



PROVINCIAL TREASURY CIRCULAR NO. 15 OF 2021

TO:

THE MUNICIPAL MANAGER: BUSHBUCKRIDGE LOCAL MUNICIPALITY (MS CN NKUNA)
THE MUNICIPAL MANAGER: NKOMAZI LOCAL MUNICIPALITY (MR MD NGWENYA)
THE MUNICIPAL MANAGER: THABA CHWEU LOCAL MUNICIPALITY (MS SS MATSI)
THE MUNICIPAL MANAGER: EHLANZENI DISTRICT MUNICIPALITY (MR S SIBOZA)
THE MUNICIPAL MANAGER: CITY OF MBOMBELA (MR W KHUMALO)
THE MUNICIPAL MANAGER: STEVE TSHWETE LOCAL MUNICIPALITY (MR B KHENISA)
THE MUNICIPAL MANAGER: THEMBSILE HANI LOCAL MUNICIPALITY (MR O NKOSI)
THE MUNICIPAL MANAGER: VICTOR KHANYE LOCAL MUNICIPALITY (MS ST MATLADI)
THE MUNICIPAL MANAGER: EMAKHAZENI LOCAL MUNICIPALITY (MR G MTHIMUNYE)
THE MUNICIPAL MANAGER: EMALAHLENI LOCAL MUNICIPALITY (MR H MAYISELA)
THE ADMINISTRATOR: DR JS MOROKA LOCAL MUNICIPALITY (MR BM MHLANGA)
THE MUNICIPAL MANAGER: NKANGALA DISTRICT MUNICIPALITY (MS M SKOSANA)
THE MUNICIPAL MANAGER: CHIEF ALBERT LUTHULI LOCAL MUNICIPALITY (MR MA DLAMINI)
THE ACTING MUNICIPAL MANAGER: DIPALESENG LOCAL MUNICIPALITY (MR JM MOKGATSI)
THE MUNICIPAL MANAGER: DR PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY (MR L TSHABALALA)
THE MUNICIPAL MANAGER: GOVAN MBEKI LOCAL MUNICIPALITY (MR FS MNDEBELE)
THE MUNICIPAL MANAGER: LEKWA LOCAL MUNICIPALITY (MS G MHLONGO NTSHANGASE)
THE MUNICIPAL MANAGER: MKHONDO LOCAL MUNICIPALITY (MR MM KUNENE)
THE ACTING MUNICIPAL MANAGER: MSUKALIGWA LOCAL MUNICIPALITY (MR SI MALAZA)
THE MUNICIPAL MANAGER: GERT SIBANDE DISTRICT MUNICIPALITY (MR CA HABILE)

THE ACTING DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA (MR TP NYONI)
THE ACTING HEAD: DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR S NGUBANE)
THE PROVINCIAL EXECUTIVE OFFICER: SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION (MS GA LANGA)

THE CHIEF DIRECTORATE: SUSTAINABLE RESOURCE MANAGEMENT
THE CHIEF DIRECTORATE: FINANCIAL GOVERNANCE
THE CHIEF DIRECTORATE: ASSETS AND LIABILITIES MANAGEMENT

SUBMISSION OF DRAFT INTERNAL AUDIT OPERATIONAL PLANS FOR THE 2021/22 FINANCIAL YEAR

The purpose of this Circular is to request all Municipalities to submit their Draft Rolling Three-Year Strategic and Annual Operational Plans to the Provincial Treasury on or before 31 May 2021 for evaluation. The evaluations are performed to enhance the quality of the Internal Audit Operational Plans and to ensure that the Internal Audit Activity adds value in the achievement of management's objectives.

The purpose of the exercise is to evaluate the submitted Draft Internal Audit Plans to provide recommendations working towards a standardized Internal Audit methodology in the Province.

1. LEGAL MANDATES AND THE RESPONSIBILITIES AND EXPECTATIONS OF ACCOUNTING OFFICERS WITH REGARD TO INTERNAL AUDIT.

Section 165 of the Municipal Finance Management Act (MFMA), No. 56 of 2003, requires that:

- a) Each municipality and each municipal entity must have an internal audit unit; and
- b) The internal audit unit of a municipality or municipal entity must prepare a risk-based audit plan and internal audit program for each financial year.

In terms of Section 5 of the MFMA, Provincial Treasury is mandated to monitor and assist Municipalities in the Province in capacity building where needed. In order to enable the Provincial Treasury to monitor the Internal Audit Activity in the Province, your Municipality is therefore requested to submit the draft Internal Audit Operational plan for the 2021/22 financial year.

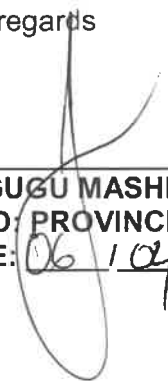
2. THE PROCEDURE FOR EVALUATION OF THE INTERNAL AUDIT OPERATIONAL PLANS

The Provincial Treasury has developed a checklist for the evaluation of Internal Audit Plans and feedback reports with recommendations for the implementation prior approval of the Internal Audit Plans will be issued to the Accounting Officers.

This Circular should be brought to the attention of all the Chief Audit Executives and submissions should be forwarded to: mdseale@mpg.gov.za or kbletsoalo@mpg.gov.za on or before **31 May 2021**.

Your co-operation is always appreciated.

Kind regards



MS GUGU MASHITENG
HEAD, PROVINCIAL TREASURY
DATE: 06 / 05 / 2021