

The development of a common body of knowledge and skills for government auditors in South Africa

JD Gloeck

School of Accountancy
University of Pretoria

H de Jager

School of Accountancy
University of Pretoria

ABSTRACT

This article serves as documentary support for the development and contents of the common body of knowledge and skills (COBOKS) for government auditors in South Africa. Government auditors fulfill a specific role, clearly distinguishable from other professional services related to the generic functioning of accounting labour in South Africa. Not only is the government auditor function clearly described and backed by legislation, but the existence of an independent professional institute, the Southern African Institute of Government Auditors, a professional entrance examination and a public record of registered government auditors complement and support the professional status of government auditors.

Distinctions between public and private sector auditors in South Africa become apparent through a functional description as well as an analysis of the educational and skills requirements. In this regard the Common Body of Knowledge and Skills for Government Auditors provides the backbone of the profession of government auditors.

Key words:

Accounting labour, auditing education, auditor, Auditor-General, Common Body of Knowledge and Skills, cognitive & technical skill requirements, competence based education, continued professional education, curriculum, government auditing, Qualifying Examination, Southern African Institute of Government Auditors, syllabus, profession, Registered Government Auditor.

PART I BACKGROUND

The notion of a profession

Efforts to define the concept "profession" can be traced back as far as 1900. Researchers like Spencer (1900) and Thomas (1903) identified the first criteria by which a profession could be recognised.

In 1928, Carr-Saunders (1928:21) identified the following criteria of a profession:

- carrying out a trade and delivering a service
- for the purpose of being remunerated
- based on specialised intellectual study and training.

Elliott (1972) added the factor that the members of a profession should in some way be controlled or guided by a body or organisation. With time, various authors added to the stated characteristics, introducing a number of variations on the above. In 1980 a most

interesting development was noted when Houle (1980) listed fourteen specific characteristics of a profession.

Since this article focuses on the educational aspect of the government auditing profession, the following relevant characteristics, as identified by Houle, are listed:

- members should continuously endeavor to define the function or functions of their profession
- certain theoretical knowledge must be mastered
- members must be able to apply the theoretical knowledge
- formal procedures must be laid down regarding the professional's formal education
- knowledge and skills relevant to the profession and its members must be identified and defined.

From the above it is clear that knowledge and skills definition are a fundamental endeavor for a group seeking professional status. The profession's educational requirements cannot be developed and

educationally justified unless the profession presents society with a clear framework outlining the necessary knowledge and skills base of their members.

From this basic requirement, we derive a number of processes commonly found in professions: professional education, a formal examination process, professional standards and continued professional education.

The work of two authors in particular, Schein (1972) and Jarvis (1983), introduces another aspect of importance: the added notion of a "competent" practitioner or professional. Competency is subsequently defined as the practitioner's minimum knowledge, skills and attitudes. Jarvis sums this up as being: *knowledge* of academic disciplines, psycho-motoric elements, interpersonal relationships and moral values; *skills* to perform psycho-motoric procedures and to interact and communicate with other persons; an *attitude* based on knowledge and trust towards professionalism and a dedication to act professionally.

The government auditing function in South Africa

The government auditing function in South Africa is firmly entrenched in legislation. The statutory mandate for the functions of the Auditor-General is contained in the *Constitution of the Republic of South Africa, 1996* (Act No 108 of 1996), and the *Auditor-General Act, 1995* (Act No 12 of 1995). The Auditor-General performs the activities assigned to him/her by law with the assistance of staff appointed to the Office of the Auditor-General in terms of the *Audit Arrangements Act, 1992* (Act No 122 of 1992) and persons appointed by him/her in terms of section 6 of the *Auditor-General Act*.

In terms of the legislation, the Office of the Auditor-General is a legal entity, operating under the supervision of the Audit Commission. The Deputy Auditor-General is the accounting officer of the Office and as Chief Executive Officer (CEO), is also responsible for the efficient management and administration thereof. In 1911, the *Exchequer and Audit Act* established the principle of public accounting and accountability in South Africa with regard to the collection, custody and expenditure of public money.

From 1911 to 1915, the powers of the Controller and Auditor-General remained virtually unchanged. The *Exchequer and Audit Act* of 1911 was amended somewhat in 1916 and replaced by the *Exchequer and Audit Act, 1956*. By the mid-1970s, performance auditing was becoming internationally established, and the *Exchequer and Audit Act* of 1975 accordingly made provision for reporting on aspects concerning the economy, efficiency, and effectiveness of the management of public funds.

This Act also transferred the controlling function of the Exchequer from the Auditor-General to the Treasury. For the first time the *Auditor-General Act* of 1989 made provision for the Auditor-General and his or her staff in a separate Act. However, although the Auditor-General enjoyed full discretion in respect of the line functioning of the Audit Office, the Executive Authority and its

adjuncts had the final say on certain administrative matters relating to the Audit Office.

The *Audit Arrangements Act* of 1992 created an independent Audit Office, which is controlled by and reports to Parliament through the Audit Commission. It is the duty of the Auditor-General to be satisfied that:

- all reasonable preventative measures are taken to safeguard the income, assets and other interests of institutions being audited;
- expenditure is authorised and that laws and regulations are upheld; and
- satisfactory management measures have been taken to ensure that resources are procured economically and utilised efficiently and effectively.
- To ensure that public and timely reports containing audit findings are provided to the legislative bodies concerned.

Supervision by the Executive branch of the government over the Audit Office is not reconcilable with the principles of audit independence. The *Audit Arrangements Act* of 1992 led to the establishment of an independent Audit Office with effect from 1 April 1993. Since that date, the Audit Office has been functioning as a juristic person under appropriate parliamentary supervision.

The Auditor-General enjoys the highest security of tenure through the Constitution and can be dismissed only after due process and by a resolution of Parliament. An Audit Revenue Fund is used for the financial management of the Audit Office. Income is obtained mainly from money earned from services rendered.

The Chief Executive Officer, who is also the Deputy Auditor-General, is responsible for the efficient management administration of the Audit Office. He or she is also the Accounting Officer charged with accountability for the financial affairs of the Audit Office. Whereas the Auditor-General reports directly to Parliament, the Chief Executive Officer reports to the Audit Commission on matters of financial and operational stewardship. This ensures that the Audit Office is subject to public scrutiny and accountability for its own performance.

The management approach of the Audit Office aims to deliver an independent, professional and cost-effective audit service. Important strategic elements of this approach include:

- Participative management; Full compliance with the generally accepted government auditing standards (GAGAS);
- The contracting in of the expertise and services of private audit firms and consultants;
- Computerisation of the personnel and financial management systems as well as the audit planning process, and extensive use of networked personal computers; and
- A time accounting system, which processes and monitors the productivity of staff in terms of functional and non-functional time.

The *Audit Arrangements Act* has placed the Audit Office in a stronger position to promote greater public accountability, to help fight fraud, and to prevent waste at all levels of government. The Audit Office is committed to continue performing the task of government auditing at all tiers of government, and to do so effectively and responsibly, without fear or favour, in the interests of the South African taxpayer.

The above functions of the Office of the Auditor-General are complemented by the independent government auditing institute, the Southern African Institute of Government Auditors.

Based on enquiries with the Institute's Secretariat and research conducted in its records and statutes¹ a number of facts were identified which bear particular importance to the process pertaining to the professionalisation of the government auditor. The Southern African Institute of Government Auditors was founded in 1988 (SAIGA 1988).

The need for a Common Body of Knowledge and Skills

The following paragraph extracted from the official address to the first annual general meeting of the Institute (SAIGA 1989), by its Patron Dr J.H. De Loor on 2 June 1989, is of particular relevance to the subject of this article:

"Everybody involved in government auditing realizes that this work differs substantially from auditing in the private sector and that there is a need for it to be developed into a specialized science. In this regard it is also the responsibility of SAIGA to contribute to its development and professionalization by, amongst others, the setting of and adherence to training standards, liaison with educational institutions to establish courses in Government Auditing, and the publication of subject matter to provide an adequate theoretical foundation for Government Auditing to develop into a specialized science."

