



**2022/2023**

**FINANCIAL YEAR**

**FINAL ANNUAL REPORT  
(2022/2023)**

January 2024

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## LIST OF ABBREVIATIONS & ACRONYMS

AGSA	Auditor General South Africa
ANC	African National Congress
AOPO	Audit of Predetermined Objectives
B-BBEE	
BTO	Budget and Treasury Office
CBD	Central Business District
CFO	Chief Executive Officer
CHDM	Chris Hani District Municipality
CIA	
COAF	Communication of audit finding
CoGTA	Cooperative Governance and Traditional Affairs
CPMD	
CWP	Community Works Programme
DA	Democratic Alliance
DEDEAT	Department of Economic Development, Environmental Affairs and Tourism
DEMAFO	
DoE	
DoL	
DORA	Division of Revenue Act
DSRAC	
EE	Employment Equity
EFF	Economic Freedom Fighters
EPMDS	
EPWP	Expanded Public Works Programme
FAR	
FBAE	Free Basic Alternative Energy
FBE	Free Basic Energy
FMG	Finance Management Grant
GIS	
GRAP	Generally Recognised Accounting Practice
HRM	Human Resource Management
ICT	Information and Communication Technology

# Contents

ID	Identity Document
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
INEP	Integrated National Electrification Programme
ITP	Integrated Transport plan
IWMP	Integrated Waste Management Plan
IYM	Intsika Yethu Municipality
KPA	Key Performance Area
KPI	key Performance Indicator
LG SETA	Local Government Sector Education & Training Authority
LLF	Local Labour Forum
LSDF	Local Spatial Development Framework
MDG	Millennium Development Goal
MDR	Municipal Disaster Grant
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MPAC	Municipal Public Accounts Committee
MSA	Municipal Systems Act
MSP	Master Systems Plan
MTSF	Medium Term Strategic Framework
MuniMEC	Municipalities and Members of the Executive Committee
NEMA	National Environmental Management Act
NLTA	National Land Transport Act
NQF	National Qualifications Framework
OHS	Occupational Health and Safety
OMM	
OTP	Office of the Premier
PAC	Pan African Congress
PMS	Performance Management System
POE	
PPE	Property, Plant and Equipment
PPR	
RDP	Reconstruction and Development Programme
SAMTRAC	Safety Management Training Course

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SASSA	South African Social Security Agency
SAYM	Southern African Youth Movement
SCM	Supply Chain Management
SDA	Skills Development Act
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprises
SPCA	Society for the Prevention of Cruelty to Animals
SPLUMA	Spatial Planning and Land Use Management Act
STI	Sexually Transmitted Infections
UDM	United Democratic Movement
UFW	
UIF	Unauthorised, Irregular & Fruitless
UIFW	Unauthorised, Irregular, Fruitless and Wasteful
WIP	

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## REVISED ANNUAL REPORT TEMPLATE

The purpose of this revised Annual Report template is to address the need expressed by a number of municipalities for assistance in the preparation and development of improved content and quality of Municipal Annual Reports. This template provides an update to the MFMA Circular No. 11, issued in January 2005.

This template effectively translates the legal framework requirements, concepts, and principles espoused in the White Paper on Local Government and Improving Government Performance into actionable measures. It reflects the ethos of public accountability and provides the necessary information for better monitoring and evaluation of government programmes to support policy decision-making. Moreover, it offers a comprehensive overview of municipal affairs by amalgamating Performance Report data mandated under the Municipal Systems Act (MSA) Section 46 with Annual Report data specified in both the MSA and the Municipal Finance Management Act (MFMA).

In its revised form, the template strengthens its impact by establishing vital connections with key municipal documents, including the Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP), Budget Reforms, In-year Reports, Annual Financial Statements, and Performance Management information. This integration of processes and formats ensures comprehensive coverage and coherence.

The revised template relates to the Medium Term Strategic Framework (MTSF), particularly through the IDP strategic objectives; the cross-cutting nature of services offered by different spheres of government; municipal service outcome indicators; and the contextual material as set out in Chapters 3, 4 and 5. It also provides information on good management practice in Chapter 4; risk management in Chapter 2; and Supply Chain Management in Chapter 5; and addresses the Auditor-General's Report, dealing with Financial and Performance Management arrangements in Chapter 6. This opens up greater possibilities for financial and non-financial comparisons between municipalities and improved value for money.

The revised template provides information on probity, including anti-corruption strategies; disclosure of financial interests by officials and councillors; disclosure of grants by external parties; and disclosure of loans and grants by municipalities. Furthermore, the appendices provide detailed insights, including disaggregated information on municipal wards, among others. Throughout the template, explanatory notes are included to assist compilers in understanding the diverse information requirements effectively.

The financial years contained in this template are explained as follows:

- Year -1: The previous financial year;
- Year 0: The financial year of reporting;
- Year 1: The following year, mostly requires future targets; and
- The other financial years will follow a similar sequence as explained above.

We wish to express our gratitude to the members of the Annual Report Reference Group, consisting of national, provincial, and municipal officials for their inputs and support throughout the development of this document.

# Preface

MFMA Implementation Unit, National Treasury

July 2012

# Chapter 1

## CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR’S FOREWORD

#### MAYOR’S FOREWORD

I take great pleasure in introducing the Final Annual Report for the 2022/2023 financial year. This Annual Report highlights the achievements and challenges experienced by the Intsika Yethu Municipality (IYM) during the year under review. The Municipality takes pride in serving the community as an extension of good governance and making decisions in the best interests of the people of Intsika Yethu. The report is honest about our challenges and achievements. I am confident that with the existing leadership and the collective wisdom of other political parties in the Council, as well as the Administration, these challenges are not insurmountable.

It is recognised that continued efforts must be made to maintain and improve performance in all areas. Every effort must be made to foster a culture of service delivery and to maintain and enhance sound fiscal and administrative functioning at all costs. We will endeavour to ensure that the Municipality continues to perform, while providing the community with the required and expected levels of service delivery, local economic development, infrastructure development, fiscal control and sustainability, and good governance across all spheres. Every effort will be made to meet and sustain community needs at all identified levels.

The Municipality's focus as an institution is guided and driven by the IDP, which is initially developed as a five (5) year plan aligned with the current term of office. This plan is revised and updated annually, taking into account current resources and detailing annual strategic objectives. The strategic goals and priorities are cascaded into the strategic and operational plans of all directorates, as well as related employee scorecards. By doing so, it ensures that continuous efforts are made at all times to achieve the required targets and desired outcomes.

The Municipality faces daily challenges due to inadequate infrastructure and limited financial resources, greatly impacting its capacity to provide and enhance its service delivery. These obstacles are apparent in its service delivery initiatives, prompting earnest efforts to enhance performance across all levels.

When striving to achieve service delivery targets and deliverables, it is imperative to consider the Municipality's financial performance alongside our ability to adhere to a comprehensive set of

# Chapter 1

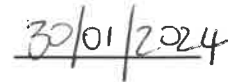
municipal legislation. This report aims to affirm the collaborative endeavours of the municipal Administration and Council in continuously addressing the expectations of our community. The IYM remains committed to being assessed by our capacity to fulfil the increasing requirements of our residents by providing quality services, fostering economic development, upholding fiscal discipline, ensuring efficient governance, and fostering the overall advancement of our municipality.

I extend my gratitude to our political leadership and dedicated staff, under the guidance of the Municipal Manager, for their unwavering commitment to maintaining administrative stability within our municipality.



**CLLR K. MDLELENI**

**MAYOR**



**DATE**

*T 1.0.1*

# Chapter 1

## COMPONENT B: EXECUTIVE SUMMARY

### 1.1. MUNICIPAL MANAGER'S OVERVIEW

#### MUNICIPAL MANAGER'S OVERVIEW

This Annual Report records the progress made by the IYM in fulfilling its objectives as reflected in the IDP, the Budget, and the SDBIP. It also reflects on challenges and priorities for 2022/23.

The year under review was significant for the IYM, marked by notable improvements and advancements in municipal services and activities, including:

- Meeting of statutory reporting frameworks
- Improved governance control and accountability
- Stabilisation of administration resulting in the establishment of a professional management team
- Improved intergovernmental relations and accountability
- Improved internal controls, both financial and non-financial, playing a role in the audit.

As the accounting officer of the municipality, this report is compiled in accordance with the Local Government: MSA, No. 32 of 2000; the Local Government: MFMA, No. 56 of 2003, as well as the National Treasury Circular (that outlines Annual Report guidelines).

The Municipality continues to uphold a robust financial position and performance, as evidenced by the **Unqualified Audit Opinion** received from the Auditor General (AG). The Municipality remains steadfast in implementing the audit action plan to ensure better results in the audit opinions. While the AG raised certain matters requiring attention, appropriate measures have been taken, and plans are in place to prevent their recurrence in the future.

The Municipality is in a strong financial position to withstand any future financial challenges that may arise. The Municipality's human resource team is well-equipped to address potential threats, as the employees work together as a cohesive unit and prioritise long-term goals.

On behalf of the Municipality, I would like to thank the members of the community for their active

# Chapter 1

participation in the outreaches and various programmes conducted by the Municipality throughout the year.

We have diligently worked towards achieving all milestones outlined by both the Municipality and Provincial Government, encompassing the IDP and Risk Management. Comprehensive risk assessment processes were undertaken, leading to the development of mitigating strategies to address key strategic risks identified and assessed. A detailed account of these strategic risks and their corresponding mitigation measures are presented in Chapter 2 of this document. The compilation of the Annual Financial Statements and Annual Report is not only aimed at aesthetic appeal but also serves as a valuable repository of information about the Municipality and its broader impact on Intsika Yethu.

The Office of the Municipal Manager expresses its sincere gratitude to the honourable Mayor and Council for their unwavering support in financial matters. We also extend our heartfelt thanks to all Heads of Departments and staff for their commitment and tireless efforts aimed at improving the lives of our communities.



**Mr. M. MABONO**

**MUNICIPAL MANAGER**

30/01/2024

**DATE**

T 1.1.1

# Chapter 1

## 1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### INTRODUCTION TO BACKGROUND DATA

The IYM is made up of two towns and villages: Cofimvaba, Tsomo, and 213 villages. The Municipality is located within Chris Hani District Municipality (CHDM) and is bordered by municipalities such as Sakhisizwe, Amahlathi, Mnquma, Emalahleni, and Enoch Mgijima. Cofimvaba and Tsomo are the main towns of the Municipality. The majority of the Municipality's inhabitants reside in rural villages scattered throughout the area. The Municipality prides itself on having the best agricultural resources in the country, with no fewer than three irrigation schemes: Ncora, Qamata, and Bilatye. The dominant home languages are isiXhosa and English. A large number of isiXhosa speakers can be found here.

IYM, with a population of 153 000, comprises 18, 2% of the total population in the CHDM, establishing itself as the most populous local municipality in 2016. Notably, the relative size of Intsika Yethu remained consistent compared to other regions from 2006 to 2016.

**T 1.2.1**

Table 1: Population by population group, gender, and age – IYM (2016) [Number]

Age	African		Coloured	
	Female	Male	Female	Male
00 – 04	8 760	9 310	20	27
05 – 09	9 130	9 640	20	29
10 – 14	7 880	8 650	27	25
15 – 19	6 630	7 920	20	29
20 – 24	5 690	6 930	26	37
25 – 29	4 990	6 560	16	22
30 – 34	4 350	4 880	6	22
35 – 39	3 720	3 730	13	7
40 – 44	3 070	2 020	9	15
45 – 49	3 090	1 680	15	17
50 – 54	3 660	1 920	14	5
55 – 59	4 270	2 220	11	12
60 – 64	3 810	2 320	12	15
65 – 69	2 960	2 220	1	11
70 – 74	2 540	1 770	6	12
75+	3 940	1 830	10	2
<b>Total</b>	<b>78 500</b>	<b>73 600</b>	<b>226</b>	<b>286</b>

# Chapter 1

Table 2: Population by levels of education

	Intsika Yethu	Chris Hani	Eastern Cape	National Total	Intsika Yethu as % of district municipality	Intsika Yethu as % of province	Intsika Yethu as % of national
No schooling	9 960	54 800	328 000	2 380 000	18,2%	3,0%	0,42%
Grade 0 – 2	3 250	18 800	123 000	712 000	17,3%	2,6%	0,46%
Grade 3 – 6	17 700	83 100	561 000	3 180 000	21,3%	3,2%	0,56%
Grade 7 – 9	23 300	115 000	934 000	6 030 000	20,3%	2,5%	0,39%
Grade 10 – 11	16 300	99 100	958 000	8 140 000	16,5%	1,7%	0,20%
Certificate / diploma without matric	193	1 860	14 500	176 000	10,4%	1,3%	0,11%
Matric only	10 000	78 000	841 000	10 100 000	12,9%	1,2%	0,10%
Matric certificate / diploma	2 450	19 300	184 000	1 960 000	12,7%	1,3%	0,12%
Matric Bachelor's degree	1 230	11 900	137 000	1 600 000	10,3%	0,9%	0,08%
Matric Postgrad degree	423	4 660	50 700	693 000	9,1%	0,8%	0,06%

Table 3: Literacy rate

	Illiterate	Literate	%
2006	42 666	52 993	55,4%
2007	41 187	54 934	57,2%
2008	39 625	56 998	59,0%
2009	38 322	58 870	60,6%
2010	37 198	60 383	61,9%
2011	35 926	61 763	63,2%
2012	35 001	62 554	64,1%
2013	34 204	63 531	65,0%
2014	33 539	64 626	65,8%
2015	32 951	65 803	66,6%
2016	32 836	66 700	67,0%
<b>Average Annual growth 2006–2016</b>			
	<b>-2,58%</b>	<b>2,33%</b>	<b>1,92%</b>

# Chapter 1

Demographics		2011		2016	
	Number	Percent	Number	Percent	
Population	151 587		152 159		0.1
Population growth					
Population profile					
Black African	150 713	99.4	151 825	99.8	
Coloured	343	0.2	152	0.1	
Indian or Asian	186	0.1	67	0.0	
White	164	0.1	15	0.0	
Population density					
Population by home language					
Afrikaans	679	0.5	214	0.1	
English	2 261	1.5	255	0.2	
IsiXhosa	143 546	95.8	147 535	98.9	
IsiZulu	345	0.2	269	0.2	
Sesotho	615	0.4	436	0.3	
Other	2 471	1.6	462	0.3	
Number of households	42 597		26 851		
Households size	3.6		4.2		
Gender					
Male	71 730	47.3	72 432	48.3	
Female	79 858	52.7	76 727	51.7	
Age					
0 - 14	54 866	36.2	61 212	40.2	
15 - 34	43 758	29.5	52 344	34.4	
35 - 64	38 311	25.3	22 212	14.6	
65 +	15 252	10.1	16 390	10.8	

Employment		2011		2016	
	Number	Percent	Number	Percent	
Employed	11 107				
Unemployed	9 493				
Employment by industry					
Formal					
Informal					
Private Households					
Economically active population	20 600				
Labour force participation rate		25.3			
Absorption rate		13.6			
Unemployment rate		46.1			

Employment at municipality		2014		2015	
	Number	Percent	Number	Percent	
Full-time	354		358		
Part-time	0		0		
Vacant post	103		123		
Total	457		481		

Education		2011		2016	
	Number	Percent	Number	Percent	
Level of education (20+)					
No schooling	10 718	13.8	9 101	12.5	
Some primary	22 410	28.9	12 991	19.2	
Completed primary	6 549	8.4	4 949	6.8	
Some secondary	26 133	33.7	26 853	41.0	
Grade 12/Matric	7 767	10.0	11 616	15.9	
Higher	3 778	4.9	3 035	4.2	
Other	197	0.3	306	0.4	

Free Basic Services		2014		2015	
	Number	Percent	Number	Percent	
Indigent Households	8 517		6 669		
Water	7 742		0		
Electricity	6 000		6 189		
Sewerage & Sanitation	0		0		
Solid Waste Management	0		247		

Source: Stats SA, Census 2011 & Community Survey 2016

Household Services		2011		2016	
	Number	Percent	Number	Percent	
Access to housing					
Formal	14 139	33.7	9 831	27.4	
Traditional	27 183	64.8	25 114	70.1	
Informal	427	0	149	0.4	
Other	230	0.5	757	2.1	
Access to water					
Access to piped water	29 735	73.1	24 299	67.6	
No Access to piped water	12 687	29.9	11 552	32.2	
Access to sanitation					
Flush toilet	1 412	3.5	480	1.3	
Chemical	728	1.8	2 609	7.3	
Pit toilet	22 321	55.2	22 739	63.4	
Bucket	125	0.3	16	0.0	
None	15 863	39.2	7 881	22.0	
Energy for lighting					
Electricity	27 236	64.3	31 058	87.0	
Other	15 092	35.7	4 638	13.0	
Energy for cooking					
Electricity	19 015	44.9	27 330	76.6	
Other	23 320	55.1	8 360	23.4	
Access to refuse removal					
Removed by local authority at least once a week	1 259	3.0	194	0.5	
Removed by local authority less often	183	0.4	123	0.3	
Communal refuse dump	519	1.2	1 184	3.3	
Own refuse dump	27 036	63.7	31 227	87.1	
No rubbish disposal	12 772	28.9	2 068	5.8	

Rating of quality of municipal services		2011		2016	
	Number	Percent	Number	Percent	
Water (good)			13 147	39.5	
Electricity supply (good)			18 418	56.9	
Sanitation (good)			11 833	43.6	
Refuse removal (good)			3 542	16.9	

Ratio		2011		2016	
	Number	Percent	Number	Percent	
Dependency ratio			85.2		91.0
Poverty head count ratio			0.0		0.0
Sex ratio			93.8		93.3

Agriculture		2011		2016	
	Number	Percent	Number	Percent	
Agricultural households			17 945 0		50.1
Cattle					
1 - 10			8 298		34.4
11 - 100			1 532		15.6
100+			2		0.0
Total			9 832		100.0
Sheep					
1 - 10			3 423		32.7
11 - 100			6 712		64.1
100+			335		3.2
Total			10 470		100.0
Goat					
1 - 10			5 285		59.1
11 - 100			3 619		40.4
100+			52		0.6
Total			8 956		100.0
Type of agric activity					
Livestock production			15 849 0		93.0
Poultry production			13 060 0		86.7
Vegetable production			3 208 0		41.2
Other			4 162 0		14.2

Infrastructure		2011		2016	
	Number	Percent	Number	Percent	
Access to telephone lines	588	1.4	354	1.1	
Access to cellular phones	33 777	73.7	30 906	89.5	
Access to Internet	5 478	12.9	781	2.5	

T 1.2.5

Figure 1: Additional statistics for IYM (2016)

# Chapter 1

## 1.3. SERVICE DELIVERY OVERVIEW

### SERVICE DELIVERY INTRODUCTION

The Key Performance Areas (KPA) for Basic Service Delivery are overseen by two (2) directorates: the Directorate for Technical Services and Directorate for Community Services.

In the Municipality's service delivery KPA (1), there were a total of 38 targets. Out of these, 32 targets were successfully achieved, while six (6) were not attained due to various reasons.

For a comprehensive performance report, please refer to Component K.

*T 1.3.1*

### COMMENT ON ACCESS TO BASIC SERVICES:

During 2022–2023, several targets were not met due to various reasons, as outlined in Component K, along with their corresponding corrective actions taken. Furthermore, some targets have been deferred to the 2023–2024 financial year.

*T 1.3.3*

## 1.4. FINANCIAL HEALTH OVERVIEW

### FINANCIAL OVERVIEW

For a detailed performance report refer to Component K and Chapter 5

*T 1.4.1*

# Chapter 1

## 1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

### ORGANISATIONAL DEVELOPMENT PERFORMANCE

For more details refer to information contained in Chapter 4 of this document.

*T 1.5.1*

## 1.6. AUDITOR GENERAL REPORT

### AUDITOR GENERAL REPORT: YEAR 2022/23 (CURRENT YEAR)

#### **Unqualified Audit Opinion 2022/23.**

Steps taken to improve the Audit Opinion include:

- Development of a practical audit action plan addressing root causes and diligent monitoring.
- Rectification of prior-year errors.
- Filling critical vacant positions within the institution
- Implementation of approved policies and reinforcement of internal controls.

*T 1.6.1*

# Chapter 1

## COMMENT ON THE ANNUAL REPORT PROCESS:

The Annual Report process for the year under review has been developed. If the process of the Annual Report, as per Circular No. 63 of the MFMA, is followed, the Annual Report can add value to the IDP, PMS, and Budget planning process for the next year, as well as oversight by the Municipal Public Accounts Committee (MPAC), on the reported deliverables by communities and achievement targets reached.

*T 1.7.1.1*

# Chapter 2

## CHAPTER 2 – GOVERNANCE

### INTRODUCTION TO GOVERNANCE

The IYM Council completed its term in October 2021, with the newly elected Council assuming office in November 2021 to continue serving the community's mandate. Annual Reports have been prepared, slated for presentation to the Council, stakeholders, and other government levels. As part of transparency, good governance, and accountability, the Council is tasked with developing a comprehensive closeout report, providing a detailed account of achievements and challenges during its tenure. This report not only reviews accomplishments and challenges but also reflects on lessons learned. Subsequently, it will be handed over to the incoming Council post-local government elections, aligning with principles of transparency and accountability, underscoring the significant work accomplished during the term.

**Vision:**

A developmental oriented municipality where all communities enjoy a high quality of life.

**Mission:**

Will strive to create sustainable and better services for all through economic growth and clean governance.

**Values:**

The IYM, in consultation with its local communities, as part of its Council and IDP representative processes, adopted the following set of values, in line with the above: -

- (a) V – Vibrant
- (b) U – Unity
- (c) Y – Yield
- (d) I – Integrity
- (e) S – Sustainability
- (f) I – Inclusivity
- (g) L – Loyalty
- (h) E – Empowerment
- (i) M – Motivated
- (j) I – Ingenuity
- (k) N – Neat
- (l) I – Idealistic

The values IYM are rooted in the legacy of our revered struggle hero, Vuyisile Mini. These values serve as guiding principles for how the Municipality fulfils its mandate and interacts with its constituents, who are the

# Chapter 2

ultimate beneficiaries of development and service delivery.

## **Five Year IDP Strategic Objectives (KPA's)**

- Basic Service Delivery and Infrastructure
- Local Economic Development
- Municipal Financial Viability and Management
- Municipal Transformation and Organisational Development
- Good Governance and Public Participation

The Municipal Council should develop this report to ensure comprehensive outreach to the entire population, highlighting both achievements and ongoing challenges. This report serves as a crucial baseline, providing insight into the current status, backlogs, and statistical data, essential for future planning. Additionally, it serves as a compelling business case for securing additional funding for further development of the area. Moreover, it will be handed over to the incoming Council, aligning with the developmental duties and objectives of local government, and facilitating assessment of the implementation of local government powers and functions.

**T 2.0.1**

## **COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE**

The Constitution of the Republic of South Africa (ACT 108 of 1996) stipulates that a Council must be elected into office for a five-year term, with voting conducted using the voters' roll. Following the local government elections of 2021, the Council was elected as a deliberate political body. The African National Congress (ANC) secured the majority of seats, followed by the Economic Freedom Fighters (EFF), the Democratic Alliance (DA), Pan African Congress (PAC), and United Democratic Movement (UDM). Additionally, Traditional Leaders were allocated seats in the Council, as recognised by legislation.

### **INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE**

Formal political and administrative frameworks and infrastructure have been established both internally and externally to facilitate operational performance effectively. This includes the development and updating of necessary policies, implementation of political and administrative structures, establishment of procedures and compliance protocols guiding day-to-day operations, and the creation of an infrastructure and support system. These measures collectively ensure that operations proceed in a sound and effective manner.

Consistently, efforts are directed towards meeting community needs in an organised and structured manner, with a focus on achieving optimal levels of efficiency and effectiveness.

# Chapter 2

The operational focus of the IYM is guided by its strategic objectives outlined in its IDP. These objectives are initially translated into performance targets, which are reflected in the SDBIP. Subsequently, these targets are further cascaded into operational and management targets within the performance scorecards of each directorate. This structured process ensures that performance targets are systematically monitored and achieved over a defined period, adhering to prescribed methods. The successful attainment of these objectives is contingent upon the availability of resources, including operational, human, and financial resources.

## **The functions of the political arm include:**

- Advocating for and safeguarding the community's needs, thereby enhancing the potential for an improved quality of life for all.
- Facilitating effective communication and involving all members of the community in decision-making, wherever practical and possible, to redefine the concept of a "people-centred government".

## **The functions of the administrative arm include:**

- Ensuring the availability of adequate infrastructure (including human capital, resources, policies, and procedures) to support the achievement of strategic objectives through effective management and control of operations, service delivery, and compliance matters.
- Providing overall support and administrative functions to facilitate the smooth operation of the Municipality.

**T 2.1.0**

## 2.1 POLITICAL GOVERNANCE

### INTRODUCTION TO POLITICAL GOVERNANCE

As per the Municipal Structures Act, No. 117 of 1988, IYM operates under a **Council Executive System**. As illustrated in the diagram below, it functions as a democratically elected Category B municipality, with a structure comprising both elected Ward Councillors and Proportional Representative Councillors.

Councillors are assigned to Standing Committees, which convene quarterly to discuss and investigate raised issues. This approach enhances formal decision-making, as decisions are made within these committees by individuals with relevant knowledge and insight gained from initial discussions and debates. By participating in these Standing Committees, Councillors are better equipped to make informed decisions and offer appropriate recommendations to the Council for final approval as needed.

**T 2.1.1**

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Table 4: List of Executive Committee Members

NAME	PORTFOLIO	CONTACT NO.
1. Cllr K.F. Mdleleni	Executive Mayor	073 219 5695
2. Cllr Y. Zicina	Speaker	072 110 4975
3. Cllr N. Ntsaluba	Chief Whip	078 340 2480
4. Cllr N. Mafanya	Portfolio Head (Community Services)	082 838 0490
5. Cllr B.D. Mpengesi	Portfolio Head (Corporate Services)	083 585 8562
6. Cllr M. Toni	Portfolio Head (Budget & Treasury)	072 110 4975
7. Cllr V. Matomela	Portfolio Head (LED)	072 110 4961
8. Cllr N. Nkota	Portfolio Head (Planning & Development)	072 975 8848
9. Cllr M. Skotana	Portfolio Head (Infrastructure)	063 422 3712
10. Cllr N. Mlokoti	Portfolio Head (Governance & Admin)	078 523 1884
11. Cllr L. Makade	MPAC Chairperson	083 787 5074
12. Cllr M. Yamile	Public Participation Chairperson	072 975 8813
13. Cllr N. Magaga	Women Caucus Chair	072 975 8866
14. Cllr S. Mthimkhulu	Rules Committee Chairperson	083 881 0146
15. Cllr X. Mini	ANC	083 466 0702
16. Cllr L. Bomoyi	EFF	083 390 9720
17. Cllr P. Magazi	DA	060 306 7166
18. Cllr N. Xoxo	EFF	079 442 6255
19. Cllr N. Mdumata	EFF	083 229 9334
20. Cllr V. Danster	PAC	076 376 9662
21. Cllr N. Mcaleni	UDM	078 391 8044

Figure 2: Councillors per ward

NAME	WARD	CONTACT NO
Cllr N. Bani	1	073 4956 214
Cllr N.P. Gadeni	2	073 815 0793 / 060 549 8314
Cllr Z. Malusi	3	073 198 8482
Cllr S. Twani	4	073 970 3637
Cllr N. Nyandana	5	083 466 0702
Cllr Z. Cekiso	6	073 205 2870
Cllr L. Ngamlana	7	073 936 0021
Cllr M. Ngwane	8	078 810 2233
Cllr M. Mrwetyana	9	071 7183 427
Cllr S. Ndondo	10	069 1642 228
Cllr Nkosinathi General Mnqanqeni	11	073 439 8424
Cllr N. Jada	12	083 0720 312
Cllr Nosakhele Sonkosi	13	060 567 9876
Cllr Malibongwe Gulubela	14	073 555 3971 / 060 546 7393
Cllr M. Mfamana	15	083 9432 783
Cllr N. Mzizana	16	083 7983 619

# Chapter 2

NAME	WARD	CONTACT NO
Cllr L. Mfana	17	078 3502 486
Cllr N. Mpofu	18	078 973 4260
Cllr N. Sindile	19	060 546 7407
Cllr Nokaya Monica Ludaka	20	063 505 0993 / 060 508 5965
Cllr Ncedeka Terezabeth Mgqamqho	21	083 962 2070 / 060 506 5126

## COUNCILLORS

The Executive Mayor, along with the Executive Committee, leads the executive arm of the municipality. Positioned at the centre of governance, the Executive Mayor holds executive powers to oversee day-to-day affairs and carries overarching strategic and political responsibilities. In this model, executive power is delegated to the Executive Mayor by the Council, along with powers assigned by legislation. While accountable for the Municipality's strategic direction and performance, the Executive Mayor collaborates collectively with the Executive Committee.

**T 2.1.2**

## POLITICAL DECISION-TAKING

As per Section 80 of the Local Government: Municipal Structures Act, No. 117 of 1998, if a Council has an Executive Committee, it has the authority to appoint committees of councillors under Section 79 to aid the Executive Committee or Executive Mayor. These Section 80 committees are permanent and focus on specific functional areas within the Municipality. In certain cases, they may be empowered to make decisions regarding specific functional issues. Their primary role is to provide advice to the Executive Committee on policy matters and to make recommendations to the Council.

### 2.1.1 Oversight Committees

#### **MPAC and its functions**

- Providing oversight over the administration and Executive Committee of the Council;
- Reviewing the Municipality's/municipal entity's quarterly, mid-year, and annual reports, and preparing an oversight report on the Annual Report for Council's consideration;
- Assisting Council in maintaining oversight of the implementation of the Supply Chain Management Policy;
- Reviewing the financial statements and audit reports of the Municipality and municipal entities, with a focus on improvements from previous statements and reports;
- Assessing the extent to which recommendations from the Audit Committee and the AG have been implemented;
- Promoting good governance, transparency, and accountability in the use of municipal resources;
- Examining the Mid-Year Review documents in line with the IDP; and
- Recommending or conducting investigations within the committee's scope of responsibilities/area of competence.

# Chapter 2

Table 5: MPAC structure

NO	Member	Position
1.	Cllr L. Makade	Chairperson
2.	Cllr X. Mini	Member
3.	Cllr N. Jada	Member
4.	Cllr N. Mnqanqeni	Member
5.	Cllr S. Twani	Member
6.	Cllr P. Magazi	Member
7.	Cllr V. Danster	Member
8.	Cllr Xoxo	Member
9.	Cllr Mcaleni	Member
10.	Cllr Sabata	Member
11.	Cllr Nyandana	Member

Table 6: The Audit Committee structure

NO	Member	Position
1.	Ms V. Hlehliso	Chairperson
2.	Mr V. Tshangana	Member
3.	Mr C. Ngele	Member
4.	Ms A. Magwentshu	Member

Table 7: Structure of the sub-committees of the Audit Committee

PMS Committee Chairperson	Risk Committee Chairperson	ICT Committee Chairperson
Mr C. Ngele	Mr V. Tshangana	Ms A. Magwentshu

# Chapter 2

## 2.2 ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The Municipal Manager serves as the Accounting Officer of the Municipality and is responsible for leading the administration. Primarily, the Municipal Manager acts as the chief custodian of service delivery and oversees the implementation of political priorities. The Municipal Manager is supported by a management team, the structure of which is outlined in the table below:

Table 8: Municipal Manager's Team

Name of the Official	Department	Performance agreement signed
Mr M. Mabono	Municipal Manager	Yes
Mr K. Clock	Director: Infrastructure Planning and Development	Yes
Mr K. Roto	Director: Community Services Department	Yes
Mr S. Mbotshane	Director: Local Economic Development and Planning	Yes
Ms N. Lwana	Acting Chief Financial Officer (CFO): Budget and Treasury Department	Yes
Ms B. Zantsi	Director: Corporate Services Department	Yes

**T 2.2.1**

#### NOTES

- Mr K. Roto served as the Acting Municipal Manager during 2022–2023 following the departure of Dr B.J. Mthembu from 16 April to 30 June 2023. Subsequently, Mr M. Mabono has been appointed as the Municipal Manager, effective 01 June 2023.

# Chapter 2

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

In terms of Chapter 4 of Local Government: MSA, No. 32 of 2000, a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must, for this purpose, encourage and create conditions for the local community to participate in the affairs of the municipality.

The process of IDP, PMS, and Budget preparation necessitates extensive consultation and active involvement of communities, stakeholders, and all relevant parties in order to foster a shared understanding of municipal development and alignment. While municipalities are expected to establish participation structures, it is crucial to consider utilising existing arrangements and adapting them as necessary, while also avoiding duplication of mechanisms.

The IYM has effective and efficient operational structures, such as the IDP, PMS, and Budget Representative Forum, as well as the Budget Steering Committee.

**T 2.3.0**

## 2.3 INTERGOVERNMENTAL RELATIONS

### NATIONAL INTERGOVERNMENTAL STRUCTURES

The IYM actively engages in National Intergovernmental Structures, collaborating with national institutions such as the Institute of Internal Auditors and participating in Cooperative Governance and Traditional Affairs (CoGTA) programmes such as capacity-building workshops.

Additionally, the Municipality's internal audit is registered with the Institute of Internal Auditors, with allocated funds in the budget to cover registration fees. This forum contributes to enhancing the capacity of our Internal Audit Unit.

It is important to note that the support received from national forums primarily focuses on capacity building rather than direct financial resources.

**T 2.3.1**

# Chapter 2

## PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Provincial Intergovernmental Structures play a crucial role in assisting the Municipality, especially concerning general governance and service delivery matters, as well as addressing issues raised through the Presidential Hotline.

The IYM actively participates in the provincial Municipalities and Members of the Executive Committee (MuniMec), provincial IDP assessments, and provincial Annual Report assessments. Additionally, the Municipality also participates in the provincial communication structure.

T 2.3.2

## DISTRICT INTERGOVERNMENTAL STRUCTURES

The IYM actively participates in various district forums, including the District IDP, PMS, and Budget Representatives Forums, as well as the District IDP Planning and Coordination Forum, which usually convenes quarterly.

The IYM also engages in the District Mayoral **DEMAFO**, District Communication Forum, and District IGR (Intergovernmental Relations) Forum, all of which meet quarterly. Additionally, there is a District Chief Financial Officers Forum, which addresses issues related to audits by the AG, financial matters such as GRAP compliance, and the implementation and compliance of the MFMA calendar.

Furthermore, the IYM is involved in several other district forums, including the District Engineering Forum, District Speakers Forum, and District Local Economic Development (LED) Forum, to name a few.

Additionally, there is a district Agricultural Stakeholder forum and other related forums within the district. These district-level forums play a crucial role in aligning programmes to prevent duplication of services. They facilitate information sharing and capacity building initiatives, further enhancing collaboration and effectiveness in service delivery.

T 2.3.4

# Chapter 2

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

### OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

According to Section 16 (1) of the MSA, No. 32 of 2000, municipalities are mandated to establish a system of municipal governance that supplements formal representative governance with participatory governance. Additionally, Section 18 (1) of the MSA requires municipalities to provide their communities with information regarding municipal governance, management, and development.

Annually, formal opportunities are created to enable public input on organisational objectives and service delivery methods. Residents are provided with platforms to engage with information concerning service delivery, operational and financial performance, such as IDP and Budget meetings, SDBIP reporting, Performance and Annual Reports, among others. This approach fosters the development of a "people-centred" organisation, where community needs are acknowledged and addressed through inclusive processes.

#### **Participation is essential in various municipal functions, including:**

- Preparation, implementation, and review of the IDP
- Establishment, implementation, and review of the PMS
- Monitoring and review of performance, including outcomes and impact
- Preparation of the municipal budget

T 2.4.0

## 2.4 PUBLIC MEETINGS

### COMMUNICATION, PARTICIPATION AND FORUMS

Historically, the Municipality has successfully adopted and implemented a Communication Plan and Strategy, with quarterly reports submitted to Council. The Public Participation Forum included Ward Committee members, Councillors, LED Forum members, the SPU, and government departments. Community information sessions and feedback were utilised to prioritise projects for each subsequent year. These priorities were then discussed within IDP and Public Representative Forum meetings, and the selected projects (both municipal and government-led) were tabled for consideration by Ward Committee members.

The Customer Care Officer and clerks are responsible for registering complaints in the Complaints Register.

Efforts to improve public participation and communication have involved the extensive use of various

# Chapter 2

communication mediums, such as:

- Newspapers: Highlights are reported in newspapers such as the Daily Dispatch, Groundup, and The Rep.
- Broadcast media: Platforms like Vukani Community Radio are utilised for media activities such as advertising Mayoral Outreaches and other municipal programmes to reach the wider community.

*T 2.4.1*

## WARD COMMITTEES

The purpose of a Ward Committee is to:

- Ensure the participation of the local community in municipal affairs;
- Facilitate effective communication between the Council and the community; and
- Assist the Ward Councillor with consultation and report backs to the community.

Ward Committees are elected by the community they serve and are comprised of no more than 10 members, with representation from women and youth. The Ward Councillor serves as the chairperson of the committee. While Ward Committees do not possess formal powers, they provide advice to the Ward Councillor, who submits specific proposals directly to the Office of the Speaker. These committees play a vital role in the development and annual revision of the IDP of the area.

Ward Committees support the Ward Councillor by receiving development reports, participating in planning processes, and fostering broader community involvement. The Municipality continually endeavours to ensure that all Ward Committees function optimally by providing community information, organising meetings, facilitating ward planning, contributing to service delivery, and providing feedback on IDP formulation and performance to communities.

### **Accountability**

Ward Committees are responsible for organising community meetings and reporting to Ward Councillors to provide feedback on matters affecting communities. Additionally, they conduct door-to-door campaigns and arrange interactions with communities on a quarterly basis. However, it is noted that some Ward Committees are not fully functional. The Office of the Speaker is actively addressing these challenges to ensure that all Ward Committees operate effectively and fulfil their responsibilities to the community.

*T 2.4.2*

# Chapter 2

Table 9: Public meetings (2022/23)

Public Meetings – 2022/23						
Nature and purpose of the meeting	Date of the event	Number of participating Municipal Councillors	Number of participating Municipal Administration	Number of Communities Attending	Issue addressed (yes / no)	Manner of feedback given to communities
Ordinary Council	28 July 2022	37	8	Physical meeting	YES	Feedback is given to communities on other platforms, such as the Ward Committee, IDP Rep Forum, IGR meetings, etc.
Special Council	30 August 2022	36	7	Physical meeting	YES	Feedback is given to communities on other platforms, such as the Ward Committee, IDP Rep Forum, IGR meetings, etc.
Special Council	6 September 2022	30	6	Physical meeting	YES	Confidential items were discussed
Ordinary Council	27 October 2022	36	6	Physical meeting	YES	Feedback is given to communities on other platforms, such as the Ward Committee, IDP Rep Forum, IGR meetings, etc.
Special Council	13 December 2022	35	7	Physical meeting	YES	Confidential items were discussed.
Ordinary Council	26 January 2023	38	6	Physical meeting	YES	Feedback is given to communities on other platforms, such as the Ward Committee, IDP Rep Forum, IGR meetings, etc.
Special Council	23 February 2023	37	9	Physical meeting	YES	Feedback is given to communities on other platforms, such as the Ward Committee, IDP Rep Forum, IGR meetings, etc.
Special Council	30 March 2023	29	11	Physical meeting	YES	Feedback is given to communities on other platforms, such as the Ward Committee, IDP Rep Forum, IGR meetings, etc.

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Public Meetings – 2022/23						
Nature and purpose of the meeting	Date of the event	Number of participating Municipal Councillors	Number of participating Municipal Administration	Number of Communities Attending	Issue addressed (yes / no)	Manner of feedback given to communities
Special Council	25 April 2023	32	9	Physical meeting	YES	Feedback is given to communities on other platforms, such as the Ward Committee, IDP Rep Forum, IGR meetings, etc.
Ordinary Council	30 May 2023	36	10	Physical meeting	YES	Feedback is given to communities on other platforms, such as the Ward Committee, IDP Rep Forum, IGR meetings, etc.
Special Council	29 June 2023	30	9	Physical meeting	YES	Feedback is given to communities on other platforms, such as the Ward Committee, IDP Rep Forum, IGR meetings, etc.

T.2.4.3

## COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

Public participation meetings are held regularly as legislated. However, intergovernmental relations are partially effective, with some government departments attending meetings while others are not. This inconsistency in attendance has been an ongoing concern.

To address this matter, the Office of the Mayor/Speakers should formally communicate with the Office of the Premier (OTP) and CoGTA to highlight and advance this ongoing concern regarding intergovernmental relations.

T 2.4.3.1

# Chapter 2

## 2.5 IDP PARTICIPATION AND ALIGNMENT

Table 10: IDP participation and alignment criteria

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, and output indicators?	YES
Does the IDP have priorities, objectives, key performance indicators (KPIs), and development strategies?	YES
Does the IDP have multi-year targets?	YES
Are the above aligned and can they be calculated into a score?	YES
Does the budget align directly with the KPIs in the strategic plan?	YES
Do the IDP KPIs align with the Section 57 Managers?	YES
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	YES
Do the IDP KPIs align with the provincial KPIs for the 12 Outcomes?	YES
Were the KPIs communicated to the public?	YES
Were the four quarterly aligned reports submitted within the stipulated time frames?	YES
* Section 26 of MSA	T 2.5.1

## COMPONENT D: CORPORATE GOVERNANCE

### OVERVIEW OF CORPORATE GOVERNANCE

Corporate governance comprises a range of processes, practices, policies, laws, and stakeholders that shape how an institution is directed, administered, and controlled. It also encompasses the relationships among numerous stakeholders involved and the objectives guiding the governance of the institution.

Corporate governance is essential to ensure compliance with legislative requirements and protect the rights of all stakeholders. Governance and compliance issues must be rigorously managed. The administrative arm and designated human resources are responsible for ensuring adherence to all legal and policy prescriptions to enable effective organisational functioning and minimise or eliminate identified risks.

This section will detail issues relating to: Risk Management, Fraud and Anti-Corruption, Supply Chain Management, By-laws, Website access, and Public Satisfaction levels, detailing the compliance requirements and the achieved levels.

T 2.6.0

# Chapter 2

## 2.6 RISK MANAGEMENT

### RISK MANAGEMENT

To uphold a positive perception of the Municipality and instil confidence among the public and stakeholders, it is essential to coordinate and achieve well-planned goals and objectives. Section 62(1) of the Local Government: MFMA, No. 56 of 2003, mandates the Accounting Officer to take all reasonable steps to ensure the Municipality maintains an effective, efficient, and transparent system of financial, risk management, and internal control, as well as the economical utilisation of resources. The Municipality has implemented a systematic and formalised process to identify, assess, manage, and monitor key risks inherent to its strategies, thereby effectively ensuring the achievement of planned goals and objectives.

Therefore, risk management serves as a crucial governance measure implemented to ensure that the Municipality fulfils its vision, mission, and strategic plans. While it offers a reasonable level of assurance, it does not guarantee absolute success in achieving the Municipality's goals and objectives.

Section 62(i) (c) of the MFMA mandates formal risk management as a matter of compliance. Accordingly, all municipalities are required to develop and adopt an effective, efficient, and transparent system of risk management.

It is recognised that the failure to identify and manage identified risks will have a negative impact on the organisation, both financially and operationally. The costs and negative consequences of failing to manage risk cannot be justified, especially if the risk had been identified but no appropriate action was taken. The absence of appropriate action would be indicative of poor business practice and overall poor management. The repercussions of such inaction may include significant costs to the organisation, audit queries, and potential audit qualifications.

The Municipality has an approved Risk Management Policy, framework, and implementation plan as approved by Council.

The Risk Management Unit internally facilitates the risk management function by collaborating with management to develop:

- (a) The institution's risk management framework, which includes:
  - i. A risk management policy
  - ii. A risk management strategy
  - iii. A risk management implementation plan
  - iv. A risk identification and assessment methodology
  - v. A risk appetite and tolerance framework
- (b) Coordinating risk management activities;
- (c) Facilitating the identification and assessment of risks;
- (d) Recommending risk responses to management; and
- (e) Facilitating risk reporting.

# Chapter 2

A summary of the strategic risks is presented in the Table below.

Table 11: Summary of strategic risks

Risk ID	Strategic Risk	Actions to Mitigate Risks	Residual Risk	Implementation Status
SR 1	Inadequate financial management	1. Implement Cost Containment Policy 2. Develop strategy to reduce UIF (Unauthorised Irregular & Fruitless expenditure)	High	
SR 3	Excessive cost of employees	1. Review and implement Recruitment and Placement Policy	High	
SR 4	Ineffective information communication technology	1. Review and implement the Information and Communication Technology (ICT) governance framework	Extreme	
SR 5	Poor organisational culture	1. Monitor implementation of laws and regulations and effect Consequence Management Policy	High	
SR 6	Inability to provide social and environmental welfare	Compile IYM disaster risk assessment from the study conducted by CHDM	High	
SR 7	Inadequate implementation of LED strategy	Formulation of public private partnerships with LED structures	High	
SR 8	Partial-implementation of Spatial Development Framework (SDF)	Participate and promote IGR	High	

The Municipality has also established the following structures to oversee and provide assurance on the effectiveness of risk management:

- Internal audit function
- Risk and Audit Committees

**T 2.6.1**

## 2.7 ANTI-CORRUPTION AND FRAUD

### FRAUD AND ANTI-CORRUPTION STRATEGY

Section 83(c) of the MSA emphasises the need for effective bidding structures to minimise the risk of fraud and corruption. Similarly, the MFMA, Section 112(1) (m) (i), highlights supply chain measures aimed at combating fraud, corruption, favouritism, and irregular practices. Additionally, Section 115(1) of the MFMA mandates the Accounting Officer to implement mechanisms and separation of duties within the Supply Chain Management (SCM) system to reduce the likelihood of corruption and fraud.

The strategies outlined below have been adopted and are being implemented by Council:

1. Anti-fraud and prevention strategies

# Chapter 2

2. Fraud Prevention Plan
3. Code of conduct for municipal employees
4. Code of conduct for Councillors
5. Fraud Prevention Policy
6. Whistleblowing Policy

The Municipality has established a Disciplinary Board to address instances of financial misconduct in accordance with regulations pertaining to financial misconduct.

**T 2.7.1**

## 2.8 SUPPLY CHAIN MANAGEMENT

### OVERVIEW SUPPLY CHAIN MANAGEMENT

The MFMA Sections 110–119, the SCM Regulations of 2005, and the relevant MFMA Circulars outline the necessary processes and guidance manuals to ensure the proper application of the Supply Chain Management Policy and Procedures, thereby facilitating the correct acquisition and provision of required goods and services.

All SCM reporting submissions mandated by legislation were fulfilled. Quarterly reports to the Municipal Manager and Mayor were submitted within 10 working days, and the annual SCM report on the implementation of the SCM Policy was presented to Council within 30 days of the end of each financial year.

The Council and management are steadfast in their commitment to ensuring compliance with all SCM legislation and regulations, aiming to uphold fair and transparent tender processes consistently. To reinforce this commitment, the Municipal SCM Policy underwent review and received approval from the Council in the previous financial year, as part of the comprehensive review of all budget-related policies.

To adhere to Section 119 of the MFMA, all members serving on Bid Specification, Evaluation, and Adjudication Committees, as well as all SCM staff, are undergoing National Treasury-approved training. This training is essential to ensure that they attain the required minimum competency levels in SCM as prescribed by regulations.

**T 2.8.1**

# Chapter 2

## 2.9 BY-LAWS

Table 12: List of by-laws

Newly Developed	Revised	Public participation Conducted Prior to Adoption of By-laws ( Yes / No)	Date of Public participation	By-laws Gazetted (yes/no)	Date of Publication
Liquor Trading By-law	-	Yes	2007	Yes (Gazette No. 1814)	14 January 2008
Street Trading By-law	-	Yes	2007	Yes (Gazette No. 1814)	14 January 2008
Prevention of Nuisance By-law		Yes	2014	Not yet gazetted	
By-law relating to Advertising Signs		Yes	2014	-	2014
By-law relating to Public Open Space		Regulated under Building Control By-law			
By-law relating to Use and Hire of Municipal Buildings		Not yet. Still going through public participation stages	Workshopped on 3 and 4 November 2020 (internally as of now)		
By-law relating to Neglected Buildings & Premises		Regulated under Building Control By-law, gazette in 2017	8 June 2015	Yes	2017
Waste Management By-law		Yes			
By-law relating to Cemeteries & Crematoria					
By-law on Spatial Land Use Management		Yes	2015	Yes (No. 3612)	4 March 2016
Rates Policy By-law		Yes	2014	Not yet	
Credit Control and Debt Collection By-law	-	Yes	2007	Yes (Gazette No. 1814)	14 January 2008
Tariff Policy By-law	Yes	Yes	Annually 2019		Last publication 28 May 2019
Indigent Policy By-law		Yes	Annually 2019		Last publication 28 May 2019
Rates Policy By-law	-	Yes	2014	Not yet	

T 2.9.1

# Chapter 2

## COMMENT ON BY-LAWS:

The public is engaged through community roadshows, newspaper publications, and Representative Forum meetings for all newly developed and existing by-laws. Notices are issued to the public to provide comments on draft and final versions of the by-laws.

T 2.9.1.1

## 2.10 WEBSITES

Table 13: List of websites

Documents published on the Municipality's / Entity's website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	01 June 2022
All current budget-related policies	Yes	02 June 2022
The previous Annual Report (Year 2021/22)	Yes	31 March 2023
The Annual Report (Year 2022/23) published/to be published (Draft)	Yes	04 September 2023
All current performance agreements required in terms of Section 57(1)(b) of the MSA (Year 2023/24) and resulting scorecards	Yes	28 July 2022
All long-term borrowing contracts (Year 2022/23)	No	N/A
All SCM contracts above a prescribed value (give value) for Year 2022/23	No	N/A
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14(2) or (4) during Year 2022/23		
Contracts agreed in Year 2022/23 to which subsection (1) of Section 33 apply, subject to subsection (3) of that section	No	N/A
Public-private partnership agreements referred to in Section 120 made in Year 2022/23	No	N/A
All quarterly reports tabled in the Council in terms of Section 52 (d) during Year 2022/23	Yes	25 January 2023

T 2.10.1

## COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

Documents are uploaded to the Municipal website as needed, with the aim of enhancing communication with communities. Reports on the website's compliance with the MFMA and MSA are submitted quarterly to the Standing Committee. The Communications Unit is responsible for regularly maintaining and updating the website. While the content of the website has significantly improved, there is ongoing room for enhancement in terms of aesthetics, overall appearance, and functionality.

# Chapter 2

T 2.10.1.1

## 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

### PUBLIC SATISFACTION LEVELS

During the period under review, no Customer Care surveys were conducted due to the lack of allocated funding. However, in an effort to provide opportunities for customers to rate the municipality and/or lodge complaints regarding issues of concern, the following tools/opportunities are provided:

- The Customer Care section has also implemented a Customer Complaints Register to record all external complaints, including calls, walk-ins, and anonymous complaints. Monthly reports, including statistics, are submitted to the Standing Committee for review;
- The public is encouraged to utilise various public participation initiatives to discuss and resolve issues. However, despite these efforts, the suggestion boxes are not fully utilised as communities prefer face-to-face interactions with staff members at the Customer Care Division.

T 2.11.1

### COMMENT ON SATISFACTION LEVELS:

The Municipality utilises community meetings as a platform to gauge satisfaction levels among residents. Throughout 2022/23, the municipality organised various public participation events, including Community IDP roadshows, Mayor's imbizos, IDP/PMS and Budget Representative Forums, and implemented complaint boxes within municipal facilities.

Reviewing the number of petitions, protests, and walk-ins during the year under review, it is evident that the community has raised numerous complaints, particularly regarding service delivery issues. The Municipality has made considerable efforts to address a significant portion of these concerns within its purview, while also referring those beyond its mandate to the appropriate departments for resolution.

T 2.11.2.2

# Chapter 3

## CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

### INTRODUCTION

Service delivery functions face ongoing challenges, many of which are historical in nature. Throughout the years, IYM has encountered difficulties related to aging infrastructure and limited resources, hindering the Municipality's ability to effectively address service delivery targets in a coordinated manner.

*T 3.0.1*

## COMPONENT A: BASIC SERVICES

This component includes: water; wastewater (sanitation); electricity; waste management; housing services; and a summary of free basic services.

### INTRODUCTION TO BASIC SERVICES

The KPA for Basic Service Delivery is implemented by two directorates: the Directorate for Technical Services and the Directorate for Community Services.

The Municipality's service delivery KPA 1 comprised 33 targets, 30 of which were achieved and three (3) were not achieved due to various reasons.

For a detailed performance report refer to Component K.

*T 3.1.0*

### 3.1. WATER PROVISION

#### INTRODUCTION TO WATER PROVISION

IYM is not a water services authority.

*T 3.1.1*

### 3.2 WASTE WATER (SANITATION) PROVISION

### 3.3 ELECTRICITY

#### INTRODUCTION TO ELECTRICITY

The availability and affordability of electricity have become significant topics of debate, largely due to Eskom's load shedding and the substantial increases passed on to municipal consumers. IYM

# Chapter 3

experienced its share of load shedding, although Eskom has indicated no foreseen instances in the coming financial year.

Households and businesses in IYM obtain electricity either directly from Eskom or through accredited vendors. Electrification initiatives for households and businesses are managed by Eskom through its Electrification Master Plan, while IYM's responsibility primarily lies in street lighting.

**T 3.3.1**

The existing electrification connections and backlog from 2018/19 to 2021/22 are summarised in the following table:

Table 14: Summary of existing electrifications and backlog from 2018/19 to 2021/22

#	Period under review	Connections
	Backlogs eradicated up to 2017/18	163
	Planned connections 2018/19	250
	Historical Backlog	259
	Village Extensions	1 800
	Household connections as of end June 2019/20	500
	Household connections as of end June 2020/21	88
	Backlogs at the start of 2020/21	1 365

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## 2022/23 INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP) PROJECTS REPORT

Table 15: INEP Projects Report (2022/23)

NO	Project Name	Ward	2022-2023 Budget	2022-2023 Actual	%
1.	Cube	21	R778 785,55	R778 785,55	100%
2.	Nxelesa	21	R1 173 094,10	R980 692,94	84%
3.	Mtshanyane	21	R1 781 597,80	R1 326 819,84	75%
4.	Hoyana	21	R461 502,58	R461 502,58	100%
5.	Qolweni	15	R1 109 802,22	R978 260,90	88%
6.	Hange	13	R1 271 423,00	R1 132 723,29	89%
7.	Madikane	15	R1 132 723,28	R1 132 723,28	100%
8.	Enqubeni	5	R1 303 092,80	R1 132 723,29	87%
9.	Sikhobeni	15	R999 310,47	R875 286,32	73%
<b>TOTAL</b>			<b>R9 980 000,00</b>	<b>R8 799 517,99</b>	<b>88%</b>

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The Table below provides a summary of the sources of funds for electrification projects within IYM:

Table 16: Summary of sources of funds for electrification projects within IYM

SOURCE OF FUNDING	2017/18	2018/19	2019/20	2020/21	2021/22
INEP	4 500 000,00	7 592 000,00	12 033 000,00	R4 817 000,00	R8 270 000,00

**COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:**

The electrification of the informal areas remains a major challenge.

T 3.3.9

# Chapter 3

## 3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

### INTRODUCTION TO WASTE MANAGEMENT

IYM offers waste management services, including waste collection, street cleaning, illegal dump clearance, and waste disposal. Regular solid waste collection is provided to businesses, institutions, and households in the urban areas of Cofimvaba and Tsomo, but not in the villages.

The service has been expanded to peri-urban areas, such as Mzomhle Location near Tsomo and St. Marks Reconstruction and Development Programme (RDP) houses next to Cofimvaba, and waste is collected according to the schedule developed by the Municipality. The Municipality provides waste management services to only two out of the 21 wards (Ward 8 and Ward 14). Seventy-eight percent (78%) of households in these two towns have access to weekly refuse removal services, and all businesses in both towns are serviced daily. Approximately 75% of households in mostly rural areas burn or dispose of their waste within their own yards.

Waste disposal is centralised, and all waste collected in the various centres (including garden waste) is transported to the Transfer Station in Tsomo and to the permitted landfill site in Cofimvaba (Licensed Number: EC/CH/A/15/001-2011) for disposal. The Municipality is responsible for the operations and maintenance of the landfill site. Quarterly inspections of both the landfill site and transfer station are conducted by an Environmental Health inspector to monitor compliance, and annually by the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT).

IYM has amended an environmental by-law pertaining to dumping, littering, and waste collection. This by-law has been presented to the Public Participation Forum and will now undergo a general public participation and gazetting process. The by-law governs all activities related to waste management, including waste generation, reduction, minimisation, and handling.

The by-law further regulates potential illegal dumping by controlling all dumping, littering, and other predetermined contraventions. It encompasses a range of offence clauses, which carry financial penalties and, in the most serious cases, may lead to convictions. The presence of dedicated Peace Officers employed by the Municipality strengthens the by-law, ensuring its enforcement and compliance by citizens at all times.

The Municipality subscribes to the Waste Information System and reports on a quarterly basis for waste data, as the landfill site has a weighbridge.

The Municipality has an Integrated Waste Management Plan (IWMP) that is currently under review. In 2022/2023, the Municipality implemented projects and programmes in response to the IWMP, which include the following:

- Intsika Yethu Street cleaning project – 163 Expanded Public Works Programme (EPWP) casuals benefited from the project.

# Chapter 3

- Extension of refuse removal services to peri-urban areas
- Awareness campaigns targeting communities and businesses within the jurisdiction of the IYM.

T3.4.1

Table 17: Solid waste service delivery levels

<b>T 3.4. Solid Waste Service Delivery Levels</b>				
<b>Description</b>	<b>Year</b>	<b>Year</b>	<b>Year</b>	<b>Households</b>
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Year</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
<b><u>Solid Waste Removal:</u></b>				
<b>(Minimum level)</b>				
Removed at least once a week				
<b>Minimum Service Level and Above sub-total</b>				1 974
<b>Minimum Service Level and Above percentage</b>				78,96%
<b><u>Solid Waste Removal:</u></b>				
<b>(Below minimum level)</b>				
Removed less frequently than once a week				240
Using communal refuse dump				
Using own refuse dump				
Other rubbish disposal				
No rubbish disposal				
<b>Below Minimum Service Level sub-total</b>				240
<b>Below Minimum Service Level percentage</b>				9,6%
<b>Total number of households</b>				<b>2 500</b>
				<b>T 3.4.2</b>

# Chapter 3

Table 18: Employees: Waste Disposal and other services

Job Level	Employees: Waste Disposal and Other Services				
	Year -2018/19		Year- 2022/23		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3		68	16	52	76,46
4 – 6		2	0	2	100
7 – 9		11	4	7	63,6
10 – 12		3	2	1	33,3
13 – 15					
16 – 18		1	1	0	0
19 – 20					
<b>Total</b>					

**T3.4.6**

Table 19: Financial performance Year 0: Solid Waste Management Services

Details	Financial Performance Year 0: Solid Waste Management Services				
	Year -2018/19		Year 2022/2023		R'000
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>		R100 000,00	R100 000,00	R200 000,00	R 100 000,00
<b>Expenditure:</b>		100%			100%
<b>Employees</b>		R29 572 883,00	R29 572 883,00	R29 572 883,00	0
<b>Repairs and Maintenance Other</b>		R1 500 000,00	R700 000,00	R2 200 000,00	R70 000,00
<b>Total Operational Expenditure</b>					
<b>Net Operational Expenditure</b>					
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					<b>T 3.4.7</b>

# Chapter 3

Table 20: Capital expenditure Year 0: Waste Management Services

Capital Expenditure Year 0: Waste Management Services						R' 000
Capital Projects	Budget	Year- 2022/23			Total Project Value	
		Adjustment Budget	Actual Expenditure	Variance from original budget		
Construction of landfill site cell	R4 413 999,19	0.00	100%	0		
Computer & Equipment	R499 999,00 (For the whole institution)	R50 000,00	R549 999,00	R50 000,00		
Office Furniture	0.00					
Plant Equipment & Tools	0.00					
Purchase of bakkies	0.00					
					<b>T</b>	
					<b>3.4.9</b>	

## Summary of Performance Outcomes

Table 21: Summary of performance outcomes

Focus Area	KPI	Achieved
Waste Management	Number of areas that received waste management services	Yes
Awareness Education	Number of awareness campaigns conducted	Yes
Refuse Disposal	Number of compliant monitoring reports indicating compliance to landfill site and transfer station permit requirements	Yes
Waste Information System	Number of weighbridge verifications conducted	Yes

# Chapter 3

## 3.5 HOUSING

### INTRODUCTION TO HOUSING

This function falls under the purview of the Department of Human Settlements, which oversees housing projects, services, and the construction of top structures. The department carries out its own procurement procedures and appoints service providers independently.

However, the municipality supports the department in various ways, including:

- Identifying and registering beneficiaries for RDP houses.
- Ensuring land availability for housing projects.
- Assisting beneficiaries with deed of sale forms for property transfer through the department's appointed conveyancers.
- Collaborating with the Department of Human Settlements to establish a Housing Sector Plan as part of the IDP.

The Municipality has identified several urban settlements in need of upgrade from informal to formal status. A significant number of beneficiaries have been earmarked to benefit from this informal settlements upgrade programme. Specifically, settlements in Tsomo and Cofimvaba have been identified for potential upgrade, including:

Cofimvaba	:	Joe Slovo
	:	Mandela View
	:	Nyanisweni
	:	Nkanini Township
Tsomo	:	Tsomo Ext 3 and 4

**T 3.5.1**

# Chapter 3

## HOUSING PROJECTS

Table 22: Housing projects

Project Name	Project Scope	Completed	Expenditure to date	Budget	Start date	Completion date	Revised date
1. Chris Hani 1000	511	254	R47 706 676,00	R70 577 717,49	23 July 2014	23 September 2016	31 May 2021
2. Chris Hani 1000	489	412	R82 552 814,67	R61 068 013,00	03 September 2015	17 September 2016	31 May 2021
3. Vuyisile Mini 1000	500	124	R69 038 862,00	R33 517 280,00	23 July 2014	23 September 2016	31 May 2021
4. Vuyisile Mini 100	500	120	R75 876 283,32	R20 477 208,34	02 December 2015	31 May 2017	31 May 2021
5. Lubisi 1000	1000	443	R151 289 000,89	R62 399 596,00	15 August 2015	20 August 2017	31 May 2021
6. Ntsongeni 130	130	39	R17 372 469,07	R6 467 808,00	24 February 2016	19 December 2017	15 December 2021

# Chapter 3

## 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The Municipality maintains an approved Indigent Policy, which undergoes an annual review to ensure alignment with the Eastern Cape Provincial Framework and relevant legislation.

The primary objectives of this policy include:

- Ensuring the sustainable provision of basic services to the community within the financial and administrative capacity of the Council.
- Promoting the financial sustainability of free basic services through the determination of appropriate tariffs that contribute to such sustainability through cross-subsidisation.
- Establishing a framework for the identification and management of indigent households, including conducting socio-economic analyses where necessary, and an exit strategy.
- Providing procedures and guidelines for the subsidisation of basic charges and the provision of free basic energy to indigent households; and fostering cooperative governance with other spheres of government.

IYM, in collaboration with Eskom, oversees the provision of Free Basic Energy (FBE) and Free Basic Alternative Energy (FBAE). Presently, a Service Level Agreement (SLA) with Eskom governs the provision of FBE in rural areas, utilising technical specifications (20 A supply).

IYM has established both an Indigent Policy and an FBE Policy. These policies extend support to households with a combined income not exceeding twice the official old age pension, subject to annual adjustments. Eligible households receive either FBE or FBAE. Additionally, formally identified indigent households benefit from Free Basic Solid Waste Removal and a full subsidy on property rates.

It is important to highlight that the Free Basic Services and Indigent Support Policies undergo annual review, with funding sourced from the Equitable Share Grant as allocated under the Division of Revenue Act (DORA).

**T 3.6.1**

### COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

It must be noted that the Free Basic Services and Indigent Support Policies are revised annually, and Free Basic Services are paid for from the Equitable Share Grant as allocated under DORA.

**T 3.6.6**

# Chapter 3

## COMPONENT B: ROAD TRANSPORT

This component encompasses roads, transportation, and wastewater management, including stormwater drainage.

### INTRODUCTION TO ROAD TRANSPORT

IYM is responsible for the planning and maintenance of proclaimed roads, municipal streets, and the establishment of infrastructure for the transport of goods and commuters. According to the National Land Transport Act (NLTA), No. 5 of 2009, local municipalities bear the responsibility for providing public transport services.

It is noted that IYM is home to the largest and longest amount of unsurfaced main roads and access roads, particularly within its villages.

**T 3.7**

## 3.7 ROADS

### INTRODUCTION TO ROADS

IYM's road network is mainly made of gravel roads which need upgrading and maintenance services. Tarred roads are found along the R61 linking major Towns of Queenstown and Mthatha through Tsomo to the N2 in the East London direction. The municipality is also conscious of the number of citizens that rely on walking and has undertaken an expansion and upgrading of walkways throughout public areas and along certain public paths complete with the expansion of community lighting, as provided for under the Projects and Programmes section of this document.

The municipality has developed its own Local Integrated Transport plan which will focus on Local on transportation (ITP) and Storm Water Management Plan and adopted by the council.

The length and condition of IYM roads is contained in the Road Assessment Management Report ("RAMS"), which was published by the Eastern Cape Department of Roads and Transport annually.

