

Risk Management and Internal Controls continued

The internal control process has been in place up to the date of approval of the annual report and financial statements. Based on its assessment, the Company believes that, as at 30 June 2015, its system of internal control over financial reporting and the safeguarding of assets against unauthorised acquisitions, use or disposition met that criteria.

Internal Audit Function

The Company appointed Nexia SAB & T as its internal auditors for a period of three years. This service provider successfully rolled out the annual internal audit plan for the financial year under review and the internal auditors carried out the audits in line with the approved internal audit plan.

The table below indicates the outcome of the preliminary assessment of audited activities of the 2014/2015 auditable areas:

No.	Audit area	Conclusion on internal control
1.	Anti-Fraud and Corruption	Partially Adequate and Partially Effective
2.	Property Management	Adequate and Partially Effective
3.	Audit of Pre-determined Objectives (Q1)	Adequate and Partially Effective
4.	Audit of Pre-determined Objectives (Q2)	Adequate and Partially Effective
5.	Finance	Adequate and Effective
6.	Revenue	Adequate and Effective
7.	Verification of Compliance Risk Report	Adequate and Effective
8.	Audit of Pre-determined Objectives (Q3)	Adequate and Effective
9.	Contract Management	Adequate and Effective
10.	Human Resources and Payroll	Adequate and Effective
11.	Supply Chain Management/Procurement	Adequate and Effective

The overall internal control environment assessment was found to be adequate and effective for the current financial year.

Internal audit's role is that of an objective and independent value-adding assurance provider that embraces a risk based audit approach in line with the King III Report. The Internal Audit function is also accountable to the Audit and Risk Committee. The Committee has periodic meetings with internal audit in management's absence.

Resolving Auditor-General's Findings

The AG recently finalised their 2014/15 Audit, in which two issues were raised and subsequently resolved by Management. All the previous findings raised by AG with respect to prior audit periods were also resolved.