

SWELLENDAM MUNICIPALITY: INTERNAL AUDIT
2023/2024 Internal Quality Assurance Assessment

Auditee: Swellendam Municipality **Period-end:** 2023/2024

Date: 14 May 2024 **W/P reference:** Not applicable

Audit ref: Not Applicable

Purpose

The purpose of the report is to comply with Standard 1311 of the IPPF (International Professional Practice Framework) which requires that Internal Audit conducts Internal Assessments that include:

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

Conclusion

In terms of abovementioned and the Internal Quality Assessment performed, General conformance to the IIA Standards were noted. No material concerns were raised with regards to the current status for the period under review in terms of compliance with MFMA Section 165; MFMA Circular 65 and the IIA Standards. However, based on the assessment that were performed the need for ongoing training and skills development of Internal Audit staff were noted and the position of the Chief Audit Executive is currently vacant and the internal audit activity is being outsourced by Overberg District Municipality together with the assistance of the Senior Internal Auditor of Swellendam Municipality.

Prepared by: Mr. A. Petersen

Position: Senior Internal Auditor

Signature:



Reviewed & approved by: Mr. F. Coetzee

Position: Chief Audit Executive (ODM)

Signature:





SWELLENDAM MUNICIPALITY



INTERNAL AUDIT SELF ASSESSMENT CHECKLIST

COMPLIANCE WITH SECTION 165 OF THE MFMA

Client	Swellendam Municipality	Prepared by	A Petersen	Reviewed & approved by	F. Coetzee
Directorate	Office of the Municipal Manager	Date	14 May 2024	Date	15 May 2024
Section/ Subject	Internal Audit				
Audit Period	2023/2024				

Objective	To evaluate the Adequacy and Effectiveness of the control activity, relating to the Compliance with Section 165 of the MFMA.
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Section	Description	What	Who	When	Compliance (yes/no)	Attached Reference	Comment
165(1)	Internal Audit Unit	Each municipality must have an internal audit unit, subject to subsection (3).	Internal Audit	Not Applicable	Yes	SD1: Organogram	Internal Audit Unit Established since February 2014.
165(2)(a)	Internal Audit Unit	The internal audit unit of a municipality must prepare a risk-based audit plan and an internal audit program for each financial year;	Internal Audit	Annually	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan	The 2023/24 revised risk-based internal audit plan was presented to the Audit and Performance Audit Committee on 27 June 2023. After taking the comments and recommendations of the Audit and Performance Committee members into account, the 2023/24 risk-based internal audit plan was approved on 26 July 2023.
165(2)(b)	Internal Audit Unit	The internal audit unit of a municipality must advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to:					
165(2)(b)(i)	Internal Audit Unit	Internal audit.	Internal Audit	Not Applicable	Yes	SD3: Audit and Performance Audit Committee Meeting Minutes	All internal Audit reports are presented to the Municipal Manager (MM) and submitted to the Audit and Performance Audit Committee (APAC) for discussion on a quarterly basis. In addition, the audit reports are presented to the Municipal Public Accounts (MPAC) for discussion.

165(2)(b)(ii)	Internal Audit Unit	Internal controls.	Internal Audit	Not Applicable	Yes	SD5: Signed off audit reports	Internal Controls forms part of the IA Reports and each individual audit engagement performed.
165(2)(b)(iii)	Internal Audit Unit	Accounting procedures and practices.	Internal Audit	Not Applicable	Yes	SD5: Signed off audit reports	Forms part of specific Accounting Procedures and Practices reviews
165(2)(b)(iv)	Internal Audit Unit	Risk and risk management.	Internal Audit	Not Applicable	Yes	SD4: Fraud and Risk Management Committee Meeting Minutes	On a quarterly basis, risk assessments are being conducted. The amendments to the risks on the Strategic and Operational risk register is tabled to the Fraud and Risk Management Committee (FARMCO) quarterly. The Fraud and Risk Management Committee Meeting Minutes and Chairpersons report is presented to the Audit and Performance Audit Committee every quarter.
165(2)(b)(v)	Internal Audit Unit	Performance management.	Internal Audit	Not Applicable	Yes	SD5: Signed off audit reports	Quarterly Performance Management Audit Report are presented to the Municipal Manager (MM) and the Audit and Performance Audit Committee.
165(2)(b)(vi)	Internal Audit Unit	Loss control.	Internal Audit	Not Applicable	Yes	SD5: Signed off audit reports	Where applicable, Loss control reviews forms part of audit engagements. The results are subsequently submitted to the Municipal Manager (MM) and the Audit and Performance Audit Committee.
165(2)(b)(vii)	Internal Audit Unit	Compliance with this Act, the annual Division of Revenue Act and any other applicable legislation.	Internal Audit	Not Applicable	Yes	SD5: Signed off audit reports	2022/2023 Compliance Review (MFMA, MSA & DORA) was performed and submitted to Municipal Manager (MM) and the Audit and Performance Audit Committee.
165(2)(c)	Internal Audit Unit	The internal audit unit of a municipality must perform such other duties as may be assigned to it by the AO.	Internal Audit	Not Applicable	Yes	SD5: Signed off audit reports SD16: Chief Audit Executive Progress Report	On request, internal audit perform adhoc engagements which was assigned by the Municipal Manager.



SWELLENDAM MUNICIPALITY



INTERNAL AUDIT SELF ASSESSMENT CHECKLIST

COMPLIANCE WITH PART 2 OF MFMA CIRCULAR 65: INTERNAL AUDIT

Client	Swellendam Municipality	Prepared by	A. Petersen	Reviewed & approved by	F. Coetzee
Directorate	Office of the Municipal Manager	Date	14 May 2024	Date	15 May 2024
Section/ Subject	Internal Audit				
Audit Period	2023/2024				

Objective	Adequacy and Effectiveness of the control activity, relating to the Compliance with Part 2 of MFMA Circular 65: Internal Audit.
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Section	Description	What	Who	When	Compliance (yes/no)	W/P Ref	Comment
N/A	Establishment of Internal Audit Activity	Section 165 of the MFMA prescribes the establishment of the internal audit activity.	Internal Audit	Ongoing	Yes	SD1: Organogram	Internal Audit Unit established since Feb 2014
N/A	Identifying the Chief Audit Executive (Head of Internal Audit)	The chief audit executive should preferably possess any the following qualifications: • Post graduate degree in Auditing and/or Accounting; • Professional designation such as Certified Internal Auditor and other relevant professional designation. The incumbent should preferably possess the following: • At least five (5) years in internal audit management; and • Membership of the Institute of Internal Auditors.	Internal Audit	Ongoing	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan SD16: Chief Audit Executive Progress Report	The function of the CAE is currently outsourced and resides within the Overberg District Municipality. The CAE possess the following qualifications: PIA (IIA).
N/A	Independence and Objectivity	The chief audit executive must report functionally to the audit committee, and administratively to accounting officer. Independence is achieved through the organisational status	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter	The Internal Audit Activity resorts within the Office of the Municipal Manager and reports functionally to the Audit and Performance Audit Committee (APAC) and administratively to the Municipal Manager (MM).

