



PUBLIC SECTOR

OUR CAPABILITIES

“Transparency and accountability are key pillars in a progressive public sector”

Yugen Pillay

AUDIT • ADVISORY • TAX

CLEAR ADVICE FROM ETHICAL, INDEPENDENT AND QUALITY-DRIVEN EXPERTS, THROUGHOUT THE COUNTRY AND AROUND THE WORLD.

Over 1800 people providing clarity in audit, tax, advisory and business outsourcing to companies across numerous industries. Seven offices in South Africa and over 91 000 people in 167 countries around the globe.

We offer industry-specific practices, world-class resources, and an unparalleled commitment to meeting our clients' needs, with 75% of our clients recommending us. We serve 49 JSE-listed clients and over 158 internationally listed clients, who are clear on why they chose BDO:

- Quality, independence, and a high ethical standard across all services
- Unparalleled partner-involvement (10:1 staff to partner ratio, globally)
- Deep industry knowledge
- Geographic coverage across South Africa and Africa
- Cohesive global network
- Level 2 BEE contributor
- Focused capabilities across over 20 disciplines
- Culture defined by values and purpose

Being ethical and quality driven is a given for us, and to show how this is a part of our DNA, we have developed the [BDO Clarity Charter](#). This is our commitment as individuals and as a firm. It underpins all we say and do, from how we live our values to how we engage with you, our clients and all our stakeholders.

Our BRAND PROMISE – exceptional client service, always and everywhere – is founded on three core delivery pillars: being responsive, providing the right resources, strong relationships.

GLOBAL STATISTICS 2021

GLOBAL HEADCOUNT

91 054

highly skilled partners and staff worldwide



GLOBAL OFFICES

1 658



GLOBAL REVENUE

US\$ 10.3 BILLION*

*December 2020

167

countries
& territories



LOCAL STATISTICS 2021

LOCAL HEADCOUNT

1 800+

highly skilled partners and staff



LOCAL OFFICES

7

Cape Town
Durban
Johannesburg
Port Elizabeth
Pretoria
Roodepoort
Stellenbosch



in South Africa

138

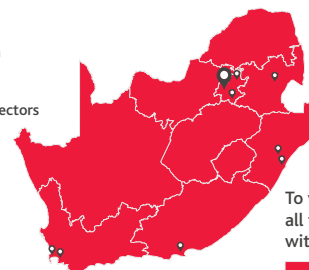
Partners & Directors



R1.3

BILLION

*March 2020



To view the list of all the countries with BDO offices.

[CLICK HERE](#)

Level 2 B-BBEE contributor (ending June 2021)



THE PUBLIC SECTOR IN SOUTH AFRICA

Challenging times call for transparency and clarity

The National Development Plan 2030 states the following:

South Africa belongs to all its peoples.

We, the people, belong to one another.

We live the rainbow.

Our homes, neighbourhoods, villages, towns,

and cities are safe and filled with laughter.

Through our institutions, we order our lives.

The faces of our children tell of the future we have crafted

All spheres of government must work together to ensure the goals and objectives of the country are met, and that they are aligned to economic growth and long-term sustainability. And to achieve economic growth and long-term sustainability, stakeholder or citizen engagement is essential to ensure transparency and accountability.

BDO understands that a high-functioning public sector is a vital pillar for our economy and over the years the need for strategic planning coupled with accountability and transparency has become more and more relevant.

BDO's understanding of the National Development Plan 2030 goals and the challenges faced by the public sector, allows us to guide our clients to reach their strategic objectives.

Transparency is fundamental to building trust between governments and their stakeholders, which will create positive dialogue to move society and the economy to a more sustainable, inclusive and developed environment. We support all our Public Sector clients through our technical expertise, but with humility and our overriding objective to help our government perform and achieve its goals.

Our Clarity Charter is our own public commitment as individuals and as a firm to being ethical, independent and quality-driven. We are clear about the future of our industry, delivering on the expectations of our clients and society, and our own role in being a responsible firm. We ensure that we are a deliberate and direct adviser to our Public Sector clients. Clarity underpins all our work at BDO, bringing direction and certainty, and building trust among our people, peers, clients and regulators – something that is paramount when working in the Public Sector.

