Report of the auditor-general to Eastern Cape Provincial Legislature and the council of Enoch Mgijima Local Municipality

Report on the audit of the financial statements

Qualified of opinion

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

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

Basis for qualified opinion

Employee benefit obligations

3. The municipality did not have adequate systems to monitor and report on the provision for leave. In these circumstances, I was unable to obtain sufficient appropriate evidence to confirm the balance by alternative means. Consequently, I was unable to determine whether any adjustment were necessary to the provision for leave, stated at R37,9 million (2024: R39,2 million) disclosed in note 17 to the financial statements

Irregular expenditure

4. Not all irregular expenditure incurred was included in note 55 to the financial statements, as required by section 125(2)(d) of the MFMA. This was due to inadequate systems to detect, record and appropriately disclose this expenditure in the financial statements. I could not determine the full extent of irregular expenditure incurred stated at R135,9 million in note 55 to the financial statements as it was impractically to do so.

Prior period error note

5. Not all prior period errors were disclosed in note 49 to the financial statements, as required by GRAP 3, Accounting policies, estimates and errors. The nature and the amount of the correction for some financial statement items affected, and the amount of the correction at the beginning of the earliest previous period were not disclosed. It was impracticable to determine the value of the misstatement due to multiple errors.

Corresponding figures

Property, plant and equipment

6. The municipality did not impair buildings and infrastructure assets that were impaired at the 2023-24 reporting date in accordance with GRAP 21, Impairment of non-cash generating assets. As a result, the comparative amount of the impairment loss disclosed in property, plant, and equipment stated at R34,6 million in note 11 to the financial statement was understated, and the property plant and equipment was overstated. I was unable to determine the full extent of the misstatement on impairment loss and the consequent impact on property, plant and equipment comparative amounts as it was impracticable to do so.

Cash flow statement

7. During 2023-24 the municipality did not correctly prepare the cash flow statement as required by GRAP 2 due to multiple errors identified in the net cash flows from operating, investing and financing activities. I was not able to determine the full extent of the errors in the net cash flows from operating as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments were required to the corresponding cash flows from operating activities as stated at R131,4 million in the financial statements were necessary.

Context for opinion

8. 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.

9. 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.

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

Emphasis of matters

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

12. I draw attention to note 51 in the financial statements, which deals with the possible effects of the municipality currently operating in a very severe fiscal environment requiring a number of austerity measures to be implemented as it currently cannot service its short term-debt and financial commitments from its current available cash resources and allocated government grants.

13. As disclosed in note 38 to the financial statements, material electricity losses of R173,7 million (2024: R113,5 million) was incurred, which represents 53% (2024: 45%) of total electricity purchased.

Other matters

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

15. 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

16. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards 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.

17. 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

18. 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.

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

Report on the audit of the annual performance report

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

21. I selected the following development priority presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected a development priority that measure the

municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Development priority	Page numbers	Purpose
Basic service delivery and infrastructure development	XX	To ensure provision of Municipal Health, environmental management and basic services in a well-structured, efficient and integrated manner

22. I evaluated the reported performance information for the selected programmes 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 department's planning and delivery on its mandate and objectives.

23. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and 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 what was 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 reasons provided for any over- or underachievement of targets.

24. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.

25. The material findings on the performance information of the selected programmes are as follows:

Basic service delivery and infrastructure development

Various indicators

26. Measures taken to improve performance against underachieved targets were not reported in the annual performance report. Information was thus not provided to help with understanding the

actions taken by the Municipality to address performance gaps and for assessing the effectiveness of strategies to improve future performance against targets.

27. Furthermore, I could not determine if the reported achievements were correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievements might be more or less than reported and were not reliable for determining if the targets had been achieved.

Indicator	Target	Reported achievement
% Completion of Upgrading and Refurbishment of Sterkstroom Substation	100%	70%
% Completion of Upgrading and Refurbishment of Mlungisi Substation	100%	9%

% of unplanned electricity outages restored within 24 hours

28. An achievement of 92% of unplanned electricity outages (as they occur) restored within 24 hours by 30 June 2025 was reported against a target of 50%. I could not determine if the reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Percentage of maintenance jobs for planned or preventative maintenance conducted

29. An achievement of 100% of maintenance jobs for planned or preventative maintenance conducted by 30 June 2025 was reported against a target of 50%. I could not determine whether the reported achievement was correct, as the indicator was not well defined and adequate supporting evidence to clarify the methods and processes for measuring achievement were not provided. Consequently, the reported achievement might be more or less than reported and was not reliable for determining if the target has been achieved.

