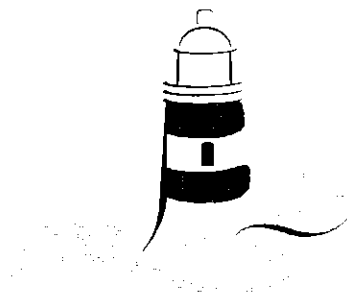


CAPE AGULHAS MUNICIPALITY



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

2018/2019

ASSET MANAGEMENT UNIT – WRITE-OFF OF ABSOLUTE ASSETS

Julie 2019

TABLE OF CONTENTS

PART A

1. Introduction

The purpose of this report is to obtain approval for obsolete assets that are not needed to provide the minimum level of basic municipal services and requirements to be disposed.

2. Objective/Purpose of the report

To ensure that all assets identified as obsolete which does not meet the minimum level of requirements for basic service delivery are disposed of with the necessary approval based on council judgement.

Obsolete assets that are no longer functional, not fit for purpose and beyond repair must be disposed of to avoid maintenance and hazard problems.

3. Legislative background

Under law 56 of 2003 of the MFMA, section 14.

Disposal of capital assets

(1) A municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of a capital asset needed to provide the minimum level of basic municipal services.

(2) A municipality may transfer ownership or otherwise dispose of a capital asset other than one contemplated in subsection (1), but only after the municipal council, in a meeting open to the public-

- *(a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and*
- *(b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.*

(3) A decision by a municipal council that a specific capital asset is not needed to provide the minimum level of basic municipal services, may not be reversed by the municipality after that asset

has been sold, transferred or otherwise disposed of.

(4) A municipal council may delegate to the accounting officer of the municipality its power to make the determinations referred to in subsection (2)(a) and (b) in respect of movable capital assets below a value determined by the council.

(5) Any transfer of ownership of a capital asset in terms of subsection (2) or (4) must be fair, equitable, transparent, competitive and consistent with the supply chain management policy which the municipality must have and maintain in terms of section 111.

(6) This section does not apply to the transfer of a capital asset to another municipality or to a municipal entity or to a national or provincial organ of state in circumstances and in respect of categories of assets approved by the National Treasury, provided that such transfers are in accordance with a prescribed framework.

4. Asset management policy

Cape Agulhas Municipality Asset management Policy

Page 10-11 – Disposal of Assets

Every manager shall report in writing to the Chief Financial Officer on 30 April of each financial year on all assets controlled or used by the department concerned which such manager wishes to alienate by public auction or public tender.

The Chief Financial Officer shall thereafter consolidate the requests received from the various departments, and shall promptly report such consolidated information to the Council or the Municipal Manager of the municipality, as the case may be, recommending the process of alienation to be adopted.

Once assets are alienated, the Chief Financial Officer shall in terms of GRAP adjust the asset register for the current year and shall, for the ensuing year, delete the asset from the accounting records and the asset register.

If the proceeds of the alienation are less than the carrying value recorded in the fixed asset register, such difference shall be recognised as a loss in the Statement of Financial Performance of the department or vote concerned.

If the proceeds of the alienation, on the other hand, are more than the carrying value of the fixed asset concerned, the difference shall be recognised as a gain in the Statement of Financial Performance of the department or vote concerned.

All assets earmarked for write-off must be sold on a public auction or tender once the following steps have been followed:

- *a notice was published in the local press of the municipality's intention to sell the asset;*
- *in the case of computer equipment the provincial department of education is first approached to determine within 30 days if any of the local schools are interested in the equipment;*
- *in the case where no such schools are interested in the computer equipment it must be donated to non-profit organisations who will have to motivate why the equipment must be donated to them and / or demolished in the presence of the internal auditor;*
- *In the case of a public auction an independent auctioneer was appointed to hold the auction;*

and

- *In the case of a public tender the prescribed tender procedures were followed.*

5. Management response

6. Council resolution

7. Details report of write-offs

7.1 Land and Buildings

7.2 Infrastructure

7.3 Community assets

7.4 Leased assets

7.5 Other assets

Schedule A - detailed list of obsolete assets worth R 119 179.

