

LESEDI LOCALMUNICIPALITY

STANDARD OPERATING PROCEDURES
FOR LOANS POLICY
(xxxxx)

NR	PROCEDURE	FREQUENCY	RESPONSIBLE PERSON
1	New Loans		
1.1	Create the necessary vote numbers for the new loans (series)	Upon new acquisition	Senior Clerk: Accounting
1.2	Provide Senior Clerk: Bank Recon with the necessary vote numbers as well as the expected time of transfer	Monthly	Senior Clerk: Accounting
1.3	Allocation of the received amount to the relevant vote number	Upon new acquisition	Senior Clerk: Bank Recon
2	Interest accrued		
2.1	Raise the interest for each loan	Monthly	Senior Clerk: Accounting
2.2	Check the balancing of the interest	Monthly	Senior Clerk: Accounting
2.3	Check the balancing on the loan register to the accounting system	Monthly	Accountant
3	Payment		
3.1	Prepare payment schedule according to the relevant loans for the capital portion and the interest portion	When loan repayment in due	Senior Clerk: Accounting
3.2	Prepare the Cheque or ELE requisition	When loan repayment in due	Senior Clerk: Accounting
3.3	Check the Balancing of the loan repayment	When loan repayment has been made	Senior Clerk: Accounting
3.4	Check the Balancing of the loan repayment	When loan repayment has been made	Accountant
4	Transfer out/in		
4.1	At year end, transfer out the short-term portion of the long-term loan.	Yearly	Senior Clerk: Accounting
4.2	At the beginning of the new financial year, transfer in the short-term portion of the long-term loan	Yearly	Senior Clerk: Accounting

APPROVAL OF SOP

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SIGNATURE : LINE MANAGER

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DATE

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SIGNATURE : HEAD OF DEPARTMENT

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DATE