



Internal Audit Charter 2021/2022

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1. Introduction

- 1.1. Council and the Audit & Performance Committee (A&PC) is responsible for overseeing the establishment of effective systems of internal control in order to provide reasonable assurance that Langeberg Municipality's financial and non-financial objectives are achieved.
- 1.2. The Internal Audit Charter is a formal document that defines the Internal Audit Activity's (IAA) purpose, authority and responsibility.
- 1.3. The Charter establishes the IAA's position within Langeberg Municipality, including the nature of the chief audit executive's (CAE) functional reporting relationship with the A&PC; authorizes access to records, personnel, and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities.

2. List of acronyms

Acronym	Detail
AGSA	Auditor General South Africa
A&PC	Audit and Performance Committee
BCC	Business Continuity Committee
BCM	Business Continuity Management
CAE	Chief Audit Executive
FARMCO	Fraud and Risk Management Committee
IAA	Internal Audit Activity
IIA	Institute of Internal Auditors
IPPF	International Professional Practises Framework
ISPPIA	International Standards for the Professional Practises of Internal Audit (<i>Standards</i>)
MFMA	Municipal Financial Management Act no. 56 of 2003
MSA	Municipal Systems Act no. 32 of 2000
LGMSA	Local Government Municipal Structures Act no. 117 of 1998
MPAC	Municipal Public Accounts Committee
MM	Municipal Manager
QAIP	Quality Assurance Improvement Program
QAR	Quality Assessment Review
RBAP	Risk Based Audit Plan
SMT	Strategic Management Team

3. Purpose and mission

- 3.1. Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve the municipality's operations. It helps the municipality accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.
- 3.2. The purpose of Langeberg Municipality's IAA is to provide independent, objective assurance and consulting services designed to add value and improve Langeberg Municipality's operations. The IAA helps Langeberg Municipality accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.
- 3.3. The vision of the IAA is to progress and grow to be the leading IAA.
- 3.4. The mission of the IAA is to add value in the areas of risk management, internal control and governance, by strengthening accountability and enabling oversight through auditing and advice.

4. Legislative mandate

- 4.1.** In terms of section 62 (2) (c) (i) and (ii) of the MFMA, the 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.
- 4.2.** The IAA is established in terms of section 165 of the MFMA which provides for the establishment of the Internal Audit Activity.
- 4.3.** Section 165 of the MFMA of 2003 states that:
- (1) Each municipality must have an internal audit unit.
 - (2) The internal audit unit of a municipality must-
 - a) Prepare a risk based audit plan and an internal audit program for each financial year.
 - b) Advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to-
 - i. internal audit;
 - ii. internal controls;
 - iii. accounting procedures and practices;
 - iv. risk and risk management;
 - v. performance management;
 - vi. loss control; and
 - vii. compliance with this Act, the annual Division of Revenue Act and any other applicable legislation; and
 - c) Perform such other duties as may be assigned to it by the accounting officer.
- 4.4.** The IAA will further conduct itself in a manner that ensures adherence to the Institute of Internal Auditors' (IIA) Mandatory Guidance, which includes the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing (ISPPA), and the Definition of Internal Auditing. The IIA's Mandatory Guidance constitutes the fundamental requirements for the professional practice of internal auditing and the principles against which to evaluate the effectiveness of the IAA's performance.

5. Role of internal audit

- 5.1.** The role of the IAA is to assist the municipality to achieve its objectives by providing an independent and objective evaluation and improving the effectiveness of Langeberg Municipality's risk management, control and governance processes. This can be achieved through enhancing and protecting organizational value by providing risk-based and objective assurance, advice, and insight encompassing evaluation of the following:
- The information system environment;
 - The reliability and integrity of financial and operational information;
 - The effectiveness of operations;
 - Safeguarding of assets; and
 - Compliance with laws, regulations, council directives and controls.

6. Scope of work

6.1. Assurance engagements

- 6.1.1.** The scope of the IAA assurance engagements is to determine whether the municipality's application of risk management, controls, and governance processes, as designed and represented by management, is adequate, effective, efficient and functioning in a manner to ensure amongst others that:
- Risks are appropriately identified and managed by management;
 - Significant financial, managerial and operating information is accurate, reliable and timely;
 - Resources are acquired economically, used effectively, efficiently and adequately protected; and

- Programs, plans and objectives are achieved.

