



The Southern African Institute of Government Auditors

Qualifying Examination for Registered Government Auditors

Paper 1: Regulatory Framework

November 2011

INSTRUCTIONS TO CANDIDATES

- 1 Maximum marks: **160**.
- 2 Total time available **four hours**.
- 3 The marks allocated to each question are an indication of the expected length and required depth of the answer.
- 4 Ensure proper planning and avoid exceeding the time you have allocated for each question as suggested by the number of marks allocated to the question.
- 5 Present your arguments in a clear, well structured manner, using precise language and professional terms, where appropriate.
- 6 No books or notes are allowed in the examination room.
- 7 All working papers must be handed in together with all paper provided for the examination (including unused answer sheets).
- 8 Answers written in pencil will not be marked.
- 9 You are reminded that this examination will be held under the rules as set out in the document "RGA-QE Examination Matters & Examination Policy 2011".
- 10 You are required to observe all Examination Instructions on the separate sheet of paper handed to you before commencement of this examination.

QUESTION 1

(40 marks)

For each sub-section of this question select only **ONE** alternative that you consider to be appropriate (or most correct). Please answer these questions on the multiple choice answer sheet provided to you.

You will not be penalised for incorrect answers (no negative marking applied).

The questions have to be read in the context of the **Public Finance Management Act (PFMA)**, the **Treasury Regulations**, the **Municipal Finance Management Act (MFMA)**, and the **Public Audit Act (PAA)**.

Question 1.1

In terms of the definitions of the PFMA “ownership control” implies the authority to:

- 1 Appoint or remove all, or the majority of, the members of that entity’s board of directors or equivalent governing body.
- 2 Appoint or remove that entity’s chief executive officer.
- 3 Cast all, or the majority of, the votes at meetings of that board of directors.
- 4 Control all, or the majority of, the voting rights at a general meeting of that entity.

Choose the **correct** combination from the following options.

- a 1, 2 and 3.
- b 1, 3 and 4.
- c 2, 3 and 4.
- d 1, 2, 3 and 4.

Question 1.2

In terms of chapter two of the PFMA, National Treasury must:

Choose the **incorrect** statement.

- a Promote national government’s fiscal policy framework and the coordination of macro-economic policy.
- b Promote provincial government’s fiscal policy framework and the coordination of provincial economic policy.
- c Manage the budget preparation process.
- d Monitor the implementation of provincial budgets.
- e Facilitate the implementation of the annual *Division of Revenue Act*.

Question 1.3

The National Treasury is in charge of the National Revenue Fund and:

Choose the **correct** statement.

- a All money received by the national government must be paid into the Fund.
- b All money received by the national and provincial governments must be paid into the Fund.
- c All money received by the national government must be paid into the Fund, except money reasonably excluded by this Act or another Act of Parliament.
- d All money received by the national government must be paid into the Fund, and money reasonably included by this Act or another Act of Parliament.

Question 1.4

The Minister may authorise the use of funds from the National Revenue Fund to defray expenditure of an exceptional nature which is currently not provided for and which cannot, without serious prejudice to the public interest, be postponed to a future parliamentary appropriation of funds.

The combined amount of any authorisations may not exceed% of the total amount appropriated in the annual national budget for the current financial year.

- a 2%.
- b 8%.
- c 10%.
- d 7%.

Question 1.5

In terms of the PFMA, Provincial Treasuries must prepare consolidated financial statements in terms of GRAP for, amongst other, the following:

Choose the **incorrect** statement.

- a Provincial departments.
- b Provincial public entities.
- c Provincial non-profit organisations.
- d The provincial legislature in the province.

Question 1.6

The PFMA places a high premium on disclosure in order to advance openness and transparency. Consequently the PFMA lists specific aspects which have to be disclosed by public entities in their annual reports. Which of the following is provided for in the PFMA in this regard:

- a Disclosure of any losses written off.
- b Disclosure of all material losses recovered or written off.
- c All material financial assistance received from the state.
- d All criminal steps taken as a consequence of material items of fruitless and wasteful expenditure.
- e B, C and D.
- f A, B and D.
- g A and C.
- h All of the above.

Question 1.7

The PFMA requires that provincial budgets be tabled not later than after tabling of the national annual budget.

