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*A long and healthy life for all communities of the North West Province*

**MOVABLE ASSET MANAGEMENT POLICY**

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<b>Description</b>	This policy provides set of rules for the management of Movable Assets in North West Department of Health.
<b>Coverage</b>	This policy document is applicable to all employees and Stakeholders of North West Department of Health
<b>Policy Number</b>	<b>A&amp;IM23/P01/R26</b>

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## 1. POLICY STATEMENT

In pursuit of Departmental service delivery objective, resources are required, which will enable North West Department of Health to achieve its mandate. When these resources are used optimally, the objectives will be achieved quicker and cost effective. By managing all resources at our disposal we can ensure that we remain goal orientated and that resources not utilized properly can be better applied or alternatively changed, where possible, for resources that will be more effective and in the process towards the attainment of the goal.

The basic principle remains in pursuit of financial gain and that of service delivery. It is worth mentioning that neither financial gain nor service delivery can be achieved for an indefinite period if these principles are not adhered to "inefficiency leads to inhibitive cost, which eventually make it impossible to move forward".

This document is a movable asset policy including finance leased movable assets and does not include procedures relating to immovable assets. This policy does not operate in isolation but it must be read in conjunction with the Asset Management Framework; the Provincial Asset Management Policy; and the Departmental Supply Chain Management Policy.

## 2. PURPOSE

The purpose of this policy is:

- a) To provide a framework over budgeting and planning, acquisition, operations and maintenance, disposals including, safeguarding of assets under the control and ownership of the Department.
- b) To promote the economic, efficient and effective use of resources in terms of section 195(1)(b) of the Constitution of Republic of South Africa;
- c) To procure goods and services in accordance with a system that is fair, equitable, transparent, competitive and cost effective, in terms of section 217(1)(b) of the constitution.

- d) To cultivate and instil a culture of responsibility and accountability over the Department's movable assets;
- e) To ensure that effective controls are communicated to management and staff through clear and comprehensive written documentation;
- f) To provide a formal set of procedures to be implemented to ensure the Department's movable asset and financial policies are in compliance with the Public Finance Management Act (PFMA).

### **3. RATIONALE**

The intention of this policy is to assist officials to get more understanding of the concept of asset management, to highlight the principles of, and need for, asset management whilst it gives detailed rules on the general management of assets in the Department.

### **4. SCOPE AND APPLICATION**

This policy is applicable to all employees (permanent, temporal, probation & contracts) as well as stakeholders of North West Department of Health. Any individual or service provider employed by the Department that fails to comply with this policy will be subject to disciplinary processes.

### **5. LEGISLATIVE AND RELATED PRESCRIPT MANDATE**

This policy is underpinned by the following pieces of legislation:

- a) Constitution of the Republic of South Africa, Act No. 108 of 1996
- b) Public Finance Management Act No. 1 of 1999
- c) Treasury Regulations of 2005
- d) Supply Chain Management Policy
- e) Provincial Asset Management Policy
- f) Asset Management Framework
- g) Modified Cash Standard
- h) Accounting Manual for Departments

- i) Protection of personal information Act No.4 of 2013
- j) Promotion of administration of Justice Amendment Act 53 of 2002
- k) SITA

## **6. DEFINITIONS**

In this Policy, unless the context indicates otherwise, the following words mean.

### **6.1. Asset**

A resource controlled by the Department as a result of past events and from which the future economic benefits or service potential are expected to flow into the organization

### **6.2. Asset Management**

The process of decision making, the acquisition, use, safeguarding and disposal of assets to maximize their service delivery potential and benefits minimize the related risks and costs over their entire life.

### **6.3. Asset Register**

A database consisting of all assets of the Department providing a unique detailed general information and accounting records for each individual asset.

### **6.4. Asset Verification**

Asset Verification is observation, listing and counting of capital assets to determine their condition, location, physical existence usage levels and validate against physical and accounting records.

### **6.5. Asset Acquisition**

Procurement of assets through outright purchasing, construction, lease, transfer-in acceptance of a gift, donations, expropriation or exchange.

### **6.6. Asset Disposal**

A process of derecognising assets when they are in excess, redundant or obsolete.

**6.7. Individual location asset register**

A list of assets allocated to a particular official or end-user within the NWDoH.

**6.8. Asset Maintenance**

Regular servicing of asset and or repairs to damages,

**6.9. Intangible Assets**

It is an identifiable non-monetary asset without physical substance.

**6.10. A finance lease**

It is a lease that transfers substantially all the risks and reward incidental to ownership of an asset. Title may or may not eventually be transferred.

**6.11. Useful Life**

It is the period over which an asset is expected to be available for use by an entity, or the number of production of similar units expected to be obtained from the asset by an entity.

**6.12. Asset Controller**

An employee who is appointed or delegated in writing by the Director Asset Management to serve as a liaison between the institution and the Directorate: Asset and Inventory.

**6.13. Cost of an asset**

The cost comprises of the purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing the asset to a working condition for its intended use after deducting any trade discounts and rebates.

**6.14. Custodian**

The individual with direct responsibility for an asset.

**6.15. Department**

Refers to the North West Department of Health (NWDoH).

**6.16. Director: Asset Management**

The person responsible for the overall asset management of the Department

**6.17. Disposal Committee**

A committee appointed by the Accounting Officer responsible for, inter alia, evaluating the conditions of assets earmarked for disposal and making recommendations on the advantageous method of disposal whilst observing compliance with PFMA and Treasury Regulations.

**6.18. Depreciation**

It is the systematic allocation of the depreciation amount on an asset over its useful life. The systematic allocation should reflect the pattern of consumption utilisation of the asset.

**6.19. Institutions**

Refers to the District offices, Hospitals, Clinics, Community Health Centres, Sub Districts, EMRS, Nursing Colleges, and Office Park.

**6.20. Location**

A room, in a specified building, or a confined area, with a definite physical number or address where assets are kept.

**6.21. Loss Control Committee**

A committee appointed by the Accounting Officer responsible for managing the Departmental loss control processes.

**6.22. Loss Control Officer**

The officer in the Department responsible for managing loss awareness, prevention and monitoring.

### 6.23. Major Asset

An asset costing R5 000 or more, and can be used continuously and repetitively in production for at least a year (either calendar or financial year) and of which future economic benefits or service potential is expected to flow to the Department.

### 6.24. Minor Assets

An asset costing less than R5 000 which must be recorded in the Asset Register.

### 6.25. Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction.

## 7. ACRONYMS

Number	Acronyms	Description
7.1.	AFS	Annual Financial Statements
7.2.	AO	Accounting Officer
7.3.	CFO	Chief Financial Officer
7.4.	GAAP	Generally Accepted Accounting Practice
7.5.	GRAP	Generally Recognized Accounting Practice
7.6.	HOD	Head of Department
7.7.	IFS	Interim Financial Statements
7.8.	PFMA	Public Finance Management Act, No 1 of 1999 as amended
7.9.	NDoH	National Department of Health
7.10.	NWDoH	North West Department of Health
7.11.	SAPS	South African Police Services
7.12.	SCM	Supply Chain Management
7.13.	SCOA	Standard Chart of Accounts

## **8. BACKGROUND**

This movable asset policy was last reviewed in 2019

## **9. APPLICATION DATE AND COMMENCEMENT**

This movable asset policy replaces/supersedes all previous movable asset management policies that may have been previously issued and is effective from the date of approval by the Accounting Officer.

