

INTSIKA YETHU MUNICIPALITY

EC 135



**THREE YEAR ROLLING PLAN 2025-2028
INTERNAL AUDIT RISK BASED ANNUAL OPERATIONAL PLAN
FOR THE 2025/2026 FINANCIAL YEAR.**

Date of Approval:

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1. INTRODUCTION

1.1 Legislative Requirements for Internal Audit Activity

1.1.1 Municipal Finance Management Act, Act 53 of 2003

In terms of Section 62 (c) of the Municipal Finance Management Act no 56 of 2003 (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:

- (i) Financial and risk management and internal control and
- (ii) Internal audit operating in accordance with any prescribed norms and standards.

Section 165 (1) of the MFMA, states that “each municipality must have an internal audit activity”.

Section 165 (2) states that

“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.
- (vii) Compliance with this Act, the annual Division of Revenue Act and any other applicable legislation.
- (viii) Perform such other duties as may be assigned to it by the Accounting Officer.

1.1.2 Local Government: Municipal Planning & Performance Management Regulations

Regulation 14 (1) (a) of the Local Government: Municipal Planning & Performance Management Regulations of 2001, prescribe that a municipality must develop and implement mechanisms, systems, and processes for auditing the results of performance measurements as part of its Internal Auditing processes.

Sub-regulation (b) of Regulation 14 states that any auditing in terms of paragraph (a) must include assessments of the following:

- (i) The functionality of the municipality's performance management system.
- (ii) Whether the municipality's performance management system complies with the Act.
- (iii) The extent to which the municipality's performance measurements are reliable in measuring the performance of municipalities on indicators referred to in regulation 9 and 10.



Sub-regulation (c) states that "a municipality's Internal Auditors must":

- (i) On a continuous basis, audit the performance measurements of the Municipality.
- (ii) Submit quarterly reports on their audits to the Municipal Manager and the Audit and Risk Committee as referred to in sub-regulation (2).

1.2 PROFESSIONAL REQUIREMENTS

The Intsika Yethu Municipality's Internal Audit Activity subscribes to the International Standards for the Professional Practice of Internal Audit (ISPPIA) issued by the Institute of Internal Auditors of South Africa (IIA), IIA Code of Ethics and IIA Professional Practices Framework.

2. INTERNAL AUDIT APPROACH TO ANNUAL PLANNING

Internal Audit organised potentially auditable business units within the municipality into the universe to facilitate the identification and facilitation of risks. The Chief Audit Executive linked the business units to key risks in preparation for a comprehensive risk assessment and the identification of assurance coverage throughout the organisation.

The audit universe is based on the Internal Audits' understanding of the municipality's objectives and strategic initiatives and that are aligned with the municipality's structure.

Internal Audit obtained and utilised the following documents for its risk-based planning:

- Integrated Development Plan (IDP)
- Service Delivery and Budget Implementation Plan (SDBIP)
- Strategic Risk Register for the financial year 2025/26 FY
- Institute of Risk Management South Africa (IRMSA) 2024/25 Risk Report
- External Audit Report for 2023/24 FY
- The Internal Audit mandate and the full range of agreed-to Internal Audit services.
- Specific Internal Audit services that support the evaluation and improvement of the municipality's governance, risk management, and control processes.
- Coverage of Information Technology governance, fraud risk, the effectiveness of the Municipality's compliance and ethics programs and other high-risk areas.
- Necessary human, financial and technological resources necessary to complete the plan.
- Timeliness in response to changes in the municipality's business, risks operations, programs, systems, controls and organisational culture.
- Requirements by laws or regulations.
- Engagements critical to the Municipality's mission and strategy.
- Each engagement's potential benefits to the Municipality, such as the engagement's potential to contribute to the improvement of the organisations' governance, risk management and control processes.



The Internal Audit plan will be flexible and where necessary will be reviewed, revised and communicated timely to the Audit Committee and Senior Management.