Schedule B - list of items that could not be found during the asset verification process. Items is worth R3066.62, to the total value R162 966 047 of moveable assets.

7.6 Investment assets

7.7 Intangibles

SCHEDULE A – OBSOLETE ASSETS
SCHEDULE B – MISSING ITEMS

SCHEDULE A

BARCODE 2018				
5754	^	BOOMGATE	134,60	
6057	^	CPU	798,91	
8214	^	CPU	MECER	1 017,23
8215	^	CPU	LENOVO EDGE 71 THINK CENTRE	1 452,25
6046	^	PRINTER	HP DESKJET	36,55
6100	^	PRINTER	LEXMARK	138,42
9485	^	UPS	APS UPS 950 BACK-UPS 230V,AVRIECSOCKETS	1 123,86
7674	^	UPS	UPS MECER 850VA	309,28
4281	^	MONITOR	MECER; MODEL# TJ999	384,16
7632	^	CHAIR	CHAIR - HIGHBACK FLAMINGO OPERATOR BLACK	599,54
7606	^	CHAIR	CHAIR - HIGHBACK FLAMINGO OPERATOR BLACK	599,54
6058	^	CHAIR	HIGH BACK WHITH ARMS	367,09
8296	^	CHAIR	VISITORS WITH ARMS	384,35
3678	^	CHAIR	VISITORS NO ARMS	5,63
7768	^	CHAIR	VISITORS	721,88
8023	^	CPU		705,81
7981	^	UPS	UPS 850VA MECER	315,48
10573	^	CPU	PROLINE; 96VDC 25A; MODEL# UPST3000 (2009)	702,36
8861	^	CARD PROGRAMMER		10 599,91
7818	^	FINGERPRINT SCANNER	T-23 FINGERPRINT SYSTEM	2 897,04
8985	^	STOVE	DEFY, SLIMLINE; 4PLATE HOB, NO OVEN	15,95
8985	^	STOVE	DEFY, SLIMLINE; 4PLATE HOB, NO OVEN	15,95
7965	^	STOVE	DEFY, SLIMLINE; 4PLATE HOB, NO OVEN	15,95
5965	^	STOVE	DEFY, SLIMLINE; 4PLATE HOB, NO OVEN	179,32
5100	^	STOVE	DEFY, SLIMLINE; 4PLATE HOB, NO OVEN	15,95
5043	^	STOVE	DEFY, SLIMLINE; 4PLATE HOB, NO OVEN	15,95
9035	^	STOVE	DEFY, SLIMLINE; 4PLATE HOB, NO OVEN	15,95
5020	^	STOVE	DEFY, SLIMLINE; 4PLATE HOB, NO OVEN	15,95
1638	^	STOVE	DEFY, SLIMLINE; 4PLATE HOB, NO OVEN	179,32
8828	^	REFRIGERATOR	HISENSE 220L	1 022,81
5059	^	REFRIGERATOR	DEFY MODEL# D260; 260L; MEDIUM	265,13
8023	^	CPU		705,81
6076	^	PRINTER	HP LASERJET COLOUR PRINTER	312,85
9426	^	CPU/PC	ACER DT VM2632G Ci3-4160 4GB	5 297,15
7673	^	MONITOR	WLED AOC 18.5"	613,96
7521	^	MONITOR	SAMSUNG 18.5"	471,86
7515	^	MONITOR	SAMSUNG 18.5"	471,86
8991	^	PRINTER	EPSON TM-220UBC RECEIPT PRINTER	1 414,96
7304	^	UPS	MECER 800VA	149,73
6819	^	PRINTER	CANON LBP3100	72,17
10099	^	TELEVISION	HISELED32N2176H - 32" DLED HDMI	2 683,71
7328	^	MONITOR	LG	282,07
4404	^	CHAIR	WITH ARMS AND WHEELS	471,78
8671	^	CPU	LENOVO EDGE	1 854,69
8242	^	CPU	LENOVO EDGE 71 THINK CENTRE	1 209,91
7574	^	UPS	UU	310,37
7328	^	MONITOR	LG	282,07

