

**ANNEXURE “E”
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Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
The annual financial statements (AFS) for the municipality and, if applicable, consolidated statements (with all entities) as submitted to the Auditor-General	Where the municipality has sole or effective control of a municipal entity, consolidated financial statements are required. The AFS are to be in the form as required by the applicable accounting standards. MFMA Circular 18 with annexures, 23 June 2005, provides guidelines on the new accounting standards for municipalities. Have the required standards been met – refer to audit report and report of audit committee for views on this?	Yes Yes The consolidated and separate financial statements were prepared in accordance with applicable legislation Yes	AFS attached AFS complies with accounting standards Report of the AG - Point 6	
The Auditor-General's reports on the financial statements of the municipality and the entities	Is the audit report included in the annual report as tabled? If not, when will the audit report be tabled? What are causes of the delays? What actions are being taken to expedite the report?	Yes N/A N/A N/A	Chapter 6 of the Annual Report N/A N/A N/A	
Any explanations that may be necessary to clarify issues in connection with the financial statements	The accounting standards require that notes accompany the Statements to provide explanations of issues and matters reported. Refer also points below on information in notes to AFS. Taking into consideration the audit report and the audit committee comments, is sufficient explanation of financial issues contained in the notes to the statements? Has an adequate assessment been included? Is there sufficient explanation of the causes of the arrears and of actions to be taken to remedy the situation? Is any other action required to be taken?	The auditor general was satisfied with the notes in the annual financial statements. Yes explanation provided are sufficient N/A N/A N/A	Report of the AG - Point 6 Report of the AG - Point 7 and Audit Committee Report - Point 7 N/A N/A N/A	
An assessment by the accounting officer on any arrears on municipal taxes and service charges, including municipal entities	The conclusions of the annual audit may be either –			
Particulars of any				

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
corrective action taken or to be taken in response to issues raised in the audit reports	<p>an unqualified audit opinion with or without management issues, which means that the financial statements are acceptable;</p> <p>a qualified audit opinion setting out reasons for qualification, which means that certain issues need to be addressed before an unqualified opinion can be achieved, or</p> <p>The auditor will disclaim the statements and not offer an opinion. In this case there may be serious financial issues to be addressed.</p> <p>The objective of the municipality should be to achieve an unqualified audit opinion.</p> <p><i>Taking into account the audit report, audit opinion and the views of the audit committee, council should consider.</i></p> <p><i>To what extent does the report indicate serious or minor financial issues?</i></p> <p><i>To what extent are the same issues repeated from previous audits?</i></p> <p><i>Is the action proposed considered to be adequate to effectively address the issues raised in the audit report?</i></p> <p><i>Has a schedule of action to be taken been included in the annual report, with appropriate due dates?</i></p>	<p>The Auditor General has provided an unqualified audit opinion with management issues</p> <p>The Auditor General's Report and the Audit Action Plan which contains issues raised and Management responses is attached</p> <p>N/A</p> <p>The objective of attaining an unqualified report was achieved</p> <p>The key issue became 1) Expenditure was incurred in excess of the limits of the amounts provided for in the votes of the approved budget, in contravention of section 15 of the MFMA. 2) Unauthorised, irregular and fruitless and wasteful expenditure.</p> <p>Irregular Expenditure is the only issue that is repeated as contained in point 14 of the 2009/10 Audit Report. The amount for irregular expenditure decreased from R7.5 m in 2009/10 to R2.6m in 2010/11. The unauthorised expenditure incurred increased from R70.6M in 2009/10 to R123.5M in 2010/11. The amount for irregular expenditure decreased to R 34,5m in 2011/12/13.</p> <p>Yes</p> <p>Yes</p>	<p>Report of the AG - Point 6</p> <p>Report of the AG - Point 6</p> <p>Report of the AG - Point 6</p> <p>Report of the AG - Point 6</p> <p>Report of the AG - Point 8</p> <p>Chapter 6 of the Annual Report</p> <p>Chapter 6 of the Annual Report</p>	