## **10. DEVIATION FROM POLICY**

- 10.1.** Any deviation from the approved policy not inconsistent with the PFMA will require the prior written approval from the HOD.
- 10.2.** Failure to comply with the prescribed policy will result in the institution of disciplinary procedures in terms PFMA and stipulated Human Resources policies and procedures of the Department.

## **11. ROLES AND RESPONSIBILITIES**

### **11.1. Accounting Officer**

The PFMA confers specific responsibilities on Accounting Officers, of which one is the operation of basic financial management systems, which include internal controls in the Department and any entity that it may control.

The Accounting Officer and the delegates who are negligent and make no effort to comply with these responsibilities are liable to face strict disciplinary sanctions.

**The Accounting Officer must ensure that:**

- a) The Department has and maintain effective, efficient and transparent systems of financial and risk management and internal control, including an asset register.
- b) The resources of the Department are used in an effective, efficient, economical and transparent manner.
- c) The assets of the Department are managed, safeguarded and maintained.
- d) The Asset Management Policy is implemented.

- e) The Asset Management Policy is reviewed every three (3) years and assessed yearly to ensure ongoing compliance with prevailing legislations and framework.
- f) The Department has and maintains a management, accounting and information system that accounts for the assets of the Department.
- g) Implement section 42 of PFMA that deals with transfer of assets to another Department or institutions in terms of legislations or following a re-organization of functions.
- h) The Department has fully functional asset management governance committees appointed in writing.
- i) Institutes disciplinary proceedings to Departmental officials and external stakeholders who circumvent rules stated in this policy.

### 11.2. Disposal Committee

There is a need for the appointment of the Disposal Committee and will be responsible for, amongst other, to:

- a) Review and approve disposal requests including write offs.
- b) Consider and recommend disposal plans for all movable assets.
- c) Consider and make recommendations to the relevant authority on all assets management matters where normal asset management process cannot be followed including but not limited to, transfer and disposal of assets.
- d) Ensure redundant, excess and obsolete fixed assets are disposed of in a transparent, fair and equitable manner
- e) The committee will recommend disposal methods to the Accounting Officer.
- f) Maintain sufficient and adequate supporting evidence for all disposals performed by the Department.
- g) The appointed committee to have approved terms of reference.
- h) The disposal committee should consist of the following members:

Provincial Office	Districts/Hospitals
1) Chairperson (Head of Asset Management)	Chairperson (DD/AD)

2) Deputy Chairperson	Deputy Chairperson
3) Secretary	Secretary
4) Member from Legal- Unit	Member from Labour Relations
5) Member from I.T. Unit	Member from Maintenance
6) Member from Security Unit	Member from Health Technology/IT
7) Member from Supply Chain Management Unit	Member from Supply Chain Management Unit

### 11.3. Chief Financial Officer

The CFO shall oversee the maintenance of the Departmental asset register and shall:

- a) Ensure that the AR of the Department is maintained in line with the requirements of the relevant accounting frameworks and guides.
- b) Ensure strict adherence to the financial procedures and processes prescribed in the Asset Management Policy.
- c) Ensure that the Department implements and complies with relevant legislations and prescribed standards.
- d) Ensure the availability of resources required for proper monitoring of asset management compliance and asset register maintenance.
- e) Report to the DMC on a regular basis on the implementation of the policies.
- f) Report on any serious constrictions facing the Department in implementing the Asset Management Policy to AO.
- g) Advise the AO on matters pertaining to the financial administration of assets.

### 11.4. CHIEF DIRECTOR: SUPPLY CHAIN MANAGEMENT

The Chief Director shall ensure the following:

- a) Ensure maintenance and management of the asset register.
- b) Ensure effective, efficient, economical and transparent use of the assets of the Department.

- c) Ensure the management, including safeguarding and maintenance of the AR.
- d) Ensure implementation of the Asset Management Policy.
- e) Ensure that the Department implements and comply with relevant legislation and National Treasury's requirements.

#### 11.5. Director: Asset and Inventory Management

The Director: Asset and Inventory shall manage the following:

- a) Maintain and manage the Asset Register.
- b) Effective, efficient, economical and transparent use of the assets of the Department.
- c) The management, including safeguarding and maintenance of asset.
- d) Ensure implementation of the Asset Management Policy.
- e) Create awareness of the asset management policy.
- f) Review the asset management policy as and when deemed necessary.
- g) Ensure that the Department implements and comply with relevant legislation and National Treasury requirements.
- h) That the asset controllers are notified within 7 days of any of the following possible movements which affected the status of assets entrusted to respective Directorates:
  - i. Newly acquired assets
  - ii. Donations
  - iii. Addition/ improvements
  - iv. Disposals
  - v. Loss or damage
  - vi. Transfer and
  - vii. Personnel resignations
- i) Provide the office of the AG with corroborative information
- j) Respond to AG queries on movable assets in a timely manner
- k) Keep a verifiable record of lost, damage and obsolete assets
- l) Compile a list of disposed assets
- m) Compile and report on a list of unused movable assets to DMC

- n) **Ensure that AR is updated on a monthly basis and reconciled to the financial system**
- o) **Plan and coordinate year end (annual) asset verifications**
- p) **Appoint the physical verification team**
- q) **Appoint asset controllers**

### **11.6. Asset Controller**

The asset controllers of the Department must ensure the following:

- a) Any incident of loss, theft, destruction or material impairment of any asset controlled or used by the office must be reported in writing, stating the date and time as well as circumstances that led to the damage or loss to the Loss Control Officer within 24hrs of such occurrence, and must be undersigned by Senior Manager of the relevant office to which such movable assets were allocated.
  - i. Failing which, the official entrusted with the asset shall be personally liable
- b) Losses or damages must be reported to the Director: Asset and Inventory Management.
- c) Losses or damages due to criminal conduct shall be reported to the SAPS and the loss control officer and Asset Management. Case number shall be attached to the instances and submitted.
- d) Safe keeping of assets under his or her control
- e) Inform on the movement of assets
- f) Ensure that assets are accurately reflected and on the asset inventory sheets
- g) Advise on redundant or obsolete assets
- h) Conduct spot checks and physical verification of assets

### **11.7. Every employee/Asset user/Custodian**

In terms of Section 45 of the PFMA, every official of the Department is expected to manage and safeguard the assets within the official's area of responsibility inclusive of the following:

- a) Each employee of the Department will be held accountable for assets allocated to him/her
  - 1. Non-compliance with this requirement could lead to financial misconduct and disciplinary action. The reasonability of safeguarding of assets should form part of each employee's performance contract.
- b) For assets acquired for Board Members, Consultants or any other temporarily employed resources,
  - 1. The responsibility or accountability will be with the official who authorized such procurement or cost centre manager
- c) Damage or loss must be reported in writing, stating the date and time as well as circumstances that led to the damage or loss to the Loss Control Officer within 24hrs of such occurrence and must be undersigned by the Senior Manager of the relevant Directorate to which such movable asset were allocated.
- d) Employees will be liable for repairs, or replacement of movable assets damaged due to negligence, abuse, intentional damage or carelessness or loss due to negligence or failure to institute reasonable steps to ensure the safeguarding of movable assets.
- e) Losses of damages due to criminal conduct must be reported to the SAPS within 24hrs of such occurrence and a case number or occurrence number must be obtained.
- f) Ensure that all assets in your area of control are bar coded and report assets that are not bar coded to Director: Asset and Inventory Management.
- g) Any disciplinary action arising from breach of this policy will be referred to the employee's line manager at a level not lower than Director and copied to the Employment Relations
- h) Report any missing, damaged, stolen, obsolete and or un-usable assets
- i) Advise of all assets to be disposed, transfer of assets from one location to another and complete the prescribed documents for any transactions or incident which will change the status of an asset or the status of the asset register
- j) Where an employee is suspected of breaching the policy, an internal investigation will be undertaken, and depending on the outcome, Departmental

disciplinary process, and civil or criminal legal action will be taken against the employee