6.2. Consulting engagements

- 6.2.1. The scope of the IAA consulting engagements focuses on assisting management in problem solving activities by providing insight and assuming an advisory role to add value and achieve the objectives of the municipality. Consulting engagements that may be accepted are:
- Formal consulting engagements – those that are planned and subject to written agreement;
 - Informal consulting engagements – routine activities such as participation on standing committees (observer), limited-life audit projects, ad-hoc reviews;
 - Special consulting engagements – participation on dedicated teams such as a system conversion team; and
 - Emergency consulting services – participation on a team established for recovery or maintenance of operations after a disaster or other extraordinary business event, or a team assembled to temporary help to meet a special request or unusual deadline.
- 6.2.2. The CAE must request the Municipal Manager (MM) and A&PC's approval for consulting activities that significantly affect the approved annual internal audit plan.

6.3. Combined assurance

- 6.3.1. The Standards state that the CAE should share information and coordinate activities with other internal and external providers of assurance and consulting services to ensure proper coverage and minimize duplication of efforts.
- 6.3.2. The IAA has access to the work of other internal and external assurance providers.
- 6.3.3. The IAA will provide assurance over the entire organization, including:
- assurance on the design and adequacy of the risk management processes;
 - management of the top risks including the effectiveness of the controls and other responses; and
 - verification of the reliability and appropriateness of the risk assessment and reporting of the risk and control status.
- 6.3.4. In instances where the CAE is hiring an assurance provider, the CAE will document engagement expectations in a contract or agreement. The following minimum expectations will be set to ensure that work is adequate and reporting requirements are fulfilled:
- the nature and ownership of deliverables,
 - methods / techniques,
 - the nature of procedures and data / information to be used,
 - progress reports / supervision
- 6.3.5. The IAA will consider the following to conclude whether to rely on the work of the assurance providers:
- independence and objectivity; and
 - competencies and qualifications including:
 - i. verifying appropriate professional experience and qualifications;
 - ii. current registration with relevant professional body or institute;
 - iii. reputation for competency and integrity in the sector; and
 - iv. practices to ensure reasonable assurance that is based on sufficient, relevant, and reliable evidence and the work of the assurance provider is appropriately planned, supervised, documented and reviewed.
- 6.3.6. When management require an overall opinion from the CAE, the CAE should understand the nature, scope and extent of the integrated assurance map to consider the work of other assurance providers, rely on it as appropriate, before presenting an overall opinion on the municipality's governance, risk and control processes. The IAA should include reference to other assurance providers where reports rely on such information.
- 6.3.7. Instances where the municipality does not expect an overall opinion, the CAE can act as the coordinator of assurance providers. The CAE should report on any lack of input by other assurance providers. If the CAE believes that the assurance is inadequate or ineffective, the MM and A&PC should be advised accordingly.
- 6.3.8. The IAA should follow up on recommendations made by other assurance providers and should determine

whether management has implemented the recommendations or accepted the risk of not taking action.

- 6.3.9. It should become common practice that internal and external audit rely on the work of the other to increase efficiencies. In this case, sufficient information should be provided to enable the other party to understand the techniques, methods and terminology to facilitate reliance on the work performed. Planned audit activities of internal and external auditors need to be discussed to ensure that audit coverage is coordinated and duplicate efforts are minimized where possible. Sufficient meetings are to be scheduled during the audit process to ensure coordination of audit work and efficient and timely completion of audit activities and to determine whether observations and recommendations.

6.4. CAE roles and responsibilities beyond internal auditing

- 6.4.1. The CAE may perform additional roles and responsibilities outside of internal auditing in terms of the Standards, such as responsibilities for compliance, business continuity management or risk management activities. These roles and responsibilities may impair, or appear to impair, the organizational independence of the IAA or the individual objectivity of the internal auditor.