**T 3.7.1**

# Chapter 3

Table 23: Gravel road infrastructure

Gravel Road Infrastructure				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Kilometres Gravel roads graded/maintained
Year 2018/19	1 471,33	18,6	2 981	151,7
Year 2019/20	1 445,03	26,3	0,4	118,3
Year 2020/21	1 418,73	46,7	2	48,1
Year 2021/22	50,4	42,1	0	11
				<b>T 3.7.2</b>

The following is a summary of the sources of funds for infrastructure development within IYM:

Table 24: Source of funds

SOURCE OF FUNDING	2018/2019	2019/2020	2020/21	2021/22
<b>MIG</b>	R51 170 000,00	R43 020 000,00	R62 764 750,00	R45 353 000,00
<b>INEP</b>	R4 792 000,00	R12 033 000,00	R4 817 000,00	R8 270 000,00
<b>TOTAL</b>	<b>R60 362 000,00</b>	<b>R55 053 000,00</b>	<b>R67 581 750,00</b>	<b>R53 623 000,00</b>

# Chapter 3

## 2022/23 MUNICIPAL INFRASTRUCTURE GRANT (MIG) PROJECTS REPORT

Table 25: MIG Projects Report

Project Name	Ward	2022-2023 Budget	2022-2023 Actual	%
PMU Fund		R2 443 650,00	R2 443 650,00	100%
Bholokodlela to Ntshingeni Access Road	2	R8 848 109,00	R8 848 109,00	100%
Genyu, Khalimashe to Komkhulu Access Road	3	R8 000 000,00	R8 000 000,00	100%
Mkwinti Access Road	10	R7 000 000,00	R7 000 000,00	100%
Preschool Halalane to Empikweni Access Road	12	R6 000 000,00	R6 000 000,00	100%
Qutsa River to Mangubomvu Access Road	07	R4 002 578,00	R4 002 578,00	100%
Hangane to Ntwashini Access Road	20	R4 000 000,00	R4 000 000,00	100%
Bholitye to Nomfenazana	10	R5 100 000,00	R5 100 000,00	100%
Nyanisweni, Joe Slovo and Mzomhle Paving	08 & 14	R3 478 663,00	R3 478 663,00	100%
<b>Total</b>		<b>R48 873 000,00</b>	<b>R48 873 000,00</b>	<b>100%</b>

# Chapter 3

## COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The Municipality's capacity to deliver basic services is hindered by its low revenue base, which it relies on to finance these services. Merely 20% of IYM's own revenue is allocated to fund capital projects and infrastructure developments, while the majority is sourced from government grants. However, considering the significant backlogs outlined earlier, the Municipality must endeavour to broaden its revenue streams. Simultaneously, it needs to enhance its utilisation of government grants effectively to address the extensive backlog it confronts over the next five years.

*T 3.7.10*

## 3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

### INTRODUCTION TO TRANSPORT

This is not a function of IYM.

*T 3.8.1*

Concerning T 3.8.2

This is not a function of IYM.

*T 3.8.2.1*

# Chapter 3

## 3.9 WASTE WATER (STORMWATER DRAINAGE)

### INTRODUCTION TO STORMWATER DRAINAGE

IYM, which is part of the CHDM, covers an area of 2 711 km<sup>2</sup> and includes the towns of Cofimvaba and Tsomo. A notable portion of the urban areas in Cofimvaba and Tsomo lacks formal stormwater drainage systems, leading to erosion and uncontrolled overland flow during heavy rainfall events.

The Municipality has made significant progress in constructing stormwater infrastructure in both Cofimvaba and Tsomo, as outlined in the tables below.

T 3.9.1

Table 26: Stormwater infrastructure

Stormwater Infrastructure				Kilometres
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
Year 2017/18	45	3,3		3,3
Year 2018/19	41,7	2,1		2,1
Year 2019/20	39,6	1,6		1,6
Year 2021/22	25	0		

T 3.9.2

Table 27: Cost of construction/maintenance

Cost of Construction/Maintenance				R' 000
	Stormwater Measures			Maintained
	New	Upgraded		
Year 2017/18	500 000 000		0.0	0.0
Year 2018/19	3 500 000		0.0	0.0
Year 2019/20	1 200 000		0.0	205
Year 2021/22	500 000			216

T 3.9.3

# Chapter 3

## COMPONENT C: PLANNING AND DEVELOPMENT

This component encompasses planning and local economic development.

### INTRODUCTION TO PLANNING AND DEVELOPMENT

According to the IYM SDF for 2021–2022, the Municipality is underdeveloped. To aid the Municipality in prioritising spatial planning and investment decisions, the following Spatial Structuring Elements, adopted from the IYM SDF for 2020, are applicable:-

- (a) Development nodes.
- (b) Development corridors.
- (c) Special priority development areas.
- (d) Strategic development zones.

T 3.10

### 3.10 PLANNING

#### INTRODUCTION TO PLANNING

The sub-directorate for Spatial Development Planning is responsible for spatial development and land use planning and management. Its functions and activities are guided by various plans and statutes, which are summarised in the following table:

Table 28: Plans and statutes guiding the function and activities of the sub-directorate for Spatial Development Planning

#	Structure/Sector Plan	Status
1	Town Planning Tribunal	The Municipality is part of the District tribunal.
2	IYM SDF	The IYM SDF was adopted by the Council in 2019.
3	Local Spatial Development Frameworks	Developed for St. Marks and Ncora. The Municipality is currently developing frameworks for Tsomo and Cofimvaba, scheduled to be adopted by 31 June 2024.
4	Development Precincts with Plans	<ul style="list-style-type: none"> <li>✓ Current plans include relocating the containers in town close to ESKOM and the Car Wash; sites have been demarcated but not yet allocated.</li> <li>✓ Planned development of a shopping complex at Main Road, with plans already approved by the Municipality.</li> <li>✓ Planned development of a Science Centre by the Department of Science and Technology.</li> <li>✓ Planned development of Medium Houses in Ward 14.</li> <li>✓ Planned development of a Multi-Purpose Centre in Tsomo.</li> </ul>
5	By-laws on National Building Regulations	Developed and adopted by Council
6	By-laws on Town Planning/Land Use	Developed and adopted by Council
7	By-laws on Outdoor Advertising	Developed and adopted by Council

# Chapter 3

#	Structure/Sector Plan	Status
8	National Building Regulations	Municipality is guided by the National Building Act
9	Land Use Management Scheme	Developed and adopted by Council
10	Geographical Information System (GIS)	Municipality has a licenced GIS
11	Central Business District (CBD) Revitalisation Programme	Awaiting appointment of a service provider to develop the plan
<i>T 3.10.1</i>		

## 3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

### INTRODUCTION TO ECONOMIC DEVELOPMENT

LED is an approach to economic growth that seeks to engage various stakeholders, including the community, businesses, and government, in achieving sustainable economic progress. This entails fostering employment opportunities, promoting skills development, and providing support to small, medium, and micro enterprises (SMMEs) within a specific area. Sustainable economic growth, in this context, means advancing economic development that fulfils the needs of the current generation without jeopardising the ability of future generations to fulfil their own needs.

The LED concept has been applied as a government programme to improve the economic performance of municipal areas across all industries (agriculture, SMME development, etc.) and sectors (formal and informal). LED is primarily implemented at the local sphere of government due to its proximity to local challenges.

*T 3.11.1*

Table 29: Local Economic Development

	Intsika Yethu	Chris Hani	Eastern Cape	National Total	Intsika Yethu as % of district municipality	Intsika Yethu as % of province	Intsika Yethu as % of national
<b>Agriculture</b>	0,1	0,7	5,9	94,4	10,4%	1,30%	0,08%
<b>Mining</b>	0,0	0,0	0,5	306,2	16,8%	1,41%	0,00%
<b>Manufacturing</b>	0,1	1,2	36,3	517,4	7,9%	0,27%	0,02%
<b>Electricity</b>	0,1	0,4	6,2	144,1	19,4%	1,27%	0,05%
<b>Construction</b>	0,1	1,1	13,2	154,3	10,7%	0,92%	0,08%
<b>Trade</b>	0,5	5,5	61,5	589,7	9,9%	0,88%	0,09%
<b>Transport</b>	0,1	1,9	27,5	389,2	7,3%	0,52%	0,04%
<b>Finance</b>	0,4	3,9	60,5	781,7	9,2%	0,59%	0,05%
<b>Community services</b>	1,0	9,5	89,7	894,1	10,7%	1,13%	0,11%
<b>Total Industries</b>	<b>2,4</b>	<b>24,3</b>	<b>301,2</b>	<b>3 871,2</b>	<b>10,0%</b>	<b>0,81%</b>	<b>0,06%</b>

# Chapter 3

Table 30: LED – average annual growth

	2016	2017	2018	2019	2020	2021	Average Annual growth
<b>Agriculture</b>	49,4	53,1	54,2	55,6	57,3	58,8	<b>3,57%</b>
<b>Mining</b>	7,5	7,6	7,7	7,8	7,8	7,9	<b>1,09%</b>
<b>Manufacturing</b>	71,2	70,5	71,0	71,7	73,3	75,2	<b>1,10%</b>
<b>Electricity</b>	30,6	30,2	30,1	30,5	31,4	32,3	<b>1,06%</b>
<b>Construction</b>	76,2	77,1	78,5	80,2	82,5	85,8	<b>2,39%</b>
<b>Trade</b>	367,8	369,8	375,6	383,7	395,9	409,2	<b>2,16%</b>
<b>Transport</b>	91,2	91,8	93,2	94,7	97,4	100,5	<b>1,96%</b>
<b>Finance</b>	251,7	253,9	258,9	265,6	273,7	282,5	<b>2,34%</b>
<b>Community services</b>	716,9	724,4	722,1	728,6	737,8	750,9	<b>0,93%</b>
<b>Total Industries</b>	<b>1 662,4</b>	<b>1 678,4</b>	<b>1 691,2</b>	<b>1 718,3</b>	<b>1 756,9</b>	<b>1 803,1</b>	<b>1,64%</b>

## COMMENT ON LOCAL JOB OPPORTUNITIES:

During the 2022/23 financial year, the Municipality facilitated 1 223 Community Works Programme (CWP) jobs and 501 EPWP jobs.

T 3.11.4

Table 31: Jobs created during Year 0 by LED initiatives (Excl EPWP projects)

Jobs Created during Year 0 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
<b>Total (all initiatives)</b>				
<b>Year 2019/20</b>	1 427 CWP jobs facilitated	0	1 427 CWP jobs facilitated	Recruitment reports.
<b>Year 2020/21</b>	1 365 CWP jobs facilitated	0	1 365 CWP jobs facilitated	Recruitment reports.
<b>Year 2021/22</b>	1 306 CWP jobs facilitated	0	1 306 CWP jobs facilitated	Recruitment reports.
<b>Year 2022/23</b>	1 223 CWP jobs facilitated	0	1 223 CWP jobs facilitated	Recruitment reports.

T 3.11.5

# Chapter 3

Table 32: Jobs created through EPWP projects

Job creation through EPWP* projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
Year 2017/18	7	365
Year 2018/19	8	375
Year 2019/20	9	334
Year 2020/21	11	501
Year 2021/22	10	543
<b>* - Extended Public Works Programme</b>		<b>T 3.11.6</b>

## COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

With the limited financial resources, the LED and Planning department accomplished the following:

- Provided support to 63 SMMEs.
- Facilitated the creation of 1 223 jobs through the CWP.
- Organised the Traditional Horse Racing Championship on 30 April 2023, in Ward 2, St Marks village.
- Refurbished two shearing sheds in Wards 15 and 20.
- Distributed agricultural inputs totalling 40 hectares in Wards 1, 7, 14, and 15.
- Supported three poultry projects in Wards 4 (Silwa Uphango Primary Coop) and 18 (The Sun Coop, Yiya Embovaneni Vilandini Coop).
- Assisted three piggery projects, including the procurement of pig feed for Khulati Primary Youth Coop (Ward 1), Ndima Piggery Project (Ward 8), and piggery structure materials for the Boys and Girls Project (Ward 15).

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

### INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

The Community Services Department is responsible for ensuring provision of an acceptable standard of Social Services, Emergency Services, Environmental Services, Community Safety and Road Traffic Management, as well as Sports, Arts and Cultural Services to the communities.

The department also offers the following services to the communities of IYM:

- Ensuring the provision of efficient and coordinated health services.
- Managing and monitoring the implementation of environmental degradation prevention strategies.
- Providing efficient and coordinated fire-fighting services.
- Managing and monitoring the implementation of crime prevention strategies, thereby enhancing safety and security in communities through Community Safety Forums coordinated by the Municipality.

# Chapter 3

- Managing the provision of efficient and coordinated community welfare services, including:
  - ✓ Day-care centres;
  - ✓ Proper pension payouts;
  - ✓ Sports, Arts and Culture Development
- Proper management of Municipal community facilities, including sport-fields and community halls.
- Oversight of public spaces, recreation centres, parks, and facilities.
- Provision of Safety and Security in the municipal area.

T 3.52

## 3.12 LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

### INTRODUCTION TO LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES

IYM has four fully functional libraries:

- Cofimvaba Library
- Tsomo Library
- Sabalele Library
- Ngqwaru Library (Conner Library Ngqwarhu SPS)

In addition to the aforementioned libraries, several schools host corner libraries where library staff members conduct regular visits. These libraries play a vital role in ensuring effective and efficient library services throughout the communities of IYM.

Libraries in the IYM are dedicated to collecting and preserving published documents, ensuring accessibility for the community. They safeguard knowledge for posterity and make information available for research purposes. Libraries provide up-to-date information in various media formats, including print, audio, audio-visual, and electronic formats. They significantly contribute to the upliftment of underprivileged communities by offering relevant resources and fostering educational opportunities.

T 3.12.1

### SERVICE STATISTICS FOR LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

T 3.12.2

N/A

### COMMENT ON THE PERFORMANCE OF LIBRARIES, ARCHIVES, MUSEUMS, GALLERIES, COMMUNITY FACILITIES, AND OTHER (THEATRES, ZOOS, ETC) OVERALL:

#### PERFORMANCE OF LIBRARIES

##### Library members:

Daily visits to the library offer patrons opportunities to utilise various resources, including internet access, reading materials such as books and newspapers, as well as conducting research.

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## **Computer use:**

Computers are extensively utilised by patrons across all libraries for tasks such as drafting CVs, completing assignments, or working on projects. Despite the absence of Wi-Fi in our libraries, learners seeking information for research purposes receive assistance within the libraries. Additionally, the libraries continue to rely on data provided by the Municipality to facilitate access to online resources.

## **Municipal library campaigns:**

Thirteen municipal library campaigns have been conducted to promote awareness and engagement with library services within the community.

T 3.12.7

## 3.13 INTRODUCTION TO CEMETERIES & CREMATORIALS

### INTRODUCTION TO CEMETERIES & CREMATORIALS

IYM oversees and administers two formalised cemetery facilities within its jurisdiction. The Municipality is tasked with managing and controlling these cemeteries, ensuring the availability of space for burials, providing adequate graves and built-up graves, handling pauper funerals, managing tariff applications, maintaining accurate cemetery records, and upholding cleanliness within the cemetery grounds.

T 3.13.1

### SERVICE STATISTICS FOR CEMETERIES & CREMATORIALS

T 3.13.2

N/A

## 3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

N/A

## COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and coastal protection.

# Chapter 3

## INTRODUCTION TO ENVIRONMENTAL PROTECTION

The current environmental footprint on natural resource consumption and demand patterns clearly indicates a future deficiency in available resources to meet population demands. This situation is further exacerbated by human activities, leading to climate change, a phenomenon with global ramifications. Addressing this challenge requires providing services in a sustainable manner and preserving our natural resources. Consequently, initiatives such as the Millennium Development Goals (MDGs) and international treaties like the Montreal Protocol and Basel Convention, to which South Africa is a signatory, play a crucial role in addressing these issues.

The promulgation of the National Environmental Management Act (NEMA), No. 107 of 1998, and subsequent legislation have formalised the integration of environmental sustainability into development planning, service delivery, and infrastructure development. This means that our attempts and efforts to meet the needs of the current generation should not impact negatively on the ability of future generations to meet their own. Therefore, environmental sustainability should be prioritised and integrated into development planning across national, provincial, and local spheres of government.

The IYM is well aware of the global challenge of climate change, which could significantly affect various climatic variables, particularly temperature and rainfall patterns. While the exact direction and magnitude of climate change and its specific impacts at the municipal level remain uncertain, it is anticipated that temperatures may rise, and rainfall patterns may become less frequent but more intense. This could result in an increased frequency and intensity of droughts and floods. Considering the predominantly rural character of the municipality, climate change poses potentially severe consequences for agricultural activities. IYM plays a proactive role in local economic development, which necessitates exploring drought-resistant crops as a mitigation strategy against the potential impacts of climate change. Accordingly, a disaster management plan for the Municipality must also address severe climate conditions such as thunderstorms, lightning, and hail.

*T 3.14*

### 3.15 POLLUTION CONTROL

#### INTRODUCTION TO POLLUTION CONTROL

IYM participates in the Climate Change Forum within the CHDM. While the Municipality does not have its own dedicated climate change forum, it is advisable for category B (Local Municipalities) to adopt the District Climate Change Strategy Framework and establish how they integrate into the district's plans. Climate change is defined in the National Climate Change Response Policy as an ongoing trend of changes in the Earth's general weather conditions due to an average rise in the temperature of the Earth's surface, commonly referred to as global warming.

*T 3.15.1*

N/A

# Chapter 3

3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (E.G. COASTAL PROTECTION)

N/A

## COMPONENT F: HEALTH

This component includes: clinics; ambulance services; and health inspections.

### INTRODUCTION TO HEALTH

This falls outside the municipal mandate and resides within the jurisdiction of the Department of Health.

T 3.17

3.17 CLINICS

N/A

3.18 AMBULANCE SERVICES

N/A

3.19 HEALTH INSPECTION; FOOD AND ABATTOIR LICENCING AND INSPECTION

N/A

## COMPONENT G: SECURITY AND SAFETY

3.20 SECURITY AND SAFETY

3.20.1 TRAFFIC AND LICENCING

### INTRODUCTION TO TRAFFIC AND LICENCING SERVICES

# Chapter 3

## 3.20.1.1 HIGHLIGHTS – TRAFFIC AND LICENCING SERVICES

The IYM operates a fully-fledged Traffic Department, responsible for various functions including traffic management, road safety, crime prevention, and enforcement of certain by-laws. This department comprises a Driving Licence Testing Centre for testing and renewing driving licences, a Registering Authority for licensing and registering motor vehicles, and a Vehicle Testing Centre, although the latter is not yet operational. The Municipality has constructed a vehicle testing station for this purpose. Additionally, the Traffic Department is responsible for traffic law enforcement, traffic control, and providing traffic education initiatives.

### CHALLENGES – TRAFFIC AND LICENCING SERVICES

- Shortage of staff/unfilled vacant positions,
- Network challenges within Cofimvaba which affect the functioning of the Licencing Centre,
- Shortage of traffic equipment to assist in traffic law enforcement.

### SERVICE STATISTICS – TRAFFIC AND LICENCING SERVICES

Table 33: Service statistics

NATURE	NUMBER
Learner licence(s)	1 229 Learner's licences issued.
Driver(s) Licence(s)	3 063 Driving licenses issued
Vehicle Registration(s)	601 Motor vehicles registered
Vehicle licencing	7 832 Motor vehicles licenced

Table 34: Specifying traffic management personnel

Rank	Number
Chief Traffic Officer	1
Traffic Wardens	3
Traffic Officers	10
Peace Officers	0
<b>TOTAL</b>	

Table 35: Specifying road safety

Item	Number
Number campaigns	6
Number Traffic & Safety Committee meetings	4
<b>TOTAL</b>	

# Chapter 3

## 3.21 FIRE

### INTRODUCTION TO FIRE SERVICES

The Municipality operates a functional Firefighting Unit equipped with one skid unit and one medium pump. However, Disaster Management falls under the purview of the CHDM.

### 3.21.1 HIGHLIGHTS – FIRE AND DISASTER MANAGEMENT

- Twenty-one (21) awareness campaigns were conducted.

Table 36: Specifying highlights for Fire and Disaster Management for the year

Highlights	Description
Major wildfire disaster	The team assisted in combating a wildfire.
Workshop on risk assessment	This initiative was a collaborative effort between IYM and CHDM to develop a Disaster Management Plan.

- IYM disaster management field workers conducted assessments in all affected areas.
- A report was compiled and submitted to CHDM.
- Relevant government departments were engaged for assistance in their respective areas of competence. For instance, Social Development and the Department of Home Affairs provided aid in cases where essential documents such as IDs were destroyed and shelter was unavailable.
- The Red Cross provided clothing to families whose belongings were destroyed.

## 3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

### INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

South Africa confronts an array of heightened threats and risks, exposed to various weather hazards such as droughts, cyclones, and severe storms, which can inflict widespread hardships and devastation. Consequently, Municipalities often find themselves grappling with budget constraints, leading to humanitarian assistance obligations during emergencies. Despite these financial challenges, the Municipality maintains established Emergency Services for Fire, Rescue, and Disaster Management. However, it encounters the following challenges:

- a) The Municipality lacks its own Disaster Management Plan and instead relies on the CHDM

# Chapter 3

## Disaster Management Plan.

b) There is no dedicated Disaster Management Centre established within the Municipality.

Fire prevention programmes conducted in 2022/23 primarily consist of awareness campaigns organised at the ward level through Ward Fire Committees. The Fire Fighting Unit responds to various types of fires, including domestic fires, within the municipality.

The Unit has developed a Fire Response Plan and Fire and Emergency Guide Plan that will assist in the overall preparation and management of fires. Primarily, the plans aim to:

- ✓ Prevent and combat veld, forest, mountain, and chemical fires throughout the Municipality;
- ✓ Minimise the impact of veld fires where occurrences cannot be prevented;
- ✓ Identify the various role players in cases of veld fires;
- ✓ Establish a practical approach for the Municipality to minimise fires through prevention, including the implementation of early warning systems, mitigation measures, and response strategies;
- ✓ Offer guidance on the provision of firefighting services, including the management of specialised fires such as mountain, veld, and chemical fires; and
- ✓ Establish standard regulations through by-laws for the prevention, management, and control of fires within the region.

T3.22.1

## SERVICE STATISTICS FOR DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

T 3.22.2

Table 37: Capital expenditure Year 0: Disaster Management, animal licensing and control, control of public nuisances, etc.

Capital Expenditure Year 0: Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc.					
Capital Projects	Budget	Year 0		Variance from original budget	Total Project Value
		Adjustment Budget	Actual Expenditure		
<b>Total All</b>	0,00	0,00	0,00	0,00	0,00
	(No capital projects were done)				

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	in relation to the above)			
<b>Project A</b>				
<b>Project B</b>				
<b>Project C</b>				
<b>Project D</b>				

T 3.22.6

Table 38: Summary of performance outcomes

Focus Area	KPI	Achieved
<b>Disaster Management</b>	Number of fire and disaster awareness campaigns conducted	Yes
<b>Animal Control</b>	Number of compliant monitoring reports from the Society for the Prevention of Cruelty to Animals (SPCA)	Yes

## COMPONENT H: SPORT AND RECREATION

### INTRODUCTION TO SPORT AND RECREATION

The IYM is responsible for managing and maintaining three (3) sports grounds within the municipal area. The Municipality aims to promote a healthy lifestyle for all residents by providing a diverse range of well-maintained and managed sports facilities.

T3.23

### 3.23 SPORT AND RECREATION

#### 3.23.1 HIGHLIGHTS – SPORT AND RECREATION

The Table below lists highlights for Sports and Recreation for the year:

Table 39: Sports and Recreation highlights

#### **Cofimvaba and Tsomo Sports grounds**

The Cofimvaba and Tsomo Sports grounds serve as venues for local soccer leagues and the mayoral cup tournament.

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## 3.23.2 CHALLENGES – SPORT AND RECREATION

The Table below lists challenges for Sport and Recreation for the year:

Table 40: Challenges for Sport and Recreation

Challenge	Actions to address
The expansion of sporting codes and clubs presents a challenge concerning the availability of sports fields (infrastructure) and the increasing maintenance costs.	Ensuring club affiliation is essential to enable access to facilities, with considerations for fixture availability and the need for varied sporting codes to utilise different sports grounds.

## 3.23.3 SERVICE STATISTICS – SPORT AND RECREATION

The Table below lists service delivery levels for Sport and Recreation for the year:

Table 41: Service delivery levels for Sports and Recreation

Types of service	2018/19	2019/20	2020/21	2021/22	2022/23
Numbers of sports grounds/fields	3	3	3	3	3
Number of rest places	4	4	4	4	4
Number of wards with rest places or parks	2	2	2	2	2
Number of wards with halls	21	21	21	21	21

## 3.23.4 CHALLENGES – COMMUNITY HALLS AND FACILITIES

The Table below lists challenges for Community Halls and Facilities for the year:

Table 42: Challenges for Community Halls and Facilities

Challenges	Actions to address
No budget to implement some of the community-based projects	Budgetary allocations should be made to facilitate the implementation of certain community-based

# Chapter 3

projects.

## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

### INTRODUCTION TO CORPORATE POLICY OFFICES, Etc.

The administration of IYM comprises five (5) Directorates/Departments, namely Technical, Community Services, LED and Planning, Budget and Treasury Office, and the Corporate Services Department.

The Corporate Services Department is responsible for providing support services, including the Human Resources function with all its associated responsibilities, as well as Administration & Council Support.

*T 3.24*

## 3.24 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councillors; municipal manager and senior managers).

### INTRODUCTION TO EXECUTIVE AND COUNCIL

This component includes the Executive Office, which comprises the mayor, councillors, municipal manager, and senior managers.

*T 3.24.1*

### SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

*T 3.69.2*

## 3.25 FINANCIAL SERVICES

### INTRODUCTION FINANCIAL SERVICES

The Long-Term Financial Plan of the Municipality not only outlines material financial and other identified issues but also offers specific proposals and recommendations for future financial management. It suggests the need for additional capacity in establishing procurement processes for all goods.

For further details on the financial performance of the Municipality, please refer to Chapter 5.

*T 3.25.1*

# Chapter 3

## 3.26 HUMAN RESOURCE SERVICES

### INTRODUCTION TO HUMAN RESOURCE SERVICES

The Human Resources Section is tasked with ensuring the well-being of the organisation's most valuable asset – its employees. Enhanced staff performance is integral to achieving the Municipality's primary service delivery objectives. The Municipality consistently endeavours to foster a culture of good governance and create an environment where employees' needs can be addressed in a manner conducive to the continual advancement of the interests of our local communities.

The Human Resources functions encompass various responsibilities, including but not limited to the administration of employee benefits, recruitment and selection of competent staff, organisational efficiency improvement, employment equity, training and development of staff, fostering sound labour relations, ensuring occupational health and safety, and providing general support services to enhance staff capacity in achieving the organisational strategic objectives of service delivery to the community.

T 3.26.1

### SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

T 3.26.2

Table 43: Human Resources services

Job Level	Employees: Human Resource Services				
	Year 2019/20	Posts	Year 2022/23		
	Employees		Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
No.	No.	No.	No.	%	
0 – 3	143	157	99	58	6
4 – 6	49	55	32	23	11
7 – 9	115	121	114	7	3
10 – 12	42	53	42	11	19
13 – 15	8	13	7	6	38
16 – 18	17	28	19	9	29
19 – 20	0	0	0	0	0
<b>Total</b>	<b>374</b>	<b>427</b>	<b>313</b>	<b>114</b>	<b>10</b>

T3.26.4

## 3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes Information and Communication Technology (ICT) services.

### INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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ICT is one of the most vital services for the Municipality, as it facilitates various essential functions such as salary payments, providing information for decision-making, communication with internal and external stakeholders, marketing the Municipality to potential investors and funders, paying service providers, managing and reporting on the financial position of the Municipality, and managing municipal assets. Therefore, sustaining this service is crucial to ensure its stability and, more importantly, its availability whenever needed. The principal responsibility of the ICT unit is to maintain a constant, secure, accessible, and reliable ICT infrastructure, which should be available 98% of the time. Thus, the primary focus for ICT should be on ensuring a 98% uptime of its services.

T 3.27.1

## SERVICE STATISTICS FOR ICT SERVICES

T 3.27.2

## COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

IT policies were reviewed and adopted by the council, addressing all security issues, confidentiality, and access to information. The alignment of ICT to national Key Performance Areas (KPA) is detailed in our Master Systems Plan (MSP), which serves as the ICT strategy for the Municipality. Additionally, the MSP aligns ICT initiatives with the Municipal IDP.

T3.27.7

## 3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

N/A

## COMPONENT J: MISCELLANEOUS

N/A

# Chapter 3

## COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

### ANNUAL PERFORMANCE REPORT FOR THE 2022/23 FY

Table 44: Annual performance report (2022/23)

#### KPA 1: Basic Services and Infrastructure Development

Strategic Objective: To provide sound municipal planning, Maintenance and Infrastructure provision that delivers for the needs of IYM citizens by 2027

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TAT	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE
To improve road and transport infrastructure networks within the IYM for greater mobility of people, goods, and services by June 2027	By constructing intermediate level service in terms of transport road infrastructure	Number of kilometres of access roads constructed as per the defined project list.	40kms	42,4kms of access roads constructed: Mangweni – 4,3km; Mahlatini – 4,3km; Mtyamde – 3,0km; Bholiye – 7,2km; Kuyasa Dantrashe – 5,5km; Luphindweni 6,4km; Lower Nqolosa 6,8km; R61 to Diba 4,9km Total = 42,4km	30,8km of access roads constructed: Cenyu-komkhulu 5,5km; Mkhwinti – 4,4km; Bholokodlela- Nishingeni – 3,3km; Hangana- Ntwashini – 3,1km; Bholiitye- nomifenanzana – 7km; Halalane- Mpiikweni – 6km; Qutsa- Mangubornvu – 1,5km.	37,54 km of gravel access roads achieved: Qutsa to Mangubornvu – 3,5km; Cenyu to Komkhulu Access Road – 5km; Bholiye to Nomfenazana Access Road – 7km; Mkhwinti Access Road – 4,4km; Halalane to Mpiikweni Access Road – 5,5km; Hangana to Ntwashini Access Road – 3km; Bholokodlela to Nishingeni Access Road – 8,4km; Paving of Mzomhle project – 0,74km.		Qutsa Access Road and Bholokodlela Access Road were initially planned for Phase 1 which was almost half of the entire road. With savings from MIG, it was then resolved by Council to complete both access roads – Phase 2.	None	Progress reports. Practical completion certificates.
By maintaining road infrastructure	Number of kilometres of gravel roads	8kms	11km gravel road maintained: 3km – Ntwashini	8km maintained: 2km – Nsongeni Access Road;	8km maintained: 2km – Nsongeni Access Road;	8km maintained: 2km – Nsongeni Access Road;		None	None	Progress reports. Practical

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TR	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE
To address electricity backlogs by June 2027		maintained as per the defined project list.		Access Road; 4km – Matshona Access Road; 4km – Mahlungulu Access Road	2km – Tsomo RDP Access Road; 2km – Sikhobeni Access Road; 2km – Tenza Access Road.	2km – Tsomo RDP Access Road; 2km – Sikhobeni Access Road; 2km – Tenza Access Road.				completion certificates.
		Number of bridge assessment reports developed			8 bridges assessed: Bholana, Lubisi, Ndlunkulu 1&2, Forty-Mawusheni, Seplani, Lower Ncortha, and Mthingwevu.	8 bridges assessed: Bholana, Lubisi, Ndlunkulu 1&2, Forty-Mawusheni, Seplani, Lower Ncortha, and Mthingwevu.	😊	None	None	Assessment report. Pictures
		Number of bridges maintained	1	0 Not achieved	1 bridge maintained: Bholakodlela	1 bridge maintained: Bholakodlela	😊	None	None	Signed report. Pictures
To address electricity backlogs by June 2027	By unblocking of culverts	Number of meters maintained on stormwater drainage	200 meters	216 meters maintained on stormwater drainage in Cofimvaba and Tsomo.	50	50	😊	None	None	Quarterly reports. Monthly progress reports.
	By conducting situation analysis	Number of dwellings provided with mains electricity supply.	200	0 Not achieved	225 households	164 households	😊	The contractor monitored by Vokon Afrika (Litha investments) performed poorly and lacked the financial and equipment resources to complete their scope of work. The Municipality refrained from terminating the contractor due to concerns that it would result in the Municipality losing its allocation and the rollover not being approved, particularly with the acting MM and acting CFO. Additionally, the process of appointing	The Municipality had two concurrent projects underway. In Project B, a contractor possessed the financial capacity to aid Project A by taking over responsibilities, as they had already fulfilled their own scope of work.	Reports with list of beneficiaries, ID numbers & meter numbers. Completion certificate

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PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TATN	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	REP
		Number of street lights and high masts maintained	New indicator	New indicator	All street lights & high masts maintained	Ward 14: Windus Street 10; Main Street 25; Plantation 4; High mast at Nyamisweni 2; High mast at Slovo 2. Ward 8: High mast 2; Street lights 4 0		None a new contractor would likely take more than three months.	None	Report. Pictures.	Director
	By lobbying funding from potential funders	Number of applications submitted to potential funders and rand value acquired	New indicator	New indicator	1 application to potential funders	0		The first meeting was held in Queenstown on 15 July 2022 wherein the initial process for the funding application was kick-started.	The application for funding has been initiated with OPT. The office of the Premier and IYM have engagements that are ongoing.	Proof of submission and rand value acquired	Director
		Number of electrification applications submitted to DoE	1	1 electrification application submitted to DoE	1	1		None	None	Application. Proof of submission	Director
To render project management services for municipal infrastructure projects by June 2027	By providing technical support to all infrastructure related projects	Number of Monitoring reports Developed.	New indicator	New indicator	4	4 reports monitoring submitted to both CoGTA and INEP		None	None	Signed Quarterly Report	Director
To maintain municipal properties by June 2027	Maintenance of municipal properties	Number of municipal buildings maintained	5	5 municipal properties maintained: Technical workshop, Finance office, Technical workshop change room.	2 municipal buildings maintained: Traffic Department and Tsomo Town Hall.	12 municipal buildings maintained. Ward 14: Land Fill site, Library, Technical Finance workshop, LED building, Main office Building, Park homes and Technical registry, Installation of Generators at Main office and Traffic Ward 8: Storeroom Ward 1: Chris Hani Resource Centre		There were emergencies in some of the buildings that were not planned for, e.g., workshop main door could not be left unattended.	None	Quarterly reports	Director: Infrastructure
To achieve integrated land use planning for	By updating IYM housing needs	Number of additional	200	200 beneficiaries registered on the	2 000	2 000 beneficiaries registered on the		None	None	Housing needs	Dir

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PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TRENDS	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE
sustainable human settlement within IYM by June 2027	register	beneficiaries registered into the housing needs register		housing needs register		housing needs register				register
	By formalisation of informal settlements	Number of Council formalised sites	2	2 Council formalised sites	4	4 Council formalised sites		None	None	Quarterly Reports; Attendance register; Advert; Approval letters
To ensure compliance on building standards by June 2027	By aligning LSF with the Spatial Planning and Land Use Management Act (SPLUMA)	IYM LSDF Reviewed and adopted by Council	1	Land Audit Report completed.	IYM LSDF reviewed and adopted by Council	IYM LSDF reviewed but not yet adopted.		Planning processes took longer than expected as the Municipality was still consulting best municipalities in the local spatial development. As a result, the service was appointed late.	The service provider presented an inception report. To be tabled in Q2 2023/24 FY.	Appointment letter; Attendance register; Approved LSDF.
	By conducting general valuation	Number of general valuation roll conducted, and approved by Council	1	1 supplementary valuation roll developed	1 general valuation roll conducted, and approved by council	0		The process of sourcing data collectors took longer than expected because some applicants did not meet criteria.	Data collectors have been appointed and trained successfully and ready to start. Target to be achieved in the Q1 2023/24 FY.	Appointment letter; Report from appointed service provider
	By enforcing compliance on building bylaws and National Building Regulations	Number of enforcement reports issued and actioned within the reporting period	4	4 enforcement reports issued and actioned	4 enforcement reports	4 enforcement reports	4 enforcement reports complied and submitted		None	None

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PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TATN	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To facilitate access to sustainable human settlements by June 2027	Registration of RDP sites to approved housing beneficiaries	Number of RDP sites transferred to approved housing beneficiaries	50	50 RDP sites transferred to beneficiaries from Tsomo and Cofimvaba	50 RDP sites transferred to approved beneficiaries	50 RDP sites transferred to beneficiaries from Tsomo and Cofimvaba		None	None	50 Title deeds	Director
To dispose of municipal assets that are declared to be useless by June 2027	By adhering to proper SCM processes. Through tenant leasing	Number of properties disposed of in compliance with disposal policies and procedures	6	6 properties managed and leased	20 properties to be disposed of	82 properties disposed of		None	None	Disposal report signed	Director

## KPA: 1 Basic infrastructure Development and Service delivery (Social Services)


Strategic Objectives: To provide quality social services and sustainable infrastructure for the communities of IYM by 2027

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TATN	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To provide an efficient and effective traffic management by June 2027	By reducing lawlessness through intensified law enforcement	Number of traffic law enforcement massive operations conducted	12	14 traffic law enforcement massive operations conducted: 16 July 2021 05 August 2021 10 October 2021 20 November 2021 06 December 2021 22 December 2021 07 April 2022 14 April 2022 20 May 2022 21 April 2022 28 April 2022 06 May 2022 12 May 2022 26 May 2022	12	15 traffic law enforcement massive operations. 11 August 2022 24 August 2022 08 September 2022 17 October 2022 28 October 2022 04 November 2022 10 November 2022 17 March 2023 18 March 2023 19 March 2023 21 March 2023 17/ March 2023 10 April 2023 08 May 2023 03 June 2023		Due to problems with motorists, the Municipality decided to conduct more operations.	None	Attendance register. Quarterly reports.	Director: Community Services

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/2023 ACTUAL	TATPA	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To provide traffic services in line with applicable legislation by June 2027	By registration, examination of motor vehicles, licencing of motor vehicles, testing of learners and driving licences	Number of driving licenses issued Number of learner's licence issued	2 500 1 100	3 063 1 229	2 500 1 100	2 718 driving licences issued 2 047 learners licences issued	😊 😊	None The Municipality has procured a generator which it has resulted in good performance.	None None	ENatis Reports ENatis Reports	Director
		Number of motor vehicles registered	400	601	400	383 motor vehicles registered	😊	This target does not entirely depend on the Municipality as the Municipality depends on the economic status of residents.	The Municipality has reviewed the target in the next FY.	ENatis Reports	Director
		Number of motor vehicles licenced	4000	7832	4000	5841 motor vehicles licenced	😊	The Municipality's procurement of a generator has led to improved performance.	None	ENatis Reports	Director
		Number of motor vehicles tested for roadworthy	New indicator	New indicator	400	79 motor vehicles tested for roadworthy.	😊	The station is still new. More marketing is needed.	The station is still new. More marketing is needed.	Roadworthy Reports	Director
To provide security services to all municipal assets by June 2027	By providing security services to all municipal assets	Number of municipal buildings provided with security services	New indicator	New indicator	17	20 provided with security services.	😊	None	None	Occurrence book	Director
To provide effective and efficient by-law enforcement by June 2027	By enforcing municipal by-laws	Number of reports on enforcing municipal by-laws	New indicator	New indicator	4	4	😊	None	None	Quarterly reports enforcing municipal by-laws	Director
To provide support to indigent households within IYM by June 2027	By registration and verification on indigent households in all 21 wards	Number of indigent households registered in the Indigent Register	8 295	8 419	8 500	8 950 indigent households registered in the Indigent Register.	😊	The target was exceeded due to a special plea by the Standing Committee to register more indigents.	None	Indigent Register	Director
To ensure provision of waste management services to residences within IYM by June 2027	By daily waste collection to the communities of IYM	Number of areas receiving waste management service	10	12 areas received waste management	12: Cofimvaba Town, Tsomo Town, Joe Slovo,	12: Cofimvaba Town, Tsomo Town, Joe Slovo, Nyanisweni, Extension 4, Section C, Polly,	😊	None	None	Collection registers. Letter from Ward Councillor for	Director


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PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TATN	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
					Nyanisweni, Extension 4, Section C, Polly, Thabo Village, Balfour, Mzomhle, Tsomo RDP.	Thabo Village, Balfour, Mzomhle, Tsomo RDP, C side.				residential	
	By decreasing the number of illegal dump sites within IYM	Number of awareness campaigns conducted on illegal dumping	4	22 awareness campaigns conducted: 11 August 2021 Ward 14; 12 August 2021 Ward 14; 24 August 2021 Ward 14; 25 August 2021 Ward 17; 25 August 2021 Ward 01; 31 August 2021 Ward 08; 14 September 2021 Ward 14; 08 September 2021 Ward 14; 23 September 2021 Ward 10; 16 November 2021 Ward 08; 17 November 2021 Ward 14; 25 November 2021 Ward 14; 07 December 2021 Ward 10; 23 September 2021 Ward 10; 16 November 2021 Ward 08; 17 November 2021 Ward 14; 25 November 2021 Ward 14; 07 December 2021 Ward 10; 10 February 2023 Ward 14; 16 February 2023 Ward 14; 28 February 2023 Ward 20; 09 March 2023 Ward 02; 27 March 2023 Ward 8; 27 March 2023 Ward 17; 28 March 2023 Ward 2; 28 March 2023 Ward 4;; 12 April 2023 Ward 14 18 April 2023 Ward 8; 11 May 2023 Ward 14; 14 June 2023 Ward 17;	8	23 awareness campaigns conducted: 24 August 2022 Ward 8; 07 September 2022 Ward 20; 08 September 2022 Ward 15; 2 September 2022 Ward 7; 17 November 2022 Ward 10; 23 November 2022 Ward 01; 25 November 2022 Ward 14 29 November 2022 Ward 13; 07 December 2022 Ward 14; 10 February 2023 Ward 14; 16 February 2023 Ward 14; 28 February 2023 Ward 20; 09 March 2023 Ward 02; 27 March 2023 Ward 8; 27 March 2023 Ward 17; 28 March 2023 Ward 2; 28 March 2023 Ward 4;; 12 April 2023 Ward 14 18 April 2023 Ward 8; 11 May 2023 Ward 14; 14 June 2023 Ward 17;		Target overachieved due to increase of cases of illegal dumping.	None	Attendance register	Director: Community Services




# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TATP	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
				15 March 2022 Ward 01; 23 May 2022 Ward 14; 25 May 2022 Ward 19; 26 May 2022 Ward 15; 07 June 2022 Ward 12; 00 June 2022 Ward 08.		02 June 2023 Ward 02; 30 June 2023 Ward 14.					
To maintain and provide compliant waste disposal sites according to permit conditions by June 2027	By complying with permit requirements	Number of Compliant monitoring reports indicating compliance to Landfill site permit requirements.	4	4 compliant monitoring inspection reports	4	4 compliant monitoring inspection reports	😊	None	None	Compliance monitoring reports	Director: Community Services
To improve aesthetic appearance of both IYM towns by June 2027	By landscaping, greening, and beautification of both IYM towns	Number of public spaces managed and maintained	6	6 public spaces managed and maintained.	6	6 public open spaces are managed and maintained. The areas include Magwala entrance, hospital entrance, behind ABSA, Tsomo entrance garden, Nyanisweni rest area, Plantation Road rest area, Plantation Road, behind Spar supermarket, Hospital Road in Nyanisweni.	😊	None	None	Quarterly reports	Director: Community Services
To minimise the risk of fires and disaster incidents in all communities of IYM by June 2027	By conducting fire and disaster awareness campaigns, and fire equipment to the communities of IYM	Number of fire and disaster awareness campaigns conducted	1 in 21 wards	22 fire and disaster awareness campaigns conducted: 10 August Ward 09; 11 August 2021 Ward 09; 08 September 2021 Ward 05; 09 September 2021 Ward 03; 10 September 2021	21	23 fire and disaster awareness campaigns conducted: 11 August 2022 Ward 21; 17 August 2022 Ward 3; 24 August 2022 Ward 08; 25 August 2022 Ward 20; 29 August 2022 Ward	😊	None	None	Attendance registers	Director: Community Services


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PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TARGET	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
				Ward 21; 15 September 2021 Ward 06; 22 September 2021 Ward 02; 10 November 2021 Ward 04; 25 November 2021 Ward 14; 30 November 2021 Ward 17; 07 December 2021 Ward 16; 09 December 2021 Ward 07; 02 February 2022 Ward 13; 09 February 2022 Ward 11; 04 March 2022 Ward 20; 23 March 2022 Ward 18; 23 March 2022 Ward 01; 04 April 2022 Ward 10; 11 April 2022 Ward 07; 25 May 2022 Ward 19; 26 May 2022 Ward 15; 27 May 2022 Ward 12.		09; 07 September 2022 Ward 20; 08 September 2022 Ward 15; 13 September 2022 Ward 16; 14 July 2022 Ward 19 17 November 2022 Ward 10; 23 November 2022 Ward 1; 25 November 2022 Ward 13; 29 November 2022 Ward 4; 08 February 2023 Ward 5; 10 February 2023 Ward 14; 06 March 2023 Ward 2; 14 March 2023 Ward 6; 27 March 2023 Ward 17; 14 April 2023 Ward 7; 04 May 2023 Ward 12; 17 May 2023 Ward 18; 20 May 2023 Ward 11; 14 June 2023 Ward 17.					
To improve security and care of all impounded animals within IYM by June 2027	By adhering to the established standards of national animal care	Number of compliant monitoring reports from SPCA	1	20 June 2022 Compliant monitoring report by SPCA	1	1 compliant monitoring inspection conducted by SPCA on <b>05 June 2023</b> . A report has been issued. Cofimvaba pound is compliant with		None	None	Signed SPCA report	Director

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PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/2023 ACTUAL	TRENDS	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To have a functional Community Safety Forum at IYM by June 2027	By coordinating and facilitating a Community Safety Forum meeting.	Number of Community Safety Forum meetings conducted	4	4 Community Safety Forum meetings: 14 September 2021 15 December 2021 17 March 2022 21 June 2022	4	4 Community Safety Forum meetings: 09 September 2022 08 December 2022 09 March 2023 26 June 2023		None	None	Attendance registers	Director: Community Safety
To facilitate access to library services by June 2027	By marketing and promoting municipal libraries	Number of municipal library campaigns conducted	4	12 library awareness campaigns: 26 August 2021 National Book week; 31 August 2021 National Book week; 08 September 2021 Literacy Day; Career Exhibition – 3 November 2021; Career exhibition – 04 November 2021; Holiday programme – 14 November 2021; Holiday programme – 15 December 2021; Library week – 04 February 2022; Library week – 10 February 2022; Library awareness campaign – 09 June 2022; Holiday programme – 15 June 2022; Holiday programme – 22 June 2022.	8	13 library awareness campaigns: 16 August 2022 National Book week; 29 September 2022 Literacy Day; 22 September 2022 library awareness; 30 November 2022 holiday programmes; 07 December 2022 Cofimvaba library; 08 December 2022 Tsomo library; 09 December 2022 Sabalele library; 28 March 2023 Wellness Centre; 28 March 2023 St Marks SPS; 20 April 2023 Mangelengele SPS; 25 April 2023 Sabalele library; 19 May 2023; Ncwana SPSw 1714 June 2023 Ngqwaru library		None	None	Attendance registers	Director: Community Services
		Number of business plans compiled and	1	1 business plan compiled and submitted to DSRAC	1	1 business plan compiled and submitted to DSRAC		None	None	Business plan & acknowledge	Director

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PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/2023 ACTUAL	TATPN	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
		submitted to DSRAC Signing of SLA with DSRAC by 30 June 2022	New indicator	New indicator	2022/23 SLA signed between 2 parties	Achieved – SLA signed between IYM & DSRAC on 30 June 2022.		None	None	ment letter from DSRAC Signed SLA.	Direct

## KPA 2: Local Economic Development

**Strategic Objective: To stimulate local economic development and ramping up economic growth within IYM by 2027**

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/2023 ACTUAL	TATPN	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To enhance capacity of identified SMMEs in order to ensure their sustainability by June 2027	By supporting SMME with capacity building programmes and financial support.	Number of SMMEs supported	3	6 supported. Umkulu Trading – Ward 8, co-operative formed by unemployed local graduates assisted with payment for accreditation with AgriSeta. Farmsite Pty Ltd, Siyazama Primary Co-operative, Sipholwethu Trading Pty Ltd, and Gubako Trading Pty Ltd	3	63 SMMEs supported		The significant overachievement is a result of the LED Department lobbying for more funding from potential funders (Department of Small Businesses) due to budget constraints.	None	Letter of support; Invoices.	Director LED & Planning

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PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/2023 ACTUAL	TAT	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To ensure that businesses have trading licences and permits by June 2027	By issuing licences and permits	Review of contractor's/ SMME Policy to address benefit of local SMMEs on tenders	New indicator	New indicator	Contractor's/ SMME Policy reviewed and approved by Council	No Contractor/ SMME Policy reviewed and approved	😊	SMME Policy could not be reviewed because of the new regulation with regard to 30% subcontracting.	The department developed criteria to support SMMEs, which was sent to Council on 29 June 2023 for adoption. The strategy will be reviewed and adopted in the 2023/24 financial year.	Copy of reviewed policy.	Director LED &
To develop, promote and support tourism development in IYM by June 2027	By exploring new tourism ventures in the form of water sports activities, hiking trails, and events	Number of licences and permits issued according to applications	48	48 licences and permits issued according to applications.	40	154 business licences issued.	😊	Overachievement is due to business operations that were conducted in Tsomo and Cofimvaba	100 business licences have been issued.	Receipts	Director LED
To implement a community works programme by June 2027	By facilitating creation of job opportunities through a CWP	Number of CWP jobs facilitated	1 200	1 306 CWP jobs facilitated.	1 200	1 223 CWP jobs facilitated.	😊	None	None	Signed Reports.	Director LED
		Number of CWP Reference Committee meetings held	New indicator	New indicator	4 meetings	4 meetings	😊	None	None	Invites; Attendance registers; Minutes	Director LED
		Number of exhibition shows participated in and IYM tourism products showcased	2	2 exhibition shows (Flea market in Cofimvaba main street showcasing from the 30-31 March 2022 and Makanda National Arts Festival from 23 June - 3 July 2022.	1	2 exhibition shows	😊	None	None	Attendance registers; Reports.	Director LED & Planning
		Number of traditional horse racing and fashion shows hosted	1	1 Traditional Horse Racing Championship took place on 30 April 2022 in Ward 2, St Mark's village.	1	1 Traditional Horse Racing and Fashion show hosted in Ward 2, St Mark's village grounds on 22 April 2023.	😊	None	None	Signed report	Director LED
		Number of marketing material developed	New indicator	New indicator	1 (tourism website)	1 (tourism website)	😊	None	None	Tourism website	Director LED

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PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/2023 ACTUAL	TAT	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To facilitate development and preservation of all IYM heritage sites by June 2027.	By facilitating declaration of all IYM heritage sites	Number of IYM heritage sites declared	1	1 design developed	3 (St Mark's Anglican Church, Chris Hani Home-Sabalele & Vuyisile Mini's home)	0	😊	The declaration of heritage sites process took longer than expected as it involves the Eastern Cape Provincial Heritage Resources Authority and South African Heritage Resources Authority.	An application was submitted for the declaration of three heritage sites to both bodies, and responses in this regard were received. The target has been adjusted accordingly for the 2023/24 financial year.	Signed report	Director: LED &
		Number of Heritage Day celebrations facilitated	1	1 Heritage Day celebration held at Gqogqorha village, Ward 9, on 15 October 2022.	1	1 Heritage Day celebration held at Qamata great place on 15 September 2022.	1	😊	None	None	Attendance registers
To improve the agricultural potential of IYM by June 2027	By supporting crop and livestock production in strategic areas across IYM.	Number of hectares provided with agricultural inputs (fertiliser, seeds, chemicals) to targeted emerging farmers	84 Ha	84 HA (Total). In the following projects: Matyabomvu cooperative (Ward 7), Mahlubini crop project (Ward 14), Magwala crop projects (Ward 15), Hoyana crop project (Ward 21), Ulimo development primary cooperative (Ward 21). All the inputs were delivered on 25 November 2021.	40 ha – Wards 1, 7, 14, and 15	40 ha supported with inputs in Wards 1, 7, 14, and 15	😊	None	None	Invoices; Delivery notes; Beneficiary register	Director: LED & Planning Director:
		Number of shearing sheds refurbished	2	2 shearing sheds: Qombolo and Dalubuhle shearing sheds refurbished.	2 – Wards 15 & 20.	2 shearing sheds refurbished in Wards 15 & 20.	2	😊	None	None	Invoices; Delivery Notes; Beneficiary register.
	By providing and refurbishing economic infrastructure by enhancing value addition.	Number of poultry projects supported	New indicator	New indicator	2 – Wards 4 & 18	3 poultry projects supported in Ward 4 (Silwa Uphango Primary Coop) & 18 (the Sun Coop, Yiya Embovaneni Vilandini Coop).	😊	None	None	Invoices; Delivery notes; Beneficiary register	Director: LED &

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PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/2023 ACTUAL	T/TP/N	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
		Number of piggery projects supported	New indicator	New indicator	1 – Ward 1	3 piggery projects supported: Procurement of Pig feed for the Khulati Primary Youth Cop (Ward 1) project; Ndima Piggery Project (Ward 8); piggery structure material for Boys and Girls Project (Ward 15)	😊	None	None	Invoices; Delivery notes; Beneficiary register	Director: LED & Planning
	By ensuring and maintaining stability in irrigation schemes	Number of Irrigation Technical Task Team meetings held.	New indicator	New indicator	2	2 Irrigation Technical Task Team meetings held	😊	None	None	Attendance	Director: LED & Planning
To stimulate Local Economic Development by June 2027	By facilitating funding for all LED programmes	Number of partnership applications facilitated	3	3 funding/partnership applications facilitated (to Southern African Youth Movement (SAYM); Dpt of Environment, Forestry, and Fisheries; and Dpt of Economic Development)	5 funding or partnership applications submitted, and rand value amount acquired	5 funding applications	😊	None	None	Funding Proposal and rand value amount acquired	Director: LED & Planning
To improve relations with LED stakeholders by June 2027	By improving relations with LED stakeholders	Number of LED Forum meetings held	4	4 LED Forum meetings held on the following dates: 21 September 2021 19 December 2021 10 February 2022 15 June 2022	4	4 LED Forum meetings: 21 September 2022 30 November 2022 14 March 2023 06 June 2023	😊	None	None	Attendance registers	Director: LED & Planning
To develop and review the credible IDP by June 2027	By developing & reviewing the 5 Year IDP annually	5-year IDP reviewed and approved by	1	Final 5-year IDP adopted by Council on 26 May 2022.	1	1 Final reviewed IDP adopted by Council on 26 June 2022	😊	None	None	Draft IDP & signed Final IDP	Director: LED & Planning

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/2023 ACTUAL	TAT/PA	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
		Council				May 2023.				Council Resolution	
		Number of IDP PMS & Budget Roadshows conducted	42	42. The IDP PMS & Budget Roadshows were held in 21 wards from 25 to 28 April 2022.	42	IDP/PMS and Budget Roadshows conducted in all 21 Wards from 19–21 October 2022 and 19–21 October 2023	😊	None	None	Notice; Attendance registers.	Director: LED &
		Number of IDP PMS & Budget Rep Forum Meetings held	4	3 IDP Rep Forum meetings were held.	4	4 IDP Rep Forum meetings held.	😊	None	None	Notice; Attendance registers.	Director
To develop and review SDBIP by June 2027	By developing a credible SDBIP	SDBIP developed and approved within 28 days after the approval of IDP and Budget	1	1 SDBIP developed and approved	Final SDBIP approved by the Mayor	Final SDBIP approved by the Mayor	😊	None	None	Signed final SDBIP	Director: LED
		SDBIP reviewed and approved by Council	New indicator	New indicator	SDBIP reviewed and approved by Council	Reviewed SDBIP approved by Council on 23 February 2023	😊	None	None	Reviewed SDBIP	Director
To monitor and evaluate municipal performance and compliance by June 2027	By developing quarterly, mid-year, and annual performance monitoring and evaluation reports.	Number of quarterly SDBIP reports developed	4	4	4	4	😊	None	None	Annual report.	Director
		Number of Annual Performance Reports developed and approved by Council.	1	1	1	1 S46 / Annual Performance Report developed and approved by Council on 30 of August 2022.	😊	None	None	Signed copy of Annual Performance Report	Director LED &
		Number of Annual Reports developed, compliant, and approved by Council	1	1 Annual Report developed and approved by Council.	1	1 Final Annual Report adopted by Council on 30 March 2023.	😊	None	None	Annual Report; Council resolutions	Director LED &

# Chapter 3

## KPA 3: Financial Management and Viability

Strategic Objectives: To provide financial support to the overall achievement of municipal vision and mission by 2027

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/2023 ACTUAL	TATPN	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To ensure financial resource mobilisation by June 2027	Effective and efficient revenue management.	Number of monthly billings prepared	12	12 monthly billings prepared.	12	12 monthly billing prepared.	😊	None	None	Billing Report	CFO
		Revenue Enhancement Strategy reviewed and approved by Council.	1	1 Revenue Enhancement Strategy reviewed and approved by Council.	1	1 Revenue Enhancement Strategy reviewed by Council.	😊	None	None	Revenue Strategy and Council Approval	CFO
	Effective and efficient grant management	% billed revenue collection rate (revenue collected over billed revenue)	80%	47% of the billed revenue collected.	80%	71%	😞	Target could not be achieved due to non-payment by debtors.	The Municipality has introduced the Know Your Plan to attend to customer queries. For government departments sittings have been arranged to do valuation reconciliation.	Billing vs. Receipts Report	CFO
		Number of reports on % of operational/capital budget actually spent with a variance of 5%	100%	82% spending – of approved capital and 100% of approved operational budget done.	3	12 reports	😊	None	None	None	12 Reports submitted to Council
		Number of reports on % of conditional grants performance by June 2023	New indicator	New indicator	3	12 reports	😊	None	None	12 Reports submitted to Council	CFO

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/2023 ACTUAL	TAT/PTA	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To ensure effective and complaint financial reporting by June 2027	Prepare GRAP complaint Annual Financial Statements and submit to the office of the AG by 31 August, yearly.	Number of GRAP compliant AFS	1	1 GRAP Compliant Asset Register developed	1	1 GRAP Compliant Asset Register developed		None	None	GRAP compliant AFS	CFO
	Effective and efficient debtors management	Number of reports on unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure and Minor Breaches by June 2023	4	4	4	4		None	None	UIFW Report	CFO
	Prepare and submit Section 71 reports to the Mayor monthly within 10 working days following the end of each month.	Number of Section 71 reports submitted by set date	12	12 Section 71 reports submitted by set date	12	12 Section 71 reports submitted by set date		None	None	Section 71 reports proof of submission to PT.	CFO
	Prepare and submit Section 72 reports to the Audit Committee and Council on or before the 25 <sup>th</sup> of January annually.	Number of Section 72 reports submitted by set date	1	1 Section 72 reports submitted by set date	1	1 Section 72 reports submitted by set date		None	None	Section 72 reports proof of submission to PT.	CFO
	Prepare and submit Section 52d reports to the Audit Committee and Council quarterly within 30 days after the end of each quarter.	Number of Section 52d quarterly reports submitted by set date	4	4 Section 52d quarterly reports submitted by set date	4	4 Section 52d quarterly reports submitted by set date		None	None	Section 52 reports proof of submission to PT.	CFO

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/2023 ACTUAL	TATP/TM	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To ensure effective, efficient, and economic supply chain management processes by June 2027	Prepare monthly reconciliations for VAT, Creditors, Debtors, etc. By developing an Annual Procurement Plan for all goods & services	Number of developed Procurement Plans per budget and procurement strategy	2	2 Procurement Plans developed	2	2 Procurement Plans developed	😊	None	None	Procurement Plans	CFO
		Developed GRAP Compliant Asset Register by set date	1	1	1	1	😊	None	None	GRAP compliant register	CFO
To ensure effective asset management by June 2027	Manage, control, and maintain all the municipal assets.	Disposal of obsolete assets by set date	1	1	1	1	😊	None	None	Compiled items for disposal	CFO
		Compilation of the Annual Budget for 2023/24 by 31 May 2023	1	1	1	1	😊	None	None	Council Resolution; Draft and Final Budget	CFO
To ensure effective and efficient financial resources management by June 2027	Effective and efficient budget management	Compilation of the adjustment budget by 28 February 2023	1	1	1	1	😊	None	None	Council Resolution considering the Adjusted budget.	CFO
		Average monthly turnaround time for the processing of valid invoices (from the date of receipt of invoice to the actual date of payment) in line with Section 65(2)(e) of the Local Government MFMA, No. 56 of 2003	30 days	Creditors paid 30 days	30 days	Creditors paid within 30 days	😊	None	None	Creditors Age Analysis	CFO

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/2023 ACTUAL	TAT/PA TN	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
	By ensuring salaries of staff and councillors are paid by the 25 <sup>th</sup> of each month	Number of days taken to pay councillors and staff on time and within budget	25 days	25 days taken to pay councillors and staff on time	25 <sup>th</sup>	25 days taken to pay councillors and staff on time	😊	None	None	Bank Confirmation	CFO
To ensure effective and adequate financial control by June 2027	By developing and reviewing all budget related policies, procedures, and strategies annually.	Number of reviewed budget related policies	17	17 budget policies reviewed and approved by Council	17	17 budget policies reviewed and approved by Council	😊	None	None	Council resolution approving policies	CFO

## KPA 4: Institutional Development and Municipal Transformation

**Strategic Objective: To ensure Municipal transformation and Institutional development at IYM by 2027.**

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TAT/PA TN	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To ensure effective and efficient management of records by June 2027	Implement a backup system to ensure the effective and efficient safeguarding of institutional records, utilising an automated/electronic record system	Number of records registers maintained and updated Number of records disposed off	4 1	4 records registers maintained and updated Target not achieved	4 1	4 records registers maintained and updated 1	😊 😊	None None	None None	Records registers; Inspection report Destruction Certificate	Director: Director: Director:
To enhance capacity and performance of councillors and employees by June 2027	By developing and implementing a WSP	2022/23 WSP developed and submitted to LG SETA Number of training interventions	New indicator 5	New indicator 5 (Practical Labour Law Programme,	2022/23 WSP developed and submitted to LG SETA 5	The WSP was developed and submitted on 19 April 2023. 8 training interventions were	😊 😊	None There are three additional	None None	Proof of submission to LG SETA Report on learning programmes	Director: Director: Director:

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TAT/PA/TN	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
		implemented as per WSP		CPMD, Advanced Diploma in Business Management, Bachelor of Commerce Honours in HRM)		implemented as per WSP (CPMD, Bachelor of Commerce Honours in HRM, Advanced Diploma in Business Management, Bachelor of Public Administration, Bachelor of Commerce, Refresher course on Operators, Occupational Health and Safety training, Basic Security training)		interventions that were implemented due to the identified departmental gaps, which were supported by personnel development plans.		implemented	
	By providing study assistance on formal qualifications	Number of qualifications prioritised per skills analysis and audit	5	5 (Public Administration, B. Com, ND: LG Law & Admin, Bachelor of Commerce Honours in Human Resource Management, and Advanced Diploma in Business Management)	5	5 qualifications were implemented as per the WSP plan. (CPMD, Bachelor of Commerce Honours in HRM, Advanced Diploma in Business Management, Bachelor of Public Administration, and Bachelor of Commerce)	☺	None	None	WSP Implementation Report	Director: Corporate services
To ensure the effective functioning of S80 Committees, EXCO, and Council by June 2027	By developing an Annual Council and Committees calendar.	Annual Council and Committees calendar developed and approved by Council	1	Council calendar prepared	Annual Council and Committees calendar developed and approved by Council	Annual calendar developed and approved by Council.	☺	None	None	Copy of calendar	Director corporate services
	By providing administrative and secretariat support for S80 Committees, EXCO, and Council.	Number of ordinary council meetings set in line with Council calendar	4	3 Ordinary Council Meeting Agendas compiled: 31 August 2021 28 February 2022 30 May 2022	4 ordinary Council Council sittings	4 ordinary Council sittings: 28 July 22 27 October 22 30 March 22 25 April 2023	☺	None	None	Copy of Council minutes; Attendance registers	Director: Corporate
		Number of special Council meetings set in line with	3	5 special Council meetings held: 07 January 2022	3 special Council meetings	5 special Council meetings held: 06 September 2022	☺	There were 5 special Council meetings instead of 3, and that	None	Copy of Council minutes; Attendance	Director: Corporate

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TAT/PA/TN	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
		Council calendar		31 January 2022 29 March 2022 09 June 2022 30 June 2022		23 February 2023 30 March 2023 13 December 2022 29 June 2023		was due to the Council's need to fast-track service delivery.		registers	Director, Corporate
		Number of ordinary EXCO meetings set in line with Council calendar	4	3 EXCO Meetings held: 10 August 2021 10 February 2022 13 May 2022	4 ordinary EXCO meetings	4 EXCO Meetings held: 19 July 2022 18 October 2022 18 January 2023 13 April 2023	😊	None	None	Minutes; Attendance registers	Director, Corporate
		Number of special EXCO meeting set	3	5 Special EXCO Meetings held: 06 January 2022 25 January 2022 24 March 2022 19 April /2022 21 April 2022 21 June 2022	4 special EXCO meetings	5 Special EXCO meetings held: 23 August 2022 05 December 2022 24 January 2023 13 February 2023 28 June 2023	😊	There were 5 instead of 3 special Council meetings, and that was due to the Council's need to fast-track service delivery.	None	Minutes and attendance registers	Director, Corporate services
		Number of Standing Committee meetings set	28	28 Standing Committee Meeting Agendas compiled	28	28 Standing Committee Meetings held	😊	None	None	Copies of Standing Committee agendas	Director
To ensure that Council resolutions are properly communicated and safeguarded by June 2027	By developing and maintaining a Council Resolution Register	Number of Council Resolution Registers developed and updated	4	4 Council Resolution Registers developed and updated	4	4 Council Resolution Registers developed and updated	😊	None	None	4 Council Resolution Registers	Director, Corporate
To ensure proper monitoring and management of IYM fleet by June 2027	By implementing a vehicle recovery and fleet monitoring system	Number of reports compiled on fleet utilisation in accordance with the Fleet Policy	4	4 reports compiled on fleet utilisation in accordance with the Fleet Policy	4	4 reports compiled on fleet utilisation in accordance with the Fleet Policy	😊	None	None	4 signed reports	Director, Corporate
To ensure compliance and equitable representation of municipal staff in line with the organisation's transformation agenda by June 2027	By implementing, maintaining, and reporting on the EE Plan	Number of reports submitted to DoL	1	1 report submitted to DoL	1	1 report submitted to DoL on 14/12/22	😊	None	None	Copy of EE Report to DoL	Director, Corporate
To ensure that the organisational structure is aligned with the IDP strategies and objectives by June 2027	By reviewing the organisational structure to be aligned with the Strategic and Performance Objectives	Reviewed organisational structure and approved by Council	1	Organisational structure reviewed and adopted by Council	Reviewed organisational structure and approved by Council	Reviewed organisational structure adopted on the 30 <sup>th</sup> May 2023.	😊	None	None	Invitation Attendance register Copy of reviewed organisational structure; Council resolutions	Director, Corporate