SCHEDULE A

7304	UPS	MECER 800VA	149,73
9362	UPS	UPS 2000VA EVER LINE INTERACT	1 041,99
6454	KRAGKOOPMASJIEN		1 522,08
6852	REFRIGERATOR	COMBI FRIDGE FREEZER 255L	570,60
7913	BOARD	PARROT WHITE BOARD - STANDARD MAGNETIC ALUM	1 100,05
8129	CPU	LENOVO TOWER CORE I3	1 251,29
7567	CPU	LENOVO EDGE 72 TWR I5 3330	3 590,77
6071	MONITOR	MECER	408,45
5395	MONITOR	MECER; MODEL# TJ777 (2009)	905,79
4281	MONITOR	MECER; MODEL# TJ999	384,16
7590	PRINTER	OKI ML5520	1 385,73
6271	PRINTER	OKI ML5520	1 385,73
7171	PRINTER	PRINTER OKI MICROLINE 3320	1 143,69
7136	PRINTER	EPSON X-2109	140,23
7172	PRINTER	OKI 3320	77,00
9310	PRINTER	EPSON FX-2190N DOT MATRIX PRINTER	5 645,76
3933	PRINTER	OKI MICROLINE; 9 PIN PRINTER	483,32
3928	PRINTER	OKI MICROLINE; 9 PIN PRINTER	109,29
4064	PRINTER	OKI MICROLINE	231,21
8003	LAPTOP	1 X DELL VOSTRO NOTEBOOK	2 214,66
7964	MINI OVEN	NUTEC 30L 2 PLATE STOVE WITH OVEN	589,90
7962	MINI OVEN	SALTON 30L MINI KITCHEN	504,06
8946	MICROWAVE	DEFY HWITE MANUAL 20L MICROWAVE	465,08
7961	OVEN	NUTEC MINI OVEN 30L WITH 2HOTPLATES	603,10
5807	TELEVISION	SONIC; CTV01	352,97
7627	MICROWAVE	KELVINATOR; DYNA WAVE SYSTEM; MODEL# KM26M	6,05
7588	OVEN	MINI OVEN SALTON	543,98
9347	MICROWAVE	220L WHITE DEFY MICROWAVE	535,30
9344	MINI OVEN	MINI OVEN 35L COMPACT SUNBEAM	773,93
4971	REFRIGERATOR	KIC MODEL# TF27; 270L; MEDIUM	9,14
7960	FRIDGE	DEFY D 220WHITE FRIDGE	1 863,70
9438	UPS	UPS 2000VA EVER LINE INTERACT	1 041,99
8031	MONITOR	LG W1943SS	-
7227	MICROWAVE		809,21
8077	PRINTER	HP OFFICEJET 4500	228,71
5377	PRINTER	HP; COLOUR LASERJET, CP2025	2 433,10
5365	PRINTER	HP; LASERJET; MODEL# P2015	1 120,51
3959	PRINTER	HP LASERJET 1320	253,25
8906	STAMP	REINER NDEX; CODE: R5701B; ND6K; 4.5MM	1 133,74
6594	STAMP		25,96
3884	STAMP		2,52
1771	STAMP		1,46
1810	STAMP		0,28
1768	DATE STAMP		1,46
6539	RADIO	TWO WAY	221,77
8984	RADIO	TWO WAY	221,77
6553	RADIO	TWO WAY	221,77
6579	RADIO	TWO WAY	221,77
6440	RADIO	TWO WAY	221,77

