The Accounting Officer

Tsantsabane Local Municipality

13 Springbok Street

Postmasburg

8420

Date: 29 November 2025

Reference: 21352REG24-25

Dear Sir

Report of the Auditor-General on the financial statements, annual performance report, compliance with legislation and other legal and regulatory requirements of Tsantsabane Local Municipality for the year ended 30 June 2025

1. The above-mentioned report of the Auditor-General is submitted herewith in terms of section 21(1) of the Public Audit Act No. 25 of 2004 (PAA) read in conjunction with section 188 of the Constitution of the Republic of South Africa section 126(3) of the Municipal Finance Management Act 56 of 2003 (MFMA)

2. We have not yet received the other information that will be included in the annual report with the audited financial statements and the annual performance report and have thus not been able to establish whether there are any inconsistencies between this information and the audited financial statements, the annual performance report or our report on compliance with legislation. You are requested to supply this information as soon as possible. Once this information is received it will be read and should any inconsistencies be identified these will be communicated to you and you will be requested to make the necessary corrections. Should the corrections not be made we will amend and reissue the audit report.

3. In terms of section 121(3) of the MFMA you are required to include the auditor's report in the municipality's annual report to be tabled.

4. Prior to printing or copying the annual report which will include the auditor's report you are required to do the following:

   - Submit the final printer's proof of the annual report to the relevant senior manager of the Auditor-General of South Africa for verification of the audit-related references in the auditor's report and for confirmation that the financial statements, annual performance report and other information are those documents that have been read and audited. Special care should be taken with the page references in your report, since an incorrect reference could have audit implications.

   - The signature *Auditor-General* in the handwriting of the auditor authorised to sign the audit report at the end of the hard copy of the audit report should be scanned in when preparing to print the report. This signature, as well as the place and date of signing and the Auditor-General of South Africa's logo, should appear at the end of the report, as in the hard copy that is provided to you. The official logo will be made available to you in electronic format.

5. Please notify the undersigned Business Unit Leader / Senior Manager well in advance of the date on which the annual report containing this audit report will be tabled.
6. The confidentiality of information obtained in an engagement must be observed at all times. In terms of section 50 of the PAA and the International Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants *(including International Independence Standards*), members of the staff of the Auditor General (AG), or an audit firm appointed in terms of section 25 of the PAA, may not disclose or make available any information obtained during an audit, other than the final auditor's report, to any third party without the permission of the AG or his/her delegate, unless this is to a legislature or internal committee of a legislature or a court in a criminal matter..
7. Until the steps described in paragraphs 2 and 4 of this document are completed and the annual report is tabled as required by section 127(2) of the MFMA, the audit report is not a final and public document and you are therefore requested to treat it as confidential.
8. Your cooperation to ensure that all these requirements are met would be much appreciated.

Kindly acknowledge receipt of this letter.

Yours sincerely

Signed

....
Dylan Priestley: Northern Cape

Enquiries: Moji Makamole
Telephone: 053 836 8800

Report of the auditor-general to the Northern Cape Provincial Legislature and the council on Tsantsabane Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of Tsantsabane Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement, and the statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Tsantsabane Local Municipality as at 30 June 2025, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practise (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (Dora).

Basis for qualified opinion

Property Plant and Equipment

3. The municipality did not correctly account for infrastructure in accordance with GRAP 17, Property, plant and equipment. Infrastructure assets were incorrectly classified as work-in-progress, while it was available for use. Consequently, infrastructure assets were understated by R15 044 719, and work in progress was overstated by the same amount.

4. Infrastructure was materially misstated by R3 980 917 due to the cumulative effect of individually immaterial uncorrected misstatements in the following items:

   - Infrastructure stated at R509 087 100 was overstated by R3 980 191.

   In addition, I was unable to obtain sufficient appropriate audit evidence and to confirm infrastructure by alternative means:

   - Infrastructure additions of R24 229 746 as included in the disclosed balance of R509 038 349.

Consequently, I was unable to determine whether any further adjustment was necessary to Infrastructure assets.

Investment Property

5. The municipality did not have adequate systems in place to account for investment property in accordance with GRAP 16, *Investment property*. Valuation of investment property was not consistent with the accounting policy of the municipality. Consequently, investment property was understated by R10 317 661, and fair value loss was overstated by the same amount. Additionally, there was an impact on the deficit for the period and on the accumulated surplus.