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TATF2	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To ensure a rational basis for equitable remuneration within the organisation by June 2027	By facilitating the development of job descriptions for every position in the organisational structure	Number of job descriptions developed and approved according to the organisation's approved organisational and functional structure.	100	110 job descriptions developed.	100	107 job descriptions developed.	😊	More job descriptions developed due to municipal backlog.	None	Copy of job descriptions developed	Director: Corporate services
To review institutional policies in line with legislation and other prescripts by June 2027	By developing, implementing, and reviewing municipal policies	Number of policies developed and/or reviewed in accordance with standard regulations	25	All policies were reviewed and adopted by Council.	25	85	😊	Due to new policies that were developed by the Municipality.	None	Copy of policies developed and reviewed	Director: Corporate
To capacitate and create awareness of institutional policies and procedure manuals by June 2027	By conducting awareness workshops on all reviewed policies	Number of workshops conducted on new or reviewed policies	1	1 stakeholder workshop successfully conducted	1	1	😊	None	None	Invitation; Attendance register; List of policies workshopped.	Director: Corporate
To promote sound labour relations by June 2027	By facilitating seating of LLF and compliance with relevant labour legislations	Number of LLF meetings held	4	5 LLF meetings held: 19 July 2021 28 July 2021 20 September 2021 06 December 2021 29 June 2022	4	3 LLF meetings held: 01 July 2022 07 September 2022 23 May 2023	😐	The 3rd quarter LLF meeting could not take place due to a clash of dates with Council commitments.	Moving forward, the planning of the Council event dates will be improved and will proceed as planned. Moreover, the calendar for LLF meetings has been developed and has been incorporated into the institutional calendar.	Agenda; Attendance register; Minutes	Director: Corporate services
To create a safe and healthy working environment by June 2027	By implementing an Occupational Health & Safety Policy and Plan By implementing and reviewing wellness programmes for the benefit of the workforce	Number of OHS reports compiled Number of wellness programmes held	4 4	4 OHS reports compiled 4 wellness programmes held: 30 September 2021 22 February 2022 23 February 2022 07 April 2022	4 4	4 OHS reports compiled 4 wellness programmes held: 15 September 2022 24 October 2022 15 June 2023	😊 😊	None None	None None	Copy of signed reports. Invitation; Attendance register; Pictures	Director: Corporate
To ensure efficient and effective HR provisions in line with the IDP by June 2027	By developing and implementing an HR Plan	Number of HR Plans developed and approved by Council	1	HR Plan developed and approved by Council	1	1 HR Plan developed and approved by Council.	😊	None	None	Copy of signed HR Plan	Director: Corporate

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TATPA TN	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
		The average length of time it takes to fill a vacant post Number of Leave Audits conducted	New indicator	New indicator	3 months positions below Sec 56 2 Leave Audits conducted	Positions were filled within a three-month period 0		None	None	Recruitment reports to the Standing Committees 2 Reports on Leave Audits and proof	Director
			New indicator	New indicator				Target has been transferred to internal audit as it is their function.	It has been incorporated in the 2023/24 financial year SDBIP under Internal Audit.		Director

# Chapter 3

## KPA 5: Good Governance and Public Participation

### Strategic Objective: To ensure good governance and oversight at IYM by 2027.

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TMPA	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
To strengthen the functioning of Ward Committees by June 2027	By monitoring and evaluating the functioning of Ward Committees	Number of planned trainings conducted and completed in twenty-one (21) wards	4	2 consolidated and approved reports submitted	4	2 trainings conducted	😊	Dep. of CoGTA could not attend to the Municipality as they were engaged with other municipalities in the district.	The training is set to take place in Q1 2023/24 financial year.	Attendance Registers; Training reports	OMM
To strengthen Council support and oversight within IYM by June 2027	By submitting Municipal Section 79 Committee reports to Council	Number of quarterly consolidated and approved reports submitted to the Office of the Speaker	4	4	4	4 consolidated reports	😊	None	None	Copies of signed consolidated quarterly reports	OMM
		Number of Rules and Ethics Committee meetings held and reports submitted to Council	4	3 meetings held	4	3 meetings held	😊	All Council committees are scheduled to sit in July for fourth quarter reporting.	The Rules and Ethics Meeting will report in the next ordinary Council. The committee is expected to sit in July 2023.	Attendance register. Rules & Ethics Committee Reports to Council	MM
To ensure extensive communication with all stakeholders by June 2027	By enhancing communication internally and externally	Number of MPAC meetings with number of resolutions/actions implemented.	4	4 MPAC meetings held	4	5 MPAC meetings held: 29 August 2022 07 September 2022 18 October 2022 24 October 2022 05 June 2023	😊	None	None	Agenda; Attendance registers	MM
		Number of MPAC approved reports submitted to Council	4	4 MPAC reports submitted to Council	4	5 MPAC reports submitted to Council	😊	None	None	Signed MPAC Reports; Council resolutions.	Municipal Manager
		Number of communication strategies reviewed and approved by Council	1	Not achieved. Draft in place	1	1 Communication strategy reviewed and approved by Council	😊	None	None	Signed Reviewed Communication Strategy; Council resolutions	Municipal Manager
		Number of external newsletters	2	Not achieved. Draft in place	2	0	😊	Target could not be achieved due to	This will be finalised and published in the	Signed External resolutions Signed External newsletter	Municipal Manager

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	T/AT/PA %	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
		prepared and published Number of internal newsletters prepared and published	New indicator	New indicator	12	12 internal newsletters developed and disseminated electronically.		delays in printing by service provider. None	month of July 2023. None	Signed Internal newsletters	
To contribute towards improving the quality of life through integrated services for the youth by June 2027	By establishing partnerships with relevant stakeholders on youth development programmes	Number of youth development programmes implemented	2	2 youth development programmes conducted.	2 youth development programmes	2 youth development programmes conducted		None	None	Concept; Attendance registers; Pictures	Municipal Manager
		Number of SPU mainstreaming strategies reviewed according to the reporting cycle deadlines and approved by Council	New indicator	New indicator	1	1 SPU strategy reviewed and adopted by Council		None	None	Copy of strategy	OMM
To facilitate war room campaigns by June 2027	By conducting advocacy programmes through the Integrated Service Delivery Model	Number of war room service delivery campaigns conducted, and number of issues resolved or reported on per issues raised	New indicator	New indicator	4	5 war room campaigns conducted: 13 September 2022 24 November 2022 14 January 2023 23 March 2023 27 March 2023		None	None	Minutes; Attendance registers	OMM
To commemorate national, provincial & local government events by June 2027	By aligning and developing concept documents for programmes of national days	Number of national events commemorated as per the scheduled annual timetable	10	9 National events commemorated. Nelson Mandela Day 67 Minutes – 16 July 2021. Women's Day celebration – 24 August 2021. Heritage Day – 04	10	10 National events commemorated: 01 August 2022 23 August 2022 06 December 2022 08 December 2022		None	None	Registers; Photos; Invitations; Agenda	Municipal Manager OMM

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	TATP/NZ	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
			September 2021. International Disability Day in honour of the disability sector – 02 December 2021. 16 Days of Activism and World AIDS Day – 09 December 2021. Candle Light Memorial – 15 May 2022. Youth Games – (17 & 18 June 22). 23 March 2022 – Human Rights Day. 22 & 23 February 2022 – STI and Condom Week.	1	1	1	0				
To strengthen customer care within the IYM by June 2027	By conducting community & business satisfaction surveys	Number of community satisfaction surveys conducted per strategic guidelines and submitted to Council	1	1	1	0	☹️	The research with the communities took longer than expected. The document is yet to be presented to management before it is presented to Council.	Draft Customer Satisfaction survey to be completed and submitted to Council in the 1 <sup>st</sup> quarter of the 2023/2024 financial year.	Signed Community Satisfaction Survey Report; Council resolutions.	OMM
To provide results-driven internal audit services by June 2027	By developing & implementing a 3-Year Rolling Risk-Based Internal Audit Plan By ensuring proper functioning of the Audit Committee	Number of risk-based internal audit plans developed and implemented Number of Audit Committee meetings conducted	16	16	14	4	☹️	Target could not be achieved due to the gap that was created by the resignation of the former CIA. None	The Municipality has since appointed a CIA.	Copy of risk-based internal audit plans. Audit reports	Municipal Manager
			6 Audit Committee meetings held: 23 August 2021	6 Audit Committee meetings held: 23 August 2021	4	5	☹️	5 Audit Committee meetings held: 19 August 2022	None	Attendance register. Signed minutes.	Municipal Manager

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	T/N/A	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
		Number of Audit Committee reports (with number of resolutions and actionable items) submitted	4	25 August 2021 21 October 2021 25 February 2022 27 May 2022 28 June 2022 6 Audit Committee reports submitted to Council	4	26 August 2022 30 November 2022 07 February 2023 26 May 2023 4 Audit Committee reports submitted to Council		None	None	Signed Audit Committee reports	Municipal Manager
To provide ICT services by June 2027	By developing and implementing an Integrated Information Communication Strategy. By managing risk related to ICT	Number of ICT strategies developed and implemented	4	4 reports submitted to the ICT Steering Committee meeting	1	ICT Strategy document		None	None	Copy of signed ICT Strategy document	Municipal Manager
		Number of ICT Steering Committee meetings held	4	4 ICT Steering Committee meetings held: 22 September 2021 24 February 2022 22 June 2022	4	4 ICT Steering Committee meetings held: 18 August 2022 30 November 2022 20 January 2023 18 April 2023		None	None	Attendance register, Signed minutes	Municipal Manager
To monitor and evaluate municipal performance and compliance by June 2027	By developing a municipal performance and compliance register as per the MFMA Calendar	Number of Performance agreements developed & signed by 31 July	6	6 Performance agreements developed	6	6 Performance agreements developed and signed.		None	None	Signed Performance agreements	Municipal Manager
To coordinate and monitor the institutional risk management function by June 2027	By implementing and reviewing the Risk Management Framework Policy	Number of Risk Management Framework Policies reviewed	4	4 risk reports	1	1 Risk Management Framework and Policy reviewed and tabled to Council on the 30 May 2023.		None	None	Risk Management Framework Policy	Municipal Manager
		Number of risk management strategies reviewed in accordance with risk and control register	New indicator	New indicator	1	1 Risk Management strategy reviewed and tabled to Council on 30 May 2023.		None	None	Copy of signed Risk strategy	Municipal Manager

# Chapter 3

PERFORMANCE OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	2021/22 ANNUAL TARGET	2021/22 ACTUAL	2022/23 ANNUAL TARGET	2022/23 ACTUAL	T/AT/PA %	EXPLANATION FOR DEVIATION	MECHANISM TO ADDRESS SHORTFALL	SOURCE OF EVIDENCE	KPI Owner
	By ensuring proper functioning of Risk Management Committee	Number of Risk Committee meetings held with resolutions recorded	4	4 meetings	4	4 Risk Committee meetings: 16 August 2022 23 November 2022 31 January 2023 16 May 2023	☺	None	None	Attendance Register. <u>Minutes/Resolutions</u>	OMM
To monitor the prevention of fraud and corruption by June 2027	By facilitating the implementation and review of the Anti-Fraud & Corruption Strategy	Number of Anti-Fraud & Corruption Strategies reviewed and approved by Council	1	1 Anti-Fraud & Corruption Strategy reviewed and approved by Council	1	1 Anti-Fraud & Corruption Strategy reviewed and tabled to Council on 30 May 2023.	☺	None	None	Copy of Anti-Fraud and Corruption Strategy. Council resolutions	Municipal Manager
	By facilitating the monitoring and implementation of the Anti-Fraud and Corruption Strategy	Number of awareness sessions conducted	2	1 awareness campaign held on 24 November 2021	2	2 awareness campaigns held: 03 November 2022 04 November 2022	☺	None	None	Attendance registers	Municipal Manager
To ascertain that all laws and regulations affecting the Municipality are in place by 2027	By ensuring that the Municipality employs the services of a panel of attorneys By facilitating the development of by-laws	Number of litigation reports Number of by-laws reviewed and approved by Council	New indicator New indicator	New indicator New indicator	4	4 reports	☺	None	None	Quarterly litigation reports	OMM
					5	8 by-laws reviewed and adopted by Council in June 2023.	☺	None	None	Copy of by-laws, Council resolutions	OMM

# Chapter 4

## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

### (PERFORMANCE REPORT PART II)

#### INTRODUCTION

IYM is committed to making all reasonable efforts to fulfil the objectives outlined in the IDP and address day-to-day operational needs. This commitment is upheld by ensuring appropriate staffing levels to meet functional requirements. Organisational support plays a crucial role in optimising staff performance and departmental functionality. This is achieved through vigilant monitoring of the utilisation and implementation of relevant policies and procedures.

Every effort is dedicated to ensuring compliance with relevant legislative requirements, including those related to recruitment, Workplace Skills Plan, Employment Equity, and similar matters. Rigorous monitoring is conducted to ensure that all aspects of staff recruitment, selection, appointment, and retention are managed correctly and in strict accordance with established policies, procedures, and legislation.

**T 4.0.1**

#### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

##### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Table 45: Employees

Description	Employees				
	Year 2021/22	Year 2022/23			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water					%
Wastewater (Sanitation)					%
Electricity	3	3	5	2	40%
Waste Management					%
Housing	5	5	5	2	40%
Wastewater (Stormwater Drainage)					%
Roads	83	83	41	7	17%

# Chapter 4

<b>Transport</b>						%
<b>Planning</b>	5	5	5	2		40%
<b>Local Economic Development Planning (Strategic &amp; Regulatory)</b>	20	20	14	9		36%
						%
<b>Local Economic Development Community &amp; Social Services</b>	20	20	14	9		36%
<b>Environmental Protection</b>	33	33	30	8		27%
<b>Totals</b>	-	-	-	-	-	
						T 4.1.1

Table 46: Vacancy rate

Vacancy Rate: Year 2022/23			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
<b>Municipal Manager</b>	1	0	0%
<b>CFO</b>	1	0	0%
<b>Other S57 Managers (excluding Finance Posts)</b>	4	0	0%
<b>Other S57 Managers (Finance posts)</b>			
<b>Police officers</b>			
<b>Fire fighters</b>	8	4	50%
<b>Senior management: Levels 13–15 (excluding Finance Posts)</b>	4	0	0%
<b>Senior management: Levels 13–15 (Finance posts)</b>	1	0	0%
<b>Highly skilled supervision: levels 9–12 (excluding Finance posts)</b>	44	8	18%
<b>Highly skilled supervision: levels 9–12 (Finance posts)</b>	4	3	75%
<b>Total</b>			
			T 4.1.2

# Chapter 4

Table 47: Turnover rate

Turnover Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
Year 2017/18	25	18	72%
Year 2018/19	34	15	44%
Year 2019/20	34	16	47%
Year 2020/21	6	19	0%
Year 2021/22	5	15	0%
Year 2022/23	8	17	0%
* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year			T 4.1.3

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The IYM currently employs 329 permanent officials, each making individual and collective contributions to the achievement of the municipality's objectives. The primary goal of Human Resource Management is to provide an innovative Human Resource service that addresses both skills development and administrative functions.

Managing the municipal workforce involves analysing and coordinating employee behaviour. The day-to-day functioning and management of the Municipal Workforce are governed and directed by various legislative acts and internal policies, including the Labour Relations Act, the Basic Conditions of Employment Act, the Employment Equity Act, the Municipal Finance Management Act, internal Disciplinary Policy and Procedures, and the Performance Management Policy, among others. To ensure correct implementation and to foster the required level of commitment from management and staff, stakeholders are involved in the development of these policies, and relevant staff receive thorough training to ensure effective application.

The organisation's ongoing intention is to establish personnel administration that is administered and managed in a manner that is fair, efficient, effective, and transparent. Management is tasked with appropriately managing and supporting staff in accordance with legislative requirements. By doing so, a supportive management and administrative structure is cultivated, fostering successful outcomes and enhancing performance optimisation at every level.

T4.2.0

# Chapter 4

Table 48: Municipal workforce

DEPARTMENT	TOTAL NUMBER OF STAFF	NO. OF PERMANENT STAFF	NO. OF CONTRACT STAFF
Infrastructure, Planning and Development	111	110	1
Community Services Department	64	59	5
Office of the Municipal Manager	39	33	6
Local Economic Development	15	11	4
Corporate Services Department	55	55	0
Finance	27	25	2
<b>TOTAL</b>	<b>311</b>	<b>293</b>	<b>18</b>

T 4.2.0

## 4.2 POLICIES

Table 49: Policies

	Name of Policy	HR Policies and Plans		Date adopted by Council or comment on failure to adopt
		Completed %	Reviewed %	
1	Affirmative Action	0%		N
2	Attraction and Retention	100%		Y
3	Code of Conduct for Employees	100%		Y
4	Delegations, Authorisation & Responsibility	100%		Y
5	Disciplinary Code and Procedures	100%		Y
6	Essential Services	100%		Y
7	Employee Assistance / Wellness	100%		Y
8	Employment Equity	100%		Y
9	Exit Management	0%		N
10	Grievance Procedures	100%		Y
11	HIV/AIDS	100%		Y
12	Human Resource and Development	100%		Y
13	Information Technology	100%		Y
14	Job Evaluation	100%		Y
15	Leave	100%		Y

# Chapter 4

16	Occupational Health and Safety	100%	Y
17	Official Housing	100%	Y
18	Official Journeys	100%	Y
19	Official Transport to Attend Funerals	100%	Y
20	Official Working Hours and Overtime	100%	Y
21	Organisational Rights	100%	Y
22	Payroll Deductions	100%	Y
23	Performance Management and Development	100%	Y
24	Recruitment, Selection and Appointments	100%	Y
25	Remuneration Scales and Allowances	100%	Y
26	Resettlement	100%	Y
27	Sexual Harassment	100%	Y
28	Skills Development	100%	Y
29	Smoking	100%	Y
30	Special Skills	100%	Y
31	Long Service Policy	100%	Y
32	Policy regulating absenteeism	100%	Y
33	Substance Abuse Policy	100%	Y

T 4.2.1

## 4.3 INJURIES, SICKNESS AND SUSPENSIONS

An occupational injury refers to a personal injury, disease, or death resulting from an occupational accident. Compensation claims for such injuries are determined based on the severity of the injury or disease and can pose significant costs to a municipality. Occupational injuries can lead to a loss of man-hours, thereby affecting financial and productivity performance. As of now, there have been no new reported cases of injuries.

The Table below shows the total number of injuries per directorate.

Table 50: Total number of injuries per directorate

Directorate	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Office of the Municipal Manager	1	0	0	0	0	0
Economic development & planning	0	0	0	0	0	0
Community Services	1	0	0	0	0	0
Technical Services	0	0	1	1	1	0
BTO	0	0	0	0	0	0
Corporates Services	0	0	0	0	0	0

The Table below shows the total number of sick leave days per directorate:

# Chapter 4

Table 51: Total number of sick leave days per directorate

DEPARTMENT	No. of day taken 2021/22	No. of days taken 2022/23
Infrastructure, Planning and Development	135	59
Community Services	157	79
Office of the Municipal Manager	107	51
Local Economic Development	33	12
Corporate Services Department	234	319
BTO	147	58

The Table below shows the total number suspensions per directorate:

Table 52: Total number of suspensions per directorate

DEPARTMENT	2019/20	2020/21	2021/22	2022/23
Infrastructure, Planning and Development	0	0	0	0
Community Services	0	0	0	0
Office of the Municipal Manager	0	0	0	1
Local Economic Development	0	0	0	0
Corporate Services Department	0	0	0	2
BTO	0	0	0	0

#### COMMENT ON INJURY AND SICK LEAVE:

An occupational injury refers to a personal injury, disease, or death resulting from an occupational accident. Compensation claims for such injuries are determined based on the severity of the injury or disease and can incur significant costs for a municipality. Occupational injuries can lead to a loss of man-hours, thereby impacting financial and productivity performance. As of now, there have been no new reported cases of injuries.

The number of sick leave days taken by employees has implications for service delivery and costs. Monitoring sick leave helps identify patterns or trends. Once these patterns are identified, corrective action can be taken.

**T 4.3.4**

# Chapter 4

Table 53: Number and period of suspensions

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action Taken or Status of Case and Reasons Why Not Finalised	Date Finalised
<b>Personnel Clerk</b>	Gross misconduct, organising and participating in an unprotected strike. Intimidation and also bringing the name of the Municipality into disrepute	04 November 2022	Suspended and disciplinary hearing is in process	31 August 2023
<b>Communication Clerk</b>	Gross misconduct, organising and participating in an unprotected strike. Intimidation and also bringing the name of the Municipality into disrepute	09 November 2022	Suspended and disciplinary hearing is in process	31 August 2023
<b>Driver</b>	Theft	16 February 2023	Suspended and disciplinary hearing is in process	29 August 2023
				T 4.3.5

Table 54: Disciplinary action taken for financial misconduct

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the Municipality	Disciplinary action taken	Date Finalised
	0		
	0		
	0		
	0		T 4.3.6

# Chapter 4

## 4.4 PERFORMANCE REWARDS

Table 55: Performance rewards by gender

Performance Rewards By Gender					
Designations	Gender	Total number of employees in group	Beneficiary profile		
			Number of beneficiaries	Expenditure on rewards Year 2022/23 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1–2)	Female	0			
	Male	0			
Skilled (Levels 3–5)	Female	0			
	Male	0			
Highly skilled production (levels 6–8)	Female	0			
	Male	0			
Highly skilled supervision (levels 9–12)	Female	0			
	Male	0			
Senior management (Levels 13–15)	Female	0			
	Male	0			
MM and S57	Female	2	2	R92 248,18	
	Male	2	2	R92 248,18	
<b>Total</b>					
<b>Has the statutory municipal calculator been used as part of the evaluation process?</b>					Yes/No
					T 4.4.1

### COMMENT ON PERFORMANCE REWARDS:

The positions of the Municipal Manager and the Director Community Services were vacant for the 2021/22 financial year and the performance bonuses were for the 2021/22 financial year. These positions have since been filled.

T 4.4.1.1

# Chapter 4

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient, and accountable way. For this purpose, the Human Resource capacity of a municipality must comply with the Skills Development Act (SDA), No. No. 81 of 1998, and the Skills Development Levies Act, 20, No. 28 of 1999.

In the 2022/2023 financial year, training initiatives witnessed an increase in full credit-bearing programmes. In alignment with the National Qualifications Framework (NQF), which mandates training programme portability, the Municipality prioritised full and part qualifications with pathways to other programmes and qualifications at various tertiary institutions. Discretionary allocations granted to IYM by the Local Government Sector Education & Training Authority (LG SETA) facilitated access to learnerships.

The following training programmes were provided for employees:

- Yellow Fleet Operators (20 Employees)
- Occupational Health and Safety Training (11 Employees)
- Basic Security Training (17 Employees)

**T 4.5.0**

### 4.5 SKILLS DEVELOPMENT AND TRAINING

The Skills Development Act (1998) and MSA (2000) mandate employers to provide employees with the requisite training to enhance human resource capacity. Section 55(1) (f) designates the Municipal Manager as responsible for the management, utilisation, and training of staff as the head of administration.

Table 56: Skills development and training provided

LEARNING PROGRAMMES PROVIDED	SKILLS PROVIDED	PROGRAMMES	QUALIFICATIONS PROVIDED
CPMD (1 learner)	Training for Operators (20 Employees)	(20)	Bachelor of Public Administration (12 Learners)
	Occupational Health & Safety Training (11 Employees)		Bachelor of Commerce Degree (1 Learner)
	Basic Security Training (17 Employees)	(17)	Bachelor of Commerce in HRM (2 Learners)
	Examiner of Vehicle Grade (1 Learner)	(1)	Advanced Certificate in Business Management (1 Learner)

# Chapter 4

	Introduction to SAMTRAC (1 Learner)	Bachelor of Commerce in IT (2 Learners)
		Bachelor of Commerce in Project Management (2 Learners)
		Post Grade in Project Management (2 Learners)
		Bachelor of Commerce in Business Administration (2 Learners)
		Bachelor of Commerce in Supply Chain Management (2 Learners)
		Higher Certificate in Supply Chain Management (1 Learner)
		Advanced Diploma in Business Management (1 Learner)

Table 57: Skills development expenditure

Skills Development Expenditure								
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 2022/2023				Total	
			Learnerships		Skills programmes & other short courses			
		No. 92	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
Municipal Manager and S57	Female		R0.00	R0.00	R1 300 000,00	R1 249 188,09	R1 300 000,00	R1 249 188,09
	Male	0						
Legislators, senior officials & managers	Female	0						
	Male	2						
Professionals	Female	2						
	Male	0						
Technicians & associate professionals	Female	0						
	Male	1						
Clerks	Female	18						
	Male	3						
Service & sales workers	Female	0						
	Male	23						
Plant and machine operators and assemblers	Female	0						
	Male	20						
Elementary occupations	Female	5						
	Male	4						
Sub-total	Female	32						
	Male	46						
Total			0	0	0	0		

\*% and \*R value of municipal salaries (original budget) allocated for workplace skills plan.

%\* \*R

# Chapter 4

T4.5.3

## **COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:**

In terms of Section 83 (1) of the Local Government: MFMA, No. 56 of 2003, the Accounting Officer, Senior Managers, the Chief Financial Officer, non-financial managers, and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the MFMA. National Treasury has outlined these financial management competencies in Government Notice 493 dated 15 June 2007.

To aid the aforementioned officials in attaining the required financial competencies, National Treasury, in collaboration with various stakeholders and role players in the local government sphere, has developed an outcomes-based NQF Level 6 qualification in Municipal Finance Management.

**T 4.5.4**

## **COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE**

### **MANAGING THE WORKFORCE EXPENDITURE**

#### **INTRODUCTION TO WORKFORCE EXPENDITURE**

Section 66 of the Local Government: Municipal Systems Act, No. 32 of 2000, stipulates that the Accounting Officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances, and benefits. This requirement aligns with the provisions outlined in the Public Service Regulations (2002) as well as the National Treasury Budget and Reporting Regulations SA22 and SA23.

IYM is mandated to manage all resources, including financial management such as workforce expenditure, in the most effective manner possible. In order to establish and uphold effective controls to minimise overspending, strict adherence to policies and procedures is imperative. Accordingly, no appointments may be made without the appropriate approvals, ensuring that budget allocations are allocated correctly.

Accordingly:

- Budgets are meticulously controlled, and any instances of over or under expenditure are regularly reported, typically through monthly reporting procedures.
- Staff appointments are made rigorously in accordance with the pertinent legislation and/or policy agreements.

**T 4.6.0**

# Chapter 4

## 4.6 EMPLOYEE EXPENDITURE

### COMMENT ON WORKFORCE EXPENDITURE:

Section 66 of the Local Government: MSA (No. 32 of 2000) mandates that the Accounting Officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances, and benefits. This requirement aligns with the provisions outlined in the Public Service Regulations (2002), as well as the National Treasury Budget and Reporting Regulations SA22 and SA23.

IYM is obligated to manage all resources, including financial management such as workforce expenditure, in the most effective manner possible. In an endeavour to establish and uphold effective controls to minimise opportunities for overspending, strict adherence to policy and procedure is essential. To this end, no appointments may be made without the appropriate approval and ensuring that the budget is allocated correctly.

Accordingly:

- Budgets are closely monitored, and any instances of over or under expenditure are regularly reported, typically through monthly reporting mechanisms.
- Staff appointments are made strictly in accordance with the relevant legislation and/or policy agreements.

**T 4.6.1.1**

Table 58: Number of employees whose salaries were increased due to upgraded positions

Number of Employees Whose Salaries Were Increased Due to Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1–2)	Female	0
	Male	0
Skilled (Levels 3–5)	Female	0
	Male	0
Highly skilled production (Levels 6–8)	Female	0
	Male	0
Highly skilled supervision (Levels 9–12)	Female	0
	Male	0
Senior management (Levels 13–16)	Female	0
	Male	0
Municipal Manager and S 57	Female	0
	Male	0
<b>Total</b>		<b>0</b>
<i>Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right-hand side of the column (as illustrated above).</i>		<b>T 4.6.2</b>

# Chapter 4

## DISCLOSURES OF FINANCIAL INTERESTS

Refer to Appendix J.

T 4.6.6

# Chapter 5

## CHAPTER 5 – FINANCIAL PERFORMANCE

### INTRODUCTION

As global economic uncertainty and rising costs exert inflationary pressure on the Municipality, meticulous care is taken to uphold effective financial management practices. To this end, robust systems and procedures are implemented to ensure the establishment of sound fiscal controls and an environment conducive to effective financial management, thereby minimising instances of fruitless and wasteful expenditure. Furthermore, the municipality takes proactive measures to ensure that operations are appropriately controlled, thereby sustaining efficient and effective service delivery to our consumers.

*T 5.0.1*

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### INTRODUCTION TO FINANCIAL STATEMENTS

Note: Statements of Revenue Collection Performance by vote and by source are included in **Appendix K**.

*T 5.1.0*

# Chapter 5

## 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Table 59: Statement of financial performance for the year ended 30 June 2023

	2023	2022
<b>STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023</b>		
<b>REVENUE</b>		
Revenue from Non-exchange Transactions	<b>274 948 251</b>	<b>235 547 284</b>
Property Rates	13 596 233	10 945 943
Fines, Penalties and Forfeits	540 922	189 325
Licences and Permits	173 690	50 130
Transfers and Subsidies	256 944 375	222 065 879
Interest, Dividends and Rent on Land Earned	3 693 031	2 296 007
<b>Revenue from Exchange Transactions</b>	<b>13 158 357</b>	<b>10 054 786</b>
Licences and Permits	1 793 397	1 838 844
Service Charges	1 379 875	1 316 361
Sales of Goods and Rendering of Services	647 505	389 243
Income from Agency Services	890 164	1 033 931
Rental from Fixed Assets	1 335 244	1 304 533
Interest, Dividends and Rent on Land Earned	6 633 712	3 316 833
Operational Revenue	478 461	855 041
<b>Total Revenue</b>	<b>288 106 608</b>	<b>245 602 069</b>
<b>EXPENDITURE</b>	<b>264 740 539</b>	<b>307 121 773</b>
Employee Related Costs	137 897 335	133 835 555
Remuneration of Councillors	17 821 014	17 515 192
Depreciation and Amortisation	25 689 485	30 035 137
Impairment Losses	11 123 578	70 393 364
Interest, Dividends and Rent on Land	6 938	234 933
Contracted Services	20 225 037	16 114 395
Inventory Consumed	2 802 933	2 442 780
Transfers and Subsidies Paid	4 729 791	2 648 363
Operational Costs	33 676 091	31 564 937
Losses on Other Operations	-	71 753
Loss on Disposal of Property, Plant and Equipment	10 768 337	2 265 364
<b>Total Expenditure</b>	<b>264 740 539</b>	<b>307 121 773</b>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	<b>23 366 069</b>	<b>(61 519 704)</b>

**COMMENT ON FINANCIAL PERFORMANCE:**

The Municipality has utilised 100% of its allocated grants.

75.1.3

**5.2 GRANTS**

Table 60: Grants

<b>NAME</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>%</b>
<b>Municipal Infrastructure Grant (MIG)</b>	52 809 562	52 809 562	100%
<b>Integrated Electrification Programme (INEP)</b>	9 980 000	9 980 000	100%
<b>Finance Management Grant (FMG)</b>	2 100 000	2 100 000	100%
<b>EPWP</b>	2 398 000	2 398 000	100%
<b>CHDM</b>	500 088	500 088	100%
<b>LIBRARY FUND</b>	1 019 084	982 419	96%
<b>LG SETA</b>	246 966	246 966	100%
<b>Municipal Disaster Grant (MDR)</b>	4 190 000	0	0%
<b>Equitable Share</b>	187 928 000	187 928 000	100%
<b>TOTAL</b>	<b>261 171 700</b>	<b>256 945 035</b>	<b>98%</b>

**COMMENT ON OPERATING TRANSFERS AND GRANTS:**

The Municipality has utilised 100% of its allocated grants.

75.2.4

### 5.3 ASSET MANAGEMENT

#### INTRODUCTION TO ASSET MANAGEMENT

Amidst global economic uncertainty and escalating costs, the municipality prioritises meticulous financial management. To this end, robust systems and procedures are implemented to establish sound fiscal controls and foster an environment conducive to effective financial management, thereby mitigating fruitless and wasteful expenditure. Additionally, the municipality diligently oversees operations to maintain efficient and effective service delivery to our consumers.

Asset management practices within the organisation are guided by a comprehensive Asset Management Policy. The policy outlines directives for the management, accounting, and control of property, plant and equipment (assets) owned or controlled by the Municipality to ensure the following:

- Implementation of the approved Asset Management Policy as required in terms of section 63 of the MFMA.
- Annual verification of assets in possession of the Council throughout the financial year.
- Maintenance of a complete and balanced record of all assets in possession of the Council.
- Reporting all asset losses, where applicable, to Council in writing. These assets are valued and accounted for in accordance with a statement of GRAP (Generally Recognised Accounting Practice).
- Proper maintenance and safeguarding of assets.

The Asset Management Policy clearly defines the roles of the:

- Municipal Manager
- Chief Financial Officer
- Procurement section
- Budget Section
- Expenditure section
- Asset Control
- All other departments

Asset Management is conducted in accordance with the Asset Management Policy outlined above. The control and safeguarding of assets are the responsibility of each department. Each department is required to budget for the necessary maintenance of the assets under their control to ensure that the assets achieve their economic life spans.

T 5.3.1

Table 61: Expenditure for repairs and maintenance

	2023	2022
Electrical Infrastructure	209 039	161 054
Roads Infrastructure	968 226	103 248
Solid Waste Disposal	58 571	108 070
Community Assets	317 168	192 847
Machinery and Equipment	3 314 534	3 989 750
Other Assets – Buildings	418 285	281 343
<b>TOTAL</b>	<b>5 285 822</b>	<b>4 836 313</b>

#### 5.4 FINANCIAL RATIOS ON KEY PERFORMANCE INDICATORS

### COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

#### 5.5 CAPITAL EXPENDITURE

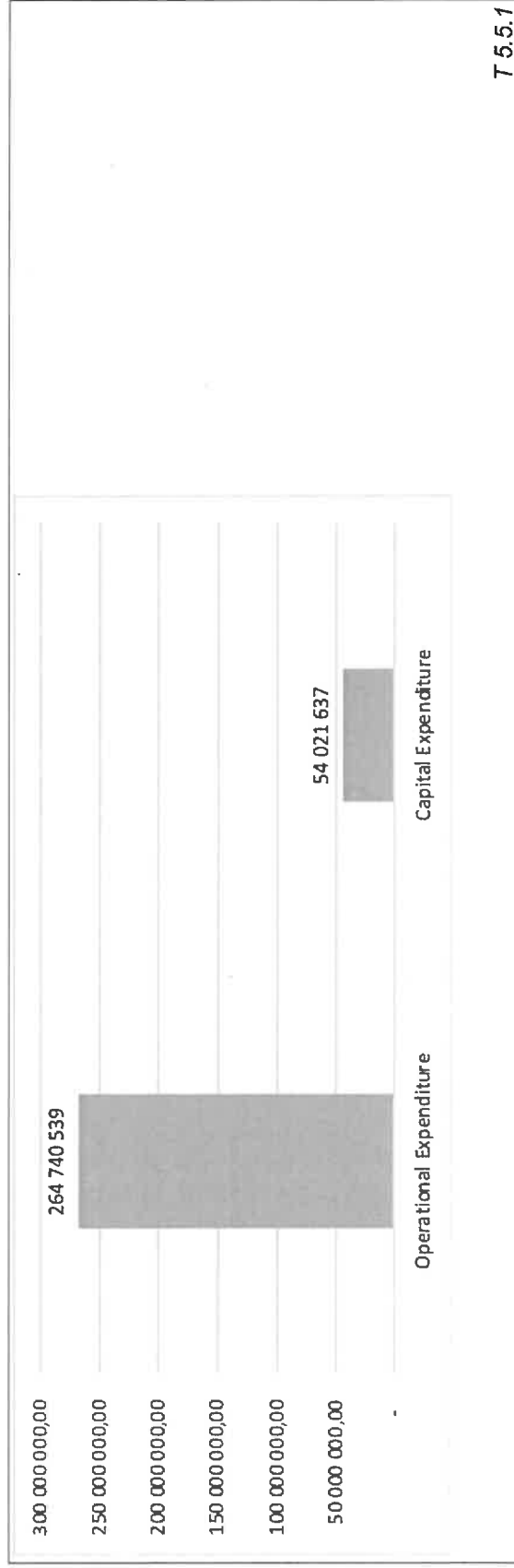


Figure 3: Capital expenditure

5.6 SOURCES OF FINANCE

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.9. CASH FLOW

Table 62: Cash flow statement for the year ended 30 June 2023

<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023</b>		<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>0,00</b>	<b>0,00</b>
Receipts			
Property Rates	9 180 517		5 750 240
Transfers and Subsidies	250 427 055		228 504 114
Service Charges	1 124 338		307 384
External Interest and Dividends Received	5 336 310		2 229 452
Other Receipts	3 954 723		6 316 512

**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023**

VAT Received	-	1 823 795
Payments		
Employee Related Costs	(136 372 432)	(133 540 540)
Remuneration of Councillors	(17 821 014)	(17 515 192)
External Interest and Dividends Paid	(6 938)	(234 933)
Suppliers Paid	(25 077 116)	(16 913 698)
Other Payments	(36 749 838)	(34 554 011)
VAT Paid	(254 682)	-
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>53 740 923</b>	<b>42 173 122</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>0,00</b>	<b>0,00</b>
Purchase of Property, Plant and Equipment	(54 021 637)	(44 093 913)
Purchase of Intangible Assets	-	-
Proceeds on Disposal of Property, Plant and Equipment	220 000	786 204
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(53 801 637)</b>	<b>(43 307 709)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(60 714)</b>	<b>(1 134 586)</b>
Cash and Cash Equivalents at Beginning of Period	61 083 042	62 217 628
Cash and Cash Equivalents at End of Period	61 022 328	61 083 042

**AGE ANALYSIS**

10000006	Mgudlwa Ntombekhaya Doris Mickey	Interest	10 278,81	112,25	114,74	117,23	12
		Property Rates	8 566,44	181,30	181,30	181,30	18
		OTHER	0,00	0,00	0,00	0,00	
<b>10000006 Total</b>	<b>Mgudlwa Ntombekhaya Doris Mickey Total</b>		<b>10 845,25</b>	<b>293,55</b>	<b>296,04</b>	<b>298,53</b>	<b>30</b>
10000018	Williams James Daniel	Interest	18 845,25	293,55	296,04	298,53	30
		Property Rates	35 700,03	302,23	303,45	304,67	31
		OTHER	23 866,44	88,52	88,52	88,52	8
<b>10000018 Total</b>	<b>Williams James Daniel Total</b>		<b>59 566,47</b>	<b>390,75</b>	<b>391,97</b>	<b>393,19</b>	<b>1 14</b>
10001655	Lwana Hazel Nomabadi	Interest	1 180,69	163,71	187,52	211,32	23
		Property Rates	11 808,68	1 731,17	1 731,17	1 731,17	1 73
		OTHER	12 989,37	1 894,88	1 918,69	1 942,49	1 96
<b>10001655 Total</b>	<b>Lwana Hazel Nomabadi Total</b>		<b>12 989,37</b>	<b>1 894,88</b>	<b>1 918,69</b>	<b>1 942,49</b>	<b>1 96</b>
10001670	Government	Interest	35 944,53	299,53	299,53	299,53	29
		Property Rates	21 784,00	0,00	0,00	0,00	
		OTHER	57 728,53	299,53	299,53	299,53	29
<b>10001670 Total</b>	<b>Government Total</b>		<b>57 728,53</b>	<b>299,53</b>	<b>299,53</b>	<b>299,53</b>	<b>29</b>
10000095	Stemela Ian Lamla	Interest	93,47	375,05	0,00	1,61	
		Property Rates	0,00	0,00	0,00	0,00	
		OTHER	93,47	375,05	0,00	1,61	
<b>10000095 Total</b>	<b>Stemela Ian Lamla Total</b>		<b>93,47</b>	<b>375,05</b>	<b>0,00</b>	<b>1,61</b>	
10002883	Government of Transkei	Interest	296,28	6,87	6,87	6,87	
		Property Rates	485,74	0,00	0,00	0,00	
		OTHER	782,02	6,87	6,87	6,87	
<b>10002883 Total</b>	<b>Government of Transkei Total</b>		<b>782,02</b>	<b>6,87</b>	<b>6,87</b>	<b>6,87</b>	
10000205	Zenani Thoko	Interest	4 185,10	44,18	44,38	44,57	4
		Property Rates	3 145,96	14,00	14,00	14,00	1
		OTHER	7 331,06	58,18	58,38	58,57	5
<b>10000205 Total</b>	<b>Zenani Thoko Total</b>		<b>7 331,06</b>	<b>58,18</b>	<b>58,38</b>	<b>58,57</b>	<b>5</b>
10000303	Kunene Mondli Mawetu	Interest	128 758,91	2 183,19	2 209,25	2 235,32	2 26
		Property Rates	158 819,63	1 895,67	1 895,67	1 895,67	1 89
		OTHER	0,00	0,00	0,00	0,00	
		OTHER	287 578,54	4 078,86	4 104,92	4 130,99	4 15
<b>10000303 Total</b>	<b>Kunene Mondli Mawetu Total</b>		<b>287 578,54</b>	<b>4 078,86</b>	<b>4 104,92</b>	<b>4 130,99</b>	<b>4 15</b>

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002303 Total			287 578,54	4 078,86	4 104,92	4 130,99	4 15
	10002380	Nkuhlu (Flats)	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	-6,21	0,00	0,00	0,00	0,00
		Nkuhlu (Flats) Total	-6,21	0,00	0,00	0,00	0,00
10002380 Total			-6,21	0,00	0,00	0,00	0,00
	10002423	Department of Water Affairs	16 652,56	297,76	143,16	143,16	16
		Refuse Removal	11 798,36	0,00	0,00	0,00	0,00
		Department of Water Affairs Total	28 450,92	297,76	143,16	143,16	16
10002519 Total			28 450,92	297,76	143,16	143,16	16
	10002519	Government Justice Offices	745,40	187,73	46,01	58,89	9
		Refuse Removal	4 042,84	937,00	937,00	937,00	93
		Government Justice Offices Total	4 788,24	1 124,73	983,01	995,89	1 03
10002543 Total			4 788,24	1 124,73	983,01	995,89	1 03
	10002543	Department of Social Welfare	0,00	0,00	0,00	22,22	1
		Refuse Removal	0,00	0,00	0,00	937,00	93
		Department of Social Welfare Total	0,00	0,00	0,00	959,22	94
10002543 Total			0,00	0,00	0,00	959,22	94
	10002581	Mancoba	11 150,46	144,81	145,97	147,13	14
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
		Mancoba Total	21 679,89	229,16	230,32	231,48	23
10002581 Total			21 679,89	229,16	230,32	231,48	23
	10002642	Mbarane	7 138,99	52,24	52,24	52,24	5
		Refuse Removal	3 799,27	0,00	0,00	0,00	0,00
		Mbarane Total	10 938,26	52,24	52,24	52,24	5
10002642 Total			10 938,26	52,24	52,24	52,24	5
	10002667	Peter	10 033,14	136,19	137,35	138,51	13
		OTHER	0,00	0,00	0,00	0,00	0,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002667 Total	Peter Total	Refuse Removal	9 902,46	84,35	84,35	84,35	84,35
			19 935,60	220,54	221,70	222,86	222,86
			19 935,60	220,54	221,70	222,86	222,86
10002676	Ntswathwa	Interest	11 058,56	144,44	145,60	146,76	14
		Refuse Removal	10 502,46	84,35	84,35	84,35	8
	Ntswathwa Total		21 561,02	228,79	229,95	231,11	23
10002676 Total			21 561,02	228,79	229,95	231,11	23
		Interest	5 135,90	0,00	0,00	0,00	0,00
	Ncwana SP School	Property Rates	0,00	0,00	0,00	0,00	0,00
			5 135,90	0,00	0,00	0,00	0,00
10003000 Total	Ncwana SP School Total		5 135,90	0,00	0,00	0,00	0,00
		Interest	2 146,58	255,16	255,16	255,16	29
10003166	Tembile JS School	Property Rates	21 673,29	0,00	0,00	0,00	0,00
			23 819,87	255,16	255,16	255,16	29
10003166 Total	Tembile JS School Total		23 819,87	255,16	255,16	255,16	29
		Interest	544,02	0,00	0,00	0,00	0,00
10003175	Gando JS School	Property Rates	0,00	0,00	0,00	0,00	0,00
			544,02	0,00	0,00	0,00	0,00
10003175 Total	Gando JS School Total		544,02	0,00	0,00	0,00	0,00
		Interest	1 453,34	13,74	13,74	13,74	1
10003333	Dingiso Xolani Abel / Nomisa Xundu	Property Rates	1 040,00	0,00	0,00	0,00	0,00
			2 493,34	13,74	13,74	13,74	1
10003333 Total	Dingiso Xolani Abel / Nomisa Xundu Total		2 493,34	13,74	13,74	13,74	1
		Interest	684,99	6,65	6,65	6,65	6,65
10003347	St Marks District Agricultural Society	Property Rates	483,35	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	St Marks District Agricultural Society Total		1 168,34	6,65	6,65	6,65	6,65
10003347 Total	Ramncwana Winifred Noma-India		1 168,34	6,65	6,65	6,65	6,65
		Interest	0,00	0,00	0,00	0,00	0,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		Property Rates	-25,48	0,00	0,00	-362,78	
		OTHER	0,00	0,00	0,00	0,00	
	Ramncwana Winifred Noma-India Total		-25,48	0,00	0,00	-362,78	
<b>10000044 Total</b>			-25,48	0,00	0,00	-362,78	
	<b>10000087</b>	Interest	20 030,48	260,92	262,56	264,20	26
		Property Rates	19 000,69	119,23	119,23	119,23	11
	Bukula Reginald Makubalo						
	Bukula Reginald Makubalo Total		39 031,17	380,15	381,79	383,43	38
<b>10000087 Total</b>		Interest	39 031,17	380,15	381,79	383,43	38
	<b>10000111</b>	Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
	Hlanjwa Mzingisi Norman						
	Hlanjwa Mzingisi Norman Total		0,00	0,00	0,00	0,00	
<b>10000111 Total</b>			0,00	0,00	0,00	0,00	
	<b>10000152</b>	Interest	3 753,39	49,15	49,45	49,76	4
		Property Rates	3 467,58	22,17	22,17	22,17	2
	Lujabe Mtuzuzeli						
	Lujabe Mtuzuzeli Total		7 220,97	71,32	71,62	71,93	7
<b>10000152 Total</b>			7 220,97	71,32	71,62	71,93	7
	<b>10000175</b>	Interest	9 529,48	120,31	121,52	122,73	12
		Property Rates	9 039,98	87,97	87,97	87,97	8
	Soteni Qhashu Penford						
	Soteni Qhashu Penford Total		18 569,46	208,28	209,49	210,70	21
<b>10000175 Total</b>			18 569,46	208,28	209,49	210,70	21
	<b>10000209</b>	Interest	24 305,73	220,68	220,68	220,68	22
		Property Rates	16 668,16	0,00	0,00	0,00	
	Mdarhala Mr						
	Mdarhala Mr Total		40 973,89	220,68	220,68	220,68	22
<b>10000209 Total</b>			40 973,89	220,68	220,68	220,68	22
	<b>10000219</b>	Interest	1 057,70	227,95	241,87	255,79	27
		Property Rates	8 968,46	2 545,83	2 545,83	2 545,83	2 54
	Matanzima Mbuzo Ngangomhlaba						
	Matanzima Mbuzo Ngangomhlaba Total		10 026,16	2 773,78	2 787,70	2 801,62	2 81
<b>10000219 Total</b>			10 026,16	2 773,78	2 787,70	2 801,62	2 81

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002344	Toyi	Interest	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
	Toyi Total		0,00	0,00	0,00	0,00	0,00
10002344 Total			0,00	0,00	0,00	0,00	0,00
10002399	Mtyhudafats (Bookshop)	Interest	18 772,44	208,38	209,54	210,70	21
		Refuse Removal	15 152,93	84,35	84,35	84,35	8
	Mtyhudafats (Bookshop) Total		33 925,37	292,73	293,89	295,05	29
10002399 Total			33 925,37	292,73	293,89	295,05	29
10002456	Zenani	Interest	9 735,05	140,68	141,84	143,00	14
		Refuse Removal	10 502,46	84,35	84,35	84,35	8
	Zenani Total		20 237,51	225,03	226,19	227,35	23
10002456 Total			20 237,51	225,03	226,19	227,35	23
10002609	Filling Station	Interest	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	-4 66
		Refuse Removal	0,00	0,00	0,00	-3 668,67	-4 66
	Filling Station Total		0,00	0,00	0,00	-3 668,67	-4 66
10002609 Total			0,00	0,00	0,00	-3 668,67	-4 66
10002632	Nyakaza	Interest	55 942,78	1 115,20	1 128,09	1 140,97	1 15
		Refuse Removal	81 105,57	937,00	937,00	937,00	93
	Nyakaza Total		137 048,35	2 052,20	2 065,09	2 077,97	2 09
10002632 Total			137 048,35	2 052,20	2 065,09	2 077,97	2 09
10003007	Bazindlovu JS School	Interest	760,64	44,19	44,19	44,19	6
		Property Rates	4 940,16	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
	Bazindlovu JS School Total		5 700,80	44,19	44,19	44,19	6
10003007 Total			5 700,80	44,19	44,19	44,19	6
10003127	Mahlubini JS School	Interest	947,80	28,67	28,67	28,67	5
		Property Rates	3 948,36	0,00	0,00	0,00	
	Mahlubini JS School Total		3 948,36	28,67	28,67	28,67	5
10003127 Total			3 948,36	28,67	28,67	28,67	5

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10003127 Total	Mahlubini JS School Total	OTHER	0,00	0,00	0,00	0,00	0,00
			4 896,16	28,67	28,67	28,67	28,67
			4 896,16	28,67	28,67	28,67	28,67
10003132 Total	Mcumngco JS School	Interest	723,66	34,69	34,69	34,69	34,69
		Property Rates	4 069,14	0,00	0,00	0,00	0,00
			4 792,80	34,69	34,69	34,69	34,69
10003236 Total	Mtingwevu JS School	Interest	37 938,51	2 520,78	2 624,22	2 727,65	2 82
		Property Rates	182 611,83	7 522,67	7 522,67	7 522,67	7 52
			220 550,34	10 043,45	10 146,89	10 250,32	10 34
10003352 Total	Andisle Sindo	Interest	220 550,34	10 043,45	10 146,89	10 250,32	10 34
		Property Rates	32 139,93	392,36	392,36	392,36	392,36
		OTHER	4 464,72	0,00	0,00	0,00	0,00
		Property Rental	25 228,96	0,00	0,00	0,00	0,00
			61 833,61	392,36	392,36	392,36	392,36
30004702 Total	Phambuka Mxolisi Amos	Interest	61 833,61	392,36	392,36	392,36	392,36
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
			0,00	0,00	0,00	0,00	0,00
30004759 Total	Mvundlela Oko	Interest	34,81	0,00	0,00	0,00	0,00
		Property Rates	340,26	8,63	8,63	8,63	8,63
		OTHER	0,00	0,00	0,00	0,00	0,00
			375,07	8,63	8,63	8,63	8,63
30008226 Total	Inamba Ka Sarhili Community Hall	Interest	375,07	8,63	8,63	8,63	8,63
			1 517,80	0,00	0,00	0,00	0,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		Property Rates	15 551,94	485,33	485,33	485,33	48
		OTHER	0,00	0,00	0,00	0,00	0,00
<b>30008226 Total</b>	<b>Inamba Ka Sarhili Community Hall Total</b>		17 069,74	485,33	485,33	485,33	71
<b>30008228</b>	<b>Jongintsizi SP School</b>	Interest	-35 691,88	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
	<b>Jongintsizi SP School Total</b>		-35 691,88	0,00	0,00	0,00	0,00
<b>30008228 Total</b>	<b>Cassels Richard Dick</b>	Interest	4 071,94	63,55	64,15	64,74	6
		Property Rates	4 414,08	43,17	43,17	43,17	4
	<b>Cassels Richard Dick Total</b>		8 486,02	106,72	107,32	107,91	10
<b>10001608 Total</b>	<b>Siyaphambili Trading Co Prop Ltd</b>	Interest	485,98	188,85	149,63	149,40	14
		Property Rates	0,00	0,00	0,00	3 150,73	3 78
		OTHER	0,00	0,00	0,00	0,00	0,00
	<b>Siyaphambili Trading Co Prop Ltd Total</b>		485,98	188,85	149,63	3 300,13	3 93
<b>10000027 Total</b>	<b>H D M Construction Pty Ltd</b>	Interest	485,98	188,85	149,63	3 300,13	3 93
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	<b>H D M Construction Pty Ltd Total</b>		485,98	188,85	149,63	3 300,13	3 93
<b>10000033 Total</b>	<b>Sodinda</b>	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	<b>Sodinda Total</b>		0,00	0,00	0,00	0,00	0,00
<b>10002340 Total</b>	<b>Nongwevu</b>	Interest	-5 773,87	0,00	0,00	0,00	0,00
		Refuse Removal	-5 773,87	0,00	0,00	0,00	0,00
	<b>Nongwevu Total</b>		-5 773,87	0,00	0,00	0,00	0,00
<b>10002340 Total</b>	<b>Nongwevu</b>	Interest	4 814,36	109,43	110,59	79,59	4
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
	<b>Nongwevu Total</b>		4 814,36	109,43	110,59	79,59	4

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
<b>10002453 Total</b>							
	10002697 Mkhetho	Interest	4 814,36	109,43	110,59	79,59	4
		Refuse Removal	7 431,87	144,36	145,52	146,68	14
	Mkhetho Total		10 529,43	84,35	84,35	84,35	8
<b>10002697 Total</b>			17 961,30	228,71	229,87	231,03	23
	10002996 Mgwenyane JS School	Interest	17 961,30	228,71	229,87	231,03	23
		Property Rates	22 310,61	962,28	992,31	1 022,34	1 05
	Mgwenyane JS School Total		69 984,00	2 184,00	2 184,00	2 184,00	2 18
			92 294,61	3 146,28	3 176,31	3 206,34	3 23
<b>10002996 Total</b>			92 294,61	3 146,28	3 176,31	3 206,34	3 23
	10003179 Nilonze PJS School	Interest	838,28	27,10	27,10	27,10	5
		Property Rates	3 636,96	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Nilonze PJS School Total		4 475,24	27,10	27,10	27,10	5
<b>10003179 Total</b>			4 475,24	27,10	27,10	27,10	5
	10003366 Madikizela Lucky	Interest	670,43	0,00	0,00	0,00	0,00
		Property Rental	0,00	0,00	0,00	0,00	0,00
	Madikizela Lucky Total		670,43	0,00	0,00	0,00	0,00
<b>10003366 Total</b>			670,43	0,00	0,00	0,00	0,00
	30004764 Danana Lolo Triumph	Interest	34,81	0,00	0,00	0,00	0,00
		Property Rates	340,26	8,63	8,63	8,63	8,63
		OTHER	0,00	0,00	0,00	0,00	0,00
	Danana Lolo Triumph Total		375,07	8,63	8,63	8,63	1
<b>30004764 Total</b>			375,07	8,63	8,63	8,63	1
	30008206 National Government of The Republic of South Africa	Interest	2 276,49	0,00	0,00	0,00	0,00
		Property Rates	23 328,00	728,00	728,00	728,00	728,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	National Government of The Republic of South Africa Total		25 604,49	728,00	728,00	728,00	1 07
<b>30008206 Total</b>			25 604,49	728,00	728,00	728,00	1 07
	30008207 Albertina Sisulu JS School	Interest	0,00	0,00	0,00	0,00	0,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		Property Rates	0,00	0,00	0,00	0,00	0,00
	Albertina Sisulu JS School Total	OTHER	0,00	0,00	0,00	0,00	0,00
<b>30008207 Total</b>			0,00	0,00	0,00	0,00	0,00
	<b>30008224</b> Gxwalibomvu JS School	Interest	10 671,58	0,00	0,00	0,00	1 64
		Property Rates	109 350,00	3 412,50	3 412,50	3 412,50	3 41
		OTHER	0,00	0,00	0,00	0,00	0,00
	Gxwalibomvu JS School Total		120 021,58	3 412,50	3 412,50	3 412,50	5 05
<b>30008224 Total</b>			120 021,58	3 412,50	3 412,50	3 412,50	5 05
	<b>30008274</b> Sabalele Clinic	Interest	0,00	0,00	0,00	0,00	3
		Property Rates	1 459,40	333,67	333,67	333,67	33
		OTHER	0,00	0,00	0,00	0,00	0,00
	Sabalele Clinic Total		1 459,40	333,67	333,67	333,67	36
<b>30008274 Total</b>			1 459,40	333,67	333,67	333,67	36
	<b>30008308</b> Upper Gqogqora JS School	Interest	9 038,03	0,00	0,00	0,00	66
		Property Rates	48 420,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Upper Gqogqora JS School Total		57 458,03	0,00	0,00	0,00	66
<b>30008308 Total</b>			57 458,03	0,00	0,00	0,00	66
	<b>10000020</b> Ndwandwa Nomfusi Gladys	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	-3 627,80	0,00	0,00	0,00	0,00
	Ndwandwa Nomfusi Gladys Total		-3 627,80	0,00	0,00	0,00	0,00
<b>10000020 Total</b>			-3 627,80	0,00	0,00	0,00	0,00
	<b>10001625</b> Tsotsi Templeton Tandimfundo	Interest	20 005,87	259,84	264,11	268,37	27
		Property Rates	7 496,45	136,50	136,50	136,50	13
		Refuse Removal	11 254,39	173,66	173,66	173,66	17
	Tsotsi Templeton Tandimfundo Total		38 756,71	570,00	574,27	578,53	58
<b>10001625 Total</b>			38 756,71	570,00	574,27	578,53	58

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10000147	Moyo John Ndabezintle	Interest	3,83	1,62	1,93	2,25	
		Property Rates	133,89	22,87	22,87	22,87	2
		OTHER	0,00	0,00	0,00	0,00	
	Moyo John Ndabezintle Total		137,72	24,49	24,80	25,12	2
10000147 Total			137,72	24,49	24,80	25,12	2
10002319	Ndwandwa	Interest	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	0,00	0,00	0,00	166,49	17
	Ndwandwa Total		0,00	0,00	0,00	166,49	17
10002319 Total			0,00	0,00	0,00	166,49	17
10002532	Ntlahla	Interest	5 288,52	112,38	113,54	114,70	11
		Refuse Removal	8 352,46	84,35	84,35	84,35	8
	Ntlahla Total		13 640,98	196,73	197,89	199,05	20
10002532 Total			13 640,98	196,73	197,89	199,05	20
10002588	Matshoba	Interest	11 169,09	144,81	145,97	147,13	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
	Matshoba Total		21 698,52	229,16	230,32	231,48	23
10002588 Total			21 698,52	229,16	230,32	231,48	23
10002607	Mhlekoa	Interest	563,80	7,10	7,10	7,10	
		Refuse Removal	516,55	0,00	0,00	0,00	
	Mhlekoa Total		1 080,35	7,10	7,10	7,10	
10002607 Total			1 080,35	7,10	7,10	7,10	
10000016	Mgudiwa Simo Seymour	Interest	37 089,75	724,08	733,99	743,90	71
		Property Rates	50 021,30	720,67	720,67	720,67	72
		OTHER	0,00	0,00	0,00	0,00	15
	Mgudiwa Simo Seymour Total		87 111,05	1 444,75	1 454,66	1 464,57	1 59
10000016 Total			87 111,05	1 444,75	1 454,66	1 464,57	1 59
10000024	Ramncwana Dominic	Interest	55 274,67	1 212,82	1 223,41	1 240,88	1 29
		Property Rates	87 678,86	1 770,33	1 770,33	1 770,33	1 77

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		OTHER	0,00	0,00	0,00	0,00	0,00
<b>1000024 Total</b>	Ramncwana Dominic Total		142 953,53	2 983,15	2 993,74	3 011,21	3 06
			142 953,53	2 983,15	2 993,74	3 011,21	3 06
<b>10001621 Total</b>	Dyalo Excellent Vuyani	Interest	16 771,70	201,79	205,40	209,01	20
	Dyalo Excellent Vuyani Total	Property Rates	14 309,98	262,50	262,50	262,50	26
			31 081,68	464,29	467,90	471,51	47
<b>10001621 Total</b>	Intsika Yethu Municipality	OTHER	31 081,68	464,29	467,90	471,51	47
	Intsika Yethu Municipality Total		-400,00	0,00	0,00	0,00	0,00
			-400,00	0,00	0,00	0,00	0,00
<b>10001700 Total</b>	Mvo Lulama	Interest	147,89	27,03	29,33	31,62	3
	Mvo Lulama Total	Property Rates	1 966,20	166,83	166,83	166,83	16
			2 114,09	193,86	196,16	198,45	20
<b>10000179 Total</b>	Ntshuntsha Francis Nozibele	Interest	2 114,09	193,86	196,16	198,45	20
	Ntshuntsha Francis Nozibele Total	Property Rates	6 481,89	138,69	140,29	141,90	14
			10 227,17	116,67	116,67	116,67	11
<b>10000187 Total</b>	Nongwevu Xolisa	Interest	16 709,06	255,36	256,96	258,57	26
	Nongwevu Xolisa Total	Property Rates	16 709,06	255,36	256,96	258,57	26
		OTHER	0,00	0,00	0,00	0,00	0,00
			0,00	0,00	0,00	0,00	0,00
<b>10000200 Total</b>	Mlandeli Edgar Maweni	Interest	0,00	0,00	0,00	0,00	0,00
	Mlandeli Edgar Maweni Total	Property Rates	-7 776,68	0,00	0,00	0,00	0,00
			-7 776,68	0,00	0,00	0,00	0,00
<b>10000208 Total</b>	Gagela Fuyizizwe Shephard	Interest	12 711,42	465,35	475,04	484,74	49
	Gagela Fuyizizwe Shephard Total	Property Rates	33 892,64	705,00	705,00	705,00	70
			33 892,64	705,00	705,00	705,00	70

