

Indian chartered accountants to audit S African government records

More than 100 senior chartered accountants from India are to be roped in by South Africa's auditor-general to assist in auditing the financial records of local government authorities and develop local capacity.

Auditor-General Terence Nombembe told MPs Wednesday that the first batch of 20 Indian chartered accountants was expected to arrive next month. They would be deployed to provincial and municipal authorities to assist in developing local auditors to conduct high quality audits and improve financial management in government.

The rest of the auditors recruited in India would work in South Africa over the next three years.

'(This project) is meant to last for two to three years to help us to build the pipeline for future managers that will come from our training scheme,' Nombembe said.

'(The Indian recruits) are people who have gone through their training, through some management experience, and are competent to manage the job technically and supervise juniors.'

The Indian assistance, a joint initiative between the office of the auditor-general and international auditing firm Deloitte, was launched after it became clear that there were not enough auditors in South Africa to keep up with demand.

The shortage of professional staff resulted in the Auditor-General having to contract more auditing firms from outside than had been budgeted for.

'It's a bit of a vicious circle,' an auditor at a major company, who asked not to be identified, told IANS.

'Many of our colleagues opt for the private sector which is much more lucrative, and even those who try to help the country out of patriotism are often lured away by salaries that can be double that offered in government positions. Hopefully the Indian contingent will help train enough locals at junior level to develop capacity.'

The parliamentarians were told that because of the staff shortages, the auditor-general had lost about 64 million rands in revenue in the past financial year. This was largely due to the high levels of unpaid debt by provincial and local governments.

'The ability of local government and statutory bodies to settle their accounts on time continues to be a matter of significant concern,' the auditor-general's report said.

Fakir Hassen (© IANS / India eNews)