		and the objectivity of internal audit activity.				SD3: Audit and Performance Audit Committee Meeting Minutes	On a quarterly basis, Audit and Performance Audit Committee Meeting are held to functionally report to APAC.
N/A	The Internal Audit Charter	The charter outlines the mandate of internal audit and serves as the statement of purpose, authority and responsibility. The charter must be in writing and address the following: • The internal audit's purpose, authority and responsibilities; • The standards to be complied with; • The position of the internal audit within the organisation; • A description of assurance and nature of consulting services; • The period of review of the charter; • The appointment and the dismissal of the chief audit executive; and • Access to information, properties and personnel. The charter must be approved by the audit committee and accepted by the accounting officer.	Internal Audit	Annually	Yes	SD6: Approved 2023/2024 Internal Audit Charter	The 2023/2024 Internal Audit Charter was accepted by the Municipal Manager and Audit and Performance Audit Committee Chairperson on 03 June 2023.
N/A	Organising the Internal Audit Activity	The chief audit executive (CAE) needs to direct supervise and manage the activities of internal audit activity (IAA). These include amongst others planning, resource management, implementation of operating policies and procedures, review of work, coordination of assurance activities and quality assurance.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter	The Internal Audit Activity of Swellendam municipality is directed by the CAE, however, the CAE position is currently vacant and the department is being management by the outsourced CAE of Overberg District Municipality together with the Senior Internal Auditor of Swellendam Municipality.
N/A	Developing an Internal Audit Strategic Plan	The chief audit executive must establish risk-based plans to determine the priorities of the	Internal Audit	Annually	Yes	SD6: Approved 2023/2024	The 2023/2024 Internal Audit Charter was accepted by the Municipal Manager and Audit and Performance

		internal audit activity, consistent with the municipality's goals. The internal audit activity's plan as well as the fieldwork must focus on the risks to which the municipality and municipal entity is exposed.				Internal Audit Charter	Audit Committee Chairperson on 03 June 2023.
N/A	Developing operational internal audit plan	The operational internal audit plan should be based on an assessment of risks and exposures that may affect the municipality or municipal entity and should be done at least annually in order to reflect the most current strategies of the municipality.	Internal Audit	Annually	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan SD4: Fraud and Risk Management Committee Meeting Minutes	The 2023/24 RBIAP is based on the risk assessment that was performed by management.
N/A	Resource Requirements	The budget of internal audit is the responsibility of the accounting officer, audit committee and chief audit executive to ensure that the internal audit activity is adequately resourced for effective functioning. The chief audit executive should have control and responsibility over the internal audit budget.	Internal Audit	Ongoing	Yes	SD8: Internal Audit Activity budget resides under the Office of the Municipal Manager.	The Municipal Manager has control and responsibility over the internal audit budget.
N/A	Outsourcing or Co-Sourcing of Internal Audit Activity	The internal audit activity may be outsourced where the municipality requires capacity to develop its internal capacity and is deemed to be cost effective. Outsourcing should comply with supply chain management process.	Internal Audit	Not Applicable	Not Applicable	SD6: Approved 2023/2024 Internal Audit Charter	The Internal Audit Activity of Swellendam municipality is directed by the CAE, however, the CAE position is currently vacant and the department is being management by the outsourced CAE of Overberg District Municipality together with the Senior Internal Auditor of Swellendam Municipality.

N/A	Quality Assurance and Improvement	The activities of the internal audit must be guided, monitored and supervised at each level of operation to ensure that they are consistently performed in accordance with the International Standards for the Professional Practice of Internal Audit. The quality assurance and improvement programme (QAIP) should include periodic internal assessments within a short time prior to an external assessment which can facilitate and reduce the cost of the external assessment.	Internal Audit	Ongoing	Yes	SD19: QAIP Report	The 2023/2024 QAIP was submitted and approved by Audit and Performance Audit Committee.
N/A	Quality Assurance and Improvement	Internal Assessments The chief audit executive must ensure that internal assessments are performed. Internal assessments should include ongoing reviews of the performance of the internal audit activity. These should be performed through self-assessment or by other persons within the municipality with knowledge of internal audit practices and the IIA Standards. The chief audit executive, at least annually, must report on the results of internal assessments. Internal assessments should appraise among others, compliance with the legislative framework, definition of internal auditing, standards, internal audit charter, code of ethics and methodology.	Internal Audit	Ongoing	Yes	SD19: QAIP Report	QAIP was approved by the Audit and Performance Audit Committee. Self-assessment review is done on compliance with Section 165 of the MFMA, Circular 65 and the IIA Standards. Periodic internal self-assessment is also conducted.

N/A	Quality Assurance and Improvement	External Assessments The internal audit must be subjected to an external assessment at least once every five years, the results of which should be communicated to the audit committee and accounting officer. An external assessment must be conducted by a qualified reviewer or review team from outside the municipality.	Internal Audit	Ongoing	Yes	SD10: External QAR was conducted in 2020 and the next assessment is due to commence in 2025.	External QAR completed during March 2020. "GC" & "GE" Conformance Ratings achieved.
N/A	Nature of Work	Governance Internal audit activity must assess and make recommendations for improving governance process in its accomplishment of the objectives.	Internal Audit	Ongoing	Yes	SD5: Signed off audit reports	Internal Audit conducted a King IV governance review during 2023/2024. During every engagement, Internal Audit also express its opinion on the governance, risk management and control processes of the municipality and report subsequently to the Audit and Performance Audit Committee.
N/A	Nature of Work	Risk Management (RM) Internal audit is responsible for providing assurance to management and the audit committee on the adequacy and effectiveness of the risk management process. Risk management is a key responsibility of the accounting officer and management.	Internal Audit	Ongoing	Yes	SD4: Fraud and Risk Management Committee Meeting Minutes and FARMCO Chairpersons Report	Final Risk Management Consultancy Engagement Report has facilitated the Risk Assessments conducted during March 2024. The report has been prepared solely and did not have an assistance of a Chief Risk Officer.
N/A	Nature of Work	Control Based on the results of the risk assessment internal audit must evaluate the adequacy and effectiveness of controls encompassing the municipality's governance, operations, and information systems.	Internal Audit	Ongoing	Yes	SD5: Signed off audit reports	Controls are evaluated during all internal audits performed.
N/A	Audit Process	Engagement Planning Internal audit must develop and document a plan for each engagement, including the engagement's objectives, scope, timing and resource allocations.	Internal Audit	Ongoing	Yes	SD5: Signed off audit reports SD12: Engagement letters and Audit Planning Memorandum s for each	Engagement objectives, scope, timing and resource allocations are specified in the Engagement Letter/ Audit Planning Memorandum. Internal Audit also develops an audit engagement program for all engagements being performed.

