Report of the auditor-general to Free State Legislature and the council on Letsemeng Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Letsemeng Local municipality set out on pages xx to xx, which comprise the statements of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets and the cash flow statement and the 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 the auditor's report, the financial statements present fairly, in all material respects, the financial position of the Letsemeng Local Municipality as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practise (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

Payables from exchange transactions

3. I was unable to obtain sufficient appropriate audit evidence for the trade payables included in payables from exchange transactions in note 15 to the financial statements due to material differences between the creditor listing and the financial statements. I was unable to confirm the trade payables by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the trade payables stated at R398 311 703 (2024: R281 751 161) included in payables from exchange transactions in note 15 to the financial statements.

4. The municipality did not recognise accrued leave pay included in payables from exchange transactions in note 15 to the financial statements in accordance with GRAP 1*, Presentation of Financial Statements* and GRAP 25, *Employee benefits*. This was because the municipality calculated accrued leave pay for employees who did not have positive remaining leave balances at 30 June 2025. Consequently, this resulted in the accrued leave pay included in payables from exchange transactions in note 15 to the financial statements being overstated by R5 786 521 (2024: R6 459 826), and employee related costs in note 32 to the financial statements being understated by the same amount. Additionally, there was an impact on the deficit for the year and the accumulated surplus.

Property, plant and equipment

5. The municipality did not recognise land, building and infrastructure assets included in the property, plant and equipment in note 11 to the financial statements in accordance with GRAP 17, *Property, plant and equipment*. This was due to the land, buildings being incorrectly accounted for as infrastructure assets. Consequently, this resulted in infrastructure assets

included in property, plant and equipment being overstated by R10 762 550 (2024: R10 762 550), buildings included in property, plant and equipment being understated by R6 281 274 (2024: R6 281 274) and R4 481 377 (2024: R4 481 377), respectively.

Receivables from exchange transactions

6. I was unable to obtain sufficient appropriate audit evidence for the receivables from exchange transactions included in note 6 to the financial statements due to the non-submission of information in support of these receivables. I was unable to confirm the receivables from exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustment was necessary to the receivables from exchange transactions stated at R5 526 150 (2024: R6 805 132) in note 6 to the financial statements.

7. I was unable to obtain sufficient appropriate audit evidence for the allowance for impairment included in receivables from exchange transactions in note 6 to the financial statements. As described in note 44 to the financial statements, the restatements were made to rectify prior years' misstatements, but the restatements could not be substantiated by adequate supporting audit evidence. I was unable to confirm the allowance for impairment by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the allowance for impairment included in the receivables from exchange transactions, stated at R426 933 675 (2024: R400 374 030) in note 6 to the financial statements.

8. During 2024, the municipality did not recognise receivables from exchange transactions in accordance with GRAP 104, *Financial instruments,* as differences were identified for the consumer debtor balances between the general ledger and the debtors' statements. Consequently, this resulted in receivables from exchange transactions in note 6 to the financial statements being understated by R5 401 415, and revenue from exchange transactions in note 20 to the financial statements was understated by the same amount. Additionally, there was an impact on the prior years' deficit and the accumulated surplus. My audit opinion on the financial statements for the period ended 30 June 2024 was modified accordingly. My opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of the receivables from exchange transactions for the current period.

Receivables from non-exchange transactions

9. I was unable to obtain sufficient appropriate audit evidence for receivables from non-exchange transactions in note 7 to the financial statements due to the non-submission of information in support of these receivables, and unexplained material reconciling differences between the debtor's age analysis and the financial statements. I was unable to confirm the receivables from non-exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to receivables from non-exchange transactions stated at R1 541 582 (2024: R1 829 463) in note 7 to the financial statements.

10. I was unable to obtain sufficient appropriate audit evidence for the restatements of the corresponding figure for receivables from non-exchange transactions. As described in note 44 to the financial statements, the restatements were made to rectify the prior years' misstatements, but the restatements could not be substantiated by adequate supporting audit evidence. I was unable to confirm the restatements by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the receivable from non-exchange transactions corresponding figure stated at R1 829 463 in the financial statements.

VAT receivables

11. The municipality did not disclose the VAT receivable in accordance with GRAP 108, *Statutory Receivables,* as amounts were included in the VAT receivable note that did not meet the definition of a statutory receivable. I was unable to determine the full extent of the misstatement to the VAT receivables, stated at R21 458 316 in note 9 to the financial statements and the additional disclosure in terms of the MFMA in note 55 to the financial statements, as it was impractical to do so.

