

MEDIA RELEASE

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Auditor-General welcomes withdrawal of court appeal by Road Accident Fund

PRETORIA –Auditor-General (AG) Tsakani Maluleke has welcomed the withdrawal of the appeal by the Road Accident Fund (RAF) against the Gauteng Division of the High Court's ruling that it was inappropriate to interdict the AGSA from exercising its constitutional obligations to audit and report. The appeal had been set down for argument in the Supreme Court of Appeal on 8 May 2023.

The court judgement, handed down on 24 February 2022, was a challenge against the AG tabling the RAF audit report in Parliament, as prescribed the Public Audit Act, which mandates the AG to do within a particular timeframe after completing the audit.

"This is a step in the right direction and a welcome development that confirms our long-held view that the Constitutional function of the AGSA, as the country's independent supreme audit institution should not be interfered with. Furthermore, we remain convinced that airing accounting and auditing matters before the courts is not in the best interest of audit and financial accountability. We are now preparing for the review application brought by the RAF in the High Court, which is set down for argument on 4 and 5 October 2023," says AG Maluleke.

In its withdrawal, the RAF also committed to pay the AGSA's legal costs, including the cost of two counsels. The AGSA demanded this relief on the basis that this legal challenge was not necessary and not in the interest of public accountability.

The AGSA reiterates that while any auditee may approach the courts to seek relief, the institution's dispute resolution processes should be used to resolve audit disputes. For many years, the AGSA has successfully used these processes to settle audit disputes in a fair manner, as guided by the Public Audit Act and the International Auditing Standards. The AGSA dispute resolution process has recently been updated and is available to all auditees.

The national audit office is committed to carrying out its constitutional mandate in a manner that is fair and without fear, favour or prejudice to all those it audits.

End.

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Contact: Africa Boso 0713653024 Africab@agsa.co.za



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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 – the organisation celebrated its 100-year public sector auditing legacy in 2011.