						audit engagement approved on the 2023/2024 internal audit plan	
N/A	Performing the Engagement	Performing the engagement involves conducting field work to ensure that the objectives of the audit are achieved. This includes review, analysis and verification of information contained in documents, physical items, and corroboration by officials.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	Engagement programs with audit objectives are approved prior engagements. Engagement procedures that are performed are reviewed and approved by the CAE to ensure that audit objectives are achieved.
N/A	Communicating Results	Internal audit should communicate the results of the audit engagements to management by issuing an audit report. Findings should be included in the audit report and discussed with the client. It is important that agreement be reached regarding the facts of each matter included in the final report.	Internal Audit	Ongoing	Yes	SD5: Signed off audit reports	Internal Audit (IA) issues audit reports with findings to management after audit findings was discussed. The audit reports are submitted to the Audit and Performance Audit Committee.
N/A	Monitoring Progress	Observations and recommendations requiring immediate action should be monitored by internal audit activity until corrected. Internal audit activity should ensure that actions taken by management address the identified deficiencies. A process should be developed for the implementation of management action plans. Responsibility for follow-up should be defined in the internal audit charter.	Internal Audit	Ongoing	Yes	SD13: Follow-up reports for 2023/2024	IA use a finding database to follow up on all outstanding recommendations.

N/A	Consulting Activities	Consulting services should focus on assisting management in problem solving activities, achieving the municipality's objectives, and add value to line and senior management. The charter should include the authority and responsibilities of consulting services.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter SD14: Internal Audit Methodology	Consulting Activities are defined in the IA Charter and Methodology.
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SWELLEN DAM MUNICIPALITY



INTERNAL AUDIT SELF ASSESSMENT CHECKLIST

COMPLIANCE WITH THE INTERNATIONAL STANDARDS FOR THE PROFESSIONAL PRACTICE OF INTERNAL AUDITING

Client	Swellendam Municipality	Prepared by	A. Petersen	Reviewed & approved by	F. Coetzee
Directorate	Office of the Municipal Manager	Date	14 May 2024	Date	15 May 2024
Section/ Subject	Internal Audit				
Audit Period	2023/2024				

Objective	To evaluate the Adequacy and Effectiveness of the control activity, relating to the conformance with the IIA International Standards for the Professional Practice of Internal Auditing.
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Standard	Description	What	Who	When	Compliance (yes/no)	W/P Ref	Comment
1000	Purpose, Authority, and Responsibility	The purpose, authority, and responsibility of the internal audit activity (IAA) must be formally defined in an internal audit (IA) charter, consistent with the Definition of Internal Auditing, the Code of Ethics, and the Standards. The chief audit executive must periodically review the internal audit charter and present it to senior management and the board for approval.	Internal Audit	Annually	Yes	SD6: Approved 2023/2024 Internal Audit Charter	See the approved 2023/2024 Internal Audit Charter.
1000.A1	Purpose, Authority, and Responsibility	The nature of assurance services provided to the organization must be defined in the internal audit charter. If assurances are to be provided to parties outside the organization, the nature of these assurances must also be defined in the internal audit charter.	Internal Audit	Annually	Yes	SD6: Approved 2023/2024 Internal Audit Charter	See the approved 2023/2024 Internal Audit Charter.
1000.C1	Purpose, Authority, and Responsibility	The nature of consulting services must be defined in the internal audit charter.	Internal Audit	Annually	Yes	SD6: Approved 2023/2024	See the approved 2023/2024 Internal Audit Charter.

						Internal Audit Charter	
1010	Recognition of the Definition of Internal Auditing, the Code of Ethics, and the Audit Charter Standards in the Internal	The mandatory nature of the Definition of Internal Auditing, the Code of Ethics, and the Standards must be recognized in the internal audit charter. The chief audit executive should discuss the Definition of Internal Auditing, the Code of Ethics, and the Standards with senior management and the board.	Internal Audit	Annually	Yes	SD6: Approved 2023/2024 Internal Audit Charter	The 2023/2024 Internal Audit Charter was accepted by the Municipal Manager and Audit and Performance Audit Committee Chairperson on 03 June 2023
1100	Independence and Objectivity	The internal audit activity must be independent, and internal auditors must be objective in performing their work.	Internal Audit	Annually	Yes	SD6: Approved 2023/2024 Internal Audit Charter SD3: Audit and Performance Audit Committee Meeting Minutes	The Internal Audit Activity is situated in the Office of the Municipal Manager. The Internal Audit Activity is independent in performing their work and reports functionally to the Audit and Performance Audit Committee.
1110	Organizational Independence	The chief audit executive must report to a level within the organization that allows the internal audit activity to fulfil its responsibilities. The chief audit executive must confirm to the board, at least annually, the organizational independence of the internal audit activity.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter SD3: Audit and Performance Audit Committee Meeting Minutes	The Internal Audit Activity reports to Municipal Manager administratively and functionally to the Audit and Performance Audit Committee.
1110.A1	Organizational Independence	The internal audit activity must be free from interference in determining the scope of internal auditing, performing work, and communicating results.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter SD3: Audit and Performance Audit	The Internal Audit's independence is included in the approved Internal Audit Charter.

						Committee Meeting Minutes	
1111	Direct Interaction with the Board	The chief audit executive must communicate and interact directly with the board.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter SD3: Audit and Performance Audit Committee Meeting Minutes	The Senior Internal Audit have communicated directly to the board. The CAE position is currently vacant and an outsourced CAE was recommended from the Overberg District Municipality.
1112	Chief Audit Executive Roles Beyond Internal Auditing	Where the chief audit executive has or is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards must be in place to limit impairments to independence or objectivity.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter	The chief audit executive may be asked to take on additional roles and responsibilities outside of internal auditing, such as responsibility for compliance or risk management activities. These roles and responsibilities may impair, or appear to impair, the organizational independence of the internal audit activity or the individual objectivity of the internal auditor. Safeguards are those oversight activities, often undertaken by the board, to address these potential impairments, and may include such activities as periodically evaluating reporting lines and responsibilities and developing alternative processes to obtain assurance related to the areas of additional responsibility
1120	Individual Objectivity	Internal auditors must have an impartial, unbiased attitude and avoid any conflict of interest.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter	The definition of IA as contained in the charter specifically mentions independence of an IA. Internal Audit also signs an independence declaration form before each engagement.