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
<p>Financial Matters</p>	<p>Financial reporting matters to be considered</p> <p>Note that actions taken on audit issues are to be reported to the provincial legislature, the MECs for local government and finance to report on any omissions by municipalities in addressing issues. Council should confirm that the audit report has been forwarded to the MECs.</p>	<p>The draft audit report was forwarded to the Provincial Treasury and on receipt of the final report, will be provided to the provincial legislative, MECs for local government and finances.</p>	<p>Refer to Attachment</p>	
<p>An assessment by the municipality's accounting officer of the municipality's performance against measurable performance objectives for revenue collection from each revenue source and for each vote in the approved budget</p>	<p>The budget of the municipality must contain measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the IDP (MFMA s17 (3) (b)). The accounting officer must include these objectives in the annual report and report on performance accordingly.</p>	<p>The budget refers to the KPA areas as reflected in the IDP (Local Economic Development, Service Delivery, Municipal Transformation, financial viability and good governance and public participation). These in-turn have clear objectives related to each of the actions and are clearly indicated in the annual performance report and in the structuring of the annual report.</p>	<p>N/A</p>	
<p>Has the performance met the expectations of council and the community?</p>	<p>Have the objectives been met?</p>	<p>No comments were received from the community. Council also did not raise any issues or concerns around performance</p>	<p>N/A</p>	
<p>What explanations have been provided for any non-achievement?</p>	<p>What was the impact on the service delivery and expenditure Objectives in the budget?</p>	<p>64% of all objectives were met.</p>	<p>See Annual Performance Report (chapter 3 and page 193 of the Annual Report)</p>	
<p>What was the impact on the service delivery and expenditure Objectives in the budget?</p>	<p>Council should comment and draw conclusions on performance and explanations provided.</p>	<p>This average was brought down by the 36% achievement on objectives relating to Service Delivery and Infrastructure provision. Budget constraints became the key challenge.</p>	<p>See Annual Performance Report (chapter 3 of the Annual Report)</p>	
		<p>This has delayed continuation of projects which impacts negatively on service delivery. Expenditure was overspent.</p>	<p>N/A</p>	
		<p>The explanations provided are satisfactory. The District should follow PMS policy to ensure all reported performance is verifiable. Corrective systems to be implemented during the year</p>	<p>See Annual Performance Report (page 193 of the Annual Report)</p>	

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
<p>Financial Matters</p> <p>An assessment by the municipal entity's accounting officer of the entity's performance against any measurable performance objectives set in terms of the service delivery agreement or other agreement between the entity and the municipality</p>	<p>Financial reporting matters to be considered</p> <p>Agreements between the municipality and its entities for service delivery are to include measurable performance objectives. This will include measures of services delivered to the community, financial targets, expenditure targets etc. The entity's annual report must include an assessment by the accounting officer, of performance against these objectives. In order to show the linkage between the entity and the municipality, the report of the municipality should also include the performance of entities.</p>			
	<p><i>Has the performance met the expectations of council and the community?</i></p>	Yes		
	<p><i>Have the performance objectives been met?</i></p>	Yes	See Appendix I of the Annual Report - Performance Report of JoGEDA	
	<p><i>What explanations have been provided for any non-achievement?</i></p>	Establishment phase ongoing	See Appendix I of the Annual Report - Performance Report of JoGEDA	
	<p><i>What was the impact on the service delivery and expenditure objectives in the budget?</i></p>	This has delayed full operationalisation of JoGEDA and implementation of projects	See Appendix I of the Annual Report - Performance Report of JoGEDA	
	<p>Council should comment and draw conclusions on performance and explanations provided.</p>	JoGEDA should seek to mobilise funding from alternative sources	N/A	
<p>Any information as determined by the municipality, the entity or its parent municipality</p>	<p>Review any other information that has been included in regard to the AFS.</p>	No additional information was provided		

