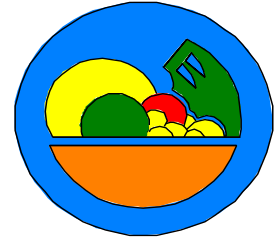




**GREATER TZANEEN MUNICIPALITY
GROTER TZANEEN MUNISIPALITEIT
MASIPALA WA TZANEEN
MASEPALA WA TZANEEN**



TO: Finance Committee

FROM: Manager Assets

Assets Management Division Second Quarter Report FY 2022/23

1. PURPOSE:

The Asset Management Division of the Municipality is required to submit the following information to the Accounting Authority on a quarterly basis, in respect of each material Asset Management transactions, as well as on the overall implementation of the Asset Management Policy in the institution. In addition, the GTM must report to the Finance Committee in respect of the following as it relates to Asset Management:

- A. Monthly Analysis Reports,
- B. Achievements,

2. REPORTING REQUIREMENTS:

A. MONTHLY PERFORMANCE ANALYSIS REPORTS:

ASSET PROCUREMENT ANALYSIS REPORT:

This section of the report relates to the asset spend analysis (quantum and rand value) during the past six months for all asset transactions.

Moveable Assets	VALUE
Furniture & Office Equipment	R 62,205.60
Machinery and Equipment	R 96,000.00
Transport Assets	R 1,289,637.43
Computer Equipment	R 00.00
Other Assets	R 00.00
Minor Assets	R 00.00
Leased Assets	R 00.00
TOTAL ASSET TRANSACTION VALUE (Excluding VAT)	R 1,447,843.03

The various threshold values in the table above, determines the nature of the asset as well as the appropriate accounting treatment as follows:

a. TRANSACTIONS NOT EXCEEDING R 1 000:

- Accounting Treatment - Fixed Asset Not Capitalised
 - Asset recorded in the Fixed Asset (Inventory) Lists.
 - Asset recorded in the Fixed Asset Register - Minor Asset.

b. TRANSACTIONS EXCEEDING R 1 000:

- Accounting Treatment - Fixed Asset is Capitalised
 - Asset recorded in the Fixed Asset (Inventory) Lists.
 - Asset recorded in the Fixed Asset Register – In Relevant Asset Class

INFRASTRUCTURE/WIP	VALUE
Community Assets	R 00.00
Electrical Assets	R 5,871,758.30
Civil Engineering Assets	R 7,030,970.91
TOTAL	R 12,902,729.21

ASSET DISPOSAL ANALYSIS REPORT:

This section of the report relates to the asset disposals (quantum and rand value) that occurred during the past quarter for all disposal transactions by means of a transfer, donation, tender or competitive sale process.

THRESHOLD- ASSET PURCHASES	QUANTITY	VALUE
Asset Disposals through Transfers	-	R nil
Asset Disposals through Donations	-	R nil
Asset Disposals through Tender or Sale Process		R nil
TOTAL TRANSACTION VALUE (Including VAT)	-	R nil

PROPERTIES

This section relates to properties' movements and income from properties that are leased out during this reporting quarter on a straight-line basis.

LEASED PROPERTIES

LEASED PROPERTIES	OPERATING LEASE INCOME
GAINS FROM OPERATING LEASE	R 00.00
TOTAL	R 00.00

PROPERTY MOVEMENTS

THRESHOLD- ASSET PURCHASES	QTY	VALUE	EXTENSION/ERF
Properties Transfers in	0.00	R 0.00	-
Properties Transfers out	0.00	R 0.00	
TOTAL			

A. ACHIEVEMENTS:

1. The GTM Asset Register is updated and maintained throughout the quarter as assets are received.
2. The process of tagging and recording of assets is done on monthly basis.

B. CHALLENGES:

The Asset Management faces the following challenges:

1. Shortage of staff.