

Report of the auditor-general to Limpopo Provincial Legislature and Council on Sekhukhune District Municipality

Report on the audit of the separate financial statements

Qualified opinion

1. I have audited the separate financial statements of the Sekhukhune District Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2022, the statement financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts 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 possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the separate financial statements present fairly, in all material respects, the financial position of the Sekhukhune District Municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA), and the Division of Revenue Act, 2021 (Act No. 9 of 2021) (DoRA).

Basis for qualified opinion

Property, Plant and Equipment

3. The municipality did not adequately review the useful lives of property, plant and equipment at the reporting date for current year and the prior year in accordance with GRAP 17, Property, plant and equipment. As a result, assets with an unquantified amount had a zero and approaching zero net carrying amount whilst still being in use. I was unable to determine the impact of the misstatement on the net carrying amount of property, plant and equipment of R 4 616 094 238 and depreciation of R116 366 974 as disclosed in the financial statements by alternative means as it was impracticable to do so. Additionally, there was a resultant impact on the surplus for the period and the accumulated surplus.

Prior year adjustments

4. I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figures for the current and previous year. As described in note 44 (2021: note 36) to the financial statements, the restatements were made to rectify previous year misstatements, but the restatements could not be substantiated by supporting audit evidence. I was unable to confirm the restatements by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the corresponding figures stated in the financial statements.

Commitments

5. During 2021, the municipality did not account for contractual commitments on certain work-in-progress projects as commitments in the annual financial statements, in accordance with GRAP 17, Property, plant and equipment. I was unable to confirm the commitments by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to commitments stated at R348 083 252 in the financial statements. As a result, my opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures.

Receivables from non-exchange transactions

6. Included in receivables from non-exchange transactions is R12 084 011 for sundry debtors. The municipality did not have adequate internal controls to maintain records of accounts for sundry debtors that the municipality is entitled to. Consequently, receivables from non-exchange transactions of R45 749 649 was overstated by R12 084 011 and contingent assets as disclosed in 41 is understated by R12 084 011.

Receivables from exchange transactions

7. Included in receivables from exchange transactions of R48 502 028 as disclosed in note 12 is an amount relating to allowance for impairment of water and waste water receivables amounting to R12 113 130. The municipality did not calculate the allowance for impairment of water and waste water receivables in accordance with the municipality's methodology. Consequently, receivables from exchange transactions is understated by R12 113 130 and allowance for impairment of water and waste water receivables is overstated by the same amount.

Net cash flows from operating activities

8. The municipality did not correctly prepare and disclose the net cash flows from operating activities as required by Standards of GRAP 2, *Cash flow statements*. I identified a difference of R60 665 274 between the net cash flows from operating activities and cash paid to suppliers and employees. Consequently, net cash flows from operating activities as stated at R494 618 395 in the financial statements, is misstated.

Irregular expenditure

9. The municipality made payments in contravention of the supply chain management requirements, resulting in irregular expenditure stated at R1 278 537 109 (2021: R1 201 749 911) in note 50 to the financial statements being understated by R76 787 198. As the municipality did not quantify the full extent of the irregular expenditure, it was impracticable to determine the resultant understatement of irregular expenditure as per note 50 to the financial statements.

Contingent assets

10. I was unable to obtain sufficient appropriate audit evidence for contingent assets. Adequate internal controls were not in place to account for contingent assets in the financial records. I

was unable to confirm the contingent assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to contingent assets stated at R30 033 808 in note 41 to the financial statements.

Statement of changes in net assets

11. The municipality did not correctly prepare and disclose the statement of net changes in assets. I identified a difference of R34 270 900 between the amount disclosed and the recalculated amount. Consequently, statement of net changes in assets as stated at R4 559 381 166 in the financial statements, is misstated.

Expenditure

12. Included in expenditure of R1 179 216 837 is an amount relating to expenditure not incurred in the current year amounting to R78 243 533. The municipality did not have adequate systems in place to account for expenses in the correct accounting period. Consequently, expenditure is overstated by R78 243 533 and payables from exchange transactions is misstated. Additionally, there was a resultant impact on surplus for the year and accumulated surplus.