1130	Impairment to Independence or Objectivity	If independence or objectivity is impaired in fact or appearance, the details of the impairment must be disclosed to the appropriate parties. The nature of the disclosure will depend upon the impairment.	Internal Audit	Not Applicable	Not Applicable	SD6: Approved 2023/2024 Internal Audit Charter	No instances of impairment.
1130.A1	Impairment to Independence or Objectivity	Internal auditors must refrain from assessing specific operations for which they were previously responsible. Objectivity is presumed to be impaired if an internal auditor provides assurance services for an activity for which the internal auditor had responsibility within the previous year.	Internal Audit	Annually	Yes	SD6: Approved 2023/2024 Internal Audit Charter	No instances of impairment.
1130.A2	Impairment to Independence or Objectivity	Assurance engagements for functions over which the chief audit executive has responsibility must be overseen by a party outside the internal audit activity.	Internal Audit	Annually	Yes	SD6: Approved 2023/2024 Internal Audit Charter	No instances of impairment.
1130.A3	Impairment to Independence or Objectivity	The internal audit activity may provide assurance services where it had previously performed consulting services, provided the nature of the consulting did not impair objectivity and provided individual objectivity is managed when assigning resources to the engagement.	Internal Audit	Annually	Yes	SD6: Approved 2023/2024 Internal Audit Charter	No instances of impairment.
1130.C1	Impairment to Independence or Objectivity	Internal auditors may provide consulting services relating to operations for which they had previous responsibilities.	Internal Audit	Not Applicable	Yes	SD6: Approved 2023/2024 Internal Audit Charter	As and when requested. Mandate included in the Internal Audit Charter & provision made for Consulting services in RBIAP
1130.C2	Impairment to Independence or Objectivity	If internal auditors have potential impairments to independence or objectivity relating to proposed consulting services, disclosure must be made to the engagement client prior to accepting the engagement.	Internal Audit	Not Applicable	Yes	SD15: Internal Audit staff declarations for 2023/2024	Individual Declaration of Interest Forms signed for each engagement by internal audit staff

1200	Proficiency and Due Professional Care	Engagements must be performed with proficiency and due professional care.	Internal Audit	Ongoing	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan SD16: Chief Audit Executive Progress Report	The Internal Audit Activity staff holds the necessary internal audit qualifications and ongoing professional development is also being developed by attending webinars.
1210	Proficiency	Internal auditors must possess the knowledge, skills, and other competencies needed to perform their individual responsibilities. The internal audit activity collectively must possess or obtain the knowledge, skills, and other competencies needed to perform its responsibilities.	Internal Audit	Ongoing	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan SD16: Chief Audit Executive Progress Report	The Internal Audit Activity staff holds the necessary internal audit qualifications and ongoing professional development is also being developed by attending webinars.
1210.A1	Proficiency	The chief audit executive must obtain competent advice and assistance if the internal auditors lack the knowledge, skills, or other competencies needed to perform all or part of the engagement.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter	The Chief Audit Executive does not get involved in reviews for which there is a lack of competency.
1210.A2	Proficiency	Internal auditors must have sufficient knowledge to evaluate the risk of fraud and the manner in which it is managed by the organization, but are not expected to have the expertise of a person whose primary responsibility is detecting and investigating fraud.	Internal Audit	Ongoing	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan SD16: Chief Audit Executive Progress Report	The Internal Audit Activity staff holds the necessary internal audit qualifications and ongoing professional development is also being developed by attending webinars.

1210.A3	Proficiency	Internal auditors must have sufficient knowledge of key information technology risks and controls and available technology-based audit techniques to perform their assigned work. However, not all internal auditors are expected to have the expertise of an internal auditor whose primary responsibility is information technology auditing.	Internal Audit	Ongoing	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan SD16: Chief Audit Executive Progress Report	The Internal Audit Activity staff holds the necessary internal audit qualifications and ongoing professional development is also being developed by attending webinars.
1210.C1	Proficiency	The chief audit executive must decline the consulting engagement or obtain competent advice and assistance if the internal auditors lack the knowledge, skills, or other competencies needed to perform all or part of the engagement.	Internal Audit	Not Applicable	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan	The Chief Audit Executive does not get involved in reviews for which there is a lack of competency.
1220	Due Professional Care	Internal auditors must apply the care and skill expected of a reasonably prudent and competent internal auditor. Due professional care does not imply infallibility.	Internal Audit	Ongoing	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan	CAE does not get involved in reviews for which there is a lack of competency.
1220.A1	Due Professional Care	Internal auditors must exercise due professional care by considering the: Extent of work needed to achieve the engagement's objectives; Relative complexity, materiality, or significance of matters to which assurance procedures are applied; Adequacy and effectiveness of governance, risk management, and control processes; Probability of significant errors, fraud, or noncompliance; and Cost of assurance in relation to potential benefits.	Internal Audit	Ongoing	Yes	SD17: Client Satisfaction surveys are being circulated for each audit engagement being performed	Engagement planning, execution and reporting processes are supervised by the outsourced Chief Audit Executive.

1220.A2	Due Professional Care	In exercising due professional care internal auditors must consider the use of technology-based audit and other data analysis techniques.	Internal Audit	Ongoing	Yes	SD17: Client Satisfaction surveys are being circulated for each audit engagement being performed	The Internal Audit Activity make use of MS Excel and Word.
1220.A3	Due Professional Care	Internal auditors must be alert to the significant risks that might affect objectives, operations, or resources. However, assurance procedures alone, even when performed with due professional care, do not guarantee that all significant risks will be identified.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	A risk analysis forms part of the internal audit planning process.
1220.C1	Due Professional Care	Internal auditors must exercise due professional care during a consulting engagement by considering the: • Needs and expectations of clients, including the nature, timing, and • communication of engagement results; • Relative complexity and extent of work needed to achieve the engagement's objectives; and • Cost of the consulting engagement in relation to potential benefits.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	Needs and expectations of clients, nature, timing, and communication of engagement results etc. are considered during the planning phase of engagements. Prior to each audit engagement, the client's needs and expectations are discussed and documented in the Audit Planning Memorandum,
1230	Continuing Professional Development	Internal auditors must enhance their knowledge, skills, and other competencies through continuing professional development.	Internal Audit	Ongoing	Yes	SD16: Chief Audit Executive Progress Report	CPD program in place and Internal Audit attends training as and when needed.
1300	Quality Assurance and Improvement Program	The chief audit executive must develop and maintain a quality assurance and improvement program that covers all aspects of the internal audit activity.	Internal Audit	Ongoing	Yes	SD19: QAIP Report	QAIP program developed and approved by the Audit and Performance Audit Committee.

