

# MPUMALANGA PROVINCIAL GOVERNMENT

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## Department of Finance *Office of the HOD*

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UmNyango weZeemali

Departement van Finansies

Kgoro ya Matlotlo

Ref no: Ms J Bezuidenhout  
Enquiries: DOF 12/1/1

### PROVINCIAL TREASURY CIRCULAR NO. 35 OF 2014

THE ADMINISTRATOR: BUSHBUCKRIDGE LOCAL MUNICIPALITY (MR E NGOMANE)  
THE MUNICIPAL MANAGER: UMJINDI LOCAL MUNICIPALITY (MR DP MSIBI)  
THE MUNICIPAL MANAGER: NKOMAZI LOCAL MUNICIPALITY (MR MD NGWENYA)  
THE ACTING MUNICIPALMANAGER: THABA CHWEU LOCAL MUNICIPALITY (MR SD MAEBELA)  
THE MUNICIPAL MANAGER: EHLANZENI DISTRICT MUNICIPALITY (ADV H MBATHA)  
THE MUNICIPAL MANAGER: STEVE TSHWETE LOCAL MUNICIPALITY (MR WD FOUCHE)  
THE MUNICIPAL MANAGER: THEMBISILE HANI LOCAL MUNICIPALITY (MR JI SINDANE)  
THE MUNICIPAL MANAGER: VICTOR KHANYE LOCAL MUNICIPALITY (MS RM MAREDI)  
THE ACTING MUNICIPAL MANAGER: EMAKHAZENI LOCAL MUNICIPALITY (MS T SHOBA)  
THE ADMINISTRATION: EMALAHLENI LOCAL MUNICIPALITY (MR T VAN VUUREN)  
THE MUNICIPAL MANAGER: DR JS MOROKA LOCAL MUNICIPALITY (MR BS MAHLANGU)  
THE MUNICIPAL MANAGER: NKANGALA DISTRICT MUNICIPALITY (MS M SKOSANA)  
THE MUNICIPAL MANAGER: CHIEF ALBERT LUTHULI LOCAL MUNICIPALITY (MR VN MPILA)  
THE MUNICIPAL MANAGER: DIPALESENG LOCAL MUNICIPALITY (MR VD NGCOBO)  
THE MUNICIPAL MANAGER: DR PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY (MR PB MALEBYE)  
THE MUNICIPAL MANAGER: GOVAN MBEKI LOCAL MUNIPALITY (MR MF MAHLANGU)  
THE MUNICIPAL MANAGER: LEKWA LOCAL MUNICIPALITY (MR L TSHABALALA)  
THE MUNICIPAL MANAGER: MKHONDO LOCAL MUNICIPALITY (MR AN MAHLANGU)  
THE ACTING MUNICIPAL MANAGER: MSUKALIGWA LOCAL MUNICIPALITY (MR M ZUNGU)  
THE MUNICIPAL MANAGER: GERT SIBANDE DISTRICT MUNICIPALITY (MR CA HABILE)

THE HEAD OF DEPARTMENT: CO -OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR CM CHUNDA)  
THE CHIEF EXECUTIVE OFFICER: MPUMALANGA SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION (MS GW LANGA)  
THE CHIEF DIRECTOR: SUSTAINABLE RESOURCE MANAGEMENT: DEPARTMENT OF FINANCE (MS G MILAZI)  
THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE: DEPARTMENT OF FINANCE (MS J BEZUIDENHOUT)  
THE CHIEF DIRECTOR: ASSET LIABILITIES MANAGEMENT: DEPARTMENT OF FINANCE (MR JB MBATHA)



## **REQUEST FOR AUDIT REPORTS AND MANAGEMENT REPORTS - MUNICIPALITIES - 2013/14 FINANCIAL YEAR**

### **1. PURPOSE**

The purpose of the Circular is to request all Municipalities to provide the Provincial Treasury with the Audit reports and Management Letters of the current audit - 2013/14 financial year.

### **2. BACKGROUND**

The Financial Governance Branch in the Provincial Treasury is responsible for analysing, identifying and monitoring high risk areas in public sector institutions in order to improve their internal control environment. It further assists to develop and monitor action plans on Auditor General issues to address all gaps identified. Section 121(3)(g) of the Municipal Finance Management Act, No 56 of 2003, (MFMA) requires that, an annual report should include particulars of corrective action taken or to be taken in response to issues raised in the audit reports.

A corrective action plan is a plan of action developed to address the root causes of findings and observations that have been identified by the Auditor-General during the audit. It gives a public sector institution the opportunity to analyze and identify the root causes of the identified findings and observations, and to develop a corrective action to address the findings to ensure future compliance with the relevant acts and policies.

### **3. DISCUSSION**

In terms of chapter 2, Section (4)(a)(i) and (c) of the Municipal Finance Management Act, No 56 of 2003, the Provincial Treasury must monitor compliance with the Act, by Municipalities and Municipal Entities in the Province. It should be emphasized, however, that the Municipal Manager, as an Accounting Officer, is ultimately accountable for the effective and efficient management of the Municipality. In terms of Section 62(1)(c)(i) of the MFMA, the Accounting Officer of a Municipality must ensure that the Municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal controls.



Municipalities are requested to submit the Auditor-General's final management letter and audit report for the 2013/14 financial year to the Provincial Treasury on or before 17 December 2014, to ensure that all action plans are developed before end of December 2014, for effective monitoring, and provide interventions were possible.

Your co-operation is always appreciated.

Kind regards,

**MS NZ NKAMBA  
HEAD OF DEPARTMENT**

**DATE: 10/12/2014**