- 6.4.2. Safeguards must be put in place to limit impairments to independence and objectivity. Safeguards put in place, include amongst other that:

- The IAA report on all additional roles and responsibilities administratively to the MM and functionally to the A&PC;
- Roles and responsibilities of the CAE and the IAA in terms of risk management are clearly defined in the Internal Audit Charter and Risk Management Framework;
- Roles and responsibilities of the CAE and the IAA in terms of compliance are clearly defined in the Internal Audit Charter;
- Roles and responsibilities of the CAE and the IAA in terms of business continuity management are clearly defined in the Internal Audit Charter and Business Continuity Framework;
- The CAE must, at least annually, confirm to the A&PC the organizational independence of the internal audit activity; and
- Threats to objectivity must be managed at the individual auditor, engagement, functional, and organizational levels.

6.4.3. Risk management

- 6.4.3.1. Risk management is the ultimate responsibility of management; however, the IAA should evaluate the adequacy and the effectiveness of risk management processes within Langeberg Municipality.

- 6.4.3.2. Internal Audit is best positioned to assist management in risk identification and assessment by facilitating the process. Independence should at all times be preserved. The Internal Audit Activity should use the results of the risk assessment as the basis for the preparation of the Internal Audit Plan.

- 6.4.3.3. The CAE is responsible for risk management activities that would have been performed by a Chief Risk Officer. This includes the following responsibilities:

- Championing the formulation of the municipality's Enterprise Risk Management in a manner that fulfils the mission and strategic goals of the municipality while complying with legislative requirements;
- Co-ordinate Enterprise Risk Management process;
- Giving advice on identifying and evaluation of risks;
- Facilitate risk workshops;
- Facilitating management's response to risks;
- Monitor all risks and mitigating controls;
- Report to the FARMCO in a predetermined format and content;
- Educate and train the leadership, staff and business associates as to the risk management program, and their respective responsibilities in carrying out the risk management program;
- Lead, facilitate and advise departments in designing ERM programs within their own departments;
- Help identify corrective actions where appropriate;

- Maintain risk register, indicating risk responses and risk owners; and
- Educate staff and promote risk awareness throughout the Municipality.

6.4.4. Compliance

- 6.4.4.1. Compliance with laws and regulations is the ultimate responsibility of management; however, the IAA is best positioned to assist management with monitoring compliance with relevant legislation.
- 6.4.4.2. The IAA is responsible to monitor and report quarterly on the municipality's compliance with relevant specific legislation.

6.4.5. Business continuity management

- 6.4.5.1. The responsibilities for establishing a BCM, administration of BCM process, coordinating the implementation of business continuity processes, testing of the BCM, and review and update of all business continuity documents reside with the Internal Audit Activity. The Business Continuity Management Administrator is responsible for the following:
- Securing management support;
 - Estimate funding requirements;
 - Development of the Business Continuity Management Policy;
 - Coordinating and overseeing of the business impact analysis process;
 - Ensuring effective participant input;
 - Coordinate and overseeing the development of plans and arrangements for business continuity;
 - Establishment of working groups and teams and defining their responsibilities;
 - Coordination of appropriate training; and
 - Regular testing and review of the BCM process.

7. Authority, objectivity and independence of internal audit activity

7.1. Authority

- 7.1.1. The CAE and staff of the IAA are authorized amongst others, to:
- Have unrestricted access to the MM and the Chairperson of the A&PC.
 - Have unrestricted access to all functions, records, property and personnel;
 - Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives;
 - Obtain the necessary assistance of personnel in units of the municipality where they perform audits, as well as other specialized services from within or outside the municipality;
 - Have authority to discuss initiatives, policies and procedures regarding risk assessment, internal controls, compliance, business continuity management, financial reporting and governance processes with management and other corporate participants; and
 - Communicate directly with the members of the Strategic Management Team (SMT) and A&PC.
- 7.1.2. The CAE and staff of the IAA are not authorized to:
- Perform any operational duties for the municipality or its affiliates;
 - Initiate or approve accounting transactions external to the IAA; and
 - Direct activities of any of the municipality's employees not employed by the IAA, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors, as the above would infringe on independence and impair objectivity.

7.2. Objectivity

- 7.2.1. Staff of the IAA should disclose potential conflict of interests and sign annual statements indicating that no potential threats exist or acknowledging any known potential threats. The IAA's staff should further declare any threat to individual objectivity, may it be in appearance or in fact, at engagement level. These declarations should be communicated to clients.

