AUDITOR-GENERAL
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Auditing to build public confidence

2014-15
MFMA

CONSOLIDATED general report on the audit outcomes of local government

Our reputation promise/mission

The Auditor-General of South Africa has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, exists to strengthen our country's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence.

AUDITOR-GENERAL
SOUTH AFRICA
Auditing to build public confidence

CONSOLIDATED
general report on the audit outcomes of local government
MFMA 2014-15

The information and insights presented in this flagship publication are aimed at empowering oversight structures and local and provincial government leaders to focus on those issues that will result in reliable financial statements, credible reporting on service delivery and compliance with key legislation.

This publication also captures the commitments that leaders have made to improve audit outcomes.

I wish to thank the audit teams from my office and the audit firms that assisted in auditing of local government, for their diligent efforts towards fulfilling our constitutional mandate and the manner in which they continue to strengthen cooperation with the leadership of government.

Auditor-General

Kimi Makwetu
Auditor-General

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No municipality in Limpopo achieved a clean audit

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EXECUTIVE SUMMARY

Executive summary

Over the past five years – from the period 2010-11 to 2014-15 – municipalities in South Africa have reported a **steady improvement in audit outcomes**, with 53% having improved, while 13% regressed and 34% remained unchanged. The audit outcomes of six of the eight metro councils, 21 (49%) district municipalities and 116 (52%) local municipalities have improved.

Positioned against government's medium-term strategic framework (MTSF) targets for improving audit outcomes in pursuit of sound financial and administrative management, this compares as follows:

- 10% of municipalities with adverse or disclaimed audit opinions against the target to have no municipalities with these type of opinions by 2019
- 28% of municipalities with qualified audit opinions against the target to have a maximum of 25% of municipalities with such opinions by 2019
- 59% of municipalities with unqualified audit opinions against the target to see at least 75% of municipalities to achieve this desirable state by 2019.

The expenditure budget for the municipal sphere in 2014-15 totalled R347 billion. Municipalities with clean audit opinions represent R134 billion (39%) of this amount, while those with unqualified opinions with findings represent R143 billion (41%). Municipalities with qualified audit opinions made up R49 billion (14%) of the total budget, with those with adverse and disclaimed opinions representing R20 billion (6%). The outstanding audits constitute R1 billion of the total budget.

Increased accountability and transparency within local government are evident in the significant improvement made in **submission of financial statements for audit by the legislated date** and the **preparation of annual performance reports**. The financial statement submission rate improved from 78% to 94%, while the number of municipalities that failed to prepare annual performance reports decreased from 14% to 4%.

The provinces with the highest proportion of municipalities with clean audit opinions in 2014-15 were the Western Cape (73%), Gauteng (33%) and KwaZulu-Natal (30%). Leadership in these provinces has proved the value of investing in strengthening internal control, valuing stability in the administration of municipalities and taking decisive action on both internal control failings and audit findings. This does not mean that these provinces find themselves without challenges, as the situation in the Central Karoo District Municipality (Western Cape), the West Rand District Municipality (Gauteng) and the Umkhanyakude District Municipality (KwaZulu-Natal) testifies.

The audit outcomes of municipalities in the Eastern Cape, Free State and Mpumalanga have shown momentum in the right direction. I am particularly encouraged by the solid outcomes reported in areas such as the Joe Gqabi District Municipality in the Eastern Cape, the Thabo Mofutsanyana District Municipality in the Free State and the Ehlanzeni District Municipality in Mpumalanga. I encourage leadership in these provinces to re-emphasise the benefits of good governance at all municipalities as a key mechanism to create a fertile environment for appropriate service delivery and to back this up with decisive action in setting the appropriate tone at the top, investing in the right skills and competencies for key positions and further maintaining good record-keeping practices at all municipalities. Each of these provinces also faces immense challenges in specific areas, such as the OR Tambo District Municipality in the Eastern Cape and Matjhabeng in the Free State where urgent and focused leadership attention is required.

Audit outcomes in the remaining three provinces – Limpopo, North West and the Northern Cape – have been disappointing at best. Focused political will and a considerable investment in ensuring that the basics are done right at municipalities in these provinces are required to create a baseline from which good governance can be restored and strengthened.

The audit area that showed the **greatest improvement was the audit opinions on financial statements**. The number of unqualified audit opinions increased from 47% to 59%, while municipalities receiving disclaimed or adverse opinions decreased from 33% to 11%. The items that municipalities struggled with most to correctly measure and disclose in the financial statements over the past five years were *property, infrastructure and equipment, revenue* and *irregular expenditure*, but there has been improvement in all three areas – most notably property, infrastructure and equipment.

Municipalities continue to **rely on consultants** to prepare financial statements and underlying records and also rely **on auditors** to identify material misstatements to be corrected. Consultancy costs for financial reporting services continued to increase over the past five years to R892 million in 2014-15. Similarly, the poor quality of the financial statements submitted for audit resulted in increased audit time and cost. In 2014-15 only 26% (and not 59%) of municipalities would have received an unqualified audit opinion had we not identified the misstatements and allowed them to make corrections.
We found that at 105 municipalities (42%), the financial statements submitted for auditing included material misstatements in the areas in which consultants did work, meaning that the misstatements were identified and corrected by the audit process and not by the consultant. This remains a concern regarding the effective use of these consultants.

The **management of consultants** (not limited to financial reporting services) continues to be inadequate. Weaknesses in the planning and appointment processes, performance management and monitoring and transferring of skills were identified at 68% of the municipalities that used consultancy services.

The **quality of annual performance reports has improved**, with the number of municipalities with no material findings in this regard having increased from 20% to 38% since 2010-11. The *usefulness* of the information in the report has significantly improved (from 71% with findings to 47%) but more than half are still struggling to report *reliable* information on service delivery.

The audit area with the **lowest improvement rate is compliance with key legislation**. The number of municipalities with material findings on compliance has decreased from 95% to 78% since 2010-11. The only areas we audit that have shown some improvement in this period were procurement and contract management (also referred to as supply chain management) (from 79% to 68%) and the quality of submitted financial statements (from 82% to 74%) – there has been little change and even regression in all other areas.

Although the number of municipalities with material findings on supply chain management (SCM) had declined, the number of municipalities with **SCM findings** (material and not material) has remained **at the same level** since 2011-12. The limitations we have experienced in auditing SCM as a result of missing documentation have eased over the period but we still experienced such limitations at 22% of municipalities in 2014-15. We reported inadequate contract management at more municipalities than in 2011-12 and have seen little improvement in the past four years in addressing uncompetitive or unfair procurement processes and the high prevalence of awards being made to suppliers in which employees, councillors and state officials have an interest. Furthermore, little progress has been made in complying with legislation relating to awards made to close family members of employees and councillors.

Irregular expenditure has more than doubled since 2010-11 to R14,75 billion and is incurred by an increasing number of municipalities. The reason for the increase in irregular expenditure is the continued non-compliance with SCM legislation, but also an improvement in the ability of municipalities to detect and disclose current and prior year irregular expenditure in their financial statements. In 2010-11, 73% of the irregular expenditure was identified during the audit, while in 2014-15 municipalities identified 69% of the irregular expenditure – some using consultants to determine the full extent of irregular expenditure. Municipalities in North West, Mpumalanga, Eastern Cape and Limpopo were the main contributors to the significant increase in irregular expenditure over the past five years.

Fruitless and wasteful expenditure in 2014-15 was more than R1 billion higher than in 2010-11 at R1,34 billion and was again incurred by an increasing number of municipalities. Municipalities in the provinces of Mpumalanga, Eastern Cape, North West, Free State and Northern Cape were the main contributors to this increase. **Unauthorised expenditure** has also increased threefold since 2010-11 to R15,32 billion. The main reason for the unauthorised expenditure remains overspending of the budget; however, more than 60% of the overspending related to non-cash items, i.e. estimates of depreciation or impairments that were not correctly budgeted for.

The poor quality of financial statements submitted to us for audit and the continuing reliance on consultants for financial reporting services call into question whether in-year reporting and management of finances by municipalities are solid. Signs of **poor financial management** are apparent in the budget preparation and monitoring processes (resulting in unauthorised expenditure) and the financial viability of municipalities, which continue to weaken year on year.

In 2014-15 we rated the **financial health** of 92% of the municipalities as either concerning or requiring intervention (82% in 2012-13 when our overall assessments were introduced). The most concerning indicators over the past three years were municipalities spending more than the resources they had available (thus incurring a net deficit); current liabilities exceeding current assets at year-end (net current liability position); debtors (ratepayers and consumers of water and electricity) not paying or taking very long to pay their debt; and creditors not being paid on time. In total, 26% (just over a quarter) of municipalities were in a particularly **poor financial position** by the end of 2014-15, with material uncertainty with regard to their ability to continue operating in the foreseeable future – 10 more municipalities than in 2012-13.

As local government does not generate enough revenue to fund all its operations and capital projects, national government provides **conditional grants** to municipalities for specific purposes. We have broadened the scope of our audit in the past two years to consider the management and impact of the municipal infrastructure grant (MIG) and the municipal systems improvement grant (MSIG), both allocated by the Department of Cooperative Governance and Traditional Affairs (CoGTA), as well as the financial management grant (FMG) allocated by the National Treasury. We raised similar findings as in 2013-14 in that although most of the funds were used, the targets identified for the programmes and projects funded by the grants were not achieved by all municipalities. In the case of the FMG and MSIG, the impact on improved financial and performance management is not always evident in the audit outcomes of the municipalities. In 2014-15 we increased the number of MIG-funded projects audited and focused on water and sanitation projects. We found that the targets of 52% of the projects we audited were either not achieved or the municipalities had not assessed their performance against targets.

The root causes of the aforementioned weaknesses in financial and performance management and the poor audit outcomes are as follows:

- Management (accounting officers and senior management), the political leadership (mayors and councils), as well as oversight – municipal public accounts committees (MPACs) and portfolio committees – do not respond with the required urgency to our consistent messages about addressing risks and **improving internal controls**. There has been some improvement in the control environment of municipalities over the past five years, but progress has been slow and in 2014-15 we rated the majority of municipalities' status in all areas of control as either 'concerning' or 'intervention required'. Of particular concern is the status of information technology (IT) controls, although some improvement has been evident over the past five years and the implementation of the IT governance framework is expected to have a positive impact on municipal IT control environments.

- **Vacancies and instability in the key positions** of municipal manager, chief financial officer and head of SCM unit affect the financial and performance management of municipalities and can directly affect audit outcomes. The impact on audit outcomes was apparent in the regression in audit outcomes (across all three audit areas) in 2011-12 as a result of the instability created after the 2010-11 elections. In 2014-15 we again identified a direct correlation between stability in the municipal manager and chief financial officer positions and audit outcomes.
  The **competency levels** of these key officials also contribute to their performance. We started tracking vacancies, stability and achievement of the minimum competency requirements as from 2012-13, noting an improvement in the number of key officials with the required competency since 2012-13. Improvement was also seen in addressing vacancies and creating stability, but of concern was that vacancies in chief financial officer positions stood at 20% by 2014-15 year-end, with those of municipal managers at 17%.
- The low level of action in response to the high levels of non-compliance, poor audit outcomes, SCM transgressions and unauthorised, irregular as well as fruitless and wasteful expenditure demonstrates a **lack of consequences** in local government for poor performance and transgressions. Councils at 45% (47% in 2013-14) of municipalities that reported unauthorised, irregular and fruitless and wasteful expenditure in the previous year had not investigated these transgressions as required by the Municipal Finance Management Act (MFMA). We also continue to report to management indicators of possible fraud or improper conduct in the SCM processes for investigation, to little avail as the cases continue to increase and in most instances are not investigated.

Our report includes **recommendations** to local, national and provincial administration and oversight to sustain the improvements witnessed over the past five years and addresses the risks emerging in the environment. These include the following best practices displayed by those provinces and municipalities that have shown improvement in the past five years:

- Political, municipal and provincial **leadership** delivered on commitments to fill key positions with competent people, stabilised the administration (i.e. low turnover in key positions) and provided officials the opportunity to obtain the minimum competency requirements. They showed courage in dealing with transgressions and poor performance and insisted on credible in-year reporting by officials, which improved the year-end processes and enabled improved decision-making. Leadership supported and participated in initiatives to improve audit outcomes, such as operation clean audit, and used forums and working relationships between municipalities and with provincial government to strengthen the administration of municipalities.
- The municipal managers and senior managers **improved financial and performance management** by implementing audit action plans to address the audit findings as well as the root causes of the audit findings. They improved the record keeping of municipalities, ensured that the basic controls around transactions and reconciliations are in place and enabled monitoring and oversight through regular and credible reporting on important matters such as SCM and contract management.
- The **governance** of these municipalities was greatly enhanced by well-functioning audit committees and the support of internal audit units. Councils and municipal management implemented the recommendations of the audit committees and used the internal audit units to identify risks and the controls that can be implemented to mitigate the risks.

The initial outcomes that I have observed from the back-to-basics programme recently launched by CoGTA bode well for the municipal sphere in South Africa. Where these interventions have been taken up by stable leadership in an environment where strong internal controls are valued and where the needs of the community remain a paramount consideration, audit outcomes have improved and stabilised to a point where service delivery can take place in a well-governed environment.

I also recognise the considerable effort made by the South African Local Government Association (Salga) to join hands with National Treasury and CoGTA to support municipalities. Salga's municipal audit support programme (MASP), which was launched mid-2014 and focuses specifically on addressing challenges experienced by so-called 'red zone' municipalities, certainly contributed to the downward trend in adverse and disclaimed audit opinions.

My office remains committed to working tirelessly within our mandate to strengthen financial and performance management in local government in South Africa, emphasising the need to do the basics right. I also pledge my office's support in assisting mayors and councils to start from an appropriate foundation for their five-year terms following the 2016 municipal elections.

Introduction

This general report provides an overview of the audit outcomes and our messages since 2010-11, which was the last year of the previous local government administration. The purpose of this five-year overview is to share the trends we have observed in the financial and performance management of local government in order to highlight risks and make recommendations for improvement.

Our intention this year was to provide a simplified, single general report, followed by more in-depth and focused interactions with the newly elected mayors and councils in the latter part of the year to share our insights at a more detailed level.

In previous years we tabled a consolidated report and nine provincial general reports and included information that explains the work we do and how the results should be understood or interpreted. This report now includes a consolidated view (sections 2 to 8) and a five-year overview per province in section 9. We focus on municipalities throughout the report, but provide a summary of the key audit outcomes of municipal entities in section 6. For the sake of brevity, some of the explanatory information normally included in the general report is now included in section 11 or can be sourced from our previous year's report.

When studying the figures and reading the report, please note that the percentages are calculated based on the completed audits of 272 municipalities, unless indicated otherwise. Movement over a period is depicted as follows:

- ⬆ Improved
- ➡ Unchanged/ slight improvement / slight regression
- ⬇ Regressed

Introduction

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🔴⌄ Regressed

2

The status of progress on the audit outcomes

2. Overall audit outcomes

Local government consists of 278 municipalities and 52 municipal entities. The audit outcomes of the municipalities are analysed in sections 2 to 5 and those of municipal entities are summarised in section 6.

We set the cut-off date for inclusion of the audit outcomes in this report as 31 January 2016. By this date:

- the financial statements of Phumelela (Free State) were still outstanding
- the audits of Dikgatlong (Northern Cape), Ikwezi (Eastern Cape), Ngwathe (Free State) and Renosterberg (Northern Cape) were still being performed, as the financial statements had not been received by the legislated submission date
- the audit of Bojanala district (North West) was still underway, although the financial statements had been received by the legislated date.

Figure 1 reflects the audit outcomes of the 278 municipalities and table 1 analyses the movement in audit outcomes per type of municipality over five years.

Figure 1: Improvement in audit outcomes of municipalities

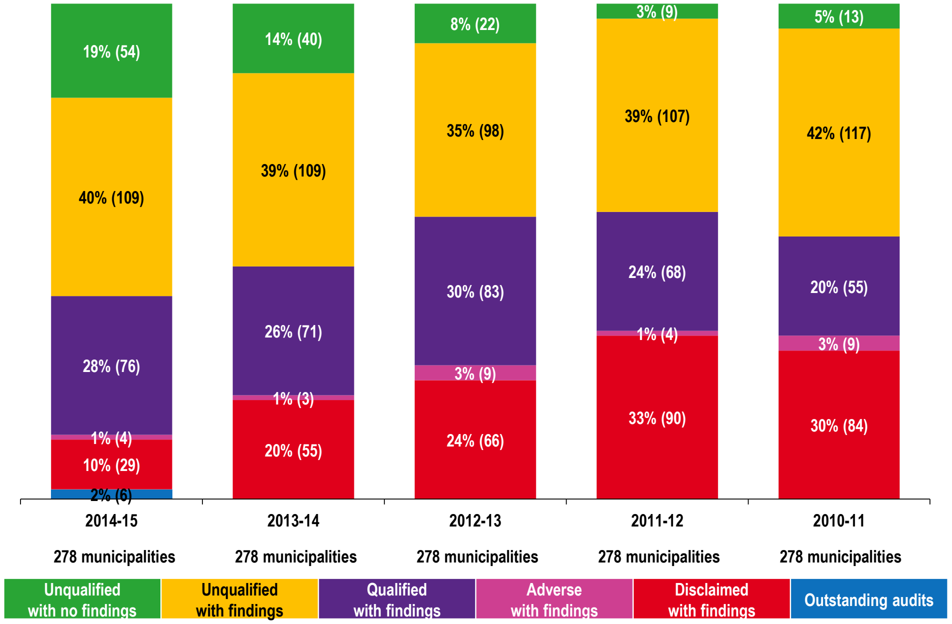
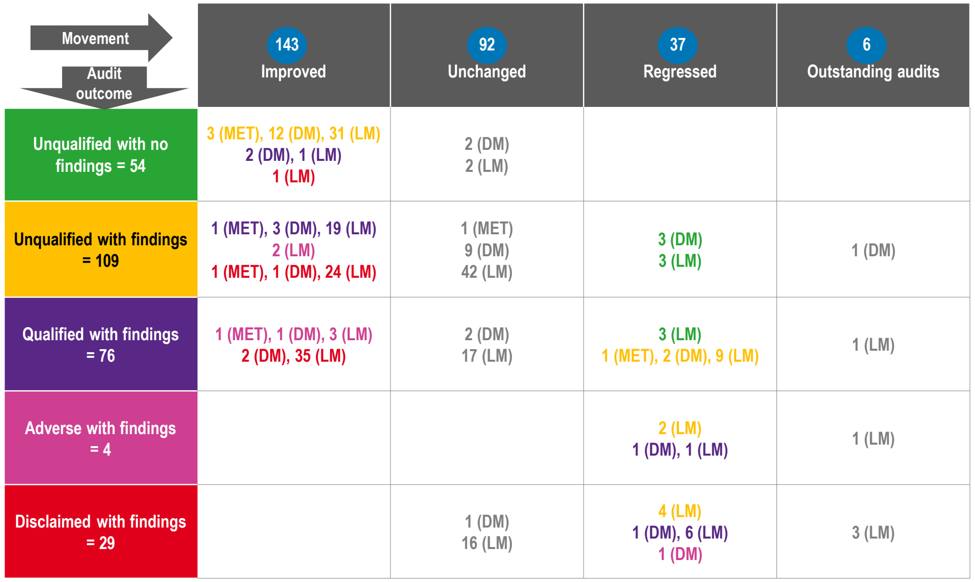


Table 1: Movement in audit outcomes over five years



Movement → / Audit outcome ↓	143 Improved	92 Unchanged	37 Regressed	6 Outstanding audits
Unqualified with no findings = 54	3 (MET), 12 (DM), 31 (LM) 2 (DM), 1 (LM) 1 (LM)	2 (DM) 2 (LM)		
Unqualified with findings = 109	1 (MET), 3 (DM), 19 (LM) 2 (LM) 1 (MET), 1 (DM), 24 (LM)	1 (MET) 9 (DM) 42 (LM)	3 (DM) 3 (LM)	1 (DM)
Qualified with findings = 76	1 (MET), 1 (DM), 3 (LM) 2 (DM), 35 (LM)	2 (DM) 17 (LM)	3 (LM) 1 (MET), 2 (DM), 9 (LM)	1 (LM)
Adverse with findings = 4			2 (LM) 1 (DM), 1 (LM)	1 (LM)
Disclaimed with findings = 29		1 (DM) 16 (LM)	4 (LM) 1 (DM), 6 (LM) 1 (DM)	3 (LM)

MET – metropolitan municipality DM – district municipality LM – local municipality

Colour of number indicates audit opinion from which municipality has moved

There has been an overall improvement in the audit outcomes since 2010-11, with 53% of municipalities improving. Only 13% had regressed, while 34% remained unchanged since 2010-11. The audit outcomes of six of the eight metros, 21 (49%) district municipalities and 116 (52%) local municipalities have improved.

Audit outcomes regressed in 2011-12. After the 2011 election, instability followed as a result of the change in political leadership and the fact that municipal manager contracts were not renewed. The effect of inexperienced mayors and new municipal and senior managers was most evident at municipalities in Mpumalanga (38% regressed), Limpopo (37% regressed) and KwaZulu-Natal (26% regressed).

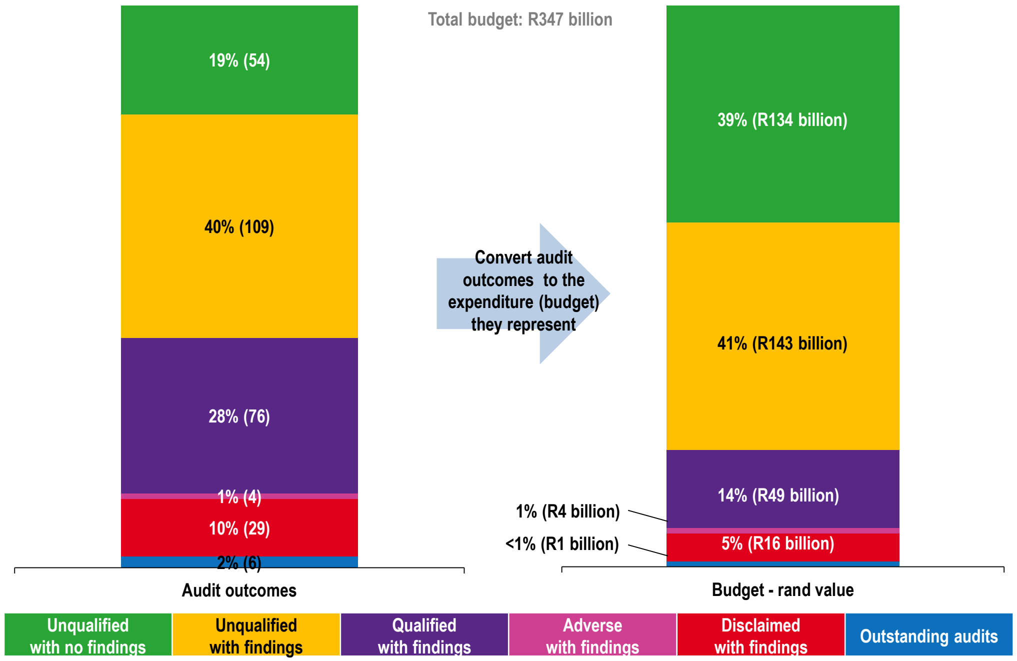
As from 2012-13 a steady improvement in audit outcomes was noted in all provinces, with the number of clean audits increasing over the period.

The number of municipalities with clean audit opinions increased to 54 (19%) in 2014-15, of which almost 65% (35) had also received clean audit opinions in 2013-14. This is an encouraging sign that improvements at these municipalities are sustainable. Metros and district municipalities should be leading by example in the local government sphere, yet only three metros (38%), 16 district municipalities (37%) and 35 local municipalities (16%) received clean audit opinions.

In total, 79 (72%) of the 109 municipalities that received an unqualified audit opinion with findings in 2014-15 had recorded the same opinion last year. Only 19 of these municipalities have been able to progress to clean audits since the previous year. Although some progress had been made towards financially unqualified audit opinions (as detailed in section 3.1), municipalities still need to address their material findings on the quality of the annual performance reports (APRs) and compliance with legislation.

The **municipal budget** in 2014-15 was R347 billion, of which R281 billion was operating expenditure and R66 billion capital expenditure. Figure 2 reflects the audit outcomes of the municipalities versus the budget allocations.

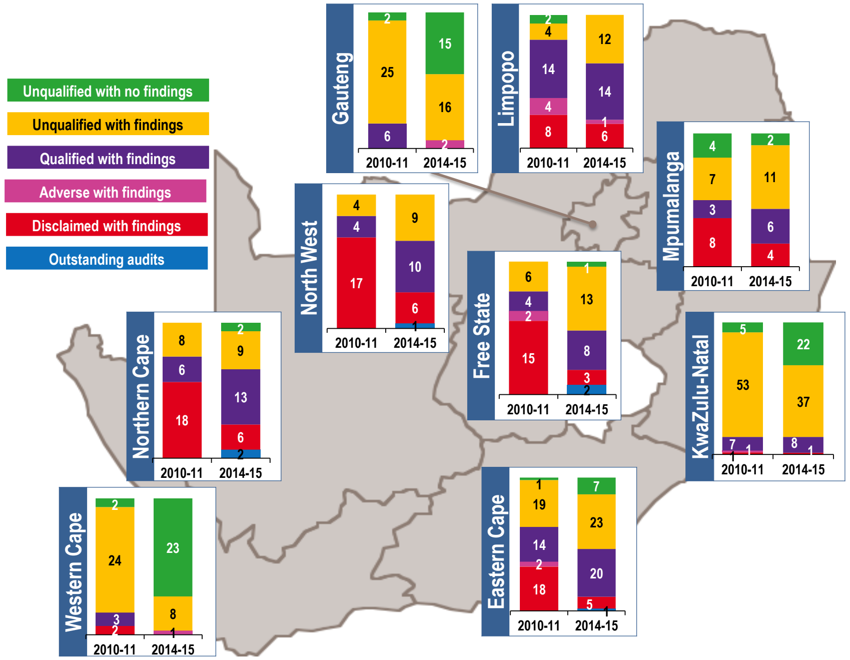
Figure 2: Audit outcomes vs budget allocations



The 54 municipalities with clean audit opinions represent 39% of the total local government expenditure budget.

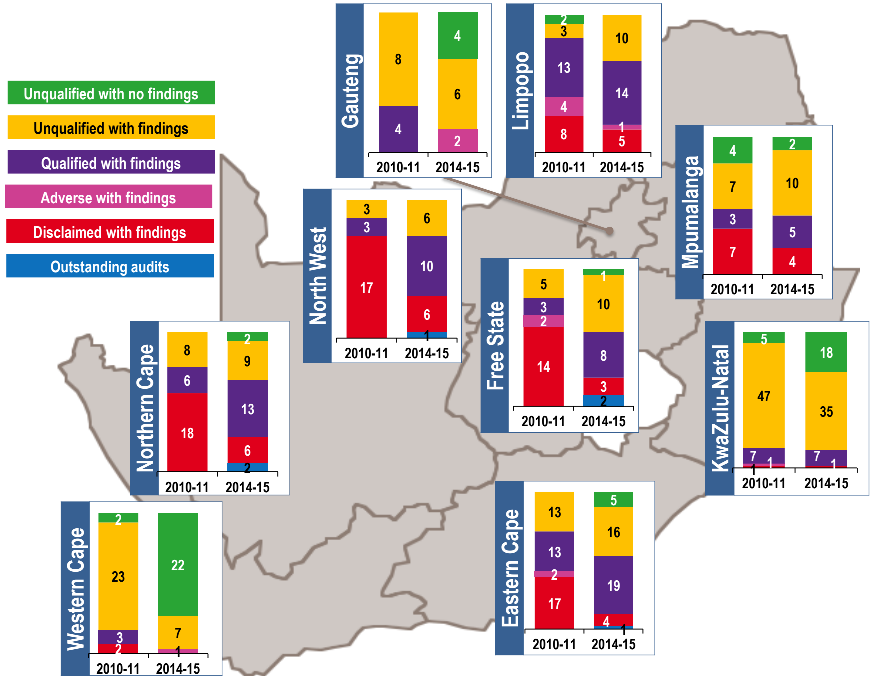
Figures 3 and 4 show the provincial audit outcomes of 2010-11 compared to 2014-15 for all auditees (including municipal entities) and for municipalities respectively.

Figure 3: Provincial audit outcomes over five years (all auditees)



The audit outcomes of all provinces improved over the five-year period. The provinces with the highest number of auditees (municipalities and entities) with clean audit opinions in 2014-15 were the Western Cape (72%), Gauteng (45%) and KwaZulu-Natal (32%). The provinces with the poorest outcomes (based on the number of municipalities with disclaimed and adverse opinions or outstanding audits) were North West (27%), the Northern Cape (25%) and Limpopo (21%).

Figure 4: Provincial audit outcomes over five years (municipalities)



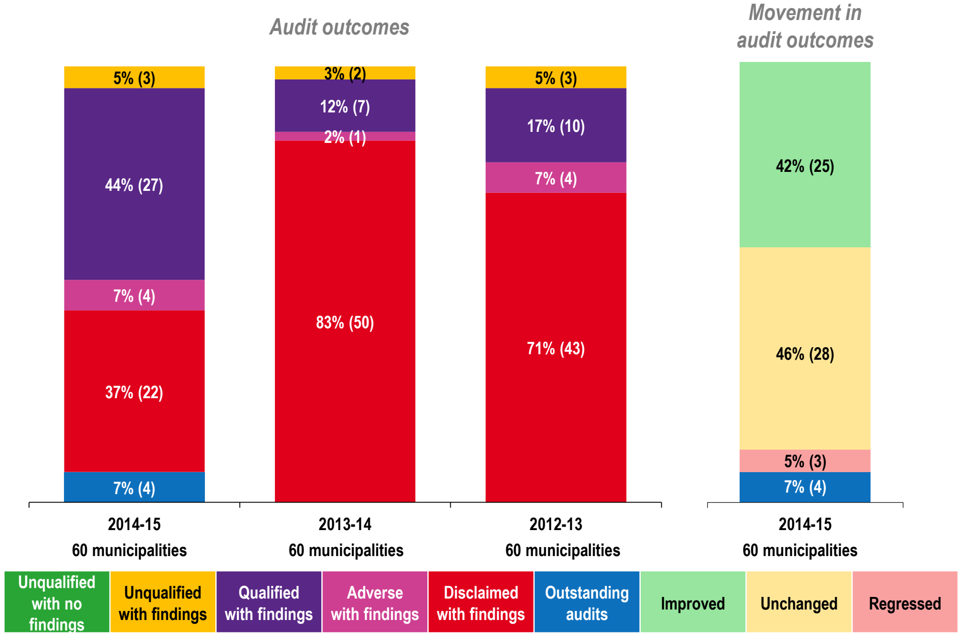
The support provided to municipalities by provincial and national government through a number of different programmes, including operation clean audit, treasuries and departments of cooperative governance, direct support to targeted municipalities, the provision of funding for consultants and Salga's municipal audit support programme, has contributed to the improvement in audit outcomes over the five-year period. The AGSA-driven initiatives during this period that were focused on elevating the importance of basic disciplines in driving good governance also had an impact in elevating the importance of aspiring to achieve clean audits.

We identified 60 municipalities in our 2013-14 general report that required special intervention by national and provincial role players to improve their audit outcomes. In 2014-15, these municipalities received assistance as follows:

- 82% from their provincial treasury
- 70% from their provincial department of cooperative governance
- 28% from their provincial offices of the premier
- 92% from consultants.

Figure 5 depicts the movement in audit outcomes of these municipalities.

Figure 5: Movement in audit outcomes of the 60 identified municipalities requiring special intervention



As per figure 5, only 42% improved on their audit outcomes but even where audit outcomes did not improve, there were some improvements in controls or a reduction in the number of areas in the financial statements qualified. It is therefore possible that the audit outcomes of these assisted municipalities may improve in future.

Annexure 1 lists all auditees with their current and prior year audit outcomes, while annexure 2 lists the audit outcomes for the past five years.

3

The status of financial management

3.1 Financial statements

Figure 1 provides a five-year overview of audit opinions on the financial statements, the percentage of municipalities that had submitted their financial statements for auditing by the legislated date (blue line), and the percentage of municipalities that submitted financial statements that were materially misstated (red line).

Figure 1: Audit of financial statements

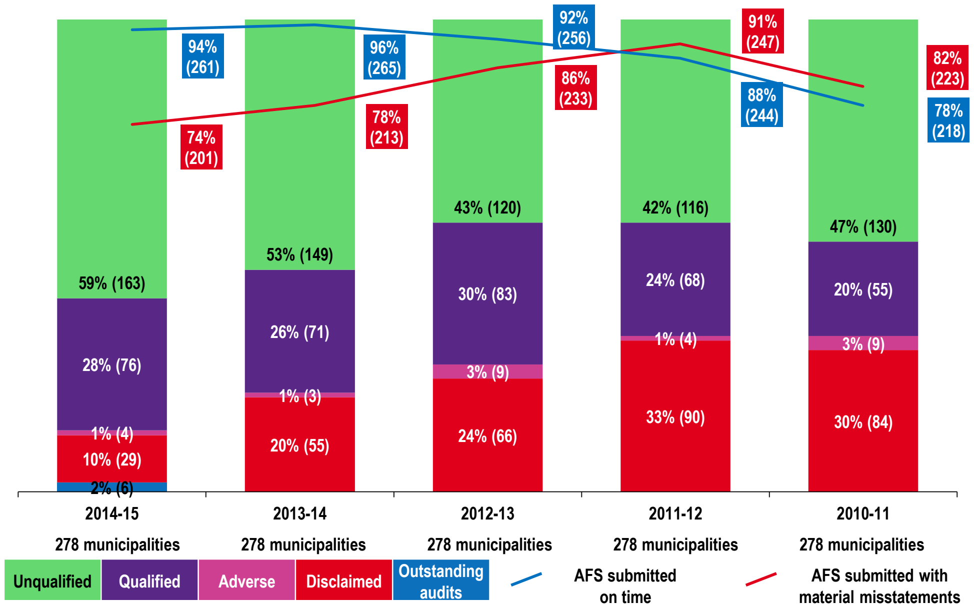


Figure 1 indicates that 94% of municipalities had submitted their financial statements for auditing by 31 August 2015 (or by 30 September 2015 in the case of consolidated financial statements) as required by legislation. The submission rate has improved over the five-year period from a low 78% in 2010-11. The biggest improvement was noted in North West from 2011-12 where the provincial treasury appointed consultants to prepare the annual financial statements.

Figure 1 further shows that the audit opinion on the financial statements had improved since 2010-11 to 59% unqualified opinions in 2014-15, but that 74% of the municipalities were unable to provide auditors with annual financial statements that contained no material misstatements. This means that 92 municipalities (34%) received a financially unqualified audit opinion only because they corrected all the misstatements we had identified during the audit. A total of 109 municipalities were unable to make the necessary corrections to their financial statements, which resulted in qualified, adverse or disclaimed audit opinions.

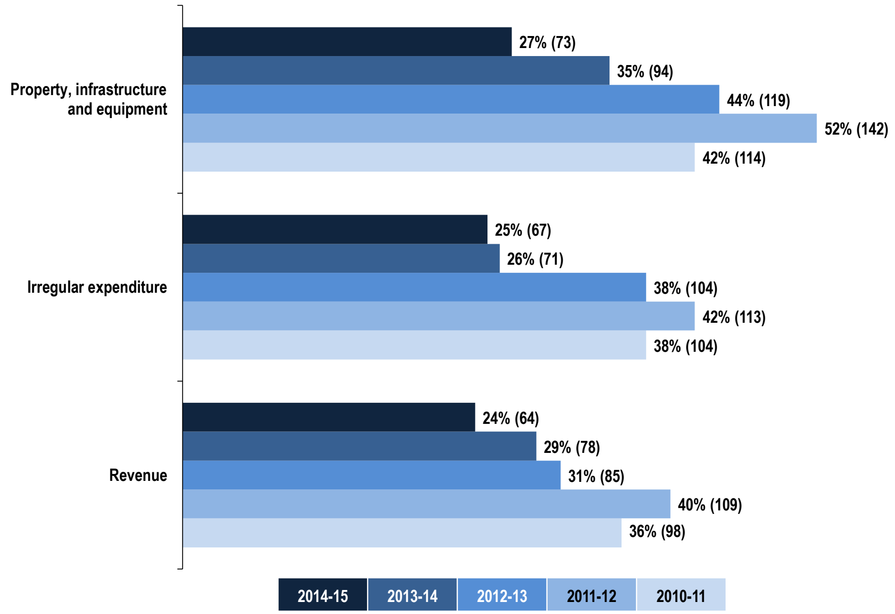
The main reason for not making corrections was the unavailability of information, or incomplete information or documentation to determine the correct amounts to be reflected in the financial statements.

The regression in 2011-12 and lack of improvement in 2012-13 were as a result of challenges with implementation of the GRAP 17 standard (as described later in this section) and inadequate capacity and skills in the finance departments, partly due to instability in municipal leadership (including chief financial officer positions) after the election in 2010-11.

Improvements in 2014-15 were noted in the Eastern Cape, Free State, Mpumalanga and North West. These improvements can be ascribed to improved records management, responsiveness by political leadership, support from the provincial treasuries and the use of consultants to assist with the preparation of annual financial statements and asset registers.

Figure 2 shows the three most common financial statement qualification areas of the municipalities whose financial statements were qualified, and the progress made in addressing these areas over the five-year period.

Figure 2: Three most common financial statement qualification areas



The main reason for municipalities being qualified on **property, infrastructure and equipment** was that the value of assets recorded in the financial statements was either incorrect or we could not confirm the value at which these assets had been recorded.

Figure 2 indicates that the number of municipalities whose financial statements were qualified on property, infrastructure and equipment had decreased by 22% since the previous year and by 36% since 2010-11, which represents a significant improvement. The municipalities in the Western Cape, KwaZulu-Natal, North West, Free State, Eastern Cape and Gauteng were the main contributors to the improvement, which in the main resulted from improvement in record-keeping controls and the assistance provided by consultants with the preparation of asset registers and valuation of infrastructure assets.

The accounting standard on property, infrastructure and equipment (GRAP 17) became fully effective for low-capacity municipalities in 2011-12. Although these municipalities were allowed a three-year transitional period to prepare for the measurement of their assets in accordance with the accounting standard, many could not account as required, which led to a significant increase in qualified audit opinions in 2011-12.

The main reason for municipalities being qualified on the **irregular expenditure** disclosed in their financial statements was that not all irregular expenditure had been disclosed, or sufficient evidence could not be obtained that all irregular expenditure had been disclosed.

Figure 2 shows that the number of municipalities qualified in this area had decreased by 6% since the previous year and by 36% since 2010-11.
The municipalities in the Free State, Gauteng, Limpopo, North West and Northern Cape were the main contributors to the improvement. The reasons for the improvement are improved controls to detect irregularities in the SCM processes and projects undertaken by the municipalities to identify and quantify irregular expenditure incurred in previous years. These projects were implemented at most municipalities by consultants and often with the support of provincial treasuries and CoGTAs.

The improvement in disclosure of irregular expenditure is one of the reasons for the increase in irregular expenditure over the past five years, as discussed in section 3.2.1.

The main reason for municipalities being qualified on **revenue** was that they failed to disclose in their financial statements all revenue earned or had calculated the revenue amounts incorrectly.

Figure 2 illustrates that the number of municipalities qualified in this area had decreased by 18% since the previous year and by 35% since 2010-11.
The municipalities in the Western Cape, Eastern Cape, Free State, Gauteng and North West were the main contributors to the improvement that was achieved due to an improvement in revenue management and record-keeping controls. Some municipalities appointed consultants to assist in implementing systems and controls as well as addressing prior year qualifications.

CoGTA launched **operation clean audit** on 16 July 2009 with a vision that all municipalities should achieve financially unqualified audit opinions. The programme included milestones up to 2013-14, by which date all municipalities should have achieved unqualified audits. Although the goal was not achieved, the operation clean audit initiatives launched by provinces and supported by the premiers, provincial treasuries and CoGTAs had a significant impact on the ability of municipalities to improve their audit opinions, most notably in 2013-14.

The **MTSF** set new targets for improving the audit outcomes in pursuit of sound financial and administrative management. The ministers of Finance and CoGTA are responsible for the actions and outcomes in this area, while CoGTA's **back-to-basics strategy** contains a further commitment in this regard.
The targets set for 2018-19 are as follows:

- No municipalities with disclaimed or adverse opinions
- A maximum of 25% of municipalities with qualified opinions
- At least 75% of municipalities with unqualified opinions.

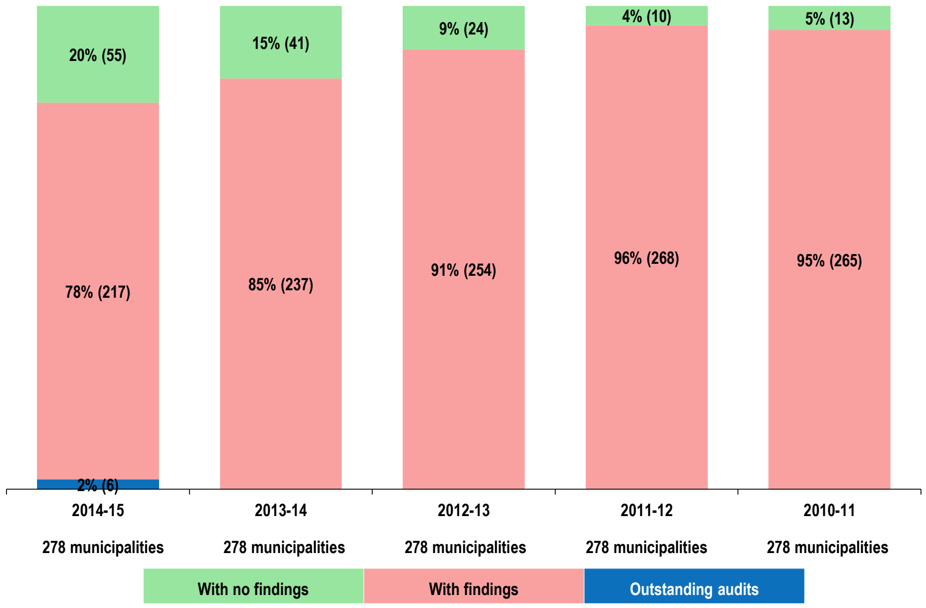
The percentage of municipalities with unqualified audit opinions in 2014-15 was 59% against the target of 75% as per the MTSF targets, while the municipalities with qualified opinions stood at 28% against the MTSF targets. In 2014-15, 11% of municipalities received disclaimed or adverse opinions against the target, namely that no municipalities should have these type of opinions by 2018-19. The continuous improvement in audit opinions on the financial statements, especially in the past year, is an encouraging sign that the targets for 2018-19 are not out of reach.

However, continued **reliance on the auditors** to identify corrections to be made to the financial statements to obtain an unqualified audit opinion is not a sustainable practice. Over the years this has placed undue pressure on the audit teams to meet legislated deadlines for the completion of audits, with an accompanying increase in audit fees. The **over-reliance on consultants** is a further warning signal of a lack of capacity and skills in local government to produce unqualified financial statements. Refer to section 5.3 for further details on the extent of the use of consultants.

3.2 Compliance with key legislation

Figure 1 depicts the number of municipalities that had material findings on compliance over the past five years.

Figure 1: Municipalities with findings on compliance with key legislation



While the five-year trend reflects an improvement, municipalities' non-compliance with key legislation remained at a high level. Over this period the number of municipalities with findings decreased for all municipality types, chiefly at metros (from all eight to five) and district municipalities (from 91% to 63%). The number of municipalities with findings on compliance decreased in all provinces except Mpumalanga and Limpopo, which remained at the same level.

The biggest increase in the number of municipalities with no compliance findings occurred in 2013-14 when all provinces improved except the Free State, Limpopo and North West.

Our audits in 2014-15 did not include an assessment of the financial impact of the non-compliance by municipalities, but based on the nature of the compliance findings, we determined that 95% of the non-compliant municipalities have a risk of financial loss as a result of the non-compliance. It is the role of the municipal management and council to investigate non-compliance and the impact thereof, which could include financial loss through excessive expenditure (uneconomical use of funds), fruitless and wasteful expenditure, lost revenue, failure to recover debt, avoidable penalties and interest, etc.

Two hundred and seven of the 217 municipalities (95%) with material findings on compliance in 2014-15 had findings with a potential negative financial impact or findings which could cause a financial loss for the municipality or government.

Figure 2 shows the compliance areas with the most material findings in the current year and the progress made in addressing these since 2010-11. The movement in the area of consequence management is shown from 2012-13 when it became a specific focus area in our audits.

Figure 2: Most common areas of non-compliance

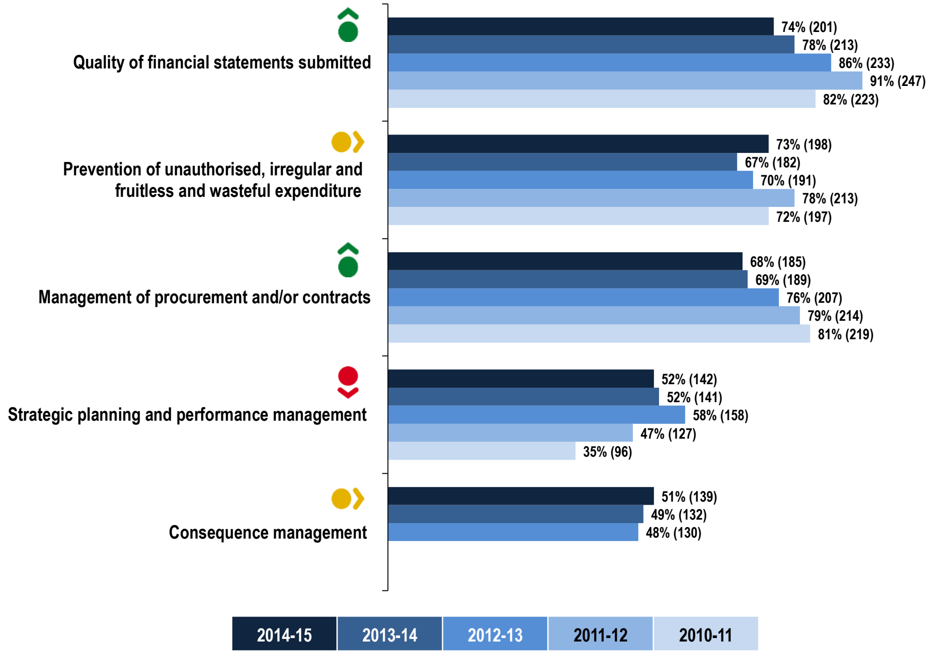


Figure 2 illustrates that over the past five years, material misstatements in submitted financial statements, management of procurement and contracts, and the prevention of unauthorised, irregular as well as fruitless and wasteful expenditure have consistently been the areas where most compliance findings were raised.

We report non-compliance with regards to **material misstatements** only in certain circumstances, as explained in section 11. Section 3.1 provides more information on the improvement in this area.

There has been a slight regression in the **prevention of unauthorised, irregular and fruitless and wasteful expenditure** since 2010-11. After slow improvement every year since 2011-12, there was a significant regression in 2014-15. Section 3.2.1 to 3.2.3 provides more information on the movements in this area.

Material findings on compliance with legislation in respect of **procurement and contract management** (also referred to as supply chain management) have decreased every year since 2010-11, with only a slight decrease in 2014-15. Section 3.2.1 provides more information on the findings and improvements in this area.

The scope of our audit of compliance with the MFMA and Municipal Systems Act (MSA) in respect of **strategic planning and performance management** has increased since 2010-11, which in part is the reason for the regression shown in figure 2. Progress in addressing non-compliance in this area has been slow, which contributed to the poor audit outcomes on annual performance reporting (refer section 4). The most common finding in 2014-15 was that municipalities did not maintain effective, efficient and transparent systems of internal control for managing their performance (37%).

Legislation is clear on the **consequences** of non-compliance with legislation and the steps to be taken to deal with such transgressions. Figure 2 indicates a slight increase in non-compliance in this area since 2013-14. The most common finding in 2014-15 was that irregular expenditure was not investigated to determine whether any person was liable for the expenditure (86% of those that incurred irregular expenditure). Section 3.2.4 provides further details on consequence management.

In the remainder of section 3.2 we provide further details of compliance findings relating to SCM and unauthorised, irregular and fruitless and wasteful expenditure.

3.2.1 Weaknesses in supply chain management as a driver of irregular expenditure

As part of our SCM audits in 2014-15, we tested 6 901 contracts (with an approximate value of R50 793 million) and 13 202 quotations (with an approximate value of R771 million), also referred to as *awards* in the rest of the report. More information on the audit we performed is included in section 11.

Figure 1 depicts the number of municipalities that had SCM findings and those where we have reported material findings on compliance in the audit report since 2011-12. Although we have been reporting on SCM practices since 2009-10, our audit approach has been fully developed and has been consistently applied since 2011-12, which makes a four-year comparison most suitable.

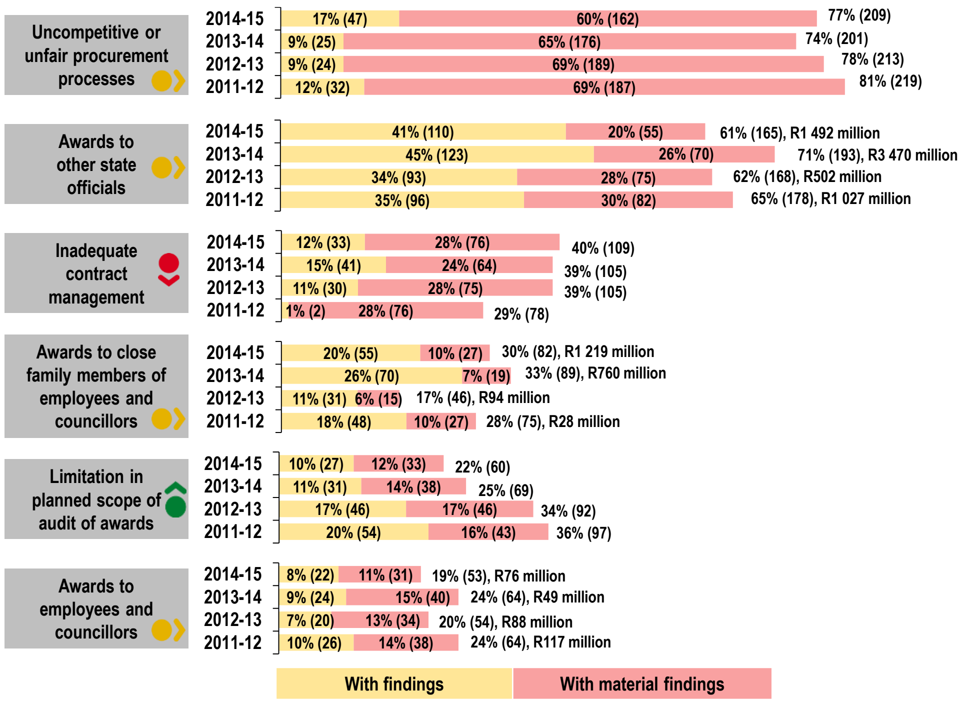
Figure 1: Status of supply chain management

The overall status of municipalities with SCM findings improved only slightly since the previous year – the number of municipalities with no SCM findings is at the same level as in 2011-12. The overall reduction in the number of municipalities with material findings since 2011-12 is a definite sign that municipalities are paying closer attention to SCM, but it remains concerning that two-thirds of the municipalities had material SCM findings, as shown in figure 2.

Not all non-compliance has a financial impact, but some legislative requirements, if not met, will result in the municipality facing a risk of financial loss through excessive expenditure (uneconomical use of funds), fruitless and wasteful expenditure, lost revenue, failure to recover debt, avoidable penalties and interest, etc. One hundred and fifty-one of the 185 municipalities (82%) with material SCM findings in 2014-15 had findings with a potential negative financial impact or findings that could cause a financial loss for the municipality or government.

Figure 2 provides a four-year overview of the SCM areas in which municipalities had findings, the number of municipalities where the findings raised were material enough to be reported in the audit report, as well as the extent of awards made to employees, other state officials and close family members of employees.

Figure 2: Findings on supply chain management



The level of findings in all SCM areas remained almost unchanged over four years except that of inadequate contract management, which regressed, and limitations which have significantly improved since 2011-12.

In the remainder of this section we discuss further the outcomes of our audits in the different SCM audit focus areas and the movement over the four years. Section 11 provides additional information on what is audited in each focus area and the impact of the findings raised.

Limitations on our planned scope of audit of awards

In 2014-15 we were unable to audit awards to a value of R3 131 million at 60 municipalities because the municipalities could not provide us with evidence that awards had been made in accordance with the requirements of SCM legislation as the documentation either did not exist or could not be retrieved as a result of poor document management.

Table 1 lists the extent of limitations in the different provinces over four years.

Table 1: Provincial breakdown of limitations encountered

Province	2014-15		2013-14		2012-13		2011-12	
	Municipalities	Amount R million	Municipalities	Amount R million	Municipalities	Amount R million	Municipalities	Amount R million
Eastern Cape	11	372	18	339	14	1 182	22	696
Free State	3	223	8	72	10	243	8	212
Gauteng	3	1 250	3	85	2	8	0	0
KwaZulu-Natal	13	183	8	191	12	274	13	100
Limpopo	7	99	8	86	13	216	14	367
Mpumalanga	3	653	5	185	8	77	10	343
Northern Cape	2	41	7	35	16	118	14	146
North West	11	299	10	440	16	799	13	312
Western Cape	7	11	2	21	1	0	3	4
Total	60	3 131	69	1 454	92	2 917	97	2 180

While the 2014-15 limitations constitute only a slight improvement since the previous year, there has been a significant improvement over the past four years as listed in table 1.

The impact of these limitations was the following:

- The procurement processes could not be audited by us, the internal auditors or investigators.
- There was no evidence that municipalities had followed a fair, transparent and competitive process for all awards. Should unsuccessful bidders request information on the process, also for possible litigation purposes, it would not be available.
- We could not determine whether these awards were irregular and, as a result, the true extent of irregular expenditure could not be determined.

- Our general reports, audit reports and management reports did not reflect the true extent of non-compliance with SCM, irregularities and possible fraud.
- Poor record management created an environment in which it was easy to commit and conceal improper or illegal conduct.

Awards to employees and councillors, their close family members and other state officials

Figure 2 reflects the following:

- There has been a slight reduction since the previous year and also since 2011-12 in the number of municipalities that had findings on awards made to **suppliers in which employees and councillors had an interest.** The value of these prohibited awards varied over the four years as it depends on the value of the relevant contract awarded in the year.
- There has been a significant reduction since the previous year in the prevalence of awards made to **suppliers in which other state officials had an interest.** The municipalities in Gauteng, Eastern Cape, Limpopo and Northern Cape were the main contributors to the improvement, which was due to greater awareness of the requirement to submit declarations and the insistence by municipalities that the declaration of interest be signed before tenders are awarded. However, there has been only a slight improvement since 2011-12. The value of awards also varied over the four years but represents the highest portion of awards that municipalities are not allowed to make.
- The number of municipalities with findings on awards made to suppliers **in which close family members of employees and councillors had an interest** has decreased slightly since the previous year, but showed a slight increase over the four-year period. The municipalities in Gauteng, Eastern Cape, Free State, North West, KwaZulu-Natal, Mpumalanga and Northern Cape were the main contributors to the significant increase in findings in 2013-14, which was caused by inadequate controls to ensure that officials declared whether their close family members, partners and associates have interests in suppliers and an unwillingness by the municipalities to deal with those employees who failed to disclose the interests of their close family members, partners and associates. The value of these awards appears to have increased over the four years.

Uncompetitive or unfair procurement processes

Figure 2 also shows that the number of municipalities with findings on uncompetitive or unfair procurement processes has decreased slightly since the previous year although there is a slight reduction when compared to 2011-12. The number of material findings remained high, but had decreased over the four-year period.

The most common findings on the procurement processes in the past four years were as follows:

- **Three written quotations were not invited** for procurement below R200 000 and the deviation was not approved, or the approved deviation was not reasonable or justified – reported at 131 municipalities (2013-14: 138 municipalities; 2011-12: 157 municipalities)
- **Competitive bids were not invited** for procurement above R200 000 and the deviation was not approved, or the approved deviation was not reasonable or justified – reported at 94 municipalities (2013-14: 84 municipalities; 2011-12: 96 municipalities)
- Procurement from suppliers who had not provided evidence that their **tax affairs** were in order – reported at 80 municipalities (2013-14: 88 municipalities; 2011-12: 88 municipalities)
- The **preference point** system was not applied when selecting suppliers – reported at 63 municipalities (2013-14: 69 municipalities; 2011-12: 82 municipalities)
- **Declarations of interest** were not submitted by suppliers at 105 municipalities (2013-14: 65 municipalities; 2011-12: 100 municipalities).

Inadequate contract management

As illustrated in figure 2, findings on contract management have increased slightly since the previous year, but a significant regression was evident since 2011-12. The municipalities in the Eastern Cape, Mpumalanga, Limpopo and Northern Cape were the main contributors to the regression, which was caused by a lack of consequences for transgressors, weak controls around contract management, a lack of SCM contract monitoring, as well as vacancies in the position of head of SCM unit. As shown in figure 2, the proportion of material findings remained high (76 municipalities [28%]), with a slight increase compared to the previous year.

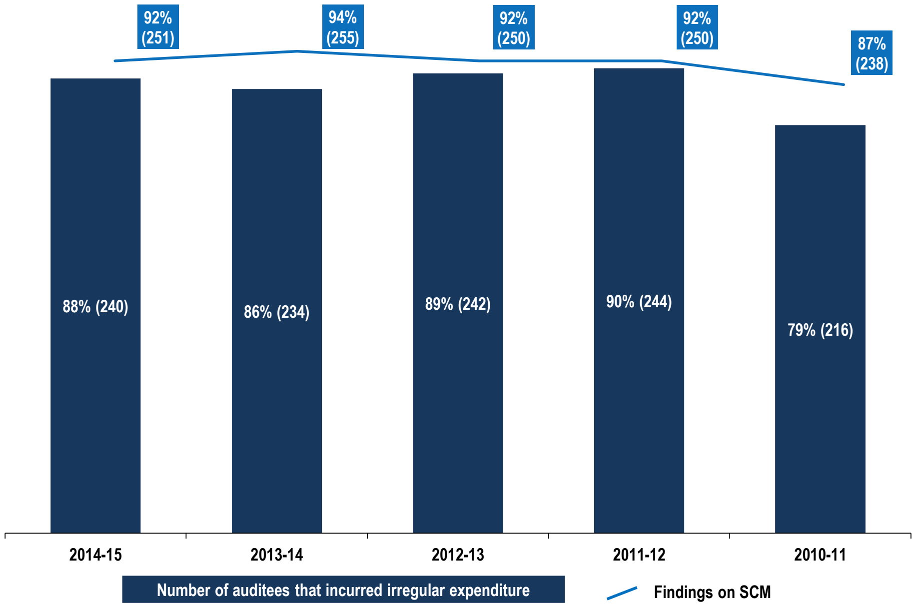
The most common findings on contract management processes in the past four years were as follows:

- The performance of contractors was **not monitored on a monthly basis** – reported at 65 municipalities (2013-14: 37 municipalities; 2011-12: 46 municipalities)
- A lack of or inadequate **contract performance measures and monitoring** – reported at 62 municipalities (2013-14: 40 municipalities; 2011-12: 34 municipalities)

- Contracts were **amended or extended without the reasons being tabled** in the council – reported at 36 municipalities (2013-14: 31 municipalities; 2011-12: 23 municipalities)
- Contracts were **amended or extended without approval** by a delegated official – reported at 35 municipalities (2013-14: 23 municipalities; 2011-12: 19 municipalities).

