AUDITOR-GENERAL
SOUTH AFRICA

The Accounting Authority
Emthanjeni Local Municipality
45 Voortrekker Street
De Aar
7000

30 November 2025

Reference: 21433REG24/25

Dear Mr D Molaole

Report of the Auditor-General on the financial statements, annual performance report, compliance with legislation and other legal and regulatory requirements of Emthanjeni Local Municipality for the year ended 30 June 2024.

1. The above-mentioned report of the Auditor-General is submitted herewith in terms of section 21(1) of the Public Audit Act No. 25 of 2004 (PAA) read in conjunction with section 188 of the Constitution of the Republic of South Africa section 126(3) of the Municipal Finance Management Act 56 of 2003 (MFMA).
2. We have not yet received the other information that will be included in the annual report with the audited financial statements and the annual performance report and have thus not been able to establish whether there are any inconsistencies between this information and the audited financial statements, the annual performance report or our report on compliance with legislation. You are requested to supply this information as soon as possible. Once this information is received it will be read and should any inconsistencies be identified these will be communicated to you and you will be requested to make the necessary corrections. Should the corrections not be made we will amend and reissue the audit report.
3. In terms of section 121(3) of the MFMA you are required to include the auditor's report in the municipality's annual report to be tabled.
4. Prior to printing or copying the annual report which will include the auditor's report you are required to do the following:
   - Submit the final printer's proof of the annual report to the relevant senior manager of the Auditor-General of South Africa for verification of the audit-related references in the auditor's report and for confirmation that the financial statements, annual performance report and other information are those documents that have been read and audited. Special care should be taken with the page references in your report, since an incorrect reference could have audit implications.
   - The signature *Auditor-General* in the handwriting of the auditor authorised to sign the audit report at the end of the hard copy of the audit report should be scanned in when preparing to print the report. This signature, as well as the place and date of signing and the Auditor-General of South Africa's logo, should appear at the end of the report, as in the hard copy that is provided to you. The official logo will be made available to you in electronic format.

5. Please notify the undersigned Senior Manager well in advance of the date on which the annual report containing this audit report will be tabled.
6. The confidentiality of information obtained in an engagement must be observed at all times. In terms of section 50 of the PAA and the International Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants *(including International Independence Standards*), members of the staff of the Auditor General (AG), or an audit firm appointed in terms of section 25 of the PAA, may not disclose or make available any information obtained during an audit, other than the final auditor's report, to any third party without the permission of the AG or his/her delegate, unless this is to a legislature or internal committee of a legislature or a court in a criminal matter.
7. Until the steps described in paragraphs 2 and 4 of this document are completed and the annual report is tabled as required by section 127(2) of the MFMA, the audit report is not a final and public document and you are therefore requested to treat it as confidential.
8. Your cooperation to ensure that all these requirements are met would be much appreciated.

Kindly acknowledge receipt of this letter.

Yours sincerely

Signed

Makamole
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Moji Makamole

Senior Manager: Northern Cape

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Report of the auditor-general to the Northern Cape Provincial Legislature and the council on Emthanjeni Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of Emthanjeni Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement, and the statement of comparison of budget 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 Emthanjeni 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 Practise (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (Dora).

Basis for qualified opinion

Receivables from exchange transactions

3. The municipality did not account for receivables from exchange transactions relating to service charges in accordance with GRAP 9, *Revenue from exchange transactions*, as the municipality did not maintain adequate and complete records for receivables from exchange transactions. Differences were identified between the customer statements and the amount recognised. Receivables from exchange transactions were understated by R153 520 008. This had a result impact on the allowance for impairment relating to receivables from exchange transactions. Consequently, I was unable to determine whether any adjustments were necessary to receivable from exchange transactions stated at R369 687 535 and allowance for impairment stated at R302 013 637 as disclosed in note 6 to the financial statements.

4. I was unable to obtain sufficient appropriate audit evidence relating to creditors with debit balances and other debtors included in receivables from exchange transaction, due to poor accounting records. I was unable to confirm the account balances by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to creditors with debit balances and other debtors included in receivables from exchange transactions stated at R2 794 147 and R2 606 705 respectively as disclosed in note 6 to the financial statements.

