

No.	Reporting Area	Findings	Management Report				Repeat Finding FY?	Compliance Finding?	Type	Description	Action Plan	Start Date	Completion Date	Title	Person Responsible			Position	Progress	Portfolio of Evidence
			Year - 0	Year - 1	Year - 1															
6	Asset management	Significant control deficiencies identified	YES	YES	YES	Year - 0	Financial and performance management: Review and monitor compliance with applicable laws and regulations. 3. Refer to the other findings the policy.	1. Refer to the other findings 2. Review the Asset Management Policy checklist to ensure completeness of documents on employee files, including Senior Managers 2. Perform a review of employee files to ensure all required documents are completed and filed	1. Review the existing personnel file 1. Review and monitor compliance with applicable laws and regulations. 2. Perform a review of employee files to ensure all required documents are completed and filed	1. Review the existing personnel file 1. Review and monitor compliance with applicable laws and regulations. 2. Perform a review of employee files to ensure all required documents are completed and filed	01-Feb-19	31-May-19	01-Feb-19	31-May-19	Ms	Themukaz	Hebe	HR Officer		
7	HR management	HR management: Senior Managers did not sign declaration form within 60 days	YES	YES	YES	Year - 0	Financial and Performance Management: Review and monitor compliance with applicable laws and regulations. 1. Review the existing personnel file checklist to ensure completeness of documents on employee files, including Senior Managers 2. Perform a review of employee files to ensure all required documents are completed and filed	1. Review the existing personnel file 1. Review and monitor compliance with applicable laws and regulations. 2. Perform a review of employee files to ensure all required documents are completed and filed	1. Review the existing personnel file 1. Review and monitor compliance with applicable laws and regulations. 2. Perform a review of employee files to ensure all required documents are completed and filed	1. Review the existing personnel file 1. Review and monitor compliance with applicable laws and regulations. 2. Perform a review of employee files to ensure all required documents are completed and filed	01-Feb-19	31-May-19	01-Feb-19	31-May-19	Ms	Themukaz	Hebe	HR Officer		
8	SCM	Quotation process: Quotes were not obtained from three different suppliers and indications of possible quotation cover quoting. 1. The non-compliance may lead to irregular expenditure of R 177 472.00. 2. The non-compliance may also be due to possible fraud.	YES	YES	YES	Year - 1	Leadership: Exercise oversight responsibility regarding financial and performance reporting, compliance and related internal controls. 2. Support with relevant documentation suppliers	1. When all due processes have been followed and BCRM cannot get the three quotes, make a deviation where three quotes have not been obtained from suppliers 2. Support with relevant documentation suppliers	1. When all due processes have been followed and BCRM cannot get the three quotes, make a deviation where three quotes have not been obtained from suppliers 2. Support with relevant documentation suppliers	1. When all due processes have been followed and BCRM cannot get the three quotes, make a deviation where three quotes have not been obtained from suppliers 2. Support with relevant documentation suppliers	01-Dec-19	30-Jun-19	01-Dec-19	30-Jun-19	Ms	Ayanda	Mbebe	Manager SCM		
9	SCM	Contract Management: Payments that exceed contract price & contract monitoring:	YES	YES	YES	Year - 1	Financial and performance management: Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.	1. Print one purchase order for each contract and make payments against the order to avoid over payment (The system will disallow any over payment)	1. Print one purchase order for each contract and make payments against the order to avoid over payment (The system will disallow any over payment)	1. Print one purchase order for each contract and make payments against the order to avoid over payment (The system will disallow any over payment)	01-Apr-19	30-Jun-19	01-Apr-19	30-Jun-19						
10	SCM	Contract management - Disagreement (No documentation for overpayment)	YES	YES	YES	Year - 1	Financial and performance management: Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.	1. Print one purchase order for each contract and make payments against the order to avoid over payment (The system will disallow any over payment)	1. Print one purchase order for each contract and make payments against the order to avoid over payment (The system will disallow any over payment)	1. Print one purchase order for each contract and make payments against the order to avoid over payment (The system will disallow any over payment)	01-Apr-19	30-Jun-19	01-Apr-19	30-Jun-19						
11	SCM	Quotation process: 3 quotes not obtained and no approved reasons provided	YES	YES	YES	Year - 1	Financial and performance management: Review and monitor compliance with applicable laws and regulations. 2. Support with relevant documentation suppliers	1. When all due processes have been followed and BCRM cannot get the three quotes, make a deviation where three quotes have not been obtained from suppliers 2. Support with relevant documentation suppliers	1. When all due processes have been followed and BCRM cannot get the three quotes, make a deviation where three quotes have not been obtained from suppliers 2. Support with relevant documentation suppliers	1. When all due processes have been followed and BCRM cannot get the three quotes, make a deviation where three quotes have not been obtained from suppliers 2. Support with relevant documentation suppliers	01-Dec-18		01-Dec-18							

