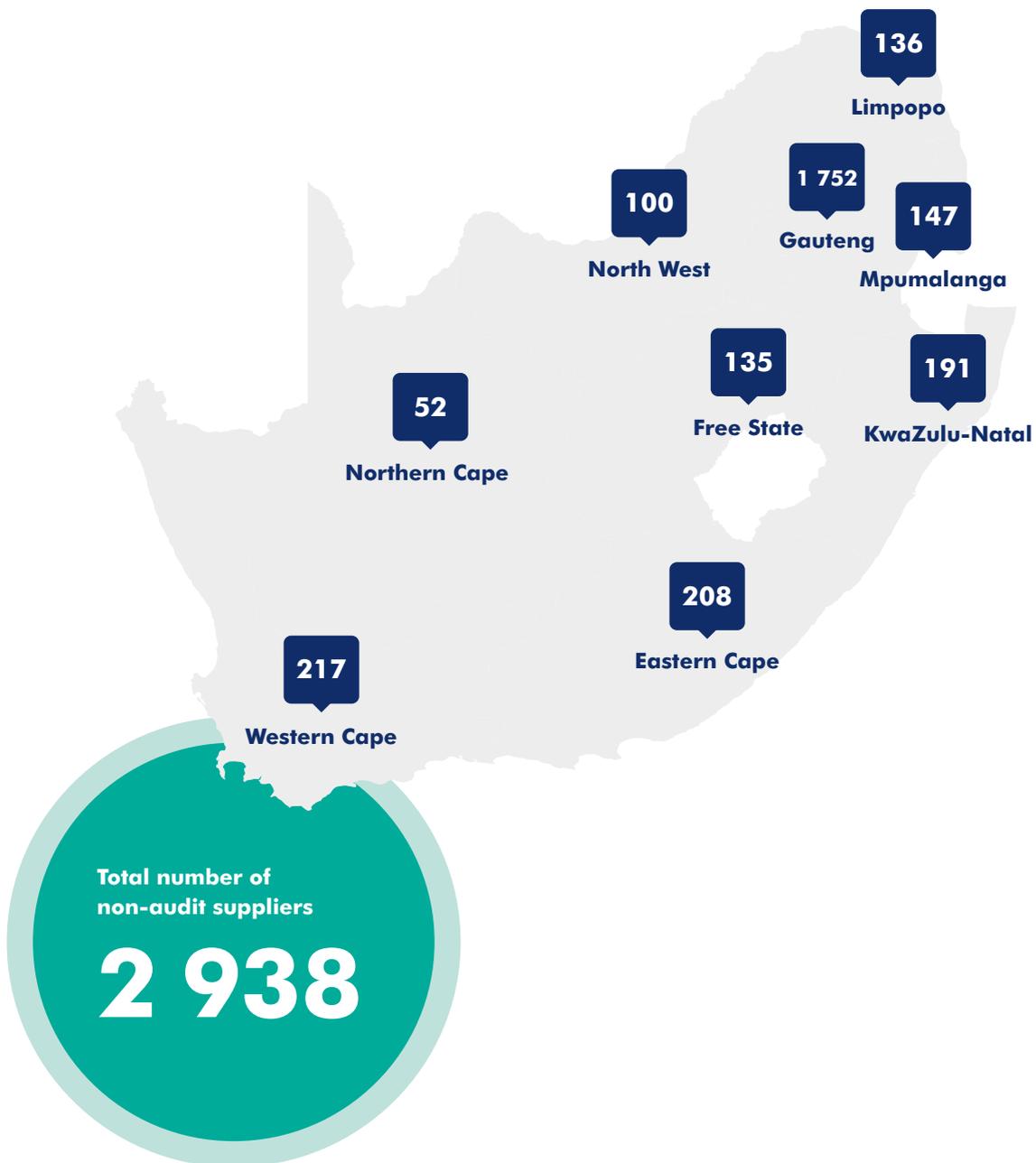


## ORGANISATION'S SUPPLY CHAIN

In line with the principles prescribed in the Constitution, we maintain a procurement and provisioning system that is fair, equitable, transparent, competitive and cost-effective.

### Non-audit supplier database

Estimated number of suppliers in the supply chain database





100

**Audit firms including their regional offices**

14 large, 9 medium and 77 small<sup>1</sup>



1 636

**Audit contracts were awarded to these firms**



**Outsourced work**

included pre-issuance reviews, regularity audits, information systems audits and performance audits

<sup>1</sup> Large firm – turnover of more than R50 million  
Medium firm – turnover between R10 million – R50 million  
Small firm – turnover less than R10 million

In 2020-21, we had 2 938 suppliers in our non-audit supplier database. We continued to enable our financial viability by using cost-cutting measures and safeguards against paying a high premium for goods and services received. Contract negotiations and an unusual decrease in procurement activities due to the pandemic led to large savings for the organisation.

#### **Audit contracts awarded**

As part of our business model, we outsource some of our audit work. The firms that audit on our behalf are appointed using a transparent selection process that considers their size, location, expertise and quality of audit work. The appointment process also incorporates the principles of transformation.

During 2020-21, R638 million (2019-20: R686 million) was spent on core audit work by private firms. Of this, R421 million (2019-20: R346 million) was allocated to black-owned firms, while R134 million (2019-20: R126 million) was allocated to black women-owned firms.

*For further information on our active support of transformation, see the vision and values driven chapter from pages 91 to 102.*

## **SIGNIFICANT CHANGES DURING THE REPORTING PERIOD**

During the performance period, we audited the funds released for the covid-19 pandemic response and initiatives. The president supported these real-time audits to identify weaknesses and address them in time to prevent further findings. The real-time audits had a significant impact on our operations. Our audit methodology proved to be agile enough to incorporate the changes in the environment.

We adopted a hybrid approach in response to the pandemic, which included working from home and a move to digital methods of work. To facilitate this hybrid approach, our information and communications technology (ICT) was forced to evolve rapidly.

Our head office, while still in Pretoria, has moved to a more spacious and energy efficient building. This move has resolved the challenges of a shortage of space and parking for our employees, and ensures that all our business units are accommodated in close proximity within the same building.

The building has the added advantage of being graded A+ energy efficient and using green initiatives such as harvesting rain water and energy saving air-conditioners to reduce our carbon footprint.

Our head office was chosen with the well-being of our employees firmly in mind. We now reside in a secure office precinct that meets our needs, with easy access to all parts of the building for people with disabilities.