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters Recommendations of the audit committee in relation to the AFS and audit reports of the municipality and its entities	Financial reporting matters to be considered Have the recommendations of the audit committee in regard to the AFS been adequately addressed by the municipality and/or the entity?	Yes	Audit committee report chapter 6 of the Annual report	
	What actions need to be taken in terms of these recommendations?	Procedures are being put in place to closely match grant conditions, expenditure and accounting requirements	Audit committee report chapter 6 of the Annual report	
	Conclusions on these recommendations and the actions required should be incorporated in the oversight report.	The Audit Committee noted that some of the comments made led to improvements in the AFS.		
Allocations received and made	Considerations			
Allocations received by and made to the municipality	The report should disclose:			
	Details of allocations received from another organ of state in the national or provincial sphere.	The annual report does disclose allocations received from other organs of state and allocations made to other organs of state and municipalities.		
	Details of allocations received from a municipal, entity or another municipality.	No allocations were received.	AFS – Note 15	
	Details of allocations made to any other organ of state, another municipality or a municipal entity.	Yes	AFS – Note 15	
	Any other allocation made to the municipality under Section 214(1) (c) of the Constitution.	Yes	AFS – Note 15	
	Have these allocations been received and made?	Yes	AFS notes	

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
	<i>Does the audit report confirm the correctness of the allocations received in terms of DORA and provincial budgets?</i>	Yes	Audit Report - Point 6.	
	<i>Does the audit report or the audit committee recommend any action?</i>	N/A		
	Council should comment and draw conclusions on information and explanations provided.			
	The report should disclose:			
Allocations received by and made to the municipal entity	Details of allocations received from any municipality or other organ of state.	Yes	See Annual Report - chapter 1 and 5	
	Details of any allocations made to a municipality or other organ of state.	Yes	See Annual Report - chapter 1 and 5	
	Other information as may be prescribed.	Yes	See Annual Report - chapter 1 and 5	
	<i>Have these allocations been received and made?</i>	Yes		
	<i>Does the audit report confirm the correctness of the allocations received in terms of DORA and provincial budgets?</i>	N/A		
	<i>Does the audit report or the audit committee recommend any action?</i>	N/A		
	Council should comment and draw conclusions on information and explanations provided.			
Information in relation to the use of allocations received	Section 123 of the MFMA and MFMA guidance Circular 11, require that the municipality provide information per allocation received per vote and include:	Required is a lengthy process demanding resourceful fundraising and revenue generation; strict budgetary discipline as well as a generally effective internal control environment.		

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
	The current year and details of spending on all previous conditional grants, for the previous two financial years. Information is to be provided per vote. (For example, municipalities must report on all transfers received from provincial housing departments for housing subsidy grants for three financial years, and indicate how such funds were spent, and for what projects.	Yes	See AFS - Note 13	
	Information stating whether the municipality has complied with the conditions of the grants, allocations in terms of section 214(1) (c) of the Constitution and allocations received from other than another organ of state. Where there is non-compliance, details of the reasons for non-compliance are to be provided.			
	Information on whether allocations under the DORA were delayed or withheld and the reasons advanced for this.	No allocations as defined under DORA were delayed or withheld.	See Annual Report - page 194	
	This information is required on all allocations excluding the municipality's portion of the equitable share and where prescribed otherwise by the nature of the allocation.		See Annual Report - page 194	
	The Auditor-General will ensure that the audit process includes a proper assessment (and reconciliation) on all national grants received by a municipality. Council should consider this aspect of the audit report and comments by the audit committee on the use of allocations received.			
	Council should be satisfied that –			
	the information has been properly disclosed;	Yes	AFS Note 6 and Appendix J	
	conditions of allocations have been met; and	Yes.	Audit Report – Chapter 6	
	that any explanations provided are acceptable.	Yes.	Audit Report – Chapter 6	

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
	The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.			
Information in relation to outstanding debtors and creditors of the municipality and entities	Municipalities and entities are reminded of the requirement to include in their annual financial statements, amounts owed to them and persistently delayed beyond 30 days, by national or provincial departments and public entities. It is also a requirement to report on whether the municipality or entity has met its statutory commitments, including the payment of taxes, audit fees, and contributions for pension and medical aid funds. Council should be satisfied that –			
	the information has been properly disclosed;	Information on outstanding debtors and creditors is included in the AFS.	AFS Note 14	
	conditions of allocations have been met; and	N/A	N/A	
	also that any explanations provided are acceptable.	N/A	N/A	
	The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.		AFS notes	
Disclosures in notes to AFS	Considerations relating to section 124			
Information relating to benefits paid by municipality and entity to councillors; directors and officials	Information on the following items is to be included in the notes to the annual report and AFS: salaries, allowances and benefits of political office bearers, councillors and boards of directors, whether financial or in kind;	Salaries, allowances and benefits of political office bearers, councillors have been included in the AFS	AFS - Note 23 & 24	