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002342 Total	Gagela Fuyizizwe Shephard Total		46 604,06	1 170,35	1 180,04	1 189,74	1 20
10002384	Intsika Yethu Municipality / Zanele Mxunyelwa	OTHER	-2 060,00	0,00	0,00	0,00	0,00
10002384 Total	Intsika Yethu Municipality / Zanele Mxunyelwa Total		-2 060,00	0,00	0,00	0,00	0,00
10002328	Thabo Hlanjwa Family Trust	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
10002328 Total	Thabo Hlanjwa Family Trust Total		0,00	0,00	0,00	0,00	0,00
10002329	Hlanjwa	Interest	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	-27
10002329 Total	Hlanjwa Total		0,00	0,00	0,00	0,00	-27
10002349	Philisa Nelville Mngqandi	Interest	48,70	16,49	18,88	21,27	2
		Refuse Removal	1 208,99	173,66	173,66	173,66	17
10002349 Total	Philisa Nelville Mngqandi Total		1 257,69	190,15	192,54	194,93	19
10002386	Magaga	Interest	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
10002386 Total	Magaga Total		0,00	0,00	0,00	0,00	0,00
10002404	Hlanjwa Flats	Interest	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
10002404 Total	Hlanjwa Flats Total		0,00	0,00	0,00	0,00	0,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002443	Mvos Flatsd	Interest	159,22	28,16	30,55	32,94	3
		Property Rates	0,00	0,00	0,00	0,00	
		Refuse Removal	2 043,99	173,66	173,66	173,66	17
	Mvos Flatsd Total		2 203,21	201,82	204,21	206,60	20
10002443 Total			2 203,21	201,82	204,21	206,60	20
10002577	Mhlom	Interest	11 130,41	141,03	142,19	143,35	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
	Mhlom Total		21 659,84	225,38	226,54	227,70	23
10002577 Total			21 659,84	225,38	226,54	227,70	23
10002580	Lwana	Interest	11 113,04	141,03	142,19	143,35	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
	Lwana Total		21 642,47	225,38	226,54	227,70	23
10002580 Total			21 642,47	225,38	226,54	227,70	23
10002596	Mantanga	Interest	11 169,09	144,81	145,97	147,13	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
	Mantanga Total		21 698,52	229,16	230,32	231,48	23
10002596 Total			21 698,52	229,16	230,32	231,48	23
10002754	Khumalo	Interest	6 726,20	135,36	136,52	137,68	14
		OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	10 092,06	84,35	84,35	84,35	8
	Khumalo Total		16 818,26	219,71	220,87	222,03	22
10002754 Total			16 818,26	219,71	220,87	222,03	22
10001632	South African Bantu Trust	Interest	1 080,99	121,95	121,94	121,94	12
		Property Rates	0,00	0,00	0,00	0,00	
	South African Bantu Trust Total		1 080,99	121,95	121,94	121,94	12
10001632 Total			1 080,99	121,95	121,94	121,94	12
10001637	Mac Mkunyana Family Trust	Interest	0,00	0,00	0,00	0,00	
		Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10001637 Total	Mac Mkunyana Family Trust Total	Refuse Removal	0,00	0,00	0,00	0,00	0,00
			0,00	0,00	0,00	0,00	0,00
10000039	Mnqandi Nyaniso Nelson	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	-10,50	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Mnqandi Nyaniso Nelson Total		-10,50	0,00	0,00	0,00	0,00
10000039 Total	Mac Mkunyana Family Trust	Interest	-10,50	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	2,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Mac Mkunyana Family Trust Total		0,00	0,00	0,00	0,00	2,00
10001646 Total	Mac Mkunyana Family Trust Total		0,00	0,00	0,00	0,00	2,00
10000054	Diocese Of Queenstown of Roman Catholic Church	Interest	1 904,00	98,79	101,37	103,94	10,00
		Property Rates	7 178,38	187,13	187,13	187,13	18,00
	Diocese Of Queenstown of Roman Catholic Church Total		9 082,38	285,92	288,50	291,07	29,00
10000054 Total	Diocese Of Queenstown of Roman Catholic Church Total		9 082,38	285,92	288,50	291,07	29,00
10000058	Tabarah Trust	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	-32 425,49	0,00	0,00	0,00	0,00
	Tabarah Trust Total		-32 425,49	0,00	0,00	0,00	0,00
10000058 Total	Tabarah Trust Total		-32 425,49	0,00	0,00	0,00	0,00
10000123	Sakawulis Properties	Interest	24 931,51	737,50	637,80	675,61	1 51,00
		Property Rates	96 825,02	2 749,50	2 749,50	2 749,50	2 74,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Sakawulis Properties Total		121 756,53	3 487,00	3 387,30	3 425,11	4 26,00
10000123 Total	Sakawulis Properties Total		121 756,53	3 487,00	3 387,30	3 425,11	4 26,00
10000192	Makwetu Clarence Mlamli	Interest	372,74	11,42	11,62	11,81	1,00
		Property Rates	833,45	14,00	14,00	14,00	1,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10000192 Total	Makwetu Clarence Mlamli Total		1 206,19	25,42	25,62	25,81	2
		Interest	1 206,19	25,42	25,62	25,81	2
10000223	Government of Transkei	Property Rates	412 560,83	4 511,57	4 511,57	4 511,57	4 51
	Government of Transkei Total		328 113,94	0,00	0,00	0,00	
10000223 Total		Interest	740 674,77	4 511,57	4 511,57	4 511,57	4 51
	Mngxekeza Wellington Hlati	Property Rates	740 674,77	4 511,57	4 511,57	4 511,57	4 51
	Mngxekeza Wellington Hlati Total		10 295,27	114,93	115,76	116,58	9
10000125 Total		Property Rates	6 959,42	60,20	60,20	60,20	6
	Cebo Philisa Toyi	Interest	17 254,69	175,13	175,96	176,78	15
	Alliance Property Group	Property Rates	17 254,69	175,13	175,96	176,78	15
10000272 Total		Interest	0,00	0,00	0,00	0,00	
		Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
	Cebo Philisa Toyi Total		0,00	0,00	0,00	0,00	
10000272 Total		Interest	0,00	0,00	0,00	0,00	
		Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	0,00	0,00	0,00	0,00	
		Property Rental	0,00	0,00	0,00	0,00	
10002747 Total	Alliance Property Group Total		0,00	0,00	0,00	0,00	
		Interest	292,59	165,62	23,90	36,79	6
		OTHER	0,00	0,00	0,00	0,00	
	Department of Public works	Refuse Removal	1 819,11	937,00	937,00	937,00	93
10002326 Total	Department of Public works Total		2 111,70	1 102,62	960,90	973,79	1 00
		Interest	2 111,70	1 102,62	960,90	973,79	1 00
	Galada	Interest	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002448 Total	Galada Total	Refuse Removal	0,00	0,00	0,00	0,00	0,00
			0,00	0,00	0,00	0,00	0,00
			0,00	0,00	0,00	0,00	0,00
10002473 Total	Ndlwana	Interest	13 769,02	230,64	233,03	235,42	23
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
10002473 Total	Ndlwana Total	Refuse Removal	16 769,71	173,66	173,66	173,66	17
			30 538,73	404,30	406,69	409,08	41
			30 538,73	404,30	406,69	409,08	41
10002520 Total	Department of Education Offices (Mkunyana)	Interest	1 576,49	195,27	208,16	221,04	23
		Refuse Removal	14 562,00	937,00	937,00	937,00	93
			16 138,49	1 132,27	1 145,16	1 158,04	1 17
10002520 Total	Department of Education Offices (Mkunyana) Total	Interest	16 138,49	1 132,27	1 145,16	1 158,04	1 17
		OTHER	57 048,42	1 118,54	1 131,43	1 144,31	1 15
			0,00	0,00	0,00	0,00	0,00
10002563 Total	Mzukwa	Refuse Removal	81 348,30	937,00	937,00	937,00	93
			138 396,72	2 055,54	2 068,43	2 081,31	2 09
			138 396,72	2 055,54	2 068,43	2 081,31	2 09
10002563 Total	Mzukwa Total	Interest	0,00	0,00	0,00	0,00	-16 83
		OTHER	0,00	0,00	0,00	-11 733,23	-47 82
		Refuse Removal	0,00	0,00	0,00	0,00	-7 43
10002603 Total	Pep Store	Interest	0,00	0,00	0,00	0,00	-16 83
		OTHER	0,00	0,00	0,00	-11 733,23	-47 82
		Refuse Removal	0,00	0,00	0,00	0,00	-7 43
10002603 Total	Pep Store Total	Interest	0,00	0,00	0,00	0,00	-16 83
		OTHER	0,00	0,00	0,00	-11 733,23	-47 82
		Refuse Removal	0,00	0,00	0,00	0,00	-7 43
10002645 Total	SA Post Office	Interest	22 050,58	735,77	748,66	761,54	78
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	54 009,44	937,00	937,00	937,00	93
10002645 Total	SA Post Office Total	Interest	76 060,02	1 672,77	1 685,66	1 698,54	1 71
		OTHER	76 060,02	1 672,77	1 685,66	1 698,54	1 71
		Refuse Removal	11 058,56	144,44	145,60	146,76	14

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
	Magicia Total	Refuse Removal	10 502,46	84,35	84,35	84,35	8
<b>10002650 Total</b>			21 561,02	228,79	229,95	231,11	23
	10002715 Empire Furniture	Interest	21 561,02	228,79	229,95	231,11	23
		OTHER	21 253,43	204,88	204,88	204,88	20
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
	Empire Furniture Total	Refuse Removal	14 900,11	0,00	0,00	0,00	0,00
			36 153,54	204,88	204,88	204,88	20
<b>10002715 Total</b>			36 153,54	204,88	204,88	204,88	20
	30004701 Phambuka Mxolisi Amos	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Phambuka Mxolisi Amos Total		0,00	0,00	0,00	0,00	0,00
<b>30004701 Total</b>			0,00	0,00	0,00	0,00	0,00
	30004826 Biyana Nondumiso	Interest	27,32	0,00	0,00	0,00	0,00
		Property Rates	266,70	6,77	6,77	6,77	6,77
		OTHER	0,00	0,00	0,00	0,00	0,00
	Biyana Nondumiso Total		294,02	6,77	6,77	6,77	1
<b>30004826 Total</b>			294,02	6,77	6,77	6,77	1
<b>CASH</b>			371,25	0,00	0,00	0,00	4
		Interest					
		Property Rates	-12 840,66	0,00	0,00	0,00	0,00
		OTHER	10 237,16	0,00	0,00	0,00	0,00
		Refuse Removal	3 000,00	0,00	0,00	0,00	0,00
	Total		767,75	0,00	0,00	0,00	4
<b>CASH Total</b>			767,75	0,00	0,00	0,00	4
	10001615 Syrwana Welcome Sidima	Interest	6 991,53	119,07	120,62	122,18	12
		Property Rates	8 684,10	113,17	113,17	113,17	11
	Syrwana Welcome Sidima Total		15 675,63	232,24	233,79	235,35	23
<b>10001615 Total</b>			15 675,63	232,24	233,79	235,35	23
	10001636 Qubuda Eida Nontsikelelo	Interest	12 577,13	167,18	168,32	169,46	17

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		Property Rates	12 181,01	82,83	82,83	82,83	8
<b>10001636 Total</b>	Qubuda Elda Nontsikelelo Total		24 758,14	250,01	251,15	252,29	25
		Interest	24 758,14	250,01	251,15	252,29	25
<b>10000145</b>	Mwanda Barrington Pumelele		21,38	6,13	6,93	7,73	
		Property Rates	460,51	58,10	58,10	58,10	5
	Mwanda Barrington Pumelele Total		481,89	64,23	65,03	65,83	6
<b>10000145 Total</b>			481,89	64,23	65,03	65,83	6
		Interest	4,35	0,14	0,57	0,77	
<b>10000282</b>	Tama Zimele		23,30	14,47	14,47	14,47	1
		Property Rates	27,65	14,61	15,04	15,24	1
	Tama Zimele Total		27,65	14,61	15,04	15,24	1
<b>10000282 Total</b>			27,65	14,61	15,04	15,24	1
		Interest	2 461,91	25,72	25,72	25,72	2
<b>10000300</b>	A Jelemsi		1 870,50	0,00	0,00	0,00	
		Property Rates	4 332,41	25,72	25,72	25,72	2
<b>10000300 Total</b>	A Jelemsi Total		4 332,41	25,72	25,72	25,72	2
		Interest	51 125,29	1 059,65	1 072,54	1 085,42	1 11
<b>10002309</b>	Magistrate House		78 550,32	937,00	937,00	937,00	93
		Refuse Removal	129 675,61	1 996,65	2 009,54	2 022,42	2 05
	Magistrate House Total		129 675,61	1 996,65	2 009,54	2 022,42	2 05
<b>10002309 Total</b>			129 675,61	1 996,65	2 009,54	2 022,42	2 05
		Interest	79 183,40	1 135,09	1 142,41	1 149,72	1 18
<b>10002324</b>	Mpenguni		84 936,84	531,91	531,91	531,91	53
		Refuse Removal	164 120,24	1 667,00	1 674,32	1 681,63	1 72
	Mpenguni Total		164 120,24	1 667,00	1 674,32	1 681,63	1 72
<b>10002324 Total</b>			164 120,24	1 667,00	1 674,32	1 681,63	1 72
		Interest	0,00	0,55	1,71	2,29	
<b>10002371</b>	Mazwi		0,00	0,00	0,00	0,00	
		Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	0,00	82,43	84,35	84,35	8
	Mazwi Total		0,00	82,98	86,06	86,64	8
<b>10002371 Total</b>			0,00	82,98	86,06	86,64	8

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002373	Matanzima	Interest	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	-7,78	0,00	0,00	0,00	0,00
<b>10002373 Total</b>	<b>Matanzima Total</b>		-7,78	0,00	0,00	0,00	0,00
10002381	Jodwana	Interest	29 035,67	504,40	511,72	519,03	52
		Refuse Removal	36 671,69	531,91	531,91	531,91	53
<b>10002381 Total</b>	<b>Jodwana Total</b>		65 707,36	1 036,31	1 043,63	1 050,94	1 05
10002400	Cofimvaba Bookshop	Interest	5 586,91	81,93	81,93	81,93	8
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	6 134,31	0,00	0,00	0,00	0,00
<b>10002400 Total</b>	<b>Cofimvaba Bookshop Total</b>		11 721,22	81,93	81,93	81,93	8
10002439	Profit	Interest	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
<b>10002439 Total</b>	<b>Profit Total</b>		0,00	0,00	0,00	0,00	0,00
10002446	Ntshutsha	Interest	4 221,55	93,16	94,32	95,48	9
		Refuse Removal	6 772,86	84,35	84,35	84,35	8
<b>10002446 Total</b>	<b>Ntshutsha Total</b>		10 994,41	177,51	178,67	179,83	18
10002464	Mathemba Mbotho	Interest	10 994,41	177,51	178,67	179,83	18
		OTHER	0,00	1,54	9,47	2,16	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
<b>10002464 Total</b>	<b>Mathemba Mbotho Total</b>		10 994,41	179,05	188,14	181,99	18
10002501	Louhen Cash Loans	Interest	23 218,19	218,73	218,73	218,73	21
		Refuse Removal	15 907,77	0,00	0,00	0,00	0,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002601 Total	Louhen Cash Loans Total		39 125,96	218,73	218,73	218,73	21,21
10002633	Christ Church	Interest	39 125,96	218,73	218,73	218,73	21,21
		Property Rates	7 084,77	124,11	125,27	126,43	13,13
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	1 070,08	0,00	0,00	0,00	0,00
	Christ Church Total		8 173,04	84,35	84,35	84,35	8,8
10002633 Total			16 327,89	208,46	209,62	210,78	21,21
	Matshona JS School	Interest	16 327,89	208,46	209,62	210,78	21,21
10003010		Property Rates	22 197,69	814,69	814,69	814,69	81,81
	Matshona JS School Total		59 250,00	0,00	0,00	0,00	1,1
10003010 Total			81 447,69	814,69	814,69	814,69	81,81
10003185	Daliwonga SS School	Interest	81 447,69	814,69	814,69	814,69	81,81
		Property Rates	5 000,00	0,00	0,00	0,00	1,1
		OTHER	1 441,48	0,00	0,00	0,00	1,1
10003185 Total	Daliwonga SS School Total		6 441,48	0,00	0,00	0,00	1,1
10003192	Mzimvubu SS School	Interest	6 441,48	0,00	0,00	0,00	1,1
		Property Rates	903,30	12,08	12,08	12,08	3,3
10003192 Total	Mzimvubu SS School Total		2 540,82	0,00	0,00	0,00	3,3
10003276	Monwabisi Preschool	Interest	3 444,12	12,08	12,08	12,08	3,3
		Property Rates	3 444,12	12,08	12,08	12,08	3,3
10003276 Total	Monwabisi Preschool Total		2 415,25	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
	Monwabisi Preschool Total		2 415,25	0,00	0,00	0,00	0,00
30004694	Mtyuda Stanford Lumkile	Interest	2 415,25	0,00	0,00	0,00	0,00
		Property Rates	2 985,61	153,86	157,73	161,61	16,16
30004694 Total	Mtyuda Stanford Lumkile Total		11 196,00	282,00	282,00	282,00	28,28
		Property Rates	14 181,61	435,86	439,73	443,61	44,44
30004694 Total			14 181,61	435,86	439,73	443,61	44,44

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10000098	Stuma Hamilton Mawethu	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	-349,77	0,00	0,00	-1 628,00	
		OTHER	-485,35	0,00	0,00	0,00	0,00
<b>10000098 Total</b>	<b>Stuma Hamilton Mawethu Total</b>		<b>-835,12</b>	<b>0,00</b>	<b>0,00</b>	<b>-1 628,00</b>	
10000182	John B Belgrove Properties Pty Ltd	Interest	0,00	16,80	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
<b>10000182 Total</b>	<b>John B Belgrove Properties Pty Ltd Total</b>		<b>0,00</b>	<b>16,80</b>	<b>0,00</b>	<b>0,00</b>	
10000214	Nzelenzele Mncedisi	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	-109,38	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
<b>10000214 Total</b>	<b>Nzelenzele Mncedisi Total</b>		<b>-109,38</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	
10000299	Ntlokomo Mvo	Interest	11 504,72	230,10	231,84	233,57	24
		Property Rates	17 091,48	126,23	126,23	126,23	12
			28 596,20	356,33	358,07	359,80	36
<b>10000299 Total</b>	<b>Ntlokomo Mvo Total</b>		<b>28 596,20</b>	<b>356,33</b>	<b>358,07</b>	<b>359,80</b>	<b>36</b>
10002591	Mdutyulwa	Interest	10 586,61	140,75	141,91	143,07	14
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	10 233,99	84,35	84,35	84,35	8
			20 820,60	225,10	226,26	227,42	22
<b>10002591 Total</b>	<b>Mdutyulwa Total</b>		<b>20 820,60</b>	<b>225,10</b>	<b>226,26</b>	<b>227,42</b>	<b>22</b>
10003067	Mtyamde JS School	Interest	11 394,85	418,21	418,21	418,21	41
		Property Rates	30 415,00	0,00	0,00	0,00	0,00
			41 809,85	418,21	418,21	418,21	41
<b>10003067 Total</b>	<b>Mtyamde JS School Total</b>		<b>41 809,85</b>	<b>418,21</b>	<b>418,21</b>	<b>418,21</b>	<b>41</b>
10003244	Damane SP School	Interest	149,14	1,11	1,11	1,11	1,11





Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10001561 Total			34 578,96	585,92	589,96	594,00	60
	Phambuka Amos Mxolisi, Pambuka Amos Mxolisi	Interest	-12,07	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
	Phambuka Amos Mxolisi, Pambuka Amos Mxolisi Total		-12,07	0,00	0,00	0,00	0,00
10000099 Total			-12,07	0,00	0,00	0,00	0,00
	Sakaulis Prop Pty Ltd	Interest	126 339,19	2 706,09	2 523,18	2 615,27	3 72
		Property Rates	230 513,42	6 697,50	6 697,50	6 697,50	6 69
	Sakaulis Prop Pty Ltd Total		356 852,61	9 403,59	9 220,68	9 312,77	10 41
10000103 Total			356 852,61	9 403,59	9 220,68	9 312,77	10 41
	Golfilii Nkosana Richard	Interest	-0,29	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Golfilii Nkosana Richard Total		-0,29	0,00	0,00	0,00	0,00
10000104 Total			-0,29	0,00	0,00	0,00	0,00
	Andiswa Shumikazi Chulayo	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Andiswa Shumikazi Chulayo Total		0,00	0,00	0,00	0,00	0,00
10000230 Total			0,00	0,00	0,00	0,00	0,00
	Nakani Vuyani Sandile, Nakani Mlungisi Mzuvukile	Interest	5 100,99	68,81	69,41	70,00	7
		Property Rates	5 024,40	43,17	43,17	43,17	4
	Nakani Vuyani Sandile, Nakani Mlungisi Mzuvukile Total		10 125,39	111,98	112,58	113,17	11
10001599 Total			10 125,39	111,98	112,58	113,17	11
	Letlaka Grace	Interest	50,40	5,60	5,92	6,23	
		Property Rates	422,16	22,87	22,87	22,87	2
	Letlaka Grace Total		472,56	28,47	28,79	29,10	2
10000047 Total			472,56	28,47	28,79	29,10	2

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002882	Mzingisi Hlanjwa Norman	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	-67,65	0,00	0,00	0,00	0,00
	Mzingisi Hlanjwa Norman Total		-67,65	0,00	0,00	0,00	0,00
<b>10002882 Total</b>			-67,65	0,00	0,00	0,00	0,00
10001735	Maqubela Barbara Martha	Interest	4 411,27	154,84	164,85	174,87	17
		Property Rates	10 788,00	728,50	728,50	728,50	72
		OTHER	0,00	0,00	0,00	0,00	0,00
	Maqubela Barbara Martha Total		15 199,27	883,34	893,35	903,37	90
<b>10001735 Total</b>			15 199,27	883,34	893,35	903,37	90
10000305	Boyce Mziwenkosi Cyprian	Interest	33 073,82	400,45	404,29	408,13	42
		Property Rates	19 174,08	194,83	194,83	194,83	19
		Refuse Removal	10 823,59	84,35	84,35	84,35	8
	Boyce Mziwenkosi Cyprian Total		63 071,49	679,63	683,47	687,31	70
<b>10000305 Total</b>			63 071,49	679,63	683,47	687,31	70
10002341	Mgudiwa	Interest	2 380,98	51,08	52,24	53,40	5
		Refuse Removal	3 948,15	84,35	84,35	84,35	8
	Mgudiwa Total		6 329,13	135,43	136,59	137,75	14
<b>10002341 Total</b>			6 329,13	135,43	136,59	137,75	14
10002436	Extra Dimensions 1031 CC	Interest	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	0,00	0,00	0,00	0,00	
	Extra Dimensions 1031 CC Total		0,00	0,00	0,00	0,00	
<b>10002436 Total</b>			0,00	0,00	0,00	0,00	
10002647	Ngwane	Interest	11 114,49	144,81	145,97	147,13	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
	Ngwane Total		21 643,92	229,16	230,32	231,48	23
<b>10002647 Total</b>			21 643,92	229,16	230,32	231,48	23
10002738	Prison Dept	Interest	12 301,95	505,70	363,99	376,87	46
		OTHER	0,00	0,00	0,00	0,00	

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002738 Total	Prison Dept Total	Refuse Removal	31 078,14	937,00	937,00	937,00	93
			43 380,09	1 442,70	1 300,99	1 313,87	1 40
			43 380,09	1 442,70	1 300,99	1 313,87	1 40
10002767	SASSA (South African Social Security Agency)	Interest	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	-10 447,66	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
	SASSA Total		0,00	0,00	-10 447,66	0,00	0,00
			0,00	0,00	-10 447,66	0,00	0,00
10002770 Total	Mkhosi	Interest	9 375,29	130,62	131,78	132,94	13
		Refuse Removal	9 740,13	84,35	84,35	84,35	8
	Mkhosi Total		19 115,42	214,97	216,13	217,29	22
10003115 Total	Duli JS School	Interest	19 115,42	214,97	216,13	217,29	22
		Property Rates	832,40	27,79	27,79	27,79	5
	Duli JS School Total		3 687,22	0,00	0,00	0,00	5
10003163 Total	Zwelibanzi JS School	Interest	4 519,62	27,79	27,79	27,79	5
		Property Rates	4 519,62	27,79	27,79	27,79	5
	Zwelibanzi JS School Total		4 519,62	27,79	27,79	27,79	5
10003164 Total	Zwelihlangene JS School	Interest	530,52	0,00	0,00	0,00	0,00
		Property Rates	151,08	0,00	0,00	0,00	0,00
	Zwelihlangene JS School Total	OTHER	0,00	0,00	0,00	0,00	0,00
			681,60	0,00	0,00	0,00	0,00
	Zwelihlangene JS School	Interest	681,60	0,00	0,00	0,00	0,00
		Property Rates	488,18	3,64	3,64	3,64	3,64
	Zwelihlangene JS School Total		252,76	0,00	0,00	0,00	0,00
			740,94	3,64	3,64	3,64	3,64
10003181 Total	Hoyana JS School	Interest	740,94	3,64	3,64	3,64	3,64
		Property Rates	7 019,45	110,84	110,84	110,84	10
	Hoyana JS School Total	OTHER	7 808,88	0,00	0,00	0,00	0,00
			0,00	0,00	0,00	0,00	0,00
	Hoyana JS School Total		14 828,33	110,84	110,84	110,84	10

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
<b>10003181 Total</b>			14 828,33	110,84	110,84	110,84	10
<b>30004696</b>	Tabarah Trust	Interest	0,00	0,00	0,00	0,00	
		Property Rates	-3 398,04	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
	Tabarah Trust Total		-3 398,04	0,00	0,00	0,00	
<b>30004696 Total</b>			-3 398,04	0,00	0,00	0,00	
<b>30008256</b>	Ngceza Clinic	Interest	0,00	0,00	0,00	0,00	13
		Property Rates	5 837,39	1 334,67	1 334,67	1 334,67	1 33
		OTHER	0,00	0,00	0,00	0,00	
	Ngceza Clinic Total		5 837,39	1 334,67	1 334,67	1 334,67	1 46
<b>30008256 Total</b>			5 837,39	1 334,67	1 334,67	1 334,67	1 46
<b>30008275</b>	Sabalele Community Hall	Interest	1 517,80	0,00	0,00	0,00	23
		Property Rates	15 551,94	485,33	485,33	485,33	48
		OTHER	0,00	0,00	0,00	0,00	
	Sabalele Community Hall Total		17 069,74	485,33	485,33	485,33	71
<b>30008275 Total</b>			17 069,74	485,33	485,33	485,33	71
<b>10000077</b>	Lulwane Charlton Zwelabona	Interest	0,00	0,00	0,00	0,00	
		Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
	Lulwane Charlton Zwelabona Total		0,00	0,00	0,00	0,00	
<b>10000077 Total</b>			0,00	0,00	0,00	0,00	
<b>10000212</b>	Sigonya Euticus Bandile	Interest	6 702,30	183,89	186,75	189,61	18
		Property Rates	12 982,36	208,13	208,13	208,13	20
		OTHER	0,00	0,00	0,00	0,00	
	Sigonya Euticus Bandile Total		19 684,66	392,02	394,88	397,74	39
<b>10000212 Total</b>			19 684,66	392,02	394,88	397,74	39
<b>10000220</b>	U Unregistered	Interest	6 012,52	65,95	65,95	65,95	6
		Property Rates	4 981,40	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
	U Unregistered Total		10 993,92	65,95	65,95	65,95	6
<b>10000220 Total</b>			10 993,92	65,95	65,95	65,95	6

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
30008235	Lower Mncuncuzo Clinic	Interest	3 414,93	0,00	0,00	0,00	52
		Property Rates	34 992,00	1 092,00	1 092,00	1 092,00	1 09
		OTHER	0,00	0,00	0,00	0,00	
30008235 Total	Lower Mncuncuzo Clinic Total		38 406,93	1 092,00	1 092,00	1 092,00	1 61
30008262	Nolusapho SP School	Interest	10 813,84	0,00	0,00	0,00	1 66
		Property Rates	110 808,00	3 458,00	3 458,00	3 458,00	3 45
		OTHER	0,00	0,00	0,00	0,00	
30008262 Total	Nolusapho SP School Total		121 621,84	3 458,00	3 458,00	3 458,00	5 12
10000003	St Marks District Agricultural Society	Interest	60 347,52	518,24	521,54	524,85	54
		Property Rates	39 203,47	240,33	240,33	240,33	24
		OTHER	0,00	0,00	0,00	0,00	32
10000003 Total	St Marks District Agricultural Society Total		99 550,99	758,57	761,87	765,18	1 11
10000005	Mvo Madontsepela	Interest	245,35	14,64	15,86	17,08	1
		Property Rates	2 076,76	88,52	88,52	88,52	8
		OTHER	0,00	0,00	0,00	0,00	
10000005 Total	Mvo Madontsepela Total		2 322,11	103,16	104,38	105,60	10
10002877	Ramncwana Dominic	Interest	2 322,11	103,16	104,38	105,60	10
		Property Rates	25 810,34	153,95	147,08	140,22	12
		OTHER	7 941,08	0,78	0,78	0,78	
10002877 Total	Ramncwana Dominic Total		33 751,42	154,73	147,86	141,00	12
10001640	Mruvebi Emily	Interest	2 160,44	60,35	61,40	62,44	6
		Property Rates	4 411,47	75,83	75,83	75,83	7
		OTHER	6 571,91	136,18	137,23	138,27	13
10001640 Total	Mruvebi Emily Total		6 571,91	136,18	137,23	138,27	13
10001645	Mac Mkunyana Family Trust	Interest	0,00	0,00	0,00	0,00	

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		Property Rates	-756,69	0,00	0,00	0,00	0,00
<b>10001545 Total</b>	Mac Mkunyana Family Trust Total		-756,69	0,00	0,00	0,00	0,00
		Interest	0,00	72,10	84,99	15,85	2
<b>10002308 Total</b>	Dept of Rural Development and Agrarian Reform	OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	0,00	0,00	0,00	0,00	
			0,00	72,10	84,99	15,85	2
			0,00	72,10	84,99	15,85	2
<b>10002334 Total</b>	Mvo	Interest	711,50	59,54	61,93	64,32	6
		Refuse Removal	4 326,31	173,66	173,66	173,66	17
	Mvo Total		5 037,81	233,20	235,59	237,98	24
<b>10002334 Total</b>			5 037,81	233,20	235,59	237,98	24
	HdMasizakhe Trust	Interest	0,00	8,02	7,91	7,81	
		Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	0,00	0,00	0,00	44,13	53
	HdMasizakhe Trust Total		0,00	8,02	7,91	51,94	53
<b>10002440 Total</b>			0,00	8,02	7,91	51,94	53
	Tsotsi	Interest	5 343,45	103,22	104,38	105,54	11
		Refuse Removal	7 760,96	84,35	84,35	84,35	8
	Tsotsi Total		13 104,41	187,57	188,73	189,89	19
<b>10002554 Total</b>			13 104,41	187,57	188,73	189,89	19
	Keleembe	Interest	5 996,02	124,71	125,87	127,03	13
		Refuse Removal	9 225,91	84,35	84,35	84,35	8
	Keleembe Total		15 221,93	209,06	210,22	211,38	21
<b>10002556 Total</b>			15 221,93	209,06	210,22	211,38	21
	Boxer Head Office	Interest	16 244,26	173,78	173,78	173,78	17
		Refuse Removal	12 638,21	0,00	0,00	0,00	
	Boxer Head Office Total		28 882,47	173,78	173,78	173,78	17

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
<b>10002722 Total</b>			28 882,47	173,78	173,78	173,78	173,78
	10003002	Thulani JP School	6 807,36	249,84	249,84	249,84	249,84
		Property Rates	18 170,00	0,00	0,00	0,00	0,00
		Thulani JP School Total	24 977,36	249,84	249,84	249,84	249,84
<b>10003002 Total</b>			24 977,36	249,84	249,84	249,84	249,84
	10003059	Mawushe JS School	19 103,21	2 863,85	3 243,40	3 622,95	4 000
		Property Rates	208 279,98	27 603,33	27 603,33	27 603,33	27 600
		OTHER	0,00	0,00	0,00	0,00	0,00
		Mawushe JS School Total	227 383,19	30 467,18	30 846,73	31 226,28	31 600
<b>10003059 Total</b>			227 383,19	30 467,18	30 846,73	31 226,28	31 600
	10003134	Mgcawezulu PJS School	2 108,80	63,68	63,68	63,68	63,68
		Property Rates	6 527,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Mgcawezulu PJS School Total	8 635,80	63,68	63,68	63,68	63,68
<b>10003134 Total</b>			8 635,80	63,68	63,68	63,68	63,68
	10003157	Wodehouse JS School	7 520,03	332,98	332,98	332,98	332,98
		Property Rates	32 487,09	0,00	0,00	0,00	0,00
		Wodehouse JS School Total	40 007,12	332,98	332,98	332,98	332,98
<b>10003157 Total</b>			40 007,12	332,98	332,98	332,98	332,98
	10003184	Gudwana JS School	344,68	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		Gudwana JS School Total	344,68	0,00	0,00	0,00	0,00
<b>10003184 Total</b>			344,68	0,00	0,00	0,00	0,00
	10003364	Department of Health	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Property Rental	0,00	0,00	0,00	0,00	0,00
		Department of Health Total	0,00	0,00	0,00	0,00	0,00
<b>10003364 Total</b>			0,00	0,00	0,00	0,00	0,00
	30007092	National Government of the Republic of South Africa	57 804,72	0,00	0,00	0,00	0,00
		Interest					3 030

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		Property Rates	220 863,96	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
<b>30007092 Total</b>	<b>National Government of the Republic of South Africa Total</b>		<b>278 668,68</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>3 03</b>
		Interest	278 668,68	0,00	0,00	0,00	3 03
<b>30008219 Total</b>	<b>East Bank JS School</b>	Property Rates	0,00	0,00	0,00	0,00	
		Property Rates	0,00	0,00	0,00	0,00	
		Interest	0,00	0,00	0,00	0,00	
<b>30008219 Total</b>	<b>East Bank JS School Total</b>		<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	
		Interest	0,00	0,00	0,00	0,00	
<b>30008317 Total</b>	<b>Mlamli Jingisa</b>	Interest	16 307,54	1 074,70	1 105,50	1 136,30	1 16
		Property Rental	77 811,98	2 239,97	2 239,97	2 239,97	2 23
		Property Rental	94 119,52	3 314,67	3 345,47	3 376,27	3 40
<b>30008317 Total</b>	<b>Mlamli Jingisa Total</b>		<b>94 119,52</b>	<b>3 314,67</b>	<b>3 345,47</b>	<b>3 376,27</b>	<b>3 40</b>
		Interest	4 559,09	580,57	615,93	651,29	68
		OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	2 878,99	173,66	173,66	173,66	17
		Property Rental	39 343,75	2 397,89	2 397,89	2 397,89	2 39
<b>30008326 Total</b>	<b>DR Lindamachita Nyilenda Total</b>		<b>46 781,83</b>	<b>3 152,12</b>	<b>3 187,48</b>	<b>3 222,84</b>	<b>3 25</b>
		Interest	46 781,83	3 152,12	3 187,48	3 222,84	3 25
<b>10001606 Total</b>	<b>Mbolekwa Ishmael Mbongi</b>	Interest	0,00	0,00	0,00	0,00	
		Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
		Interest	0,00	0,00	0,00	0,00	
<b>10001606 Total</b>	<b>Mbolekwa Ishmael Mbongi Total</b>		<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	
		Interest	104 010,99	3 735,21	3 812,11	3 889,00	3 95
<b>10001641 Total</b>	<b>Ndwandwa Newns Luvuyo</b>	Property Rates	242 403,52	5 060,33	5 060,33	5 060,33	5 06
		Refuse Removal	28 788,37	531,91	531,91	531,91	53
		Refuse Removal	375 202,88	9 327,45	9 404,35	9 481,24	9 55
<b>10001641 Total</b>	<b>Ndwandwa Newns Luvuyo Total</b>		<b>375 202,88</b>	<b>9 327,45</b>	<b>9 404,35</b>	<b>9 481,24</b>	<b>9 55</b>
		Interest	1,78	65,44	129,09	192,75	25
<b>10001660 Total</b>	<b>Sihele Monde Zingisa</b>	Interest	1,78	65,44	129,09	192,75	25

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		Property Rates	0,00	0,00	0,00	4 365,16	4 62
		OTHER	0,00	0,00	0,00	0,00	
	Sihele Monde Zingisa Total		1,78	65,44	129,09	4 557,91	4 88
<b>10001560 Total</b>			1,78	65,44	129,09	4 557,91	4 88
	<b>10000086</b>	Interest	3 297,17	9,17	9,18	9,19	1
		Property Rates	829,08	0,78	0,78	0,78	
	Moyo John Ndabezintle		4 126,25	9,95	9,96	9,97	1
	Moyo John Ndabezintle Total		4 126,25	9,95	9,96	9,97	1
<b>10000086 Total</b>			4 126,25	9,95	9,96	9,97	1
	<b>10001715</b>	Interest	240,54	10,43	10,67	10,91	1
	Mngqibisa Nondumiso		764,60	17,50	17,50	17,50	1
	Mngqibisa Nondumiso Total		1 005,14	27,93	28,17	28,41	2
<b>10001715 Total</b>			1 005,14	27,93	28,17	28,41	2
	<b>10000133</b>	Interest	23,76	11,46	13,72	15,98	1
	Nomvo Patient Dekeda		847,45	164,50	164,50	164,50	16
	Nomvo Patient Dekeda Total		871,21	175,96	178,22	180,48	18
<b>10000133 Total</b>			871,21	175,96	178,22	180,48	18
	<b>10002363</b>	Interest	2 582,12	225,83	197,47	182,85	17
	Baby & Toddler Preschool		4 592,00	937,00	937,00	937,00	93
	Baby & Toddler Preschool Total		7 174,12	1 162,83	1 134,47	1 119,85	1 11
<b>10002363 Total</b>			7 174,12	1 162,83	1 134,47	1 119,85	1 11
	<b>10002454</b>	Interest	0,00	0,00	0,00	0,00	
	Shashahoused		0,00	0,00	0,00	0,00	
	Shashahoused Total		0,00	0,00	0,00	0,00	
<b>10002454 Total</b>			0,00	0,00	0,00	0,00	
	<b>10002474</b>	Interest	5 527,69	103,64	104,80	105,96	10
	Mafanya		0,00	0,00	0,00	0,00	
	Refuse Removal		7 694,97	84,35	84,35	84,35	8
	Mafanya Total		13 222,66	187,99	189,15	190,31	19

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002674 Total			13 222,66	187,99	189,15	190,31	19
	10002527 Fraser	Interest	0,00	0,00	0,00	0,00	0,00
		OTHER	-750,00	0,00	-400,00	0,00	0,00
		Refuse Removal	-1 009,61	0,00	0,00	0,00	0,00
	Fraser Total		-1 759,61	0,00	-400,00	0,00	0,00
10002527 Total			-1 759,61	0,00	-400,00	0,00	0,00
	10002678 Sibuyile Commbus	Interest	24 592,78	309,41	311,80	314,19	31
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	22 498,89	173,66	173,66	173,66	17
	Sibuyile Commbus Total		47 091,67	483,07	485,46	487,85	49
10002578 Total			47 091,67	483,07	485,46	487,85	49
	10002714 Buyusiphe	Interest	22 966,88	218,73	218,73	218,73	21
		Refuse Removal	15 907,77	0,00	0,00	0,00	0,00
	Buyusiphe Total		38 874,65	218,73	218,73	218,73	21
10002714 Total			38 874,65	218,73	218,73	218,73	21
	10003311 St Marks District Agricultural Society	Interest	36 893,54	870,77	886,28	901,79	90
		Property Rates	62 170,20	1 128,00	1 128,00	1 128,00	1 12
		OTHER	0,00	0,00	0,00	0,00	0,00
	St Marks District Agricultural Society Total		99 063,74	1 998,77	2 014,28	2 029,79	2 02
10003311 Total			99 063,74	1 998,77	2 014,28	2 029,79	2 02
	10003159 Zanemvula JS School	Interest	978,46	7,29	7,29	7,29	7,29
		Property Rates	506,81	0,00	0,00	0,00	0,00
	Zanemvula JS School Total		1 485,27	7,29	7,29	7,29	7,29
10003159 Total			1 485,27	7,29	7,29	7,29	7,29
	30008212 Caba SS School	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
	Caba SS School Total		0,00	0,00	0,00	0,00	0,00
30008212 Total			0,00	0,00	0,00	0,00	0,00
	30008287 ST James SS School	Interest	5 087,10	0,00	0,00	0,00	2 02

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		Property Rates	147 496,01	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
<b>30000287 Total</b>	<b>ST James SS School Total</b>		152 583,11	0,00	0,00	0,00	2 02
		Interest	152 583,11	0,00	0,00	0,00	2 02
		Property Rates	621,28	15,96	15,96	15,96	3
<b>10003088 Total</b>	<b>Upper Mbulukweza JS School Total</b>		2 353,74	0,00	0,00	0,00	0,00
		Interest	2 975,02	15,96	15,96	15,96	3
		Property Rates	2 975,02	15,96	15,96	15,96	3
<b>10003140 Total</b>	<b>Ncuncuzo SS School Total</b>		1 714,36	63,84	63,84	63,84	11
		Interest	1 714,36	63,84	63,84	63,84	11
		Property Rates	8 137,06	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
<b>10000167 Total</b>	<b>Ncuncuzo SS School Total</b>		9 851,42	63,84	63,84	63,84	11
		Interest	9 851,42	63,84	63,84	63,84	11
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
<b>10000167 Total</b>	<b>Njamela Stonga Total</b>		0,00	0,00	0,00	0,00	0,00
		Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
<b>10000216 Total</b>	<b>Galela Fuyizizwe Sherphard Total</b>		4 352,37	56,63	56,96	57,30	5
		Interest	4 352,37	56,63	56,96	57,30	5
		Property Rates	4 000,18	24,50	24,50	24,50	2
<b>10000216 Total</b>	<b>Galela Fuyizizwe Sherphard Total</b>		8 352,55	81,13	81,46	81,80	8
		Interest	8 352,55	81,13	81,46	81,80	8
		Property Rates	140,49	7,01	7,20	7,39	1
<b>10000140 Total</b>	<b>Sefani Matata Total</b>		524,12	13,53	13,53	13,53	1
		Interest	524,12	13,53	13,53	13,53	1
		Property Rates	664,61	20,54	20,73	20,92	2
<b>10000140 Total</b>	<b>Sefani Matata Total</b>		664,61	20,54	20,73	20,92	2
		Interest	664,61	20,54	20,73	20,92	2
		Property Rates	-1 000,00	0,00	0,00	0,00	0,00
<b>10000161 Total</b>	<b>Intsika Yethu Municipality/co: Mvo Sibonelelo Total</b>		-1 000,00	0,00	0,00	0,00	0,00
		Interest	-1 000,00	0,00	0,00	0,00	0,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10000161 Total			-1 000,00	0,00	0,00	0,00	0,00
	10000183 Kuse Mzikazi	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	-380,83	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
	Kuse Mzikazi Total		-380,83	0,00	0,00	0,00	0,00
10000183 Total			-380,83	0,00	0,00	0,00	0,00
	10000258 Gasa Sidwell	Interest	1 163,87	19,63	19,84	20,04	1
		Property Rates	1 365,12	15,17	15,17	15,17	1
	Gasa Sidwell Total		2 528,99	34,80	35,01	35,21	3
10000258 Total			2 528,99	34,80	35,01	35,21	3
	10000078 Likinini	Interest	895,39	5,59	5,59	5,59	
		Property Rates	406,58	0,00	0,00	0,00	0,00
	Likinini Total		1 301,97	5,59	5,59	5,59	
10000078 Total			1 301,97	5,59	5,59	5,59	
	10002578 Nompozolo	Interest	11 150,46	144,81	145,97	147,13	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
	Nompozolo Total		21 679,89	229,16	230,32	231,48	23
10002578 Total			21 679,89	229,16	230,32	231,48	23
	10002598 Shoprite Checkers Pty Ltd	Interest	0,00	0,00	0,00	0,00	
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
	Shoprite Checkers Pty Ltd Total		0,00	0,00	0,00	0,00	0,00
10002598 Total			0,00	0,00	0,00	0,00	0,00
	10002613 Mpaphela	Interest	0,00	0,00	0,00	0,00	
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
	Mpaphela Total		0,00	0,00	0,00	0,00	0,00
10002613 Total			0,00	0,00	0,00	0,00	0,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
<b>10002513 Total</b>	Mpaphela Total		0,00	0,00	0,00	0,00	0,00
		Interest	0,00	0,00	0,00	0,00	0,00
	Lower Qutsa JS School	Property Rates	595,60	0,00	0,00	0,00	0,00
		OTHER	178,04	0,00	0,00	0,00	0,00
	Lower Qutsa JS School Total		0,00	0,00	0,00	0,00	0,00
			773,64	0,00	0,00	0,00	0,00
<b>10003056 Total</b>			773,64	0,00	0,00	0,00	0,00
	10003153	Interest	577,26	27,81	27,81	27,81	27,81
		Property Rates	3 256,05	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Southeyville JS School Total		3 833,31	27,81	27,81	27,81	27,81
			3 833,31	27,81	27,81	27,81	27,81
<b>10003053 Total</b>			1 470,29	0,00	0,00	0,00	0,00
	30008214	Interest	15 066,06	470,17	470,17	470,17	470,17
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Chris Hani Community Hall		16 536,35	470,17	470,17	470,17	470,17
			16 536,35	470,17	470,17	470,17	470,17
<b>30008214 Total</b>			6 355,49	0,00	0,00	0,00	0,00
	30008264	Interest	65 123,94	2 032,33	2 032,33	2 032,33	2 032,33
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Nonkululeko SP School		71 479,43	2 032,33	2 032,33	2 032,33	2 032,33
			71 479,43	2 032,33	2 032,33	2 032,33	2 032,33
<b>30008264 Total</b>			0,00	0,00	0,00	0,00	0,00
	30008265	Interest	6 500,52	1 486,33	1 486,33	1 486,33	1 486,33
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Plumstead Clinic		6 500,52	1 486,33	1 486,33	1 486,33	1 486,33
			6 500,52	1 486,33	1 486,33	1 486,33	1 486,33
<b>30008265 Total</b>			6 450,37	0,00	0,00	0,00	0,00
	30008281	Interest	66 096,06	2 062,67	2 062,67	2 062,67	2 062,67
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Rhwantsana SP School		66 096,06	2 062,67	2 062,67	2 062,67	2 062,67
			66 096,06	2 062,67	2 062,67	2 062,67	2 062,67

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		OTHER	0,00	0,00	0,00	0,00	0,00
<b>30008281 Total</b>	Rhwantsana SP School Total		72 546,43	2 062,67	2 062,67	2 062,67	3 05
		Interest	72 546,43	2 062,67	2 062,67	2 062,67	3 05
<b>10002717 Total</b>	Toubaroullam	Refuse Removal	22 968,59	218,73	218,73	218,73	21
		Refuse Removal	15 907,77	0,00	0,00	0,00	0,00
	Toubaroullam Total		38 876,36	218,73	218,73	218,73	21
<b>10002736 Total</b>	Dyalo	Interest	38 876,36	218,73	218,73	218,73	21
		Refuse Removal	14 685,15	286,24	288,63	291,02	29
	Dyalo Total		20 817,98	173,66	173,66	173,66	17
<b>10003012 Total</b>	Jonginamba SP School	Interest	35 503,13	459,90	462,29	464,68	46
		Interest	35 503,13	459,90	462,29	464,68	46
	Jonginamba SP School	Property Rates	5 563,12	349,12	349,12	349,12	43
		Property Rates	31 850,00	0,00	0,00	0,00	0,00
<b>10003148 Total</b>	Nququ JS School	Interest	37 413,12	349,12	349,12	349,12	43
		Interest	37 413,12	349,12	349,12	349,12	43
	Nququ JS School Total	Property Rates	15 916,92	1 159,24	1 207,20	1 255,17	1 30
		Property Rates	84 308,36	3 488,33	3 488,33	3 488,33	3 48
		OTHER	0,00	0,00	0,00	0,00	0,00
<b>10003178 Total</b>	Nkqwiliso JS School	Interest	100 225,28	4 647,57	4 695,53	4 743,50	4 79
		Interest	100 225,28	4 647,57	4 695,53	4 743,50	4 79
	Nkqwiliso JS School Total	Property Rates	8 769,23	524,53	524,53	524,53	72
		Property Rates	52 598,00	0,00	0,00	0,00	0,00
<b>10003265 Total</b>	Khanya Preschool	Interest	61 367,23	524,53	524,53	524,53	72
		Interest	61 367,23	524,53	524,53	524,53	72
	Khanya Preschool	Property Rates	3 892,91	45,92	45,92	45,92	4
		Property Rates	3 339,70	0,00	0,00	0,00	0,00
	Khanya Preschool Total		7 232,61	45,92	45,92	45,92	4
<b>10003343 Total</b>	Village Management Board	Interest	7 232,61	45,92	45,92	45,92	4
		Interest	5 765,90	80,71	80,71	80,71	8

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10003343 Total	Village Management Board Total	Property Rates	5 869,55	0,00	0,00	0,00	0,00
30007086	Hlanjwa Mizingisi Norman	Interest	11 635,45	80,71	80,71	80,71	80,71
		Property Rates	11 635,45	80,71	80,71	80,71	80,71
		OTHER	0,00	0,00	0,00	0,00	0,00
30007086 Total	Hlanjwa Mizingisi Norman Total		0,00	0,00	0,00	0,00	0,00
30008322	Nondyebo Lwana Xashimba	Interest	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
		Property Rental	0,00	0,00	0,00	0,00	0,00
30008322 Total	Nondyebo Lwana Xashimba Total		0,00	0,00	0,00	0,00	1 75
30008325	Masinyane Small Business	Interest	4 688,80	608,50	646,30	684,09	1 75
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	2 711,99	173,66	173,66	173,66	17
		Property Rental	41 542,43	2 575,03	2 575,03	2 575,03	2 57
30008325 Total	Masinyane Small Business Total		48 943,22	3 357,19	3 394,99	3 432,78	3 47
10001643	Mpunzi Hamilton Thamsanqa	Interest	48 943,22	3 357,19	3 394,99	3 432,78	3 47
		Property Rates	266 469,02	3 807,34	3 840,94	3 874,55	3 90
10001643 Total	Mpunzi Hamilton Thamsanqa Total		276 951,66	2 444,00	2 444,00	2 444,00	2 44
10001662	Tshuku Nongqungumbana Ivy	Interest	543 420,68	6 251,34	6 284,94	6 318,55	6 35
		Property Rates	543 420,68	6 251,34	6 284,94	6 318,55	6 35
10001662 Total	Tshuku Nongqungumbana Ivy Total		28 807,98	306,24	306,24	306,24	30
10001734	Maqubela Barbara Martha	Interest	22 272,18	0,00	0,00	0,00	0,00
		Property Rates	51 080,16	306,24	306,24	306,24	30
10001734 Total	Maqubela Barbara Martha		51 080,16	306,24	306,24	306,24	30
		Interest	14 504,98	206,80	206,80	206,80	20

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		Property Rates	15 250,95	0,00	0,00	0,00	0,00
<b>10001734 Total</b>	Maqubela Barbara Martha Total		29 755,93	206,80	206,80	206,80	206,80
		Interest	29 755,93	206,80	206,80	206,80	206,80
<b>10000185</b>	R RSA		1 376,30	18,24	18,24	18,24	18,24
		Property Rates	1 375,80	0,00	0,00	0,00	0,00
	R RSA Total		2 752,10	18,24	18,24	18,24	18,24
<b>10000185 Total</b>			2 752,10	18,24	18,24	18,24	18,24
<b>10002531</b>	Fokazi	Interest	5 324,02	115,87	117,03	118,19	12
		Refuse Removal	8 616,63	84,35	84,35	84,35	84,35
	Fokazi Total		13 940,65	200,22	201,38	202,54	20
<b>10002531 Total</b>			13 940,65	200,22	201,38	202,54	20
<b>10002570</b>	Jabe	Interest	11 185,71	141,03	142,19	143,35	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	84,35
	Jabe Total		21 715,14	225,38	226,54	227,70	23
<b>10002570 Total</b>			21 715,14	225,38	226,54	227,70	23
<b>30004919</b>	Guma Pumza Ntanjana	Interest	80,48	3,97	4,07	4,18	
		Property Rates	303,48	7,70	7,70	7,70	7,70
	Guma Pumza Ntanjana Total		383,96	11,67	11,77	11,88	11,88
<b>30004919 Total</b>			383,96	11,67	11,77	11,88	11,88
<b>30005578</b>	Lwana Hazel Nomabhadi	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	-761,60	0,00	0,00	0,00
	Lwana Hazel Nomabhadi Total		0,00	-761,60	0,00	0,00	0,00
<b>30005578 Total</b>			0,00	-761,60	0,00	0,00	0,00
<b>10000009</b>	Masiza Michael Melford Mkululi	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Masiza Michael Melford Mkululi Total		0,00	0,00	0,00	0,00	0,00
<b>10000009 Total</b>			0,00	0,00	0,00	0,00	0,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10000014	Williams James Daniel	Interest	4 311,11	53,24	53,56	53,87	5
		Property Rates	3 872,48	22,87	22,87	22,87	2
		OTHER	0,00	0,00	0,00	0,00	1
<b>10000014 Total</b>	<b>Williams James Daniel Total</b>		<b>8 183,59</b>	<b>76,11</b>	<b>76,43</b>	<b>76,74</b>	<b>8</b>
10000021	Njamela Langa Likhanya	Interest	8 183,59	76,11	76,43	76,74	8
		Property Rates	510,02	47,44	49,54	51,64	5
		OTHER	3 525,16	152,83	152,83	152,83	15
<b>10000021 Total</b>	<b>Njamela Langa Likhanya Total</b>		<b>4 035,18</b>	<b>200,27</b>	<b>202,37</b>	<b>204,47</b>	<b>20</b>
10000048	Mzinyati Earl De Mawethu	Property Rates	-869,96	0,00	0,00	0,00	
			-869,96	0,00	0,00	0,00	
<b>10000048 Total</b>	<b>Mzinyati Earl De Mawethu Total</b>		<b>-869,96</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	
10001707	Luyaba Welcome Thembinkosi, Luyaba Elizabeth Tande	Interest	-1,16	0,00	0,00	0,00	-4
		Property Rates	-31,86	0,00	0,00	0,00	
			-33,02	0,00	0,00	0,00	-4
<b>10001707 Total</b>	<b>Luyaba Welcome Thembinkosi, Luyaba Elizabeth Tande Total</b>		<b>-33,02</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>-4</b>
10001708	Mtwazi Beatrice Notutu	Interest	3,22	1,27	1,51	1,75	
		Property Rates	108,16	17,50	17,50	17,50	1
<b>10001708 Total</b>	<b>Mtwazi Beatrice Notutu Total</b>		<b>111,38</b>	<b>18,77</b>	<b>19,01</b>	<b>19,25</b>	<b>1</b>
10001721	Ntsaluba Sango Siviwe	Property Rates	-474,82	0,00	0,00	0,00	
			-474,82	0,00	0,00	0,00	
<b>10001721 Total</b>	<b>Ntsaluba Sango Siviwe Total</b>		<b>-474,82</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	
10000115	Mazula Enoch Mveleli	Interest	0,00	0,00	0,00	0,00	
		Property Rates	-1 300,23	0,00	0,00	0,00	-1 000,00
		OTHER	-2 609,90	0,00	-1 000,00	0,00	-1 00
<b>10000115 Total</b>	<b>Mazula Enoch Mveleli Total</b>		<b>-3 910,13</b>	<b>0,00</b>	<b>-1 000,00</b>	<b>-1 000,00</b>	<b>-1 00</b>
			-3 910,13	0,00	-1 000,00	-1 000,00	-1 00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10000138	Lundi-Luvo Business Ventures Pty Ltd	Interest	0,00	0,00	11,41	1,08	
		Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
<b>10000138 Total</b>	<b>Lundi-Luvo Business Ventures Pty Ltd Total</b>		0,00	0,00	11,41	1,08	
10000157	Government of Transkei	Interest	69 957,81	7 280,26	9 032,01	10 783,76	14 02
		Property Rates	638 120,15	127 400,00	127 400,00	127 400,00	127 40
<b>10000157 Total</b>	<b>Government of Transkei Total</b>		708 077,96	134 680,26	136 432,01	138 183,76	141 42
10000170	Martins Doris Noxolo	Interest	1 288,39	23,20	23,45	23,70	2
		Property Rates	1 705,63	17,97	17,97	17,97	1
<b>10000170 Total</b>	<b>Martins Doris Noxolo Total</b>		2 994,02	41,17	41,42	41,67	4
10000215	Lulwane Charlton Zwelabona	Interest	2 994,02	41,17	41,42	41,67	4
		Property Rates	650,38	55,56	57,53	59,51	4
<b>10000215 Total</b>	<b>Lulwane Charlton Zwelabona Total</b>		3 644,40	96,73	98,95	101,18	8
10002743	Tsomo Women's Support Centre	Interest	2 860,70	143,73	143,73	143,73	14
		Property Rates	3 511,08	199,29	201,26	203,24	19
<b>10002743 Total</b>	<b>Tsomo Women's Support Centre Total</b>		6 371,78	343,02	345,00	346,97	33
10002335	Minqandiflats	Interest	74 291,25	391,79	391,79	391,79	40
		Property Rates	3 333,63	0,00	0,00	0,00	
		Property Rental	26 316,07	0,00	0,00	0,00	
<b>10002335 Total</b>	<b>Minqandiflats Total</b>		103 940,95	391,79	391,79	391,79	40
10002390	Mathe	Interest	103 940,95	391,79	391,79	391,79	40
		Refuse Removal	0,00	0,00	0,00	0,00	
		Property Rental	0,00	0,00	0,00	0,00	
<b>10002390 Total</b>	<b>Mathe Total</b>		103 940,95	391,79	391,79	391,79	40
		Interest	48,70	16,49	18,88	21,27	2

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		Refuse Removal	1 208,99	173,66	173,66	173,66	173,66
	Mathe Total		1 257,69	190,15	192,54	194,93	19
<b>10002390 Total</b>			1 257,69	190,15	192,54	194,93	19
	<b>10002418</b> Sakasa	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
	Sakasa Total		0,00	0,00	0,00	0,00	0,00
<b>10002418 Total</b>			0,00	0,00	0,00	0,00	0,00
	<b>10002661</b> Bulawa	Interest	11 034,03	144,44	145,60	146,76	14
		Refuse Removal	10 502,46	84,35	84,35	84,35	8
	Bulawa Total		21 536,49	228,79	229,95	231,11	23
<b>10002661 Total</b>			21 536,49	228,79	229,95	231,11	23
	<b>10002774</b> Bickersteth	Interest	12 178,08	251,01	253,40	255,79	26
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	18 561,21	173,66	173,66	173,66	17
	Bickersteth Total		30 739,29	424,67	427,06	429,45	43
<b>10002774 Total</b>			30 739,29	424,67	427,06	429,45	43
	<b>30004751</b> Madzikane Olwethu	Interest	27,32	0,00	0,00	0,00	0,00
		Property Rates	266,70	6,77	6,77	6,77	6,77
		OTHER	0,00	0,00	0,00	0,00	0,00
	Madzikane Olwethu Total		294,02	6,77	6,77	6,77	1
<b>30004751 Total</b>			294,02	6,77	6,77	6,77	1
	<b>30004803</b> Tweyi Mbuqu Eric	Interest	27,32	0,00	0,00	0,00	0,00
		Property Rates	266,70	6,77	6,77	6,77	6,77
		OTHER	0,00	0,00	0,00	0,00	0,00
	Tweyi Mbuqu Eric Total		294,02	6,77	6,77	6,77	1
<b>30004803 Total</b>			294,02	6,77	6,77	6,77	1
	<b>10000029</b> National Government of the Republic of South Africa	Interest	6 998,43	396,53	407,62	418,72	43

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		Property Rates	29 417,54	806,83	806,83	806,83	80
		OTHER	0,00	0,00	0,00	0,00	
<b>1000029 Total</b>	National Government of the Republic of South Africa Total		36 415,97	1 203,36	1 214,45	1 225,55	1 24
		Interest	36 415,97	1 203,36	1 214,45	1 225,55	1 24
<b>10001658</b>	Macs Mkunzana Inv Pty Ltd	Property Rates	0,00	208,93	156,32	0,00	15
		OTHER	0,00	0,00	0,00	0,00	
		Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
<b>10001658 Total</b>	Macs Mkunzana Inv Pty Ltd Total		0,00	208,93	156,32	0,00	15
		Interest	0,00	0,00	0,00	0,00	
		Property Rates	-311,10	0,00	0,00	-800,00	
		OTHER	0,00	0,00	-775,20	0,00	
		Interest	-311,10	0,00	-775,20	-800,00	
<b>10000070 Total</b>	Mvo Tabita Sizeko Total		-311,10	0,00	-775,20	-800,00	
		Interest	0,00	0,00	0,00	0,00	
		Property Rates	-67,04	0,00	0,00	0,00	
		OTHER	-67,04	0,00	0,00	0,00	
<b>10000222 Total</b>	Sakawulis Properties Pty Ltd, Sakawulis Prop Cc Total		-67,04	0,00	0,00	0,00	
		Interest	1 161,37	17,39	17,55	17,71	1
		Property Rates	1 208,56	11,67	11,67	11,67	1
		OTHER	2 369,93	29,06	29,22	29,38	2
<b>10000259 Total</b>	Mbolekwa Ishmael Total		2 369,93	29,06	29,22	29,38	2
		Interest	1 161,37	17,39	17,55	17,71	1
		Property Rates	1 208,56	11,67	11,67	11,67	1
		OTHER	2 369,93	29,06	29,22	29,38	2
<b>10000281</b>	Intsika Yethu Municipality/co: Sindo Ncediswa Veronica	Interest	1,56	0,78	0,96	1,15	1
		Property Rates	73,16	13,53	13,53	13,53	1
		OTHER	74,72	14,31	14,49	14,68	1
<b>10002480</b>	Vanwyk	Interest	74,72	14,31	14,49	14,68	1
		Property Rates	57 151,90	1 114,47	1 121,79	1 129,10	1 16
		Refuse Removal	83 300,10	531,91	531,91	531,91	53
		Vanwyk Total	140 452,00	1 646,38	1 653,70	1 661,01	1 69

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002480 Total			140 452,00	1 646,38	1 653,70	1 661,01	1 69
	10002584 Nkomana	Interest	11 117,66	144,59	145,75	146,91	14
		Refuse Removal	10 513,49	84,35	84,35	84,35	8
	Nkomana Total		21 631,15	228,94	230,10	231,26	23
10002584 Total			21 631,15	228,94	230,10	231,26	23
	10002668 Ngcofe	Interest	10 209,01	138,93	140,09	141,25	14
		Refuse Removal	10 101,49	84,35	84,35	84,35	8
	Ngcofe Total		20 310,50	223,28	224,44	225,60	22
10002668 Total			20 310,50	223,28	224,44	225,60	22
	10002704 Orest	Interest	22 968,59	218,73	218,73	218,73	21
		OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	15 907,77	0,00	0,00	0,00	
	Orest Total		38 876,36	218,73	218,73	218,73	21
10002704 Total			38 876,36	218,73	218,73	218,73	21
	10002735 Fraser	Interest	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	0,00	0,00	0,00	0,00	
	Fraser Total		0,00	0,00	0,00	0,00	
10002735 Total			0,00	0,00	0,00	0,00	
	10002761 Seven Bridges Trading 23 Pty Ltd	Interest	0,00	0,00	0,00	0,00	
		Refuse Removal	-120,25	0,00	0,00	0,00	
	Seven Bridges Trading 23 Pty Ltd Total		-120,25	0,00	0,00	0,00	
10002761 Total			-120,25	0,00	0,00	0,00	
	10002992 Langaletu SS School	Interest	57 378,68	1 035,83	1 035,83	1 035,83	1 05
		Property Rates	76 383,00	0,00	0,00	0,00	
	Langaletu SS School Total		133 761,68	1 035,83	1 035,83	1 035,83	1 05
10002992 Total			133 761,68	1 035,83	1 035,83	1 035,83	1 05
	10003001 Ngceza JP School	Interest	14 129,72	741,76	764,91	788,05	81
		Property Rates	53 946,00	1 683,50	1 683,50	1 683,50	1 68

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10003001 Total	Ngeza JP School Total		68 075,72	2 425,26	2 448,41	2 471,55	2 49
	10003126 Luzuko JS School	Interest	68 075,72	2 425,26	2 448,41	2 471,55	2 49
		Property Rates	18 203,10	955,60	985,42	1 015,24	1 04
		OTHER	69 497,94	2 168,83	2 168,83	2 168,83	2 16
			0,00	0,00	0,00	0,00	
10003026 Total	Luzuko JS School Total		87 701,04	3 124,43	3 154,25	3 184,07	3 21
	10003133 Mclibaniso JS School	Interest	87 701,04	3 124,43	3 154,25	3 184,07	3 21
		Property Rates	738,08	6,86	6,86	6,86	6,86
10003033 Total	Mclibaniso JS School Total		479,09	0,00	0,00	0,00	
		Property Rates	1 217,17	6,86	6,86	6,86	6,86
		Interest	1 217,17	6,86	6,86	6,86	6,86
10002903 Total	Miosa Nine CC	Interest	24,67	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		Interest	24,67	0,00	0,00	0,00	0,00
10002343 Total	Sylvester	Interest	2 427,32	161,22	165,70	170,02	17
		Refuse Removal	9 634,21	831,91	531,91	531,91	53
		Property Rates	12 061,53	993,13	697,61	701,93	70
10002343 Total	Sylvester Total		12 061,53	993,13	697,61	701,93	70
	10002471 Mngxekeza	Interest	7 872,41	108,44	109,60	110,76	10
		Refuse Removal	7 329,43	84,35	84,35	84,35	8
		Property Rates	15 201,84	192,79	193,95	195,11	18
10002471 Total	Mngxekeza Total		15 201,84	192,79	193,95	195,11	18
	10002548 Tsomo Butchery B	Interest	20 025,54	502,30	509,62	516,93	52
		Refuse Removal	36 530,69	531,91	531,91	531,91	53
		Property Rates	56 556,23	1 034,21	1 041,53	1 048,84	1 05
10002548 Total	Tsomo Butchery B Total		56 556,23	1 034,21	1 041,53	1 048,84	1 05
	10003040 Bolana JS School	Interest	440,80	5,90	5,90	5,90	1
		Property Rates	1 239,86	0,00	0,00	0,00	0,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
<b>10003040 Total</b>	Bolana JS School Total	OTHER	0,00	0,00	0,00	0,00	0,00
			1 680,66	5,90	5,90	5,90	1
			1 680,66	5,90	5,90	5,90	1
<b>10003083 Total</b>	Wilson Mayekiso JS School	Interest	24 713,38	907,02	907,02	907,02	90
		Property Rates	65 965,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
	Wilson Mayekiso JS School Total		90 678,38	907,02	907,02	907,02	90
			90 678,38	907,02	907,02	907,02	90
<b>10003151 Total</b>	Sigangeni PJS School	Interest	871,80	8,10	8,10	8,10	8,10
		Property Rates	566,02	0,00	0,00	0,00	0,00
			1 437,82	8,10	8,10	8,10	8,10
	Sigangeni PJS School Total		1 437,82	8,10	8,10	8,10	8,10
<b>10003283 Total</b>	Normzamo Preschool	Interest	467,33	2,18	2,18	2,18	2,18
		Property Rates	149,57	0,00	0,00	0,00	0,00
			616,90	2,18	2,18	2,18	2,18
	Normzamo Preschool Total		616,90	2,18	2,18	2,18	2,18
<b>10003283 Total</b>	Peter Amanda Tiny	Interest	26,39	0,00	0,00	0,00	0,00
		Property Rates	257,58	6,53	6,53	6,53	6,53
		OTHER	0,00	0,00	0,00	0,00	0,00
	Peter Amanda Tiny Total		283,97	6,53	6,53	6,53	1
<b>30004824 Total</b>	Jongishini SP School	Interest	283,97	6,53	6,53	6,53	1
		Property Rates	2 608,61	0,00	0,00	0,00	40
		OTHER	0,00	0,00	0,00	0,00	0,00
	Jongishini SP School Total		2 608,61	0,00	0,00	0,00	40
			2 608,61	0,00	0,00	0,00	40
<b>30008229 Total</b>	ESKOM Holdings SOC Ltd (200201552730)	Interest	29 338,67	834,17	834,17	834,17	1 23
		Property Rates	29 338,67	834,17	834,17	834,17	1 23
		OTHER	0,00	0,00	0,00	0,00	0,00
	ESKOM Holdings SOC Ltd (200201552730) Total		29 338,67	834,17	834,17	834,17	1 23
			29 338,67	834,17	834,17	834,17	1 23
<b>30008341 Total</b>	ESKOM Holdings SOC Ltd (200201552730)	Interest	1 172,67	469,09	547,28	625,48	70
		Property Rates	34 122,00	5 687,00	5 687,00	5 687,00	5 68
		OTHER	0,00	0,00	0,00	0,00	0,00
	ESKOM Holdings SOC Ltd (200201552730) Total		34 122,00	5 687,00	5 687,00	5 687,00	5 68
			34 122,00	5 687,00	5 687,00	5 687,00	5 68