- k) The safeguarding of the assets of the Department and to ensure the effective and optimal use of the existing resources
- l) The enhancement of productivity by avoiding wastage, inefficiency and ineffective use of the assets of the Department

## **12. CLASSIFICATION OF ASSETS**

**12.1.** Assets vary considerably in their size and nature, and it is useful to classify them into logical groupings for management control and financial treatment. From the various accounting standards, the following are broad categories of assets:

- a) Current assets and non-current assets;
- b) Tangible and intangible assets.
- c) Movable and immovable assets;
- d) Financial and non-financial assets; and
- e) Primary and secondary assets

**12.2.** For the purpose of this policy, the primary focus will be on movable assets, both major and minor assets in the Department.

## **13. ASSET MANAGEMENT STRATEGY**

The Director Asset Management must develop and implement an asset management strategy that determines the Department's short, medium and long term assets needs based on the strategic plan and Departmental objectives. The developed strategy must have the following plans.

- a) Asset funding plan
- b) Acquisition plan
- c) Operations and maintenance plan
- d) Disposal Plan
- e) Risk treatment plan

### 13.1. Acquisition plan:

- a) The Department's asset management procurement plans should be fully integrated with the Department's strategic plan, annual performance plan and operational plan.
- b) The strategic plan of asset management is, therefore, an informed perspective on the acquisition, operation, maintenance and disposal of assets
- c) Prior to the acquisition of the asset, various cost centre managers must have completed the planning stage during which the need, identification, requirement, and location for the asset are established and the demand management plan/procurement plan is signed by the Accounting Officer in line with the Departmental SCM Policy (Demand Management)
- d) It must be determined that the asset to be acquired has sound economic benefit to the Department.
- e) It must be acquired for the purpose of improving efficiency and effectiveness within the Department.
- f) The economic life of the asset to be acquired must be determined in terms of the asset's expected time of usefulness and economic benefit to the Department in terms of the effective and efficient delivery of the Department's planned programs

### 13.2. Useful Life of the Asset:

- a) The useful life of the asset must be determined in terms of the asset's expected utility and contribution to the delivery of the Department's planned programs

### 13.3. Acquisition of the Asset:

- a) The procurement of assets in the Department is done by the respective institution and based upon an approved procurement plan.
- b) Correct SCOA allocations must be used when assets are acquired.
- c) Authorization and correct procedure must precede the procurement of any movable assets, and this must be in line with the Department's Supply Chain Management Policy.

- d) Where assets of a specialised nature are procured an expert opinion must be sought to prevent wastage or fruitless and wasteful expenditure;
- e) All donations to the Department must be arranged through the office of the accounting officer or delegated officials, and must only be approved by the accounting officer or delegated officials.
- f) Asset management must be informed of all donations received with sufficient supporting evidence for inclusion into the asset register

#### **13.4. Receipt of assets**

- a) Assets may only be delivered to the approved destination or demarcated areas, which must be secured and access limited to authorised employees only
- b) Only duly designated employees may confirm receipt of assets
- c) All movable assets received should be physically agreed to the specification of what was ordered
- d) Assets that do not meet the specification as ordered should be returned to the supplier
- e) All donations or internal transfers to a Department must be verified for existence and condition assessed to determine future service potential before receipting
- f) Assets must be barcoded and captured in the asset register before they are issued to end users.
- g) Where assets are to be delivered directly to the end user or on site due to the nature of operations, arrangements shall be made to ensure that assets are delivered as per the specification, they are barcoded and the asset register is updated
- h) Goods receipt note or acceptance form must be signed by a delegated official on receipt of assets (e.g. specialised equipment)
- i) There must be no consultant or a service provider allowed to receive assets on behalf of the Department

#### **14. RECOGNITION AND MEASUREMENT OF ASSETS**

- a) An asset shall be recognised when it is probable that future economic benefits or service potential associated with the item will flow into a Department and the cost or fair value of the item can be measured reliably
- b) Should it be expected that the item will not be used for more than one financial year, such an item must not be recognised as an asset
- c) Where an agent principal agreement exist the, assets will be recorded by the Department when the definition of an asset is met
- d) An item of property, plant and equipment that meets the recognition criteria must be measured at cost
- e) Where the item is obtained at no cost or nominal cost, its cost should be measured at fair value on the date of acquisition
- f) Asset acquired before 01 April 2002, where the cost is not available, may be recorded at R1 with no need to determine fair value
- g) Where a capital assets is acquired through a non-exchange transaction from a non-governmental entity, its cost must be measured at fair value at the date of acquisition
- h) In a case of inter Departmental transfers, the transferring Department shall fair value the asset that is recorded at R1 before transferring to our Department with the exception of assets acquired before 01 April 2002.
- i) All assets with a value of less than R5000 shall be recognised as minor assets
- j) Expenditure incurred for the acquisition of minor assets shall be accounted for under goods and services, applying the modified cash standards on expenditure
- k) All assets with a cost of R5000 and above shall be recognised as capital assets
- l) Expenditure incurred for the acquisition of capital assets shall be accounted for under expenditure for capital assets using the correct allocation code.
- m) Where an asset is acquired with the manufactures warranty and such warranty cost can be measured, the acquisition cost of an item must include the warranty costs
- n) Assets should be carried at cost and continue to be carried at cost after initial recording because modified cash standard is applied and assets are not depreciated, subject to impairment or evaluations

- o) Only expenses incurred in the enhancement of an asset or in the material extension of the useful operating life of an asset shall be capitalized to the cost of the asset
- p) All expenses related to repairs, maintenance of an asset shall be accounted for as operating expenditure and shall not be capitalized in the cost of the asset.

## 15. FAIR VALUE DETERMINATION

- a) All assets acquired after 01 April 2002 recorded at R1 in the asset register of the Department will be fair valued
- b) The differences between R1 and the fair value amounts must be accounted for as correction of prior period error due to non-compliance with MCS
- c) Where a Department is transferring assets acquired after 01 April 2002 and are recorded at R1 in the asset register, the Departments must first determine the fair value of the assets before the transfer
- d) Fair value methodology used and all supporting documents must be sent to receiving Department
- e) Fair value can be determined by reference to quoted prices in an active and liquid market
- f) Where market values are not available, estimates can be made with reference to the market values of assets with similar characteristics in similar circumstances and location or with reference to recent arm's length transactions concluded for similar assets
- g) A Department can also fair value its assets using the depreciated replacement cost
- h) All fair value methodologies will be submitted to provincial treasury for review before implementation

## 16. OPERATIONS AND MAINTENANCE PLAN

- a) The Department's asset management operations and maintenance plans should be fully integrated with the Department's strategic plan, annual performance plan and operational plan.
- b) The Departments must make provision in their budget for maintenance of assets under their control and ownership.
- c) The maintenance budget must be aligned to the maintenance plans developed by the Department.