1310	Requirements of the Quality Assurance and Improvement Program	The quality assurance and improvement program must include both internal and external assessments.	Internal Audit	Ongoing	Yes		Refer to approved QAIP
1311	Internal Assessments	Internal assessments must include: Ongoing monitoring of the performance of the internal audit activity; and Periodic self-assessments or assessments by other persons within the organization with sufficient knowledge of internal audit practices.	Internal Audit	Ongoing	Yes	SD17: Client Satisfaction surveys are being circulated for each audit engagement being performed	Self-assessment is conducted on annual basis. And client satisfaction surveys are completed after each engagement.
1312	External Assessments	External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization. The chief audit executive must discuss with the board: The form and frequency of external assessment; and The qualifications and independence of the external assessor or assessment team, including any potential conflict of interest.	Internal Audit	Atleast every five years	Yes	SD10: External QAR was conducted in 2020 and the next assessment is due to commence in 2025.	External QAR completed during March 2020. "GC" & "GE" Conformance Ratings achieved.
1320	Reporting on the Quality Assurance and Improvement Program	The chief audit executive must communicate the results of the quality assurance and improvement program to senior management and the board.	Internal Audit	Quarterly	Yes	SD3: Audit and Performance Audit Committee Meeting Minutes SD5: Signed off audit reports	Results communicated to Senior management and the Audit and Performance Audit Committee on quarterly basis
1321	Use of "Conforms with the International Standards for the Professional Practice of Internal Auditing"	The chief audit executive may state that the internal audit activity conforms with the International Standards for the Professional Practice of Internal Auditing only if the results of the quality assurance and	Internal Audit	Ongoing	Yes	SD3: Audit and Performance Audit Committee Meeting Minutes	Included in Audit Reports as the results of the quality assurance and improvement program support this statement.

		improvement program support this statement.				SD5: Signed off audit reports	
1322	Disclosure of Nonconformance	When nonconformance with the Definition of Internal Auditing, the Code of Ethics, or the Standards impacts the overall scope or operation of the internal audit activity, the chief audit executive must disclose the nonconformance and the impact to senior management and the board.	Internal Audit	Not Applicable	Yes	SD6: Approved 2023/2024 Internal Audit Charter	No instances of nonconformance
2000	Managing the Internal Audit Activity	The chief audit executive must effectively manage the internal audit activity to ensure it adds value to the organization. The internal audit activity adds value to the organization (and its stakeholders) when it provides objective and relevant assurance, and contributes to the effectiveness and efficiency of governance, risk management, and control processes.	Internal Audit	Annually	Yes	SD6: Approved 2023/2024 Internal Audit Charter	The Internal Auditor/MM with oversight of the outsourced CAE are responsible for the strategic and operational management of the Internal Audit Activity. Value adds are monitored and based on client/ Audit and Performance Audit Committee evaluations and feedback
2010	Planning	The chief audit executive must establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organization's goals.	Internal Audit	Annually	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan	2023/2024 RBIAP is in place and was approved by the Audit and Performance Audit Committee on 26 July 2023.
2010.A1	Planning	The internal audit activity's plan of engagements must be based on a documented risk assessment, undertaken at least annually. The input of senior management and the board must be considered in this process.	Internal Audit	Annually	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan	The 2023/2024 RBIAP is based on the risk assessment, inputs from Senior Management and the Audit and Performance Audit Committee.
2010.A2	Planning	The chief audit executive must identify and consider the expectations of senior management, the board, and other stakeholders for internal audit opinions and other conclusions.	Internal Audit	Annually	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan	RBIAP discussed with senior management and the audit committee prior to approval

2010.C1	Planning	The chief audit executive should consider accepting proposed consulting engagements based on the engagement's potential to improve management of risks, add value, and improve the organization's operations. Accepted engagements must be included in the plan.	Internal Audit	As and when required	Yes	SD6: Approved 2023/2024 Internal Audit Charter	As and when needed, the proper process will be followed
2020	Communication and Approval	The chief audit executive must communicate the internal audit activity's plans and resource requirements, including significant interim changes, to senior management and the board for review and approval. The chief audit executive must also communicate the impact of resource limitations.	Internal Audit	Ongoing	Yes	SD16: Chief Audit Executive Progress Report	Quarterly Chief Audit Executive Progress reports are submitted and presented to the Audit and Performance Audit Committee.
2030	Resource Management	The chief audit executive must ensure that internal audit resources are appropriate, sufficient, and effectively deployed to achieve the approved plan.	Internal Audit	Annually	Yes	SD1: Organogram	Through the appointment of permanent Internal Auditor. The resource allocation is outlined in the APM and discuss with management. The Chief Audit Executive post is currently vacant.
2040	Policies and Procedures	The chief audit executive must establish policies and procedures to guide the internal audit activity.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter	The Internal Audit Charter, IA Approach and methodology is place and approved.
2050	Coordination	The chief audit executive 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.	Internal Audit	Quarterly	Yes	SD18: Combined Assurance Plan and Framework	Combined assurance framework has been developed and quarterly reports are submitted to Senior Management and the Audit and Performance Audit Committee.

2060	Reporting to Senior Management and the Board	The chief audit executive must report periodically to senior management and the board on the internal audit activity's purpose, authority, responsibility, and performance relative to its plan. Reporting must also include significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by senior management and the board.	Internal Audit	Quarterly	Yes	SD6: Approved 2023/2024 Internal Audit Charter	On a quarterly basis, the Chief Audit Executive reports to Senior Management and the Audit and Performance Audit Committee.
2070	External Service Provider and Organizational Responsibility for Internal Auditing	When an external service provider serves as the internal audit activity, the provider must make the organization aware that the organization has the responsibility for maintaining an effective internal audit activity.	Internal Audit	Not Applicable	Yes	SD1: Organogram	Not applicable as an inhouse internal audit activity is established. The structure of the internal audit activity is also on the approved organogram
2100	Nature of Work	The internal audit activity must evaluate and contribute to the improvement of governance, risk management, and control processes using a systematic and disciplined approach.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter	Internal Audit express its opinion on governance, risk management and controls processes after each audit engagement.
2110	Governance	The internal audit activity must assess and make appropriate recommendations for improving the governance process in its accomplishment of the following objectives: Promoting appropriate ethics and values within the organization; Ensuring effective organizational performance management and accountability; Communicating risk and control information to appropriate areas of the organization; and Coordinating the activities of and communicating information among the board, external and internal auditors, and management.	Internal Audit	Annually	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan SD5: Signed off audit reports	The Internal Audit Activity performed a Governance Review and a audit report was issued and presented to the Senior Management Team and Audit and Performance Audit Committee.