Following will be the considerations:

- The impact of any resource limitations on Internal Audit coverage.
- The rationale for not including an assurance engagement in a high-risk area or activity in the plan.
- Conflicting demands for services between major stakeholders, such as high-priority requests based on emerging risks and requests to replace planned assurance engagements with advisory engagements.
- Limitations on scope or restrictions on access to information.

3. MANAGEMENT'S RESPONSIBILITY

The King Report IV on Corporate Governance holds Manager's accountable for the orderly running of the business/municipality.

Management is responsible for the establishment and maintenance of an effective system of internal control and governance to:

- Establish and communicate organisational goals and values.
- Monitor the accomplishment of goals.
- Ensure that accountability and values are preserved.

The objectives of the system of internal control are inter alia, to provide Management with reasonable but not absolute assurance that:

- Risks are properly managed.
- Assets are safeguarded.
- Financial and operational information are reliable.
- Operations are effective and efficient.
- Laws, regulations, and contracts are complied with.

The principal safeguard against fraud, misstatement and irregularities is an effective system of internal control. It must, however, be recognised that there are inherent limitations in any system of internal control – including human error and circumventions through collusion. The prevention and detection of fraud is, therefore, Management's responsibility.



4. SCOPE OF WORK AND MANAGEMENT'S EXPECTATIONS

The critical success factors for an effective Internal Audit plan are that it;

- Is aligned with the strategic objectives of the municipality.
- Covers the strategic risk areas facing the municipality, not just the financial risks and controls.
- Is prepared in consultation with Management, the Audit Committee and External Auditors.
- Matches assurance needs with available resources.

Assistance with respect to specialised audit services such as forensic audits. IT application controls audit, etc. will be sourced from service providers as and when required. Although investigating fraud and other irregularities are not the primary focus of the Internal Audit Activity's reason for existence, the activity will maintain close liaison with Management should the activity identify any red flags during their audits and will recommend further investigation internally or outsourced.

Internal Audit commits to provide a value-added service that will satisfy and exceed the municipality's expectations through:

- Timely reporting.
- Effective communication with Management.
- Value-adding recommendations.
- Assistance to Management to implement and maintain an effective internal control environment.

5. ENGAGEMENT REPORTING

Communication, particularly through reports is an essential element of the Internal Audit process. Reports will clearly demonstrate the control and operational concerns arising from the audits conducted, the potential impact and the practical, reasonable recommendations for change.

Reporting of audit findings is regarded as one of the most important steps of the Internal Audit process.

Internal Audit approach could be summarised as follows:

- Present draft reports to Management for comments within **five (5) working days** of completion of fieldwork.
- Obtain Management comments within **five (5) working days** from issuing of a draft report.
- Present final report to Management within **five (5) working days** of receiving comments.
- Present summary of significant matters to the Audit Committee on quarterly basis.
- Follow-up report on the implementation status of Management actions on Internal Audit and external audit reports to Management and Audit Committee, **120 days** after the issuance of the final reports to that corrective action on reported weaknesses are either planned or taken.
- Report to Audit Committee and revise Municipal Manager on the status of Internal Audit work against the plan and any subsequent changes to the plan on a quarterly basis.



6. REPORTING TO THE SENIOR MANAGEMENT/AUDIT COMMITTEE

Internal Audit activity will report quarterly to the Municipal Manager and the Audit Committee of Intsika Yethu Municipality.

The report will include, inter alia:

- The audit charters.
- Independence of the Internal Audit activity.
- Progress against the approved Annual Internal Audit Plan – including any deviations from the approved plan.
- Resource requirements.
- Results of Internal Audits conducted.
- Significant risks and control issues.
- Fraud risks.
- Governance issues.
- And any other matter that requires attention of Senior Management and Audit Committee.
- Management's response to risk that, in the Chief Audit Executive's judgement may be unacceptable to the organisation.

All reports will be discussed and agreed with line management/process owners before being finalised and distributed to Senior Management and the Audit Committee.

Where obtaining Management comments and approval will unduly delay the finalisation of audit reports these may be distributed marked "**Issued without Management comments**".

