

ISS.91	CAF 74: General expenditure - Misclassification of expenditure items	<p>Management partially agrees with the audit finding, municipality is using an MSCOA compliant system that is used to report to provincial treasury on a monthly basis in accordance with MFMA sec.71, the Municipality submits data strings of the trial balance and in line with the seven segments selected from the official standard chart of accounts treasury is able to convert the</p>	Chief Financial Officer Financial Accounting Manager	30 November 2021	Municipality is using an MSCOA compliant system that is used to report to provincial treasury on a monthly basis in accordance with MFMA sec.71, the Municipality submits data	100%	Confirmed with adjusted AFS, classification of assets. Note 20.
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		<p>data strings into financial performance information. Management however agrees to further break down the above mentioned operating expenditures into MSCOA accounts that shall disclose additional information on the nature of expense. Municipality will prepare a working paper that will link the mentioned accounts with the newly proposed general ledger accounts that will add more information on the nature of expense.</p>			<p>strings of the trial balance and in line with the seven segments selected from the official standard chart of accounts treasury is able to convert the data strings into financial performance information. Management however agrees to further break down the above mentioned operating expenditures into MSCOA accounts that shall disclose additional information on the nature of expense. Municipality will prepare a working paper that will link</p>		
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Payable							
CAF 123	CAF 123: Internal control Deficiency - Payables: Amounts incorrectly classified in the creditors age analysis	<p>Management implemented effective processes for the preparation of the adjusted financial statements to ensure that errors are detected and corrected and that the financial statements.</p> <p>Management made the necessary adjustments and provide the proposed adjustments to the audit team for consideration.</p>	Chief Financial Officer Financial Accounting Manager	30 November 2021	<p>Management implemented effective processes for the preparation of the adjusted financial statements to ensure that errors are detected and corrected and that the financial statements.</p> <p>Management made the necessary adjustments and provide the proposed adjustments to the audit team for consideration.</p>	100%	Confirmed with Creditors age analysis, periods were adjusted accordingly.

CAF 77	CAF 77: Payables - Leave provision incorrectly calculated	Management agrees with audit finding, the leave provision calculation of the whole population was revisited by management kindly find the attached supporting evidence.	Chief Financial Officer Financial Accounting Manager	30 November 2021	Leave provision calculation of the whole population was revisited by management kindly find the attached	100%	Confirmed with adjusted AFS and the working paper that the differences were adjusted according.
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					supporting evidence.		
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ISS.81	CAF 89: Accrued leave pay - Incomplete accrued leave pay provision	Management agrees with audit finding, the leave provision calculation of the whole population was revisited by management kindly find the attached supporting evidence.	Chief Financial Officer Financial Accounting Manager	30 November 2021	Leave provision calculation of the whole population was revisited by management kindly find the attached supporting evidence.	98%	Confirmed with recalculation made and was submitted to AG however the matter will be evaluate in the next audit as was in principle agreed to be cleared by AG.
Predetermined objectives							
ISS.49	CAF 61: AoPo: Measure taken to improve performance not reflected on the performance report	Management agrees with the finding and necessary adjustments on the annual performance report and corrected document together with corroborating evidence for measures taken to improve performance will be provided or submitted to AG.	IDP/PMS Manager	30 June 2022	Management agrees with the finding and necessary adjustments on the annual performance report and corrected document together with corroborating evidence for measures taken to improve performance will be provided or submitted to AG.	90%	Confirmed with adjusted APR submitted to AG with corrected section.