6. During 2024, the municipality did not have adequate systems in place to account for investment property in accordance with GRAP 16, *Investment property*. Occupied land that did not meet the recognition criteria for investment property was incorrectly classified as investment property. I was unable to determine the full extent of the understatement of investment property and fair value adjustment on investment property, as it was impracticable to do so. There was a resultant impact on the losses on disposal of capital assets. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability investment property for the current period.

Inventories

7. I was unable to obtain sufficient appropriate audit evidence regarding inventories, as supporting documentation for inventories was not submitted for audit. I was unable to confirm inventory by alternative means. Consequently, I was unable to confirm whether any adjustments were necessary to inventories stated at R11 251 814 (2024: R14 373 756) in note 2 to the financial statements.

Receivables from exchange transactions

8. The municipality did not correctly calculate allowance for impairment as per GRAP 104, *Financial instruments*. Consumers eligible for impairment were not impaired as per the municipality's debt write off policy. As a result, allowance for impairment was understated and service debtors was understated by R4 191 209.

9. During 2024, the municipality did not account for property rental debtors included in receivables from exchange transactions, as required by GRAP 9, Revenue from exchange transactions. As other debtors were incorrectly classified as property rental debtors. As a result, property rental debtors included in receivables from exchange transactions is overstated and other debtors understated by R5 144 623 in note 3 to the financial statements. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of property rental debtors for the current period.

Current Assets

10. During 2024, I was unable to obtain sufficient appropriate audit evidence regarding current assets, which had a material cumulative effect on current assets:

- Receivables from exchange transactions of R5 934 630 as included in the disclosed balance of R68 233 191.

- Vat receivable R13 508 232 as included in the disclosed balance of R68 233 191.

I was unable to confirm current assets by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to current assets.

Revenue from exchange transactions

11. The municipality did not recognise all revenue from exchange transactions relating to sale of electricity in accordance with GRAP 9, *Revenue from exchange transactions.* The municipality did not maintain adequate and complete records for services rendered to consumers. I was unable to determine the full extent of the understatement of sale of electricity included in service charges and receivables from exchange transactions, as it was impracticable to do so. In addition, I was unable to obtain sufficient appropriate audit evidence regarding sale of electricity included in service charges, as the meter reading were not provided. I was unable to confirm sale of electricity by alternative means. Consequently, I was unable to confirm whether any adjustments were necessary to service charges sale of electricity stated at R71 221 64 in note 22 to the financial statements.

12. The municipality did not recognise all revenue from exchange transactions relating to sale of water in accordance with GRAP 9, *Revenue from exchange transactions.* The municipality did not maintain adequate and complete records for services rendered to consumers. I was unable to determine the full extent of the understatement of sale of water included in service charges, as it was impracticable to do so. In addition, sale of water was understated by R1 889 343 due to differences identified in the general ledger and sales reports. Consequently, I was unable to determine whether any further adjustments were necessary to sale of water stated at R8 902 889 in note 22 of the financial statement. This also has an impact on the surplus for the period and on the accumulated surplus

13. The municipality did not recognise all revenue from exchange transactions relating to sale of electricity in accordance with GRAP 9, *Revenue from exchange transactions.* The municipality did not maintain adequate and complete records for services rendered to consumers, as prepaid electricity was not disclosed in the financial statements. I was unable to determine the full extent of the understatement of sale of electricity included in service charges, as it was impracticable to do so. Consequently, I was unable to determine whether any further adjustments were necessary to sale of electricity stated at R71 221 647 in note 22 of the financial statement.

14. During 2024, I was unable to obtain sufficient appropriate audit evidence regarding service charges included in revenue from exchange transactions, as the amount in the billing report for water and electricity services does not agree with the financial statements and supporting documentation for indigents was not submitted for audit. I was unable to confirm services charges revenue by alternative means. Consequently, I was unable to confirm whether any adjustments were necessary to service charges stated at R128 927 438 in note 22 to the financial statements.

Revenue from non-exchange transactions

15. I was unable to obtain sufficient appropriate audit evidence regarding transfers and subsidies, as supporting documentation for transfers and subsidies was not submitted for audit. I was

unable to confirm transfers and subsidies by alternative means. Consequently, I was unable to confirm whether any adjustments were necessary to transfers and subsidies stated at R39 634 867 in note 21 to the financial statements.