### 16.1. SAFEGUARDING OF ASSETS

- a) Departmental management and staff ensure that there are proper controls and preventative mechanisms to ensure all assets are protected against improper use, loss, theft, malicious damage or accidental damage.
- b) Assets of a Department must be physically secured.
- c) Users of assets are compelled to ensure that assets under their custody are properly safeguarded.
- d) Physical control includes locking of office doors when not occupied.
- e) Physical control includes security checks when people are entering or leaving Departmental premises.
- f) Controls include the implementation of log register for assets that are used outside the Departmental buildings.
- g) Control include implementing proper procedures for movement of assets.
- h) Controls include implementing proper procedures for asset transfers between programmes or custodians.
- i) The responsible manager must ensure that all assets allocated to an official within their area of responsibility are returned to asset management unit upon the official's termination of service or transfer.
- j) Asset management unit must be informed of such 5 days before the official's date of termination.
- k) The accounting officer of a Department must ensure that all assets allocated to political office bearers are returned upon termination of service or transfer.

- l) The accounting officer may (if deemed economical and based on a risk assessment) insure vehicles, including hired vehicles and other assets determined by the relevant treasury, but the insurance premium must not exceed R 250 000 a year on that vote, unless otherwise approved by the relevant treasury.
- m) The accounting officer of must ensure that, there is safe storage facility for assets that are withdrawn from service or are held for disposal.
- n) When assets are moved from offices to the storage area, officials must sign and keep a copy the transfer form.
- o) Regular checks or assessments must be performed to ensure that capital assets are used optimally and for their intended purposes.
- p) At the office, all laptop computers must always be secured to a fixed item of furniture with a security cable:
  - I. When travelling by air, laptops must not be handed in as baggage but must be kept as hand luggage and safeguarded by the official at all times.
  - II. No laptops must be left on motor vehicles with defective locks, car wash, service dealerships, workshops and anywhere visible to strangers.
  - III. If an official is going out of office and cannot guarantee the safety of the laptop, arrangements must be made for it to be locked up at safekeeping facilities in the Department.
  - IV. Officials must ensure that liquid refreshments are not consumed near the laptop.

## **16.2. MAINTENANCE OF ASSETS**

- a) The Departmental management must set maintenance standards for specialized equipment and submit to asset management;
- b) Programme managers must determine strategic and or critical and high profile assets and prioritise their maintenance
- c) Where maintenance standards are determined by the supplier, the asset manager of a Department is responsible for ensuring that the supplier service standards are adhered to

- d) Where assets are still under a warranty/guarantee they must be serviced or repaired according to the warranty/guarantee agreement
- e) Each official should report any required maintenance to the asset for which they are responsible to their immediate supervisor for action.
- f) Damages to Departmental assets identified not attributable to normal wear and tear must be dealt with according to the loss control Policy

## **17. TRANSFER / MOVEMENT OF ASSETS**

- a) The movement of assets firstly entails receiving a written consent of the custodian or responsible official and secondly, informing asset management section/ unit of the movement in order for the latter to update the asset register.
- b) All relevant asset movement forms must be completed by both the transferee and transferor and approved by the authorized official before assets are moved.
- c) Asset management section/ unit must be furnished with the approved forms so that they can update the register.
- d) The Asset Management team at each institution must keep record of all assets in the institution by means of Asset Register and record all movements.
- e) An accurate record must be kept of all transfers/movements of assets in order to indicate who is using the asset and to determine where responsibility for the asset lies;
- f) The Asset Management team at each institution is responsible for ensuring that no assets, within the officials' area of responsibility, are transferred /moved, within or between institutions, without proper authorization;
- g) Movements of assets within a ward are permitted without signing of movement forms, however staff in the ward must be able to locate all assets within their WARD;
- h) Movements of assets between different wards or sections of an institutions must be through the signing of movement forms;
- i) Asset managers for an institution must perform an assessment of frequently
- j) moved assets within their institution and prepare movement forms for institutional staff to ensure minimal information is captured by them;
- k) An emergency book (manual or electronic) must be kept at all wards for capturing urgent movement of assets and forms completed at a later stage.

## 18. ASSET VERIFICATION

- a) The Department must perform comprehensive asset verification at least once a year.
- b) The timing of the comprehensive asset verification should ensure reasonable assurance for accuracy and completeness at the reporting date.
- c) Regular spot checks must also be performed to ensure the completeness and accuracy of the asset register provided that at least one spot check shall be conducted each quarter.
- d) The Director: asset management must appoint asset verification team to perform asset verification and report their findings for the whole Department.
- e) Asset verification report must be submitted to the CFO for his/her review and record keeping, and to monitor the implementation of the outcomes from the exercise and ensure that the asset register is updated.
- f) The CFO must ensure investigation of assets not verified are finalised within 90 days from the date a verification report is received by the CFO.

## 19. DISPOSAL OF ASSETS

- a) Redundant, excess and obsolete fixed assets must be disposed of in a transparent, fair, and equitable manner.
- b) In general, assets that become too expensive to maintain or operate, unserviceable assets, surplus assets or those that would no longer support the service delivery requirements of a Department should be disposed of
- c) The accounting officer or delegated authority must appoint a disposal committee in writing
- d) In appointing the chairperson the AO or delegated authority must consider a director level or above for the chairperson
- e) The Disposal Committee should consist of five members, one of whom must be a Supply Chain Management practitioner.
- f) The Disposal Committee is responsible for assessing the assets that are earmarked for disposal due to redundancy, surplus, under-performance or unserviceability and making recommendations to the Accounting Officer in this regard.

- g) When considering recommendations the Disposal Committee must ensure that the institution has obtained optimal utilization from the asset.
- h) The committee shall dispose assets using the following methods of disposal;
  - i) Sale
    - I. Transfer
    - II. Donation
    - III. Destruction
- a) The Disposal Committee should meet on when the need arises basis, unless if there is a need to meet, to evaluate moveable assets identified for disposal.
- b) The quorum for a Disposal Committee meeting is three.
- c) Disposal of moveable assets must be at market related value and the disposal method applied must be the most advantageous to the Department.
- d) All moveable assets disposals irrespective of the mode of disposal should be approved by the accounting officer or delegated officials
- e) Provincial treasury approval will be sought for any disposal method that is not by way of price quotations, competitive bids, auction or transfer to institutions dealing with learning and education to ensure compliance with treasury regulations 16A7.1 and 16A7.7

## **20. DISPOSAL MANAGEMENT**

**20.1.** Disposal is the final phase when the Department needs to do away with the unserviceable, redundant or obsolete moveable assets.

## **21. DISPOSAL METHODS**

If disposal of any asset is approved, one of the following disposal methods must be followed:

- a) **Sale (Selling as scrap)**
  - I. In cases where assets have no use or sales value in its original form but the material it is made of is of value.

- II. The sale of scrap must always be cost effective.
- III. Anything that can be cost effectively removed and used as spare parts by the Department should be removed from items to be sold as scrap.

**b) Transfer to another government institution free of charge/Donation**

- I. This method entails transferring the movable assets to another government institution free of charge.
- II. Should this method be chosen, the reasons for disposing of the asset free of charge must be recorded and motivated by the Disposal Committee and specifically approved by the Accounting Officer or his/her delegate.
- III. The best interests of the State should be the deciding factor in all such cases.

