



# NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

C 28/08/2018

AUDIT COMMITTEE CHARTER 2018/19

## ATTACHED

Audit Committee Charter 2018/19

### MANDATE

Section 166 (1) & (6) (a) of the MFMA provides that each municipality must have an audit committee. A single audit committee may be established for a district municipality and the local municipalities within that district municipality.

Clause 2.3 of the National Treasury: Internal Audit Framework (Page 12) provides that the purpose, roles, responsibilities and authority of the Audit Committee should be clearly documented in a charter. In relation to municipalities, the Council should approve the Audit Committee charter.

### BACKGROUND

The audit committee is an independent committee of council which must advise the municipal council, political office-bearers, the accounting officer and management staff of the municipality. The audit committee performs the responsibilities assigned to it by section 166 of the MFMA, and the corporate governance responsibilities delegated to it under its charter by the council.

An Audit Committee Charter is the written terms of reference approved by the council which outlines the mandate of the audit committee. The charter becomes the policy of the audit committee which then informs the contracts of the audit committee members. A charter should be used to guide the activities of an audit committee on an ongoing basis. A clear, well written charter should set out the objectives, roles

and responsibilities, composition, structure and membership requirements, relationships with other stakeholders, authority for the committee to conduct enquiries and access municipality and municipal entity's records and personnel, outlines procedures for meetings, addresses the confidentiality and independence of committee members, and provides for ethical conduct and reporting.

The Audit Committee reviewed the Audit Committee charter during the meeting held on 05 June 2018.

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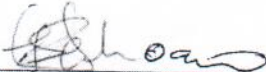



# NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

## RECOMMENDATIONS

1. That Council approves the Audit Committee Charter 2018/19. 2. That the approved Audit Committee Charter be published on the municipal website to promote awareness to all stakeholders.

DATE OF MEETING	RESOLUTION	RESOLUTION NUMBER
30 AUGUST 2018	<p>Council approved the Audit Committee Charter 2018/19.</p> <p>Council resolved that the approved Audit Committee Charter be published on the municipal website to promote awareness to all stakeholders.</p>	C79/2018

  
CLLR Y SECHOARO  
COUNCIL SPEAKER

  
MRS. M.D. DAMBUZA  
ACTING MUNICIPAL MANAGER

JF