



The Supreme Audit Court of Iran An over view

The Supreme Audit Court of Iran possesses a long history of Auditing and Accountability for the Parliament.

The auditing experience and background goes back to the year 1906 and during these years it has endeavoured to realize one main objective namely guaranteeing the accountability of the different public institutions and foundations which in one way or other benefit from the Beit-ul-mal (the public treasury).

Articles 54 and 55 of the Constitution of the Islamic Republic of Iran define the objectives and responsibilities of the Supreme Audit Court of Iran and reveal the significance of the SAC in establishing proper management.

Objectives and Responsibilities

The most important duty of the Supreme Audit Court of Iran is the preparation of the Budget liquidation report. This is legally provided by article 55 of the Constitution of the Islamic republic of Iran, article 104 of the General Audit Act and article 1 of the SAC Act.

The Supreme Audit Court executes this responsibility through three of its four directorates, namely;

1 – Directorate for technical and auditing affairs of Ministries, government institutions and foundations.

2 – Directorate for technical and auditing affairs of companies which carry out the auditing of accounts in their authority and,

3 – Directorate for legal, parliamentary affairs and Budget liquidation, which provides and finalizes the Annual Budget liquidation report and after approval at the General Board of the SAC presents the same to the Parliament.

The Report is then examined at the Commission of planning, Budget and Audit of the Islamic Consultative Assembly, and the offending auditees will be asked to respond.

The stated offences are at the same time attended to by the Public Prosecutor's office of the SAC, which after consideration and documentation refers the cases to the Judiciary boards.

The Judiciary Boards shall, after fully attending to and examining the cases, draft a judgment there on.

Mandate

Articles 1 to 7 of the Supreme Audit Court Act, define the responsibilities and powers of the SAC to the following effect:

Article 1 – The objective of the Supreme Audit Court as stated in the articles of the Constitution of the Islamic Republic of Iran is the exertion of continuous financial control and supervision in order to safeguard the Bait – ul – mal (Public Treasury). This is done through the following ways;

1 – To control financial operations and activities of all Ministries, institutions, government companies and other organizations which in any manner whatsoever benefit from the state budget.

2 – To examine and audit funds spent and the revenues and other sources of obtaining revenues in relation to the financial policies stipulated in the approved budget with consideration of the operational and auditing report received from the related auditees.

3 – Preparation and drawing up of the budget liquidation report together with its own comments and its presentation to the Majlis (Parliament).

Article 2 – Examining or auditing all the revenue and expenditure accounts and other receipts and payments, as well as financial statements of organizations from the viewpoint that they comply with financial rules and regulations and other relative laws and indispensable criteria.

Note – According to this Act, the organization shall include all the Ministries, organizations, institutions, government companies, and other organizations, which in any possible way benefit from the State budget and in general any executive organization on which, according to articles 44 and 45 of the Constitution, public ownership is applied to.

Organizations that public regulations are applied to must also be audited according to this article.

Article 3 – Examining the occurrence of financial operations in government or organization to ensure that expected revenues have been obtained and these revenues have been deposited in the related accounts timely and properly and to ensure that expenditures and other receipts and payments are correct.

Article 4 – Examining the accounts of properties and assets of the organizations.

Article 5 – Examining and ensuring that appropriate financial methods and directions have been established and that these methods and directions are applied effectively in order to achieve the auditees' objectives.

Article 6 – Commenting on the necessity of the existence of the internal controlling organization or the insufficiency of the existing organization in the auditees. This opinion is expressed according to audit reports and examinations done in order to safeguard the Bait – ul – mal

Article 7 – Examining the deficit accounts of assets and financial violations and any kind of discrepancies in account that the related government officers have committed in implementing the rules and regulations by the manner determined by this law.

International Affairs

In recent years, the Iranian SAI has tried to establish friendly and cooperative relationship with other countries. It has, as a result, used the experience of the other SAIs to develop government auditing. It has upgraded its activities in international cooperation by exchange of high – ranking delegations, participation in and holding of international seminars, BoG meetings, Congresses, and international training courses. The Iranian SAI has also developed close cooperation with regional and international audit organizations such as INTOSAI, ASOSAI, and ECOSAI

Personnel

Approximately 1716 people work in the Supreme Audit Court of Iran, 1154 of which are commissioned to work in the Provincial Branches and the remaining 562 work in the Central office of the Supreme Audit Court (SAC head quarters) in Tehran.

The total 1294 employees include the auditors (permanently situated at the auditee main office), experts and technicians who provide high quality service in the different quarters.