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

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Siyathemba Local Municipality set out on pages X to X, which comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information 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 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 Siyathemba Local Municipality as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with *Standards of Generally Recognised Accounting Practice (Standards of GRAP)* and the requirements of the *Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003)* (MFMA) and the *Division of Revenue Act of South Africa, 2020 (Act No. 4 of 2020)* (Dora).

Basis for qualified opinion

Property Plant and Equipment

3. I was unable to obtain sufficient appropriate audit evidence that infrastructure assets for the current year and the prior year had been properly accounted for in the financial statements due to lack of supporting documents for the unit rates. I was unable to confirm infrastructure assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to infrastructure assets stated at R456 961 791 (2020: R415 251 430) in note 2 to the financial statements.

4. The municipality did not recognise all items of community assets in accordance with *GRAP 17, Property, plant and equipment,* as the municipality did not recognise all community assets registered in the municipality's name I was unable to determine the full extent of the understatement of community assets included in property, plant and equipment for the current year as it was impracticable to do so. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.

5. The municipality did not correctly account for infrastructure in accordance with *GRAP 17, Property, plant and equipment*. Infrastructure assets amounting to R13 238 969 included in note 2 to the financial statements was incorrectly classified as work-in-progress, while it was available for use. This resulted in the overstatement of work-in-progress and understatement to infrastructure additions assets by R13 238 969 (2020: R13 238 969). Additionally, there was an impact on the surplus for the period and on the accumulated surplus

Investment property

6. The municipality did not recognise all items of investment property in accordance with *GRAP 16, Investment property*, as the municipality did not recognise all investment property registered in the municipality's name. I was unable to determine the full extent of the understatement of investment property as it was impracticable to do so. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.

Trade receivables from exchange transactions

7. I was unable to obtain sufficient appropriate audit evidence for receivables from exchange transactions relating to service receivables and other debtors as the municipality did not have adequate systems to maintain records of receivables from exchange transactions. I was unable to confirm receivables from exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to receivables from exchange transactions for service receivables and other debtors, stated as R13 734 379 in note 9 financial statements.

8. During 2020, I was unable to obtain sufficient and appropriate audit evidence supporting other consumer debtors and other debtors disclosed under trade receivables from exchange transactions due to lease contracts that expired and no valid sale of land agreements. I could not confirm other consumer debtors and other debtors by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to other consumer debtors stated at R3 767 157 and other debtors stated at R1 631 259 in note 9 to the financial statements.

Payables from exchange transactions

9. I was unable to obtain sufficient appropriate audit evidence for trade payables, salary control account and traffic control included in payables from exchange transactions due to the status of accounting records, lack of proper record keeping and reconciliation of control accounts by the municipality. I was unable to confirm these trade payables, salary control account and traffic control by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to trade payables stated at R137 295 275 (2020: R104 628 346), salary control account stated at R8 518 327 and traffic control stated at R8 886 669 in note 21 to the financial statements.

Employee benefits

10. The municipality did not account for post-employment medical aid scheme benefits in accordance with *GRAP 25, Employee benefits*. As the municipality provided for employees who were not eligible for post-employment medical aid scheme benefits in accordance with the relevant policies and procedures. I was unable to determine the full extent of the overstatement for the current and previous year as it was impracticable to do so. Additionally, there was a resultant impact on the employee related costs, finance costs, actuarial gains, deficit for the period and the accumulated surplus.

Provisions

11. I was unable to obtain sufficient appropriate audit evidence for provision for rehabilitation of landfill-sites as the municipality did not provide sufficient supporting documentation on the assessment of the useful life . I was unable to confirm the provision for rehabilitation of landfill sites by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the non-current provision stated at R19 075 177 (2020: R12 724 662) in note 17 to the financial statements.

Revenue from exchange transactions

12. The municipality did not recognise all revenue from exchange transactions relating to water and electricity in accordance with *GRAP 9, Revenue from exchange transactions*. The municipality did not maintain adequate and complete records for services rendered to consumers. I was unable to determine the full extent of the understatement of water and electricity included in service charges, as it was impracticable to do so. Consequently, I was unable to determine whether any further adjustments were necessary to water stated at R16 650 640 (2020: R15 213 102) and electricity stated at R21 945 259 (2020: R15 213 102) in note 26 of the financial statements. In addition, there was a resultant impact on the surplus for the period, receivables from exchange transactions and VAT payable.