No.	Reporting Area	Findings	Management Report			Cause/Internal Control System Lapse (Audit Report & Management Report)	Action Plan	Start Date	Completion Date	Person Responsible				Progress	Portfolio of Evidence
			Description	Type	Compliance Finding?					Repeat Finding from PY?	Title	First Name	Surname		
12	Budget and Financial reporting	Prior year uncorrected and corrections: Prior years misstatements not corrected	Prior year misstatements resulting from the audit were not corrected in the corresponding figures. The prior year's uncorrected misstatements were not taken into account. This will result into the corresponding figures of irregular expenditure being understated by R 1 159 000 and PPE being understated by R 257 164.		YES	Year - 3	Financial and performance management: Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.								
13	BUDget and Financial reporting	Property, Plant and Equipment Assets Incorrectly Valued	Upon recalculation of the carrying values of the municipality's assets, it was noted that the Property, Plant and Equipment is materially understated by a projected amount of R 11,119,609.60. Further investigation it was noted that the misstatement could have resulted from incorrect calculation of prior years' depreciation. These will result in Property, plant and equipment being understated by a projected misstatement of R11 119 609.60 and depreciation being overstated by a projected misstatement of R11 119 609.60.		NO	Year - 1	Financial and performance management: Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.	1. Revise the Accounting Policy 2. Reperform Depreciation for each asset category for the whole population	01-Feb-19	28-Feb-19	Mr	Conrad	Everson	Accountant: Assets	
14	Financial reporting	Investment property: Property that could not on deed register and one not registered on the municipality's name	During the audit of Investment property (Land) it was found that one property could not be traced to the deeds search and the second property is not registered in the municipality's name. This is due to lack of proper review of registers that supports the balances disclosed in the annual financial statements. This will result in an overstatement of investment property by projected misstatement of R47 959.94.		NO	Year - 0	Financial and performance management: Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	1. Deeds search report to be obtained from the Registrar 2. Perform a full reconciliation to identify discrepancies	01-Feb-19	31-May-19	Mr				
15	Financial reporting	Payables from exchange transactions : Differences identified: Resolve & remain	The following differences were identified between the information recorded in the financial statements and the supporting evidence submitted for audit: Cheque No. Creditor Auditee's records Audited value Difference Comment NOT PAID Luyanda Belani 6 069.66 0 -6 069.66 Leave accrual incorrectly disclosed as a trade payable 100022203 Buchner Hardware 12 944.07 12 682.95 -261.12 Amount per invoice does not		NO	Year - 0	Financial and performance management: Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.								
16	SCM	Interest- State: False declarations by service providers	Some of the suppliers used by BCRM submitted false declarations regarding their interest in the service of the state. (i.e. false declarations), such instances are shown in the table below and were also identified in the prior year: 1 BF MBOTYA NAT: HIGHER EDUCATION & TRAINING ABET EDUCATORS ABAFAZI RURAL PROJECTS COOPERATIVE LIMITED. 1 350.00 2 B JOHANNES EC: HEALTH PROPERTY CARE TAKER		NO	Year - 3	Leadership: Exercise oversight responsibility regarding financial performance, compliance reporting and related internal controls.	1. Utilize CSD to identify conflictedThe municipality currently has no control over this matter, as we rely on the declaration	01-Dec-18						
17	SCM	Quotation process: Invalid deviation approved	Leadership: Exercise oversight responsibility regarding financial performance, compliance reporting and related internal controls. No official procurement process is considered for the legal matters services. This will result into non-compliance and irregular expenditure of R11 970.00		YES	Year - 3	Financial and performance management: Review and monitor compliance with applicable laws and regulations	1. Classify the amount as irregular expenditure and adjust AFS 2. MM/Director Corporate Services to respond as to when Legal services can be advertised							

No.	Reporting Area	Findings	Management Report			Repeat Finding from PY?	Cause/Internal Control System Lapse (Audit Report & Management Report)	Action Plan	Start Date	Completion Date	Person Responsible			Position	Progress	Portfolio of Evidence
			Description	Type	Compliance Finding?						Title	First Name	Surname			
24	AOPO	No Indicator description for KPIs relating to Local Economic Development	The municipality does not have an indicator description or standard operating procedures for the following indicators: - Number of SMMEs supported. - LED and business forums established. The municipality did not have the staff to operate the LED department. This will result to municipality being unable to properly report on actual achievements of the development priorities		YES	Year - 1	Financial and performance management: Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.									