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
<b>30008841 Total</b>	<b>ESKOM Holdings SOC Ltd (200201552730) Total</b>		35 294,67	6 156,09	6 234,28	6 312,48	6 39
<b>10001678</b>	South African Bantu Trust	Interest	35 294,67	6 156,09	6 234,28	6 312,48	6 39
		Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
	South African Bantu Trust Total		0,00	0,00	0,00	0,00	
<b>10001678 Total</b>			0,00	0,00	0,00	0,00	
<b>10000122</b>	Mkutyukelwa John Mott Miniyenkosi	Interest	0,00	0,00	0,00	0,00	
		Property Rates	-270,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
	Mkutyukelwa John Mott Miniyenkosi Total		-270,00	0,00	0,00	0,00	
<b>10000122 Total</b>			-270,00	0,00	0,00	0,00	
<b>10002528</b>	Ntsila	Interest	7 399,91	185,08	187,47	189,86	19
		OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	13 707,55	173,66	173,66	173,66	17
	Ntsila Total		21 107,46	358,74	361,13	363,52	36
<b>10002528 Total</b>			21 107,46	358,74	361,13	363,52	36
<b>10002582</b>	Matshini	Interest	11 169,09	144,81	145,97	147,13	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
	Matshini Total		21 698,52	229,16	230,32	231,48	23
<b>10002582 Total</b>			21 698,52	229,16	230,32	231,48	23
<b>10002684</b>	Mqakanya	Interest	11 089,56	144,81	145,97	147,13	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
	Mqakanya Total		21 618,99	229,16	230,32	231,48	23
<b>10002684 Total</b>			21 618,99	229,16	230,32	231,48	23
<b>10002693</b>	Ramncwana	Interest	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	0,00	0,00	0,00	0,00	
	Ramncwana Total		0,00	0,00	0,00	0,00	

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10002593 Total			0,00	0,00	0,00	0,00	0,00
10003108	Bangilizwe JS School	Interest	660,66	0,00	0,00	0,00	0,00
		Property Rates	221,20	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
10003108 Total	Bangilizwe JS School Total		881,86	0,00	0,00	0,00	0,00
			881,86	0,00	0,00	0,00	0,00
10003124	Lower Seplan JS School	Interest	22 149,25	1 162,76	1 199,04	1 235,33	1 27
		Property Rates	84 564,00	2 639,00	2 639,00	2 639,00	2 63
	Lower Seplan JS School Total		106 713,25	3 801,76	3 838,04	3 874,33	3 91
10003124 Total			106 713,25	3 801,76	3 838,04	3 874,33	3 91
10002435	Buyafuthi Wholesale	Interest	16 469,94	312,29	314,68	317,07	31
		Refuse Removal	22 712,04	173,66	173,66	173,66	17
	Buyafuthi Wholesale Total		39 181,98	485,95	488,34	490,73	49
10002435 Total			39 181,98	485,95	488,34	490,73	49
10002508	United Reform Church	Interest	11 234,11	144,81	145,97	147,13	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
	United Reform Church Total		21 763,54	229,16	230,32	231,48	23
10002508 Total			21 763,54	229,16	230,32	231,48	23
10002606	'Booi	Interest	4 362,81	254,60	261,92	269,23	27
		Refuse Removal	18 510,13	531,91	531,91	531,91	53
	'Booi Total		22 872,94	786,51	793,83	801,14	80
10002606 Total			22 872,94	786,51	793,83	801,14	80
10002648	Ceki	Interest	11 089,56	144,81	145,97	147,13	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
	Ceki Total		21 618,99	229,16	230,32	231,48	23
10003028	Isikhoba JS School	Interest	5 799,09	257,70	257,70	257,70	34
		Property Rates	25 093,63	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
<b>10003028 Total</b>	Isikhoba JS School Total		30 892,72	257,70	257,70	257,70	257,70
	<b>10003327</b>	Alsomhouse Prop Holdings Trst					
		Interest	0,00	12,68	45,72	18,82	3
		Property Rates	0,00	0,00	0,00	0,00	1 32
		OTHER	0,00	0,00	0,00	0,00	0,00
	<b>Alsomhouse Prop Holdings Trst Total</b>		0,00	12,68	45,72	18,82	1 36
<b>10003327 Total</b>			0,00	12,68	45,72	18,82	1 36
	<b>10003355</b>	Jumbo Store					
		Interest	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
	<b>Jumbo Store Total</b>		0,00	0,00	0,00	0,00	0,00
<b>10003355 Total</b>			0,00	0,00	0,00	0,00	0,00
	<b>30004763</b>	Mzizana Vuyo Lancelord					
		Interest	34,81	0,00	0,00	0,00	0,00
		Property Rates	340,26	8,63	8,63	8,63	8,63
		OTHER	0,00	0,00	0,00	0,00	0,00
	<b>Mzizana Vuyo Lancelord Total</b>		375,07	8,63	8,63	8,63	1
<b>30004763 Total</b>			375,07	8,63	8,63	8,63	1
	<b>30008271</b>	Qwili Clinic					
		Interest	644,58	0,00	0,00	0,00	0,00
		Property Rates	18 010,72	1 319,50	1 319,50	1 319,50	1 31
		OTHER	0,00	0,00	0,00	0,00	0,00
	<b>Qwili Clinic Total</b>		18 655,30	1 319,50	1 319,50	1 319,50	1 62
<b>30008271 Total</b>			18 655,30	1 319,50	1 319,50	1 319,50	1 62
	<b>30008305</b>	Middle Gqogqora JS School					
		Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
	<b>Middle Gqogqora JS School Total</b>		0,00	0,00	0,00	0,00	0,00
<b>30008305 Total</b>			0,00	0,00	0,00	0,00	0,00
	<b>10001684</b>	Khweba Sibulele					
		Interest	314,00	17,95	19,18	20,42	1
		Property Rates	1 145,31	89,83	89,83	89,83	8
		OTHER	0,00	0,00	0,00	0,00	0,00

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10001584 Total	Khweba Sibulele Total		1 459,31	107,78	109,01	110,25	10
10000146	Nzelenzele Khayakazi	Interest	1 459,31	107,78	109,01	110,25	10
		Property Rates	-0,51	0,00	0,00	0,00	
		OTHER	-26,76	0,00	0,00	0,00	
	Nzelenzele Khayakazi Total		0,00	0,00	0,00	0,00	
10000146 Total			-27,27	0,00	0,00	0,00	
10000174	Martins Barnabas	Interest	2 877,89	36,36	36,58	36,81	3
		Property Rates	2 565,42	16,33	16,33	16,33	1
	Martins Barnabas Total		5 443,31	52,69	52,91	53,14	5
10000174 Total			5 443,31	52,69	52,91	53,14	5
10000195	Ntwana Atwell Sikwati	Interest	0,00	0,00	0,00	0,00	
		Property Rates	0,00	0,00	0,00	88,29	18
		OTHER	0,00	0,00	0,00	0,00	
	Ntwana Atwell Sikwati Total		0,00	0,00	0,00	88,29	18
10000195 Total			0,00	0,00	0,00	88,29	18
10000238	Sakasa Mac Pherson Mbulelo	Interest	0,00	0,00	0,00	0,00	
		Property Rates	0,00	0,00	0,00	0,00	-7
		OTHER	0,00	0,00	0,00	0,00	-
	Sakasa Mac Pherson Mbulelo Total		0,00	0,00	0,00	0,00	-8
10000238 Total			0,00	0,00	0,00	0,00	-8
30008312	Gqogqora Clinic	Interest	5 359,50	0,00	0,00	0,00	82
		Property Rates	54 917,94	1 713,83	1 713,83	1 713,83	1 71
		OTHER	0,00	0,00	0,00	0,00	
	Gqogqora Clinic Total		60 277,44	1 713,83	1 713,83	1 713,83	2 53
30008312 Total			60 277,44	1 713,83	1 713,83	1 713,83	2 53
30008340	Anathi Plaatjije	Interest	21,81	37,32	40,44	33,60	3
		Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		Refuse Removal	0,00	0,00	0,00	0,00	0,00
		Property Rental	0,00	759,92	779,96	779,96	77
	Anathi Plaattjie Total		21,81	797,24	820,40	813,56	81
<b>3000840 Total</b>			21,81	797,24	820,40	813,56	81
	<b>10001667</b>	Interest	41 462,54	1 393,58	1 470,59	1 547,60	1 177
	Village Management Board of Tsomo	Property Rates	112 171,58	5 600,83	5 600,83	5 600,83	5 60
	Village Management Board of Tsomo Total		153 634,12	6 994,41	7 071,42	7 148,43	7 37
	<b>10001667 Total</b>		153 634,12	6 994,41	7 071,42	7 148,43	7 37
	<b>10001671</b>	Interest	78 695,08	1 668,99	1 668,99	1 668,99	1 179
	South African Bantu Trust	Property Rates	111 291,72	3 791,67	3 791,67	3 791,67	3 79
		OTHER	0,00	0,00	0,00	0,00	
	South African Bantu Trust Total		189 986,80	5 460,66	5 460,66	5 460,66	5 58
<b>10001671 Total</b>			189 986,80	5 460,66	5 460,66	5 460,66	5 58
	<b>10002511</b>	Interest	0,00	0,00	0,00	0,00	
	Phambuka Amos Mxolisi	Property Rates	0,00	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
		Refuse Removal	0,00	0,00	0,00	0,00	
	Phambuka Amos Mxolisi Total		0,00	0,00	0,00	0,00	
<b>10002511 Total</b>			0,00	0,00	0,00	0,00	
	<b>10002507</b>	Interest	375 815,19	4 744,69	4 744,69	4 744,69	4 99
	South African Police Services	Property Rates	363 306,70	0,00	0,00	0,00	
	South African Police Services Total		739 121,89	4 744,69	4 744,69	4 744,69	4 99
	<b>10002507 Total</b>		739 121,89	4 744,69	4 744,69	4 744,69	4 99
	<b>10000163</b>	Interest	132 238,76	1 308,51	1 308,51	1 308,51	1 30
	C Champion Mills	Property Rates	95 164,48	0,00	0,00	0,00	
	C Champion Mills Total		227 403,24	1 308,51	1 308,51	1 308,51	1 30
	<b>10000163 Total</b>		227 403,24	1 308,51	1 308,51	1 308,51	1 30
	<b>10000177</b>	Interest	3 616,59	47,39	47,68	47,97	4
	Mba Mabel Nomfundo	Property Rates	3 344,36	21,23	21,23	21,23	2

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
10000177 Total	Mba Mabel Nomfundo Total		6 960,95	68,62	68,91	69,20	6
		Interest	6 960,95	68,62	68,91	69,20	6
10000227	Lulama Mvo	Property Rates	132,21	24,28	26,34	28,40	3
	Lulama Mvo Total		1 765,49	149,80	149,80	149,80	14
10000227 Total			1 897,70	174,08	176,14	178,20	18
		Property Rates	1 897,70	174,08	176,14	178,20	18
10000248	Intsika Yethu Municipality/co: Zeze A.M		-79,88	0,00	0,00	0,00	
	Intsika Yethu Municipality/co: Zeze A.M Total		-79,88	0,00	0,00	0,00	
10000248 Total			-79,88	0,00	0,00	0,00	
	Mbombo	Interest	17,38	6,95	8,11	9,27	1
		Property Rates	0,00	0,00	0,00	0,00	
	Mbombo Total	Refuse Removal	505,49	84,35	84,35	84,35	8
10002538 Total			522,87	91,30	92,46	93,62	9
	Mhlawuli	Interest	522,87	91,30	92,46	93,62	9
		Refuse Removal	7 199,12	141,14	142,30	143,46	14
10002546 Total	Mhlawuli Total		10 529,43	84,35	84,35	84,35	8
		Interest	17 728,55	225,49	226,65	227,81	23
10002569 Total	Dani		17 728,55	225,49	226,65	227,81	23
		Refuse Removal	6 670,41	49,12	49,12	49,12	4
	Dani Total		3 572,14	0,00	0,00	0,00	
10002569 Total	Siyabalala SS School		10 242,55	49,12	49,12	49,12	4
		Interest	1 457,88	52,79	52,79	52,79	9
		Property Rates	6 795,27	0,00	0,00	0,00	
		OTHER	0,00	0,00	0,00	0,00	
10003152 Total	Siyabalala SS School Total		8 253,15	52,79	52,79	52,79	9
		Interest	8 253,15	52,79	52,79	52,79	9
30004743	Magodla Nokubonga		26,39	0,00	0,00	0,00	
		Property Rates	257,58	6,53	6,53	6,53	

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
		OTHER	0,00	0,00	0,00	0,00	0,00
<b>30004743 Total</b>	Magodla Nokubonga Total		283,97	6,53	6,53	6,53	6,53
			283,97	6,53	6,53	6,53	6,53
<b>10001619</b>	Mrewu Kennedy Mawonga	Interest	4 179,84	66,74	67,39	68,03	6
		Property Rates	4 732,20	46,67	46,67	46,67	4
		OTHER	0,00	0,00	0,00	0,00	
	Mrewu Kennedy Mawonga Total		8 912,04	113,41	114,06	114,70	11
<b>10001619 Total</b>	Intsika Yethu Municipality/co: Nobulembu Moejuwadi		8 912,04	113,41	114,06	114,70	11
	Intsika Yethu Municipality/co: Nobulembu Moejuwadi Total	Property Rates	-224,62	0,00	0,00	0,00	
			-224,62	0,00	0,00	0,00	
<b>10000240 Total</b>			-224,62	0,00	0,00	0,00	
	Mm Kunene	Interest	2 196,67	21,00	21,00	21,00	2
		Property Rates	1 587,66	0,00	0,00	0,00	
	Mm Kunene Total		3 784,33	21,00	21,00	21,00	2
<b>10000304 Total</b>			3 784,33	21,00	21,00	21,00	2
	Mkondo	Interest	11 185,71	141,03	142,19	143,35	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
	Mkondo Total		21 715,14	225,38	226,54	227,70	23
<b>10002567 Total</b>			21 715,14	225,38	226,54	227,70	23
	Mdlokolo	Interest	11 195,61	141,03	142,19	143,35	14
		Refuse Removal	10 529,43	84,35	84,35	84,35	8
	Mdlokolo Total		21 725,04	225,38	226,54	227,70	23
<b>10002572 Total</b>			21 725,04	225,38	226,54	227,70	23
	Mvo Madontsephela	Interest	15 326,86	262,07	264,46	266,85	27
<b>10002636</b>		Refuse Removal	19 533,43	173,66	173,66	173,66	17
	Mvo Madontsephela Total		34 860,29	435,73	438,12	440,51	44
<b>10002636 Total</b>			34 860,29	435,73	438,12	440,51	44
	Lumani JS School	Interest	1 281,51	9,55	9,55	9,55	
		Property Rates	663,73	0,00	0,00	0,00	

Customer	Name	Service	180 Days	150 Days	120 Days	90 Days	60 Days
<b>10002993 Total</b>	Lumani JS School Total		1 945,24	9,55	9,55	9,55	9,55
<b>10003372</b>	Ayanda Makhanya	Interest	1 945,24	9,55	9,55	9,55	9,55
		Property Rental	280,54	0,00	0,00	0,00	0,00
			0,00	0,00	0,00	0,00	0,00
<b>10003372 Total</b>	Ayanda Makhanya Total		280,54	0,00	0,00	0,00	0,00
			280,54	0,00	0,00	0,00	0,00
<b>30004700</b>	Magaqa Beatrice Beauty Tandeka	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
			0,00	0,00	0,00	0,00	0,00
<b>30004700 Total</b>	Magaqa Beatrice Beauty Tandeka Total		0,00	0,00	0,00	0,00	0,00
			0,00	0,00	0,00	0,00	0,00
<b>30008242</b>	Mahlubini Clinic	Interest	11 098,43	0,00	0,00	0,00	1 71
		Property Rates	113 724,00	3 549,00	3 549,00	3 549,00	3 54
		OTHER	0,00	0,00	0,00	0,00	0,00
			0,00	0,00	0,00	0,00	0,00
<b>30008242 Total</b>	Mahlubini Clinic Total		124 822,43	3 549,00	3 549,00	3 549,00	5 25
			124 822,43	3 549,00	3 549,00	3 549,00	5 25
<b>30008269</b>	Qutsa B Community Hall	Interest	1 517,80	0,00	0,00	0,00	23
		Property Rates	15 551,94	485,33	485,33	485,33	48
		OTHER	0,00	0,00	0,00	0,00	0,00
			0,00	0,00	0,00	0,00	0,00
<b>30008269 Total</b>	Qutsa B Community Hall Total		17 069,74	485,33	485,33	485,33	71
			17 069,74	485,33	485,33	485,33	71
<b>30008294</b>	Tsomo SS School	Interest	0,00	0,00	0,00	0,00	0,00
		Property Rates	0,00	0,00	0,00	0,00	0,00
		OTHER	0,00	0,00	0,00	0,00	0,00
			0,00	0,00	0,00	0,00	0,00

Table 63: Age analysis

#### 5.10 BORROWING AND INVESTMENTS

N/A

#### 5.11 PUBLIC PRIVATE PARTNERSHIPS

### COMPONENT D: OTHER FINANCIAL MATTERS

#### 5.12 SUPPLY CHAIN MANAGEMENT

##### INTRODUCTION TO SUPPLY CHAIN MANAGEMENT

The Council and management remain steadfast in their commitment to upholding compliance with all SCM legislation and regulations. This commitment is aimed at ensuring that fair and transparent tender processes are consistently adhered to, while also guaranteeing full compliance with relevant legislation. In line with this commitment, the Municipal SCM Policy underwent a thorough review and received approval from the Council in the preceding financial year, as part of the comprehensive review of all budget-related policies.

To adhere to Section 119 of the MFMA, all members serving on Bid Specification, Evaluation, and Adjudication Committees, as well as all SCM staff, are undergoing National Treasury-approved training. This training is essential to ensure that they attain the mandated minimum competency levels concerning SCM.

Table 64: Sitting of committees

<b>BID SPECIFICATION COMMITTEE SITTINGS</b>	<b>BID EVALUATION COMMITTEE SITTINGS</b>	<b>BID ADJUDICATION COMMITTEE SITTINGS</b>
Sourcing of grant funding	04 April 2023	24 May 2023
Proposal for management of wellness centre	04 April 2023	24 May 2023
Appointment of a panel of IT service providers for the provisioning of IT services, software, hardware, security, electronics, and professional services for a period of three years	22 March 2023	24 May 2023

BID SPECIFICATION COMMITTEE SITTINGS	BID EVALUATION COMMITTEE SITTINGS	BID ADJUDICATION COMMITTEE SITTINGS
Request for advertising for a period of three years	22 March 2023	24 May 2023
Supply and delivery of 25MPa concrete	22 March 2023	24 May 2023
Supply, delivery, and installation of clear Tsomo pound fencing	08 June 2023	24 May 2023
Supply, delivery, installation, and maintenance of server room	08 June 2023	
Supply, delivery, installation, and maintenance of new SAN	22 June 2023	
Bid no: IYM SCMU 01-2023/2024		
Construction of Cenyu, Khalimashe to Komkhulu Phase 2 Access Road	22 June 2023	27 June 2023
Bid no: IYM SCMU 02-2023/2024		
Construction of Mkwinti Phase 2 Access Road	22 June 2023	27 June 2023
Bid no: IYM SCMU 03-2022/2023		
Construction of Hangana to Ntwashini Access Road	22 June 2023	27 June 2023
Bid no: IYM SCMU 04-2022/2023		
Construction of Nomampondo to Nongqongwana Access Road	22 June 2023	27 June 2023
Bid no: IYM SCMU 05-2022/2023		
Construction of Ngcaca Access Road	22 June 2023	In progress
Bid no: IYM SCMU 06-2022/2023		
Appointment of a contractor for construction of Khayamnandi Bridge	22 June 2023	In progress
Contractor for electrification of Khayamnandi Phase 2, Mangubomvu Phase 2, Mnqanqeni, Joe Slovo Phase 2	In progress	In progress
Contractor for electrification of Mahlubini Phase 2, Gxojeni Phase 2, Ntsume Phase 2, Qutsa, Ndungwana Phase 2, Sixhotyeni Phase 2, Chamama phindela Phase 2, Tyelerha Phase 1, Xeni	In progress	In progress
Contractor for electrification of Tyelerha Phase 2, Thafeni Phase 2, Entshingeni Phase 2, Sdubi Port Phase 2, Qaqane, Phelandaba	In progress	In progress
Contractor for electrification of Ntlonze Phase 2, Mahlathini Phase 2, Nyamankulu, Taiwan Phase 2	In progress	In progress
Contractor for electrification of Bilatye Phase 2, Cenyu, Mdukutheni Phase 2, Mbonisenu Phase 2, Khalimashe Phase 2, Kensington Phase 2	In progress	In progress
Contractor for electrification of Ndenxe/Sigangeni Phase 2, Melika/Ngqwarhu Phase 2, Ncorha Flats Phase 2, Ncorha Irrigation Phase 2	In progress	In progress

## AWARDED TENDERS

Table 65: Awarded tenders

BID NAME	DEMAND MEMO DATE	BID NUMBER	APPOINTMENT DATE	AWARDED SUPPLIER	TENDER PRICE	COMMENTS
Construction of Cenyu to Komkhulu Access Road	10 June 2022	IYM SCMU 01-2022/2023	16 August 2022	Siyakha-Isizwe Trading Enterprise 85 CC	R5 109 852,10	Awarded
Construction of Mkwinti Access Road	10 June 2022	IYM SCMU02-2022/2023	18 August 2022	Gardens to Floor t/a Qush Plant Hire	R4 297 638,90	Awarded
Construction of Bolokodlela to	10 June 2022	IYM SCMU 03-2022/2023	24 August 2022	SNA Construction CC	R6 313 929,18	Awarded

BID NAME	DEMAND MEMO DATE	BID NUMBER	APPOINTMENT DATE	AWARDED SUPPLIER	TENDER PRICE	COMMENTS
Ntshingeni Access Road						
Construction of Hangana to Ntwashini Access Road	10 June 2022	IYM SCMU 04-2022/2023	16 August 2022	Bungane Plant Hire and Civils	R2 810 724,14	Awarded
Construction of Bholitye to Nomfenazana Phase 2 Access Road	10 June 2022	IYM SCMU 05-2022/2023	24 August 2022	Manyobo Group	R3 888 006,92	Awarded
Construction of Halalane to Empikweni Access Road	10 June 2022	IYM SCMU 06-2022/2023	16 August 2022	Sinesakhono Contracting Services	R4 520 920,25	Awarded
Construction of Qutsa to Mangubomvu Access Road	10 June 2022	IYM SCMU 07-2022/2023	16 August 2022	Sock Civil & Building JV Leonsway Group	R2 388 593,64	Awarded
Services; Maintenance and Supply of Municipal Plant and Equipment for a Period of Three Years	05 July 2022	IYM SCMU 10-2022/2023	25 October 2022; 27 October 2022; 27 October 2022; 02 November 2022; 02 November 2022; 02 November 2022; 21 October 2022; 31 October 2022; 31 October 2022	Profit Exhaust; Nissan Queenstown; UD Trucks; Bell Equipment; Barloworld; Peugair; Qush Plant Hire t/a Gardens to Floors; Amatshabeni Projects; Thembalesizwe Holdings	Rate based	Awarded
Plant Hire as When Needed	05 July 2022	IYM SCMU 11-2022/2023	18 October 2022; 17 October 2022; 17 October 2022	Mvezo plant hire; SM Projects; Siya and Lucky	Rate based	Awarded
Supply, Installation, and Monitoring of Alarm Systems, and 24-hour Armed Response for a 36-Month Period	01 July 2022	IYM SCMU 13-2022/2023	16 September 2022	<b>Tyeks Security Services</b>	<b>R1 865 699,60</b>	Awarded
Appointment of a Contractor for Electrification of 123 IYM Villages: Cube (27); Nxelesa (34); Mtshanyane (46); and Hoyana (16) Households for a Period of One Year.	18 August 2022	IYM SCMU 14-2022/2023	07 October 2022	<b>Siya and Aya Engineering PTY LTD</b>	<b>R4 980 675,00</b>	Awarded
Appointment of a Contractor for Electrification of 102 IYM villages: Qolweni (19); Skhobeni (17); Hange (22); Madikeni (22); and Enqubeni (22)	18 August 2022	IYM SCMU 15-2022/2023	07 October 2022	<b>Litha Investments</b>	<b>R3 322 130,09</b>	Awarded

BID NAME	DEMAND MEMO DATE	BID NUMBER	APPOINTMENT DATE	AWARDED SUPPLIER	TENDER PRICE	COMMENTS
Households for a Period of One Year.						
Supply, Delivery and Installation of 2 x Generators for the Institution	22 August 2022	IYM SCMU 16-2022/2023	09 December 2022	N2 Assist Towing and Recovery	R1 113 636,00	Awarded
Construction of Remainder of Mangubomvu Access Road	04 October 2022	IYM SCMU 17-2022/2023	08 December 2022	Matshatsha Civils	R1 704 568,00	Awarded
Construction of Remainder of Bolokodlela Access Road	04 October 2022	IYM SCMU 18-2022/2023	08 December 2022	Matshatsha Civils	R3 816 659,10	Awarded
Appointment of Two Providers for Supply and Delivery of Fuel for a Period of One Year.	18 October 2022	IYM SCMU 20-2022/2023	13 December 2022	N2 Assist Towing and Recovery	R29,63 per litre	Awarded
Appointment of Three Consultants for Electrification Projects (INEP)	06 January 2022	IYM SCMU 21-2022/2023	12 December 2022; 19 December 2022; 19 December 2022	ACSA t/a Vokono Africa: MBSA Consulting; Lengoaf Projects	Rate based	Awarded
Appointment of a Provider for the Compilation of the Valuation Roll and 1st Compulsory Supplementary Valuation Rolls and Maintenance Therefore for Financial Year/s	29 August 2022	IYM SCMU 24-2022/2023	31/01/2023	Sizanane Property Services	R1 375 00,00	Awarded
Provision of Comprehensive Insurance Cover for IYM Assets for a Period of Two Years	12 December 2022	IYM SCMU 25-2022/2023	30 January 2023	Momentum Insurance	R1 399 079,01; R1511 005,33	Awarded for 2 years
Financial System Support, Updating, and Licencing	09 January 2023	IYM SCMU 27-2022/2023	14 February 2023	CCG Systems	R2 889 600,00	Awarded
Review of GRAP and Mscoa Compliant Annual Financial Statements Compilation 2022/2023 Financial Year	19 January 2023	IYM SCMU 26-2022/2023	27 March 2023	Ducharme Asset Management	R800 000,00	Awarded
Supply and Delivery of a Skid Steer Loader, Milling Attachment, and a Joystick of the Milling Attached	22 August 2022	IYM SCMU 28-2022/2023	09 March 2023	Masiqhame TRD 520 CC	R3 197 000,00	Awarded
Supply and Delivery of 25MPa Concrete	02 February 2023	IYM SCMU 34-2022/2023	31 May 2023	Kozozo Trading	<u>R842 694.70</u>	Awarded
Proposal for Management of	13 February 2023	IYM SCMU 31-2022/2023	06 June 2023	Yonatha Trading	Rate	Awarded

BID NAME	DEMAND MEMO DATE	BID NUMBER	APPOINTMENT DATE	AWARDED SUPPLIER	TENDER PRICE	COMMENTS
Wellness Centre						
Preparation of Tsomo Local Spatial Development Framework and Review of Cofimvaba Local Spatial Framework	17 October 2022	IYM SCMU 29-2022/2023	24 May 2023	Ilizwe Town Planners	R345 000,00	Awarded
Review of IYM Human Settlement Sector Plan	13 February 2023	IYM SCMU 30-2022/2023	29 May 2023	NFA Town and Regional Planners	R198 000,00	Awarded
Request for Advertising for a Period of Three Years	16 February 2023	IYM SCMU 33-2022/2023	29 May 2023	Sondlo and Knopp Advertising	Rate	Awarded
Supply and Delivery of Isuzu Van		RT 56-2019	20 June 2023	R504 540,00	R504 540,00	Awarded
					R54 405 357,25	

**PROCUREMENT THRESHOLD BETWEEN R30 000 and R200 000 AWARDED FROM 1<sup>st</sup> JULY 2022 TO 30<sup>th</sup> JUNE 2023 (2022/23 FINANCIAL YEAR)**

Table 66: Procurement threshold between R30 000 and R200 000 awarded from 1 July – 30 June 2023

No.	PROJECT NAME	PROJECT REF. NUMBER	COMPANY AWARDED	AWARD AMOUNT	AWARD DATE
1	Supply, Configure and Install Desktop Management Software Licence	IYM SCMU RFQ 01-2022/2023	M OFFICE AUTOMATION	R144 738,00	02 August 2022
2	Supply, Delivery and Construction of Nursery of Sabaelele	IYM SCMU RFQ 05-2022/2023	MTINTSILANA HOLDINGS	R54 950,00	16 September 2022
3	Supply and Delivery of Electrical Material	IYM SCMU RFQ 06-2022/2023	MCKENZO TRADING	R107 450,00	26 August 2022
6	Supply and Delivery of 39 Chairs	IYM SCMU RFQ 07-2022/2023	IXHALANGA GROUP	R124 800,00	26 August 2022
7	Supply, Delivery and Installation of Blinds	IYM SCMU RFQ 08-2022/2023	UZS ENTERPRISE	R167 513,00	24 October 2022
8	Supply, Delivery and Installation of Anti-Virus Software	IYM SCMU RFQ 09-2022/2023	MJOJI TECHNOLOGIES	R170 000,00	26 August 2022
9	Supply and Delivery of 2 Laptops & Desktop	IYM SCMU RFQ 11-2022/2023	ALLIED BUSINESS SOLUTION	R47 927,40	26 August 2022
10	Supply and Delivery of Waste Cleaning Material	IYM SCMU RFQ 12-2022/2023	N2 ASSIST TOWING & RECOVERY	R179 500,00	26 August 2022
11	Appointment of a Service Provider to Conduct Engineering Study and Facilitate Approval of Engineering Designs for Cofimvaba Landfill Site	IYM SCMU RFQ 14-2022/2023	THEWO ENGINEERING	R161 508,30	29 August 2022
12	Supply and Delivery of Promotional Material	IYM SCMU RFQ 13-2022/2023	COPYWORLD	R153 210,36	23 August 2022
14	Supply and Delivery of Uniform for Traffic Officers	IYM SCMU RFQ 16-2022/2023	Eco Chemical Solution	R95 250,13	08 September 2022
16	Construction of Transido Guardroom	IYM SCMU RFQ 18-2022/2023	SIVV CONSTRUCTION PTY LTD	R172 873,75	28 September 2022
17	Paving of Home Affairs	IYM SCMU RFQ 19-2022/2023	CINGANI CONSTRUCTION	R178 435,00	08 September 2022

No.	PROJECT NAME	PROJECT REF. NUMBER	COMPANY AWARDED	AWARD AMOUNT	AWARD DATE
18	Accredited Service Provider for in House Training of 20 Operators	IYM SCMU RFQ 20-2022/2023	ZIBULA MANAGEMENT & PROJECTS	R160 000,00	12 September 2022
19	Subdivision and Rezoning of Various Erven at Nyanisweni	IYM SCMU RFQ 21-2022/2023	UMHLABA CONSULTING	R42 883,50	28 September 2022
20	Re alignment of General Plan at Tsomo Town (Extension 3 Mzomhle)	IYM SCMU RFQ 22-2022/2023	HANSEN LAND SURVEYORS	R180 000,00	28 September 2022
21	Supply and Delivery of 5 Laptops	IYM SCMU RFQ 23-2022/2023	ALLIED BUSINESS SOLUTION	R75 543,50	04 October 2022
22	Tubing and Wiring Cofimvaba Transido	IYM SCMU RFQ 24-2022/2023	IXHALANGA GROUP	R75 382,00	24 October 2022
23	Supply and Delivery of Building Material for Transido	IYM SCMU RFQ 25-2022/2023	DYANAM PTY LTD	R70 450,00	24 October 2022
24	Supply and Delivery of Fuel	IYM SCMU RFQ 25(B)-2022/2023	UMPHONGOLO PETROLEUM	R195 016,00	05 October 2022
25	Re-alignment of General Plan at Tsomo Town (Extension 4 Mzomhle)	IYM SCMU RFQ 26-2022/2023	ILIZWE TOWN & REGIONAL PLANNERS	R199 525,00	04 October 2022
26	Supply, Delivery and Installation of Blinds	IYM SCMU RFQ 08-2022/2023	UZS ENTERPRISE	R167 513,00	24 October 2022
27	Supply and Delivery of Building Material for Transido	IYM SCMU RFQ 25-2022/2023	DYANAM PTY LTD	R70 450,00	24 October 2022
28	Re-Alignment of General at Tsomo Town (Extension 4)	IYM SCMU RFQ 26-2022/2023	ILIZWE TOWN & REGIONAL PLANNERS	R199 525,00	04 October 2022
29	Supply and Delivery of Waste Cleaning Material	IYM SCMU RFQ 28-2022/2023	LIBONGILE ENGINEERING	R39 979,05	02 December 2022
30	Supply and Delivery of Library Promotional Material for Intsika Yethu Libraries	IYM SCMU RFQ 31-2022/2023	ALL BLACK AGENCIES	R171 300,00	24 October 2022
31	Supply and Delivery of Waste Management Equipment	IYM SCMU RFQ 32-2022/2023	AMAZOTSHO BUSINESS ENTERPRISE	R73 200,00	24 October 2022
32	Supply and Delivery of 3 Laptops	IYM SCMU RFQ 34-2022/2023	HARMONY SUPPLIERS	R48 661,23	24 October 2022
33	Supply, Delivery and Install of New Firewall	IYM SCMU RFQ 35-2022/2023	RESILIENT SERVERS AND NETWORKS	R132 712,30	24 October 2022
34	Supply and Delivery of Fencing Material	IYM SCMU RFQ 37-2022/2023	MOMETEKE TRADING CC	R52 461,39	10 November 2022
35	Supply and Delivery of Construction Material for Matshona & Diphini Shearing Shed	IYM SCMU RFQ 36-2022/2023	FAITH BUILDS INVESTMENTS	R114 523,35	17 November 2022
36	Development and Implementation of the Website	IYM SCMU RFQ 38-2022/2023	LIBONGILE ENGINEERING	R39 507,89	06 December 2022
37	Supply and Delivery of Crop Agricultural Inputs	IYM SCMU RFQ 39-2022/2023	INGCALI AGRICULTURAL SOLUTION	R132 044,13	15 November 2022
38	Supply and Delivery of Rammer Compactor	IYM SCMU RFQ 40-2022/2023	N2 ASSIST TOWING & RECOVERY	R47 500,00	13 December 2022
39	Supply and Delivery of Material for Farming	IYM SCMU RFQ 41-2022/2023	MCHATHUVE PROJECTS	R42 069,00	07 November 2022
40	Supply and Delivery of Stationery	IYM SCMU RFQ 43-2022/2023	GOLDSERVE7 GROUP	R37 115,00	17 November 2022
41	Virtual Software Licence	IYM SCMU RFQ 44-2022/2023	SIVV PROJECTS	R83 647,80	26 October 2022
42	Supply and Delivery of Prollezer 4	IYM SCMU RFQ	TRUVELO	R199 500,00	13 December

No.	PROJECT NAME	PROJECT REF. NUMBER	COMPANY AWARDED	AWARD AMOUNT	AWARD DATE
	Camera	45-2022/2023			2022
43	Services of Machines for 5 Brush Cutters and 2 Chainsaws	IYM SCMU RFQ 46-2022/2023	ZIQELEKAZI	R34 900,00	10 November 2022
44	Supply and Delivery of Electrical Material	IYM SCMU RFQ 47-2022/2023	ZIPHIWOKUHLE PROJECT	R139 113,96	17 November 2022
45	Supply and Delivery of Diaries, Note Pads and Calendars	IYM SCMU RFQ 49-2022/2023	MIAFRIKA COMMUNICATION	R137 950,00	14 November 2022
46	Supply and Delivery of Cleaning Material	IYM SCMU RFQ 50-2022/2023	DYANAM PTY LTD	R57 700,00	22 November 2022
47	UPS for ICT Backup System (Power)	IYM SCMU RFQ 51-2022/2023	NYIBIBA PROFESSIONAL SERVICES	R175 000,00	17 November 2022
48	Sites Registration & Opening of Township	IYM SCMU RFQ 51(b)-2022/2023	KEIGHTLEY SIGADLA INC	R151 452,00	08 December 2022
49	Networking and Internet Monitoring Tool for IYM Sites	IYM SCMU RFQ 52-2022/2023	NEPTUNE CONSULTING PTY LTD	R183 856,33	17 November 2022
50	Supply and Delivery of EPWP Protective	IYM SCMU RFQ 58-2022/2023	SIBALAM GROUP	R50 091,72	14 December 2022
50	Security Monitoring Tool for AD and Website	IYM SCMU RFQ 59-2022/2023	MY BLISS	R136 000,00	06 December 2022
51	Supply and Delivery of Traffic Forms & Stationery	IYM SCMU RFQ 60-2022/2023	LITHOTECH	R119 728,75	06 December 2022
52	Supply and Delivery Fuel	IYM SCMU RFQ 60(B)-2022/2023	UMPHONGOLO PETROLEUM	R198 720,00	06 December 2022
53	Supply and Delivery of G2 Material	IYM SCMU RFQ-61-2022/2023	QUEST	R169 682,50	14 December 2022
54	Professional Engineering Service Consultant for Conditional Assessment of Infrastructure Assets	IYM SCMU RFQ 63-2022/2023	PESSOR PROJECTS	R199 900,00	03 February 2023
55	Supply and Delivery of 2 Laptops	IYM SCMU RFQ 64-2022/2023	LINGOMSO LABANTU TRADING	R42 594,00	03 March 2023
56	Accredited Service Provider for In-house OHS Refresher Training	IYM SCMU RFQ 65-2022/2023	NHL DEVELOPMENTS	R33 900,00	03 March 2023
57	Accredited Service Provider for In-house Basic Security Training	IYM SCMU RFQ 66-2022/2023	ALINTA CONSULTING PTY LTD	R78 999,00	28 March 2023
58	Supply and Delivery of 25MPa Concrete for Khayamnandi Bridge	IYM SCMU RFQ 66(B)-2022/2023	IZINJA ZEGAME TRADING	R198 505,90	03 March 2023
59	Supply and Delivery of Electrical Material	IYM SCMU RFQ 68-2022/2023	NDINESAKHONO NOMBONO HOLDINGS	R59 375,31	07 March 2023
60	Supply and Delivery of Waste Cleaning Material	IYM SCMU RFQ 70-2022/2023	VIKISCORE	R92 959,20	15 March 2023
61	Supply and Delivery of Waste Cleaning Equipment	IYM SCMU RFQ 71-2022/2023	VIKISCORE	R68 103,00	28 March 2023
62	Supply and Delivery of Protective Clothing	IYM SCMU RFQ 72-2022/2023	Eco Chemical Solution	R96 699,29	15 March 2023
63	Verification of Indigent Register	IYM SCMU RFQ 73-2022/2023	RISCFREE DOT COM	R50 207,85	15 March 2023
64	Supply and Delivery of Fencing Material	IYM SCMU RFQ 75-2022/2023	KOZOZO TRADING	R35 986,95	28 March 2023
65	Supply and Delivery of Sewing	IYM SCMU RFQ	GUNGU QWESHA	R49 500,00	31 March 2023

No.	PROJECT NAME	PROJECT REF. NUMBER	COMPANY AWARDED	AWARD AMOUNT	AWARD DATE
	Material	76-2022/2023	CONSTRUCTION		
66	Supply and Delivery of Protective Clothing	IYM SCM U RFQ 77-2022/2023	M265 TRADING ENTERPRISE	R117 046,04	31 March 2023
67	Supply and Delivery of Electrical Material	IYM SCM U RFQ 79-2022/2023	ARB ELECTRICAL WHOLESALERS	R188 894,44	04 April 2023
68	Supply and Delivery of Material for Library Carport	IYM SCM U RFQ 80-2022/2023	VIKISCORE	R40 000,00	04 April 2023
69	Painting of Transido	IYM SCM U RFQ 81-2022/2023	CINGANI CONSTRUCTION	R79 600,00	04 April 2023
70	Supply and Installation of Plan Registry	IYM SCM U RFQ 82-2022/2023	QUELO GROUP	R168 000,00	10 April 2023
71	Supply, Delivery of Pig Feed, and Construction Material for Piggery	IYM SCM U RFQ 83-2022/2023	QUELO GROUP	R122 762,00	04 April 2023
72	Supply and Delivery of Waste Cleaning Material and Beautification	IYM SCM U RFQ 84-2022/2023	SNG ENGINEERING	R142 441,80	10 April 2023
73	Renewal of Microsoft Licence and Support	IYM SCM U RFQ 85-2022/2023	BESSIE PROJECT	R134 195,51	10 April 2023
74	Supply and Delivery of Road Marking Paint	IYM SCM U RFQ 86-2022/2023	EBUSHA GENERAL TRADING	R90 908,06	08 May 2023
75	Subdivision of ERVEN 1782, 2225, 2232 & 2266 Cofimvaba (Nyanisweni Township)	IYM SCM U RFQ 87-2022/2023	HANSEN LAND SURVEYORS	R38 500,00	08 May 2023
76	Financial Statements Preparation Tool	IYM SCM U RFQ 87(B)-2022/2023	ADAPT IT PTY LTD	R95 541,93	26 April 2023
77	Supply and Delivery of Hot Mix Asphalt	IYM SCM U RFQ 88-2022/2023	HASSILLE INVESTMENTS	R145 935,00	08 May 2023
78	Supply and Delivery of Material	IYM SCM U RFQ 90-2022/2023	DYANAM PTY LTD	R51 000,00	26 May 2023
79	Supply, Delivery and Servicing of fire Extinguishers	IYM SCM U RFQ 91-2022/2023	MTM ELECTRONICS	R51 254,00	24 May 2023
80	Supply and Delivery of 5 Laptops	IYM SCM U RFQ 92-2022/2023	ASSENT GROUP	R102 347,91	02 June 2023
81	Supply and Delivery of Appliances and Cutlery	IYM SCM U RFQ 93-2022/2023	SIYAKHANA CONSTRUCTION	R61 000,00	24 May 2023
82	Supply and Delivery of Digital Elevation Model for Tsomo	IYM SCM U RFQ 93(B)-2022/2023	NOMAFUSI PROJECT	R197 450,00	02 June 2023
83	Transportation of Team from All Wards for the Playoff 17 & 18 June 2023 for the Youth Programme	IYM SCM U RFQ 95(B)	MXOLI GENERAL TRADING	R160 000,00	08 June 2023
84	Supply and Delivery of Chairs	IYM SCM U RFQ 95-2022/2023	LATHITHA CONSTRUCTION	R52 000,00	15 June 2023
85	Supply and Delivery of Blue Lamps, Sirens & Traffic Stickers	IYM SCM U RFQ 96-2022/2023	HASSILLE INVESTMENTS	R123 050,00	15 June 2023
86	Supply and Delivery of Promotional Material for Intsikayethu Libraries	IYM SCM U RFQ 96(B)-2022/2023	SIKHUMBULANATHI TRADING	R116 170,19	15 June 2023
87	Professional Engineering Service Consultant for Unbinding Infrastructure Assets Audit Support	IYM SCM U RFQ 97-2022/2023	PESSOR PROJECTS	R186 000,00	21 June 2023
88	Development of 2021/2022 Annual Report	IYM SCM U RFQ 98-2022/2023	COPYWORLD PTY LTD	R38 318,00	21 June 2023
89	Supply and Delivery of Electrical Material	IYM SCM U RFQ 99-2022/2023	S AND DYNAMICS	R51 500,00	21 June 2023

No.	PROJECT NAME	PROJECT REF. NUMBER	COMPANY AWARDED	AWARD AMOUNT	AWARD DATE
90	Transportation for Youth from 21 Wards	IYM SCMU RFQ 100-2022/2023	PARAMOUNT BUSINESS SOLUTIONS	R129 850,00	19 June 2023
91	Awards for Winning Teams	IYM SCMU RFQ 101-2022/2023	NZULU YOLWANDLE GENERAL TRADERS	R126 000,00	19 June 2023
<b>TOTAL AMOUNT OF RFQs AWARDED 2022/2023</b>					<b>R9 779 355,72</b>

### 5.13 GRAP COMPLIANCE

IYM diligently adheres to GRAP standards, ensuring that annual financial statements and asset registers are meticulously prepared in accordance with the prescribed standards.

#### B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Information on compliance with the B-BBEE Act is included in the annual financial statements under the section titled 'B-BBEE Compliance Performance Information'.

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## CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

### INTRODUCTION

The Municipality has received an unqualified audit opinion for the 2022/23 financial year, including an unqualified audit opinion in the Audit of Predetermined Objectives (AOPO) for the same period. This marks a significant improvement from the qualified audit opinion received in 2021/2022.

A full audit report is attached as an annexure.

*T 6.0.1*

## COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR – 2022/23

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6.1

# Report of the auditor-general to the Eastern Cape Provincial Legislature and the council on the Intsika Yethu Municipality

## Report on the audit of the financial statements

### Opinion

1. I have audited the financial statements of the Intsika Yethu Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2023, statement of 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, the financial statements present fairly, in all material respects, the financial position of the Intsika Yethu Municipality as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (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 unqualified opinion.

### Emphasis of matters

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

### Restatement of corresponding figures

7. As disclosed in note 38 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2022.

#### **Material impairments – receivables**

8. As disclosed in note 3 to the financial statements, material impairments of receivables from exchange transactions of R2,1 million (2022: R2,9 million) were incurred as a result of poor collection practices.
9. As disclosed in note 4 to the financial statements, material impairments of receivables from non-exchange transactions of R8,5 million (2022: R6,7 million) were incurred as a result of poor collection practices.

#### **Other matters**

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

#### **Unaudited disclosure note**

11. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA 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**

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA 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.
13. 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**

14. 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.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

## Report on the audit of the annual performance report

16. 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 against predetermined objectives for the selected key performance areas presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

17. I selected the following key performance area presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected a key performance area that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Key performance area	Page numbers	Purpose
Basic infrastructure and service delivery	xx	To provide sound municipal planning, maintenance and infrastructure provision that delivers for the needs of the IYM citizens by 2027

18. I evaluated the reported performance information for the selected key performance areas 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.

19. 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
- 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.

20. I performed the procedures for the purpose of reporting material findings only and not to express an assurance opinion or conclusion.

21. I did not identify any material findings on the reported performance information for the selected key performance area.

### **Other matters**

22. I draw attention to the matters below.

#### **Achievement of planned targets**

23. 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.

#### **Material misstatements**

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic infrastructure and service delivery. Management subsequently corrected all the misstatements and I did not include any material findings in this report.

### **Report on compliance with legislation**

25. 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.

26. 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.

27. 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.

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

#### **Annual financial statements and annual reports**

29. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, expenditure and disclosure items identified by the auditors in the submitted

financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

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

30. The preference point system was not applied for some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.
31. Some of the contracts were awarded to bidders based on functionality legislative requirement that were not stipulated and differed from those stipulated in the original invitation for bidding, in contravention of 2017 Preferential Procurement Regulation 5(1) and 5(3).
32. The contract performance and monitoring measures were not in place to ensure effective contract management, as required by section 116(2)(c)(ii) of the MFMA. Similar non-compliance was also reported in the prior year.

#### **Expenditure management**

33. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
34. An adequate management, accounting and information system was not in place which recognised expenditure when it was incurred, as required by section 65(2)(b) of the MFMA.
35. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by SCM regulations.
36. Reasonable steps were not taken to prevent fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by the lack of accurate and complete records by management resulting in the inability to confirm the number of dwellings that were connected as part of the electrification projects.
37. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R10 million, as disclosed in note 40 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by overspending of the budgeted votes within the approved budget of the municipality.

#### **Asset management**

38. An effective system of internal control for assets (including an asset register) was not in place, as required by section 63(2)(c) of the MFMA.

#### **Consequence management**

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

40. Some of the irregular expenditure incurred by the municipality were not investigated to determine if any person was liable for the expenditure, as required by section 32(2)(b) of the MFMA.

#### **Strategic planning and performance management**

41. The performance management system and related controls were not maintained or were inadequate, as it did not describe how the performance planning processes should be organised, as required by municipal planning and performance management regulation 7(1).

#### **Human resources management**

42. Appropriate systems and procedures to monitor, measure and evaluate the performance of staff were not developed and adopted, as required by section 67(1)(d) of the Municipal Systems Act 32 of 2000.
43. The senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the MSA.

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

44. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected key performance areas presented in the annual performance report that have been specifically reported on in this auditor's report.
45. My opinion on the financial statements, the report on the audit of the annual performance report and the report on 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.
46. 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 key performance area presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
47. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, and 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**

48. 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.

49. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
50. Leadership did not adequately exercise effective responsibility over performance reporting, compliance with legislation and related internal controls. As a result, material misstatements on the annual performance report were identified during the audit process, which were subsequently corrected, and instances of non-compliance with legislation were not prevented.
51. Management did not implement adequate internal controls to ensure the preparation of accurate financial statements, as numerous material misstatements were identified which were subsequently corrected.
52. The audit action plan was not adequately implemented and monitored to address prior year findings, as repeat material findings were identified on the annual performance report and instances of non-compliance with legislation were not prevented.

#### **Material irregularities**

53. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

#### **Material irregularities identified during the audit**

##### **Payment for goods not received**

54. The municipality made a double payment to the main contractor and a sub-contractor who was appointed through a deed of cession agreement for the supply and delivery of electrical equipment, but did not receive the related goods or services amounting to a likely material financial loss. The municipality's controls were not effective, as they did not prevent the municipality from paying the contractor and sub-contractor without receiving full value.
55. Therefore, the municipality did not comply with section 65(2)(a) of the MFMA, which requires reasonable steps to be taken to ensure that the municipality has and maintains an effective system of expenditure control including procedures for the approval, authorisation, withdrawal and payment of funds. The non-compliance resulted in a material financial loss for the municipality.
56. The accounting officer was notified of the material irregularity on 28 November 2022. The council referred the material irregularity to MPAC for investigation and recovery process. The municipality investigated the matter through the Financial Misconduct and Ethics Board (DC Board) of the municipality with the intention of advising of the appropriate remedial action. The investigation report by DC Board led the council to direct instructions to one of the municipality's attorneys to look into the matter, and this culminated in a legal opinion.
57. The municipality has since taken legal action against the main contractor. A court order dated 6 November 2023 has been obtained directing that the main contractor was liable for the

amount owed to the municipality, including the interest and the costs of the suit. The recovery of the financial loss was still in progress, as the main contractor has defaulted against the court order and the municipality has taken further action by attaching the assets of the contractor against the court order.

58. I will follow up on the implementation of the planned actions during my next audit.

### **Status of previously reported material irregularities**

#### **Payment for goods not received**

59. The municipality made payments to multiple suppliers for upgrading gravel roads in Cofimvaba extension 1, but did not receive the related goods or services amounting to a likely material financial loss. The municipality's controls were not effective, as they did not prevent the municipality from paying the contractor for preliminary and general costs and contract price adjustments without receiving full value.

60. Therefore, the municipality did not comply with section 65(2)(a) of the MFMA, which requires reasonable steps to be taken to ensure that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds. The non-compliance resulted in a likely material financial loss for the municipality by 1 April 2019.

61. The accounting officer was notified of the material irregularity on 16 November 2021. The council referred the material irregularity to MPAC for investigation and recovery process. An independent service provider was appointed by the accounting officer to investigate the matter. Upon conclusion of this investigation, the findings will be tabled to the council for its consideration and decision making. The accounting officer then reported the matter to South African Police Service in accordance with the MFMA.

62. The disciplinary board was appointed to conduct an investigation with view to instituting a disciplinary process regarding the project. The new MPAC, which assumed duties after the elections, was still investigating and its report will be presented to the council for its consideration. The municipal public accounts committee and the disciplinary board recommended that a forensic investigation be conducted.

63. The municipality embarked on a forensic investigation and concluded the investigation. The report regarding the liability of the affected parties has been tabled to council and a resolution was tabled to approve the report and its contents and to determine for implementation of the recommendations contained in the report.

64. I will follow up on the implementation of the planned actions during my next audit.

## Other reports

65. In addition to the investigations relating to material irregularities, 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 do not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
66. The Directorate for Priority Crime Investigation (Hawks) is investigating allegations of fraudulent expenditure emanating from the awarding of the contract for upgrading gravel roads to surfaced roads in extension 1. The investigation was still in progress at the date of this report.

*Auditor - General*

East London

30 November 2023



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 key performance areas 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 a 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	Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure, Section 1 - Definition: service delivery and budget implementation plan, Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
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), 13(c)(i), 16(a), 17(1)(a) Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a) Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b) Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c)

Legislation	Sections or regulations
	Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43 Regulations 44, 46(2)(e), 46(2)(f)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b) Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a) Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 93J(1), 96(b)  Parent municipality with ME: Sections 93B(a), 93B(b)  Parent municipality with shared control of ME: Sections 93C(a)(iv), 93C(a)(v)
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a) Regulations 12(1), 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)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(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) Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2) Regulations 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)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

**AUDITOR GENERAL REPORTS YEAR – 2022/2023 (PREVIOUS YEAR)**

The Municipality has received an Unqualified Audit Opinion for the 2022/23 financial year, including an Unqualified Audit Opinion in the AOPO for the same year. This is an improvement from the Qualified Audit Opinion received in 2021/22.

**2023–2024 AUDIT ACTION PLAN**

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
<b><u>PPE:</u></b> <b><u>Impairment</u></b> <b><u>Restatement</u></b> <b><u>Finding</u></b>	PPE	Impairment restatement: it was noted that the submitted restatement methodology prescribed that assets in "Poor" condition were not supposed to have been impaired	The above findings are caused by inadequate reviews in the preparation of annual financial statements by management, especially with regard to ensuring validity of restated impairments of capital assets.	This will result in a factual limitation of misstatement of R42 056 448.	Management should strengthen controls and conduct reviews to ensure adequate financial treatment and accounting for impairment of capital assets. This would enhance accuracy of reported figures pertaining to property, plant and equipment. Management should ensure consistency in the application of the impairment methodology.	Impairment calculations will be conducted by the Asset Management Team and reviewed by the Manager. Asset, and the CFO for accuracy and consistent application of the methodology.

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
<u>WIP Additions</u>	<b>PPE - WIP</b>	Additions: Differences were noted between the invoice amounts of incurred capital expenditure and the recorded amounts of WIP: Additions.	The above findings are caused by inadequate reviews in the preparation of annual financial statements by management, especially with regard to ensuring accurate valuation of additions to capital assets (WIP).	Results in an overstatement of Property, Plant & Equipment: WIP Additions by a total amount of R5 753 880.	Management should strengthen controls and conduct reviews to ensure the financial accuracy and valuation of Additions on capital assets. This will assist in achieving accurate valuation of the reported figures in Property, Plant & Equipment.	To strengthen communication and the consistent application of the existing Audit Communication strategy to ensure that there are discussions of possible findings with the AGSA prior to the issuance of COAFs.
<b>PPE: WIP Restatement: Electrification (NEP)</b>	<b>PPE - Infrastructure Assets</b>	WIP Restatement on Electrification (INEP): Differences were noted between the amounts of incurred capital expenditure per supporting information (invoices/payment certificates) and the recorded amounts of WIP balance.	The findings are caused by inadequate reviews in the preparation of annual financial statements by management, especially with regard to ensuring accurate valuation of restatements to capital assets (WIP).	Misstatement of R689 167.98 found in the recorded R5 423 398.67 WIP balance. The impact is an overstatement of WIP by R689 167.98. This also results in an understatement of the recorded fruitless and wasteful expenditure by an amount of R689 167.98	Management should strengthen controls and conduct reviews to ensure the financial accuracy and valuation of additions to capital assets, together with the processed restatements. This will assist in achieving accurate valuation of the reported figures in Property, Plant & Equipment.	The identified misstatement was resolved during the audit. Furthermore, management will ensure that consultants submit revised complete and accurate reports to address all variances/differences.
<b>Retention: Differences in retention amount identified</b>	<b>PPE and Payables</b>	The differences were found between the auditor's recalculation and the calculation done by the Municipality	Management failed to review invoice to ensure that expenses are recorded in the correct financial year.	This has resulted into factual misstatement of R359 938.31 and projected misstatement of R1 225 662.16	Management should review retention recorded to ensure that all calculations are as per Service Level Agreements and Payment Certificate.	

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
<u>PPE: Restatement: Depreciation top-up Restatement</u>	<b>PPE - Infrastructure Assets</b>	Restatement on depreciation top-up: Differences were noted between the amounts of recalculated depreciation top-up, and the recorded amounts of restatement on depreciation. Amount relates to the assets depreciation calculation for last year (21/22). It was erroneously calculated on 11.97 months instead of the full 12 months on certain assets. This was an oversight error in the processed calculations of depreciation. The restatement was processed to correct this error	The findings are caused by inadequate reviews in the preparation of annual financial statements by management, especially with regard to ensuring accurate calculation of restatements pertaining to Accumulated depreciation.	The impact is an understatement of PPE: Accumulated depreciation by R101 126.97. This results in an understatement of the recorded Property, Plant & Equipment by the same amount	Management is recommended to strengthen controls and ensure adequate reviews of the financial accuracy of depreciation and the related restatements. This will assist in achieving accurate valuation of the reported figures in Property, Plant & Equipment	Depreciation calculations will be conducted by the Asset Management Team and reviewed by the Manager: Asset, and the CFO for accuracy.

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
<u>Reporting: Narrative disclosures not consistent with the underlying information</u>	Disclosure	Inconsistencies have been found in the segment information disclosed in the Notes to the annual financial statements.	The cause of the above finding is due to the incorrect application of GRAP 18. Impact: The impact of the finding is a qualitative misstatement on the presentation and disclosure of the segment reporting that is in contravention of GRAP 18.	The cause of the above finding is the incorrect application of GRAP 18. Impact: The impact of the finding is a qualitative misstatement on the presentation and disclosure of the segment reporting that is in contravention of GRAP 18.	Management should ensure that the segment reported information reflects the economic segments where resources were allocated, reviewed by management and performance was assessed in line with GRAP standard.	Effective reviews will be implemented by management for accuracy and completeness. Furthermore, submission will be made to Internal Audit for their independent review and recommendations.
<u>Contracted services: Expenditure recorded in the incorrect financial year</u>	Contracted Services	The invoices relate to expenditure incurred in the 2021/22 financial year but were recorded in the 2022/23 financial year	Management failed to review invoice to ensure that expenses were recorded in the correct financial year	This has resulted in factual misstatement of R594 148 and misstatement of R6 248 153	Management should review invoices recorded to ensure that all expenditure incurred are recorded in the correct financial year	To develop an invoice register that will detail all the invoice items, dates of occurrence and the actual invoice date, the register will be reviewed, and all invoice items that occurred in a different reporting period will be identified and corrections made.
<u>Invoices not paid within 30 days.</u>	Invoices not paid within 30 days	During the audit of expenditure, it was noted that there was a non-compliance with the payment terms, as per the above requirements. The recorded invoices were not settled within 30 days from the receipt of the invoice and there was no	Management did not follow up on long outstanding invoices	This therefore results in a non-compliance with section 65(2) (e) of the MFMA.	It is recommended that management should follow up on long outstanding invoices to ensure that it is paid within 30 days of receipt.	To develop an invoice register that will detail all the invoice items, dates of occurrence and the actual invoice date, the register will be reviewed, all invoices will be followed up to ensure that all undisputed invoices are paid within 30 days. Furthermore, the invoice register will be reconciled with the cashbook on a monthly

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
		evidence that these invoices were disputed.				basis for completeness and alignment...
<b><u>PPE:</u></b> <b><u>Depreciation differences</u></b>		Differences were noted in the performed recalculation of Depreciation for the Property, Plant & Equipment. These have resulted in the overstatement of the recorded depreciation amount	The above findings are caused by inadequate reviews in the preparation of annual financial statements by management, especially with regard to Management oversight in ensuring appropriate calculation of depreciation of Property, Plant & Equipment. Management has applied a retrospective approach to accounting for a change in estimate, as opposed to a prospective approach, which formed the basis for the noted difference.	Results in an overstatement of depreciation expense and understatement of Property, Plant & Equipment by a projected amount of R7 861 569.	Management should strengthen controls and ensure adequate reviews of financial statements pertaining to the calculation of depreciation expense contained in Property, Plant & Equipment.	Differences were resolved during the audit. Furthermore, the methodology for the changes in useful life will be revised and discussed with the AGSA ahead of implementation. Lastly, GRAP will be fully implemented.

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
	<u>PPE: Opening balance differences</u>	Differences were noted in the performed recalculation of Opening balances for the tested Property, Plant & Equipment. These have resulted in the overstatement of the recorded carrying amounts of assets as at 01 July 2022 (Opening balance).	The above findings are caused by inadequate reviews in the preparation process of annual financial statements by management, particularly pertaining to the Management oversight in ensuring appropriate calculation of depreciation of Property Plant & Equipment. Management has applied a retrospective approach to accounting for a change in estimate, as opposed to a prospective approach- this has formed the basis for the noted difference.	Results in an overstatement of PPE: Balance and an overstatement of Property, Plant & Equipment by a projected amount of R 8 673 605.	Management is recommended to strengthen controls and ensure adequate reviews of financial statements pertaining to the valuation of Opening Balances contained in Property, Plant & Equipment.	Management to discuss and agree on all opening balances with the AGSA during their planning which is ahead of the AFS finalisation.
	<u>Employee Cost</u>	During the audit of Employee cost it was noted that the remuneration packages for s56 & s57 managers exceeded the prescribed threshold as indicated in Government Gazette notice: No 2760 dated 18 November 2022. It was noted that the excess remuneration affected the expenditure reported on employee costs- Salaries; it also affected	The above findings are caused by inadequate reviews in the recruitment process, especially with regard to ensuring that s56 & s57 managers are remunerated in accordance with the directives of the Municipal Systems Act; i.e. Government Gazette.	Results in Irregular expenditure amounting to R2 420 966.	Management should strengthen controls and ensure managers are remunerated in accordance with the relevant directives of the Municipal Systems Act; i.e. Government Gazette. This means the municipality must observe the set upper limits of remuneration and apply the circular as a guide to setting remuneration packages. This will assist in reducing the irregular expenditure identified in the financial statements	This finding was cleared during audit. There is no irregular expenditure that is attached to the salaries of the Senior Managers in the Management Letter.

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
		performance bonuses paid to s56 & s57 managers during the year. In the context of the exceeded thresholds, performance bonus would have been incorrectly calculated on an exceeding/inflated package and therefore resulted in Irregular expenditure.				
	<b>PPE - WIP Additions</b>	During the audit of Property, Plant & Equipment: WIP Additions, differences were noted between the invoice amounts of incurred capital expenditure and the recorded amounts of WIP: Additions.	The above findings are caused by inadequate reviews in the preparation of annual financial statements by management, especially with regard to ensuring accurate valuation of additions to capital assets (WIP).	Results in an overstatement of Property, Plant & Equipment: WIP Additions by a total amount of R5 753 880	Management should strengthen controls and ensure adequate reviews of the financial accuracy and valuation of Additions on capital assets. This will assist in achieving accurate valuation of the reported figures in Property, Plant & Equipment.	To strengthen communication and the consistent application of the existing Audit Communication strategy to ensure that there are discussions of possible findings with AGSA prior to the issuance of COAFs.
	<b>Differences in leave days balance</b>	The leave days taken by employees per the leave accrual schedule did not agree to the approved leave forms submitted	Management did not ensure that the employee files had been properly filed for all approved leave documents. Management also did not review the leave days taken per accrual schedule to the employee leave file	This has resulted in a control deficiency	It is recommended that a senior employee review the accrual schedules and ensure that it is supported by approved leave forms.	<ol style="list-style-type: none"> <li>Will perform monthly reconciliations of the staff attendance register with the leave system balances.</li> <li>Monthly monitoring of the leave</li> </ol>

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
	<b>Payables: Leave Accruals</b>	The leave accrual differences noted between managements calculations and the auditor's recalculations:	Management did not to ensure that leave accrual balances were calculated using the correct accumulated leave days.	This has resulted in a factual misstatement of R2 856.63 and a projected misstatement of R100 472, 30	It is recommended that a senior employee should review the accrual schedules and ensure that the correct accrual is recognised.	management system  Will perform monthly reconciliations of the staff attendance register with the leave system balances. 2. Monthly monitoring of the leave management system
	<b>PPE: Disposals Differences</b>	During the audit of Property, Plant & Equipment: Disposals Carrying value, differences were noted between the recorded amounts per financial statements vs recalculated amounts per audit work performed. The total Disposals were noted to have been overstated.	The above findings are caused by inadequate reviews in the preparation of annual financial statements by management, especially with regard to ensuring accurate valuation of recorded disposals of capital assets	Results in an overstatement of Property, Plant & Equipment: Disposals at Carrying value by a projected amount of R2 841 180. Also results in an overstatement of recorded Losses on Disposals of Capital assets by a projected amount of R2 784 295	Management should strengthen controls and ensure adequate reviews of the financial treatment and accounting for Disposals of capital assets. This will assist in achieving accuracy on the reported figures in Property, Plant & Equipment.	The differences were corrected during the audit. However, a thorough review of the asset register will henceforth be conducted ahead of financial statements preparations.
	<b>AOPO</b>	During the audit of the indicator: Number of Km's of access roads constructed as per defined project list - discrepancies were noted between the actual	This is due to a lack of proper mechanisms to monitor and review its performance management as well as financial management system	This results in a completeness issue and understatement of the number of Km's of access roads constructed as per defined project list.	Management should prepare a reconciliation between supporting documentation and listing on a regular basis to ensure that the evidence is reliable. Management needs to review the information captured in the listing to ensure that it relates to the	The infrastructure Department (PMU Engineers) and Asset Management team to ensure that completed Mzomhle Paving Phase 1 is recorded on the fixed asset register.