13. The municipality did not recognise interest earned on outstanding debtors from exchange transactions in accordance with *GRAP 9, Revenue from exchange transactions*, as the municipality did not charge interest as per the tariff policy. I was unable to determine the full extent of the understatement of interest earned on outstanding debtors included in revenue from exchange transactions and trade receivables from exchange transactions for the current and previous year, as it was impracticable to do so. Additionally, there was an impact on the deficit for the period and on the accumulated surplus.

14. During 2020, I was unable to obtain sufficient appropriate audit evidence whether indigent applicants have met the criteria set by council to qualify for the relevant rebates as indigents, as the indigent application forms were not appropriately completed in relation to revenue foregone included in service charges. I was unable to confirm the revenue foregone by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to revenue foregone in note 26 of the financial statements.

15. During 2020,the municipality did not recognise revenue from exchange transactions relating to sewerage and sanitation included in service charges, in accordance with *GRAP 9, Revenue from exchange transactions*. The municipality did not have an adequate system in place to ensure the accurate billing of consumer accounts. This resulted in revenue from sewerage and sanitation being overstated by R1 832 711 and sewerage and sanitation included in receivables from exchange transactions being overstated by R2 107 618. Additionally, there was an impact on the deficit for the period and the accumulated surplus.

16. During 2020,the municipality did not recognise all revenue from exchange transactions relating to refuse removal in accordance with *GRAP 9, Revenue from exchange transactions*. The municipality did not maintain adequate and complete records for services rendered to consumers. I was unable to determine the full extent of the understatement of refuse removal included in service charges, as it was impracticable to do so. Consequently, I was unable to determine whether any further adjustments were necessary to refuse removal stated at R2 180 244 in note 26 of the financial statement. In addition, there was a resultant impact on the surplus for the period, receivables from exchange transactions and VAT payable.

17. During 2020, Revenue from exchange transactions was materially misstated by R432 342 due to the cumulative effect of individually immaterial uncorrected misstatements in rental of facilities and equipment and agency services:
    - Rental facilities and equipment stated at R926 447 was overstated by R432 342.

    In addition, I was unable to obtain sufficient appropriate audit evidence and to confirm revenue from exchange transactions by alternative means:
    - Agency services of R356 294 as included in the disclosed balance of R46 066 386.
    - Rental facilities and equipment of R926 447 as included in the disclosed balance of R46 066 386.

    Consequently, I was unable to determine whether any further adjustment was necessary to revenue from exchange transactions.

Total expenditure

18. The municipality did not have adequate systems to maintain records of expenditure. The municipality did not record bulk purchases accurately as differences were noted between invoice and recorded amounts. This resulted in bulk purchases being overstated R11 579 936, trade payables from exchange was overstated by R13 316 926 and VAT receivable being understated by R1 736 990.

19. I was unable to obtain sufficient appropriate audit evidence for bulk purchases as the municipality did not have an adequate system of internal control to account for bulk purchases and did not keep proper records. I was unable to obtain sufficient appropriate evidence to confirm journal entries included in bulk purchases, as support was not provided. I was unable to confirm the bulk purchases by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the bulk purchases of R26 212 663 as disclosed in note 33 to the financial statements. Since bulk purchases is included in the determination of net cash flows from operating activities reported in the statement of cash flow, I was unable to determine whether any adjustments were

necessary in the cash flows from operating activities stated at R75 744 979 in the financial statements.

20. The municipality did not recognise expenses in accordance with GRAP 1, *Presentation of financial statements*. The municipality recorded expenses in the accounting period when payment was made and not when the expenses were incurred resulting in the expenses being recorded in the incorrect accounting period.This resulted in expenditure being understated by R7 985 657, trade payables from exchange was underrstated by R9 183 506 and VAT receivable being overerstated by R1 197 849.

21. Expenditure was materially misstated by R2 144 639 due to the cumulative effect of individually immaterial uncorrected misstatements in repairs and maintenance, contracted services and general expenditure:
    - Repairs and maintenance stated at R3 730 272 were overstated by R123 348.
    - Contracted services stated at R8 546 507 was overstated by R1 029 513.
    - General expenditure of R19 969 102 was overstated by R991 778.

