

STOCKTAKING 2021/22 FINANCIAL YEAR ~ OPERATING STORES (6/1/1) DIRECTOR FINANCIAL SERVICES

Purpose of report

To submit a report to Council regarding the stocktaking at the Municipal Stores for the 2021/22 financial year.

Background

The official stock take was carried out at the Langeberg Municipality's Central Store from 20 – 30 June 2022 and Internal Audit informed the Auditor –General of the dates of the stock take.

Financial Interns and EPWP workers were made available to partake in the stock count as independent officials to formally confirm that inventory records are complete, and confirm the existence and condition of the inventory as at 30 June 2022. The stock take also identifies obsolete and/or unusable inventory and serves as a basis for the compilation of the annual financial statements in terms of inventory presentation and disclosure. The stock take also confirms the reliability of the municipality's inventory system and identifies areas for improvement, as needed.

In instances, where discrepancies still existed after the 2nd count, as part of investigating the difference, another recount was performed and appropriate evidence was obtained to consider in the counting of the stock items and resolving differences.

Journals have been compiled, reviewed and captured in the financial system, for shortage, surplus and damaged stock.

The total difference (surplus/shortage) represents 1.08 % of the total stock value.

The following reports are included in the report, as identified at 30 June 2022:

- Slow moving stock
- The 20 highest value stock items
- Damaged and unusable stock
- Stock Surplus and Shortages
- Relevant documentation **attached to this report.**

Comments

Please note that there are capital spares for Infrastructure that are held at the stores to the value of R5,993,105.70 which are not included in the stock value as they are part of the Asset Register.

The biggest challenges with regards to inventory currently held at the store relate to electrical cable, conductor and wire.

Not all of these are pre-marked and/or cannot be marked and due to the weight and length it cannot actually be measured and with most of these items, estimates had to be made with regards to what is actually left on the used bins.

Recommendation / Aanbeveling

That the stock-take report of the Municipal Stores for the 2021/22 financial year be accepted.

Dat die voorraadopname verslag van die Munisipale Store vir die 2021/22 finansiële jaar aanvaar word.

This item served before the Finance Portfolio Committee on 22 August 2022
Hierdie item het gedien voor die Finansies Portefeulje Komitee op 22 Augustus 2022
Recommendation / Aanbeveling

That the stock-take report of the Municipal Stores for the 2021/22 financial year be accepted.

Dat die voorraadopname verslag van die Munisipale Store vir die 2021/22 finansiële jaar aanvaar word.

This item served before the Executive Mayoral Committee on 24 August 2022
Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 24 Augustus 2022
Aanbeveling / Recommendation

That the stock-take report of the Municipal Stores for the 2021/22 financial year be accepted.

Dat die voorraadopname verslag van die Munisipale Store vir die 2021/22 finansiële jaar aanvaar word.

This item served before an Ordinary Meeting of Council on 31 August 2022
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 31 Augustus 2022
Eenparig Besluit / Unanimously Resolved

That the stock-take report of the Municipal Stores for the 2021/22 financial year be accepted.

Dat die voorraadopname verslag van die Munisipale Store vir die 2021/22 finansiële jaar aanvaar word.