ISS.66	CAF 63: AoPo - Reported achievements and the POE submitted differences	Management does not agree with finding as agreed all pertinent evidence has been	IDP/PMS Manager	30 June 2022	Management does not agree with finding as agreed all	90%	Confirmed with adjusted APR submitted to AG with
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	submitted and verified with AG on Friday 29 October 2021 Relevant adjustments have been done on the Annual Performance Report			pertinent evidence has been submitted and verified with AG on Friday 29 October 2021 Relevant adjustments have been	corrected section.
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ISS.67	CoAF 67: AoPO: Consistency, measurability and reliability issues identified	Management agrees with the finding however all pertinent adjustments have been affected, in the Annual Performance Report	IDP/PMS Manager	30 June 2022	Management agrees with the finding however all pertinent adjustments have been affected, in the Annual Performance Report	90%	Confirmed with adjusted APR submitted to AG with corrected section.
Procurement and Contract Management							

ISS.117	CAF 106: Procurement and contract management: Tax non-compliance bid - TMDM/MM/RECOVERY/01/08/2020	CSD evidence that the winning bidder was tax compliant at the time of awarding the bid is available. Management have disclosed payments as irregular in the period under review, the full impact of the irregular expenditure from the tender is still under investigation.	Chief Financial Officer SCM Manager	30 June 2022	CSD evidence that the winning bidder was tax compliant at the time of awarding the bid is available. Management have disclosed	75%	Confirmed with management that UJF&W for 2020/2021 report to be submitted to MPAC for investigation and reported to Council.
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					payments as irregular in the period under review, the full impact of the irregular expenditure from the tender is still under investigation.		
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ISS.115	CAF 107: Procurement and contract management - Deviation from SCM policy not supported	<p>Management investigated the finding raised on the entire population of expenditure to identify if there is similar noncompliance and have provided the audit team with the analysis the necessary disclosure for irregular expenditure on the AFS was adjusted.</p> <p>In cases where quotations where not submitted in time by the potential service provider(s), but only when there is documented proof that the potential service provider(s) was invited to provide the quotation and was given a clear timeframe in which to respond</p>	Chief Financial Officer SCM Manager	30 June 2022	Management investigated the finding raised on the entire population of expenditure to identify if there is similar noncompliance and have provided the audit team with the analysis the necessary disclosure for irregular expenditure on the AFS was adjusted.	75%	Confirmed with management that UJF&W for 2020/2021 report to be submitted to MPAC for investigation and reported to Council.
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ISS.121	CAF 111: Contract management and Procurement - Incomplete contract register	Disagrees with the finding, a service provider was appointed but failed to deliver tools of trade for smallholder farmers as at 30 June 2021 as a result the appointment was cancelled. Disagrees with the finding, tools of trade were bought through competitive bidding and were delivered. Disagrees with the finding, a service provider was appointed but failed to deliver tools of trade for smallholder farmers as at 30	Chief Financial Officer SCM Manager	30 June 2022	A service provider was appointed but failed to deliver tools of trade for smallholder farmers as at 30 June 2021 as a result the appointment was cancelled. Tools of trade were bought through competitive	75%	but only when there is documented proof that the potential service provider(s) was invited to provide the quotation and was given a clear timeframe in which to respond	Confirmed with management that UJF&W for 2020/2021 report to be submitted to MPAC for investigation and reported to Council.
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		<p>June 2021 as a result the appointment was cancelled.</p> <p>Disagrees with the finding, a service provider was appointed through competitive bidding to review draft district development model profile & development of district strategic plan and project register until 30 June 2021.</p>			<p>bidding and were delivered.</p> <p>A service provider was appointed but failed to deliver tools of trade for</p>		
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		<p>Disagrees with the finding because no service provider was appointed to establish a crematorium.</p> <p>Disagrees with the finding, no service provider was appointed to drill, equipment and commission a borehole.</p> <p>Disagrees with the finding, no service provider was appointed to supply uniform.</p> <p>Disagrees with the finding, no service provider was appointed to lease cafeteria</p>			<p>smallholder farmers as at 30 June 2021 as a result the appointment was cancelled.</p> <p>A service provider was appointed through competitive bidding to review draft district development model profile & development of district strategic plan and project register until 30 June 2021.</p> <p>No service provider was appointed to establish a crematorium.</p> <p>No service provider was</p>		
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	CAF 112: Contract management and Procurement - Unclear functional criteria assigned	<p>Management disagrees with audit finding, specification criterion awarded was clear as to how the criteria applies to the acquired points, the SCM system should result in continuing improvement in affordability and value for money, based on total cost of ownership and quality of procurement as competition amongst suppliers is enhanced. In dealing with suppliers and potential suppliers, institutions should:</p> <p><i>f</i> Preserve the highest standards of honesty, integrity, impartiality and objectivity.</p> <p><i>f</i> Be fair, efficient, firm and courteous.</p> <p><i>f</i> Achieve the highest professional standards in the awarding of contracts, so as to maximize value for money while adhering to international standards.</p>	<p>Chief Financial Officer (Chair: BAC)</p> <p>SCM Manager Financial Accounting Manager (Chair: BSC)</p> <p>Infrastructure Manager (Chair: BEC)</p>	30 June 2022	<p>No service provider was appointed to lease cafeteria</p>	75%	<p>Confirmed with management that UIF&W for 2020/2021 report to be submitted to MPAC for investigation and reported to Council.</p>
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<p><i>f</i> Provide clear specifications for requirements which encourage innovation and refer, where appropriate, to relevant technical and other standards.</p> <p><i>f</i> Make available as much information as suppliers need to respond to the bidding process and to define and publicize procurement contact points.</p>						
					<p>suppliers, institutions should:</p> <p><i>f</i> Preserve the highest standards of honesty, integrity, impartiality and objectivity.</p>	