SCHEDULE A

8093	A	PUNCH		248,64
8190	A	CPU	LENOVO TOWER CORE I3	1 251,29
9338	A	CPU/PC	ACER DT VM2632G CI3-4160 4GB	5 297,15
9244	A	LAPTOP	DELL LATTITUDE NOTEBOOK 3540	6 228,01
9158	A	CELLPHONE	L'AGULHAS KARAVAN PARK	50,55
4269	A	REFRIGERATOR	DEFY MODEL# D260; 260L; MEDIUM	363,84
10323	A	MICROWAVE		804,39
6359	A	MONITOR	MECER 15" CRT	82,14
7940	A	MICROWAVE	19L SUNBEAM WHITE MANUAL MICROWAVE	382,89
7722	A	HEATER	2 BAR	38,12
6603	A	MICROWAVE	TELEFUNKEN 19L	189,98
10404	A	LADDER	WOOD 1.8M	312,39
8962	A	RADIO	MOTOROLLA; CP040	772,52
8478	A	RADIO	RADIO HANDHELD HYT PORTABLE	1 501,63
10040	A	SHIXIA SPRAYER KNAPSACK		311,69
10089	A	SHIXIA SPRAYER KNAPSACK		311,69
1758	A	CHAIR	VISITORS NO ARMS	145,90
1577	A	CHAIR	BARSTOOL	23,29
7690	A	ROUTER	ROUTER - D LINK ACCESS POINT	838,68
6692	A	LAPTOP	NOTEBOOK HP 2570P CORE	3 310,67
8855	A	URN		131,70
8360	A	BOX	PLANT	64,48
5812	A	BOX	PLANT	75,56
3219	A	CABINET	CARD INDEX	68,55
1737	A	CABINET	CARD INDEX	131,26
7010	A	TABLE	TRAPAZOID	389,19
6746	A	RADIO	RADIO WITH TRAFFIC OFFICERS	221,77
9974	A	LAMINATOR	GBC	725,70
1600	A	CHAIR	VISITORS WOOD NO ARMS	3,85
8060	A	EXTERNAL HARDRIVE	HARD DRIVE 250GB 2.5" SATA	109,71
7868	A	CAMERA	CANON POWERSHOT CAMERA + MICRO SD 16GB CAR	1 344,34
5305	A	TELEPHONE	TELKOM; SERIAL# XITTF1-F10-007124	33,15
6741	A	RADIO	HYT; MODEL# TC500	369,28
8844	A	LADDER	ALIMINIUM 2.4M	621,52
9873	A	WEEDEATER	MARUYAMA 50.2CC BRUSH CUTTER	3 397,72
5709	A	RADIO	HYT; MODEL# TC500	339,07
8951	A	BRUSHCUTTER	MARUYAMA AE250 BRUSHCUTTER	3 967,75
7862	A	VACUUM CLEANER	E/LUX AQUALUX 3 VACUUM CLEANER	652,63
3062	A	REFRIGERATOR	KIC MODEL# T434; 250L	508,21
10559	A	LAMINATOR	LAMINATING MACHINE	625,50
8801	A	SWITCH	HP UNMANAGED SWITCH - HP NETWORKING 1410-24	195,97
2809	A	ELECTRONIC CALCULATOR		3,05
8822	A	SPLITKAN		58,82
5947	A	REFRIGERATOR	DEFY MODEL# C255; 251L; MEDIUM	398,10
7430	A	STOVE	DEFY S/LINE SOLID BUILT IN	268,65
7602	A	STOVE	DEFY SLIMLINE; NO OVEN 4 PLATE	15,95
7487	A	STOVE	DEFY SLIMLINE 4 PLATE	15,95
7464	A	STOVE	DEFY SLIMLINE 4 PLATE	71,76
6773	A	STOVE	DEFY SLIMLINE 4 PLATE	15,95
5345	A	STOVE	DEFY SLIMLINE 4 PLATE	71,76
5318	A	STOVE	DEFY SLIMLINE; NO OVEN 4 PLATE	71,76
4325	A	STOVE	DEFY SLIMLINE; NO OVEN 4 PLATE	71,76
3621	A	CHAIR	VISITORS NO ARMS	5,63
9420	A	STOVE	DEFY SLIMLINE; NO OVEN 4 PLATE	15,95
7438	A	GRINDER	MACTEC MAKITA 230MM MT901	669,71
3100	A	CHAIR	VISITORS NO ARMS	89,04
8936	A	MINI OVEN	SALTON 30L MINI KITCHEN	504,06
8842	A	MICROWAVE	HISENSE 20L	186,07
8829	A	MINI OVEN	HISENSE	232,20
7624	A	MICROWAVE	DEFY	27,84
5730	A	MICROWAVE	DEFY, CONCAVE REFLEX SYSTEM; MODEL# DMO288	52,98
4959	A	MICROWAVE	LG; MS1918H	8 6,22
3098	A	DESK		44,09
3174	A	DRILL	SKILL	32,58