Our experience cuts across all spheres of government, including National and Provincial Departments, Public Entities (Major entities – Schedule 2, 3A – D), Constitutional Institutions, Municipalities and Municipal entities. We are an adviser of choice as many of our team have worked in the public sector – so have a first-hand understanding of the dynamics of this environment.

BDO offers the following services to the Public Sector:

- [External audit](#)
- [Internal audit](#)
- [Advisory services](#)

We look forward to working with you.



Yugen Pillay
Public Sector Leader, BDO in South Africa

THE POWER OF INDUSTRY EXPERIENCE

We have a clear ambition at BDO, one which sets us apart from other large accounting and advisory firms – to provide exceptional client service through demonstrable knowledge, understanding and focus. We deliver this ambition because we are passionate about understanding the public sector and its key drivers, challenges and opportunities.

We firmly believe that exceptional client service is all about the qualities, skills and behaviours of the whole service team; everyone in our core team has a genuine desire to deliver their best.

Our technical knowledge underpins our experience in the Public Sector which is the result of significant time investment in the Public Sector environment and South African context to provide solutions that add value.

Our Public Sector teams, spanning specialists in Audit, Advisory and Tax, work with the following spheres of government:

State Owned Enterprises (SOEs) and Provincial and National Public Entities

Maintaining a high level of operational efficiency whilst managing a significant budget and navigating the complexities associated with SOEs and business is challenging. Changes to the political landscape and to local and global economies can have a major impact on the way SOEs operate.

We have assisted SOEs comply with the relevant sections of the Public Finance Management Act (PFMA) and Treasury Regulations (TR), as well as ensuring that their procurement complies with supply chain management processes. We have also been part of audit teams which conduct regularity audits on SOEs and are therefore familiar with the gaps in controls which require attention to receive clean audits.

Our team of experts have performed various consulting and forensic services at these entities listed below:

National and Provincial Departments

Our deep knowledge related to the regulatory and legislative environments of our national and provincial departments allows us to provide effective advice and audit opinions where consulting in this area.

We also understand that each national department's operations will be underpinned by its own legislative environment, including the PFMA and Treasury Regulations. Whilst national and provincial government departments must comply with these Acts and regulations, they operate very much on a cash basis which means that processes and controls around everyday operations must be sound. Our team of public sector specialists has assisted national and provincial departments for over 20 years with their in-depth skills and knowledge, including internal audit and various other advisory services to enable these departments to meet their performance objectives.

Our team has audited, advised and consulted departments in the following areas:

- Supply chain management processes
- Review of annual financial statements to ensure compliance with Modified Cash Standards
- Performance audits and audits of performance information
- Actual operational improvement programmes



Municipalities

We understand that some municipalities have struggled to be compliant with relevant Acts and regulations in recent years. Causes range from instability or vacancies in key positions, slow responses to improve key controls and address risk areas which result in repeat findings, to inadequate consequences for poor performance and transgressions.

Our team of experts has assisted municipalities in the following areas:

- ▶ Supply chain management processes
- ▶ Financial statement preparation
- ▶ Performance information
- ▶ Municipal Finance Management Act (MFMA)
- ▶ Municipal Systems Act
- ▶ Generally Recognised Accounting Practice (GRAP)

Within the above-mentioned government entities, we focus on the following areas:

Health

Our Healthcare portfolio includes assurance, risk management risk advisory services.

- Financial advisory: supporting financial and operational performance improvement and investment cases for infrastructure and equipment
- System transformation: working with multiple local health economy organisations to achieve collaborative improvements in care pathways and patient outcomes
- Organisational development & change management: delivering change through coaching, leadership development and behavioural and cultural interventions together with facilitation of strategy and investment plans
- Data and analytics: development of models to support business cases for improvements in service models and whole system change.

BDO in South Africa collaborates with our global BDO colleagues to provide a service that is at the forefront of the healthcare conversation. We share our knowledge through a variety of thought leadership, keeping clients abreast of relevant news and hot topics. We contribute to achieving an effective healthcare sector that offers services matching budget and stakeholders' expectations.

Education

The education sector forms a significant portion of our economy. BDO's well-balanced team of individuals understand internal audit, risk management, information technology, advisory and assurance services across basic education as well as tertiary institutions such as TVET Colleges, SETAs and universities.

Some of the projects we have completed recently include Infrastructure Quality Assessment reviews (for universities), internal audit reviews, risk management and other advisory services (for TVET Colleges, SETAs, universities and schools).