7. LIAISON WITH THE OFFICE OF THE AUDITOR GENERAL

Internal Audit will liaise closely with the office of the Auditor-General to avoid unnecessary duplication of audit effort and facilitate sharing of audit plans and working papers. While it is acknowledged that due to the capacity constraints of the Internal Audit activity and the timing, coverage, methodology, and scope of the Internal Auditors, the Auditor General has not been able to place reliance on work performed by Internal Audit. A concerted effort will be made to ensure that these gaps are minimised and improved.

8. MATURITY OF THE IN-HOUSE INTERNAL AUDIT ACTIVITY

The regression in the audit outcome for Intsika Yethu Municipality from an Unqualified to a Qualified opinion has raised concerns about the adequacy of its control environment, leading both internal and external stakeholders to question the municipality's governance and expect improved performance.

The Auditor-General, the Audit Committee, Provincial Treasury, and the Provincial Department of Local Government and Traditional Affairs and other interested parties are looking to the IYM's Internal Audit to assist in the improvement of the municipality's audit outcomes. This is not an unreasonable expectation and is therefore welcomed.



9. PLACING RELIANCE ON THE WORK OF INTERNAL AUDITORS

There is a current debate, between the public sector Internal Auditors (through the Institute of Internal Auditors South Africa and the Auditor General on the non-reliance by the Auditor General on the work of internal auditors.

The current status in most institutions is that the Auditor General opts to use the findings raised rather than place reliance on the work of internal auditors.

To this date, the public sector Internal Auditors have advised each other to:

Commit to the improvement of individual and team credentials of the Internal Auditors. Internal auditors have been advised to obtain IIA certification(s) to support credibility requirements.

Perform internal quality assessment reviews. The IYM Internal Audit activity is planning to conduct its first internal quality assessment in the 2024-2025 financial year.

Perform external quality assessment reviews. The IYM Internal Audit activity plans to perform an external quality assessment in the 2025/26 financial year.

The results of such a quality review will be shared with Management and the Audit Committee.

10. SUMMARY OF THE AUDIT UNIVERSE

SOURCE	NATURE OR CATEGORY		
RISK-BASED AUDIT UNIVERSE			
EXTERNAL RISKS	Regulatory	Environmental	Physical /natural disaster
	Political	Vendor / Supplier	
INTERNAL RISKS	Strategic Strategy development and review Alignment Resourcing Strategy performance	Technology Availability Accuracy / integrity Confidentiality Efficiency Automation vs manual operation Regulatory constraints Usage	Human resources Availability Competency Safety Integrity Leadership Communication
	Financial Service/product pricing Revenue collection / credit management Reserves creation Sustainability Budget monitoring	Information / Financial / Regulatory / Management Reporting Existence Completeness Ownership Valuation Accuracy Disclosure	Operating Product/service quality Support services Supply Chain Capacity Efficiency
	Repairs and maintenance Service user satisfaction Compliance Physical security Change management		
NON-RISK-BASED AUDIT UNIVERSE (LEGAL REQUIREMENTS AND BEST PRACTICES)			



INTERNAL AUDIT RISK BASED ANNUAL OPERATIONAL PLAN FOR 2025-2026 FY

SOURCE	NATURE OR CATEGORY	
Quarterly performance management reviews (legislated)	system	Interim financial statement reviews (good practice)
Internal audit quality assurance (legislated)	reviews	Quarterly key organizational controls reviews (good practice)