16. 18. The municipality did not have adequate systems to maintain records of property rates in accordance with GRAP 23, Revenue from non-exchange transactions, as the municipality used incorrect tariffs in calculating property rates. I was unable to determine the full extent of the understatement of property rates and receivables from non-exchange transactions, as it was impracticable to do so. Consequently, I was unable to determine whether any further adjustments were necessary to property rates stated at R32 584 900 in note 20 of the financial statement.

Inventory consumed

17. The municipality did not account for inventory consumed in accordance with GRAP 1, Presentation of financial statements. Inventory consumed was disclosed and presented as negative balances in the financial statements. Consequently, inventory consumed and payables from exchange transactions were understated by R6 280 503 (2024: R5 409 815). Additionally, I was unable to obtain sufficient appropriate audit evidence for the inventory, due to the status of the accounting records. I was unable to confirm the amount by alternative means. Consequently, I was unable to determine whether any adjustment to inventory consumed stated at R6 380 320 in note 3 to the financial statements was necessary.

18. During 2024, The municipality did not account for inventory consumed included in expenditure in accordance with Standards of GRAP 1, *Presentation of financial statements,* as inventory consumed included operational costs. As a result, inventory consumed included in expenditure were overstated and operational costs understated by R6 900 489. Additionally, I was unable to obtain sufficient appropriate audit evidence for inventory consumed included in expenditure for the current year due to the status of accounting records. Supporting documentation for journals was not provided for audit. I was unable to confirm inventory consumed included in expenditure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to inventory consumed, stated at R14 277 376 in note 34 to the financial statements. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of inventory consumed for the current period.

Finance Costs

19. During 2024, I was unable to obtain sufficient appropriate audit evidence for finance costs included in expenditure due to the status of accounting records. Supporting documentation for journals was not provided for audit. I was unable to confirm finance costs included in expenditure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to finance costs, stated at R42 739 926 in note 31 to the financial statements. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of finance costs for the current period.

Operational Costs

20. During 2024, I was unable to obtain sufficient appropriate audit evidence for operational cost included in expenditure due to the status of accounting records. Supporting documentation for journals was not provided for audit. I was unable to confirm operational costs included in expenditure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to operational costs, stated at R21 740 033 in note 36 to the financial statements. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of operational costs for the current period.

Contracted services

21. During 2024, The municipality did not account for contracted services included in expenditure in accordance with GRAP 1, *Presentation of financial statements*, as audit fees were included in contracted services. As a result, audit fees included in operational costs were understated and contracted services overstated by R4 449 242. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of contracted services for the current period.

Irregular Expenditure

22. The municipality did not disclose all the irregular expenditure in the notes to the financial statements, as required by section 125(2) (d) (I) of the MFMA. The municipality incurred expenditure in contravention of the supply chain management (SCM) requirements resulting in irregular expenditure being understated in the current and previous year. I was unable to determine the full extent of the understatement as it was impracticable to do so. Additionally, I was unable to obtain sufficient appropriate audit evidence regarding irregular expenditure, due to the status of the accounting records. I was unable to confirm the amount by alternative means. Consequently, I was unable to determine whether any adjustment to irregular expenditure stated at R92 786 246 (2024: R90 155 446) in note 42.3 to the financial statements was necessary.

Fruitless and wasteful expenditure

23. I was unable to obtain sufficient appropriate audit evidence for the opening balance of fruitless and wasteful expenditure, due to the status of the accounting records. I was unable to confirm the amount by alternative means. Consequently, I was unable to determine whether any adjustment to fruitless and wasteful expenditure stated at R212 027 092 in note 42.2 to the financial statements was necessary.

Unauthorised Expenditure

24. During 2024, the municipality incorrectly calculated unauthorised expenditure by not including actual expenditure per vote, resulting in unauthorised expenditure being overstated by R6 498 588. In addition, I was unable to obtain sufficient appropriate audit evidence for the opening balance of unauthorised expenditure due to the status of the accounting records. I could not

confirm these balances by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to unauthorised expenditure stated at R855 040 298 in note 42.1 to the financial statements.

Commitments

25. During 2024, Commitments were not accounted for in terms of GRAP 17, *Property, plant and equipment.* Commitments on capital assets in progress were not correctly calculated. Consequently, commitments were overstated by R6 931 716. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of commitments for the current period.