- a One month.
- b Two weeks.
- c Three months.
- d Two months.

Question 1.8

Within 30 days after the end of each month, the National Treasury must publish in the national *Government Gazette* a statement of actual revenue and expenditure with regard to:

- a Unforeseen economic and financial events.
- b The National Revenue Fund.
- c Expenditure on departmental votes.
- d Expenditure approved by Legislatures.

Question 1.9

State whether the following statement is true or false:

Unauthorised expenditure does not become a charge against a Revenue Fund when the expenditure is unauthorised and Parliament or a provincial legislature, as may be appropriate, authorises the expenditure as a direct charge against the relevant Revenue Fund.

- a True.
- b False.

Question 1.10

In terms of section 38 of the PFMA an accounting officer must take effective and appropriate steps to:

Choose the **incorrect** statement.

- a Collect all money due to the department.
- b Settle all creditors within 30 days.
- c Prevent unauthorised, irregular and fruitless and wasteful expenditure.
- d Manage available working capital efficiently and economically.

Question 1.11

According to section 36 of the PFMA every department and every constitutional institution must have an accounting officer.

Choose the **incorrect** statement.

- a The head of a department must be the accounting officer for the department.
- b The chief executive officer of a constitutional institution must be the accounting officer for that institution.
- c The chief executive officer of a national public entity must be the accounting officer for that institution.

Question 1.12

The PFMA requires the following (set out as points A to C below):

- A The Accounting officer of a department has to prepare the department's financial statements within a certain period after year end.
- B The Auditor-General South Africa has to audit the financial statements within a certain period.
- C The Accounting officer then has to prepare an annual report within a certain period after year end.

Choose the **correct** time frames:

- a A = 3 months; B = 2 months; C = 5 months.
- b A = 2 months; B = 2 months; C = 5 months.
- c A = 2 months; B = 3 months; C = 5 months.
- d A = 2 months; B = 2 months; C = 1 month.
- e A = 1 month; B = 2 months; C = 2 months.

Question 1.13

The Chair of the audit committee in the Limpopo Department of Agriculture wishes to terminate the services of an audit committee member, who has not been providing the necessary input, six months after the relevant member has been appointed. Who has to concur with the member's termination of service?

- a The Accounting officer of the Department.
- b The majority of the present audit committee members.
- c The National Treasury.
- d The Limpopo Provincial Treasury.
- e The MEC for Agriculture in Limpopo.

Question 1.14

The *Treasury Regulations* are applicable to a full or limited extent to the following:

Choose the **incorrect** statement.

- a To all departments.
- b To all constitutional institutions.
- c To all public entities listed in Schedule 2, 3A, B, C and 3D.
- d To the South African Reserve Bank.
- e To the South African Revenue Service.

Question 1.15

In terms of *Treasury Regulation 2.1*, the chief financial officer of an institution is responsible for:

- 1 Effective financial management.
- 2 The implementation of departmental risk management processes.
- 3 Sound budgeting practice.
- 4 Timely production of financial reports.
- 5 Administrative management of the supply chain process.

Choose the **correct** combination from the following options.

- a 1, 2, 3, 4, 5.
- b 1, 2, 5.
- c 1, 3, 4, 5.
- d 1, 3, 4.
- e 2, 3, 4, 5.

Question 1.16

The *Treasury Regulations* contain provisions with regard to internal control and internal audit.

Choose the **incorrect** statement.

- a The accounting officer must ensure that a risk assessment is conducted regularly to identify emerging risks of the institution.
- b A risk management strategy, which must include a fraud prevention plan, must be used to direct internal audit effort and priority.
- c A risk management strategy, must be used to determine the skills required of managers and staff to improve controls and to manage those risks.
- d The risk management strategy must be approved by the Auditor-General South Africa and the executive authority.
- e The risk management strategy must be clearly communicated to all officials.

Question 1.17

An audit committee must, in the annual report of the institution, comment on:

- 1 The effectiveness of internal control.
- 2 The quality of in-year management and monthly/quarterly reports submitted in terms of the Act and the *Division of Revenue Act*.
- 3 Its evaluation of the annual financial statements.

Choose the **correct** combination from the following options.

- a 1 and 3.
- b 1 and 2.
- c 1, 2 and 3.
- d 2 and 3.

