

**NATIONAL COUNCIL OF PROVINCES  
QUESTION FOR WRITTEN REPLY  
QUESTION NUMBER: 55 [CW66E]  
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**55. Ms C Visser (North West: DA) to ask the Minister of Finance:**

- (1) Whether he and/or the National Treasury (a) received and/or (b) approved an application from the J B Marks Local Municipality NW405 to access its funds that are held in a trust account; if not, what is the position in this regard; if so, what are the details of the trust account (i) for the (aa) 2016/17, (bb) 2017/18 and (cc) 2018/19 financial years and (ii) from 1 April 2019 up to the latest specified date for which information is available;
- (2) what are the full details of such funds that are held in trust on behalf of (a) the said municipality or (b) any J B Marks Local Municipality entity with regard to the (i) institution where such funds are held, (ii) name and/or identification of such funds, (iii) purpose of the trust account and (iv) reasons why such funds could not be deposited into the account of the said municipality;
- (3) whether the National Treasury was informed of each case of the funds that are being held in trust; if not, why not; if so, what are the relevant details;
- (4) whether such funds are held in trust in full compliance with financial legislation and regulations; if not, why not; if so, what are the relevant details;
- (5) whether such funds were subjected to an audit; if not, why not; if so, when will a copy of the audit report be provided?

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**REPLY:**

- (1) (a) No information was provided nor any requests made to the National Treasury relating to the trust account of JB Marks Local Municipality.  
(b) No approval was granted by National Treasury as the MFMA does not require such approvals. The responsibility to manage such funds vests with the municipal council and the accounting officer.
- (2) National Treasury has referred the matter to the Provincial Treasury and the Office of the Auditor-General, to follow up on the details.
- (3) No, National Treasury was not informed of such trust funds. Sections 11 and 12 of the MFMA provides that the accounting officer of the municipality acting in accordance with

decisions of the municipal council may withdraw such funds for the purpose intended, subject to any conditions.

(4) Refer to the response in paragraph 3.

(5) The matter has been referred to the Office of the Auditor-General for further follow up.