Although the Institute has been active on many fronts from its inception, including the organisation of conferences, publishing of newsletters and regular meetings, no record could be found of formalised educational and training requirements which would form the basis of the government auditors professional development. Although this shortcoming in the professional fabric of the government auditor was duly recognised by the elected representatives of the Institute, no concrete action was taken until 1997.

¹ The authors gratefully acknowledge assistance by the Secretariat of the Southern African Institute of Government Auditors in providing them access to the records of the Institute. During the research period both authors were also office bearers (Gloeck: Executive President; De Jager: Secretary). These positions obviously provided the authors with additional information regarding the development processes. The authors gratefully acknowledge the openness and transparency of the Southern African Institute of Government Auditors which became evident during the course of the research and development period.

The effects of this shortcoming hampered the efforts to professionalise the government auditor to such an extent that during 1996 and 1997 the Institute's membership reflected on various issues, including the possible dissolution of the Institute (SAIGA 1996).

On 25 October 1996, the Institute convened a special general meeting to discuss developments (SAIGA 1996) and identify shortcomings. In an attempt to influence the members' vote on the dissolution of the Institute and a possible merger with a recently newly established Institute for public Finance and Auditing, a panel was formed to address the members present. A panel member, the then Deputy Auditor-General, identified the failure of the Institute to develop an accountable educational basis for membership as the one area where the Institute, despite many other achievements, did not meet expectations. The Deputy Auditor-General, as Chief Executive Officer of the Office of the Auditor-General, also stated that the Office had relied on the Institute to develop such an independent Common Body of Knowledge and Skills to advance the professionalisation process. With due consideration for the position and functions of the Office of the Auditor-General, the Institute was seen to be the ideal vehicle through which such development could be undertaken.

Proposals regarding the dissolution of the Institute were rejected by its members (PricewaterhouseCoopers 1997). Following the election of a number of new office bearers in October 1997 (SAIGA 1997) the Institute was subjected to a number of innovative and repositioning initiatives. Most notable and relevant for purposes of the topic addressed in this article were the formation of two committees:

- The Educational and Training Committee
- The Innovation and Repositioning Committee.

Resulting from deliberations of the above committees, the following item was listed under "Priority matters" in the minutes of the Council meeting held on 21 July 1998: "*Development of a governmental auditing syllabus and professional entrance examination for future members*" (SAIGA 1998).

The same item was again listed under "Priority matters" in the minutes of the Council meeting held on 23 July 1999 (SAIGA 1999) reaffirming the importance that Council assigned to the development. Both the President's Report and his address to members during the annual general meeting dealt with the progress made in developing the Common Body of Knowledge and Skills (for Registered Government Auditors).

On 28 July 2000, the annual general meeting of members was presented with the Common Body of Knowledge and Skills for Registered Government Auditors (SAIGA 2000a). At the preceding Council meeting (28 July 2000), the document had been submitted and the minutes of the Council meeting recorded the following:

Common Body of Knowledge and Skills

The document titled "Common Body of Knowledge and Skills for Registered Government Auditors" (COBOKS)

which is the result of a two-year project, was considered. The development of this project had been given highest priority at previous Council and Annual General Meetings. The President reports that it had been most difficult to identify experts in this field who had time available. In view of developments regarding SAQA registration, most experts were heavily involved in assisting tertiary institutions in this regard. Eventually, most of the work had been done by the President and the Secretary.

The document had been circulated for comment to various experts and organisations, including the Office of the Auditor-General. The President noted that the development of a unique syllabus for Registered Government Auditors, consisting of requirements and regulations, regarding:

- General knowledge and skills
- Practical experience
- Specialised knowledge and skills
- A Qualifying Examination
- Continued professional education

signals a crucial step in the Institute's history and is to be seen as one of the Institute's greatest assets. It was decided to approve the document." (SAIGA 2000b).

PART II

OVERVIEW AND STRUCTURE OF THE COBOKS FOR RGA'S

The Common Body of Knowledge and Skills (COBOKS) sets out the professional educational requirements of Registered Government Auditors (RGA's).

It provides a description of the technical subject areas that a RGA candidate must master in order to qualify for registration as Registered Government Auditor. The Common Body of Knowledge and Skills serves as a guide not only to RGA candidates, but also to tertiary and other training institutions as well as training offices who recruit and educate prospective RGA's.

The COBOKS is developed by taking into account global accounting curriculum benchmarks and guidelines which have been set by:

- the United Nations UNCTAD Secretariat (United Nations 1988a & 1988b)
- the International Organisation of Supreme Audit Institutions (INTOSAI) (Intosai 1995)
- the International Federation of Accountants (IFAC) (refer to references)
- other international accounting and auditing institutes (American Accounting Association 1995; American Institute of Certified Public Accountants 1988; Association of Chartered Certified Accountants; Australian Society of Certified Practising Accountants 1997; Institute of Chartered Accountants of India 1997, Public Accountants' and Auditors' Board of South Africa ; the South African Institute of Chartered Accountants 1998).

It also incorporates specific national (South African) requirements as applicable to:

- the Office of the Auditor-General in South Africa
- the South African Qualifications Authority (SAQA)
- tertiary institutions.

The qualification requirements combine a number of both cognitive as well as technical skill levels which are acquired through various phases of professional development. COBOKS acknowledges that the candidate develops the necessary knowledge and skills by passing through various institutions of learning and gains experience at various levels. The requirements are therefore flexible enough to allow for diversity, mobility and numerous entry points.

The Southern African Institute of Government Auditors recognises the Registered Government Auditor as the highest level of professional qualification (level 7 of the SAQA grading) with regard to public sector audit. In this regard SAIGA's COBOKS qualifies as "specialised learning" (SAQA terminology).

Throughout their careers, RGA's will engage in continued professional education (CPE) which may result in considerably *higher* knowledge and skill levels unique to a specific environment which demands these specialised skills. This is a common phenomenon amongst professionals. COBOKS therefore specifies the *minimum* entry requirements.

The six components of the above system, profiling the Common Body of Knowledge and Skills are:

- I General knowledge and skills**
- II The detailed specialised curriculum**
- III Practical experience**
- IV The qualifying examination**
- V Certification**
- VI Continued professional education**

Through the certification process, all Registered Government Auditors become members of the Southern African Institute of Government Auditors.

The RGA entry requirements

The RGA entry requirements can be broken-down into the following three phases: formal education at a tertiary institution; practical experience in public sector auditing and the Qualifying Examination for Registered Government Auditors.

Regarding the formal education at a tertiary institution, the prospective RGA will have to obtain a qualification complying with certain minimum requirements as later set out in more detail. The philosophy followed is that a *four year business orientated degree / diploma* (as specified) will also provide the general and basic knowledge and skills needed to function in an interdependent economy. These basic skills and supportive subject content are not defined in this curriculum. All tertiary institutions engage in extensive and on-going curriculum research to ensure that their formal programmes are market orientated and meet the needs of all major role players in the economy.

Whilst certain differences and nuances may occur, as far as curriculum content of the various tertiary institutions is concerned, COBOKS rather focuses on *minimum* knowledge and skills levels which complement core knowledge and skills unique to the RGA.