Net cashflows from operating activities

26. Net cash flows from operating activities were not correctly prepared and disclosed as required by, GRAP 2, *Cash flow statements.* This was due to multiple errors in determining cash flows from operating activities. I was not able to determine the full extent of the errors in the net cash flows from operating activities, as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments to cash flows from operating activities as stated at R27 360 048(2024: R31 549 574) in the financial statements were necessary.

Net cash flows from investing activities

27. During 2024, Net cash flows from investing activities were not correctly prepared and disclosed as required by, GRAP 2, *Cash flow statements.* This was due to multiple errors in determining cash flows from investing activities. I was not able to determine the full extent of the errors in the net cash flows from investing activities, as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments to cash flows from investing activities as stated at R11 758 437 in the financial statements were necessary.

Net cash flows from financing activities

28. During 2024, Net cash flows from financing activities were not correctly prepared and disclosed as required GRAP 2, *Cash flow statements.* This was due to multiple errors in determining cash flows from financing activities. I was not able to determine the full extent of the errors in the net cash flows from financing activities, as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments to cash flows from financing activities as stated at R7 643 255 in the financial statements was necessary.

Statement of comparison of budget and actual amounts

29. The municipality did not have adequate systems in place to properly account for budgeted amounts disclosed in the statement of comparison of budget and actual amounts in accordance with GRAP 24, *Presentation of budget information* in financial statements. I was unable to determine the full extent of the misstatement as it was impracticable to do so.

Segment reporting

30. The municipality did not calculate the segment report in accordance with the GRAP 18, *Segment reporting*. The municipality did not accurately disclose the amounts included in the segment report for the current year and prior year. Consequently, I was unable to determine whether any adjustments were necessary to segment reporting in note 61 of the financial statement.

Accounting by Principals and Agents

31. I was unable to obtain sufficient appropriate audit evidence for the accounting by principals and agents, due to the status of the accounting records. I was unable to confirm the amount by alternative means. Consequently, I was unable to determine whether any adjustment to accounting by principals and agents stated at R5 074 470 in note 59 to the financial statements was necessary.

Bulk Electricity Losses in terms of Section 125 (2)(d)(i) of the MFMA

32. I was unable to obtain sufficient appropriate audit evidence for the electricity losses, due to the status of the accounting records. I was unable to confirm the amount by alternative means. Consequently, I was unable to determine whether any adjustment to electricity losses stated at R16 862 110 in note 43.8 to the financial statements was necessary.

Going concern assessment

33. The municipality did not have adequate systems in place to disclose all events and conditions which may cast significant doubt on the municipality's ability to continue as a going concern, in accordance with GRAP 1, *Presentation of financial statements* as some conditions were not adequately disclosed and some were omitted and not disclosed in note 54 to the financial statements.

Correction of errors

34. I was unable to obtain sufficient appropriate audit evidence for those prior period errors disclosed in note 39 to the financial statements, relating to service charges, as supporting journals were not provided for audit purposes. I was unable to confirm these disclosures by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the prior period errors relating to services disclosed in the financial statements.

Context for opinion

35. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

36. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International Code of ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that

are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

37. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matter

38. I draw attention to the matter below. My opinion is not modified in respect of this matter.

41. As disclosed in note 43.8 to the financial statements, material water losses of R7 963 679 (2024: R21 721 014) was incurred, which represents 64.70% (2024: 79.92%) of total water purchased.

Other matters

39. I draw attention to the matters below. My opinion is not modified in respect of these matters.

40. The supplementary information set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

41. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

42. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and the Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

43. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

44. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

45. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page xx, forms part of my auditor's report.

Report on the annual performance report

46. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof; I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

47. I selected the following material performance indicators related to Basic Services and Infrastructure Development presented in the annual performance report for the year ended 30 June 2025. I selected those indicators that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

- Upgrade of internal roads. Graveled and sufaced 1.2km by 30 June 2025 at Pendoring Street
- % implementation of the Roads maintenance plan for Postdene, Boichoko, Town, Greenfield and Mountainview
- Compile and submit an annual report n stormwater operation and maintenance work undertaken.
- Compile and submit an annual report n stormwater operation and maintenance work undertaken.
- To complete the construction of 500m road at 5th Avenue by 30 June 2025
- To compile and submit monthly Reports on bulk water supply in Jehn Haven by 30 June 2025.
- Compile and submit a Report on funding of the new Waste Water Treatment work by 30 June 2025.
- To compile and submit annual reports on maintenance of electrical infrastructure by 30 June 2025.
- Connection of 519 household in Greenfields by 30 June 2025
- Project status report on the construction of 16 highmast light in Mountain view and Greenfield
- To compile and submit a schedule for household and refuse removal

