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Date: 26 May 2021

COUNCIL

SUBMISSION OF THE CONSOLIDATED ANNUAL REPORT FOR THE MANGAUNG METROPOLITAN MUNICIPALITY AND CENTLEC FOR 2019/2020 FINANCIAL YEAR

1. Purpose

To table the city and the entity's consolidated Annual Report 2019/2020 to the Mangaung Metropolitan Municipality's Council.

2. Introduction and Background

Sections 121 and 127 of Municipal Finance Management Act 2003, Act No. 56 of 2003 (MFMA) read together with section 46 of the Local Government: Municipal System Act (32 of 2000 and as amended) provides for the preparation, adoption and tabling of the annual report.

All Municipal Councils are expected to prepare and process their Annual Reports within nine months after the end of a financial year. The purposes of an annual report are as follows:

- To provide an account of activities of the municipality for the year under review;
- To provide a report on performance against the budget of the municipality; and
- To promote accountability to the local community development for the decisions made throughout the year by the municipality.

Importantly, section 121 (3) of the Municipal Finance Management Act prescribes that the annual report of the municipality must include –

- a) The annual financial statements of the municipality, and in addition, if section 122(2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126(1);
- b) The Auditor-General's audit report in terms of section 126(3) on those financial statements;
- c) The annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal System Act (MSA);

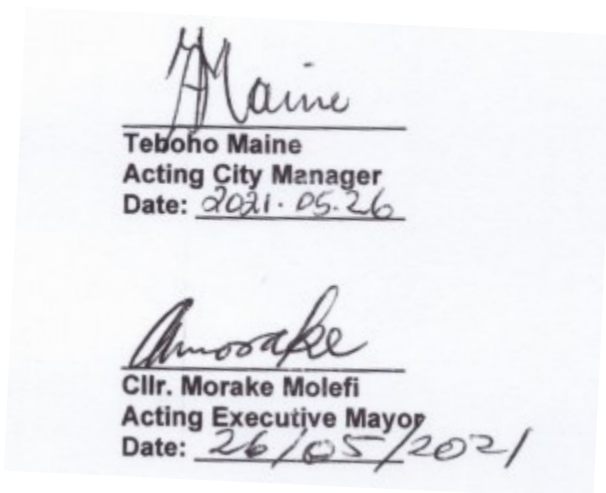
- d) The Auditor-General audit report in terms of section 45 (b) of the Municipal Systems Act;
- e) An assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges;
- f) An assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives referred to in section 17(3)(b) for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year;
- g) Particulars of any corrective action taken or to be taken in response to issues raised in the audit report referred to in paragraphs (b) and (d) etc.

This Council submission therefore seeks to meet the latter section by submitting to the council, the annual report and its components.

3. Recommendations

It is recommended that Mangaung Metropolitan Municipality Council notes:

- a) The Mangaung and Centlec's standalone – annual reports and annual financial statements.
- b) The Mangaung and Centlec's standalone – audit reports as presented by Auditor General;
- c) The consolidated Mangaung annual reports and annual financial statements,
- d) The Mangaung consolidated audit report as presented by the Auditor General
- e) Refer the above reports to the Municipal Public Accounts Committee that will process the said report and develop the oversight report and thereon advise Council accordingly.



The image shows two handwritten signatures on a document. The first signature is 'Teboho Maine' in cursive, with a horizontal line underneath. Below the line, the text reads 'Teboho Maine', 'Acting City Manager', and 'Date: 2021.05.26'. The second signature is 'Morake Molefi' in cursive, also with a horizontal line underneath. Below the line, the text reads 'Cllr. Morake Molefi', 'Acting Executive Mayor', and 'Date: 26/05/2021'.