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Ref : DOF 13/5/6/3

PROVINCIAL TREASURY CIRCULAR NO 10 OF 2015

TO:

THE MUNICIPAL MANAGER: EHLANZENI DISTRICT MUNICIPALITY (ADV H MBATHA)
THE ACTING MUNICIPAL MANAGER: MBOMBELA LOCAL MUNICIPALITY (MR S DITSHEGO)
THE ACTING MUNICIPAL MANAGER: THABA CHWEU LOCAL MUNICIPALITY (MS SD MAEBELA)
THE MUNICIPAL MANAGER: NKOMAZI LOCAL MUNICIPALITY (MR MD NGWENYA)
THE MUNICIPAL MANAGER: UMJINDI LOCAL MUNICIPALITY (MR DP MSIBI)
THE MUNICIPAL MANAGER: BUSHBUCKRIDGE LOCAL MUNICIPALITY (MR C LISA)
THE MUNICIPAL MANAGER: GERT SIBANDE DISTRICT MUNICIPALITY (MR CA HABILE)
THE MUNICIPAL MANAGER: MSUKALIGWA LOCAL MUNICIPALITY (MR ZT SHONGWE)
THE MUNICIPAL MANGER: LEKWA LOCAL MUNICIPALITY (MR LB TSHABALALA)
THE MUNICIPAL MANAGER: GOVAN MBEKI LOCAL MUNICIPALITY (MR MF MAHLANGU)
THE MUNICIPAL MANAGER: DIPALESENG LOCAL MUNICIPALITY (MR V NGCOBO)
THE ACTING MUNICIPAL MANAGER: MKHONDO LOCAL MUNICIPALITY (MR MJS MABUZA)
THE MUNICIPAL MANAGER: DR PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY (MR P MALEBYE)
THE MUNICIPAL MANAGER: ALBERT LUTHULI LOCAL MUNICIPALITY (VN MPILA)
THE MUNICIPAL AMANGER: NKANGALA DISTRICT MUNICIPALITY (MS M SKOSANA)
THE ACTING MUNICIPAL MANAGER: THEMBISILE HANI LOCAL MUNICIPALITY (MR ON NKOSI)
THE ACTING MUNICIPAL MANAGER: STEVE TSHWETE LOCAL MUNICIPALITY (MR SM MNGUNI)
THE ADMINISTRATOR: EMALAHLENI LOCAL MUNICIPALITY (MR T VAN VUUREN)
THE ACTING MUNICIPAL MANAGER: DR JS MOROKA LOCAL MUNICIPALITY (MR BS MAHLANGU)
THE MUNICIPAL MANGER: VICTOR KHANYE LOCAL MUNICIPALITY (MS BSS RIBA)
THE ACTING MUNICIPAL MANGER: EMAKHAZENI LOCAL MUNICIPALITY (MS EK TSHABALALA)

SUBJECT: SUBMISSION OF DRAFT INTERNAL AUDIT OPERATIONAL PLANS FOR THE 2015/16 FINANCIAL YEAR

This circular is issued to request all Municipalities to submit their draft Rolling Three Year Strategic and Annual Operational Internal Audit Plans to the Provincial Treasury on or before 31 May 2015 for evaluation. The evaluations are performed to enhance the quality of the Internal Audit Operational Plan and to ensure that the Internal Audit Function 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 standardised internal audit methodology in the Province.

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

1.1 Section 165 of the Municipality Finance Management Act (MFMA), No 56 of 2003, requires that:-

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

1.2 In terms of section 5 of the MFMA, the Provincial Treasury performs a monitoring role. In order to enable the Provincial Treasury to monitor the Internal Audit Function in the Province, your municipality is therefore requested to submit the Draft Internal Audit Three-year Strategic Plan and Internal Audit Operational Plan for the 2015/16 Financial year.


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

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

NBThis circular should be brought to the attention of all the Chief Audit Executives and submissions should be forwarded to embokodo@mpg.gov.za or mndawebe@mpg.gov.za on or before 31 May 2015.**

Your co-operation is appreciated.

Kind Regards,



MS NZ NKAMBA
HEAD OF DEPARTMENT
DATE: 7/4/2015