	<p><i>f</i> Manage the bidding process so that genuine competition is preserved, and discrimination is avoided.</p> <p><i>f</i> Make available the broad criteria intended for the evaluation of bids, to evaluate bids objectively and to notify the outcome promptly.</p> <p><i>f</i> Within the bounds of commercial confidentiality, to debrief unsuccessful bidders of the outcome of the bidding process so as to facilitate better performance on future occasions.</p> <p><i>f</i> Achieve the highest professional standards in the management of contracts. <i>f</i> Pay promptly for work done in accordance to standards as set by a legal and binding contract.</p> <p><i>f</i> Respond promptly, courteously and efficiently to suggestions, enquiries and complaints</p> <p>Functionality should be assessed by applying a value system is as follows,</p> <p>1- Poor 2- Acceptable 3- Good</p>		<p><i>f</i> Be fair, efficient, firm and courteous.</p> <p><i>f</i> Achieve the highest professional standards in the awarding of contracts, so as to maximize value for money while adhering to international standards. <i>f</i> Provide clear specifications for requirements which encourage innovation and refer, where appropriate, to relevant technical and other standards. <i>f</i> Make available as much</p>	
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		<p>4- Very Good 5- Excellent</p>			<p>information as suppliers need to respond to the bidding process and to define and publicize procurement contact points. f Manage the</p>		
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	CAF 115 - Procurement and contract management: Deviations not disclosed in the annual financial statements	Management Partially agrees with audit finding, the annual financial statement will be updated with the whole deviation population that were recorded for 2020/2021 financial period. Please refer to the quarter deviation register electronic copies	Chief Financial Officer Financial Accounting Manager	30 November 2021	The annual financial statement will be updated with the whole deviation population that were recorded for 2020/2021 financial period. Please refer to the quarter deviation register electronic copies	100%	Confirmed with adjusted AFS Deviations were not disclosed however it was corrected and disclosed in note 42.
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	CAF 116: Procurement: Tax issues on TMDM/CORP/EVENT01/07 /2020 - Panel of Events management	At the time of awarding bids, Batho & Batsho Bakopane and Mngomezulu Transport were tax compliant.	Chief Financial Officer SCM Manager Financial Accounting Manager	30 November 2021	At the time of awarding bids, Batho Batsho Bakopane and Mngomezulu Transport were tax compliant	75%	Confirmed with management that UIF&W for 2020/2021 report to be submitted to MPAC for investigation and reported to Council.
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ISS.127	CAF 117 SCM: Performance of the contractor or service provider is not monitored on a monthly basis	Management is busy with processes that will ensure that effective controls are adequately designed and monitored on contracts, performance of the contractor or service provider is being monitored on monthly basis.	Chief Financial Officer SCM Manager All Managers	30 June 2022	Management is busy with processes that will ensure that effective controls are adequately designed and monitored on contracts, performance of the contractor or service provider is being monitored on monthly basis.	75%	Confirmed with management that UJF&W for 2020/2021 report to be submitted to MPAC for investigation and reported to Council.
ISS.127	CAF 119 - Adjudication Issues with bid TMDM/CORP/STAT/01/07/2 020	Management disagrees with the finding. In terms of Supply Chain Management Regulations, regulations 29 states that "(1) A bid adjudication committee must— (a) consider the report and recommendations of the bid evaluation committee; and (b) either—	Chief Financial Officer (Chairperson: BAC) Infrastructure Manager (Chairperson: BEC) Financial Accounting Manager (Chairperson: BSC)	30 June 2022	In terms of Supply Chain Management Regulations, regulations 29 states that "(1) A bid adjudication committee must— (a) consider the report and recommendati	75%	Confirmed with management that UJF&W for 2020/2021 report to be submitted to MPAC for investigation and reported to Council.