The SCM weaknesses require immediate and focused action to ensure that the principles of fairness, transparency, completeness, equity and cost-effectiveness in procurement processes are consistently applied. Attention paid in this regard will also address the very high amounts of irregular expenditure incurred annually. Figure 3 depicts the number of municipalities with SCM findings (whether reported in the audit report or only in the management report) and the number of municipalities that incurred irregular expenditure over five years.

Figure 3: Irregular expenditure vs supply chain management findings



Although not all non-compliance with SCM legislation results in irregular expenditure (hence there are slightly more municipalities with SCM findings than irregular expenditure), the figure highlights the correlation between poor SCM practices and the high occurrence of irregular expenditure in local government. Typically, SCM findings such as failure to perform a risk assessment of the SCM system or review the implementation of the SCM policy on an annual basis would not result in irregular expenditure.

Irregular expenditure

Irregular expenditure is expenditure that was not incurred in the manner prescribed by legislation. Such expenditure does not necessarily mean that money had been wasted or that fraud had been committed. However, it is an indicator of irregularities in processes followed in the procurement of goods and services and a measure of a municipality’s ability to comply with legislation relating to expenditure and procurement management. These indicators need to be subjected to further scrutiny by management and oversight structures at a municipal level.

Figure 4 shows the five-year trend in irregular expenditure, also indicating the percentage of irregular expenditure identified by the municipalities vs that identified by the audit process.

Figure 4: Five-year trend in irregular expenditure

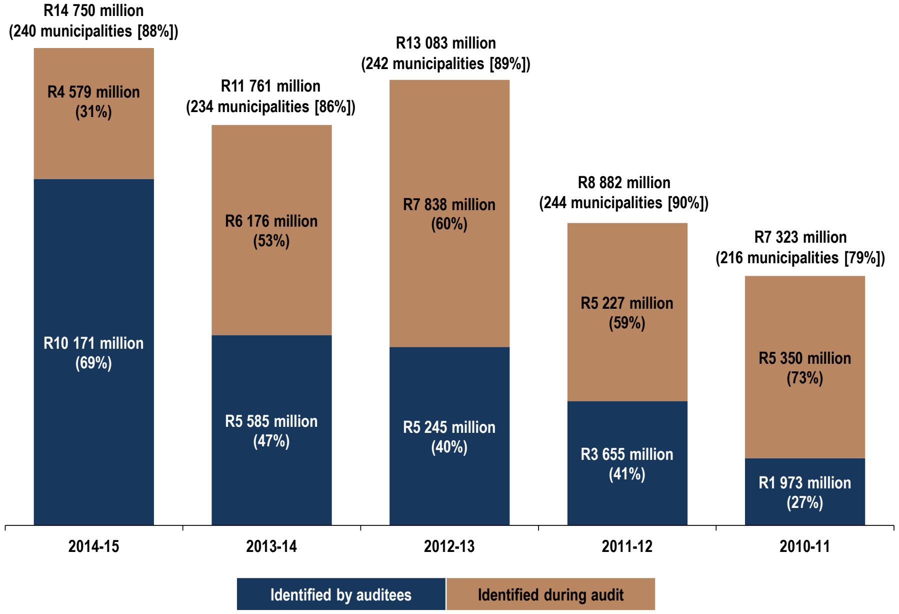


Figure 4 shows that irregular expenditure had doubled in monetary terms since 2010-11, increasing by 25% (R2 989 million) compared to the previous year. It further shows that the number of municipalities incurring such expenditure over the five-year period has remained at 79% or higher. A total of 219 (91%) of the

240 municipalities also incurred irregular expenditure in the previous year, 172 (72%) of which had incurred such expenditure for the past five years.

Municipalities in North West, Mpumalanga, Eastern Cape and Limpopo were the main contributors to the significant increase in irregular expenditure over the five years, which was caused in part by municipalities addressing prior year qualifications (thus not a breakdown in controls in the current year) as well as weak SCM practices.

The following municipalities were the main contributors (43%) to irregular expenditure in 2014-15:

- Rustenburg (NW): R3 062 million – 2 645 instances (2013-14: R195 million – 31 instances)
- Nelson Mandela Bay metro (EC): R1 348 million – 142 instances (2013-14: R1 052 million – 4 982 instances)
- City of Tshwane metro (GP): R1 100 million – 11 instances (2013-14: R150 million – 11 instances)
- Buffalo City metro (EC): R479 million – 359 instances (2013-14: R409 million – 77 instances)
- uThukela district (KZN): R324 million – 1 239 instances (2013-14: R107 million – 114 instances).

The irregular expenditure incurred by the main contributors listed above was 100% supply-chain related except for the Nelson Mandela Bay metro and City of Tshwane metro. The irregular expenditure incurred by the City of Tshwane metro was 97% supply-chain related, while that of Nelson Mandela Bay metro was almost 100% supply-chain related (i.e. less than 1% was not supply-chain related).

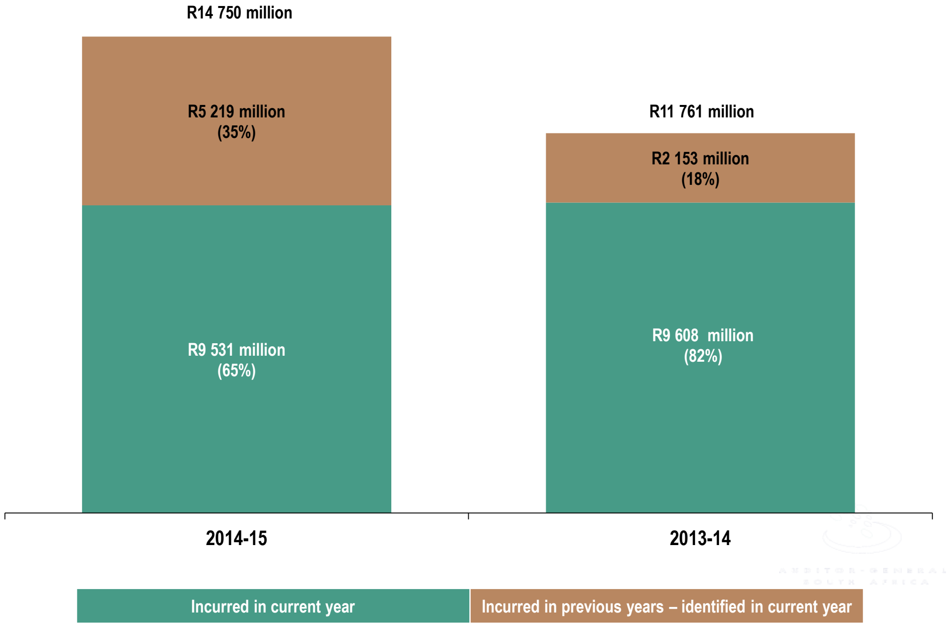
Ninety-four municipalities (35%) disclosed in their financial statements that they had incurred irregular expenditure, but the full amount was not known as they still had to determine whether non-compliance of a similar nature had occurred in the current and previous years. This means that the amount of irregular expenditure for 2014-15 could have been higher if these investigations had been completed by year-end.

The following were the main areas of SCM non-compliance as disclosed by the municipalities in their financial statements, with an indication of the estimated value of the irregular expenditure:

- Procurement without a competitive bidding or quotation process – R3 508 million (24%) (2013-14: 39%, R4 306 million)
- Non-compliance with procurement process requirements – R10 058 million (70%) (2013-14: 53%, R5 911 million)
- Non-compliance with legislation relating to contract management – R792 million (6%) (2013-14: 8%, R944 million).

Figure 5 indicates the proportion of irregular expenditure disclosed that was incurred in a previous year.

Figure 5: Prior year irregular expenditure identified in current year



R3 339 million of the irregular expenditure shown in figure 5, as incurred in previous years, was as a result of municipalities reviewing the extent of their prior year irregular expenditure and fully recognising it to address a qualification on the completeness of irregular expenditure disclosed in their financial statements in previous years.

As detailed in the previous section on compliance, inadequate action taken by municipal managers to prevent irregular expenditure was one of the most common material findings on compliance. We reported the findings on compliance as material at 188 municipalities (69%), based on the fact that they incurred irregular expenditure in the current and previous years, a recurrence of the transgressions that had caused the irregular expenditure, and on our assessment that adequate controls and processes would have prevented it.

Figure 4 shows that we had identified 31% of the irregular expenditure of 2014-15 during the audit process, which means that a number of municipalities did not have adequate processes to detect and quantify all irregular expenditure.

However, this is a significant improvement compared to the 73% in 2010-11 as well as the 53% in the previous year.

The MFMA provides steps that municipal managers and councils should take to investigate irregular expenditure to determine whether any officials are liable for the expenditure and to recover the money if liability is proven. The investigation should also confirm whether fraud had been committed or money had been wasted. The investigations are typically performed or oversight is provided by the MPAC.

We did not investigate the irregular expenditure as that is the role of the municipal manager and council. However, through our normal audits we determined that goods and services were received for R10 810 million (75%) of the R14 358 million in irregular expenditure relating to SCM compliance, despite the normal processes governing procurement not having been followed. However, we cannot confirm that these goods and services had been procured at the best price and that value was received for the money spent.

3.2.2 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure refers to expenditure that was made in vain and could have been avoided had reasonable care been taken.

Figure 1 depicts the extent of fruitless and wasteful expenditure over the past five years and the proportion thereof that was identified during the audit and not by the auditee.

Figure 1: Five-year trend in fruitless and wasteful expenditure

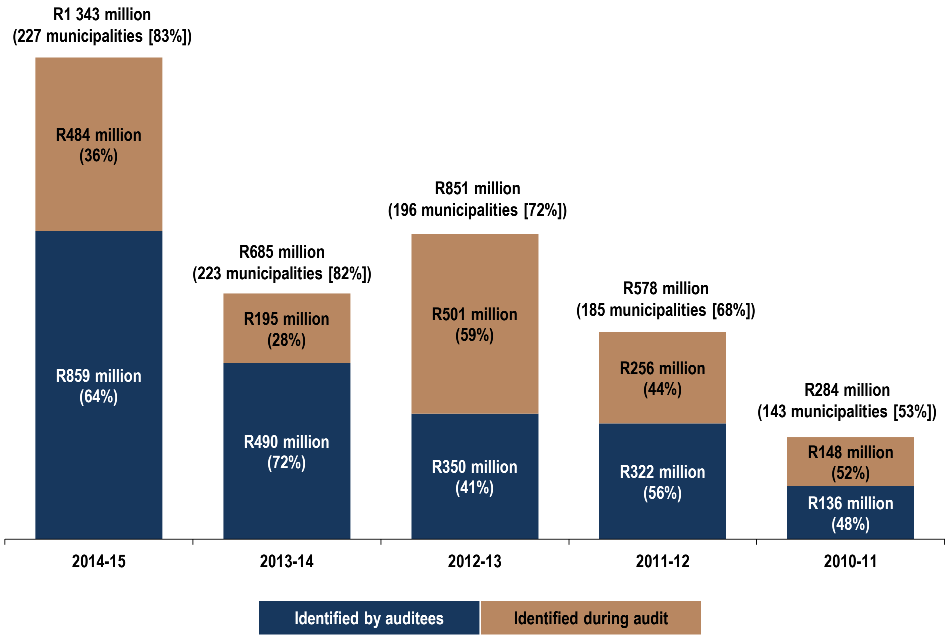


Figure 1 shows a significant increase of R658 million (96%) in the amount of fruitless and wasteful expenditure since the previous year, as well as an increase of R1 059 million (373%) compared to 2010-11. The number of municipalities that incurred this expenditure has also increased by more than 50% since 2010-11. A total of 206 municipalities (91%) incurred fruitless and wasteful expenditure in the current as well as in the previous year, close to half (98) of whom had incurred such expenditure for the past five years.

Municipalities in the provinces of Mpumalanga, Eastern Cape, North West, Free State and Northern Cape were the main contributors to the significant increase in fruitless and wasteful expenditure over the five years.

The following municipalities were the main contributors (59%) to fruitless and wasteful expenditure in 2014-15:

- Nelson Mandela Bay metro (EC): R423 million – 10 instances (2013-14: R11 million – seven instances)
- Matjhabeng (FS): R152 million – 32 instances(2013-14: R103 million – one instance)
- Emalahleni (MP): R95 million – 40 instances (2013-14: R56 million – 40 instances)

- Maluti-A-Phofung (FS): R78 million – 113 instances (2013-14: R32 million – 59 instances)
- Thaba Chweu (MP): R36 million – 322 instances (2013-14: R29 million – 4 instances).

These municipalities are among those that had incurred such expenditure for the past five years, except for Thaba Chweu, which had incurred such expenditure in the past four years, while Emalahleni did so in the past three years.

The general nature of the fruitless and wasteful expenditure incurred related to the following:

- Interest on overdue accounts and late payments as well as penalties – R839 million (62%) (2013-14: 85%, R581 million)
- Litigation and claims – R56 million (4%) (2013-14: 1%, R9 million)
- Other (e.g. non-refundable deposits for cancelled events and accommodation) – R449 million (33%) (2013-14: 13%, R91 million).

Of the R1 343 million incurred in 2014-15, an amount of R399 million (30%) was incurred by municipalities in order to avoid further fruitless and wasteful expenditure or losses which often relate to the cost of cancelling irregular contracts or the contracts of non-performers.

As detailed in the section on compliance (section 3.2), inadequate action taken by municipal managers to prevent fruitless and wasteful expenditure was one of the most common material findings on compliance. We reported the findings on compliance as material at 148 municipalities (54%) (2013-14: 136 municipalities [50%]) based on the fact that they incurred fruitless and wasteful expenditure in the current as well as previous years, a recurrence of the action that had caused the fruitless and wasteful expenditure, and on our assessment that adequate controls and processes would have prevented it.

Figure 1 further illustrates that we had identified 36% of the fruitless and wasteful expenditure amount during the audit process, which means that some municipalities did not have adequate processes to detect and quantify all fruitless and wasteful expenditure, as required by legislation. This is an improvement since 2010-11 but a regression compared to 2013-14.

3.2.3 Unauthorised expenditure

Unauthorised expenditure refers to expenditure incurred by municipalities outside the budget approved by the council or not in accordance with the conditions of a grant.

Figure 1 depicts the extent of unauthorised expenditure over the past five years and the proportion thereof that was identified during the audit and not by the auditee. It further reflects the percentage of unauthorised expenditure that relates to non-cash items for the current and previous year.

Figure 1: Five-year trend in unauthorised expenditure

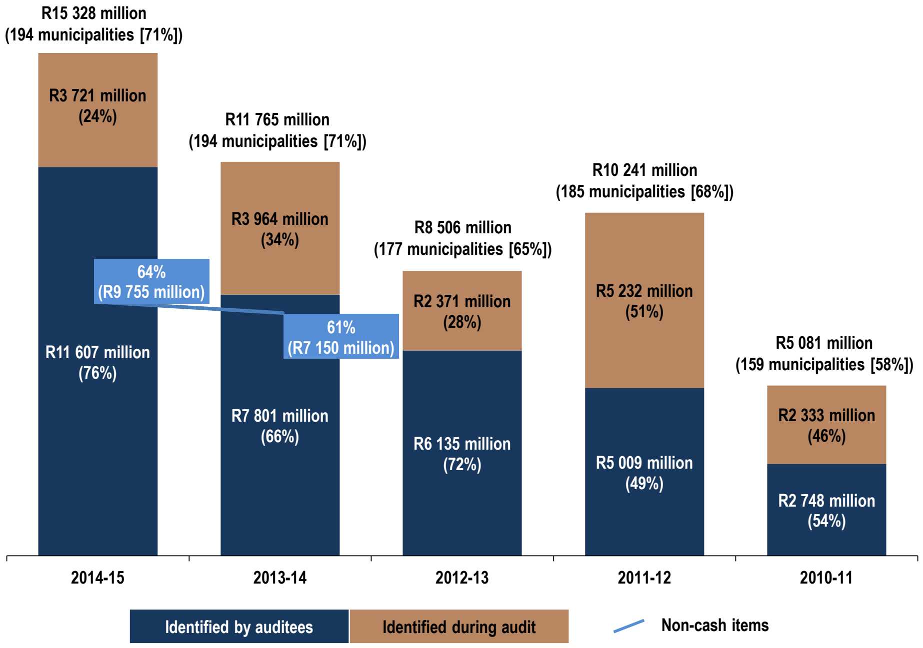


Figure 1 shows that the amount of unauthorised expenditure had increased by 30% since the previous year and more than doubled since 2010-11.

A total of 169 (87%) of the 194 municipalities also incurred unauthorised expenditure in the previous year, 91 of which had incurred such expenditure every year for the past five years. Municipalities in the provinces of Gauteng, North West, Mpumalanga, Eastern Cape and Free State were the main contributors to the significant increase in unauthorised expenditure over the five years.

The following municipalities were the main contributors (32%) to unauthorised expenditure in 2014-15:

- Madibeng (NW): R1 258 million (2013-14: R445 million)
- Mangaung metro (FS): R1 006 million (2013-14: R673 million)
- City of Johannesburg metro (GP): R959 million (2013-14: R0)
- Maluti-A-Phofung (FS): R958 million (2013-14: R434 million)
- City of Tshwane metro (GP): R786 million (2013-14: R1 194 million).

These municipalities are among those that had incurred such expenditure for the past five years, except for Madibeng and City of Johannesburg. Madibeng incurred such expenditure in the past two years, while City of Johannesburg metro incurred such expenditure only in the current year.

Overspending of the budget or main sections within the budget was the reason for 97% (2013-14: 95%; 2010-11: 89%) of the unauthorised expenditure. Poorly prepared budgets, inadequate budget control and a lack of monitoring and oversight were some of the reasons for the overspending.

Municipal budgets also make provision for items that do not involve actual cash inflow or outflow. We term these **non-cash items**, which include accounting entries such as reducing the value at which assets are reflected in the financial statements (asset impairments) and providing for other types of potential financial losses. This is not actual expenditure but rather an accounting requirement that enables municipalities to assess the true value of their assets (such as equipment or debtors). As per figure 1, 64% of the overspending that had caused the unauthorised expenditure did not represent actual payments in excess of the budget, but rather estimates that had been incorrectly budgeted for. There has been a slight increase compared to 2013-14 when we started analysing the impact of non-cash items.

Three of the main contributors to unauthorised expenditure listed above incurred non-cash-related unauthorised expenditure of over 70% as indicated below:

- City of Johannesburg metro (100%)
- Mangaung metro (81%)
- City of Tshwane metro (72%).

Sixty-four municipalities (24%) incurred unauthorised expenditure of R9 753 million (64%) only because of such non-cash items.

As detailed in section 3.2 on compliance, inadequate steps taken by municipal managers to prevent unauthorised expenditure constituted one of the most common material findings on compliance. We reported the findings on compliance as material at 157 municipalities (58%), based on the fact that they had incurred the same type of unauthorised expenditure in the current and previous years and on our assessment that adequate controls and processes would have prevented it.

Figure 1 shows that we had identified 24% of the unauthorised expenditure amount during the audit process, which means that some municipalities did not have adequate processes to detect and quantify all unauthorised expenditure. This has, however, improved since 2010-11 as well as since the previous year.

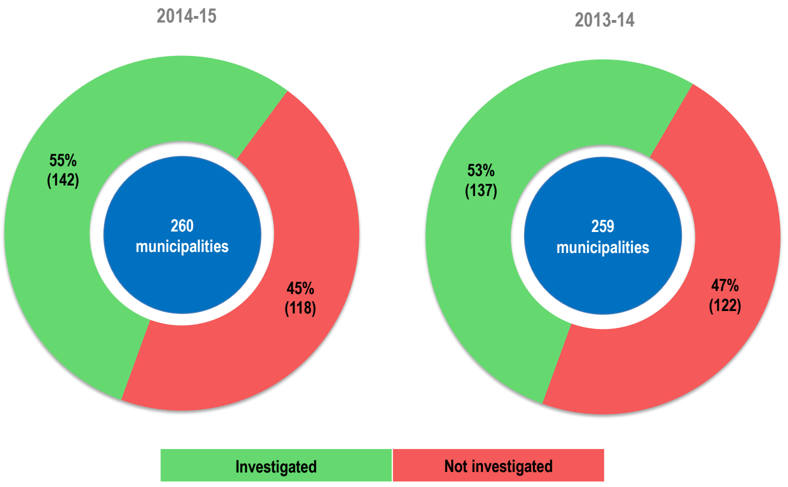
3.2.4 Consequences for transgressions

The MFMA and its regulations clearly stipulate that matters such as incurring unauthorised, irregular and fruitless and wasteful expenditure, the possible abuse of the SCM system (including fraud and improper conduct), and allegations of financial misconduct should be investigated by management.

As detailed in section 3.2, we reported material findings on compliance with legislation in respect of consequence management at 139 (51%) of the municipalities (2013-14: 132 [49%]). In section 3.2.1 to 3.2.3 under **irregular expenditure, fruitless and wasteful expenditure**, and **unauthorised expenditure**, we reported that many municipalities did not meet the requirement that the council should investigate to determine whether any official was liable for the expenditure.

Figure 1 reflects the overall status of council investigations at the municipalities that had incurred these types of expenditure in the prior year.

Figure 1: Investigation of unauthorised, irregular as well as fruitless and wasteful expenditure

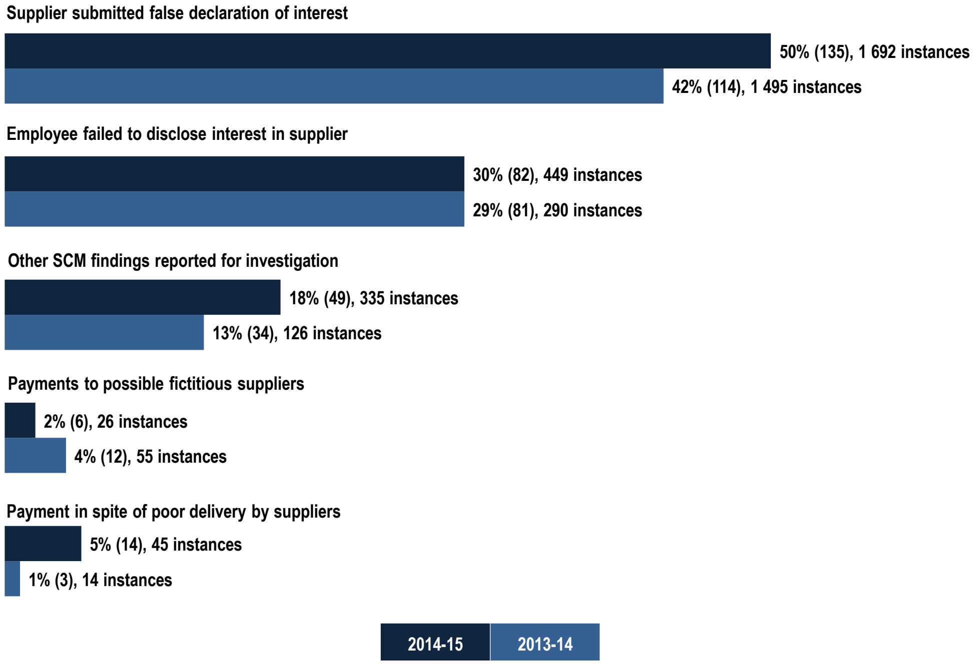


The figure shows that at 45% of the municipalities (2013-14: 47%) the council failed to conduct the required investigations for all instances of unauthorised, irregular and fruitless and wasteful expenditure. Furthermore, 87 of the municipalities that failed to conduct investigations in 2013-14 attracted similar findings in 2014-15.

We report all our findings on SCM compliance and weaknesses to management for follow-up. If there are **indicators of possible fraud or improper conduct in**

the SCM processes, we recommend that management conduct an investigation. Figure 2 illustrates the extent of SCM findings we had reported to management for investigation.

Figure 2: Supply chain management findings reported to management for investigation



In 2013-14, we reported SCM-related findings for investigation to 139 municipalities. As shown in figure 2, findings in all areas except payments to possible fictitious suppliers have increased. Furthermore, 105 of the municipalities that had such findings in 2013-14 had similar findings in 2014-15.

This means that investigations are not conducted or are not yet having the desired impact of discouraging fraud and improper conduct.

3.3 Financial health

Our audits included a high-level analysis of 12 financial indicators to provide management with an overview of selected aspects of their current financial management and to enable timely remedial action where the municipalities' operations and service delivery may be at risk. We also performed audit procedures to assess whether there were any events or conditions that might cast significant doubt on a municipality's ability to continue its operations in the near future. Based on the analysis, each municipality was given an overall assessment as follows:

Good	Two or fewer unfavourable indicators
Concerning	More than two unfavourable indicators
Intervention required	Significant doubt that operations can continue in future and/or where auditees received a disclaimed or adverse opinion, which meant that the financial statements were not reliable enough for analysis.

Figure 1 shows our assessment of the financial health of municipalities over the past three years. Although we have reported on financial indicators since 2011-12, the overall assessment approach was only introduced in 2012-13.

Figure 1: Number of municipalities with indicators of financial health risks (overall)

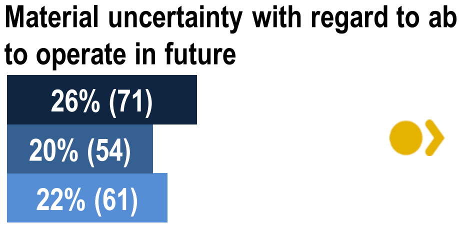
The number of municipalities we assessed as having a good financial health status has decreased since 2012-13, with the main regression in 2013-14 and a slight regression in 2014-15. In 2013-14 municipalities in the Eastern Cape, Free State, KwaZulu-Natal, Mpumalanga, Gauteng, Western Cape and Northern Cape were the main contributors to the regression. This was caused mainly by a lack of proper revenue management practices (e.g. poor debt collection, increase in debtors deemed irrecoverable), which prevented these municipalities from meeting their obligations to creditors, poor budgeting and inadequate cash flow management. The overall regression can in part be attributed to the poor economic conditions prevailing in the country over the past several years, which are characterised by high consumer debt and resultant debtor default.

The reduction in the number of municipalities in the 'intervention required' category since 2012-13 was as a result of a reduction in the number of disclaimed and adverse opinions. Further details are provided of the main financial indicators used for these assessments over the three-year period. The following legend applies to the figures shown:

2014-15	2013-14	2012-13

Figure 2 reflects the number of municipalities which in the past three years disclosed in their financial statements that a material uncertainty existed with regard to their ability to operate in the foreseeable future (i.e. as a going concern) or had received a qualified opinion because such disclosures were not included.

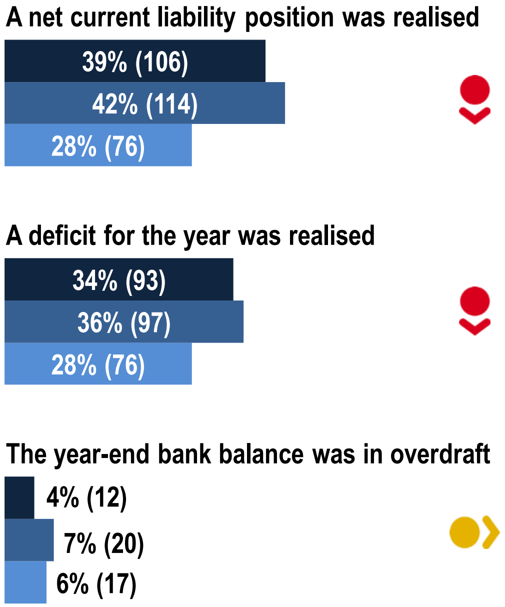
Figure 2: Going concern uncertainty



A going concern uncertainty exists at more than a quarter of the municipalities. There has been a slight increase since 2012-13, with the regression occurring mainly in 2014-15. Municipalities in North West, the Northern Cape, Limpopo, Gauteng and Western Cape were the main contributors to the regression, which was caused by poor debt collection; an improvement from a disclaimer to unqualified or qualified opinions, resulting in financial statements being more reliable for assessing going concern uncertainty; and a lack of effective and efficient revenue generation and debt-collection strategies.

Figure 3 shows some of the typical indicators of going concern uncertainty over the past three years in addition to the revenue management and creditor-payment period indicators detailed later on in this section.

Figure 3: Sustainability indicators



There has been a significant increase since 2012-13 (most notably in 2013-14) in the number of municipalities that spent more than their available financial resources (resulting in a net deficit) and/or whose current liabilities exceeded their current assets at year-end (net current liability position). There was only a slight improvement on these indicators in 2014-15.

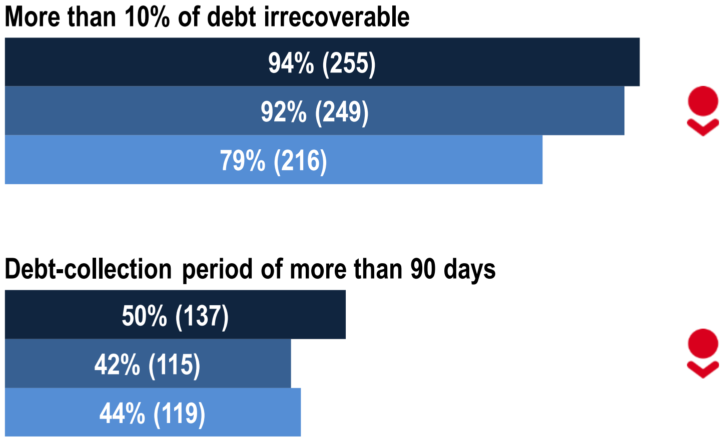
Municipalities in the Northern Cape, Free State Mpumalanga, Gauteng, Limpopo and Eastern Cape were the main contributors to the regression in 2013-14 with regard to net current liability position, which was caused by cash flow problems (mainly due to poor debt collection and inability to pay creditors).

The regression relating to net deficit occurred mainly in 2013-14, with municipalities in the Northern Cape, Eastern Cape, Free State, Limpopo and Mpumalanga being the main contributors. The regression was caused by an increase in non-cash items (e.g. additional recording of depreciations and increase in debtors deemed irrecoverable, resulting in debtors being impaired), poor budgeting processes, over-reliance on grant funding and poor debt-management practices.

The number of municipalities with year-end bank balances in overdraft has decreased slightly since 2012-13.

One of the main reasons for the failing financial health of municipalities is inadequate revenue management. The main indicators over the past three years are reflected in figure 4.

Figure 4: Revenue management

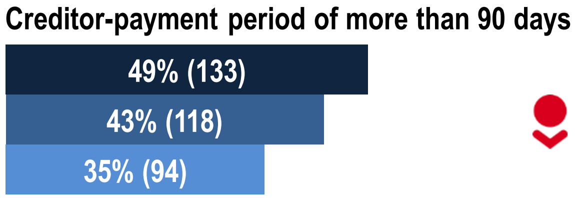


Just over 90% of municipalities estimated in their financial statements that more than 10% of the outstanding amounts owed to them would not be paid, which represents a significant increase over the three-year period. The regression occurred mainly in 2013-14, with municipalities in the Northern Cape, Eastern Cape, KwaZulu-Natal, Gauteng, Limpopo, Mpumalanga and Western Cape being the main contributors. The regression was caused by poor debt-management practices, lack of the right skills in finance units and the poor economic climate.

As part of our analysis, we calculated the average number of days it took for municipalities to collect debt they deemed to be recoverable. Half of the municipalities had an average debt-collection period of over 90 days in 2014-15, with a significant regression in 2014-15. Municipalities in Limpopo, Northern Cape, Free State, Eastern Cape, KwaZulu-Natal and Western Cape were the main contributors to the regression, which was caused by lack of the right skills in finance units, the poor economic climate and inadequate systems that account for revenue, which not only affected debt collection but also the ability to account correctly for debtors in the financial statements.

Extended collection periods put the cash flow of the municipalities under significant pressure, which in turn meant that they took longer to pay their creditors. Figure 5 shows the number of municipalities with an average creditor-payment period of more than 90 days over the three-year period.

Figure 5: Creditor-payment period



The number of municipalities with extended payment periods has increased significantly year on year to almost 50%. The municipalities in Gauteng, Northern Cape, Mpumalanga, Eastern Cape and Free State were the main contributors to the regressions in 2012-13 and 2014-15, which were caused by cash flow problems. The cash flow problems can be attributed in part to poor debt-management practices.

Our analysis of financial health presented here should be evaluated against the backdrop of municipalities being under increasing pressure to provide basic services while financial resources are dwindling. Our analyses over the past three years show a continuing weakening in local government finances as a result of poor collection of revenue from debtors, cash flow problems and the current poor economic climate.

3.4 Management of grants

Municipalities annually receive conditional grants from the national revenue fund as approved in terms of the Division of Revenue Act (DoRA). Municipalities may only use a conditional allocation for its stated purpose in accordance with the requirements of the framework for each grant and for projects or programmes included in their business plans.

Our audits included testing compliance with DoRA and the individual grant frameworks, as well as the achievement of planned targets for each allocation.

In this section we present the results of these audit tests for the MSIG, FMG and MIG, as well as overall compliance by municipalities with DoRA. More information on the audit we performed and the purpose of and conditions attached to these grants is included in section 11.

Municipal systems improvement grant and financial management grant

The MSIG and FMG are allocations aimed at capacity building for improving financial and performance management in local government.

For the 272 municipalities reported on in the 2014-15 financial year, R686 million was allocated in terms of DoRA for the MSIG (R247 million) and FMG (R439 million). Due to unspent funds from the previous financial year being rolled over, the 272 municipalities being reported on had R704 million to spend on programmes funded from these grants.

Figures 1 and 2 depict the percentage of grants spent by the municipalities to which they were allocated in 2013-14 and 2014-15. The number (and percentage) of municipalities that received the grants is shown in brackets.

Figure 1: Spending of municipal systems improvement grant

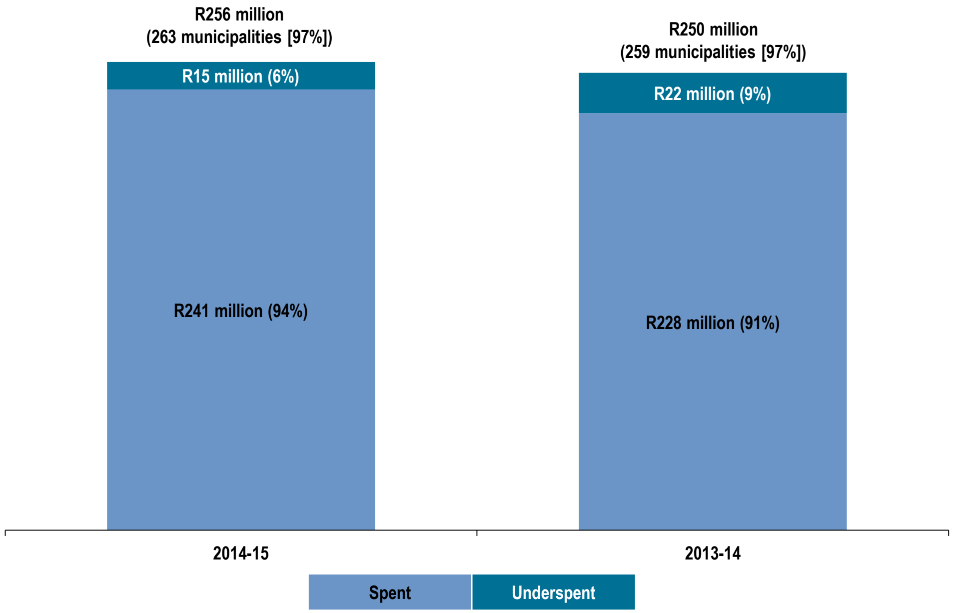
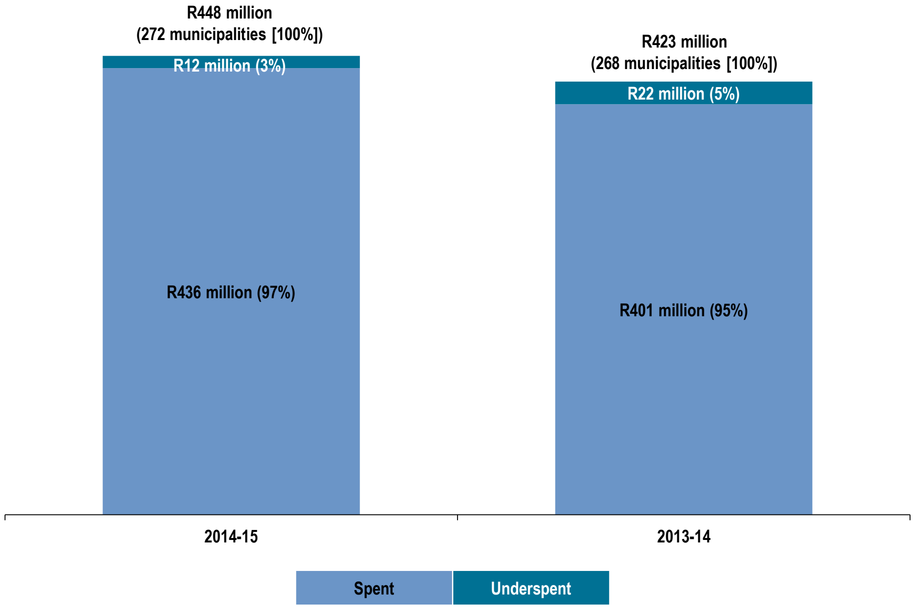


Figure 2: Spending of financial management grant



Both grants show high spending levels at an overall level and a reduction in underspending compared to the previous year. While 66 municipalities underspent on the MSIG, only 36 municipalities underspent by more than 10%. With regard to the FMG, 53 municipalities underspent, but only 21 municipalities underspent by more than 10%. For both these grants this is an improvement since the previous year.

Approximately R53 million (21%) of the MSIG and R83 million (19%) of the FMG were spent on consultants, indicating the extent to which municipalities are using consultants to support financial management and service delivery reforms funded by these grants (also refer to section 5.3 where we discuss the effective management of consultants).

Figures 3 and 4 show the number and percentage of municipalities that received these grants in 2013-14 and 2014-15 and which achieved the targets set for the programmes funded by the grants. The municipalities in the red category are those where either the targets were not achieved or the municipality had not assessed the achievement. The municipalities in the brown category are those where we did not audit the achievement of targets during 2013-14.

Figure 3: Achievement of targets – municipal systems improvement grant

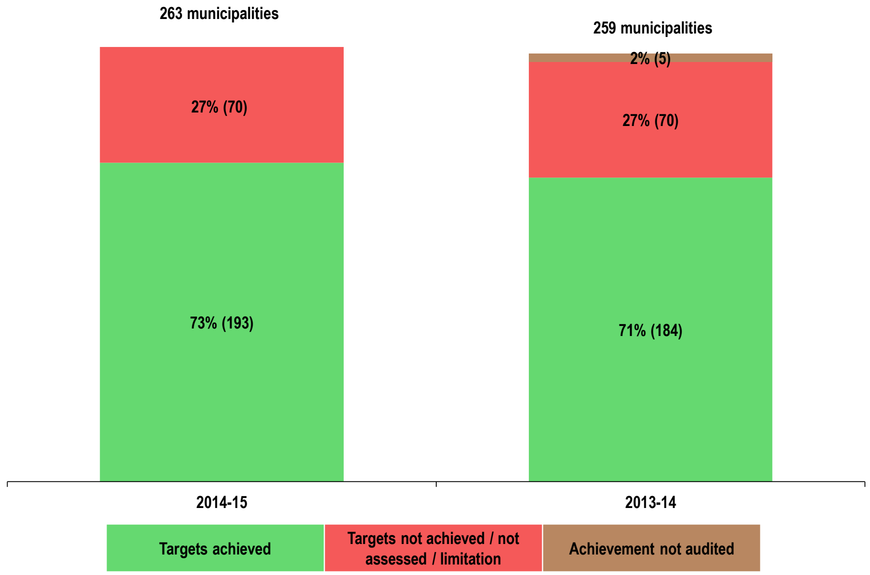
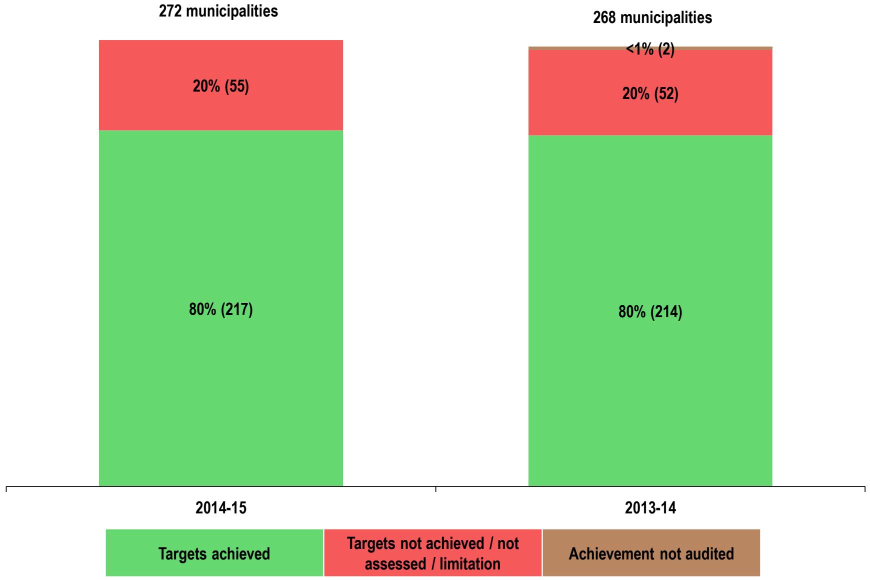


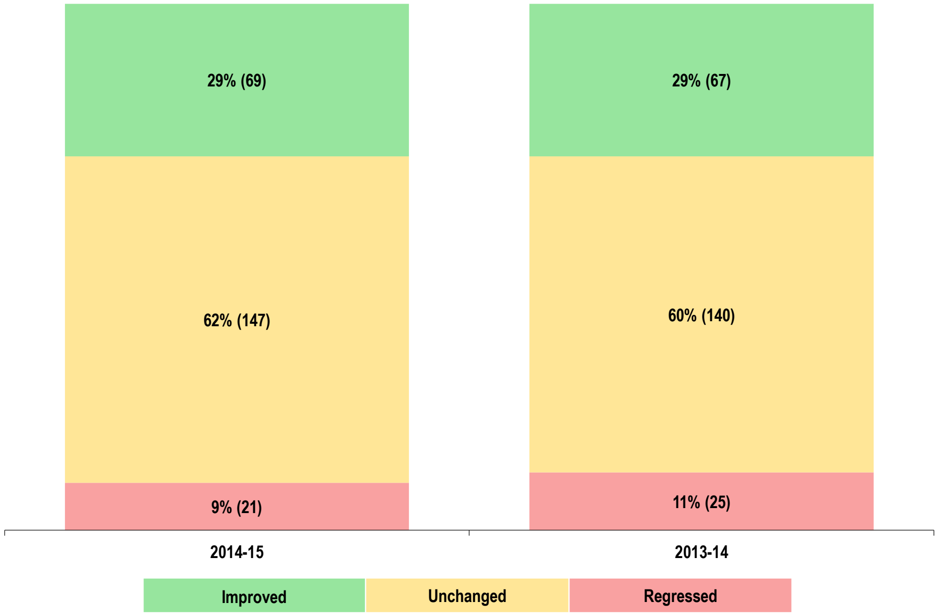
Figure 4: Achievement of targets – financial management grant



The management of the FMG and MSIG by municipalities has remained unchanged since the previous year. Although 94% and 97% of the available funds were spent on the MSIG and FMG, respectively, only 193 municipalities (73%) achieved their MSIG targets and 217 (80%) achieved their FMG targets. Although the municipalities used the money allocated to them, many were still struggling to achieve their targets.

Figure 5 shows whether there had been any change in the audit outcome of the municipalities that received and utilised these grants to improve their financial and performance management (municipalities that have sustained a clean audit status since the previous year are excluded).

Figure 5: Movement in audit outcomes of municipalities funded by the municipal systems improvement grant and/or financial management grant



As indicated above, although conditional grant allocations of R677 million were spent on improving financial and performance management, and the majority of the municipalities were able to achieve the targets set for the programmes, the use of the grant did not have a significant impact on the audit outcomes. The most common reasons for this were the following:

- Some outputs or targets of these allocations were not directly linked to improving financial management or audit outcomes.
- A lack of ownership by management resulted in slow progress being made to honour commitments and address key control weaknesses aimed at improving financial management.
- A number of municipalities in this category used consultants for financial reporting. Due to the late appointment of consultants and/or weaknesses in managing them, they were often unable to improve the audit outcomes.
- Some municipalities in the 'unchanged' or 'regressed' categories spent a portion of the allocation on training. However, the impact of the training may only be realised over time, or not at all if officials do not apply the newly acquired knowledge in their jobs.
- Grant funding was used for other purposes due to weak cash flow management at some municipalities.

Efforts must be increased to ensure that there is a correlation between the spending of grants, the achievement of targets, and the desired impact of the grants.

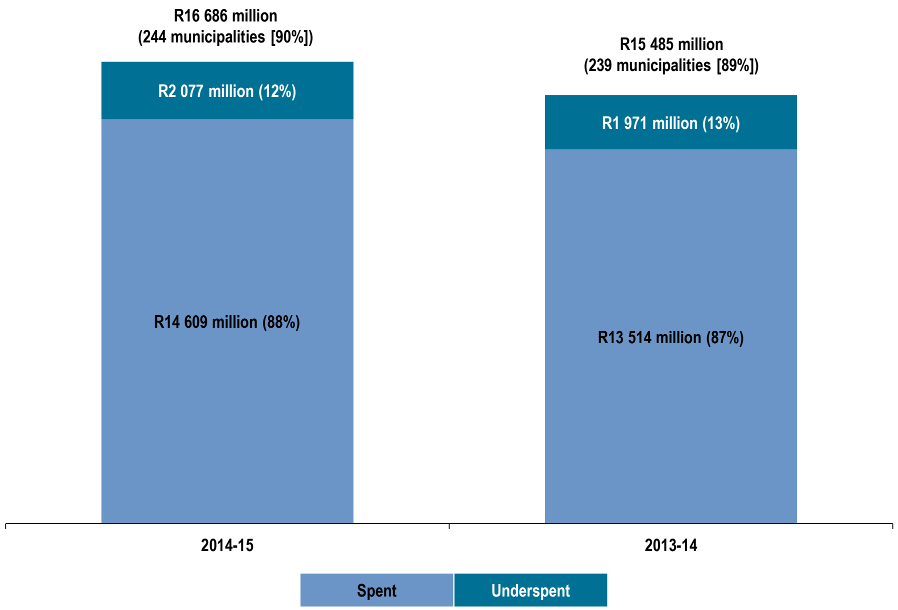
Municipal infrastructure grant

CoGTA introduced the MIG in 2004-05 with the core outcome to improve access to basic service infrastructure for poor communities by providing specific capital finance for basic municipal infrastructure backlogs.

For the 2014-15 financial year, R14,6 billion was allocated in terms of DoRA for the MIG. Due to unspent funds rolled over from the previous financial year, the 244 municipalities being reported on had R16,7 billion to spend on infrastructure projects funded from the MIG.

Figure 6 shows the percentage of the MIG spent by the municipalities to which it was allocated in 2013-14 and 2014-15.

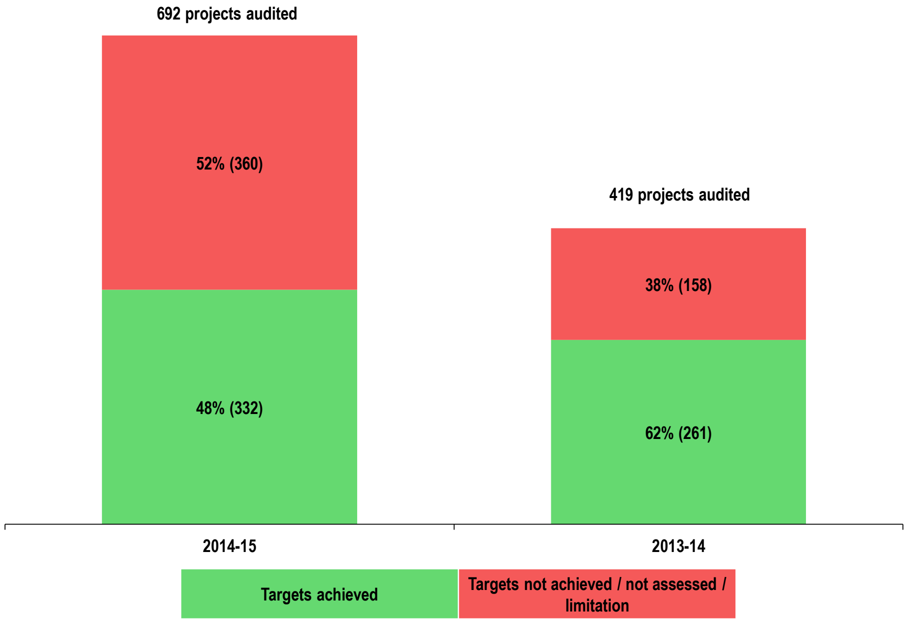
Figure 6: Spending of municipal infrastructure grant



Of the available R16,7 billion, R14,6 billion was spent – which translates into a reasonable level of spending, namely 88%, the same level as in 2013-14. In total, 131 municipalities underspent on the MIG, of which 82 underspent by more than 10%. This is an improvement compared to the 95 municipalities in 2013-14.

We tested the reported performance against planned targets for specific projects funded by the MIG at the 244 municipalities that received the grants. Figure 7 depicts the achievement of planned targets for the infrastructure projects we audited in 2013-14 and 2014-15. The projects in the red category are those where the targets were not achieved or the municipality had not assessed the achievement or we could not audit the assessment as supporting documentation could not be provided.

Figure 7: Targets achieved – projects audited



In 2014-15 we increased the number of MIG-funded projects we audited in order to have a more comprehensive picture of delivery on these projects.

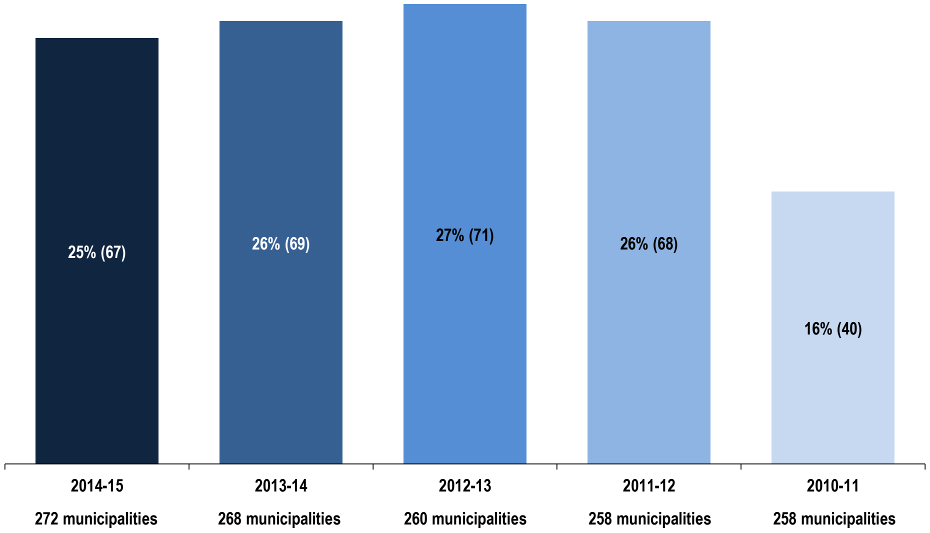
We continued to audit the multi-year projects selected in 2013-14 and selected additional projects with a bias towards those that deliver water and sanitation infrastructure. As a result of the increase in the number of projects tested and the change in focus, figure 7 shows a regression. This cannot necessarily be construed as a regression in the ability of municipalities to manage their infrastructure projects. Rather, our audit of infrastructure projects in 2014-15 now presents a more realistic picture of the challenges of managing infrastructure projects in local government.

The slow delivery of these projects affects the ability of municipalities to improve access to basic services for poor communities.

Non-compliance with Division of Revenue Act

Figure 8 shows the number of municipalities since 2011-12 that received any conditional grant via a DoRA allocation where we reported material findings on compliance with the act.

Figure 8: Non-compliance with DoRA in managing conditional grants over five years



Sixty-seven of the 272 municipalities that received conditional grants via a DoRA allocation failed materially to comply with the act, as depicted in figure 8. This high incidence of non-compliance has been the norm for the past five years, having peaked in 2012-13.

The following most common compliance findings in 2014-15 indicate that the funds provided through grants and the programmes funded are not well managed at all municipalities:

- The performance of the programmes funded with allocations was not evaluated – 46 municipalities (2013-14: 51; 2010-11: 23)
- Allocations were used for purposes other than those stipulated in DoRA or in the gazetted framework – 26 municipalities (2013-14: 27; 2010-11: 24)
- The unspent portion of the conditional grant was retained at year-end without the approval of the National Treasury – 17 municipalities (2013-14: 13; 2010-11: 1).

Conditional grants are allocated to drive specific government objectives. It is important that projects and programmes funded by grants are tightly managed to ensure that they not only meet the set targets but also deliver the intended outcomes.

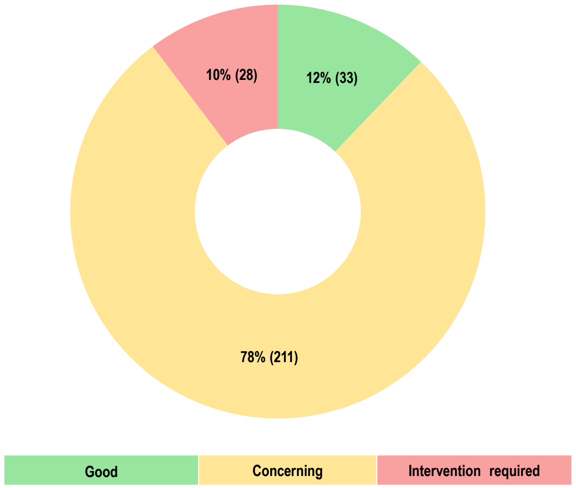
3.5 mSCOA readiness

The Municipal Regulations on Standard Chart of Accounts (mSCOA) were gazetted on 22 April 2014, which established the application of mSCOA in local government as a legislated requirement. The mSCOA will take effect on 1 July 2017 and will thus impact the 2017-18 financial statements and audits of all local government municipalities. The piloting of mSCOA has already commenced at 19 local municipalities, two district municipalities and eight metros, phased in over the 2015-16 and 2016-17 financial years. Piloting takes place in close cooperation with the National Treasury's mSCOA project team and provincial treasuries. The key objectives of the mSCOA project are as follows:

- Development of uniform data sets critical for 'whole-of-government' reporting, enabling deeper data analysis and sector comparisons to improve financial performance
- Standardisation and alignment of the 'local government accountability cycle' by regulating not only the budget and in-year reporting formats but also the annual report and annual financial statement formats
- Improved transparency, accountability and governance through uniform recording of transactions at posting account level detail
- The standardisation of the account classification to facilitate mobility in financial skills within local government and between local government and other spheres as well as the private sector, and to enhance the ability of local government to attract and retain skilled personnel.

Figure 1 indicates the state of readiness of municipalities for implementation of the new mSCOA as assessed by us. It shows the number of municipalities where readiness/preparation is good, concerning or requires intervention. The pilot municipalities that were not assessed as good were Berg River, Drakenstein and Knysna (Western Cape), Nelson Mandela Bay metro, Buffalo City metro, Camdeboo and Senqu (Eastern Cape), Richmond (KwaZulu-Natal) and Tlokwe (North West).

Figure 1: Readiness for mSCOA



Municipalities have been aware of the mSCOA requirements since 22 April 2014, but have generally made slow progress in ensuring that they would be ready to implement mSCOA by the due date. Based on the mSCOA readiness assessment performed, the readiness of 78% of municipalities is concerning, while that of 10% requires intervention, which represents the majority of municipalities.

Some of the root causes that may result in municipalities not meeting the implementation due date were the following:

- Municipalities experienced capacity and skills constraints in planning and managing the change to mSCOA requirements
- Municipalities did not have the money to start implementing the mSCOA and to make use of the internal audit unit to support them from a project assurance perspective
- Municipalities were waiting for the outcomes of the pilot municipalities that were in the process of implementing the mSCOA to ensure that they address the lessons learned from these pilots.

Although the above-mentioned root causes were identified, it is imperative that all municipalities should immediately prioritise the successful implementation of mSCOA to ensure local government succeeds in their common goal to meet the key objectives by 1 July 2017.

3.6 Status of electronic fund transfer controls

We assessed electronic fund transfer (EFT) controls at 144 municipalities which had more complex IT environments and required the assistance of an IT audit expert. The objective of EFT controls is to ensure that electronic payments made to suppliers and others are confidential, secure and completely and accurately recorded and properly authorised.

Figure 1 indicates that EFT controls are inadequate at most of the municipalities where controls were assessed.

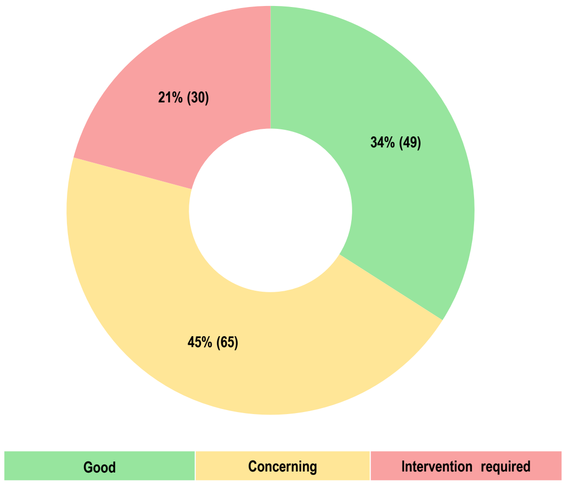
The most common findings on EFT controls were as follows:

- Users performed inadequate monitoring and review of activities on the EFT system
- User access was not reviewed and revoked when users left the municipality
- Lack of segregation of duties and lack of management of approval limits to release payments.

The risks associated with poor EFT controls are as follows:

- Errors in EFT systems going undetected
- Loss of confidentiality due to other parties acquiring sensitive information
- Fraud due to changes to computer records and manipulation of data.

Figure 1: Status of electronic fund transfers



3.7 Conclusion

As stated in the back-to-basics approach and supported by the MTSF, local government should demonstrate sound financial management and accounting practices and prudently manage resources to sustainably deliver services and bring development to communities.

In the past five years there has been improvement in the financial management and administration of local government, but progress is slow and critical shortcomings remain.