- 7.2.2. The CAE will consider potential objectivity impairments and avoid assigning team members who may have a conflict based on disclosures made.
- 7.2.3. The IAA shall have no direct operational responsibility or authority over any of the activities they review.
- 7.2.4. When performing consulting engagements, the IAA should maintain objectivity and not assume management responsibility.
- 7.2.5. All internal audit activities shall remain free of influence by any element in the Municipality, including matters of audit selection, scope, procedures, frequency, timing, or report content to permit maintenance of an independent and objective mental attitude necessary in rendering reports.
- 7.2.6. Safeguards must be put in place to limit impairments to objectivity where the CAE is expected to have roles and/or responsibilities that fall outside of internal auditing. Assurance engagements for functions over which the CAE has responsibility must be provided by a party outside the IAA.
- 7.2.7. Details of any impairment in fact or appearance to the objectivity of the IAA should be disclosed in writing to the A&PC and if necessary to Council.

7.3. Independence

- 7.3.1. To provide for the independence of the IAA, the CAE and other internal audit personnel report functionally to the A&PC and administratively to the MM and will remain independent of all line and functional management.
- 7.3.2. The A&PC should concur on the appointment and/or removal of the CAE.
- 7.3.3. The IAA will include as part of its report to the A&PC, a regular report on the level of independence of the IAA's personnel involved.
- 7.3.4. Details of any impairment in fact or appearance to independence must be disclosed in writing to the A&PC and if necessary to Council.
- 7.3.5. Safeguards must be put in place to limit impairments to independence where the CAE is expected to have roles and/or responsibilities that fall outside of internal auditing.

8. Internal audit activity responsibility

- 8.1. The CAE and the IAA staff have amongst others, the following responsibilities:
 - 8.1.1. The role of the IAA is to assist the municipality to reach its objectives by providing an independent and objective evaluation and improve the effectiveness of Langeberg Municipality's risk management, control and governance processes;
 - 8.1.2. Develop a three year strategic and agile annual audit plan using appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the A&PC for review and approval;
 - 8.1.3. Establish policies and procedures to guide the IAA and direct its administrative functions;
 - 8.1.4. Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this Charter;
 - 8.1.5. The CAE and the IAA staff should be members of the Institute of Internal Auditors South Africa (IIASA);
 - 8.1.6. Carry out all audit work in an effective, professional and timely manner;
 - 8.1.7. Implement the annual audit plan, as approved including, as appropriate any special tasks or projects requested by management and the A&PC;
 - 8.1.8. Establish a quality assurance and improvement program by which the CAE assures the operation of internal auditing activities;
 - 8.1.9. Perform consulting services, beyond internal audit's assurance services, to assist management in meeting its objectives. Examples may include facilitation, process design, training, and advisory services. Informal consulting engagements include routine activities such as participating on standing committees, limited life projects, ad hoc meetings and routine information exchange;
 - 8.1.10. Assist in special assignments concerning significant fraud within the municipality as requested by the MM and advise management and the A&PC of the outcome;
 - 8.1.11. Liaise with the Auditor-General, Provincial and National Treasury and/or outside consultants for the purpose of providing optimal audit coverage at a reasonable overall cost; and minimizing duplication of effort;
 - 8.1.12. Internal auditors must have sufficient knowledge of key information technology risks and controls and available

technology-based audit techniques to perform their assigned work. The use of technology-based audit techniques should be promoted. However, not all internal auditors are expected to have the expertise of an internal auditor whose primary responsibility is information technology auditing. The CAE should ensure that the IAA collectively possess or obtain the knowledge, skills, and other competencies needed to perform its responsibilities;

8.1.13. Stay informed on improvements and current developments in internal audit standards, procedures and techniques;

8.1.14. Issue at least quarterly reports to the A&PC and management, summarizing the results of audit activities, which also include reporting amongst other things on:

- The status of the execution of the risk-based Internal Audit Plan;
- Significant audit findings and management action plans;
- Follow-up audits and management's implementation of previously reported Internal Audit and Auditor-General recommendations;
- Any scope of work restrictions placed on the IAA;
- The adequacy of the IAA budget and resource requirements, as well as the impact of resource limitations.