Provisions

13. I was unable to obtain sufficient appropriate audit evidence for various leave days taken. Adequate internal controls were not in place as there were no supporting documents for leave days taken. I was unable to confirm the leave days taken by alternative means. I was unable to confirm the leave days taken by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to provision for leave stated at R52 078 000 in note 15 to the financial statements

Context for the opinion

14. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
15. 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.
16. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

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

Contingent Liabilities

18. With reference to note 41 to the financial statements, the municipality is a defendant in various legal claims involving individuals and companies. The municipality is opposing these claims. The ultimate outcome of these matters could not be determined and no provision for any liability that may result was made in the financial statements.

Material losses (water distribution)

19. As disclosed in note 51 to the annual financial statements, material water losses to the amount of R56 783 022 (2020-21: R90 751 416) was incurred.

Other matter

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

Unaudited supplementary schedules

21. 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

Responsibilities of the accounting officer's for the financial statements

22. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with Generally Recognised Accounting Practice and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA), and for such internal control as the accounting officer determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.
23. In preparing the financial statements, the accounting officer is responsible for assessing the Sekhukhune District 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.

Auditor-general's responsibilities for the audit of the financial statements

24. 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.
25. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Introduction and scope

- 26. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
- 27. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality’s approved performance planning documents. I have not evaluated the completeness and appropriateness of the -performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
- 28. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priorities presented in the municipality’s annual performance report for the year ended 30 June 2022:

Development priorities	Pages in the annual performance report
Development priority 1 – Basic Service Delivery	x – x

- 29. I performed procedures to determine whether the reported performance information [was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
- 30. The material findings in respect of the usefulness and reliability of the selected development priorities are as follows:

Development Priority 1 – Basic Service Delivery

- 31. The achievements below were reported in the annual performance report for the listed indicators. However, some supporting evidence provided materially differed from the reported achievement, while in other instances I was unable to obtain sufficient appropriate audit evidence. This was due to the lack of accurate and complete records. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to these reported achievements.

Indicator description	Reported achievement
Number of VIP units constructed (Fetakgomo VIP backlog programme phase 2 , 3)	279 VIP units constructed
Number of VIP units constructed (Ephraim Mogale VIP backlog programme phase 2 , 3)	747 VIP units constructed
Number of VIP units to be constructed (Makhuduthamaga VIP backlog programme)	1535 VIP units completed
Number of VIP sanitation units to be constructed (Elias Motsoaledi VIP backlog programme phase 2,3)	2066 VIP sanitation units to be constructed
Number of VIP sanitation units constructed (Tubatse VIP backlog programme phase 2, 3)	1731 VIP sanitation units to be constructed

Performance indicators were not well-defined, targets were not specific and measurable

32. The planned targets for the indicators were not specific in clearly identifying the nature and required level of performance and measurable.

Indicator	Planned target
Number of VIP units constructed(Fetakgomo VIP Backlog programme phase 2 , 3)	500 VIP units constructed
Number of VIP units constructed(Ephraim Mogale VIP Backlog programme phase 2 , 3)	958 VIP units constructed
Number of VIP units to be constructed (Makhuduthamaga VIP Backlog programme)	2300 VIP units constructed
Number of VIP sanitation units to be constructed (Elias Motsoaledi VIP Backlog Programme (Phase 2,3)	2100 VIP units constructed
Number of VIP sanitation units constructed (Tubatse VIP Backlog Programme (Phase 2,3)	2000 VIP units constructed
Number of Kilometres of bulk pipeline constructed. Number of kilometers of Reticulation. Number of Standpipes constructed. Number of Water Meters Installed Number of boreholes equipped (De Hoop/Nebo Plateau/Schoonoord Water Scheme Villages: Makgeru, Ga Ratau & Matekane)	6 Kilometres of bulk pipeline constructed. 72 kilometers of Reticulation. 850 Standpipes constructed. 850 Water Meters Installed Equipping of two boreholes.