**c) Destruction**

- a) Destruction of assets is undertaken when it is considered uneconomical to proceed with disposal by any other means.
- b) Destruction may be appropriate for items which no longer have a sale value.
- c) Factors to be considered when deciding whether to offer the goods for destruction include:
  - I. The items are not fit to be used anymore e.g. it is a health risk;
  - II. The items are valued at less than the cost of disposing of it through bids, price quotations or auctioning;
  - III. Neither the Department nor any other Department can be used the asset in its current form;
  - IV. The Department was unsuccessful in selling the items via price quotation / competitive bidding / auctioning; and
  - V. It is reasonable to believe the items will not attract bids.
- d) Destroying can either be by burying, dumping in an allocated dumpsite or any other means that has been proven to not adversely affect the environment and is not contrary to any law, bylaw or regulation.
- e) Moveable assets identified as hazardous should be disposed of in such a manner as to satisfy the requirements of the relevant acts, regulations and municipal by-laws.

## 22. REVENUE FROM DISPOSAL OF STATE ASSETS

- 22.1. All monies received from the sale of movable assets must be paid into the Provincial Revenue Fund in terms of section 22(1) of the PFMA, Act 1 of 1999 (as amended by Act 29 of 1999).
- 22.2. When assets are sold as scrap the correct SCOA codes needs to be applied to ensure that the value of assets disposed of as scrap can be accurately accounted for in the AFS.

## 23. HIGH RISK ASSETS

High risk assets may include items in one or more of the following categories:

- i. Portable and marketable and/or utilized for personal gain e.g. Camera, GPS, laptops.
- ii. Larger assets not easily transportable but readily marketable and/or utilized for personal gain e.g.: Medical Equipment
- iii. Assets repeatedly lost/stolen
- iv. Assets used in public roads and/or asset used under emergency circumstances e.g.: motor vehicle.
- v. Assets that may when not properly maintained cause injury or loss of life

## 24. THEFT/LOSSES

- a) The accounting officer must appoint a loss control committee that will be responsible for the investigations of all losses and make recommendations based on the outcomes of their investigations.
- b) In the case of the asset being stolen, the incident needs to be reported to the nearest police station within 24 hours of the incident and a case number obtained
- c) When it appears that a Department has suffered losses or damages through criminal acts or possible criminal acts or omissions, the matter must be reported, in writing to the accounting officer and the South African Police Service.

- d) All damages and losses through acts of community unrests or man-made disasters(e.g. fire) must be reported to the South African Police Services
- e) If liability can be determined the accounting officer must recover the value of the loss from the person(s) responsible
- f) Should the Department suffer a loss of assets through incompetence or negligence of third parties( e.g. security services company) the AO must recover the loss fully from the third party
- g) The custodian of the damaged/lost asset must report the matter to their immediate senior, asset controller and loss control officer at asset management unit.
- h) Asset losses through the acts committed by or omissions that equate to negligence by officials employed by a Department must be recovered from the official concerned using the recovery matrix.
- i) The Asset Controller must record the following information in the "Damaged/Lost Assets
  - I. Register
  - II. Date of the Incident
  - III. Cause of the incident,
  - IV. Nature of damage/loss,
  - V. Full description of the asset damaged/lost
  - VI. Asset number (if there is)
  - VII. Serial number of the asset,
  - VIII. Estimated value of damage/loss,
  - IX. Summary of action taken,
  - X. Steps taken to minimize re-occurrence of the incident,
  - XI. Description of any disciplinary action taken, and any other relevant details.

## **25.RESIGNATION OF EMPLOYEES**

**In the event of resignation, transfer of an official or termination of employment:**

- a) The employee's immediate supervisor must notify the Asset Controller, in writing, of any resignations/terminations;

- b) The Asset Controller must update the list of inventory allocated to that official who is resigning;
- c) Upon receipt of notification, the Asset Controller must issue the official with a "Return of Departmental Asset" form;
- d) The Asset Controller must ensure that the official completes the form and returns the laptop computer by no later than the last day the official will be present in the office;
- e) The Asset Controller must ensure that details provided on the "Return of Departmental Asset" form correspond with the physical laptop computer;
- f) The Asset Controller must ensure that the laptop computer is stored in a safe environment;
- g) The Asset Controller must forward the Return of Departmental Asset form to the Asset Management team at Head Office;
- h) The Asset Management team at Head Office must follow the relevant procedures to update the Asset register.

## **26. RECOVERY OF LOSSES/THEFT AND DAMAGE OF ASSETS**

- 26.1. Losses/theft/damages suffered by the Department because of an act committed or omitted by an official must be recovered from such an official if that official is liable for any cost incurred.
- 26.2. Damages/losses/missing of that asset will not be recoverable, only if and only if the responsible official can prove that such damage/loss- did not result from his/her negligence.
- 26.3. The accounting officer or his delegate shall determine the amount of the loss/theft or damage recoverable and in writing, request the official to pay the amount where negligence has been determined as cause of loss or damage.
- 26.4. A Department shall develop a recovery matrix as part of the loss policy or procedures to determine the recoverable amount based on the age of the asset and economic life;
- 26.5. The amount to be recovered will be based on the recovery matrix below:

<b>Asset Category</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6 and beyond</b>
<b>Computer Equipment</b>	100% of the Cost Price	75% of the Cost Price	50% of the Cost Price	25% of the Cost Price	15% of the Cost Price	10% of the Cost Price
<b>Furniture &amp; Office Equipment</b>	100% of the Cost Price	75% of the Cost Price	50% of the Cost Price	25% of the Cost Price	15% of the Cost Price	10% of the Cost Price
<b>Other Machinery &amp; Equipment</b>	100% of the Cost Price	75% of the Cost Price	50% of the Cost Price	25% of the Cost Price	15% of the Cost Price	10% of the Cost Price
<b>Transport Asset</b>	100% of the Cost Price	75% of the Cost Price	50% of the Cost Price	25% of the Cost Price	15% of the Cost Price	10% of the Cost Price
<b>Tablets &amp; Cellphones</b>	100% of the Cost Price	75% of the Cost Price	50% of the Cost Price	25% of the Cost Price	15% of the Cost Price	10% of the Cost Price

## 27. RECONCILIATIONS

- i. Monthly reconciliations between the asset register and the general ledger must be performed by the asset manager and approved by the head of finance or a delegated official.
- ii. Expenditure analysis in all general ledger accounts must be performed on a monthly basis to identify misallocation.
- iii. Copies of the monthly reconciliation with supporting documents must be submitted to provincial treasury on or before the 15<sup>th</sup> of every month.
- iv. Evidence of persistent misallocations must be reported to the CFO and the responsible manager in writing.

- v. A final reconciliation must be done at the end of the financial year between the trial balance and the asset register that will serve as an input to the asset notes in the financial statements.

## **28. MAINTAINING THE ASSET REGISTER**

### **28.1. Procedure**

- i. The Asset Management team at the Department must maintain record of all assets by means of Asset Register.
- ii. An accurate record must be kept of all acquisitions, transfers, movements, and disposals of assets.
- iii. The location and responsibility for the Department's asset must be able to be determined at any given time.
- iv. The Asset Management team for the Department is responsible for conducting quarterly asset verifications for all assets allocated to the Department and or institutions.

### **28.2. OBJECTIVE**

- i. To ensure and facilitate efficient asset management of all assets in the Departments.
- ii. To ensure compliance with the Public Finance Management Act (PFMA) and Treasury Regulations.
- iii. To ensure that a record is kept of all assets within the Department.
- iv. To ensure the efficient control and use of the Department's assets.
- v. The Asset Management Team for the Department is responsible for the maintenance of the asset register.
- vi. The District/Institution Asset Controllers are responsible for submitting accurate data to the Asset Management team in order that a record of all asset

acquisitions, transfers/moves and disposals of assets can be maintained on the Department's Asset Register.