- To compile and submit a Quarterly reports on landfill sites and waste management facilities to comply with licensing requirements by 30 June 2025
- To compile and submit a quarterly report on interventions implemented for illegal dumping within communities by 30 June 2025
- Quarterly report on the progress made on the cleaning and greening of entrances and maintenance of parks
- To compile and submit an annual report on the implementation & performance of the animal pond scheme.
- Quarterly reports on the operation and maintenance of cemeteries services provided.
- Compile and submit a progress report on the % funding received for the upgrading of community halls Skeyfontein; Newtown ; Postdene and Boichoko and Townhall.
- Reports on usage of public facilities (Halls;Parks;Showground)
- Compile and submit an annual report on the upgrading of Postdene Sport facilities by 30 June 2025

48. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

49. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner

- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

50. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

51. The material findings on the reported performance information for the selected material indicators are as follows:

Various indicators

52. The targets in the annual performance report differed from those committed to in the approved revised planning documents. These changes were made without obtaining the required approval, which undermines transparency and accountability.

Approved indicator	Approved target	Reported target
Upgrade of internal roads. Graveled and sufaced 1.2km by 30 June 2025 at Pendoring Street	1 x Annual Report	1.2 KM
% implementation of the Roads maintenance plan for Postdene, Boichoko, Town, Greenfield and Mountainview	1 x Annual Report	90%
To complete the construction of 500m road at 5th Avenue by 30 June 2025	1 x Annual Report	500m
Connection of 519 household in Greenfields by 30 June 2025	1 x Annual Report	100%
Project status report on the construction of 16 highmast light in Mountain view and Greenfield	1 x Report	100%
To compile and submit a schedule for household and refuse removal	4 x reports	1
Quarterly reports on the operation and maintenance of cemeteries services provided.	1 x Annual Report	4
Compile and submit a progress report on the % funding received for the upgrading of community halls Skeyfontein; Newtown ; Postdene and Boichoko and Townhall	1 x Annual Report	100%

Various indicators

53. The targets below do not relate directly to their indicators. This makes it difficult to plan for the achievement of the indicator. Consequently, the reported achievements do not provide useful information on the achievement of the indicators, and the irrelevant targets hinder appropriate planning for the achievement of the indicators

Indicator	Planned target
Upgrade of internal roads. Graveled and sufaced 1.2km by 30 June 2025 at Pendoring Street	1 x Annual Report

% implementation of the Roads maintenance plan for Postdene, Boichoko, Town, Greenfield and Mountainview	1 x Annual Report
To complete the construction of 500m road at 5th Avenue by 30 June 2025	1 x Annual Report
Connection of 519 household in Greenfields by 30 June 2025	1 x Annual Report
Project status report on the construction of 16 highmast light in Mountain view and Greenfield	1 x Report
To compile and submit a schedule for household and refuse removal	4 x reports

Various indicators

54. Measures taken to improve performance against underachieved targets were not reported in the annual performance report. Information was thus not provided to help with understanding the actions taken by the municipality to address performance gaps and for assessing the effectiveness of strategies to improve future performance against targets.

Indicator	Planned target
To compile and submit monthly Reports on bulk water supply in Jehn Haven by 30 June 2025	12 x monthly Reports
Connection of 519 household in Greenfields by 30 June 2025	1 x Annual Report
Project status report on the construction of 16 high mast light in Mountain view and Greenfield	1 x Report
To compile and submit a schedule for household and refuse removal	4 x reports
To compile and submit a Quarterly reports on landfill sites and waste management facilities to comply with licensing requirements by 30 June 2025	4 x reports
To compile and submit an annual report on the implementation & performance of the animal pond scheme.	1 x Report
Reports on usage of public facilities(Halls;Parks;Showground)	12 x monthly Report

Various indicators

55. I could not determine the accuracy of various reported achievements, as the indicators were not well defined and adequate supporting evidence to clarify the methods and processes for measuring achievement were not provided. Consequently, the reported achievements might be more or less than reported and were not reliable for determining if the targets have been achieved.