The registration requirements are:

Four year training program at a registered tertiary institution (registration refers to registration with the Department of Education). Minimum required subjects which have to be passed successfully are:

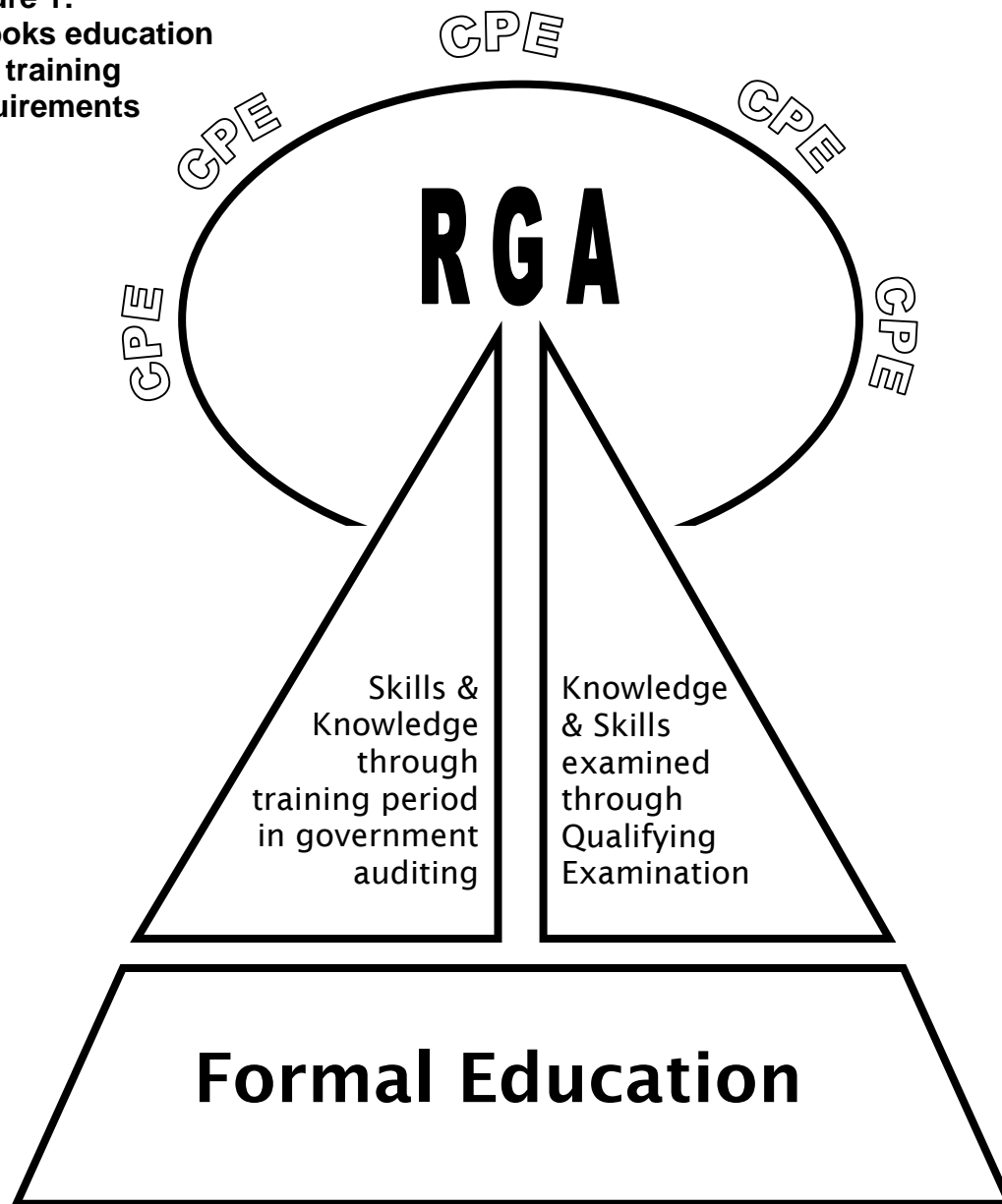
- Financial Accounting (three full years or six half-year semesters)
- Auditing (two full years) – excluding internal auditing

- Management Accounting (two full years)
- Taxation (one full year)
- Computer Information Systems (one full year)
- Commercial Law (one full year)
- Statistics (one full year).

The “Practical experience” and the “Qualifying Examination” requirement are dealt with under the sequence as indicated above (points III & IV).

The detailed curriculum which is examined through the Qualifying Examination, profiles a specialised professional: the government auditor. The combination of the above requirements profile a unique professional in South Africa: the Registered Government Auditor (RGA). The accompanying figure provides a graphical outline of the Coboks requirements and the government auditor’s professional educational base.

Figure 1:
Coboks education and training requirements



© SAIGA

I GENERAL KNOWLEDGE AND SKILLS

The South African Qualifications Authority identifies these as critical / cross-field outcomes. The Southern African Institute of Government Auditors recognised that the general knowledge and skills are acquired through various educational processes which include:

- formal and informal education
- working experience
- self-study and learning.

According to the Educational Guideline of the International Federation of Accountants' (IFAC) International (IEG), "The goal of education and experience must be to produce competent professional accountants who are capable of making a positive contribution over their lifetimes to the profession and to the society in which they work. The maintenance of professional competence in the face of the increasing changes they encounter makes it imperative that accountants develop and maintain an attitude of learning to learn. The education and experience of professional accountants must provide a foundation of knowledge, skills, and professional values that enables them to continue to learn and adapt to change throughout their professional lives."

Achieving this goal requires grounding in the skills, knowledge (both general and technical) and professional values essential to professional competence of Registered Government Auditors. The skills which RGA's must attain through education and experience are formulated in this document. The knowledge that individuals must acquire prior to registration consists of general knowledge and professional knowledge. The assessment of professional competence is done through a Qualifying Examination.

It is not sufficient for aspiring professional accountants to possess only theoretical knowledge. Registered Government Auditors must also have theoretical knowledge applicable to practical, real-life situations, by obtaining, analysing, interpreting, synthesising, evaluating and communicating information. These skills are best acquired during a period of general education prior to professional education. However, it should also be recognised that some elements of knowledge and skills are often acquired concurrently during the period of general and professional education and while obtaining practical experience. Examples of such skills are interpersonal, communication and problem-solving skills.

The skills that IFAC believes professional accountants must obtain are intellectual skills, interpersonal skills, communication skills and information technology skills.

The South African Qualifications Authority also identifies critical outcomes (skills) which inform all teaching and learning. The *combined*, critical outcomes pool for Registered Government Auditors is described below.

CRITICAL OUTCOMES

Intellectual skills:

- the capacity for inquiry, research, abstract logical thinking, inductive and deductive reasoning, and critical analysis
- the ability to identify and solve unstructured problems in unfamiliar settings and to apply problem-solving skills which display that responsible decisions using critical and creative thinking have been made
- collecting, analysing, organising and critically evaluating information
- the ability to select and assign priorities within restricted resources and to organise work to meet tight deadlines
- using science and technology effectively and critically, showing responsibility towards the environment and community
- the ability to adapt to change
- demonstrating an understanding of the world as a set of related systems by recognising that problem-solving contexts do not exist in isolation.

Communication skills:

- communicating effectively using visual, mathematical and language skills in the form of oral and written persuasion
- the ability to present, discuss and defend views effectively through formal and informal, written and spoken language
- the ability to listen and read effectively, including a sensitivity to cultural and language differences
- the ability to locate, obtain, organise, report and use information from human, printed and electronic sources.

Information technology skills:

- to operate at least two types of data processing systems; these would normally be a stand-alone micro computer system and a multi-user local network system
- to use electronic mail
- to access and retrieve information from an on-line database such as the worldwide web
- to use: a word processing program; an accounting spreadsheet program
- a database package; and at least one accounting (bookkeeping) program.