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11. RESOURCES AVAILABLE FOR AUDIT ACTIVITIES

11.1 IN-HOUSE RESOURCES

NO	INCUMBENT	QUALIFICATIONS	MEMBERSHIP	DATE OF APPOINTMENT	INTERNAL AUDIT EXPERIENCE	EXPIRY OF CONTRACT	COMMENT
CURRENT INTERNAL RESOURCES							
1.	Mr. L Bango Internal Audit Head	<ul style="list-style-type: none"> • Post Graduate Diploma: Internal Auditing 	<ul style="list-style-type: none"> • Member of the Institute of Internal Auditors 	01 st June 2023	13 Years	N/A	Permanently Employed
2.	Ms. K. Mdingi Chief Auditor	<ul style="list-style-type: none"> • Post Graduate Diploma: Internal Auditing 	<ul style="list-style-type: none"> • Member of the Institute of Internal Auditors 	04 th January 2021	4 Years	N/A	Permanently Employed
3.	Ms. N. Nyengane Acting Auditor	<ul style="list-style-type: none"> • B-Tech: Internal Auditing 	<ul style="list-style-type: none"> • Member of the Institute of Internal Auditors 	27 th January 2010	13 Years	N/A	Permanently Employed
4.	Ms. N Mbelu Assistant Auditor	<ul style="list-style-type: none"> • Diploma: Accounting 	<ul style="list-style-type: none"> • Member of the Institute of Internal Auditors 	01 st October 2015	9 Years	N/A	Permanently Employed

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11.2 TIME BUDGET (25/26)

- Available productive hours are 80% of total available hours (this means that the productivity rate per staff member is 80%)
- All productive hours are divided into billable and non-billable hours.
- "Billable hours" refers to hours spent on actual auditing while "non-billable" hours refer to idle time, administration tasks, staff, and other meetings, travelling etc. in other words work that does not directly relate to an audit engagement.

11.3 BUDGET FOR THE INTERNAL AUDIT UNIT

INTERNAL AUDIT BUDGET		MTRREF	
Description	2025-2026	2026-2027	2027-2028
Professional bodies, Membership and Subscriptions	50 000	52 250	54 601
Audit Committee Fees	750 000	783 750	819 019
Skills Development Fund (FMG)	100 000	106 000	112 360
Co-Source	200 000	209 000	218 405
External Quality Assurance and Improvement Program (QAIP)	-	-	-
Total	1 100 000	1 151 000	1 204 385



12. CRITERIA FOR TIME ALLOCATION

The hourly budget in the plan is developed and based on the following assumptions:

Total available hours are determined based on a 40-hour week, 5 days of 8 hours per day.

Intsika Yethu Municipality Budgeted hours			
Activities	Normal working days available	Days	Hours per day
	249	8	1992
Less:			
Annual Leave	16	8	128
Sick Leave	26	8	208
Study Leave	30	8	240
Family Responsibility	5	8	40
Total days available after leave days accounted for.	172	8	1376
Less:			
Training days	5	8	40
Total Billable hours available	167	8	1336
Less: Ad hoc audits (10% of the total available hours)	17	8	134
Total Productive hours available for Audit	150	8	1202
Total Productive hours @ 80% Productivity	120	8	962

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13.3-YEAR RISK-BASED ROLLING INTERNAL AUDIT PLAN

Section 165(2)(a) of the MFMA, states that "The Internal Audit unit of a municipality or municipal entity must—prepare a risk-based audit plan and an internal audit program for each financial year".

The plan has been developed based on the risk assessment conducted by internal audit activity based on experiences about high-risk areas to the municipality.

The table below details the **HIGH** Inherent Risks identified during the Strategic Risk Assessment process for the 2025/26 financial year, which was conducted on the 06 and 07th day of May 2025. Although the mitigation and Management of the said risks is the responsibility of Management, Internal Audit has used the results of the risk assessment to develop its risk-based plan and accordingly focus its efforts on High-risk areas to determine whether actions taken by Management to mitigate such risks has achieved the desired outcome.

No	Risk Description	Residual	Indicate if included in risk-based IA plan (if not, Management)
1	Inability to meet current and future financial obligations	Extreme High	Revenue Management Follow up
2	Inadequate leadership and technical skills to drive transformation and development	High	Human resource Audit
3	Inability to leverage on ICT capabilities as a Strategic business enabler	High	ICT General and Application Control (Penetration Tests)
4	Inability to provide social and environmental welfare	High	Management



5	Inability to create a conducive environment to enable socio economic growth	High	Local Economic Development Audit
6	Ineffective institutional arrangements	Moderate	Management
7	Non-adherence to Spatial Development Framework	High	Management
8	Inadequate provision and maintenance of service delivery infrastructure	High	Probity Audit on Infrastructure (PMU)

14. DEVELOPMENT OF THE AUDIT PLAN

The following are key drivers in determining the scope and focus of Internal Audit's work:

- The Annual Strategic Risk Assessment conducted on the 06 and 07th of May 2025.

