

MPUMALANGA PROVINCIAL GOVERNMENT

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Department of Finance *Office of the HOD*

Iinko LeteTimali	UmNgango weZemali	Departement van Finansies	Kgoro ya Matlotlo
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Enquiries : Mr H Silaule x 4292
Ref No : DOF 13/6/1/3

PROVINCIAL TREASURY CIRCULAR 39 OF 2013

TO:

THE ACTING MUNICIPAL MANAGER: NKANGALA DISTRICT MUNICIPALITY: MR. AG ZIMBWA
THE MUNICIPAL MANAGER: EHLANZENI DISTRICT MUNICIPALITY: ADV. H MBATHA
THE MUNICIPAL MANAGER: GERT SIBANDE DISTRICT MUNICIPALITY: MR. CA HABILE
THE MUNICIPAL MANAGER: GOVAN MBEKI LOCAL MUNICIPALITY: DR. MF MAHLANGU
THE MUNICIPAL MANAGER: STEVE TSHWETE LOCAL MUNICIPALITY: MR. WD FOCHE
THE ACTING MUNICIPAL MANAGER: EMAKHAZENI LOCAL MUNICIPALITY: MS TJ SHOBA
THE MUNICIPAL MANAGER: BUSHBUCKRIDGE LOCAL MUNICIPALITY: MR. DL SHABANGU/ ADMINISTRATOR: MR E NGOMANE
THE MUNICIPAL MANAGER: NKOMAZI LOCAL MUNICIPALITY: MR. MD NGWENYA
THE MUNICIPAL MANAGER: UMJINDI LOCAL MUNICIPALITY: MR D NDLOVU
THE ACTING MUNICIPAL MANAGER: THABA CHWEU LOCAL MUNICIPALITY: MR. NRG NKOSI
THE MUNICIPAL MANAGER: MBOMBELA LOCAL MUNICIPALITY: MR. XC MZOBE
THE MUNICIPAL MANAGER: DR.PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY: MR PB MALEBYE
THE MUNICIPAL MANAGER: MSUKALIGWA LOCAL MUNICIPALITY: MR. TBW DLAMINI
THE MUNICIPAL MANAGER: MKHONDO LOCAL MUNICIPALITY: MR. AN MAHLANGU
THE MUNICIPAL MANAGER: THEMBSILE HANI LOCAL MUNICIPALITY: MR. JI SINDANE
THE MUNICIPAL MANAGER: DIPALESENG LOCAL MUNICIPALITY: MR. DV NGCOBO
THE MUNICIPAL MANAGER: CHIEF ALBERT LUTHULI LOCAL MUNICIPALITY: MR. V MPILA
THE MUNICIPAL MANAGER: LEKWA LOCAL MUNICIPALITY: MR. LB TSHABALALA
THE MUNICIPAL MANAGER: VICTOR KHANYE LOCAL MUNICIPALITY: MS RM MAREDI
THE ACTING MUNICIPAL MANAGER: DR JS MOROKA LOCAL MUNICIPALITY: MR. Z SKHOSANA
THE ADMINISTRATOR: EMALAHLENI LOCAL MUNICIPALITY: MR. T VAN VUUREN

PREPARATION AND SUBMISSION OF INTERIM FINANCIAL STATEMENTS (IFS)

The Mpumalanga Provincial Treasury is requesting all Municipalities to prepare Interim Financial Statements for the period ending 31 December 2013. This is in line with the requirements of Operation Clean Audit 2014 and a Cabinet decision.

The purpose of Interim Financial Statements is to detect and address issues that are challenges to Municipalities with regard to Annual Financial Statements before year-end, improvement of audit outcomes and to assist Municipalities to be able to prepare financial statements without appointing consultants.

The Interim Financial Statements are to be prepared for the sixth month period (1 July 2013 - 31 December 2013) and submitted to Provincial Treasury, Accounting Services Section and Municipal Internal Auditors by 28th February 2014. The Internal Auditors will audit and review the Interim Financial Statements and forward reports on findings to the relevant Municipal Manager, Chief Financial Officer and Provincial Treasury. All Municipalities will be expected to address the issues as raised by Internal Auditors and Provincial Treasury will prepare a summary of issues raised in order to provide support where required.

The following should be adhered to by Municipalities for the process to be effective:

- Proper closure of the books to be done
- All suspense accounts should be cleared to zero to enable Municipalities to provide complete financial information on expenditure and revenue.
- Stock counts and reconciliation of assets, VAT, creditors, debtors and bank accounts must be performed.
- The expenditure management report should be scrutinized to ensure that all expenditure is correctly allocated to the budget appropriated.
- Supporting documentation for all the transactions, and other important records, should be made available for audit purposes to Internal Auditors.

The template is available at Provincial Treasury, Accounting Services section and will also be sent via electronic mail to Municipalities if requested. **Please note that Municipalities are not allowed to appoint consultants for Interim Financial Statements.**

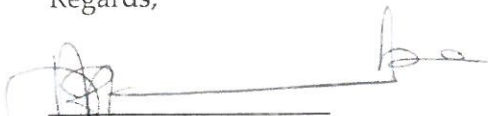
The following officials in Provincial Treasury could be contacted for clarification and assistance in completing the IFS:

Ms N Mokgalaka
Tel: 013 766 4196
Email: nicotia@mpg.gov.za

Ms Shoki Thaga
Tel: 013 766 4548
Email: Thagasm@mpg.gov.za

Your cooperation will be appreciated.

Regards,



Ms NZ NKAMBA
HEAD OF DEPARTMENT
DATE: 3/12/2013