



22 APRIL 2026

INTERNAL AUDIT MATURITY PLAN

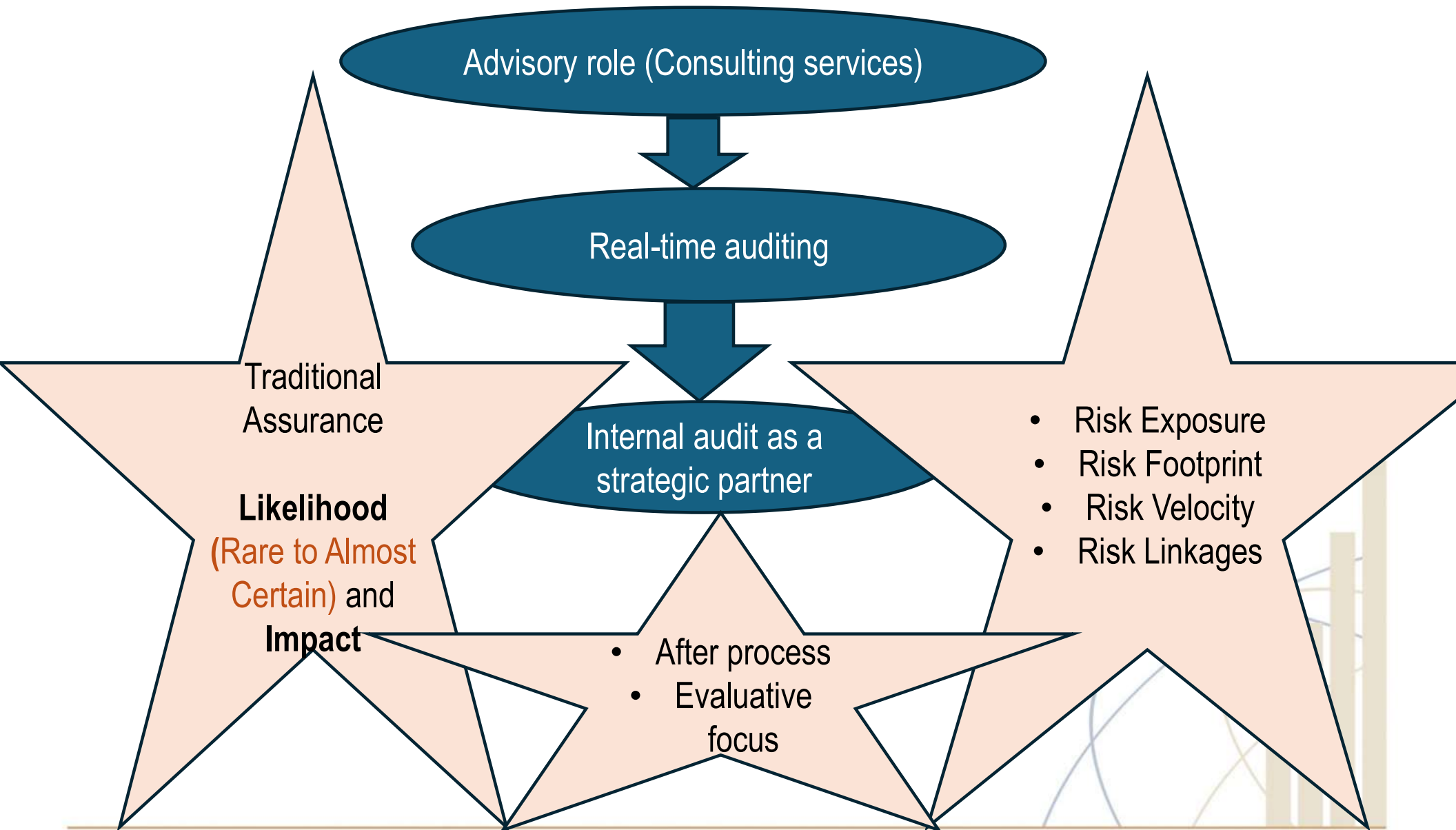


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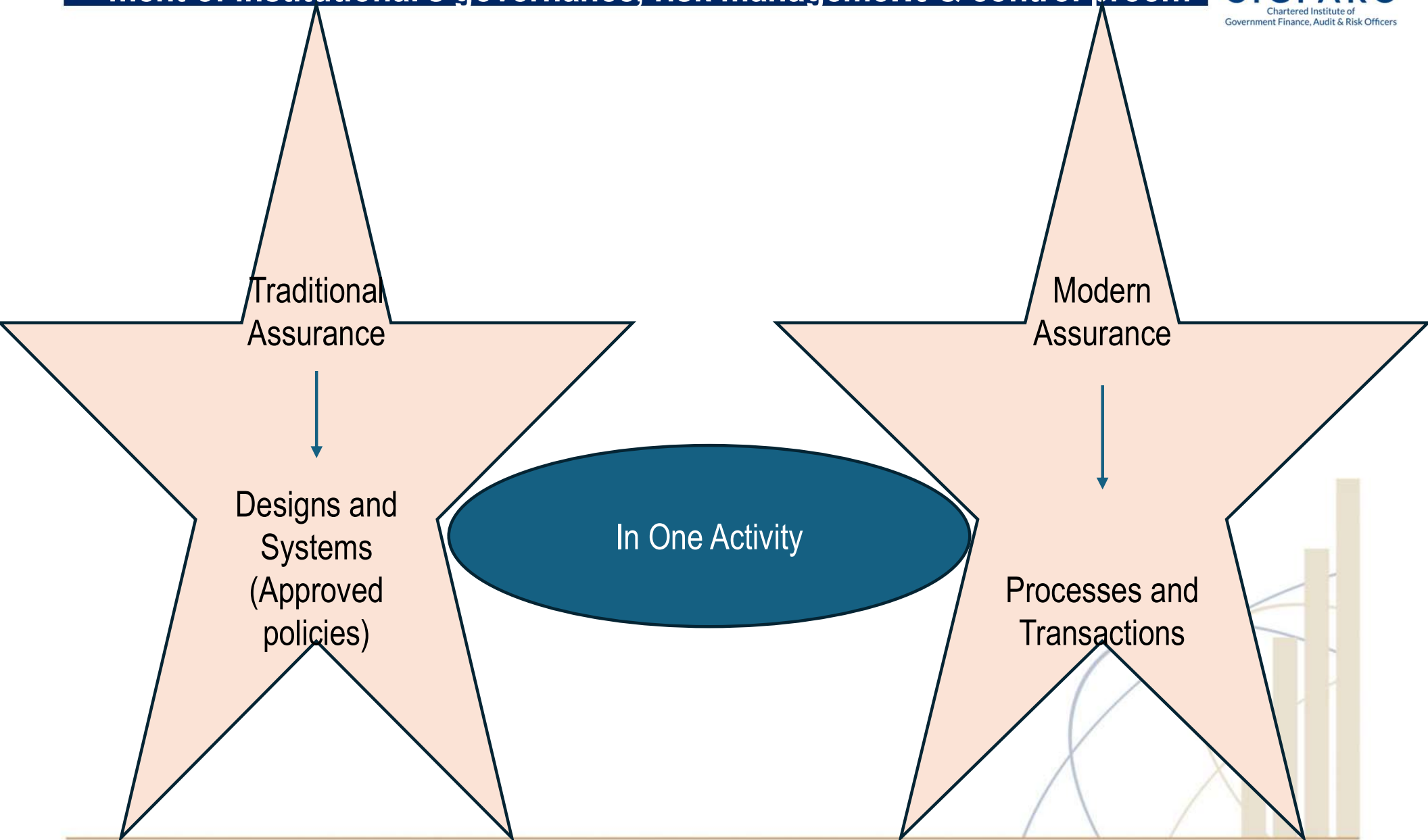
Noluthando Mazinyo
EC Provincial Treasury

SAQA Recognised Professional Body

Internal Audit Maturity Plan for Proactive Assurance and Advisory Alignment with Global Internal Audit Standards