Indicator	Target	Reported achievement
To compile and submit a schedule for household and refuse removal	4 x reports	1
To compile and submit a Quarterly reports on landfill	4 x reports	0

sites and waste management facilities to comply with licensing requirements by 30 June 2025		
To compile and submit a quarterly report on interventions implemented for illegal dumping within communities by 30 June 2025	4 x reports	4
Quarterly report on the progress made on the cleaning and greening of entrances and maintenance of parks	4 x reports	4
To compile and submit an annual report on the implementation & performance of the animal pond scheme.	1 x Report	0
Quarterly reports on the operation and maintenance of cemeteries services provided.	1 x Annual Report	4
Compile and submit a progress report on the % funding received for the upgrading of community halls Skeyfontein; Newtown ; Postdene and Boichoko and Townhall	1 x Annual Report	100%
Reports on usage of public facilities(Halls;Parks;Showground)	12 x monthly Report	0

Other matters

56. I draw attention to the matters below.

Achievement of planned targets

57. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

58. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages xx to xx.

Basic Services and Infrastructure Development

Targets achieved: 69%		
Key service delivery indicator not achieved	**Reported target**	**Reported achievement**

Connection of 519 household in Greenfields by 30 June 2025	100%	85%
Project status report on the construction of 16 high mast lights in mountain view and Greenfield	100%	10%
To compile and submit monthly Reports on bulk water supply in Jehn Haven by 30 June 2025	12	0
To compile and submit a Quarterly reports on landfill sites and waste management facilities to comply with licensing requirements by 30 June 2025	4	0
To compile and submit an annual report on the implementation & performance of the animal pond scheme.	1	0
Reports on usage of public facilities(Halls;Parks;Showground)	12	0

Material misstatements

59. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Basic Services and Infrastructure Development. Management did not correct all of the misstatements and I reported material findings in this regard.

Report on compliance with legislation

60. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

61. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

62. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

63. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements, performance reports and annual reports

64. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current assets, liabilities, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

65. The 2023/24 annual report was not tabled in the municipal council after the end of the financial year, as required by section 127(2) of the MFMA.

Asset management

66. An adequate management, accounting and information system which accounts for assets was not in place, as required by section 63(2)(a) of the MFMA.

Consequence management

67. Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.

68. Irregular expenditure and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Expenditure management

69. Reasonable steps were taken to ensure that money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

70. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the irregular expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance in the procurement process.

71. Reasonable steps were not taken to prevent fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the fruitless and wasteful expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed fruitless and wasteful expenditure was caused by interest on overdue accounts and penalties.

72. Reasonable steps were not taken to prevent unauthorised expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the unauthorised expenditure incurred as indicated in the basis for qualification paragraph. The majority of the disclosed unauthorised expenditure was caused by overspending on the approved budget.

Human resource management

73. The auditee did not conduct reference checks and personal credential verification for newly appointed staff members, as required by regulation 19 of the Municipal Staff Regulations.

74. The municipal manager and senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the MSA.

75. The staff members did not enter into a performance agreement within the prescribed period, as required by regulation 35(1) of the Municipal Staff Regulations.

Procurement and contract management

76. Sufficient appropriate audit evidence could not be obtained that all contracts were awarded in accordance with the legislative requirements as the bids were not submitted for audit purposes.

77. Goods and services within the prescribed transaction values for formal written price quotations were procured without obtaining the required price quotations, in contravention of by SCM Regulation 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.

78. Sufficient appropriate audit evidence could not be obtained that written quotations were accepted from prospective providers who were on the list of accredited providers and met the listing requirements as prescribed by the SCM policy, in contravention of SCM Regulations 17(1)(a) and 17(1)(b).

79. Quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM Regulation 13(c). Similar non-compliance was also reported in the prior year.

80. Quotations were accepted from bidders whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM regulation 43. Similar non-compliance was also reported in the prior year.

81. The preference point system was not applied for procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act. Similar non-compliance was also reported in the prior year.

82. Sufficient appropriate audit evidence could not be obtained that construction contracts were awarded to contractors that were registered with the Construction Industry Development Board (CIDB) in accordance with section 18(1) of the CIDB Act.

83. Sufficient appropriate audit evidence could not be obtained that contracts were extended or modified with the approval of a properly delegated official as required by SCM Regulation 5.