### 28.3. PROCEDURE FOR UPDATING THE ASSET REGISTER

Procedure	Responsibility
<p>When a new asset is acquired the following data must be entered into the Asset Register:</p> <ol style="list-style-type: none"> <li>1) Asset Type and Description</li> <li>2) Asset number/barcode number</li> <li>3) Asset Cost</li> <li>4) Room allocation</li> <li>5) Serial number</li> <li>6) Date of acquisition</li> <li>7) Asset Category</li> <li>8) Depreciation rate</li> <li>9) Depreciation period</li> </ol>	<p>Asset Management Team at each Institution</p>
<p>An Asset Transfer / Move form is received each time a asset is permanently transferred / moved from one location (office) to a new location. The following data must be captured in the Asset Register:</p> <ol style="list-style-type: none"> <li>1) Room Barcode Number of old location</li> <li>2) Room Barcode Number of new location</li> <li>3) Asset Barcode Number</li> <li>4) Description of the asset</li> </ol>	<p>Asset Management Team at each Institution</p>
<p>Asset Disposal Request must be received whenever assets are disposed of. The following data must be entered into the Asset Register:</p> <ol style="list-style-type: none"> <li>1) Date requested</li> <li>2) Room Barcode Number</li> <li>3) Asset Barcode Number</li> <li>4) Cost Centre</li> </ol>	<p>Asset Controllers/ Asset Management Team at institutions</p>

<p>5) Reason for Disposal (e.g. lost, obsolete, unserviceable, surplus)</p> <p>6) Condition of the asset (serviceable or scrap)</p> <p>7) The amount, (if any), realized from the disposal</p>	
<p>A quarterly inventory must be taken of all assets owned by the Department. This inventory must include a verification of the existence of the assets and the location of the assets. An 'Asset Verification/Count' Certificate must be completed for the quarterly verification exercises</p> <p>A reconciliation of the asset inventory (physically verified assets) against the Asset Register maintained by the Department must be conducted quarterly.</p> <p>Following the asset inventory verification, a report must be issued. The following must be included:</p> <ol style="list-style-type: none"> <li>1) Assets physically found but not appearing on the Asset Inventory Sheet.</li> <li>2) Assets physically found but not bar-coded,</li> <li>3) Assets not physically found during the asset verification process,</li> <li>4) Assets physically found but in a different location to that recorded on the Assets Inventory Sheet.</li> <li>5) The variance between the Asset Register and the General Ledger.</li> <li>6) The physical condition of the asset</li> </ol> <p>All discrepancies reported must be resolved by the Asset Management team before the next quarterly asset inventory verification commences.</p>	<p>Asset Controllers/Asset Management Team at insitutions</p>

## **29. FINANCE LEASE ASSETS**

- 29.1. Where substantially all risks and rewards incidental to ownership are transferred to the Department when entering into an agreement of lease, a finance lease must be recognized.
- 29.2. A Department must maintain a register for all such assets.
- 29.3. All assets in the lease register must be supported by a respective contract.
- 29.4. When such contract expires the Department will follow normal disposal processes to dispose of such assets.

## **30. ACCEPTANCE OF DONATIONS**

- 30.1. All assets donated to the Department must be accepted by the accounting officer or delegated official with acceptance letter.
- 30.2. All donations must have source documents e.g.: donation letter, inventory of donated assets, invoices
- 30.3. After the donation have been accepted by the accounting officer such assets will then be captured into Departmental asset register.
- 30.4. If the donations does not have source documents like invoice then we have to apply fair valuation methodology for the assets to have cost in the asset register.

## **31. ASSETS UNDER INVESTIGATION**

- 31.1. At year end, Department must disclose the number and the amount of assets that are under investigation.
- 31.2. All assets under investigation should not be disclosed more than five (5) financial years.

## **32. FINANCIAL REPORTING**

- 32.1. A Department must reconcile the opening balance between the asset register and the annual report as well as current movements in their asset register.

- 32.2.** The reconciliation must show adjustments to opening balances as a result of prior errors where applicable.
- 32.3.** Reconciliation of current year movements must show additions.
- 32.4.** A lower level reconciliation of additions differentiating between cash and non-cash additions.
- 32.5.** Reconciliation of current year movements must show disposals.
- 32.6.** A lower level reconciliation disclosing assets written off.
- 32.7.** At year end, Department must disclose the number and the amount of assets that are under investigation as well as the number and value of assets that are subject to section 42 transfer.
- 32.8.** Sufficient portfolio of evidence for the reconciliations above must be available for audit purposes.

### **33. EXCLUSION LIST**

The assets in this list meets the definition of an asset fully, however due to the nature of their work it's difficult to keep trace or even to barcode such assets. The following asset will be excluded from the asset register and the notes to the financial statements:

- a) Chair plastic
- b) Foetal Doppler
- c) Laringo-Scope
- d) ENT set
- e) Trolley cleaning bucket
- f) Tools (forceps, drill, spanners, etc.)
- g) Step ladder
- h) Wheel barrow
- i) Wheel chair (for outpatient)
- j) HB meter
- k) Hand held BP Machine
- l) Autopsy saw
- m) Stand drip
- n) Letter tray
- o) Board writing white and board pin

p) Plastic table and chairs (for kiddies ward)

#### **34. ANNEXURES**

- a) **Annexure A: Asset Handing-Over Certificate**
- b) **Annexure B: Asset Allocation Form**
- c) **Annexure C: Asset Removal Form**
- d) **Annexure D: Asset Transfer Certificate**
- e) **Annexure E: Asset Verification Certificate**
- f) **Annexure F: Board of Survey Compliance Checklist**
- g) **Annexure G: Quarterly Spot-checks Certificate**
- h) **Annexure H: Description of Asset Item Required**
- i) **Annexure I: Disposal Certificate**
- j) **Annexure J: Disposal Form**
- k) **Annexure K: Loss Control Form**
- l) **Annexure L: Personal Allocation Form**
- m) **Annexure M: Asset Request Form**

### 35. MONITORING AND REVIEW OF POLICY

The Director / Deputy Director Asset Management will be responsible for the monitoring and reviewing of this policy. The policy will be reviewed after every three years in line with government legislation and other prescripts.

### 36. POLICY APPROVAL

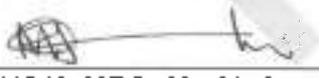
  
\_\_\_\_\_  
**Ms. Seipone Motlhamme**  
**Acting Chief Financial Officer: NWDoH**

20230731  
Date

*Recommended/ not recommended*  
  
\_\_\_\_\_  
**Mr O. E. Mongale**  
**Head of Department**

02/08/2023  
Date

*Approved/ not approved*

  
\_\_\_\_\_  
**HON. MEC. Mr. M. Sambatha**  
**North West Department of Health**

15/08/2023  
Date



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Mark  
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**Annexure: A**

**HANDING-OVER CERTIFICATE: ASSETS**

In terms of Section 38 of the Public Finance Management Act and Treasury Regulations

I \_\_\_\_\_ (full name and surname) - Custodian,  
Persal No \_\_\_\_\_ Hereby hand over the following asset/s

ASSET NUMBER	Asset Description	Serial Number	Model

Over to Asset Management Office \_\_\_\_\_ (full name and surname) - Asset Management Official, in good or not working condition on the \_\_\_\_\_ (Date)

**Reason for handing over:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature of official handing over: \_\_\_\_\_