5. During 2024, I was unable to obtain sufficient appropriate audit evidence for receivables from exchange transactions due to a lack of proper record keeping and reconciliation of control

accounts. I was unable to confirm these receivables by alternative means. Consequently, I was unable to determine whether any further adjustments to receivables from exchange transactions stated at R369 687 535 in note 6 to the financial statements were necessary. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of receivables from exchange transactions for the current period.

Receivables from non-exchange transactions

6. The municipality did not account for receivables from non-exchange transactions in accordance with GRAP 9, *Revenue from non-exchange transactions*, as the municipality did not maintain adequate and complete records for receivables from non-exchange transactions. Differences were identified between the customer statements and the amount recognised. Receivables from non-exchange transactions were understated by R10 639 432. This had a result impact on the allowance for impairment relating to receivables from non-exchange transactions. Consequently, I was unable to determine whether any adjustments were necessary to receivables from non-exchange transactions stated at R251 467 686 and allowance for impairment stated at R211 287 834 as disclosed in note 4 to the financial statements.

7. During 2024, I was unable to obtain sufficient appropriate audit evidence for receivables from non-exchange transactions due to a lack of proper record keeping and reconciliation of control accounts. I was unable to confirm these receivables by alternative means. Consequently, I was unable to determine whether any further adjustments to receivables from non-exchange transactions stated at R242 774 195 in note 4 to the financial statements were necessary. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of receivables from non-exchange transactions for the current period.

Property plant and equipment

8. The municipality did not have adequate systems in place to account for property, plant and equipment relating to buildings in accordance with the Standards of GRAP 17, *Property, plant and equipment.* Differences were identified in the depreciation recognised as the municipality used the incorrect remaining useful lives of the assets. Consequently, property, plant and equipment were overstated by R5 013 707. This also has an impact on the surplus for the period and on the accumulated surplus.

Investment Property

9. The municipality did not account for investment property in accordance with GRAP 16, *Investment Property*, as the municipality did not correctly measure the investment property. The municipality did not perform fair value valuation for the investment property as required. Investment properties were understated by R8 656 703 This also has an impact on the surplus for the period and on the accumulated surplus.

Payables from exchange transactions

10. The municipality did not have adequate systems in place to account for debtors with credit balances included in payables from exchange transactions in accordance with the Standards of GRAP 107, *Financial instruments.* The balances as per the creditors statements did not reconcile to the balances recognised. Consequently, debtors with credit balances were overstated by R6 967 555 (2024: R7 117 966). This also has an impact on the receivables from exchange and non-exchange transactions and the accumulated surplus.

11. I was unable to obtain sufficient appropriate audit evidence relating to trade payables included in payables from exchange transactions, due to poor accounting records. I was unable to confirm the account balances by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to trade payables included in payables from exchange transactions stated at R457 592 738 (2024: R302 426 581) as disclosed in note 14 to the financial statements.

12. The municipality did not have adequate systems in place to account for unallocated deposits included in payables from exchange transactions in accordance with the Standards of GRAP 104, *Financial instruments.* The municipality included deposits that have been subsequently allocated as part of the unallocated deposits. Consequently, unallocated deposits as included in payables from exchange transactions have been overstated by R5 115 949. This also has an impact on the surplus for the period and on the accumulated surplus.

Payables from non-exchange transactions

13. I was unable to obtain sufficient appropriate audit evidence for trade and other payables included in payables from non-exchange transactions due to a lack of proper record keeping and reconciliation of control accounts. I was unable to confirm these trade and other payables from non-exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments to trade and other payables from non-exchange transactions stated at R11 557 786 (2024: R11 557 786) as disclosed in note 15 to the financial statements.

Service charges

14. During 2024, I was unable to obtain sufficient appropriate audit evidence for sale of electricity included in service charges due to a lack of proper record keeping and reconciliation of control accounts. I was unable to confirm these by alternative means. Consequently, I was unable to determine whether any further adjustments to sale of electricity stated at R92 609 516 in note 21 to the financial statements were necessary. In addition the municipality did not account for revenue from sale of electricity in accordance with GRAP 9, *Revenue from exchange transactions,* as differences were identified when recalculating the amount billed to the customers for services rendered, resulting in revenue from the sale of electricity not being measured at the fair value of the consideration received or receivable, as required by the standard. Consequently, revenue from sale of electricity was overstated by R49 221 051, receivables from exchange transactions, consumer debtors, electricity was overstated by R49 221 051. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of sale of electricity for the current period.