12. I was unable to obtain sufficient appropriate audit evidence for the restatements of the corresponding figure for the VAT receivables. As described in note 44 to the financial statements, the restatements were made to rectify prior year's misstatements, but the restatements could not be substantiated by adequate supporting audit evidence. I was unable to confirm the restatements by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the VAT receivables corresponding figure, stated at R12 832 526 in note 9 to the financial statements.

13. During 2024, I was unable to obtain sufficient appropriate audit evidence for VAT receivables due to the status of accounting records. I was unable to confirm the VAT receivables by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to VAT receivables, stated at R12 832 526 in note 9 to the financial statements. My audit opinion on the financial statements for the period ended 30 June 2024 was modified accordingly. My opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of VAT receivable for the current period.

Government grants and subsidies

14. During 2024, the municipality did not recognise the water services infrastructure grant included in government grants and subsidies in note 26 to the financial statements in accordance with GRAP 23, *Revenue from non-exchange transactions,* as the municipality recognised invoices relating to the previous years in the current year. Consequently, this resulted in the water services infrastructure grant (WSIG) included in government grants and subsidies in note 26 to the financial statement being overstated by R6 250 144, while the unspent conditional grants in note 17 to the financial statements were understated by the same amount. Additionally, there was an impact on the prior year's deficit for the year and the accumulated surplus. My audit opinion on the financial statements for the period ended 30 June 2024 was modified accordingly. My opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of government grants and subsidies for the current period.

Unspent conditional grants and receipts

15. During 2024, the municipality did not recognise unspent conditional grants in accordance with GRAP 1, *Presentation of financial statements*. This was due to differences identified in the grant's receipts recorded in the grants schedule provided. Consequently, this resulted in unspent conditional grants in note 17 to the financial statements being understated by R7 157 150, and government grants and subsidies in note 26 to the financial statements were overstated by the same amount. Additionally, there was an impact on the prior year deficit for the year and the accumulated surplus. My audit opinion on the financial statements for the period ended 30 June 2024 was modified accordingly. My opinion on the current year's financial statements is also modified because of the possible effect of this matter on the

comparability of unspent conditional grants and receipts for the current period.

Service charges

16. The municipality did not account for the service charges in accordance with GRAP 9, *Revenue from exchange transactions* and GRAP 23, *Revenue from non-exchange transactions,* as the fixed monthly fee that a municipality charges for services on vacant land was incorrectly recognised as service charges instead of availability charges. Consequently, service charges were overstated by R11 415 669 and unrecognised availability charges from non-exchange transactions were understated by the same amount. Additionally, there was an impact on the deficit for the period and the accumulated surplus.

17. In addition, I was unable to obtain sufficient appropriate audit evidence for the sale of water and the sale of electricity included in service charges in note 22 to the financial statements due to the non-submission of information in support of these revenue streams. I was unable to confirm the sale of water and the sale of electricity included in service charges by alternative means. Consequently, I was unable to determine whether any further adjustment was necessary to the sale of water stated at R17 421 454 and the sale of electricity, stated at R35 053 952 included in service charges in note 22 to the financial statements.

18. I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figure for the service charges. As described in note 44 to the financial statements, the restatement was made to rectify prior year's misstatements, but the restatement could not be substantiated by adequate supporting audit evidence. I was unable to confirm the restatements by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the service charges corresponding figure, stated at R76 667 092 in note 22 to the financial statements.

19. During 2024, the municipality did not recognise refuse removal, sewerage and sanitation charges included in service charges in note 22 to the financial statements in accordance with GRAP 9*, Revenue from exchange transactions*. This was because some consumers were not billed for refuse removal, sewerage and sanitation service charges during the current and prior years. Consequently, this resulted in the service charges for refuse removal, sewerage and sanitation included in note 22 to the financial statement being understated by R12 915 912, and receivables from exchange transactions included in note 6 being understated by the same amounts. Additionally, there was an impact on the prior year's deficit and accumulated surplus. My audit opinion on the financial statements for the period ended 30 June 2024 was modified accordingly. My opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of service charges for the current period.

Interest income from exchange transactions

20. I was unable to obtain sufficient appropriate audit evidence for interest income from exchange due to unexplained differences between the billing reports for the interest income and the amounts recorded in the financial statements. I was unable to confirm the interest income by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to interest income for exchange transactions stated at R32 032 065 (2024: R26 733 518) in note 18 to the financial statements.