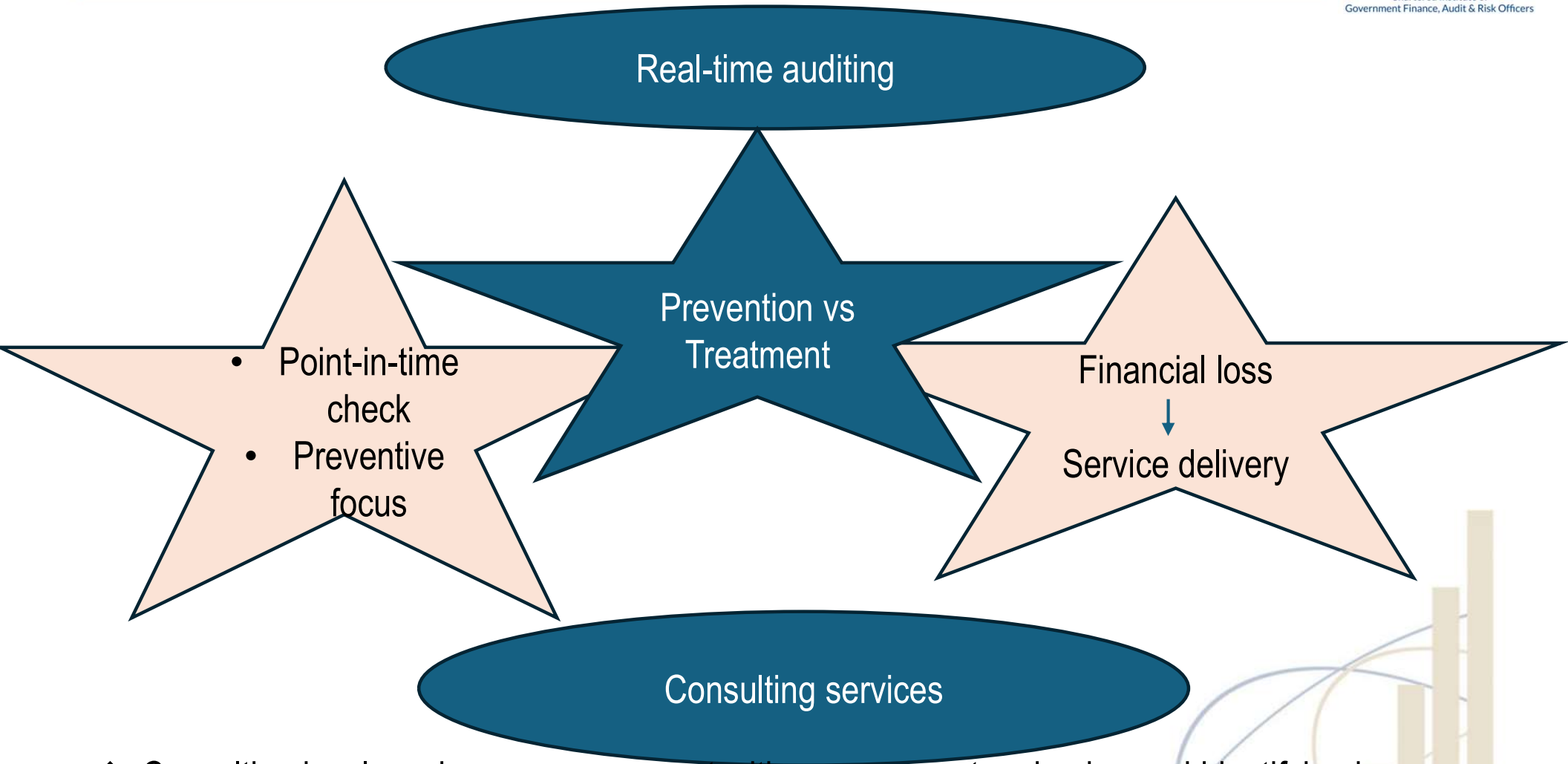
“Specify internal audit services that support the evaluation & improvement of institutional’s governance, risk management & control proc...”