Total Value

119 179,11

SCHEDULE B

BARCODE 2018				
^	9263	RECORDER	PHILLIPS DVT1100 DIGITAL RECORDER	739,44
^	6584	VIDEO MACHINE	PANASONIC	51,40
^	9611	METER	CLORIMETER POLKET CHLORINE	231,98
^	6968	RADIO	HAND	369,34
^	7355	METER	CLORIMETER POLKET CHLORINE	231,98
^	2761	METER	HANNA; MODEL# HI9142	39,93
^	9168	DOUBLE JONEY - RAC	RACHET WRENCH 10/13 MT 50	146,08
^	10675	HEAD TORCH	H7R.2 GIF	890,04
^	7139	MICROWAVE	SUNBEAM 19L	130,23
^	7272	MINI OVEN	HI-SENSE	236,19
			Total Value	3066,62



KAAP AGULHAS MUNISIPALITEIT
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**NOTULE VAN 'N ALGEMENE RAADSVERGADERING GEHOU OM 10:00 OP DINSDAG
23 JULIE 2019 IN DIE MUNISIPALE RAADSAAL TE BREDASDORP**

**MINUTES OF A GENERAL COUNCIL MEETING TO BE HELD ON TUESDAY,
23 JULY 2019 AT 10:00 IN THE MUNICIPAL COUNCIL CHAMBERS, BREDASDORP**

RAADSLEDE / COUNCILLORS

MNR	R J BAKER	
MNR	G D BURGER	
MNR	D J EUROPA	
MNR	C J JACOBS	
MNR	D JANTJIES	
ME	E C MARTHINUS	
MNR	J G A NIEUWOUDT	(Speaker)
ME	M OCTOBER	
ME	E L SAULS	
MNR	P J SWART	(Burgemeester)
ME	Z TONISI	(Onder-Burgemeester)

AMPTENARE / OFFICIALS

Mnr D O'Neill	Munisipale Bestuurder
Mnr D Wasserman	nms.
Mnr H Van Biljon	Direkteur: Finansiële Dienste
Mnr H Krohn	Direkteur: Bestuursdienste
Mnr B Swart	Interne Ouditeur
Mnr B Hayward	Bestuurder: Stads- en Streeksbeplanning
Mnr G M Moelich	Bestuurder: Administrasie
Me N Mhlali-Musewe	Divisional Head: HR Services & Organisational Development
Me T Stone	Afdelingshoof: Strategiese Dienste

1. **OPENING**

Die Speaker heet die teenwoordiges welkom en Raadslid Swart open die vergadering met gebed.

2. **AANSOEKE OM VERLOF TOT AFWESIGHEID / APPLICATIONS FOR LEAVE**

Mnr A Jacobs Direkteur: Infrastruktuurdienste

PURPOSE OF PROJECT

The parties have agreed to cooperate on the implementation of an initial 80 bicycles for an SBP at Cape Agulhas Municipality to achieve the following Project goals and strategic objectives:

- (i) Empower CAM with bicycles to improve scholar mobility.
- (ii) Enable scholars to access a structured learning institution by using bicycles to travel to and from school and/or from home and bus/taxi collection points.
- (iii) Give scholars an opportunity for improved educational outcomes and higher pass rates through increased school attendance and punctuality in using bicycles to travel.

