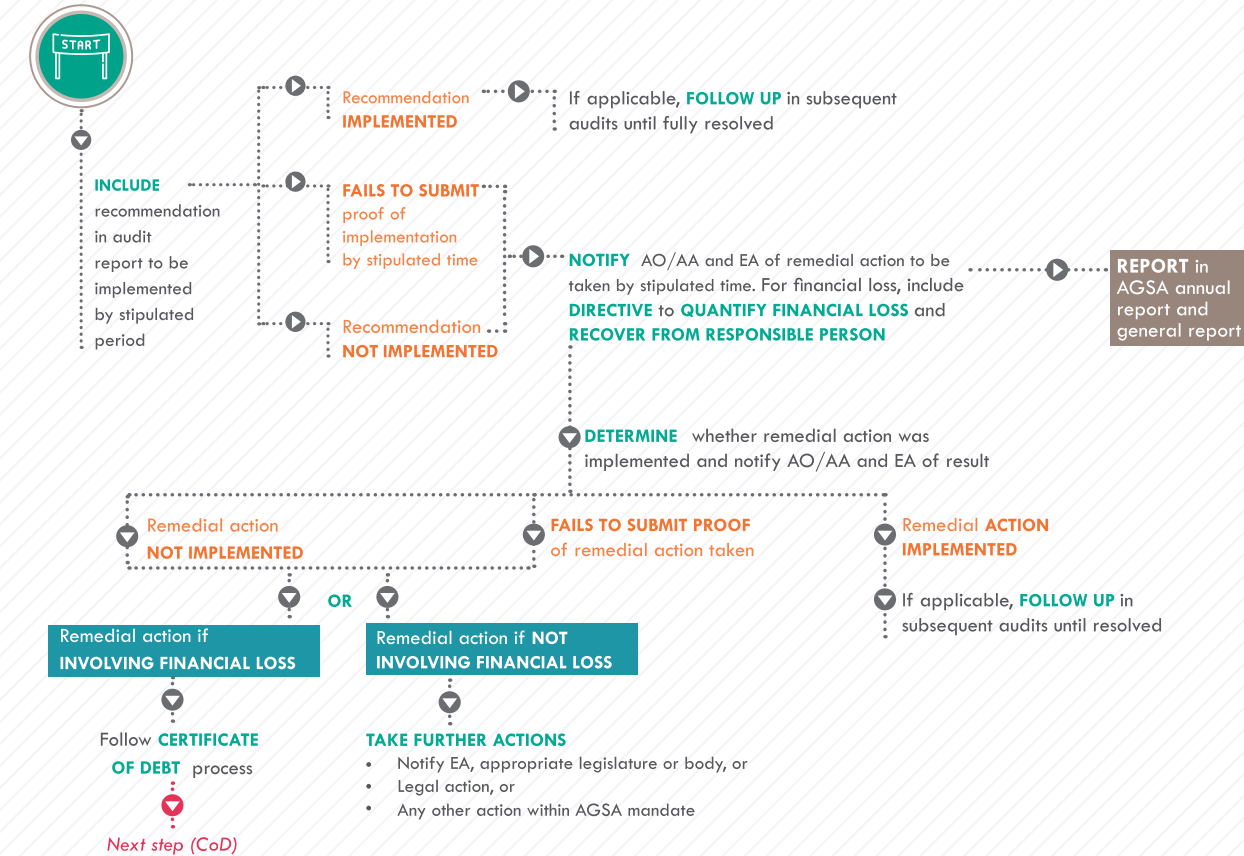


## REMEDIAL PROCESS



**Remedial action is** triggered by the lack of implementation of the recommendations included in the audit report.

The remedial action is a legal instruction to the accounting officer or authority to **take specific action by a certain date**.



## CERTIFICATE OF DEBT PROCESS

### Certificates of debt process



**A certificate of debt can be avoided** by implementing the directive to quantify the financial loss and take steps to recover the loss.

If the remedial actions are not implemented a process as defined in the PAA and regulations are followed.