2110.A1	Governance	The internal audit activity must evaluate the design, implementation, and effectiveness of the organization's ethics- related objectives, programs, and activities.	Internal Audit	Annually	Yes	SD2: 2023/2024 Risk Based Internal Audit Plan SD5: Signed off audit reports	The Internal Audit Activity performed a Governance Review and a audit report was issued and presented to the Senior Management Team and Audit and Performance Audit Committee.
2110.A2	Governance	The internal audit activity must assess whether the information technology (ICT) governance of the organization supports the organization's strategies and objectives.	Internal Audit	Annually	Yes	SD20: ICT Reports submitted to the Audit and Performance Audit Committee	Not being conducted during the 2023/2024 financial year.
2120	Risk Management	The internal audit activity must evaluate the effectiveness and contribute to the improvement of risk management processes.	Internal Audit	Quarterly	Yes	SD4: Fraud and Risk Management Committee Meeting Minutes and FARMCO Chairpersons Report	The Internal Audit Activity attends Risk Management meetings on a quarterly basis.
2120.A1	Risk Management	The internal audit activity must evaluate risk exposures relating to the organization's governance, operations, and information systems regarding the: Achievement of the organization's strategic objectives; Reliability and integrity of financial and operational information; Effectiveness and efficiency of operations and programs; Safeguarding of assets; and Compliance with laws, regulations, policies, procedures, and contracts (CARES Principles).	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	As part of the planning phase of each engagement, IA considers the risk exposures relating to the CARES principles.
2120.A2	Risk Management	The internal audit activity must evaluate the potential for the occurrence of fraud and how the organization manages fraud risk.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each	As part of the planning phase of each engagement, Internal Audit conducts a risk analysis (including fraud risks).

						audit engagement approved on the 2023/2024 internal audit plan	
2120.C1	Risk Management	During consulting engagements, internal auditors must address risk consistent with the engagement's objectives and be alert to the existence of other significant risks.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	As part of the planning phase of each engagement, Internal Audit conducts a risk analysis (including fraud risks).
2120.C2	Risk Management	Internal auditors must incorporate knowledge of risks gained from consulting engagements into their evaluation of the organization's risk management processes.	Internal Audit	Ongoing	Yes	SD4: Fraud and Risk Management Committee Meeting Minutes and FARMCO Chairpersons Report SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	As and when required
2120.C3	Risk Management	When assisting management in establishing or improving risk management processes, internal auditors must refrain from assuming any management responsibility by actually managing risks.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter	Not applicable

2130	Control	The internal audit activity must assist the organization in maintaining effective controls by evaluating their effectiveness and efficiency and by promoting continuous improvement.	Internal Audit	Not Applicable	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	As part of the planning phase of each engagement, Internal Audit conducts a risk analysis (including fraud risks).
2130.A1	Control	The internal audit activity must evaluate the adequacy and effectiveness of controls in responding to risks within the organization's governance, operations, and information systems regarding the: Achievement of the organization's strategic objectives; Reliability and integrity of financial and operational information; Effectiveness and efficiency of operations and programs; Safeguarding of assets; and Compliance with laws, regulations, policies, procedures, and contracts.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	As part of the planning phase of each engagement, Internal Auditor considers the risk exposures relating to the CARES principles.
2130.C1	Control	Internal auditors must incorporate knowledge of controls gained from consulting engagements into evaluation of the organization's control processes.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter	As and when necessary
2200	Engagement Planning	Internal auditors must develop and document a plan for each engagement, including the engagement's objectives, scope, timing, and resource allocations.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	During each engagement, an Audit Planning Memorandum (APM) is compiled including the engagement objectives, scope, timing and resource allocations.

2201	Planning Considerations	In planning the engagement, internal auditors must consider: The objectives of the activity being reviewed and the means by which the activity controls its performance; The significant risks to the activity, its objectives, resources, and operations and the means by which the potential impact of risk is kept to an acceptable level; The adequacy and effectiveness of the activity's governance, risk management, and control processes compared to a relevant framework or model; and The opportunities for making significant improvements to the activity's governance, risk management, and control processes.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	During each engagement, risk and control matrix is compiled to consider improvements to governance, risk management and control processes.
2201.A1	Planning Considerations	When planning an engagement for parties outside the organization, internal auditors must establish a written understanding with them about objectives, scope, respective responsibilities, and other expectations, including restrictions on distribution of the results of the engagement and access to engagement records.	Internal Audit	Not Applicable	Not Applicable	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	As and when needed
2201.C1	Planning Considerations	Internal auditors must establish an understanding with consulting engagement clients about objectives, scope, respective responsibilities, and other client expectations. For significant engagements, this understanding must be documented.	Internal Audit	Not Applicable	Not Applicable	SD6: Approved 2023/2024 Internal Audit Charter	No formal consulting engagements took place for the 2023/2024 financial year.
2210	Engagement Objectives	Objectives must be established for each engagement.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning	Engagement objectives forms part of the Audit Planning Memorandum and is clearly communicated to the

						Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	client during the opening engagement.
2210.A1	Engagement Objectives	Internal auditors must conduct a preliminary assessment of the risks relevant to the activity under review. Engagement objectives must reflect the results of this assessment.	Internal Audit	Not Applicable	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	Preliminary assessment forms part of audit methodology. Various preliminary surveys are used in order to obtain an understanding of the business processes being under review.
2210.A2	Engagement Objectives	Internal auditors must consider the probability of significant errors, fraud, noncompliance, and other exposures when developing the engagement objectives.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	As part of the planning phase of each engagement, Internal Audit conducts a risk analysis (including fraud risks).
2210.A3	Engagement Objectives	Adequate criteria are needed to evaluate governance, risk management, and controls. Internal auditors must ascertain the extent to which management and/or the board has established adequate criteria to determine whether objectives and goals have been accomplished. If adequate, internal auditors must use such criteria in their evaluation. If inadequate, internal auditors must work with management and/or the board	Internal Audit	Not Applicable	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	The engagement objectives/ criteria are discussed with management during the contact meeting and included in the Audit Planning Memorandum (APM).

