



**Western Cape
Government**

BETTER TOGETHER.

**CFO FORUM
MAF Progress
13 June 2013**

Content

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MAF since Inception

- **Established on 9 December 2011 in Hermanus.**
- Stems from MTEC & IYM assessments – inconsistencies amongst municipalities reporting.
- PT realised need for forum, ie Practice Sharing and Peer learning.
- Goal always was to seek consistency and quality in reporting by muni's.
- **Since Dec'2011 had 3 more sessions** and seems to bear fruit as levels of compliance increasing (IYMs at 96% - Apr 2013).
- Training workshops on annual budgets schedules and budget legislation. Envisage practitioner training this year over 3 days, in 3 districts.
- Feedback to CFOF standing item with next CFOF on 13 June in S/bosch.
- MAF items taken to national forums ie NT's – National MFMA Forum on 12/13 Jun 13, etc.

MAF since Inception

- **2nd session 23 Nov 2012 in Paarl (Theme – minefield issues)**
 - ✓ Latest development in reforms, ie LGES formula and SCOA
 - ✓ Circulars 63 on Annual Report and 64 on Revenue Management
 - ✓ Unspent Conditional Grants and Roll-Overs
 - ✓ NT quarterly verifications and Budget Locking Certificates
 - ✓ WCPT circular 48 on In-Year reporting and C-Schedules
 - ✓ Cash Flow reporting and
 - ✓ In-Consistencies in reporting by Municipalities
 - ✓ **Resolutions: MAF needed forum, Quarterly engagement dates Mar/May/ Sept/ Nov and to rotate.**

MAF sessions..

■ 3rd session on 1 March 2013 in Parow

- ✓ Circular 66
- ✓ Draft SDBIPS MBRR 14(2)
- ✓ MTEC 3 engagement dates
- ✓ IYM Reporting in Schedule C (Lorienne)
- ✓ Accounting Standards & the AG and audit fees
- ✓ Deloitte VAT workshop (announcement)
- ✓ **Resolutions: Implementation of Schedule C (like Knysna), draft SDBIPS with tabled budgets, Next agenda to have PT roll-overs process, Special adjustments budgets, Virements, Depreciation & deficit budgets, Next MAF in the W/Coast at Swartland Municipality.**

MAF sessions..

- **4th (last) session on 31 May 2013 in Malmesbury**
 - ✓ Developing and Managing appropriate audit evidence
 - ✓ Virements in municipalities (Circular 51/policies) CoCT practical/real
 - ✓ Consumer Deposits (legislative background/implications)
 - ✓ National Treasury: [SCOA Update](#) (presentation available)
 - ✓ MFMA Circular 68 (
 - ✓ Provincial Roll-overs applications (and process)
 - ✓ **Resolutions:**
 - **Update on SCOA to be a standing item on agenda;**
 - **Rotation of meeting venues to continue, next in C/Karoo or Eden; and**
 - **Legislative interpretations to be more frequently on agenda.**

Conclusion - MAF overall

- ✓ Very good attendance in general; (33, 47, 42, 39 officials)
- ✓ Very good level of engagement;
- ✓ Topics well selected to provide stimulation and support;
- ✓ Involve experts/practitioners from municipalities;
- ✓ Combination with Financial Accounting works well;
- ✓ BTO Managers still too few, more just accountants;
- ✓ Need to somehow feed into Performance Management Forum, ie link to SDBIPs or IDPs, etc.
- ✓ PT conducted quick survey and results satisfactory.

Thank you

Overall Timeline

Budget Cycle: 2017/18

August 2013

Implementation

30 April 2013

SCOA Design

- Draft Regulation
- Tables
- AFS/BRF Templates
- Std Terminology
- Financial Modelling?

Regulation

- SCOA Tables
- BRF Revised
- AFS Template
- PSD
- SQL Database
- System Specification
- SCOA Technical Committee

- Preparation for Change
- Piloting
- Implementation
- Monitoring, Evaluation and Oversight