Some of the learners who stays on farms walk between 3 and 5 kilometres to the pick-up points of the bus/taxi.

FINANCIAL AND PERSONNEL IMPLICATIONS

None.

MANAGEMENT RECOMMENDATION

- (i) That Council take note of the MOU between Qhubeka Charily NPC and Cape Agulhas Municipality.
- (ii) That the Municipal Manager be authorised to sign the MOU.

RESOLUTION 124/2019

That the management recommendation be accepted as a resolution of Council.

10.27 ASSET MANAGEMENT UNIT: WRITE-OFF OF OBSOLETE ASSETS: MAY - JULY 2019**PURPOSE OR REPORT**

1. To obtain approval for obsolete assets that are not needed to provide the minimum level of basic municipal services and requirements to be disposed.
2. To table to Council the list of assets redundant or obsolete for write-off.
3. To ensure that all assets identified as obsolete which does not meet the minimum level of requirements for basic service delivery are disposed of with the necessary approval based on council judgement.

Obsolete assets that are no longer functional, not fit for purpose and beyond repair must be disposed of to avoid maintenance and hazard problems.

LEGISLATIVE BACKGROUND

Under Law 56 of 2003 of the MFMA, section 14

DISPOSAL OF CAPITAL ASSETS

- (1) *A municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of a capital asset needed to provide the minimum level of basic municipal services.*
- (2) *A municipality may transfer ownership or otherwise dispose of a capital asset other than one contemplated in subsection (1), but only after the municipal council, in a meeting open to the public-*
 - *(a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and*
 - *(b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.*

MANAGEMENT RECOMMENDATION

- (i) That Council resolves that the following item as per section 6 be written-off and removed from the municipal Asset Register:

Extra Description	ISUZU N4000D 4T Tipper
GFS (vote)	Electricity
Municipal (vote)	Electricity
Asset Category	Other assests
Asset Type Description	Vehicles
Reg No	CS4267
Commissioning Date	30 June 2004
Carrying Value - 30 June 2018	R7 118,83

- (ii) That Council resolves that the following items as per section 6 be written-off and removed from the municipal Asset Register:
1. Obsolete assests worth R119 179,00
Schedule A (**attached on page 32 to 34**);
 2. Items that could not be found during the asset verification process. Items is worth R3 066,62.
Schedule B (**attached on page 35**);
- (iii) Council also resolves that the items be place on public auction or sold as per SCM recommended processes.

RESOLUTION 125/2019

That the management recommendation be accepted as a resolution of Council.

10.28 **OUUDIT AKSIEPLAN 2017/18 (OPCAR): MAANDELIKSE VORDERING - JUNIE 2019****DOEL VAN VERSLAG**

Oorweging van die vordering met en afhandeling van die goedgekeurde 2017/18 Oudit Bevindinge Aksieplan (OPCAR) soos op 30 Junie 2019.

AGTERGROND

Na aanleiding van die Ouditeur-Generaal se oudit van die 2017/18 finansiële jaar is daar sekere leemtes uitgewys wat aangespreek moet word. Hierdie bevindinge is in die aangehegte Oudit Bevindinge Aksieplan op **bladsy 36 tot 45** opgeneem en bepaalde regstellende stappe is bepaal om die bevindinge aan te spreek.

Die vordering word ook aan die Oudit- en Prestasieoudit Komitee voorgelê en word ook op 'n gereelde grondslag met die Ouditeur-Generaal bespreek. Die vordering met die plan word verder op 'n kwartaallikse grondslag aan die Wes-Kaapse Provinsiale Tesourie voorgelê.

PERSONEEL IMPLIKASIES

Geen.

FINANSIËLE IMPLIKASIES

Geen.

WETLIKE IMPLIKASIES

Geen.