Date: \_\_\_\_\_

Signature of receiving official: \_\_\_\_\_

Date: \_\_\_\_\_

Witness (Name and Surname): \_\_\_\_\_

Date: -

Signature: \_\_\_\_\_



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**Annexure B: ASSET ALLOCATION FORM**

ASSET NUMBER	Asset Description	Serial Number	Reason

**ISSUING UNIT:** \_\_\_\_\_

Issued By : \_\_\_\_\_  
Signature : \_\_\_\_\_

Location: \_\_\_\_\_  
Date : \_\_\_\_\_

**RECEIVING UNIT:** \_\_\_\_\_

Received By: \_\_\_\_\_  
Signature : \_\_\_\_\_

Location: \_\_\_\_\_  
Date : \_\_\_\_\_

**ASSET MANAGEMENT OFFICE:**

Updated By: \_\_\_\_\_

Date : \_\_\_\_\_

Asset Register Updated:  YES  NO

**NB:** By signing this Form \_\_\_\_\_ the official in possession of state-owned asset undertakes and accepts the responsibility of protecting such asset and shall be liable for any cost incurred from damage/loss of that asset, unless he/she can prove that such damage/loss did not result from his/her negligence



**health**

Department:  
Health  
North West Provincial Government  
REPUBLIC OF SOUTH AFRICA



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**ANNEXURE C: ASSET REMOVAL FORM**

ASSET REMOVAL FORM

**A. REMOVER'S DETAILS**

Full Names: .....  
Directorate: .....  
Persal/ID No: ..... Tel. No.: .....  
Signature: ..... Date: .....

**B. ASSET/S DETAILS:**

DESCRIPTION	SERIAL/REF NO.	QUANTITY	ASSET'S DESTINATION

**C. REASON FOR EQUIPMENT REMOVAL**

.....

**D. REMOVAL AUTHORIZATION PARTICULARS BY HOD/DELEGATE**

Full Names: .....  
Rank: .....  
Signature (Approval): .....  
Tel/Cells: ..... Date: .....  
Expected date of equipment return: .....

**E. SECURITY REMOVAL AUTHORIZATION PARTICULARS**

Security Official Full Names: .....  
Signature: ..... Date: ..... Time: .....

**DEPARTMENTAL  
STAMP**



**ANNEXURE D: ASSET TRANSFER CERTIFICATE**

**IT IS HEREBY CONFIRMED THAT ALL ASSET ITEMS HAVE BEEN VERIFIED, CHECKED, CONFIRMED IN GOOD ORDER FOR TRANSFER PURPOSE. SECTION 42 (1)-(3) OF THE PUBLIC FINANCE MANAGEMENT ACT, NO.1 OF 1999 AS AMENDED BY ACT NO.29 OF 1999, REQUIRES THAT BOTH THE ACCOUNTING OFFICERS OF THE TRANSFERRING AND RECEIVING DEPARTMENTS SIGN THE INVENTORY/TRANSFER CERTIFICATE WHEN TRANSFER TAKES PLACE.**

**Name of Transferring Department:** .....

**Signature of Transferring Director Asset & Inventory Management:**  
.....

**Signature of Transferring Chief Financial Officer:**  
.....

**Signature of Transferring Accounting Officer:**  
.....

**Name of Receiving Department:**  
.....

**Signature of Receiving Director Asset & Inventory Management:**  
.....

**Signature of Receiving Chief Financial Officer:**  
.....

**Signature of Receiving Accounting Officer:**  
.....

**TRANSFERRING DEPARTMENTAL STAMP:**

**RECEIVING DEPARTMENTAL STAMP:**



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**Annexure E: ASSET VERIFICATION CERTIFICATE: PERIOD: \_\_\_\_\_**

**It is hereby certified that:**

- A complete asset verification/count has been executed for all assets within the department (see attached detailed Asset Verification Report),
- Chairpersons and members of asset count/verification have been appointed in writing by outlining their responsibilities,
- The asset count/verification information submitted in the consolidated asset verification/count report is a true reflection of assets status within the department.

**REMARKS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Sign: \_\_\_\_\_ (DIRECTOR – ASSET MANAGEMENT)      Date: \_\_\_\_\_

**REMARKS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Sign: \_\_\_\_\_ (CHIEF FINANCIAL OFFICER)      Date: \_\_\_\_\_

**REMARKS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**ANNEXURE F: BOS COMPLIANCE CHECKLIST**

**N.B** This form is signed by Loss Control office to verify the requirement submitted for requirement in the checklist before the approval of disposal certificate is attended of the institution and submitted with the disposal certificate VA 27, requisition form, motivation letter for disposal including other relevant documents.

The application for requirements in this checklist must be checked/verify by officer responsible before submission to Provincial Head Office for approval, disregard to comply will result in the application not been processed.

Please circle the appropriate answer.

**SECTION A**

	<b>COMPLIANCE REQUIREMENTS</b>	<b>ITEMS</b>	<b>ANSWER</b>
1.	Items requested placed per family group	E.g.: IT equipment, domestic/office furniture-wooden, domestic/ office, furniture -steel, medical equipment, linen, other (e.g.: telephone handsets, letter trays, etc.)	Yes No
2.	Method of disposal indicated per disposal certificate and filled-in per requisition	Sell as scrap, Donation Burying Auction	Yes No
3.	Bar code no. /Item no. indicated		Yes No

4.	Item description stated on VA 27	Yes No
----	----------------------------------	-----------

**SECTION B**

	<b>COMPLIANCE REQUIREMENTS</b>	<b>ITEMS</b>	<b>ANSWER</b>
1.	Reference number indicated in disposal certificate		Yes No
2.	Certificate number indicated per requisition and per financial year		Yes No
3.	Condition and reason code indicated in the disposal certificate		Yes No
4.	Residual/Estimated value indicated in template		Yes No

.....  
  
**CHAIRPERSON BOARD OF SURVEY**

.....  
**ACCOUNTING OFFICER**

**STAMP**



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**Annexure G: QUARTELY SPOTCHECKS CERTIFICATE: PERIOD: \_\_\_\_\_**

**It is hereby certified that:**

- A complete quarterly spot-check has been executed for all assets within the directorate/sub-directorate **(see attached detailed report)**;
- Asset controller has been appointed in writing by outlining his/her responsibilities.
- The spot-check information submitted in the attached quarterly spot-check report is a true reflection of assets status within the directorate/sub-directorate.

**REMARKS: PROGRAMME MANAGER**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Sign: \_\_\_\_\_ (PROGRAMME MANAGER) Date: \_\_\_\_\_

**REMARKS: DIRECTOR ASSET AND INVENTORY MANAGEMENT**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Sign: \_\_\_\_\_ (DIRECTOR ASSET AND INVENTORY MANAGEMENT)  
Date: \_\_\_\_\_

**REMARKS: DEPUTY DIRECTOR ASSET AND INVENTORY MANAGEMENT**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Sign: \_\_\_\_\_ (DEPUTY DIRECTOR ASSET AND INVENTORY MANAGEMENT)  
Date: \_\_\_\_\_



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**ANNEXURE H: DESCRIPTION OF ASSET ITEMS REQUIRED (Attached list if necessary)**

Description	Quantity

**NOTE: ATTACH APPOINTMENT LETTER FOR NEW APPOINTEES**

Manager's Name: \_\_\_\_\_

Manager's Signature: \_\_\_\_\_

**ASSET AND INVENTORY MANAGEMENT DIRECTORATE**

**RECOMMENDATION TO ACQUIRE THE ASSET/S**

**REMARKS**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Asset Management Office: \_\_\_\_\_

Date: \_\_\_\_\_



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**ASSET AND INVENTORY MANAGEMENT**

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www.health.nwpg.gov.za

**ANNEXURE I: DISPOSAL CERTIFICATE**

**DISPOSAL COMMITTEE RECOMMENDATION**

**Method of Disposal:** \_\_\_\_\_

The undersigned recommend, confirm and certify that asset item (s) on the attached form (s) qualify for disposal.