Interpersonal skills:

- working effectively with others as a member of a team, group, organisation and professional body, to organise and delegate tasks, to motivate, and develop people, to withstand and resolve conflicts, and, at appropriate times, to lead others
- organising and managing oneself and one's activities responsibly and effectively
- the ability to interact with culturally and intellectually diverse people

- the ability to negotiate acceptable solutions and agreements in professional situations
- the ability to work effectively in a cross-cultural setting
- contributing to the full personal development of each learner and the social and economic development of the society at large, by:
 - ♦ reflecting on and exploring a variety of strategies to learn more effectively
 - ♦ participating as responsible citizens in the life of local, national and global communities
 - ♦ being culturally and aesthetically sensitive across a range of social contexts
 - ♦ continuously exploring educational and career opportunities
 - ♦ developing entrepreneurial opportunities.

II THE DETAILED SPECIALISED CURRICULUM

The detailed specialised curriculum is divided into four major groups:

- 1 Fundamental principles of auditing theory & accountability and current audit developments.
- 2 Acts and Regulations applicable in the audit of government institutions.
- 3 The Code of Ethics for Auditors in the Public Sector.
- 4 The theory and application of the INTOSAI auditing standards in the audit process (manual and computerised systems).

Explanation of cognitive levels and designated key words relating to different levels is provided in the table below:

Table 1 : Cognitive levels and key words

THOUGHT PROCESS <i>from low to high</i>	DESCRIPTION OF COGNITIVE SKILLS REQUIRED	WHAT WILL BE REQUIRED OF CANDIDATES
Knowledge	Memorize	Name, arrange, show, repeat, list, describe, identify, define.
Understanding	Insight, understanding	Illustrate, explain, interpret, deduce, elucidate, summarize.
Application	Apply existing knowledge to	Determine, compile, organize, show.
Analyze	Be able to analyze and differentiate	Analyze, contrast, compare, investigate, differentiate.
Compile	Synthesize discrete components into a cohesive whole	Plan, develop, create, formulate, compose, relate to.
Evaluate	Be able to make comparisons based on various criteria	Take up a point of view, judge, criticize, deliver a motivated opinion.

Overall learning outcomes for registered government auditors

The purpose of the RGA qualification is to provide learners with specialised knowledge, skills and applied competence in the field of Public Auditing, control and information systems that will provide opportunities for continued intellectual and professional growth, to gain full economic activity and rewarding contributions to society.

Registered Government Auditors should be able to apply the relevant and current statutory and regulatory requirements as contained in various Acts, Regulations, professional pronouncements and standards within the context and framework of the Postulates in Auditing, the generic audit process and evaluate the adherence to and applicability of these regulations in a given practical situation encountered while conducting an audit.

A further purpose of the qualification is to provide a process which will assist in providing South Africa with

significant numbers of Registered Government Auditors which may serve the country's public sector.

1 Fundamental principles of auditing theory & accountability and current audit developments

SPECIFIC OUTCOMES

Candidates must be able to discuss various concept and relationships pertaining to auditing and accountability:

- accountability frameworks
- the modern need for accountability
- the notions of exit and voice as related to accountability
- the audit function as an integral part of the accountability framework
- historical development of the audit function in both private and public sector
- the private sector audit function *versus* the public sector audit function

- the structure of the audit profession through various international and national bodies
- postulates and principles of auditing theory and practice
- audit-standard setting
- standards versus statutory requirements
- the role of the government auditor
- public expectations of the auditor
- the phenomenon of the audit expectation gap
- auditors' social responsibilities
- the characteristics of a profession
- the audit process
- the ethical base of auditing.

Candidates must be able to:

- explain and discuss current audit developments
- identify major issues of institutional and scholarly research.

Candidates must have a good understanding of the government environment, including such aspects as the role of the legislature, the legal and institutional arrangements governing the operations of the executive and the charters of public entities.

2 Acts and Regulations applicable in the audit of government institutions

- 2.1 Constitution of the Republic of South Africa (Act 108 of 1996)
- 2.2 Auditor-General Act (No 12 of 1995)
- 2.3 Audit Arrangements Act (No.122 of 1992)
- 2.4 The Public Finance Management Act (No 1 of 1999)
- 2.5 Treasury Regulations.
(Plus amendments to the above)

Constitution of the Republic of South Africa (Act 108 of 1996) (Point 2.1)

SPECIFIC OUTCOMES

Candidates must be able to:

- identify and explain the reference to auditing in the Constitution of the Republic of South Africa and evaluate the requirements in the following context:
 - ♦ constitutional auditor independence
 - ♦ appointment of the Auditor-General
 - ♦ the public audit mandate.

Auditor-General Act (No 12 of 1995) (Point 2.2)

SPECIFIC OUTCOMES

Candidates must be able to:

- understand and evaluate the accountability arrangements providing for the conditions of

service and additional functions of the Auditor-General

- discuss the provisions for the auditing of certain accounts
- discuss the submission of audit reports to legislative institutions
- evaluate the audit function in South Africa within the following contexts:

- ♦ The Constitution
- ♦ Audit Arrangements Act
- ♦ Audit Commission
- ♦ Public Service Commission
- ♦ the three tiers of government in South Africa
- ♦ the Treasury

- explain the following principles and refer them to the government audit process and the functions of the Office of the Auditor-General:

- ♦ basis of auditor remuneration
- ♦ reports of the Auditor-General

- apply the provisions of the Act to the government audit process:

- ♦ evaluation of precautions to safeguard the collection of money
- ♦ evaluation of precautions in connection with the receipt, custody and issue of and accounting for property, money, stamps, securities, equipment, stores, trust money, trust property and other assets
- ♦ assessing the applicability of laws and regulations to receipts, payments and other transactions
- ♦ evaluating the management measures to ensure that resources have been procured economically and utilised efficiently and effectively
- ♦ powers and responsibilities of the Auditor-General and staff of the Office of the Auditor-General
- ♦ delegation of powers

- evaluate the applicability of the public interest notion to the government audit process in particular circumstances.

Audit Arrangements Act (No.122 of 1992) (Point 2.3)

SPECIFIC OUTCOMES

Candidates must be able to:

- analyse, contrast, compare and differentiate the following provisions of the Audit Arrangements Act:
 - ♦ establishment of the Office of the Auditor-General
 - ♦ establishment of the Audit Revenue Fund
 - ♦ the terms of reference, functions and powers of the Audit Commission
 - ♦ organisation and administration of the Office of the Auditor-General

- ♦ the functions of the Office's Staff Management Board
- ♦ appointments, promotion and transfer in and to posts in the Office of the Auditor-General
- ♦ procedures to retain or discharge employees in the Office of the Auditor-General
- ♦ inefficiency and misconduct
- ♦ obligations, rights and privileges of officers and employees in the Office of the Auditor-General
- ♦ remuneration guidelines
- ♦ the Advisory Committee of the Office of the Auditor-General
- ♦ staff rules
- ♦ delegation of powers
- perform an audit by taking into account provisions of the Audit Arrangements Act.

The Public Finance Management Act (No 1 of 1999)
(Point 2.4)

SPECIFIC OUTCOMES

Candidates must be able to:

- understand the applicability of the Public Finance Management Act in the audit of government and government related entities
- discuss the intentions of the legislature
- explain the management philosophies and strategies established through the Public Finance Management Act
- evaluate the effects of the Public Finance Management Act on the public audit function
- understand the following concepts as described in the Act and incorporate them appropriately into the audit process:
 - ♦ the various Treasuries
 - ♦ the various Revenue Funds
 - ♦ form and content of the budgets
 - ♦ the medium term expenditure framework
 - ♦ the adjustment budgets
 - ♦ unauthorised expenditure
 - ♦ irregular expenditure
 - ♦ fruitless and wasteful expenditure
 - ♦ accountability arrangements at Public Entities
 - ♦ responsibilities of the executive authorities
 - ♦ loan guarantees and other commitments
 - ♦ norms and standards
 - ♦ financial misconduct
 - ♦ accounting standards
 - ♦ the Accounting Standards Board
- to evaluate compliance of Accounting Officers' and Accounting Authorities' responsibilities as set out in the Public Finance Management Act and to formulate an opinion on the adherence thereto:
 - ♦ general responsibilities
 - ♦ responsibilities relating to budgetary control
 - ♦ reporting responsibilities
 - ♦ information to be submitted
 - ♦ responsibilities when assets and liabilities are transferred
 - ♦ virement between main divisions within votes

- perform an audit by taking into account relevant provisions of the Public Finance Management Act.