15. During 2024, The municipality did not account for revenue from service charges relating to electricity and water in accordance with GRAP 9, *Revenue from exchange transactions*, as the municipality did not account for all revenue from these services charges, the municipality did not maintain adequate and complete records for these services rendered to customers. I was unable to determine the full extent of the understatement of service charges relating to water and electricity, stated at R92 609 516 and R44 953 670 respectively in note 21, related receivables from exchange transactions stated at R72 123 668 and R45 556 715 respectively in note 6 to the financial statements, as it was impracticable to do so. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of sale of electricity and water for the current period.

Interest Earned – Exchange Transactions

16. During 2024, I was unable to obtain sufficient appropriate audit evidence for interest earned – exchange transactions included in service charges due to a lack of proper record keeping and reconciliation of control accounts. I was unable to confirm these by alternative means. Consequently, I was unable to determine whether any further adjustments to interest earned – exchange transactions at R7 307 941 in note 24 to the financial statements were necessary. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of interest earned-exchange transactions for the current period.

17. The municipality did not account for interest earned from exchange transactions in accordance with GRAP 1, *Presentation of financial statements*, as the municipality did not account for all interest earned from exchange transactions, as the municipality did not maintain adequate and complete records for all interest charged to customers. I was unable to determine the full extent of the understatement of interest, stated at R7 307 941 in note 24, related receivables from exchange transactions stated at R369 687 535 in note 6. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of interest earned-exchange transactions for the current period.

Interest Earned – Non-exchange

18. During 2024, I was unable to obtain sufficient appropriate audit evidence for interest earned – non-exchange transactions included in property rates due to a lack of proper record keeping and reconciliation of control accounts. I was unable to confirm these by alternative means. Consequently, I was unable to determine whether any further adjustments to interest earned – non exchange at R6 776 790 in note 28 to the financial statements were necessary. My audit opinion on the financial statements for the period ending 2024 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effects of this matter on the comparability of interest earned from non-exchange transactions for the current period.

19. The municipality did not account for revenue from interest earned – non-exchange in accordance with GRAP 9, *Revenue from exchange transactions*, as the municipality did not account for all revenue from interest earned – non-exchange transactions, as the municipality

did not maintain adequate and complete records for all interest accrued from investments. I was unable to determine the full extent of the understatement of interest earned – non-exchange, stated at R6 776 790 in note 28, related receivables from non-exchange transactions stated at R251 467 686 in note 4.

Contracted services

20. I was unable to obtain sufficient appropriate audit evidence for contracted services for contractors due to a poor accounting records. I was unable to confirm these by alternative means. Consequently, I was unable to determine whether any further adjustments to contracted services for contractors stated at R7 932 034 as included in note 39 to the financial statements were necessary.

General expenses

21. I was unable to obtain sufficient appropriate audit evidence for travel-local as included in general expenditure due to a poor accounting records. I was unable to confirm these by alternative means. Consequently, I was unable to determine whether any further adjustments to travel-local as included in general expenditure stated at R4 628 868 as included in note 40 to the financial statements were necessary.

Contingent liabilities

22. I was unable to obtain sufficient appropriate audit evidence for contingent liabilities, as the municipality omitted current and prior year contingencies in the financial statements and no support was provided to determine the status of these contingent liabilities. I was unable to confirm the contingent liabilities by alternative means. Consequently, I was unable to determine whether any adjustments relating to contingent liabilities of R10 889 007 (2024: R10 934 757) as disclosed in note 47 to the financial statements were necessary.

Unauthorised expenditure

23. The municipality incorrectly calculated unauthorised expenditure as disclose in the notes to the financial statements, resulting in the unauthorised expenditure being overstated by R28 751 884 (2024: R4 746 803). I was unable to determine the full extent of the overstatement as it was impracticable to do so.