**Examined & inspected by:** 1) \_\_\_\_\_ **Date:** \_\_\_\_\_

**Deputy Chairperson: Disposal Committee**

2) \_\_\_\_\_ **Date:** \_\_\_\_\_

**Member: Disposal Committee**

**Confirmed as Recommended/amended by:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Director: Asset MANAGEMENT**

**Certified as Confirmed by:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Chairperson: Disposal Committee**



**health**

Department:  
Health  
North West Provincial Government  
REPUBLIC OF SOUTH AFRICA



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**Annexure J: EXTERNAL TRANSFER/DISPOSAL FORM**

ASSET NUMBER	Asset Description	Serial Number	Disposal Reason

Condition  Utilized  Unserviceable  Redundant  obsolete

ISSUING UNIT: \_\_\_\_\_

Issued By : \_\_\_\_\_ Location: \_\_\_\_\_

Signature : \_\_\_\_\_ Date : \_\_\_\_\_

RECEIVING UNIT: \_\_\_\_\_

Received By: \_\_\_\_\_ Location: \_\_\_\_\_

Signature : \_\_\_\_\_ Date : \_\_\_\_\_

**ASSET MANAGEMENT OFFICE: DEPARTMENT OF HEALTH**

Authorized By: \_\_\_\_\_ Date : \_\_\_\_\_

Asset Register Updated:  YES  NO


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**ANNEXURE K: REPORT ON THE LOSS OF DEPARTMENTAL ASSET(S)**

**THIS FORM MUST BE COMPLETED BY THOSE WHO HAVE LOST A DEPARTMENTAL ASSET(S), ARE RESPONSIBLE FOR THE INVESTIGATION OF LOST STATE ASSETS, ARE WITNESSES TO A LOSS OF A STATE ASSETS, ARE PLAYING A MANAGEMENT OR SUPERVISORY ROLE TO THE OFFICIAL THAT HAS LOST A STATE ASSET**

**MASTER DATA**

<b>NAME</b>	<b>SURNAME</b>	<b>PERSONAL</b>
<b>DATE LOSS OCCURED/IDENTIFIED</b>	<b>DATE</b>	<b>AREA WHERE ASSET WAS LOST</b>
<b>DIRECTORATE</b>	<b>NAME OF SUPERVISOR</b>	<b>HEAD OF DIRECTORATE</b>
<b>DATE REPORTED TO SAPS</b>	<b>TIME</b>	<b>CASE NUMBER(ATTACH SAPS REPORT WITH SAPS STAMP)</b>
<b>COST OF THE ASSET</b>	<b>DESCRIPTION OF ASSET</b>	<b>ASSET NUMBER</b>
<b>FAIR VALUE</b>	<b>LATEST RECORDED CONDITION</b>	

**ACKNOWLEDGEMENT OF LIABILITY**

I....., hereby wish to accept liability for the departmental assets I have lost (see list below). I also confirm that I am doing this acknowledgement voluntarily, and would advise the department not to conduct any investigations regarding the loss as I will pay the full amount of the loss that has been suffered by the department.

**LIST OF ASSETS LOST (If Many an extract from the Asset Register May be attached)**

<u>Asset Number</u>	<u>Description</u>	<u>Serial Number</u>	<u>Date Acquired (to be obtained from AM)</u>	<u>Cost (to be obtained from AM)</u>

**HOW DID THE LOSS OCCUR**

.....

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**WERE THE LOST ASSETS IN A SAFE AND LOCKED AREA? (YES/NO) IF NOT GIVE REASONS**

.....

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.....

**HOW WAS ENTRY GAINED TO THE AREA WHERE YOU PUT THE ASSETS?**

.....

.....

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.....

.....

**DO YOU THINK THAT HAD YOU USED REASONABLY CARE AND DUE DILIGENCE THE LOSS WOULD HAVE NOT OCCURRED? (YES/NO) ELABORATE**

.....  
.....  
.....  
.....

**WERE YOU UNDER THE INFLUENCE OF DRUGS/ALCOHOL WHEN THE LOSS OCCURRED (YES/NO)**

.....

**WERE YOU ON OFFICIAL DUTY WHEN THE ASSET WAS LOST (YES/NO)**

.....

**WAS THERE PHYSICAL SECURITY IN THE AREA WHERE THE LOSS OCCURED? (SECURITY GUARDS, LOCKABLE DOORS AND FENCING)**

.....  
.....  
.....  
.....

**IS THERE A SECURITY COMPANY OR INSTITUTION THAT IS EMPLOYED TO ENSURE THE SAFETY OF OFFICIALS AND STATE RESOURCES WHERE THE LOSS OCCURED? IF YES PROVIDE A NAME OF THE COMPANY**

.....

**DID YOU REPORT THE LOSS TO THE SECURITY COMPANY?**

.....  
.....

.....

ID NO.....**DECLARE THAT THE ABOVE MENTIONED INFORMATIONS IS TRUE AND CORRECT**

SIGNED ON.....**DAY OF.....AT.....**

SIGNATURE.....







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**Annexure L: PERSONAL ASSET ALLOCATION SHEET**

Name of official: \_\_\_\_\_

Persal No: \_\_\_\_\_

ASSET NUMBER	Asset Description	Serial Number	Model

Reason for personal use: \_\_\_\_\_

Tel. No: \_\_\_\_\_

Directorate/Sub-directorate: \_\_\_\_\_

Date: \_\_\_\_\_

Signature : \_\_\_\_\_

Date: \_\_\_\_\_

Authorized By Line Manager (Name): \_\_\_\_\_

Signature : \_\_\_\_\_

Date: \_\_\_\_\_

**ASSET MANAGEMENT OFFICE:**

Approval by Asset Management Office (Name): \_\_\_\_\_

Signature : \_\_\_\_\_

Date: \_\_\_\_\_

**UPDATE ON PERSAL SYSTEM**

Updated By (Name): \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

**NB: By signing this Form the official in possession of state-owned asset undertakes and accepts the responsibility of protecting such asset and shall be liable for any cost incurred from damage/loss of that asset, unless he/she can prove that such damage/loss did not result from his/her negligence**



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**Annexure M: ASSET REQUEST FORM**

This template is used to request asset/s which includes IT equipment and office furniture. It also guide SCM office to complete acquisition plan and purchase such asset item/s accordingly. The applicant must complete it, authorized by the responsible Manager

**TO: SUPPLY CHAIN MANAGEMENT UNIT  
ASSET MANAGEMENT SECTION**

**DIRECTORATE:** \_\_\_\_\_

**APPLICANT NAME :** \_\_\_\_\_

**LOCATION** \_\_\_\_\_

**TELEPHONE NUMBER:** \_\_\_\_\_

**SIGNATURE :** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**(MUST BE COMPLETED IN PRINT OR TYPED)**

**ASSET REPLACEMENT (Attach IT Technical Report or Board of survey)**

Description	Quantity	Asset Number	Serial Number	Current Condition