Our external audit capabilities include assurance services for several Basic Education institutions especially primary and secondary schools.



Global Education Sector Capabilities

BDO has been closely involved in projects with various departments of education, globally. This experience has allowed us to develop a thorough understanding of the education sector and an appreciation of the roles and responsibilities of the various stakeholders involved. Our work has culminated in several strategic initiatives for certain departments of education.

Not for profit

Non-profit organisations, once considered 'charities', have evolved their value proposition and are now, in many instances, global thought leaders and change-makers. They employ specialists in their fields and are the voice for numerous social, human rights and economic issues.

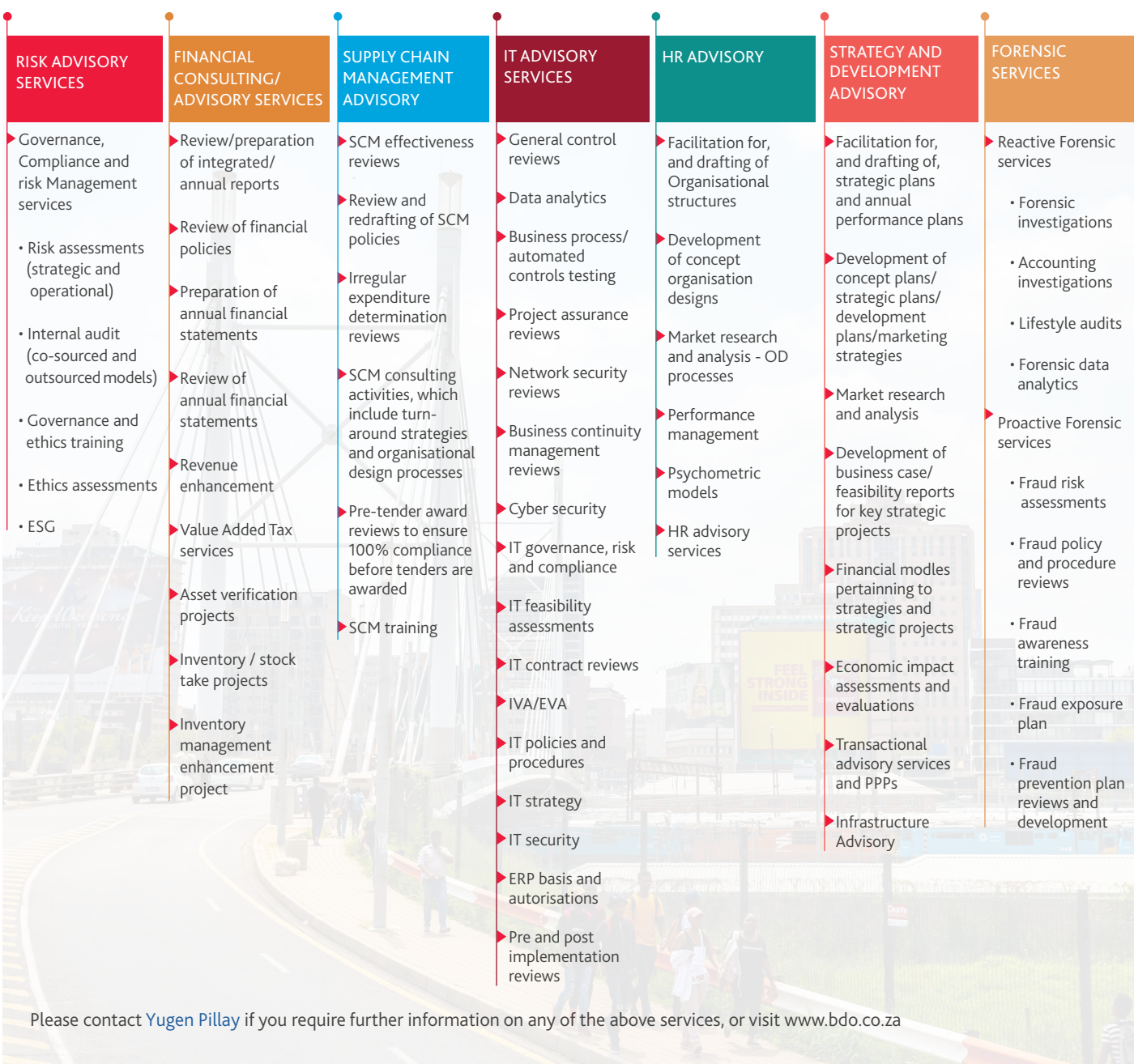
We have worked with traditional non-profit companies, privately held companies with a public benefit vision and organisations that receive international aid funding. We have audited and consulted to recipients of global funding such as through The Global Fund to Fight AIDS, Tuberculosis and Malaria, USAID and the CDC, as well as local government funding.