Segment reporting

24. The municipality did not account and present segment reporting in accordance with GRAP 18, *Segment Reporting* in the current and prior year, material differences were identified as the municipality did not have adequate systems for the disclosure of segment reporting. I was unable to determine the full extent of the segment reporting disclosure for current and prior year as it was impracticable to do so.

Deviations

25. Deviations incurred during the current financial year under audit and related information on deviations was not included in the notes to the financial statements, as required by SCM regulations 36 (2). The municipality deviated from supply chain management processes and these deviations were approved by the municipal manager. I was unable to determine the full extent of the understatement of deviations in note 56 to the financial statements, as it was impracticable to do so.

Cashflow statement

26. The municipality did not account for the cashflow statement in accordance with GRAP 2, *Cashflow statements* in the current and prior year, as the municipality did not have adequate systems to split the interest payable/accrued and paid/received for the disclosure of the cashflow statement. I was unable to determine the full extent of the errors in the cashflow statement disclosure during both current and prior year as it was impracticable to do so.

Context for opinion

27. 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.

28. 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.

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

Material uncertainty related to going concern

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

31. I draw attention to note 50 to the financial statements, which indicates that:

- The municipality incurred a deficit of R57 591 328 for the year
- The inability of the municipality to pay its creditors when payment is due.
- The average debtors' payment days decreased from 262 days to 215 days however remains concerning.
- Receivables from exchange and non-exchange transactions are almost fully impaired. It is unlikely that these debtors will repay their debts. There provision for impairment increased from 161.87% to 167.80%.

32. These events or conditions, along with other matters 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

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

34. As disclosed in note 49 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2025.

35. As disclosed in note 38 to the financial statements, material water losses of R1 124 741 (2024: R1 372 315) were incurred, which represent 28.7% (2024: 29.5%) of total water purchased. These losses occur due to, inter alia, leakages, the tampering of meters and illegal water connections.

36. As disclosed in note 6 to the financial statements, municipality reported a material impairment of R302 013 637 (2024: R209 179 091) as a result of allowance of impairment for receivables from exchange transactions due to non-collection of outstanding balance owed to the municipality.

37. As disclosed in note 4 to the financial statements, municipality reported a material impairment of R211 287 834 (2024: R201 144 396) as a result of allowance of impairment for receivables from non-exchange transactions due to non-collection of outstanding balance owed to the municipality.

38. As disclosed in note 29 to the financial statements, the municipality materially underspent the Water Service Infrastructure Grant by R5 053 415.

Other matters

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

40. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

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

42. 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

43. 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.

44. 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

45. 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.

46. I selected the following material performance indicators related to Provision of access to all basic services rendered to residents within the available resource and Contribution to the development and protection of rights and needs of all residents with a particular focus on the poor presented in the annual performance report for the year ended 30 June 2025. I selected those indicators that measure the [type of auditee]'s performance on its primary mandated functions and that are of significant national, community or public interest.

- TL12 - Review the Human Settlement Plan & submit to Council by 30 June 2025
- TL14 - Number of formal properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2025
- TL15 - Number of formal properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for the service as at 30 June 2025
- TL16 - Number of formal properties connected to municipal waste water sanitation/sewerage network for sewerage service, irrespective of number of water closets (toilets) and billed for the service as at 30 June 2025
- TL17 - Number of formal properties for which refuse is removed once per week and billed for the service as at 30 June 2025

- TL19 - The percentage of the municipal capital budget actually spent on capital projects by 30 June 2025 {(Actual amount spent on projects / Total amount budgeted for capital projects) x 100}

- TL29 - Limited unaccounted for water to 17% by 30 June 2025 [(Number of kilolitres water purchased or purified - Number of kilolitres water sold)/(number of kilolitres water purchased or purified) x 100]

- TL30 - Achieve a 95% water quality quarterly as per SANS 241 requirements for all water sampling points

- TL31 - Limit % electricity unaccounted for to 10% by 30 June 2025 [(Number of electricity units purchased - number of electricity units sold)/number of electricity units purchased) x 100]