Interest income from non-exchange transactions

21. I was unable to obtain sufficient appropriate audit evidence for interest income from non-exchange transactions due to unexplained material differences between the billing reports for the interest income and the amounts recorded in the financial statements. I was unable to confirm the interest income by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to interest income from non-exchange transactions stated at R10 954 303 (2024: R10 152 292) in note 24 to the financial statements.

Employee related costs

22. I was unable to obtain sufficient appropriate audit evidence for the overtime payments included in employee related costs in note 32 to the financial statements, as inadequate processes were in place to confirm that the municipal officials worked the overtime claimed. I was unable to confirm the overtime payments by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the overtime payments included in employee related costs, stated at R 8 324 544 (2024: R 7 782 459) in note 32 to the financial statements.

Debt impairment

23. I was unable to obtain sufficient appropriate audit evidence for bad debts written off included in debt impairment in note 30 due to the status of accounting records. I was unable to confirm the VAT receivables by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to bad debts written off include in debt impairment, stated at R74 215 637 in note 30 to the financial statements.

24. During 2024, the municipality did not recognise debt impairment in accordance with GRAP 104, *Financial instruments* as the municipality did not correctly calculate the consumer debtor's impairment based on the debt impairment methodology. Consequently, this resulted in the debt impairment included in note 30 to the financial statements being overstated by R10 564 300, and receivables from exchange transactions in note 6 to the financial statements being overstated by the same amount. Additionally, there was an impact on the prior year deficit for the year and the accumulated surplus. My audit opinion on the financial statements for the period ended 30 June 2024 was modified accordingly. My opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of debt impairment for the current period.

General expenses

25. I was unable to obtain sufficient appropriate audit evidence that all invoices have been recorded as part of general expenditure as included in note 34 to the financial statements, due to the non-submission of information in support of these expenditures. I was unable to confirm general expenses by alternative means. Consequently, I could not determine whether any adjustments were necessary to the general expenses stated at R35 853 066 in note 34 to the financial statements.

26. During 2024, I was unable to obtain sufficient appropriate audit evidence for the hire expenditure included in general expenses in note 34 to the financial statements, due to the non-submission of information in support of these expenditures. I was unable to confirm the hire expenditure by alternative means. Consequently, I could not determine whether any adjustments were necessary to the hire expenditure included in general expenses stated at

R10 316 756 in note 34 to the financial statements. My audit opinion on the financial statements for the period ended 30 June 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effect of this matter on the comparability of the general expenses for the current period.

Property rates

27. During 2024, the municipality did not recognise property rates in accordance with GRAP 23, *Revenue from non-exchange transactions*. This was because the municipality used incorrect tariffs when billing properties. In addition, the municipality billed property rates on properties that could not be physically verified. Consequently, this resulted in property rates included in note 23 to the financial statement being overstated by R13 763 748, and receivables from non-exchange transactions included in note 7 were overstated by the same amount. Additionally, there was an impact on the prior year deficit and accumulated surplus. My audit opinion on the financial statements for the period ended 30 June 2024 was modified accordingly. My opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of property rates for the current period.

Bulk purchases

28. The municipality did not account for bulk purchases in accordance with GRAP 1, *Presentation of financial statements,* as the municipality recognised bulk purchases transactions at an incorrect value. Consequently, this resulted in the bulk purchases being understated by R8 606 380, and trade payables included in payables from exchange transactions in note 15 to the financial statements being overstated by the same amount. Additionally, there was an impact on the deficit for the year and the accumulated surplus.
29. In addition, the municipality did not account for bulk purchases in accordance with GRAP 1, *Presentation of financial statements,* as contracted services were incorrectly included as bulk purchases. Consequently, bulk purchases were overstated by R17 553 076, and contracted services included in note 29 to the financial statements were understated by the same amount.

Net cash flows from operating activities

30. The municipality did not correctly prepare and disclose the net cash flows from operating activities as required by GRAP 2, *Cash flow statements*. This was due to multiple errors in determining cash flows from operating activities. I was not able to determine the full extent of the errors in the net cash flows from operating activities, as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments to cash flows from operating activities as stated at R27 677 466 (2024: R22 529 402) in the financial statements.