Question 1.18

The internal audit charter of public sector entities has to:

- a Meet the requirements as published in the *Treasury Regulations*.
- b Be consistent with the Institute of Internal Auditors' definition of internal auditing.
- c Meet the requirements as published in the PFMA.
- d Meet the requirements as published in the King Report on Corporate Governance (King II).

Question 1.19

State whether the following statement is true or false:

In terms of section 3.2 of the *Treasury Regulations*, the internal audit function must assist the accounting officer by implementing efficient and effective controls to promote effectiveness and efficiency in the department.

- a True.
- b False.

Question 1.20

If an accounting officer is alleged to have committed financial misconduct, must ensure that the relevant executive authority initiates an investigation into the matter.

- a The Auditor-General South Africa.
- b The Chief Financial Officer.
- c The relevant treasury.
- d The Chief Audit Executive.
- e The relevant legislature.

Question 1.21

The *Treasury Regulations* prescribe that the strategic plan of an institution should:

- 1 Be a three year plan with an approved year one plan.
- 2 Cover a period of at least three years, consistent with the published division of revenue objectives.
- 3 Include measurable objectives, expected outcomes and targets.
- 4 Include policy developments and legislative changes.

Choose the **correct** combination from the following options.

- a 1, 2, 3 and 4.
- b 1, 3, 4.
- c 2, 3, 4.
- d 1, 2, 4.

Question 1.22

In combating and preventing fruitless and wasteful expenditure, the *Treasury Regulations* suggests that this be done by:

- a Implementing effective, efficient and transparent processes of financial and risk management.
- b Implementing effective, efficient and transparent systems of budget control and performance reporting.
- c Implementing effective, efficient and transparent systems of internal control.
- d Implementing effective and efficient systems of internal control and risk management.

Question 1.23

In terms of revenue collection, the *Treasury Regulations* prescribe that must review, at least annually when finalising the budget, all fees, charges or the rates, scales or tariffs of fees and charges that are not or cannot be fixed by any law.

- a National Treasury.
- b The relevant accounting officer.
- c The relevant executive authority.
- d South African Revenue Service.

Question 1.24

Unless determined otherwise in a contract or other agreement, all payments due to creditors must be settled within from receipt of an invoice.

- a 90 days.
- b 30 days.
- c 60 days.
- d 14 days.

Question 1.25

In terms of the MFMA, chapter 1, the accounting officer of a municipality is:

- a The Executive Committee.
- b The Mayor.
- c The Council.
- d The Municipal Manager.

Question 1.26

To be able to fulfil its chapter 13 Constitutional responsibilities, National Treasury may:

Choose the **incorrect** statement.

- a Monitor the budgets of municipalities.
- b Assist with the preparation by municipalities in the province of their budgets.
- c Promote good budget and fiscal management by municipalities.
- d Monitor and assess compliance by municipalities and municipal entities.

Question 1.27

According to the definitions of the MFMA, "irregular expenditure", in relation to a municipality or municipal entity means:

Choose the **incorrect** statement.

- a Expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of this Act.
- b Expenditure incurred by a municipality or municipal entity in contravention or that is not in accordance with, a requirement of the *Municipal Systems Act*.
- c Over expenditure incurred by a municipality within a main division of the budgeted funds.
- d Expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality.

Question 1.28

Choose the **incorrect** statement.

- a In terms of the MFMA, a political office bearer of a municipality who deliberately made an irregular expenditure is liable for that expenditure.
- b In terms of the MFMA, an official of a municipality who negligently made an irregular expenditure is liable for that expenditure.
- c In terms of the MFMA, a political office bearer of a municipality who deliberately authorised a fruitless and wasteful expenditure is liable for that expenditure.
- d In terms of the MFMA, an accounting officer of a municipality who deliberately made a fruitless and wasteful expenditure is not liable for that expenditure if the accounting officer had informed the mayor that this expenditure would incur.

Question 1.29

May a municipality incur debt that is affected by fluctuations in the value of the Rand?

- a Yes.
- b No.

Question 1.30

In terms of section 28 of the MFMA; an adjustments budget:

- a Must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year.
- b May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for.
- c May, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality.
- d May authorise the utilisation of projected savings in one vote towards spending under another vote.
- e All of the above.

