

DEPARTMENT OF THE DIRECTOR FINANCE

COMMENTS FROM THE CHIEF FINANCIAL OFFICER ON THE REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS OF MSUKALIGWA FOR THE YEAR ENDED 30 JUNE 2007

FINANCIAL YEAR 2006/2007 ENDED 30 JUNE 2007

1. **INTRODUCTION**

Noted

2. **RESPONSIBILITY OF THE ACCOUNTING OFFICER FOR THE FINANCIAL STATEMENTS**

Noted

3. **RESPONSIBILITY OF THE AUDITOR-GENERAL**

Noted

4. **BASIS OF ACCOUNTING**

Noted

5. **AUDIT OPINION**

An unqualified opinion is received on the presentation of the financial statements in accordance with the basis of accounting determined by the National Treasury of South Africa, as set out in accounting policy note 1 and in the manner required by the MFMA for the financial year ended 30 June 2006.

6. **EMPHASIS OF MATTER – Basis of Accounting**

In terms of General Notice 522 of 2007, issued in Government Gazette No. 30013 of 29 June 2007, deviations as set out in the accounting policy was applied.

7. OTHER MATTERS

Matters of Governance

The comments with regard to the District Wide Audit Committee are correct and should be attended to by the internal audit section.

Internal Control

Noted

Unaudited supplementary schedules

Noted – Refers to Appendix E1 & E2 on page 32 and 33.

E1 - Revenue & Expenditure – Actual versus Budget

E2 - Acquisition of Property, Plant & Equipment – Actual versus Budget

8. OTHER REPORTING RESPONSIBILITIES

Reporting on performance information

Noted

The Audit findings relate only to the performance information, and do not extend to any financial statements of the Municipality. According the responsibilities of the accounting officer, the performance information should be submitted for audit in terms of section 121 (3) (c) of the MFMA.

9. APPRECIATION

Noted

CHIEF FINANCIAL OFFICER