An increasing number of municipalities now accurately and transparently account, through their annual financial statements, for the use of public funds, the financial state of their municipality and the extent of unauthorised, irregular as well as fruitless and wasteful expenditure incurred.

The poor quality of financial statements submitted to us for audit and the continuing reliance on consultants for financial reporting services call into question whether the in-year reporting and management of finances by municipalities are solid. The signs of poor financial management are apparent in the budget preparation and monitoring processes (resulting in unauthorised expenditure), revenue management, payment of creditors, control over EFT payments, grant management and general financial viability of municipalities, which continue to weaken year on year.

We are concerned that municipalities are not adequately preparing for the mSCOA reform. The gains made in improved accounting through credible financial statements could be lost if left unattended.

Municipalities are under increasing pressure to provide basic services, while financial resources are dwindling. This requires prudent management of resources and strong control over procurement processes and delivery by service providers. In the past five years there has been little improvement in the municipalities' SCM practices and expenditure management, resulting in increasing levels of irregular expenditure, fruitless and wasteful expenditure and lost opportunities to save costs and ensure value for the money.

Several municipalities across the country, from metros to small municipalities in rural areas, have demonstrated sound financial management and accounting practices and prudent management of resources and serve as an example of good governance and accountability for the rest of local government to follow.

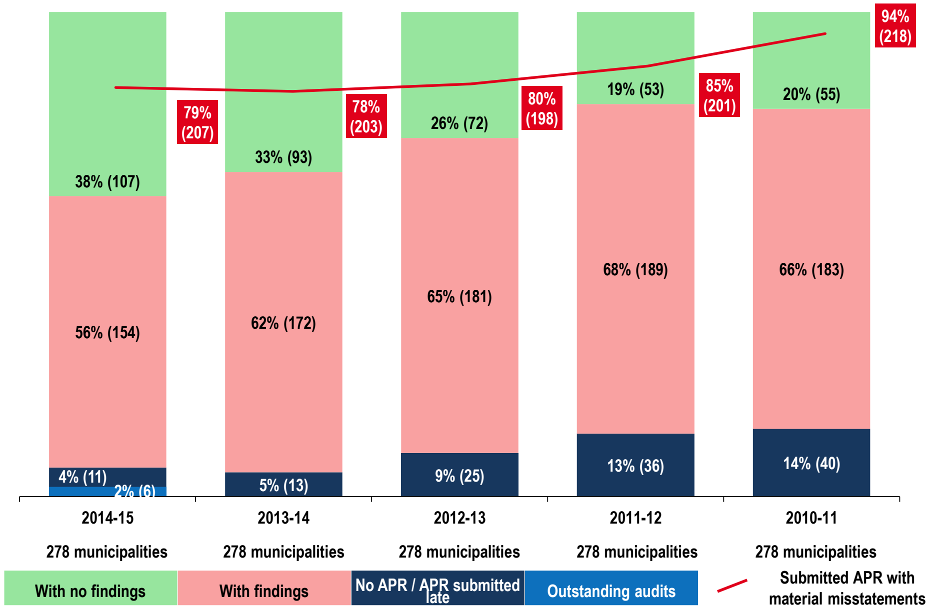
4

The status of performance management

4. Annual performance reports

Figure 1 provides an overview of audit outcomes on the APRs, the APRs submitted with material misstatements (red line) and the municipalities that did not submit APRs or submitted them late over a period of five years.

Figure 1: Findings on annual performance reports and quality and timeliness of submission for audit



There has been a significant improvement in the submission of APRs since 2010-11 when 14% of municipalities had either not prepared APRs or not submitted them on time for the audit. This contributed to significant improvement in the Free State, the Northern Cape and North West as a result of continued monitoring by provincial treasuries and the provincial departments of cooperative governance. There was also a further slight improvement in 2014-15 when 10 municipalities failed to prepare APRs and one municipality submitted its APR late, compared to 13 municipalities failing to submit APRs in the previous year. These municipalities included the following:

- Eastern Cape (one): The APR of Inkwanca was submitted late
- Northern Cape (nine): Richtersveld did not prepare a report this year, while Karoo Hoogland, Khai-Ma, Kareeberg, Pixley Ka Seme district, Siyathemba, Thembelihle, Ubuntu and Mier failed to prepare a report in the previous year
- Western Cape (one): Oudtshoorn also failed to prepare a report in the previous year.

There has been an overall increase in the number of municipalities with no material findings on the quality of their APRs since 2010-11 – the number has almost doubled. While there was a slight improvement in 2014-15, the main improvements occurred in 2012-13 and 2013-14 after a slight regression in 2011-12.

The main improvements during 2012-13 and 2013-14 occurred in the Eastern Cape, the Free State and KwaZulu-Natal. The improvement in these provinces was as a result of increased awareness of the requirement to report on performance, which was mostly due to our interactions with leadership and their willingness to implement our recommendations, including the implementation of performance information systems that are managed by competent personnel.

Overall, 79 municipalities (29%) had no material findings in the current and previous year, which means the controls and processes required to produce credible performance reports are in place to ensure the sustainability of the audit outcomes on APRs.

Figure 1 also shows a reduction since 2010-11 in the number of municipalities that submitted APRs that contained material misstatements, with only a slight reduction in 2014-15. The overall improvement over the five-year period can be attributed to improved key controls as well as our visibility and support to municipalities in the area of performance information.

However, with regard to the APRs that were submitted for auditing, 53 municipalities (21%) had no material findings in their 2014-15 audit report only because they corrected all the misstatements we had identified during the audit. This is an improvement compared to the previous year when only 36 municipalities (14%) corrected all the misstatements identified.

Figure 2 reflects the findings on the usefulness and reliability of APRs over the five-year period for municipalities that had prepared and timeously submitted APRs.

Figure 2: Findings on the annual performance reports prepared

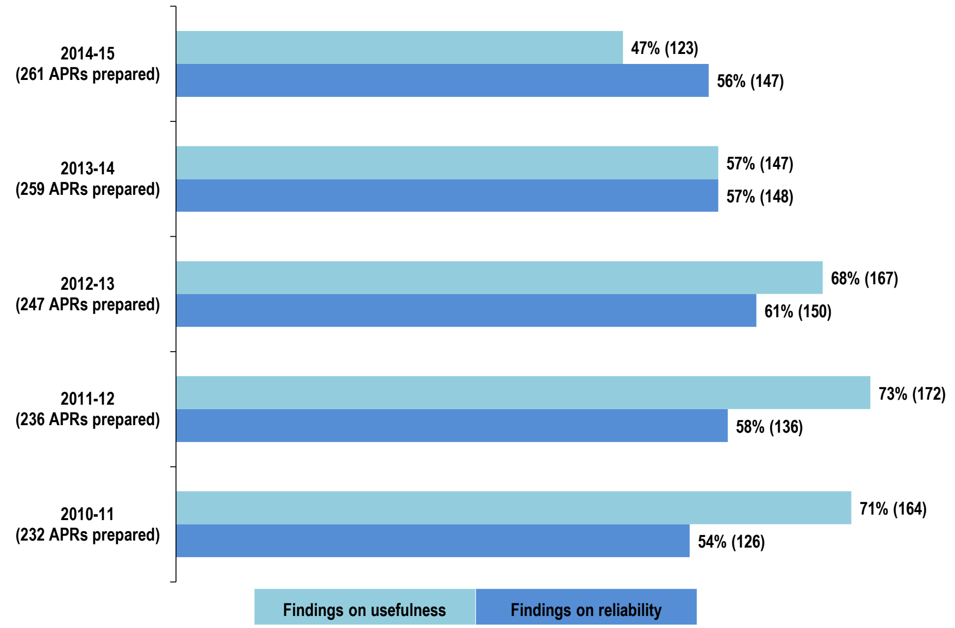


Figure 2 indicates a significant improvement in the **usefulness** of the information in the APRs since 2010-11. The number of municipalities with findings on usefulness decreased by 10% compared to the 147 reported in the previous year.

The most common findings on usefulness in 2014-15 were that municipalities reported on indicators that were not well defined (33%) or verifiable (30%) and reported information was not consistent with the objectives, measures and/or targets (29%), while targets were also not measurable (23%) or not specific enough (23%) to ensure that the required performance could be measured and reported in a useful manner.

The usefulness of the reported information improved as municipalities corrected their performance indicators and targets as part of the annual planning and budget processes based on the recommendations we provided and their increased understanding in application of the requirements for performance planning.

Figure 2 also shows a slight regression in the **reliability** of APRs since 2010-11, with a slight improvement compared to the previous year. The processes and controls required to produce reliable information on performance have shown little improvement over the period.

In the past five years there has been an improvement in municipalities' reporting on the degree to which services are delivered in accordance with the planned targets as per their integrated development plans (IDPs) and the service delivery and budget implementation plans (SDBIPs). However, progress made towards useful and reliable performance reporting is slow, which affects the ability of communities to hold municipalities accountable and makes it difficult for provincial and national government to track progress towards the service delivery goals in the MTSF and national development plan.

5

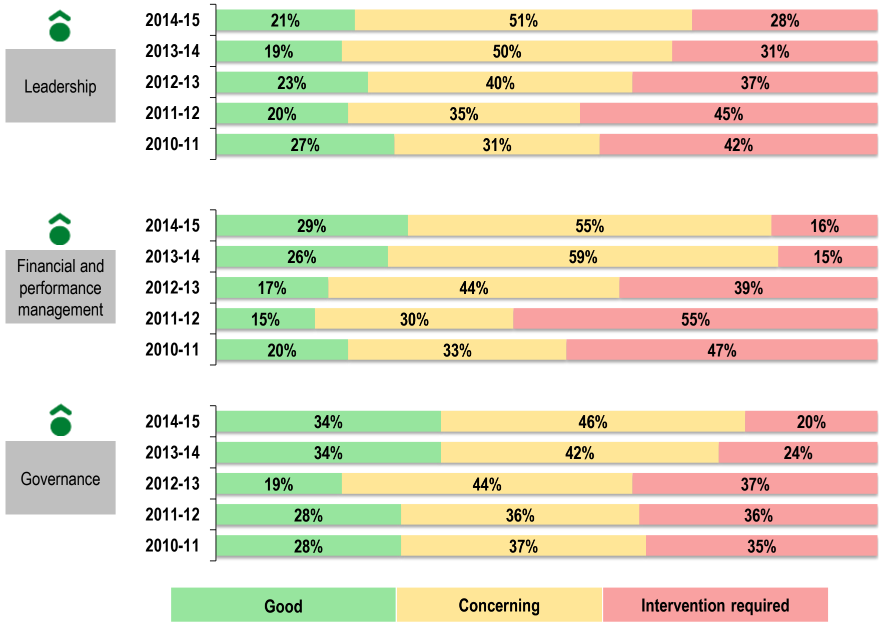
Root causes

5.1 Status of internal control

A key responsibility of municipal managers, senior managers and municipal officials is to implement and maintain effective and efficient systems of internal control.

Figure 1 shows the status of the different drivers of internal control and their overall movement over the past five years. We determined the movements taking into account either increases in good controls or reductions in controls requiring intervention.

Figure 1: Drivers of internal controls



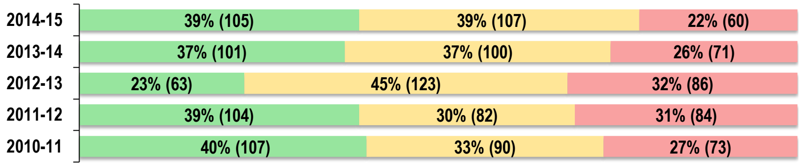
As illustrated in figure 1, all three drivers of internal controls have improved over the five-year period. We observed a general regression in local government audit outcomes in 2011-12. This also reflected in municipalities' key controls of that year, which was the first year of the new leadership following the local elections.

Although the number of municipalities whose **leadership controls** were assessed as being 'good' has declined, those whose **leadership controls** had an 'intervention required' status decreased significantly; hence an overall improvement.

Drivers of both **financial and performance management** and **governance controls** have improved over the past five years in terms of an increase in 'good' controls as well as a reduction in controls that require intervention.

We discuss five of the seven basic controls that should receive specific attention in the remainder of this section and discuss human resource management and IT controls in sections 5.2 and 5.4, respectively. Figures 2 to 6 show the movement in these five basic controls over the past five years.

Figure 2: Effective leadership



In order to improve and sustain audit outcomes, municipalities require **effective leadership** (political and administrative) that is based on a culture of honesty, ethical business practices and good governance, protecting and enhancing the interests of the municipality.

Figure 2 indicates that leadership culture controls had remained unchanged overall, despite the slight reduction in controls that required intervention.

Figure 3: Audit action plans

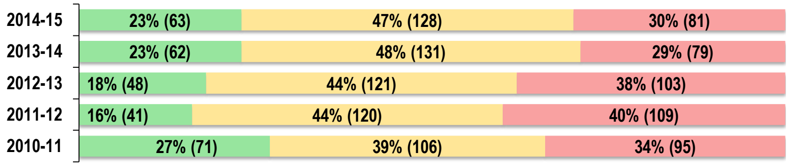


Figure 3 illustrates that controls relating to audit action plans had regressed slightly. The reason for this is that in many cases audit action plans responded only to our audit findings and did not always address the associated root causes, while not all audit action plans that were drawn up were fully implemented. Furthermore, action plans did not sufficiently take into account recommendations relating to other role players, such as internal audit units and audit committees, and risks emanating from municipalities' own risk assessment processes.

Figure 4: Proper record keeping

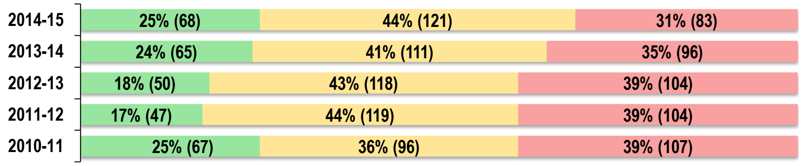
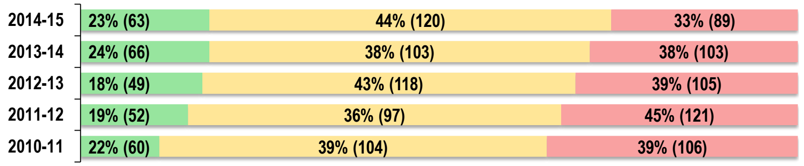


Figure 4 shows that record-keeping controls have improved due to a reduction in the number of municipalities whose controls required intervention; however, the number of municipalities with good controls in this area remains low.
All provinces were significant contributors to the reduction in controls requiring intervention, except the Free State, Gauteng, KwaZulu-Natal and the Northern Cape.

Proper and timely record keeping ensures that complete, relevant and accurate information is accessible and available to support financial and performance reporting. Sound record keeping will also enable senior management to hold staff accountable for their actions. A lack of documentation affected all areas of the audit outcomes.

Figure 5: Daily and monthly controls



Controls should be in place to ensure that **transactions** are processed in an accurate, complete and timely manner, which in turn will reduce errors and omissions in financial and performance reports.

Figure 5 reflects an improvement in daily and monthly controls due to a reduction in controls that require intervention. Significant contributors to this reduction over the five-year period were the Eastern Cape, Free State, North West and the Western Cape.

Figure 6: Review and monitor compliance

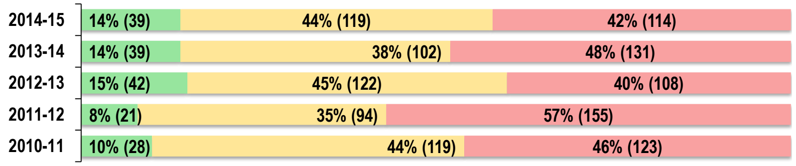
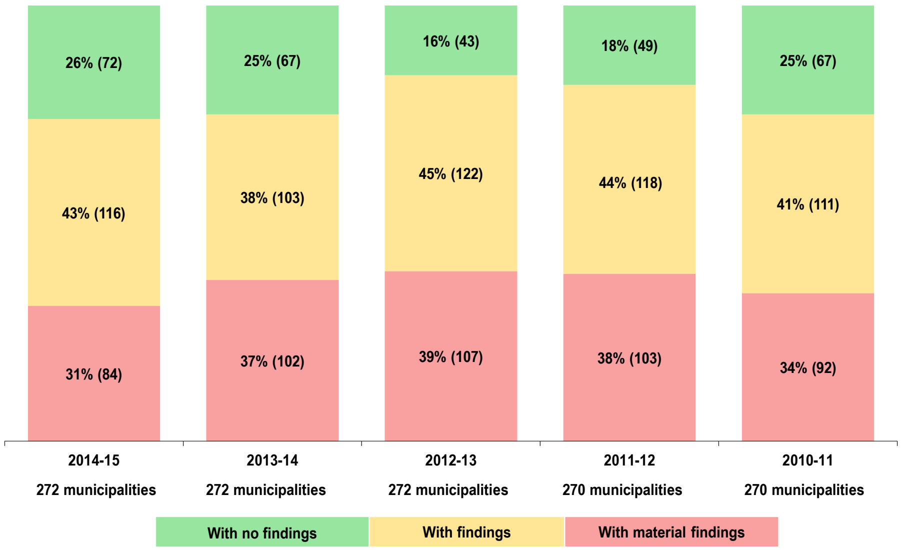


Figure 6 shows a slight improvement in controls relating to monitoring of compliance. As detailed in section 3.2, many municipalities did not comply with legislation. Most of the irregular expenditure incurred was still identified during the audit process. This indicates that the internal controls of most municipalities not only failed to prevent non-compliance with legislation, but also failed to timeously detect the deviations, some of which were only detected and responded to following our audits.

5.2 Human resource management

Figure 1 provides the status of human resource management controls from 2010-11 to 2014-15.

Figure 1: Status of human resource management controls



Human resource management has improved only slightly since 2010-11 and the previous year. The regression in 2011-12 is mainly due to inadequate appointment processes and difficulty in attracting and retaining skilled staff, exacerbated by the instability created by a change in political and administrative leadership after the elections in 2010-11.

The improvement in 2013-14 is mainly due to increased adherence to requirements relating to minimum competencies and qualifications, improved monitoring of senior management performance as per their signed performance contracts, and a focus by leadership on filling vacancies.

One of the biggest challenges for local government is to attract and retain qualified and competent persons in all areas of administration. Since 2012-13 our audits have focused on the management of vacancies and retention of key personnel.

In the past three years the average overall vacancy rate at year-end showed little improvement – from 19% in 2012-13 to 20% in 2014-15. The vacancy rate at senior management level was 19% in 2012-13 as well as in 2014-15.

As part of our audits, we considered the vacancies and resourcing of finance units, as inadequate capacity in these units negatively affects the management, controls and quality of financial reporting. The average vacancy rate in finance units at year-end was 17% in 2014-15, which represents a slight regression compared to 16% in 2012-13.

We also considered vacancies in key positions at year-end and stability in those positions. These key positions include municipal managers, chief executive officers (CEOs), chief financial officers (CFOs), heads of SCM units and senior managers responsible for strategic planning as well as monitoring and evaluation.

Figures 2, 4 and 6 provide a three-year overview of the number of municipalities where these key positions were vacant at year-end and the period that the positions had been vacant. They further show the average number of months that municipal managers, CFOs and heads of SCM units had been in their positions.

Figure 2: Municipal managers – vacancy and stability

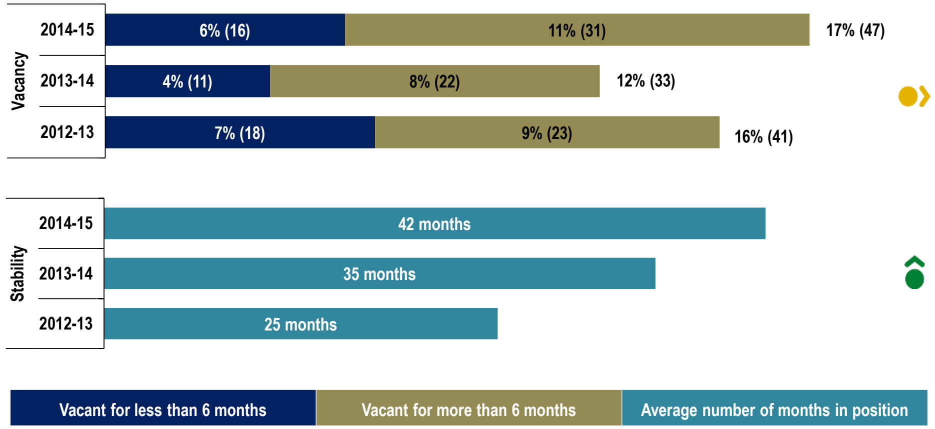


Figure 2 shows that the **municipal manager** vacancy rate had improved slightly in 2013-14 and again regressed slightly in 2014-15, with little improvement over the three-year period. Municipalities in the provinces of Mpumalanga, Northern Cape, Limpopo, KwaZulu-Natal and Eastern Cape were the main contributors to the increased vacancies and longer period of vacancy in 2014-15, which were caused by challenges in attracting qualified officials, especially in rural municipalities; political leadership taking action against municipal managers due to allegations of financial misconduct; municipal managers resigning in some instances due to political pressure; and the reluctance of municipalities to appoint new municipal managers going into a new election cycle.

The average number of months that municipal managers had been in their position improved year on year. By 2014-15 municipal managers at 117 (43%) municipalities had been in the position for three years or longer, a significant improvement when compared to 48 (18%) in 2012-13.

Figure 3 reflects that those municipalities with increased stability at municipal manager level also achieved better audit outcomes.

Figure 3: Municipal managers – average number of months in position (per audit outcome)

***Note:** Only one auditee received an adverse opinion, namely Westonaria in Gauteng.*

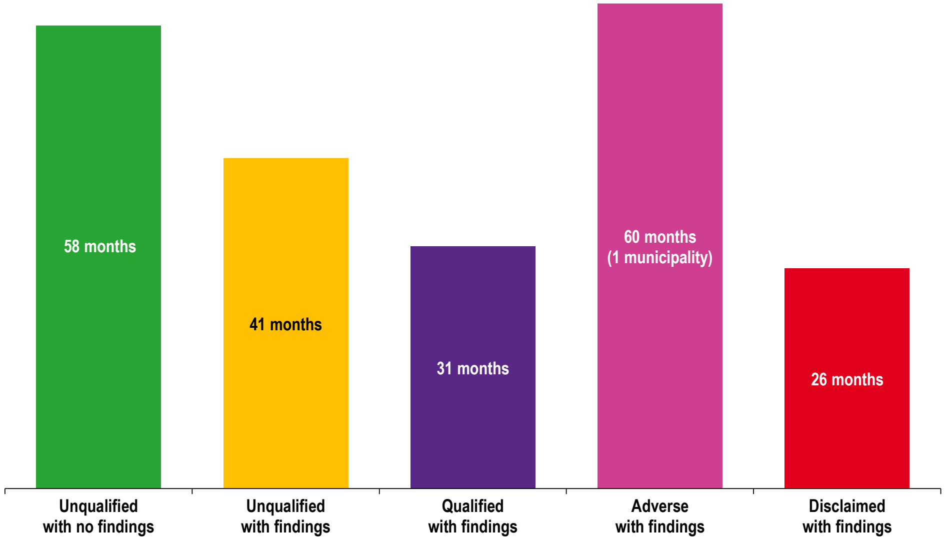


Figure 4: Chief financial officers – vacancy and stability

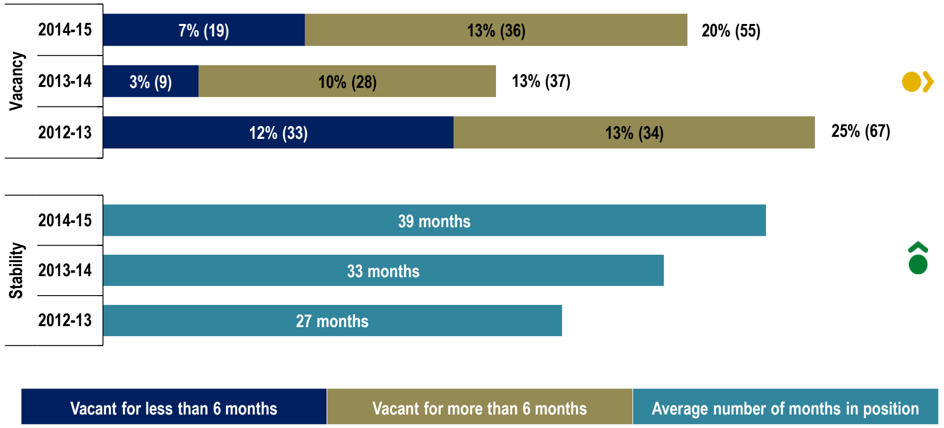


Figure 4 shows that the CFO vacancy rate at municipalities had improved slightly since 2012-13. After a slight improvement in 2013-14, the vacancy rate again regressed in 2014-15.

The municipalities in Limpopo, the Northern Cape, North West and Free State were the main contributors to the regression, which was caused by challenges in attracting qualified officials, especially in rural municipalities; leadership taking action against CFOs due to allegations of financial misconduct; and in some instances the resignation of CFOs because municipalities were placed under administration.

The average number of months that the CFOs had been in their position improved year on year. By 2014-15, CFOs of 84 (31%) municipalities had been in the position for three years or longer. This is a significant improvement compared to 52 (19%) in 2012-13.

Figure 5 indicates that those municipalities with stability in their CFO positions produced better financial statements or audit outcomes (based on the outcomes).

Figure 5: Chief financial officers – average number of months in position (per audit outcome)

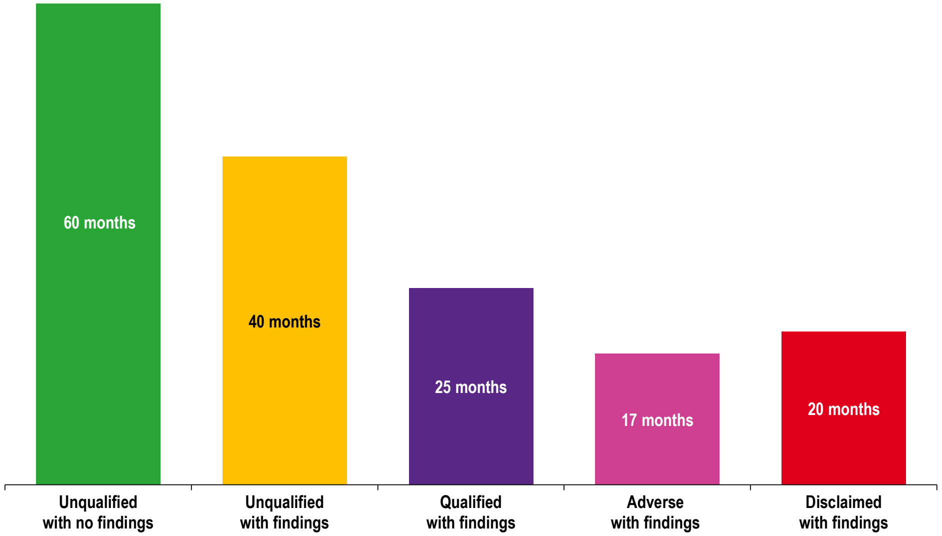


Figure 6: Head of supply chain management units – vacancy and stability

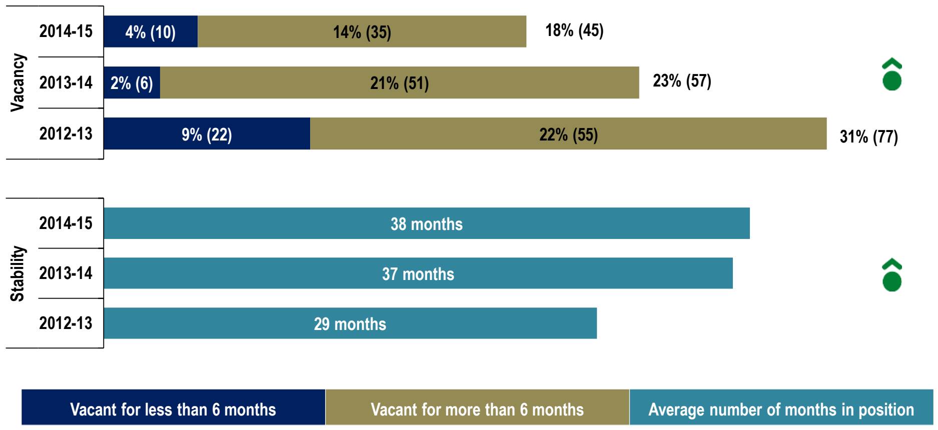


Figure 6 shows that the vacancy rate for heads of SCM units at municipalities had improved over the three-year period, with a slight improvement in 2014-15. The improvement can be attributed to municipalities' efforts to reduce irregular expenditure by filling these positions. However, in 2014-15, 20 municipalities did not have a dedicated position for this role, with the work being performed mostly by the CFO.

The average number of months that the heads of SCM units had been in their position improved year on year. By 2014-15 heads of SCM units at 82 (30%) municipalities had been in the position for three years or longer - a significant improvement compared to 51 (19%) in 2012-13.

The **minimum competency levels** of accounting officers, CFOs, senior managers, SCM officials and other finance officials are prescribed by the *Municipal regulations on minimum competency levels* issued by the National Treasury on 15 June 2007. These regulations define the minimum competency levels, taking into account the size and scope of municipalities, and cover proficiency in competency areas, higher education qualifications and work-related experience.

The regulations provided for a phasing-in period for staff currently in those positions to obtain the minimum competency levels through academic studies and experience and by addressing any gaps in competencies through training and development. The phasing-in period ended on 1 January 2013 and, as per the regulations, municipal managers, CFOs, heads of SCM units, senior managers, SCM staff and other finance officials who failed to meet the minimum competency levels may not continue to fill the positions, which had an impact on the continued employment of these officials. The National Treasury gave municipalities an opportunity until September 2012 to apply for an 18-month extension (until 1 July 2014) to enforce the regulations, as a special merit case, based on the circumstances of the municipality. In March 2014, the National Treasury granted municipalities a further extension until 30 September 2015 to adhere to the regulations.

The information on the competencies of key officials that follows is based on municipalities' own assessment of the achievement of the competency requirements by their key officials.

Figure 7 below provides a three-year overview of the number of municipalities where key officials failed to meet the prescribed minimum competency requirements at year-end. It also shows the number of municipalities where the officials' competencies were not assessed by the auditee, as required by legislation, or where we could not obtain evidence of a competency assessment.

Figure 7: Achievement of competency requirements for key officials

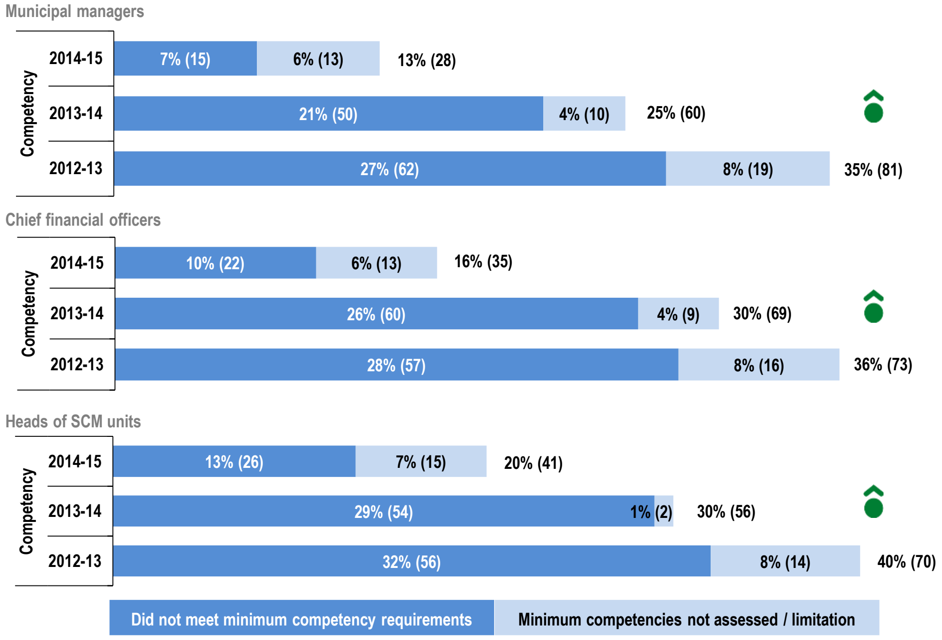


Figure 7 indicates that there has been an improvement in the number of key officials with the required competency since 2012-13. Only a few officials in these positions were still not at the required level or had not been assessed.

The reasons for improvement are mainly the appointment of officials with the required minimum competency (in adherence to the legislation) and monitoring and intervention by the national and provincial treasuries to ensure compliance.

5.3 Effective use of consultants

In 2014-15, local government spent an estimated R3 372 million on consultancy services, which were intellectual or advisory in nature. The amount was spent in the following areas:

- Financial reporting services – R892 million
- Preparation of performance information – R43 million
- IT services – R615 million
- Other services – R1 822 million.

This includes R135 million paid by the provincial treasuries and departments of cooperative governance on behalf of municipalities for financial reporting services (R134 million) and the preparation of performance information (R1 million).

Financial reporting services

Figure 1 shows the cost of consultants used for financial reporting services since 2010-11. The figure indicates the amounts paid by other institutions since 2013-14 when we started collating this information.

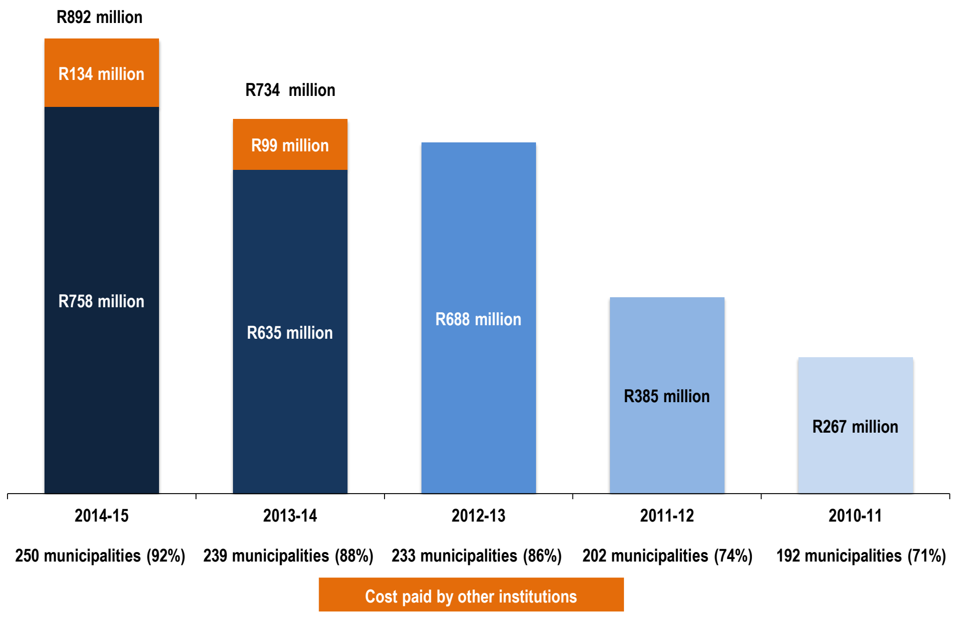


Figure 1: Cost of consultants used for financial reporting over five years

The number of municipalities assisted by consultants and the cost thereof had increased significantly since 2010-11, also with an increase in 2014-15. Municipalities in all the provinces increasingly relied on the services provided by consultants to address a skills gap and/or vacancies in the finance department.

Although the number of municipalities that used consultants increased in all the provinces over the five-year period, the increase since 2010-11 was most prevalent in Gauteng, KwaZulu-Natal, Limpopo and Mpumalanga.

Of the 250 municipalities assisted in 2014-15, 232 (93%) had also used consultants in 2013-14, while 141 municipalities (56%) have been assisted by consultants since 2010-11.

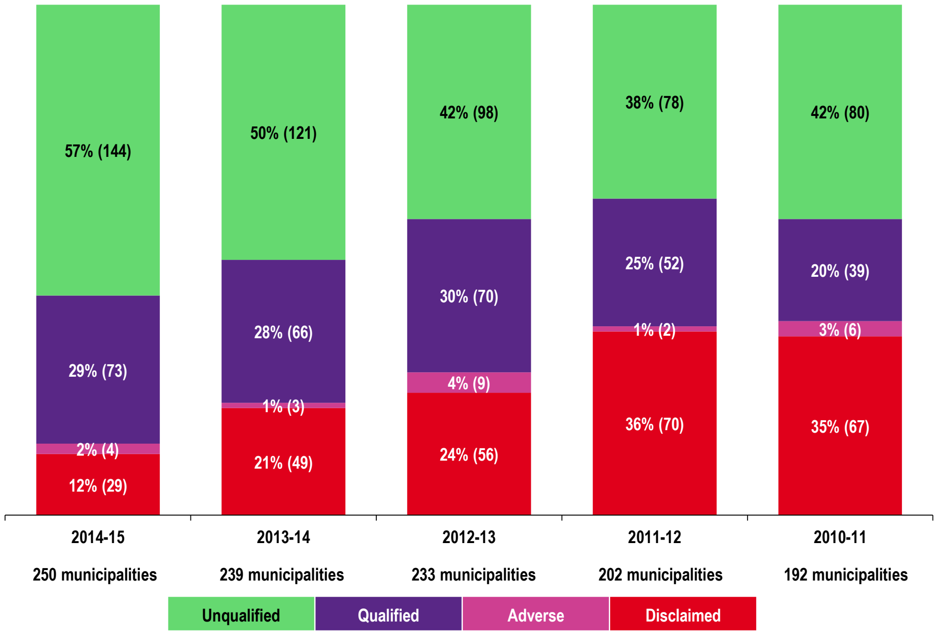
The significant increase in the use of consultants (and the cost thereof) in 2012-13 was in response to poor audit outcomes and the vacancies and inexperience of officials in key positions in the post-election year (2011-12).

In the years thereafter, municipalities, provincial treasuries and CoGTA as well as administrators (where appointed) continued to make use of consultants in an attempt to improve the audit opinions on financial statements, focusing mostly on the prior year qualification areas and fixed asset registers.

The increased cost can be attributed to consultants increasingly being appointed to clean up the accounting records before preparation of the financial statements. As a result, the average cost per municipality has more than doubled since 2010-11 - from R1,4 million to R3,5 million.

The audit outcomes of municipalities assisted by consultants since 2010-11 are reflected in figure 2.

Figure 2: Audit outcomes of municipalities assisted by consultants – financial reporting



The audit opinions on the financial statements of the municipalities assisted by consultants improved since 2010-11, with a slight regression in 2011-12, which is consistent with the audit outcome trend. A slight improvement was also noted in 2014-15.

Of the 33 municipalities that received an adverse or disclaimed audit opinion in 2014-15, 58% have also been using consultants since 2010-11 and 91% since 2012-13.

In 2014-15 the audit opinions of 66 (68%) assisted municipalities remained unchanged, with 25 (26%) improving and six (6%) regressing.

The audit opinion on the financial statements cannot always be attributed to consultants as they might not have done work in the specific areas that led to the poor audit opinion. In 2013-14 we reported that at 118 municipalities (49%) the consultants were doing work specifically in the areas that were qualified.

In 2014-15 we changed our approach and instead considered whether the financial statements submitted for auditing included material misstatements in the areas for which consultants were responsible. We found that at 105 municipalities (42%), the financial statements submitted for auditing included material misstatements in the areas in which consultants did work, which meant the misstatements were identified and corrected by the audit process and not by the consultant. This remains a concern regarding the effective use of these

consultants.

Since 2012-13, when we started gathering information on the reasons for the financial reporting consultants being ineffective at some municipalities, the following reasons were identified:

- Auditee ineffectiveness – 50 municipalities (30%) (2012-13: 13 [11%])
- Lack of records and documents – 32 municipalities (20%) (2012-13: 65 [53%])
- Poor project management – 30 municipalities (19%) (2012-13: 19 [16%])
- Poor delivery by consultants – 28 municipalities (17%) (2012-13: 13 [11%])
- Consultants appointed too late – 22 municipalities (14%) (2012-13: 12 [10%]).

Our audit of the management of consultants described below provided further insight into the reasons for ineffective use of consultants.

Management of consultants

We identified weaknesses in the management of consultants at 177 (68%) of the municipalities that used consultancy services (not limited to financial reporting services).

This is a slight regression compared to 169 municipalities (66%) in 2013-14, but an improvement compared to the 183 (73%) in 2012-13 when we started auditing management practices.

Figure 3 shows the number of municipalities that had findings in the different focus areas of the audit of consultants since 2012-13.

Figure 3: Findings arising from the audit on the use of consultants at 260 municipalities (2013-14: 258; 2012-13: 251)

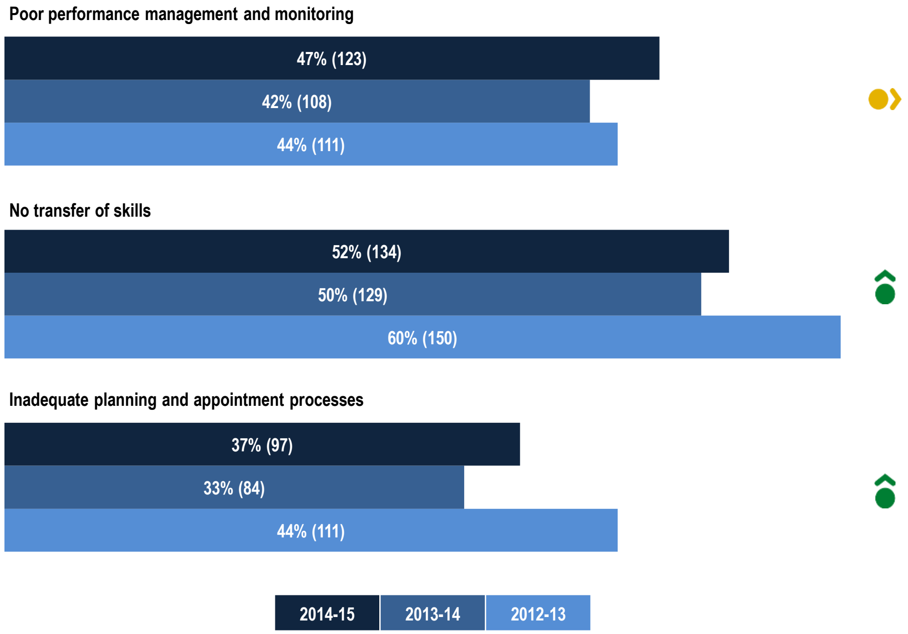


Figure 3 reflects an improvement since 2012-13 in the planning and appointment processes of consultants and the management of transfer of skills, but there was a slight increase in the number of municipalities with findings on consultant performance management and monitoring processes. In all three areas there were slight regressions in 2014-15, mostly attributed to a refinement of our audit approach which allowed for deeper insights into the practices at municipalities.

The following were our key findings on **performance management and monitoring**:

- The measures to monitor contract performance and delivery were not defined and/or implemented – 93 municipalities (36%) (2013-14: 84 [33%])
- The measures to monitor delivery on the consultancy project were inadequate as they failed to detect underperformance by consultants – 43 municipalities (17%) (2013-14: 69 [27%])
- No evaluation was performed to determine whether the consultancy services rendered met the initial project objectives, needs and deliverables – 48 municipalities (18%) (2013-14: Not audited)
- The work of the consultants was monitored by staff members who were not sufficiently experienced/senior to ensure effective contract management – 33 municipalities (13%) (2013-14: Not audited).

The following were our key findings on the **transfer of skills:**

- The requirements for transfer of skills were not included in the terms of reference – 68 municipalities (26%) (2013-14: Not audited)
- Conditions or clauses relating to transfer of skills were not included in the contract – 85 municipalities (33%) (2013-14: 79 [31%])
- Transfer of skills was a requirement of the contract but no evidence could be provided that skills transfer or training had taken place – 106 municipalities (41%) (2013-14: 88 [34%])
- The employees to be trained were not identified or available to attend the training programme – 70 municipalities (27%) (2013-14: 51 [20%])
- The measures to monitor the transfer of skills in accordance with the contract were not implemented – 85 municipalities (33%) (2013-14: 85 [33%]).

The following were our key findings on **planning and appointment processes:**

- Consultants were appointed without conducting a needs assessment – 65 municipalities (25%) (2013-14: 52 [20%])
- Consultants were appointed without any terms of reference – 34 municipalities (13%) (2013-14: 28 [11%])
- The consultant was appointed for purposes that were not contained in the policy of the municipality for the appointment of consultants – 34 municipalities (13%) (2013-14: Not audited).

Mayors, councils as well as national and provincial role players should pay attention to the management of consultants to ensure that this expensive resource is procured economically and used effectively and efficiently.

5.4 Status of IT governance within local government

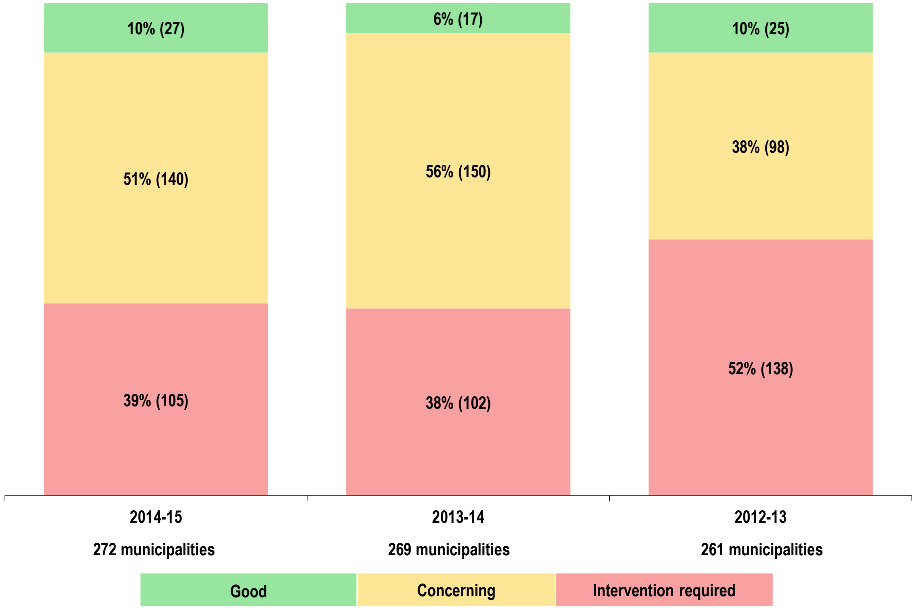
A government-wide IT governance framework was approved by the cabinet and, in response to a directive from the minister of CoGTA, a national coordinating and monitoring structure has been established to oversee information and communications technology (ICT) in the local government sphere. The purpose of this initiative is to develop implementation requirements and a guideline specific to local government to structure the establishment of an IT governance framework. Key stakeholders in the local government sector form part of this ICT coordinating and monitoring structure.

This IT governance framework was approved during the 2014-15 financial year to be implemented as from the 2015-16 financial year following a three-phased approach. Phase 1 is due for implementation by the end of the 2016-17 financial year. In the 2017-18 and 2018-19 financial years, the municipal managers and governance champions will prioritise the implementation of phase 2, while phase 3 will address continuous improvement as ICT delivery assessments are required on an ongoing basis to identify gaps between what is expected and what was realised. When fully implemented, the IT governance framework should have a positive impact on the functioning of the IT control environment and service delivery in the public service domain. However, the lack of an IT governance framework may result in municipalities not having adequate governance structures to align the delivery of ICT services with their IDPs and strategic goals.

Overview of the status of IT focus areas

Figure 1 indicates that we had assessed IT controls at 272 municipalities and found that the number of municipalities that required intervention had decreased significantly from 2012-13 (52%) to 2014-15 (39%). The majority of municipalities have been assessed since 2012-13 due to an increase in the need to use an IT expert as part of the audit team as IT technologies were emerging at a tremendous pace.

Figure 1: Status of IT controls



Our audit included an assessment of the IT controls in the areas of security management, user access management and IT service continuity. Figure 2 outlines the status of the controls in the areas we audited and indicates, per focus area, whether the IT controls are good, concerning or require intervention. A slight improvement was noticed over three years in all focus areas; however, there has been a significant decrease over the same period in the number of municipalities where intervention is required, which indicates that municipalities are moving in the right direction.

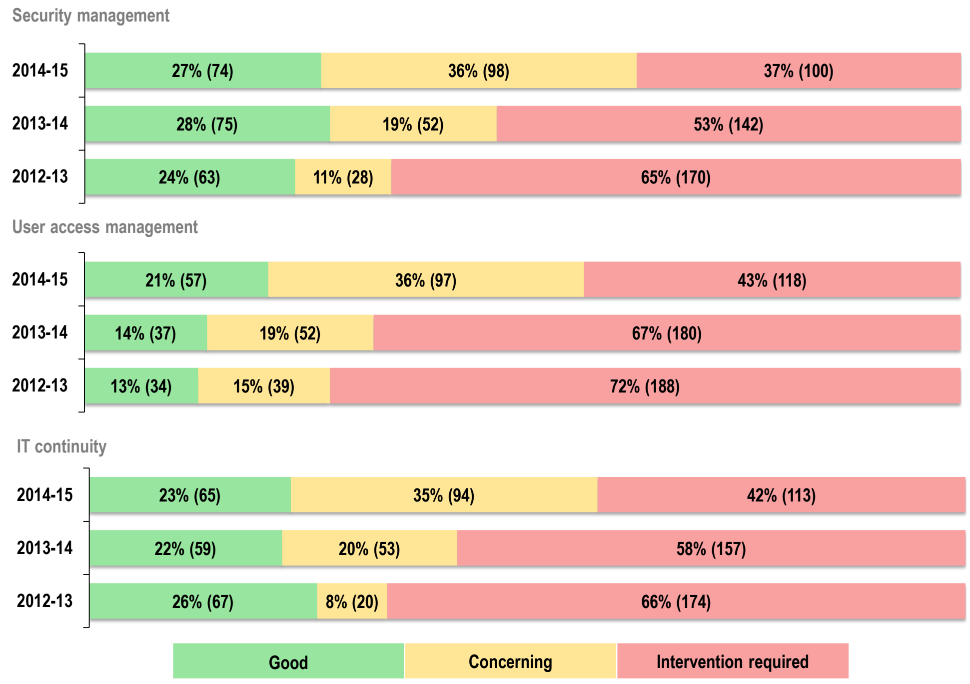
The most common findings were the following:

- Most of the municipalities still experienced challenges emanating from a lack of adequately designed security policies and procedures, while some municipalities that had already designed adequate security policies and procedures had not succeeded in implementing them successfully. This contributed to weaknesses, such as password and firewall parameter settings not being effectively configured; outdated anti-virus software; and patch management not being implemented and maintained.
- The design of user access management policies and procedures remained a challenge at most of the municipalities, while some municipalities where user access management policies and procedures

had been developed experienced difficulty in implementing them. This contributed to weaknesses, such as administrator activities and user access rights not being reviewed to ensure that they were in line with their job descriptions, and failure to maintain segregation of duties.

- Most of the municipalities experienced challenges with the design and implementation of appropriate disaster recovery plans (DRPs). The management of backups also remained a challenge, as most of the municipalities did not test their backups to ensure that they could be restored when required.

Figure 2: IT focus areas



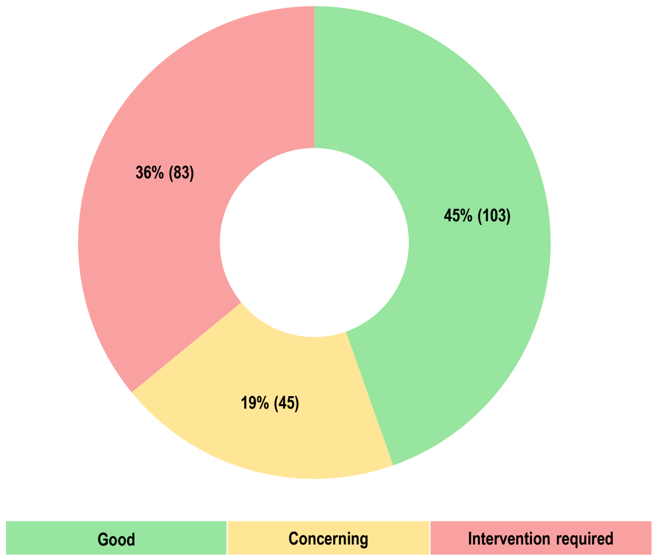
A lack of skills to design and implement appropriate controls for IT systems in order to regulate security management, user access management, IT service continuity and EFTs remained a challenge. This challenge was found to be exacerbated by the following factors:

- Municipalities experienced budget constraints, which limited the development of IT policies and procedures. In other instances, already developed IT policies and procedures were still awaiting approval from management and the council.
- Service level agreements with vendors did not include the management or development of IT policies and procedures.
- District municipalities did not provide adequate guidance and support to the local municipalities under their jurisdiction.
- Staff did not fulfil their responsibilities in terms of ensuring compliance with the controls established to secure and regulate municipalities' IT environments. Moreover, they were not held accountable for failing to address previously raised findings.

Evaluation of qualifications and experience of chief information officers / IT managers

Figure 3 illustrates that the qualifications and experience of chief information officers (CIOs) / IT managers at the majority of municipalities are of concern or require intervention.

Figure 3: Qualifications and experience – CIOs / IT managers



The municipalities where intervention was required in many instances did not have an approved position for this function on the organisational structure or had failed to fill the position. Municipalities made use of consultants to ensure that IT roles and responsibilities were fulfilled in such instances; however, the performance of consultants was not monitored closely. Furthermore, it was a concern that some positions were filled, but the CIO / IT manager did not have the appropriate qualification and/or years' experience required for the position. The above may have contributed to the areas of concern and where intervention is required on IT controls, as reflected in figure 2.

Forty-five per cent of municipalities employed CIOs / IT managers with the necessary qualifications and experience to implement the IT governance structures and controls and to ensure an improvement in IT controls.

IT support provided by coordinating departments

Coordinating departments play a pivotal role in capacitating and supporting municipalities, especially in respect of the implementation of mSCOA. The roles of each coordinating department interlink, but with a clear indication of the support to be provided.

CoGTA has established an ICT think-tank made up of officials from the National Treasury, CoGTA, State Information Technology Agency (Sita), Department of Public Service and Administration (DPSA) and the AGSA (as an observer). There was a recommendation that the Department of Telecommunication and Postal Services (DTPS) and Salga should be included. The draft terms of reference have been developed and had not yet been finalised. The structure was established to look at the current status of information and communication technologies and both human and systems capacity in local government. Furthermore, it was established to recommend norms and standards, as well as shared services, with the aim of creating a sustainable municipal ICT environment. However, there have been challenges with the functioning of the structure as no further meetings have been called since the last one held in October 2015.

The offices of the premier have initiated a process whereby municipalities are invited to attend the provincial government IT office (PGITO) meetings and are rolling out processes that will provide assistance to municipalities that are struggling with the implementation of IT controls.

The National Treasury issued guidance through MFMA SCOA circulars, and training initiatives were rolled out for mSCOA implementation. The provincial treasury is responsible for providing budgetary assistance to municipalities and for facilitating arrangements for mSCOA training sessions.

Table 1 indicates whether these coordinating departments and committees provided support to municipalities.

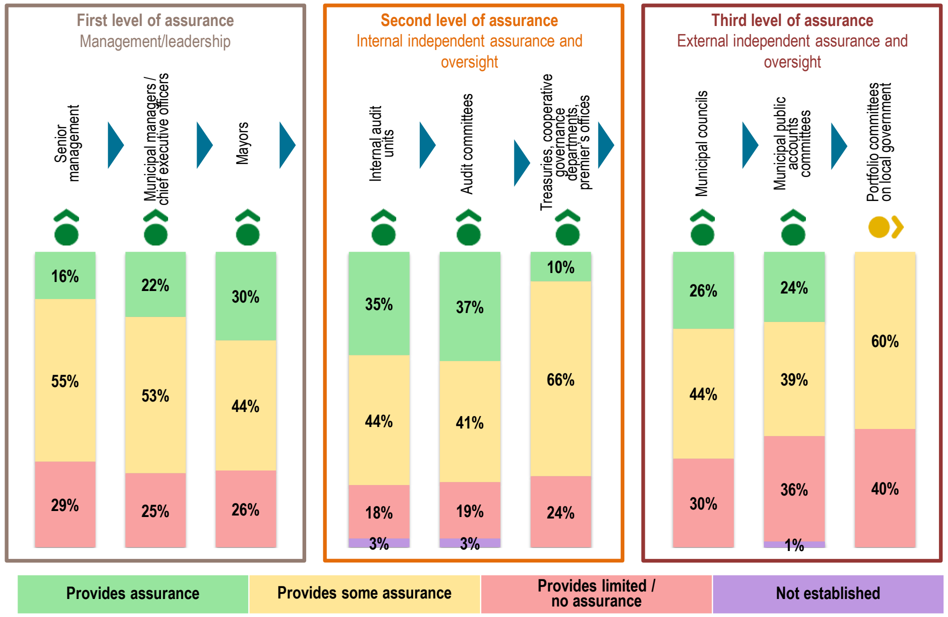
Table 1: Support provided to municipalities

Province	CoGTA	Provincial treasury	Premier's office
Eastern Cape	Yes	No	No
Free State	Yes	No	No
Gauteng	No	No	No
KwaZulu-Natal	Yes	Yes	No
Limpopo	Yes	No	No
Mpumalanga	Yes	Yes	Yes
Northern Cape	Yes	No	Yes
North West	No	No	Yes
Western Cape	Yes	No	No

5.5 Initiatives and impact of key role players on audit outcomes

Figure 1 shows our assessment in 2014-15 of the assurance provided by the management/leadership of municipalities and those that provide independent assurance and oversight. The arrows show the movement in assurance levels since 2011-12 when we started with the assessments. We determined the movements, taking into account either increases in 'providing assurance' or reductions in 'providing limited or no assurance'.

Figure 1: Assurance provided by key role players



The assurance provided by these key role players has improved since 2011-12.

An overview of the level of assurance provided by the role players and important initiatives in 2014-15 is provided in the rest of this section. See section 11 for further detail.

Senior management

Senior management at 84% of the municipalities did not provide the required level of assurance in 2014-15 – an improvement compared to the 87% and 89% of previous year and since 2011-12 respectively. The number of municipalities where senior management is providing limited or no assurance has decreased significantly.

Municipal managers

The assurance provided by municipal managers has improved over the past four years, but municipal managers at 78% (2013-14: 79% and 2011-12: 84%) of municipalities still did not provide the required level of assurance by 2014-15.

Mayors

While having improved since 2011-12, mayors did not yet provide the required level of assurance at 70% of the municipalities by 2014-15 – an improvement compared to 77% of the previous year. The improvement is evidenced by the overall status of leadership controls (as detailed in section 5.1). This is further supported by our assessment of the impact they had on audit outcomes as observed through our regular interactions with mayors and the commitments they had made to improve audit outcomes, not all of which were honoured.

Internal audit units

Internal audits units were in place at all but seven municipalities by 2014-15. Although only 35% of internal audit units provided full assurance, the proportion of those that provided limited or no assurance halved since 2011-12

At some municipalities, well-resourced and effective internal audit units have helped to improve internal controls and have had a positive impact on audit outcomes. We assessed that 48% of the internal audit units (2013-14: 45%) had a positive impact on audit outcomes. The main reason for the lack of positive impact was failure by management to address internal audit findings.