- The annual Internal Audit Plan of prior year.
- The prior years' Internal Audit reports.
- Prior year's Management letters of the External Auditors.
- Consultations with Senior Management.
- The previous year's area of concern not covered by the plan.
- Statutory requirements for audit purposes and Management / Audit Committee concerns are considered.

Whilst certain key risk areas may receive assurance/ feedback from other assurance providers, or by Management themselves, the Audit Committee will need to satisfy itself relative to the level of assurance required and will need to determine how and by whom the required assurance will be received.

The Audit Committee has the responsibility to review the adequacy of Internal Audit's coverage, especially when key risks are not being covered by Internal Audit in its plan.

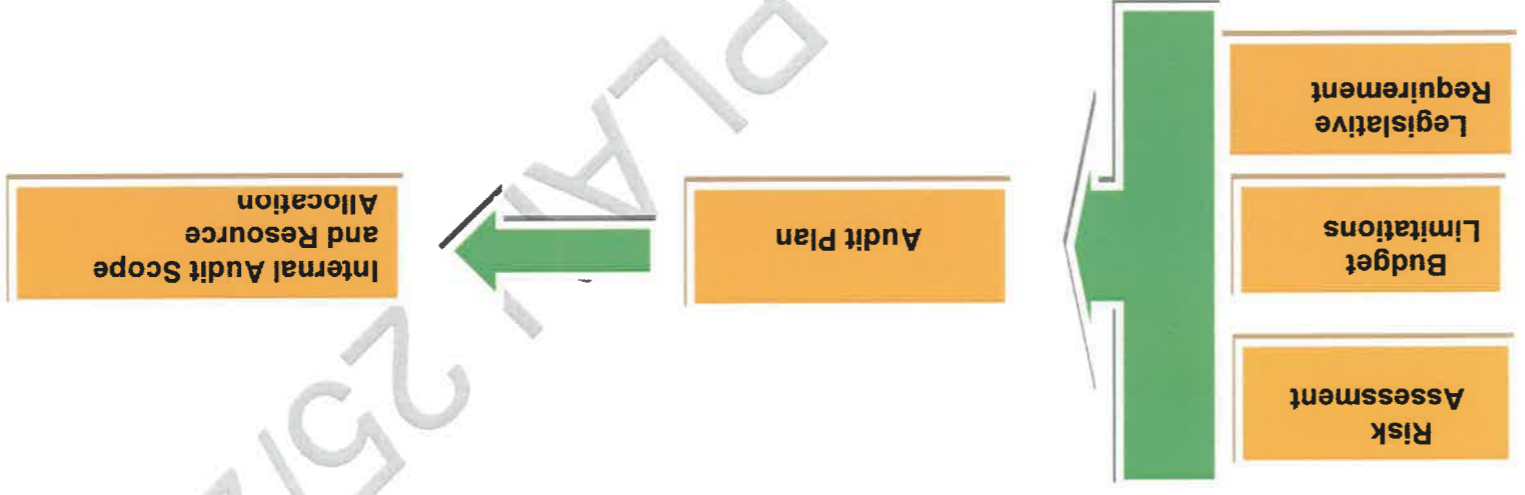


It is important that the Internal Audit function sets aside time in their annual plan to attend to ad hoc requests or consulting engagement as these should form part of the Internal Audit plan. However, before accepting these requests, Internal Audit should assess the requests against the identified/ planned audits of the high-risk areas and prioritise the requests based on how much value can be added, comparatively, prior to deciding whether to accept the requests.

All ad hoc requests must be reviewed and approved by the Audit Committee. The Chief Audit Executive should report on the results of ad hoc assignments to Management and the Audit Committee.

