

ONE – YEAR OPERATIONAL PLAN FOR THE YEAR ENDING 30 JUNE 2013

In the first year of the three-year strategic internal audit plan, the internal audit function will be carried out in phases as indicated below. The proposed time in hours of the internal audit work to be performed is also included below:

Scope of work	Estimated timing	Budget H
General management of internal audit function	A	854
Facilitate risk assessment	Ongoing	300
Strategic Internal Audit Plan and operational plan	July 2012	120
Discussion of reports with senior management	Ongoing	240
Preparing and attending of Audit and Performance Audit committee meetings	Ongoing	100
Liaison with External Auditors	Ongoing	94
Execution of Internal Audits	B	4372
Follow up audits		
<ul style="list-style-type: none"> ➤ Review of financial controls ➤ IT AUDIT ➤ SCM AUDIT ➤ HR MANAGEMENT AUDIT ➤ TRAFFIC INCOME 	August-September and October 2012	600
<ul style="list-style-type: none"> ➤ Audit of performance information(quarterly reports) 	September 2012	600
Full on audits		
<ul style="list-style-type: none"> • Revenue Management: <ul style="list-style-type: none"> ➤ Allocation of indigent subsidy ➤ Credit control implementation, disconnections and complaints management ➤ Recognition of revenue ➤ Valuation and billing 	November 2012	600

Scope of work	Estimated timing	Budget H
Full on audit		
<ul style="list-style-type: none"> • Leave Management And reconciliation • FIXED ASSET MANAGEMENT: <ul style="list-style-type: none"> ▪ Fixed Asset policies and procedures; ▪ Need identification (capital & other) and recognition; ▪ Asset tracking, condition, and maintenance; ▪ Depreciation, evaluations, and impairment; ▪ Safeguarding and storage (including stores / inventory); 	January to March 2013	300 600
<ul style="list-style-type: none"> ➤ Follow up on AG findings-NEDA ➤ MFMA compliance review ➤ Fixed assets review ➤ SCM 	April 2013 May 2013	300 300
Full on audit		
<ul style="list-style-type: none"> ➤ Project and Project Contract Management (Infrastructure and Economic Development): ➤ Audit of Performance Information 	May 2013	600
Follow up audit		
<ul style="list-style-type: none"> ➤ Project and Project Contract Management (Infrastructure and Economic Development) ➤ Fixed Asset Management ➤ Revenue Management 	June 2013	600

Scope of work	Estimated timing	Budget H
Adhoc engagements	Continuous	472
Total Hours	A+B	5826

Prepared by

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Ms B Msauli

Internal Audit Manager

Approved by/ Not approved

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Mr Leo Qupe

Audit Committee Chairperson

Accepted

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Mr KC Maneli

Municipal Manager