Audit committees

At 37% of the municipalities, audit committees provided full assurance, which is a significant improvement compared to 2011-12 (23%).

The audit committees of 58% of the municipalities had a positive impact on the audit outcomes (2013-14: 58%). The number of audit committees that interacted with the mayors and/or council has increased to 233 (89%) from 221 (85%) in 2013-14.

Municipal councils

The council can provide extensive assurance through its monitoring and oversight role. Although councils are becoming more aware of the important role they have in this regard, most were not functioning at the required level, with only 26% of the municipal councils providing the required level of assurance by 2014-15. This is an improvement compared to 2011-12 (15%).

Municipal public accounts committees and the Association of Public Accounts Committees

At 24% of the municipalities, the MPACs provided full assurance, which is a significant improvement since 2011-12 when only 9% provided full assurance. Only three municipalities failed to establish MPACs, compared to 28 in 2011-12.

MPACs have not demonstrated impact in holding the executive accountable. However, there are pockets of excellence where MPACs have managed to fulfil their primary role of confirming the credibility of the contents of the municipality's annual report for approval or rejection by council. These pockets of excellence are the result of leadership providing the necessary support to MPACs in executing their oversight responsibilities. The formation of provincial MPAC forums, facilitated by the Association of Public Accounts Committees (APAC), also provided a platform for MPAC members to share information, knowledge and experiences. These reinforced the ability of MPACs to collaborate in the co-creation of mechanisms in their oversight environment.

Some of the challenges that affect the work of MPACs are as follows:

- Unwillingness of the council to scrutinise the mayors' use of public resources
- Inadequate allocation of resources to MPACs (human, physical and financial resources)
- Lack of cooperation from administration (accounting officers)
- Failure to table submitted MPAC reports during council meetings
- Reshuffling of members or changes in municipal committees.

The AGSA participated in a national capacity-building roll-out of MPAC members, which was coordinated by APAC and funded by CoGTA. The programme concentrated on the following topics:

- How to exercise effective oversight
- Introducing strategic partners for oversight and execution of mandates, roles and functions
- Sharing insights on challenges that other jurisdictions experienced and how these were best dealt with.

Portfolio committees on local government and the National Council of Provinces

In 2014-15, only 60% of the portfolio committees provided some assurance. This remained at the same level as in 2011-12, although a regression to 40% was noted in 2012-13.

The National Council of Provinces (NCoP) has a constitutional mandate to represent provinces in Parliament. It therefore serves as a forum where provincial interests are raised and debated at national level. For the period under review, the NCoP undertook various initiatives to provide assurance on its role as an oversight body responsible for local government. The select committees on CoGTA and Finance were the main drivers of the oversight initiatives undertaken by the NCoP in the local sphere of government.

Select committee on CoGTA

The committee focused its oversight engagements on municipalities that were subject to interventions in terms of sections 139 and 154 of the Constitution. The committee conducted hearings at the following municipalities:

- Makana (Eastern Cape)
- Ventersdorp (North West)
- Tswaing (North West)
- UMkhanyakude district (KwaZulu-Natal)
- Oudtshoorn (Western Cape).

The committee`s focus was on seeking clarity on the challenges faced by the above municipalities in areas raised by the AGSA in the 2013-14 financial year. The committee demonstrated a high level of understanding of the issues that derailed the progress of the above municipalities, mainly in respect of following issues:

- Revenue collection
- Improving supply chain management
- Improving the functioning of human resources within departments
- Improvement in the audit outcomes
- Implementation the financial recovery plans
- Non-functionality of audit committees
- Lack of disciplinary measures against officials
- Lack of appropriately skilled employees for key functions of the municipality, such as the CFO.

Select committee on Finance

As part of its five-year oversight plan, the select committee on Finance undertook various oversight initiatives based on the findings contained in the AGSA's 2013-14 MFMA general report. The committee had interactions with the minister of CoGTA and various provincial departmental heads to get an update on the implementation of the back-to-basics programme in all provinces.

Through these interactions, the committee was able to gauge the progress made by municipalities in ensuring oversight in the local sphere.

While they are commended for taking these institution-wide initiatives, the value-add and impact of the oversight within local government remained a serious concern:

- Most of the initiatives proposed have not tangibly led to positive changes in governance and financial management within the local government sphere
- The NCoP has not been able to produce reports with actionable outcomes to enable tracking by provinces and local government in the long term.

The lack of central coordination and tracking of some of the NCoP initiatives weakens the NCoP's ability to have the desired impact, thus delaying the progress of municipalities in taking corrective action.

Treasuries, offices of the premier and departments of cooperative governance (coordinating/monitoring departments)

The Constitution stipulates that national and provincial government must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers, and to perform their duties. The MFMA further requires national and provincial government to assist municipalities in building capacity to support efficient, effective and transparent financial management. Both the MFMA and the MSA define the responsibilities for monitoring financial and performance management.

The departments with specific coordinating and monitoring responsibilities are the provincial treasuries, National Treasury, the offices of the premier and the departments of cooperative governance. We assessed the impact of these departments on the controls of the municipalities based on interactions with them, commitments given and honoured by them, and the impact of their actions and initiatives. We also look at the role of the Department of Planning, Monitoring and Evaluation (DPME) and Salga, although we did not assess them as assurance providers.

The MTSF for the 2014-19 period defines the overall outcome for local government (outcome 9) as 'a responsive, accountable, effective and efficient developmental local government system'. The following sub-outcomes were developed to address the constraints in local government and achieve this vision:

- Members of society have sustainable and reliable **access to basic services**.
- Strengthening of intergovernmental and democratic governance arrangements for a **functional system of cooperative governance**
- Sound **financial and administrative management**
- Promotion of **social and economic development**
- Local public employment programmes expanded through the **community work programme**.

The MTSF emphasises that the implementation of these five sub-outcomes will require involvement and collaboration by various role players in national and provincial government in addition to the municipalities. These include CoGTA and the National Treasury as well as the provincial departments of cooperative governance, provincial treasuries and offices of the premier.

The minister of CoGTA launched the **back-to-basics** strategy in September 2014. The strategy supports and complements the achievement of the MTSF outcomes.

Our audits in 2014-15 assessed the extent to which the departments have implemented initiatives linked to the MTSF outcomes with the aim of realising a positive impact on service delivery and audit outcomes.

The assurance provided by the offices of the premier, treasuries and departments of cooperative governance, as well as commentary on their role in implementing the MTSF outcomes, is detailed below:

Offices of the premier

In terms of their mandate, the offices of the premier (OTPs) are responsible for specific coordinating functions and the provision of strategic direction within their respective provinces. While recognising the separation of powers, the OTPs play a critical role in ensuring that local government in their provinces operates as intended and ultimately delivers the required services to their citizens. They are, however, limited by the legislation that governs them as it is not explicit in defining their roles and responsibilities in terms of oversight. This lack of legislation also limits their ability to exercise effective oversight in a consistent manner.

OTPs have an important role to play in enabling both the political and administrative leadership to meet the goals set out in the MTSF by promoting and enabling sound intergovernmental relations and cooperative governance.

The assessment of assurance is based on actions taken and support provided by the OTPs towards the achievement of good governance and clean administration in the province, which is required to drive the objectives contained in the MTSF and back-to-basics strategy. There has been little improvement in the assurance levels since 2011-12.

Although there are functioning intergovernmental forums in all provinces, the actions arising from these forums that are required to improve performance are not implemented in a timely manner. The Western Cape OTP is providing the required level of assurance as it implemented the corporate governance and review outlook process that was developed by the Western Cape cabinet. Members of the executive council (MECs) monitored the implementation of this process and provided regular feedback at cabinet meetings.

There was also a lack of focus on municipalities because some OTPs concentrated more on the provinces. This slowed down progress made in assisting municipalities, which in turn may have resulted in the poor assessment. Ineffectively functioning intergovernmental forums and the lack of effective oversight also contributed to this slow progress.

Provincial treasuries and National Treasury

The assurance provided by the treasuries has improved over the past four years.

The Western Cape provincial treasury provided the level of assurance required from 2013-14, which had a positive impact on the credibility of the province’s financial statements and performance reports and its compliance with legislation. The remaining provincial treasuries were assessed as providing some assurance, including the provincial treasury in the Northern Cape which had improved since the previous year’s assessment. The National Treasury also improved in 2014-15 in providing the required level of assurance by strengthening its oversight functions to positively impact financial management in local government.

To facilitate the implementation of the MFMA, the National Treasury continued using various forums to assist in executing its mandate regarding financial management. These forums coordinate initiatives between national and provincial departments and conduct specific engagements with municipalities to promote compliance with the MFMA, to improve budgeting, accounting and reporting, and to address audit findings and capacity building. These initiatives complement efforts in the provinces.

The National Treasury also allocates a number of grants with a direct impact on local government. These include the integrated city development grant, the local government financial management grant, the neighbourhood development partnership grant and the infrastructure skills development grant.

Departments of cooperative governance and traditional affairs

The assurance provided by provincial departments of cooperative governance (DCoGs) has shown little improvement over the past four years. The minister for CoGTA is responsible for the delivery agreement on outcome 9: *A responsive, accountable, effective and efficient local government system*. To achieve the vision of an integrated, responsive and effective system of cooperative governance, DCoGs have identified seven strategic goals, of which strategic goal 6 is to ‘Monitor and evaluate the performance of provincial departments of local government and traditional councils’.

Furthermore, the DCoG has roles and responsibilities in terms of the 2014-2019 MTSF which aims to ensure policy coherence, alignment and coordination across government plans, as well as alignment with the budgeting processes for outcome 9.

We assessed that DCoGs did not provide the required level of assurance in the 2014-15 financial year as a number of the implemented initiatives, which were reported as having realised the positive impact on service delivery and audit outcomes as planned, could not always be corroborated. These initiatives included the following:

Implementation of the MTSF-linked initiatives

- The infrastructure development management system (IDMS) to assist in standardising public sector infrastructure delivery in the country had not been developed by March 2015 as required by the MTSF.
- Evidence that updates to the local government fiscal framework with regard to municipal financial sustainability had been discussed by the inter-departmental task team was not provided.
- National DCoG could not corroborate how it had followed up to ensure that recommendations provided to municipalities that had not complied with all the legislative requirements relating to municipal revenue, financial management and sustainability were implemented at municipal level.
- A response team was investigated to investigate root causes of service delivery protests in hotspots and to introduce remedial measures to stabilise council-community relations; however, evidence was not provided that remedial measures had been taken based on the intelligence gathered.
- National DCoG could not confirm that the anti-corruption technical working groups (ACTWGs) had been established/aligned and strengthened in all nine provinces and that all groups were functional to report on the key risk areas. Thus, the effectiveness of the ACTWGs to assist in the prevention and combatting of fraud and corruption in the municipalities could not be assessed.

- National DCoG had planned in its annual performance plan (APP) to develop, implement and monitor the 2013-14 local government audit response plan; however, this was not achieved.
- Community report-back meetings for improved communication on service delivery were not convened by councillors in the Eastern Cape, Gauteng, Mpumalanga and North West.
- Not all ward-level improvement plans were submitted for audit in the provincial departments of the Eastern Cape, Free State, Gauteng and North West to determine whether basic concerns had been included.
- Ward-level improvement plans have not been developed for all wards in the Eastern Cape, KwaZulu-Natal and Mpumalanga.

Implementation of the back-to-basics programme

The minister of CoGTA successfully launched its flagship support programme, namely the back-to-basics programme, in September 2014. This programme aims to ensure that all municipalities execute their basic responsibilities and functions without compromise. The programme is built on the following five pillars, which are aligned to the MTSF sub-outcomes:

- Putting people and their concerns first
- Supporting the delivery of municipal services of the right quality and standards
- Promoting good governance
- Ensuring sound financial management and accounting
- Building institutional capacity and administrative capability.

The following key initiatives regarding the development of the back-to-basics action plan also informed the assessment:

- A desktop review was performed by DCoG on all 278 municipalities by the end of March 2015 to determine whether they are able to get the basics right and perform their functions adequately. The municipalities were subsequently classified into three categories, namely those that are functioning well and getting the basics right (112 municipalities); those that are fairly functional with average performance and the potential to do well (86 municipalities); and those that are dysfunctional and require intervention (80 municipalities). The aim was to identify the interventions required to address the key challenges identified for each category.
- Although the back-to-basics multi-sectorial provincial task teams had been established, we could not assess these interventions due to a lack of records management by the department.
- MECs report to the ministers and members of the executive councils meeting on the implementation of the back-to-basics where challenges, the performance of municipalities in their province and requests for assistance are addressed. The department could not provide evidence that action plans were implemented to address the concerns that emanated from this process.
- The municipalities are supposed to submit monthly back-to-basics reports to the national DCoG. The department currently has a manual system in place and although the department indicated that 253 municipalities had responded at least once during the year, the target to have all municipalities responding throughout the year was not achieved due to the municipalities' lack of capacity, coordination and willingness to submit.
- A dashboard to facilitate meaningful monthly reporting was supposed to have been developed and implemented by the department during the year; however, the current link which is supposed to provide access to this dashboard report on the DCoG website is still under construction as a result of continued tailoring of the manual process that forms the basis for the dashboard. This was planned to be finalised by April 2016.
- The APPs of the national and provincial DCoGs were not aligned to the back-to-basics plan for the 2014-15 financial year due to the launch of the programme in September 2014. This resulted in the initial focus being placed on awareness campaigns and implementation of key initiatives of the back-to-basics action plan not being adequately tracked for that year.

We also assessed the implementation of the specific back-to-basics pillars, contained in the APP as follows:

Putting people first

- We could not confirm that 1 654 ward operational plans had been developed and implemented in municipal wards.
- No evidence could be provided that systems with linkages to the presidential hotline for sourcing community concerns and feedback to communities were developed at all Mpumalanga municipalities (with a total of 402 wards).

Delivering basic services

- Special intervention meetings were held with municipalities that were spending less than 80% of the MIG, also resulting in a reduction in the number of municipalities that were spending less than 51% according to the department. We could not substantiate these interventions and noted that the focus was still on spending rather than on ensuring that the spending was in line with the intended purpose.

- DCoG already had a MIG management information reporting system in place but it was not effectively used by the municipalities for capturing MIG project-related information such as progress and spending against budget, and was deemed not be sufficient to cater for the back-to-basics service delivery reporting requirements. This resulted in the department not having accurate, reliable and complete information to conduct assessments on MIG spending and progress on the implementation of projects. The MIG performance monitoring and reporting system was subsequently developed and required only consultation with provinces prior to the implementation thereof.
- Forty municipalities were assisted in putting mechanisms in place to provide free basic services, resulting in high-level recommendations and actions being agreed upon with each municipality for implementation. These were still in the process of being implemented.

Good governance

- A central database was established during the year for all disciplinary and dismissal cases and more than 2 600 cases were captured. The database will serve as a central repository to enable municipalities to have access to staff who had been or are still subject to disciplinary action or dismissal.
- Although ethics training was conducted for 34 ethics committees during the 2013-14 financial year, this initiative was halted to focus on the review of the local government anti-corruption strategy for the current year. This strategy is in the process of being implemented.

Sound financial management

- A support programme to strengthen the functionality of MPACs resulted in training that was conducted in March 2015 targeting four provinces, namely Gauteng, the Northern Cape, Mpumalanga and Free State. The impact of this intervention will be assessed during the next financial year.
- Six feasibility study reports on revenue enhancement, public-private partnerships and smart meter projects have been completed. However, the implementation and impact of these feasibility studies could not be assessed.
- Indigent policies and registers were reviewed and specific recommendations on the review and update, based on gaps identified, were packaged in guidelines for municipalities to implement; however, the implementation of this was not tracked and monitored.
- We could not determine how the national audit outcome response plan, which was developed to guide provinces and municipalities on the focus areas and quarterly deliverables in response to audit outcomes, was monitored and whether a report was produced for the 2014-15 financial year.

Building institutional capacity

- A competency assessment centre was established within the department to oversee the implementation of the competency framework and assessment batteries, including operations in all provinces and municipalities. Although it is understood that the purpose of establishing the centre was to professionalise local government, the interventions and focus areas of the centre were not provided to assess its effectiveness.

Impact of other measures implemented by the Department of Cooperative Governance

Apart from the implementation of the back-to-basics programme and MTSF requirements, the DCoG had also planned to implement certain key initiatives in improving and supporting service delivery and financial administration in provincial and local government for the 2014-15 financial year.

- National DCoG was still in the process of reorganising their functions within the organisational structure to ensure alignment with the back-to-basics programme by the end of the 2014-15 financial year.
- The following units were also created to provide monitoring and oversight: Local government support and interventions management branch; performance monitoring unit; litigations and interventions unit; and a performance management unit. The effectiveness of these units will be assessed during the next year as they were only established during 2014-15.
- The inter-ministerial committee was established to address service delivery backlogs at provincial and national level. This committee is led by the minister of CoGTA and had been convened only once as at March 2015. Certain key resolutions, which focused on improving integration and coordination between the relevant stakeholders to facilitate the improvement of service delivery, were adopted by this committee and then implemented and tracked. The impact of these will be assessed during the next year.
- The national department continued to provide minimal support to the provinces despite having supported them through consultative workshops to develop and implement the support, monitoring and intervention plans and the performance management system.
- The terms and reference of the national municipal capacity coordination and monitoring committee were reviewed to ensure joint decision-making

on support and intervention. Actions and resolutions taken by the committee will be assessed for impact during the next year.

- The *Corporate governance of ICT framework* was developed and communicated to all municipalities for initial targeted implementation of phase 1 by 30 June 2014. The framework was then recalled for local government as it was not tailored to the municipal environment. The IT audit outcomes at municipal level for the 2014-15 financial year indicate that there was a risk that the targeted implementation date of 30 June 2017 might not be achieved as many of the municipalities had not completed the development of phase 1 requirements. Capacity challenges in the department's municipal support unit resulted in inadequate tracking, monitoring and evaluation of the implementation.
- Workshops were held with municipalities in Mpumalanga and Limpopo to assist them to comply with schedule 5 of the Local Government: Municipal Systems Act, namely to ensure that municipalities have functional systems/mechanisms in place for community feedback.

Some of these planned key initiatives were also not tracked and monitored as part of the performance reporting process due to the shift in focus to the implementation of the back-to-basics programme, resulting in them not being implemented during the year under review. This included the following:

- The monitoring and reporting system for local government was not designed and implemented by 31 March 2015 as per the planned targeted date. The project was put on hold first to assess all current electronic systems within the department and to cater for the back-to-basics reporting initiatives. The evaluation of the free basic services programme was also discontinued.
- The local government indicators for municipalities were not finalised by the planned targeted date of 31 March 2015 due to monthly reporting indicators for back-to-basics being prioritised and developed. It was noted, however, that only some of the municipalities reported monthly on the new process.
- Forty municipalities were monitored and assessed to determine whether they comply with the Municipal Property Rates Act (MPRA); however, the national DCoG could not demonstrate how it had guided the 29 non-compliant municipalities to implement the recommendations provided as there was no follow-up to ensure implementation at municipal level.

Municipal Infrastructure Support Agent

The Municipal Infrastructure Support Agent (MISA) was established in terms of the Public Service Act with the objective of rendering technical advice and support. The purpose was to enable municipalities to deliver and maintain infrastructure for service provision and to assist municipalities, especially low- and medium-capacity municipalities, to build their internal capacity for the sustainable provision of infrastructure and basic services in the long term.

MISA's programmes are still directly linked to two of the five pillars of the back-to-basics strategy, namely accelerating service delivery and facilitating sustainable infrastructure development and capacity building. Thus the focus remained on implementing initiatives in support of the back-to-basics plan, with a continued focus on supporting the improvement of municipal infrastructure spending and capacity development.

Impact of measures implemented by the Municipal Infrastructure Support Agent to support municipalities

MISA continued to face leadership and capacity challenges during 2014-15 as it only appointed a CEO as from 1 April 2015 and a CFO as from 1 February 2016 to address some of their leadership and capacity challenges. Lack of adequate tracking and monitoring of the performance of the consultants deployed to municipalities further contributed to the entity's failure to achieve its mandate.

The entity continued to identify municipalities that require technical support to plan, deliver, operate or maintain infrastructure. It also deployed technical consultants to assist municipalities with service delivery backlogs and provided support to municipalities in implementing revenue enhancement strategies.

MISA continued its efforts to create capacity through the deployment of section 28 apprentices and water process controllers to municipalities; by assisting municipal officials through training for trade testing as artisans; by awarding bursaries for studies in technical professions; and by ensuring in-service training for ultimate absorption into local government.

Municipalities were further supported to reduce infrastructure and service delivery backlogs in water, sanitation and electricity provision; enhance the functioning of project management units; and improve the financial performance of infrastructure grants.

There has been minimal improvement in MISA's achievement of its intended support targets since the prior year. This was due to its support interventions still not being clearly defined in its strategic planning documents and technical indicator descriptions. The initiatives could therefore not be measured to enable the reliable and complete reporting of achievements.

The specific governance/oversight/monitoring responsibilities of national DCoG were assessed for the financial year under review with the focus on determining whether the following initiatives as per the MTSF were implemented:

- *Basic services:* Determining whether the sector had implemented the relevant monitoring and support initiatives to manage and coordinate the intergovernmental system to ensure sustainable and reliable access to basic services.
- *Governance:* Determining whether the sector had supported municipalities to strengthen their capacity for deliberative public participation through improved consultation, communication and feedback mechanisms, as planned per MTSF chapter 9, sub-outcome 2.
- *Financial and administrative management:* Determining whether the sector had monitored and supported municipalities with regard to sound financial and administration management, as planned per MTSF outcome 9, sub-outcome 3.

Recommendations

In order for the **national DCoG** to enhance its level of oversight and support provided, it must focus on the following areas:

- Finalise the restructuring of functions in order to ensure that there is enough capacity to continue implementing, tracking and monitoring the back-to-basics and other MTSF initiatives.
- Although the APPs of the sector and the national and provincial DCoGs for the 2015-16 financial year were not fully aligned to the back-to-basics plan, they should fully align their strategic planning documents with the back-to-basics programme to ensure that the initiatives and interventions set out in this programme are adequately implemented, tracked and monitored. Furthermore, these strategic planning documents should be crafted in a manner that will allow for the sector to measure the impact of its initiatives, instead of measuring output.
- Continue to improve coordination and alignment between national DCoG and the provincial DCoGs to ensure a coordinated and aligned process of implementing key initiatives such as the back-to-basics plan by including this initiative in all APPs.
- National DCoGs must ensure that the key actions as per the MTSF are implemented as failure to do so could adversely impact on the level of support they are providing in improving service delivery:
    - Expedite the development of the IDMS to ensure that an integrated monitoring system is established for tracking the implementation of the pipeline of projects
    - Maintain adequate evidence to support actual achievements against the required MTSF and back-to-basics actions
    - Follow up on recommendations provided to municipalities that did not comply with the MPRA to ensure that recommendations are indeed implemented at municipal level
    - All 278 municipalities' audit action plans should be assessed annually to ensure that all AGSA findings have been adequately addressed
    - ACTWGs should be established and functional in all nine provinces so that they can report on the key risk areas and address such on a quarterly basis.
- Continue with the implementation and monitoring of the back-to-basics programme and lead the coordination and enforcement of good practices of the different role players of local government. The focus should be on implementing the initiatives with the aim of achieving impact in the different areas of service delivery at the end of the MTSF period.
- An action plan with proper milestones should be developed and implemented to track and monitor the implementation of the local government ICT framework. The department's municipal support unit must be capacitated and adequately geared to facilitate this process.
- Although leadership instability has now been addressed through the appointment of a CEO and CFO, MISA must improve on the crafting of its strategic planning documents by including indicators and targets that clearly articulate the intended level of performance in providing support. This will allow the entity to measure and report on its performance in an accurate, complete and reliable manner. These indicators and targets must also be crafted in a manner that will measure positive impact of their interventions at the end of the term of these planned interventions.
- MISA must also implement proper tracking and monitoring systems and processes that will enable it to conduct regular assessments of the performance of consultants and its initiatives in order to measure the impact thereof.

In order for the **treasuries** to enhance their level of oversight and support provided, it must focus on the following areas:

- The National Treasury must remain committed to sustaining and refining its supervisory functions over financial management in local government.
- The centralisation of procurement by government is a current initiative flowing from the Office of the Chief Procurement Officer (OCPO) at the National Treasury. The development of the e-tendering platform by the OCPO must be adequately tracked and monitored to ensure timely

roll-out to local government and a positive impact in strengthening SCM controls, seeking to achieve better value for money in the government procurement system and mitigating financial mismanagement and errors.

In order for the **offices of the premier** to enhance their level of oversight and support provided, they must focus on the following areas:

- Strengthen intergovernmental relations to ensure that all public institutions that play a role in providing services to citizens within local government are adequately coordinated.
- Capacitate their intergovernmental forums to ensure adequate oversight of the coordination of assistance provided to the local government sphere by the provincial coordinating departments (DCoG, OTPs and treasuries). In addition, the OTPs should ensure that actions arising from the intergovernmental forum meetings are implemented timeously.
- OTPs should further consider standardising those practices that have worked in improving service delivery and ultimately the lives of citizens.
- The coordinating departments must continue implementing the MTSF-linked initiatives and actions plans. Planned initiatives that could not be implemented in the year under review must be implemented timeously to ensure that adequate focus can be placed on the next action. The focus should be on ensuring that these initiatives are implemented in a meaningful manner, which will result in a positive impact on service delivery and the audit outcomes.

Department of Planning, Monitoring and Evaluation

One of the DPME's primary mandates is to monitor the performance of individual national and provincial government departments and municipalities.

In 2014-15, the DPME started to monitor and evaluate municipalities in the following ways:

- The local government management improvement model (LGMIM) and assessment was approved by the director-general by the end of September 2014. The LGMIM is a model that is used to measure and benchmark the institutional performance of municipalities across six key performance areas which are critical for improving service delivery and productivity in municipalities.

  The six key performance areas are as follows:

  - Integrated planning and implementation
  - Management of service delivery
  - Human resource management
  - Financial management
  - Community engagement
  - Governance.
- LGMIM scorecards were produced by 31 March 2015 for 29 municipal assessment tool (MAT) assessments performed by municipalities on a voluntary basis.
- One LGMIM progress report was produced and submitted to the implementation forum by 31 March 2015 for outcome 9.

The initiatives for 2015-16 included the following:

- To refine the LGMIM based on the lessons learned during the 2014-15 assessment year
- To produce 20 LGMIM scorecards based on MAT assessments performed by municipalities on a voluntary basis
- To submit one LGMIM progress report to the implementation forum for outcome 9 by July 2016.

The MAT assessment was intended to empower municipalities by providing senior managers with a coherent, integrated and holistic picture of the quality of management and operational practices in selected key performance areas. This is to enable the management team to become aware of where weaknesses exist and take appropriate steps to address the performance gaps. An action plan must be developed, with the office of the municipal manager being expected to monitor implementation of such improvement plans and report such to the provincial DCoGs. Currently the MAT assessment is only performed on a voluntary basis and is limited to the DPME’s budget and capacity at a select few municipalities, thus having no impact on the improvement of audit outcomes.

It is recommended that the DPME:

- undertake the selection of municipalities jointly with the provinces and ensure that municipalities fully understand what is required of them when they agree to participate
- play a more hands-on role in providing technical support and guidance to municipalities during the self-assessment phase, and involve the province in this process to create a learning environment for municipalities and provincial departments alike
- ensure that in future provincial departments are knowledgeable about the time, effort and resources required to implement the initiative to allow for proper resource allocation in their APPs
- increase internal capacity to be able to conduct more MAT assessments.

South African Local Government Association

Salga's mandate does not include monitoring and overseeing local government with regard to audit-related matters and therefore they do not provide assurance. Salga has, however, launched initiatives aimed at supporting local government to improve audit outcomes.

Salga is working on this together with National Treasury and CoGTA as part of the budget forum technical working group. This multi-year process is aimed at developing processes that municipalities should follow when they encounter underfunding and unfunded mandates and assist with alternative funding proposals.

Salga launched its MASP on 31 July 2014. The programme aims to support all municipalities with poor audit outcomes so that they can improve, but with a specific focus on those municipalities that received disclaimed and adverse opinions and whose audits had not been finalised by the legislated deadline. These are classified as 'red zone' municipalities.

In terms of the MASP, Salga aims to influence the improvement of the audit outcomes of municipalities while maintaining a strategic balance between a focus on audit outcomes and service delivery/institutional viability by concentrating on the root causes and main risks of poor audit outcomes identified by us. They base their support on a multi-disciplinary approach, focusing on the following four pillars which are aligned to CoGTA's back-to-basics initiative:

1. Institutional capacity
2. Financial management
3. Leadership
4. Governance.

Salga identified 60 'red zone' municipalities based on the AGSA's 2013-14 audit outcomes. Some of the MASP's reported highlights during Salga's 2015-16 financial year are as follows:

- Salga held workshops in seven provinces with provincial treasuries, provincial CoGTAs and OTPs with the aim of strengthening collaboration in the support of municipalities. These have led to a stronger working relationship between Salga and these other departments, which has also translated into more effective and efficient provision of support to identified municipalities in these provinces. The aim is to host similar workshops in all nine provinces during the 2016-17 financial year.
- Support plans were developed for all 60 municipalities in the 'red zone'. These were also shared with provincial treasuries and provincial CoGTAs to ensure collaboration in the support effort.
- Salga provided active, hands-on support to 43 'red zone' municipalities, eight of which progressed to better audit outcomes.
- Salga initiated an online support portal and finalised the proof of concept. The aim is to get the portal operational during the 2016-17 financial year.
- Workshops on records management were held in seven provinces in conjunction with the records management forum which is administered by the AGSA.

Salga's **new and ongoing initiatives** include the following:

- Establish a dedicated local government ICT unit to support municipalities comprehensively in IT governance.
- Workshops on revenue and debt management and councillor oversight capacity development were held in the provinces. Joint training is planned for councillors and senior management on financial management and compliance with regulations for Salga's 2016-17 financial year.
- The assessment of the implications of new reforms at local government, such as new accounting standards or legislation, with the intention of contributing to a comprehensive outcome study, is ongoing and will continue in the new financial year.
- An oversight conference for oversight bodies at local government on matters relating to governance and financial management as committed to in the previous year was rescheduled subsequent to the local government elections.
- In 2016-17 the focus will be on those municipalities that perennially receive disclaimed audit opinions, with special reference to asset management.
- Working closely with the OCPO to assist in communication and education around the procurement reforms.
- Communicate in a timely fashion to municipalities the impacts of the proposed new regulations or standards and also how to ensure readiness.

5.6 Conclusion

The main root causes of municipalities' continuing challenges with regard to financial management and service delivery management, as described in the preceding sections, are as follows:

Slow response in improving internal controls and addressing risk areas

Management (accounting officers and senior management), the political leadership (mayors and councils) as well as oversight (MPACs and portfolio committees) do not respond with the required urgency to our messages about addressing risks and improving internal controls. Our message and its delivery have been consistent for a number of years, but the slow response to this message and to the initiatives taken by national and provincial government is standing in the way of improvements in audit outcomes.

Instability or vacancies in key positions or key officials lacking appropriate competencies

There has been a general improvement in the vacancy levels and stability in key municipal positions and a definite move towards obtaining the minimum competency requirements for these positions. The high demand for consultants and support from national and provincial government, however, serve as evidence of a remaining competency gap and we continue to see the negative impact of instability and prolonged vacancies in these key positions on the audit outcomes.

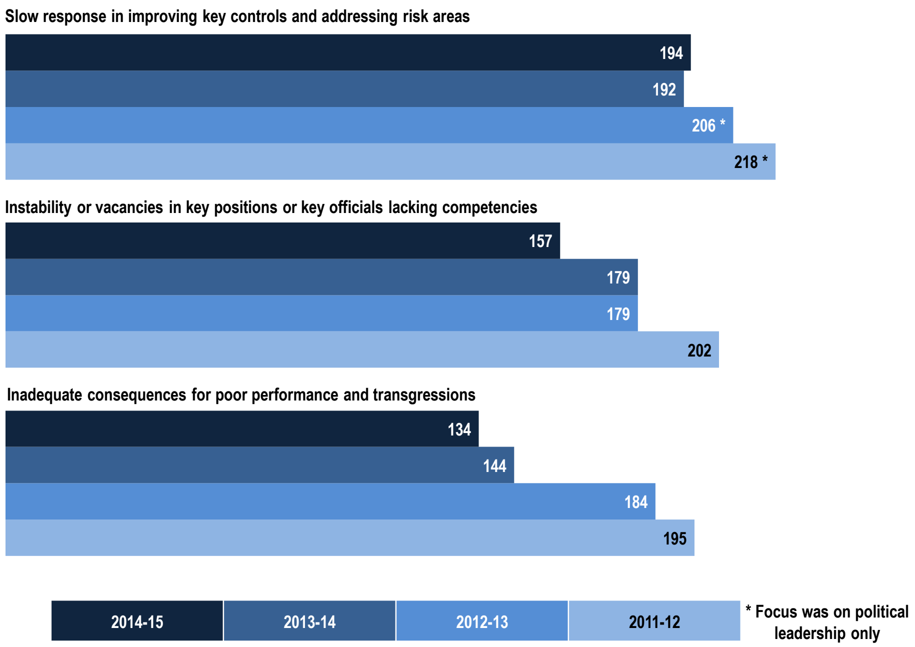
Inadequate consequences for poor performance and transgressions

The low level of action in response to the high levels of non-compliance, poor audit outcomes, SCM transgressions and unauthorised, irregular as well as fruitless and wasteful expenditure demonstrate a lack of consequences in local government for poor performance and transgressions.

In our view it is important that officials who deliberately or negligently ignore their duties and contravene legislation should be decisively dealt with through performance management and by enforcing the legislated consequences for transgressions. If they are not held accountable for their actions, the perception is created that such behaviour and its results are acceptable and tolerated.

Our message on these three root causes has remained constant since 2011-12. Figure 1 shows the progress made by municipalities in addressing these three root causes over this period.

Figure 1: Status of overall root causes



As illustrated in figure 1, there has been no improvement in the response to root causes over the past four years, while there has been a reduction in the municipalities where instability, vacancies, competency gaps and inadequate consequences were identified as the root causes of poor audit outcomes.

6

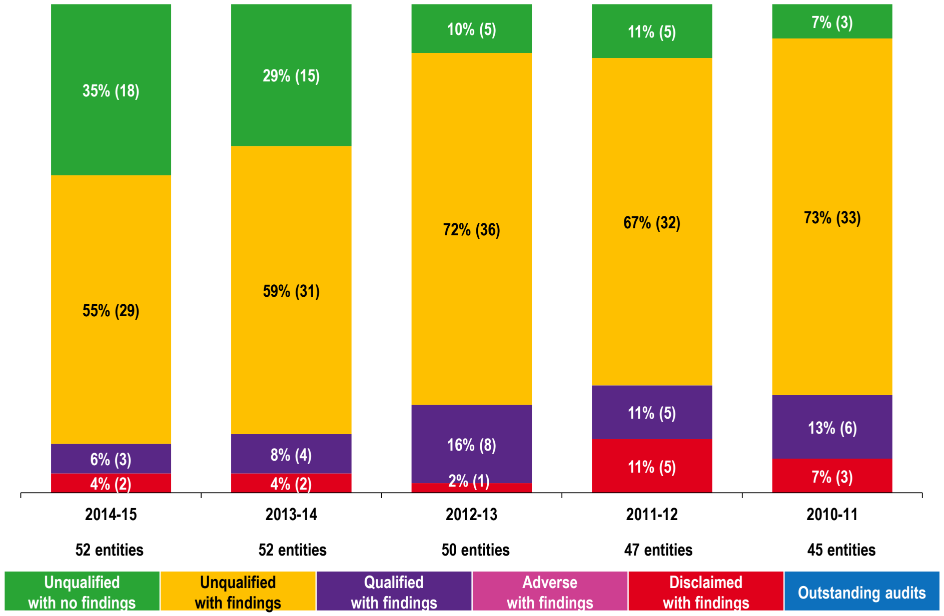
Municipal entities

6. Municipal entities

Local government includes 52 municipal entities. The number of entities has decreased to 52 from 57 in 2013-14 due to the closure of one entity in the Western Cape and the exclusion from our analysis of four KwaZulu-Natal entities due to their relatively small sizes or low level of activity. The prior years' comparative figures in this section exclude these five entities.

Figure 1 depicts the audit outcomes of the 52 entities over five years.

Figure 1: Improvement in audit outcomes of entities

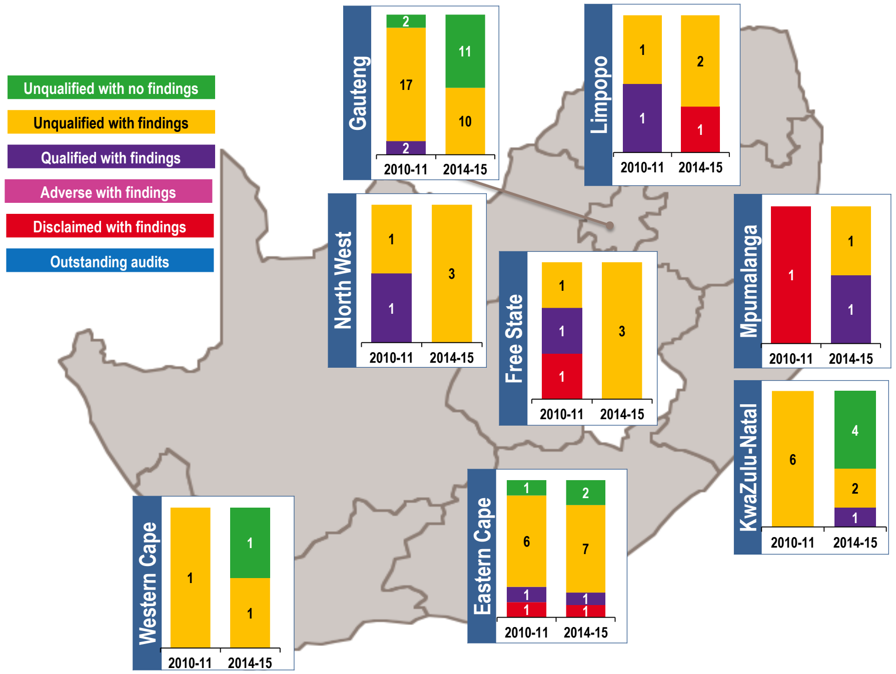


There has been an overall improvement in the **audit outcomes** of entities since 2010-11 and as from 2013-14. The number of entities with clean audit opinions has increased six-fold since 2010-11.

Over the five-year period the audit outcomes of 46% entities have improved, 6% have regressed and 35% remained unchanged (29% remaining in the 'with findings' category).

Figure 2 shows the provincial audit outcomes of entities for 2010-11 compared to 2014-15.

Figure 2: Provincial audit outcomes over five years



Audit of financial statements

The entities' financial statement submission rate has steadily improved over the five-year period from 87% (39 entities) in 2010-11 to 100% in 2014-15. Audit opinions on financial statements have improved from 20% financially qualified in 20101-11 to 10% financially qualified in 2014-15. There was also a slight improvement in the quality of the annual financial statements submitted for audit - from 58% of the entities submitting financial statements in 2010-11 with material misstatements to 56% in 2014-15.

In 2014-15 the most common qualification areas were the financial statement items of expenditure, irregular expenditure and employee cost.

Compliance with key legislation

The improvement over the five-year period in the number of entities with no findings on compliance is encouraging – from only 6% in 2010-11 to 35% with no findings on compliance in 2014-15.

The most common compliance findings in the current year and the progress made in addressing these since 2010-11 are as follows:

- Quality of financial statements submitted – 29 entities (56%) (2010-11: 26 [58%])
- Prevention of irregular and fruitless and wasteful expenditure – 23 entities (44%) (2010-11: 24 [58%])
- Management of procurement and/or contracts – 19 entities (37%) (2010-11: 21 [47%])
- Strategic planning and performance management – 14 entities (27%) (2010-11: four [9%])
- Management of expenditure and payments – 13 entities (25%) (2010-11: nine [20%]).

The number of entities where we reported SCM findings has increased slightly from 64% in 2011-12 to 67% in 2014-15. The most common SCM areas in which entities had findings were uncompetitive or unfair procurement processes at 29 entities (2011-12: 26); inadequate contract management at seven entities (2011-12: six); and awards to other state officials at seven entities (2011-12: 10). Limitations in the planned scope of audit of awards were experienced at four entities (2011-12: seven).

Irregular expenditure incurred

There has been a significant increase of 53% (R114 million) since 2010-11 and 74% (R140 million) since the previous year. The main contributors (67%) to increased irregular expenditure in 2014-15 are Johannesburg Metropolitan Bus Services, East Rand Water CARE Company, Centlec and Pikitup Johannesburg. The significant increase that occurred in 2011-12 was as a result of the high irregular expenditure incurred by Pikitup Johannesburg – R572 million and Centlec – R345 million.

Findings on annual performance reports

Forty-eight entities (92%) had prepared their 2014-15 APRs. This is at similar level as in 2010-11.

There has been an overall increase since 2010-11 in the number of entities with no material findings on the quality of their APRs – improving from 49% in 2010-11 to 67% in 2014-15.

In total, 25 entities (52%) submitted APRs that contained no material misstatements - an improvement compared to 0% in 2010-11.

In 2014-15 the APR of one entity (2010-11: three) was not reliable, while two (2010-11: seven) were not useful and 10 (21%) (2010-11: seven) were neither reliable nor useful, indicating that further attention is required from those in charge of oversight and governance.

Status of entities’ financial health

There has been an improvement in the status of financial health of entities since the previous year (2014-15: 38% [20 entities]; 2013-14: 31% [16 entities]), but a regression since 2012-13 when 50% (25 entities) had a good financial health status. The overall regression can in part be attributed to the poor economic conditions prevailing in the country over the past several years, which is characterised by high consumer debt and debtor default.

Almost 19% of the entities had a going concern uncertainty in 2014-15. This is cause for concern, but represents an improvement compared to the 25% in the previous year as well as the 30% since 2012-13. The following financial health indicators have regressed since 2012-13:

- Debt-collection period of 90 days
- Entities’ current liability position (current liabilities exceeding their current assets)
- Deficit having been incurred for the year (expenses exceeding their revenue).

The continued improvement in the audit outcomes of entities is encouraging, but the leadership of the entities and parent municipalities should pay attention to their financial health, SCM practices and compliance with legislation.

7

Value-add audits

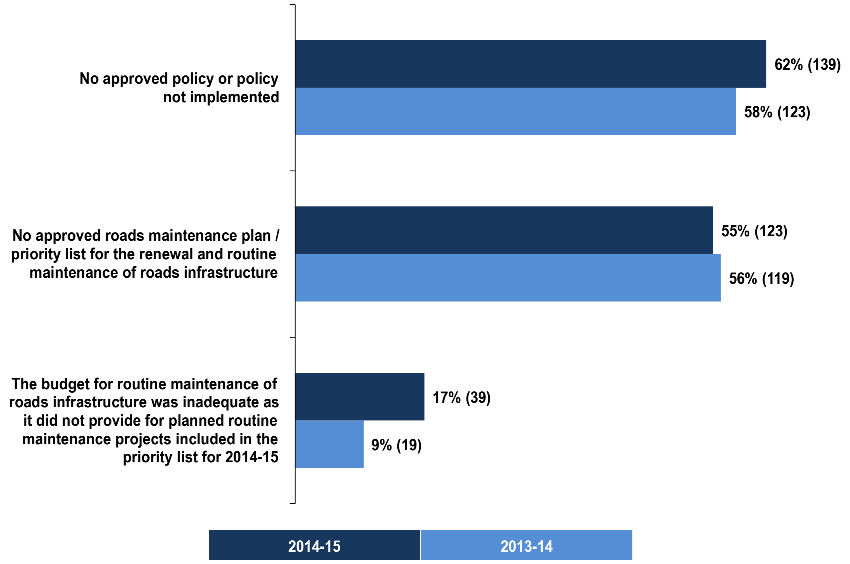
7. Road infrastructure

Adequate and properly maintained road infrastructure is considered a basic service and remains critically important for economic growth and development. South Africa has an estimated 750 000 kilometres of roads, of which 618 081 kilometres are proclaimed roads. National, provincial and local government share the responsibility for providing and maintaining these roads, the majority of which fall under local government jurisdiction. As such, local government has an important role to play in providing and properly maintaining road infrastructure under their control. As stated in the MTSF, the government has expanded access to basic services over the past 20 years, but backlogs remain and the quality of service is not the same everywhere.

In terms of the Constitution, the functions and powers relating to roads rest with those municipalities classified as roads authorities. The significance of road infrastructure for economic growth and development steered the AGSA to focus again road infrastructure for the 2014-15 financial year. The audit focused on the planning and budgeting for the maintenance of road infrastructure as well as delivery against these plans and budgets. We finalised the audits of 224 roads authorities nationwide.

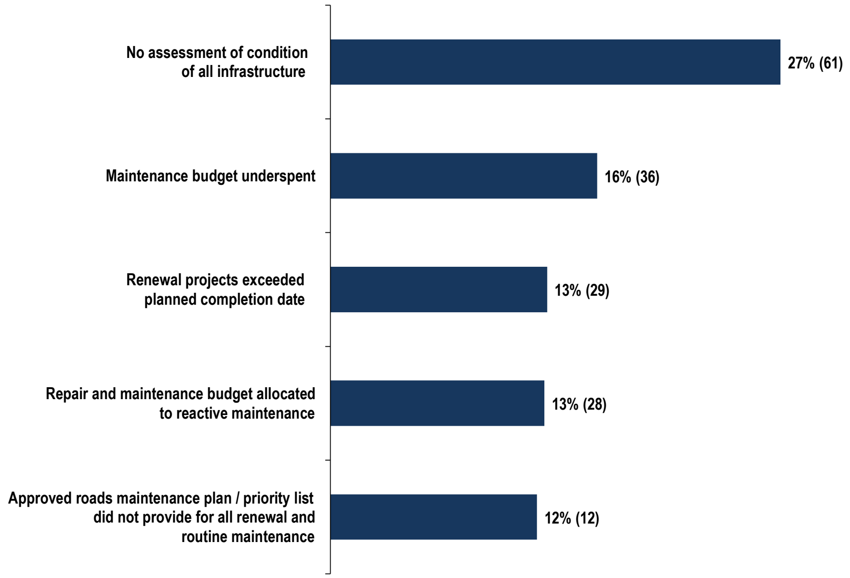
This is the third year that we executed procedures on road infrastructure. Municipalities were slow to address the audit findings raised in previous years, as indicated in figure 1. (The 2013-14 findings on the road maintenance plan were recalculated to ensure comparability with the 2014-15 reporting findings.)

Figure 1: Progress made in addressing findings previously raised



Our audit scope was expanded in 2014-15, which led to the additional findings as shown in figure 2.

Figure 2: Deficiencies at municipalities affecting the delivery of road infrastructure



Local government leadership must urgently attend to the following to ensure that government's objectives in relation to roads are achieved:

- A suitable road infrastructure policy is key to managing this asset successfully. At 62% of the municipalities such a policy was not in place or not implemented.
- Most municipalities did not have an approved road maintenance plan / priority list to inform the maintenance and rehabilitation/renewal of road infrastructure.
- Where municipalities had a road maintenance plan / priority list, it did not provide for the maintenance of all road infrastructure within the jurisdiction of the municipality. However, the condition of all road infrastructure was not assessed to inform the road maintenance plan / priority list.
- The budget for routine maintenance of road infrastructure was inadequate as it did not provide for planned routine maintenance projects included in the priority list for 2014-15. Instances were found where 100% of the repair and maintenance budget was allocated to reactive maintenance (repairs that are done when road infrastructure defects are identified). The maintenance budget was also not spent at some municipalities.
- In certain instances rehabilitation/renewal projects have missed the planned completion dates by up to 387 days.

Ultimately, the condition of roads directly affects road safety. It has an impact on all citizens and, as such, poor road conditions create challenges for many, with unnecessary time delays, increased transportation costs and reduced access to education, health care and social services.

The most common cause of the deterioration in paved roads is neglect. If road maintenance is delayed, the cost of repairs and rehabilitation/renewal increases exponentially. To sustain basic standards of living and economic activity in our towns and cities, the planning, implementation and maintenance of basic infrastructure such as roads are critical.

8 Recommendations

8. Recommendations

All role players in local government should continue to work together to strengthen the capacity, processes and controls of municipalities and municipal entities, which will enable credible financial and performance reporting, compliance with key legislation, sound financial management and delivery of services. The recommendations that follow are consistent with our messages for the past five years and are grouped according to the drivers of internal control:

Leadership

1. In order to improve and sustain audit outcomes, municipalities require **effective leadership** (political and administrative) that is based on a culture of honesty, ethical business practices and good governance, protecting and enhancing the interests of the auditee.

   The following are some of the key aspects that should be considered:

   - Implement formal codes of conduct and regularly communicate their existence and continued applicability to officials
   - Monitor key officials' performance regarding the maintenance of adequate systems of internal control that ensure credible monthly financial reporting, reliable reporting against predetermined objectives, and compliance with key legislation
   - Establish clear lines of accountability
   - Take corrective or disciplinary action against key officials for misconduct
   - Honour commitments made to the AGSA for interventions in response to audit outcomes.
2. Policies and procedures should be applied fully to enable municipalities to implement **consequence management** for officials who fail to comply with the applicable legislation, while appropriate and timely action must be taken against transgressors. A less tolerant approach should be followed by all parties, including those charged with governance and oversight, which will result in accountability being enforced and consequences instituted against those who intentionally fail to comply with legislation.
3. Council and municipal managers, with oversight from the provincial DCoGs should ensure **stability in key senior management positions** (also after elections) – specifically those of municipal manager, CFO and heads of SCM unit. The ability to attract and retain competent officials remains a major challenge in local government but is key to consistent performance and a strong control environment.
4. Continue with the programmes (through the National Treasury) and intensify the support provided by municipal leadership to ensure that key municipal officials reach the **minimum competency** levels as prescribed by the municipal regulations. Officials who had not reached the competency levels by 30 September 2015 should be appropriately dealt with in accordance with the regulations.
5. Council and municipal management of municipalities responsible for **roads infrastructure** should:
   - implement strict policies to ensure consistent maintenance and rehabilitation/renewal of existing roads
   - perform regular assessments of the condition of roads to plan and budget effectively
   - develop and implement infrastructure and maintenance plans that prioritise all roads
   - budget for repair and maintenance as per the prioritised need, focusing predominantly on planned rather than reactive maintenance
   - manage rehabilitation/renewal projects to ensure that they are delivered within the planned deadlines for completion.
6. Council should insist on **credible in-year reporting** on financial and service delivery performance. Internal audit can be of great assistance in checking the reliability of the information provided to council.
7. Municipal managers and senior managers should pay attention to the management of **consultants**, ensuring value for money through considered planning and appointment processes, monitoring of the performance of consultants and insisting on the transfer of skills, where appropriate.
8. DCoGs and the treasuries should provide support to municipalities in implementing and capacitating the **performance management and budgeting systems** to strengthen planning, budgeting, monitoring and reporting on service delivery objectives. The development of customised indicators for basic services will contribute greatly towards a uniform and structured approach to planning and reporting on the provision of basic services.

Financial and performance management

1. **Proper and timely record keeping** ensures that complete, relevant and accurate information is accessible and available to support financial and performance reporting. Sound record keeping will also enable senior management to hold staff accountable for their actions. A lack of documentation affected all areas of the audit outcomes, including SCM.

Senior managers should ensure proper record keeping so that records supporting financial and performance information as well as compliance with key legislation can be made available when required for audit purposes. They should also implement policies, procedures and monitoring mechanisms to manage records and make staff members aware of their responsibilities in this regard.

2. Controls should be in place to ensure that **transactions** are processed in an accurate, complete and timely manner, which in turn will reduce errors and omissions in financial and performance reports.

   Some of the matters requiring attention from senior management include the following:

   - Daily capturing of financial transactions, supervisory reviews of captured information and independent monthly reconciliation of key accounts.
   - Collect performance information at intervals appropriate for monitoring, set service delivery targets and milestones, and validate recorded information.
   - Confirm that legislative requirements and policies have been complied with before initiating transactions.

3. The municipal manager should ensure that municipalities have mechanisms to **identify applicable legislation** as well as changes to legislation; assess the requirements of legislation; and implement processes to ensure and monitor compliance with legislation. **Compliance checklists** should be implemented as a tool to supplement policies and procedures. These will enable officials, supervisors and monitoring units (e.g. internal audit units) to independently check whether all legislative requirements are met in the daily transactional, management as well as SCM processes.

4. **Regular reports** to management and governance structures on compliance with key legislation, specifically in the area of SCM, will also promote awareness of legislative requirements and ensure that management deals with compliance in a regular and structured manner.

5. The MTSF defines the implementation of **audit action plans** and the quarterly monitoring thereof by a coordinating structure in the province as key measures to support financial management and governance at municipalities. This is also echoed in CoGTA's back-to-basics strategy, which tasks local government with addressing post-audit action plans and the National Treasury, provincial treasuries and departments of cooperative governance with assessing the capacity of municipalities to develop and implement such plans.

   The matters requiring attention by municipal managers and senior manager include the following:

   - Devise action plans to specifically address the external and internal audit findings
   - Assign clear responsibility to specific staff members to carry out action plans and ensure that the responsibilities assigned are executed effectively and consistently through monitoring
   - Develop audit action plans early enough in the financial year to resolve matters by year-end
   - Ensure that audit action plans address all three areas of audit outcomes, namely qualifications, findings on APRs and non-compliance with legislation
   - Focus the actions to be taken on the root causes of findings, thereby ensuring that sustainable solutions are found.

6. Urgent and focused attention should be given to preparing for the **implementation of mSCOA** to ensure all implementation challenges are resolved by 1 July 2017. The guidance provided by National Treasury through MFMA SCOA circulars should be followed and use should be made of the training opportunities provided.

7. Municipal management should give focused attention to improving the **IT control environment.** The CIO / IT manager positions should be filled with appropriately qualified and experienced persons and the weaknesses in security management, user access management, IT continuity and control over EFTs should be addressed before the risks created by these weaknesses materialise. Continued efforts should be made towards implementing the IT governance framework. The provincial treasuries, OTPs and DCoGs should continue to improve and further improve the support provided to municipalities, especially with system changes that could be required as a result of the mSCOA implementation.

8. Reducing the cost of services provided is part of the solution for **improved municipal financial health** and we believe that more could be done with less if, among other cost-saving initiatives, a concerted effort is made to curtail the extent and costs of using external providers. The SCM process should be used effectively to procure goods and services from the best-qualified providers at the best price – and only if the need cannot be addressed internally or through other means (e.g. through the support provided by national and provincial government). The considerable financial resources and, therefore, strong negotiation powers possessed by local government as a collective, supported by national and provincial government, should also be considered and explored to reduce the cost of goods and services procured from the private sector, e.g. National Treasury procurement initiative through the OCPO.

9. The capacity and capability of local government **to plan, manage and report on service delivery** need urgent and increased attention from national and provincial government. **Project management** is required for infrastructure projects to succeed and municipalities should be guided and supported in a more focused manner in this regard.
10. Treasuries should intensify financial management and accounting **support** to municipalities and focus on sustainable solutions, such as training, guidance, standard operating procedures and knowledge-sharing forums.

Governance

Council, municipal managers and senior managers should implement the recommendations of internal audit units and audit committees and use the opportunity to interact with these bodies to assist in improving governance and control. Areas where these governance structures can jointly make significant contributions to the audit outcomes include the following:

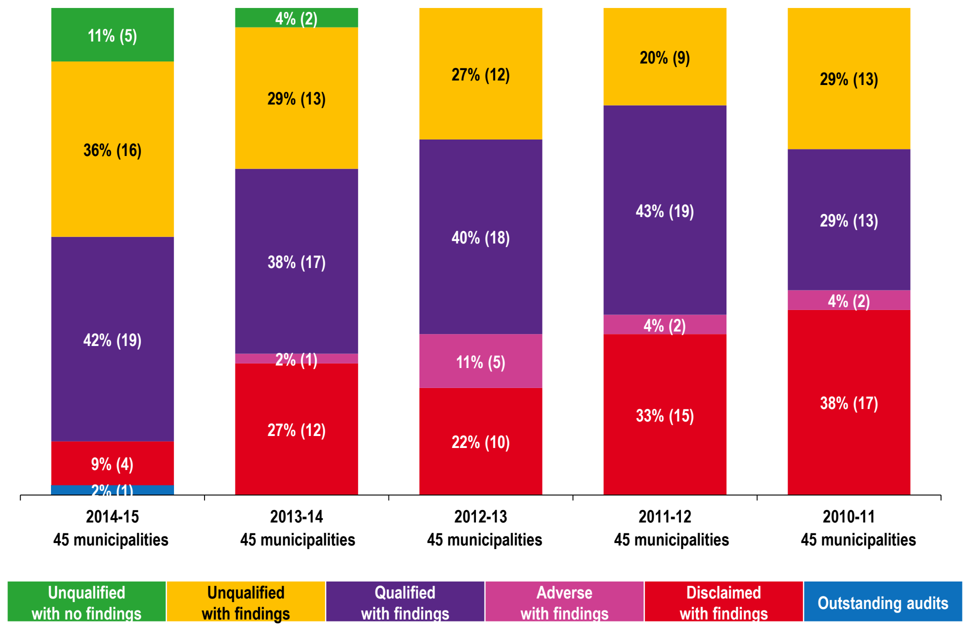
- Encourage senior management to submit regular financial and performance reports for audit committee review
- Assist with designing the audit action plan and monitor the implementation thereof
- Review financial statements and annual performance reports before submission for auditing to identify material misstatements

Monitor the appropriateness and timeliness of actions taken by management in instances of known transgressions by officials. Our detailed recommendations on strengthening the support of coordinating/monitoring departments are included in section 5.6.

9 Provincial overview

9.1 Eastern Cape

Five-year audit outcome



Annexure 1 lists all auditees with their current and prior year audit outcomes, while annexure 2 lists the audit outcomes for the past five years.

Eastern Cape's five-year overview

The Eastern Cape local government consists of 45 municipalities. The municipalities, which consist of two metropolitan municipalities, six district municipalities and 37 local municipalities, operated on a budget of R34,3 billion for 2014-15. The audit outcomes of Ikwezi municipality have not been included as its audit was still underway at the 31 January 2016 general report cut-off date.

The trend in audit outcomes over the last five years indicates that the province has been successful in dealing with disclaimed audit outcomes through enhanced record keeping. Disclaimed audit outcomes decreased by 76% over this period. Unqualified audits with findings improved by 23%, while clean audits increased from two to five in the last two years.

The municipalities in the Joe Gqabi district achieved the best audit outcomes in the province, with the Joe Gqabi district and Senqu municipality attaining clean audit status by focusing on internal controls, stability of leadership, skills and competencies, and adopting a leadership tone that supported good governance. This leadership tone included the enforcement of proper consequence management. The improvement in the district as a whole is due to the establishment of a district municipal public accounts forum that meets on a monthly basis and the allocation of key district personnel as audit committee members to the local municipalities in the district.