**COAF COMPONENT AFFECTED FINDING ROOT CAUSE IMPACT AG RECOMMENDATION MANAGEMENT ACTION PLAN**

	<p>achievement on the Annual Performance Report and the access roads recorded in fixed asset register. We inspected the fixed asset register and the selected roads access roads completed in the current year and confirmed that one of the access roads - the Paving of Mzomhle - was not recorded in the fixed asset register; however, it was recorded in the annual performance report.</p>	<p>reported achievements and is verifiable.</p>	
<p><u>Number of bridges maintained</u></p>	<p><b>AOPO</b></p> <p>During the audit of the indicator: Number of bridges maintained - discrepancies were noted between the actual achievement on the Annual Performance Report and progress report/completion certificate.</p>	<p>This results in a completeness issue and understatement of the number of bridges maintained.</p>	<p>The infrastructure Department and PMS Unit to ensure that the completed Bholokodlela Bridge is recorded on the 2022-2023 adjusted APR as achieved.</p> <p>Management should prepare a reconciliation between supporting documentation and listing on a regular basis to ensure that the evidence is reliable. Management needs to review the information captured in the listing to ensure that it relates to the reported achievements and is verifiable.</p>

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
<u>Basic Services and Infrastructure Development</u>	AOPO	During the audit of KPA 1: Basic Services and Infrastructure Development - discrepancies were noted between the actual achievement on the Annual Performance Report and the listings and supporting documentation provided for audit.	This is due to a lack of proper mechanisms to monitor and review its performance management system.	This results in issue of the accuracy of the reported performance indicators, which impacts on the reliability of the reported achievement.	Management should prepare a reconciliation between supporting documentation and listing on a regular basis to ensure that the evidence is reliable. Management needs to review the information captured in the listing to ensure that it relates to the reported achievements and is verifiable	Infrastructure Department, Community Services Unit to ensure that differences between the 2022-2023 APR and supporting documents are corrected in the 2022-2023 adjusted APR as achieved.
<u>Restatement-Revision of Useful lives</u>	PPE	During the audit of Restatements on Property, Plant & Equipment, misstatements were found in the effected changes associated with the accounting treatment of reassessed useful lives. The municipality has applied a retrospective approach to accounting for a change in estimate, as opposed to a prospective approach, as the former	Management has applied a retrospective approach to accounting for a change in estimate, as opposed to a prospective approach, which formed the basis for the noted difference	Results in an understatement of Property, Plant & Equipment: Accumulated depreciation, and an equivalent overstatement of the Property, Plant & Equipment balance by a factual amount of R11 293 326.	Management should strengthen controls and ensure adequate reviews of the financial treatment and accounting for change in estimates of capital assets. This will assist in achieving accuracy of the reported figures and the correct valuation of Property, Plant & Equipment. Management is advised to apply a prospective approach to accounting for a change in estimate, as opposed to a retrospective approach.	Differences were resolved during the audit. Furthermore, the methodology for the changes in useful life will, henceforth, be revised and discussed with the AGSA ahead of implementation. Lastly, GRAP will be fully implemented.

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contravenes the principle of GRAP 3 on the accounting treatment of a change in estimate, which formed the basis for the noted misstatement.

Two senior managers did not adequately sign the performance agreement within the prescribed period upon appointment, as prescribed by section 57(2)(a) of the Municipal Systems Act

When recalculating the allocation of points for Quotations, differences were found.

The above findings are caused by inadequate reviews in the appointment process by management, especially with regard to ensuring timely completion of declarations by senior managers.

Results in non-compliance with Section 57(2) (a) of the Municipal Systems Act, and a material non-compliance to be included in the management and audit report.

This is due to inadequate internal controls aimed at ensuring that bidders' preferential points are calculated and allocated correctly

The impact of the above is internal control deficiencies as they did not result in the tender being awarded to the wrong supplier

Management should strengthen controls and ensure adequate reviews in the appointment process by management, especially with regard to ensuring timely completion of declarations by senior managers.

The Checklist for appointment of Senior Managers will be monitored to ensure utmost compliance with legislation in terms of the prescribed timelines. This will be done on a quarterly basis

Management should implement adequate internal controls to ensure that bidders' preferential points are calculated and allocated correctly.

The finding was resolved during the audit. Management will review all awarded RFQ's for compliance, identify non-compliance matters and disclose all non-compliant awards as irregular expenditure. Furthermore, all RFQs will be effectively reviewed for compliance before the awards are made.

**COAF**

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COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
<u>SCM: Quotations not evaluated in accordance with the preference point system</u>	Procurement and contract management	a) It was noted that the municipality did not amend / update the Supply Chain Management policy to be in line with the new 2022 Preferential Procurement Regulations. b) During the testing of Procurement, it was found that the recorded quotations were not evaluated in accordance with the preference point system as prescribed by the PPPF Act and Preferential Procurement Regulations.	This is due to management not correctly applying the 2022 Preferential Procurement Regulations.	This results in a non-compliance with the PPPFA and PPR (2022), which may be reported in the Management report and Audit report.	Management should ensure that all policies are amended to be in line with the required legislation. Management must also ensure that tenders are evaluated in accordance with the preference point system.	To strengthen communication and the consistent application of the existing Audit Communication strategy to ensure that there are discussions of possible findings with the AGSA prior to the issue of COAFs. Furthermore, all quotations will be done in accordance with the prescribed regulations.
<u>Incorrect classification of cloud storage as professional services</u>	Professional Fees	The invoices relating to Cloud storages were incorrectly classified as 'Professional Bodies, Membership and Subscription'.	Management did not review invoices to ensure that expenses were classified correctly	This has resulted in factual misstatement of R37 285.63 and projected misstatement	Management should review invoices recorded to ensure that all expenditure is correctly classified.	GL Cleansing to be conducted on a monthly basis

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
<u>Expenditure recorded in the incorrect financial year</u>	Wet Fuel	The invoice in question relates to expenditure incurred in June 2022 but which was recorded in the 2022/23 financial year.	Management failed to review invoice to ensure that expenses are recorded in the correct financial year	This has resulted into factual misstatement of R263 145.77 and projected misstatement of R312 406,63	Management should review invoices recorded to ensure that all expenditure incurred are recorded in the correct financial year	To develop an invoice register that will detail all the invoice items, dates of occurrence and the actual invoice date, the register will be reviewed, all invoice items that occurred in a different reporting period will be identified and a correction will be actioned.
<u>Expenditure recorded in the incorrect financial year</u>	Expenditure	The invoice in question relates to expenditure incurred in the 2021/22 financial year but which were recorded in the 2022/23 financial year	Management failed to review invoice to ensure that expenses are recorded in the correct financial year	This has resulted into factual misstatement of R22 226.09 and projected misstatement of R148 138,95	Management should review invoices recorded to ensure that all expenditure incurred are recorded in the correct financial year.	To develop an invoice register that will detail all the invoice items, dates of occurrence and the actual invoice date, the register will be reviewed, all invoice items that occurred in a different reporting period will be identified and corrections made.
<u>SCM: Disqualified bidders incorrectly considered for Functionality</u>	Procurement and contract management	It was noted that for the IYM SCMU 02-2022/2023 - Construction of Mkwinti Access Road and Portal Culverts in Ward 10, the reported suppliers did not meet the pre-qualification criteria, and yet were evaluated for functionality	This is due to management not implementing proper controls to ensure that only bidders that meet the pre-qualification criteria stipulated in the advert and tender documents are evaluated for functionality.	This results in a non-compliance with the PPR (2017), which may be reported in the Management and Audit report.	Management should ensure that only bidders that meet the pre-qualification criteria stipulated in the advert and tender documents are evaluated for functionality	Management will review the entire population of tenders for compliance, all non-compliant bids will be disclosed as irregular. Furthermore, adverts and tender documents will, henceforth, be reviewed for completeness.

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
				contracts (R5 025 458,38) will, therefore, result in irregular expenditure		
<u>SCM:</u> <u>Functionality</u> <u>criteria not</u> <u>clearly</u> <u>specified</u>	<b>Procurement and contract management</b>	It was noted that the points for Functionality criteria / sub-criterion for the reported tenders were not clearly specified in the tender documents	This is due to management not implementing proper controls to detect errors relating to the functionality criteria in the tender documents.	This results in a non-compliance with the PPR (2017), which may be reported in the Management Report and Audit Report. Consequently, this may also result in the above tenders being irregular.	Management should ensure that proper controls to detect errors relating to the functionality criteria in the tender documents are implemented.	Management will review the entire population of tenders for compliance; all non-compliant bids will be disclosed as irregular. Furthermore, adverts and tender documents will, henceforth, be reviewed for completeness.
<u>SCM:</u> <u>Differences in</u> <u>Functionality</u> <u>points</u> <u>calculation</u>	<b>Procurement and contract management</b>	When recalculating functionality points for the tenders listed in ISS.1, the evaluation criteria.	This is due to management not implementing proper controls to ensure that only bidders that meet the minimum functionality criteria stipulated in the tender documents are evaluated for points (80/20).	This results in a non-compliance with the PPR (2017), which may be reported in the Management Report and Audit Report. Consequently, this also results in IYM SCMU 04-2022/23, IYM SCMU 04-2022/23 and IYM SCMU 17-2022/23 being irregular in nature. All payments made relating to these contracts will, therefore, result in Irregular expenditure.	Management should ensure that there are proper controls to make certain that only bidders that meet the minimum functionality criteria stipulated in the tender documents are evaluated for points (80/20).	Management will review the entire population of tenders for compliance, all non-compliant bids will be disclosed as irregular. Furthermore, adverts and tender documents will, henceforth, be reviewed for completeness.

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
<u>Employee cost:</u> <u>Remaining population</u>	<b>Employee Cost</b>	During the audit of Employee Cost: Remaining population, differences were noted between the amounts recalculated leave pay, and the recorded amounts of leave pay relating to employee cost. Differences were noted between the recalculated VAT payable and the VAT payable disclosed on the annual financial statements under the Statement of Financial Position. These have resulted in the overstatement of the disclosed VAT Payable amount on the annual financial statements	The above findings are caused by inadequate reviews in the preparation of annual financial statements by management, especially with regard to ensuring accurate calculation of Leave pay on Employee cost.	The impact is an understatement of recorded population on employee costs by a projected amount of R95 384. This also results in an understatement of the recorded Employee cost expense by same amount.	Management is recommended to strengthen controls and ensure adequate reviews of the financial accuracy of leave pay. This will assist in achieving accuracy of the reported figures in Employee cost.	An SOP will be developed, implemented and monitored for leave management to ensure accuracy of leave days and subsequently leave provision.
<u>VAT Payable:</u> <u>Annual Financial Statements</u>	<b>VAT Payable</b>	Differences were noted between the recalculated VAT payable and the VAT payable disclosed on the annual financial statements under the Statement of Financial Position. These have resulted in the overstatement of the disclosed VAT Payable amount on the annual financial statements	The above findings are caused by inadequate reviews in the preparation of annual financial statements by management.	Results in an overstatement of VAT Payable and by an amount of R 1 215 691, 86.	Management should strengthen controls and ensure adequate reviews of financial statements pertaining to the disclosure of commitments	VAT calculations will be reviewed for accuracy ahead of AFS Compilation
<u>VAT: Balance of the Declared Amount</u>	<b>VAT Payable</b>	Differences were noted between the recalculated balance of the VAT voluntarily declared as at 30 June 2023 and the balance as per the VAT	The above findings are caused by inadequate reviews in the preparation of annual financial statements by management, especially with regard to Management oversight in ensuring appropriate disclosure of VAT payable.	These have resulted in the understatement of the disclosed VAT Payable amount on the annual financial statements. Results in an understatement of VAT Payable, and by an amount of R	Management should strengthen controls and ensure adequate reviews of financial statements pertaining to the disclosure of commitments	VAT calculations will be reviewed for accuracy ahead of AFS Compilation

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
		voluntarily declared as per the reconciliation provided for audit as at 30 June 2023.		816 275, 37.		
<u>SCM: Internal control deficiencies – Contract Management</u>	<u>Procurement and contract management</u>	<p>1) It was found that the recorded contracts and their respective tender documents did not specify the goods/ services to be rendered by the suppliers</p> <p>2) It was noted that there were no measures to monitor the contract performance and delivery stipulated in the contract for the below contracts</p> <p>3) It was identified that the contract rates used for the recorded contracts were above the tender rates stipulated in the tender documents</p>	These issues were a result of inadequate internal controls to ensure adequate and effective contract management.	The impact of the above is internal control deficiencies.	Management should ensure that there are adequate internal controls to ensure adequate and effective contract management	Management will review the entire population of tenders for compliance, all non-compliant bids will be disclosed as irregular. Furthermore, adverts and tender documents will, henceforth, be reviewed for completeness. Furthermore, a performance tool will be developed, and all service providers /contracts will be assessed for performance.

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
<u>SCM: Non-compliance on Contract Management</u>	Procurement and contract management	It was noted that there were no contract performance measures in place to ensure effective contract management for the recorded contracts	This is due to management having a lack of proper and effective contract management over the affected contracts	This will result in non-compliance with the MFMA	Management should ensure that contract performance measures are in place to ensure effective contract management.	A performance tool will be developed, and all service providers / contracts will be assessed for performance.
<u>SCM: Contract Management – Total payments made are above the contract value</u>	Procurement and contract management	It was noted that for the recorded contracts, total payments made were above the contract values	This is due to management not implementing proper controls to detect overpayment of contracts	This results in a non-compliance, which may be reported in the Management Report and Audit Report. Consequently, this also results in irregular expenditure of R302 759.72.	Management should ensure that proper controls to detect overpayment of contracts were in place.	Contracts and commitments made will be reviewed prior to payments being made to ensure that payments were within the awarded contract values.
<u>SCM: Non-compliance on Contract Management</u>	Procurement and contract management	When recalculating the allocation of points for the IYM 34-2022/2023 (Supply and Delivery of 25MPa Concrete, Gabions including Gabion Baskets and Gabion Mattresses) tender, it was discovered that the supplier with the highest points was not awarded the tender (Hubelihle	This is due to management incorrectly allocating points during the bid evaluation and bid adjudication	The non-compliance in Preferential Procurement regulation 4(4).Consequently this also results in irregular expenditure of R302 759.72	Management should ensure that tenders are awarded to bidders that score the highest points	Management will review the entire population of tenders for compliance, all non-compliant bids will be disclosed as irregular. Furthermore, adverts and tender documents will, henceforth, be reviewed for completeness.

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
		General Trading). The tender was instead awarded to Kozozo Trading.				
<u>Indigents information not verified</u>	<b>Transfers and Subsidies Paid</b>	<p>During the audit of Transfers and subsidies, it was noted that the status of indigents was not verified.</p> <ul style="list-style-type: none"> <li>Annexure A - This relates to deceased indigents who were billed even after date of death</li> <li>Annexure B - Indigents who could not be traced on the National Populations Register (NPR) due to the fact that ID numbers on the register were incorrect. Furthermore, upon inspection of the Billing report, the ID numbers did not match the</li> </ul>	Management did not verify the status of indigents	This has resulted in non-compliance with Indigent Support Policy and, hence, fruitless and wasteful expenditure.	Management should ensure that indigent statuses are verified	<ol style="list-style-type: none"> <li>Data cleansing will be conducted to ensure accuracy and completeness of the indigent register.</li> <li>Monthly reconciliations will be conducted to ensure that the amounts paid are accurate.</li> </ol>

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
		<p>application forms</p> <ul style="list-style-type: none"> <li>• Annexure C - This relates to indigents employed by the government.</li> <li>• Annexure D - This relates to directors of companies who did business with the state</li> <li>• Annexure E - Relates to spouses of indigents who are employed by the state</li> <li>• Annexure F - Relates to indigents who are over 100 years but were not verified by the municipality</li> </ul>				

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
<u>Performance of municipal employees other than senior management not monitored</u>	Corporate Services	Performance of the municipality, other than senior managers, is not regularly monitored and evaluated. Through enquiry it was confirmed that only managers directly accountable to the municipal manager enter into performance agreements and are evaluated against those agreements.	The cause is that the municipality has a performance policy in place but it has not yet been implemented for all employees.	Poor performance by employees may not be identified and addressed in a timely manner. Uncorrected poor performance by employees may adversely impact the performance of the municipality and achievement of the objectives of the municipality. The above finding further result in non-compliance with the MSA	Management should ensure that internal controls, policies and procedures relating to monitoring and evaluation of performance of all employees of the municipality are implemented. Furthermore, the Municipality should ensure that performance of all municipal employees is regularly monitored.	<ol style="list-style-type: none"> <li>1. Ensure signing of Performance Accountability Plans of Managers who report to Directors</li> <li>2. Policy on PMS will be reviewed and adopted by Council</li> <li>3. Policy implementation plan will be approved by MM.</li> <li>4. Implementation will be monitored on a quarterly basis.</li> <li>5. Performance Appraisal Committee will be established.</li> <li>6. Sitting of the Performance Appraisal Committee will be monitored.</li> </ol>
<u>Planning: Internal Audit external quality assurance review/assessment not done - Non compliance</u>	Internal Audit	No proof could be obtained that external quality assurance reviews/assessments of an internal audit function were performed by a qualified, independent reviewer or review team from outside the Intsika Yethu Local Municipality AND that the external quality assurance review / assessment was	The process was initiated with assistance from COGTA. However, due to other commitments, the deadline was not met.	The Internal Audit Unit might not be operating effectively and efficiently in executing its duties in accordance with the IIA Standards and the approved internal audit policies and procedures.	Management and Audit Committee should ensure that the internal audit function is periodically assessed by an independent external reviewer as required by IIA. Internal Audit should ensure that the results of such assessment are presented to the Audit Committee together with a plan to address the findings from the assessment.	Internal Audit is to resuscitate the process of peer review (internal review) by COGTA. After this peer review, there is plan for an annual review, which will also be done by COGTA. Thereafter, the Institute of Internal Auditors of South Africa (IIASA) - or a company affiliated to it - will be engaged to perform a five-year review. This process has Budget implications, and due to

COAF	COMPONENT AFFECTED	FINDING	ROOT CAUSE	IMPACT	AG RECOMMENDATION	MANAGEMENT ACTION PLAN
		<p>conducted at least once every five years at the Intsika Yethu Local Municipality as required by IIA standard 1312</p>				<p>budget limitations, the Municipality will rely more on COGTA, as they have provided support to other municipalities in the province pro bono.</p>

**COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2022/23 (CURRENT YEAR)**

**6.2 AUDITOR GENERAL REPORT YEAR 2022/23**

**AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 2022/23**

The Municipality has received an **Unqualified Audit Opinion for the 2022/23** financial year.

*T 6.2.3*

**COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:**

Section 71 of the MFMA mandates municipalities to submit a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer confirms that these data sets have been submitted in accordance with the reporting requirements.

Signed (Chief Financial Officer) ..... Dated

*T 6.2.5*

# GLOSSARY

## GLOSSARY

<b>Accessibility indicators</b>	Accessibility indicators assess whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Accountability documents are reports used by executive authorities to provide comprehensive and regular updates to Parliament and provincial legislatures, as mandated by the Constitution. These documents include plans, budgets, in-year reports, and Annual Reports.
<b>Activities</b>	Activities encompass the processes or actions utilising various inputs to generate desired outputs and outcomes. Essentially, activities outline "what we do".
<b>Adequacy indicators</b>	Adequacy indicators measure the quantity of input or output in relation to the corresponding need or demand.
<b>Annual Report</b>	An Annual Report is a yearly submission prepared according to the regulations outlined in Section 121 of the MFMA. It must include the annual financial statements approved by the AG.
<b>Approved Budget</b>	An Approved Budget refers to the annual financial statements of a municipality, audited by the Auditor General and ratified by Council or a provincial/national executive.
<b>Baseline</b>	Baseline denotes the current level of performance that a municipality endeavours to enhance when establishing performance targets. It reflects the performance level recorded in the year prior to the planning period.
<b>Basic municipal service</b>	A basic municipal service is a service provided by the municipality that is essential for maintaining an acceptable and reasonable quality of life for citizens within a specific area. Its absence may pose risks to public health, safety, or the environment.
<b>Budget year</b>	The budget year refers to the financial year for which an Annual Budget is to be approved, ending on June 30.
<b>Cost indicators</b>	Cost indicators gauge the overall cost or expenditure involved in producing a specified quantity of outputs.
<b>Distribution indicators</b>	Distribution indicators assess the allocation of capacity to deliver services.
<b>Financial Statements</b>	Financial Statements encompass at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements, and any other statements as may be prescribed.
<b>General Key Performance Indicators (KPIs)</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.

# GLOSSARY

<b>Impact</b>	Impact refers to the tangible results of achieving specific outcomes, such as poverty reduction and job creation.
<b>Inputs</b>	Inputs encompass all resources contributing to the production and delivery of outputs. They include finances, personnel, equipment, and buildings, essentially representing "what we use to do the work".
<b>Integrated Development Plan (IDP)</b>	Integrated Development Plan (IDP) outlines municipal goals and development plans.
<b>National Key Performance Areas (KPA's)</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>	Outcomes represent the medium-term results for specific beneficiaries resulting from achieving specific outputs. They should align clearly with an institution's strategic goals and objectives outlined in its plans, essentially representing "what we wish to achieve".
<b>Outputs</b>	Outputs denote the final products or goods and services produced for delivery. They may be defined as "what we produce or deliver" and represent concrete achievements contributing to the attainment of Key Result Areas.
<b>Performance Indicator</b>	Performance Indicators should be specified to measure performance in relation to inputs, activities, outputs, outcomes, and impacts. An indicator is a form of information used to assess the extent to which an output has been achieved (e.g., policy developed, presentation delivered, service rendered).
<b>Performance Information</b>	Performance Information is a generic term encompassing non-financial information about municipal services and activities. It can also be used interchangeably with performance measures.
<b>Performance Standards</b>	Performance Standards denote the minimum acceptable level of performance or the generally accepted level, informed by legislative requirements and service-level agreements. These standards serve as mutually agreed criteria, describing the quantity, quality, and timeliness of work. In the EPMDS, performance standards are divided into indicators and time factors.
<b>Performance Targets</b>	Performance Targets represent the performance levels that municipalities and their employees aim to achieve. They are derived from current baselines and express specific levels of performance that municipalities strive to attain within defined time periods.
<b>Service Delivery Budget Implementation Plan</b>	Service Delivery Budget Implementation Plan is a detailed plan approved by the mayor for implementing the municipality's service delivery, including revenue projections and operational and capital expenditures by vote for each month. Additionally, service delivery

# GLOSSARY

	targets and performance indicators must be included.
<b>Vote</b>	<p>Vote refers to one of the primary segments into which a municipality's budget is divided for the appropriation of funds to different departments or functional areas. It specifies the total amount appropriated for the specific department or functional area. According to Section 1 of the MFMA, a "vote" is defined as:</p> <ul style="list-style-type: none"><li><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></li><li><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></li></ul>

# APPENDICES

## APPENDICES

### APPENDIX A – COUNCILLORS AND COMMITTEES

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance %	Percentage Apologies for non-attendance %
Cllr. Yanga Zicina	FT	Speaker	PR	99%	100%
Cllr. Khanyiswa Mdleleni	FT	Mayor	PR	100%	100%
Cllr. Noloyiso Ntsaluba	FT	Chief Whip	PR	97%	100%
Cllr. Bongani Mpengesi	FT	Portfolio Head Corporate Services	PR	96%	100%
Cllr. Melekile Skotana	FT	Portfolio Head Infrastructure	PR	96%	100%
Cllr. Vuyokazi Matomela	FT	Portfolio Head LED	PR	97%	100%
Cllr. Nozuko Mafanya	FT	Portfolio Head Community Services	PR	97%	100%
Cllr. Myolisi Toni	FT	Portfolio Head Finance	PR	96%	100%
<i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them</i>					T A

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance %	Percentage Apologies for non-attendance %
Cllr. Ntombazipheli Nkota	PT	Portfolio Head Planning	PR	97%	97%
Cllr. Nokuthula Mlokoti	PT	Portfolio Head and Administration	PR	96%	95%
Cllr. Lusanda Makade	FT	MPAC Chairperson	PR	97%	100%
Cllr. Nophelo Magaga	FT	Women Caucus Chairperson	PR	100%	100%
Cllr. Siqhamo	FT	Rules and Ethics	PR	98%	100%

# APPENDICES

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance %	Percentage Apologies for non-attendance %
Mthimkhulu		Chairperson			
Cllr. Mayenzeke Yamile	FT	Public Participation Chairperson	PR	97%	100%
<i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them</i>					<i>T A</i>

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance %	Percentage Apologies for non-attendance %
Cllr. Xolile Mini	PT	MPAC	PR	100%	
Cllr. Nobom Bani	PT		W	99%	100%
Cllr. Neliswa Gadeni	PT	Rules and Ethics	W	98%	100%
Cllr. Zwelethu Malusi	PT		W	98%	100%
Cllr. Sylvia Twani	PT	MPAC, Public Participation, Rules and Ethics	W	100%	100%
Cllr. Nolukholo Nyandana	PT	MPAC, Women Caucus	W	100%	
Cllr. Zukile Cekiso	PT	Public Participation	W	97%	100%
Cllr. Lulama Ngamlana	PT	Public Participation	W	99%	100%
Cllr. Mncedisi Ngwane	PT	Rules and Ethics, Public Participation	W	99%	100%
Cllr. Mvusi Mrwetyana	PT	Rules and Ethics	W	97%	100%
Cllr. Simphiwe Ndondo	PT	Public Participation	W	99%	100%
Cllr. Nkosinathi Mngqanqeni	PT	MPAC	W	97%	99%
Cllr. Nokwakha Jada	PT	MPAC	W	98%	100%
Cllr. Nosakhele Sonkosi	PT	Rules and Ethics, Public Participation	W	99%	100%
Cllr. Malibongwe Gulubela	PT	Rules and Ethics	W	99%	100%
Cllr. Mpumzi Mfamana	PT		W	95%	100%
Cllr. Nontobeko Mzizana	PT	Women Caucus	W	99%	100%

# APPENDICES

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance %	Percentage Apologies for non-attendance %
<i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them</i>					T A

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance %	Percentage Apologies for non-attendance %
Cllr. Lufefe Mfana	PT		W	100%	100%
Cllr. Nceba Mpofu	PT		W	100%	100%
Cllr. Nonyameko Sindile	PT	Women Caucus	W	100%	100%
Cllr. Nokhaya Ludaka	PT	Public Participation	W	99%	100%
Cllr. Ncedeka Mggamqho	PT	MPAC	W	100%	100%
Cllr. Ntombifikile Xoxo	PT	MPAC, Women Caucus, Public Participation	PR	99%	100%
Cllr. Lusanda Bomoyi	PT		PR	98%	100%
Cllr. Vuyo Danster	PT	MPAC, Women Caucus, Rules and Ethics	PR	99%	100%
Cllr. Ntsikelelo Mcaleni	PT	MPAC, Rules and Ethics, Public Participation	PR	100%	100%
Cllr. Phumelele Magazi	PT	MPAC	PR	98%	100%
Cllr. Nozintombi Mdumata	PT	Woman Caucus	PR	99%	100%
Cllr. Trad. Leader Sabata	PT	MPAC		98%	100%
Cllr. Trad. Leader Nkwenkwezi	PT			97%	100%
<i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them</i>					T A

# APPENDICES

## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Municipal Public Accounts Committee (MPAC)	Oversees Council business.
Audit Committee	Oversees Council business.
Performance Management System (PMS) Committee	Assists the Executive Management Team in implementing policies and plans for performance management to enhance the Municipality's ability to achieve its strategic objectives.
Rules & Ethics Committee	Ensures adherence to municipal Council rules by all council members.
Women Caucus Committee	Promotes and enforces gender equality within the IYM's jurisdiction.
Community Services Standing Committee	Recommends on all matters related to community services to the Executive Committee.
Local Economic Development and Planning Standing Committee	Recommends on matters related to LED and planning to the Executive Committee.
Budget and Treasury Standing Committee	Recommends on all BTO related matters to the Executive Committee.
Corporate Services Standing Committee	Recommends on all corporate services related matters to the Executive Committee.
Infrastructure Standing Committee	Recommends on all infrastructural related matters to the Executive Committee.
Planning and Development Standing Committee	Recommends on all planning and development related matters to the Executive Committee.
Governance and Administration Standing Committee	Recommends on all governance and administrative matters to the Executive Committee.
Executive Committee	Provides recommendations to the Council on all matters concerning departmental Standing Committees.

**T B**

# APPENDICES

## APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Manager
<b>Office: Municipal Manager</b>	
1. Zuko Tshangana	Communications Manager
2. Nonzame Jafta	SPU Manager
3. Neziswa Liwani	Manager Governance and Political Support
4. Lukhanyo Bango	Manager Internal Auditor
5. Nkosinathi Totongwana	Manager Risk, Anti-Fraud and Corruption
6. Lindiwe Mkunyana	ICT Manager
7. Khanyisa Mdingi	Manager Internal Controls
<b>Technical Services</b>	
1. ...	Manager Roads and Transport
2. Lwando Ketelo	Project Manager – Civil
3. Samkelo Mazula	Municipal Public Works Manager
4. Noluvo Rols	Manager Human Settlement and Estates
<b>Community Services</b>	
1. Makhuze Nondzaba	Manager Social Services
2. Mthetho Gqobhoka	Manager Public Safety
3. Khanyisile Gantsho	Environmental Management Manager
<b>Local Economic Development &amp; Planning</b>	
1. Zukiswa Makhubalo	LED Manager
2. Lwandiso Mkonjiswa	Manager Planning (IDP and PMS)
<b>Budget and Treasury Office</b>	
1. Feziwe Bushula	Revenue Manager
2. Siphokazi Masiko	Supply Chain Management Manager
3. Nondyebo Lwana-Xashimba	Manager Budget, Reporting and Asset Management
4. Feziwe Bushula	Acting Expenditure Manager
<b>Corporate Services</b>	
1. Nomonde Xego	Admin and Council Support Manager
2. Gcinumzi Dekeda	Records Manager
3. Anele Sikade	HR Manager

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# APPENDICES

## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
<b>Constitution Schedule 4, Part B functions:</b>		
Air pollution	No	No
Building regulations	Yes	No
Child care facilities	Yes	No
Electricity and gas reticulation	Yes	No
Firefighting services	No	No
Local tourism	Yes	No
Municipal airports	No	No
Municipal planning	Yes	No
Municipal health services	No	No
Municipal public transport	No	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	No
Storm water management systems in built-up areas	Yes	No
Trading regulations	Yes	No
Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems	No	No
Beaches and amusement facilities	Yes	No
Billboards and the display of advertisements in public places	Yes	No
Cemeteries, funeral parlours, and crematoria	Ye	No
Cleansing	No	No
Control of public nuisances	Yes	No
Control of undertakings that sell liquor to the public	No	No
Facilities for the accommodation, care, and burial of animals	Yes	No
Fencing and fences	Yes	No

# APPENDICES

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Licensing of dogs	Yes	No
Licensing and control of undertakings that sell food to the public	Yes	No
Local amenities	Yes	No
Local sport facilities	Yes	No
Markets	Yes	No
Municipal abattoirs	No	No
Municipal parks and recreation	Yes	No
Municipal roads	Yes	No
Noise pollution	No	No
Pounds	Yes	No
Public places	Yes	No
Refuse removal, refuse dumps, and solid waste disposal	Yes	No
Street trading	Yes	No
Street lighting	Yes	No
Traffic and parking	Yes	No
		<i>TD</i>

# APPENDICES

## APPENDIX E – WARD REPORTING

Functionality of Ward Committees – 2022–2023					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
1	Cllr N. Bani Ward Comm. Members: 1	Yes	12	120	4
2	Cllr P. Gadeni Ward Comm. Members: 1	Yes	12	120	4
3	Cllr Z. Malusi Ward Comm. Members: 1	Yes	12	120	4
4	Cllr S. Twani Ward Comm. Members: 1	Yes	12	120	4
5	Cllr A. Yamile Ward Comm. Members: 1	Yes	12	120	4
6	Cllr Z. Cekiso Ward Comm. Members: 1	Yes	12	120	4
7	Cllr L. Ngamlana Ward Comm. Members: 1	Yes	12	120	4
8	Cllr M. Ngwane Ward Comm. Members: 1	Yes	12	120	4
9	Cllr M. Mrwetyana Ward Comm. Members: 1	Yes	12	120	4
10	Cllr S. Nondo Ward Comm. Members: 1	Yes	12	120	4
11	Cllr. Nkosinathi General Mqanqeni Ward Comm. Members: 1	Yes	12	120	4
12	Cllr N. Janda Ward Comm. Members: 1	Yes	12	120	4
13	Cllr N. Nkosi Ward Comm. Members: 1	Yes	12	120	4
14	Cllr M. Gulubele Ward Comm. Members: 1	Yes	12	120	4
15	Cllr M. Mfama Ward Comm. Members: 1	Yes	12	120	4
16	Cllr N. Mzizana Ward Comm. Members: 1	Yes	12	120	4
17	Cllr L. Mfana Ward Comm. Members: 1	Yes	12	120	4
18	Cllr N. Mpofo Ward Comm. Members: 1	Yes	12	120	4
19	Cllr N. Sindile Ward Comm. Members: 1	Yes	12	120	4
20	Cllr N.M. Ludaka Ward Comm. Members: 1	Yes	12	120	4
21	Cllr N.T. Mgqamqho Ward Comm. Members: 1	Yes	12	120	4

# APPENDICES

## Functionality of Ward Committees – 2022–2023

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
					<i>TE</i>

# APPENDICES

## APPENDIX F – WARD INFORMATION

ELECTED WARD MEMBERS (STATING NUMBER OF MEETING ATTENDED – MAXIMUM 12 MEETINGS)

Names: xxx (8); xxx (7)...

*TF.3*

# APPENDICES

## APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2022/23

### Municipal Audit Committee Recommendations

Date of Committee	Committee recommendations during Year 2022/23	Recommendations adopted (enter Yes) If not adopted (provide explanation)
13 December 2022	The Council was requested to note and accept the Audit Committee report for the period ending 30 October 2022, including both the financial and non-financial report.	Yes 1. Council to note and approve the report of the Audit Committee on the reviewed draft Annual Financial Statements and Annual Performance Report for the 2022 financial year.
25 May 2023	It was recommended that in the next financial year, the Internal Audit Unit should include the Cost of Employees review in the Internal Audit plan.	Yes, the audit was executed and concluded in the first quarter of 2023/24.
	It was recommended that Budget should be allocated for the municipal server room, given its high risk and poor condition.	Yes, the server room was implemented and completed by 25 September 2023.
	The department was advised to appoint a champion from the Infrastructure Department to collaborate with the PMS Unit during physical project verification.	Yes, physical project verification is done by both the PMS and infrastructure on a quarterly basis.
29 June 2023	Council was requested to note and approve the 3rd quarter reports of the Audit Committee, inclusive of its resolutions and recommendations covering both financial and non-financial reports.	Yes, it is hereby recommended that: Council note the Audit Committee Report for quarter 3 of the 2022/23 financial year.
27 July 2023	It was recommended to develop an Internal Audit Strategic plan that incorporates budget forecasts to address the unit's needs.	Yes, the three-year Strategic plan was prepared with the budget of the unit and approved by the Audit Committee in the first quarter of 2023/24.
29 July 2023	<p>Council was urged to note and approve the 4<sup>th</sup> quarter report of the Audit Committee with its resolutions and recommendations.</p> <p>b. Council was recommended to approve the Audit Committee Charter for 2023/24.</p>	<p>Yes, it is hereby recommended that: Council note and approve the Audit Committee report for quarter 4 of the 2022/23 financial year.</p> <p>Yes, it is hereby recommended that: Council note and approve the Audit Committee Charter for 2023/24</p>

# APPENDICES

# APPENDICES

## APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

N/A





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<b>Disclosures of Financial Interests</b>	
<b>Period 1 July to 30 June of Year 2022/23 (Current Year)</b>	
<b>Position</b>	<b>Description of Financial interests* (Nil / Or details)</b>
<b>Council</b>	

# Contents

## APPENDIX O – CAPITAL PROJECTS: SEVEN LARGEST

Ward Title: Ward Name (Number)						
Capital Projects: Seven Largest in Year 0 (Full List at Appendix O)						
No.	Project Name and detail	Ward	Start Date	End Date	Total Value	
1.	Bholokodlela-Ntshingeni Access Road	2	1 July 2022	30 July 2023	R11 493 108,00	
2.	Cenyu, Khalimasho- Komkhulu Access Road	3	1 July 2022	30 July 2023	R6 405 052,00	
3.	Halalane – Empikweni Access Road	12	1 July 2022	30 July 2023	R5 136 630,00	
4.	Qutsa-Mangobomvu Access Road	07	1 July 2022	30 July 2023	R4 802 252,00	
5.	Mkhwinti Access Road	10	1 July 2022	30 July 2023	R4 793 289,00	
6.	Mzomhle Access Road	08	1 July 2022	30 July 2023	R4 593 341,50	
7.	Bholitye-Nomfenazana Access Road	10	1 July 2022	30 July 2023	R4 383 657,00	
8.	Hangana-Ntwashini Access Road	20	1 July 2022	30 July 2023	R3 327 014,00	
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# APPENDICES

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COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

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# APPENDICES

## APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services	Municipality's focus is on roads, electricity, and public facilities. As per the Performance Report attached in this Annual Report, significant progress has been made.	Significant progress achieved. Refer to component K.
Output: Implementation of the Community Works Programme	During the 2022/23 financial year, the Municipality created 1 223 CWP jobs.	1 223 CWP jobs created
Output: Deepen democracy through a refined Ward Committee model	The Municipality is committed to deepening democracy with the implementation of various programmes. These include the implementation of the Mayor's Community Participation programme, and various stakeholder and community participation fora. Community-based programmes are implemented at ward level.	Significant progress achieved
Output: Administrative and financial capability	The municipal audit has shown improvement, moving from a Qualified Audit Opinion to an Unqualified Audit Opinion for the 2022/23 financial year. Previously, the opinions for the financial years 2018/19, 2019/20, 2020/21, and 2021/22 were all Qualified. The Municipality is now prioritising achieving a clean audit.	Unqualified Audit Opinion

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# VOLUME II

## VOLUME II: ANNUAL FINANCIAL STATEMENTS

Provide the Annual Financial Statements (AFS) to the respective financial year as submitted to the AG. The completed AFS will be Volume II of the Annual Report.



**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2023**

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**Annual Financial Statements for the year ended 30 June 2023**

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The reports and statements set out below comprise the Annual Financial Statements presented to the council:

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**Abbreviations used in the document**

COVID	Coronavirus disease
GRAP	General Recognised Accounting Practice
MIG	Municipal Infrastructure Grant
MFMA	Municipal Finance Management Act (Act 56 of 2003)
mSCOA	Municipal Standard Chart of Accounts
EPWP	Expanded Public Works Programme
FMG	Financial Management Grant
INEG	Integrated National Electrification Grant
IPSAS	International Public Sector Accounting Standards
MDRF	Municipal Disaster Relief Fund

## INTSIKA YETHU LOCAL MUNICIPALITY

### Annual Financial Statements for the year ended 30 June 2023

#### General Information

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##### Legal form of Entity

Intsika Yethu Municipality is a South African Category B Municipality (Local municipality) established under paragraph 151 of the constitution of the Republic of South Africa as defined by the Municipal Structures Act, 1998 (Act No. 117 of 1998).

The municipality's operations are governed by the:

- Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
- Municipal Systems Act of 2000; and
- Various other Acts and Regulations.

##### Nature of business and principal activities

The main business operations of the municipality is to engage in local governance activities, which includes planning and promotion of integrated development planning, land, economic and environmental development and supplying services to the community.

##### Executive Committee

###### Honorable Mayor

Khanyiswa Florence Mdeleleni

###### Speaker of the Council

Yanga Zicina

###### Chief Whip

Noloyiso Ntsaluba

##### Councillors

###### Portfolio Heads

Bongani Divilias Mpengesi - Corporate Services

Vuyokazi Gladys Matomela - LED

Myolisi Toni - Budget & Treasury

Azipheli Tshangana Nkota - Planning & Development

Nozuko Sygnoria Mafanya - Community Services

Melekile Skotana - Infrastructure

Mlokoti - Governance & Administration

##### Section 79 Committees

Nophelo Magaga - Women's Caucus Committee Chairperson

Lusanda Makade - MPAC Chairperson

Mthimkhulu S - Rules & Ethics Chairperson

Yamile M - Public Participation Chairperson

##### Ordinary

Ngwane M

Mini X

Magazi P

Bhomoyi X

Xoxo N

Danster V

Mcaleni N

Mdumata M

Gadeni NP

Malusi Z

Twani S

Nyandana N

Cekiso Z

Ngamlana L

Mrwetyana M

Ndondo S

Mnqanqeni NG

Jada N

Sonkosi N

Gulubela M

Mfamana M

N Mzizana

Mfana L

Mpofu N

Sindile N

Ludaka NM

Mgqamqho NT

**INTSIKA YETHU LOCAL MUNICIPALITY**

**Annual Financial Statements for the year ended 30 June 2023**

**General Information (Continued)**

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<b>Grading of Local Authority</b>	Grade 3
<b>Accounting Officer</b>	Mr Mthembu Mabono
<b>Chief Finance Officer (CFO)</b>	Ms Nondyebo Xashimba (Acting)
<b>Main Office</b>	ERF. 201 Main Street Cofimvaba 5380
<b>Satellite Office</b>	ERF. 72 Main Street Tsomo 5400
<b>Postal Address</b>	Private Bag X 1251 Cofimvaba 5380
<b>Telephone Number</b>	(047) 874 8700
<b>Facsimile Number</b>	(047) 874 0010
<b>Auditors</b>	Auditor-General of South Africa (Registered Auditors)
<b>Bankers Information</b>	First National Bank
<b>Attorneys Information</b>	Fezidinga Mavata

## INTSIKA YETHU LOCAL MUNICIPALITY

### Approval of Annual Financial Statements

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The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditor is engaged to express an independent opinion on the annual financial statements and is given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2024, in the light of this review and the current financial position, he is satisfied that the municipality has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the municipality's annual financial statements.

The annual financial statements set out on pages 7 to 80, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2023 and were signed by him:

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**Mr Mthembu Mabono**  
**Municipal Manager**

31-Aug-23  
**Date**

**INTSIKA YETHU LOCAL MUNICIPALITY**

**Annual Financial Statements for the year ended 30 June 2023**

**Report of the Auditor General**

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**These Financial Statements have not been audited**

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023**

	Note	Actual	
		2023	2022
		R	R
<b>REVENUE</b>			
<b>Revenue from Non-exchange Transactions</b>		<b>274 948 251</b>	<b>235 547 284</b>
Property Rates	18	13 596 233	10 945 943
Fines, Penalties and Forfeits	19	540 922	189 325
Licences and Permits	20	173 690	50 130
Transfers and Subsidies	21	256 944 375	222 065 879
Interest, Dividends and Rent on Land Earned	26	3 693 031	2 296 007
<b>Revenue from Exchange Transactions</b>		<b>13 158 357</b>	<b>10 054 786</b>
Licences and Permits	20	1 793 397	1 838 844
Service Charges	22	1 379 875	1 316 361
Sales of Goods and Rendering of Services	23	647 505	389 243
Income from Agency Services	24	890 164	1 033 931
Rental from Fixed Assets	25	1 335 244	1 304 533
Interest, Dividends and Rent on Land Earned	26	6 633 712	3 316 833
Operational Revenue	27	478 461	855 041
<b>Total Revenue</b>		<b>288 106 608</b>	<b>245 602 069</b>
<b>EXPENDITURE</b>			
		<b>280 550 667</b>	<b>249 133 749</b>
Employee Related Costs	29	137 897 335	133 835 555
Remuneration of Councillors	30	17 821 014	17 515 192
Depreciation and Amortisation	31	31 160 728	30 721 714
Impairment Losses	32	10 588 328	10 126 403
Interest, Dividends and Rent on Land	33	6 938	234 933
Construction Contracts Expenditure	34	8 240 459	886 997
Contracted Services	35	20 195 537	16 143 895
Inventory Consumed	36	2 802 933	2 442 780
Transfers and Subsidies Paid	37	3 795 992	3 015 002
Operational Costs	38	33 405 485	31 835 543
Losses on Other Operations	39	-	71 753
Loss on Disposal of Property, Plant and Equipment	40	14 635 918	2 303 983
<b>Total Expenditure</b>		<b>280 550 667</b>	<b>249 133 749</b>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		<b>7 555 941</b>	<b>(3 531 680)</b>
<b>Refer to Budget Statement for explanation of budget variances</b>			

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2023**

	Note	Actual	
		2023	2022
		R	R
<b>ASSETS</b>			
<b>Current Assets</b>		<b>121 775 918</b>	<b>120 204 429</b>
Inventories	2	53 137 849	53 210 714
Receivables from Exchange Transactions	3	2 239 280	2 049 807
Statutory Receivables from Non-exchange Transactions	4	5 329 915	3 778 250
Cash and Cash Equivalents	5	61 022 328	61 083 042
Operating Lease Receivables	6	46 546	82 617
<b>Non-Current Assets</b>		<b>579 966 793</b>	<b>580 242 475</b>
Property, Plant and Equipment	8	498 556 534	498 200 478
Investment Property	9	81 410 258	82 041 997
<b>Total Assets</b>		<b><u>701 742 710</u></b>	<b><u>700 446 904</u></b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>		<b>43 506 145</b>	<b>50 902 277</b>
Consumer Deposits	10	3 734 326	3 700 726
Provisions	11	2 344 507	2 365 193
Payables from Exchange Transactions	12	29 967 617	31 614 091
Payables from Non-exchange Transactions	13	1 773 516	254 468
Unspent Conditional Grants and Receipts	14	4 226 983	10 744 303
VAT Payable	15	1 459 196	2 223 497
<b>Non-Current Liabilities</b>		<b>18 031 844</b>	<b>16 895 847</b>
Employee Benefit Liabilities	16	15 404 000	14 405 000
Non-current Provisions	17	2 627 844	2 490 847
<b>Total Liabilities</b>		<b><u>61 537 989</u></b>	<b><u>67 798 124</u></b>
<b>Total Assets and Liabilities</b>		<b><u>640 204 721</u></b>	<b><u>632 648 780</u></b>
<b>NET ASSETS</b>		<b>640 204 720</b>	<b>632 648 780</b>
Accumulated Surplus / (Deficit)		640 204 720	632 648 780
<b>Total Net Assets</b>		<b><u>640 204 720</u></b>	<b><u>632 648 780</u></b>

# INTSIKA YETHU LOCAL MUNICIPALITY

## STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2023

	Accumulated Surplus/ (Deficit)	Total Net Assets
41.	R	R
<b>2022</b>		
Balance at 30 June 2021	682 717 362	682 717 362
Correction of Error (Note 41)	(46 536 902)	(46 536 902)
<b>Restated Balance</b>	<b>636 180 460</b>	<b>636 180 460</b>
Surplus / (Deficit) as per prior 2020/22 AFS	(21 926 089)	(21 926 089)
Correction of Error (Note 41)	18 394 409	18 394 409
<b>Balance at 30 June 2022</b>	<b>632 648 780</b>	<b>632 648 780</b>
<b>2023</b>		
Surplus / (Deficit) for the year	7 555 941	7 555 941
<b>Balance at 30 June 2023</b>	<b>640 204 721</b>	<b>640 204 721</b>

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023**

	2023	Actual 2022
	R	R
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
Cash received from customers	14 259 578	12 374 136
Cash received from Grants	250 427 055	228 504 114
Interest Received	5 336 310	2 229 452
VAT Received	-	1 766 254
<b>Payments</b>		
Cash paid to Employees and Suppliers	(223 791 455)	(203 352 898)
External Interest and Dividends Paid	(6 938)	(234 933)
VAT Paid	(764 301)	-
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u><u>45 460 249</u></u>	<u><u>41 286 125</u></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(45 740 963)	(43 206 916)
Proceeds on Disposal of Property, Plant and Equipment	220 000	786 204
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u><u>(45 520 963)</u></u>	<u><u>(42 420 712)</u></u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u><u>(60 714)</u></u>	<u><u>(1 134 586)</u></u>
Cash and Cash Equivalents at Beginning of Period	61 083 042	62 217 628
Cash and Cash Equivalents at End of Period	61 022 328	61 083 042

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2023**

30 June 2023

Description	Original Budget	Budget Adjustments	Adjustment Budget	Virement	Final Budget	Actual Outcome	Unauthorised Expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
	R	R	R	R	R	R	R	R	%	%
<b>FINANCIAL POSITION</b>										
<b>Current Assets</b>										
Inventories	38 645 105	(3 000 000)	35 645 105	-	35 645 105	53 137 849	-	17 492 744	49,07	137,50
Receivables from Exchange Transactions	5 000 000	-	5 000 000	-	5 000 000	2 239 280	-	(2 760 720)	(55,21)	44,79
Receivables from Non-exchange Transactions	14 101 000	-	14 101 000	-	14 101 000	5 329 915	-	(8 771 085)	(62,20)	37,80
VAT Receivable	1 739 709	969 444	2 709 153	-	2 709 153	-	-	(2 709 153)	0,00	0,00
Cash and Cash Equivalents	72 217 628	9 803 337	82 020 965	-	82 020 965	61 022 328	-	(20 998 637)	(25,60)	84,50
Operating Lease Receivables	3 000 000	-	3 000 000	-	3 000 000	46 546	-	(2 953 454)	(98,45)	1,55
<b>Non-Current Assets</b>										
Property, Plant and Equipment	592 592 099	4 889 697	597 481 796	-	597 481 796	498 556 534	-	(98 925 262)	(16,56)	84,13
Intangible Assets	500 000	(100 000)	400 000	-	400 000	-	-	(400 000)	0,00	0,00
Investment Property	82 240 000	-	82 240 000	-	82 240 000	81 410 258	-	(829 742)	(1,01)	98,99
<b>Total Assets</b>	<b>810 035 541</b>	<b>12 562 478</b>	<b>822 598 019</b>	<b>-</b>	<b>822 598 019</b>	<b>701 742 710</b>	<b>-</b>	<b>(120 855 309)</b>	<b>(14,69)</b>	<b>86,63</b>
<b>Current Liabilities</b>										
Consumer Deposits	5 601 000	(601 000)	5 000 000	-	5 000 000	3 734 326	-	(1 265 674)	(25,31)	66,67
Provisions	2 629 333	(72 333)	2 557 000	-	2 557 000	2 344 507	-	(212 493)	(8,31)	89,17
Payables from Exchange Transactions	25 427 799	-	25 427 799	3 400 000	25 427 799	29 967 617	-	4 539 818	17,85	117,85
Payables from Non-exchange Transactions	(5 000 000)	10 000 000	5 000 000	(3 400 000)	1 600 000	1 773 516	-	173 516	110,84	0,00
Unspent Conditional Grants and Receipts	4 306 000	-	4 306 000	-	4 306 000	4 226 983	-	(79 017)	98,16	98,16
VAT Payable	4 223 000	-	4 223 000	-	4 223 000	1 459 196	-	(2 763 804)	34,55	34,55
<b>Non-Current Liabilities</b>										
Employee Benefit Liabilities	13 933 000	-	13 933 000	-	13 933 000	15 404 000	-	1 471 000	10,56	110,56
Non-current Provisions	2 361 000	-	2 361 000	-	2 361 000	2 627 844	-	266 844	11,30	111,30
<b>Total Liabilities</b>	<b>53 481 132</b>	<b>9 326 667</b>	<b>62 807 799</b>	<b>-</b>	<b>59 407 799</b>	<b>61 537 989</b>	<b>-</b>	<b>2 130 190</b>	<b>3,59</b>	<b>115,06</b>
<b>Total Assets and Liabilities</b>	<b>756 554 409</b>	<b>3 235 811</b>	<b>759 790 220</b>	<b>-</b>	<b>763 190 220</b>	<b>640 204 720</b>	<b>-</b>	<b>(122 985 499)</b>	<b>(16,11)</b>	<b>84,62</b>
<b>Net Assets (Equity)</b>										
Reserves	-	5 584 448	5 584 448	-	5 584 448	-	-	(5 584 448)	(100,00)	0,00
Accumulated Surplus / (Deficit)	753 554 635	651 363	754 205 998	-	754 205 998	640 204 720	-	(114 001 278)	(15,12)	84,96
<b>Total Net Assets</b>	<b>753 554 635</b>	<b>6 235 811</b>	<b>759 790 446</b>	<b>-</b>	<b>759 790 446</b>	<b>640 204 720</b>	<b>-</b>	<b>(119 585 726)</b>	<b>(15,74)</b>	<b>84,96</b>

**Financial Position: Explanation of Variances between Approved Budget and Actual**

Reasons for Variances greater than 10% between Approved Budget and Actual Amount on the various items disclosed in the Statement of Financial Position are explained below:  
Inventories:

Increase is as a result of land parcels identified by Council for resale and transferred from IP to Inventory land.  
Receivables from Exchange Transactions:

Due to reduction in debt collection in the debtors book and its ageing of the debt this resulted to an increase in the impairment hence the decrease in the receivables balance  
Receivables from Non-exchange Transactions:

The variance is due to reduction in debt collection in the debtors book and its ageing of the debt this resulted to an increase in the impairment hence the decrease in the Cash and Cash Equivalents:

The variance is largely due to low collection from the municipal debtors as our debt collection dropped by more than half of our collection in the previous year.  
Investment Property:

The decrease is as a result of land parcels identified by Council for resale and transferred from IP to Inventory land.  
Consumer Deposits:

This was as a result of low payments received for sale of land than expected.  
Provisions:

The was due to a reduction in the number of employees and thus the drop in the provisions for employee benefits.  
Payables from Exchange Transactions:

Increased creditors accrual as major projects were paid after year end and increase in the number of leave days still due to employees.  
Unspent Conditional Grants and Receipts:

The variance is due to the fact that the municipality did not anticipate that will be having the unspent grant. Abeyance to procure by Treasury and termination of contract due to no performance had a negative impact on the spending.

VAT Payable:

The is largely due to input vat that was incorrectly claimed on supplies from non VAT vendors,  
Current Portion of Long-term Liabilities:

The variance is due to the budget amount being included under trade payables.  
Retirement Benefit Liabilities:

The increase is as a result increased staff who are provided for retirement benefit  
Non-current Provisions:

It was under-budgeted for Provision for Rehabilitation of Landfill Sites, which were restated during the current financial year.  
Accumulated Surplus / (Deficit):

Combination of reasons stated above

Description	Original Budget	Budget Adjustments	Adjustment Budget	Virement	Final Budget	Actual Outcome	Unauthorised Expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
<b>FINANCIAL PERFORMANCE</b>										
<b>Revenue from Non-exchange Transactions</b>										
Property Rates	R 11 128 000	2 135 000	13 263 000	-	13 263 000	13 596 233	-	333 233	102,51	122,18
Fines, Penalties and Forfeits	1 100 000	930 000	170 000	-	170 000	540 922	-	370 922	318,19	49,17
Licences and Permits	291 000	140 000	151 000	-	151 000	173 690	-	22 690	115,03	59,69
Transfers and Subsidies	253 036 000	7 033 000	260 069 000	-	260 069 000	256 944 375	-	3 124 625	98,80	101,54
Interest, Dividends and Rent on Land Earned	826 000	3 023 000	3 849 000	-	3 849 000	3 693 031	-	155 969	95,95	0,00
<b>Revenue from Exchange Transactions</b>										
Licences and Permits	2 000 000	-	2 000 000	-	2 000 000	1 793 397	-	206 603	89,67	89,67
Service Charges	2 088 000	-	2 088 000	-	2 088 000	1 379 875	-	708 125	66,09	0,00
Sales of Goods and Rendering of Services	1 000 000	-	1 000 000	-	1 000 000	647 505	-	352 495	64,75	64,75
Income from Agency Services	1 000 000	-	1 000 000	-	1 000 000	890 164	-	109 836	89,02	89,02
Rental from Fixed Assets	1 912 000	1 154 000	758 000	-	758 000	1 335 244	-	577 244	176,15	69,83
Interest, Dividends and Rent on Land Earned	5 032 000	1 000 000	4 032 000	-	4 032 000	6 633 712	-	2 601 712	164,53	131,83
Operational Revenue	18 737 000	3 877 000	14 860 000	-	14 860 000	478 461	-	14 381 539	3,22	2,55
Gains on Disposal of Property, Plant and Equipment	522 000	222 000	300 000	-	300 000	-	-	300 000	0,00	0,00
<b>Total Revenue</b>	<b>298 672 000</b>	<b>4 868 000</b>	<b>303 540 000</b>	<b>-</b>	<b>303 540 000</b>	<b>288 106 608</b>	<b>-</b>	<b>15 433 392</b>	<b>94,92</b>	<b>96,46</b>
<b>Expenditure</b>										
Employee Related Costs	141 374 000	5 318 000	136 056 000	-	136 056 000	137 897 335	1 841 335	1 841 335	101,35	97,54
Remuneration of Councilors	19 621 815	149 935	19 471 880	-	19 471 880	17 821 014	-	1 650 866	91,52	90,82
Depreciation and Amortisation	18 975 000	11 025 000	30 000 000	-	30 000 000	31 160 728	1 160 728	1 160 728	103,87	164,22
Impairment Losses	1 566 000	2 131 000	3 697 000	-	3 697 000	10 588 328	6 891 328	6 891 328	286,40	676,14
Interest, Dividends and Rent on Land	-	-	-	-	-	6 938	6 938	-	0,00	0,00
Contracted Services	19 975 000	548 000	20 523 000	-	20 523 000	20 195 537	-	327 463	98,40	101,10
Inventory Consumed	3 361 000	-	3 361 000	-	3 361 000	2 802 933	-	558 067	83,40	83,40
Transfers and Subsidies Paid	3 000 000	1 000 000	4 000 000	-	4 000 000	3 795 992	-	204 008	94,90	126,53
Operational Costs	32 263 000	2 410 000	34 673 000	-	34 673 000	33 405 485	-	1 267 515	96,34	103,54
Losses on Other Operations	-	-	-	-	-	-	-	-	0,00	0,00
Loss on Disposal of Property, Plant and Equipment	-	15 270 000	15 270 000	-	15 270 000	14 635 918	-	634 082	95,85	0,00
<b>Total Expenditure</b>	<b>240 135 815</b>	<b>26 916 065</b>	<b>267 051 880</b>	<b>0</b>	<b>267 051 880</b>	<b>272 310 209</b>	<b>9 900 329</b>	<b>5 251 390</b>	<b>101,97</b>	<b>113,40</b>
<b>Surplus/(Deficit) for the Year</b>	<b>58 536 185</b>	<b>(22 048 065)</b>	<b>36 488 120</b>	<b>(0)</b>	<b>36 488 120</b>	<b>15 796 399</b>	<b>(9 900 329)</b>	<b>20 684 782</b>	<b>43,29</b>	<b>26,99</b>

**Financial Performance: Explanation of Variances between Approved Budget and Actual**

Reasons for Variances greater than 10% between Approved Budget and Actual Amount on the various items disclosed in the Statement of Financial Performance are explained below:

Property Rates:

The variance is due to the implementation of the increase of tariff for the period under review and the fact the Eskom was previously renting property but now they are owning the properties.  
Fines, Penalties and Forfeits:

This is due to the increased number of traffic fines during the year.  
Licences and Permits:

This is due to a increase in the number of Hawkers & Trading Licenses.  
Interest, Dividends and Rent on Land Earned:

Due to non payment of debtors, resulting to a low collection rate thus the increase in interest.  
Service Charges:

Delays in the transfer of properties in the name of the municipality to beneficiaries which the municipality had projected that it would bill individuals  
Sales of Goods and Rendering of Services:

Due to non affordability as a result of consequences of Covid 19 / changing marketing demands / inflation resulting in communities are not developing their properties  
Rental from Fixed Assets:

The decrease is due in the decreased number of properties being leased out, e.g. Eskom has not bought the property they were leasing from the Municipality.  
Interest, Dividends and Rent on Land Earned:

The income from external investments was slightly less in the current year as the Municipality did not receive any additional funding for projects.  
Operational Revenue

Budgeted for cash back reserves which was initially non funding segment however a new SCOA Version required that its cash backed through investments & proceeds  
Employee Related Costs:

n/a

Remuneration of Councillors:

n/a

Depreciation and Amortisation:

The depreciation & amortisation on assets was higher than expected due to acquisition of new assets and change of useful lives. The municipality did a virement to address that.  
Impairment Loss

Assessment of roads was conducted in the year under review and the outcome was the bad condition of roads which needed to be impaired and this resulted to unauthorised expenditure  
Inventory Consumed:

The increase was due to the fact the Municipality procured two backup generators and the increase in diesel prices.

Transfer & Subsidies

Indigent verification conducted resulted to an increase in the number of beneficiaries

Loss on Disposal of Property, Plant and Equipment

Write off of roads previously in the AR but did not belong to IYM & write off of duplicated roads in the AR

30 June 2023

Description	Original Budget	Budget Adjustments	Adjustment Budget	Virement	Final Budget	Actual Outcome	Unauthorised Expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
<b>CASH FLOW</b>	R	R	R	R	R	R	R	R	%	%
<b>Cash Flows from/(used in) Operating Activities</b>										
Property Rates	6 379 000	2 963 000	9 342 000	-	9 342 000	14 259 578	-	4 917 578	152,64	223,54
Transfers and Subsidies	251 779 000	6 554 482	258 333 482	-	258 333 482	250 427 055	-	(7 906 427)	96,94	99,46
Service Charges	1 357 000	-	1 357 000	-	1 357 000	-	-	(1 357 000)	0,00	0,00
External Interest and Dividends Received	-	5 032 000	5 032 000	-	5 032 000	5 336 310	-	304 310	106,05	0,00
Other Receipts	34 231 000	(6 805 000)	27 426 000	-	27 426 000	-	-	(27 426 000)	0,00	0,00
VAT Receivable / Payable	-	-	-	-	-	-	-	-	0,00	0,00
Employee Related Costs	(141 374 000)	5 318 000	(136 056 000)	-	(136 056 000)	(223 791 455)	-	(87 735 455)	0,00	0,00
Remuneration of Councilors	(19 472 000)	-	(19 472 000)	-	(19 472 000)	-	-	19 472 000	0,00	0,00
External Interest and Dividends Paid	-	-	-	-	-	-	-	-	0,00	0,00
Suppliers Paid	(18 915 000)	(8 906 000)	(27 821 000)	-	(27 821 000)	(6 938)	-	(6 938)	0,00	0,00
Other Payments	(32 263 000)	(2 410 000)	(34 673 000)	-	(34 673 000)	-	-	27 821 000	0,00	0,00
VAT Receivable / Payable	(500 000)	-	(500 000)	-	(500 000)	(764 301)	-	(264 301)	0,00	0,00
<b>Cash Flows from/(used in) Investing Activities</b>										
Purchase of Property, Plant and Equipment	(67 422 000)	2 055 000	(65 367 000)	-	(65 367 000)	(45 740 963)	-	19 626 037	0,00	0,00
Proceeds on Disposal of Property, Plant and Equipment	10 000 000	-	10 000 000	-	10 000 000	220 000	-	(9 780 000)	2,20	2,20
<b>Cash and Cash Equivalents at End of the Year</b>	<b>23 800 000</b>	<b>3 801 482</b>	<b>27 601 482</b>	<b>-</b>	<b>27 601 482</b>	<b>(60 714)</b>	<b>-</b>	<b>(27 662 196)</b>	<b>0,00</b>	<b>0,00</b>

## INTSIKA YETHU LOCAL MUNICIPALITY

### ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

#### 1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

The Statement of Financial Performance has been prepared using the Nature of Expense Method. The Cash Flow Statement has been prepared using the Direct Method.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below:

- GRAP 1 -Presentation of Financial Statement
- GRAP 2 - Cash Flow Statement
- GRAP 3 -Accounting Policies, Change in Accounting Estimates and Errors
- GRAP 4 - The Effect of Changes in Foreign Exchange Rates
- GRAP 5 - Borrowing Cost
- GRAP 9 - Revenue from Exchange Transaction
- GRAP 10 - Financial Reporting in Hyper inflationary Economies
- GRAP 11 - Construction Contracts
- GRAP 12 - Inventories
- GRAP 13 - Leases
- GRAP 14 - Events after the Reporting Date
- GRAP 16 - Investment Property
- GRAP 17 - Property, Plant and Equipment
- GRAP 18 - Segmental Reporting
- GRAP 19 - Provisions, Contingent Liabilities and Contingent Assets
- GRAP 20 - Related Party Disclosures
- GRAP 21 - Impairment of Non-cash-generating Assets
- GRAP 23 -Revenue from Non-exchange Transaction
- GRAP 24 - Presentation of Budget Information in Financial Statements
- GRAP 25 - Employee Benefits
- GRAP 26 - Impairment of Cash-generating Assets
- GRAP 27 - Agriculture
- GRAP 31 - Intangible Assets
- GRAP 32 - Service Concession Arrangement Grantor
- GRAP 34 - Separate Financial Statements
- GRAP 35 - Consolidated Financial Statements
- GRAP 36 - Investments in Associates and Joint Ventures
- GRAP 37 - Joint Arrangements
- GRAP 38 - Disclosure of Interests in Other Entities
- GRAP 100 -Discontinued Operations
- GRAP 103 -Heritage Assets
- GRAP 104 -Financial Instrument
- GRAP 105 -Transfer of Function between Entities under Common Control
- GRAP 106 -Transfer of Function between Entities Not Under Common Control
- GRAP 107 - Mergers
- GRAP 108 - Statutory Receivables
- GRAP 109 - Accounting by Principals and Agents
- GRAP 110 - Living and Non-living Resources

## INTSIKA YETHU LOCAL MUNICIPALITY

### ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

**Interpretations:**

- IGRAP 1 - Applying the probability test in initial recognition of exchange revenue
- IGRAP 2 - Change in existing decommissioning, restoration and similar liabilities
- IGRAP 3 - Determining whether an arrangement contains a lease
- IGRAP 4 - Rights to interest arising from decommissioning, restoration and environmental rehabilitation funds
- IGRAP 5 - Apply the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies
- IGRAP 6 - Loyalty Programmes
- IGRAP 7 - The limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction
- IGRAP 8 - Agreement for the construction of assets from exchange transactions
- IGRAP 9 - Distributions of Non-cash Assets to Owners
- IGRAP 10 - Assets received from customers
- IGRAP 13 - Operating leases - incentive
- IGRAP 14 - Evaluating the substance of transactions involving the legal form of a lease
- IGRAP 15 - Revenue- Barter Transactions Involving Advertising Services
- IGRAP 16 - Intangible assets - Website costs (effective 1 April 2013)
- IGRAP 17 - Service Concession Arrangements Where a Grantor Controls a Significant Residual Interest in an Asset
- IGRAP 18 - Recognition and Derecognition of Land
- IGRAP 19 - Liabilities to Pay Levies
- IGRAP 20 - Accounting for Adjustments to Revenue

**1.1 Standards, Amendments to Standards and Interpretations published but not yet Effective**

The following GRAP Standards and Interpretations have been published but are not yet effective and have not been early adopted by the municipality - additionally, these standards and interpretations are not always relevant to the entities' operations and are indicated as such below:

Standard of GRAP / Nature of Impending Changes / Expected Impact		Effective Date	Planned Date for Application by Municipality
• GRAP 1	<b>Presentation of Financial Statements (Amended)</b> Unlikely that there will be a material impact	01-04-2023	30/06/2024
• GRAP 25	<b>Employee Benefits (Revised)</b> Unlikely that there will be a material impact	01-04-2024	30/06/2025
• GRAP 103	<b>Heritage Assets</b> Unlikely that there will be a material impact	Not yet determined	Not yet determined
• GRAP 104	<b>Financial Instruments (Revised)</b> Unlikely that there will be a material impact	01-04-2025	30/06/2026
• General GRAP	<b>Improvement to the Standards of GRAP (2021)</b> Unlikely that there will be a material impact	01-04-2023	30/06/2024
• IGRAP 21	<b>The Effect of Past Decisions on Materiality</b> Unlikely that there will be a material impact	01-04-2023	30/06/2024
• Guideline	<b>Accounting for Landfill Sites</b> Unlikely that there will be a material impact	Not yet determined	Not yet determined
• Guideline	<b>The Application of Materiality to Financial Statements</b> Unlikely that there will be a material impact and guide will not have mandatory status	Not yet determined	Not yet determined

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**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**1.2 Presentation Currency**

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality. The municipality has rounded off to the nearest Rand

**2. GOING CONCERN ASSUMPTION**

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

**3. SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

In application municipality's Accounting Policies and the preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information, historical experience and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that management have made in the process of applying the municipality's Accounting Policies while preparing the annual financial statements and that have the most significant effect on the amounts recognised in Annual Financial Statements:

**Revenue recognition**

In making their judgement, the management considered the detailed criteria for the recognition of revenue as set out in GRAP 9 (Revenue from Exchange Transactions) and GRAP 23 (Revenue from Non-exchange Transactions). As far as Revenue from Non-exchange Transactions is concerned (see Basis of Preparation above), and, in particular, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services is rendered, whether the service has been rendered. Also of importance is the estimation process involved in initially measuring revenue at the fair value thereof. Management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

**Trade and other receivables**

The municipality assesses its trade and other receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the management makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade and other receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

**Fair value estimation**

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

## INTSIKA YETHU LOCAL MUNICIPALITY

### ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

#### Depreciation and amortisation

Depreciation and amortisation recognised on property, plant and equipment and intangible assets are determined with reference to the useful lives and residual values of the underlying items. The useful lives and residual values of the assets are based on management's estimation of the asset's condition, expected condition at the end of the period of use, its current use, expected future use and the entity's expectations about the availability of finance to replace the asset at the end of its useful life. In evaluating how the condition and use of the asset informs the useful life and residual value, management considers the impact of technology and minimum service requirements of the assets.

