



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

Tel: 013 766 8699

SigcinaMafa SesiFundza

UmNyango weeMali ZesiFundza

Provinsiale Tesourie

Enquiries : Ms N Vilakazi  
Ref :

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**PROVINCIAL TREASURY CIRCULAR NO. 4 OF 2021  
(AMENDMENT TO PROVINCIAL TREASURY CIRCULAR NO. 69 OF 2020)**

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**TO:**

**THE MUNICIPAL MANAGER: BUSHBUCKRIDGE LOCAL MUNICIPALITY (MS CN NKUNA)**  
**THE MUNICIPAL MANAGER: NKOMAZI LOCAL MUNICIPALITY (MR MD NGWENYA)**  
**THE MUNICIPAL MANAGER: MBOMBELA LOCAL MUNICIPALITY (MR W KHUMALO)**  
**THE MUNICIPAL MANAGER: THABA CHWEU LOCAL MUNICIPALITY (MR S MATSI)**  
**THE MUNICIPAL MANAGER: EHLANZENI DISTRICT MUNICIPALITY (MR FS SIBOZA)**  
**THE MUNICIPAL MANAGER: STEVE TSHWETE LOCAL MUNICIPALITY (MR B KHENISA)**  
**THE MUNICIPAL MANAGER: THEMBISILE 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 MAISELA)**  
**THE ADMINISTRATOR: DR JS MOROKA LOCAL MUNICIPALITY (MR BM MAHLANGA)**  
**THE MUNICIPAL MANAGER: NKANGALA DISTRICT MUNICIPALITY (MS MM SKOSANA)**  
**THE MUNICIPAL MANAGER: CHIEF ALBERT LUTHULI LOCAL MUNICIPALITY (MR MA DLAMINI)**  
**THE ACTING MUNICIPAL MANAGER: DIPALESENG LOCAL MUNICIPALITY (MR J MOKGATSI)**  
**THE MUNICIPAL MANAGER: DR PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY  
(MR L TSHABALALA)**  
**THE ACTING MUNICIPAL MANAGER: GOVAN MBEKI LOCAL MUNICIPALITY (MS EK TSHABALALA)**  
**THE MUNICIPAL MANAGER: LEKWA LOCAL MUNICIPALITY (MS G MHLONGO NTSHANGASE)**  
**THE MUNICIPAL MANAGER: MKHONDO LOCAL MUNICIPALITY (MR MM KUNENE)**  
**THE MUNICIPAL MANAGER: MSUKALIGWA LOCAL MUNICIPALITY (MS GJ MAJOLA)**  
**THE MUNICIPAL MANAGER: GERT SIBANDE DISTRICT MUNICIPALITY (MR CA HABLE)**

**THE ACTING HEAD: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS  
(MR S NGUBANE)**  
**THE ACTING DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA (MR TP NYONI)**

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

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**AUDIT REPORTS, MANAGEMENT LETTERS AND REMEDIAL ACTION PLANS FOR AUDIT FINDINGS: 2019/20**

The Minister of Finance issued a Ministerial Exemption in terms of section 177(1) (b) of the Municipal Finance Management Act, No. 56 of 2003 on 5 August 2020, exempting municipalities and municipal entities from submitting their annual financial statements and related reports for auditing at the end of August 2020. The notice allowed a two-month delay in the submission of Annual Financial Statements, Annual Reports, Audit opinions and oversight reports.

Due to the announcement the conclusion of audit by the Auditor-General South Africa (AGSA) for the 2019/20 financial year will be concluded on or before 31 March 2021. All Municipalities are requested to submit to Provincial Treasury copies of the Audit Report and the final Management Letter within **5 working days** after they have been received and the remedial action plan within **10 working days** thereafter.

In order to address the matters as captured in the relevant audit documentation, the following should be included in the remedial action plan:

1. Issues raised in the Audit Report
2. Issues raised in the final Audit Management Letter
3. The actual root causes of the findings, in addition to those mentioned by the AGSA.
4. The actions that will be taken and all activities to be undertaken to operationalize the actions in order to address the root causes and findings.
5. The due dates by which the findings will be addressed (due dates must be specific).

It would be appreciated if the completed action plan for your Municipality be signed off and submitted to the following official:

**Janet Bezuidenhout**  
**Provincial Accountant-General**  
**UG, Nokuthula Simelane Building (formerly Building 4)**  
**E-mail: bezuidenhout@mpg.gov.za**

Officials from the Provincial Treasury will evaluate the remedial action plans and provide feedback to your Municipality on whether or not all the issues raised have been included in the plan.

It should be emphasized that the Municipal Manager, as Accounting Officer, is ultimately accountable for the effective and efficient management of a Municipality. In terms of Section 62(c)(i and ii) of the Municipal Finance Management Act, No. 56 of 2003, an Accounting Officer of a Municipality is responsible for managing the financial administration of the Municipality and must for this purpose take all reasonable steps to ensure that the Municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control, and of internal audit operating in accordance with any prescribed norms and standards.


In order to enable the Provincial Treasury to submit consolidated progress reports to all Provincial oversight bodies, progress reports on the remedial action plans for the audit findings should be submitted by the **7<sup>th</sup> of each month** to the above official. The Provincial Treasury officials will always be available to assist your Municipality where necessary

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Your co-operation in this regard is much appreciated.

Regards

  
MS GUGU MASHITENG  
HEAD: PROVINCIAL TREASURY  
DATE: 21/02/2021