Reactive Compliance to Proactive Strategic Impact



The Shift Required



- ❖ Consulting involves deeper engagement with management, going beyond identifying issues to analysing root causes in detail and providing practical input on improving control design and implementation.

Internal Audit as a Strategic Partner



Shift From “fault finder” to “value enabler”

Support management decision-making

Engage early in key processes

- Reactive – Proactive
- Compliance Focus – Strategic Relevance

Internal audit plan remains risk-based, with the audit response tailored to the nature of the risk.

The Current Reality: Challenges in Internal Audit



The Current Reality

- ❖ Internal audit is often reactive, completing reviews after risks have already materialised.
- ❖ Risks in municipalities, such as irregular payments, procurement non-compliance, and revenue losses, often occur faster than traditional audit cycles.
- ❖ Limited Real-Time Monitoring Reduces Early Risk Detection -Traditional audits may not detect emerging risks.

Key Point: Misalignment Between Audit Processes and Risk Velocity

Assurance vs Real time Assurance / Advisory (Consulting)



Hindsight vs Foresight

Assurance



Retrospective



Identifies what
went wrong

Real time Audit /
Advisory



Proactive



Prevent risks
before they occur



How Internal Audit Responds to Fast-Evolving Risks



Internal Audit Keeps Pace with Risk

- ❖ Real-time auditing (Payments): Review payment runs to identify duplicate or unusual transactions before final processing (*Observing application of controls, Checking compliance with rules and Identifying deviations before final approval*).
- ❖ Use of data: Analyse supplier payments in Excel to detect duplicates, split transactions, or amounts just below approval thresholds.
- ❖ High-risk focus (SCM): Review procurement transactions during the process to identify non-compliance before contract award.
- ❖ Advisory (Consulting): Provide input during policy reviews.
- ❖ Integrated assurance: Share risk information with other assurance providers, Management, Risk Management and Internal Audit to align efforts and avoid duplication.



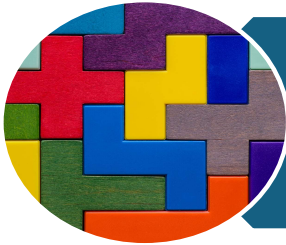
Integrated Assurance



Coordination and Reliance



Designs and implements controls and approves transactions



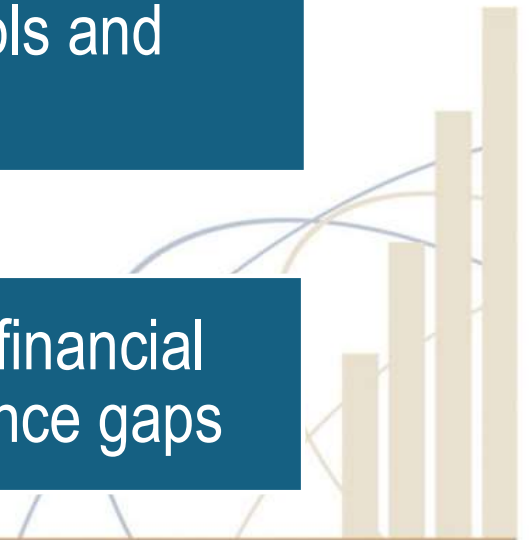
Supports management in identifying the risk and monitors compliance



Reviews effectiveness of controls and provides assurance/insight



Provides independent opinion on financial statements and highlights compliance gaps



Key Takeaways:

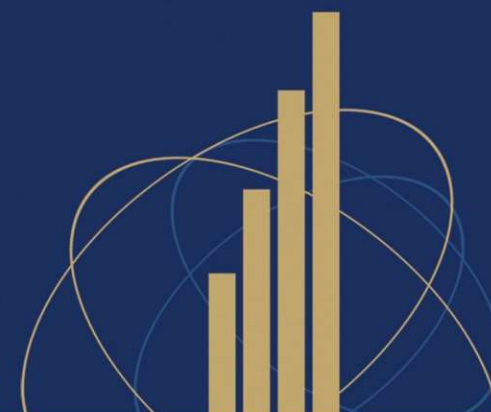


Internal Audit is about relevance and impact





Thank You!



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