

# Report of the auditor-general to the Northern Cape Provincial Legislature and the council on Pixley-ka-Seme District Municipality

## Report on the audit of the financial statements

### Opinion

1. I have audited the financial statements of Pixley-ka-Seme District 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 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, the financial statements present fairly, in all material respects, the financial position of Pixley-ka-Seme District Municipality as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with *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 opinion

3. 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.
4. 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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.
7. As disclosed in note 45 in the financial statements, which deals with the possible effects of the future implications of continuing deterioration in operational results on the municipality's prospects, performance, and cash flows. Management have also described how they plan to deal with these events and circumstances.

8. As disclosed in note 42 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2025.

### **Other matter**

9. I draw attention to the matter below. My opinion is not modified in respect of this matter.
10. 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**

11. 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.
12. 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**

13. 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.
14. 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

15. 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.
16. I selected the following material performance indicators related to monitor and support local municipalities to enhance service delivery 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.
- Report quarterly to council on shared services
  - Submit quarterly progress reports to the Portfolio Committee on the activities in the department including expenditure on all MIG projects of local municipalities in the district and infrastructure grants/allocations implemented by the district municipality
17. 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.
18. 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.

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

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

**Submit quarterly progress reports to the Portfolio Committee on the activities in the department including expenditure on all MIG projects of local municipalities in the district and infrastructure grants/allocations implemented by the district municipality**

21. An achievement of 5 was reported against a target of 4. I could not determine if the reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be less than reported.

**Report quarterly to council on shared services**

22. An achievement of 3 was reported against a target of 4. However, the audit evidence showed the actual achievement to be only 2. Consequently, the achievement against the target was lower than reported.

**Other matter**

23. I draw attention to the matter below.

**Achievement of planned targets**

24. 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.

25. The table that follows provides information on the achievement of planned targets and lists the key 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.

**Objective: Monitor and support local municipalities to enhance service delivery**

| <i>Targets achieved: 50%</i><br><i>Budget spent: 100%</i> |                |                      |
|-----------------------------------------------------------|----------------|----------------------|
| Key indicator not achieved                                | Planned target | Reported achievement |
| Report quarterly to council on Shared Services            | 4              | 3                    |

## Material misstatements

26. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Objective 4: Monitor and support local municipalities to enhance service delivery. Management did not correct all of the misstatements and I reported material findings in this regard.

## Report on compliance with legislation

27. 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.
28. 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.
29. 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.
30. 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

31. The financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of current assets, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified audit opinion.

## Expenditure management

32. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R7 984 139, as disclosed in note 32 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by expenditure not incurred in terms of an approved budget and within the limits of the amounts appropriated for the different votes in an approved budget or an adjustments budget.

33. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R711 493, as disclosed in note 33 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest charged on overdue accounts.
34. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The value of R2 262 144, as disclosed in note 34, is not complete as management was still in the process of quantifying the full extent of the irregular expenditure. The majority of the disclosed irregular expenditure was caused by non-compliance with supply chain management regulation prescripts.

#### **Procurement and contract management**

35. 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 limitation was also reported in the prior year.
36. 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 limitation was also reported in the prior year.

#### **Other information in the annual report**

37. 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 objectives presented in the annual performance report that have been specifically reported on in this auditor's report.
38. 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.
39. 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 objectives presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
40. 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

41. 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.
42. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for opinion, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
43. Leadership did not design and implement effective and adequate controls over transactions to be processed ensuring compliance with the applicable laws and regulations and spending within their budgetary limits. Internal systems and processes were ineffective in preventing material non-compliance including irregular, unauthorised, fruitless and wasteful expenditure.
44. The municipality's internal controls over financial and performance information were inadequate to ensure that transactions are recorded accurately and on a timely basis. These weaknesses adversely affected the reliability, accuracy, and completeness of the financial and performance reporting.
45. Leadership did not adequately strengthen the control environment to address previously reported deficiencies. My audit identified both new and repeat findings, indicating that key controls are not sufficiently institutionalised.

*Auditor General*

Kimberley

30 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 indicators in the scoped in objectives 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), 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| 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), 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)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 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), 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) |

| Legislation                                                                                                                 | Sections or regulations                                                                                                                                                                                                                                                                                                           |
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| 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)                                                                                                                                                                  |
| 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)                                                                                                                                                                                                                                                                                                        |

| Legislation                                | Sections or regulations                                                                                                                                   |
|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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)                                                                                               |