Kilometers of bulk line constructed Kilometers of reticulation constructed number of yard connection Number of steel tanks erected. Number of concrete reservoirs constructed. Number of pumphouses constructed. Number of boreholes refurbished.(Motlailana, Makgemeng Water Supply)	5,16 Kilometers for bulk line constructed 36,87 Kilometers of reticulation constructed 520 yard connection. 1x steel tank erected. 0 x concrete reservoirs constructed. 4 pumphouses constructed. 4 boreholes refurbished)
Number of kilometers of network constructed and water meters installed (Tukakgomo RDP section Borehole)	7km of water distribution network constructed and 735 water meters installed
Number of kilometres of rising main and storage tank installed (Phokwane/Brooklyn water supply)	3 kilometres of rising main and 1 elevated tank
Number of kilometres of network constructed and stand pipes and storage tank installed(Laerdrift water supply intervention)	8km reticulation network constructed, 22 communal stand pipes and 1 storage tank installed
Number of Kilometers of pipeline constructed and protection of abstraction point and sealing of reservoir (Nkosini water supply & package plant)	3.5km of pipeline constructed and 1 protection of abstraction and sealing of 1 reservoir
Number of kilometres of bulk pipeline and package plant constructed (Construction of Mooihoek bulk water supply phase G1,1)	Construction of 3 Kilometres of bulk water supply pipeline. Construction of 1 package plant type clarifier
Number of mechanical and electrical (M&E) componets installed for the extentions to Groblersdal water treatment works and pump station(Moutse BWS project 13 &14)	2 mechanical and Electrical (M & E) components installed for the extensions to the Groblersdal Water Treatment Works and pump station

Reported targets were not consistent when compared with planned targets

33. The reported target did not agree with the planned target as per approved in service delivery agreement.

Indicator	Reported targets	Planned Targets
Number of Command reservoir tested and commissioned (Ga Maphoha Command reservoir)	1 command reservoir tested and commissioned	Testing and commissioning of the command reservoir

Number of borehole drilled and equipped (Legolaneng Water Supply)	1 borehole drilled and equipped connect to existing reticulation network as per the	2 equipping of 2 drilled borehole, construction of pump house and
Number of steel tank installed (Brooklyn water supply)	1 steel tank installed	Installation of pump system at Brooklyn 1x borehole and construct a 2km pipeline and 50kl storage tanks
Number of borehole installed and equipped (Polaseng Water intervention)	1 borehole drilled and equipped	1 equipping of existing 1 borehole, installation of Jojo tank and construction pipeline distribution infrastructure electric connection
Number of borehole drilled and equipped and steel tank installed (Mahlokwenwa (Malaeneng) water intervention)	1 borehole drilled and equipped and 1 steel tank installed	Equipping of existing 1 x borehole, installation of Jojo tank
Number of borehole equipped and pipeline distribution installed (Kgotlopong water intervention)	Borehole drilled and equipped and 1 pipeline distribution installed did not agree with the planned target of	Equipping of existing borehole, installation of Jojo tank and construction pipeline infrastructure, electric connection as per the approved in service delivery agreement.
Number of borehole drilled and equipped and pipeline distribution installed (Tshikanoshi Water Supply)	1 borehole drilled and equipped and 1 pipeline distribution installed	equip three drilled boreholes, energise and connect to the existing infrastructure
Number of borehole equipped and pipeline distribution installed (Sephaku Water Supply)	1 borehole drilled and equipped and 1 pipeline distribution installed	Equip three drilled boreholes, energise and connect to the existing infrastructure
Number of borehole equipped and pipeline distribution installed (Eenzaam Water Supply)	1 borehole drilled and equipped and 1 pipeline distribution installed	Connect a high yield 1 x borehole and construct a 3km bulk pipeline to the existing infrastructure

Various indicators

34. The achievements reported in the annual performance report materially differed from the supporting evidence provided for the indicators listed below:

Indicator description	Reported achievement
Kilometers of bulk line constructed	0,5 Kilometers for bulk line constructed
Kilometers of reticulation constructed	44,6 Kilometers of reticulation constructed.
number of yard connection	0 yard connection.
Number of steel tanks erected.	1x steel tank erected.