84. Sufficient appropriate audit evidence could not be obtained that the performance of contractors or providers was monitored on a monthly basis as required by section 116(2) of the MFMA. Similar non-compliance was also reported in the prior year.

85. Sufficient appropriate audit evidence could not be obtained that contract performance and monitoring measures were in place to ensure effective contract management as required by section 116(2)(c)(ii) of the MFMA. Similar non-compliance was also reported in the prior year.

Revenue management

86. An effective system of internal control for revenue was not in place, as required by section 64(2)(f) of the MFMA.

87. Revenue due to the municipality was not calculated on a monthly basis, as required by section 64(2)(b) of the MFMA.

Strategic planning and performance management

88. The SDBIP for the year under review did not include monthly revenue projections by source of collection and the monthly operational and capital expenditure by vote, as required by section 1 of the MFMA.

89. Amendments to the IDP were made without making the proposed amendments available for public comment, as required by section 34(b) of the MSA and municipal planning and performance management regulation 3(4)(b).

90. Amendments to the IDP were made without consultation with the district municipality, as required by municipal planning and performance management regulation 3(6)(a).

91. The SDBIP was revised during the year without approval of the council following approval of an adjustments budget, as required by section 54(1)(c) of the MFMA.

92. The performance management system and related controls were not maintained as it did not describe how the performance planning, monitoring, measurement, review, reporting and improvement processes should be conducted, organised and managed, as required by municipal planning and performance management regulation 7(1).

Utilisation of conditional grants

93. I was unable to obtain sufficient appropriate audit evidence that the Water Services Infrastructure Grant was not spent for its intended purposes in accordance with the applicable grant framework, as required by section 16(1) of the Division of Revenue Act (Act 24 of 2024).

94. Performance in respect of programmes funded by the Integrated National Electrification Grant was not evaluated within two months after the end of the financial year, as required by section 12(5) of the Division of Revenue Act (Act 24 of 2024).

Oversight and Governance

95. The Internal Audit unit did not advise the accounting officer and/or did not report to the audit committee on the implementation of the internal audit plan on matters relating to risk management, as required by section 165(2)(b)(iv) of the MFMA.

96. The Internal Audit unit did not advise the accounting officer and did not report to the audit committee on the implementation of the internal audit plan on matters relating to performance management, as required by section 165(2)(b)(v) of the MFMA.

97. The Internal Audit unit did not advise the accounting officer and did not report to the audit committee on the implementation of the internal audit plan on matters relating to compliance with MFMA, DoRA, and any other applicable legislation, as required by section 165(2)(b)(vii) of the MFMA.

98. The internal audit plan did not include the assessment of the auditee's reliability of performance measurement in measuring performance against key performance indicators, as required by regulation 14(1)(b)(iii) on Municipal Planning and Performance Management.

The Internal Audit unit did not audit the results of performance measurements, as required by MSA 45(a).

Other information in the annual report

99. The accounting officer is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected material indicators in the scoped in development priorities presented in the annual performance report that have been specifically reported on in this auditor's report.

100. My opinion on the financial statements, and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

101. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped in development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

102. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

103. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

104. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

105. Management did no implement controls over daily and monthly processing and reconciling of transactions which resulted to material misstatements identified on the financial statements and annual performance report

106. Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.

107. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.

108. Management did not review and monitor compliance with applicable laws and regulations which resulted in material non compliance identified.

Material irregularities

109. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

Material irregularities identified during the audit

110. The material irregularities identified are as follows:

Significant deficiencies in the performance management system.

111. Regulation 7(1) of the Municipal Planning and Performance Regulations of 2001 states: "A municipality's performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players."

112. The above-mentioned legislation requires that the municipality should have a performance management system that entails processes of performance planning, monitoring, measurement, review, reporting to ensure reliable reporting of performance information, however for the past 5 years the municipality has failed to reliably report on performance information due to lack of processes for planning, monitoring, measurement, review and reporting. In this instance, the following was noted in the audits of the relevant financial years:

- 2019/20 and 2020/21 audits – The approved service delivery and budget implementation plan did not align to the annual performance report.

- 2021/22 audit – The reported achievements materially disagreed with the supporting evidence and some indicators were not consistent between the service delivery and budget implementation plan and the annual performance report.

- 2022/23 audit – A comparison of performance of the year and previous year was not included in the annual performance report. No evidence was provided to confirm that processes had been established to consistently measure and reliably report on indicators.