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Risk identification and rating:
The following is a diagrammatical overview of the process by which the proposed Internal Audit plans were formulated



FINAL IA PLAN 25/25



15. PLANNED PROJECTS FOR THE FINANCIAL YEAR 2025/2026 AND ALLOCATION OF PROJECTS

Risk-Based Revised Internal Audit Plan 2025/26

Project Code		Project	Scope of Work(Not Limited)	Q 1	Q 2	Q 3	Q 4	IA Trainee ZP	Internal Auditor NN	Internal Audit or NM	Chief IA KM	Chief Audit Executive LB	Allocation
		2024-25 Financial statements and Review	1. Review AFS for accuracy and completeness of related disclosures, GL and TB. Annual Financial Statements prior to submission to the Audit Committee and Auditor-General. 3. Review AFS for compliance with GRAP standards.	X									
		2025-26/ 01 IYM											
								40	80	0	80	32	In House
				Targeted start date									



INTERNAL AUDIT RISK BASED ANNUAL OPERATIONAL PLAN FOR 2025-2026 FY

2024-25 Annual performanc e Review	2025- 26 / 02 IYM	2025- 26 / 03 IYM
<p>1. Review for alignment between strategic objectives, goals, KPI and targets in the IDP with those in the APR. APR. 2. Review the APR for the following: (I) Compliance, (Existence, Timeliness and Presentation) (ii) Usefulness (Measurability, Relevancy, Consistency) (iii) Reliability (Validity, Accuracy and Completeness</p>	<p>1. Review for alignment between strategic objectives, goals, KPI and targets in the IDP with those in the APR. APR. 2. Review the APR for the following: (I) Compliance, (Existence, Timeliness and Presentation) (ii) Usefulness (Measurability, Relevancy, Consistency) (iii) Reliability (Validity, Accuracy and Completeness</p>	<p>1. Review the Portfolio of Evidence against reported performance</p>
<p>32</p>	<p>32</p>	<p>32</p>
<p>48</p>	<p>48</p>	<p>48</p>
<p>0</p>	<p>48</p>	<p>48</p>
<p>48</p>	<p>48</p>	<p>48</p>
<p>16 In House</p>	<p>16 In House</p>	<p>8 In House</p>



16. STRATEGIC INTERNAL AUDIT PLAN

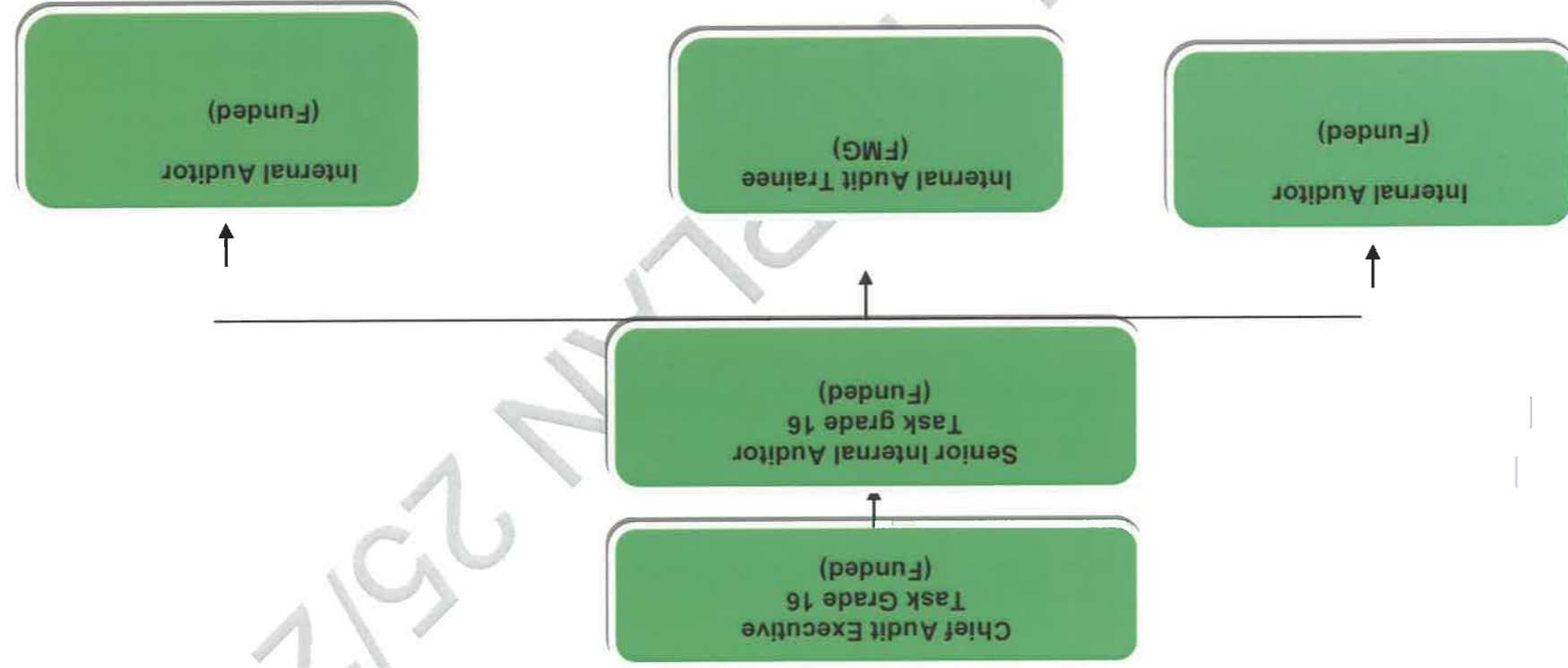
The Strategic 3-year rolling Audit Plan will be maintained and updated according to the annual risk assessments.