#### Impairment of non-cash-generating asset

Significant estimates and judgements are made relating to impairment testing of Property, Plant and Equipment, impairment testing of Intangible Assets and write-down of Inventories to the lowest of Cost and Net Realisable Value or Current Replacement Cost. In making the estimates and judgement, management considers the subsequent measurement criteria and indicators of potential impairment losses. In particular, the calculation of the recoverable service amount for PPE and Intangible Assets and the Net Realisable Value for Inventories involves significant judgment by management.

#### Defined benefit plan liabilities

The municipality obtains actuarial valuations of its Defined Benefit Plan Liabilities. The defined benefit obligations of the municipality that were identified are Post-retirement Health Benefit Obligations and Long-service Awards. The estimated liabilities are recorded in accordance with the requirements of GRAP 25. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in the relevant Notes to the Annual Financial Statements.

#### Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 10 - Provisions.

#### Effective interest rate

The municipality used the prime interest rate to discount future cash flows.

#### 4. INVESTMENT PROPERTY

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

#### Cost model

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value by equal installments over the useful life of the property, which is as follows:

Item	Useful life
Property - land	Indefinite
Property - buildings	30 - 50 years

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

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### ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

The municipality does not have separate records of repairs and maintenance on investment property. The combined repairs and maintenance expenditure on property plant and equipment and investment property is included in note 7.6.

#### 5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is initially measured at cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up. When significant components of items of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item		Average useful life
Landfill sites		
Buildings	Straight line	25 - 30 years
- Mobile offices	Straight line	
- Other		10 - 20 years
Computer equipment	Straight line	30 - 50 years
Plant and machinery	Straight line	5 - 15 years
Furniture and office equipment	Straight line	5 - 25 years
Motor vehicles	Straight line	7 - 20 years
Infrastructure assets	Straight line	10 - 15 years
- Roads and paving		5 - 135 years
Community assets	Straight line	
- Halls		15 - 50 years
- Libraries		15 - 30 years
Parks and recreation	Straight line	15 - 70 years
Wastewater network	Straight line	10 - 30 years
Electricity	Straight line	20 - 30 years
Land	Not depreciated	Indefinite

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (See note 7.5 ).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (See note 7).

## INTSIKA YETHU LOCAL MUNICIPALITY

### ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

#### 6. SITE RESTORATION AND DISMANTLING COST

The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which a municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

(a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;

(b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and

(c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of non-cash-generating assets.

#### 7. FINANCIAL INSTRUMENTS

##### Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from exchange transactions	Financial asset measured at amortised cost
Receivables from non - exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at fair value

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Other financial liabilities	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost
Unspent conditional grants	Financial liability measured at amortised cost
Bank overdraft	Financial liability measured at fair value

##### Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

##### Subsequent measurement of financial assets and financial liabilities

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**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost. Financial instruments at cost.
- All financial assets measured at amortised cost, or cost, are subject to an impairment review.
- All financial assets are recognised using a trade date accounting

**Impairment and uncollectibility of financial assets**

The entity assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

**Financial assets measured at amortised cost:**

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

**8. INVENTORIES**

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories sold are valued at the lower of cost and net realisable value (net amount that the municipality expects to realise from the sale on Inventory in the ordinary course of business).

Consumable stores distributed at no charge or for a nominal charge and finished goods are valued at the lower of cost and current replacement cost (the cost the municipality would incur to acquire the asset on the reporting date).

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

**Other Arrangements**

Redundant and slow-moving Inventories identified are written down from cost to current replacement cost, if applicable.

Inventories identified to be sold by public auction are written down from cost to net realisable value with regard to their estimated economic or realisable values. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

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Differences arising on the measurement of such Inventory at the lower of cost and current replacement cost or net realisable value, are recognised in Surplus or Deficit in the year in which they arise. The amount of any reversal of any write-down of Inventories arising from an increase in current replacement cost or net realisable value is recognised as a reduction in the amount of Inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of Inventories is recognised as an expense in the period that the Inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

## **9. IMPAIRMENT OF NON-CASH-GENERATING ASSETS**

### **Identification**

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also test a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

### **Value in use**

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the depreciated replacement cost approach.

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

### **Recognition and measurement**

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating assets revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

**Reversal of an impairment loss**

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating assets revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

**10. EMPLOYEE BENEFITS**

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

**Short-term employee benefits**

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

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The entity recognise the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

**Termination benefits**

The entity recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

terminate the employment of an employee or group of employees before the normal retirement date; or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The entity is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes:

- the location, function, and approximate number of employees whose services are to be terminated; the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than 12 months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

**Post-employment benefits**

The municipality provides retirement benefits for its employees and councillors, and has both defined benefit and defined contribution post-employment plans.

- **Defined Contribution Plans:**  
The municipality's contributions to the defined contribution funds are established in terms of the rules governing those plans. Contributions are recognised in Surplus or Deficit in the period in which the service is rendered by the relevant employees. The municipality has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.
- **Defined Benefit Plans:**

**Benefits**

The municipality has an obligation to provide Post-retirement Health Care Benefits to certain of its retirees. According to the rules of the Medical Aid Funds with which the municipality is associated, a member (who is on the current Conditions of Service), on retirement, is entitled to remain a continued member of the Medical Aid Fund, in which case the municipality is liable for a certain portion of the medical aid membership fee. Not all Medical Aid Funds with which the municipality is associated, provide for continued membership.

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The defined benefit liability is the aggregate of the present value of the defined benefit obligation and unrecognised actuarial gains and losses, reduced by unrecognised past service costs. The plan is unfunded. The present value of the defined benefit obligation is calculated using the Projected Unit Credit Method, incorporating actuarial assumptions and a discount rate based on the government bond rate. Valuations of these obligations are carried out annually by independent qualified actuaries.

Actuarial gains or losses are recognised immediately in Surplus or Deficit.

Past-service costs are recognised immediately in Surplus or Deficit.

**Long-service Allowance**

The municipality has an obligation to provide Long-service Allowance Benefits to all of its employees. According to the rules of the Long-service Allowance Scheme, which the municipality instituted and operates, an employee (who is on the current Conditions of Service), is entitled to a cash allowance, calculated in terms of the rules of the scheme, after 10, 15, 20, 25 and 30 years of continued service. The municipality's liability is based on an actuarial valuation. The Projected Unit Credit Method is used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through Surplus or Deficit.

**Provincially-administered Defined Benefit Plans**

The municipality contributes to various National- and Provincial-administered Defined Benefit Plans on behalf of its qualifying employees. These funds are multi-employer funds. The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. These defined benefit funds are actuarially valued triennially on the Projected Unit Credit Method basis. Deficits are recovered through lump sum payments or increased future contributions on a proportional basis from all participating municipalities.

**Defined Benefit Pension Plans**

The municipality has an obligation to provide Post-retirement Pension Benefits to certain of its retirees. Pension contributions in respect of employees who were not members of a pension fund are recognised as an expense when incurred. Staff provident funds are maintained to accommodate personnel who, due to age, cannot join or be part of the various pension funds. The municipality contributes monthly to the funds.

The liability recognised in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the Projected Unit Credit Method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains or losses are recognised immediately in Surplus or Deficit.

Past-service costs are recognised immediately in Surplus or Deficit.

**11. PROVISIONS AND CONTINGENCIES**

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

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The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 46.

**Decommissioning, restoration and similar liability**

Changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in the discount rate, is accounted for as follows:

If the related asset is measured using the cost model:

- changes in the liability are added to, or deducted from, the cost of the related asset in the current period.
- the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit.
- if the adjustment results in an addition to the cost of an asset, the entity considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the entity tests the asset for impairment by estimating its recoverable amount or recoverable service amount, and accounting for any impairment loss, in accordance with the accounting policy on impairment.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability is recognised in surplus or deficit as they occur.

The periodic unwinding of the discount is recognised in surplus or deficit as a finance cost as it occurs.

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**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**12. REVENUE FROM EXCHANGE TRANSACTIONS**

**Sale of goods**

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

**Finance income**

Interest is recognised, in surplus or deficit, using the effective interest rate method.

**Tariff charges, licences and permits**

Revenue arising from the application of approved tariffs is recognised when the service is rendered by applying the relevant authorised tariff. This includes licences and permits.

**Rentals**

Revenue from rental of facilities and equipment classified as operating leases is recognised over the term of the lease agreement, where such terms spans over more than one year a straight line basis is used.

**Revenue from Agency Services**

Revenue for agency services is recognised on a monthly basis once the revenue collected on behalf of agents has been quantified. The revenue recognised is in terms of the agency agreement.

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**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**13. REVENUE FROM STATUTORY NON-EXCHANGE TRANSACTIONS**

**Measurement**

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

**Debt forgiveness and assumption of liabilities**

The municipality recognise revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

**Rates and Taxes**

Revenue from property rates is recognised when the legal entitlement to this revenue arises.

Collection charges are recognised when such amounts are legally enforceable.

Penalty interest on unpaid rates is recognised on a Time-proportionate Basis with reference to the principal amount receivable and effective interest rate applicable.

A composite rating system charging different rate tariffs is employed.

Rebates are granted to certain categories of ratepayers and are deducted from revenue.

**Fines**

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

**Government grants**

Income received from conditional grants, donations and funding recognised as revenue in the statement of financial performance to the extent that the municipality has complied with all the criterias or conditions attached to the funding. Where the conditions or criterias are not fully met, a liability is recognised in the statement of financial position.

Government grants that are received as compensation for expenses or losses incurred or for the purpose of giving immediate financial support with no future related conditions to be fulfilled are recognised in the statement of financial performance in the year in which they have been received.

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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Interest earned from investment of grant money is treated in accordance with the grant conditions. If it is payable to the funder it is recognised as a liability in the statement of financial position. If the interest is not payable to the funder it will be recognised as interest income or other income in the statement of financial performance of the period to which it was earned.

Government grants are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the amount of revenue can be measured reliably; and
- to the extent that the conditions have been discharged and there has been compliance with any restrictions associated with the grant.

#### **14. INVESTMENT INCOME**

Investment income is recognised on a time-proportion basis using the effective interest method.

#### **15. BORROWING COSTS**

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

#### **16. DISCONTINUED OPERATIONS**

Discontinued operations is a component with separate operations and cash flows that can be clearly distinguishable, operationally and for financial reporting purposes, that has been disposed of and represents a distinguishable activity, group of activities or geographical area of operations, or is a controlled entity acquired exclusively with the view to resale.

Discontinued operations are shown separately from continued operations on the face of the statement of financial performance.

Comparative figures are also reflected accordingly.

#### **17. COMPARATIVE FIGURES**

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. The nature and reason for the reclassification are disclosed in the comparative figure note to the financial statements.

#### **18. UNAUTHORISED EXPENDITURE**

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.
- expenditure not in accordance with the purpose of the conditional grant.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

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**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**19. FRUITLESS AND WASTEFUL EXPENDITURE**

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

**20. IRREGULAR EXPENDITURE**

Irregular expenditure is expenditure that is contrary to the MFMA, the Municipal Systems Act, 2000 (Act No.32 of 2000), and the Public Office Bearers Act, 1998 (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

**21. EVENTS AFTER REPORTING PERIOD**

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. Non-adjusting events have been disclosed in the notes to the financial statements.

**22. OFFSETTING**

Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted by a standard of GRAP.

**23. COMMITMENTS**

Items are classified as commitments when the Municipality has committed itself to future transactions that will normally result in an outflow of resources, embodying economic benefits or service potential. A commitment is disclosed to the extent that it has not already been recognised anywhere else in the financial statements.

At the end of each financial reporting period the Municipality determines commitments in respect of capital expenditure that has been approved and contracted for which is then disclosed in the commitment note to the financial statements.

**24. BUDGET INFORMATION**

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2022/07/01 to 2023/06/30.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

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Deviations between budget and actual amounts are regarded as material differences when a 10% deviation exists. All material differences are explained in the relevant Notes to the Annual Financial Statements.

Comparative information is not required.

**25. RELATED PARTIES**

The municipality operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

**26. VALUE ADDED TAX (VAT)**

Revenue, expenses and assets are recognised net of VAT. The net amount of VAT recoverable from, or payable to SARS is included as part of receivables or payables in the statement of financial position. The municipality accounts for Value Added Tax on the Payments Basis in accordance with section 15(2)(a) of the Value-Added Tax Act (Act No 89 of 1991).

**27. CHANGES IN ACCOUNTING POLICY, ESTIMATES AND ERRORS**

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with GRAP 3 - Accounting policies, changes in accounting estimates and errors, requirements except to the extent that it is impracticable to determine the period- specific effects or the accumulated effect of the change in policy. In such cases the municipality shall restate the opening balances of the assets and liabilities and net assets for the earliest period for which a retrospective restatement is practicable. Details of the change in accounting policy are disclosed in the notes to the financial statements where applicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of change in estimates are disclosed in the notes to the annual financial statements where applicable.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 except to the extent it is impracticable to determine the period specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of the assets and liabilities and net assets for the earliest period for which retrospective treatment is practicable. Details of the prior errors are disclosed in the notes to the financial statements where applicable.

With the adoption of mSCOA the municipality reclassified certain balances in order to comply with the instruction notes issued. The result of the reclassification is set out below and in the relevant Notes to the Annual Financial Statements.

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**28. SEGMENT REPORTING**

The mandate of the municipality is to provide basic services to the community over which it governs. In order to properly execute its mandate and achieve its strategic goals, internal management reporting is based on each service objective and also considered separately for each of the towns within the municipal jurisdiction. The components described below have been identified as individually significant segments for purposes of reporting in terms of GRAP 18 (Segment Reporting).

The following services are considered significant to the municipality and is accordingly managed separately:

- Community and Social Services
- Public Safety.
- Health
- Planning and Development.
- Road Transport
- Energy Sources.
- Waste Management
- Finance and Administration

All other sources of income and expenditure is aggregated through means of the administrative function as these services are not significant to the other services of the municipality as a whole.

The municipality only operates in a single geographical location and accordingly does not report separately on each location within its jurisdiction.

Intersegmental transfers are per the municipality's approved tariff policy. The reconciliation clearly describes the effects of all internal transfers between segments.

The accounting policies for segmental reporting in the management accounts are aligned to the requirements of GRAP as described in these accounting policies.

No changes from were made from prior periods measurement methods used to determine reported segment surplus or deficit.

**29. LEASES**

***29.1 The Municipality as Lessee***

**29.1.1 Finance Leases**

Property, plant and equipment or intangible assets subject to finance lease agreements are capitalised at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Corresponding liabilities are recognised at equal amounts. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments to the fair value of the asset, plus any direct costs incurred.

## INTSIKA YETHU LOCAL MUNICIPALITY

### ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant and equipment or intangible assets. The lease liability is reduced by the lease payments, which are allocated between the finance cost and the capital repayment using the Effective Interest Rate Method. Finance costs are expensed when incurred. The accounting policies relating to derecognition of financial instruments are applied to lease payables. The lease asset is depreciated over the shorter of the asset's useful life or the lease term.

#### **29.1.2 Operating Leases**

The municipality recognises operating lease rentals as an expense in Surplus or Deficit on a Straight-line Basis over the term of the relevant lease. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. Any lease incentives are included as part of the net consideration agreed.

#### **29.2 The Municipality as Lessor**

Amounts due from lessees under Finance Leases or instalment sale agreements are recorded as receivables at the amount of the municipality's net investment in the leases. Finance lease or instalment sale revenue is allocated to accounting periods so as to reflect a constant periodic rate of return on the municipality's net investment outstanding in respect of the leases or instalment sale agreements.

Rental revenue from Operating Leases is recognised on a Straight-line Basis over the term of the relevant lease.

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	R	R
<b>1. GENERAL INFORMATION</b>		
<p>Intsika Yethu Local Municipality is a local government institution in Cofimvaba, Eastern Cape Province, and is one of the local municipalities under the jurisdiction of the Chris Hani District Municipality. The addresses of its registered office and principal place of business are disclosed under "General Information" included in the Annual Financial Statements and in the introduction of the Annual Report. The principal activities of the municipality are disclosed in the Annual Report and are prescribed by the Municipal Finance Management Act (MFMA).</p>		
<b>2. INVENTORIES</b>		
Land		
Materials and Supplies	52 943 356	52 943 356
	194 493	267 358
<b>Total Inventories</b>	<b>53 137 849</b>	<b>53 210 714</b>

Land Inventory relates to properties for sale. No Inventories have been pledged as collateral for Liabilities of the municipality.

The Municipality received, as a donation, ERF 181 which is known as Joe Slovo in Cofimvaba, from Department of Rural Development (forestry) which is disclosed as part of Inventory Land. The property is yet to be transferred into the Municipalities name by the Deeds office. No Inventories have been pledged as collateral for Liabilities of the municipality.

**3. RECEIVABLES FROM EXCHANGE TRANSACTIONS**

	Gross Balances R	Provision for Impairment R	Net Balances R
<b>As at 30 June 2023</b>			
Service Debtors:			
Refuse	9 779 484	9 184 048	595 436
Other Receivables	9 719 060	9 184 048	535 012
Property Rental Debtors	4 650 902	4 134 345	516 558
Failed Payments Received	4 483 104	4 134 345	348 760
Prepayments and Advances	167 798	-	167 798
Insurance	709 678	-	709 678
Sundry Debtors	709 678	-	709 678
	417 609	-	417 609
<b>Total Receivables from Exchange Transactions</b>	<b>15 557 673</b>	<b>13 318 393</b>	<b>2 239 280</b>
<b>As at 30 June 2022</b>			
Service Debtors:			
Refuse	9 331 573	8 405 303	926 270
Other Receivables	9 331 573	8 405 303	926 271
Property Rental Debtors	3 564 271	2 858 343	705 928
Sundry Debtors	3 567 525	2 858 343	709 183
	417 609	-	417 609
<b>Total Receivables from Exchange Transactions</b>	<b>13 313 452</b>	<b>11 263 645</b>	<b>2 049 807</b>

**Credit Quality of Receivables from Exchange Transactions**

The credit quality of receivables from exchange transactions that are neither past nor due nor impaired can be assessed for indicators of impairment. The municipality considers that the above financial assets that are not impaired at each of the reporting dates under review are of good credit quality. The municipality continuously monitors consumers and identified groups by reference to annual payment rates and incorporates this information into its credit risk credit control. No external credit rating is performed. Consumer receivables from service charges are billed monthly. Interest is charged on 60 day + overdue receivables from exchange transactions at a rate of 16.5% per annum.

The municipality enforces its approved credit control policy to ensure the recovery of receivables. None of the financial assets that are fully performing have been renegotiated in the last year.

The municipality did not pledge any of its Receivables as security for borrowing purposes.

More notes on credit risk and quality of receivables are disclosed in Note 46.7.

The management of the municipality is of the opinion that the carrying value of Receivables approximate their fair values.

The fair value of Receivables was determined after considering the standard terms and conditions of agreements entered into between the municipality and Receivables as well as the current payment ratios of the municipality's Receivables.

### 3.1 Ageing of Receivables from Exchange Transactions

As at 30 June 2023

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
<b>Refuse:</b>					
Gross Balances	195 380	197 434	182 154	9 144 092	9 719 060
Less: Provision for Impairment	142 685	151 619	144 647	8 745 096	9 184 048
<b>Net Balances</b>	<b>52 695</b>	<b>45 815</b>	<b>37 507</b>	<b>398 996</b>	<b>535 012</b>
<b>Other Receivables:</b>					
Gross Balances	103 097	101 751	93 745	4 352 309	4 650 902
Less: Provision for Impairment	59 988	53 091	54 676	3 966 590	4 134 345
<b>Net Balances</b>	<b>43 109</b>	<b>48 660</b>	<b>39 069</b>	<b>385 719</b>	<b>516 558</b>
<b>Prepayments and Advances:</b>					
Insurance	709 678	-	-	-	709 678
<b>Net Balances</b>	<b>709 678</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>709 678</b>
<b>Sundry Debtors:</b>					
Other Debtors	417 609	-	-	-	417 609
<b>Net Balances</b>	<b>417 609</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>417 609</b>

As at 30 June Receivables of R955 766 were past due but not impaired. The age analysis of these Receivables are as follows:

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
<b>All Receivables:</b>					
Gross Balances	1 486 188	299 185	275 899	13 496 401	15 557 673
Less: Provision for Impairment	202 673	204 710	199 323	12 711 686	13 318 393
<b>Net Balances</b>	<b>1 283 514</b>	<b>94 475</b>	<b>76 576</b>	<b>784 715</b>	<b>2 239 280</b>

As at 30 June 2022

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
<b>Refuse:</b>					
Gross Balances	161 904	179 834	171 310	8 818 525	9 331 573
Less: Provision for Impairment	126 287	126 485	125 550	8 026 981	8 405 303
<b>Net Balances</b>	<b>35 617</b>	<b>53 349</b>	<b>45 760</b>	<b>791 545</b>	<b>926 271</b>
<b>Other Receivables:</b>					
Gross Balances	(221 170)	110 318	102 669	3 572 454	3 564 271
Less: Provision for Impairment	(24 981)	77 756	73 018	2 732 550	2 858 343
<b>Net Balances</b>	<b>(196 189)</b>	<b>32 562</b>	<b>29 651</b>	<b>839 904</b>	<b>705 928</b>
<b>Sundry Debtors:</b>					
Other debtors:	417 609	-	-	-	417 609
<b>Net Balances</b>	<b>417 609</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>417 609</b>

As at 30 June Receivables of R1 792 771 were past due but not impaired. The age analysis of these Receivables are as follows:

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
<b>All Receivables:</b>					
Gross Balances	358 343	290 152	273 979	12 390 979	13 313 452
Less: Provision for Impairment	101 306	204 241	198 568	10 759 530	11 263 645
<b>Net Balances</b>	<b>257 037</b>	<b>85 911</b>	<b>75 411</b>	<b>1 631 449</b>	<b>2 049 807</b>

### 3.2 Reconciliation of the Provision for Impairment

	2023 R	2022 R
Balance at beginning of year	11 263 645	8 313 675
	2 054 747	2 949 970
<b>Balance at end of year</b>	<b>13 318 393</b>	<b>11 263 645</b>

#### 4. STATUTORY RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

	Gross Balances R	Provision for Impairment R	Net Balances R
<b>As at 30 June 2023</b>			
Property Rates	36 350 656	32 257 559	4 093 097
Fines	2 473 637	1 236 819	1 236 818
<b>Total Statutory Receivables from Non-exchange Transactions</b>	<b>38 824 293</b>	<b>33 494 377</b>	<b>5 329 915</b>
<b>As at 30 June 2022</b>			
Property Rates	26 722 861	23 952 704	2 770 157
Fines	2 016 187	1 008 094	1 008 093
<b>Total Statutory Receivables from Non-exchange Transactions</b>	<b>28 739 048</b>	<b>24 960 797</b>	<b>3 778 250</b>

#### Credit Quality of Receivables from Non-exchange Transactions

The credit quality of receivables from non-exchange transactions that are neither past nor due nor impaired can be assessed for indicators of impairment. The municipality considers that the above financial assets that are not impaired at each of the reporting dates under review are of good credit quality. The municipality continuously monitors consumers and identified groups by reference to annual payment rates and incorporates this information in to its credit risk control. No external credit rating is performed. Traffic fines are recognised in accordance with IGRAP 1.

Consumer receivables from rates are billed monthly. Interest is charged on 60 days + overdue consumer receivables at a rate of 16.5% per annum. No interest is charged on overdue traffic fines debtors.

The municipality enforces its approved credit control policy to ensure the recovery of receivables. None of the financial assets that are fully performing have been renegotiated in the last year.

The municipality does not hold deposits or other security for its Receivables.

None of the Receivables have been pledged as security for the municipality's financial liabilities.

More notes on credit risk and quality of receivables are disclosed in Note 46.7.

The management of the municipality is of the opinion that the carrying value of Receivables approximate their fair values.

The fair value of Receivables was determined after considering the standard terms and conditions of agreements entered into between the municipality and National / Provincial Departments as well as Other Debtors. The current payment ratios of Other Debtors were also taken into account for fair value determination.

#### 4.1 Ageing of the Statutory Receivables from Non-exchange Transactions

As at 30 June 2023

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
<b>Property Rates:</b>					
Gross Balances	1 959 782	1 048 512	974 024	32 368 338	36 350 656
Less: Provision for Impairment	1 468 552	778 940	776 403	29 233 665	32 257 559
<b>Net Balances</b>	<b>491 230</b>	<b>269 572</b>	<b>197 621</b>	<b>3 134 673</b>	<b>4 093 097</b>
<b>Fines:</b>					
Gross Balances	2 473 637				2 473 637
Less: Provision for Impairment	1 236 819				1 236 819
<b>Net Balances</b>	<b>1 236 818</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 236 818</b>

As at 30 June Receivables of R3 601 867 were past due but not impaired. The age analysis of these Receivables are as follows:

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
<b>All Receivables:</b>					
Gross Balances	4 433 419	1 048 512	974 024	32 368 338	38 824 293
Less: Provision for Impairment	2 705 370	778 940	776 403	29 233 665	33 494 377
Receivables with credit balance	0				
<b>Net Balances</b>	<b>1 728 048</b>	<b>269 572</b>	<b>197 621</b>	<b>3 134 673</b>	<b>5 329 915</b>

As at 30 June 2022

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	

**Property Rates:**

Gross Balances  
Less: Provision for Impairment

815 342	769 391	722 584	24 415 544	26 722 861
626 262	645 128	616 855	22 064 459	23 952 704
<b>189 080</b>	<b>124 263</b>	<b>105 729</b>	<b>2 351 085</b>	<b>2 770 157</b>

**Fines:**

Gross Balances  
Less: Provision for Impairment

2 016 187	-	-	-	2 016 187
1 008 094	-	-	-	1 008 094
<b>1 008 093</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 008 093</b>

As at 30 June Receivables of R2 581 077 were past due but not impaired. The age analysis of these Receivables are as follows:

Current	Past Due			Total
0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	

**All Receivables:**

Gross Balances  
Less: Provision for Impairment

2 831 529	769 391	722 584	24 415 544	28 739 048
1 634 356	645 128	616 855	22 064 459	24 960 797
<b>1 197 173</b>	<b>124 263</b>	<b>105 729</b>	<b>2 351 085</b>	<b>3 778 250</b>

**4.2 Reconciliation of Provision for Impairment**

Balance at beginning of year  
Impairment Losses recognised

Balance at end of year

2023	2022
R	R
24 960 797	18 249 478
8 533 580	6 711 319
<b>33 494 377</b>	<b>24 960 797</b>

**5. CASH AND CASH EQUIVALENTS**

Bank Accounts

Total Bank, Cash and Cash Equivalents

61 022 328	61 083 042
<b>61 022 328</b>	<b>61 083 042</b>

For the purposes of the Statement of Financial Position and the Cash Flow Statement, Cash and Cash Equivalents include Cash-on-Hand, Cash in Banks and Investments in Money Market Instruments, net of outstanding Bank Overdrafts.

**5.1 Bank Accounts**

Cash in Bank

Total Bank Accounts

61 022 328	61 083 042
<b>61 022 328</b>	<b>61 083 042</b>

The Municipality has the following operational bank accounts:

	Bank Statement Balances		Cash Book Balances	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
FNB - Primary Bank- 62022331003 (Primary)	2 216 619	1 994 963	2 350 670	2 082 817
FNB - 62101651398 (MIG)	2 965 567	8 972 287	2 965 567	8 972 287
FNB - Money Market - 62022332316 (INEP)	475 438	6 735 501	475 438	6 735 501
FNB -Money Market- 62090678320 (FMG)	6 340	8 937	6 340	8 937
ABSA - 32 Day Call Account -961149096 (32 Days)	893 149	860 948	893 149	860 948
FNB - Money Market - 62027101245 (RETENTION)	5 151 699	4 821 521	5 151 699	4 821 521
FNB - Money Market - 62160167500 (OPERATING)	7 019 713	25 750 425	7 019 713	25 750 425
FNB - Money Market - 62026740549 (RESERVES)	21 850 605	11 850 605	21 850 605	11 850 605
FNB - Traffic Account - 63054019617 (TRAFFIC)	213 312	-	213 312	-
NEDBANK FIXED DEPOSIT - 037881052066	10 095 836	-	10 095 836	-
STANDARD BANK FIXED DEPOSIT - 088795101	10 000 000	-	10 000 000	-
	<b>60 888 277</b>	<b>60 995 187</b>	<b>61 022 329</b>	<b>61 083 041</b>

The municipality does not have any overdrawn current account facilities with its banker and therefore does not incur interest on overdrawn current accounts. Interest is earned at different rates per annum on favourable balances.

The municipality did not pledge any of its Cash and Cash Equivalents as collateral for its financial liabilities.

No restrictions have been imposed on the municipality in terms of the utilisation of its Cash and Cash Equivalents.

The management of the municipality is of the opinion that the carrying value of Current Investment Deposits, Bank Balances, Cash and Cash Equivalents recorded at amortised cost in the Annual Financial Statements approximate their fair values.

The fair value of Current Investment Deposits, Bank Balances, Cash and Cash Equivalents was determined after considering the standard terms and conditions of agreements entered into between the municipality and financial institutions.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

8. PROPERTY, PLANT AND EQUIPMENT

30 June 2023

Reconciliation of PPE

Description	Land and Buildings		Infrastructure		Community		Other		Transport Assets		Total	
	R	R	R	R	R	R	R	R	R	R	R	R
<b>Carrying values at 01 July 2022</b>	<b>27 540 539</b>	<b>364 094 908</b>	<b>73 444 915</b>	<b>10 646 689</b>	<b>22 473 426</b>	<b>498 200 478</b>						
Cost	35 976 140	548 974 217	84 620 104	17 015 944	45 961 638	732 548 042						
- Completed Assets	35 976 140	516 934 712	84 620 104	17 015 944	45 961 638	700 508 537						
- Under Construction	-	32 039 505	(0)	-	-	32 039 505						
Accumulated Impairment Losses	-	(3 568)	(360 540)	(337)	(100 668)	(465 114)						
Accumulated Depreciation	(8 435 601)	(184 875 740)	(10 814 648)	(6 368 917)	(23 387 543)	(233 882 450)						
Acquisition of Assets	-	-	-	-	-	-						
- Cost	-	(30)	-	4 748 479	487 035	5 235 484						
- Capital Under Construction	-	40 505 479	-	-	-	40 505 479						
Depreciation	(851 186)	(23 124 712)	(2 280 698)	(1 587 517)	(2 684 877)	(30 528 989)						
Carrying value of Disposals:	-	(9 354 458)	(4 481 290)	(327 842)	(692 329)	(14 855 918)						
- Cost	-	(17 156 345)	(6 578 392)	(938 864)	(1 286 334)	(25 959 935)						
- Accumulated Impairment Losses	-	-	360 540	130	-	360 670						
- Accumulated Depreciation	-	7 801 887	1 736 563	610 892	594 005	10 743 347						
Impairment Losses	-	-	-	-	-	-						
Capital under Construction - Completed	-	(37 512 904)	-	-	-	(37 512 904)						
- Transfers Received from WIP	-	37 512 905	-	-	-	37 512 905						
<b>Carrying values at 30 June 2023</b>	<b>26 689 353</b>	<b>372 121 188</b>	<b>66 682 927</b>	<b>13 479 810</b>	<b>19 583 256</b>	<b>498 556 534</b>						
Cost	35 976 140	572 323 322	78 041 711	20 825 559	45 162 338	752 329 070						
- Completed Assets	35 976 140	537 291 241	78 041 711	20 825 559	45 162 338	717 296 990						
- Under Construction	-	35 032 080	0	-	-	35 032 080						
Accumulated Impairment Losses	-	(3 568)	(0)	(207)	(100 668)	(104 444)						
Accumulated Depreciation	(9 286 787)	(200 198 565)	(11 358 784)	(7 345 542)	(25 478 414)	(253 668 092)						

9. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

30 June 2022

Reconciliation of PPE

Description	Land and Buildings	Infrastructure	Community	Other	Transport Assets	Total
	R	R	R	R	R	R
<b>Carrying values at 01 July 2021</b>	<b>28 402 084</b>	<b>353 752 951</b>	<b>74 936 126</b>	<b>6 105 963</b>	<b>25 443 445</b>	<b>488 640 568</b>
Cost	35 976 140	515 637 668	83 947 765	12 194 313	51 003 711	698 759 597
- Completed Assets	35 976 140	485 612 831	65 080 345	12 194 313	51 003 711	649 867 340
- Under Construction	-	30 024 837	18 867 420	-	-	48 892 258
Accumulated Impairment Losses	-	-	-	-	(130 111)	(130 111)
Accumulated Depreciation	(7 574 056)	(161 884 717)	(9 011 639)	(6 088 350)	(25 430 155)	(209 988 918)
Acquisition of Assets	-	-	-	-	-	-
- Cost	-	-	-	-	-	-
- Capital Under Construction	-	-	0	6 593 181	2 604 848	9 198 029
Depreciation	-	33 583 848	425 039	-	-	34 008 887
Carrying value of Disposals:	(861 545)	(22 991 023)	(1 803 010)	(1 535 077)	(2 901 051)	(30 091 706)
- Cost	-	-	-	(517 040)	(2 573 147)	(3 090 187)
- Accumulated Impairment Losses	-	-	-	(1 771 551)	(7 646 921)	(9 418 472)
- Accumulated Depreciation	-	-	-	-	130 111	130 111
Impairment Losses	-	-	-	1 254 511	4 943 663	6 198 174
Capital under Construction - Completed	-	(3 568)	(360 540)	(337)	(100 668)	(465 114)
- Transfers Received from WIP	-	(31 569 181)	(19 292 459)	-	-	(50 861 640)
<b>Carrying values at 30 June 2022</b>	<b>27 540 539</b>	<b>364 094 908</b>	<b>73 444 915</b>	<b>10 646 689</b>	<b>22 473 426</b>	<b>498 200 478</b>
Cost	35 976 140	548 974 217	84 620 104	17 015 944	45 961 638	732 548 042
- Completed Assets	35 976 140	516 934 712	84 620 104	17 015 944	45 961 638	700 508 537
- Under Construction	-	32 039 505	(0)	-	-	32 039 505
Accumulated Impairment Losses	-	(3 568)	(360 540)	(337)	(100 668)	(465 114)
Accumulated Depreciation	(8 435 601)	(184 875 740)	(10 814 648)	(6 368 917)	(23 387 543)	(233 882 450)

Property, Plant and Equipment was restated to correct various of discrepancies found. Please see note 41 on the correction of previous years errors for the detail.

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

2023  
R                      2022  
R

**8. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**8.1 Gross Carrying Amount of Property, Plant and Equipment that is fully depreciated and still in use**

There are no Property, Plant and Equipment that is fully depreciated at year-end and still in use by the municipality.

**8.2 Carrying Amount of Property, Plant and Equipment retired from active use and not classified as a Discontinued Operation**

No Property, Plant and Equipment were retired from active use and not classified as a Discontinued Operation during the financial year.

**8.3 Assets pledged as security**

The municipality did not pledge any of its assets as security.

**8.4 Delayed Projects**

The municipality has projects that are currently experiencing delays or were halted. For each project, the reason for the delay or halting of the project

Both the additional office building and the water tanker have experienced some delays in completing the project by the projected due date. These delays are beyond the control of the municipality, however the projects will be completed within the cost limits of the original contract amounts.

**Project Details**

**Delayed or Halted**

**Infrastructure Unit:**

Project 1: Tenza Bridge

Delayed

Reason: - As per initial Design/Plan the project cost amounted to R11,266,110.50 but the amount approved by MIG was R2,800,000.00. Due to financial constraints the project has been delayed and will be completed when financial resources are available.

**Infrastructure Unit:**

Project 2: Upgrading of Cofimvaba Roads Phase 2

Delayed

Reason: Delays were caused by forensic investigation that was conducted.

**Infrastructure Unit:**

Project 3: Electrification

Delayed

Reason: Delays were caused by insufficient funds allocated however an application to DOE has been done to request additional funding to complete these projects.

**Total Carrying Amounts of Delayed or Halted Projects is as per WIP balance per project**

**8.5 Expenditure incurred to repair and maintain**

The following specific costs included in the amount of repairs and maintenance were incurred by municipality during the reporting period:

	2023 R	2022 R	2023 R	2022 R
Electrical Infrastructure				
- Contracted Services	209 039	161 054	209 039	161 054
Roads Infrastructure				
- Contracted Services	968 226	103 247	968 226	103 248
- Inventory Consumed	-	1		
Solid Waste Disposal				
- Contracted Services	58 571	108 070	58 571	108 070
Community Assets				
- Contracted Services	317 168	192 847	317 168	192 847
Machinery and Equipment				
- Contracted Services	3 314 534	3 989 750	3 314 534	3 989 750
Other Assets - Buildings				
- Contracted Services	418 285	281 343	418 285	281 343
<b>Total Expenditure related to Repairs and Maintenance Projects</b>			<b>5 285 822</b>	<b>4 836 313</b>

**9. INVESTMENT PROPERTY**

At Cost less Accumulated Depreciation

**81 410 258**

**82 041 997**

The movement in Investment Property is reconciled as follows:

**Carrying values at 1 July**

Cost

**82 041 997**

**106 955 373**

Accumulated Depreciation

90 208 361

114 491 729

(8 166 364)

(7 536 356)

Depreciation during the Year

(631 739)

(630 008)

Transfers during the Year:

At Cost

-

(24 283 369)

**Carrying values at 30 June**

-

(24 283 369)

Cost

**81 410 258**

**82 041 997**

Accumulated Depreciation

90 208 361

90 208 361

(8 798 102)

(8 166 364)

Revenue and Expenditure disclosed in the Statement of Financial Performance include the following:

Rental Revenue earned from Investment Property

1 309 978

1 269 710

All of the municipality's Investment Property is held under freehold interests and no Investment Property had been pledged as security for any liabilities of the municipality.

There are no restrictions on the realisability of Investment Property or the remittance of revenue and proceeds of disposal.

During the year even which were previously determined were transferred to inventory for disposal.

There are no contractual obligations on Investment Property.

**9.1 Investment Property carried at Fair Value**

The municipality's Investment Properties are accounted for according to the cost model and therefore no fair value has been determined.

**9.2 Impairment of Investment Property**

The assessment was done and there was no impairment losses recognised on Investment Property of the municipality at the reporting date.

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

	2023 R	2022 R
<b>10. CONSUMER DEPOSITS</b>		
Land Sales	3 734 326	3 700 726
<b>Total Consumer Deposits</b>	3 734 326	3 700 726

**CONSUMER DEPOSITS - LAND SALES**

Deposits for Land Sales comprise deposits for properties sold, but not yet transferred. Transfer of these properties will be done on receipt of total payments.

No interest is paid on Consumer Deposits held.

**11. PROVISIONS**

Performance Bonus	964 507	916 193
Current Portion of Employee Benefit Liabilities (See Note 16 for detail)	1 380 000	1 449 000
Post-retirement Medical Aid Benefits Liability	216 000	92 000
Long-term Service Liability	1 164 000	1 357 000
<b>Total Provisions</b>	2 344 507	2 365 193
Current Provisions:		
Performance Bonus:		
Opening Balance		
Increases	916 193	1 236 333
Balance at end of year	48 314	(320 141)
	964 507	916 193

**Performance Bonuses** accrue to senior managers on an annual basis, subject to certain conditions. The provision is an estimate of the amount due at the reporting date.

**12. PAYABLES FROM EXCHANGE TRANSACTIONS**

Bonus		
Leave Accrual	2 670 269	2 594 977
Other Payables	13 356 609	12 877 321
Retentions	4 562 067	4 445 856
Trade Creditors	5 366 265	4 130 138
Exchange Transactions Receivables with Credit Balances	3 873 395	7 408 390
	139 014	157 409
<b>Total Payables</b>	29 967 617	31 614 091

The municipality did not default on any payment of its Creditors. No terms for payment have been re-negotiated by the municipality.

**13. PAYABLES FROM NON-EXCHANGE TRANSACTIONS**

Non-Exchange Transaction Receivables with Credit Balances	1 773 516	254 468
<b>Total Payables</b>	1 773 516	254 468

No credit period exists for Payables from Non-exchange Transactions, neither has any credit period been arranged. No interest is charged on outstanding amounts.

**14. UNSPENT CONDITIONAL GRANTS AND RECEIPTS**

National Government		
Provincial Government Department of Sports, Recreation, Arts and Culture	4 190 318	10 224 951
	36 665	519 352
<b>Total Conditional Grants and Receipts</b>	4 226 983	10 744 303

Included in Unspent Conditional Grants are the following:

Municipal Infrastructure Grant		
Department of Sports, Recreation, Arts and Culture	(1)	3 936 562
Municipal Disaster Relief Fund	36 665	519 352
Integrated National Electrification Programme	4 189 995	(5)
Expanded Public Works Program	(0)	6 288 393
	324	
<b>Total Unspent Conditional Grants</b>	4 226 983	10 744 303

The Unspent Conditional Grants and Receipts are invested in investment accounts until utilised.

See Note 21 for the reconciliation of Grants from Government and other sources. The municipality complied with the conditions attached to all grants received to the extent of revenue recognised. No grants were withheld.

#### 15. VAT PAYABLE

VAT Payable

1 459 196      2 223 497

VAT is payable on the receipts basis. Only once payment is received from debtors, VAT is paid over to SARS.

#### 16. EMPLOYEE BENEFIT LIABILITIES

##### Employee Benefit Liabilities

Post-retirement Health Care Benefits Liability

16 784 000      15 854 000

Long Service Awards Liability

8 617 000      7 819 000

8 167 000      8 035 000

##### Less: Current Portion of Employee Benefit Liabilities

Post-retirement Health Care Benefits Liability

1 380 000      1 449 000

Long Service Awards Liability

216 000      92 000

1 164 000      1 357 000

##### Non-Current Portion of Employee Benefit Liabilities

15 404 000      14 405 000

##### 16.1 Post-retirement Health Care Benefits Liability

Opening balance

Interest cost

7 819 000      7 390 000

Current service cost

920 000      778 000

Actuarial loss/ (gain) recognised in the year

786 000      735 000

(908 000)      (1 084 000)

Balance at end of Year

8 617 000      7 819 000

Less: Current Portion

216 000      92 000

##### Non-Current Portion of Employee Benefit Liabilities

8 401 000      7 727 000

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post-retirement benefits are provided to these employees.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 30 June 2023 by Chanan Weiss, Fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligations, and the related current service costs and past service costs, were measured using the Projected Unit Credit Method.

The members of the Post-employment Health Care Benefit Plan are made up as follows:

In-service Members (Employees)

In-service Non-members (Employees)

229      237

Continuation Members (Retirees, widowers and orphans)

86      90

8      5

##### Total Members

323      332

The liability in respect of past service has been estimated as follows:

In-service Members

Continuation Members

5 781 000      6 438 000

2 836 000      1 381 000

##### Total Liability

8 617 000      7 819 000

The municipality makes monthly contributions for health care arrangements to the following Medical Aid Schemes:

- Bonitas

- Keyhealth

- LA Health

- Samwumed

The Current-service Cost for the year ending 30 June 2023 is estimated to be R786 000, whereas the cost for the ensuing year is estimated to be R608,000.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount Rate

Health Care Cost Inflation Rate

12,58%      11,84%

Net-of-maximum-subsidy-inflation discount rate

8,18%      8,45%

Net-of-health-care-cost-inflation discount rate

6,45%      5,55%

Expected Rate of Salary Increase

4,07%      3,13%

Expected Retirement Age

5,76%      5,96%

62      62

**Movements in the present value of the Defined Benefit Obligation were as follows:**

Opening balance		
Interest cost	7 819 000	7 390 000
Current service cost	920 000	778 000
Actuarial loss/ (gain) recognised in the year	786 000	735 000
	(908 000)	(1 084 000)
<b>Total Recognised Benefit Liability</b>	<b>8 617 000</b>	<b>7 819 000</b>

**The amounts recognised in the Statement of Financial Position are as follows:**

Present value of fund obligations	8 617 000	7 819 000
<b>Total Benefit Liability</b>	<b>8 617 000</b>	<b>7 819 000</b>

**The amounts recognised in the Statement of Financial Performance are as follows:**

Current service cost		
Interest cost	786 000	735 000
Actuarial losses / (gains)	920 000	778 000
	(908 000)	(1 084 000)
<b>Total Post-retirement Benefit included in Employee Related Costs (Note 29)</b>	<b>798 000</b>	<b>429 000</b>

**The history of fair values are as follows:**

	2023	2022
	R	R
Present Value of Defined Benefit Obligation	8 617 000	7 819 000
	<b>8 617 000</b>	<b>7 819 000</b>

**16.2 Long Service Awards Liability**

Opening Balance		
Increases	8 035 000	7 936 000
Payments Made	680 000	775 000
Increases (Passage of Time/Discounted Rate)	(1 357 000)	(1 336 000)
	809 000	660 000
Balance at end of Year	8 167 000	8 035 000
Less: Current Portion	1 164 000	1 357 000
<b>Non-Current Portion of Total Long Service Awards Liability</b>	<b>7 003 000</b>	<b>6 678 000</b>

The municipality operates an unfunded defined benefit plan for all its employees. Under the plan, a Long-service Award is payable after 10 years of continuous service, and every 5 years of continuous service thereafter to 45 years, to employees. The provision is an estimate of the long-service based on historical staff turnover. No other long-service benefits are provided to employees.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 30 June 2023 by Mr C Weiss, Fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

At year end 315 (2022: 327) employees were eligible for Long-service Awards.

The Current-service Cost for the year ending 30 June 2023 is estimated to be R931,000, whereas the cost for the ensuing year is estimated to be R885,000.

**The principal assumptions used for the purposes of the actuarial valuations were as follows:**

Discount Rate		
Net Effective Discount Rate	11,20%	10,98%
Expected Rate of Salary Increase	4,39%	3,40%
Expected Retirement Age	6,52%	7,33%
	62	62

**Movements in the present value of the Defined Benefit Obligation were as follows:**

Opening Balance		
Increases	8 035 000	7 936 000
Payments Made	680 000	775 000
Increases (Passage of Time/Discounted Rate)	(1 357 000)	(1 336 000)
	809 000	660 000
<b>Total Recognised Benefit Liability</b>	<b>8 167 000</b>	<b>8 035 000</b>

**The amounts recognised in the Statement of Financial Position are as follows:**

Present value of fund obligations	8 167 000	8 035 000
<b>Total Benefit Liability</b>	<b>8 167 000</b>	<b>8 035 000</b>

**The amounts recognised in the Statement of Financial Performance are as follows:**

Current service cost		931 000	918 000
Interest cost		809 000	660 000
Actuarial losses / (gains)		(1 608 000)	(1 479 000)
<b>Total Post-retirement Benefit included in Employee Related Costs (Note 29)</b>		<b>132 000</b>	<b>99 000</b>

The amount for last year was restated as the expense recognised in the Statement of Financial Performance was R99 000 and not R1 298 000 as disclosed before.

**The history of experienced adjustments is as follows:**

	2023 R	2022 R	2021 R	2020 R
Present Value of Defined Benefit Obligation	8 167 000	8 035 000	7 936 000	6 825 000
	<b>8 167 000</b>	<b>8 035 000</b>	<b>7 936 000</b>	<b>6 825 000</b>
Experienced adjustments on Plan Liabilities	242 000	54 000	223 000	100 684

**17. NON-CURRENT PROVISIONS**

	2023	2022
Decommissioning, Restoration and Similar Liabilities: Landfill Sites	2 627 844	2 490 847
<b>Total Non-current Provisions</b>	<b>2 627 844</b>	<b>2 490 847</b>
<b>Decommissioning of Landfill Sites:</b>		
Opening Balance	2 490 847	2 360 992
Increases - Interest Costs	136 997	129 855
	<b>2 627 844</b>	<b>2 490 847</b>

**17.1 Rehabilitation of Landfill Sites**

In terms of the licencing of the landfill refuse sites, the municipality will incur licencing and rehabilitation costs of R4 996 076 (2022: R4 996 076) to restore the sites at the end of their useful lives. Provision has been made for the net present value of the future cost, using the average inflation interest rate which have been determined at 5.5% over the last 10 years.

The municipality will incur rehabilitation cost on its dumping/landfill site in the period 2034/35. Provision has been made for the net present value of this cost.

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

	2023		2022	
	R		R	
<b>18. PROPERTY RATES</b>				
	Property Valuations		Actual Levies	
	July 2023	July 2022	July 2023	July 2022
	R	R	R	R
<b>Property Rates:</b>				
Agricultural Property	683 900 000	683 900 000	-	-
Business and Commercial Properties	340 888 048	339 690 051	3 060 465	3 073 900
Municipal Properties	280 976 000	240 301 000	-	-
Public Service Infrastructure Properties	214 206 000	199 106 000	-	-
Public Service Purposes Properties	576 532 000	568 362 000	9 965 264	7 526 433
Residential Properties	135 779 949	144 940 949	552 582	345 610
Vacant Land	3 155 000		17 923	-
Place of Worship	7 710 000	7 710 000	-	-
<b>Total Property Rates</b>	<b>2 243 146 997</b>	<b>2 184 010 000</b>	<b>13 596 233</b>	<b>10 945 943</b>

<b>19. FINES, PENALTIES AND FORFEITS</b>				
Traffic Fines:				
Municipal			457 450	77 300
Other Fines:			457 450	77 300
Law Enforcement			83 472	112 025
Pound Fees			21 176	43 050
			62 295	68 975
<b>Total Fines, Penalties and Forfeits</b>			<b>540 922</b>	<b>189 325</b>

<b>20. LICENCES AND PERMITS</b>	Exchange Transactions 2023 R	Exchange Transactions 2022 R	Non-Exchange Transactions 2023 R	Non-Exchange Transactions 2022 R
Road and Transport:				
Drivers Licence Application/Duplicate Drivers Licences	1 793 397	1 838 844	-	-
Trading	1 793 397	1 838 844	-	-
			173 690	50 130
<b>Total Licences and Permits</b>	<b>1 793 397</b>	<b>1 838 844</b>	<b>173 690</b>	<b>50 130</b>

<b>21. TRANSFERS AND SUBSIDIES RECEIVED</b>				
<b>Capital Grants</b>				
Monetary Allocations			60 039 838	39 739 317
<b>Operational Grants</b>				
Monetary Allocations			60 039 838	39 739 317
			196 904 537	182 326 562
			196 904 537	182 326 562
<b>Total Transfers and Subsidies Received</b>			<b>256 944 375</b>	<b>222 065 879</b>

## 21.1 Summary of Grants:

### 21.1.1 Capital Grants

	Monetary Allocations	
	2023	2022
National Governments	60 039 838	39 739 317
<b>Total Capital Grants Received</b>	<b>60 039 838</b>	<b>39 739 317</b>

### 21.1.2 Operational Grants

	Monetary Allocations	
	2023	2022
Departmental Agencies and Accounts		
District Municipalities	246 966	238 129
National Governments	1 482 776	1 806 347
National Revenue Fund	7 246 795	6 839 085
	187 928 000	173 443 000
<b>Total Operational Grants Received</b>	<b>196 904 537</b>	<b>182 326 562</b>

## 21.2 Reconciliation per Grant Source

### 21.2.1 National Governments

Balance unspent at beginning of year		
Current year receipts	10 224 951	389 472
Conditions met - transferred to Revenue	67 541 000	50 699 830
Other Adjustments/Refunds	(57 307 239)	(40 864 351)
Conditions still to be met - transferred to Current Liabilities (see Note 14)	(6 288 393)	-
	<b>14 170 319</b>	<b>10 224 951</b>

### 21.2.2 Equitable Share

Current year receipts		
Transferred to Revenue	187 928 000	173 443 000
	(187 928 000)	(173 443 000)

## 21.3 Detailed Summaries

Equitable Share		
Municipal Infrastructure Grant (MIG)	187 928 000	173 443 000
LG SETA	52 809 562	41 416 438
Integrated National Electrification Programme	246 966	238 140
Financial Management Grant		1 020 503
Extended Public Works Program - Grant Transfer	2 100 000	2 100 168
Department of Sports, Recreation, Arts and Culture	2 397 677	2 041 535
CHDM Grant	982 419	749 095
	500 088	1 057 000

### Total Receipts for Government Grants and Subsidies

**246 964 712**      **222 065 879**

### Included in the above are the following Grants and Subsidies received:

Conditional Grants Received		
Unconditional Grants Received	58 289 658	47 327 739
	188 675 054	174 738 140
<b>Total Receipts for Government Grants and Subsidies</b>	<b>246 964 712</b>	<b>222 065 879</b>

### 21.3.1 Equitable Share

Current Year Receipts		
Transferred to Revenue	187 928 000	173 443 000
	(187 928 000)	(173 443 000)

In terms of the Constitution, the grant is used to subsidize the provision of basic services to indigent community members. This grant is unconditional.

### 21.3.2 Municipal Infrastructure Grant

Unspent Balance at the Beginning of the Year		
Rollover disallowed	3 936 562	2 529 773
Current Year Receipts	-	(2 529 773)
Conditions Met - Transferred to Revenue	48 873 000	45 353 000
<b>Unspent Balance at the End of the Year</b>	<b>(52 809 562)</b>	<b>(41 416 438)</b>
	<u>(1)</u>	<u>3 936 562</u>

The Municipal Infrastructure Grant is a conditional grant, the purpose of which is to provide all South Africans with at least a basic level of service through the provision of grant finance to cover the capital cost of fund access roads and related infrastructure.

### 21.3.3 LG SETA

Unspent Balance at the Beginning of the Year		
Current Year Receipts	-	-
Transferred to Revenue	246 966	238 140
<b>Unspent Balance at the End of the Year</b>	<b>(246 966)</b>	<b>(238 140)</b>
	<u>-</u>	<u>-</u>

This is an unconditional grant.

### 21.3.4 Financial Management Grant

Unspent Balance at the Beginning of the Year		
Current Year Receipts	-	168
Conditions Met - Transferred to Revenue	2 100 000	2 100 000
<b>Unspent Balance at the End of the Year</b>	<b>(2 100 000)</b>	<b>(2 100 168)</b>
	<u>-</u>	<u>-</u>

The Financial Management Grant is a conditional grant. The purpose of the grant is to promote and support municipal financial management reforms and assist municipalities with the implementation of MFMA. The focus of the FMG Grant is to build awareness and undertake training on MFMA Reforms including budgeting, reporting and financial processes.

### 21.3.5 Expanded Public Works Program - Grant Transfer

Unspent Balance at the Beginning of the Year		
Current Year Receipts	-	(465)
Conditions Met - Transferred to Revenue	2 398 000	2 042 000
<b>Unspent Balance at the End of the Year</b>	<b>(2 397 677)</b>	<b>(2 041 535)</b>
	<u>324</u>	<u>-</u>

The Expanded Public Works Programme (EPWP) is an conditional grant and it was received from Department of Public Works for the purpose of the Extended Public Works Programme.

### 21.3.6 Department of Sports, Recreation, Arts and Culture

Unspent Balance at the Beginning of the Year		
Current Year Receipts	519 084	768 179
Transferred to Revenue	500 000	500 000
<b>Unspent Balance at the End of the Year</b>	<b>(982 419)</b>	<b>(749 095)</b>
	<u>36 665</u>	<u>519 084</u>

This is a conditional grant.

### 21.3.7 Chris Hani District Municipality Grant

Unspent Balance at the Beginning of the Year		
Current Year Receipts	-	-
Transferred to Revenue	500 088	1 057 000
<b>Unspent Balance at the End of the Year</b>	<b>(500 088)</b>	<b>(1 057 000)</b>
	<u>-</u>	<u>-</u>

This is an unconditional grant and was received from Chris Hani District Municipality.

### 21.3.8 Municipal Disaster Relief Fund

Unspent Balance at the Beginning of the Year		
Current Year Receipts	(5)	(5)
Transferred to Revenue	4 190 000	-
<b>Unspent Balance at the End of the Year</b>	<u>-</u>	<u>-</u>
	<u><b>4 189 995</b></u>	<u><b>(5)</b></u>

This is a conditional grant received from National Treasury for the purpose of COVID-19 Pandemic

### 22. SERVICE CHARGES

Refuse Removal	1 379 875	1 316 361
<b>Total Service Charges</b>	<u><b>1 379 875</b></u>	<u><b>1 316 361</b></u>

The amounts disclosed above for revenue from Service Charges are in respect of services rendered which are billed to the consumers on a monthly basis according to approved tariffs.

1 124 337,61	307 383,86
--------------	------------

### 23. SALES OF GOODS AND RENDERING OF SERVICES

Application Fees for Land Usage		25 376
Building Plan Approval	-	60 928
Cemetery and Burial	61 509	6 459
Clearance Certificates	9 130	178
Entrance Fees	1 212	16 912
Sale of Goods	15 281	279 390
	560 373	
<b>Total Sales of Goods and Rendering of Services</b>	<u><b>647 505</b></u>	<u><b>389 243</b></u>

### 24. INCOME FROM AGENCY SERVICES

Commission on Vehicle Registration	890 164	1 033 931
<b>Total Income from Agency Services</b>	<u><b>890 164</b></u>	<u><b>1 033 931</b></u>

The municipality has a service level agreement with the Department of Transport to act as an agent for it in collection the revenue.

### 25. RENTAL FROM FIXED ASSETS

<b>Straight-lined Operating Lease Revenue</b>		
Investment Property	1 309 978	1 269 710
Other Fixed Assets:	1 352	1 902
Property Plant and Equipment	<u>1 352</u>	<u>1 902</u>
<b>Other Rental Income</b>		
Ad-hoc Rental Income from Other Fixed Assets:	23 913	32 921
Property Plant and Equipment	<u>23 913</u>	<u>32 921</u>
<b>Total Rental of Facilities and Equipment</b>	<u><b>1 335 244</b></u>	<u><b>1 304 533</b></u>

Rental income generated are at market related premiums. All rental income recognised is therefore market related.

**26. INTEREST, DIVIDENDS AND RENT ON LAND EARNED**

**Non-exchange Transaction Receivables:**

Outstanding Billing Debtors

3 693 031                      2 296 007

**Total Non-exchange Transactions Interest, Dividends and Rent on Land Earned**

3 693 031                      2 296 007

**External Investments:**

Bank Account

5 336 310                      2 229 452

5 336 310                      2 229 452

**Outstanding Exchange Transaction Receivables:**

Outstanding Billing Debtors

1 297 402                      1 087 381

1 297 402                      1 087 381

**Total Exchange Transaction Interest, Dividends and Rent on Land Earned**

6 633 712                      3 316 833

**Total Interest, Dividends and Rent on Land Earned**

10 326 743                      5 612 841

**27. OPERATIONAL REVENUE**

Commission

Insurance Refund

279                                      -

478 182                                  855 041

**Total Operational Revenue**

478 461                                  855 041

The operational revenue is for insurance claims which were refunded during the year. No claims or refunds were made during the prior year.

**28. CONSTRUCTION CONTRACTS REVENUE**

Funds received for the financing of electricification.

-    -

**Total Construction Contracts Revenue**

-    -

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

	2023 R	2022 R
<b>29. EMPLOYEE RELATED COSTS</b>		
Salaries and Wages:		
Basic	85 153 011	82 955 881
Long Service Awards	607 900	544 644
Bonuses		
Leave Payments	6 844 623	5 976 055
Overtime	1 687 276	989 220
	3 393 689	3 677 945
Allowances:		
Accommodation, Travel and Incidental	663 975	474 903
Acting and Post Related Allowances	2 026 122	1 968 752
Cellular and Telephone	933 709	899 539
Housing Benefits	1 139 268	999 222
Non-pensionable	-	1 233 031
Scarcity Allowance	-	5 675
Standby Allowance	957 262	907 694
Travel or Motor Vehicle	9 384 715	8 977 581
Social Contributions:		
Bargaining Council	43 004	42 683
Medical	8 195 139	8 048 009
Pension	13 917 923	13 635 464
Unemployment Insurance	665 605	677 440
Skills Development Fund Levy	1 273 599	1 245 211
Post-retirement Benefits:		
Current Service Cost	786 000	735 000
Interest Cost	920 000	778 000
Actuarial Gains and Losses	(908 000)	(1 084 000)
Leave Gratuity	80 515	48 625
Long Term Service Awards	132 000	99 000
<b>Total Employee Related Costs</b>	<b>137 897 335</b>	<b>133 835 555</b>

The disclosure had been restated to disclose "Current Service Cost" and "Actuarial Gains and Losses" separately.

**29.1 Remuneration of Section 57 Employees:**

**Remuneration of the former Municipal Manager - S.Koyo**

Performance Bonus	-	46 670
<b>Total</b>	<b>-</b>	<b>46 670</b>

Previous Municipal Manager, vacated the post in May 2022 and was paid only performance bonus

**Remuneration of the Manager Local Economic Development - S. Mboishane**

Annual Remuneration	153 750	-
Car and Other Allowances	82 635	-
Company Contributions to UIF, Medical and Pension Funds	22 682	-
<b>Total</b>	<b>259 067</b>	<b>-</b>

Assumed the position in May 2023

**Remuneration of the former Municipal Manager - B.J.Mthembu**

Annual Remuneration	804 764	84 856
Car and Other Allowances	542 885	56 487
Company Contributions to UIF, Medical and Pension Funds	15 601	1 559
Termination Benefits	73 285	-
<b>Total</b>	<b>1 436 534</b>	<b>142 902</b>

Assumed the position in June 2022 and left the municipality during April 2023

**Remuneration of the former Chief Financial Officer - B.Bavu**

Annual Remuneration	845 623	922 498
Performance Bonus	46 124	46 124
Leave Pay	151 420	-
Car and Other Allowances	608 714	614 999
Company Contributions to UIF, Medical and Pension Funds	17 228	17 294
<b>Total</b>	<b>1 689 110</b>	<b>1 600 915</b>

The position became vacant from 01 June 2023 and was still vacant on the reporting date. An acting allowance was paid for June 2023 and will be paid until a new appointment is made.

**Remuneration of the former Manager Community Services - A.Ntengenyana**

Performance Bonus	-	30 749
<b>Total</b>	<b>-</b>	<b>30 749</b>

Resigned on the 28th of February 2021 and was paid only for performance bonus

**Remuneration of the Manager Community Services - K.Roto**

Annual Remuneration  
Car and Other Allowances  
Company Contributions to UIF, Medical and Pension Funds

**Total**

The incumbent was appointed for the Director Community Services in May 2022

**Remuneration of the Manager Corporate Services - N.K.Fololo**

Annual Remuneration  
Leave payout  
Performance Bonus  
Car and Other Allowances  
Company Contributions to UIF, Medical and Pension Funds

**Total**

The Director vacated the post in July 2022

**Remuneration of the Manager Corporate Services - B.Zantsi**

Annual Remuneration  
Car and Other Allowances  
Company Contributions to UIF, Medical and Pension Funds

**Total**

The Director was appointed in December 2022.