- 2023/24 audit – Quarterly performance reports were not prepared and submitted for audit, indicators in the service delivery and budget implementation plan lacked definitions and technical descriptions, management could not explain processes for performance planning, monitoring, measurement, review and reporting while the team was obtaining the understanding of the business process during planning of the audit.
- No methods, verification and process in place to measure achievements were included in the performance documents including the service delivery and budget implementation plan and annual performance report and management was unable to provide such information to the team. Portfolio of evidence for some of the indicators reported was not provided for audit and where the portfolio of evidence was submitted, it materially disagreed with what is reported in the annual performance report. No evaluation of the progress included in the annual performance report to measure improvements.

113. The non-compliance is likely to result in substantial harm to the municipality. This is the result of the municipality's inability to perform its governance, performance planning, monitoring and oversight functions at management and council level. The lack of credible performance information on basic services and other primary functions, severely impacts the ability of the municipality and the extended accountability ecosystem to execute their management, accountability, oversight and governance functions due to incorrect and unreliable data that is used to inform various decisions in these processes.

114. The accounting officer was notified of the material irregularity on 07 May 2025 and invited to make a written submission on the actions taken and that will be taken to address the matter. The following actions were taken to address the material irregularity:

- The service delivery and budget implementation plan was reviewed with the integrated development plan and the Budget unit.

- A workshop was held with key performance indicator owners to verify the accuracy of outputs and evidence for each indicator.

115. The following further actions were planned to address the material irregularity:

- The service delivery and budget implementation plan would be measured, and evidence checklists would be compiled to ensure completeness.

- The annual performance report would report on the output of each indicator and deliverable.

- The indicator framework would be strengthened. All performance indicators would be redesigned to align with the SMART principle for the new financial year.

- Planning alignment would be improved to ensure coherence between the integrated development plan, service delivery and budget implementation plan, and performance targets.

- Oversight and accountability would be enhanced to empower the audit committee, municipal public accounts committee and internal audit units to perform effective reviews.

- Reporting tools would be standardised to introduce templates and digital tools to support reliable data collection.

116. I followed up on these actions it was noted that -

- The approved service delivery and budget implementation plan did not align with the annual performance report.

- Quarterly performance reports were not prepared and submitted for audit.

- Supporting listing or registers were not submitted for audit purposes.

- For some indicators, there are no methods, verification, and processes in place to measure achievement.

117. I notified the accounting officer on 29 November 2025 of the following recommendations, which should be implemented by 29 April 2026 with a progress report within two (2) months:

- The non-compliance with Regulation 7(1) of the Municipal Planning and Performance Management Regulations, 2001 should be investigated to determine the reasons and circumstances that led to the non-compliance for the purpose of taking appropriate corrective actions and enhancing control weaknesses.

- Based on the reasons and circumstances, appropriate action should be taken to develop and commence with the implementation of an action plan to address the weaknesses in the performance management system and the poor record keeping so that full and proper records of the municipality's performance are kept in accordance with any prescribed norms and standards. The plan should include anticipated timeframes and address the following key areas as a minimum:

a) Development and implementation of technical indicator descriptions for key performance indicators.

b) Development and implementation of standard operating procedures that will describe how the municipality's processes of performance measurement, review, and reporting will be conducted, organised, and managed, including the roles of different role-players.

c) Maintaining an adequate and complete portfolio of evidence for reported performance.

118. I will follow-up on the implementation of recommendations at stipulated due.

Other reports

119. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

120. The Directorate for Priority Crime Investigations is investigating an alleged fraud and corruption case involving the municipality's procurement process for replacing its white fleet, specifically relating to the actions of the appointed supplier. The investigation was reported on 03 January 2020 and the expected date of finalisation is 30 December 2025.

Auditor General

Kimberley

29 November 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the municipality to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 165(1), 165(2)(a), 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii)

Legislation	Sections or regulations
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3), 26(5), 27(4)(a)(i)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1), 19, 31, 35(1)
MSA: Municipal Systems Regulations, 2001	Regulation: 43
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2),11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Municipal Finance Management Act 56 of 2003	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 165(1), 165(2)(a), 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)

Legislation	Sections or regulations
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3), 26(5), 27(4)(a)(i)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1), 19, 31, 35(1)
MSA: Municipal Systems Regulations, 2001	Regulation: 43
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2),11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)