Although the audit outcomes of the municipalities in the Chris Hani, OR Tambo and Sarah Baartman districts have improved over time, the improvement was very slow and there are still municipalities in these districts that have not moved from disclaimed audit outcomes in the last five years. The municipalities in these districts should implement the best practices displayed in the Joe Gqabi district in order to ensure sustained improvements in audit outcomes.

The overall improved outcomes in the province over the five-year period are attributed to improved record management, closing the skills gap by using consultants, and secondments by the provincial treasury and CoGTA. The improvement is also due to implementation of the treasury's competency framework and auditees' response to audit recommendations. This was underpinned by the stability in political leadership driven by the premier and closer involvement of senior leadership during the audit process.

Having recognised the improved outcomes, we noted that weak internal controls and an indecisive leadership tone were still common at municipalities throughout the province. Basic financial management disciplines and adherence to good regular controls were still not in place. The underlying weak internal controls, coupled with weak IT controls, could expose municipalities to misappropriation of funds and unreliable financial and performance reporting.

Municipalities were still unable to set useful indicators and targets at the beginning of the year and report reliably on actual achievement against these targets at the end of the year, resulting in 86% of municipalities submitting annual performance reports that were of poor quality. The lack of controls in this area may give rise to the risk of the required services not being rendered; services delivered not being reported on; value for money not being achieved; service delivery targets not being monitored; and corrective action not implemented where actual achievement is behind schedule.

Municipalities still relied on the audit process to produce credible financial statements. As a result, the quality of 84% of the financial statements submitted for auditing was poor. The lack of basic financial disciplines had an impact on the credibility of the financial statements and in-year reporting on which critical management decisions are based.

While we recognise that municipalities use consultants as a resource to address their skills and competency gaps, the planning and monitoring of their use should be improved to curtail costs and derive optimal benefit from consultants. Notwithstanding the costs relating to the use of consultants increasing from R44,7 million in 2010-11 to R160,6 million in 2014-15, the quality and reliability of financial statements and performance reports did not meet the set criteria and standards. There is a risk that these costs will continue escalating if the required skills and competencies are not acquired and institutionalised.

The lack of competencies and skills in the finance and technical departments also contributed to the municipalities' failure to optimise their liquidity through maximising their own revenue potential. Stronger discipline is needed in local government in the management of consumer debtors and monitoring of payments to suppliers in order to improve the financial health of municipalities. A significant portion of municipal revenue is not recovered, as evidenced by a general high percentage of provision for bad debts across the sphere of local government.

Closely linked to the weak control environments, is the lack of discipline relating to consequence management for poor performance and transgressions. A willingness to institute or finalise forensic investigations timeously is not evident. Furthermore, the skills and resources of oversight structures that are responsible for instituting investigations are often not adequate. In some cases, a lack of understanding of the requirements and/or how to effectively deal with investigations is evident, with investigations often not resulting in action being taken against individuals implicated in financial management transgressions.

This culture of tolerating non-compliance contributed to the findings on compliance with legislation, which have remained at high levels over the past five years. In particular, findings relating to the prevention of unauthorised, irregular and fruitless and wasteful expenditure, as well as procurement and contract management, indicate that consequences are not effectively enforced.

The leadership is not setting an appropriate tone with regard to SCM transgressions and the related irregular expenditure, which averaged R3 billion over the five-year period and increased to R4,51 billion during 2012-13. Although some investigations were sanctioned, there was very little evidence that irregular expenditure was being recovered as required by the MFMA. The balance of irregular expenditure that has accumulated over the years and has not been investigated and dealt with as required by section 32 of the MFMA was R8 billion as at 30 June 2015. This expenditure was driven by widespread conflict of interest and non-adherence to SCM requirements. Associated with weaker controls within the SCM and procurement management environments, there is a heightened risk that value for money might not be achieved when goods and services are procured.

The systems and processes in local government to plan for, monitor and maintain road infrastructure remain a challenge. Failure to ensure that these projects are completed timeously and that adequate preventative maintenance plans are implemented resulted in service delivery delays and an increase in costs associated with reactive maintenance when infrastructure assets break down. This could also result in the province not achieving its set targets in terms of infrastructure delivery, which is a priority for the province.

The levels of assurance provided by senior management, municipal managers, mayors, audit committees and internal audit have improved slowly but steadily over the past five years. The improvement in the assurance provided was more pronounced in 2014-15, which correlates with the improved audit outcomes. The improved assurance provided by these assurance providers was due to targeted interventions, action plans and the use of consultants rather than sustained improvements to the control environments.

The key commitments made by the provincial leadership in response to the 2014-15 audit outcomes include properly orientating the newly elected councillors; the elimination of disclaimed audit outcomes; strengthening and capacitating the district monitoring committees; providing coordinated and intensified support to 16 municipalities; and further capacitating the municipal support unit in provincial treasury to provide training and support to municipal finance units. In addition, the speaker of the legislature undertook to intensify the speakers' forum activities and continually share, debate and enhance the oversight role at council level.

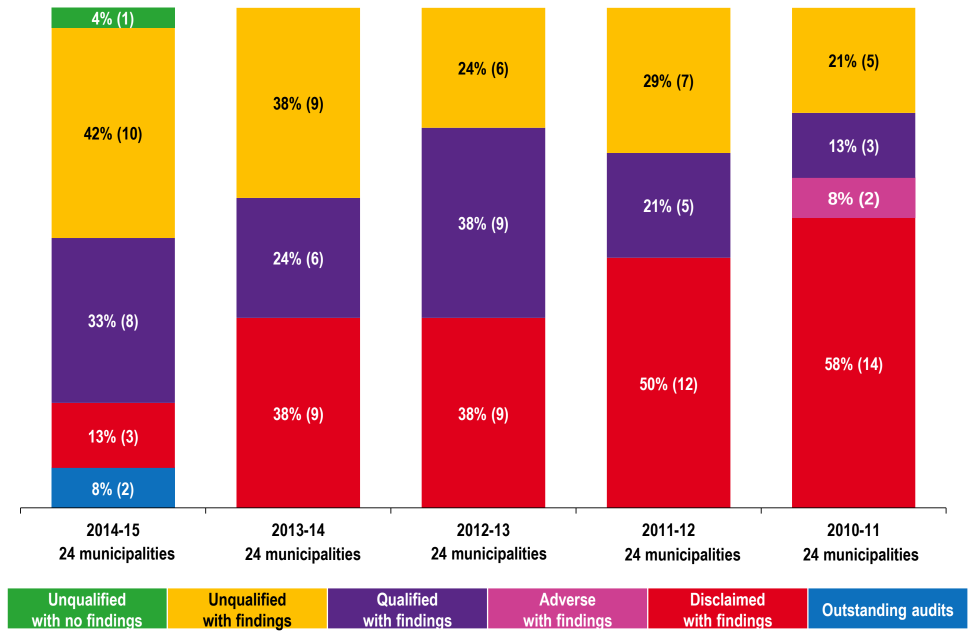
In line with the back-to-basics approach, all three spheres of government have an important role to play to ensure that municipalities function well. The following elements of the back-to-basics approach need special attention to create a sustainable way forward:

- Improve financial management and institute preventative controls: A culture of basic financial management disciplines and adherence to good controls should be enforced. This includes preparing reliable monthly and quarterly financial statements and performance reports that are supported by daily and monthly reconciliations to ensure that all transactions, balances and disclosures are accurately and completely recorded. Further, the councils should scrutinise all service delivery plans, regularly monitor in-year service delivery reports and take action where actual performance is below expectation. The provincial treasury and CoGTA should assist municipalities with the usefulness of their performance information by setting standard key performance indicators for basic services for inclusion in the SDBIPs of the local government sector.

- Implement performance management systems that enhance accountability and improve performance: This includes creating a culture of accountability with zero tolerance for poor performance and non-compliance. Particular attention should be paid to ensure that all unauthorised, irregular, and fruitless and wasteful expenditure is investigated; investigations are concluded timeously; funds are recovered where liability is proven; and consequences are sanctioned for undeclared conflicts of interest. It also includes putting proper performance management systems in place to ensure that each employee has an individual performance contract that defines what needs to be delivered. These performance contracts should be actively monitored on a regular basis and corrective action taken where necessary.
- Strengthen processes and systems relating to the delivery of infrastructure, including maintenance and repairs, to reduce losses with respect to key service delivery areas.
- Ensure that these outcomes are sustained and further improved: It is critical that vacant posts, particularly those of municipal manager and CFO, are filled urgently.

9.2 Free State

Five-year audit outcome



Annexure 1 lists all auditees with their current and prior year audit outcomes, while annexure 2 lists the audit outcomes for the past five years.

Free State's five-year overview

The overall audit outcomes over the past five years have been characterised by inadequate progress in the key control environment. This is a result of the leadership's slow response to recommendations and commitments, which reflects their failure to set an appropriate tone. Until the 2013-14 financial year, the provincial leadership had taken limited action to improve and address the root causes of audit findings. Instead, they had continued to spend significant amounts to appoint consultants for financial reporting, in the hope that this would fix the problem.

The 2014-15 financial year was a turning point that saw a noticeable reduction in the number of disclaimed audit opinions, from nine municipalities in 2013-14 to three. This improvement was as a result of the provincial leadership's decision to focus on providing the necessary assistance to the municipalities that had previously been disclaimed to improve their audit outcomes by giving attention to commitments made, especially on improving key controls over records management. The leadership needs to give more attention to the three municipalities whose audit opinions remained disclaimed. The audit results of two municipalities that had received disclaimed opinions in the previous year were outstanding at the cut-off date for this report. One of these has subsequently improved to an unqualified opinion with findings.

The provincial leadership committed to getting back to basics and ensuring a sound control environment, addressing the competency shortcomings of municipal managers and CFOs and implementing consequences for poor performance and transgressions. Although these commitments were not fully implemented, their progress contributed to improved audit outcomes in 2014-15. An audit intervention forum, chaired by the MEC for Finance was also established during the year to discuss transversal audit matters; intervene where required; facilitate a conclusion on unresolved outstanding matters; and provide the necessary political leadership during the audit process.

These practices were observed at Thabo Mofutsanyana District Municipality, which was the first municipality in the province to achieve a clean audit opinion. Municipal leadership and governance structures took ownership to address the weaknesses in the control environment, while the training of the CFO to deal with challenges in governance and financial management was prioritised. Detailed action plans, with clear milestones and responsible officials, were developed and monitored to address audit findings and risks identified through their own risk assessment processes. Robust monitoring and involvement by all assurance providers enabled consequence management.

Although the overall progress in the province was slow in the key control environment, there was a notable improvement in records management. The progress can be attributed to an increase in the assurance provided by leadership, senior management, the internal audit unit and audit committees. However, there are still serious weaknesses in daily and monthly controls that should be addressed. These weaknesses resulted in significant adjustments to the financial statements, the poor quality of reported performance information and material non-compliance, especially in the areas of SCM and budget management. Furthermore, ineffective oversight of IT systems and their controls contributed to stagnation in the area of information technology. If provincial leadership deviates from the interventions recommended by the audit intervention forum, progress will be derailed because the key controls will remain inadequate. This was mainly due to:

- the slow response by management at 86% of municipalities
- a lack of consequences for poor performance and transgressions at 64% of municipalities

- a lack of competencies, vacancies or instability in key positions and support staff at 59% of the municipalities.

As mentioned, the quality of financial management and control disciplines remained poor, as characterised by the number of material audit adjustments that were allowed to the financial statements submitted for audit at 95% of municipalities. Had these adjustments not been allowed, the entire province would have had qualified opinions except Thabo Mofutsanyana District Municipality. These adjustments were required although 72% of municipalities had appointed CFOs who met the minimum competency requirements. Considering that preparing financial statements and the underlying financial records is a core responsibility of a CFO, it was of concern that consultants were being used to discharge these functions, even where CFOs had been appointed.

The significant use of consultants over the past five years amounted to approximately R417 million as all municipalities made use of consultants in the area of financial reporting. The main reason for the prevalent use of consultants is a combination of a lack of skills and vacancies within finance units. The improvement in municipalities' records management and the leadership's interventions to ensure that information was provided on time assisted the consultants in their financial reporting processes, which in turn resulted in improved audit outcomes. Twenty municipalities (91%), however, still required material adjustments in areas that were within the consultants' scope of work as a result of consultants being appointed too late, poor project management and management's inadequate review of their work.

Although there has been an improvement in the area of reporting on performance information, only 23% of municipalities managed to produce credible and useful performance reports. The Thabo Mofutsanyane District Municipality avoided material findings by making corrections to its annual performance report in the 2014-15 and 2013-14 years. These corrections were needed mainly as a result of a vacancy in the position of head of strategic planning. Most municipalities did not focus on and attend to predetermined objectives as required, as was evident in the inadequate record management systems and the general lack of skills and shortage of staff to ensure that performance information was adequately planned and reported.

Very little progress was in terms of the number of municipalities with material findings on compliance with legislation over the period, although the number of findings per municipality had decreased. Material non-compliance with legislation was still evident at 95% of municipalities. Although compliance with SCM requirements improved slightly, this progress was very slow as material SCM findings were still prevalent at 86% of municipalities, resulting in irregular expenditure fluctuating between R675 million and R805 million per year over the past five years.

Compliance with SCM regulations and high levels of irregular expenditure remain high-risk areas due to the overall disregard of procurement processes and the limited consequences for these actions. Leadership did not take decisive steps to enforce zero tolerance for deviations from SCM processes. This created an environment conducive to the misappropriation and abuse of state funds despite the known levels of transgressions by management. Furthermore, a high number of vacancies in the head of SCM positions were still evident at 13 municipalities (59%) in 2014-15 and action should be taken to fill these positions. The essence of these matters gives rise to irregular expenditure and requires leadership to investigate further to ascertain the underlying causes of transgressions. This will enable appropriate action to prevent a recurrence or to hold accountable those who may be systematically circumventing controls.

Unauthorised expenditure continued to increase, from R1,3 billion in 2010-11 to R3,5 billion in 2014-15. Most unauthorised expenditure was caused by the incorrect estimation of non-cash items, which related mainly to depreciation and impairment of debtors. The main factors that gave rise to unauthorised expenditure were the lack of adequate budget processes, credible in-year reports and monitoring of expenditure during the year.

The growing level of unauthorised expenditure puts pressure on the province's severely constrained cash flow and is an indication that municipalities do not have adequate reserves to maintain and replace assets that reach the end of their useful life.

Municipalities' financial health continued to deteriorate, with 15 municipalities (68%) in a net current liability position (their current liabilities exceeded their current assets). Most municipalities faced severe cash flow constraints as their collection of fees for services rendered was poor, resulting in late payments to creditors and an infrastructure maintenance backlog of R1,9 billion. In total, municipalities were owed R9,8 billion by consumers for services, and only R3,1 billion of this amount was expected to be recovered. Payables has increased year on year, from R4,4 billion in the previous year to R6 billion in 2014-15, with Eskom being the largest creditor at R1,7 billion. In addition, interest on arrear creditor accounts resulted in a significant increase in fruitless and wasteful expenditure, from R95 million in 2010-11 to R321 million in 2014-15.

If poor debt collection, late payment of creditors, maintenance backlogs and poor budget processes are not addressed, these will continue to have a significantly negative impact on service delivery and the financial viability of municipalities, which will not have adequate cash reserves in future.

The audit outcomes of the three municipal entities have remained unchanged since the previous year. Each received an unqualified audit opinion with findings on performance information and compliance with legislation. Although two of these entities had improved from disclaimed opinions to unqualified audit opinions with findings over the past five years, all the municipal entities seem to stagnate at this level. This underlines their slow response in complying with legislation and reporting on performance information that is useful and reliable, which prevents them from attaining clean audit outcomes.

The province continues to face a challenge in building a public service characterised by transparent financial and performance reporting. Greater effort is needed to strengthen key controls so that all municipalities achieve clean audit opinions. At the heart of improved audit outcomes is a leadership tone that must inform the seriousness and urgency with which appropriate action plans and initiatives are implemented and monitored. The first level of assurance (senior management, municipal managers and mayors) should be further improved by ensuring that the leadership responds to our messages and implements monthly key controls and action plans on time. The premier and the MEC for CoGTA should play a more active role in matters affecting local government, as they were reliant on the initiatives taken by the MEC for Finance. The good efforts by the MEC for Finance should be intensified and applied consistently throughout the year. The portfolio committees should take over responsibility from the public accounts committees for the hearings on municipalities going forward.

9.3 Gauteng

Five-year audit outcomes

Annexure 1 lists all auditees with their current and prior year audit outcomes, while annexure 2 lists the audit outcomes for the past five years.

Gauteng's five-year overview

The audit outcomes of local government in Gauteng has improved significantly from 2010-11 to 2014-15. On reflection, the first municipality to achieve an unqualified outcome without material findings on compliance or predetermined objectives was Sedibeng district municipality in 2012-13. This number has since grown to four municipalities in 2014-15. The number of qualified municipalities has also decreased since 2010-11, from four to two.

The overall improvement in the audit outcomes can be attributed to a number of initiatives. The political leadership embraced the vision of clean audits and made good on their commitments, effectively working with the administrative leadership and holding them accountable. The administrative leadership, in turn, institutionalised internal controls and sound financial management disciplines, implemented action plans and audit recommendations, and monitored compliance as part of financial and performance management.

Improved assurance provided by all key role players, especially at the level of senior management, internal audit, the audit committee and the municipal council, contributed towards sustained and improved key controls, particularly those relating to financial and performance management and governance. Coordinating departments (provincial treasury, the provincial CoGTA and the premier's office) have been active in their support to drive clean administration and improved audit outcomes.

Although there were some improvements in the West Rand district, notably at the West Rand Development Agency, interventions and commitments still need to be intensified at Westonaria and Randfontein local municipalities. Focused attention is required for these two municipalities, which obtained adverse audit opinions due to inadequate accounting for assets as well as incomplete reporting of disclosure items such as irregular expenditure, to move out of the qualified space. These municipalities encountered a relapse due to a lack of basic accounting disciplines as well as instability and vacancies in key positions, thus the need for continuous intervention to stabilise the internal control environment. The best practices in place at Mogale City, as the only municipality in the West Rand district that received a clean audit opinion, should be shared and replicated across the region.

Encouragingly, all of Gauteng's 12 municipalities have consistently submitted annual financial statements timeously for purposes of external auditing. There has also been a marked improvement in the quality of the financial statements submitted for auditing. The number of municipalities at which the internal controls did not prevent, detect or correct material misstatements before the audit process decreased from 12 (100%) in 2010-11 to seven (58%) in 2014-15. This correlates with the overall improvement regarding vacancies, stability and the competency levels of municipal managers and CFOs at municipalities over the past three years. Strengthened and robust reviews of the financial statements by the administrative leadership and oversight structures further enhanced the quality of the financial statements submitted. Notwithstanding this improvement, certain municipalities still spent large amounts of money on consultants for financial reporting purposes in 2014-15, due to vacancies or a lack of skills. Therefore, while the output has improved, some municipalities still rely on consultants and the audit process to identify and correct errors in their financial statements.

Similarly, all 12 municipalities submitted annual performance reports on time throughout the five years. There has been an improvement in the quality of the performance reports submitted, as nine municipalities (75%) had material misstatements in 2014-15 compared to 12 (100%) in 2010-11. Also notable was a reduction in the number of municipalities with material findings on the usefulness and reliability of reported performance information (including compliance with the *Framework for managing programme performance information*) due to municipalities implementing recommendations for criteria to be SMART (in other words, specific, measurable, achievable, realistic and time bound) and management and oversight structures more rigorously focusing on and verifying reported achievements.

Overall, compliance outcomes have significantly improved over the past five years due to the improvement in the quality of the submitted financial statements and a reduction in auditees with material procurement and contract management findings. This was the result of auditees implementing recommendations relating to preventative controls, such as rigorous monitoring, approval of deviations, and identifying conflicts before awards were issued. These two main areas of non-compliance, together with poor expenditure management, pose the biggest obstacle to obtaining a clean audit outcome, and should be prioritised by the political leadership.

Irregular expenditure due to SCM non-compliance has decreased by approximately R400 million over the past five years (excluding an isolated contract at the City of Tshwane of close to R1 billion in 2014-15) because of the above-mentioned procurement controls implemented across Gauteng’s municipalities.

The state of financial health at municipal level has regressed over the past five years. This was because of revenue streams that have become strained due to the poor collection of revenue from consumers of municipal services. This is especially true for municipalities in the Sedibeng and West Rand districts, which have a poorer economic outlook. Considerable attention is needed here, especially in light of the urbanisation and infrastructure development and maintenance required within the province, which will place further strain on municipalities to deliver essential services to its citizens.

The overall assessment of the IT environment within Gauteng has improved. However, municipalities are still experiencing challenges with the implementation of designed controls in the areas of user access management, security management and IT service continuity controls. CIOs and accounting officers should prioritise monitoring of the implementation of policies and procedures for security and user access management. Furthermore, the disaster recovery plans for the province should be fully tested to ensure restoration during disasters.

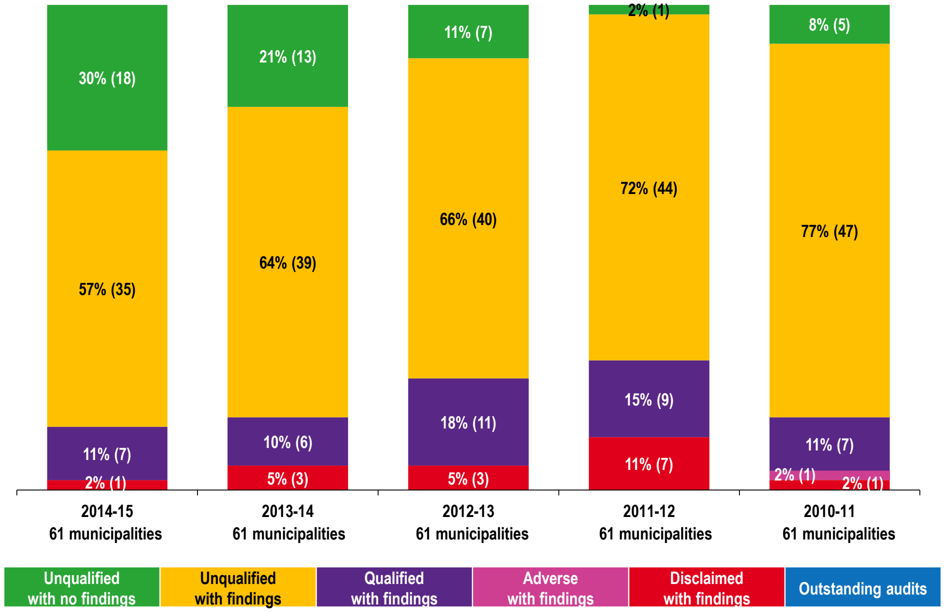
The audit outcomes of municipal entities have significantly improved from only two clean audits in 2010-11 (10%) to 11 (52%) in 2014-15. The City of Johannesburg has several entities with large budgets for the key basic services of water and sanitation, electricity and refuse. It is encouraging that over the last five years, two of these entities have improved from a qualified to an unqualified audit opinion. This was due to a stabilised and proactive administrative leadership as well as strengthened oversight by the parent municipality and governance structures.

To sustain the good outcomes and improve the poor ones, the root causes of weaknesses must be addressed at certain auditees. Although there has been an improvement in this regard over the past five years, there is still a slow response by management (weak operational plans) at some auditees, especially in relation to the implementation of action plans and responses to address deficiencies and findings, as well as a slow response by oversight structures and a lack of consequences for unsatisfactory performance and transgressions (ineffective investigations).

Gauteng remains largely on track and is moving in the right direction.
The political and administrative leadership should, however, safeguard against the notable risks identified above to ensure continued improvement in the audit outcomes. This can be achieved by maintaining stability within municipal environments and continuing to capacitate oversight structures.

9.4 KwaZulu-Natal

Five-year audit outcomes



Annexure 1 lists all auditees with their current and prior year audit outcomes, while annexure 2 lists the audit outcomes for the past five years.

KwaZulu-Natal's five-year overview

The KwaZulu-Natal local government audit outcomes reflect notable progress over the five years, with greater stability over the past three years (2012-15). During these three years, 22 auditees (36%) improved their results, 34 auditees (56%) remained stagnant and five (8%) regressed. It is commendable that 18 municipalities (30%) fall within the centre of excellence as they achieved clean audits in 2014-15, of which three auditees (5%) have retained these results since 2012-13. In addition, four municipalities (7%) would have received clean audits in 2014-15 had it not been for one finding each on either compliance or predetermined objectives.

The improved outcomes are attributed to consistent and tireless efforts to strengthen systems and controls, and constant adherence to commitments to address audit issues and recommendations by the leadership as well as senior management. Importantly, many of the improvements in the province are also underpinned by proactive initiatives such as back-to-basics and performance management training undertaken with the streamlined support of the coordinating departments (CoGTA and provincial treasury), with oversight provided by the premier. Three auditees that had received a disclaimed opinion in 2013-14 improved in 2014-15, while four auditees remained qualified. The Umkhanyakude District Municipality regressed to disclaimed from a qualified opinion in 2013-14. Receivables, followed by contingent liabilities, commitments and revenue were ranked as the most common repeat qualification areas. The stagnation in qualifications between 2012 and 2015 emanates from the failure to institutionalise routine elementary disciplines of records management, reconciliations and focused reviews.

Four out of the total of 10 district municipalities (Ilembe, Uthungulu, Umgungundlovu and Zululand) led by example and retained clean audits since 2013-14. The remaining six district municipalities still need to strengthen their controls and processes to improve their outcomes. The local municipalities within the Ugu district have shown the greatest improvement as four auditees (57%) have improved their outcomes since 2010-11. District forums have served as important platforms for sharing good practices, such as sustainable financial and performance management, compliance with legislation and the establishment of internal controls, as achieved by better-performing districts.

The overall quality of submitted financial statements improved by 13% over the five years, but challenges still exist, as 28 auditees (46%) in 2014-15 and 35 (57%) in 2010-11 avoided qualifications only because they corrected material misstatements identified during the audit process. Diligent efforts are still required in the daily, monthly and annual financial processes to sharpen procedures and controls to reduce misstatements relating to property, infrastructure and equipment and the disclosure of irregular expenditure, commitments and contingent liabilities.

The results on reported performance information show a steady improvement of 27% over the past five years as 24 auditees (39%) reported findings in 2014-15 compared to 40 auditees (66%) in 2010-11. However, 19 auditees (31%) managed to avoid findings on reported performance in 2014-15 only because they corrected misstatements identified during the audit process. Auditees that were able to provide credible performance reports managed R59 billion (90%) of the total local government budget within the province. It is encouraging to note that the eThekwini Metropolitan Municipality has had no material findings on performance reporting for five years. Daily and monthly checks and balances, regular and accurate reporting as well effective oversight and risk management are essential for improved performance reporting.

In the year under review, 51 auditees used consultants at a total cost of R125 million (compared to R101 million in 2013-14) for financial and performance reporting. These costs exclude amounts paid by CoGTA and the provincial treasury. Despite the recurring use of consultants at 33 auditees (65%) in 2014-15 and at 23 auditees (45%) in 2013-14, their audit opinions remained unchanged. Poor project management by the auditees and a lack of records and documents were the primary factors contributing to the consultants not being able to perform their work adequately. The lack of capacity at these auditees to adequately plan for the efficient and effective use of consultants is concerning as the anticipated value from the use of consultants is not realised.

Compliance with legislation improved by 21% over the five years as 42 auditees (69%) had findings in 2014-15 compared to 55 auditees (90%) in 2010-11. For the two years before 2012-13, the province was plagued by a high incidence of compliance findings due to vacancies in vital posts, inadequate skills, poor oversight and instability within some councils. Even though compliance findings persist at many auditees, the premier's call for zero tolerance for non-compliance, coupled with consequences for transgressions by accounting officers and senior management, has paid dividends.

A gradual improvement in the SCM status was noted as 30 auditees (49%) had material SCM findings in 2014-15 compared to 37 auditees (61%) in 2010-11. Non-compliance with SCM regulations arising from unfair and uncompetitive procurement processes was the main contributor to the high levels of irregular expenditure. There has been a decline of 26% in irregular expenditure over the past five years from R2,12 billion in 2010-11 to R1,57 billion in 2014-15. The eThekwini Metropolitan Municipality, which contributed to 62% of the 2010-11 irregular expenditure, has made great strides in this regard, reducing irregular expenditure by 84% from R1,32 billion in 2010-11 to R212 million in 2014-15. This was accomplished through the restructuring of its SCM unit, the strengthening of internal controls to prevent and detect non-compliance, increased internal audit coverage and improvements in monitoring and oversight of the awarding of contracts. In contrast, the combined irregular expenditure of the Umzinyathi, Uthukela and Umkhanyakude district municipalities increased significantly from R51 million in 2010-11 to R796 million in 2014-15 due to failure to swiftly rectify gaps in the procurement process. Recognition is given to the six municipalities (Uthungulu district, Ezinqoleni, Imbabazane, Msinga, Umhlathuze and Umzumbe) that did not incur any irregular expenditure in 2014-15.

There has been a sustained improvement in key controls relating to leadership and financial and performance management from 2012-13 to 2014-15. The political and administrative leadership availed themselves for quarterly engagements and displayed a better understanding of the key control assessment process and implemented action plans in good time. Those auditees that improved their audit outcomes were able to master key internal control disciplines such as performing regular reconciliations and producing credible quarterly financial statements. The key control deficiency which limited progress was the effective monitoring of compliance with legislation as many auditees had not yet implemented comprehensive checklist controls in this area. Governance controls regressed in 2014-15 due to a decline in the assurance provided by the internal audit units and audit committees. A number of audit committees did not conduct detailed reviews and were not able to provide an authoritative and credible view on the financial statements, performance reports and compliance with legislation. In addition, internal audit plans did not sufficiently address significant risk areas, while planned audits were not performed due to cash flow challenges at some auditees.

There was a slight regression (5%) in the status of financial health when compared to the previous year, as the number of auditees with findings increased to 55 (90%) in 2014-15 from 52 (85%) in 2013-14. The Umkhanyakude and Zululand districts recorded the highest number of findings over the past four years due to the deteriorating ability of municipalities to collect amounts due from customers in a timely manner. This is reflective of many auditees struggling to collect debts because of the economic stress placed on citizens and the poor revenue management and debt-collection practices of these auditees.

Stability in the positions of accounting officer, CFO and head of SCM has improved over the past three years, while vacancies in the CFO position have decreased. These positions remained filled on average for more than three years in 2014-15, whereas they remained filled for less than three years in 2012-13. Furthermore, competency levels of these officials have also improved since 2012-13. Improved control environments as well as guidance and support provided by CoGTA, provincial treasury and Salga for key officials were among the main factors contributing to the increased stability and competencies.

The IT status reflects an improvement over five years due to awareness of the importance of controls and a concerted effort by management to establish IT controls. The province is currently piloting the implementation of mSCOA at four municipalities as part of a readiness exercise in anticipation of going live on 1 July 2017. The pilot is intended to ensure that local government systems are aligned to the mSCOA compliance requirements.

The assurance provided by mayors, accounting officers and senior management has improved over the past three years, while the assurance provided by audit committees and internal audit units has declined on average by 12% since 2013-14 for the reasons mentioned in the assessment of governance key controls above. The improvement of 22% in the assurance provided by municipal councils and MPACs during 2013-15 was due to training interventions by CoGTA and Salga, which resulted in a better understanding of their roles and responsibilities.

The slow response by management, instability in key positions and lack of competencies, and lack of consequences for transgressions remain the top three root causes in the province. Management had taken our messages to address the root causes of audit outcomes seriously as evidenced by their response at 38 auditees (62%) in 2014-15 compared to 47 auditees (77%) in 2011-12. Lack of consequences as a key root cause improved considerably and was reported at 11 auditees (18%) in 2014-15 compared to 31 auditees (51%) in 2011-12. The reasons for this improvement were that the majority of the auditees had performance contracts for senior management which were actively and regularly monitored and used as a tool to drive good performance. Furthermore, investigations were instituted against officials who were responsible for transgressions relating to non-compliance with legislation.

Further sustainable improvement in provincial outcomes for 2015-16 is not an insurmountable task. The following is recommended to further improve the audit outcomes:

- **Leadership responsibilities and strategic direction for managing human resources** are the fundamental ingredients that largely influence the viability and sustainability of auditees. Central to effective human resource management is the timely filling of key posts, effective vocational training programmes and performance appraisals, as well as succession planning. This will considerably reduce the extent of reliance on consultants and allow funds to be allocated to areas that matter to citizens.
- **The political leadership and senior management** need to own the business of local government and be accountable for their actions and those of their subordinates. They need to conduct themselves in accordance with impeccable standards of probity and transparency in all activities undertaken.
- **Effective financial and performance management** is a fundamental ingredient for transparent and credible reporting. It is therefore crucial that all data provided is carefully collated, reviewed and quality-assured by management, internal audit units and audit committees before being reported on.
- **Non-compliance with key legislation** should be addressed through effective consequence management and modified compliance checklists based on past deficiencies.
- **Councils and MPACs** need to be more persuasive in their quest for assurance from and accountability by audit committees and internal audit units. Induction and training programmes need to be further refined by CoGTA and Salga for these oversight structures to be effective.
- **The coordinating departments (CoGTA and provincial treasury)** can still amplify their support to mobilise resources and efforts in the province. Long-term proactive solutions should be found to address emerging risks.

9.5 Limpopo

Five-year audit outcome

Annexure 1 lists all auditees with their current and prior year audit outcomes, while annexure 2 lists the audit outcomes for the past five years.

Limpopo's five-year overview

The gradual decline in disclaimed or adverse audit opinions over the five-year period (since 2011-12) is noted; however, overall progress towards better audit outcomes has been slow with no auditee receiving a clean audit since 2011-12. In 2013-14, the province showed a record improvement (12 unqualified audit opinions) in audit outcomes. Unfortunately, the same level of energy displayed by the leadership towards better audit outcomes in that year was not maintained in the year under review (2014-15). Although limited improvements were noted in the year under review, this was overshadowed by regressions and stagnant audit outcomes. These regressions were mainly as a result of instability in key positions at the municipalities. The Mopani district was the worst-performing district in the province. The district municipality received a disclaimer in the year under review (2014-15), showing no improvement in the prior year's adverse opinion, while all the local municipalities under its control received qualified audit opinions.

During the 2013-14 financial year, actions were taken against a number of non-performing municipal managers and CFOs, following the premier's commitment that there would be consequences for poor performance and transgressions. This resulted in an increased interest and participation by the executive leadership in the audit process, which was evident in their attendance of audit steering committee meetings or requests for feedback on unresolved issues. During the year under review, some municipalities followed this approach although not at the same rate or with the same enthusiasm as in the previous year. We noted positive results where there was active involvement by the executive in the submission of information and clearing of audit queries, which resulted in improvements at some municipalities.

In the previous year's general report we raised a concern that the overall key control environment at municipalities had not improved in line with the improvement in audit outcomes, which led us to question the sustainability of those outcomes. The province's inability to sustain and further improve their audit outcomes in the year under review is an indication that limited progress has been made to address fundamental deficiencies in the internal control environment. Furthermore, our assessment confirms that at 80% (24) of the auditees, slow response in improving internal controls was one of the root causes of the lack of improvement in audit outcomes.

The quality of the financial statements and performance reports submitted for auditing continues to be a challenge at almost all the auditees. The quality of submitted financial statements has regressed over the five-year period (2010-11: four and 2014-15: zero), while the quality of performance reports submitted for auditing remained stagnant (2010-11: two and 2014-15: two). This is despite spending R122 million (2013-14: R93 million) on consultants to assist with financial and performance reporting. The amount spent on consultants in the 2014-15 was about five times the amount spent in the 2010-11 financial year (R25 million). The considerable expenditure on external support has not yielded desirable audit outcomes as the majority of municipalities are still characterised by low levels of basic daily and monthly control discipline, resulting in significant corrections and adjustments made to the financial statements during the audit process. Again, this place the sustainability of these audit outcomes at risk, as improvements are not based on sound financial, operational and compliance disciplines. It is worth mentioning that a total of R77 million was spent on consultants by the Vhembe District Municipality from 2011-12 to 2014-15 with no impact on the audit outcomes. The district municipality received a disclaimer for three consecutive years (2011-12 to 2013-14) and an adverse opinion in 2014-15. It is also of concern to note that 83% of the auditees still had findings on the usefulness and/or reliability of the information contained in their performance reports.

Auditees tend to focus on addressing qualification matters in the financial statements without making the same effort to address findings on performance reporting and compliance with legislation. This was evident, for example, at Polokwane municipality, which despite moving to an unqualified audit opinion in the year under review, was the highest contributor to irregular and unauthorised expenditure in the province.

Auditees did not have adequate processes in place to monitor compliance with legislation as the number of auditees without compliance findings has not improved since 2010-11. The most common compliance findings related to the quality of financial statements submitted for auditing; the prevention of unauthorised, irregular and fruitless and wasteful expenditure; management of procurement and contracts; management of strategic planning and performance; and the management of assets. We wish to emphasise that non-compliance in the areas of unauthorised, irregular, and fruitless and wasteful expenditure as well as contract management could result in or contribute to potential financial loss.

The lack of competencies, instability and/or vacancies in key positions and those of support staff continue to be a concern at all auditees in the province. The continued reliance on consultants, with little or no transfer of skills, remains one of the biggest challenges in the province. The auditees have repeatedly appointed consultants to assist in preparing annual financial statements that are compliant with reporting standards, preparing or maintaining fixed asset register and to assist with related controls. Considering that the CFO's roles and responsibilities include those that have been repeatedly outsourced to consultants, the use of consultants does not promote the efficient and effective use of public funds and results in the consultants being paid for the same work that the officials are employed to do. The municipalities need to improve on their planning for (which should include the transfer of skills) and monitoring of, the use of consultants as well as the development of a robust internal control system to obtain optimal benefit from the use of consultants.

High vacancy rates and instability in key positions, coupled with the lack of appropriate competencies, have an impact on continuity and the implementation of sound financial and compliance principles. This further places severe pressure on the ability of municipalities to perform all tasks efficiently and implement adequate action plans to address audit findings. It is critical that the leadership expedite all disciplinary cases in order to fill key vacant positions and eliminate the need for officials to act in vacant positions for extended periods. It is also critical that incumbents identified to act in key vacant positions have the necessary experience, skills and competencies.

The province still records unacceptably high levels of increasing irregular (2014-15: R1 359 million and 2010-11: R730 million), unauthorised (2014-15: R1 207 million and 2010-11: R588 million) as well as fruitless and wasteful expenditure (2014-15: R81 million and 2010-11: R42 million). This can once again be attributed to the internal control systems that do not timeously prevent, detect or address deviations, as well as lack of consequences for poor performance and transgressions, which was identified at 63% (19) of the auditees.

The increase in unauthorised expenditure was largely due to inadequate budgeting for non-cash items. The consistently high level of SCM transgressions, which is driven by uncompetitive or unfair procurement processes and conflicts of interest, remains a serious concern. These issues not only translate into high levels of irregular expenditure, but also provide very little assurance that value for money was received from the procurement of goods and services. It is worth noting that the amounts disclosed as irregular expenditure are potentially understated as eight municipalities had qualifications on irregular expenditure. This means that the completeness of the amounts disclosed could not be confirmed during the audit. In addition, the councils did not investigate these expenditures as part of their oversight role and did not determine the necessary corrective action to be taken as required by the legislation. The leadership should act decisively to introduce punitive measures to curb irregular as well as fruitless and wasteful expenditure.

Financial sustainability remains a challenge at the majority of municipalities. According to our analysis, most auditees face severe cash flow constraints due to poor debt-collection processes and inadequate revenue-generating strategies. In some cases capital budgets and grants were used for operational expenditure, which has a negative impact on service delivery. The leadership should promote sound cash management practices so that basic services are not disrupted.

The IT environment is not improving, with only five auditees having implemented sound IT controls. Shortcomings in the IT environment should not be ignored as they have a direct impact on the sustainability and improvement of audit outcomes and, ultimately, on the achievement of service delivery objectives. Poor IT controls also increase the risk of fraud and data manipulation.

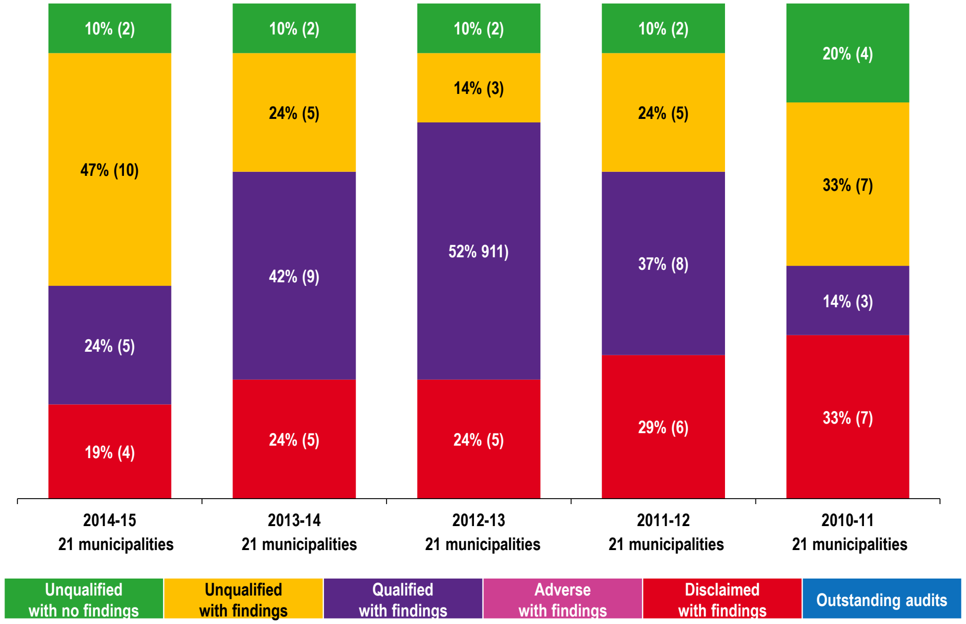
The overall assurance provided by key role players has remained largely stagnant when compared to the previous year, but has shown an improvement over the last four years. The role of the first- and second-level assurance providers is critical in providing the basis for transparent financial and performance reporting. Municipal managers and mayors must demonstrate ethical and professional behaviour and should not tolerate transgressions or poor performance. For the councils to effectively discharge their oversight role, it is critical that they engage with the audit committees on risks and internal controls. Ignoring deficiencies in the internal control environment affects sound decision-making relating to funding and accountability, which ultimately has an impact on basic service delivery.

The impact of coordinating departments (the provincial treasury and Cooperative Governance, Human Settlements and Traditional Affairs – CoGHSTA) in supporting local municipalities is beginning to gain momentum. We encourage the executive leadership of the two departments to engage on a more regular basis to proactively identify and address challenges at local government level. The level of involvement by the portfolio committees and the legislature should be intensified if the province wants to move forward in terms of better audit outcomes and service delivery.

In response to the regression in the audit outcomes in the province, the premier called for a special intergovernmental forum where each municipal manager had to present on the current audit outcomes, challenges being experienced and proposed solutions. The premier concluded by insisting that an addendum be added to all municipal managers' performance agreements to include audit outcomes as a performance indicator. He made it very clear that there would be severe consequences for any disclaimed or adverse outcomes in 2015-16. The tone at the top is focused on consequences for poor performance and transgressions, with greater efforts towards addressing skills and vacancies and forcing political leadership at municipalities to exercise their oversight responsibility. However, the success of this initiative depends on effective and regular monitoring by the OTP, while holding the departments of CoGHSTA and treasury as well as the leadership of municipalities accountable for delivering on the commitments made during the session.

9.6 Mpumalanga

Five-year audit outcome



Annexure 1 lists all auditees with their current and prior year audit outcomes, while annexure 2 lists the audit outcomes for the past five years.

Mpumalanga's five-year overview

The overall audit outcomes over the past five years have been erratic. The audit outcomes in the province had regressed from 2010-11 to 2012-13, but started improving slightly since 2013-14.

In the past four years, we have consistently highlighted that for municipalities to improve their audit outcomes, they should have stability in key positions, invest in training programmes to ensure that the skills and competencies of staff (particularly in the finance unit) are enhanced, and institute consequences for poor performance and transgressions. However, both the political and the administrative leadership have been slow in responding to our recommendations. This is unfortunate, as these good practices have laid a strong foundation at Ehlanzeni District Municipality and Steve Tshwete Local Municipality, which have successfully maintained financially unqualified audit outcomes with no findings from 2009-10 to 2014-15 and from 2009-10 to 2013-14, respectively.

Internal control continued to deteriorate at municipalities, resulting in over-reliance on consultants and on the audit process to assist in improving the quality of the financial statements published by municipalities. This is not a sustainable practice and municipalities need to start implementing daily and monthly internal controls to prevent, or detect and correct errors. Due to the weaknesses in controls, nine municipalities were either qualified or disclaimed, the majority of them in the areas of property, infrastructure, plant and equipment; revenue, and irregular expenditure.

The province has been struggling to improve its compliance with legislation for the past five years due to inadequate controls over monitoring of compliance with legislation as well a lack of timely, decisive action against transgressors. Ehlanzeni and Nkangala district municipalities are the only two municipalities with unqualified audit opinions and no findings on their annual performance reports and have also complied with all key legislation during 2014-15.

The poor quality of the financial statements submitted for auditing and non-adherence to SCM prescripts have been the main contributors to the failure of auditees to improve their overall compliance with legislation. Non-compliance with SCM legislation has furthermore been the main cause of the ever-increasing irregular expenditure, representing R868 million (99,6%) of the total irregular expenditure of R871 million in 2014-15. Worryingly, irregular expenditure has increased from R274 million in 2010-11 to R871 million in 2014-15.

We experienced limitations in accessing supporting documentation for contracts amounting to R634 million awarded by Rand Water, which acted as an implementing agent for municipalities. This, together with six municipalities that were qualified on irregular expenditure due to their inability to fully disclose the total amount of irregular expenditure in their financial statements as well as 17 municipalities that are yet to determine the full extent of irregular expenditure in their financial statements, could significantly increase the amount of irregular expenditure in the coming financial years. As the province has been very slow to start investigations to deal with irregular expenditure and since these investigations are taking a long time to finalise, the total closing balance of irregular expenditure stood at R2,6 billion at the end of June 2015.

Most auditees in the province still struggled to budget properly. Auditees did not correctly budget for non-cash items in most instances, which resulted in unauthorised expenditure – which has increased by R674 million when compared to the previous year. Poor financial management practices not only led to increased unauthorised expenditure, but also put financial strain on municipalities and often led to financial losses. For example, municipalities suffered water and electricity distribution losses of R333 million and

R705 million, respectively, in 2014-15. Municipalities further experienced financial strain due to poor debt-management practices, which led to excessive provisioning for irrecoverable debts, with an average of 61% of municipal debt being assessed as irrecoverable. It furthermore took an average of 116 days for local municipalities to recover money owed by their consumers. This, in turn, made it difficult for municipalities to pay their creditors, which on average took 327 days. The delayed creditor payment resulted in interest being charged, which is the main contributor to the significant increase of R226 million in fruitless and wasteful expenditure compared to 2010-11. Seven municipalities also had a shortfall of R1,7 billion to cover their current liabilities from current assets.

The overall quality of the annual performance reports has improved over the past five years. However, 57% of the municipalities were still unable to produce credible annual performance reports, most of which experienced problems with the quality of indicators that could not be adjusted as they had been included in planning documents. This had an impact on the collection, collating and reporting of information on actual performance. The planning units within these municipalities should attend to the quality of the indicators and targets in the planning documents, as these serve as a basis for collecting and accumulating performance information. The lack of credible reporting on annual performance has a negative impact on the citizens' ability to accurately measure the performance of their municipalities and to hold their elected representatives accountable.

Internal controls in the province remained weak, especially the seven basic controls, namely effective leadership, human resource management controls, action plans, IT controls, record keeping, daily and monthly controls, as well as monitoring of compliance. A strong and stable internal control environment provides a foundation for accountability, transparency and governance in the public sector. The province will struggle to create stable and strong municipalities until senior management prioritises the improvement of these internal controls, which has been the main reason why the audit outcomes are not improving.

The status of IT in the province has showed some improvement over the past five years. Although the number of municipalities where intervention was required decreased from 2010-11 to 2013-14, this number has increased significantly from 20% in 2013-14 to 43% in 2014-15. This was mainly due to a lack of adequate resources to design and implement IT controls as well as management not implementing remedial actions to address previous years' findings. Most of the municipalities did not have adequate controls around EFTs, which exposed them to financial losses. It is concerning that municipalities are expected to implement the mSCOA by 1 July 2017, yet most have made little or no progress in putting processes in place to ensure better implementation.

Stability in key positions also had an impact on the implementation of measures to address weaknesses in internal control. Vacancies in municipal manager positions have increased because the provincial leadership is now taking steps against municipal managers whose auditees received disclaimed audit opinions. Although the vacancy rates at the level of CFO and head of the SCM unit have decreased, municipalities often paid no attention to skill and competency requirements to bring about improvement in the audit outcomes. It is commendable that most incumbents have now obtained the required competencies, but this is yet to translate into improved audit outcomes.

The role played by senior management, municipal managers and executive mayors has not really improved over the past few years. Persons at these levels should play a bigger role in improving the audit outcomes, as they are involved in monitoring and overseeing the implementation of recommendations from different stakeholders. Continued vacancies and instability at the level of accounting officer and senior management (including CFOs) had a significant impact on their ability to contribute meaningfully towards building stronger internal control environments in their municipalities.

The political leadership, including executive mayors, did not take any steps to ensure that municipal managers and their senior managers were held accountable for their failure to improve the audit outcomes. The assurance provided by internal audit units and audit committees has improved over the past four years, as these assurance providers have identified areas of improvement in their municipalities. Unfortunately, senior management has been slow in implementing their recommendations, resulting in their efforts and value-adding contributions not yielding the desired impact of strengthening the internal control environment.

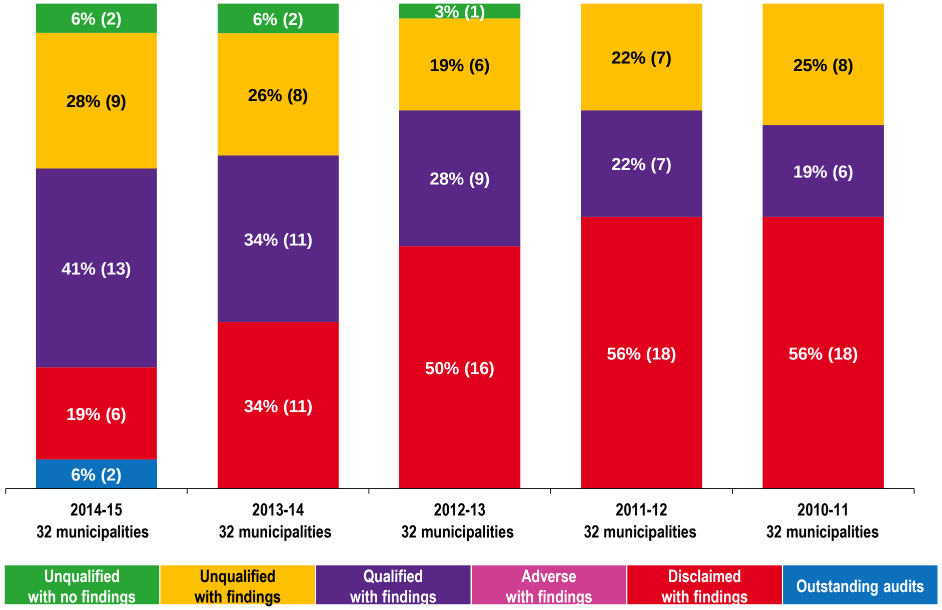
In the past few years, the support provided by coordinating departments was not properly managed, leading to a duplication of effort. In the previous year, these departments developed an integrated municipal support plan with clearly identified responsibilities for each role player in local government, including the provincial CoGTA, provincial treasury, Salga and district municipalities. However, this plan was not adequately monitored, which impacted negatively on the effectiveness of the support provided to municipalities.

To improve the audit outcomes in the province, municipal councillors should prioritise the timely appointment of skilled and competent municipal managers, who in turn must ensure the timely appointment of skilled and competent senior managers. Together they should play a critical role in monitoring the implementation of key internal controls and the recommendations of various oversight and governance structures aimed at improving the overall internal control environment at municipalities. This will serve as the foundation for the following recommendations to move the audit outcomes in the province forward:

- In collaboration with the provincial treasury, implement intensive training programmes to improve the skills of existing staff members and to enhance their competence in performing their daily functions.
- Adhere to basic financial disciplines, such as regularly reconciling financial information (e.g. reconciliations to the general ledger each month or quarter) and continuously validating the information in the accounting records (e.g. physical verifications).
- Design and implement a credible and comprehensive action plan to address the root causes of risks and the matters raised by risk management, internal and external auditors, audit committees, MPACs and other governance structures. This should include measures to deal with weaknesses in the management of consultants, journal entries, and unauthorised, irregular as well as fruitless and wasteful expenditure.

9.7 Northern Cape

Five-year audit outcome



Annexure 1 lists all auditees with their current and prior year audit outcomes, while annexure 2 lists the audit outcomes for the past five years.

Northern Cape's five-year overview

The overall audit outcomes of the Northern Cape have improved over the past five years. Although only three auditees moved from a modified (qualified or disclaimed) to an unmodified (unqualified with or without findings) outcome over this period, the 37% decrease in disclaimed audit outcomes is encouraging. Only one municipality moved from a disclaimed audit opinion in 2010-11 to an unqualified opinion in 2014-15.

It is commendable, however, that all five district municipalities received unqualified audit opinions. These district municipalities' best practices should be replicated at local municipalities to assist them with improvements going forward. Two of the five district municipalities managed to achieve clean audits and the provincial leadership should focus on getting the other three districts to the same state. District municipalities serve as a beacon of hope to local municipalities and should lead by example.

The following factors contributed to the improvement in audit outcomes over the past five years:

- Impact of operation clean audit 2014: Operation clean audit 2014 is a government initiative to ensure clean audits, transparency and improved service delivery within government across the country.
- The 'visibility' programme of our office, which created awareness and ensured that mayors and municipal managers were more involved in the audit process
- Implementation of the minimum competency requirements.

The trend of municipalities improving from a disclaimed to a qualified audit opinion, but not being able to move to an unqualified audit opinion in subsequent years, is a concern that was noted at 15 (94%) of the 16 municipalities that had been disclaimed in 2010-11 (this analysis excludes the two outstanding audits). Most of these municipalities improved their audit outcomes solely because they were able to resolve, or partly resolve, qualifications on infrastructure assets. The assistance provided by consultants largely contributed to these improvements, casting doubt on their sustainability.

The areas that municipalities struggled with most to correctly measure and disclose in the financial statements over the past five years were property, infrastructure and equipment, revenue, and receivables, but there has been improvement in all three areas over the past five years.

The timely submission of financial statements for audit improved from 69% of municipalities in 2010-11 to 87% in 2014-15. However, while timely submission improved significantly, the quality of financial statements submitted remained a major concern, with only 20% of municipalities submitting quality financial statements (requiring no material changes) during 2014-15. Although this represents some improvement compared to the 7% of 2010-11, it confirms that most municipalities continued to experience serious difficulties around internal controls and their ability to produce accurate financial reports. This highlights the fact that most municipalities are still heavily reliant on the auditors to identify misstatements in their financial statements.

The picture on compliance with legislation remained of concern, with only 6% of municipalities avoiding findings on compliance (2010-11: zero). The most common compliance findings related to preventing unauthorised, irregular and fruitless and wasteful expenditure; managing strategic planning and performance; and managing procurement and contracts.

The level of irregular expenditure fluctuated over the past five years and amounted to R699 million in 2014-15 (2010-11: R517 million). Of the

R699 million, 70% resulted from instances of non-compliance with SCM regulations. The most common SCM findings related to uncompetitive or unfair procurement processes at 87% of municipalities and inadequate contract management at 53% of municipalities.

The number of municipalities that incurred irregular expenditure remained high at 87% (2010-11: 93%). As reported in previous years, instances of unauthorised, irregular and fruitless and wasteful expenditure were not investigated to determine whether any person was liable for the expenditure. This was a finding at 70% of municipalities (2013-14:80%). While the slight improvement since the previous year is welcomed, these levels remain unacceptably high.

The revenue base of many municipalities in the province remained insufficient to ensure their sustainability. Political intervention is required if local government in the province is to continue delivering critical services to communities at the desired level.

Predetermined objectives remain an area where progress is lacking. Only 9% of municipalities were able to produce performance reports that were useful and reliable (2010-11: 3%). It should be noted that 30% of municipalities did not submit performance reports in 2014-15 (2010-11: 60%). The improvement in the submission rate over the past five years is encouraging; however, the fact that a significant portion of municipalities were unable to submit performance reports emphasised the reality that performance reporting has still not received the necessary attention at a number of municipalities.

The status of internal controls did not correlate with the improvement in audit outcomes over the past five years. It is important to note that this assessment considered all internal controls that were expected to be implemented at a municipality and not only the internal controls around financial reporting. A large contributor to this assessment was the areas of compliance with legislation and predetermined objectives, which remained stagnant at a high level. In addition, most improvements in audit outcomes over the past five years related to municipalities moving from a disclaimed audit opinion to a qualified audit opinion, which explains why very few municipalities were assessed as having good internal controls.

The assessment of vacancies in key positions shows some fluctuation over the past three years (improvement between 2012-13 and 2013-14; regression between 2013-14 and 2014-15). The main reason for the regression in 2014-15 was that key officials left rural municipalities for opportunities elsewhere. This has been a challenge for local government in the province over a number of years and the trend is expected to continue.

The remoteness of most municipalities in the province also had an impact on the competency level of staff. It is often difficult to attract skilled individuals to rural municipalities, resulting in positions staying vacant for long periods and positions not always being filled by a candidate with sufficient experience. Although the candidates may meet the minimum competency requirements, the level of experience of the candidate must be carefully considered as this will to a large extent determine whether the candidate will deliver on the expectations of the position.

This was a major contributor to most municipalities being heavily reliant on consultants to perform tasks which, in most instances, should have been performed by officials employed at the municipalities. Municipal leadership needs to understand that the use of consultants will only be effective if a sound underlying control environment exists.

The cost of using consultants for financial reporting (excluding consultants paid by other institutions) increased from R19 million in 2010-11 to R53 million in 2014-15. The most common finding on managing consultants remained poor performance management and monitoring, noted at 79% of the 29 municipalities that were assisted by consultants (2013-14: 67%).

The overall assessment of information technology has improved slightly over the past five years as the municipalities that required intervention have decreased from 91% in 2010-11 to 63% in 2014-15. This implied that the majority of municipalities in the province still experienced challenges in implementing the designed controls in the areas of user access management, security management and IT service continuity controls. CIOs and municipal managers should prioritise the monitoring and implementation of policies and procedures for security and user access management.

The key root causes that hinder progress are:

- inadequate consequences for poor performance and transgressions (24 municipalities, 80%)
- slow response by political leadership (24 municipalities, 80%)
- slow response by management (21 municipalities, 70%).