We provide the following services in the non-profit environment:

- Statutory audits
- Donor-funded audits (either local or international donors)
- Forensic Services in lieu of distribution and spending of donated funds
- Internal audit
- Risk Advisory Services
- Supply Chain Management Consulting
- Tax consulting

SERVICES OFFERED TO PUBLIC SECTOR CLIENTS

Our service offering to the Public Sector is broad.



OUR CLIENTS

We have worked with many public sector clients over the past 20 years. For a full list of our Public Sector clients, please visit ww.bdo.co.za

State Owned Entities and National Public Entities

- Airports Company South Africa SOC Limited
- Brand South Africa
- DBSA
- Eskom SOC Limited
- Transnet SOC Limited

Provincial Public Entities

- Gauteng Enterprise Propeller
- Gauteng Growth Development Agency
- Gauteng IDZ Development Company SOC Limited
- Gauteng Infrastructure Financing Agency
- Gauteng Provincial Treasury

National Departments

- Department of Environmental Affairs
- Department of Justice
- Department of Public Works and Infrastructure
- Department of Rural Development and Land Reform
- Department of Transport

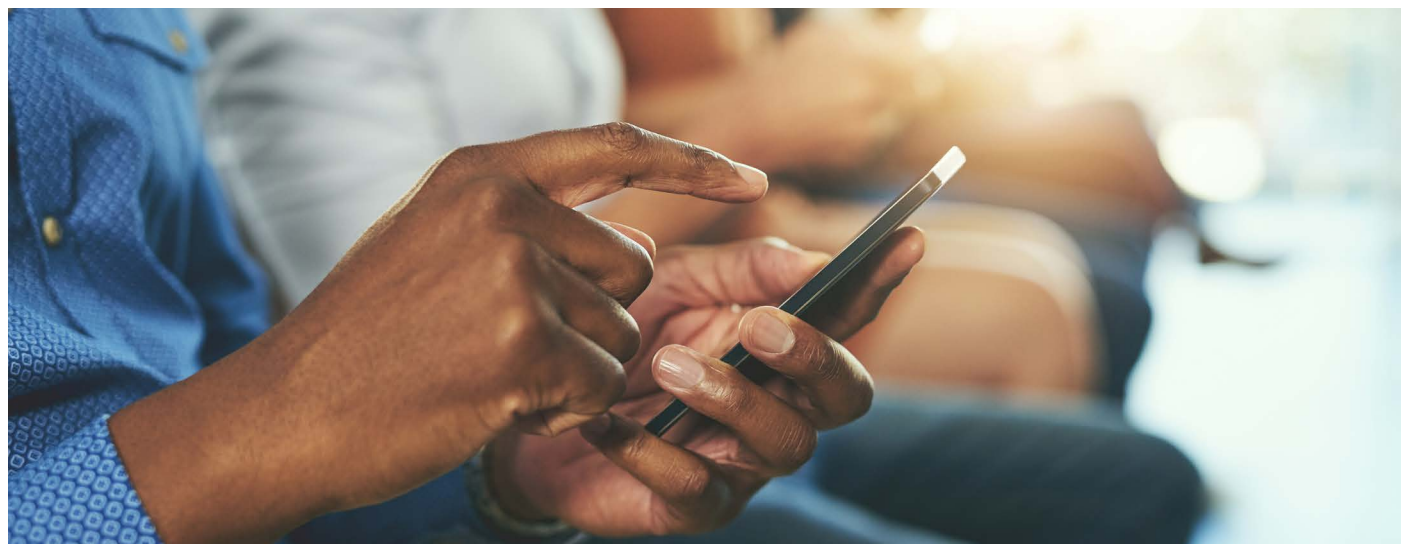
Municipalities

- Chris Hani District Municipality
- City of Tshwane Metropolitan Municipality
- Prince Albert Municipality
- Randfontein Local Municipality
- Sara Baartman District Municipality