    In addition, I was unable to obtain sufficient appropriate audit evidence and to confirm total expenditure by alternative means:
    - General expenditure of R19 969 102 as included in the disclosed balance of R134 813 623.

    Consequently, I was unable to determine whether any further adjustment was necessary to total expenditure.

Unauthorised expenditure

22. The municipality did not correctly disclose unauthorised expenditure incurred as required by section 125 (2)(d)(i) of the MFMA, due to a lack of sufficient appropriate systems. I was unable to determine the full extent of the misstatement for the current as it was impractical to so do. I could not confirm this by alternative means. Consequently, I was unable to determine whether any further adjustment was necessary to unauthorised expenditure stated at R414 904 326 (2020: R347 746 817) in note 43.1 to the financial statements.

Irregular expenditure

23. The municipality did not include all irregular expenditure in the notes to the financial statements, as required by section 125(2)(d)(i) of the MFMA. The municipality incurred expenditure in contravention of the supply chain management (SCM) requirements which was not disclosed resulting in irregular expenditure being understated in both the current and previous year. I was unable to determine the full extent of the understatement as it was impracticable to do so. Consequently, I was unable to determine whether any further adjustment was necessary to irregular expenditure stated at R270 960 377 (2020: R201 262 709) in note 43.3 to the financial statements.

Capital commitments

24. I was unable to obtain sufficient and appropriate audit evidence that capital commitments for the current and previous year had been accounted for, due to the status of the accounting records. I was unable to confirm capital commitments by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to capital commitments, stated at R3 896 369 (2020:R33 503 055) in note 45 to the financial statements.

Distribution losses

25. The municipality did not maintain adequate records of the number of units distributed for water and electricity. As a result water and electricity losses recognised in accordance with section 125(2)(d) of the MFMA were understated. I was unable to determine the full extent of the understatement of water and electricity losses as disclosed in note 43.4 to the financial statements for the current and previous year as it was impracticable to do so.

Context for the opinion

26. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.

27. 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.

28. 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 financial sustainability

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

30. I draw attention to note 54 to the financial statements, which indicates that the municipality is unable to meet its obligations when due. The average debtors' payment days increased, the debtor's impairment ratio increased from the previous year's. As stated in note 54, these events or conditions, along with the other matters as set forth in note 54, 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

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

Restatement of corresponding figures

32. As disclosed in note 36 to the financial statements, the corresponding figures for 30 June 2020 have been restated as a result of errors in the financial statements of the municipality, and for the year ended, 30 June 2021.

Underspending on conditional grants

33. As disclosed in note 22 of the financial statements, the municipality materially underspent by R10 044 065 on conditional grants received from national and provincial government.

Other matters

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

Unaudited disclosure notes (MFMA 125)

35. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Unaudited supplementary schedules

36. The supplementary information set out on pages X to X does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

37. 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.

38. 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.

Auditor-general's responsibilities for the audit of the financial statements

39. 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.

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

Performance information reporting

41. I was unable to audit and report on the usefulness and reliability of the performance information, as the municipality's annual performance report was not prepared, as required by section 46 of the Municipal Systems Act 32 of 2000 (MSA) and section 121(3)(c) of the MFMA.

Report on the audit of compliance with legislation

Introduction and scope

42. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

43. The material findings on compliance with specific matters in key legislation are as follows:

Annual Financial Statement

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

Expenditure Management

45. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the irregular expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with SCM requirements.

46. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R112 459, as disclosed in note 43.2 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 debit orders unknown to the municipality.

47. Reasonable steps were not taken to prevent unauthorised expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the unauthorised expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed unauthorised expenditure was caused by overspending on the municipality's approved budget.

Revenue Management

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

49. Interest was not charged on all accounts in arrears, as required by section 64(2)(g) of the MFMA.

Asset Management

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

51. I was unable to obtain sufficient appropriate audit evidence that capital assets permanently disposed were needed to provide the minimum level of basic municipal services as required by section 14(1) of the MFMA.

