

 **Annexure A**

**COMPLIANCE CERTIFICATE IN TERMS OF SECTION 38(1) (J) OF THE PFMA**

**MONTH:** **March 2023**

*In terms of section 38(1)(j) of the PFMA: The accounting officer for a department, trading entity or constitutional institution before transferring any funds (other than grants in terms of the annual Division of Revenue Act or to a constitutional institution) to an entity within or outside government, must obtain a written assurance from the entity that that entity implements effective, efficient and transparent financial management and internal control systems, or, if such written assurance is not or cannot be given, render the transfer of the funds subject to conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control system.*

**To give effect to the above-mentioned I D. Mc Thomas the Municipal Manager of BREEDE VALLEY MUNICIPALITY hereby confirm (use tick box) that:**

| **No.** | **Indicator** | **Yes** | **No** |
| --- | --- | --- | --- |
| **1** | All transfer payments received from the Department of Human Settlements were appropriately utilised for the building of houses. | √ |  |

**Comment in case of non-compliance:**

* **----------------------------------------------------------------------------------------------------------------------------------------------------------------------------**

| **No.** | **Indicator** | **Yes** | **No** |
| --- | --- | --- | --- |
| **2** | All transfer payments received from the Department of Human Settlements for the building of low-cost housing is accounted for in a separate bank/call account *(other than grants in terms of the annual Division of Revenue Act or to a constitutional institution)*. |  | √ |

**Comment in case of non-compliance:**

* **Just a current account at Nedbank – no additional accounts been held-With reference to the MFMA chapter 3, section 8(4)**

| **No.** | **Indicator** | **Yes** | **No** |
| --- | --- | --- | --- |
| **3** | The reconciliation **per project** of all funds received from the Department of Human Settlements and all expenditure incurred as at month-end. The attached reconciliation(s) should reflect the following:* Opening balance per project (as per closing balance for previous month)
* Amount received from Department per project within the month
* Amount disbursed to contractors per project within the month
* Closing balance at month-end per project
* Balance as per bank account (Total of closing balances of projects)
 | √ |  |

**Comment in case of non-compliance:**

* **----------------------------------------------------------------------------------------------------------------------------------------------------------------------------**

| **No.** | **Indicator** | **Yes** | **No** |
| --- | --- | --- | --- |
| **4** | All payments to building contractors are done timeously in terms of the Service Level Agreement. | √ |  |

**Comment in case of non-compliance:**

**Please note: Reasons must be provided to this office if not all of the above indicators are adhered to.**

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I hereby confirm that the aforementioned information is correct to the best of my knowledge.

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**Signed:**

**D McThomas**

**Municipal Manager**

**DATE: 13 April 2023**