- TL32 - Compile maintenance plans for water, waste water, roads and stormwater and electricity that include weekly, monthly, quarterly and annual actions and submit to Municipal Manager for approval by 30 June 2025

- TL33 - 95% of approved budget spent by 30 June 2025 for the development of 12 boreholes in De Aar (Northern Scheme) {(Actual expenditure divided by the total approved budget) x 100}

- TL34 - 95% of approved budget spent by 30 June 2025 for the installation of High Mast Lighting in De Aar and Britstown {{Actual expenditure divided by the total approved budget}x100}

- TL35 - 95% of approved budget spent by 30 June 2025 to pave streets in the municipal area {(Actual expenditure divided by the total approved budget) x 100}

- TL36 - 95% of approved budget by 30 June 2025 for the replacement and upgrading of the De Aar West electricity main transformers {(Actual expenditure divided by the total approved budget) x 100}

- TL37 - 95% of approved budget spent by 30 June 2025 for the refurbishment of Substation A {(Actual expenditure divided by the total approved budget) x 100}

- TL18: Provide free basic services to indigent households as at 30 June 2025

47. 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.

48. I performed procedures to test whether:

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

- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

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

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

Various indicators

51. Based on the audit evidence, the actual achievement for 9 indicators did not agree to the achievements reported. Consequently, the targets were not achieved, the underachievements on the targets were more than reported and the achievements against the target were lower than reported.

Indicator	Target	Reported achievement	Actual achievement
TL14 - Number of formal properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2025	8000	10656	8508
TL15 - Number of formal properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for the service as at 30 June 2025	10000	8500	97127
TL16 - Number of formal properties connected to the municipal wastewater sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2025	7200	11647	8587
TL17 - Number of formal properties for which refuse is removed once per week and billed for the service as at 30 June 2025	7200	11174	8348

TL19 - The percentage of the municipal capital budget actually spent on capital projects by 30 June 2025 {(Actual amount spent on projects /Total amount budgeted for capital projects) X100}	95%	95.68%	81.97%
TL37 - 95% of approved budget spent by 30 June 2025 for the refurbishment of substation A {(Actual expenditure divided by the total approved budget) x 100}	95%	75%	0%

Limit unaccounted for water to 25% by 30 June 2025 [(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / (Number of Kilolitres Water Purchased or Purified) x 100]

52. An achievement of 17% was reported against a target of 17%. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially more than reported.

Limit electricity unaccounted for to 10% by 30 June 2025 [(Number of Electricity units Purchased - Number of electricity units Sold) / (Number of electricity units Purchased) x 100]

53. An achievement of 12% was reported against a target of 10%. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially more than reported.

Missing indicator

54. In terms of the MFMA, the municipality is responsible for basic service delivery. However, an indicator to measure performance on this responsibility was omitted from the approved planning documents. The municipality did not provide a reason for this. Consequently, the achievement of this legislative mandate was not planned or accounted for, which is likely to result in it not being delivered and undermine transparency and accountability for the delivery of the mandate.

Various indicators

55. Underachievements were reported against targets without the reasons for this also being reported. The lack of transparency hinders informed decision-making and accountability if underachievement.

Indicator	Target	Reported achievement
TL15 - Number of formal properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for the service as at 30 June 2025	10 000	8 500
TL37 - 95% of approved budget spent by 30 June 2025 for the refurbishment of substation A	95%	75%

{(Actual expenditure divided by the total approved budget) x 100}		
TL18 - Provide free basic services to indigent households as at 30 June 2025	3 300	2 760

Other matter

56. I draw attention to the matter below.

Achievement of planned targets

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

58. The tables that follow 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.

Provision of access to all basic services rendered to residents within the available resources

Targets achieved:67%		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
TL15: Number of formal properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for the service as at 30 June 2025	10 000	8 500
TL37: 95% of approved budget spent by 30 June 2025 for the refurbishment of Substation A	95%	75%

Contribution to the development and protection of rights and needs of all residents with a particular focus on the poor

Targets achieved:0%		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
TL18: Provide free basic services to indigent households as at 30 June 2025	3 300	2 760

Material misstatements

59. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Provision of

access to all basic services rendered to residents within the available resources. Management did not correct the misstatement, and I reported material findings in this regard.