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
	any arrears owed by individual councillors to the municipality or entity for rates and services, which at any time were outstanding for more than 90 days, including the names of councillors;	The municipality does not bill for services and so there are no outstanding accounts for rates and services.	AFS - Note 14	
	salaries allowances and benefits of the municipal manager, CEO of a municipal entity, CFO and every senior manager;	Yes	AFS - Note 23&24	
	contributions for pensions and medical aid;	Salaries allowances and benefits of the municipal manager, and senior manager are included in the AFS.	AFS - Note 23	
	travel, motor car, accommodation, subsistence and other allowances;		AFS - Note 23	
	housing benefits and allowances;	All staff benefits are detailed in the AFS	AFS - Note 23	
	overtime payments;		AFS - Note 23	
	loans and advances, and;	No loans are provided by the municipality.	AFS - Note 14	
	any other type of benefit or allowance related to staff.		AFS - Note 23	
	<i>Council should be satisfied that –</i>	The AG is satisfied that the information in the annual report correlates with the Annual Financial Statements. Some changes on the Annual Performance Report were suggested by the AG and these were effected.		
	<i>the information has been properly disclosed;</i>	All information on staff benefits has been properly disclosed	AFS - Note 23	
	<i>conditions of allocations have been met; and</i>	N/A	N/A	
	<i>that any explanations provided are acceptable.</i>	N/A	N/A	
	The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.			

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
Municipal Performance	Considerations			
The annual performance reports of the municipality and entities	Section 46, MSA requires municipalities to submit a performance report reflecting the performance of the municipality and each service provider, a comparison of the performance with targets set for the previous year and measures taken to improve performance. The report must form part of the annual report. Questions that may be considered are – <i>Has the performance report been included in the annual report?</i>	The annual performance report was included in the Annual Report	Page 43 of the annual report	
	<i>Have all the performance targets set in the budgets, SDBIP, service agreements etc, been included in the report?</i>	Yes	Page 43 of the annual report	
	<i>Does the performance evaluation in the annual report compare actual performance with targets expressed in the budgets and SDBIP approved for the financial year?</i>	<i>The performance evaluation in the annual report does compare actual performance with targets expressed in the budgets and SDBIP approved for the financial year</i>	<i>Audit Report - Point 14, page 43 of the annual report</i>	
	<i>In terms of key functions or services, how has each performed? E.g. Have backlogs for water, sanitation and electricity been reduced? What are the refuse collection volumes, library usage statistics etc?</i>	Backlogs as per water and sanitation were reduced	Page 43 of the annual report	
	<i>To what extent has performance achieved targets set by council?</i>	64%	See page 194	
	<i>Is the council satisfied with the performance levels achieved?</i>	Yes. The performance was negatively affected by the state of the financial affairs of the municipality. Reasons for variance are provided in the Annual Performance Report		

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
	<i>Is the community satisfied with performance? Has a customer satisfaction survey been undertaken and, if so, how do the results align with the annual report contents? What were the outcomes of public consultation and public hearings?</i>	Yes. The Annual Report and Annual Performance Report were advertised for community comments and none were received.	Advert attached	
	<i>What actions have been taken and planned to improve performance?</i>	Corrective Action is detailed under each target in the annual performance report	See attached Annual Performance Report	
	<i>Is the council satisfied with actions to improve performance?</i>	The council and community are satisfied with performance as there were no negative reports and or submissions received on the published performance information.	See page 194 of the annual report	
	<i>Did the targets set in the budgets, SDBIP agree with the targets set in the performance contracts of the municipal manager and each senior manager?</i>	Yes. No misalignment issues were raised by the AG and Audit Committee	See page 194 of the annual report	
	<i>Does the report evaluate the efficiency of mechanisms applied to deliver the performance outcomes?</i>	Yes. No matters of inefficiency were raised by the AG and the Audit Committee	See page 194 of the annual report	
	<i>Taking into account the audit report and opinion and the views of the audit committee, is performance considered to be efficient and effective?</i>	Yes.	See page 194 of the annual report	
	<i>To what extent have actions planned for the previous year been carried over to the financial year reported upon?</i>	All issues addressed in the previous audit were addressed	N/A	

