

**DEPARTMENT FOR SAFETY & SECURITY**  
**VOTE 25**  
**REPORT OF THE AUDIT COMMITTEE**  
**for the year ended 31 March 2005**

The Audit Committee reports in terms of section 38(1)(a) of the Public Finance Management Act, 1 of 1999, as amended and Treasury regulations 3.1.13 and 27(1)(10)(b) and (c) that it has adopted appropriate formal terms of reference as its Audit Committee Charter, and has regulated its affairs in compliance with this charter, and has discharged its responsibilities contained therein.

The Audit Committee consist of the members listed hereunder and meets (5) five times per annum as per its approved terms of reference. During the current year, (5) five meetings were held.

<b>Name of Member</b>	<b>Number of Meetings Attended</b>
Dr L Konar	5
B Coka	5
S K Mhlarhi	3
L J Eloff (Deputy National Commissioner)	5
M Roos (appointed 18 October 2004)	2
K T Rapoo (appointed 22 September 2004)	2

In the conduct of its duties, the Audit Committee has, inter alia, reviewed the following:

- The effectiveness of the internal control systems;
- The effectiveness of the internal audit function;
- The risk areas of the entity's operations covered in the scope of internal and external audits;
- The adequacy, reliability and accuracy of financial information provided by management and other users of such information;
- Accounting and auditing concerns identified as a result of internal and external audits;
- The entity's compliance with legal and regulatory provisions;
- The activities of the internal audit function, including its annual work programme, co-ordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations; and
- The independence and objectivity of the internal and external auditors.

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The Audit Committee is of the opinion, based on the information and explanations given by management and the internal auditors and discussions with the independent external auditors on the result of their audits the status in addressing the matters raised by SCOPA, that the internal accounting controls are operating, though they need strengthening and improvement to ensure that the financial records may be relied upon for preparing the annual financial statements, and accountability for assets and liabilities is maintained.

Nothing significant has come to the attention of the Audit Committee other than the matters referred to in the National Commissioner's and Auditor-General's reports to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The Audit Committee has evaluated the annual financial statements of the South African Police Services for the year ended 31 March 2005 and, based on the information provided to the Audit Committee, considers that it complies, in all material respects, with the requirements of the South African Police Act, (Act 68 of 1995) and the Public Finance Management Act, 1 of 1999, as amended and South African Statements of Generally Recognised Accounting Practice. The Audit Committee concurs that the adoption of the going concern premise in the preparation of the annual financial statements is appropriate. At their meeting held on 1 August 2005 the Audit Committee recommended the adoption of the annual financial statements by the South African Police Services.

Dr L Konar  
Chairperson  
2005-08-01