Report on compliance with legislation

60. 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.

61. 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.

62. 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.

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

Annual financial statements, performance reports and annual reports

64. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided subsequently, which resulted in the financial statements receiving a qualified audit opinion.

Consequence management

65. 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.

66. 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.

67. 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.

Expenditure management

68. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

69. Reasonable steps were not taken to prevent irregular expenditure amounting to R21 914 543 as disclosed in note 55 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by non-compliance with applicable supply chain legislations.

70. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R39 114 714, 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 on late payments to suppliers.

71. Reasonable steps were not taken to prevent unauthorised expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the unauthorised expenditure incurred as indicated in the basis for qualification paragraph. The majority of the disclosed unauthorised expenditure was caused by overspending on the votes.

Human resource management

72. 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 MSA and regulation 31 of Municipal Staff Regulations.

73. I was unable to obtain sufficient appropriate audit evidence that the acting staff member's performance agreement was amended to include the key performance areas (KPAs) and key performance indicators (KPIs) of the acting position, as required by regulation 43 of the Municipal Systems Regulations.

Oversight and Governance

74. I was unable to obtain sufficient appropriate audit evidence that the audit committee reviewed the annual financial statements to provide the council with an authoritative and credible view of the financial position of the auditee, its efficiency and effectiveness and its overall level of compliance with the relevant applicable legislation, as required by section 166(2)(b) of the MFMA.

75. I was unable to obtain sufficient appropriate audit evidence that the audit committee reviewed the quarterly reports submitted by the internal auditors on the audits of performance measurement as required by regulation 14(4)(a)(i) on Municipal Planning and Performance Management.

Procurement and contract management

76. Some of the goods and services within the prescribed transaction values for formal written price quotations were procured without obtaining the required price quotations, in contravention of by SCM Regulation 17(1)(a) and (c).

77. Some of the quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM Regulation 13(c).

78. Some of the goods and services within the prescribed transaction value for competitive bids were procured without inviting competitive bids, as required by SCM Regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM Regulation 36(1).

79. Some of the contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM Regulation 43.

Revenue management

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

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

Strategic planning and performance management

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

Utilisation of conditional grants

83. I was unable to obtain sufficient appropriate audit evidence that the Financial Management Grant was spent for its intended purposes in accordance with the applicable grant framework, as required by section 16(1) of the Division of Revenue Act (Act 24 of 2024).

84. Performance in respect of programmes funded by the Financial Management Grant was not evaluated within two months after the end of the financial year, as required by section 12(5) of the Division of Revenue Act (Act 24 of 2024).

85. Performance in respect of programmes funded by the EPWP Grant was not evaluated within two months after the end of the financial year, as required by section 12(5) of the Division of Revenue Act (Act 24 of 2024).

86. Performance in respect of programmes funded by the Integrated National Electrification Programme was not evaluated within two months after the end of the financial year, as required by section 12(5) of the Division of Revenue Act (Act 24 of 2024).

Other information in the annual report

87. The accounting officer is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in development priority presented in the annual performance report that have been specifically reported on in this auditor's report.

88. 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.

89. 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 development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

90. 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

91. 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.

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

93. Lack of management oversight to ensure adherence to the applicable legislation and standards for supply chain management processes.

94. Effective oversight was not displayed by management over supply chain management related matters as well as overspending on votes.

95. An effective audit action plan was not developed to address internal and external audit findings, but the appropriate level of management did not monitor adherence to the plan in a timely manner.

96. The design and implementation of adequate controls to monitor the municipality's compliance with policies and procedures developed to mitigate risks identified.

97. Slow progress on management taking action to address the supply chain management risks and prior year audit findings raised by the auditors, thus resulting in repeat findings in the current year under review.

98. Inadequate reviews to ensure the annual financial statements and performance information are supported by accurate and complete information.

Material irregularities

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

Status of previously reported material irregularities

Municipal accounts not paid within 30 days

100. Invoices received from Eskom during the period 1 April 2019 to 29 March 2020, for bulk electricity were not all not paid within the prescribed 30-day period, in contravention of section 65(2)(e) of the MFMA. The non-compliance resulted in a financial loss in the form of interest of R5 752 788,94 being levied and paid to the supplier on the outstanding balances.

