

No room for delays, says MEC

MEC for Finance Louisa Mabe has reiterated that provincial treasury will not tolerate shabby work by municipalities who have not yet submitted their annual financial statements for auditing to the Auditor General.

Mabe said this in a meeting attended by mayors; municipal managers, Chief Financial Officers and financial managers from various municipalities.

The deadline for the submission was August 2009 and to date there are some municipalities who are still stalling.

Last year, the MEC had an extensive meeting with municipalities to assist them to do audit surveys with the intention of improving their chances of getting good audit reports, identify challenges and problems experienced by municipalities.

The MEC said while she acknowledged that other factors like vacant posts for Chief Financial Officers, suspension of municipal managers and lack of financial management skills in the municipalities at times contribute to the delays, the department would not stomach the holdup shown by some municipalities.

“While factors and challenges posed by disaster like the arson in Ngaka Modiri Molema District Municipality last year are understandable, what we find unacceptable is the delay of financial reports,” she said during the meeting with municipalities who have not yet submitted their financial statements despite the August deadline.

“If we wish to comply with the vision of “Operation Clean Audit 2014” we should make sure we manage our finances and asset registers efficiently”.

Mabe said there has been leniency on municipalities in line with the department’s responsibility to support them so that they develop their own finance units.

“We are becoming increasingly less shy in pleading with the auditor general to be lenient with time where we are convinced that financial managers ‘just cannot’ perform their duties on time in spite of the assistance and leniency from us,” she said. Mabe said she was saddened by this disturbing pattern, more so because it has a negative bearing on her department.

She said some of the municipalities who submit on time continued to suffer as a result of public opinion on inefficiencies by some of the municipalities.

Mabe called on municipalities with financial skills to assist those that do not have the capacity.

She further advised that: “ in order for municipalities to obtain unqualified report they must comply to the Standard of Generally Recognised Accounting Practice. These Standards are effective for all public entities in the following:

- Presentation of Financial Statements (GRAP 1
- Cash Flow Statements (GRAP 2) Accounting Policies,
- Changes in Accounting Estimates and Errors (GRAP 3)