Total revenue from non-exchange transactions

31. Total revenue from non-exchange transactions was materially misstated by R3 205 664 due to the cumulative effect of individually immaterial uncorrected misstatements in the following items:

    - Property rates stated at R28 145 524 were billed based on incorrect tariffs during the year, resulting in an understatement of R3 205 664. Additionally, there was an impact on the deficit for the period and on the accumulated surplus.

In addition, I was unable to obtain sufficient appropriate evidence for capital grants included in government grants and subsidies in note 26 to the financial statements, due to the non-submission of information supporting these grants. I was unable to confirm the capital grants by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the capital grants included in government grants and subsidies stated at R30 342 286 in note 26 to the financial statements.

Context for opinion

32. 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.

33. 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.

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

Material uncertainty relating to going concern

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

36. Note 48 to the financial statements indicates that the municipality incurred a net deficit of 115 941 841 during the year ended 30 June 2025 and, as of that date the municipality's current liabilities exceeded its current assets by R391 248 688. These events or conditions, along with the other matters as set forth in note 48, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matters

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

Material uncertainty relating to claims against the municipality

38. With reference to note 42 to the financial statement, the municipality is the defendant in various claims against the municipality. The municipality is opposing these claims. The ultimate outcome of these matters could not be determined and no provision for any liability that may result were made in the financial statements.

Unauthorised expenditure

39. As disclosed in note 51 to the financial statements, unauthorised expenditure of R196 384 909 (2024: R26 R127 262 723) was incurred, due to the overspending of the budget and the spending of conditional grants for operational purposes.

Fruitless and wasteful expenditure

40. As disclosed in note 52 to the financial statements, fruitless and wasteful expenditure of R38

731 400 (2024: R24 346 762) was incurred, due to interest charged on long outstanding payments to suppliers.

Irregular expenditure

41. As disclosed in note 53 to the financial statements, irregular expenditure of R 7 166 804 (2024: R12 602 903) was incurred, due to non-compliance with supply chain management (SCM) requirements.

Material losses

42. As disclosed in note 54 to the financial statements, material electricity losses of R8 558 663 (2024: R4 346 214) were incurred, which represents 22,34% (2024: 11,03%) of total electricity purchased. Technical losses were as a result of inherent resistance of conductors, transformers, other electrical equipment and non-technical losses were as a result of tampering of meters, incorrect ratio used on bulk meters, faulty meters and illegal connections.

43. As disclosed in note 54 to the financial statements, material water losses of R3 147 367 (2024: R3 399 633) were incurred, which represents 79% (2024: 78%) of total water purchased.

Other matter

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

Unaudited disclosure notes

45. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. The 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

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

47. 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

48. 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.

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

Report on the annual performance report

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

51. I selected the following material performance indicators related to infrastructure development and basic service delivery presented in the annual performance report for the year ended 30 June 2025. I selected those indicators that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

- % of budget spend on MIG grants
- % of budget spend on WSIG grants
- % of budget spend on INEP grants
- % of budget spend on EEDMS grant
- % of registered indigent households provided with free 6kl of basic water, 50KWh of electricity, basic sanitation and refuse removal
- % registered indigent households are exempted from the cost of digging and grave preparation
- % of water network losses investigated and reported per town on a quarterly basis
- % of household, business and public facilities with access to clean, quality and sustainable water services water supply per town by June 2025
- % of households with access to safe and sustainable sanitation services
- % of the budget spend on repairing of 4 pump stations in Koffiefontein by June 2025
- % of budget spend on the construction of new sports facility in Bolokanang/Petrusburg
- % of budget spend on the construction of Phase 2 of the sports facility in Sonwabile/ Koffiefontein
- % of budget spend on the construction of 4 high mast lights in Relebohile/Luckhoff by June 2025

- % of budget spend on the construction of 2 high mast lights in Oppermansgronde by June 2025

- % of electricity losses reported per quarter

- % of the budget spend on the electrification of Ext 7 in Bolokanang/Petrusburg by August 2024

- % of budget spend on the construction of 4 high mast lights in Koffiefontein by September 2024

- % of budget spend on the construction of 4 high mast lights in Ratatang/Jacobsdal by September 2024

- Number of electricity smart meters installed for households and businesses

- % of budget spend on retrofitting of electrical motors and pumps in all sewer and water treatment plants throughout Letsemeng vicinity through EEDMS

- % of budget spent on the upgrading of 1.3 km access road and storm water drainage in Diamanthoogte/Koffiefontein.