101. The accounting officer was notified of the material irregularity on 7 June 2021. The accounting officer instituted an investigation into the matter, and the investigation was completed on 5 July 2021. The outcome of the investigation stated that officials could not be held responsible for the non-compliance that occurred, and the financial loss suffered by the municipality, and therefore no disciplinary steps should be taken in accordance with the policies of the municipality. This was due to unfunded annual budgets, low collection rates and the municipality being in financial distress. The municipality had entered a payments arrangement with Eskom which was being adhered to resulting in reductions in the interest payables to Eskom. As a result, I concluded that the accounting officer was taking appropriate action to address the material irregularity.

102. On 01 November 2023 I followed up on the progress of the material irregularity and on 16 November the accounting officer provided feedback. The municipality had not complied with the payment arrangement and had not made significant progress in terms of lowering the total amount owed to Eskom. The interest for the year had increased in comparison to the interest paid in the prior year.

103. I notified the accounting officer on 4 November 2024 of the following recommendations, which should have been implemented by 31 May 2025:

1) Appropriate action should be taken to finalise and commence with the implementation of the revenue enhancement plan to address the financial problems of the municipality that are preventing the Municipality 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) Implement the revenue enhancement interventions with the intention to increase the collection of revenue;

b) Efficiently manage the available resources of the municipality to optimise and reduce costs; and

c) Negotiate a reasonable payment arrangement with Eskom and properly budget for the amounts to be paid.

104. The accounting officer was required to provide a progress report on 28 February 2025. On 7 March 2025 the accounting officer submitted the progress report and substantiating

documentation on the implementation of recommendations. I duly assessed the progress report and provided feedback on 18 March 2025 to the accounting officer on the shortcomings that had to be addressed in the final response that was due on 31 May 2025.

105. The accounting officer failed to submit a final written response and substantiating documentation by 31 May 2025 and on 2 June 2025, I follow-up on the outstanding response. The accounting officer failed to submit a final response and substantiating documentation on the implementation of recommendations despite my follow-up.

106. Considering the failure of the accounting officer to submit a final response on the implementation of recommendations, I concluded that the accounting officer has failed to implement the recommendations and to address the material irregularity appropriately.

107. I notified the accounting officer on 5 September 2025 of the following remedial actions to address the MI, which should be implemented by 5 December 2025:

1) Appropriate action must be taken to finalise and commence with the implementation of the revenue enhancement plan to address the financial problems that are preventing the municipality from paying Eskom within 30 days, as required by section 65(2)(e) of the MFMA. The financial plan to be implemented must include measures to:

a) Increase the collection of revenue; and

b) Efficiently manage the available resources of the municipality through cost containment measures and proper budget management.

2) Appropriate action must be taken to negotiate a reasonable payment arrangement with Eskom and properly budget for the amounts to be paid.

108. The accounting officer was requested to submit a progress report by 5 October 2025. The accounting officer submitted a progress report on 7 October 2025 and additional information on 8 October 2025. I duly assessed the progress report and provided feedback to the accounting officer on 15 October 2025 on the shortcomings that have to be addressed in the final response that is due on 5 December 2025.

Internal capacity not developed to prepare annual financial statements resulting in overreliance on consultants

109. The MFMA section 62(a) states that the accounting officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that the resources of the municipality are used effectively, efficiently and economically.

110. The Municipal Cost Containment Regulation, 2019 section 5(5)(f) requires that when consultants are appointed, the accounting officer must develop a consultancy reduction plan to reduce reliance on consultants.

111. The municipality makes use of consultants for the preparation of annual financial statements while having suitably qualified employees within the municipality to compile financial statements. The municipality did not have a consultancy reduction plan as required by

the Municipal Cost Containment Regulation and there is a history of steps not being taken to develop internal capacity. This is likely to result in a material financial loss if steps are not taken to reduce reliance on consultants.