9. Relationship with external assurance providers

9.1. The IAA co-ordinates its work with that of the other assurance providers. The external auditors must be consulted in determining the activities of internal and external audit in order to minimize duplication of audit effort. This may include:

- Periodic meetings to discuss the planned activities;
- The exchange of audit work papers including systems documentation;
- The exchange of management letters;
- The forming of joint teams where appropriate;
- Internal Audit carrying out certain audit work on behalf of other assurance providers; and
- Any other relevant aspects of the relationship between the Municipality and the external assurance providers.

9.2. Internal audit must assess the adequacy of the combined assurance approach adopted by the Municipality. This assessment includes the adequacy of risks covered by the different assurance providers and the reliability of the assurance provided.

10. Management responsibility

10.1. The A&PC is responsible for approval of the scope of the IAA's work, and for recommending the action to be taken on the outcome or findings from their work.

10.2. Management is responsible for:

- Ensuring that a risk assessment is conducted regularly to identify emerging risks of the Council. A risk management strategy must then be drawn up and used by management to direct the IAA's effort and priority;
- Proposing the areas for special assignments by the IAA;
- Ensuring the IAA has the support of executive management;
- Direct access and freedom to report to the MM and the A&PC;
- Free access to the books of account, records, cash, stores, property and other sources of relevant information;
- Maintaining internal controls, including proper accounting records and other management information suitable for running the Municipality;
- Reviewing the reports of the IAA and timely implementation of recommendations as considered appropriate, in the light of Council's resources; and
- Provide a formal written response to all reports submitted by the IAA.

10.3. The MM must ensure that the budget of the IAA is adequate to cover the following items:

- Personnel related expenditure;

- Implementation of the risk based internal audit plan;
- Capital expenditure and audit software;
- Training and development;
- Professional membership fees; and
- Quality assurance programs.

11. Accountability of the internal audit activity

11.1. The CAE, in the discharge of his/her duties, shall be accountable to management and the A&PC to:

- Adhere to the Standards, the Core Principles, the Definition of Internal Audit and the Code of Ethics established by the International Professional Practices Framework (IPPF) and the IIA as mandatory elements;
- The IAA should be staffed with people with the appropriate qualifications and relevant experience. In those areas where the IAA does not have the appropriate skills, work should be outsourced to other service providers;
- Keep information and documents obtained from the auditee during a review period in a prudent and confidential manner; and
- Provide information on the status and results of the annual internal audit plan and sufficiency of the IAA's resources.

12. Limitation of scope

12.1. Any attempted scope limitation by management must be reported, preferably in writing, to the MM and to the A&PC. The question of whether an action from management in fact constitutes a scope limitation is at the judgment of the CAE.

13. Standards and code of ethics

13.1. The IAA shall meet the Standards and abide by the Code of Ethics as per the mandatory guidance of the IPPF.

14. Assessment of effectiveness of the internal audit activity

14.1. The A&PC should annually assess the effectiveness of the IAA, which includes amongst other, the:

- Achievement of the annual internal audit plan;
- Timeliness of reporting of findings and activities;
- Responsiveness to changing business/operational environment;
- Management's acceptance of the internal audit findings;
- Compliance with IIA's professional standards inclusive of quality assurance assessments on the level of compliance achieved;
- Quality and relevance of the annual assessment reports;
- Level of cooperation and interaction with other assurance providers within the agreed combined assurance approach and
- Maintenance of adequate staffing/sourcing levels to achieve the requirements of this charter.

15. Quality assurance and improvement program (QAIP)

15.1. The QAIP must include both internal and external assessments.

15.2. Internal assessments must include

- ongoing monitoring of the performance of the internal audit activity
- Periodic self-assessments or assessments by other persons within the organization with sufficient knowledge of internal audit practices

15.3. External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization. The CAE must discuss the following with the A&PC:

- The form and frequency of the external assessment; and
- The qualifications and independence of the external assessor or assessment team including potential

conflict of interest.

15.4. The results of the QAIP must be communicated to senior management and the A&PC. Disclosure should include:

- The scope and frequency of both the internal and external assessments;
- The qualifications and independence of the assessor(s) or assessment team, including potential conflicts of interest;
- Conclusions of assessors; and
- Corrective action plans.