		<p>(ii) make another recommendation to the accounting officer how to proceed with the relevant procurement.</p> <p>SCM Regulation 29 goes further "(5) states (a) If a bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid—</p> <p>(i) check in respect of the preferred bidder, whether that bidder's municipal rates and taxes and municipal service charges are not in arrears; and</p> <p>(ii) check notify the accounting officer:</p> <p>bidder's municipal rates and taxes and municipal service charges are not in arrears; and</p> <p>In the case of Mohau distributors, (ii) notify the accounting officer, the service provider did not provide municipal rates instead attached the proof of residential address, as a result was disqualified, address as a result was disqualified.</p> <p>(b) The accounting officer may—</p> <p>(i) after due consideration of the reasons for the deviation, ratify or reject the decision of the bid</p>		<p>ons of the bid evaluation committee; and (b) either— (ii) make another recommendation to the accounting officer how to proceed with the relevant procurement.</p> <p>SCM Regulation 29 goes further "(5) states (a) If a bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid—</p>	
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(ii) if the decision of the bid adjudication committee is rejected, refer the decision of

CAF 120 - Bid awarded to bidder not recommended by the BEC	<p>Management disagrees with the finding. In terms of Supply Chain Management Regulations, regulations 29 states that "(1) A bid adjudication committee must—</p> <p>(a) consider the report and recommendations of the bid evaluation committee; and</p> <p>(b) either—</p>	<p>Chief Financial Officer (Chairperson: BAC) Infrastructure Manager (Chairperson: BEC) Financial Accounting Manager (Chairperson: BSC)</p>	30 June 2022	<p>In terms of Supply Chain Management Regulations, regulations 29 states that "(1) A bid adjudication committee must—</p>	75%	<p>Confirmed with management that UJF&W for 2020/2021 report to be submitted to MPAC for investigation and reported to Council.</p>
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					<p>bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.</p> <p>(6) The accounting officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.</p>		
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<p>the adjudication committee back to that committee for reconsideration.</p> <p>(6) The accounting officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.</p>			<p>taxes and municipal service charges are not in arrears, and (ii) notify the accounting officer.</p> <p>In the case of Mohau distributors, the service provider did not provide municipal rates instead attached the proof of residential address as a result was disqualified.</p> <p>(b) The accounting officer may— (i) after due consideration of the reasons</p>
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		<p>adjudication committee referred to in paragraph (a); and (ii) if the decision of the bid adjudication committee is rejected, refer the decision of</p>			<p>(i) check in respect of the preferred bidder whether that bidder's municipal rates and</p>		
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