Audit Area	PERFORMANCE MANAGEMENT SYSTEM		
	Year 1 2025/2026	Year 2 2026/2027	Year 3 2027/2028
Quarterly internal audit review of PMS information;	^	^	^
Review of entire PMS process for alignment to the Integrated Development Plan and SMART principles	^	^	^
Annual Performance Report Review	^	^	^
Individual Performance Management System Review.	^	^	^
IDP Review	^	^	^
REVENUE MANAGEMENT AUDIT			
Revenue Management	^	^	^
CAPITAL PROJECTS			
Physical Verify High value Capital Projects	^	^	^
Quality Assessment: Economic, Efficiency and Effectiveness (Value for Money and Project Spending)	^	^	^
AD HOC AUDITS			
Not more than 10% of the total budgeted time	^	^	^
SUPPLY CHAIN MANAGEMENT			
Deviations;	^	^	^
Tender process;	^	^	^
Contract Management;	^	^	^



17. CURRENT STRUCTURE OF THE INTERNAL AUDIT ACTIVITY

The approved in-house organizational structure for the activity is depicted below:





18. CONTINUOUS PROFESSIONAL DEVELOPMENT (CPD)

Internal auditing is a technical skill that requires professionals to ensure that they receive continuous professional education to enhance their relevance to the changing business environment and technical knowledge.

#	INTERNAL AUDIT OFFICIAL	REQUIRED QUALIFICATIONS / INTERVENTION PROPOSED	PRIORITY
1	Chief Audit Executive	<ul style="list-style-type: none"> • Certified Internal Auditor (CIA) • Global Internal Auditing Standards - 2 Day Course • Performing an Effective Quality Assurance • Institute of Internal Auditors (IIA) - Boarder Kei Conference • Ethics for Internal Auditors 	• 2025/26
2	Chief Internal Auditor	<ul style="list-style-type: none"> • Certified Internal Auditor (CIA) • National Treasury - Annual Financial Statements (AFS) Review Training • Institute of Internal Auditors (IIA) - Boarder Kei Conference • How to Audit Performance Information for Public Sector IA (AOP1) 2-4 July 2025 (Face-to-Face) • IIA - Ethics for Internal Auditors Workshop • Global Internal Auditing Standards - 2 Day Course 	• 2025/26
3	Assistant Internal Auditors X2	<ul style="list-style-type: none"> • Certified Internal Auditor (CIA) • National Treasury - Annual Financial Statements (AFS) Review Training • Institute of Internal Auditors (IIA) - Boarder Kei Conference • Leadership Academy - IT Auditing for Non-IT Auditors (Basics of I.T. Auditing) • IIA - Ethics for Internal Auditors Workshop 	• 2025/26