16. Use of “conforms with the international standards for the professional practice of internal auditing”

16.1. Indicating that the IAA conforms to the Standards is appropriate only if supported by the results of the QAIP.

17. Disclosure of nonconformance

17.1. When nonconformance with the Code of Ethics or the Standards impacts the overall scope or operation of the internal audit activity, the CAE must disclose the nonconformance and the impact to senior management and the A&PC.

17.2. If internal auditors or the IAA is prohibited by law or regulation from conformance with certain parts of the Standards, conformance with all other parts of the Standards and appropriate disclosures are needed.

17.3. If the Standards are used in conjunction with requirements issued by other authoritative bodies, internal audit communications may also cite the use of other requirements, as appropriate. In such a case, if the internal audit activity indicates conformance with the Standards and inconsistencies exist between the Standards and other requirements, internal auditors and the IAA must conform to the Standards and may conform with the other requirements if such requirements are more restrictive.

18. Fraud limitation

18.1. The identification and prevention of fraud is a management responsibility. The IAA will report to management any red flags that might have come to their attention during the normal process of its activities.

18.2. The IAA will also take into consideration the Fraud Prevention Policy when reporting on any potential areas of fraud.

18.3. The IAA is well positioned to assist management to identify fraud risks facing the Council and could assist management in designing appropriate controls that could minimize the effects of such risks.

18.4. Internal auditors must have sufficient knowledge to evaluate the risk of fraud and the manner in which it is managed by the municipality, but are not expected to have the expertise of a person whose primary responsibility is detecting and investigating fraud.

18.5. The IAA must be alert to the probability of fraud risks and should seek to identify serious defects in internal control, which might permit the occurrence of such an event. When the IAA discovers evidence of, or suspect fraud or theft, they should report firm evidence, or reasonable suspicions to the appropriate level of management.

19. Planning and reporting

19.1. Planning

19.1.1. The IAA will annually submit to the A&PC for approval, an operational internal audit plan, setting out their objectives and recommended scope of work. This plan should be based on the results of the risk assessment process and should allocate the IAA resources to the areas where the greatest risks are present. In addition, it should identify the costs and resources necessary to fulfil the plan. The plan should indicate the timing and frequency of the audit activities.

19.1.2. Significant changes to the risk profile of the municipality identified during risk assessment processes should be considered during the financial year to determine the need to reprioritize audit areas and/or amending audit scopes. Any required changes determined during such assessment should be communicated to and accepted by the MM and approved by the A&PC.

19.1.3. The annual operational internal audit plan should be developed with reference to a longer term strategic

outlook for IAA's work, prepared in conjunction with management and supported by them, and should have regard to the business plans and strategic outlook of Council as a whole.

19.2. Reporting

- 19.2.1. The IAA should carry out the work as agreed, report the outcome and findings immediately to management, and make recommendations on the actions to be taken.
- 19.2.2. A written report of the above findings and recommendations should be prepared and issued to management by the IAA at the conclusion of each audit and distributed as considered appropriate.
- 19.2.3. The IAA will also submit a quarterly report to the A&PC on the:
- Status of the internal audit activities;
 - Significant findings and management remedial action plans;
 - Follow-up on previously reported internal audit findings;
 - Any instances of fraud or non-compliance with legislation identified during the performance of the internal audit activities;
 - Performance of the IAA against the operational internal audit plan to allow effective monitoring and possible intervention;
 - The IAA shall have the right to report any critical or significant issue directly to the MM or the Chairperson of the A&PC before consulting with management.
- 19.2.4. Report to the MPAC on the internal audit findings and management remedial action plans in terms of section 79A of the Municipal Structures Act no. 117 of 1998 as amended.

20. Approval & review of charter

This Charter establishes purpose, authority and responsibility conferred by management to the IAA. This Charter must be accepted by the MM and approved by the A&PC. The Charter will be reviewed on an annual basis and submitted to the A&PC for approval. This document will remain effective until a new one is approved.

Recommended by the Chief Audit Executive

Position: Chief Audit Executive
Name in print: Ayanda Mati

Signature: *Mati Ayanda*
Date: 24 June 2021

Accepted by the Municipal Manager

Position: Municipal Manager
Name in print: _____
Signature: _____
Date: _____

Approved by the Audit and Performance Committee

Position: *ACTING* Chairperson
Name in print: _____
Signature: _____
Date: _____

R. NICHOLLS
19 July 2021