



provincial treasury  
MPUMALANGA PROVINCE  
REPUBLIC OF SOUTH AFRICA

Nokuthula Simelane Building, No. 7 Government Boulevard, Riverside Park Extension 2, Mbombela, 1200  
Private Bag X 11205, Mbombela, 1200  
013 766 4082

SigcinaMafa SesiFunda

UrnNyango weeMali ZesiFunda

Provinsiate Tesourie

Enquiries : Mr D Manzini EXT 4553  
Ref : MPT 12/1/1

## PROVINCIAL TREASURY CIRCULAR NO. 43 OF 2024

**TO:**

**THE MUNICIPAL MANAGER: BUSHBUCKRIDGE LOCAL MUNICIPALITY (MR J NGOBENI)**  
**THE MUNICIPAL MANAGER: NKOMAZI LOCAL MUNICIPALITY (MR X MABILA)**  
**THE ACTING MUNICIPAL MANAGER: THABA CHWEU LOCAL MUNICIPALITY (MR RS MAKWAKWA)**  
**THE MUNICIPAL MANAGER: EHLANZENI DISTRICT MUNICIPALITY (DR NP MAHLALELA)**  
**THE MUNICIPAL MANAGER: CITY OF MBOMBELA (MR W KHUMALO)**  
**THE MUNICIPAL MANAGER: STEVE TSHWETE LOCAL MUNICIPALITY (MR SM MNGUNI)**  
**THE MUNICIPAL MANAGER: THEMBSILE HANI LOCAL MUNICIPALITY (MR DJW MAHLANGU)**  
**THE MUNICIPAL MANAGER: VICTOR KHANYE LOCAL MUNICIPALITY (MR TM MASHABELA)**  
**THE MUNICIPAL MANAGER: EMAKHAZENI LOCAL MUNICIPALITY (MR JW SHABANGU)**  
**THE MUNICIPAL MANAGER: EMALAHLENI LOCAL MUNICIPALITY (MR H MAYISELA)**  
**THE MUNICIPAL MANAGER: DR JS MOROKA LOCAL MUNICIPALITY (MS MM MATHIBELA)**  
**THE MUNICIPAL MANAGER: NKANGALA DISTRICT MUNICIPALITY (MS M SKOSANA)**  
**THE MUNICIPAL MANAGER: CHIEF ALBERT LUTHULI LOCAL MUNICIPALITY (MR ME THABETHE)**  
**THE MUNICIPAL MANAGER: DIPALESENG LOCAL MUNICIPALITY (MR L CINDI)**  
**THE MUNICIPAL MANAGER: DR PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY (MR MA NGCOBO)**  
**THE MUNICIPAL MANAGER: GOVAN MBEKI LOCAL MUNICIPALITY (MR ME MASEKO)**  
**THE MUNICIPAL MANAGER: LEKWA LOCAL MUNICIPALITY (MR M LAMOLA)**  
**THE ACTING MUNICIPAL MANAGER: MKHONDO LOCAL MUNICIPALITY (MR MJ MKHONZA)**  
**THE MUNICIPAL MANAGER: MSUKALIGWA LOCAL MUNICIPALITY (MR M KUNENE)**  
**THE MUNICIPAL MANAGER: GERT SIBANDE DISTRICT MUNICIPALITY (MR CA HABILE)**

**THE ACTING DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA (MR TP NYONI)**  
**THE HEAD: 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**

## INTERNAL AUDIT FORUM

### 1. Purpose

- The purpose of this Circular is to request all municipalities to avail Chief Audit Executives (CAEs) for the Internal Audit Forum that is scheduled to take place on **13 September 2024**.
- The main purpose of the forum is to promote exchange of information and technical expertise among Internal Auditors in pursuit of advancing good governance in Municipalities.

### 2. Discussion

- The Provincial Treasury is mandated in terms of Section 5 of the Municipal Finance Management Act, No. 56 of 2003, to monitor and assist municipalities in the Province in capacity building where needed.
- In terms of Section 165 of the said Act, an internal audit function must report to the Audit Committee on the implementation of the internal audit plan. Furthermore in terms of section 166 of the same Act, an Audit Committee is an independent advisory body which must advise the municipal council, the political office-bearers, the accounting officer and the management staff of the Municipality on matters relating to:
  - (i) internal financial control and internal audits;
  - (ii) risk management;
  - (iii) accounting policies;
  - (iv) the adequacy, reliability and accuracy of financial reporting and information;
  - (v) performance management;
  - (vi) effective governance;
  - (vii) compliance with the Act, the annual Division of Revenue Act and any and other applicable legislation;
  - (viii) performance evaluation;
  - (ix) any other issues referred to it by the municipality or municipal entity
- It is on the basis of the above that the Mpumalanga Provincial Treasury identified a need to resuscitate the Internal Audit Forum.

### 3. Proposed Discussion Items

- Changes in the Institute of Internal Auditors Standards
- The role of the Chief Internal Auditors in Improving audit outcomes
- How to remain relevant in the changing auditing processes
- Changes in the Chief Auditors Forum Terms of Reference

#### 4. Membership

- The Forum shall consist of the following members and stakeholders:
  - ❖ **Membership**
    - Membership is open to all Chief Audit Executives employed in municipalities.
  - ❖ **Stakeholders**
    - SALGA
    - IRMSA
    - CIFGARO
    - Municipal Managers' Forum
    - Institute of Internal Auditors
    - Provincial and National Treasury
    - Auditor-General

#### 5. Frequency

- ❖ The meeting shall be held once per quarter on rotational basis;
- ❖ It is preferable that each district municipality host at least one meeting per annum;
- ❖ The Provincial Treasury shall host at least one meeting per annum.

Your co-operation is always appreciated.

Kind Regards

  
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**MS GUGU MASHITENG**  
**HEAD: PROVINCIAL TREASURY**  
DATE: \_\_\_\_\_/2024