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

53. I performed procedures to test whether:

    - the indicators used for planning and reporting on performance can be linked directly to the municipality’s mandate and the achievement of its planned objectives

    - all the indicators relevant for measuring the municipality’s performance against its primary mandated and prioritised functions and planned objectives are included

    - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
    - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

    - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

    - the reported performance information is presented in the annual performance report in the prescribed manner

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

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

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

% of registered indigent households provided with free 6kl of basic water, 50KWh of electricity, basic sanitation and refuse removal.

56. An achievement of 100% was reported against a target of 100%. However, some supporting evidence was not provided for auditing; or, where it was, I identified material differences between the actual and reported achievements. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

% registered indigent households are exempted from the cost of digging and grave preparation

57. An achievement of 100% was reported against a target of 100%. 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.

% of the budget spend on the construction of the new sports facility in Bolokang/Petrusburg.

58. The indicator measures the budget spend, which does not relate to the achievement of service delivery. Consequently, the indicator is not useful for measuring and monitoring progress against the municipality's planned objectives. "Contractor occupied site in November 2024. Extension of time due to rainfall - response and proposed action. The contractor has formally submitted a request for an extension of time (EOT) Citing persistent and excessive rainfall as the primary cause of delay. Upon review of site records whether data, and the contractors programme of works the EOT was granted." was reported as a measure aimed at improving performance against the target of 100% . However, I could not determine if the measure was actually 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

% of the budget spend on the construction of 4 high mast lights in Relebohile/Luckhoff by June 2025

59. The indicator measures budget spend on the project, which does not relate to the achievement of service delivery. Consequently, the indicator is not useful for measuring and monitoring progress against the municipality's planned objectives.

% of the budget spend on the electrification of the Ext 7 in Bolokanang/Petrusburg by August 2024.

60. Adequate processes had not been established to consistently measure and reliably report on the achievement of this indicator and its target of 100%. Management could not provide support for the achievement of the target. Consequently, the municipality would have found it difficult to determine the correct achievement to be reported against the planned target. The indicator measures budget spend on the project, which does not relate to the achievement of service delivery. Consequently, the indicator is not useful for measuring and monitoring progress against the municipality's planned objectives.

Number of electricity smart meters installed for households and businesses

61. The approved planning documents included a commitment to report on the number of electricity smart meters installed for households and businesses. However, an achievement of 100% was reported in the annual performance report. This discrepancy highlights misalignment between approved plans and operations, while the incorrect reporting undermines transparency and accountability. An achievement of 0% was reported against a target of 100%. I could not determine whether the reported achievement was correct, as the indicator was not well defined and I could not verify the methods and processes used to measure the achievements / 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. The indicator measures number of electricity smart meters installed for households and businesses, which does not relate to the achievement of service delivery. Consequently, the indicator is not useful for measuring and monitoring progress against the municipality's planned objectives. Measures taken to improve performance against the underachieved target of 100% were not reported in the annual performance report. Information was thus not provided to help with understanding the actions taken by the accounting officer to address performance gaps and with assessing the effectiveness of strategies to improve future performance against the target.

% of budget spend on retrofitting of electrical motors and pumps in all sewer and water treatment plants throughout Letsemeng vicinity through EEDMS

62. Adequate processes had not been established to consistently measure and reliably report on the achievement of this indicator and its target of 100%. Due to the municipality not providing support for the achievement of the target. Consequently, the municipality would have found it difficult to determine the correct achievement to be reported against the planned target. The indicator measures budget spend on the project, which does not relate to the achievement of service delivery.. Consequently, the indicator is not useful for measuring and monitoring progress against the municipality's's planned objectives. Measures taken to improve performance against the underachieved target of 100% were not reported in the annual performance report. Information was thus not provided to help with understanding the actions taken by the accounting officer to address performance gaps and with assessing the effectiveness of strategies to improve future performance against the target.

% of budget spend on the upgrading of 1.3 km access road and storm water drainage in Diamanthoogte/Koffiefontein

63. The indicator measures the budget spend on the project, which does not relate to the achievement of service delivery.. Consequently, the indicator is not useful for measuring and monitoring progress against the Municipality's 's planned objectives. An achievement of 80% was reported against a target of 100%. However, some supporting evidence was not provided for auditing; or, where it was, I identified material differences between the actual and reported achievements. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved. The main contractor is instructed to replace or reinforce the underperforming subcontractor to ensure delivery on outstanding works. Immediate resolutions of labour payment issues is required. Proof of payment must be submitted and formal commitment to regular wage disbursement must be provided" was reported as a measure aimed at improving performance against the target of 100%. However, I could not determine if the measure was actually 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.

