



Minutes of meeting

Name of meeting: Audit Steering Committee meeting

Date: 01 November 2018

Venue: Matjhabeng Local Municipality, 2nd floor

Points of discussion	Person responsible
<p>1. Opening and welcome</p> <p>Mr T Tsoaeli commenced the meeting at 10:10 AM and welcomed everyone to the meeting. The chairperson apologised that we had to move from 4th floor to the 2nd floor as there was another meeting taking place.</p>	Chairperson
<p>2. Presence and Apologies</p> <p>The following apologies were noted:</p> <ul style="list-style-type: none">- Mr Jan Blom- Me Nomsa Masuwe- Me Dineo Masheane <p>Please refer to the signed attendance register for the list of attendees.</p>	AGSA/ Matjhabeng
<p>3. Adoption of Agenda</p> <p>The agenda was adopted without any changes.</p>	AGSA/ Matjhabeng
<p>4. Minutes of Previous Meeting</p> <ul style="list-style-type: none">- The chairperson went through the minutes of the previous meeting held on 25 October 2018 page-for-page and gave attendees an opportunity to raise their objections. No objections were noted and the minutes were adopted as follows:- Nominated by: Mr F Wetes- Seconded by: Mr R Khangale	AGSA/ Matjhabeng
<p>5. Request for information and Communications</p> <p><u>Request for information</u></p> <p>Mr T Tladi drew every one's attention to the current status of the RFI register. He indicated that there have been 4 requests issued but not due, 5 overdue requests and 6 that has led to exceptions. To date 89 requests have been received and 1 request was withdrawn. In total there has been 105 requests.</p> <p>Mr Tladi focused on the 5 requests that were overdue:</p>	AGSA/ Matjhabeng

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<ul style="list-style-type: none"> Request 62: Contracted Services - 3 appointment letters and 1 contract that's outstanding. Me M. J van Vuuren indicated that after the register was circulated a request was submitted on the outstanding contracted services. Request 93: 1 Payment voucher outstanding Request 96: The whole request for ward improvements plants is still outstanding. It was indicated to Mr Tsoaeli that the request will be submitted immediately after the meeting as last part of the request required the supporting documents and additionally they were still awaiting circulars from the National Treasury and Provincial Treasury. Mr Tsoaeli further indicated that management should also supply ward meetings minutes because the issue of functioning of wards and collections are part of the ward meetings and the speaker's office is in charge of this. Request 98: The whole request is still outstanding. Mr Tsoaeli mentioned to the management that the more they lagging behind the more they putting pressure on themselves. Request 99: Payment vouchers still outstanding relating to security company. Me M. J van Vuuren indicated that everything on security services except 1 voucher was received after the register was circulated. Me T Raad further indicated that the outstanding payments voucher was also submitted and therefore Request 99 was submitted entirely. Requests 100 and 102: were received. <p>Mr L Mohorosi indicated that some of the information for request 98 was submitted after the register was circulated.</p> <p><u>Communication of Audit Findings</u> Mr L Mohorosi indicated that there have been 29 communications issued since the previous ASCM. It was further indicated that the register that was circulated in the previous week had until communication 62 instead of communication 69.</p> <p>There are 25 issued communications which are not due, 28 that are overdue, 36 has been received to date of which 9 responses were received and 8 were resolved.</p> <p>Mr L Mohorosi highlighted communications which are not resolved to date, focusing specifically on those that may affect the audit report: Communications 34 to 36 responses were received on the 29th October 2018 since communication 1 to communication 33 were discussed in the previous meetings.</p>	

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<p>Mr Tsoaeli urged that management should ensure that they respond to communications as there is now a short period to management report and audit report.</p> <p>Mr R Khangale enquired from Mr Tsoaeli if the responses to the communications will be responded to today (01 November 2018). Mr Tsoaeli indicated that the responses will be submitted as soon as possible to ensure no delays.</p> <p>Mr R Khangale indicated that for some of the issues that were raised, management need to revisit the entire population and submit the information so that new samples can be selected for testing. Mr Tsoaeli urged management to prioritise the request made by Mr R Khangale.</p>	
<p>6. Standing Matters</p> <p>Mr R Khangale led the discussion of the standing matters. These items are to be considered during every meeting.</p> <p>6.1 Fraud Considerations</p> <p>Mr R Khangale requested that if anyone is aware or becomes aware of any instances of fraud or fraud indicators, they should not hesitate to make the senior audit team members aware.</p> <p>6.2 Independence of the engagement team/auditee</p> <p>Mr R Khangale indicated that if management has concerns with the independence of the engagement team they can notify the senior management of the engagement team.</p> <p>6.3 Related party transactions</p> <p>If anyone is aware of related party transactions that were not disclosed in the annual financial statements, they are also urged to make the audit team aware.</p> <p>6.4 Audit fees</p> <p>Mr R Khangale indicated that a discussion was held previously and the municipality was in a process of working out something regarding the fees.</p> <p>Mr Tsoaeli indicated that the CFO will come back to Mr Khangale regarding the fees. Mr Tsoaeli further indicated that colleagues should ensure that communication regarding the above points should be adhered to. It was emphasised by Mr Tsoaeli that colleagues should disclose the interests even though AGSA has an efficient system called CAATs which can detect interest held by officials of the municipality.</p>	<p>AGSA/ Matjhabeng</p>

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7. Closure:

The chairperson reminded the management team that the next two weeks will be crucial for Matjhabeng and that the directors should encourage their team to attend meetings. He further requested that Mr Khangale should notify him of any intimidations posed by the management team to the AGSA team. The chairperson then closed the meeting at 10:42 AM.

Signatures:

Chairperson

Date

Secretary

Date