Question 1.31

The *Lima Declaration of Guidelines on Auditing Precepts* mentions a number of concepts which are fundamental points of departure (premises) to auditing in the public sector. Which of the following combinations is referred to:

- a Independence, democracy and rule of law.
- b Independence and rule of law.
- c Independence and democracy.
- d Democracy and rule of law.

Question 1.32

The accounting officer must promptly inform, in writing, of any unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality.

- a The mayor.
- b The MEC for local government in the province.
- c The Auditor-General South Africa.
- d All of the above.

Question 1.33

The *Public Audit Act* (PAA) provides for certain overruling principles regarding the status of the Auditor-General South Africa (AGSA). Which of the following is **not** a provision in the PAA?

- a The AGSA is subject only to our country's Constitution, the law and the PAA.
- b The AGSA is the Supreme Audit Institution in South Africa.
- c The AGSA must be impartial and act without fear, favour or prejudice.
- d The AGSA is accountable to the Minister of Finance, through the oversight mechanism provided for in the PAA.

Question 1.34

The *Public Audit Act* (PAA) provides that when the Auditor-General South Africa (AGSA) is conducting an audit, auditees have certain responsibilities (and rights) towards the AGSA. Which of the following responsibilities is **not** correct in terms of the PAA?

- a To render all reasonable assistance to the AGSA.
- b To render all reasonable assistance to the authorised auditors (for example private sector firms contracted by the AGSA).
- c To provide suitable office accommodation and parking on the auditee's premises.
- d To provide the AGSA with access to office equipment, provided that this is done at a reasonable fee, this should not exceed the cost of the service.

Question 1.35

Which of the following statements, referring to authorised auditors in the *Public Audit Act* is **not** correct:

- a Only persons registered as auditors in terms of the *Auditing Profession Act* (formerly *Public Audit Act*) may be appointed as authorised auditors.
- b The Auditor-General South Africa (AGSA) is the institution that decides to appoint an authorised auditor to assist in the performance of an audit.
- c An authorised auditor can be a private practitioner engaged in public practice as auditor.
- d The AGSA issues a code of conduct for authorised auditors.

Question 1.36

In setting standards the Auditor-General South Africa (AGSA) must take into account all relevant factors, including:

Choose the **incorrect** statement.

- a Best auditing practices, both locally and internationally.
- b The capacity of the AGSA and the auditing profession to comply with those standards.
- c Generally Recognised Accounting Practice as set by the Accounting Standards Board.

Question 1.37

When performing an audit, the Auditor-General South Africa (AGSA) or an authorised auditor designated by the AGSA may enter any property, premises or vehicle on reasonable suspicion that a document, book or written or electronic record or information, or an asset, is hidden or kept on such property, premises or in that vehicle when

- a As part of the audit mandate.
- b Under the authority of a warrant issued by a judge or magistrate.
- c With the permission of the Accounting officer.
- d With a letter signed by the AGSA.

Question 1.38

State whether the following statement is true or false:

The Auditor-General South Africa (AGSA), an authorised auditor or an assistant or other person referred may not be compelled to disclose information obtained in the course of official duties in any proceedings in which the AGSA is not a party, before a court in a civil matter.

- a True.
- b False.

Question 1.39

The Southern African Institute of Government Auditors (SAIGA) stipulates a number of basic requirements which any prospective Registered Government Auditor (RGA) has to meet before being able to register.

Choose the **incorrect** statement with regard to the period of practical training.

- a The period of practical training for RGAs is described as Government Auditing Experience (GAE).
- b The required period of practical training is four years, of which three years must be served whilst working for the Auditor-General South African and the fourth year may be served in the broader public sector.
- c A RGA candidate can obtain one year credit (for the required RGA-practical training) if he/she has completed his/her "articles" under the trainee accountant scheme of the South African Institute of Chartered Accountants, whilst working for a firm of Registered Auditors.
- d A prospective RGA has to complete his/her period of practical training before being allowed to enrol for the RGA-Qualifying Examination.

