



# Financial Management Grant

## Monthly Report

### Purpose

The Division of Revenue Act requires monthly reporting on the Financial Management Grant to ensure that:

- Funds are transferred to municipalities;
- Municipalities spend funds received in line with the conditions, as stipulated in the grant framework

The grant will be monitored regularly and funds may be withheld if the provisions of the Division of Revenue Act are breached; including a failure to spend allocations appropriately in terms of the framework ,delay or non-submission of monthly reports and submission of monthly reports with incomplete information.

### Format of the Report

The Excel template is divided into four sections. Municipalities should not change the structure of the reporting template. Only complete fields highlighted in yellow. **The Accounting Officer and Chief Financial Officer or a delegated official should confirm the accuracy of the report by signing the report**, acknowledging the content thereof before submission to National Treasury, electronically to [fmg@treasury.gov.za](mailto:fmg@treasury.gov.za). The four sections are briefly discussed below:

#### **Section A:**

This section refers to allocations received and expenditure incurred for the previous financial year. Any unspent allocations (unless approved for rollover in terms of the process communicated by National Treasury annually), must be returned to the National Revenue Fund.

#### **Section B:**

This section refers to allocations received and expenditure incurred for the current financial year, the allocations per the support plan, as well as the expenditure incurred in the current financial year in respect of the previous financial year's unspent funds. Municipalities must report on monthly expenditure against the conditions as outlined in the grant framework and

the FMG support plan. A revised support plan must be submitted should expenditure exceed the allocation in the support plan.

### **Section C:**

This section refers to the institutional performance information relating to the appointment interns, Chief Financial Officer, Municipal Manager and key personnel within the Budget and Treasury Office, Internal Audit and Supply Chain Management.

### **Section D:**

This section refers to the performance information relating to audit outcomes, the development and implementation of audit action plans, the development and implementation of an action plan to address shortcomings identified in the FMCMM and ratio assessment, resolutions and recommendations of Internal Audit and Audit Committees, the establishment of the disciplinary board and its functionality and also the resolutions taken by the board. The FMCMM and ratio assessment report was sent to all Municipal Managers and Chief Financial Officers in December 2015.

## **Completion of all information**

Kindly ensure that all required information highlighted in yellow on the return is completed before it is signed by the Municipal Manager and Chief Financial Officer.

## **Submission Process**

Signed copies are required to ensure correct and accurate information is submitted, as well as ensure accountability for its usage. Electronic submissions are required to streamline monitoring.

### Signed Hard Copy Submission:

Once completed, ensure that the hard copy is signed and dated by the Municipal Manager and Chief Financial Officer/ Delegatee, forwarded either by mail or by fax to the numbers below:

National Treasury  
16<sup>th</sup> Floor, 240 Madiba Street, Pretoria, 0002  
Or Private Bag X115, Pretoria, 0001  
Phone: (012) 395 6541/6506  
Facsimile: (012) 315 5230/086 650 5417

### Electronic Submission:

Ensure the file is saved in the correct format that clearly distinguishes that it is the FMG Monthly report and the month of reporting. Email the Excel file and scanned signed copy of the report to [fmg@treasury.gov.za](mailto:fmg@treasury.gov.za) with a subject heading of **Financial Management Grant Monthly Report**. E.g. of naming format (Municode\_FMG\_Month of reporting\_ financial year).

## Timing of Submission

This report must be submitted **within 10 days after the end of each month**. Non submission of the report within the stipulated deadline will be non-compliance with the MFMA and DoRA requirements.

## Queries

Any queries can be sent to [fmg@treasury.gov.za](mailto:fmg@treasury.gov.za) or call Thiloshnee Sukdeo on 012 395 6541