All three root causes remained unchanged compared to the previous year. Slow responses by management indicate that municipal and senior managers did not provide assurance at the expected level.

These lower-than-expected levels of assurance, as well as inadequate key controls, also contributed to the lack of movement in audit outcomes. The absence of internal audit units and audit committees at 17% and 20% of municipalities, respectively, remained a concern (2013-14: 10% and 23%). As recommended in previous years, district municipalities need to play a leading role in sharing their internal audit units and audit committees with municipalities that do not have the means to establish their own.

During the meetings held with oversight departments in March 2016, commitments were once again received from the various role players.

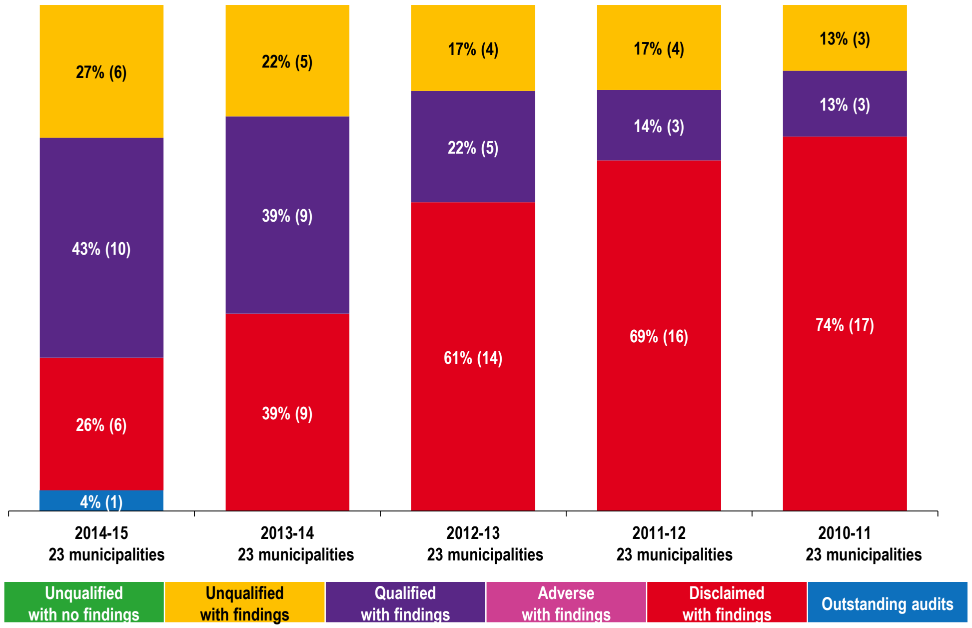
These commitments were similar to those received in prior years, with limited delivery to date. For oversight departments to have a meaningful impact on local government, they need to start tracking and implementing their commitments.

The root causes of poor audit outcomes should be addressed to ensure improved audit outcomes. These include poor record management, inadequate daily and monthly processing and reconciling controls, inaccurate reporting and a culture of not complying with legislation.

Political leadership has an important oversight role in monitoring the implementation and effective functioning of key controls. If management fails to implement or monitor controls, the political leadership should ensure the municipal manager takes relevant steps to hold officials accountable.

9.8 North West

Five-year audit outcome



Annexure 1 lists all auditees with their current and prior year audit outcomes, while annexure 2 lists the audit outcomes for the past five years.

North West's five-year overview

The overall movement in audit outcomes over the past five years has been slow, as most audit opinions were modified, while the number of municipalities that received unqualified audit opinions with findings has increased only slightly from five to six. Although the province had not achieved a clean audit outcome, the number of municipalities with disclaimed audit opinions decreased from 17 (74%) in 2010-11 to six (26%) in 2014-15. The outcomes of the three municipal entities in the province remained unqualified with findings on reporting against predetermined objectives and/or compliance.

Our messages over the past five years have remained consistent at all levels of leadership. The root causes and recommendations also remained unchanged, namely:

- Committed political will to hold officials accountable for poor performance and transgressions
- Instability and vacancies in key positions.

The various levels of municipal assurance providers made credible commitments, but these did not translate into tangible implementation or monitoring. A comprehensive assurance model, including strong and effective governance structures, needs to be developed so that all key role players adequately fulfil their duties to monitor and hold leadership accountable for future commitments to improved financial discipline.

It was encouraging to note that the province has largely sustained its ability to submit annual financial statements within the legislated deadline. However, the quality of these financial statements and performance reports remained poor despite the widespread use of consultants. None of the municipalities would have received an unqualified opinion had they not been given the opportunity to correct misstatements identified during the audit process. The consultants contributed to improvements in certain areas, such as GRAP 17, *Infrastructure assets*, but the underlying systemic weaknesses in financial management had not been addressed by municipalities, which could result in a regression in the gains made by using consultants.

Municipalities need to institutionalise strong key controls and good practices to compensate for any change in leadership or finance positions. This will ensure that gains made are sustainable and that the momentum towards achieving clean audits continues.

For the past five years all municipalities have had material findings on compliance with legislation and these instances have become more prevalent over the years. The increased non-compliance in specific focus areas such as procurement and contract management has been a direct result of blatant disregard for legislation on the part of transgressors and a lack of investigations, disciplinary steps or action taken against those responsible or who continue to transgress. Municipal leadership lacks the political will to intervene and take decisive action against repeat offenders and transgressors.

In 2014-15, municipalities incurred irregular expenditure of R4,2 billion, which equates to 45% of the total unresolved irregular expenditure as disclosed in the financial statements. However, since management failed to quantify the full extent of the transgressions, this amount was understated by at least R3,5 billion. We also continued to experience limitations in testing awards (R299 million), which is indicative of the absence of preventative and detective controls over SCM and possible fraud, i.e. management would rather have their audit outcomes qualified because of a limitation than provide the documents that could implicate them in possible irregularities. The result was a balance of unresolved irregular expenditure that exceeds R9,3 billion for the province. Each of the transactions making up this balance should be adequately investigated and action taken, which could include disciplinary action and the recovery of losses from those responsible.

The movement in reporting against predetermined objectives was negligible, as 13% of municipalities had no findings compared to 4% in 2010-11. The quality of the submitted annual performance reports remained poor as they all contained misstatements that had to be corrected. We must emphasise that dealing with poor records management and institutionalising sustainable internal controls and daily disciplines that support reliable accountability reports is the responsibility of senior leadership.

Eleven municipalities (50%) experienced serious financial distress. They had failed to collect the money owed to them (78% being irrecoverable debt) and owed large outstanding amounts to Eskom and bulk water providers. All these factors, including a declining ratepayer base due to job losses in the mining sector and a drought in the province, will have a significantly adverse impact on the financial sustainability of municipalities and undermine their ability to operate as going concerns and deliver basic services.

Human resource management remained a concern, with a high level of vacancies in key positions such as those of CFO and municipal manager. Officials had recently been appointed to these positions in most instances. Some of them did not meet the minimum competencies required or their competencies had not yet been assessed. In addition, those appointed in the finance units did not possess the requisite skills to prepare accurate financial statements, which resulted in over-reliance on consultants as well as the poor quality of the financial statements submitted. This implies that the province needs to invest in building or retaining capacity over the long term, as well as strengthening performance management systems.

Municipalities must attend to the IT control weaknesses highlighted in their management reports as a matter of urgency. These weak IT controls not only increase the risk of fraud, but could also undermine the business continuity of these municipalities. In addition, the risk of consumer accounts being manipulated and unauthorised access to IT systems and information is increased.

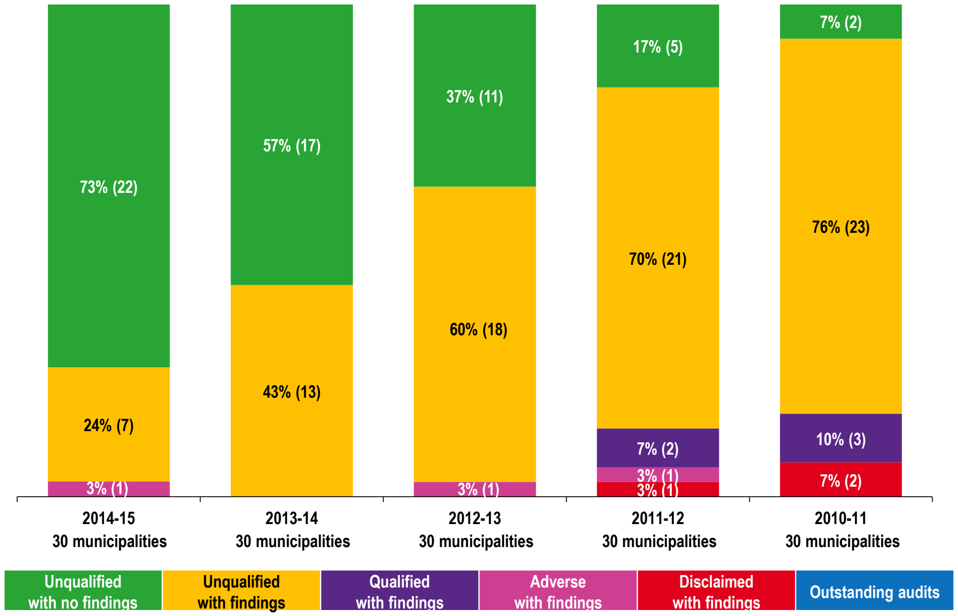
Until the underlying key control weaknesses and root causes of poor outcomes are addressed, the information submitted for audit and available during the year for management to make decisions will remain of poor quality and be unreliable. This will have an impact on the goal of sound financial discipline and administration, which will ultimately have an impact on the achievement of improved audit outcomes. Although the provincial leadership (MECs for local government and finance and the premier of North West) has been receptive to our messages, their implementation of our recommendations at municipal level remains a concern.

A back-to-basics approach should be adopted, with basic key controls such as record management, daily and monthly processing and reconciling controls, and accurate and regular reporting being implemented or strengthened. The key role players, including council, public accounts committees and audit committees, can only provide assurance on the accuracy and credibility of information after these key controls are in place.

All key role players should contribute to the assurance model by adequately fulfilling their duties and responsibilities as outlined in their mandates. These role players need to be bold enough to ask the relevant questions, seek the morally correct resolution and hold public officials accountable for the commitments made. In this way, we can turn around the current state of financial administration at local government level and build the level of governance and accountability required from local government.

9.9 Western Cape

Five-year overview



Annexure 1 lists all auditees with their current and prior year audit outcomes, while annexure 2 lists the audit outcomes for the past five years.

Western Cape's five-year overview

The audit outcomes of municipalities have improved over the five years from 2010-11 to 2014-15. The positive trend towards clean administration in the province, which gained momentum in 2012, continued through to 2015, with 73% of municipalities progressing to clean audit outcomes in 2014-15 compared to 7% in 2010-11.

This trend is mainly ascribed to municipal leadership taking ownership to improve financial management and governance practices, with support from the provincial treasury and the Department of Local Government through the municipal governance review process. The use of consultants to assist municipalities with accounting-related services and preparing financial statements over the last three to four years, also contributed to this trend. The AGSA actively contributed through the quarterly key control process and by providing insights and recommendations to assist with improving the internal control environment. Those municipalities that did not improve had failed to address the findings, mainly due to slow responses to address the root causes of poor audit outcomes or instability and vacancies in key positions. While the increase in the number of clean audits over the five-year period is commendable, the fact that the Central Karoo District Municipality was unable to produce a clean audit over this period is concerning. Most municipalities in this district had significant control weaknesses which impacted on compliance and/or performance information. This can be attributed to officials lacking appropriate skills and competencies and the difficulty in attracting resources with such skills.

The quality of the financial statements has improved remarkably from 2010-11 to 2014-15. The quality of these financial statements, as well as material adjustments to the financial statements submitted for audit, had an impact on the audit opinion. In 2011-12, 73% of financial statements were of poor quality compared to 23% in 2015.

The quality of annual performance reports had improved year-on-year from 21 municipalities (70%) with findings in 2010-11 to three (10%) in 2014-15. The progress was due to a steady improvement in the systems and skills required for planning, collating and reporting annual performance information and the effective use of consultants. There had also been a steady decline in the number of annual performance reports requiring material adjustments. This highlights the improvement in the internal controls that prevent such misstatements. Of significant concern is Oudtshoorn, which has not submitted an annual performance report for the past three years. Generally, this can be attributed to political instability and vacancies in key positions, which hampered the administrative leadership in setting a tone of low tolerance for deviations from controls and a lack of consequences.

The area of compliance has shown a steady improvement. In 2010-11, 28 municipalities (93%) had compliance findings, the majority of which had more than four findings. In 2015, this was reduced to eight municipalities (27%) with findings. Despite this improvement, further attention needs to be given to the areas of procurement, contract management and the prevention of unauthorised, irregular and/or fruitless and wasteful expenditure. Over the five years, these areas accounted for most of the non-compliance reported. If these issues are not addressed, they may result in a regression in audit outcomes in the future.

Irregular expenditure has increased from R232 million in 2010-11 to R340 million in the current year. Of the R340 million, R82 million related to the previous year's irregular expenditure discovered in the current year. Six auditees accounted for R284 million (84%) of the total of R340 million in irregular expenditure. Virtually all (99,9%) of the irregular expenditure had been as a result of non-compliance with legislation on procurement and contract management.

The financial health of some municipalities deteriorated slightly over the five years. This was linked to the difficulty that many municipalities had in collecting all debts relating to basic services, which had an impact on their ability to meet their obligations to creditors in some cases. Although it is acknowledged that poor debt collection is a national issue for the local government sector as a whole, it leads to municipalities being more reliant on grant funding to cover some operational and service delivery needs.

The key controls relating to leadership and governance had seen a sustained improvement from 2010-11 to 2014-15. Financial and performance management, although improved when compared to 2010-11, deteriorated slightly in 2014-15. Municipalities that have not yet achieved clean audits need to improve and give attention to the following good practices successfully implemented by clean auditees:

- Implementing action plans
- Basic financial disciplines and monthly processing and reconciling of transactions
- Regularly preparing credible financial and performance reports
- Effectively implementing checklists to ensure compliance with legislation.

Most of these functions are vested in senior management and accounting officers, who need to improve the level of assurance that they provide. Although in most cases senior management in the province was seen to provide some assurance, they need to pay particular attention to SCM findings which were not significant enough to affect the audit report, but if not attended to may lead to regressions in compliance with SCM regulations.

To supplement their human resources with additional resources and skills during the year, municipalities consistently used consultants for financial and performance reporting. Despite the consistent use, there had been a decrease in the amount spent on consultants, which indicated that some municipalities reduced the extent of their reliance on consultants and were taking over some of the work previously done by consultants. The extent to which some municipalities continuously relied on consultants to achieve and sustain positive outcomes was of concern and casts doubt on the sustainability of those outcomes.

Overall, vacancies at the level of CFO improved from 13% in 2012-13 to 7% in 2014-15. The competency levels of those in key positions have also improved due to training interventions to comply with the *Municipal regulations on minimum competency levels*.

The overall assessment of the IT environment within the Western Cape has improved. Despite the improvement, it was of concern that nearly 70% of municipalities still experienced challenges with implementing the designed controls in the areas of user access management, security management and IT service continuity controls.

The mSCOA will take effect on 1 July 2017 and will have an impact on the 2017-18 financial statements and audits of all municipalities. The nine municipalities that were identified as pilot sites to implement the mSCOA have made good progress and will likely be ready to fully implement the regulations by 1 July 2017. Other municipalities in the province are at different stages of readiness, with some having made no progress. To enable compliance, municipalities should manage the process through a credible mSCOA project implementation plan, including a project manager and a project committee/team, which should include all the relevant role players in the municipality.

Overall, municipalities have seen a reduction in all three of the following root causes over the past five years as a result of the municipal leadership taking accountability and setting a tone of low tolerance for non-compliance:

- Lack of consequences reduced to two municipalities (7%)
- Slow response by management reduced to six municipalities (20%)
- Vacancies and a lack of competencies reduced to seven municipalities (23%).

The improvement in the overall root causes led to improved audit outcomes.

The executive leadership, accounting officers and audit committees must address past internal control deficiencies and audit findings (inclusive of management report findings that did not have an impact on the audit report).

The provincial treasury and the Department of Local Government should continue providing support and guidance to drive clean administration in the Western Cape local government sphere.

10 Annexures

Annexure 1: *Auditees' audit outcomes; areas qualified; and findings on predetermined objectives, compliance, specific risk areas and unauthorised, irregular as well as fruitless and wasteful expenditure*

Number	Auditee	Province	Auditee type	2014-15 audit outcomes			2013-14 audit outcomes			Financial statement qualification areas									Findings on predetermined objectives				Findings on compliance																Findings on specific risk areas					Unauthorised, irregular as well as fruitless and wasteful expenditure		
				Audit opinion	Predetermined objectives	Compliance with legislation	Audit opinion	Predetermined objectives	Compliance with legislation	Non-current assets	Current assets	Liabilities	Capital and reserves	Other disclosure items	Revenue	Expenditure	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Aggregate misstatements	Reported information not useful	Reported information not reliable	Information not submitted in time for auditing	No annual performance report	Material misstatement or limitations in submitted AFS	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Annual financial statements and annual report	Asset management	Liability management	Budgets	Expenditure management	Consequence management	Audit committees	Internal audit	Revenue management	Strategic planning and performance	Transfer and conditional grants	Procurement management	Human resource management	Other	Quality of submitted performance reports	Supply chain management	Financial health	Human resource management	Information technology	Unauthorised expenditure Amount R	Irregular expenditure Amount R	Fruitless and wasteful expenditure Amount R
Financial audits *(audit opinions before consolidation of controlled entities, where applicable)*																																														
Financially unqualified with no findings																																														
1	Joe Gqabi district	EC	DM	🟩		A	🟨		R														A																	R	F	🟩	🟨	-	0,78m	0,18m
2	Sarah Baartman district	EC	DM	🟩			🟩		A																														N	R	F	🟩	🟨	-	3,1m	0,78m
3	Ingquza Hill	EC	LM	🟩	A	A	🟨	R	R										A				A		A									A					A	A	F	🟩	🟨	-	-	-
4	Matatiele	EC	LM	🟩		A	🟨		R														A	A												A			R	R	F	🟩	🟨	-	3,3m	0,02m
5	Senqu	EC	LM	🟩			🟩		A																															A	🟩	🟩	🟨	-	0,69m	1,0m
6	Joe Gqabi Economic Development Agency	EC	ME	🟩		A	🟨	A	R																									A							F	🟩	🟨	-	-	0,009m
7	Mandela Bay Development Agency	EC	ME	🟩			🟩																																	R	🟩	🟩	🟩	-	-	0,06m
8	Thabo Mofutsanyana district	FS	DM	🟩		A	🟨		R														A								A						A		R	A	M	🟩	🟨	2,7m	-	-
9	Ekurhuleni metro	GP	MET	🟩			🟩		A																														R	R	F	🟨	🟨	-	67,5m	20,8m
10	Sedibeng district	GP	DM	🟩			🟩																																	R	M	🟨	🟨	-	-	0,14m
11	Midvaal	GP	LM	🟩			🟩	A	A																																F	🟩	🟨	-	-	-
12	Mogale City	GP	LM	🟩			🟩		A																														N	R	F	🟨	🟨	-	-	0,26m
13	Brakpan Bus Company	GP	ME	🟩			🟩		A																														A	R	F	🟩	🟩	-	0,22m	-
14	Ekurhuleni Development Company	GP	ME	🟩			🟩		A																															R	F	🟨	🟩	-	0,03m	0,006m
15	Germiston Phase II Housing Company	GP	ME	🟩			🟩		A																															A	🟩	🟨	🟩	-	0,72m	0,05m
16	Joburg City Theatres	GP	ME	🟩			🟩		A																														A	N	🟩	🟩	🟩	-	-	-
17	Joburg Property Company	GP	ME	🟩		A	🟨		R														A																	A	F	🟩	🟩	-	-	0,16m
18	Johannesburg Development Agency	GP	ME	🟩	A		🟨	N	A										A	A																			R	N	F	🟨	🟩	-	0,07m	0,86m
19	Johannesburg Roads Agency	GP	ME	🟩			🟩		A																														R	N	F	🟨	🟨	-	0,76m	0,04m
20	Johannesburg Social Housing Company	GP	ME	🟩			🟩																																	A	🟩	🟩	🟩	-	-	-
21	Lethabong Housing Institute	GP	ME	🟩			🟩		A																																F	🟨	🟩		🟩	
22	Pharoe Park Housing Company	GP	ME	🟩			🟩		A																															A	F	🟨	🟩	-	0,94m	-
23	Pikitup Johannesburg	GP	ME	🟩		A	🟨	A	R														A										A						R	R	🟩	🟩	🟨	-	23,4m	-

Legend (audit outcomes)	Unqualified with no findings	Unqualified with findings	Qualified with findings	Adverse with findings	Disclaimed with findings	Audit not finalised at legislated date	New auditee	Legend (findings)	Addressed (A)	New (N)	Repeat (R)	Not reported (NR)	Financial health findings	No unfavourable indicators	Unfavourable indicators	Material unfavourable indicators	Controls (human resource and information technology management)	Good	Concerning	Intervention required	Legend (expenditure)	Improved	Regressed

MET = metropolitan municipality
DM = district municipality
LM = local municipality
ME = municipal entity

Number	Auditee	Province	Auditee type	2014-15 audit outcomes			2013-14 audit outcomes			Financial statement qualification areas									Findings on predetermined objectives				Findings on compliance																Findings on specific risk areas					Unauthorised, irregular as well as fruitless and wasteful expenditure		
				Audit opinion	Predetermined objectives	Compliance with legislation	Audit opinion	Predetermined objectives	Compliance with legislation	Non-current assets	Current assets	Liabilities	Capital and reserves	Other disclosure items	Revenue	Expenditure	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Aggregate misstatements	Reported information not useful	Reported information not reliable	Information not submitted in time for auditing	No annual performance report	Material misstatement or limitations in submitted AFS	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Annual financial statements and annual report	Asset management	Liability management	Budgets	Expenditure management	Consequence management	Audit committees	Internal audit	Revenue management	Strategic planning and performance	Transfer and conditional grants	Procurement management	Human resource management	Other	Quality of submitted performance reports	Supply chain management	Financial health	Human resource management	Information technology	Unauthorised expenditure Amount R	Irregular expenditure Amount R	Fruitless and wasteful expenditure Amount R
24	eThekwini metro	KZN	MET	🟩		A	🟨		R														A					A								A			N	R	F	🟩	🟨	-	212,3m	-
25	Ilembe district	KZN	DM	🟩			🟩		A																															A	F	🟩	🟨	24,9m	2,6m	0,13m
26	Umgungundlovu district	KZN	DM	🟩			🟩		A																															R	F	🟩	🟨	-	1,0m	1,8m
27	Uthungulu district	KZN	DM	🟩			🟩																																	R	F	🟩	🟨	-	-	-
28	Zululand district	KZN	DM	🟩			🟩		A																														R	R	F	🟩	🟨	-	0,31m	0,07m
29	Ezinqoleni	KZN	LM	🟩			🟩		A																															A	F	🟩	🟩	-	-	0,06m
30	Hibiscus Coast	KZN	LM	🟩		A	🟨		R														A																	A	F	🟩	🟨	-	0,96m	-
31	Mandeni	KZN	LM	🟩			🟩	A	A																														A	R	F	🟩	🟨	22,2m	0,22m	0,03m
32	Msinga	KZN	LM	🟩		A	🟨		N																											A			A	A	F	🟩	🟩	16,7m	-	-
33	Msunduzi	KZN	LM	🟩		A	🟨	A	R														A	A									A			A				R	F	🟨	🟨	-	0,71m	0,44m
34	Nquthu	KZN	LM	🟩		A	🟨	A	R															A	A						A			A					N	R	F	🟩	🟩	-	2,3m	0,005m
35	Okhahlamba	KZN	LM	🟩		A	🟨		N														A																	A	F	🟩	🟩	-	2,9m	0,91m
36	Ubuhlebezwe	KZN	LM	🟩			🟩																																A	R	F	🟩	🟥	-	4,2m	-
37	Umdoni	KZN	LM	🟩	A	A	🟨	R	R											A			A	A										A		A			A	R	F	🟩	🟨	-	6,2m	0,13m
38	uMhlabuyalingana	KZN	LM	🟩	A	A	🟨	N	R										A	A			A						A					A		A			A	R	🟩	🟩	🟥	-	2,5m	0,004m
39	uMhlathuze	KZN	LM	🟩			🟩																																N		F	🟩	🟨	-	-	-
40	Umuziwabantu	KZN	LM	🟩		A	🟨	A	R														A												A	A			A	R	🟩	🟩	🟩	-	10,1m	-
41	Umzumbe	KZN	LM	🟩			🟩	A	A																														A		F	🟩	🟩	-	-	0,02m
42	Durban Marine Theme Park	KZN	ME	🟩			🟩																																	R	M	🟩	🟨	-	0,15m	0,14m
43	ICC, Durban	KZN	ME	🟩			🟩		A																																🟩	🟩	🟨	-	-	0,02m
44	Ilembe Management Development Enterprise	KZN	ME	🟩			🟩		A																																F	🟩	🟩	-	-	0,31m
45	Ugu South Coast Tourism	KZN	ME	🟩			🟩	A	A																															R	🟩	🟩	🟩	-	0,01m	-
46	Ehlanzeni district	MP	DM	🟩			🟩																																	R	🟩	🟩	🟨	-	-	-
47	Nkangala district	MP	DM	🟩	A	A	🟨	R	R										A	A			A													A	A		A	R	🟩	🟨	🟨	-	22,8m	0,002m
48	Frances Baard district	NC	DM	🟩			🟩	A																																R	🟩	🟩	🟨	-	-	0,06m
49	ZF Mgcawu district	NC	DM	🟩			🟩																																		M	🟩	🟨	2,6m	0,37m	0,2m
50	City of Cape Town metro	WC	MET	🟩			🟩																																	R	F	🟩	🟨	-	1,0m	-
51	Cape Winelands district	WC	DM	🟩			🟩		A																														A	R	🟩	🟩	🟨	-	-	-
52	Eden district	WC	DM	🟩			🟩	A	A																														A	R	F	🟨	🟨	236,7m	3,8m	0,63m
53	Overberg district	WC	DM	🟩		A	🟨	A	R															A							A									R	M	🟩	🟩	0,11m	57,8m	-
54	West Coast district	WC	DM	🟩			🟩																																N	R	🟩	🟩	🟨	0,16m	12,4m	0,009m
55	Bitou	WC	LM	🟩			🟩	A	A																														N	R	F	🟩	🟨	-	0,07m	0,29m
56	Breede Valley	WC	LM	🟩			🟩																																R	R	F	🟩	🟨	0,11m	0,09m	-
57	Cape Agulhas	WC	LM	🟩			🟩		A																														A	R	F	🟩	🟨	7,4m	0,72m	0,02m
58	Drakenstein	WC	LM	🟩			🟩	A	A																														N	R	F	🟩	🟨	-	26,0m	-

Number	Auditee	Province	Auditee type	2014-15 audit outcomes			2013-14 audit outcomes			Financial statement qualification areas									Findings on predetermined objectives				Findings on compliance																Findings on specific risk areas					Unauthorised, irregular as well as fruitless and wasteful expenditure		
				Audit opinion	Predetermined objectives	Compliance with legislation	Audit opinion	Predetermined objectives	Compliance with legislation	Non-current assets	Current assets	Liabilities	Capital and reserves	Other disclosure items	Revenue	Expenditure	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Aggregate misstatements	Reported information not useful	Reported information not reliable	Information not submitted in time for auditing	No annual performance report	Material misstatement or limitations in submitted AFS	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Annual financial statements and annual report	Asset management	Liability management	Budgets	Expenditure management	Consequence management	Audit committees	Internal audit	Revenue management	Strategic planning and performance	Transfer and conditional grants	Procurement management	Human resource management	Other	Quality of submitted performance reports	Supply chain management	Financial health	Human resource management	Information technology	Unauthorised expenditure Amount R	Irregular expenditure Amount R	Fruitless and wasteful expenditure Amount R
59	George	WC	LM	🟩			🟩																																R	R	F	🟨	🟨	43,5m	0,01m	-
60	Hessequa	WC	LM	🟩			🟩		A																														R	R	F	🟩	🟨	8,5m	13,6m	0,76m
61	Knysna	WC	LM	🟩			🟩																																R	R	F	🟨	🟨	22,1m	-	0,01m
62	Langeberg	WC	LM	🟩			🟩																																R	A	F	🟩	🟨	19,2m	-	-
63	Matzikama	WC	LM	🟩		A	🟨	A	R																							A							N		F	🟩	🟩	-	-	-
64	Mossel Bay	WC	LM	🟩			🟩																																	R	F	🟩	🟨	0,02m	2,3m	-
65	Overstrand	WC	LM	🟩			🟩																																	R	F	🟩	🟨	3,7m	0,15m	0,01m
66	Saldanha Bay	WC	LM	🟩		A	🟨	A	R														A	A												A				R	F	🟩	🟨	0,39m	1,5m	0,15m
67	Stellenbosch	WC	LM	🟩		A	🟨	A	R															A												A			N	R	F	🟩	🟨	49,8m	1,5m	-
68	Swartland	WC	LM	🟩			🟩																																A	R	F	🟩	🟩	21,0m	0,24m	0,003m
69	Swellendam	WC	LM	🟩	A	A	🟨	R	R											A											A	A				A			R	R	F	🟩	🟨	-	0,02m	-
70	Theewaterskloof	WC	LM	🟩			🟩																																	R	F	🟩	🟨	-	43,0m	0,003m
71	Witzenberg	WC	LM	🟩			🟩																																	R	F	🟩	🟩	7,8m	-	-
72	Cape Town International Convention Centre	WC	ME	🟩			🟩																																	N	🟩	🟩	🟩	-	-	-
Financially unqualified with findings																																														
73	Amathole district	EC	DM	🟨		R	🟨		R														R	R		A			N	A						R				R	F	🟨	🟨	2,3m	288,5m	0,32m
74	Amahlati	EC	LM	🟨	R	R	🟪	R	R	A									R	R			R	R		R	A	A	A	R			N	R	N	A	A		R	R	🟩	🟨	🟥	23,9m	40,3m	0,76m
75	Baviaans	EC	LM	🟨		R	🟨		R														R	R		A		A	R		A	A				N			N	R	F	🟩	🟩	0,82m	0,25m	0,74m
76	Blue Crane Route	EC	LM	🟨	R	R	🟪	R	R	A				A			A	A	A	R			R	R		A	A	A		R	R	R		R		R	R		R	R	F	🟨	🟨	1,9m	39,6m	0,001m
77	Camdeboo	EC	LM	🟨	R	R	🟨	R	R										R	N			R	R	A		A		A					R	A	R	A		R	R	F	🟨	🟩	14,3m	-	0,01m
78	Elundini	EC	LM	🟨		R	🟨		R														A	R															R	R	F	🟩	🟨	3,0m	0,48m	0,87m
79	Emalahleni	EC	LM	🟨	R	R	🟪	R	R					A	A		A	A	A	R			R	R	N			N		A	A		A	R	N	R	N		R	R	F	🟨	🟨	9,9m	20,3m	0,07m
80	Engcobo	EC	LM	🟨	A	R	🟨	R	R										A	A			R	N	A	R				A			R	A			A		R	R	F	🟨	🟥	-	-	0,007m
81	Intsika Yethu	EC	LM	🟨	R	R	🟪	R	R			A		A		A			R	R			R	R			A	R	R	R	R		R	R	A	R	R		R	R	F	🟥	🟨	19,6m	55,8m	0,17m
82	Kou Kamma	EC	LM	🟨	R	R	🟪	R	R						A				R	R			R	R		R		A	N	R	A		R	R	A	A			R	A	M	🟥	🟩	8,9m	7,6m	0,56m
83	Kouga	EC	LM	🟨	R	R	🟨	R	R										R	R			R	R	N			A	R	R	R			R	A	R	R		R	R	F	🟨	🟥	-	-	2,3m
84	Maletswai	EC	LM	🟨	R	R	🟨	R	R										R	R			N	R				R	R		R	R		R		R	R		R	R	M	🟨	🟨	15,5m	0,8m	5,3m
85	Nxuba	EC	LM	🟨	R	R	🟪	R	R	A									R	R			R	R		R		A	R	R				A	N	N	A		R	R	M	🟨	🟥	13,7m	16,6m	4,3m

Legend (audit outcomes)	Unqualified with no findings	Unqualified with findings	Qualified with findings	Adverse with findings	Disclaimed with findings	Audit not finalised at legislated date	New auditee
	🟩	🟨	🟪	🟪	🟥	⬜	🟦

Legend (findings)	Addressed (A)	New (N)	Repeat (R)	Not reported (NR)

Financial health findings	No unfavourable indicators	Unfavourable indicators	Material unfavourable indicators

Controls (human resource and information technology management)	Good	Concerning	Intervention required
	🟩	🟨	🟥

Legend (expenditure)	Improved	Regressed

MET = metropolitan municipality DM = district municipality LM = local municipality ME = municipal entity

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86	Nyandeni	EC	LM	🟨		R	🟨		R														R	N									R						A	R	🟩	🟩	🟨	12,2m	13,9m	0,006m
87	Sakhisizwe	EC	LM	🟨	R	R	🟪	R	R					A			A		R	R			R	R	R			A	R	R	R	N	R	R	R	R	R		R	R	F	🟨	🟥	11,9m	17,2m	0,02m
88	Umzimvubu	EC	LM	🟨	A	R	🟨	N	R										A				A			A								A		N			A	N	🟩	🟨	🟨	-	-	-
89	Blue Crane Route Development Agency	EC	ME	🟨	R	R	🟪	R	R							A	A		A			N	R	N	N				R	R	R	R		R		A	R		R	R		🟨	🟥	-	0,21m	0,11m
90	Buffalo City Development Agency	EC	ME	🟨	R	R	🟨	N	R													R	R	N	R			R		R		N		R					R			🟥		-	-	0,02m
91	Cacadu Development Agency	EC	ME	🟨	N	R	🟨		N										N												N	N		N		A			N	R	🟩	🟩		-	0,26m	-
92	Chris Hani Development Agency	EC	ME	🟨	A	R	🟪	R	R			A	A			A						A	R	R	R		A			A	A			R		A			A	R	🟩	🟨	🟥	-	1,5m	0,26m
93	Nkonkobe Economic Development Agency	EC	ME	🟨		R	🟨		R														R		N	A					R					A				A	F	🟨	🟩	-	-	0,03m
94	Ntinga OR Tambo Development Agency	EC	ME	🟨	A	R	🟨	R	N										A	A			R	N					A					A		A			A	A	🟩	🟨	🟩	-	-	0,17m
95	Port St. Johns Development Agency	EC	ME	🟨	R	R	🟨	R	R										R	R			A	N				A	R	R	R	A		R		A	N		R	R	M	🟨	🟨	-	0,77m	0,54m
96	Mangaung metro	FS	MET	🟨	R	R	🟨	R	R											R			R	R	R	R		A			N				A	R	N		R	R	F	🟨	🟥	1 006,0m	8,1m	0,21m
97	Fezile Dabi district	FS	DM	🟨	A	R	🟪	N	R			A				A		A	A				R				A									A			A	A	F	🟨	🟩	-	-	0,03m
98	Lejweleputswa district	FS	DM	🟨	R	R	🟨	R	R											R			R	R						N	A	A	A	A		R			R	R	F	🟨	🟨	-	1,6m	-
99	Dihlabeng	FS	LM	🟨	R	R	🟨	R	R										R				R	R	R		A	R	R	R	N			R	N	R	R		R	R	M	🟥	🟥	102,5m	37,6m	14,2m
100	Metsimaholo	FS	LM	🟨	R	R	🟨	R	R										A	R			R	R	A	A		N	R	A				A		R	A	A	R	R	M	🟨	🟥	77,9m	55,5m	3,9m
101	Mohokare	FS	LM	🟨	R	R	🟪	R	R		A				A		A		A	R			R	R	N		A	A	R	R	R	R	R	R	A	R	R		R	R	M	🟥	🟩	3,6m	51,9m	5,8m
102	Nala	FS	LM	🟨	R	R	🟥	R	R	A	A	A		A	A	A	A	A	R	R			R	R	R	R	A	R	R	A	R	R	R	R	R	R	R	A	R	R	M	🟨	🟥	62,1m	11,8m	25,8m
103	Setsoto	FS	LM	🟨	R	R	🟨	R	R										R	R			R	R	R	N		R		A			A	R		R	R		R	R	M	🟨	🟥	286,7m	33,4m	0,14m
104	Tokologo	FS	LM	🟨	R	R	🟨	R	R										R	R			R	R	A	R		A	R	R	R		A	A		R	R		R	R	M	🟨	🟨	33,4m	20,6m	1,4m
105	Tswelopele	FS	LM	🟨	A	R	🟨	R	R										A	A			R	R		R	A	A	A	A	A	A	A	R	N	R	A	A	A	R	F	🟥	🟨	5,8m	9,4m	0,12m
106	Centlec	FS	ME	🟨	R	R	🟨	R	R										R	R			R	R					N							R			R	R	F	🟨	🟨	-	33,5m	0,005m
107	Lejwe Le Putswa Development Agency	FS	ME	🟨	R	R	🟨	R	R										R	R			N	R					N	N	A			R		N			R	N	F	🟨	🟨	-	0,46m	0,004m
108	Maluti-A-Phofung Water	FS	ME	🟨	R	R	🟨	R	R										R	R			R	R				A	R	N	R	N		R			N		R	R	M	🟨	🟥	-	1,2m	0,42m
109	City of Johannesburg metro	GP	MET	🟨	R	R	🟨	R	R										A	R			R	N				A	A	R						R			R	R	F	🟨	🟨	959,3m	79,6m	0,04m
110	City of Tshwane metro	GP	MET	🟨	R	R	🟨	N	R											R			R	R		R		A	A					N		R			R	R	F	🟨	🟨	785,5m	1 099,7m	1,0m
111	West Rand district	GP	DM	🟨		R	🟨	A	R														R			A														N	M	🟨	🟩	-	-	-
112	Emfuleni	GP	LM	🟨	R	R	🟨	R	R										N	R			A						R										R	R	M	🟨	🟨	453,1m	-	1,1m
113	Lesedi	GP	LM	🟨	R	R	🟨	R	R										R	R			R	N					N	N	A	N				N			R	R	F	🟨	🟨	51,6m	70,4m	3,3m
114	Merafong City	GP	LM	🟨	R	R	🟨	R	R										N	R			R	A					R	N				A		R			R	R	F	🟨	🟥	-	-	0,4m
115	City Power Johannesburg	GP	ME	🟨	A	R	🟨	N	R											A			R			A			A				R						R	R	F	🟨	🟨	-	14,7m	-
116	East Rand Water Care Company	GP	ME	🟨		R	🟨		R														R	R	A											R				R	F	🟩	🟩	-	37,1m	0,56m
117	Housing Company Tshwane	GP	ME	🟨		R	🟨	A	R														R	N												N	A		R	N	🟩	🟩	🟨	-	1,6m	-
118	Joburg Market	GP	ME	🟨		N	🟩																													N			N	R	🟩	🟩	🟩	-	17,3m	19,0m
119	Johannesburg City Parks	GP	ME	🟨		R	🟨		R														N						A										N	R	F	🟨	🟩	-	-	-

Number	Auditee	Province	Auditee type	2014-15 audit outcomes			2013-14 audit outcomes			Financial statement qualification areas									Findings on predetermined objectives				Findings on compliance																Findings on specific risk areas					Unauthorised, irregular as well as fruitless and wasteful expenditure		
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120	Johannesburg Metropolitan Bus Services	GP	ME	🟧	R	R	🟧	R	R										R	A			R	R		R			N							R	N		R	R	M	🟥	🟧	-	128,6m	0,18m
121	Johannesburg Water	GP	ME	🟧	A	R	🟧	N	R										A				R										R			A			A	A	F	🟩	🟧	-	13,4m	-
122	Sandspruit Works Association	GP	ME	🟧		R	🟧		R														R	R						N			N			R			R	R	F	🟧	🟧	-	14,3m	-
123	Tshwane Economic Development Agency	GP	ME	🟧	R	R	🟧	N	R										R	N			R	N													A		R	R	🟩	🟩	🟧	-	-	0,66m
124	West Rand Development Agency	GP	ME	🟧	R	R	🟥	R	R	A	A	A	A						N	R			A	N	N	A		A		N		N		R		N			R	N	M	🟧	🟩	-	0,09m	0,27m
125	Harry Gwala district	KZN	DM	🟧		R	🟧	A	R														R	R		N			A		A		A	R		R			R	R	F	🟩	🟥	192,9m	143,4m	0,09m
126	Ugu district	KZN	DM	🟧	A	R	🟪	R	R	A	A			A	A				A	A			R	R		R		A	R				A			A			R	R	F	🟩	🟧	273,8m	40,4m	0,52m
127	uMzinyathi district	KZN	DM	🟧	R	R	🟧	N	R										R	R			R	R						N	A			N		R			R	R	F	🟥	🟧	-	179,7m	-
128	Abaqulusi	KZN	LM	🟧	R	R	🟧	R	R										R	R			R	R	A			R	N	R				R		R			R	R	M	🟧	🟧	78,8m	23,4m	0,56m
129	Dannhauser	KZN	LM	🟧	N	N	🟩	A	A										N	N			N																N	R	F	🟧	🟧	-	2,1m	-
130	eDumbe	KZN	LM	🟧	R	R	🟧	R	R										R	R			R	R				N	R	N			R	N	N	N			R	R	M	🟧	🟧	13,9m	33,4m	0,78m
131	eMadlangeni	KZN	LM	🟧	R	R	🟧	R	R										A	R			R	N					N					N		N			R	R	F	🟧	🟧	1,5m	2,2m	0,04m
132	eMnambithi / Ladysmith	KZN	LM	🟧		N	🟩		A														N																N		F	🟩	🟧		0,007m	0,02m
133	Endumeni	KZN	LM	🟧	N	A	🟧	A	R										N				A		A											A			R	A	F	🟧	🟧	-	0,13m	-
134	Greater Kokstad	KZN	LM	🟧		R	🟧	A	R														R			N			A	N										R	F	🟧	🟧	-	2,2m	0,21m
135	Hlabisa	KZN	LM	🟧	R	R	🟥	R	R	A	A	A		A	A	A	A		R	R			R	R	A	R	A	R	R	R			A	R	A	R	R	A	R	R	M	🟧	🟥	10,1m	63,6m	0,3m
136	Imbabazane	KZN	LM	🟧		R	🟧	A	R														R																	N	F	🟩	🟩	-	-	0,06m
137	Impendle	KZN	LM	🟧		R	🟧	A	R														R	N															N	R	F	🟩	🟧	-	1,0m	0,01m
138	Indaka	KZN	LM	🟧	N	R	🟧	A	N											N			A	N						N			R	N	N	R			R	R	F	🟧	🟩	0,42m	2,9m	0,002m
139	Ingwe	KZN	LM	🟧	R	R	🟧	R	R										R	N			R											N	N	N	A		R	R	🟩	🟧	🟧	6,0m	11,4m	0,06m
140	Kwa Sani	KZN	LM	🟧	N	R	🟧	A	R										N	N			R			A					A			N		N			N	R	🟩	🟩	🟧	7,4m	4,7m	0,003m
141	Kwadukuza	KZN	LM	🟧	R	R	🟧	R	R										A	R				R							N	N		R	R	R			R	R	F	🟧	🟧	-	86,4m	0,43m
142	Maphumulo	KZN	LM	🟧	N	R	🟧		R											N			N	R										N	A	R	A		R	R	M	🟧	🟧	12,4m	23,7m	0,13m
143	Mfolozi	KZN	LM	🟧	A	R	🟧	R	R										A	A			R	R				N						R		N			R	R	F	🟩	🟧	21,5m	23,7m	-
144	Mkhambathini	KZN	LM	🟧	R	R	🟧	R	R										R	R			R	N		N										R			R	R	F	🟧	🟧	-	1,4m	3,0m
145	Mthonjaneni	KZN	LM	🟧	N	R	🟧		R										N	N			A	R				N						N		R			R	R	🟩	🟧	🟥	-	9,0m	0,01m
146	Mtubatuba	KZN	LM	🟧	A	R	🟧	R	R										A	A			R	R	R			A		R	A	A			N	A	A	A	A	R	F	🟧	🟧	12,4m	3,9m	0,38m
147	Ndwedwe	KZN	LM	🟧		R	🟧		R														A	R										A	N	R	A		R	R	F	🟩	🟧	2,1m	3,5m	-
148	Nkandla	KZN	LM	🟧		R	🟧	A	R														R	R					A							R	N		N	R	F	🟧	🟥	-	15,2m	0,15m
149	Nongoma	KZN	LM	🟧	R	R	🟧	R	R										R	R			R	R	A	R	A	A		N			A	N		R			R	R	F	🟧	🟧	5,7m	6,3m	0,16m

Legend (audit outcomes)	🟩 Unqualified with no findings	🟧 Unqualified with findings	🟪 Qualified with findings	Adverse with findings	🟥 Disclaimed with findings	Audit not finalised at legislated date	New auditee	
Legend (findings)	Addressed (A)	New (N)	Repeat (R)	Not reported (NR)				
Financial health findings	No unfavourable indicators	Unfavourable indicators	Material unfavourable indicators					
Controls (human resource and information technology management)	🟩 Good	🟧 Concerning	🟥 Intervention required					
Legend (expenditure)	Improved	Regressed						

MET = metropolitan municipality DM = district municipality LM = local municipality ME = municipal entity

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150	Ntambanana	KZN	LM	🟨		R	🟨		N														N	N												A	N		N	R	F	🟨	🟩	-	1,5m	-
151	Richmond	KZN	LM	🟨	N	N	🟩		A										N	N																N			N	N	F	🟩	🟩	0,04m	0,25m	-
152	The Big Five False Bay	KZN	LM	🟨	A	R	🟨	N	R										A	A			R	R	A			A	A	A					R	N		A	R	R	F	🟩	🟨	0,03m	11,2m	0,17m
153	Ulundi	KZN	LM	🟨		R	🟨		R														R	R				A	R	R							A		N	R	M	🟨	🟨	46,4m	2,8m	7,6m
154	Umlalazi	KZN	LM	🟨	A	R	🟨	N	R										A				R	R												A			R	R	F	🟩	🟥	14,2m	4,4m	0,04m
155	Umngeni	KZN	LM	🟨		R	🟨	A	R														R	R		A	N	A	A	N	A	A				R	R		N	R	F	🟥	🟨	68,7m	25,0m	1,3m
156	uMshwathi	KZN	LM	🟨	A	N	🟨	R	A										A																	N			A	R	F	🟩	🟨	-	2,9m	-
157	Umvoti	KZN	LM	🟨	R	R	🟨	R	R										R	R			R	N	N					N	R			R	A	R			R	R	F	🟥	🟥	-	15,4m	-
158	uMzimkhulu	KZN	LM	🟨		N	🟩																N			N													R	R	🟩	🟩	🟨	-	2,3m	-
159	uPhongolo	KZN	LM	🟨	R	R	🟨	R	R										A	R			R	R		A			R							R	A		R	R	M	🟨	🟨	15,9m	18,1m	0,06m
160	South Coast Development Agency	KZN	ME	🟨	A	R	🟪	R	R								A		A	A			R	R					A							R			A	R	F	🟨	🟩	-	2,4m	-
161	Uthukela Water	KZN	ME	🟨	N	R	🟨		R										N	N			N	N										N		R			N	R	M	🟨	🟨	-	4,5m	0,02m
162	Capricorn district	LP	DM	🟨	R	R	🟨	R	R										A	R			R	R		R				N				R		R			R	R	F	🟨	🟨	56,3m	0,09m	0,02m
163	Sekhukhune district	LP	DM	🟨	R	R	🟨	R	R										R	R			R	R			A		R	A						R			R	R	F	🟨	🟨	32,4m	138,4m	0,85m
164	Waterberg district	LP	DM	🟨	N	R	🟨		R											N			R	N	N									N		N			R	N	🟩	🟩	🟩	0,03m	4,5m	0,001m
165	Bela-Bela	LP	LM	🟨	R	R	🟨	R	R										N	R			R	R												R	N		R	R	F	🟨	🟨	-	3,5m	-
166	Lephalale	LP	LM	🟨	R	R	🟨	R	R											R			R	R	N	R		A		N				N	A	R	N		R	R	F	🟨	🟨	-	48,9m	-
167	Makhudutamaga	LP	LM	🟨	R	R	🟨	R	R										R	R			R	N				A						R		R			R	R	F	🟨	🟥	9,1m	31,8m	0,4m
168	Molemole	LP	LM	🟨	A	R	🟪	R	R	A		A		A			A		A				R	R		A		A		N	A		A	R		R			R	R	F	🟨	🟩	5,6m	1,3m	0,02m
169	Musina	LP	LM	🟨	A	R	🟨	R	R										A	A			R	N	N				R	R	A	R		R					R	N	M	🟨	🟨	-	8,4m	1,5m
170	Polokwane	LP	LM	🟨	R	R	🟪	R	R	A								A	A	R			R	R		A	A	A					A	R	N	R			R	R	F	🟨	🟨	519,0m	297,6m	1,6m
171	Thulamela	LP	LM	🟨	R	R	🟨	R	R										R	R			R	N		A	A							A		R			R	R	F	🟨	🟥	14,4m	1,9m	0,48m
172	Greater Tzaneen Economic Development Agency	LP	ME	🟨		R	🟨		N														R	R		A			R	N	A					A				A	M	🟨		-	-	0,04m
173	Polokwane Housing Association	LP	ME	🟨	R	R	🟨	R	R										A	N			R	N		A	A		A	R		N				R			R	R	M	🟨	🟨	3,4m	5,1m	-
174	Gert Sibande district	MP	DM	🟨	A	R	🟪	N	R	A									A				R	A		A				A			A		A	A	A		A	R	F	🟨	🟥	-	0,1m	0,04m
175	Chief Albert Luthuli	MP	LM	🟨	R	R	🟪	R	R	A									R	R			R	R		R			R	R	A	A		R	N	R			R	R	F	🟨	🟨	52,3m	59,2m	5,0m
176	Dipaleseng	MP	LM	🟨	R	R	🟨	R	R										R	R			R	R		N		R	R	R	R	R	N	N	A	R	N		R	R	F	🟨	🟥	12,4m	13,5m	0,93m
177	Dr Pixley Ka Isaka Seme	MP	LM	🟨	R	R	🟪	R	R	A				A	A				A	R			R	N		A			R					R		A			R	R	F	🟨	🟥	-	22,1m	0,01m
178	Govan Mbeki	MP	LM	🟨	R	R	🟨	R	R										R	R			A	R					A							R	A		R	R	F	🟩	🟨	-	48,4m	28,5m
179	Lekwa	MP	LM	🟨	R	R	🟨	R	R										R	R			R	R	A	N			R	N			N	A	N	R	A		R	R	F	🟨	🟥	68,3m	71,7m	25,3m
180	Mbombela	MP	LM	🟨		R	🟨		R														N	R					R							R			A	R	F	🟩	🟨	103,2m	107,0m	11,4m
181	Nkomazi	MP	LM	🟨	A	R	🟪	R	R	A										A			R	R		R		R	R	A			A	A		R	R		R	R	F	🟨	🟥	118,1m	32,7m	4,1m
182	Steve Tshwete	MP	LM	🟨		N	🟩																	N															N	R	F	🟩	🟨	58,5m	-	0,12m
183	Umjindi	MP	LM	🟨	A	R	🟪	R	R		A								A	A			R	R	N	R		A	R	A					N	R			R	R	F	🟨	🟨	12,7m	29,1m	2,4m

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184	Thaba Chweu Local Economic Development Agency	MP	ME	🟨		R	🟨	A	R														N									A				R				R	🟩	🟩		-	0,02m	0,002m
185	John Taolo Gaetsewe district	NC	DM	🟨	R	R	🟨	R	R										R	R			R	R	R	A		A					A	R	R	R	A		R	R	F	🟨	🟨	1,5m	9,8m	0,5m
186	Namakwa district	NC	DM	🟨	R	R	🟨	R	R										R	A				N	N	A		N		N	R	A		R		N	A		R	R	M	🟨	🟥	0,03m	0,42m	-
187	Pixley Ka Seme district	NC	DM	🟨	R	R	🟨	R	R													R	R	R	R	A		R	R	R	R		R	R		R	R		R	R	M	🟥	🟥	-	2,0m	0,25m
188	//Khara Hais	NC	LM	🟨		R	🟨		R														A	R		A		A	R	A						A			R	R	F	🟩	🟥	25,6m	21,4m	1,3m
189	Emthanjeni	NC	LM	🟨	R	R	🟪	R	R		A				A				A	R			R	R	A	R		A	R	R	R	A		R	A	A			R	R	F	🟨	🟥	69,2m	10,6m	-
190	Kareeberg	NC	LM	🟨	R	R	🟨	R	R										R			R		R	R	A		N		A	R			R		A	R		R	R	🟩	🟥	🟥	2,8m	-	-
191	Khai-Ma	NC	LM	🟨	R	R	🟨	R	R										R			R	R	R	R	N		R	N	R	R	R	R	R	R	R	R		R	R	M	🟥	🟥	1,8m	-	0,15m
192	Sol Plaatje	NC	LM	🟨	R	R	🟪	R	R		A				A				R	R			R	N	R	N		A	A	A			A	N		R	R		R	R	F	🟥	🟨	2,8m	212,7m	0,12m
193	Umsobomvu	NC	LM	🟨	R	R	🟨	R	R										R	R				R	A			A						R		R			R	R	F	🟩	🟨	7,1m	2,3m	-
194	Dr Kenneth Kaunda district	NW	DM	🟨	N	R	🟨		R										N	N			N	R	A	N						R	N	N	A	R	A	N	R	R	🟩	🟨	🟥	-	8,6m	11,6m
195	Naledi	NW	LM	🟨	R	R	🟨	R	R										R	R			R	R				N	R	R	R			R		R		R	R	R	M	🟩	🟨	333,7m	2,4m	17,7m
196	Ramotshere Moiloa	NW	LM	🟨	R	R	🟪	R	R	A	A		A						R	R			R	R	N			R	N	N	A	A		R		R	A	R	R	R	F	🟨	🟥	91,0m	21,7m	1,5m
197	Ratlou	NW	LM	🟨	A	R	🟪	R	R	A	A	A	A	A	A	A		A		A			R	R	N	R	R		A	R	R		R	R		R		R	R	R	F	🟨	🟨	2,6m	8,3m	0,13m
198	Rustenburg	NW	LM	🟨	R	R	🟪	R	R		A	A	A	A	A		A		R	R			R	R	N			A		R	R	A		R		R	R	R	R	R	F	🟨	🟥	13,4m	3 061,6m	0,54m
199	Tlokwe	NW	LM	🟨	R	R	🟨	R	R										R	R			R	R	N		N		A	R		N	N	R		R	R	R	R	R	F	🟥	🟥	9,1m	57,5m	-
200	Dr KKDM Economic Agency	NW	ME	🟨		R	🟨		R														R	N	A	N			N	N		R		N		R	N			R	🟩	🟨		-	0,58m	0,21m
201	Lekwa Teemane Development Agency	NW	ME	🟨	R	R	🟨	R	R										R	R			R	R	R				N	R		R		R		N	R		R	N	F	🟥		-	0,3m	0,005m
202	Rustenburg Water Services Trust	NW	ME	🟨		R	🟨		R																				N		R	R				R			N	R	🟩	🟩		-	-	-
203	Central Karoo district	WC	DM	🟨	R	R	🟨	N	R										A	N			A	R		A								N					R	R	M	🟩	🟨	-	0,43m	0,01m
204	Beaufort West	WC	LM	🟨		R	🟨	A	R														R	N		N		N		N	R	N			N	N	R		R	N	F	🟨	🟨	28,5m	15,9m	0,16m
205	Berg River	WC	LM	🟨		R	🟨		R														N	N		A														R	F	🟩	🟩	3,7m	0,69m	0,002m
206	Cederberg	WC	LM	🟨	R	R	🟨	R	R										R	R			R	R				A	R		R	N		N		A			R	R	M	🟨	🟥	1,2m	0,48m	-
207	Kannaland	WC	LM	🟨	A	R	🟨	R	R										A	A			R	N	R	R			R	A	N	N	A	A	N	R	N		A	R	M	🟨	🟨	31,2m	8,5m	0,07m
208	Laingsburg	WC	LM	🟨	A	R	🟨	R	R										A	A			R	R	N					N	R	R			A	R	R		A	R	F	🟥	🟥	23,7m	31,0m	0,06m
209	Prince Albert	WC	LM	🟨		R	🟨		R														R	R	A	N										N			R	R	F	🟨		0,08m	8,0m	-
210	Central Karoo Economic Development Agency	WC	ME	🟨	R	R	🟨	R	R													R	R		N			R			N	R		N		N			R	N	M	🟨		-	0,007m	-

Legend (audit outcomes)	Unqualified with no findings	Unqualified with findings	Qualified with findings	Adverse with findings	Disclaimed with findings	Audit not finalised at legislated date	New auditee	Legend (findings)	Addressed (A)	New (N)	Repeat (R)	Not reported (NR)	Financial health findings	No unfavourable indicators	Unfavourable indicators	Material unfavourable indicators	Controls (human resource and information technology management)	Good	Concerning	Intervention required	Legend (expenditure)	Improved	Regressed

MET = metropolitan municipality **DM = district municipality** **LM = local municipality** **ME = municipal entity**