		to develop appropriate evaluation criteria.					
2210.C1	Engagement Objectives	Consulting engagement objectives must address governance, risk management, and control processes to the extent agreed upon with the client.	Internal Audit	Not Applicable	Not Applicable	SD6: Approved 2023/2024 Internal Audit Charter	Formal consulting engagements agreed in writing. However, no consulting engagement took place during the 2023/2024 financial year.
2210.C2	Engagement Objectives	Consulting engagement objectives must be consistent with the organization's values, strategies, and objectives.	Internal Audit	Not Applicable	Not Applicable	SD6: Approved 2023/2024 Internal Audit Charter	Formal consulting engagements agreed in writing. However, no consulting engagement took place during the 2023/2024 financial year.
2220	Engagement Scope	The established scope must be sufficient to achieve the objectives of the engagement.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	The audit scope is agreed with the client and outlined in the Audit Planning Memorandum and discussed with management.
2220.A1	Engagement Scope	The scope of the engagement must include consideration of relevant systems, records, personnel, and physical properties, including those under the control of third parties.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	The audit scope is agreed with the client and outlined in the Audit Planning Memorandum and discussed with management.
2220.A2	Engagement Scope	If significant consulting opportunities arise during an assurance engagement, a specific written understanding as to the objectives, scope, respective responsibilities, and other expectations should be reached and the results of the consulting engagement communicated in accordance with consulting standards.	Internal Audit	Not Applicable	Yes	SD6: Approved 2023/2024 Internal Audit Charter	Formal consulting engagements agreed in writing. However, no consulting engagement took place during the 2023/2024 financial year.

2220.C1	Engagement Scope	In performing consulting engagements, internal auditors must ensure that the scope of the engagement is sufficient to address the agreed-upon objectives. If internal auditors develop reservations about the scope during the engagement, these reservations must be discussed with the client to determine whether to continue with the engagement.	Internal Audit	Not Applicable	Yes	SD6: Approved 2023/2024 Internal Audit Charter	Formal consulting engagements agreed in writing. However, no consulting engagement took place during the 2023/2024 financial year.
2220.C2	Engagement Scope	During consulting engagements, internal auditors must address controls consistent with the engagement's objectives and be alert to significant control issues.	Internal Audit	Not Applicable	Yes	SD6: Approved 2023/2024 Internal Audit Charter	Formal consulting engagements agreed in writing. However, no consulting engagement took place during the 2023/2024 financial year.
2230	Engagement Resource Allocation	Internal auditors must determine appropriate and sufficient resources to achieve engagement objectives based on an evaluation of the nature and complexity of each engagement, time constraints, and available resources.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan	The resource allocation is outlined in the Audit Planning Memorandum and discuss with senior management.
2240	Engagement Work Program	Internal auditors must develop and document work programs that achieve the engagement objectives.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan and engagement work programs	Engagement work programs are developed and approved by the Chief Audit Executive prior to the commencement of the execution phase.
2240.A1	Engagement Work Program	Work programs must include the procedures for identifying, analysing, evaluating, and	Internal Audit	Not Applicable	Yes	SD12: Engagement letters and	Engagement work programs are developed and approved by the Chief Audit Executive prior to the

		documenting information during the engagement. The work program must be approved prior to its implementation, and any adjustments approved promptly.				Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan and engagement work programs	commencement of the execution phase.
2240.C1	Engagement Work Program	Work programs for consulting engagements may vary in form and content depending upon the nature of the engagement.	Internal Audit	Not Applicable	Yes	SD6: Approved 2023/2024 Internal Audit Charter	Formal consulting engagements agreed in writing. However, no consulting engagement took place during the 2023/2024 financial year.
2300	Performing the Engagement	Internal auditors must identify, analyse, evaluate, and document sufficient information to achieve the engagement's objectives.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan and engagement work programs	Engagement procedures are documented by the auditor and reviewed by the Chief Audit Executive.
2310	Identifying Information	Internal auditors must identify sufficient, reliable, relevant, and useful information to achieve the engagement's objectives.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan and engagement work programs	Engagement procedures are documented by the auditor and reviewed by the Chief Audit Executive.

2320	Analysis and Evaluation	Internal auditors must base conclusions and engagement results on appropriate analyses and evaluations.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan and engagement work programs	Engagement procedures are documented by the auditor and reviewed by the Chief Audit Executive.
2330	Documenting Information	Internal auditors must document relevant information to support the conclusions and engagement results.	Internal Audit	Ongoing	Yes	SD12: Engagement letters and Audit Planning Memorandum s for each audit engagement approved on the 2023/2024 internal audit plan and engagement work programs	Engagement procedures are documented by the auditor and reviewed by the Chief Audit Executive.
2330.A1	Documenting Information	The chief audit executive must control access to engagement records. The chief audit executive must obtain the approval of senior management and/or legal counsel prior to releasing such records to external parties, as appropriate.	Internal Audit	Ongoing	Yes	SD14: Internal Audit Methodology	This forms part of the approved Internal Audit Methodology.
2330.A2	Documenting Information	The chief audit executive must develop retention requirements for engagement records, regardless of the medium in which each record is stored. These retention requirements must be consistent with the organization's guidelines and any pertinent regulatory or other requirements.	Internal Audit	Ongoing	Yes	SD14: Internal Audit Methodology	This forms part of the approved Internal Audit Methodology.

2330.C1	Documenting Information	The chief audit executive must develop policies governing the custody and retention of consulting engagement records, as well as their release to internal and external parties. These policies must be consistent with the organization's guidelines and any pertinent regulatory or other requirements.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter	The Internal Audit Charter and Methodology has been established and approved.
2340	Engagement Supervision	Engagements must be properly supervised to ensure objectives are achieved, quality is assured, and staff is developed.	Internal Audit	Ongoing	Yes	SD1: Organogram SD9: Internal audit quarterly performance evaluations	Each audit engagements are supervised and signed-off.
2400	Communicating Results	Internal auditors must communicate the results of engagements.	Internal Audit	Ongoing	Yes	SD3: Audit and Performance Audit Committee Meeting Minutes SD5: Signed off audit reports	On a quarterly basis reporting is being done to the Senior Management Team & Audit and Performance Audit Committee.
2410	Criteria for Communicating	Communications must include the engagement's objectives and scope as well as applicable conclusions, recommendations, and action plans.	Internal Audit	Ongoing	Yes	SD3: Audit and Performance Audit Committee Meeting Minutes SD5: Signed off audit reports	On a quarterly basis reporting is being done to the Senior Management Team & Audit and Performance Audit Committee.

