



**PROVINCIAL TREASURY**

Ref: 12/1/6/4

Enq: Maduka N.D

Date: 18 January 2011

Municipal Finance Circular No.4 of 2011

To:

The Municipal Manager: Mutale Local Municipality.

The Municipal Manager: Mookgopong Local Municipality

The Municipal Manager: Thulamela Local Municipality

The Municipal Manager: Lepelle Nkumpi Local Municipality

The Municipal Manager: Blouberg Local Municipality.

The Municipal Manager: Greater Giyani Local Municipality

Cc:

The Chief Financial Officer: Mutale Local Municipality.

The Chief Financial Officer: Mookgopong Local Municipality

The Chief Financial Officer: Thulamela Local Municipality

The Chief Financial Officer: Lepelle Nkumpi Local Municipality

The Chief Financial Officer: Blouberg Local Municipality

The Chief Financial Officer: Greater Giyani Local Municipality

Dear Sir / Madam

**Non-compliance with the MFMA S 71 (1): Incomplete returns for December 2010.**

1. The above matter bears reference;

2. The MFMA section 71 sub-section (1) states that the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in a prescribed format on the state of the municipality's budget.
3. National Treasury (NT) prescribed and posted on the NT website, five monthly MFMA S71 returns (Appendix B) which must be completed and submitted to both treasuries in compliance with the aforementioned section of the MFMA.
4. Again, the Minister of Finance prescribed through the Municipal Budget and Reporting Regulation (MBRR) which became applicable to all municipalities in the financial year 2010/11 a monthly budget statement in the form of Schedule C (also on the NT website) which municipalities must prepare and submit to both treasuries on a monthly basis.
5. In terms of our records, the municipality did not submit all five returns (Appendix B) as required.
6. You are therefore advised to ensure that the outstanding returns and/or the Schedule C monthly budget statement are submitted to both treasuries within five working days after receipt of this letter. Failure to do so, you are advised to comply with MFMA S74 (2) immediately.
7. You are again reminded that the submission of incomplete returns distorts the Provincial and National state of municipal finance performance results presented to various stakeholders as well as those published monthly and quarterly by the Provincial and National Treasury.

8. Looking forward to the submission of all outstanding returns and the submission of complete returns in future months.

9. Yours in public finance management.

A handwritten signature in black ink, appearing to read "Ramdhari N", is written over a horizontal line. The signature is cursive and somewhat stylized.

**Head of Department**

**Ramdhari N**