Various indicators

64. The indicator measures the budget spend on the project, which does not relate to the achievement of service delivery. Consequently, the indicator is not useful for measuring and monitoring progress against the Municipality's s planned objectives. 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 accounting officer to address performance gaps and for assessing the effectiveness of strategies to improve future performance against targets.

Indicator	**Planned target**	**Reported achievement**
% of budget spend on MIG grants	100%	79%
% of budget spend on WSIG grants	100%	59%
% of budget spend on INEP grants	100%	0%
% of budget spend on EEDMS grant	100%	0%

Various indicators

65. I could not determine the accuracy of various reported achievements, as the indicators were not well-defined and I could not verify the methods and processes used to measure the achievements / adequate supporting evidence to clarify the methods and processes for measuring achievement were not provided. Consequently, the reported achievements might be more or less than reported and were not reliable for determining if the targets have been achieved. 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 accounting officer to address performance gaps and for assessing the effectiveness of strategies to improve future performance against targets.

Indicator	**Planned target**	**Reported achievement**
% of household, business and public facilities with access to clean, quality and sustainable water services water supply per town by June 2025	80%	0%

% of households with access to safe and sustainable sanitation services	90%	0%

Various indicators

66. Adequate processes had not been established to consistently measure and reliably report on various indicators. Consequently, the municipality would have found it difficult to determine the correct achievements to be reported against the planned targets. The indicator measures the budget spend on the project, which does not relate to the achievement of Service delivery. Consequently, the indicator is not useful for measuring and monitoring progress against the municipality's planned objectives. Measures aimed at improving performance against targets were reported. However, I could not determine if the measures were actually 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.

Indicator	Planned target	Reported achievement	Detail	Reported measure
% of the budget spend on repairing of 4 pump stations in Koffiefontein by June 2025	100%	0%	The indicator measures the budget spent and not the critical inputs, activities and outputs for service delivery.	The project will be implemented by MISA on behalf of the municipality using Schedule 6B.
% of budget spend on the construction of the phase 2 of the sports facility in Sonwabile/Koffiefontein	100%	0%	The indicator measures the budget spent and not the critical inputs, activities and outputs for service delivery.	No measure included

Various indicators

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

Indicator	Planned target	Reported achievement
% of water network losses investigated and reported per town every quarter	90%	0%

% of electricity losses reported per quarter	20%	0%

Other matters

68. I draw attention to the matters below.

Achievement of planned targets

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

70. The tables that follow provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets / measures taken to improve performance are included in the annual performance report on pages xx to xx.

Infrastructure development and basic service delivery

Targets achieved: XX% *Budget spent XX%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
% of budget spend on MIG grants	100%	79%
% of budget spend on WSIG grants	100%	59%
% of budget spend on INEP grants	100%	0%
% of budget spend on EEDMS grant	100%	0%
% of water network losses investigated and reported per town on a quarterly basis	90%	0%
% of household, business and public facilities with access to clean, quality and sustainable water services water supply per town by June 2025	80%	0%
% of households with access to safe and sustainable sanitation services	90%	0%
% of the budget spend on repairing of 4 pump stations in Koffiefontein by June 2025	100%	0%
% of the budget spend on the construction of the new sports facility in Bolokang/Petrusburg.	100%	64%
% of budget spend on the construction of the phase 2 of the sports facility in Sonwabile/Koffiefontein	100%	0%
% of electricity losses reported per quarter	20%	0%

Number of electricity smart meters installed for households and businesses	100%	0%
% of budget spend on retrofitting of electrical motors and pumps in all sewer and water treatment plants throughout Letsemeng vicinity through EEDMS	100%	0%
% of budget spend on the upgrading of 1.3 km access road and storm water drainage in Diamanthoogte/Koffiefontein.	100%	80%
Number of INEP expenditure reports submitted to DOE.	12	0
% of electricity meter audited conducted by end June 2025.	100%	0%

Material misstatements

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

Report on compliance with legislation

72. 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.

73. 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.

74. 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.