Treasury Regulations
(Point 2.5)

SPECIFIC OUTCOMES

Candidates must be able to:

- apply the Treasury Regulations in the following context
 - ♦ the Public Finance Management Act
 - ♦ the audit related Acts and Regulations
 - ♦ the financial management functions in the public sector
- evaluate the following concepts in relation to the audit function, compliance and applicability in specific practical situations:
 - ♦ corporate management
 - ♦ internal control
 - ♦ financial misconduct
 - ♦ investigation and reporting of financial misconduct
 - ♦ criminal proceedings in respect of financial misconduct
 - ♦ planning and budgeting
 - ♦ strategic plans
 - ♦ annual budget circulars
 - ♦ formats for Estimates of Expenditure
 - ♦ virement and rollovers
 - ♦ transfer of functions
 - ♦ adjustment budgets
 - ♦ revenue management
 - ♦ expenditure management
 - ♦ asset and debtor management
 - ♦ management of losses and claims
 - ♦ loans, guarantees and other commitments
 - ♦ money and property held in trust
 - ♦ banking, cash management and investment frameworks
 - ♦ public-private partnerships
 - ♦ accounting and reporting requirements
 - ♦ monthly and annual reports
 - ♦ trading entities
 - ♦ Commissions and Committees of Inquiry
 - ♦ gifts, donations and sponsorships
 - ♦ payments, refunds and remissions as an act of grace
- perform an audit by taking into account provisions of the Treasury Regulations.

3 The Code of Ethics for Auditors in the Public Sector

SPECIFIC OUTCOMES

Candidates must be able to:

- apply, in practical situations, the statements of the values and principles which should guide the daily work of auditors

- resolve dilemmas relating to the requirements of independence, confidentiality, and political neutrality, conflict of interests and professional secrecy
- identify and discuss auditor decision making by incorporating the Code of Ethics' principles and values
- understand the continued professional education requirements and be able to evaluate, on an ongoing basis the candidate's own continued professional education status.
- exercise their continuous obligation to update and improve the skills required for the discharge of their professional responsibilities.

4 The theory and application of the INTOSAI auditing standards in the audit process (manual and computerised systems)

SPECIFIC OUTCOMES

Candidates must be able to:

- perform an audit by applying the auditing standards in the audit process through evaluation of systems, decisions regarding the appropriate audit approach, formulation of audit procedures, evaluation of audit evidence, concluding, formulation of an audit opinion and reporting
- analyse and evaluate on an *ad-hoc* basis practical audit situations with reference to the adherence of auditing standards and professional pronouncements.

The above outcomes have to be achieved in respect of all four auditing standards and their various substandards.

- Basic Postulates in Government Auditing
- General Standards in Government Auditing
- Field Standards in Government Auditing
- Reporting Standards in Government Auditing.

Basic Postulates in Government Auditing

- compliance with auditing standards
- application of own judgement
- public consciousness *versus* demand for accountability
- development of accountability through controls, evaluation and reporting systems
- promulgation of acceptable accounting standards and measurable objectives
- consistent application of accounting standards
- minimisation of risk and errors through good controls
- legislative enactment to provide for auditor access
- audit activities within the SAI mandate
- improving of techniques for auditing
- avoiding conflict of interests.

Candidates must be able to evaluate the *Postulates* in the following context:

- auditing standards
- reporting requirements
- accounting standards
- materiality
- professional judgement
- non-audit work (other services)
- legal work
- audit evidence
- public accountability
- standard-setting practices and philosophies
- constitutional provisions
- the role of the SAI
- characteristics of audit
- regulatory audit
- performance audit
- auditor independence.

General Standards in Government Auditing

- the auditor's independence
- the auditor's necessary competence
- the exercise of due care and concern in complying with the auditing standards

Candidates must be able to evaluate *Auditor Independence* in the following context:

- independence of the audit function from both legislature and the executive branch of government
- constitutional independence
- communications regarding results of the audits of the application of the State budget and of administration and disputes and disagreements with audited administrations
- freedom to set audit priorities and methodologies in performing the audit
- freedom to set reporting requirements
- provision of sufficient resources by the legislature
- the avoidance of participation in the executive function
- the absence of power of direction by the executive
- the modifying or suppressing of audit findings, conclusions or recommendations
- advice to the executive
- the prerogative to decline requests by the executive
- the powers granted to the auditor to obtain access to information
- irremovability of office bearers
- the absence of a client relationship with the audited entity
- refrainment from participation in the management or operations of an audited entity
- the absence personnel's close affiliations with management of an audited entity.

Candidates must be able to evaluate *Professional Auditor Competence* in the following context:

- quality of audits, methodologies and practices
- adherence to standards, planning procedures, methodologies and supervision
- application of system-based techniques
- application of analytical review methods

- ♦ application of statistical sampling
- ♦ audit of automated information systems.

Candidates must be able to evaluate the *Due Care Standard* in the following context:

- ♦ specifying, gathering and evaluating evidence and in reporting findings, conclusions and recommendations
- ♦ fairness in evaluations and reporting of the outcome of the audit
- ♦ alertness to control weaknesses, inadequacies in record keeping, errors and unusual transactions, fraud, improper or unlawful expenditure, unauthorised operations, waste, inefficiency or lack of probity
- ♦ due care of experts and specialists engaged in the audit
- ♦ assurances as to the due care exercised by other auditors used
- ♦ information acquired in the course of the audit work which must not be used for purposes outside the audit scope
- ♦ reporting of offences against the law to proper prosecuting authorities.

Candidates must be able to evaluate the *Other General Standards for SAIs* in the following context:

- ♦ training, recruiting, monitoring, reviewing the continued professional education requirements of personnel
- ♦ professional development
- ♦ review of staff skills
- ♦ issue of written guidance to audit staff
- ♦ assignment of suitably skilled audit teams
- ♦ supervision of audit staff
- ♦ assessment of time-scales
- ♦ setting of maximum practicable assurance regarding performance of public accountability obligations
- ♦ strategic planning
- ♦ setting of materiality criteria and figures
- ♦ policies and procedures to review the efficiency and effectiveness of the SAI's internal standards and procedures
- ♦ quality assurance reviews and programs
- ♦ audit review by senior staff
- ♦ independent appraisal of audit work.

Audit of financial systems, accounting records and financial statements requires training in accounting and related disciplines as well as a knowledge of applicable legislation and executive orders affecting the accountability of the audited entity.

Further, the conduct of performance audits may require, in addition to the above, training in such areas as:

- ♦ administration
- ♦ management
- ♦ economics
- ♦ the social sciences.

Field Standards in Government Auditing

- planning of the audit to ensure execution thereof in an effective, efficient and economic manner
- supervision and review
- study and evaluation of the reliability of internal control in determining the scope of the audit
- tests of compliance with laws and regulations
- procedures to provide reasonable assurance of detecting errors, irregularities and illegal acts
- gathering of competent, relevant and reasonable evidence to support the auditor's judgement and conclusions
- analysis of financial statements to establish compliance with acceptable accounting standards for financial reporting.

