



**Western Cape  
Government**

Provincial Treasury

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# **Municipal CFO Forum: Feedback on MAF and Government Debt**

***11 March 2013***

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# **MANAGEMENT ACCOUNTANTS FORUM (MAF)**

# What informs the establishment of MAF

- Observations from the 2011 LG MTEC 3 process were that the consistency of the assessments and aggregation of municipal information was influenced by the variable levels of detail and information as contained in the draft municipal budget submissions, simply as a number of municipalities did not complete the budget documentation in the required formats as prescribed by the Municipal Budget Reporting Regulations.
- Inconsistencies in how municipalities accounted for amongst others: non-cash items; asset recognition and depreciation; repairs and maintenance; etc.
- Further observations have been that municipalities have taken a variable approach as to how they have allocated, spent and recorded expenditure on the LG Equitable Share.

# Objectives of MAF

- **Amongst others-**
  - Enhance the achievement of the objectives of the:
    - Municipal Finance Management Act, 2003 ( Act 56 of 2003)
    - Municipal Budget and Reporting Regulations.
  - Build institutional capacity and relationships.
  - Facilitate and encourage knowledge sharing.
  - Promote sound financial governance and accountability.
  - Adoption of best practices.

# Progress to date

- **MAF - 23 November 2012:** Matters discussed include :
  - Consistent reporting & Budget Terminology
    - » Audit process
    - » Feedback on the Public Sector Accounting Forum (PSAF)
    - » Queries submitted to PTHELPME : Financial Accounting and Governance
  - Submission of Application for retention of unspent grant funding : National Treasury
  - Review of Local Government Equitable Share Formula

# Progress to date (2)

- **MAF - 1 March 2013** : Matters discussed include :
  - Implementation of Accounting Standards
    - » Depreciation
    - » Creditors
    - » Repairs and Maintenance
    - » Section 52, 71 and 72 reporting (In-year reporting)
    - » Cash Commitments
  - NT MFMA Budget Circular 66
  - 2013 LG MTEC 3 : Assessment Framework
  - Schedule C – IYM Reporting (MBRR)

# DATES FOR THE REST OF THE YEAR

Quarter	Date	Venue
Quarter 2	Friday, 31 May 2013	West Coast District
Quarter 3	Friday , 26 July 2013	Central Karoo/Eden District
Quarter 4	Friday, 25 October 2013	Overberg District

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**THANK YOU**