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

Annual financial statements and annual report

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

and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

77. The council failed to adopt an oversight report containing the council's comments on the 2023/24 annual report, as required by section 129(1) of the MFMA.

Expenditure management

78. 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.

79. Reasonable steps were not taken to prevent irregular expenditure amounting to R7 166 804 as disclosed in note 53 to the annual financial statement, as required by section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by non-compliance with SCM requirements.

80. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R 38 731 400, as disclosed in note 52 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest charged on late payments to suppliers.

81. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R196 384 909, as disclosed in note 51 to the annual financial statement, as required by section 62(1)(d) of the MFMA. The majority of the disclosed unauthorised expenditure was caused by the overspending of the budget and the spending of conditional grants for operational purposes.

Revenue management

82. An adequate management, accounting and information system which accounts for revenue and debtors was not in place, as required by section 64(2)(e) of the MFMA.

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

Asset management

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

85. 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.

Human resource management

86. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the Municipal Systems Act 32 of 2000 (MSA) and regulation 31 of Municipal Staff Regulations.

Strategic planning

87. The SDBIP for the year under review did not include monthly revenue projections by source of

collection and the monthly operational and capital expenditure by vote as required by section 1 of the MFMA.

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

89. A performance management system was not established, as required by section 38(a) of the MSA.

90. A performance management system was not adopted, as required by municipal planning and performance management regulation 8.

Consequence management

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

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

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

Governance and oversight

94. The Internal Audit unit did not prepare a risk-based audit plan and the internal audit program for the financial year, as required by section 165(2) of the MFMA.
95. The Internal Audit unit did not advise the accounting officer and did not report to the audit committee on the implementation of the internal audit plan on matters relating to internal controls, as required by se-ction 165(2)(b)(ii) of the MFMA.

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

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

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

99. The internal audit unit did not submit quarterly reports on the audits of performance measurements of the auditee to the municipal manager and the performance audit committee, as required by regulation 14(1)(c)(ii) on Municipal Planning and Performance Management.

Utilisation of conditional grants

100. The municipal infrastructure grant was not spent for its intended purposes in accordance with

the applicable grant framework, as required by section 16(1) of the Dora.

101. The water services infrastructure grant was not spent for its intended purposes in accordance with the applicable grant framework, as required by section 16(1) of the Dora.

102. Sufficient and appropriate audit evidence could not be obtained that performance in respect of programmes funded by the water services infrastructure grant was evaluated within two months after the end of the financial year, as required by section 12(5) of the Dora.

Procurement and contract management

103. The preference point system was not applied in the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act 5 of 2000. Similar non-compliance was also reported in the prior year.

Other information in the annual report

104. 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 key performance areas (KPA) presented in the annual performance report that have been specifically reported on in this auditor's report.

105. 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.

106. 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 KPA presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

107. 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 material misstatements 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

108. 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.

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

110. The council, Mayor and MPAC and audit committee was not effective in ensuring that good governance was in place that set the tone of accountability to protect and enhance the interests of the municipality. Instability in the office of the municipal manager and chief financial officer

hindered the creation of systems and processes allowing the municipality to build stable capacity, enhance the skills of officials and create a culture of good financial and performance disciplines and compliance.

111. The accounting officer did not provide sufficient oversight over the implementation and monitoring of a sound control environment and the development of policies and procedures. The accounting officer did not act on audit recommendations made in the prior year and did not monitor the development and implementation of an effective action plan, resulting in many of the findings recurring.

112. Governance structures, i.e. the audit committee and the internal audit, were not effective in ensuring that good governance practices were in place by engaging management to prepare and monitor action plans to address the previous year's audit issues, as well as proper implementation thereof.

113. The accounting officer did not apply consequence management at the municipality and officials were not held accountable for irregular, unauthorised and fruitless and wasteful expenditure incurred in the previous financial years.

114. The accounting officer did not appropriately review and monitor compliance with applicable laws and regulations, resulting in repeat non-compliance reported above.

115. The accounting officer did not implement the required financial disciplines such as proper record keeping, monthly reconciliations and the review of accounting records as well as ensuring financial statements adhere to the accounting framework. The material misstatements were exacerbated by management's lack of adequate review and failure to ensure that information was timeously gathered and filed appropriately to support financial reporting

Material irregularities

116. 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 in progress

117. I identified a material irregularity during the audit and notified the accounting officer of this, as required by material irregularity regulation 3(2). By the date of this auditor’s report, I had not yet completed the process of evaluating the response from the accounting officer. This material irregularity will be included in next year’s auditor’s report.