Number	Auditee	Province	Auditee type	2014-15 audit outcomes			2013-14 audit outcomes			Financial statement qualification areas									Findings on predetermined objectives				Findings on compliance																Findings on specific risk areas					Unauthorised, irregular as well as fruitless and wasteful expenditure		
				Audit opinion	Predetermined objectives	Compliance with legislation	Audit opinion	Predetermined objectives	Compliance with legislation	Non-current assets	Current assets	Liabilities	Capital and reserves	Other disclosure items	Revenue	Expenditure	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Aggregate misstatements	Reported information not useful	Reported information not reliable	Information not submitted in time for auditing	No annual performance report	Material misstatement or limitations in submitted AFS	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Annual financial statements and annual report	Asset management	Liability management	Budgets	Expenditure management	Consequence management	Audit committees	Internal audit	Revenue management	Strategic planning and performance	Transfer and conditional grants	Procurement management	Human resource management	Other	Quality of submitted performance reports	Supply chain management	Financial health	Human resource management	Information technology	Unauthorised expenditure Amount R	Irregular expenditure Amount R	Fruitless and wasteful expenditure Amount R
Financially qualified with findings																																														
211	Buffalo City metro	EC	MET	🟪	R	R	🟪	R	R					N			R		A	R			R	R		R			R	R				R	N	R			R	R	F	🟥	🟥	245,3m	479,2m	0,48m
212	Nelson Mandela Bay metro	EC	MET	🟪		R	🟪		R			R				A	A						R	R				R	A	R	R					R	A		R	R	F	🟥	🟥	34,4m	1 348,3m	422,6m
213	Alfred Nzo district	EC	DM	🟪	R	R	🟪	R	R	N		N		R		A	N	N	R	R			R	R		R	N	N	A	R	R		A	R		R	A		R	R	F	🟥	🟥	70,6m	188,1m	0,1m
214	Chris Hani district	EC	DM	🟪	R	R	🟪	R	R		N			A	N			R	R	R			R	R	N	N		A	N	R	R	A	N	R	R	R	A		R	R	F	🟨	🟥	215,1m	123,5m	0,82m
215	OR Tambo district	EC	DM	🟪	R	R	🟥	R	R	R	A	R	A	R	A	A	R	N	R	R			R	R	N	R	A		R	R	A	R	R	R		R	N		R	R	F	🟥	🟥	223,2m	93,8m	19,4m
216	Gariep	EC	LM	🟪	R	R	🟪	R	R	N		A					N		R	R			R	R	R	N			R	N	R	R	A	R		R	R		R	R	F	🟥	🟨	2,3m	11,0m	5,5m
217	Great Kei	EC	LM	🟪	R	R	🟥	R	R	R	R	R		R	R	R	R	A	R	R			R	R	R	R	R	A	R	R	A		R	R		R	R		R	R	F	🟨	🟥	23,2m	5,1m	0,1m
218	King Sabata Dalindyebo	EC	LM	🟪	R	R	🟪	R	R		R			R	R		R	N	R	R			R	R		R	A	A	R	R	R	R	A	R	A	R	R		R	R	F	🟥	🟥	142,7m	132,2m	4,8m
219	Lukhanji	EC	LM	🟪	R	R	🟥	R	R	R	A	A	A	R	R	A	R	R	R	R			R	R	R	R	R	R	R	R	R	R	R	R	R	R	R		R	R	F	🟥	🟥	25,5m	59,0m	0,56m
220	Makana	EC	LM	🟪	R	R	🟥	R	R	R	R	R	A	R	A	R	R	N	R	R			R	R	R	A	R	A	R	R	R	R	R	R	A	R	R		R	R	M	🟥	🟥	31,8m	0,52m	5,8m
221	Mbhashe	EC	LM	🟪	R	R	🟪	R	R	A	A					A	R		R	R			R	R	R	R			N	R	N		R	R		R	R		R	R	🟩	🟥	🟨	20,5m	3,3m	0,25m
222	Mbizana	EC	LM	🟪	A	R	🟥	R	R	R	N	A		R		R	A		A	A			R	R	A	R	R		R	A	A			A		R	A		R	R	F	🟨	🟥	1,2m	3,5m	0,11m
223	Mhlontlo	EC	LM	🟪	R	R	▨	R	R	R	R	R		A	A	A	R	N	R	A			R	R	N	R	A	A	A	R	R		A	R		R	R		R	R	F	🟥	🟨	10,3m	1,1m	0,64m
224	Mnquma	EC	LM	🟪	R	R	🟪	R	R	A	A	A	A	A		A	R	N	A	R			R	R				A	A	A	R	R	A	R	A	R	R		R	R	F	🟨	🟥	83,6m	110,7m	0,05m
225	Ndlambe	EC	LM	🟪	R	R	🟥	R	R	A	A	A	A	A	A		R		R	R			R	R		N		N		N	R	R	A	R	R	N	N		R	R	F	🟥	🟥	28,0m	198,3m	0,04m
226	Ngqushwa	EC	LM	🟪	R	R	🟥	R	R	A	R	R	A	A	R	R	R	N	R	N			R	R	R	A	R	R	R	R	R	R	R	R	R	R	R		R	R	F	🟨	🟥	22,5m	28,5m	0,03m
227	Nkonkobe	EC	LM	🟪	R	R	🟪	R	R	R	A	R		N		R	N	R	R	A			R	R		R	R	A	R	R	R	R	A	R		N	N		R	R	F	🟥	🟥	35,9m	14,1m	1,1m
228	Ntabankulu	EC	LM	🟪	R	R	🟥	R	R	R	R	A	A	R	A	A	R	R	R	R			R	R	A	R	A	A	A	R	R	N	A	R	R	R	N		R	R	F	🟨	🟨	47,3m	97,5m	0,05m
229	Tsolwana	EC	LM	🟪	R	R	🟨	R	R								N	N	R	R			R	R	R	N		N	N	R	N		N	R		N			R	R	F	🟨	🟥	2,1m	1,0m	0,009m
230	Amathole Economic Development Agency	EC	ME	🟪		R	🟨	A	R					N			N						R								N									R	M	🟨	🟩	-	4,9m	3,2m
231	Xhariep district	FS	DM	🟪		R	🟪		R	A		R		A				A					R	R		R	N	A	N	R	R	N	N		N	R	N			R	M	🟥	🟨	0,75m	3,7m	0,3m
232	Kopanong	FS	LM	🟪	N	R	🟪		R		R			A	A	A		R	N	N			R	R		R	A		R	R	R		R			R	R		N	R	M	🟥	🟨	56,3m	12,9m	11,5m
233	Letsemeng	FS	LM	🟪	R	R	🟥	R	R	R	R	R		A	R	R	A	R	R	N			R	R	N	R	R	A	R	R	R		R	R	N	R	R	A	R	R	F	🟥	🟨	27,9m	19,8m	0,31m
234	Mantsopa	FS	LM	🟪	R	R	🟥	R	R	R	R	A	A	R	R	A	A		N	R			R	R	A	R	R	N	R	R	N		R	R	A	R			R	R	M	🟥	🟥	131,8m	32,0m	5,8m
235	Masilonyana	FS	LM	🟪	R	R	🟪	R	R	R	A	N			A				R	R			R	R	R	R	N	R	R	A	R	A	A	R		R	R		R	R	M	🟥	🟨	11,2m	7,7m	4,0m
236	Moqhaka	FS	LM	🟪	R	R	🟥	R	R	A			A	A	R	A	A	R	R	R			R	R	R	A		R	R	R	R	A	R	R	A	A	R	A	R	R	F	🟨	🟨	133,8m	35,7m	0,4m
237	Naledi	FS	LM	🟪	R	R	🟪	R	R	N	R				R	A	R	A	R	R			R	R		R	A	A	R	R	R	N	R	R	N	R	R	A	R	R	M	🟨	🟥	29,7m	40,1m	0,51m
238	Nketoana	FS	LM	🟪		R	🟨	A	R	N								N					R	R	A	R		A	N	R	R	N	R	A	R	R	R	A		R	M	🟥	🟥	5,4m	26,2m	6,8m
239	Amajuba district	KZN	DM	🟪	R	R	🟥	R	R	A	R	A			R	A			R	N			R	R	A	A	A	A	N				N	R		R	N		R	R	M	🟨	🟥	53,2m	2,4m	1,5m
240	uThukela district	KZN	DM	🟪	R	R	🟪	R	R		R	A		A	N	R	R		R	R			R	R				A	A	R			N	R		R			R	R	F	🟨	🟨	-	324,0m	0,41m
241	Jozini	KZN	LM	🟪	R	R	🟥	N	R	A	A	R		A	A	A	A		R	R			R	N					A	A				N	R	R	A	A	R	R	F	🟨	🟥	-	57,6m	0,92m
242	Mpofana	KZN	LM	🟪	A	R	🟪	R	R	R	A	R		R	N		A		A				R	R	A	N	N	A	R	N	N	N	R		N	R			R	R	M	🟨	🟥	6,7m	9,4m	0,12m
243	Newcastle	KZN	LM	🟪		R	🟪		R	R		A											R	R		R			A	A				N		A			N	R	F	🟨	🟨	-	33,3m	0,004m
244	Umtshezi	KZN	LM	🟪	N	R	🟨		R	N		N		N			N		N	N			R	R		N			R	N				N	N	R			R	R	F	🟨	🟩	21,3m	1,8m	-

Number	Auditee	Province	Auditee type	2014-15 audit outcomes			2013-14 audit outcomes			Financial statement qualification areas									Findings on predetermined objectives				Findings on compliance																Findings on specific risk areas					Unauthorised, irregular as well as fruitless and wasteful expenditure		
				Audit opinion	Predetermined objectives	Compliance with legislation	Audit opinion	Predetermined objectives	Compliance with legislation	Non-current assets	Current assets	Liabilities	Capital and reserves	Other disclosure items	Revenue	Expenditure	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Aggregate misstatements	Reported information not useful	Reported information not reliable	Information not submitted in time for auditing	No annual performance report	Material misstatement or limitations in submitted AFS	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Annual financial statements and annual report	Asset management	Liability management	Budgets	Expenditure management	Consequence management	Audit committees	Internal audit	Revenue management	Strategic planning and performance	Transfer and conditional grants	Procurement management	Human resource management	Other	Quality of submitted performance reports	Supply chain management	Financial health	Human resource management	Information technology	Unauthorised expenditure Amount R	Irregular expenditure Amount R	Fruitless and wasteful expenditure Amount R
245	Vulamehlo	KZN	LM	🟪	R	R	🟪	R	R					R		N				R			R	R					R	N	N		N			R			R	R	F	🟨	🟨	-	🟩 5,1m	🟩 0,15m
246	Sisonke Economic Development Agency	KZN	ME	🟪		R	🟨	A	R							N							R	R				A	R	A	A			R		R			R	R	🟩	🟨	🟨	-	🟩 16,0m	🟩 -
247	Aganang	LP	LM	🟪	R	R	🟪	R	R	R	R	A	A	A	A	A	R	N	A	N			R	N	A	R	A	A	R	N			N			R			R	R	F	🟨	🟨	🟥 1,3m	🟥 13,6m	🟩 0,06m
248	Ba-Phalaborwa	LP	LM	🟪	A	R	🟥	R	R	R	R	R		A	R	N	A	N	A	A			R	R		R	N		R	N	N	N	R			R	A		A	R	M	🟥	🟥	🟥 46,5m	🟩 10,0m	🟥 6,1m
249	Blouberg	LP	LM	🟪	N	R	🟨		R		N			N					N	N			R	R		N	R	A	A	R			N	N		R	N		N	R	F	🟨	🟥	🟥 39,6m	🟥 26,3m	🟩 0,04m
250	Elias Motsoaledi (Greater Groblersdal)	LP	LM	🟪	R	R	🟪	R	R	R								A	R	R			R	R		R	A	A	A	A			R	A	A	R	R		R	R	F	🟨	🟥	🟥 11,2m	🟩 22,7m	🟥 2,6m
251	Fetakgomo	LP	LM	🟪		R	🟥		R	A	A		A	R	A		R						R	A	N	R	A		A	N	A		A			A				A	F	🟩	🟨	-	🟩 -	🟩 0,01m
252	Greater Giyani	LP	LM	🟪	R	R	🟪	R	R	R	A	N			N		R		R	R			R	N		R	A		R	R			R			R	R		R	R	F	🟨	🟨	-	🟥 16,8m	🟥 0,03m
253	Greater Letaba	LP	LM	🟪	R	R	🟪	R	R	A	A				A		N			R			R	R		R		A	N		N		A	R		R			R	R	F	🟨	🟨	🟥 42,3m	🟩 2,9m	🟩 0,02m
254	Greater Tzaneen	LP	LM	🟪	R	R	🟪	R	R		A			A	R				A	R			R	R	N			A	R	N	R			N		R	N		R	R	F	🟨	🟥	🟩 25,4m	🟩 62,4m	🟩 1,3m
255	Lepelle Nkumpi	LP	LM	🟪	R	R	🟪	R	R	R				R			R	A	A	R			R	R	N	R		R		R				R		R	A		R	R	F	🟥	🟨	🟥 5,3m	🟩 8,6m	🟥 1,0m
256	Makhado	LP	LM	🟪	A	R	🟨	R	R	N	N				N		N	N	A	A			R	R	N						N		N	R		R			R	R	F	🟨	🟥	🟩 -	🟥 78,8m	🟥 4,8m
257	Maruleng	LP	LM	🟪	R	R	🟨	R	R					N	N	N			R	R			R	R						R	N		N	A		R	R		R	R	🟩	🟥	🟩	-	🟩 5,3m	🟩 1,3m
258	Modimolle	LP	LM	🟪	R	R	🟪	R	R		R	R		N		A	A		R	R			R	R	N	A		R	R				A	R		R	A		R	R	F	🟨	🟨	🟩 23,8m	🟥 41,6m	🟥 0,35m
259	Mookgophong	LP	LM	🟪	R	R	🟪	R	R	R	N	A	N	N	R	N			R	R			R	N		R		R	R	R		R	R	N		R	R		R	R	M	🟨	🟥	🟥 36,1m	🟥 0,78m	🟥 4,8m
260	Mutale	LP	LM	🟪	R	R	🟪	R	R	R			A	R					R	R			R	R	N	R			R	A	A	A		A		R			R	R	F	🟥	🟨	-	🟩 0,18m	🟥 2,0m
261	Bushbuckridge	MP	LM	🟪		R	🟪	A	R	R	A	R	A	A	R	N	R						R	R		R	N	A	R	R	N		R			R	A			R	F	🟨	🟥	🟩 47,5m	🟩 71,6m	🟥 0,06m
262	Dr JS Moroka	MP	LM	🟪	R	R	🟪	R	R	R		A		R	A		N		R	R			R	R	R	R		N	N	R	N	R	A	R	A	R	N		R	R	F	🟥	🟨	🟥 12,9m	🟥 124,3m	🟥 0,07m
263	Mkhondo	MP	LM	🟪	R	R	🟥	R	R	R	A	R	A	R	R	R	A	R	R	N		A	R	N	N	R		R	R	A			R	R	N	R	A		R	R	F	🟨	🟨	🟥 207,2m	🟥 65,3m	🟩 7,1m
264	Thembisile Hani	MP	LM	🟪		R	🟪	A	R						N			A					R	R				A	N	N			R		A	N			N	R	M	🟨	🟨	🟥 115,9m	🟥 51,0m	🟥 2,3m
265	Victor Khanye	MP	LM	🟪	R	R	🟪	R	R	R				R	A				R	R			R	R		A		A		A	N	R		N		R			R	R	F	🟨	🟨	🟩 148,6m	🟩 0,34m	🟥 0,12m
266	Umjindi Local Economic Development Agency	MP	ME	🟪	R	R	🟥	R	R	A		A	A	A	A	R	R					R	R			A					R	R	A						R		F	🟥		-	🟩 -	-
267	!Kheis	NC	LM	🟪	R	R	🟥	R	R	R	R	R		R	R	A	R		R	N			R	R	A	R	R	A	R	R	R	R	R	R	A	R	R		R	R	M	🟥	🟨	🟩 6,6m	🟩 -	🟥 1,1m
268	Gamagara	NC	LM	🟪	R	R	🟪	R	R	R	N			A		N			R	R			R	R	R	R		A	N	R	R			R	N	R	R		R	R	F	🟥	🟥	🟥 63,3m	🟥 204,6m	🟩 0,005m
269	Hantam	NC	LM	🟪	R	R	🟨	R	R	N			N				N	N	R	R			R	R	R	R		A		R	N			R	R	R	N		R	R	F	🟥	🟨	🟥 2,3m	🟥 8,2m	🟥 0,89m
270	Joe Morolong	NC	LM	🟪	R	R	🟪	R	R	R	R	R		R	N	R	R	A	R	N			R	R	R	R		A	R	R	A		R	R		R	N		R	R	F	🟥	🟨	🟥 42,3m	🟥 1,8m	🟥 0,11m
271	Kai !Garib	NC	LM	🟪	R	R	🟪	R	R	R	R	R		R	N	A	A	A	R	R			R	R	A	R		R	R	R	A	A	R	R	A	R	R		R	R	M	🟨	🟨	🟩 63,2m	🟩 5,1m	🟥 1,3m
272	Kamiesberg	NC	LM	🟪	R	R	🟥	R	R	R	A	A		A	R	A	A	A	R	R			R	R	R	R		R	R	R	R	R	A	R	N	R	R		R	R	M	🟥	🟥	🟩 18,1m	🟩 1,2m	🟥 0,89m
273	Karoo Hoogland	NC	LM	🟪	R	R	🟥	R	R	R	A	R	A	R	A	A	R					R	R	R	R	R	A	A	R	R	R	R		R		R	R		R	R	F	🟥	🟥	🟩 10,6m	🟥 11,9m	🟩 0,13m
274	Mier	NC	LM	🟪	R	R	🟪	R	R	R	R	R		A	R				R			R	R	R	R	R	A	R	R	R	R	R	R	R	R	R	R		R	R	M	🟥	🟥	🟩 8,3m	🟥 23,6m	🟩 0,39m

Legend (audit outcomes)	🟩 Unqualified with no findings	🟨 Unqualified with findings	🟪 Qualified with findings	Adverse with findings	🟥 Disclaimed with findings	Audit not finalised at legislated date	New auditee

Legend (findings)	🟩 Addressed (A)	🟨 New (N)	🟥 Repeat (R)	Not reported (NR)

Financial health findings	🟩 No unfavourable indicators	🟨 Unfavourable indicators	🟥 Material unfavourable indicators

Controls (human resource and information technology management)	🟩 Good	🟨 Concerning	🟥 Intervention required

Legend (expenditure)	🟩 Improved	🟥 Regressed

MET = metropolitan municipality DM = district municipality LM = local municipality ME = municipal entity

Number	Auditee	Province	Auditee type	2014-15 audit outcomes			2013-14 audit outcomes			Financial statement qualification areas									Findings on predetermined objectives				Findings on compliance																Findings on specific risk areas					Unauthorised, irregular as well as fruitless and wasteful expenditure		
				Audit opinion	Predetermined objectives	Compliance with legislation	Audit opinion	Predetermined objectives	Compliance with legislation	Non-current assets	Current assets	Liabilities	Capital and reserves	Other disclosure items	Revenue	Expenditure	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Aggregate misstatements	Reported information not useful	Reported information not reliable	Information not submitted in time for auditing	No annual performance report	Material misstatement or limitations in submitted AFS	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Annual financial statements and annual report	Asset management	Liability management	Budgets	Expenditure management	Consequence management	Audit committees	Internal audit	Revenue management	Strategic planning and performance	Transfer and conditional grants	Procurement management	Human resource management	Other	Quality of submitted performance reports	Supply chain management	Financial health	Human resource management	Information technology	Unauthorised expenditure Amount R	Irregular expenditure Amount R	Fruitless and wasteful expenditure Amount R
275	Nama Khoi	NC	LM	🟪	R	R	🟪	R	R	N	R	R	A	R	R	N		N	R	A			R	R	R	N		A	R	R	R		R	R	R	R	R		R	R	M	🟥	🟨	34,0m	40,4m	6,9m
276	Richtersveld	NC	LM	🟪	R	R	🟪	R	R	R	A			N	N	N		N	A	A		N	R	R	N	N		R	R	R	R	R	N	R		N	N		R	R	F	🟥	🟥	7,0m	16,2m	0,1m
277	Siyancuma	NC	LM	🟪	R	R	🟪	R	R	A	R	R		R	R	R	R	R	R	R			R	R	R	R	R	A	R	R	R	R	R	R		R	N		R	R	M	🟥	🟥	58,1m	4,8m	4,4m
278	Thembelihle	NC	LM	🟪	R	R	🟥	R	R	A	R	A		A	R	R	R		R			R	R	R	R	R	A	A	R	R	R	N	R	R	R	R	R		R	R	M	🟥	🟥	14,9m	7,4m	2,2m
279	Ubuntu	NC	LM	🟪	R	R	🟪	R	R	R	R	N		R	R	R	N	N				R	R	R	R	N	A	R	R	R	R	R	R	R	R	R	R		R	R	F	🟥	🟥	45,9m	5,8m	0,78m
280	Dr Ruth S Mompati district	NW	DM	🟪	R	R	🟥	R	R	R	R	R	A	R	R	R	A	A	N	R			R	R	N	A	A	R	R	R	R		R	R	A	R	A	A	R	R	F	🟥	🟥	79,6m	266,1m	-
281	Greater Taung	NW	LM	🟪	R	R	🟥	R	R	R	A	R	A	R	R	A	R	R	R	R			R	R	R	N		R		N	R			R	R	R	A	R	R	R	🟩	🟨	🟥	10,0m	54,7m	0,06m
282	Kagisano-Molopo	NW	LM	🟪	A	R	🟪	R	R	A	A		A	A		A	N		A	A			R	R	A	R		A	N	R	R		R	A		R	R	R	R	R	F	🟥	🟨	23,4m	25,4m	0,28m
283	Kgetleng River	NW	LM	🟪	R	R	🟪	R	R	R	A	A	A		A	A	R		N	R			R	R	A	R		R	R	R	R	R		R	A	R	R	R	R	R	F	🟨	🟥	0,55m	0,12m	3,8m
284	Lekwa Teemane	NW	LM	🟪	R	R	🟥	R	R	A	R	R	A	A	R	R	A		R	R			R	R	R	A	A	A	R	R	R		R	R	A	R	A	R	R	R	M	🟥	🟥	56,4m	12,2m	5,8m
285	Madibeng	NW	LM	🟪	R	R	🟪	R	R	A				R			N		R	R			R	R	R	A		A	N	R				R	A	R	R	R	R	R	M	🟨	🟥	1 257,5m	243,8m	6,4m
286	Maquassi Hills	NW	LM	🟪	R	R	🟥	R	R	A	A	R	A	R	R	A	R		R	R			R	R	R		N	A	R	R	R	R	R	R	R	R	R	R	R	R	M	🟥	🟥	31,2m	5,4m	7,5m
287	Matlosana	NW	LM	🟪		R	🟪		R		R	A	R	A			R	R					R	R			N	A	R	R	A		A			R	R	R	R	R	M	🟥	🟨	20,1m	257,9m	34,0m
288	Moretele	NW	LM	🟪	R	R	🟪	R	R	R	A	A		R	A	A	R		R	R			R	R	N	R	A	A	N	R	R	R	A	R		R	N	R	R	R	F	🟥	🟥	63,6m	3,9m	0,02m
289	Moses Kotane	NW	LM	🟪	R	R	🟨	R	R	N	N	N		N			N		R	R			R	R	R			R		R	R			R	N	N	N	R	R	R	🟩	🟨	🟨	6,3m	74,4m	0,41m
Adverse with findings																																														
290	Randfontein	GP	LM	▨	R	R	🟪	R	R	R	N			N	N		N	N	A	R			R	R		R			R	R				A		R	A		R	R	M	🟥	🟨	-	164,6m	11,2m
291	Westonaria	GP	LM	▨	N	R	▨	A	R	R	R		N	R	N	R	N	R	N	N			R	R	N	R			R	R						R			N	R	M	🟥	🟨	278,9m	28,3m	8,4m
292	Vhembe district	LP	DM	▨	R	R	🟥	R	R	R	R	R	R	R	R	R	N	N	N	R			R	R	A	R	R	A	R	N	A	R	R	A	R	R	A		R	R	M	🟥	🟨	258,0m	205,0m	31,1m
293	Oudtshoorn	WC	LM	▨	R	R	🟨	R	R	N	N	N		N		N	N	N	R			R	R	R	R	R	N	R	N	R	R			R	R	R	R		R	R	M	🟥	🟥	95,2m	110,8m	4,1m
Disclaimed with findings																																														
294	Inkwanca	EC	LM	🟥	R	R	🟥	R	R	R	R	R	R	R	R	R	R	A	R	A	N		R	R	R	R	R	R	R	R	R	R	R	R	N	R	R		R	R	M	🟥	🟥	-	0,19m	0,62m
295	Inxuba Yethemba	EC	LM	🟥	R	R	🟥	R	R	R	R	R	R	R	R	R	R	A	R	R			R	R	R	R	R	R	R	R	A		R	R	R	R	R		R	R	M	🟥	🟥	19,1m	1,3m	1,1m
296	Port St. Johns	EC	LM	🟥	R	R	🟪	R	R	N	R	R		R		R	R	R	R	R			R	R		R	N	N	R	R	N	N	R	R	R	R	R		R	R	M	🟥	🟥	3,7m	30,5m	1,5m
297	Sundays River Valley	EC	LM	🟥	R	R	🟥	R	R	R	N	N		N	N	N	N		R	R			R	R	R	N	N	R	N	N	R		N	R	N	N	N		R	R	M	🟥	🟥	11,3m	72,4m	0,69m
298	Alfred Nzo Development Agency	EC	ME	🟥	R	R	🟪	R	R	R	N	R	N	R		R	R	N	R	R			R	R	N	R		R	R	R	R	A	R	R		R			R	R	M	🟥	🟥	-	5,4m	0,12m
299	Mafube	FS	LM	🟥	R	R	🟥	R	R	R	R	R		R	R	A	R	R	R	R			R	R	R	R		R	R	R	R	A	R	R	R	R	R	A	R	R	M	🟥	🟨	110,6m	9,8m	9,8m
300	Maluti-A-Phofung	FS	LM	🟥	R	R	🟥	R	R	R	R	R	N	R	R	R		R	R	R			R	R	R	R			R	R	A		R	R		R	R	A	R	R	M	🟥	🟥	957,9m	30,8m	77,7m
301	Matjhabeng	FS	LM	🟥	R	R	🟥	R	R	R	R	R		R	R	R	R	N	A	R			R	R	N	R	R	A	R	R	R	R	R	R	A	R	R		R	R	M	🟨	🟥	443,3m	226,1m	151,8m
302	uMkhanyakude district	KZN	DM	🟥	R	R	🟪	R	R		R	R		R	R	N	N		R	R			R	R	N			A	N	N	R	A	R	R	N	R	A		R	R	M	🟨	🟨	125,0m	130,4m	0,21m
303	Mopani district	LP	DM	🟥	R	R	▨	R	R	R	R	R		R	R	R			A	N			R	R		R	N	N	R	R	R		R			R	A	A	R	R	M	🟥	🟨	1,0m	8,2m	0,06m
304	Ephraim Mogale	LP	LM	🟥	R	R	🟥	R	R	R	R	R		N	R	A	R		R	R			R	R	R	R		R	A	R	A	N	R	R	R	R	R		R	R	M	🟥	🟩	-	-	0,36m
305	Mogalakwena	LP	LM	🟥	R	R	🟨	R	R	N	N	N		N	N	N			N	R			N	R	N	N		A	N	N	R	N	N	N	N	N	N		R	R	M	🟥	🟥	47,9m	175,5m	0,39m
306	Thabazimbi	LP	LM	🟥	R	R	🟥	R	R	R	R	N	N	R	R	R	R	R	R	R			R	R	A	R	N	R	R	R			R	R	R	R	R		R	R	M	🟥	🟥	30,8m	13,2m	18,3m
307	Tubatse	LP	LM	🟥	R	R	🟥	R	R	R	R	R		R	R	A	R	A		R			R	R	R	A		R	R	R	R		A	A	A	R	R		R	R	M	🟥	🟩	1,4m	130,2m	1,5m

Number	Auditee	Province	Auditee type	2014-15 audit outcomes			2013-14 audit outcomes			Financial statement qualification areas									Findings on predetermined objectives				Findings on compliance																Findings on specific risk areas					Unauthorised, irregular as well as fruitless and wasteful expenditure		
				Audit opinion	Predetermined objectives	Compliance with legislation	Audit opinion	Predetermined objectives	Compliance with legislation	Non-current assets	Current assets	Liabilities	Capital and reserves	Other disclosure items	Revenue	Expenditure	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Aggregate misstatements	Reported information not useful	Reported information not reliable	Information not submitted in time for auditing	No annual performance report	Material misstatement or limitations in submitted AFS	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Annual financial statements and annual report	Asset management	Liability management	Budgets	Expenditure management	Consequence management	Audit committees	Internal audit	Revenue management	Strategic planning and performance	Transfer and conditional grants	Procurement management	Human resource management	Other	Quality of submitted performance reports	Supply chain management	Financial health	Human resource management	Information technology	Unauthorised expenditure Amount R	Irregular expenditure Amount R	Fruitless and wasteful expenditure Amount R
308	Sekhukhune Development Agency	LP	ME	🟥	R	R	🟨	R	R							N			R	R			R	R		N			N	R						N			R	N	M	🟥	🟨	-	-	0,003m
309	Emakhazeni	MP	LM	🟥	R	R	🟥	R	R	R	A	N		R	R	N	R	A	R	R			R	A		R		A	R	A			R	R		R	R		R	R	M	🟨	🟥	44,3m	2,3m	4,1m
310	Emalahleni	MP	LM	🟥	R	R	🟥	R	R	R	R	R	A	R	R	R	R		R	N		A	R	R	N	R		A	R	R	R		R	N	A	R	A		R	R	M	🟥	🟥	232,8m	0,78m	95,4m
311	Msukaligwa	MP	LM	🟥	R	R	🟥	R	R	R	R	A		N	R	N	R	N	R	R			R	N	R	R	A	A	R	R	R	N	N	R		R	R		R	R	M	🟥	🟥	166,9m	92,1m	13,2m
312	Thaba Chweu	MP	LM	🟥	R	R	🟥	R	R	R	R	N	N	R	A		R		R	R			R	R	R	R			R	R			R	R	R	R	R		R	R	M	🟥	🟨	104,7m	57,0m	35,9m
313	Ga-Segonyana	NC	LM	🟥	R	R	🟥	R	R	R	R	R	N	R	R	R	R		N	R			R	R	A	R	N	R	A	R	R	N	R	R	R	R	R		R	R	M	🟥	🟨	-	100,6m	0,41m
314	Kgatelopele	NC	LM	🟥	R	R	🟥	R	R	R	R	R		R	A	R	R	R	R	N		A	R	R	R	R	N	A	R	R	A	A	N	R		R	R		R	R	M	🟥	🟥	15,5m	1,2m	0,35m
315	Magareng	NC	LM	🟥	R	R	🟥	R	R	R	R	R		R	R	R	N	N	R	R			R	R	R	R		A	R	R	R	R	R	R	R	R	R		R	R	M	🟥	🟥	35,2m	0,35m	1,3m
316	Phokwane	NC	LM	🟥	R	R	🟥	R	R	R	R	A	N	R	N	N	R		R	R			R	R	N	R		A	R	R		A	N	R	A	N	A		R	R	M	🟨	🟥	135,0m	0,004m	0,37m
317	Siyathemba	NC	LM	🟥	R	R	🟪	R	R	R	R	R	N	N	R		N	N				R	R	R	R	R	R	A	R	R	R	N	R	R	R	R	R		R	R	M	🟥	🟥	25,4m	2,9m	0,04m
318	Tsantsabane	NC	LM	🟥	R	R	🟥	R	R	R	R	R		R	R	R	R	A	R	A			R	R	R	R		A	R	R	R	R	N	R	N	R	R		R	R	M	🟥	🟥	6,2m	3,9m	1,3m
319	Ngaka Modiri Molema district	NW	DM	🟥	R	R	🟥	R	R	R	R	R		R	R	R	R		R	R			R	R	R	R	R	R	R	R	A			R	R	R	R	R	R	R	M	🟥	🟥	406,9m	55,8m	3,4m
320	Ditsobotla	NW	LM	🟥	R	R	🟥	R	R	R	R	R	R	R	R	R	R		R	R			R	R	N	R	N	A	R	R	R	R	R	R	R	R	R	R	R	R	M	🟥	🟥	21,3m	1,6m	9,2m
321	Mafikeng	NW	LM	🟥	R	R	🟪	R	R	R	R	N	R	R	R	R	R	A	R	R			R	R	R	R	R	A	R	R	R	A	R	R	R	R	R	R	R	R	M	🟥	🟥	226,4m	35,0m	0,97m
322	Mamusa	NW	LM	🟥	R	R	🟥	R	R	R	R	R	R	R	R	R	R	R	N	N		A	R	R	R	R	R	A	A	R	R		R	R		R	R	R	R	R	M	🟥	🟥	5,7m	2,2m	2,3m
323	Tswaing	NW	LM	🟥	R	R	🟥	R	R	R	R	R	A	R	R	R	R	N	R	R			R	R	R	R	R	A	R	R	R	R	R	R	R	R	R	R	R	R	M	🟥	🟥	75,6m	6,7m	9,0m
324	Ventersdorp	NW	LM	🟥	R	R	🟥	R	R	R	R	R	R	R	R	R	R	R	R	R			R	R	N	R	N		R	R	R	R	R	R	R	R	R	R	R	R	M	🟥	🟥	61,9m	0,13m	5,6m
Audit not finalised at legislated date																																														
325	Ikwezi	EC	LM	▨			🟥		R																																					
326	Ngwathe	FS	LM	▨			🟥		R																																					
327	Phumelela	FS	LM	▨			🟥		R																																					
328	Dikgatlong	NC	LM	▨			🟥		R																																					
329	Renosterberg	NC	LM	▨			🟥		R																																					
330	Bojanala district	NW	DM	▨			🟨		R																																					
Consolidated audits *(audit opinions on financial statements that include more than one auditee)*																																														
Financially unqualified with no findings																																														
1	Joe Gqabi district	EC	DM	🟩		A	🟨		R														A																				🟨	▨	▨	▨
2	Sarah Baartman district	EC	DM	🟩			🟩																																N				🟨	▨	▨	▨
3	Ekurhuleni metro	GP	MET	🟩			🟩		A																														R				🟨	▨	▨	▨

Legend (audit outcomes)	Unqualified with no findings	Unqualified with findings	Qualified with findings	Adverse with findings	Disclaimed with findings	Audit not finalised at legislated date	New auditee
	🟩	🟨	🟪	🟪	🟥	▨	🟦

Legend (findings)	Addressed (A)	New (N)	Repeat (R)	Not reported (NR)
	🟩	🟨	🟥	▨

Financial health findings	No unfavourable indicators	Unfavourable indicators	Material unfavourable indicators
	🟩	🟨	🟥

Controls (human resource and information technology management)	Good	Concerning	Intervention required
	🟩	🟨	🟥

Legend (expenditure)	Improved	Regressed
	🟩	🟥

MET = metropolitan municipality DM = district municipality LM = local municipality ME = municipal entity

Number	Auditee	Province	Auditee type	2014-15 audit outcomes			2013-14 audit outcomes			Financial statement qualification areas									Findings on predetermined objectives				Findings on compliance																Findings on specific risk areas					Unauthorised, irregular as well as fruitless and wasteful expenditure		
				Audit opinion	Predetermined objectives	Compliance with legislation	Audit opinion	Predetermined objectives	Compliance with legislation	Non-current assets	Current assets	Liabilities	Capital and reserves	Other disclosure items	Revenue	Expenditure	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Aggregate misstatements	Reported information not useful	Reported information not reliable	Information not submitted in time for auditing	No annual performance report	Material misstatement or limitations in submitted AFS	Unauthorised, irregular, as well as fruitless and wasteful expenditure	Annual financial statements and annual report	Asset management	Liability management	Budgets	Expenditure management	Consequence management	Audit committees	Internal audit	Revenue management	Strategic planning and performance	Transfer and conditional grants	Procurement management	Human resource management	Other	Quality of submitted performance reports	Supply chain management	Financial health	Human resource management	Information technology	Unauthorised expenditure Amount R	Irregular expenditure Amount R	Fruitless and wasteful expenditure Amount R
4	Ilembe district	KZN	DM	🟩			🟩		A																																		🟨			
5	Uthungulu district	KZN	DM	🟩			🟩																																				🟨			
6	Msunduzi	KZN	LM	🟩		A	🟨	A	R														A						A				A			A							🟨			
7	eThekwini metro	KZN	MET	🟩		A	🟨		R														A					A								A			N				🟨			
8	City of Cape Town metro	WC	MET	🟩			🟩																																				🟨			
Financially unqualified with findings																																														
9	Amathole district	EC	DM	🟨		R	🟨		R														R	R		A			N	A						R							🟨			
10	Mangaung metro	FS	MET	🟨	R	R	🟨	R	R											R			R	R	R	R		A			N				A	R	N		R				🟥			
11	Lejweleputswa district	FS	DM	🟨	R	R	🟨	R	R											R			R	R						N	A	A	A	A		R			R				🟨			
12	City of Johannesburg metro	GP	MET	🟨	R	R	🟨	R	R										A	R			R	N				A	A	R			A			R			R				🟨			
13	City of Tshwane metro	GP	MET	🟨	R	R	🟨	N	R											R			R	R		R		A	A					N		R			R				🟨			
14	West Rand district	GP	DM	🟨		R	🟪	A	R	A			A					A					R			A																	🟩			
15	Harry Gwala district	KZN	DM	🟨		R	🟨	A	R														R	R		N		A	R	A	A		A	R		R			R				🟥			
16	Ugu district	KZN	DM	🟨	A	R	🟪	R	R	A	A			A	A				A	A			R	R		R		A	R				A			A			R				🟨			
17	Sekhukhune district	LP	DM	🟨	R	R	🟨	R	R										R	R			R	R		N	A		R	R						R			R				🟨			
18	Polokwane	LP	LM	🟨	R	R	🟪	R	R	A								A	A	R			R	R		A	A	A					A	R	N	R			R				🟨			
19	Gert Sibande district	MP	DM	🟨	A	R	🟪	N	N	A									A				R	A		A				A			A		A	A	A		A				🟥			
20	Umjindi	MP	LM	🟨	A	R	🟪	R	N		A								A	A			N	N	N	R		A	R	A					N	R			R				🟨			
21	Dr Kenneth Kaunda district	NW	DM	🟨	N	R	🟨		R										N	N			N	R	A	N						R	N	N	A	R	A	N	R				🟥			
22	Rustenburg	NW	LM	🟨	R	R	🟪	R	R		A	A	A	A	A		A		R	R			R	R	N			A	N	R	R	A		R		R	R	R	R				🟥			
23	Central Karoo district	WC	DM	🟨	R	A	🟨	N	R										A	N			A	A		A		A				A							R				🟨			
Financially qualified with findings																																														
24	Buffalo City metro	EC	MET	🟪	R	R	🟪	R	R					N			R		A	R			R	R		R			R	R				R	N	R			R				🟥			
25	Nelson Mandela Bay metro	EC	MET	🟪		R	🟪		R			R				A	A						R	R				R	A	R	R					R	A		R				🟥			
26	Alfred Nzo district	EC	DM	🟪	R	R	🟪	R	R	N		N		A		A	N	N	R	R			R	R		R	N	N	A	R	R		A	R		R	A		R				🟥			
27	Chris Hani district	EC	DM	🟪	R	R	🟪	R	R		N			A	N			R	R	R			R	R	N	N		A	N	R	R	A	N	R	R	R	A		R				🟥			
28	OR Tambo district	EC	DM	🟪	R	R	🟥	R	R	R	A	R	A	R	A	A	R	N	R	R			R	R	N	R	A		R	R	A	R	R	R		R	N		R				🟥			
29	Nkonkobe	EC	LM	🟪	R	R	🟪	R	R	R		R		R		R	N	R	R	A			R	R		R	R	A	R	R	R	R	A	R		N	N		R				🟥			
30	Greater Tzaneen	LP	LM	🟪	R	R	🟪	R	N		A	A		A	R				A	R			R	A	N			A	R	N	R					R	N		R				🟥			
31	Lekwa Teemane	NW	LM	🟪	R	R	🟥	R	R	A	R	R	A	A	R	R	A		R	R			R	R	R	A	A	A	R	R	R		R	R	A	R	A	R	R				🟥			
Disclaimed with findings																																														
32	Port St Johns	EC	LM	🟥	R	R	🟪	R	R	N	R	R		R		R	R	R	R	R			R	R		R	N	N	R	R	N	N	R	R	R	R	R		R				🟥			
33	Maluti-A-Phofung	FS	LM	🟥	R	R	🟥	R	R	R	R	R	N	R	R	R		R	R	R			R	R	R	R			R	R	A		R	R		R	R	A	R				🟥			
34	uMkhanyakude district	KZN	DM	🟥	R	R	🟪	R	R		R	R		R	R	N	N		R	R			R	R	N			R	N	N	R	R	R	R	N	R	A		R				🟨			
35	Thaba Chweu	MP	LM	🟥	R	R	🟥	R	R	R	R	N	N	R	A		R		R	R			R	R	R	R			R	R			R	R	R	R	R		R				🟨			

Annexure 2: *Auditees' audit opinions over the past five years*

Number	Auditee	Province	Auditee type	Audit opinion				
				2014-15	2013-14	2012-13	2011-12	2010-11
Financial audits *(audit opinions before consolidation of controlled entities, where applicable)*								
Financially unqualified with no findings								
1	Joe Gqabi district	EC	DM	🟩	🟨	🟨	🟨	🟨
2	Sarah Baartman district	EC	DM	🟩	🟩	🟨	🟨	🟨
3	Ingquza Hill	EC	LM	🟩	🟨	🟨	🟨	🟨
4	Matatiele	EC	LM	🟩	🟨	🟨	🟨	🟨
5	Senqu	EC	LM	🟩	🟩	🟨	🟨	🟨
6	Joe Gqabi Economic Development Agency	EC	ME	🟩	🟨	🟨	🟨	🟩
7	Mandela Bay Development Agency	EC	ME	🟩	🟩	🟩	🟨	🟨
8	Thabo Mofutsanyana district	FS	DM	🟩	🟨	🟨	🟨	🟨
9	Ekurhuleni metro	GP	MET	🟩	🟩	🟨	🟨	🟨
10	Sedibeng district	GP	DM	🟩	🟩	🟩	🟨	🟨
11	Midvaal	GP	LM	🟩	🟩	🟨	🟨	🟨
12	Mogale City	GP	LM	🟩	🟩	🟨	🟨	🟪
13	Brakpan Bus Company	GP	ME	🟩	🟩	🟨	🟨	🟨
14	Ekurhuleni Development Company	GP	ME	🟩	🟩	🟨	🟨	🟨
15	Germiston Phase II Housing Company	GP	ME	🟩	🟩	🟨	🟨	🟨
16	Joburg City Theatres	GP	ME	🟩	🟩	🟨	🟨	🟩
17	Joburg Property Company	GP	ME	🟩	🟨	🟨	🟨	🟨
18	Johannesburg Development Agency	GP	ME	🟩	🟨	🟨	🟨	🟨
19	Johannesburg Roads Agency	GP	ME	🟩	🟩	🟨	🟨	🟨
20	Johannesburg Social Housing Company	GP	ME	🟩	🟩	🟩	🟩	🟩
21	Lethabong Housing Institute	GP	ME	🟩	🟩	🟨	🟨	🟨
22	Pharoe Park Housing Company	GP	ME	🟩	🟩	🟨	🟨	🟨
23	Pikitup Johannesburg	GP	ME	🟩	🟨	🟨	🟨	🟨
24	eThekwini metro	KZN	MET	🟩	🟨	🟨	🟨	🟨
25	Ilembe district	KZN	DM	🟩	🟩	🟨	🟨	🟨
26	Umgungundlovu district	KZN	DM	🟩	🟩	🟨	🟨	🟨
27	Uthungulu district	KZN	DM	🟩	🟩	🟩	🟨	🟨
28	Zululand district	KZN	DM	🟩	🟩	🟨	🟨	🟨
29	Ezinqoleni	KZN	LM	🟩	🟩	🟨	🟪	🟨
30	Hibiscus Coast	KZN	LM	🟩	🟨	🟨	🟨	🟨
31	Mandeni	KZN	LM	🟩	🟩	🟨	🟨	🟨
32	Msinga	KZN	LM	🟩	🟨	🟩	🟨	🟨
33	Msunduzi	KZN	LM	🟩	🟨	🟪	🟨	🟨
34	Nquthu	KZN	LM	🟩	🟨	🟨	🟨	🟨
35	Okhahlamba	KZN	LM	🟩	🟨	🟩	🟨	🟨
36	Ubuhlebezwe	KZN	LM	🟩	🟩	🟩	🟨	🟨
37	Umdoni	KZN	LM	🟩	🟨	🟨	🟨	🟩
38	uMhlabuyalingana	KZN	LM	🟩	🟨	🟨	🟥	🟨
39	uMhlathuze	KZN	LM	🟩	🟩	🟩	🟨	🟨
40	Umuziwabantu	KZN	LM	🟩	🟨	🟨	🟨	🟨
41	Umzumbe	KZN	LM	🟩	🟩	🟨	🟨	🟨
42	Durban Marine Theme Park	KZN	ME	🟩	🟩	🟩	🟩	🟨
43	ICC, Durban	KZN	ME	🟩	🟩	🟨	🟩	🟨
44	Ilembe Management Development Enterprise	KZN	ME	🟩	🟩	🟨	🟨	🟨
45	Ugu South Coast Tourism	KZN	ME	🟩	🟩	🟨	🟨	🟨
46	Ehlanzeni district	MP	DM	🟩	🟩	🟩	🟩	🟩
47	Nkangala district	MP	DM	🟩	🟨	🟨	🟨	🟨
48	Frances Baard district	NC	DM	🟩	🟩	🟨	🟨	🟪
49	ZF Mgcawu district	NC	DM	🟩	🟩	🟩	🟨	🟨
50	City of Cape Town metro	WC	MET	🟩	🟩	🟩	🟨	🟨
51	Cape Winelands district	WC	DM	🟩	🟩	🟨	🟨	🟨
52	Eden district	WC	DM	🟩	🟩	🟨	🟨	🟨

Legend (audit outcomes)	🟩 Unqualified with no findings	🟨 Unqualified with findings	🟪 Qualified with findings	Adverse with findings	🟥 Disclaimed with findings	⬜ Audit not finalised at legislated date	🟦 New auditee

MET = metropolitan municipality
DM = district municipality
LM = local municipality
ME = municipal entity

Number	Auditee	Province	Auditee type	Audit opinion				
				2014-15	2013-14	2012-13	2011-12	2010-11
53	Overberg district	WC	DM	🟩	🟨	🟨	🟨	🟪
54	West Coast district	WC	DM	🟩	🟩	🟩	🟩	🟩
55	Bitou	WC	LM	🟩	🟩	🟨	🟨	🟨
56	Breede Valley	WC	LM	🟩	🟩	🟩	🟨	🟨
57	Cape Agulhas	WC	LM	🟩	🟩	🟨	🟨	🟨
58	Drakenstein	WC	LM	🟩	🟩	🟨	🟨	🟨
59	George	WC	LM	🟩	🟩	🟩	🟩	🟨
60	Hessequa	WC	LM	🟩	🟩	🟨	🟨	🟨
61	Knysna	WC	LM	🟩	🟩	🟩	🟨	🟨
62	Langeberg	WC	LM	🟩	🟩	🟩	🟩	🟨
63	Matzikama	WC	LM	🟩	🟨	🟨	🟨	🟨
64	Mossel Bay	WC	LM	🟩	🟩	🟩	🟩	🟨
65	Overstrand	WC	LM	🟩	🟩	🟩	🟨	🟨
66	Saldanha Bay	WC	LM	🟩	🟨	🟨	🟨	🟨
67	Stellenbosch	WC	LM	🟩	🟨	🟨	🟨	🟨
68	Swartland	WC	LM	🟩	🟩	🟩	🟩	🟩
69	Swellendam	WC	LM	🟩	🟨	🟨	🟥	🟥
70	Theewaterskloof	WC	LM	🟩	🟩	🟩	🟨	🟨
71	Witzenberg	WC	LM	🟩	🟩	🟩	🟨	🟨
72	Cape Town International Convention Centre	WC	ME	🟩	🟩	🟩	🟨	🟨
Financially unqualified with findings								
73	Amathole district	EC	DM	🟨	🟨	🟨	🟨	🟨
74	Amahlati	EC	LM	🟨	🟪	🟨	🟪	🟪
75	Baviaans	EC	LM	🟨	🟨	🟪	🟥	🟥
76	Blue Crane Route	EC	LM	🟨	🟪	🟪	🟪	🟨
77	Camdeboo	EC	LM	🟨	🟨	🟪	🟥	🟨
78	Elundini	EC	LM	🟨	🟨	🟨	🟨	🟨
79	Emalahleni	EC	LM	🟨	🟪	🟥	🟥	🟥
80	Engcobo	EC	LM	🟨	🟨	🟨	🟪	🟥
81	Intsika Yethu	EC	LM	🟨	🟪	🟣	🟥	🟥
82	Kou Kamma	EC	LM	🟨	🟪	🟪	🟪	🟥
83	Kouga	EC	LM	🟨	🟨	🟪	🟪	🟥
84	Maletswai	EC	LM	🟨	🟨	🟪	🟪	🟪
85	Nxuba	EC	LM	🟨	🟪	🟪	🟥	🟥

Number	Auditee	Province	Auditee type	Audit opinion				
				2014-15	2013-14	2012-13	2011-12	2010-11
86	Nyandeni	EC	LM	🟨	🟨	🟨	🟪	🟥
87	Sakhisizwe	EC	LM	🟨	🟪	🟪	🟪	🟪
88	Umzimvubu	EC	LM	🟨	🟨	🟨	🟨	🟨
89	Blue Crane Route Development Agency	EC	ME	🟨	🟪	🟪	🟪	🟨
90	Buffalo City Development Agency	EC	ME	🟨	🟨	🟨	🟨	🟨
91	Cacadu Development Agency	EC	ME	🟨	🟨	🟦	🟦	🟦
92	Chris Hani Development Agency	EC	ME	🟨	🟪	🟪	🟦	🟦
93	Nkonkobe Economic Development Agency	EC	ME	🟨	🟨	🟨	🟨	🟨
94	Ntinga OR Tambo Development Agency	EC	ME	🟨	🟨	🟨	🟨	🟪
95	Port St Johns Development Agency	EC	ME	🟨	🟨	🟪	🟥	🟥
96	Mangaung metro	FS	MET	🟨	🟨	🟪	🟪	🟥
97	Fezile Dabi district	FS	DM	🟨	🟪	🟨	🟨	🟨
98	Lejweleputswa district	FS	DM	🟨	🟨	🟨	🟨	🟨
99	Dihlabeng	FS	LM	🟨	🟨	🟨	🟨	🟪
100	Metsimaholo	FS	LM	🟨	🟨	🟪	🟪	🟥
101	Mohokare	FS	LM	🟨	🟪	🟪	🟥	🟥
102	Nala	FS	LM	🟨	🟥	🟥	🟥	🟥
103	Setsoto	FS	LM	🟨	🟨	🟪	🟪	🟣
104	Tokologo	FS	LM	🟨	🟨	🟪	🟪	🟥
105	Tswelopele	FS	LM	🟨	🟨	🟨	🟨	🟪
106	Centlec	FS	ME	🟨	🟨	🟪	🟥	🟥
107	Lejwe Le Putswa Development Agency	FS	ME	🟨	🟨	🟨	🟨	🟨
108	Maluti-A-Phofung Water	FS	ME	🟨	🟨	🟨	🟥	🟪
109	City of Johannesburg metro	GP	MET	🟨	🟨	🟨	🟪	🟪
110	City of Tshwane metro	GP	MET	🟨	🟨	🟨	🟨	🟨
111	West Rand district	GP	DM	🟨	🟨	🟨	🟨	🟨
112	Emfuleni	GP	LM	🟨	🟨	🟨	🟨	🟪
113	Lesedi	GP	LM	🟨	🟨	🟨	🟨	🟨
114	Merafong City	GP	LM	🟨	🟨	🟨	🟨	🟨
115	City Power Johannesburg	GP	ME	🟨	🟨	🟨	🟪	🟪
116	East Rand Water Care Company	GP	ME	🟨	🟨	🟨	🟨	🟨
117	Housing Company Tshwane	GP	ME	🟨	🟨	🟨	🟨	🟨
118	Joburg Market	GP	ME	🟨	🟩	🟩	🟩	🟨
119	Johannesburg City Parks	GP	ME	🟨	🟨	🟨	🟨	🟨

Number	Auditee	Province	Auditee type	Audit opinion				
				2014-15	2013-14	2012-13	2011-12	2010-11
120	Johannesburg Metropolitan Bus Services	GP	ME	🟨	🟨	🟨	🟨	🟨
121	Johannesburg Water	GP	ME	🟨	🟨	🟨	🟪	🟪
122	Sandspruit Works Association	GP	ME	🟨	🟨	🟨	🟨	🟨
123	Tshwane Economic Development Agency	GP	ME	🟨	🟨	🟨	🟨	🟨
124	West Rand Development Agency	GP	ME	🟨	🟥	🟨	🟨	🟨
125	Harry Gwala district	KZN	DM	🟨	🟨	🟨	🟪	🟨
126	Ugu district	KZN	DM	🟨	🟪	🟥	🟪	🟨
127	uMzinyathi district	KZN	DM	🟨	🟨	🟨	🟨	🟩
128	Abaqulusi	KZN	LM	🟨	🟨	🟪	🟥	🟨
129	Dannhauser	KZN	LM	🟨	🟩	🟨	🟨	🟨
130	eDumbe	KZN	LM	🟨	🟨	🟪	🟥	🟪
131	eMadlangeni	KZN	LM	🟨	🟨	🟨	🟨	🟩
132	eMnambithi / Ladysmith	KZN	LM	🟨	🟩	🟨	🟨	🟨
133	Endumeni	KZN	LM	🟨	🟨	🟨	🟨	🟨
134	Greater Kokstad	KZN	LM	🟨	🟨	🟨	🟪	🟨
135	Hlabisa	KZN	LM	🟨	🟥	🟪	🟪	🟪
136	Imbabazane	KZN	LM	🟨	🟨	🟨	🟨	🟨
137	Impendle	KZN	LM	🟨	🟨	🟨	🟨	🟨
138	Indaka	KZN	LM	🟨	🟨	🟨	🟪	🟥
139	Ingwe	KZN	LM	🟨	🟨	🟨	🟨	🟨
140	Kwa Sani	KZN	LM	🟨	🟨	🟨	🟨	🟨
141	Kwadukuza	KZN	LM	🟨	🟨	🟨	🟨	🟨
142	Maphumulo	KZN	LM	🟨	🟨	🟨	🟨	🟨
143	Mfolozi	KZN	LM	🟨	🟨	🟨	🟨	🟨
144	Mkhambathini	KZN	LM	🟨	🟨	🟨	🟨	🟨
145	Mthonjaneni	KZN	LM	🟨	🟨	🟨	🟨	🟨
146	Mtubatuba	KZN	LM	🟨	🟨	🟪	🟥	🟨
147	Ndwedwe	KZN	LM	🟨	🟨	🟨	🟨	🟨
148	Nkandla	KZN	LM	🟨	🟨	🟨	🟨	🟨
149	Nongoma	KZN	LM	🟨	🟨	🟪	🟨	🟨
150	Ntambanana	KZN	LM	🟨	🟨	🟩	🟨	🟨
151	Richmond	KZN	LM	🟨	🟩	🟨	🟨	🟩
152	The Big Five False Bay	KZN	LM	🟨	🟨	🟨	🟪	🟨
153	Ulundi	KZN	LM	🟨	🟨	🟨	🟨	🟨
154	Umlalazi	KZN	LM	🟨	🟨	🟨	🟨	🟨
155	Umngeni	KZN	LM	🟨	🟨	🟨	🟨	🟨
156	uMshwathi	KZN	LM	🟨	🟨	🟨	🟨	🟨
157	Umvoti	KZN	LM	🟨	🟨	🟨	🟨	🟪
158	uMzimkhulu	KZN	LM	🟨	🟩	🟩	🟨	🟨
159	uPhongolo	KZN	LM	🟨	🟨	🟪	🟥	🟨
160	South Coast Development Agency	KZN	ME	🟨	🟪	🟪	🟨	🟨
161	Uthukela Water	KZN	ME	🟨	🟨	🟨	🟨	🟨
162	Capricorn district	LP	DM	🟨	🟨	🟪	🟪	🟪
163	Sekhukhune district	LP	DM	🟨	🟨	🟪	🟥	🟥
164	Waterberg district	LP	DM	🟨	🟨	🟪	🟩	🟩
165	Bela-Bela	LP	LM	🟨	🟨	🟪	▨	▨
166	Lephalale	LP	LM	🟨	🟨	🟪	🟪	🟪
167	Makhudutamaga	LP	LM	🟨	🟨	🟪	🟪	🟥
168	Molemole	LP	LM	🟨	🟪	🟪	🟥	🟥
169	Musina	LP	LM	🟨	🟨	🟪	🟪	🟪
170	Polokwane	LP	LM	🟨	🟪	🟥	🟥	🟪
171	Thulamela	LP	LM	🟨	🟨	🟪	🟪	🟪
172	Greater Tzaneen Economic Development Agency	LP	ME	🟨	🟨	🟦	🟦	🟦
173	Polokwane Housing Association	LP	ME	🟨	🟨	🟨	🟪	🟪
174	Gert Sibande district	MP	DM	🟨	🟪	🟨	🟨	🟩
175	Chief Albert Luthuli	MP	LM	🟨	🟪	🟪	🟪	🟥
176	Dipaleseng	MP	LM	🟨	🟨	🟪	🟨	🟪
177	Dr Pixley Ka Isaka Seme	MP	LM	🟨	🟪	🟪	🟪	🟥

Legend (audit outcomes)	Unqualified with no findings	Unqualified with findings	Qualified with findings	Adverse with findings	Disclaimed with findings	Audit not finalised at legislated date	New auditee
	🟩	🟨	🟪	▨	🟥	⬜	🟦

MET = metropolitan municipality
DM = district municipality
LM = local municipality
ME = municipal entity

Number	Auditee	Province	Auditee type	Audit opinion				
				2014-15	2013-14	2012-13	2011-12	2010-11
178	Govan Mbeki	MP	LM	🟨	🟨	🟪	🟪	🟨
179	Lekwa	MP	LM	🟨	🟨	🟪	🟥	🟥
180	Mbombela	MP	LM	🟨	🟨	🟨	🟨	🟨
181	Nkomazi	MP	LM	🟨	🟪	🟪	🟥	🟨
182	Steve Tshwete	MP	LM	🟨	🟩	🟩	🟩	🟩
183	Umjindi	MP	LM	🟨	🟪	🟪	🟪	🟥
184	Thaba Chweu Local Economic Development Agency	MP	ME	🟨	🟨	🟪	🟩	🟦
185	John Taolo Gaetsewe district	NC	DM	🟨	🟨	🟪	🟪	🟪
186	Namakwa district	NC	DM	🟨	🟨	🟪	🟨	🟨
187	Pixley Ka Seme district	NC	DM	🟨	🟨	🟪	🟪	🟨
188	//Khara Hais	NC	LM	🟨	🟨	🟪	🟥	🟨
189	Emthanjeni	NC	LM	🟨	🟪	🟨	🟪	🟪
190	Kareeberg	NC	LM	🟨	🟨	🟪	🟨	🟨
191	Khai-Ma	NC	LM	🟨	🟨	🟨	🟨	🟨
192	Sol Plaatje	NC	LM	🟨	🟪	🟪	🟪	🟪
193	Umsobomvu	NC	LM	🟨	🟨	🟨	🟨	🟥
194	Dr Kenneth Kaunda district	NW	DM	🟨	🟨	🟨	🟨	🟪
195	Naledi	NW	LM	🟨	🟨	🟨	🟥	🟥
196	Ramotshere Moiloa	NW	LM	🟨	🟪	🟥	🟥	🟥
197	Ratlou	NW	LM	🟨	🟪	🟪	🟨	🟨
198	Rustenburg	NW	LM	🟨	🟪	🟪	🟪	🟥
199	Tlokwe	NW	LM	🟨	🟨	🟨	🟨	🟪
200	Dr KKDM Economic Agency	NW	ME	🟨	🟨	🟪	🟪	🟨
201	Lekwa Teemane Development Agency	NW	ME	🟨	🟨	🟨	🟨	🟦
202	Rustenburg Water Services Trust	NW	ME	🟨	🟨	🟨	🟨	🟪
203	Central Karoo district	WC	DM	🟨	🟨	🟨	🟨	🟨
204	Beaufort West	WC	LM	🟨	🟨	🟨	🟨	🟨
205	Berg River	WC	LM	🟨	🟨	🟨	🟪	🟨
206	Cederberg	WC	LM	🟨	🟨	🟨	🟪	🟨
207	Kannaland	WC	LM	🟨	🟨	▨	▨	🟥
208	Laingsburg	WC	LM	🟨	🟨	🟨	🟨	🟪
209	Prince Albert	WC	LM	🟨	🟨	🟨	🟨	🟪
210	Central Karoo Economic Development Agency	WC	ME	🟨	🟨	🟨	🟦	🟦