Question 1.40

Choose the **correct** option with regard to the Auditor-General South Africa's (AGSA) accountability:

- a The AGSA must annually submit a report to the National Treasury on the annual activities and the performance of the AGSA's functions.
- b The AGSA must annually submit a report to the National Assembly and the National Council of Provinces (NCOP) on the annual activities and the performance of the AGSA's functions.
- c The AGSA must annually submit a report to the National Assembly on the annual activities and the performance of the AGSA's functions.
- d The AGSA must annually submit a report to the President (who appointed the Auditor-General) on the annual activities and the performance of the AGSA's functions.

QUESTION 2

(60 marks)

The internal audit division for the Department of Service Delivery was established in 2002 as required by the *Treasury Regulations* (TR) and the *Public Finance Management Act* (1 of 1999) (PFMA). In 2008 an audit committee was appointed by the Chief Operating Officer (COO).

The authority and responsibilities of the internal audit function is defined in an Internal Audit Charter which was approved by the Chief Financial Officer (CFO). No amendments or updates have been made to the charter, as the head of internal audit is not aware of any changes in the internal audit profession.

A quality assurance review on the internal audit function revealed the following weaknesses/shortcomings: the overall capacity, qualifications and experience of the internal audit staff are insufficient and since 2006 no training courses were attended by staff.

Mr Ncube, the Head of Internal Audit received the focus areas for internal audit from the CFO. The focus areas are based on the annual risk assessment.

The internal audit plan was drafted and circulated to the members of the audit committee for their inputs. The annual internal audit plan and budget was approved by the CFO during a strategic risk management workshop in September 2010.

As a result of the late approval of the internal audit plan, the head of internal audit informed the chair of the audit committee that he will not be able to attend the audit committee meetings but will communicate progress telephonically.

REQUIRED:

- (a) Evaluate whether the internal audit division complies with the requirements of the TR and PFMA. (25)
- (b) Discuss the functions of the audit committee in terms of the TR and PFMA. (20)
- (c) Motivate how the audit approach will be affected if reliance can be placed on the work performed by the internal audit division. (10)
- (d) Discuss the appointment of the audit committee. (5)

QUESTION 3

(60 marks)

THIS QUESTION CONSISTS OF TWO RELATED PARTS

PART A

(23 marks)

You are a government auditor working at the Auditor-General South Africa (AGSA). The AGSA requested that all government auditors attend a workshop on ethics. The AGSA has recently reviewed its own *Code of Professional Ethics* to ensure that it is in line with the *INTOSAI Code of Ethics* applicable to supreme audit institutions as well as other international guidelines on professional ethics. The ethics workshop addressed amongst others, the following topics:

- professional ethics;
- ethical decision-making; and
- codes of professional ethics and conduct.

In addition to the above topics covered, an open session was held to discuss actual ethical dilemmas faced by government auditors. Most of the delegates argued that one should use a code of ethics to guide one's behaviour in these situations. The following dilemmas that government auditors in the employ of the AGSA were recently faced with, were discussed:

Dilemma 1

Auditor Abraham, a fanatic golfer received a voucher to attend the million dollar golfing tournament held at Sun City from Mr Lewis. The voucher includes an "all expenses paid" weekend at one of the luxurious hotels at Sun City. Mr Lewis is the chief financial officer of Department A. Auditor Abraham is planning to conduct an audit engagement at Department A in the near future. Auditor Abraham and Mr Lewis have known each other for the past six years and have since become close friends. They are planning to spend the weekend at Sun City together and also try a game of poker at the casino. (4)

Dilemma 2

Auditor Buthelezi, a senior government auditor, recently attended a five-day certificate course in performance auditing. He has never performed any performance audit engagements, although he is very passionate about the topic. Auditor Buthelezi convinced his supervisor that he is the best person to conduct the upcoming performance audit engagement at Department K. According to the staff planning for this audit engagement, only one senior government auditor is scheduled for this engagement. (4)

Dilemma 3

Auditor Chetty discovered that Department M failed to make payments to agency Z. The person who failed to make the payments is the director of finance. The executive committee is not aware of these non-payments. Auditor Chetty arranged a meeting with the director of finance to discuss the non-payments. The director commented that "what agency Z does not know, will not kill anyone. I am effectively saving the Department money. So then, my dear auditor, the best thing for the Department is for

you to keep quiet". After the meeting, the internal auditor calls a friend working at agency Z to report the company's non-payments. (5)

REQUIRED:

- (a) Briefly discuss the purpose of a code of professional ethics for government auditors. (2)
- (b) Identify and briefly describe the specific threats that government audit professionals could be faced with in the workplace in adhering to a professional code of ethics. (5)
- (c) Identify and list the specific initiatives that the AGSA has implemented to address the threats identified in point b above. (3)
- (d) For each of the dilemmas described above, comment on whether the government auditor's action/proposed action(s) are in line with the *INTOSAI Code of Ethics*. Describe the principle(s) and rule(s) violated and make a recommendation with regard to the appropriate behaviour. (13)

PART B

(37 marks)

Due to your extensive knowledge of the third *King Report on Governance* (King III) you have been appointed to serve on a special research task force. The task force, with representatives of all spheres of government, aims to establish the extent to which King III is applicable to the public sector as well as the extent to which public sector institutions adheres to King III. The research field work has been conducted and you are required to assist with the analysis of the research results. The first question the task force has to answer is how to apply King III to all three spheres of government. During the first task force meeting you realised that the members of the task force are in disagreement on this matter. The two main unresolved questions that were documented in the minutes of the meeting are:

- Who will fulfil the role of the 'board' when King III is applied to a national department, provincial department and/or municipality?
- What is corporate citizenship and integrated reporting and are these two terms applicable to the public sector?

At the meeting each member received a list of governance related findings that resulted from the research that was conducted. Members were instructed to review the lists and report back on whether or not the issues on the lists are in compliance with King III or not. The issues that appear on your list are:

- 1 Municipality A has an audit committee that meets three times per year and consists of the following members:

- Mr Abraham – the chairman of the board (who is also the chairman of the audit committee). Mr A is a retired private sector executive.
 - Mr Baloyi – the chief executive officer of Municipality A.
 - Ms Carlson – the chief financial officer of Municipality A.
 - Ms Diago – an independent financial consultant.
- 2 Municipal Entity B has a board that has been appointed by the municipality under which it has been established (Municipality B). The board consists of the following members:
- Chairman: Mr Ephraim – a self-employed local businessman that provides tax consulting services to all the local municipalities and the municipal entities in his region.
 - Ms Fargo – the chief executive officer (CEO) of Municipal Entity A.
 - Ms Gadusha – the chief financial officer (CFO) of Municipal Entity A.
 - Mr Huma – a local textile supplier to the private sector.
 - Mr Jackson – a chartered accountant (CA) for a large consulting firm that has been contracted to perform internal audit engagements for Municipal Entity A as well as Municipality B. Mr J was not the audit manager in charge of these engagements.
- 3 Provincial department C has decided to outsource its internal audit function. The executive management of provincial department A informs the consulting auditors which audits to perform and when. In addition, internal audit reports should be presented to the executive management only.
- 4 The internal audit function at provincial department D is headed by a chief audit executive (CAE) that reports to the director of support services. All internal audit reports are reviewed and signed-off by this director before being presented to the audit committee (which is documented in an internal audit charter that has been approved by the board). All internal audit efforts are determined based on the annual risk assessment performed by executive management once per year.
- 5 Public entity E has recently implemented a formal risk management process, which includes the appointment of a risk committee and the development of a risk management policy and plan. The risk committee consists of three members and meets once per annum.
- 6 Department Z has taken note of Chapter 9 in King III on stakeholder relationships, but has not implemented any initiatives to facilitate the process. The accounting officer of the Department is of the opinion that compliance to the *Public Finance Management Act* (PFMA) and the treasury regulations is more important than adherence to the King III principles.

REQUIRED:

- (a) Discuss the applicability of King III to the public sector by providing an answer to the question: ‘who will fulfil the role of the ‘board’ when King III is applied to a national department, provincial department and/or municipality?’ (3)
- (b) Define the terms ‘corporate citizenship’ and ‘integrated reporting’ as discussed in King III and discuss its relevance to the public sector. (4)
- (c) For each of the six public sector governance research findings described above:
 - 1 Discuss all instances of adherence to King III. (12)
 - 2 Discuss all instances of non-adherence to King III. (8)
 - 3 Formulate a recommendation(s) to improve organisational governance in accordance with King III. (10)

Provide your answer in table format:

No	C.1) Adherence	C.2) Non-adherence	C.3) Recommendation
1