52. I was unable to obtain sufficient appropriate audit evidence that capital assets were disposed of after municipal council having, a meeting open to the public decided on whether the assets were still needed to provide the minimum level of basic municipal services and considered the fair market value of the assets and the economic and community value to be received in exchange for the assets as required by section 14(2)(a) and 14(2)(b).

53. Investment policy adopted by council was not in place, as required by section 13(2) of the MFMA and municipal investment regulation 3(1)(a).

Strategic planning and performance management

54. The SDBIP for the year under review was not developed, as required by section 53(1)(c)(ii) of the MFMA.

55. Performance targets were not set for each of the KPIs for the financial year, as required by section 41(1)(b) of the MSA and municipal planning and performance management regulation 12(1).

56. A mid-year performance assessment was not performed, as required by section 72(1)(a)(ii) of the MFMA.

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

Procurement and contract management

58. Goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of by SCM Regulation 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.

59. Sufficient appropriate audit evidence could not be obtained that written quotations were accepted from prospective providers who were on the list of accredited providers and met the listing requirements as precsribed by the SCM policy, in contravention of SCM Regulations 16(b) and 17(1)(b).

60. 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). Similar non-compliance was also reported in the prior year.

61. Sufficient appropriate audit evidence could not be obtained that quotations were only accepted from bidders whose tax matters had been declared by the South African Revenue Service to be in order, as required by SCM regulation 43.

62. The preference point system was not applied to procurement of goods and services above R30 000 as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act. Similar non-compliance was also reported in the prior year.

63. Sufficient appropriate audit evidence could not be obtained that contracts were extended or modified with the approval of a properly delgated official as required by SCM Regulatin 5. Similar limitation was also reported in the prior year.

64. The contract performance and monitoring measures and methods were not sufficient to ensure effective contract management, as required by section 116(2)(c) of the MFMA. Similar limitation was also reported in the prior year.

Utilisation of conditional grants

64. Performance in respect of programmes funded by the Municipal Infrastructure Grant, Water Services Infrastructure Grant and Integrated national electrification Grant were 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 4 of 2020).

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 and fruitless and wasteful 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. Allegations of theft which exceeded R100 000 were not reported to the South African Police Service, as required by section 34(1) of the PRECCA.

Other information

68. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements and the auditor's report.

69. My opinion on the financial statements and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

70. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

71. 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

72. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the performance report and the findings on compliance with legislation included in this report.

73. The leadership did not exercise adequate oversight responsibility regarding financial and compliance as well as related internal controls. The municipality did not have sufficient monitoring controls to ensure the proper implementation of the overall process of planning, budgeting, implementation and reporting. This pertains to the overall performance management systems and processes, annual financial statements and compliance with laws and regulations.

74. The leadership of the municipality did not take adequate responsibility for establishing and communicating policies and procedures to enable and support the understanding and execution of internal control objectives, processes and responsibilities in respect of consequence management.

75. The leadership of the municipality did not adequately develop and monitor the implementation of action plans to address internal control deficiencies. The municipality developed a plan to address internal and external audit findings, but the appropriate level of management did implement and monitor adherence to the plan in a timely manner. This is due to the audit action plan not being compiled timeously in order to address audit findings

in a timely manner. This has resulted in repeat findings being identified in the current year audit.

76. The municipality did not implement sufficient proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.

77. The municipality did not adequately prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information. The financial statements contained numerous misstatements. This was mainly due to staff not fully understanding the requirements of the financial reporting framework.

78. The municipality did not review and monitor compliance with applicable legislation. Furthermore, the municipality does not have adequate processes in place to identify irregular expenditure.

79. The municipality did not implement appropriate risk management activities to ensure that regular risk assessments, including the consideration of information technology risks and fraud prevention, are conducted and that a risk strategy to address the risks is developed and monitored. The municipality did not conduct a risk assessment, as required by the MFMA, consequently, controls were not developed to prevent, detect and correct material misstatements in financial and performance reporting.

Auditor General

Kimberley

10 December 2021

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. 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 on the municipality's compliance with respect to the selected subject matters.

Financial statements

2. 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 by the accounting officer
   - conclude on the appropriateness of the accounting officer's 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

3. 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.

4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to 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.