**Remuneration of the Manager Local Economic Development - K.Maceba**

Annual Remuneration  
Acting Allowance  
Performance Bonus  
Leave Pay  
Car and Other Allowances  
Company Contributions to UIF, Medical and Pension Funds

**Total**

**Remuneration of the Manager Infrastructure and Planning - K.Clock**

Acting Allowance  
Annual Remuneration  
Leave Pay  
Performance Bonus  
Car and Other Allowances  
Company Contributions to UIF, Medical and Pension Funds

**Total**

**Summary of Remuneration of Section 57 Employees:**

All Managers

**Total Remuneration of Section 57 Employees**

**30. REMUNERATION OF COUNCILLORS**

Mayor  
Speaker  
Chief Whip  
Executive committee members  
Total for All Other Councillors

**Total Councillors' Remuneration**

The Mayor and Speaker are full-time Councillors and each is provided with an office and secretarial support at the cost of the Municipality. The Mayor and Speaker utilise official Council transportation when engaging in official duties. Packages are set as stated below:

**Mayor**

Annual Remuneration  
Allowances  
Co.Contribution  
Other Benefits

Was Speaker from 01 July to November 2021, assumed the responsibilities of Mayor from Dec 21 to June 2022

**Speaker**

Annual Remuneration  
Allowances  
Co.Contribution  
Other Benefits

Was Chief Whip from 01 July to November 2021, assumed the responsibilities of

**Chief Whip**

Annual Remuneration  
Allowances  
Co.Contribution

Was Executive Committee Member from 01 July to November 2021, assumed the responsibilities of Chief Whip from Dec 21 to June 2022

<b>Executive Committee Members</b>		
Annual Remuneration	3 890 682	3 696 193
Allowances	453 454	706 496
Co.Contribution		38 293
Other Benefits	41 085	36 500
	<u>4 385 221</u>	<u>4 477 482</u>

Due to Local Government Elections there were changes which had an effect on Executive Committee from November 2021

<b>Councillors (Sec 79)</b>		
Annual Remuneration	2 622 861	4 171 420
Allowances	489 313	1 002 759
Co.Contribution		46 548
Other benefits	29 089	65 500
	<u>3 141 264</u>	<u>5 286 227</u>

Due to Local Government Elections there were changes which had an effect on Sec 79 Committees from November 2021

<b>Councillors (Ordinary)</b>		
Annual Remuneration	6 798 257	4 610 819
Allowances	979 200	942 587
Co.Contribution		52 351
Other benefits	79 823	17 500
	<u>7 857 280</u>	<u>5 623 257</u>

#### Remuneration of Councillors:

Councillors were compensated within the limits set by the Remuneration of Public Office Bearers Act No 20 of 1998.

### 31. DEPRECIATION AND AMORTISATION

Depreciation: Property, Plant and Equipment	30 528 989	30 091 706
Depreciation: Investment Property	631 739	630 008
<b>Total Depreciation and Amortisation</b>	<u>31 160 728</u>	<u>30 721 714</u>

Depreciation expenses for the previous year have been restated. See Note 41 on Correction of Errors for details.

#### 31.1 Depreciation: Property, Plant and Equipment

Community Assets	2 280 698	3 370 561
Computer Equipment	686 854	647 923
Furniture and Office Equipment	269 121	351 588
Machinery and Equipment	631 542	535 566
Other Assets	(5 878)	31 376
Roads Infrastructure	23 124 712	22 249 369
Solid Waste Infrastructure	857 065	4 270
Transport Assets	2 684 877	2 901 051
	<u>30 528 989</u>	<u>30 091 706</u>

### 32. IMPAIRMENT LOSSES

Impairment Losses on Fixed Assets	-	465 114
Impairment Losses on Financial Assets	10 588 328	9 661 289
<b>Total Impairment Losses</b>	<u>10 588 328</u>	<u>10 126 403</u>

Condition assessments on roads were conducted during the year and resulted in the impairment. The assessments were conducted in time to ensure that all roads were assessed and appropriately accounted for at the reporting date. The assessment does not account for changes in the condition of roads after the reporting date, but before the annual financial statements are authorised for issue.

#### 32.1 Impairment Losses on Financial Assets

<b>Impairment Losses</b>		
Other Receivables from Non-exchange Revenue	8 533 580	6 711 319
Trade and Other Receivables from Exchange Transactions	2 054 747	2 949 970
	<u>10 588 328</u>	<u>9 661 289</u>

### 33. INTEREST, DIVIDENDS AND RENT ON LAND PAID

<b>Interest Paid:</b>		
Overdue Accounts	6 938	234 933
	<u>6 938</u>	<u>234 933</u>
<b>Total Interest, Dividends and Rent on Land Paid</b>	<u>6 938</u>	<u>234 933</u>

### 34. CONSTRUCTION CONTRACTS EXPENDITURE

Construction cost paid towards electrification	8 240 459	886 997
<b>Total Bulk Purchases</b>	<u>8 240 459</u>	<u>886 997</u>

Contract between EYM and Department of Energy An amount of R9 980 000 (2022: R1 020 503) was recognised by the municipality as revenue during the current financial year. As the outcome of a construction contract can be estimated reliably, contract revenue and contract cost associated with the construction contract are recognised by reference to the stage of completion of the contract at reporting date. The municipality determines the stage of completion of contract in progress by the accumulative actual work performed i.e. contract cost divide by contract price. During the year a total contract cost to the amount of R8 280 673,86 (2022: R886 997) was recognised. Retentions were withheld for this construction contract during the year amounting to R588 433,27(2022: R0)

**Remuneration of the Manager Community Services - K.Roto**

Annual Remuneration	942 088	153 750
Car and Other Allowances	550 482	88 662
Company Contributions to UIF, Medical and Pension Funds	15 681	2 581
<b>Total</b>	<b>1 508 251</b>	<b>244 993</b>

The incumbent was appointed for the Director Community Services in May 2022

**Remuneration of the Manager Corporate Services - N.K.Foloto**

Annual Remuneration	38 437	922 498
Leave payout	90 852	-
Performance Bonus	46 124	30 750
Car and Other Allowances	30 346	614 999
Company Contributions to UIF, Medical and Pension Funds	2 634	17 453
<b>Total</b>	<b>208 394</b>	<b>1 565 700</b>

The Director vacated the post in July 2022

**Remuneration of the Manager Corporate Services - B.Zantsi**

Annual Remuneration	538 124	-
Car and Other Allowances	370 311	-
Company Contributions to UIF, Medical and Pension Funds	10 000	-
<b>Total</b>	<b>918 435</b>	<b>-</b>

The Director was appointed in December 2022.

**Remuneration of the Manager Local Economic Development - K.Maceba**

Annual Remuneration	461 249	922 498
Acting Allowance	-	39 904
Performance Bonus	46 124	46 124
Leave Pay	90 852	-
Car and Other Allowances	318 842	614 999
Company Contributions to UIF, Medical and Pension Funds	10 404	18 005
<b>Total</b>	<b>927 471</b>	<b>1 641 530</b>

**Remuneration of the Manager Infrastructure and Planning - K.Clock**

Acting Allowance	-	47 884
Annual Remuneration	845 623	922 498
Leave Pay	90 852	-
Performance Bonus	46 124	30 750
Car and Other Allowances	604 052	614 999
Company Contributions to UIF, Medical and Pension Funds	17 086	17 931
<b>Total</b>	<b>1 603 738</b>	<b>1 634 062</b>

**Summary of Remuneration of Section 57 Employees:**  
All Managers

8 530 997      6 927 521

**Total Remuneration of Section 57 Employees**

**8 530 997      6 927 521**

**30. REMUNERATION OF COUNCILLORS**

Mayor	-	-
Speaker	927 485	146 564
Chief Whip	746 455	739 064
Executive committee members	763 310	732 465
Total for All Other Councillors	4 413 222	2 106 459
	10 970 543	13 790 639
<b>Total Councillors' Remuneration</b>	<b>17 821 014</b>	<b>17 515 182</b>

The Mayor and Speaker are full-time Councillors and each is provided with an office and secretarial support at the cost of the Municipality. The Mayor and Speaker utilise official Council transportation when engaging in official duties. Packages are set as stated below:

**Mayor**

Annual Remuneration	890 000	738 847
Allowances	37 485	105 317
Co.Contribution	-	7 067
Other Benefits	-	2 500
	<b>927 485</b>	<b>853 731</b>

Was Speaker from 01 July to November 2021, assumed the responsibilities of Mayor from Dec 21 to June 2022

**Speaker**

Annual Remuneration	709 055	620 600
Allowances	37 400	101 491
Co.Contribution	-	6 360
Other Benefits	-	2 500
	<b>746 455</b>	<b>730 951</b>

Was Chief Whip from 01 July to November 2021, assumed the responsibilities of

**Chief Whip**

Annual Remuneration	695 910	592 675
Allowances	67 400	101 491
Co.Contribution	-	5 212
	<b>763 310</b>	<b>699 378</b>

Was Executive Committee Member from 01 July to November 2021, assumed the responsibilities of Chief Whip from Dec 21 to June 2022

**35. CONTRACTED SERVICES**

Outsourced Services		
Consultants and Professional Services	4 379 318	3 699 460
Contractors	9 401 273	6 802 320
	6 414 946	5 642 115

**Total Contracted Services**

<b>20 195 537</b>	<b>16 143 895</b>
-------------------	-------------------

**35.1 Outsourced Services**

Administrative and Support Staff		
Animal Care	408 776	397 049
Business and Advisory	26 517	76 606
Catering Services	1 282 418	1 009 362
Electrical	596 258	888 697
Hygiene Services	209 039	161 054
Personnel and Labour	-	99 120
Researcher	793 628	640 884
Security Services	40 435	168 553
	1 022 247	258 136
	<b>4 379 318</b>	<b>3 699 460</b>

**35.2 Consultants and Professional Services**

Business and Advisory		
Infrastructure and Planning	6 221 107	5 297 068
Legal Cost	1 173 504	1 047 042
	2 006 661	458 210
	<b>9 401 273</b>	<b>6 802 320</b>

**35.3 Contractors**

Maintenance of Buildings and Facilities		
Maintenance of Equipment	2 627 642	1 248 369
Maintenance of Plant and Machinery	62 321	108 070
Plants, Flowers and Other Decorations	3 668 034	4 092 997
Transportation	56 950	192 679
	-	-
	<b>6 414 946</b>	<b>5 642 115</b>

**36. INVENTORY CONSUMED**

Consumables		
Finished Goods	535 456	502 985
Materials and Supplies	2 230 267	1 888 009
	37 210	51 786
	<b>2 802 933</b>	<b>2 442 780</b>

**37. TRANSFERS AND SUBSIDIES PAID****Operational Grants**

Allocations In-kind	3 795 992	3 015 002
	<b>3 795 992</b>	<b>3 015 002</b>

**Total Transfers and Subsidies Paid**

<b>3 795 992</b>	<b>3 015 002</b>
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**38. OPERATIONAL COSTS**

Included in General Expenses are the following:

Advertising, Publicity and Marketing		
Bank Charges, Facility and Card Fees	660 967	392 032
Prepaid Electricity	149 388	160 152
Telephone Management	2 391 391	2 134 274
Contribution to Provisions	851 160	1 390 632
Drivers Licences and Permits	136 997	129 855
Public Participation Programs	339 268	437 924
Environmental Levy	835 177	612 658
External Audit Fees	15 050	-
External Computer Service	4 964 079	5 306 058
Hire Charges	2 171 617	2 681 687
Traditional Councillors and Ward Committee Members	751 138	863 347
Incentive Scheme	4 225 449	2 548 811
Insurance Underwriting	422 064	158 326
Licences	604 618	2 286 401
Municipal Services	289 701	538 842
Personnel Agency Fees [Personnel Recruitment Costs]	6 660 666	6 428 426
Printing, Publications and Books	28 059	-
Professional Bodies, Membership and Subscription	-	113 143
Supplier Development Programme	3 434 492	1 581 153
Travel Agency and Visas	224 575	214 202
Travel and Subsistence	105 729	100 668
Uniform and Protective Clothing	1 052 326	895 771
Wet Fuel	220 989	368 667
Workmen's Compensation Fund	2 470 585	1 999 775
	400 000	492 941
<b>Total Operational Costs</b>	<b>33 405 485</b>	<b>31 835 543</b>

**38.1 Travel and Subsistence**

**Domestic**

Accommodation  
Food and Beverage (Served)  
Incidental Cost  
Transport without Operator  
Transport with Operator

699 552	541 049
1 200	-
2 305	239 033
181 885	81 326
167 385	34 363
<b>1 052 326</b>	<b>895 771</b>

No other extraordinary expenses were incurred.

**39. GAINS AND LOSSES ON OTHER OPERATIONS**

**Losses on Other Operations**

Losses in Inventory: Decrease in Net-realizable Value

**Total Losses on Other Operations**

**Net Gains and Losses on Other Operations**

-	71 753
-	<b>71 753</b>
-	<b>(71 753)</b>

The gains and losses in Inventory is the result of land held in inventory which were sold at its net realisable value.

The figure for the prior year was also restated and full details are disclosed in Note 41 on the Correction of Prior Period Errors

**40. GAINS / LOSSES ON DISPOSAL OF CAPITAL ASSETS**

Property, Plant and Equipment

**Total Losses on Disposal of Capital Assets**

(14 635 918)	(2 303 983)
<b>14 635 918</b>	<b>2 303 983</b>

**INTSIKA YETHU LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

2023  
R                      2022  
R

**41. CORRECTION OF ERROR**

**41.1 Reclassification of Accumulated Surplus**

The prior year figures of Accumulated Surplus has been restated to correctly disclose the monies held by the municipality in terms of the disclosure notes indicated below.

The effect of the changes are as follows:

		<b>Accumulated Surplus</b>
<b>Balance published as at 30 June 2021</b>		<b>682 717 362</b>
Correction of Error:-		
Disposal of Assets		(46 536 902)
Loss on disposal of Community Assets	(2 318 307)	
Loss on disposal of Roads	13 870 940	
Loss on disposal of Land	21 356 810	
Write off of amounts previously capitalised as electrification assets work in progress	16 971 007	
Restatement of Depreciation on assets as a result of audit findings 2023	12 714 394	
Restatement of Electrification expenditure previously capitalised as assets work in progress	4 734 232	
<b>Restated Balance as at 30 June 2021</b>		<b>636 180 460</b>
Transactions incurred for the Year 2021/22		(21 926 088)
Correction of Error:-		
Restatement of Depreciation on assets as a result of an audit finding	(83 046)	18 394 409
Restatement of Depreciation on assets disposed previous years	1 898 631	
Restatement of Impairment on assets disposed previous years	2 235	
Restatement of Computer Equipment at cost	27 895	
Restatement of Depreciation on assets as a result of 2023 audit findings	51 512	
Restatement of Depreciation on assets disposed as a result of 2023 audit findings	38 618	
Restatement of Impairment on assets as a result of an audit finding with 2023 audit.	18 192 566	
Restatement of Payables from Exchange Transactions	(724 286)	
Restatement of VAT Payable	57 540	
Restatement of Electrification expenditure previously capitalised as assets work in progress	(886 997)	
<b>Restated Balances as at 30 June 2022</b>		<b>632 648 780</b>

**41.2 Reclassification of Expenditure**

The prior year figures of Expenditure Classes have been restated to correctly classify the nature of Expenditure of the municipality.

The effect of the Correction of Error is as follows:

	Prior Year 2021/22 Audited	Correction of Error	Restated Amount 2021/22
Employee Related Costs	133 835 555	-	133 835 555
Remuneration of Councillors	17 515 192	-	17 515 192
Depreciation and Amortisation	32 485 786	(1 764 072)	30 721 714
Impairment Losses	28 321 205	(18 194 801)	10 126 403
Interest, Dividends and Rent on Land	234 933	-	234 933
Construction contracts expenditure	-	886 997	886 997
Contracted Services	-	29 500	16 143 895
Inventory Consumed	16 114 395	-	2 442 780
Transfers and Subsidies Paid	2 442 780	-	3 015 002
Operational Costs	2 648 363	366 639	31 835 543
Losses on Other Operations	31 592 832	242 711	71 753
Loss on Disposal of Property, Plant and Equipment	71 753	-	2 303 983
	2 265 364	38 618	
	<b>267 528 158</b>	<b>(18 394 408)</b>	<b>249 133 749</b>

Prior year amounts of items in **Expenditure** included in the Statement of Financial Performance have been restated as indicated below:

	Operational Costs	Depreciation and Amortisation	Impairment Losses
<b>Balance previously reported</b>	<b>31 592 832</b>	<b>32 485 786</b>	<b>28 321 205</b>
Restatement of Depreciation as a result of a 2022 audit finding		83 046	
Restatement of Depreciation on assets disposed previous years			
Community assets		(49 990)	
Road infrastructure		(1 159 648)	
Land and buildings		(688 992)	
Restatement of Impairment on assets disposed previous years			(2 235)
Restatement of Depreciation as a result of a 2023 audit finding			
Land and Buildings		(21 285)	
Road infrastructure		75 182	
Community assets		10 866	
Machinery and Equipment		(1 035)	
Furniture and Office Equipment		3 733	
Computer Equipment		13 037	
Transport Assets		(28 985)	
Restatement of asset previously expensed	(27 895)		
Restatement of Impairment as a result of a 2023 audit finding			
Community assets			49 040
Road infrastructure			(18 342 612)
Machinery and Equipment			177
Furniture and Office Equipment			160
Transport Assets			100 668
Expenditure allocated to the correct period			
Hire Charges	7 302		
Accommodation	1 330		
Travel agency	86		
Wet Fuel	261 887		
<b>Restated Balance now reported</b>	<b>31 835 543</b>	<b>30 721 714</b>	<b>10 126 403</b>

	Transfers and Subsidies Paid	Loss on Disposal of Property, Plant and Equipment	Contracted Services
<b>Balance previously reported</b>	<b>2 648 363</b>	<b>2 265 364</b>	<b>16 114 395</b>
Expenditure allocated to the correct period			
Other transfers (cash):taxi recapitalisation	366 639		
Consultants and professional services			
Restatement of Depreciation on assets disposed as a result of 2023 audit findings			29 500
Machinery and Equipment		(135)	
Furniture and Office Equipment		1 442	
Computer Equipment		(9 908)	
Transport Assets		47 219	
<b>Restated Balance now reported</b>	<b>3 015 002</b>	<b>2 303 983</b>	<b>16 143 895</b>

**Depreciation and Amortisation:**

During the prior year depreciation was incorrectly expensed due to the following reasons:  
An audit finding during the previous financial year.  
Assets previously disposed or expensed.

**Operational Costs:**

A laptop previously expensed as Operational Cost was capitalised as an asset.

**Loss on sale of Assets:**

Due to changes to depreciation because of audit findings in 2023 the loss on the sale previously reported needed to be adjusted.

**Impairment Losses:**

During the previous year's audit the municipality was qualified on the impairment of assets. It was argued that items with a condition assessment of "poor" need to be impaired. The calculation was redone accordingly.

**41.3 Reclassification of Statement of Financial Position**

The prior year figures of Classes in the Statement of Financial Position have been restated to correctly classify the nature of Assets, Liabilities and Net Assets of the municipality.

The effect of the Correction of Error is as follows:

	Prior Year 2021/22 Audited	Correction of Error	Restated Amount 2021/22
<b>Current Assets</b>			
Inventories			
Receivables from Exchange Transactions	53 210 714	-	53 210 714
Statutory Receivables from Non-Exchange Transactions	2 049 807	-	2 049 807
Cash and Cash Equivalents	3 778 250	-	3 778 250
Operating Lease Receivables	61 083 042	-	61 083 042
	82 617	-	82 617
<b>Non-Current Assets</b>			
Property, Plant and Equipment	525 676 227	(27 475 749)	498 200 478
Investment Property	82 041 997	-	82 041 997
<b>TOTAL ASSETS</b>	<b>727 922 653</b>	<b>- 27 475 749</b>	<b>700 446 904</b>
<b>Current Liabilities</b>			
Consumer Deposits			
Provisions	3 700 726	-	3 700 726
Payables from Exchange Transactions	2 365 193	-	2 365 193
Payables from Non-exchange Transactions	30 889 805	724 286	31 614 091
Unspent Conditional Grants and Receipts	254 468	-	254 468
VAT Payable	10 744 303	-	10 744 303
	2 281 038	(57 541)	2 223 497
<b>Non-Current Liabilities</b>			
Retirement Benefit Liabilities			
Non-current Provisions	14 405 000	-	14 405 000
	2 490 847	-	2 490 847
<b>Minus TOTAL LIABILITIES</b>	<b>67 131 380</b>	<b>666 745</b>	<b>67 798 124</b>
<b>TOTAL NET ASSETS</b>	<b>660 791 274</b>	<b>(28 142 494)</b>	<b>632 648 780</b>
Accumulated Surplus / (Deficit)	660 791 274	(28 142 494)	632 648 780

Opening balances and prior year amounts of items in the Statement of Financial Position have been restated as indicated below:

	Payables from Exchange Transactions	Property, Plant and Equipment
<b>Balances previously published per AFS as at 30 June 2021</b>		<b>535 177 471</b>
Restatement of Community Assets		
@ Cost		
@ Accumulative Depreciation		(2 499 507)
@ Accumulative Impairment		181 200
Restatement of Road Infrastructure Assets		
@ Cost		
@ Depreciation		(30 515 525)
Restatement of Land and Buildings		16 644 584
@ Cost		
@ Depreciation		(29 626 660)
Electrification previously capitalised as work in progress		8 269 850
Restatement of Depreciation as a result of an audit finding during 2023 audit		16 971 007
Land and buildings		
Road infrastructure		6 753
Community assets		11 013 915
Machinery and equipment		1 422 825
Furniture and office equipment		2 021
Computer equipment		14 977
Transport assets		6 495
Restatement of Electrification expenditure previously capitalised as assets work in progress		247 408
		(4 734 232)
<b>Balances now published per AFS as at 30 June 2021</b>		<b>488 640 569</b>
Transactions incurred for the Year 2021/22		9 501 244
Restatement of Depreciation as a result of an audit finding during 2022 audit		
Transport assets		7 200
Land and buildings		4 270
Machinery and equipment		638
Furniture and office equipment		812
Computer equipment		1 556
Community assets		4 382
Road infrastructure		64 187
Restatement of Depreciation on assets disposed previous years		
Community assets		49 990
Road infrastructure		1 159 648
Land and buildings		688 992

Restatement of impairment on Community assets disposed previous years		2 235
Restatement of Impairment as a result of a 2023 audit finding		
Road infrastructure		18 342 612
Community assets		(49 040)
Machinery and equipment		(177)
Furniture and office equipment		(160)
Transport assets		(100 668)
Restatement of Depreciation as a result of an audit finding during 2023 audit		
Land and buildings		21 285
Road infrastructure		(75 182)
Community assets		(10 866)
Machinery and equipment		1 035
Furniture and office equipment		(3 733)
Computer equipment		(13 037)
Transport assets		28 985
On disposals		
Machinery and equipment		135
Furniture and office equipment		(1 442)
Computer equipment		9 908
Transport assets		(47 219)
Balances on Community Assets @ Cost Completed and Community Assets @ Work in Progress have been restated as the Found was completed by 30 June 2022. The transfer has no effect on the total value of Property, Plant and Equipment.		(247 300)
Laptop capitalised which were expensed last year.		247 300
Restatement of Payables to allocate expenditure to the correct period		27 895
Operational cost		
Transfers and subsidies paid	270 606	
Contracted services	366 639	
VAT Payable	29 500	
Restatement of Electrification expenditure previously capitalised as assets work in progress	57 541	(886 997)
<b>Balances now published per AFS as at 30 June 2022</b>		
	<b>31 614 091</b>	<b>498 200 478</b>

**Property, Plant and Equipment:**

Restatement of Accumulative Depreciation on assets @ 30 June 2021.

- correctly disclose the depreciation incorrectly calculated for the 2021/22 financial year.
- exclude assets which were already disposed off.
- include a laptop which were expensed during the previous financial year.
- exclude electrification previously incorrectly capitalised as work in progress.
- account for the change in the remaining useful life of certain assets.

**Payables from Exchange Transactions:**

The prior year amounts for Payables from Exchange transactions have been restated to disclose accruals which were incorrectly not raised previously.

**41.4 Reclassification of the Cash Flow Statement**

The prior year figures of Classes in the Cash Flow Statement have been restated to correctly classify the cash flow nature of transactions.

**The effect of the Correction of Error is as follows:**

	Prior Year Audited	Cash related movement	Restated Amount
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments			
Other Payments	34 581 906	34 581 906	0
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant and Equipment	44 066 018	859 102	(43 206 916)

These movements in cash related transactions were caused by prior year error corrections made.

#### 42. CASH GENERATED BY OPERATIONS

Surplus / (Deficit) for the Year		7 555 941	(3 531 680)
Adjustment for Non-cash Transactions included in Surplus / (Deficit):			
Employee Related Costs	Note 28.1	2 335 314	1 543 859
Depreciation and Amortisation	Note 31	31 160 728	30 721 714
Impairment Losses	Note 31.2	10 588 328	10 126 403
Receivables: Bad Debts Written-off		-	(1 812 524)
Transfer of Investment Property		-	24 283 369
Expenditure incurred from Provisions for Employee Related Costs		(1 357 000)	(1 336 000)
Expenditure incurred from Provisions for Other Payments		136 997	129 855
Adjustment for Transactions included in Surplus / (Deficit) directly recognised in Cash Flow:			
Losses on Disposal of Capital Assets	Note 38.1	14 635 918	2 303 983
<b>Operating surplus before working capital changes</b>		<u>65 056 226</u>	<u>62 428 978</u>
Decrease/(Increase) in inventories		72 865	(23 782 120)
Decrease/(Increase) in Receivables from Exchange Transactions		(2 244 221)	(2 338 589)
Decrease/(Increase) in Statutory Receivables from Non-exchange Transactions		(10 085 245)	(7 170 198)
Decrease/(Increase) in Receivables from Non-exchange Transactions		-	1 812 524
Decrease/(Increase) in Operating Lease Receivables		36 071	46 244
Increase/(Decrease) in Consumer Deposits		33 600	414 126
Increase/(Decrease) in Payables from Exchange Transactions		(1 646 474)	2 069 483
Increase/(Decrease) in Payables from Non-exchange Transactions		1 519 048	(398 813)
Increase/(Decrease) in Conditional Grants and Receipts		(6 517 320)	6 438 235
Increase/(Decrease) in VAT Payable		(764 301)	1 766 254
<b>Cash Generated by / (Utilised in) Operations</b>		<u>45 460 250</u>	<u>41 286 125</u>

#### 43. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

All calculations and disclosed figures in this section are inclusive of VAT.

##### 43.1 Unauthorised Expenditure

Reconciliation of Unauthorised Expenditure:

Opening Balance:

- As previously stated

Unauthorised Expenditure Current Year:

- Current Year

Approved/Condoned by Council:

- Current Year

Unauthorised Expenditure awaiting authorisation

	35 245 976	5 852 721
	<u>35 245 976</u>	<u>5 852 721</u>
	10 004 643	29 393 255
	<u>10 004 643</u>	<u>29 393 255</u>
	(35 245 976)	-
	<u>(35 245 976)</u>	<u>-</u>
	<u>10 004 643</u>	<u>35 245 976</u>

The current year's unauthorised expenditure is as a result of the assessment conducted for immovable assets classified as "in bad condition" and duly impaired. For non-cash items and cash items alike, the unauthorised expenditure results from free basic services and employee costs, such as other allowances, overtime, standby that were under budgeted for.

Unauthorised expenditure has been tabled to Council and was referred to MPAC.

- Non-cash

- Cash

	7 426 578	33 553 135
	<u>2 578 065</u>	<u>1 692 841</u>
	<u>10 004 643</u>	<u>35 245 976</u>

Analysed as follows:

Non-cash:-

Depreciation and Amortisation

Impairment Losses

	1 160 728	7 825
	<u>7 425 796</u>	<u>33 545 310</u>
	<u>8 586 524</u>	<u>33 553 135</u>

Cash:-

Employee Related Costs

Remuneration of Councillors

Interest, Dividends and Rent on Land

Transfers and Subsidies Paid

Operational Costs

	1 841 335	
	-	24 228
	6 938	234 933
	729 790	391 080
	-	1 102 600
	<u>10 818 522</u>	<u>1 692 841</u>

### 43.2 Fruitless and Wasteful Expenditure

#### Reconciliation of Fruitless and Wasteful Expenditure:

##### Opening Balance

- As previously stated
- Correction of error

38 676 903	16 750 435
19 263 620	16 718 095
19 413 283	34 340
685 429	2 513 185
685 429	2 513 185
<b>39 362 333</b>	<b>19 263 620</b>

##### Fruitless and Wasteful Expenditure

- Current Year

##### Fruitless and Wasteful Expenditure awaiting condonement

Fruitless and wasteful expenditure is as a result of suppliers paid for work not done and interest incurred for late payment of Eskom and Telkom invoices. Fruitless expenditure incurred for the year under review was also due to the lack of accurate and complete records by management resulting in the inability to confirm the number of dwellings that were connected as part of the electrification projects. Moreover, upon the independent physical verification of the projects on site, they could not confirm the existence of the electrified households as at 30 June 2021.

The AGSA raised findings querying the existence of infrastructure assets which were capitalised to work-in-progress since the commencement of the programme. Of the total of R21 705 237.80 raised as a finding, R5 313 219.39 was incurred in 2018/19 from a different service provider and was in fact verifiable and accurately capitalised in terms of that supplier's service level agreement. The remaining R16 281 839.16 (excl.VAT) did not meet the requirements to be recognised as an asset.

The municipality appointed engineers to assess and investigate the work done on site relating to the project. The outcome of this investigation is still pending.

Transfers and Subsidies: Free Basic Services(Electricity) payments made for households who are not beneficiaries of Indigent. Fees to the amount of R678 491 were paid over to Eskom for individuals who no longer qualifies for subsidy. Eskom was instructed to delete the old data, upload the new data as per the approved Indigent Register and a formal correspondence will be sent to Eskom for recovery of the fruitless expenditure

### 43.3 Irregular Expenditure

#### Reconciliation of Irregular Expenditure:

##### Opening Balance:

- As previously stated
- Correction of error

46 626 088	45 230 155
46 626 088	45 208 818
	21 337
23 216 481	1 395 933
23 216 481	1 020 046
-	375 887
<b>69 842 569</b>	<b>46 626 088</b>

##### Irregular Expenditure Current Year:

- Current Year
- Prior Year

##### Irregular Expenditure awaiting condonation

Prior years Irregular Expenditure was referred to MPAC for investigation by Council, and the MPAC recommended to Council that the prior year expenditure be investigated by the Financial Misconduct Board. The current year expenditure relates to the remuneration packages for s56 & s57 managers exceeded the prescribed threshold as indicated in Government Gazette notice: No 2760 dated 18 November 2022 and will be tabled to Council as it was identified by AGSA.

#### Current Year:

Incident	Deviation
s56 and 57 remuneration- ( 2023: R2 420 966)	Non Compliance Government Gazette Notice: No 2760 dated 18 November 2022
Bantu Bobane Transport (2023:R11 200)	Non Compliance with SCM regulations
WG Mica Hardware(2023:R16 852,40)	Non Compliance with SCM regulations
Vokon Consulting(2023: R51 238,26)	Non Compliance with SCM regulations
Bholokodlela to Ntshingeni (2023: R6 313 929,18)	Non Compliance with SCM regulations
Masilakhe Consulting (2023: R136 287)	Non Compliance with SCM regulations
Hangana to Ntshingeni (2023: R3 314 800,37)	Non Compliance with SCM regulations
Remainder Mangubomvu AR (2023: R1 704 568)	Non Compliance with SCM regulations
Qutsa to Mangubomvu Access Road(2023: R2 614 718)	Non Compliance with SCM regulations
MBSA Consulting (20023: R587 486,93)	Non Compliance with SCM regulations
Vokon Consulting(2023: R982 575,83)	Non Compliance with SCM regulations
Kozozo Trading (2023: R36 400)	Non Compliance with SCM regulations
Mkwini Access Road (2023: R5 025458,38)	Non Compliance with SCM regulations

#### Prior Year:

Incident	Deviation
KCS Consultants - (2021: R355 607,25)	Procured in terms of SCM Regulation 32; no demonstrable discounts or benefits.
Vokon Consulting - ( 2022: R 816 103,25)	Non Compliance with SCM regulations
MBSA Consulting - ( 2022: R 601 166,93)	Non Compliance with SCM regulations
Kuhle Mcebo Engineers - (2021: R3 698 400)	Quorum of BAC was not met as per SCM Regulations
Sub-Contractors of Tshiya- (2021: R263 241,05)	Non compliance with GCC & CIDB Regulations
Umphongolo Petroleum - (2021: R609 130)	Non compliance with Reg 36
Qaphela Qaphela Quantity Surveyors ( 2021: R 400 000,00)	Non compliance with Reg 36
MFS Consulting Chartered Accounting ( R 502 119,85)	Non compliance with Reg 36
1 Time safety ( 2021:R 33 348,85)	Non compliance with Reg 36
SG Msimang ( 2021:R 187 840,00)	Non compliance with Reg 36
Helushe ( 2021:R 1 137 235))	Non compliance with CIDB Regulations
Bahlaphing Construction JV Platkam and TBR ( 2021:R 340 495,91)	Non Compliance with SCM regulations
Bravopro 245/ Bob Mazwana ( 2021:215 102,32)	Non Compliance with SCM regulations
Rushmere Nouch Attorneys ( 2021:R 14 220,29)	Non Compliance with SCM regulations
Netteltons Attorneys ( 2021:42 185,16)	Non compliance with Reg 36
Red Guard - R0 (2022: R0)	Contract extensions exceed 15% allowed of the original value of the contract.
Umphongolo Petroleum - R0 (2022: R0)	Contract extensions exceed 15% allowed of the original value of the contract.

**44. ADDITIONAL DISCLOSURES IN TERMS OF APPLICABLE LEGISLATION**

**44.1 MUNICIPAL FINANCE MANAGEMENT ACT**

**44.1.1 Contributions to Organised Local Government - SALGA**

Opening Balance	-	-
Council Subscriptions	1 715 155	1 542 691
Amount Paid - current year	(1 715 155)	(1 542 691)

**Balance Unpaid (Included in Creditors)**

-	-
---	---

**44.1.2 Medical Aid Contributions**

Opening Balance	-	-
Current Year Contributions	14 344 624	14 458 093
Amount Paid - current year	(14 340 998)	(14 458 093)

**Balance Unpaid (included in Creditors)**

3 626	-
-------	---

**44.1.3 Pension Fund Contributions**

Opening Balance	-	-
Current Year Contributions	-	-
Amount Paid - current year	22 065 172	21 391 440
	(22 065 172)	(21 391 440)

**Balance Unpaid (included in Creditors)**

-	-
---	---

**44.1.4 Audit Fees**

Opening Balance	-	-
Current year Audit Fees	5 498	-
Amount Paid - current year	5 714 188	6 102 114
	(5 719 686)	(6 096 616)

**Balance Unpaid (included in Creditors)**

-	5 498
---	-------

**44.1.5 PAYE, Skills Development Levy and UIF**

Opening Balance	-	-
Current year Payroll Deductions	(4 647)	(2 510)
Amount Paid - current year	23 816 121	23 266 887
	(23 814 578)	(23 269 025)

**Balance Unpaid (included in Creditors)**

(3 105)	(4 647)
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**44.1.6 VAT**

The net of VAT input receivables and VAT output payables are shown in Note 5. All VAT returns have been submitted by the due date throughout the year.

**44.1.7 Councillor's arrear Consumer Accounts**

At the reporting date no Councillor was in arrear on their municipal accounts.

**44.1.8 Non-Compliance with the Municipal Finance Management Act**

**Interest charged on outstanding debtors - [MFMA 64 (2)(g)]**

In terms of section 64 (2)(g) of the MFMA the municipality must charge interest on arrears, except where the council has granted exemptions in accordance with its budget related policies and within a prescribed framework. The municipality charges interest on over 60 days outstanding balances.

4 990 433	2 456 985
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**45. COMMITMENTS FOR EXPENDITURE**

11 705 090	9 976 663
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**45.1 Capital Commitments**

- Approved and Contracted for:-

Infrastructure

Other

3 793 788	6 240 856
1 767 819	6 240 856
2 025 969	-

**Total Capital Commitments**

3 793 788	6 240 856
-----------	-----------

This expenditure will be financed from:

Government Grants & Internal Funds

3 793 788	6 240 856
-----------	-----------

3 793 788	6 240 856
-----------	-----------

#### 45.2 Operational Commitments

##### - Approved and Contracted for:-

Procurement of Financial Reporting and AFS Tools
Town and Regional Planners
Supply and Delivery of Double Cab Bakkie
Rental of Multi-Function Printing Solution
Contraction of Roads and Bridges
Fleet Tracking Services
Installation, Monitoring of Alarm System and 24 Hours Armed Response for 24 Hour
Yethu Municipality Assets for a Period of Two Years
Other Commitments

150 973	131 360
434 400	-
504 540	-
11 068	153 514
-	2 095 118
325 052	325 052
4 493 227	96 780
1 555 983	933 984
436 059	-
<b>7 911 302</b>	<b>3 735 807</b>

##### Total Operational Commitments

This expenditure will be financed from:

Government Grants
Own Resources

150 973	2 516 950
7 760 329	1 218 858
<b>7 911 302</b>	<b>3 735 807</b>

This committed expenditure relates to projects under work in progress and will be financed by available bank facilities, retained surpluses, rights issue of shares, issue of debentures, mortgage facilities, existing cash resources, funds internally generated, etc.

#### 46. FINANCIAL INSTRUMENTS

##### 46.1 Classification

##### FINANCIAL ASSETS:

In accordance with GRAP 104.13 the Financial Assets of the municipality are classified as follows:

<u>Financial Assets</u>	<u>Classification</u>		
<b>Receivables from Exchange Transactions</b>			
Refuse	Amortised cost		
Other Service Charges	Amortised cost	396 207	804 237
Affiliated/Related Parties/Associated Companies	Amortised cost	60 425	(1)
Property Rental Debtors	Amortised cost	-	(7 356)
Other Debtors	Amortised cost	348 550	677 908
Prepayments and Advances	Amortised cost	167 798	-
Control, Clearing and Interface Accounts	Amortised cost	709 678	-
Receivables with Credit Balances	Amortised cost	417 609	417 609
	Amortised cost	139 014	157 409
<b>Cash and Cash Equivalents</b>			
Bank Balances	Fair value		
Cash Floats and Advances	Fair value	61 022 328	61 083 042
		(0)	-
<b>SUMMARY OF FINANCIAL ASSETS</b>			
<b>Financial Assets at Amortised Cost:</b>			
Receivables from Exchange Transactions	Refuse		
Receivables from Exchange Transactions	Other Service Charges	396 207	804 237
Receivables from Exchange Transactions	Affiliated/Related Parties/Associated Companies	60 425	(1)
Receivables from Exchange Transactions	Property Rental Debtors	-	(7 356)
Receivables from Exchange Transactions	Other Debtors	348 550	677 908
Receivables from Exchange Transactions	Prepayments and Advances	167 798	-
Receivables from Exchange Transactions	Control, Clearing and Interface Accounts	709 678	-
Receivables from Exchange Transactions	Receivables with Credit Balances	417 609	417 609
		139 014	157 409
Cash and Cash Equivalents	Bank Balances	61 022 328	61 083 042
Cash and Cash Equivalents	Cash Floats and Advances	(0)	-
<b>Total Financial Assets</b>		<b>63 261 608</b>	<b>63 132 848</b>

##### FINANCIAL LIABILITIES:

In accordance with GRAP 104.13 the Financial Liabilities of the municipality are classified as follows:

<u>Financial Liabilities</u>	<u>Classification</u>		
<b>Payables from Exchange Transactions</b>			
Other Payables			
Retentions	Amortised cost		
Trade Creditors	Amortised cost	4 562 067	4 445 856
Exchange Receivables with Credit Balances	Amortised cost	5 366 265	4 130 138
	Amortised cost	3 873 395	7 408 390
		139 014	157 409
<b>SUMMARY OF FINANCIAL LIABILITIES</b>			
<b>Financial Liabilities at Amortised Cost:</b>			
Payables from Exchange Transactions	Other Payables		
Payables from Exchange Transactions	Retentions	4 562 067	4 445 856
Payables from Exchange Transactions	Trade Creditors	5 366 265	4 130 138
Payables from Exchange Transactions	Exchange Receivables with Credit Balances	3 873 395	7 408 390
		139 014	157 409
<b>Total Financial Liabilities</b>		<b>13 940 740</b>	<b>16 141 793</b>

#### 46.2 Fair Value

The following methods and assumptions were used to estimate the Fair Value of each class of Financial Instrument for which it is practical to estimate such value:

##### Cash

The carrying amount approximates the Fair Value because of the short maturity of these instruments.

##### Trade and Other Receivables/Payables

The Fair Value of Trade and Other Payables is estimated at the present value of future cash flows.

The management of the municipality is of the opinion that the carrying value of Trade and Other Receivables recorded at amortised cost in the Annual Financial Statements approximate their fair values. The Fair Value of Trade Receivables were determined after considering the standard terms and conditions of agreements entered into between the municipality and other parties as well as the current payment ratios of the municipality's debtors.

##### Other Financial Assets and Liabilities

The Fair Value of Other Financial Assets and Financial Liabilities (excluding Derivative Instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

##### Long-term Liabilities

The Fair Value of Long-term Liabilities was determined after considering the standard terms and conditions of agreements entered into between the municipality and the relevant financing institutions.

Management considers the carrying amounts of Financial Assets and Financial Liabilities recorded at amortised cost in the Annual Financial Statements to approximate their Fair Values on 30 June 2023, as a result of the short-term maturity of these assets and liabilities.

No Financial Instruments of the municipality have been reclassified during the year.

##### Assumptions used in determining Fair Value of Financial Assets and Financial Liabilities

The table below analyses Financial Instruments carried at Fair Value at the end of the reporting period by the level of fair-value hierarchy as required by GRAP 104. The different levels are based on the extent to which quoted prices are used in the calculation of the Fair Value of the Financial Instruments. The levels have been defined as follows:

###### Level 1:-

Fair Values are based on quoted market prices (unadjusted) in active markets for an identical instrument.

###### Level 2:-

Fair Values are calculated using valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

###### Level 3:-

Fair Values are based on valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. Also, this category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

#### 46.3 Capital Risk Management

The capital structure of the municipality consists of debt, which includes Cash and Cash Equivalents and Equity, comprising Funds, Reserves and Accumulated Surplus as disclosed in Note 17 and the Statement of Changes in Net Assets.

##### Gearing Ratio

The gearing ratio at the year-end was as follows:

	2023 R	2022 R
Debt	-	-
Cash and Cash Equivalents	-	-
Net Debt	(61 022 328)	(61 083 042)
Equity	(61 022 328)	(61 083 042)
<b>Net debt to equity ratio</b>	<b>640 204 720</b>	<b>632 648 780</b>
	<b>-9.53%</b>	<b>-9.66%</b>

Debt is defined as Long-term Liabilities, together with its Short-term Portion.

The Gearing Ratio of the municipality is currently negative, due to the municipality having no debt. If the value is negative, then this means that the municipality has net cash, i.e. cash at hand exceeds debt.

Equity includes all Funds and Reserves of the municipality, disclosed as Net Assets in the Statement of Financial Performance and Net Debt as described above.

#### 46.4 Financial Risk Management Objectives

The Accounting Officer has overall responsibility for the establishment and oversight of the municipality's risk management framework. The municipality's risk management policies are established to identify and analyse the risks faced by the municipality, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities. Financial Instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IAS's mainly apply. Generally, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Department Financial Services monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity risk. Compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and annually by external auditors. The municipality does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports periodically to the municipality's audit committee, an independent body that monitors the effectiveness of the internal audit function.

Further quantitative disclosures are included throughout these Annual Financial Statements.

#### 46.5 Significant Risks

It is the policy of the municipality to disclose information that enables the user of its Annual Financial Statements to evaluate the nature and extent of risks arising from Financial Instruments to which the municipality is exposed on the reporting date.

The municipality has exposure to the following risks from its operations in Financial Instruments:

- Credit Risk;
- Liquidity Risk; and
- Market Risk.

Risks and exposures are disclosed as follows:

##### Market Risk

Market Risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the municipality's income or the value of its holdings in Financial Instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

##### Credit Risk

Credit Risk is the risk of financial loss to the municipality if a customer or counterparty to a Financial Instrument fails to meet its contractual obligations and arises principally from the municipality's receivables from customers and investment securities.

##### Liquidity Risk

Liquidity Risk is the risk that the municipality will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another financial asset. The municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the municipality's reputation.

Liquidity Risk is managed by ensuring that all assets are reinvested at maturity at competitive interest rates in relation to cash flow requirements. Liabilities are managed by ensuring that all contractual payments are met on a timeous basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

The maturity analysis below shows the remaining contractual maturities of the entity's financial liabilities based on the remaining period as at the reporting date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

At 30 June 2023

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	13 801 726			
Payables from non-exchange transactions	1 773 516			

At 30 June 2022

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	15 984 384			
Payables from non-exchange transactions	254 468			

#### 46.6 Market Risk

The municipality's activities expose it primarily to the financial risks of changes in interest rates (see Note 44.7 below). No formal policy exists to hedge volatilities in the interest rate market.

There has been no change to the municipality's exposure to market risks or the manner in which it manages and measures the risk.

##### 46.6.1 Foreign Currency Risk Management

The municipality's activities do not expose it to the financial risks of foreign currency and therefore has no formal policy to hedge volatilities in the interest rate market.

#### 46.6.2 Interest Rate Risk Management

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with Absa Bank, First National Bank, Nedbank and Standard Bank. No investments with a tenure exceeding twelve months are made.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality is not exposed to credit interest rate risk as the municipality has no borrowings.

The municipality's exposures to interest rates on Financial Assets and Financial Liabilities are detailed in the Credit Risk Management section of this note.

#### Interest Rate Sensitivity Analysis

The sensitivity analysis has been determined based on the exposure to interest rates at the Statement of Financial Position date. The analysis is prepared by averaging the amount of the investment at the beginning of the financial year and the amount of the investment at the end of the financial year. A 100 basis point increase or decrease was used, which represents management's assessment of the reasonably possible change in interest rates. The short and long-term financial instruments at year-end with variable interest rates are set out in Note 44.8 below:

#### Cash and Cash Equivalents:

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the municipality's:

- Surplus for the year ended 30 June 2023 would have increased / decreased by R610 527 (30 June 2022: R616 503). This is mainly attributable to the municipality's exposure to interest rates on its variable rate investments.

#### 46.7 Credit Risk Management

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the municipality. The municipality has a sound credit control and debt collection policy and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The municipality uses its own trading records to assess its major customers. The municipality's exposure of its counterparties are monitored regularly.

Potential concentrations of credit rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

#### Investments/Bank, Cash and Cash Equivalents

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with Absa Bank, First National Bank, Nedbank and Standard Bank. No investments with a tenure exceeding twelve months are made.

#### Trade and Other Receivables

There were no material changes in the exposure to credit risk and its objectives, policies and processes for managing and measuring the risk during the year under review. The municipality's maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position, without taking into account the value of any collateral obtained. The municipality has no significant concentration of credit risk, with exposure spread over a large number of consumers, and is not concentrated in any particular sector or geographical area.

The municipality establishes an allowance for impairment that represents its estimate of anticipated losses in respect of trade and other receivables.

Long-term Receivables and Other Debtors are individually evaluated annually at reporting date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The municipality defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings.

Counterparty and Location	30 June 2023 Carrying Amount R	30 June 2022 Carrying Amount R
South African Bantu Trust		
Sakaulis Prop (Pty) Ltd	885 379	811 730
Government of Transkei	744 481	625 355
South African Police Services	767 744	713 605
Vokuhle	850 895	787 770
	1 298 579	1 031 795
	<b>2023</b>	<b>2022</b>
	<b>R</b>	<b>R</b>
The maximum credit and interest risk exposure in respect of the relevant financial instruments is as follows:		
Receivables from Exchange Transactions	15 557 673	13 313 452
Bank, Cash and Cash Equivalents	61 022 328	61 083 042
<b>Maximum Credit and Interest Risk Exposure</b>	<b>76 580 001</b>	<b>74 396 494</b>

The major concentrations of credit risk that arise from the municipality's receivables in relation to customer classification are as follows:

	%	%
<b>Consumer Debtors:</b>		
- Household	9,16%	14,43%
- Industrial / Commercial	12,87%	22,99%
- National and Provincial Government	6,60%	8,80%
- Other Classes	2,67%	2,49%
<b>Other Debtors:</b>		
- Other not Classified	9,10%	9,59%
<b>Total Credit Risk</b>	<u>40,39%</u>	<u>58,29%</u>
<b>Bank and Cash Balances</b>		
ABSA Bank Ltd	893 149	860 948
First National Bank	60 129 179	60 222 093
<b>Total Bank and Cash Balances</b>	<u>61 022 329</u>	<u>61 083 041</u>

**Credit quality of Financial Assets:**

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Counterparties without external credit rating:-

Group 1	1 022 191	204 704
Group 2	261 324	52 333
<b>Total Receivables from Exchange Transactions</b>	<u>1 283 514</u>	<u>257 037</u>

**Credit quality Groupings:**

Group 1 - High certainty of timely payment. Liquidity factors are strong and the risk of non-payment is small.

Group 2 - Reasonable certainty of timely payment. Liquidity factors are sound, although ongoing funding needs may enlarge financing requirement. The risk of non-payment is small.

Group 3 - Satisfactory liquidity factors and other factors which qualify the entity as investment grade. However, the risk factors of non-payment are larger.

None of the financial assets that are fully performing have been renegotiated in the last year.

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**46. FINANCIAL INSTRUMENTS (Continued)**

**46.1 Liquidity Risk Management**

Ultimate responsibility for liquidity risk management rests with the Council, which has built an appropriate liquidity risk management framework for the management of the municipality's short, medium and long-term funding and liquidity management requirements. The municipality manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

**Liquidity and Interest Risk Tables**

The municipality ensures that it has sufficient cash on demand or access to facilities to meet expected operational expenses through the use of cash flow forecasts.

The following tables detail the municipality's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the municipality can be required to pay. The table includes both interest and principal cash flows.

Description	Note ref in AFS #	Average effective Interest Rate %	Total	6 Months	6 - 12	1 - 2	2 - 5	More than
			R	or less R	Months R	Years R	Years R	5 Years R
<b>30 June 2023</b>								
Non-interest Bearing		0,00%	13 940 740	13 940 740	-	-	-	-
- Payables from Exchange transactions			13 940 740	13 940 740				
			<b>13 940 740</b>	<b>13 940 740</b>	-	-	-	-
<b>30 June 2022</b>								
Non-interest Bearing		0,00%	16 141 793	16 141 793	-	-	-	-
- Payables from Exchange transactions			16 141 793	16 141 793				
			<b>16 141 793</b>	<b>16 141 793</b>	-	-	-	-

The following table details the municipality's expected maturity for its non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the municipality anticipates that the cash flow will occur in a different period.

Description	Note ref in AFS #	Average effective Interest Rate %	Total	6 Months	6 - 12	1 - 2	2 - 5	More than
			R	or less R	Months R	Years R	Years R	5 Years R
<b>30 June 2023</b>								
Non-interest Bearing		0,00%	2 239 280	2 239 280	-	-	-	-
Variable Interest Rate Instruments		8,74%	61 022 328	61 022 328	-	-	-	-
- Bank Accounts			61 022 328	61 022 328				
			<b>63 261 608</b>	<b>63 261 608</b>	-	-	-	-
<b>30 June 2022</b>								
Non-interest Bearing		0,00%	2 049 807	2 049 807	-	-	-	-
Variable Interest Rate Instruments		3,62%	61 083 042	61 083 042	-	-	-	-
- Bank Accounts			61 083 042	61 083 042				
			<b>63 132 848</b>	<b>63 132 848</b>	-	-	-	-

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2023	2022
R	R

**47. MULTI-EMPLOYER RETIREMENT BENEFIT INFORMATION**

The municipality makes provision for post-retirement benefits to eligible councillors and employees, who belong to different pension schemes. All councillors belong to the Pension Fund for Municipal Councillors, whilst employees belong to a variety of approved Pension and Provident Funds as described below.

These funds are governed by the Pension Funds Act and include both defined benefit and defined contribution schemes.

All of these aforementioned funds are multiemployer plans and are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below.

Sufficient information is not available to use defined benefit accounting for the pension and retirement funds, due to the following reasons:-

- (i) The assets of each fund are held in one portfolio and are not notionally allocated to each of the participating employers.
- (ii) One set of financial statements are compiled for each fund and financial statements are not drafted for each participating employer.
- (iii) The same rate of contribution applies to all participating employers and no regard is paid to differences in the membership distribution of the participating employers.

It is therefore seen that each fund operates as a single entity and is not divided into sub-funds for each participating employer.

The only obligation of the municipality with respect to the retirement benefit plans is to make the specified contributions. Where councillors / employees leave the plans prior to full vesting of the contributions, the contributions payable by the municipality are reduced by the amount of forfeited contributions.

The total expense recognised in the Statement of Financial Performance of R13 917 923 (2022: R13 635 464) represents contributions payable to these plans by the municipality at rates specified in the rules of the plans. These contributions have been expensed.

The Retirement Funds have been valued by making use of the Discounted Cash Flow method of valuation.

**47.1 DEFINED BENEFIT SCHEMES**

**LA Retirement Fund, previously Cape Joint Pension Fund (Defined Benefit Scheme):**

The scheme is subject to actuarial valuations at intervals not exceeding three years, which is not the responsibility of the Municipality. Each valuation report is forwarded to the Registrar in accordance with statutory requirements.

The contribution rate payable under the defined benefit section is 27%, 9% by the members and 18% by their councils. The actuarial valuation report at 30 June 2022 disclosed an actuarial valuation amounting to R1 392 (2021: R1 486) million, with a funding level of 111.6% (2021: 104.9%).

**47.2 DEFINED CONTRIBUTION SCHEMES**

**Consolidated Retirement Fund for Local Government (previously Cape Joint Retirement Fund):**

The scheme is subject to actuarial valuations at intervals not exceeding three years, which is not the responsibility of the Municipality. Each valuation report is forwarded to the Registrar in accordance with statutory requirements.

The actuarial valuation report at 30 June 2022 revealed that the net assets of the fund amounted to R36 503 (30 June 2021: R34 148) million with a funding level of 100,4% (30 June 2021: 100,5%). The contribution rate paid by the members (7,5% or 9,0%) and the employer (19,5% or 18,0%) is sufficient to fund the benefits accruing from the fund in the future.

**National Fund for Municipal Workers:**

The scheme is subject to actuarial valuations at intervals not exceeding three years, which is not the responsibility of the Municipality. Each valuation report is forwarded to the Registrar in accordance with statutory requirements.

Members contribute at a rate of not less than 7,5% of salaries, as required by the Rules. Employers contribute at a total rate of not less than 18,0%. The statutory valuation performed as at 30 June 2021 revealed that the net assets of the fund amounted to R22 599 (30 June 2020 : R18 423) million.

The assets of the fund are sufficient to cover 100,0% the members' liabilities and various recommended reserve balances and the fund is hence financially sound.

**Discovery Retirement Plan:**

No information could be obtained. (One councillor is still a member).

**LA Retirement Fund (previously Cape Joint Pension Fund):**

The scheme is subject to actuarial valuations at intervals not exceeding three years, which is not the responsibility of the Municipality. Each valuation report is forwarded to the Registrar in accordance with statutory requirements.

The actuarial valuation report at 30 June 2022 indicated that the defined contribution scheme of the fund is in a sound financial position, with a assets amounting to R1 976 (2021: R2 083) million, and a funding level of 100,0% (2021: 100,0%).

**Metropolitan Retirement Fund:**

No information could be obtained.

**Municipal Councillors Pension Fund:**

The scheme is subject to a tri-annual actuarial valuation. The last statutory valuation was performed as at 30 June 2015.

The statutory valuation performed as at 30 June 2015 revealed that the net assets of the fund were R2 552 (30 June 2012: R1 184) million, with a funding level of 101,8% (30 June 2012: 99,5%). The contribution rate paid by the members (13,75%) and Council (15,00%) is sufficient to fund the benefits accruing from the fund in the future.

As reported by the Actuaries, the Fund was following an appropriate investment strategy during the valuation period.

The appointment of a Curator in terms of section 5(1) of the Financial Institutions (protection of funds) Act 2001 for the whole of the business of No further information could be obtained.

**Municipal Workers Retirement Fund (previously South African Municipal Workers' Union Provident Fund):**

The scheme is subject to a tri-annual actuarial valuation. The last statutory valuation was performed as at 30 June 2017.

The contribution rate payable is not less than 7,5% by the members and 18% by their councils. As from 1 July 2017, members and employers that fall under other bargaining councils or forums are not bound by the above minimum contribution rates.

The actuarial valuation report at 30 June 2017 disclosed assets amounting to R7 721 (2014: R6 575) million, with a funding level of 102,0% (2014: 111,7%). The Fund's assets are sufficient to cover the members' Fund Credits. The Fund is therefore in a sound financial position.

None of the above mentioned plans are State Plans.

**48. RELATED PARTY TRANSACTIONS**

All Related Party Transactions are conducted at arm's length, unless stated otherwise.

To the best knowledge of management, no transactions were entered into with related parties.

**48.1 Compensation of Related Parties**

Compensation of Key Management Personnel and Councillors is set out in Notes 28 and 29 to the Annual Financial Statements.

**49. CONTINGENT LIABILITIES****49.1 Court Proceedings:****Asanda Mbokotho vs IYM**

Asanda Mbokotho is suing the municipality alleging one of the traffic officers assaulted him on duty and claiming damages. The plaintiff's course of action has not been properly established on pleadings as they stand. No valid basis supported by any evidential value has further been advanced by the plaintiff, although discoveries done by the plaintiff, despite being invited to do so, the pleadings remain the crucial process.

**1 421 700**      **100 000**

-      100 000

**Pentecost Genius School (Case 17/2021)**

The plaintiff suing the municipality for damages of R65 876 .35 for their demolished structure. The matter was set down for hearing in March 2023 and was on the date further postponed.

65 876

**Dalakuthethwa Wakeni (Case RC08/2021)**

The plaintiff is suing the municipality for the amount of R367 975.5 as he alleges that he was unlawfully removed as a Councillor and he claims because of this he was deprived from his monthly emoluments. The matter has not been set down for hearing.

367 976

**JG Afrika (Case 380/2023)**

The Plaintiff claim R987 847.86 for what is invoiced as professional fees not paid for services rendered during the surfacing of the roads in Tsomo. The municipality filed a notice to defend the case in March 2023.

987 848

**50. CONTINGENT ASSETS****50.1 Court Proceedings:****Kuhlemcebo Engineers (Case 742/2023)**

The Municipality is suing Kuhlemcebo Engineers in respect of a payment made to the contractor for services not delivered by them during the implementation of the electrification project, valued at R2 278 252.84. After the summons was served, the respondent did not oppose action. The matter will proceed by way of default judgment.

**2 278 253**

2 278 253

**51. EVENTS AFTER THE REPORTING DATE****- Valuation of Electrification Projects:**

The Municipality embarked on an investigation of Fruitless and Wasteful Expenditure incurred for the Electrification Projects. As part of the exercise, the municipality appointed engineers to determine the cost of the work done on site. This value will be compared to payments made for these projects as at 30 June 2023. The outcome of the quantity surveyor's evaluation has not been concluded and the report has not yet been submitted to the municipality.

**- New contracts entered to:**

The Municipality entered into new contracts after reporting date to the value of R54 547 863.

**- Forensic Investigation:**

The municipality embarked on a forensic investigation of Cofimvaba Roads Construction and concluded the investigation in the current year. The financial impact of the investigation on Property Plant and Equipment is accounted for in these financial statements. The report regarding the liability of affected parties in the matter has, however not yet been tabled to Council, and as such the impact on receivables or payables cannot be determined.

## 52. PRINCIPAL AND AGENT ARRANGEMENTS

### Disclosure by agents

#### Accounting by principals and agents

The municipality is a party to a principal-agent arrangement.

#### Details of the arrangement is as follows:

The Municipality undertakes to handle motor vehicle license issuing on behalf of the Department of Transport and Provincial Department of Transport and collects a commission of 19% plus VAT.

#### Resources held on behalf of the principal, but recognised in the municipality's own financial statements

The resources regarding the Licensing Department, remain their own and do not form part of the municipality's financial statements.

#### Liabilities and corresponding rights of reimbursement recognised as assets

There are currently no liabilities incurred on behalf of the principal that have been recognised by the municipality.

#### Additional Information

Revenue and expenses that relate to transactions with third parties undertaken in terms of the principal-agent arrangement.

#### Category(ies) of revenue received or to be received on behalf of the principal, are:

Categories	Additional details
Licensing Fees	Income collected on behalf of DOT and Provincial Transport for Motor Vehicle registration

#### Categories of expenses paid or accrued on behalf of the principal, are:

Amount of revenue received on behalf of the principal during the reporting period

## 53. COMPARATIVE FIGURES

The comparative figures were restated as a result of the effect of Prior Period Errors (Note 41).

## 54. GOING CONCERN ASSESSMENT

Management considered the following matters in relation to the going concern position of Intsika Yethu Local Municipality:

(i) The municipality's cash flow forecast for the year to 30 June 2024 has been reviewed and management is satisfied that the municipality can continue in operational existence for the foreseeable future. The accumulated surplus and cash & cash equivalents as at 30 June 2023 was taken into consideration during the review.

(ii) The municipality is wholly dependent on the Department of Cooperative Governance and Traditional Affairs for continued funding of operations. The Annual Financial Statements are prepared on the basis that the municipality is a going concern and that the Department of Cooperative Governance and Traditional Affairs has neither the intention, nor the need to materially liquidate the scale of the municipality.

Taking the aforementioned into account, management has prepared the Annual Financial Statements on the going concern basis.

**INTSIKA YETHU LOCAL MUNICIPALITY**  
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**55. SEGMENT REPORTING**

For management purposes the municipality is broadly organised into business units based on the nature of operations and the services they provide. The municipality has eight primary reportable segments:

- **The segment for Community and Social Services:-**  
This segment consists of all services for community & social development services
- **The segment for Public Safety:-**  
This segment consists of all services for Public Safety
- **The segment for Health:-**  
This segment consists of all services for Health services
- **The segment for Town Planning and Development Services:-**  
This segment do the planning and development of all services such as Road Transport and Energy Sources in the municipal area.
- **The segment for Waste Management-**  
This segment consists of all services for the management of solid waste in the municipal area.
- **The segment for Road Transport Services:-**  
This segment consists of infrastructure services for roads and storm water, including related maintenance services.
- **The segment for Electricity and Energy Services:-**  
This segment consists of all services for the management of Electricity and Energy systems of the municipality.
- **The segment for Finance and Administration:-**  
This segment consists of services such as executive services, support services to the executive and finance & administration services and other minor services rendered in the municipal jurisdiction area.

No individually material operating segments have been aggregated to form the mentioned reportable operating segments. The municipality does not monitor segments geographically.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on non-financial metrics and the segment's operating surplus or deficit, measured consistently with the accounting policies applied in the Annual Financial Statements. However, the municipality's financing (including finance costs and finance income) and revenue from taxes are managed on a group basis and are not allocated to operating segments.

The municipality operates within various geographical areas but operational results are only monitored within the business units as previously disclosed.

55.1 Segmental Analysis of Financial Performance

Year Ended 30 June 2023

Description	Community and Social Services	Public Safety	Health	Planning and Development	Road Transport	Energy Sources	Waste Management	Finance and Administration	Total for Municipality
	R	R	R	R	R	R	R	R	R
<b>REVENUE</b>									
Revenue from Non-exchange Transactions									
Property Rates	-	21 176	-	-	-	-	-	13 596 233	13 596 233
Fines, Penalties and Forfeits	-	-	-	-	-	-	-	519 745	540 922
Licences and Permits	-	-	-	173 690	-	-	-	-	173 690
Transfers and Subsidies	982 687	-	-	500 089	2 749 349	-	-	252 712 250	256 944 375
Interest, Dividends and Rent on Land Earned	-	-	-	-	-	-	-	3 693 031	3 693 031
<b>Revenue from Exchange Transactions</b>									
Licences and Permits	-	-	-	-	-	-	-	-	-
Service Charges	-	-	-	-	-	-	1 379 875	1 793 397	1 793 397
Sales of Goods and Rendering of Services	24 411	-	-	12 329	-	-	-	-	1 379 875
Income from Agency Services	-	-	-	-	-	-	-	610 766	647 505
Rental from Fixed Assets	783	-	-	570	-	-	-	890 164	890 164
Interest, Dividends and Rent on Land Earned	-	-	-	-	-	-	-	1 333 892	1 335 244
Operational Revenue	-	-	-	-	-	-	-	6 633 712	6 633 712
<b>Total Revenue</b>	<b>1 007 881</b>	<b>21 176</b>	<b>-</b>	<b>686 677</b>	<b>2 749 349</b>	<b>-</b>	<b>1 379 875</b>	<b>262 261 650</b>	<b>288 106 608</b>
<b>EXPENDITURE</b>									
Employee Related Costs	37 971 170	-	-	8 658 992	33 201 610	-	-	56 791 965	136 623 736
Remuneration of Councillors	-	-	-	-	-	-	-	17 821 014	17 821 014
Depreciation and Amortisation	-	-	-	-	23 124 712	-	-	8 036 016	31 160 728
Impairment Losses	-	-	-	-	-	-	-	10 588 328	10 588 328
Interest, Dividends and Rent on Land	-	-	-	-	-	-	-	6 938	6 938
Contracted Services	1 281 972	-	-	4 433 721	2 967 940	209 039	694 581	10 608 283	20 195 537
Inventory Consumed	-	31 210	-	-	2 230 267	-	-	541 456	2 802 933
Transfers and Subsidies Paid	3 795 992	-	-	-	-	-	-	-	3 795 992
Operational Costs	694 589	15 050	68 682	311 569	302 523	-	6 452 883	26 833 788	34 679 084
Loss on Disposal of Property, Plant and Equipment	-	-	-	-	-	-	-	14 635 918	14 635 918
<b>Total Expenditure</b>	<b>51 984 182</b>	<b>46 260</b>	<b>68 682</b>	<b>13 404 282</b>	<b>61 827 052</b>	<b>209 039</b>	<b>7 147 464</b>	<b>145 863 707</b>	<b>280 550 667</b>
<b>Surplus/(Deficit) for the Year</b>	<b>(50 976 302)</b>	<b>(25 084)</b>	<b>(68 682)</b>	<b>(12 717 605)</b>	<b>(59 077 703)</b>	<b>(209 039)</b>	<b>(5 767 589)</b>	<b>136 397 942 81</b>	<b>7 555 941</b>

55.2 Segmental Analysis of Capital Expenditure

Year Ended 30 June 2023

Description	Community and Social Services	Public Safety	Health	Planning and Development	Road Transport	Energy Sources	Waste Management	Finance and Administration	Total for Municipality
Capital Expenditure	R	R	R	R	R	R	R	R	R
Property, Plant and Equipment Investment Property	-	-	-	-	40 505 449	-	-	5 235 514	45 740 963
<b>Total for Capital Expenditure</b>	-	-	-	-	<b>40 505 449</b>	-	-	<b>5 235 514</b>	<b>45 740 963</b>

