



## NKANGALA DISTRICT MUNICIPALITY



### SCOPE OF WORK

#### **APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER FOR PREPARATION OF CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR NKANGALA DISTRICT MUNICIPALITY AND REVIEWAL OF ANNUAL FINANCIAL STATEMENTS FOR NEDA FOR 3 FINANCIAL YEARS.**

The following support services will be required during the review of the Nkangala District Municipality for 3 Annual Financial Statements:

#### **1. PHASE A – MOBILISATION**

- Establish a Steering Committee that comprises representatives of key stakeholders, anticipating that it would include the following:
  - Project director
  - A senior representative or representatives from the municipality
  - The project manager
  - And, when required, Strategic Advisors.
- Confirm with the Steering Committee the:
  - Terms of Reference for our involvement as well as that of the municipality
  - The detailed project plan, including the allocation of roles and responsibilities.
  - Agree on the Project Charter
  - Obtaining sign-off by the municipality.
- Confirm the boundaries scope and required outputs of the Phase and identify the critical success factors that will guide the work of the project team.
- Confirm the data base fields and agree on the data capture conventions to ensure compatibility and transferability to Municipal systems.
- Determine which officials of the Municipality and other sources would have data relating to your project relevant to the Phase.
- Establish the names of the contact persons and their contact details.
- Arrange for a formal notification to be sent to every contact person, advising them of the project, enlisting their co-operation and ensuring their availability.



## **2. PHASE B – EXECUTION**

- Prepare GRAP compliant consolidated annual financial statement for the year ending 30 June 2025 ,/2026 and 2027 using Caseware.
- Review of all supporting schedules in relation of GRAP, iGRAP and directives, using Caseware and the mSCOA as regulated for NDM
- Review GRAP compliant annual financial statement for NEDA for the year ending 30 June 2025,/2026 and 2027 using Caseware.
- Review of Accounting policies for NDM and NEDA
- Review of accounting methodologies in relation to relevant schedules as may be needed
- Review and recommend changes to chart of accounts so that it is in compliance with GRAP
- Review of key reconciliations and control accounts for the purpose of preparation of AFS
- Review of Reconciliations of general ledger to the following but not limited to:
  - Asset register, Lease register and Creditors register
  - Bank reconciliations, VAT Reconciliations (Review)
  - Salaries reconciliation
- Review of audit file for both NDM and NEDA
- Review of mSCOA transactions for the financial year for NDM and NEDA

## **3. NDM SPECIFIC REQUIREMENTS FROM MUNSOFT**

- Ensure that finance personnel understand the process of consolidated AFS preparation using Caseware software.
- Ensure that NEDA personnel understands the process for review of the AFS using Caseware Ssoftware
- Ensure that the timelines as indicated in the NDM AFS and NEDA approved preparation plan are adhered to
- Involvement of finance personnel at all times during the preparation of the consolidated AFS and documentation as required as part of the review of the AFS and schedules.

## **4. AVAILABILITY AND DATE ON WHICH PROJECT WILL COMMENCE**

- The project team should be available from 15 July to 30 August every financial year for preparation of consolidated AFS for NDM
- The project team should be available from 01 August to 30 August every financial year for the review NEDA AFS.

## **5. PHASE C – FINALISATION**

- Submission of the draft and final review notes before the agreed deadlines.

Compile close out report of the projects.



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