Status of previously reported material irregularities

Eskom not paid within 30 days

118. The accounting officer did not take all reasonable steps to ensure that amounts due to Eskom for the bulk purchase of electricity were paid within 30 days of receiving the relevant invoice or statement, as required by section 65(2)(e) of the MFMA. The late payment resulted in interest of R3 711 420 being incurred for the period 1 April 2019 to 31 March 2020. The interest incurred is likely to result in a material financial loss for the municipality

due to the liability to pay Eskom.

119. The accounting officer was notified of the material irregularity on 25 February 2021. The accounting officer did not take appropriate action to resolve the material irregularity. I recommend that the accounting officer should take the following actions to address the material irregularity, which should have been implemented by 15 December 2024, with progress reports every 4 months:

- Appropriate action should be taken to develop and commence with the implementation of the financial plan to address the financial problems of the municipality that are preventing it from paying Eskom within 30 days, as required by MFMA section 65(2)(e). The financial plan should include realistic timeframes and milestones to be achieved and include as a minimum strategy to:
  - (a) Increase revenue;
  - (b) Increase the collection of revenue;
  - (c) Efficiently manage the available resources of the municipality to optimise costs;
  - (d) Reduce electricity distribution losses; and
  - (e) Negotiate a reasonable payment arrangement with Eskom and properly budget for the amounts to be paid.

120. The accounting officer has not adequately implemented or made satisfactorily progress with implementation of the above recommendation. I notified the accounting officer on 24 April 2025 of the following remedial actions to address the material irregularity, which must have been implemented by 24 October 2025, with a progress report after three months:

- Appropriate action must be taken to develop and commence with the implementation of the financial plan to address the financial problems of the municipality that are preventing it from paying Eskom within 30 days, as required by section 65(2)(e) of the MFMA. The financial plan must include realistic timeframes and milestones to be achieved and include as a minimum strategy to:
  - a. Increase revenue;
  - b. Increase the collection of revenue;
  - c. Efficiently manage the available resources of the municipality through cost containment measures and proper budget management;
  - d. Reduce electricity distribution losses; and
  - e. Negotiate a reasonable payment arrangement with Eskom and properly budget for the amounts to be paid.

121. In support of the actions taken in implementing the remedial actions, the accounting officer submitted response on 24 October 2025. I have determined that the accounting officer has not adequately implemented or made satisfactorily progress with implementation of the remedial actions. I am in the process of making a decision on further actions to be taken.

Other reports

122. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

123. The former technical director has been arrested by the Priority Crime Investigation of the South African Police Services on 11 December 2023 and charged with alleged fraud, corruption and contravention of the Municipal Management Act, while the company and its director have been charged with fraud, forgery, uttering and contravention of the Municipal Financial Management Act. The acting municipal management and the director of the company were released on bail. The case was postponed to 25 March 2024 for further investigation. The matter is currently handled by the National Prosecuting Authority Specialised Commercial Crime Unit in Bloemfontein. The case was remanded to 21 April 2026. The case was therefore still ongoing at the date of this report.

124. The Public Protector is currently investigating allegations of fraud and corruption, abuse of power and improper conduct by a councillor claiming fuel for their motor vehicle. The investigation into these allegations were still ongoing at the date of this report.

Auditor - General.

Bloemfontein

30 November 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor’s report

1. 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

2. 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

3. 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 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

4. 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.

5. 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

6. The selected legislative requirements are as follows:

Legislation	Sections or regulation
Municipal Finance Management Act 56 of 2003	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), Sections: 15,24(2)(c)(iv), 28(1), 29(1), 29(2)(b), Sections: 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), Sections: 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), Sections: 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), Sections: 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), Sections: 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), Sections: 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, Sections: 122(1), 122(2), 126(1)(a), 126(1)(b), Sections: 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), Sections: 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), Sections: 165(1), 165(2)(a), 165(2)(b)(ii), Sections:165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), Sections:166(2)(b), 166(2)(a)(iv), 166(5), 170, Sections: 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), Regulations: 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), Regulations: 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), Regulations: 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), Regulations: 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), Regulations: 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), Regulations: 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, Regulations: 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act 24 of 2024	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), Sections: 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), Sections: 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), Sections: 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, Sections: 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)

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