Candidates must be able to evaluate the *Planning Standard* in the following context:

- ♦ prioritisation of aspects required by law
- ♦ identification of important aspects of the environment
- ♦ understanding accountability relationships
- ♦ the audit objectives
- ♦ identification of key management systems and controls
- ♦ assessment of the strength and weaknesses of the management systems and controls
- ♦ determination of audit materiality
- ♦ review of internal audit and its work program
- ♦ reliance on other auditors
- ♦ determining the most efficient and effective audit approach
- ♦ actions based on previous audit findings
- ♦ documentation of the audit plan.

Candidates must be able to perform the steps normally included in the *planning phase* of an audit:

- ♦ collect information about the audited entity and its organisation in order to assess risk and to determine materiality
- ♦ define the objective and scope of the audit
- ♦ undertake preliminary analysis to determine the approach to be adopted and the nature and extent of enquiries to be made later
- ♦ highlight special problems foreseen when planning the audit
- ♦ prepare a budget and a schedule for the audit
- ♦ identify staff requirements and form a team for the audit
- ♦ familiarise the audited entity about the scope, objectives and the assessment criteria of the audit and discuss with them as necessary.

Candidates must be able to evaluate the *Supervision and Review Standard* in the following context:

- ♦ documentation of the review stage
- ♦ directing supervision at both the substance and the method of auditing

- ♦ auditing standards and practices
- ♦ working papers
- ♦ review procedures
- ♦ the collegiate basis of operation.

Candidates must be able to evaluate the *Study and Evaluation of Internal Control Standard* in the following context:

- ♦ safeguarding of assets and resources
- ♦ accuracy and completeness of accounting records
- ♦ compliance with laws and regulations
- ♦ efficiency, effectiveness and economy
- ♦ adherence to management policies
- ♦ timely and reliable financial management information
- ♦ computerised accounting systems.

Candidates must be able to evaluate the *Tests of Compliance with Laws and Regulations Standard* as well as the *Detection of Errors Standards* in the following context:

- ♦ *reasonable assurance* to detect errors, irregularities, illegal acts (EIIA)
- ♦ the effect of EIIA on the financial statements
- ♦ the effect of EIIA on the audit objectives
- ♦ the effect of EIIA on the decision makers in government
- ♦ reviewing of compliance
- ♦ professional judgement
- ♦ management responsibility
- ♦ the effect of EIIA on the audit results
- ♦ choice of procedures that are appropriate in the circumstances
- ♦ SAI independence
- ♦ legal procedures to deal with EIIA
- ♦ labour procedures to deal with EIIA.

Candidates must be able to evaluate the *Evidence Standard* in the following context:

- ♦ competent
- ♦ relevant
- ♦ reasonable
- ♦ sampling techniques
- ♦ data collection
- ♦ materiality
- ♦ working papers.

Candidates must be able to *collect evidence* during an audit which will:

- ♦ confirm and support the auditor's opinions and reports
- ♦ increase the efficiency and effectiveness of the audit
- ♦ serve as a source of information for preparing reports or answering any enquiries from the audited entity or from any other party
- ♦ serve as evidence of the auditor's compliance with Auditing Standards
- ♦ facilitate planning and supervision
- ♦ help the auditor's professional development
- ♦ help to ensure that delegated work has been satisfactorily performed

- ♦ provide evidence of work done for future reference.

Candidates must be able to evaluate the *Analysis of Financial Statements Standard* in the following context:

- ♦ acceptable accounting standards
- ♦ Generally Recognised Accounting Practice (GRAP)
- ♦ adequacy of reporting and disclosure.

Candidates must be able to *analyse financial statements* and ascertain whether:

- ♦ financial statements are prepared in accordance with acceptable accounting standards
- ♦ financial statements are presented with due consideration to the circumstances of the audited entity
- ♦ sufficient disclosures are presented about various elements of financial statements
- ♦ the various elements of financial statements are properly evaluated, measured and presented.

Where the SAI is required to *report* on the execution of budgetary laws, the candidate must be able to perform an audit which should include the following:

- ♦ for revenue accounts, ascertaining whether forecasts are those of the initial budget, and whether the audits of taxes and duties recorded, and imputed receipts, can be carried out by comparison with the annual financial statements of the audited activity;
- ♦ for expenditure accounts, verifying credits to assist budgets, adjustment laws and, for carryovers, the previous year's financial statements.

Reporting Standards in Government Auditing

- preparation of a written opinion or report
- deciding what action to take regarding fraudulent practices
- formulating a statement of positive (negative) assurance for items tested (not tested)

Candidates must be able to evaluate the *Written Report Standard* in the following context:

- ♦ ease of understanding
- ♦ vagueness and ambiguity
- ♦ support by evidence
- ♦ independence
- ♦ objectivity
- ♦ fairness and constructiveness
- ♦ timeliness.

Candidates must be able to *prepare a report* (for both the regulatory and performance audit) which will include an appropriate:

- ♦ title
- ♦ signature
- ♦ date

- ♦ objective and scope
- ♦ completeness
- ♦ addressee
- ♦ identification of subject matter
- ♦ legal basis
- ♦ compliance with standards
- ♦ qualified or unqualified opinion
- ♦ reference to weaknesses in the systems
- ♦ emphasis of matter.

Candidates must be able to *decide on actions regarding fraudulent practices* and *formulate an appropriate opinion* by taking into account:

- ♦ uncertainties
- ♦ limitations on the scope of the audit
- ♦ legal framework
- ♦ materiality
- ♦ acceptable accounting bases and policies
- ♦ statutory requirements
- ♦ relevant regulations
- ♦ consistency
- ♦ adequate disclosure
- ♦ incomplete or misleading statements
- ♦ disagreements.

Candidates must be able to formulate and evaluate audit reports based on both *regulatory* and *performance* audits.

With regard to performance reports, candidates must be able to formulate and evaluate audit reports in the following context:

- ♦ criticism
- ♦ interpretation
- ♦ effectiveness, efficiency and economy
- ♦ descriptiveness
- ♦ constructiveness
- ♦ recommendations
- ♦ materiality.

III PRACTICAL EXPERIENCE

The prospective RGA must gain his/her practical experience in the public audit arena. Taking into account the mandate which the Office of the Auditor-General is given by the *Auditor-General Act* as well as the *Audit Arrangements Act*, the practical experience has to be certified by the Office of the Auditor-General.

The Office of the Auditor-General therefore acts as certification authority with regard to the practical experience requirement. COBOKS requires that a candidate complete at least *four years* of public audit experience. Candidates who are not employed by the Office of the Auditor-General, but by private audit firms who assist the Office of the Auditor-General in public audit work, can also meet this requirement, provided that the Office of the Auditor-General certifies their public audit work record as correct. The four years need not be served in succession, but can be acquired over a maximum period of seven years.

INTOSAI has formulated specific responsibilities which the Supreme Audit Institution has to discharge in respect of practical experience provided to the audit

staff. The Supreme Audit Institution in South Africa is the Office of the Auditor-General.

Due to the affinity between the initial practical experience and experience acquired through continued professional education, the INTOSAI requirements for practical experience *versus* continued professional education are closely related. Relevant INTOSAI Standards for the Supreme Audit Institution (SAI) are listed below.

Practical experience standards

The INTOSAI auditing standards are that the SAI should adopt policies and procedures to:

- Recruit personnel with suitable qualifications.
- Develop and train SAI employees to enable them to perform their tasks effectively, and to define the basis for the advancement of auditors and other staff.
- Prepare manuals and other written guidance and instructions concerning the conduct of audits.
- Support the skills and experience available within the SAI and identify the skills which are absent; provide a good distribution of skills to auditing tasks and assign a sufficient number of persons for the audit; and have proper planning and supervision to achieve its goals at the required level of due care and concern.
- Review the efficiency and effectiveness of the SAI's internal standards and procedures.

The auditor and the SAI must possess the required competence.