2410.A1	Criteria for Communicating	Final communication of engagement results must, where appropriate, contain the internal auditors' opinion and/or conclusions. When issued, an opinion or conclusion must take account of the expectations of senior management, the board, and other stakeholders and must be supported by sufficient, reliable, relevant, and useful information.	Internal Audit	Ongoing	Yes	SD3: Audit and Performance Audit Committee Meeting Minutes SD5: Signed off audit reports	On a quarterly basis reporting is being done to the Senior Management Team & Audit and Performance Audit Committee.
2410.A2	Criteria for Communicating	Internal auditors are encouraged to acknowledge satisfactory performance in engagement communications.	Internal Audit	Ongoing	Yes	SD5: Signed off audit reports	Audit findings are included in the audit reports submitted.
2410.A3	Criteria for Communicating	When releasing engagement results to parties outside the organization, the communication must include limitations on distribution and use of the results.	Internal Audit	Ongoing	Yes	SD5: Signed off audit reports	Criteria for communication is included in the audit reports submitted.
2410.C1	Criteria for Communicating	Communication of the progress and results of consulting engagements will vary in form and content depending upon the nature of the engagement and the needs of the client.	Internal Audit	Ongoing	Yes	SD6: Approved 2023/2024 Internal Audit Charter	Varies depending on specific audit
2420	Quality of Communications	Communications must be accurate, objective, clear, concise, constructive, complete, and timely.	Internal Audit	Ongoing	Yes	SD5: Signed off audit reports SD17: Client Satisfaction surveys are being circulated for each audit engagement being performed	All audit findings are discussed with management before included in the audit report. Client satisfactory surveys are also conducted after each engagement.
2421	Errors and Omissions	If a final communication contains a significant error or omission, the chief audit executive must communicate corrected information to all parties who received the original communication.	Internal Audit	Not Applicable	Yes	SD5: Signed off audit reports	As and when needed

2430	Use of "Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing"	Internal auditors may report that their engagements are "conducted in conformance with the International Standards for the Professional Practice of Internal Auditing", only if the results of the quality assurance and improvement program support the statement.	Internal Audit	Not Applicable	Yes	Not Applicable	Do not currently use the statement, as a full external assessment has not yet been conducted
2431	Engagement Disclosure of Nonconformance	When nonconformance with the Definition of Internal Auditing, the Code of Ethics or the Standards impacts a specific engagement, communication of the results must disclose the: • Principle or rule of conduct of the Code of Ethics or Standard(s) with which full conformance was not achieved; • Reason(s) for nonconformance; and • Impact of nonconformance on the engagement and the communicated engagement results.	Internal Audit	Not Applicable	Yes	SD6: Approved 2023/2024 Internal Audit Charter	No instances of nonconformance
2440	Disseminating Results	The chief audit executive must communicate results to the appropriate parties.	Internal Audit	Ongoing	Yes	SD3: Audit and Performance Audit Committee Meeting Minutes SD5: Signed off audit reports	As and when needed
2440.A1	Disseminating Results	The chief audit executive is responsible for communicating the final results to parties who can ensure that the results are given due consideration.	Internal Audit	Not Applicable	Yes	SD3: Audit and Performance Audit Committee Meeting Minutes	Results are communicated to the and Senior Management and then to the Audit Committee.

						SD5: Signed off audit reports	
2440.A2	Disseminating Results	If not otherwise mandated by legal, statutory, or regulatory requirements, prior to releasing results to parties outside the organization the chief audit executive must: • Assess the potential risk to the organization; • Consult with senior management and/or legal counsel as appropriate; and • Control dissemination by restricting the use of the results.	Internal Audit	Not Applicable	Yes	SD3: Audit and Performance Audit Committee Meeting Minutes SD5: Signed off audit reports	Results are communicated to the AO and Senior Management and then to the Audit Committee.
2440.C1	Disseminating Results	The chief audit executive is responsible for communicating the final results of consulting engagements to clients.	Internal Audit	Ongoing	Yes	SD3: Audit and Performance Audit Committee Meeting Minutes SD5: Signed off audit reports	Results are communicated to the Municipal Manager, Senior Management Team and to the Audit and Performance Audit Committee.
2440.C2	Disseminating Results	During consulting engagements, governance, risk management, and control issues may be identified. Whenever these issues are significant to the organization, they must be communicated to senior management and the board.	Internal Audit	Not Applicable	Yes	SD3: Audit and Performance Audit Committee Meeting Minutes SD5: Signed off audit reports	Results are communicated to the Municipal Manager, Senior Management Team and to the Audit and Performance Audit Committee.
2450	Overall Opinions	When an overall opinion is issued, it must take into account the expectations of senior management, the board, and other stakeholders and must be supported by sufficient, reliable, relevant, and useful information.	Internal Audit	Ongoing	Yes	SD3: Audit and Performance Audit Committee Meeting Minutes	Overall opinion on Governance; Risk Management & Internal Control included in the audit reports submitted to the Senior Management Team and Audit and Performance Audit Committee.

						SD5: Signed off audit reports	
2500	Monitoring Progress	The chief audit executive must establish and maintain a system to monitor the disposition of results communicated to management.	Internal Audit	Ongoing	Yes	SD13: Follow-up reports for 2023/2024	The Internal Audit Activity monitor the progress of audit findings raised through means of quarterly follow-up mechanism put in place. The Chief Audit Executive follow-up report is presented to the Senior Management Team and Audit and Performance Audit Committee on a quarterly basis.
2500.A1	Monitoring Progress	The chief audit executive must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.	Internal Audit	Ongoing	Yes	SD13: Follow-up reports for 2023/2024	The Internal Audit Activity monitor the progress of audit findings raised through means of quarterly follow-up mechanism put in place. The Chief Audit Executive follow-up report is presented to the Senior Management Team and Audit and Performance Audit Committee on a quarterly basis.
2500.C1	Monitoring Progress	The internal audit activity must monitor the disposition of results of consulting engagements to the extent agreed upon with the client.	Internal Audit	Ongoing	Yes	SD13: Follow-up reports for 2023/2024	The Internal Audit Activity monitor the progress of audit findings raised through means of quarterly follow-up mechanism put in place. The Chief Audit Executive follow-up report is presented to the Senior Management Team and Audit and Performance Audit Committee on a quarterly basis.
2600	Communicating the Acceptance of Risks	When the chief audit executive concludes that management has accepted a level of risk that may be unacceptable to the organization, the chief audit executive must discuss the matter with senior management. If the chief audit executive determines that the matter has not been resolved, the chief audit executive must communicate the matter to the board.	Internal Audit	Ongoing	Yes	SD4: Fraud and Risk Management Committee Meeting Minutes	On a regular basis, the level of risk the management is willing to accept is communicated and recorded at the Fraud and Risk Management Meetings. The outcome is communicated to the Audit and Performance Audit Committee.