112. The accounting officer was notified of the material irregularity on 13 September 2023. The accounting officer instituted an investigation into the matter, and the investigation was completed on 18 November 2023. The following actions had been planned by the accounting officer to address the material irregularity:

- The municipality had created a vacancy of a finance official who will be responsible for preparation of the annual financial statement.
- Officials would regularly attend GRAP training offered by Provincial Treasury and the current consultants would transfer skills to the identified officials.
- The municipality was preparing a consultant reduction plan which would be adopted by council by May 2024.

113. On 10 September 2024, I followed up on the progress of the material irregularity and on the 11 October 2024 the accounting officer provided feedback. The following was confirmed:

- Five municipal officials attended training on Municipal Standard Chart of Accounts (MSCOA) understanding and application. The program assists officials in understanding the purpose and reporting on MSCOA standards and its impact on the financial system.
- The municipality adopted a consultant reduction plan in December 2023 however support was not provided to confirm implementation of the plan.
- The vacancy created has not yet been filled.
- The municipality has not made significant progress in terms of lowering the total amount paid to consultants.

114. I determined that the accounting officer was not taking appropriation to resolve the MI.

115. I notified the accounting officer on 06 December 2024 of the following recommendations, which should have been implemented by 31 May 2025:

- The non-compliance should be investigated to determine the root causes and if any official might have committed an act of financial misconduct or an offence in terms of Chapter 15 of the MFMA.
- Disciplinary proceedings, should commence, without undue delay, against all officials who have allegedly committed an act of financial misconduct or an offence, as required by section 62(1)(e) of the MFMA and in the manner prescribed by the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.
- Appropriate action should be taken to enhance, finalise and commence with the implementation of the consultancy reduction plan, so that reliance on consultants are

reduced, as required by the Municipal Cost Containment Regulation 5(5)(f). The consultancy reduction plan should be enhanced to include the following:

a) Implementation of penalties for non-performance in line with the signed service level agreement.

b) Address poor record keeping at the municipality to ensure that information is properly filed and maintained, so that it can be provided to the consultants for the compilation of the annual financial statements.

116. The accounting officer was required to provide a progress report on 28 February 2025. On 10 March 2025 the accounting officer submitted the progress report and substantiating documentation on the implementation of recommendations. I duly assessed the report and provided feedback on 1 April 2025 to the accounting officer on the shortcomings that had to be addressed in the final response that was due on 31 May 2025.

117. The accounting officer failed to submit a final written response and substantiating documentation by 31 May 2025. The accounting officer failed to submit a final response and substantiating documentation on the implementation of recommendations despite my follow-up.

118. Considering the failure of the accounting officer to submit a final response on the implementation of recommendations, I concluded that the accounting officer has failed to implement the recommendations and to address the material irregularity appropriately.

119. I notified the accounting officer on 5 September 2025 of the following remedial actions to address the MI, which should be implemented by 5 February 2026:

- The non-compliance must be investigated to determine the root causes and if any official might have committed an act of financial misconduct or an offence in terms of Chapter 15 of the MFMA.

- Disciplinary proceedings must commence, without undue delay, against all officials who have allegedly committed an act of financial misconduct or an offence, as required by section 62(1)(e) of the MFMA and in the manner prescribed by the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

- Appropriate action must be taken to enhance, finalise and commence with the implementation of the consultancy reduction plan, so that reliance on consultants is reduced, as required by the Municipal Cost Containment Regulation 5(5)(f). The consultancy reduction plan must be enhanced to include the following:

a) Implementation of penalties for non-performance in line with the signed service level agreement; and

b) Address poor record keeping at the municipality to ensure that information is properly filed and maintained, so that it can be provided to the consultants for the compilation of the annual financial statements.

120. The accounting officer was required to provide a progress report on 5 November 2025. The accounting officer failed to submit the progress report and I followed up on the outstanding

progress report on 9 November 2025. Despite my follow-up, the accounting has not submitted the progress report.

121. I will follow-up on the final response and substantiating documentation on the implementation of remedial action that is due on 5 February 2026.

Auditor General

Kimberley

30 November 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), Sections: 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), Sections: 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), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), Regulations: 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), Sections: 54A(1)(a),56(1)(a), 57(2)(a), 57(6)(a), 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 regulations
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), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1),31
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, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)