Number of concrete reservoirs constructed.	0 x concrete reservoirs constructed.
Number of pump houses constructed.	4 pump houses constructed.
Number of boreholes refurbished. (Motlailana, Makgemeng Water Supply)	4 boreholes refurbished
Number of borehole installed and equipped (Polaseng Water intervention)	1 Borehole drilled and equipped
Number of Kilometres of bulk pipeline constructed.	6 Kilometres of bulk pipeline constructed.
Number of Kilometers of reticulation.	76,890 Kilometers of Reticulation.
Number of Standpipes constructed.	1285 Standpipes constructed.
Number of Water Meters Installed	1285 Water Meters Installed
Number of boreholes equipped. (De Hoop/Nebo Plateau/Schoonoord Water Scheme Villages: Makgeru, Ga Ratau and Matekane)	Equipping of 2 boreholes.
Number of Kilometres of bulk pipeline constructed Number of reservoir completed (NSD07 Regional Water Scheme Construction of Concrete Reservoirs)	0,1 Kilometres of bulk pipeline constructed, 0 reservoirs completed

Other matter

35. I draw attention to the matter below.

Achievement of planned targets

36. Refer to the annual performance report on pages ... to ... for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs x to x of this report.

Report on the audit of compliance with legislation

Introduction and scope

37. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters

in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

38. The material findings on compliance with specific matters in key legislation are as follows:

Financial statements, performance reports and annual report.

39. 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 identified by the auditors in the submitted financial statements were not adequately corrected, which resulted in the financial statements receiving a qualified audit opinion.

Expenditure management

40. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R10 166 818 as disclosed in note 49 to the annual financial statements, in contravention of section 62(1) (d) of the MFMA. This was incurred as a result of demolishing MIG: Carbonitites to Zaaiplaas due to defects on the structure constructed.
41. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R505 611, as disclosed in note 40 to the annual financial statements, in contravention of section 62(1) (d) of the MFMA.
42. Reasonable steps were not taken to prevent irregular expenditure amounting to R76 787 198 as disclosed in note 44 to the annual financial statements, as required by section 62(1) (d) of the MFMA
43. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA

Consequence management

44. 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.
45. Irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA .
46. Fruitless and wasteful expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA

Procurement and contract management

47. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of by SCM Regulation 17(1)(a) and (c).
48. Some of the 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).

49. Some of the contracts were not awarded in an economical manner as required by MFMA sec 62(1)(a).
50. Some of the contracts and quotations were awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of Preferential Procurement Policy Framework Act and 2017 Preferential Procurement Regulations 11. Similar non-compliance was also reported in the prior year.
51. The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.
52. Awards were made to providers who were in the service of other state institutions or whose directors / principal shareholders were in the service of other state institutions, in contravention of MFMA 112(1)(j) and SCM Regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM Regulation 38(1).
53. The preference point system was not applied some of the procurement of goods and services above R30 000 as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act. Similar non-compliance was also reported in the prior year.

Other information

54. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.
55. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
56. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

Internal control deficiencies

57. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

58. The matters above, as they relate to the basis for the qualified opinion, findings on the annual performance report and findings on compliance with legislation, will be summarised in the auditor's report as follows:
59. Although the leadership reviewed the annual financial statements and the annual performance report prior to their submission for audit, the internal control environment is not operating effectively as a number of misstatements were still identified .
60. There was no adequate review and monitoring of compliance with applicable laws and regulations.
61. There was no adequate review and monitoring of compliance with applicable laws and regulations.
62. The leadership did not have an adequate record keeping system to enable reliable reporting on performance achievement and retrieving of supporting information used to prepare the annual financial statements.

Other reports

63. I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. 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.
64. Attorneys were appointed to assist with the recovery of an amount of R22 210 223 previously paid to service providers for services not yet rendered (VIP sanitation projects), relating to the 2013-14 reporting period. The money paid to the service providers was still under investigation at the date of this audit report.
65. The municipality erroneously paid an amount of R5 452 014 into incorrect bank accounts during July 2018. As a result, investigations are being conducted by management to determine the liable parties.
66. The municipality paid an amount of R12 084 011 into an incorrect bank account during the 2018-19 financial year. As a result, investigations are being conducted by management to determine the liable parties.

67. Attorneys were appointed to assist with the investigations of R26 000 000 relating to the irregular appointment of eight service providers relating to covid-19 expenditure.

Auditor-General

Polokwane

30 November 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

1. 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 development priorities and on the municipality’s compliance with respect to the selected subject matters.

Financial statements

2. 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 by the accounting officer]
 - conclude on the appropriateness of the accounting officer’s 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 Sekhukhune District 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 a 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

3. 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.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to 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.