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
	Have any actions planned in the reported year been carried over to the current or future years? If so are any explanations been provided by the municipal manager and are these satisfactory?	Continuous improvement in financial reporting frameworks and budget function control	N/A	
	Council should comment and draw conclusions on information and explanations provided.	Issues identified are constantly being monitored and implemented. Annual actions plans are developed after each audit and these are implemented and where necessary these are included in the action plans of the following years as the issues may be same or similar.	N/A	
	Section 45, MSA requires that the Auditor-General must audit the results of performance measurements, as part of the internal auditing processes and annually.	The AG indicated no satisfaction with the functioning of the audit committee and the internal audit including issues around performance management. Actions identified by the AG have been acted on in the development of the Audit Action Plan, 2012/13 IDP and PMS.		
	Have the recommendations of internal audit been acted on during the financial year?	Yes.		
Audit reports on performance	Have recommendations by internal audit and/or the auditor-general been included in action plans to improve performance in the following year?	Actions identified by the AG have been acted on in the development of the Audit Action Plan		
	The annual report of the municipality should provide an assessment of the performance of the municipal entities and all contracted service providers. This is in addition to the separate annual reports of the entities.	A report on the performance of performance of municipal service providers is attached in the Consolidated Annual Report.		
	The report should evaluate the effectiveness of these services and whether alternative mechanisms should be considered.	The 2012/13 SDBIP provides for the monitoring of all programmes implemented by service providers.		
Performance of municipal entities and municipal service providers	Is the council satisfied with the evaluation and conclusions of the municipality?	Information on the performance of the municipal entity - JoGEDA is contained in the annual report. With regard to monitoring of service providers, the information presented is not exhaustive due to the fact that this system is still being developed.	See appendix I	

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
	<i>What other actions are considered necessary to be taken by the accounting officers?</i>	Corrective Action is detailed under each target in the annual performance report	See Appendix I	
For municipal entities – an assessment of the entity's performance against any measurable performance objectives set in terms of the service delivery agreement or other agreement between the entity and municipality	This is the separate report of the municipal entity and should contain details of service delivery agreements with the municipality and the performance measures therein. Council should consider similar issues to that outlined above for municipal performance to determine a view on the performance of municipal entities.			
	<i>To what extent were the objectives and performance measures of the entity aligned to the overall strategic objectives of the municipality and its IDP?</i>	The objectives and performance measures of JoGEDA were aligned to the objectives of the District and the IDP as no negative issues were raised by the AG and Audit Committee	See Audit Report – Chapter 6 of the annual report	
	<i>Is the report of the municipal entity consistent with the conclusions on performance evaluation by the municipality?</i>	The report is consistent with the conclusions on performance evaluation		
	<i>What specific actions should be taken by the entity and the municipality to improve performance?</i>	Corrective Action is detailed under each target in the annual performance report	See Annexure I	
General information	The following general information is required to be disclosed in the annual report.			
Relevant information on municipal entities	The municipality should disclose all information relating to the municipal entities under the sole or effective control of the municipality. Information to be disclosed includes names and types of entities, members of the board, addresses and contact details for entities, the purpose of the entity, the functions and services provided, the type and term of service level agreements with the entities.	All information relating to the Joe Gqabi Development Agency is reflected in the AFS.		
The use of any donor funding support	<i>What donor funding has the municipality received?</i>	Amatola water	AFS-Statement of financial performance	