Number of households provided with refuse removal services

30. Adequate supporting evidence to clarify the methods and processes for measuring achievement of this indicator and its target were not provided. The source of evidence refers to the number of areas serviced and not the number of households provided with refuse removal services, rendering it unhelpful for measuring progress against the Municipality's planned objectives. Furthermore, the achievements that have been reported might not have taken place at all or were less or more than what was actually achieved, as the audited evidence did not agree to the reported achievements for the targets.

31. Moreover, Avail budget for the procurement of additional refuse removal trucks was reported as a measure aimed at improving performance against the target of 41 500 households provided with refuse removal services weekly by 30 June 2025. However, I could not determine if the measure was implemented to improve performance because adequate supporting evidence was not provided for auditing. Consequently, I could not verify whether the reported measures were indeed taken.

Number of work opportunities created through EPWP for all sectors

32. An achievement of 872 work opportunities created for all sectors by 30 June 2025 was reported against a target of 687. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially less than reported. Consequently, it is likely that the achievement against the target was lower than reported.

Number of Kms of roads surfaced and or paved (Tarkastad Streets)

33. Measures taken to improve performance against the underachieved target of appointment of the contractor for the paving of 1,1km of Tarkastad streets and stormwater: Ward 33 by 30 June 2025 were not reported in the annual performance report. Information was thus not provided to help with understanding the actions taken by the Municipality to address performance gaps and with assessing the effectiveness of strategies to improve future performance against the target.

Other matters

34. I draw attention to the matters below.

Achievement of planned targets

35. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

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

Basic Service Delivery and Infrastructure Development

Targets achieved: 78% *Budget spent: 123%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
Number of Kms of roads surfaced and or paved	3.97km of paving of Ezibeleni Streets in ward 4 (Nxiweni Street, Jaxa Avenue. Nonyamezelo Mxenge Street, Malcomes Street and Mathews Street) constructed by 30 June 2025	1km
	1,46km of paving of Molteno streets (Nkululeko and Hospital streets): ward 28 constructed by 30 June 2025	0km
	1,2km of paving of Hofmeyer Streets, Ward 34 constructed by 30 June 2025	0km
	2,4 km of paving of Mlungisi Streets (Business Road, Dalamba street, Western Street,	1.63km

Targets achieved: 78% *Budget spent: 123%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
	Bonnievale Street, AllenRidge, Hopefield and Knysna street: constructed by 30 June 2025	
	Appointment of the contractor for the paving 1,1km of Tarkastad streets and stormwater: ward 33 by 30 June 2025	No appointment
% Completion of Upgrading and Refurbishment of Sterkstroom Substation	100% of Sterkstroom Substation Upgraded and Refurbished by 30 June 2025	70% of Sterkstroom Substation Upgraded and Refurbished by 30 June 2025
% Completion of Upgrading and Refurbishment of Mlungisi Substation	100% of Mlungisii Substation upgraded and refurbished by 30 June 2025	9% of Mlungisii Substation upgraded and refurbished by 30 June 2025
Number of households provided with refuse removal services	41500 households provided with refuse removal services weekly by 30 June 2025	21849 households provided with refuse removal services weekly by 30 June 2025

Material misstatements

37. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic service delivery and infrastructure development. Management did not correct all of the misstatements and I reported material findings in this regard.

Report on compliance with legislation

38. 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.

39. 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.

40. 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.

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

Annual financial statements, performance and annual reports

42. 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 current assets, non-current assets, current liabilities, revenue, disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Expenditure management

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

44. 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 could not be quantified] as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with supply chain management regulations.

45. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R485,79 million, as disclosed in note 53 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA.

46. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R R29,93 million, as disclosed in note 54 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA.

Strategic planning

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

Human resource management

48. 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 MSA.

Procurement and contract management

49. Some of the contracts were awarded to bidders based on points given for legislative requirement that differed from those stipulated in the original invitation for bidding, in contravention of SCM regulations 21(b) and 28(1)(a)(i) and the Preferential Procurement Regulations. This non-compliance was identified in the procurement processes for the SCM 03/07/2024 Mlungisi Rehabilitation and Maintenance of Surface Roads.

50. Some of the tenders which failed to achieve the minimum qualifying score for functionality legislative requirement were not disqualified as unacceptable tender in accordance with 2017 Preferential Procurement Regulation 5(6). This non-compliance was identified in the procurement processes for the SCM 03/07/2024 Mlungisi Rehabilitation and Maintenance of Surface Roads Phase 2.

Other information in the annual report

51. 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 material indicators in the scoped-in objective presented in the annual performance report that have been specifically reported on in this auditor's report.

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

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

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

Internal control deficiencies

55. 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.

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

57. Leadership did not adequately perform their oversight responsibilities relating to the preparation and review of the financial statements as this is evident by a number of new and repeat material misstatements. The financial disciplines relating to the daily, weekly and monthly processing and reconciliation of transactions for revenue and receivables were not embedded as a culture in the control environment of the municipality.