- The mandate of a SAI generally imposes a duty of forming and reporting audit opinions, conclusions and recommendations. In some SAIs this duty may be imposed on the head of the organisation. In SAIs organised on a collegiate basis the duty is usually placed on the institution itself.
- Discussion within the SAI promotes the objectivity and authority of opinions and decisions. Where a SAI is structured in collegiate form, the final opinions and decisions represent the view of the organisation as a whole, even if the action is taken or exercised in bodies differentiated by their composition but not their power--for example, a Chamber, Joint Chamber or section of a Chamber. If the SAI has a single Head all opinions and decisions are taken by that Head or in his name.
- Since the duties and responsibilities thus borne by the SAI are crucial to the concept of public accountability, the SAI must apply to its audits, methodologies and practices of the highest quality. It is incumbent upon it to formulate procedures to secure effective exercise of its responsibilities for audit reports, unimpaired by less than full adherence by personnel or external

experts to its standards, planning procedures, methodologies and supervision.

- The SAI needs to command the range of skills and experience necessary for effective discharge of the audit mandate. Whatever the nature of the audits to be undertaken under that mandate, the audit work should be carried out by persons whose education and experience is commensurate with the nature, scope and complexities of the audit task.
- The SAI should equip itself with the full range of up-to-date audit methodologies, including systems-based techniques; analytical review methods, statistical sampling, and audit of automated information systems.
- The wider and more discretionary in nature the SAI's mandate, the more complex becomes the task of ensuring quality of performance across the whole mandate. Thus a mandate allowing the SAI discretion in the frequency of audits to be carried out and the nature of reports to be provided, demands a high standard of management within the SAI.

The SAI should adopt policies and procedures to recruit personnel with suitable qualifications.

- SAI personnel should possess suitable academic qualifications and be equipped with appropriate training and experience. The SAI should establish, and regularly review, minimum educational requirements for the appointment of auditors.

The SAI should adopt policies and procedures to develop and train SAI employees to enable them to perform their task effectively and to define the basis for the advancement of auditors and other staff.

- The SAI should take adequate steps to provide for continuing professional development of its personnel, including, as appropriate, provision of in-house training and encouragement of attendance at external courses.
- The SAI should maintain an inventory of skills of personnel to assist in the planning of audits as well as to identify professional development needs.
- The SAI should establish and regularly review criteria, including educational requirements, for the advancement of auditors and its other staff members.
- The SAI should also establish and maintain policies and procedures for the professional development of audit staff regarding the audit techniques and methodologies applicable to the range of audits it undertakes.
- SAI personnel should have a good understanding of the government environment, including such aspects as the role of the legislature, the legal

and institutional arrangements governing the operations of the executive and the charters of public enterprises.

- Trained audit staff of the SAI must possess an adequate knowledge of the SAI's auditing standards, policies, procedures and practices.
- Audit of financial systems, accounting records and financial statements requires training in accounting and related disciplines as well as a knowledge of applicable legislation and executive orders affecting the accountability of the audited entity.
- Further, the conduct of performance audits may require, in addition to the above, training in such areas as administration, management, economics and the social sciences.
- The SAI should encourage its personnel to become members of a professional body relevant to their work and to participate in that body's activities.

The SAI should adopt policies and procedures to prepare manuals and other written guidance and instructions concerning the conduct of audits.

- Communication to staff of the SAI by means of circulars containing guidance, and the maintenance of an up-to-date audit manual setting out the SAI's policies, standards and practices, is important in maintaining the quality of audits.

The SAI should adopt policies and procedures to support the skills and experience available within the SAI and identify those skills which are absent; provide a good distribution of skills to auditing tasks and a sufficient number of persons for the audit; and have proper planning and supervision to achieve its goals at the required level of due care and concern.

- Resources required to undertake each audit need to be assessed so that suitably skilled staff may be assigned to the work and a control placed on staff resources to be applied to the audit.
- The extent to which academic attainments should be related specifically to the audit task varies with the type of auditing undertaken. It is not necessary that each auditor possesses competence in all aspects of the audit mandate. However, policies and procedures governing the assignment of personnel to audit tasks should aim at deploying personnel who have the auditing skills required by the nature of the audit task so that the team involved on a particular audit collectively possesses the necessary skills and expertise.

IV THE QUALIFYING EXAMINATION

All prospective RGA's have to pass the Qualifying Examination for Registered Government Auditors (RGA-QE) (required pass rate 50%). The RGA-QE

consists of a five hour written examination which is set by the Examination Board (EB) of the Southern African Institute of Government Auditors. The successful completion of the four-year degree / diploma (as specified) and completed practical training is a prerequisite for writing the RGA-QE.

V CERTIFICATION

The Southern African Institute of Government Auditors maintains a public Register of Government Auditors. Candidates who have successfully completed the following can apply to have their names recorded in the Register of Registered Government Auditors:

- formal education requirements at a tertiary institution(s)
- practical experience in public sector auditing
- the Qualifying Examination for Registered Government Auditors

Candidates must sign a declaration to adhere to the Code of Ethics of Public Auditors and pay the prescribed fees. The Register of Government Auditors is accessible on the Internet (World Wide Web) through a searchable database to enable the public to confirm the registration status of auditors involved in the audit of their organisations.

VI CONTINUED PROFESSIONAL EDUCATION

INTOSAI Auditing Standards require that the audit professional engages in continued professional education (CPE). The CPE requirement is discharged jointly by the SAI as well as the professional him/herself. The SAI (in South Africa the Office of the Auditor-General) should take adequate steps to provide for continuing professional development of its personnel, including, as appropriate, provision of in-house training and encouragement of attendance at external courses.

The INTOSAI Auditing Standards which apply to continued professional education are listed below.

- SAI personnel should possess suitable academic qualifications and be equipped with appropriate training and experience. The SAI should establish, and regularly review, minimum educational requirements for the appointment of auditors.
- The SAI should adopt policies and procedures to develop and train SAI employees to enable them to perform their task effectively and to define the basis for the advancement of auditors and other staff.
- The SAI should take adequate steps to provide for continuing professional development of its personnel, including, as appropriate, provision of in-house training and encouragement of attendance at external courses.
- The SAI should maintain an inventory of skills of personnel to assist in the planning of audits as

well as to identify professional development needs.

- The SAI should establish and regularly review criteria, including educational requirements, for the advancement of auditors and other staff of the SAI.
- The SAI should also establish and maintain policies and procedures for the professional development of audit staff regarding the audit techniques and methodologies applicable to the range of audits it undertakes.
- SAI personnel should have a good understanding of the government environment, including such aspects as the role of the legislature, the legal and institutional arrangements governing the operations of the executive and the charters of public enterprises. Likewise, trained audit staff must possess an adequate knowledge of the SAI's auditing standards, policies, procedures and practices.
- Audit of financial systems, accounting records and financial statements requires training in accounting and related disciplines as well as a knowledge of applicable legislation and executive orders affecting the accountability of the audited entity. Further, the conduct of performance audits may require, in addition to the above, training in such areas as administration, management, economics and the social sciences.
- The SAI should adopt policies and procedures to prepare manuals and other written guidance and instructions concerning the conduct of audits.
- Communication to staff of the SAI by means of circulars containing guidance, and the maintenance of an up-to-date audit manual setting out the SAI's policies, standards and practices, is important in maintaining the quality of audits.
- The SAI should adopt policies and procedures to support the skills and experience available within the SAI and identify those skills which are absent; provide a good distribution of skills to auditing tasks and a sufficient number of persons for the audit; and have proper planning and supervision to achieve its goals at the required level of due care and concern.
- Resources required to undertake each audit need to be assessed so that suitably skilled staff may be assigned to the work and a control placed on staff resources to be applied to the audit.
- The extent to which academic attainments should be related specifically to the audit task varies with the type of auditing undertaken. It is not necessary that each auditor possess competence in all aspects of the audit mandate. However, policies and procedures governing the assignment of personnel to audit tasks should aim at deploying personnel who have the auditing

skills required by the nature of the audit task so that the team involved on a particular audit collectively possesses the necessary skills and expertise.

