

RESOLUTIONS OF THE PROVINCIAL PUBLIC ACCOUNTS COMMITTEE

FIRST REPORT 2010

RESOLUTION NO. 3

(As presented to the North West Legislature)

REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF VOTE NO: 3 DEPARTMENT OF HEALTH FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009.

The Committee, having heard evidence on 27 January 2010 on the aforementioned Report of the Auditor-General (AG) for the financial year 31 March 2009, **wishes to express its concern over the following:**

1. The department did not provide sufficient appropriate audit evidence for adjustments to the opening balance of major capital assets of R252 million.
2. As disclosed in note 25 to the financial statements, irregular expenditure to the amount of R92 million was incurred, due to the payment of staff expenditure.
3. As disclosed in note 8 to the financial statements unauthorised expenditure to the amount of R57 million was incurred.
4. A contingent asset to the value of R1 million has been disclosed reflecting overpayments made during the implementation of the Occupation Specific Dispensation for Nurses.
5. Various instances of non-compliance with Treasury Regulations occurred.
6. Certain targets with regard to the District Management sub-programme were not time-bound in specifying the time period or deadline for delivery.

The committee recommends that:

1. Control measures should be implemented **on or before 04 May 2010** to ensure that the appropriate audit evidence is available at all times.
2. The irregular expenditure of R92 million should be investigated and submitted to the relevant authority **on or before 04 May 2010**.
3. The unauthorised expenditure to the amount of R57 million should be investigated and dealt with in terms of section 34 of the PFMA **on or before 04 May 2010**.
4. The contingent asset to the value of R1 million which has been disclosed reflecting overpayments made during the implementation of the Occupation Specific Dispensation for Nurses should be monitored by the department.
5. Control measures should be implemented **on or before 04 May 2010** to ensure compliance with the laws and regulations and these measures should be monitored on a regular basis.
6. Control measures should be implemented **on or before 04 May 2010** to ensure that all targets are time-bound in specifying the time period or deadline for delivery.