SERVICE DELIVERY ENABLED BY CORE TECHNOLOGY

We use several technology solutions developed specifically for BDO:

- APT Next Generation - a globally developed Audit methodology, for our professionals to devise proper audit procedures and testing based upon applicable auditing standards as well as to factor in engagement and industry-specific facts and circumstances for all types and sizes of audit engagements. APT provides a globally consistent approach and is accessible by BDO audit teams around the globe on a real-time basis
- The BDO Client portal – enables transparency, accessibility and real-time responsiveness
- BDO Advantage - our customised automation and data analytics tool which combines smart technology with our knowledge and understanding of our clients' businesses to deliver information for in-depth interpretation
- IDEA - Audit data analytics tool to render computer assisted audit techniques (CAATs) services and analysis of documents



OUR PUBLIC SECTOR TEAM

At BDO in South Africa, our Public Sector team is led by Audit partner [Yugen Pillay](#). With over 15 years' experience in the public sector environment he has audited and advised various spheres of government including national and provincial departments, public listed entities and municipalities.

Together with the Public Sector team, Yugen regularly performs work on behalf of the Auditor General of South Africa (AGSA) and believes that trust and integrity form the building blocks of a strong centralised government.

Yugen is also a member of the Institute of Commercial Forensic Practitioners (ICFP) and the Institute of Internal Auditors (IIA). He is a certified USAID and CDC practitioner and currently participates on the Accounting Standards Board (ASB) public sector forum.

Yugen is supported by [Cobie van Antwerpen](#) (Advisory), [Karlien Groenewald](#) (Audit), [Anthony Pillay](#) (Advisory), [Louis van Manen](#) (Tax), [Ebrahim Noor Mahomed](#) (Advisory) and [Bonita de Wet](#) (Audit).

When you work with BDO, we choose the right mix of partners, associated directors and managers for your assignment, to ensure we deliver on our Exceptional Client Service promise.

CLIENT FEEDBACK

In South Africa, we use the Net Promoter Score (NPS) to gauge client satisfaction and surveys are regularly sent to all clients. The NPS is an index ranging from -100 to 100 and is a management tool that can be used to gauge client loyalty. It serves as an alternative to traditional customer satisfaction research and has been widely adopted with more than two thirds of Fortune 1000 companies using the metric.

Our 2020 NPS score for BDO in South Africa was 69.

GLOBAL CAPABILITIES

In South Africa, we are supported by our colleagues across 167 countries, each of whom bring years of experience and expertise to the work we deliver for the Public Sector. If required, we are able to bring resources in from teams around the world to assist us in delivering on our exceptional client service promise.



OTHER SERVICES

Our team of Public Sector specialists work across the business and as the need dictates, we can introduce subject matter experts from a range of service lines, from Risk Advisory and Sustainability to Assurance and IT services. We are happy to discuss your specific needs and will introduce you to the right people to tailor our offering.

AUDIT

Your business is about more than the financial position and financial results. Our audit teams use a globally developed audit methodology and we provide you with constructive ideas for improving internal controls and business systems. Our team provides the following:

- Compliance and regulatory audits
- Financial reporting advisory
- Financial statement audits
- Global IFRS resources
- GRAP resources
- IFRS advisory services
- Joint venture audits
- Other assurance services
- Special purpose audits and reviews

TAX

We will offer robust Tax solutions to ensure good corporate governance and the best tax outcomes, while also meeting your commercial objectives. Our Tax team provides services in the following areas:

- Corporate Tax Consulting and Compliance
- Global Employer Services
- Indirect Tax, VAT and Customs
- Individual Tax Compliance and Consulting
- International Tax and Transfer Pricing
- Trusts and Estates

ADVISORY

BDO's Advisory practice provides services to clients navigating a range of business challenges, changes and opportunities, both locally and globally. We work regularly with our global teams to design solutions for clients across the following specialist areas:

- BEE Verifications
- Business Restructuring and turnaround
- Business Services
- Company Secretarial
- Corporate Finance
- Corporate Governance
- Economic Advisory
- Environmental Sustainability
- Forensic Services
- GRAP compliance
- Internal audit
- Information Technology Advisory and Cyber Security
- Legal
- People and Business Solutions
- Risk Advisory
- Strategic Development Advisory
- Treasury Regulations compliance



FOR A CLEAR PERSPECTIVE,
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