- The SAI should encourage its personnel to become members of a professional body relevant to their work and to participate in that body's activities.

The Office of the Auditor-General therefore plays an important role in the continued professional education processes of the Registered Government Auditor.

The Southern African Institute of Government Auditors recommends that Registered Government Auditors records all continued professional education related activities participated in during each year.

The following activities form part of continued professional education:

- enrolment and study at registered tertiary institutions
- attendance at formal courses providing certification
- other courses on public sector accounting and auditing

- reading of articles related to public sector auditing and accounting.

Conclusion

Like the professional who has to keep abreast of current developments through continuing professional education and an attitude of lifelong learning, the exertions of a profession to improve its professional status are never-ending. Despite this, every profession arrives at certain important milestones which allow the scholar and researcher to benchmark its progress.

In developing and publishing the Common Body of Knowledge and Skills for Registered Government Auditors, the Southern African Institute of Government Auditors has arrived at such a milestone. This development has further emphasized and advanced its professional status. The fact that the Institute has become the first accounting institute in South Africa to formulate and publish the professional *skills* required by its members reinforces the leadership that this Institute has taken in accountability to society within the greater arena in which accounting labour is divided and controlled.



References

Accounting Education Change Commission and American Accounting Association (AAA). *Assessment for New Curriculum: A Guide for Professional Accounting Programs*. Accounting Education Series. Volume 11. Sarasota: AAA. 1995.

American Institute of Certified Public Accountants (AICPA). *Education Requirements for Entry into the Accounting Profession: A Statement of AICPA Policies*. Second edition; revised. New York: AICPA. 1988.

Association of Chartered Certified Accountants (ACCA). *Studying and the Examinations, ACCA Syllabus*. London: ACCA. 1996.

Auditor-General Act. 1989. Act No 52 of 1989. Pretoria: Government Printers. 1989.

Auditor-General Act. 1995. Act No 12 of 1995. Pretoria: Government Printers. 1995.

Audit Arrangements Act. 1992 . Act No 122 of 1992. Pretoria: Government Printers. 1992.

Australian Society of Certified Practising Accountants (ASCPA). *CPA Program*. Melbourne: ASCPA. 1997.

Bloom, B.S. *Taxonomy of educational objectives – handbook 1 cognitive domain*. Eighteenth edition. New York: David McKay Company Inc. 1974.

Bloom, B.S.; Krathwohl, D.R. & Masia, B.B. *Taxonomy of educational objectives – handbook 2 affective domain*. Ninth edition. London: Longman Group Limited. 1973.

Boley, B.A. *Crossfire in professional education: students, the profession and society*. New York: Pergamon Press Inc. 1977.

Carr-Saunders, A.M. *The professions: their organization and place in society*. Oxford: Clarendon Press. 1928.

Carr-Saunders, A.M. & Wilson, P.A. *The professions*. London: Frank Cass & Company. 1964.

Constitution of the Republic of South Africa. 1996. Act No 108 of 1996. Pretoria: Government Printers. 1996.

Elliott, P. *The sociology of the professions*. London: MacMillan. 1972.

Institute of Chartered Accountants of India (ICAI). *Education and Training for Chartered Accountancy*. New Delhi: ICAI. 1997.

International Federation of Accountants (IFAC). *Prequalification Education, Assessment of Professional Competence and Experience Requirements of Professional Accountants*. International Educational Guideline (IEG). No 9, revised. New York: IFAC. 1996.

International Federation of Accountants (IFAC). *Implementing International Education Guideline II "Information Technology in the Accounting Curriculum": Strategies of the American Institute of Certified Public Accountants*. New York: IFAC. 1996.

International Federation of Accountants (IFAC). *Continuing Professional Education* (International Educational Guideline (IEG). No 2, revised. New York: IFAC. 1998.

International Federation of Accountants (IFAC). "Competence-based approaches to the professional preparation of accountants". Discussion paper. New York: IFAC. 1998.

INTOSAI (International Organisation of Supreme Audit Institutions). 1995. *Government Auditing Standards*. Washington, D.C.: Intosai Auditing Standards Committee. 1995.

INTOSAI (International Organisation of Supreme Audit Institutions). 1998. *INTOSAI Code of Ethics for Auditors in the public sector*. Montevideo: Intosai. 1998.

The Exchequer and Audit Act. 1911. Pretoria: Government Printers. 1911.

The Exchequer and Audit Act. 1956. Pretoria: Government Printers. 1956.

The Exchequer Act. 1975. Act No 66 of 1975. Pretoria: Government Printers. 1975.

Grinaker, R.L. "The auditing curriculum – is there a need for change?" *Researching the accounting curriculum: is there a need for change?*. Sarasota: American Accounting Association. 1975.

Houle, C.O. *Continued learning in the professions*. San Francisco: Jossey Bass Publishers. 1980.

Jarvis, P. *Professional education*. London: Croom Helm, 1983.

PricewaterhouseCoopers. 1997. *Report of the independent auditors to the members of the Southern African Institute of Government Auditors*. 18 September 1997.

Public Accountants' and Auditors' Board (PAAB). *The Education Requirements of the Public Accountants' and Auditors' Board*. Johannesburg: PAAB. 1993.

Public Finance Management Act. Act No 1 of 1999. Pretoria: Government Printers. 1999.

South African Institute of Chartered Accountants. 1998. *The Education Requirements of the South African Institute of Chartered Accountants for entry into part 2 of the Qualifying Examination*. February 1998.

SAIGA (Southern African Institute of Government Auditors). 1988. Minutes of the Founding Meeting held on 27 July 1988. Pretoria.

SAIGA (Southern African Institute of Government Auditors). 1989. *Official address of the Patron of the Southern African Institute of Government Auditors, Dr J. H. De Loor* as recorded in the minutes of the first Annual General Meeting held on 2 June 1989. Pretoria.

SAIGA (Southern African Institute of Government Auditors). 1996. *Minutes of a Special General Meeting held on 25 October 1996*. Pretoria.

SAIGA (Southern African Institute of Government Auditors). 1997. *Minutes of the ninth Annual General Meeting held on 30 October 1997*. Pretoria.

SAIGA (Southern African Institute of Government Auditors). 1998. *Minutes of a Council Meeting held on 21 July 1998*. Pretoria.

SAIGA (Southern African Institute of Government Auditors). 1999. *Minutes of a Council Meeting held on 23 July 1999*. Pretoria.

SAIGA (Southern African Institute of Government Auditors). 2000a. *Minutes of the eleventh Annual General Meeting held on 28 July 2000*. Pretoria.

SAIGA (Southern African Institute of Government Auditors). 2000b. *Minutes of a Council Meeting held on 28 July 2000*. Pretoria.

SAQA (South African Qualifications Authority). The full range of SAQA documents were accessed on their website: www.saqa.org.za.

Schein, E.H. *Professional education: some new directions*. New York: Mc Graw-Hill Book Company. 1972.

Spencer, H. *Principles of sociology*. Volume 3, New York: D Appleton, 1900.

Thomas, W.I. "The relation of the medicine man to the origin of the professional occupations". *The Decennial Publications, University of Chicago*. Volume 4. 1903.

Treasury Regulations. 2000. *Treasury Regulations for departments, constitutional institutions and trading entities*. Pretoria: National Treasury. published in the Government Gazette No 21249. 31 May 2000.

United Nations. 1998a. *Guideline for a global accounting curriculum and other qualification requirements*. Geneva: UNCTAD Secretariat. 1998.

United Nations. 1998b. *Global curriculum for the professional education of professional accountants*. Geneva: UNCTAD Secretariat. 1998.