#	INTERNAL AUDIT OFFICIAL	REQUIRED QUALIFICATIONS / INTERVENTION PROPOSED	PRIORITY
4	IA Trainee	<ul style="list-style-type: none"> Internal Audit (MFMP) Municipal Finance Management Program 	2025/26
		<ul style="list-style-type: none"> Global Internal Auditing Standards - 2 Day Course. 	

19. PROPOSED TRAINING, WORKSHOPS AND SHORT COURSES TO BE ATTENDED

#	COURSE TO BE ATTENDED IN 2023/24	ATTENDEE
1	GRAP Technical Update	All staff
3	Provincial CAE forums	Chief Audit Executive
4	Chris Hani Internal Audit Forum	All staff
5	IT Audit and Governance in emerging technology (ITET)	Chief Audit Executive
6	IIA standards update	All staff
7	Ethics	All staff
8	Border Kei Regional Conference	All staff

20. PERFORMANCE INDICATORS

PERFORMANCE INDICATOR	TARGET
Percentage of original audit operational plan executed	100%
Operational plan to be submitted to the Audit Committee by June each year	July of each year
Issue of draft reports within 10 days of work being completed	10 working days
Internal audit attendance at audit committee meetings	100%



21. CONCLUSION

The internal audit activity's approach to providing quality service to the Municipality is based on the effective communication and cooperation with Management and other relevant stakeholders.

We, therefore, commit to developing a culture of open discussion and exchange of ideas by working together with Management and the staff being audited to jointly identify problem areas and to develop practical solutions for the improvement of internal control systems. This will allow us to realize internal audit's main objective which is to bring in a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes

Internal audit supports the achievement of the municipality's strategic and Management objectives; however, it should be noted that the following factors would have a direct influence on the efficiency, effectiveness, management and execution of the internal audit plan:

- Availability of Management and staff during the audit, including providing prompt responses to requests for information (including the relevance of information supplied), queries and recommendations.
- Continuous risk assessment – the risk environment should be assessed on an annual basis as required by the King Report on Corporate Governance, and emerging risks should be pro-actively identified and communicated to the Chief Risk Officer.
- The extent and materiality of ad-hoc audit request could have a significant impact on the normal audit planning, execution and timing process as well as internal audit ability to effectively deliver against the approved internal audit plan.

The approach to the Internal Audit will be flexible and where necessary the planned approach can be adjusted to take account of any special requests by Management. The detailed scope and timing of the work and the focus of the planned projects can be amended and/or the projects removed from the plan to take into account special requests by Management and Audit Committee.

During the implementation of this Internal Audit plan, the Internal Audit activity will adhere to the Code of Ethics and the Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA) as amended.

The prescripts of the Internal Audit Charter will also be upheld at all times.

The Internal Audit Activity will maintain strict confidentiality in respect of any information that may become known to them during the course of performing their duties and shall only disclose such information as may become necessary or required by the law.

Where disclosures are required, the Chief Audit Executive shall inform the Audit Committee and the Accounting Officer and seek counsel where necessary.



22. APPROVAL OF PLAN

The 2025/26 Internal Audit Annual Operational Plan was revised and submitted for approval to the Audit Committee, and it was adopted by the special audit committee meeting held on the 27 June 2025.

Chief Audit Executive



Mr. L. Bango

The plan has been noted by the Municipal Manager on behalf of Intsika Yethu Management:

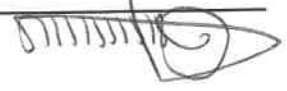
Municipal Manager



Mr. M. Mabono

This plan has been approved by the Audit Committee:

Audit Committee Chairperson



Ms. V. Hiehliso

30 JUNE 2025

Date

30 JUNE 2025

Date

30 JUNE 2025

Date

FINAL PLAN 25/25