



INTERNAL MEMO

To : MUNICIPAL MANAGER
From : CFO
Date : 11 OCTOBER 2022
Subject : ASSET DISPOSAL/REMOVAL PROCESS 2023

BACKGROUND

Financial Services Asset Management department conducted the an asset validation process and initiated an asset clean-up and validation project for the 2022/2023 financial year. This project aimed at identifying assets for disposal/write-off by means of the Overberg District Municipality Asset Management Policy and the MFMA section 14 regulation.

The ODM's disposal committee held a meeting on 11 October 2022 regarding the disposal and write-off process to follow for period. The Asset Management department recommended to the committee that a closed quotation process should be considered for the selling of the redundant and disposal items, as the selling/disposal method worked well the previous financial year. Assets for write-off due to duplications, wrongful asset entries broken(dumped), unrecognizable and used for spares will be written off as per the Asset Management Policy and for recommendation, to be removed from the asset register.

Hazardous, dangerous and security related electronic goods (ICT assets), which might be harmful to the environment will be disposed as per our Asset Management and provincial treasury guidelines for safe and responsible disposal.

RECOMMENDATION

The disposal committee are satisfied with the disposal process followed to date in accordance with the asset management policy and recommends that the Municipal Manager approves the disposals and write-offs less than R50 000 per item's carrying value and council above, as per the disposal committee's recommendation. Lists of assets and carry values are attached to this letter.

.....
CFO – N Kruger
(Recommendation)

11/10/2022
.....
Date

APPROVE: YES or NO

.....
Municipal Manager – R Bosman

2022/10/11
.....
Date