58. Leadership's continuous tolerance of non-compliance with supply chain management prescripts hampers the efforts of complete disclosure of irregular expenditure was also evident. This related in material non-compliance with prescripts and material adjustment of irregular expenditure. In addition, the municipality is continuing to not comply with a number of legislative prescripts. This is due to inadequate monthly processes of monitoring compliance with legislation.

59. Risk management activities designed and implemented were not effective to mitigate the risks of material misstatements and non-compliance with the legislation at the municipality. Management did not give the internal audit unit adequate support to provide assurance on internal controls. Consequently, the adequacy of the work of the audit committee was negatively affected.

Material irregularities

60. 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

61. The material irregularities identified are as follows:

Misuse of Sport Field (Lesseyton)

62. The municipality had spent R16,8m constructing Lesseyton sport field, which was completed in 2021. Ever since completion the field has not been fully utilised and it is in a poor state versus the amount spent on it and the lack of use thereof. On 14 August 2024, a site visit was conducted by auditors, and it was identified that the sport field is clearly not in use as it is in a dire state and would be dangerous to even use due to its poor state of the pitch. The goal posts are rusting on their own and falling apart. The sport field has been certified as complete but is not connected with electricity, and its water connection is not working. The water connection is supposed to use a borehole system, but due to a lack of electricity connection it has never been tested if it really works or not yet the project was certified as complete. The municipality maintain that the field was used when opened officially and from then had been used occasionally. The reason for that is the lack of electricity connection which affects the water supply.

63. The main identification from the site visit was that a significant amount of money was spent on a project that is not fully functional, not in a usable condition and is in a deteriorating state on its own.

64. I notified the accounting officer of the material irregularity due to the misuse of a material public resource on 22 May 2025 and invited her to make a written submission on the actions that had been or would be taken to address the matter. In an effort to expedite the restoration of the facility and ascertain the full extent of public fund losses, the municipal manager initiated parallel actions i.e. pursuing remedial measures concurrently with ongoing legal processes. Recognising limited in-house capacity and fiscal constraints, the municipality formally requested technical and financial assistance from the Eastern Cape Department of Cooperative Governance and Traditional Affairs (CoGTA) to support the assessment and potential rehabilitation of the facility. To date, consultation with CoGTA is ongoing. No consultant has yet been appointed due to pending confirmation of external support or alternative funding mechanisms.

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

Material irregularity in progress

66. I identified a material irregularity during the audit and notified the accounting officer, as required by material irregularity regulation 3(2). By the date of this auditor's report, the response of the accounting officer was not yet due. This material irregularity will be included in next year's auditor's report.

Status of previously reported material irregularities

Payment made to incorrect account

67. The municipality paid an amount of R1,5 million to an incorrect or fictitious Microsoft account in March and April 2023. The Microsoft invoice passed all the Municipality's internal control processes and was eventually paid to a fictitious account. This was in contravention of section 65(2)(a) of the MFMA, which requires the accounting officer to take all reasonable steps to ensure that the municipality has, and maintains, an effective system of expenditure control,

including procedures for the approval and payment of funds. The non-compliance resulted in a material financial loss of R1,5 million as at 30 June 2023.

68. I notified the accounting officer of the material irregularity on 18 August 2024 and invited her to make a written submission on the actions that had been or would be taken to address the matter. The accounting officer reported the matter to the police and performed internal investigation. The ICT manager and ICT administrator responsible for amending the banking details were suspended. The matter has been concluded internally. An employee was served with a final written warning. HAWKS are still investigating criminal proceedings The investigation is due to be concluded by 15 December 2025.

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

Auditor General

East London

30 November 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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 legislation and regulations	Consolidated firm level requirements
1	Municipal Finance Management Act 56 of 2003	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 165(1), 165(2)(a), 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b)
2	MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
3	MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
4	MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
5	MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
6	Construction Industry Development Board Act 38 of 2000	Section: 18(1)
7	Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
8	Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
9	Municipal Property Rates Act 6 of 2004	Section: 3(1)
10	Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b) **Parent municipality with ME:** Sections: 93B(a), 93B(b) **Parent municipality with shared control of ME:** Section: 93C(a)(iv), 93C(a)(v)
11	MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)

12	MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii)
13	MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3), 26(5), 27(4)(a)(i)
14	MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
15	MSA: Municipal Staff Regulations	Regulations: 7(1), 19, 31, 35(1)
16	MSA: Municipal Systems Regulations, 2001	Regulation: 43
17	Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
18	Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
19	Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2),11(1), 11(2)
20	Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

Explanatory information and examples

General