

KAROO HOOGLAND MUNICIPALITY

OVERSIGHT REPORT

2013/14

BACKGROUND

Council is vested with the responsibility to oversee the performance of their municipality as required by the Constitution, the MFMA and the Municipal Systems Act.

This oversight responsibility of Council is particularly important for the process of considering annual reports.

The MFMA gives Council a number of financial management tasks to fulfil its oversight role. The adoption of an "Oversight Report" is one such task.

THE ANNUAL REPORT

The Annual Report should include the following 4 main components:

- a) The Annual Performance Report (Section 46 of MFMA)
- b) Annual Financial Statements submitted to Auditor-General
- c) The AG audit report on the financial statements
- d) The AG audit report on performance

It is important to note that the Draft Annual Report 2013/14 which was tabled in January 2015 of Karoo Hoogland Municipality includes only one of the 4 mentioned components (AFS). The municipality do not have a Performance System. The Annual Financial Statements was submitted on 31 August 2014. The AG Audit Report was only received in February 2015.


25/08/2015

THE OVERSIGHT REPORT

The Oversight Report is a requirement in terms of Section 129 of the MFMA.

The report must include a statement; whether Council

- a) Has approved the annual report, with or without reservations;
- b) Has rejected the annual report;
- c) Has referred the annual report back for revision.

The Oversight Report completes the full accountability cycle of Council for the respective Financial Year.

RESOLUTION (ITEM _____ IN MINUTES OF 25 MARCH 2015)

COUNCIL RESOLVES THAT :

- a) After having fully considered the Draft Annual Report 2013/14, the oversight report is adopted on 25 March 201⁵, and Council approves the Annual Report 2013/14 with the following reservations :
- b) That due to specific circumstances as outlined in the Draft Annual Report, the said report does not contain the following components as required by the MFMA , namely,
 - i. The Annual Performance Report (Section 46 of MFMA)
 - ii. The AG audit report on the financial statements, and
 - iii. The AG audit report on the performance.

COUNCIL FURTHER RESOLVES THAT :

- c) the Final Annual Report 2013/2014 with all its attachments and components namely:
 - i) Annual Financial Statements submitted to Auditor-General
 - ii) The AG audit report on the financial statements
 - iii) The AG audit report on performance

will be submitted to National and Provincial Treasury Offices as required.



THE MAYOR: JP JULIES

25/03/2015.

DATE