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
	<i>Have the purposes and the management agreements for the funding been properly agreed upon?</i>	N/A		
	<i>Have the funds been used in accordance with agreements?</i>	N/A		
	<i>Have the objectives been achieved?</i>	N/A		
	<i>Has the use of funds been effective in improving services to the community?</i>	N/A		
	<i>What actions need to be taken to improve utilisation of the funds?</i>	N/A		
Agreements, contracts and projects under Private-Public-Partnerships	Information similar to the details of municipal entities should be provided. Council should ensure that all details have been supplied.	No public private partnerships are in place.		
Service delivery performance on key services provided	This may be a high level summary, in addition to detailed information on performance, which sets out overall performance under the strategic objectives of the municipality. Overall results on the strategic functions and services should be summarised.	64% of all targets set were fully met.	See Chapter 3 - Annual Report	
	This should cover all services whether provided by the municipality, entities or external mechanisms.	Yes	See Chapter 3 - Annual Report	
	Council may draw conclusions on the overall performance of the municipality.	The overall performance of the municipality was negatively affected by the financial state of the District.	See Annexure 1 - Annual Report	
	This information may be found in an executive summary section of the annual report and or in statistical tables.	Further information is provided in the executive summary of the Annual Report	See Chapter 3 - Annual Report	See Executive summary in the Annual Report

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
Information on long-term contracts	Details of all long-term contracts including levels of liability to the municipality should be included. Council should ensure all information is correctly supplied.	Details of long term contracts were supplied in the annual report and have been audited by the Auditor General		
Information technology and systems purchases and the effectiveness of these systems in the delivery of services and for ensuring compliance with statutory obligations	Details of significant IT activities should be outlined indicating the effectiveness of the IT projects and the quality of IT services. Council should consider how effectively the IT services support and facilitate performance of the municipality and whether value for money has been obtained.	Details of the IT activities have been included in the annual report. Details of the IT activities have been included in the annual report.	See page 201 Annual Performance Report See page 145 & 201 Annual Performance Report	
35	Details of any future IT proposals should be summarised. Council should comment and draw conclusions on the information provided.	Annual Report - page 16	Annual Report - page 145	
Three year capital plan for addressing infrastructure backlogs in terms of the Municipal Infrastructure Grant (MIG) framework	A summary of the long-term capital plans and how these address the backlogs of services in the municipality should be provided. This should include details of types and scale of backlogs, projected cost implications, strategies to address the backlogs and plans proposed and/or approved. The summary here should cross reference to the performance reports in the annual report and also will be highlighted in the coming budgets. Council should consider whether the plans appropriately address the backlogs and are consistent with the strategic policy directions of council and needs of the community.	A Three year capital Plan is included in the Annual Report Yes.	Appendix M of the Annual Report Annual Report- page 181, Appendix P	
Other considerations recommended				

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
Financial Matters	Financial reporting matters to be considered			
Timing of reports	Was the report tabled in the time prescribed?	Yes, legislated deadlines were met for the submission of the Annual Report.		
Oversight committee or other mechanism	Has a schedule for consideration of the report been adopted? What mechanisms have been put in place to prepare the oversight report? Has a schedule for its completion and tabling been adopted?	Municipal Public Accounts Committee was established towards end of 2011 and terms of reference adopted.		
Payment of performance bonuses to municipal officials	Refer to Section 57 MSA as amended. Bonuses based on performance may be awarded to a municipal manager or a manager directly accountable to the municipal manager after the end of the financial year and only after an evaluation of performance and approval of such evaluation by the municipal council. Preferably such evaluation should be considered along with the annual report. The basis upon which performance is evaluated for payment of bonuses should be reconciled with the municipal performance reported in the annual report.			
	Have bonuses been paid based on achievements of agreed outputs and after consideration of the annual report by council?	No performance bonuses relating to the year under review in the annual report have been paid as yet. The process will only start after the annual report is approved by council.		
	If so has a proper evaluation of performance been undertaken?	Evaluation are conducted annually as per legislation		
	Was the evaluation approved by council?	The Evaluation panel was approved by Council		
	Does the performance evaluation align and reconcile with the performance reported in the annual report? If not, what reasons have been given for non-reporting of the basis of evaluation in the annual report?	Yes. Evaluation is aligned with information reported in the Annual Report, AG's Report and Audit Committee Reports		

Information required to be included in annual reports	<i>Financial Matters</i>	Council Considerations and Questions	Management Comments on Questions and considerations	Reference	Comments of oversight committee
		Financial reporting matters to be considered			
		<i>Are the payments justified in terms of performance reported in the annual report?</i>	Yes. Evaluation is aligned with information reported in the Annual Report, AG's Report and Audit Committee Reports		
		Conclusions and comments on the evaluation and payment of performance bonuses of council should be included in the oversight report.			