Number	Auditee	Province	Auditee type	Audit opinion				
				2014-15	2013-14	2012-13	2011-12	2010-11
Qualified with findings								
211	Buffalo City metro	EC	MET	🟪	🟪	🟪	🟪	▨
212	Nelson Mandela Bay metro	EC	MET	🟪	🟪	🟪	🟪	🟨
213	Alfred Nzo district	EC	DM	🟪	🟪	🟥	🟥	🟥
214	Chris Hani district	EC	DM	🟪	🟪	🟪	▨	🟥
215	OR Tambo district	EC	DM	🟪	🟥	🟥	🟥	▨
216	Gariep	EC	LM	🟪	🟪	▨	🟪	🟪
217	Great Kei	EC	LM	🟪	🟥	▨	🟥	🟥
218	King Sabata Dalindyebo	EC	LM	🟪	🟪	🟥	🟥	🟥
219	Lukhanji	EC	LM	🟪	🟥	🟥	🟥	🟥
220	Makana	EC	LM	🟪	🟥	🟥	🟥	🟥
221	Mbhashe	EC	LM	🟪	🟪	🟪	🟪	🟪
222	Mbizana	EC	LM	🟪	🟥	▨	▨	🟥
223	Mhlontlo	EC	LM	🟪	▨	▨	🟪	🟪
224	Mnquma	EC	LM	🟪	🟪	🟪	🟨	🟨
225	Ndlambe	EC	LM	🟪	🟥	🟪	🟪	🟪
226	Ngqushwa	EC	LM	🟪	🟥	🟥	🟥	🟥
227	Nkonkobe	EC	LM	🟪	🟪	🟪	🟪	🟪
228	Ntabankulu	EC	LM	🟪	🟥	🟪	🟪	🟪
229	Tsolwana	EC	LM	🟪	🟨	🟨	🟪	🟨
230	Amathole Economic Development Agency	EC	ME	🟪	🟨	🟨	🟨	🟨
231	Xhariep district	FS	DM	🟪	🟪	🟪	🟨	🟨
232	Kopanong	FS	LM	🟪	🟪	🟪	🟥	🟥
233	Letsemeng	FS	LM	🟪	🟥	🟪	🟪	🟥
234	Mantsopa	FS	LM	🟪	🟥	🟥	🟥	🟪
235	Masilonyana	FS	LM	🟪	🟪	🟪	🟪	🟥
236	Moqhaka	FS	LM	🟪	🟥	🟥	🟥	🟥
237	Naledi	FS	LM	🟪	🟪	🟥	🟥	🟥
238	Nketoana	FS	LM	🟪	🟨	🟨	🟨	🟨
239	Amajuba district	KZN	DM	🟪	🟥	🟨	🟨	🟪
240	uThukela district	KZN	DM	🟪	🟪	🟥	🟥	🟪
241	Jozini	KZN	LM	🟪	🟥	🟨	🟪	🟪
242	Mpofana	KZN	LM	🟪	🟪	🟪	🟨	🟨

Number	Auditee	Province	Auditee type	Audit opinion 2014-15	2013-14	2012-13	2011-12	2010-11
243	Newcastle	KZN	LM	🟪	🟪	🟪	🟪	🟪
244	Umtshezi	KZN	LM	🟪	🟨	🟪	🟩	🟩
245	Vulamehlo	KZN	LM	🟪	🟪	🟥	🟨	🟨
246	Sisonke Economic Development Agency	KZN	ME	🟪	🟨	🟨	🟦	🟦
247	Aganang	LP	LM	🟪	🟪	🟪	🟥	🩷
248	Ba-Phalaborwa	LP	LM	🟪	🟥	🟥	🟥	🟥
249	Blouberg	LP	LM	🟪	🟨	🟪	🟥	🟪
250	Elias Motsoaledi (Greater Groblersdal)	LP	LM	🟪	🟪	🟪	🟪	🟥
251	Fetakgomo	LP	LM	🟪	🟥	🟪	🟪	🟩
252	Greater Giyani	LP	LM	🟪	🟪	🩷	🟥	🟥
253	Greater Letaba	LP	LM	🟪	🟪	🟥	🟪	🩷
254	Greater Tzaneen	LP	LM	🟪	🟪	🟪	🟥	🟪
255	Lepelle Nkumpi	LP	LM	🟪	🟪	🟥	🟥	🟥
256	Makhado	LP	LM	🟪	🟨	🟪	🟥	🟥
257	Maruleng	LP	LM	🟪	🟨	🟪	🟪	🟨
258	Modimolle	LP	LM	🟪	🟪	🩷	🟥	🩷
259	Mookgophong	LP	LM	🟪	🟪	🟪	🟪	🟪
260	Mutale	LP	LM	🟪	🟪	🟥	🟥	🟪
261	Bushbuckridge	MP	LM	🟪	🟪	🟥	🟥	🟨
262	Dr JS Moroka	MP	LM	🟪	🟪	🟪	🟪	🟥
263	Mkhondo	MP	LM	🟪	🟥	🟥	🟪	🟥
264	Thembisile Hani	MP	LM	🟪	🟪	🟪	🟪	🟪
265	Victor Khanye	MP	LM	🟪	🟪	🟪	🟨	🟩
266	Umjindi Local Economic Development Agency	MP	ME	🟪	🟥	🟥	🟥	🟥
267	!Kheis	NC	LM	🟪	🟥	🟥	🟥	🟥
268	Gamagara	NC	LM	🟪	🟪	🟪	🟥	🟨
269	Hantam	NC	LM	🟪	🟨	🟪	🟪	🟪
270	Joe Morolong	NC	LM	🟪	🟪	🟥	🟥	🟥
271	Kai !Garib	NC	LM	🟪	🟪	🟥	🟥	🟥
272	Kamiesberg	NC	LM	🟪	🟥	🟥	🟥	🟥
273	Karoo Hoogland	NC	LM	🟪	🟥	🟥	🟥	🟪
274	Mier	NC	LM	🟪	🟪	🟥	🟪	🟥
275	Nama Khoi	NC	LM	🟪	🟪	🟥	🟥	🟥
276	Richtersveld	NC	LM	🟪	🟪	🟨	🟨	🟨
277	Siyancuma	NC	LM	🟪	🟪	🟥	🟥	🟥
278	Thembelihle	NC	LM	🟪	🟥	🟥	🟥	🟥
279	Ubuntu	NC	LM	🟪	🟪	🟨	🟪	🟥
280	Dr Ruth S Mompati district	NW	DM	🟪	🟥	🟪	🟨	🟨
281	Greater Taung	NW	LM	🟪	🟥	🟥	🟥	🟪
282	Kagisano-Molopo	NW	LM	🟪	🟪	🟥	🟥	🟥
283	Kgetleng River	NW	LM	🟪	🟪	🟥	🟥	🟥
284	Lekwa Teemane	NW	LM	🟪	🟥	🟥	🟥	🟥
285	Madibeng	NW	LM	🟪	🟪	🟪	🟥	🟥
286	Maquassi Hills	NW	LM	🟪	🟥	🟥	🟥	🟥
287	Matlosana	NW	LM	🟪	🟪	🟥	🟥	🟥
288	Moretele	NW	LM	🟪	🟪	🟥	🟥	🟥
289	Moses Kotane	NW	LM	🟪	🟨	🟨	🟪	🟥
Adverse with findings								
290	Randfontein	GP	LM	🩷	🟪	🟪	🟪	🟪
291	Westonaria	GP	LM	🩷	🩷	🟪	🟪	🟨
292	Vhembe district	LP	DM	🩷	🟥	🟥	🟥	🟪
293	Oudtshoorn	WC	LM	🩷	🟨	🟨	🟨	🟨
Disclaimed with findings								
294	Inkwanca	EC	LM	🟥	🟥	🟪	🟥	🟥
295	Inxuba Yethemba	EC	LM	🟥	🟥	🟥	🟥	🟪
296	Port St. Johns	EC	LM	🟥	🟪	🟪	🟪	🟪
297	Sundays River Valley	EC	LM	🟥	🟥	🟥	🟪	🟪
298	Alfred Nzo Development Agency	EC	ME	🟥	🟪	🟨	🟨	🟨
299	Mafube	FS	LM	🟥	🟥	🟥	🟥	🟥

⬛ Legend (audit outcomes)	🟩 Unqualified with no findings	🟨 Unqualified with findings	🟪 Qualified with findings	🩷 Adverse with findings	🟥 Disclaimed with findings	⬜ Audit not finalised at legislated date	🟦 New auditee

MET = metropolitan municipality
DM = district municipality
LM = local municipality
ME = municipal entity

Number	Auditee	Province	Auditee type	Audit opinion				
				2014-15	2013-14	2012-13	2011-12	2010-11
300	Maluti-A-Phofung	FS	LM	🟥	🟥	🟥	🟥	🟥
301	Matjhabeng	FS	LM	🟥	🟥	🟥	🟥	🟥
302	uMkhanyakude district	KZN	DM	🟥	🟪	🟪	🟥	🩷
303	Mopani district	LP	DM	🟥	🩷	🟥	🟥	🟪
304	Ephraim Mogale	LP	LM	🟥	🟥	🟥	🟪	🟪
305	Mogalakwena	LP	LM	🟥	🟨	🟪	🟨	🟨
306	Thabazimbi	LP	LM	🟥	🟥	🟥	🟥	🟨
307	Tubatse	LP	LM	🟥	🟥	🩷	🟪	🟪
308	Sekhukhune Development Agency	LP	ME	🟥	🟨	🟪	🟥	🟨
309	Emakhazeni	MP	LM	🟥	🟥	🟪	🟪	🟨
310	Emalahleni	MP	LM	🟥	🟥	🟥	🟥	🟪
311	Msukaligwa	MP	LM	🟥	🟥	🟥	🟥	🟨
312	Thaba Chweu	MP	LM	🟥	🟥	🟥	🟥	🟥
313	Ga-Segonyana	NC	LM	🟥	🟥	🟥	🟥	🟥
314	Kgatelopele	NC	LM	🟥	🟥	🟥	🟥	🟥
315	Magareng	NC	LM	🟥	🟥	🟪	🟥	🟥
316	Phokwane	NC	LM	🟥	🟥	🟥	🟥	🟥
317	Siyathemba	NC	LM	🟥	🟪	🟥	🟥	🟥
318	Tsantsabane	NC	LM	🟥	🟥	🟥	🟥	🟥
319	Ngaka Modiri Molema district	NW	DM	🟥	🟥	🟥	🟥	🟥
320	Ditsobotla	NW	LM	🟥	🟥	🟥	🟥	🟥
321	Mafikeng	NW	LM	🟥	🟪	🟥	🟥	🟥
322	Mamusa	NW	LM	🟥	🟥	🟥	🟥	🟥
323	Tswaing	NW	LM	🟥	🟥	🟥	🟥	🟥
324	Ventersdorp	NW	LM	🟥	🟥	🟥	🟥	🟥
Audit not finalised at legislated date								
325	Ikwezi	EC	LM	⬜	🟥	🟥	🟥	🟪
326	Ngwathe	FS	LM	⬜	🟥	🟥	🟥	🟥
327	Phumelela	FS	LM	⬜	🟥	🟥	🟥	🩷
328	Dikgatlong	NC	LM	⬜	🟥	🟥	🟥	🟥
329	Renosterberg	NC	LM	⬜	🟥	🟥	🟥	🟥
330	Bojanala district	NW	DM	⬜	🟨	🟨	🟨	🟨

Number	Auditee	Province	Auditee type	Audit opinion				
				2014-15	2013-14	2012-13	2011-12	2010-11
Consolidated audits *(audit opinions on financial statements that include more than one auditee)*								
Financially unqualified with no findings								
1	Joe Gqabi district	EC	DM	🟩	🟨	🟨	🟨	🟨
2	Sarah Baartman district	EC	DM	🟩	🟩	🟨	🟨	🟨
3	Ekurhuleni metro	GP	MET	🟩	🟩	🟨	🟨	🟨
4	eThekwini metro	KZN	MET	🟩	🟨	🟨	🟨	🟨
5	Ilembe district	KZN	DM	🟩	🟩	🟨	🟨	🟨
6	Uthungulu district	KZN	DM	🟩	🟩	🟩	🟨	🟨
7	Msunduzi	KZN	LM	🟩	🟨	🟪	🟨	🟨
8	City of Cape Town metro	WC	MET	🟩	🟩	🟩	🟨	🟨
Financially unqualified with findings								
9	Amathole district	EC	DM	🟨	🟨	🟨	🟨	🟨
10	Mangaung metro	FS	MET	🟨	🟨	🟪	🟥	🟥
11	Lejweleputswa district	FS	DM	🟨	🟨	🟨	🟨	🟨
12	City of Johannesburg metro	GP	MET	🟨	🟨	🟨	🟪	🟪
13	City of Tshwane metro	GP	MET	🟨	🟨	🟨	🟨	🟨
14	West Rand district	GP	DM	🟨	🟪	🟨	🟨	🟨
15	Harry Gwala district	KZN	DM	🟨	🟨	🟨	🟪	🟨
16	Ugu district	KZN	DM	🟨	🟪	🟥	🟪	🟨
17	Sekhukhune district	LP	DM	🟨	🟨	🟪	🟥	🟥
18	Polokwane	LP	LM	🟨	🟪	🟥	🟥	🟪
19	Gert Sibande district	MP	DM	🟨	🟪	🟨	🟨	🟩
20	Umjindi	MP	LM	🟨	🟪	🟪	🟪	🟥
21	Dr Kenneth Kaunda district	NW	DM	🟨	🟨	🟪	🟪	🟪
22	Rustenburg	NW	LM	🟨	🟪	🟪	🟪	🟥
23	Central Karoo district	WC	DM	🟨	🟨	🟨	🟨	🟨
Qualified with findings								
24	Buffalo City metro	EC	MET	🟪	🟪	🟪	🟪	🩷
25	Nelson Mandela Bay metro	EC	MET	🟪	🟪	🟪	🟪	🟨
26	Alfred Nzo district	EC	DM	🟪	🟪	🟥	🟥	🟥
27	Chris Hani district	EC	DM	🟪	🟪	🟪	🩷	🟥
28	OR Tambo district	EC	DM	🟪	🟥	🟥	🟥	🩷

Number	Auditee	Province	Auditee type	Audit opinion				
				2014-15	2013-14	2012-13	2011-12	2010-11
29	Nkonkobe	EC	LM	🟪	🟪	🟪	🟪	🟪
30	Greater Tzaneen	LP	LM	🟪	🟪	🟪	🟥	🟪
31	Lekwa Teemane	NW	LM	🟪	🟥	🟥	🟥	🟥
Disclaimed with findings								
32	Port St Johns	EC	LM	🟥	🟪	🟪	🟪	🟪
33	Maluti-A-Phofung	FS	LM	🟥	🟥	🟥	🟥	🟥
34	uMkhanyakude district	KZN	DM	🟥	🟪	🟪	🟥	🩷
35	Thaba Chweu	MP	LM	🟥	🟥	🟥	🟥	🟥

Legend (audit outcomes)	🟩 Unqualified with no findings	🟨 Unqualified with findings	🟪 Qualified with findings	🩷 Adverse with findings	🟥 Disclaimed with findings	⬜ Audit not finalised at legislated date	🟦 New auditee

MET = metropolitan municipality
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LM = local municipality
ME = municipal entity

Annexure 3: *Assessment of auditees' key controls at the time of the audit*

Number	Auditee	Province	Audit opinion	Predetermined objectives	Compliance with legislation	Leadership																											Financial and performance																							Governance														
						Movement			Effective leadership culture				Oversight responsibility				Human resource management				Policies & procedures				Action plans				Information technology governance				Movement			Proper record keeping				Processing and reconciling controls				Reporting				Compliance				Information technology systems controls				Movement			Risk management				Internal audit				Audit committee			
						F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O
Metropolitan municipalities																																																																						
1	Ekurhuleni metro	GP	🟩	⬜	⬜	🟨 ↔	🟥 ↓	🟥 ↓	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩
2	eThekwini metro	KZN	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩 ↑	🟥 ↓	🟨 ↔	🟨	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟩	🟩	🟨	🟨	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
3	City of Cape Town metro	WC	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟩	🟩	🟨	🟩	🟨	🟩	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
4	Mangaung metro	FS	🟨	🟦	🟦	🟥 ↓	🟥 ↓	🟥 ↓	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟩 ↑	🟥 ↓	🟨 ↔	🟩	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟩	🟨	🟨	🟥	⬜	⬜	🟥	🟨 ↔	🟥 ↓	🟨 ↔	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩
5	City of Johannesburg metro	GP	🟨	🟦	🟦	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟥	🟥	🟥	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
6	City of Tshwane metro	GP	🟨	🟦	🟦	🟥 ↓	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥 ↓	🟨 ↔	🟥 ↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
7	Buffalo City metro	EC	🟪	🟦	🟦	🟥 ↓	🟨 ↔	🟨 ↔	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨 ↔	🟩 ↑	🟨 ↔	🟥	🟥	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	⬜	⬜	🟥	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
8	Nelson Mandela Bay metro	EC	🟪	⬜	🟦	🟨 ↔	🟨 ↔	🟨 ↔	🟥	🟨	🟥	🟥	🟨	🟨	🟥	🟨	🟥	🟩	🟥	🟥	🟥	🟩	🟥	🟥	🟥	🟩	🟥	🟥	🟥	🟥	🟥	🟥	🟩 ↑	🟩 ↑	🟨 ↔	🟨	🟩	🟥	🟨	🟨	🟨	🟥	🟨	🟥	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟥	🟨	⬜	🟥	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
District municipalities																																																																						
9	Joe Gqabi district	EC	🟩	⬜	⬜	🟩 ↑	🟨 ↔	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨 ↔	🟥 ↓	🟩 ↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
10	Sarah Baartman district	EC	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
11	Thabo Mofutsanyana district	FS	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩 ↑	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	⬜	⬜	🟨	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟩	🟩	🟩	🟩
12	Sedibeng district	GP	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟥 ↓	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟥 ↓	🟨 ↔	🟥 ↓	🟩	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟩	🟩	🟨	🟨	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
13	Ilembe district	KZN	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
14	Umgungundlovu district	KZN	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
15	Uthungulu district	KZN	🟩	⬜	⬜	🟥 ↓	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟥 ↓	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
16	Zululand district	KZN	🟩	⬜	⬜	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟩	🟨	🟩	🟨	🟨	⬜	⬜	🟨	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
17	Ehlanzeni district	MP	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
18	Nkangala district	MP	🟩	⬜	⬜	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
19	Frances Baard district	NC	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
20	ZF Mgcawu district	NC	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
21	Cape Winelands district	WC	🟩	⬜	⬜	🟨 ↔	🟩 ↑	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨 ↔	🟩 ↑	🟨 ↔	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
22	Eden district	WC	🟩	⬜	⬜	🟨 ↔	🟥 ↓	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨 ↔	🟥 ↓	🟥 ↓	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟩	🟨	🟨	🟨	🟨	🟨	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
23	Overberg district	WC	🟩	⬜	⬜	🟩 ↑	🟨 ↔	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨 ↔	🟩 ↑	🟩 ↑	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	⬜	⬜	🟩	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩
24	West Coast district	WC	🟩	⬜	⬜	🟨 ↔	🟩 ↑	🟨 ↔	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟥 ↓	🟥 ↓	🟥 ↓	🟨	🟩	🟩	🟨	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
25	Amathole district	EC	🟨	⬜	🟦	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟥	🟩	🟨	🟨	🟥	🟩	🟨	🟨	🟥	🟩	🟥	🟥	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨
26	Fezile Dabi district	FS	🟨	⬜	🟦	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩 ↑	🟩 ↑	🟩 ↑	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
27	Lejweleputswa district	FS	🟨	🟦	🟦	🟨 ↔	🟨 ↔	🟥 ↓	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
28	West Rand district	GP	🟨	⬜	🟦	🟩 ↑	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟩	🟩	🟨	🟨	🟩	🟩	🟨	🟨	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩 ↑	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟩	⬜	⬜	🟩	🟩 ↑	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
29	Harry Gwala district	KZN	🟨	⬜	🟦	🟥 ↓	🟩 ↑	🟨 ↔	🟩	🟩	🟩	🟩	🟥	🟩	🟨	🟥	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟥	🟩	🟨	🟥	🟨	🟨	🟨	🟨	🟥 ↓	🟨 ↔	🟨 ↔	🟥	🟩	🟩	🟨	🟥	🟩	🟩	🟨	🟥	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	⬜	⬜	🟥	🟨 ↔	🟩 ↑	🟨 ↔	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩

🟩 Unqualified with no findings

🟨 Unqualified with findings

🟪 Qualified with findings

Adverse with findings

🟥 Disclaimed with findings

🟦 With findings

MET = metropolitan municipality
DM = district municipality
LM = local municipality
ME = municipal entity

🟩 Good

🟨 In progress

🟥 Intervention required

🟩 ↑ Improved

🟨 ↔ Unchanged

🟥 ↓ Regressed

F Financial

P Performance

C Compliance

O Overall

Number	Auditee	Province	Audit opinion	Predetermined objectives	Compliance with legislation	Leadership																											Financial and performance																											Governance														
						Movement			Effective leadership culture				Oversight responsibility				Human resource management				Policies & procedures				Action plans				Information technology governance				Movement			Proper record keeping				Processing and reconciling controls				Reporting				Compliance				Information technology systems controls				Movement			Risk management				Internal audit				Audit committee			
						F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O
30	Ugu district	KZN	🟨	⬜	🟦	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟥	🟨	🟥	🟥	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟩↑	🟩↑	🟩↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩
31	uMzinyathi district	KZN	🟨	🟦	🟦	🟥↓	🟨↔	🟥↓	🟩	🟩	🟩	🟩	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥↓	🟨↔	🟨↔	🟥	🟥	🟩	🟨	🟥	🟩	🟩	🟨	🟥	🟥	🟨	🟥	🟨	🟥	🟥	🟥	🟨	⬜	⬜	🟨	🟥↓	🟩↑	🟥↓	🟨	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
32	Capricorn district	LP	🟨	🟦	🟦	🟥↓	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟥↓	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟥↓	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
33	Sekhukhune district	LP	🟨	🟦	🟦	🟨↔	🟨↔	🟨↔	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟩↑	🟩↑	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨
34	Waterberg district	LP	🟨	🟦	🟦	🟨↔	🟥↓	🟥↓	🟩	🟩	🟩	🟩	🟨	🟥	🟥	🟥	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟥↓	🟥↓	🟥↓	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟨	🟩	⬜	⬜	🟩	🟥↓	🟥↓	🟥↓	🟩	🟩	🟩	🟩	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨
35	Gert Sibande district	MP	🟨	⬜	🟦	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
36	John Taolo Gaetsewe district	NC	🟨	🟦	🟦	🟥↓	🟥↓	🟨↔	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟥	🟥↓	🟥↓	🟥↓	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
37	Namakwa district	NC	🟨	🟦	🟦	🟨↔	🟨↔	🟨↔	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟩	🟩	🟩	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨↔	🟨↔	🟨↔	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	🟩↑	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟩	🟨	🟨	🟨	🟨	🟥	🟥	🟥
38	Pixley Ka Seme district	NC	🟨	🟦	🟦	🟨↔	🟨↔	🟨↔	🟩	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟨↔	🟩	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟩↑	🟨↔	🟨↔	🟨	🟥	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟥	🟨	🟨
39	Dr Kenneth Kaunda district	NW	🟨	🟦	🟦	🟥↓	🟥↓	🟥↓	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥↓	🟥↓	🟥↓	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟨	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨
40	Central Karoo district	WC	🟨	🟦	🟦	🟨↔	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟨	🟩	🟥	🟨	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨↔	🟨↔	🟥↓	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨
41	Alfred Nzo district	EC	🟪	🟦	🟦	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
42	Chris Hani district	EC	🟪	🟦	🟦	🟨↔	🟩↑	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨↔	🟩↑	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
43	OR Tambo district	EC	🟪	🟦	🟦	🟩↑	🟩↑	🟩↑	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟩↑	🟩↑	🟩↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟩↑	🟩↑	🟩↑	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
44	Xhariep district	FS	🟪	⬜	🟦	🟥↓	🟥↓	🟨↔	🟥	🟩	🟥	🟥	🟥	🟩	🟥	🟥	🟥	🟩	🟥	🟥	🟥	🟩	🟥	🟥	🟥	🟩	🟥	🟥	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟨↔	🟥	🟩	🟥	🟥	🟥	🟩	🟥	🟥	🟥	🟩	🟩	🟨	🟥	🟩	🟥	🟥	🟨	⬜	⬜	🟨	🟩↑	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
45	Amajuba district	KZN	🟪	🟦	🟦	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟨	🟨	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨↔	🟨↔	🟨↔	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
46	uThukela district	KZN	🟪	🟦	🟦	🟩↑	🟨↔	🟩↑	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟩↑	🟨↔	🟩↑	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	🟩↑	🟨↔	🟩↑	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
47	Dr Ruth S Mompati district	NW	🟪	🟦	🟦	🟩↑	🟥↓	🟨↔	🟨	🟥	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟨↔	🟥↓	🟨↔	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟥↓	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟨	🟥	🟥	🟥	🟥
48	Vhembe district	LP	🩷	🟦	🟦	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟨	🟥	🟨
49	uMkhanyakude district	KZN	🟥	🟦	🟦	🟥↓	🟥↓	🟥↓	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	🟩↑	🟩↑	🟩↑	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨
50	Mopani district	LP	🟥	🟦	🟦	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟩	🟩	🟩	🟩	🟥↓	🟥↓	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟨	⬜	⬜	🟨	🟥↓	🟥↓	🟩↑	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥
51	Ngaka Modiri Molema district	NW	🟥	🟦	🟦	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟩↑	🟩↑	🟩↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
Local municipalities																																																																										
52	Ingquza Hill	EC	🟩	⬜	⬜	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟩	🟨	🟨	🟩	🟩	🟨	🟨	🟨	⬜	⬜	🟨	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩
53	Matatiele	EC	🟩	⬜	⬜	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟨	🟩	🟨	⬜	⬜	🟨	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
54	Senqu	EC	🟩	⬜	⬜	🟥↓	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟥↓	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
55	Midvaal	GP	🟩	⬜	⬜	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
56	Mogale City	GP	🟩	⬜	⬜	🟨↔	🟥↓	🟥↓	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟩↑	🟥↓	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
57	Ezinqoleni	KZN	🟩	⬜	⬜	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
58	Hibiscus Coast	KZN	🟩	⬜	⬜	🟩↑	🟨↔	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩↑	🟨↔	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
59	Mandeni	KZN	🟩	⬜	⬜	🟨↔	🟨↔	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
60	Msinga	KZN	🟩	⬜	⬜	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨↔	🟨↔	🟨↔	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
61	Msunduzi	KZN	🟩	⬜	⬜	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩↑	🟨↔	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
62	Nquthu	KZN	🟩	⬜	⬜	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
63	Okhahlamba	KZN	🟩	⬜	⬜	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩↑	🟨↔	🟨↔	🟨	🟩	🟩	🟨	🟨	🟩	🟩	🟨	🟩	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
64	Ubuhlebezwe	KZN	🟩	⬜	⬜	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟨↔	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩

Number	Auditee	Province	Audit opinion	Predetermined objectives	Compliance with legislation	Leadership																											Financial and performance																							Governance														
						Movement			Effective leadership culture				Oversight responsibility				Human resource management				Policies & procedures				Action plans				Information technology governance				Movement			Proper record keeping				Processing and reconciling controls				Reporting				Compliance				Information technology systems controls				Movement			Risk management				Internal audit				Audit committee			
						F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O
65	Umdoni	KZN	🟩			↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨			🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
66	uMhlabuyalingana	KZN	🟩			↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟥			🟥	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
67	uMhlathuze	KZN	🟩			↑	↓	↓	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	↔	↓	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨			🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
68	Umuziwabantu	KZN	🟩			↑	↑	↑	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	↑	↑	↑	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩			🟩	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
69	Umzumbe	KZN	🟩			↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	↔	↑	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩			🟩	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
70	Bitou	WC	🟩			↔	↑	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	↔	↑	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟨			🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
71	Breede Valley	WC	🟩			↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	↑	↑	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟨		🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
72	Cape Agulhas	WC	🟩			↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟩	🟨	🟩	🟨	🟩	🟩	🟩	🟩	↓	↔	↑	🟨	🟨	🟩	🟨	🟨	🟩	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟨			🟨	↓	↔	↔	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟩	🟩	🟩	🟩
73	Drakenstein	WC	🟩			↑	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	↑	↓	↔	🟨	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟨			🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
74	George	WC	🟩			↓	↔	↓	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↓	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟩	🟨	🟨	🟨	🟨		🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
75	Hessequa	WC	🟩			↑	↔	↓	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	↑	↔	↑	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨			🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
76	Knysna	WC	🟩			↑	↓	↔	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↔	↓	↑	🟨	🟥	🟨	🟨	🟩	🟨	🟩	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨			🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
77	Langeberg	WC	🟩			↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	↔	↔	↓	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟨		🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
78	Matzikama	WC	🟩			↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟩			🟩	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
79	Mossel Bay	WC	🟩			↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟨			🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
80	Overstrand	WC	🟩			↑	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	↔	↔	↔	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨		🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
81	Saldanha Bay	WC	🟩			↔	↔	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	↑	↔	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟩	🟩	🟨	🟩	🟨			🟨	↔	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
82	Stellenbosch	WC	🟩			↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟥	🟩	🟩	🟩	🟩	↔	↓	↑	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨			🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
83	Swartland	WC	🟩			↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	↑	↑	↓	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩			🟩	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
84	Swellendam	WC	🟩			↔	↑	↔	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	↓	↑	↓	🟩	🟩	🟨	🟩	🟨	🟩	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨			🟨	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
85	Theewaterskloof	WC	🟩			↑	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨			🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
86	Witzenberg	WC	🟩			↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	↑	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩			🟩	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
87	Amahlati	EC	🟨	🟦	🟦	↔	↔	↔	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟨	🟨	🟥	🟥	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	↔	↔	↔	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟥	🟨	🟨	🟥			🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
88	Baviaans	EC	🟨		🟦	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟥	🟩			🟩	↔	↔	↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
89	Blue Crane Route	EC	🟨	🟦	🟦	↔	↑	↔	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟨			🟨	↓	↑	↓	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
90	Camdeboo	EC	🟨	🟦	🟦	↔	↑	↔	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩			🟩	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
91	Elundini	EC	🟨		🟦	↔	↔	↓	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↑	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟥	🟥	🟨			🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
92	Emalahleni	EC	🟨	🟦	🟦	↑	↔	↑	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟨	🟨	🟨	🟨	↑	↔	↑	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟨			🟨	↔	↔	↔	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥
93	Engcobo	EC	🟨		🟦	↑	↔	↔	🟩	🟨	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟥	🟥	🟥	🟥	↑	↔	↔	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟥			🟥	↑	↔	↔	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨
94	Intsika Yethu	EC	🟨	🟦	🟦	↑	↔	↑	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟩	🟩	🟩	🟩	↑	↔	↑	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨			🟨	↔	↔	↑	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟥	🟨	🟥	🟨	🟨
95	Kou Kamma	EC	🟨	🟦	🟦	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟩	🟩	🟩	🟩	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩			🟩	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
96	Kouga	EC	🟨	🟦	🟦	↔	↔	↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	↔	↔	↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥			🟥	↔	↔	↔	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨
97	Maletswai	EC	🟨	🟦	🟦	↓	↔	↔	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟩	🟩	🟩	🟩	↓	↔	↔	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟨	🟨	🟨	🟨			🟨	↔	↔	↔	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨

Unqualified with no findings

Unqualified with findings

Qualified with findings

Adverse with findings

Disclaimed with findings

🟦 With findings

MET = metropolitan municipality
DM = district municipality
LM = local municipality
ME = municipal entity

🟩 Good
🟨 In progress
🟥 Intervention required
F Financial
P Performance
C Compliance
O Overall
↑ Improved
↔ Unchanged
↓ Regressed

Number	Auditee	Province	Audit opinion	Predetermined objectives	Compliance with legislation	Leadership																											Financial and performance																							Governance														
						Movement			Effective leadership culture				Oversight responsibility				Human resource management				Policies & procedures				Action plans				Information technology governance				Movement			Proper record keeping				Processing and reconciling controls				Reporting				Compliance				Information technology systems controls				Movement			Risk management				Internal audit				Audit committee			
						F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O
98	Nxuba	EC	🟨	🟦	🟦	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
99	Nyandeni	EC	🟨	⬜	🟦	↔	↔	↑	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟥	🟥	🟥	🟥	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	⬜	⬜	🟨	↔	↑	↔	🟩	🟩	🟨	🟨	🟩	🟩	🟨	🟨	🟩	🟩	🟨	🟨
100	Sakhisizwe	EC	🟨	🟦	🟦	↔	↔	↔	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	↔	↔	↔	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟨
101	Umzimvubu	EC	🟨	⬜	🟦	↔	↑	↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↑	↑	↔	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟨	⬜	⬜	🟨	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
102	Dihlabeng	FS	🟨	🟦	🟦	↔	↔	↓	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	↓	↓	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
103	Metsimaholo	FS	🟨	🟦	🟦	↔	↔	↔	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	↔	↑	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
104	Mohokare	FS	🟨	🟦	🟦	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟩	🟩	🟩	🟩	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟩	⬜	⬜	🟩	↑	↑	↑	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
105	Nala	FS	🟨	🟦	🟦	↔	↔	↑	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↔	↔	↔	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
106	Setsoto	FS	🟨	🟦	🟦	↔	↑	↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟥	🟥	🟥	🟥	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	⬜	⬜	🟥	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
107	Tokologo	FS	🟨	🟦	🟦	↔	↔	↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↑	↑	↑	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨
108	Tswelopele	FS	🟨	⬜	🟦	↔	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟥	🟥	🟥	🟥	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	↑	↑	↑	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟩	🟨	⬜	⬜	🟨	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
109	Emfuleni	GP	🟨	🟦	🟦	↑	↔	↔	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟥	🟨	🟨	🟨	🟨	🟨	🟨	↑	↔	↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟩	🟩	🟨	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
110	Lesedi	GP	🟨	🟦	🟦	↔	↔	↓	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	↔	↓	↓	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟥	🟨	🟨	⬜	⬜	🟨	↔	↓	↓	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨
111	Merafong City	GP	🟨	🟦	🟦	↑	↔	↔	🟩	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↔	🟨	🟥	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟥	🟨	🟥	⬜	⬜	🟥	↓	↔	↔	🟥	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩
112	Abaqulusi	KZN	🟨	🟦	🟦	↔	↔	↔	🟩	🟩	🟩	🟩	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟩	🟩	🟩	🟩	↔	↓	↓	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟥	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
113	Dannhauser	KZN	🟨	🟦	🟦	↓	↓	↓	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↓	↓	↓	🟩	🟥	🟩	🟨	🟩	🟩	🟩	🟩	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟨	⬜	⬜	🟨	↓	↓	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨
114	eDumbe	KZN	🟨	🟦	🟦	↑	↑	↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟩	🟩	🟩	🟩	↔	↑	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟨	🟨	🟥	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
115	eMadlangeni	KZN	🟨	🟦	🟦	↓	↑	↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↓	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↔	↓	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨
116	eMnambithi / Ladysmith	KZN	🟨	⬜	🟦	↓	↔	↔	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	↓	↓	↓	🟨	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
117	Endumeni	KZN	🟨	🟦	⬜	↑	↓	↑	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	↑	↓	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
118	Greater Kokstad	KZN	🟨	⬜	🟦	↓	↔	↓	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	↑	↓	↔	🟨	🟩	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	⬜	⬜	🟨	↓	↔	↓	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨
119	Hlabisa	KZN	🟨	🟦	🟦	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	↑	↑	↑	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
120	Imbabazane	KZN	🟨	⬜	🟦	↓	↓	↓	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	↔	↑	↔	🟨	🟩	🟨	🟨	🟨	🟩	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟩	⬜	⬜	🟩	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
121	Impendle	KZN	🟨	⬜	🟦	↓	↓	↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	↓	↔	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
122	Indaka	KZN	🟨	🟦	🟦	↓	↓	↓	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟩	🟩	🟩	🟩	↑	↓	↔	🟩	🟥	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟩	⬜	⬜	🟩	↓	↓	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
123	Ingwe	KZN	🟨	🟦	🟦	↔	↓	↔	🟩	🟩	🟩	🟩	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟩	🟩	🟩	🟩	↔	↓	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟩	🟩	🟥	🟨	🟨	⬜	⬜	🟨	↔	↓	↓	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨
124	Kwa Sani	KZN	🟨	🟦	🟦	↔	↓	↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↑	↓	↓	🟩	🟨	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟥	🟨	🟥	🟩	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↔	↓	↑	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨
125	Kwadukuza	KZN	🟨	🟦	🟦	↔	↑	↔	🟩	🟨	🟨	🟨	🟩	🟨	🟥	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↑	↔	↔	🟩	🟥	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟥	🟩	🟨	🟩	🟩	🟥	🟨	🟨	⬜	⬜	🟨	↔	↔	↓	🟩	🟩	🟩	🟩	🟩	🟨	🟥	🟨	🟩	🟨	🟨	🟨
126	Maphumulo	KZN	🟨	🟦	🟦	↓	↔	↔	🟩	🟩	🟨	🟩	🟨	🟩	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟨	🟨	⬜	⬜	🟨	↑	↑	↑	🟩	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
127	Mfolozi	KZN	🟨	⬜	🟦	↑	↑	↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
128	Mkhambathini	KZN	🟨	🟦	🟦	↓	↓	↓	🟩	🟩	🟩	🟩	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↓	↓	↓	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	↓	↓	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
129	Mthonjaneni	KZN	🟨	🟦	🟦	↓	↓	↓	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↓	↓	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
130	Mtubatuba	KZN	🟨	⬜	🟦	↔	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	↔	↑	↑	🟩	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↑	↑	↑	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨
131	Ndwedwe	KZN	🟨	⬜	🟦	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	⬜	⬜	🟨	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
132	Nkandla	KZN	🟨	⬜	🟦	↔	↔	↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↑	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	↔	↔	↔	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨

Number	Auditee	Province	Audit opinion	Predetermined objectives	Compliance with legislation	Leadership																											Financial and performance																							Governance														
						Movement			Effective leadership culture				Oversight responsibility				Human resource management				Policies & procedures				Action plans				Information technology governance				Movement			Proper record keeping				Processing and reconciling controls				Reporting				Compliance				Information technology systems controls				Movement			Risk management				Internal audit				Audit committee			
						F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O
133	Nongoma	KZN	🟨	🟦	🟦	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨↔	🟥↓	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
134	Ntambanana	KZN	🟨	⬜	🟦	🟥↓	🟥↓	🟥↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟥↓	🟥↓	🟥↓	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	⬜	⬜	🟩	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
135	Richmond	KZN	🟨	🟦	🟦	🟥↓	🟥↓	🟥↓	🟨	🟨	🟨	🟨	🟩	🟥	🟨	🟨	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟥↓	🟥↓	🟥↓	🟩	🟨	🟨	🟨	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟩	⬜	⬜	🟩	🟥↓	🟥↓	🟥↓	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨
136	The Big Five False Bay	KZN	🟨	⬜	🟦	🟩↑	🟩↑	🟩↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟥↓	🟥↓	🟩↑	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
137	Ulundi	KZN	🟨	⬜	🟦	🟩↑	🟩↑	🟩↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩↑	🟨↔	🟩↑	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	⬜	⬜	🟨	🟨↔	🟩↑	🟨↔	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
138	Umlalazi	KZN	🟨	⬜	🟦	🟥↓	🟨↔	🟥↓	🟩	🟩	🟩	🟩	🟥	🟥	🟥	🟥	🟩	🟩	🟩	🟩	🟥	🟩	🟩	🟨	🟥	🟩	🟥	🟨	🟨	🟩	🟩	🟨	🟩↑	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟥	🟩	🟥	🟩	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
139	Umngeni	KZN	🟨	⬜	🟦	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟩↑	🟩↑	🟩↑	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
140	uMshw athi	KZN	🟨	⬜	🟦	🟨↔	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟥	🟨	🟩	🟩	🟨	🟩	🟨	🟩	🟨	🟨	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟨	🟥↓	🟨↔	🟥↓	🟩	🟩	🟨	🟩	🟨	🟩	🟨	🟨	🟩	🟩	🟥	🟨	🟩	🟩	🟨	🟨	🟨	⬜	⬜	🟨	🟥↓	🟥↓	🟥↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
141	Umvoti	KZN	🟨	🟦	🟦	🟥↓	🟨↔	🟥↓	🟩	🟩	🟩	🟩	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥↓	🟩↑	🟥↓	🟥	🟨	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟥↓	🟥↓	🟥↓	🟥	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
142	uMzimkhulu	KZN	🟨	⬜	🟦	🟥↓	🟥↓	🟨↔	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟥↓	🟥↓	🟩↑	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟥↓	🟥↓	🟨↔	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨
143	uPhongolo	KZN	🟨	🟦	🟦	🟥↓	🟥↓	🟥↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥↓	🟥↓	🟥↓	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟩	🟨	🟨	🟨	⬜	⬜	🟨	🟥↓	🟥↓	🟥↓	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟨	🟨	🟨	🟩	🟨
144	Bela-Bela	LP	🟨	🟦	🟦	🟨↔	🟥↓	🟥↓	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟥	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟨↔	🟩	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩
145	Lephalale	LP	🟨	🟦	🟦	🟩↑	🟥↓	🟩↑	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨↔	🟥↓	🟨↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟥	🟨	🟥	⬜	⬜	🟨	🟩↑	🟥↓	🟩↑	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨
146	Makhudutamaga	LP	🟨	🟦	🟦	🟨↔	🟩↑	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨↔	🟩↑	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
147	Molemole	LP	🟨	⬜	🟦	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩↑	🟩↑	🟩↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	⬜	⬜	🟩	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
148	Musina	LP	🟨	⬜	🟦	🟨↔	🟩↑	🟨↔	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨↔	🟩↑	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟨↔	🟩↑	🟨↔	🟩	🟩	🟨	🟨	🟨	🟨	🟥	🟨	🟩	🟩	🟨	🟨
149	Polokw ane	LP	🟨	🟦	🟦	🟩↑	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩↑	🟨↔	🟥↓	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩
150	Thulamela	LP	🟨	🟦	🟦	🟨↔	🟩↑	🟨↔	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥↓	🟩↑	🟨↔	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨
151	Chief Albert Luthuli	MP	🟨	🟦	🟦	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥↓	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
152	Dipaleseng	MP	🟨	🟦	🟦	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟨	🟨	🟥	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨↔	🟨↔	🟨↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥
153	Dr Pixley Ka Isaka Seme	MP	🟨	🟦	🟦	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩↑	🟨↔	🟨↔	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
154	Govan Mbeki	MP	🟨	🟦	🟦	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩↑	🟩↑	🟩↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
155	Lekw a	MP	🟨	🟦	🟦	🟥↓	🟩↑	🟨↔	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥↓	🟨↔	🟥↓	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	⬜	⬜	🟥	🟨↔	🟩↑	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
156	Mbombela	MP	🟨	⬜	🟦	🟩↑	🟩↑	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟥↓	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟩	🟩	🟨	🟨	🟨	⬜	⬜	🟨	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
157	Nkomazi	MP	🟨	⬜	🟦	🟩↑	🟨↔	🟩↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩↑	🟩↑	🟩↑	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
158	Steve Tshw ete	MP	🟨	⬜	🟦	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟥↓	🟥↓	🟨↔	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟩	🟩	🟨	🟩	🟩	🟨	🟩	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
159	Umjindi	MP	🟨	⬜	🟦	🟥↓	🟩↑	🟩↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩↑	🟩↑	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
160	//Khara Hais	NC	🟨	⬜	🟦	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
161	Emthanjeni	NC	🟨	🟦	🟦	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟥↓	🟨	🟨	🟩	🟨	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨
162	Kareeberg	NC	🟨	🟦	🟦	🟨↔	🟨↔	🟨↔	🟩	🟨	🟨	🟨	🟩	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟨↔	🟨↔	🟨↔	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟩	🟥	🟨	🟨	🟩	🟨	🟩	🟩	🟥	🟥	🟥	🟥
163	Khai-Ma	NC	🟨	🟦	🟦	🟥↓	🟥↓	🟥↓	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥↓	🟨↔	🟨↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
164	Sol Plaatje	NC	🟨	🟦	🟦	🟩↑	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩↑	🟨↔	🟨↔	🟩	🟨	🟨	🟨	🟩	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
165	Umsobomvu	NC	🟨	🟦	🟦	🟨↔	🟥↓	🟨↔	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟩↑	🟥↓	🟨↔	🟩	🟨	🟩	🟩	🟨	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟨	⬜	⬜	🟨	🟨↔	🟥↓	🟨↔	🟩	🟥	🟩	🟨	🟩	🟥	🟩	🟨	🟩	🟥	🟩	🟨

🟩 Unqualified with no findings

🟨 Unqualified with findings

🟪 Qualified with findings

🟪 Adverse with findings

🟥 Disclaimed with findings

🟦 With findings

MET = metropolitan municipality
DM = district municipality
LM = local municipality
ME = municipal entity

🟩 Good

🟨 In progress

🟥 Intervention required

F Financial

P Performance

C Compliance

O Overall

🟩↑ Improved

🟨↔ Unchanged

🟥↓ Regressed

Number	Auditee	Province	Audit opinion	Predetermined objectives	Compliance with legislation	Leadership																											Financial and performance																							Governance														
						Movement			Effective leadership culture				Oversight responsibility				Human resource management				Policies & procedures				Action plans				Information technology governance				Movement			Proper record keeping				Processing and reconciling controls				Reporting				Compliance				Information technology systems controls				Movement			Risk management				Internal audit				Audit committee			
						F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O
166	Naledi	NW	🟨	🟦	🟦	↑	↔	↑	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟨	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟨	🟩	🟩	🟩	🟩	↓	↔	↔	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	↑	↔	↔	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨
167	Ramotshere Moiloa	NW	🟨	🟦	🟦	↑	↑	↑	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↑	↔	↔	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
168	Ratlou	NW	🟨	⬜	🟦	↑	↔	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↑	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
169	Rustenburg	NW	🟨	🟦	🟦	↔	↔	↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	↔	↔	↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟨	🟥	🟨	🟥	🟨	🟨	🟥	⬜	⬜	🟥	↔	↔	↔	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨
170	Tlokwe	NW	🟨	🟦	🟦	↓	↔	↔	🟨	🟥	🟥	🟨	🟨	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↓	↔	↔	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟨	🟨	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨
171	Beaufort West	WC	🟨	⬜	🟦	↓	↓	↓	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	↓	↓	↔	🟥	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↓	↔	↔	🟩	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟥	🟥
172	Berg River	WC	🟨	⬜	🟦	↑	↑	↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟩	🟩	🟩	↔	↓	↑	🟩	🟨	🟩	🟨	🟨	🟩	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟩	⬜	⬜	🟩	↑	↑	↔	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
173	Cederberg	WC	🟨	🟦	🟦	↑	↑	↑	🟩	🟨	🟨	🟨	🟩	🟥	🟥	🟥	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↑	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟩	🟨	🟩	🟨	🟥	🟨	🟥	⬜	⬜	🟥	↓	↓	↔	🟨	🟥	🟨	🟨	🟥	🟥	🟨	🟥	🟨	🟥	🟨	🟨
174	Kannaland	WC	🟨	⬜	🟦	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	↓	↓	↓	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
175	Laingsburg	WC	🟨	⬜	🟦	↔	↑	↔	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	↓	↑	↔	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
176	Prince Albert	WC	🟨	⬜	🟦	↓	↓	↓	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	↔	↔	↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
177	Gariep	EC	🟪	🟦	🟦	↑	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	↓	↔	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	↓	↓	↓	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
178	Great Kei	EC	🟪	🟦	🟦	↑	↔	↑	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↑	↔	↑	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
179	King Sabata Dalindyebo	EC	🟪	🟦	🟦	↔	↔	↔	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↑	↔	↔	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
180	Lukhanji	EC	🟪	🟦	🟦	↑	↔	↑	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↑	↔	↔	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
181	Makana	EC	🟪	🟦	🟦	↑	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	↑	↔	↔	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
182	Mbhashe	EC	🟪	🟦	🟦	↔	↔	↑	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	↑	↔	↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨
183	Mbizana	EC	🟪	⬜	🟦	↔	↑	↔	🟥	🟨	🟥	🟨	🟥	🟩	🟥	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟥	🟩	🟥	🟨	🟥	🟩	🟥	🟥	↔	↑	↔	🟥	🟨	🟨	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	⬜	⬜	🟥	↑	↑	↔	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨
184	Mhlontlo	EC	🟪	🟦	🟦	↔	↑	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↑	↑	↑	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
185	Mnquma	EC	🟪	🟦	🟦	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟥	↔	↔	↔	🟨	🟨	🟥	🟨	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨
186	Ndlambe	EC	🟪	🟦	🟦	↑	↔	↔	🟨	🟥	🟥	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟥	🟨	🟥	🟥	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	↑	↔	↔	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
187	Ngqushwa	EC	🟪	🟦	🟦	↑	↔	↔	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
188	Nkonkobe	EC	🟪	🟦	🟦	↑	↓	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↔	↓	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↓	↓	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
189	Ntabankulu	EC	🟪	🟦	🟦	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	↑	↑	↔	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
190	Tsolwana	EC	🟪	🟦	🟦	↓	↔	↔	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟨	↓	↔	↔	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟥	🟨	🟨	🟥	⬜	⬜	🟥	↔	↔	↔	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨
191	Kopanong	FS	🟪	🟦	🟦	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
192	Letsemeng	FS	🟪	🟦	🟦	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
193	Mantsopa	FS	🟪	🟦	🟦	↑	↓	↔	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↑	↓	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↓	↓	↓	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥
194	Masilonyana	FS	🟪	🟦	🟦	↓	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↓	↔	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	↑	↑	↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
195	Moqhaka	FS	🟪	🟦	🟦	↑	↑	↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	⬜	⬜	🟨	↑	↑	↑	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟥	🟥	🟥	🟥
196	Naledi	FS	🟪	🟦	🟦	↑	↑	↑	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	↑	↓	↓	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↓	↓	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
197	Nketoana	FS	🟪	⬜	🟦	↓	↓	↔	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟨	🟨	🟨	🟨	↓	↔	↔	🟥	🟨	🟨	🟥	🟥	🟨	🟨	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	⬜	⬜	🟥	↓	↓	↓	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨
198	Jozini	KZN	🟪	🟦	🟦	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟥	🟥	↑	↑	↑	🟨	🟥	🟨	🟥	🟨	🟥	🟨	🟥	🟨	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟥	⬜	⬜	🟥	↑	↑	↔	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟥	🟥
199	Mpofana	KZN	🟪	⬜	🟦	↔	↔	↔	🟨	🟩	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟩	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟩	🟩	🟩	🟩	↔	↔	↔	🟥	🟨	🟥	🟥	🟥	🟩	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	⬜	⬜	🟥	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
200	Newcastle	KZN	🟪	⬜	🟦	⬜	⬜	⬜	🟨	🟩	🟩	🟨	🟥	🟨	🟨	🟥	🟥	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	↑	↓	↑	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟨	⬜	⬜	🟨	↑	↓	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨

Number	Auditee	Province	Audit opinion	Predetermined objectives	Compliance with legislation	Leadership																											Financial and performance																							Governance														
						Movement			Effective leadership culture				Oversight responsibility				Human resource management				Policies & procedures				Action plans				Information technology governance				Movement			Proper record keeping				Processing and reconciling controls				Reporting				Compliance				Information technology systems controls				Movement			Risk management				Internal audit				Audit committee			
						F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O
201	Umtshezi	KZN	🟪	🟦	🟦	↓	↓	↓	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟩	🟩	🟩	🟩	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟩	⬜	⬜	🟩	↓	↓	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
202	Vulamehlo	KZN	🟪	🟦	🟦	↔	↔	↔	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	↓	↓	↓	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	↔	↓	↓	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟥	🟨
203	Aganang	LP	🟪	🟦	🟦	↑	↓	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
204	Ba-Phalaborwa	LP	🟪	⬜	🟦	↑	↑	↑	🟨	🟩	🟥	🟥	🟨	🟩	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟨	🟨	🟨	🟨	↑	↑	↔	🟨	🟨	🟥	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟨	🟨	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
205	Blouberg	LP	🟪	🟦	🟦	↓	↓	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↓	↓	↓	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟥	🟨	🟥	⬜	⬜	🟥	↓	↓	↓	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨
206	Elias Motsoaledi	LP	🟪	🟦	🟦	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↔	↑	↔	🟥	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	↑	↑	↑	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
207	Fetakgomo	LP	🟪	⬜	🟦	↑	↔	↑	🟨	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	↑	↔	↑	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↑	↔	↑	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
208	Greater Giyani	LP	🟪	🟦	🟦	↓	↔	↔	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
209	Greater Letaba	LP	🟪	🟦	🟦	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
210	Greater Tzaneen	LP	🟪	🟦	🟦	↑	↑	↑	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	↓	↓	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥
211	Lepelle Nkumpi	LP	🟪	🟦	🟦	↔	↔	↔	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟥	🟨	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
212	Makhado	LP	🟪	⬜	🟦	↓	↑	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	↔	↑	↔	🟨	🟩	🟨	🟨	🟥	🟩	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟩	🟥	🟨	🟥	⬜	⬜	🟥	↔	↑	↔	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟨	🟨	🟩	🟨	🟨
213	Maruleng	LP	🟪	🟦	🟦	↔	↔	↓	🟨	🟥	🟨	🟥	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟩	⬜	⬜	🟩	↓	↓	↓	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
214	Modimolle	LP	🟪	🟦	🟦	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
215	Mookgophong	LP	🟪	🟦	🟦	↑	↔	↑	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟩	🟩	🟩	🟩	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↑	↑	↔	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩
216	Mutale	LP	🟪	🟦	🟦	↑	↓	↔	🟨	🟨	🟥	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	↔	↓	↔	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟨	⬜	⬜	⬜	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
217	Bushbuckridge	MP	🟪	⬜	🟦	↓	↓	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	↑	↓	↑	🟥	🟨	🟨	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
218	Dr JS Moroka	MP	🟪	🟦	🟦	↓	↓	↓	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟩	🟩	🟩	🟩	↓	↓	↓	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
219	Mkhondo	MP	🟪	🟦	🟦	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↑	↑	↑	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
220	Thembisile Hani	MP	🟪	⬜	🟦	↓	↔	↔	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↔	🟨	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩
221	Victor Khanye	MP	🟪	🟦	🟦	↑	↑	↑	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↑	🟨	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨
222	!Kheis	NC	🟪	🟦	🟦	↔	↔	↔	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
223	Gamagara	NC	🟪	🟦	🟦	↓	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↔	↑	↑	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟨	🟥	⬜	⬜	🟥	↔	↔	↔	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨
224	Hantam	NC	🟪	🟦	🟦	↓	↔	↓	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↓	↔	↔	🟥	🟥	🟩	🟨	🟩	🟨	🟨	🟨	🟥	🟥	🟩	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↓	↔	↓	🟩	🟥	🟩	🟨	🟩	🟨	🟩	🟩	🟥	🟥	🟨	🟥
225	Joe Morolong	NC	🟪	🟦	🟦	↔	↔	↔	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↑	↑	↑	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
226	Kai !Garib	NC	🟪	🟦	🟦	↓	↔	↔	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	⬜	⬜	🟨	↑	↔	↑	🟥	🟥	🟥	🟥	🟨	🟥	🟩	🟨	🟨	🟨	🟨	🟨
227	Kamiesberg	NC	🟪	🟦	🟦	↔	↔	↔	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
228	Karoo Hoogland	NC	🟪	🟦	🟦	↑	↔	↑	🟩	🟥	🟩	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↓	↔	↓	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
229	Mier	NC	🟪	🟦	🟦	↓	↔	↔	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↑	↔	↑	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟥	🟥	🟥	🟥	🟥
230	Nama Khoi	NC	🟪	🟦	🟦	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	↔	↔	↔	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩
231	Richtersveld	NC	🟪	🟦	🟦	↓	↔	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
232	Siyancuma	NC	🟪	🟦	🟦	↔	↔	↔	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	↔	↔	↔	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥
233	Thembelihle	NC	🟪	🟦	🟦	↔	↔	↔	🟩	🟥	🟥	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	↔	↔	↔	🟨	🟥	🟨	🟥	🟨	🟥	🟨	🟥	🟨	🟥	🟨	🟥	🟨	🟥	🟨	🟥	🟥	⬜	⬜	🟥	↔	↔	↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥

Unqualified with no findings

Unqualified with findings

Qualified with findings

Adverse with findings

Disclaimed with findings

With findings

MET = metropolitan municipality
DM = district municipality
LM = local municipality
ME = municipal entity

🟩 Good

🟨 In progress

🟥 Intervention required

F Financial

P Performance

C Compliance

O Overall

↑ Improved

↔ Unchanged

↓ Regressed

Number	Auditee	Province	Audit opinion	Predetermined objectives	Compliance with legislation	Leadership																											Financial and performance																							Governance														
						Movement			Effective leadership culture				Oversight responsibility				Human resource management				Policies & procedures				Action plans				Information technology governance				Movement			Proper record keeping				Processing and reconciling controls				Reporting				Compliance				Information technology systems controls				Movement			Risk management				Internal audit				Audit committee			
						F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O
234	Ubuntu	NC	🟪	🟦	🟦	↓	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	⇔	↓	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
235	Greater Taung	NW	🟪	🟦	🟦	↑	⇔	⇔	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	↑	⇔	⇔	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↑	⇔	⇔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨
236	Kagisano-Molopo	NW	🟪	⬜	🟦	↑	↑	⇔	🟥	🟨	🟥	🟥	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟥	🟨	🟥	🟨	🟥	🟥	🟩	🟩	🟩	🟩	⇔	↑	⇔	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟨	⬜	⬜	🟨	↑	↑	⇔	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨
237	Kgetleng River	NW	🟪	🟦	🟦	↑	↓	↑	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	↑	⇔	↑	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟥
238	Lekwa Teemane	NW	🟪	🟦	🟦	↑	↑	↑	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	↑	↑	↑	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
239	Madibeng	NW	🟪	🟦	🟦	↓	⇔	↓	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟨	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨
240	Maquassi Hills	NW	🟪	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
241	Matlosana	NW	🟪	⬜	🟦	⇔	⇔	⇔	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟨	🟨	🟥	🟨	🟩	🟩	🟩	🟩	⇔	⇔	⇔	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟨	⬜	⬜	🟨	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨
242	Moretele	NW	🟪	🟦	🟦	⇔	⇔	⇔	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	↑	⇔	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨
243	Moses Kotane	NW	🟪	🟦	🟦	↓	⇔	⇔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	↓	⇔	↓	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	⇔	⇔	⇔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
244	Randfontein	GP	🩷	🟦	🟦	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟨	🟨	🟨	🟨	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	⇔	⇔	⇔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
245	Westonaria	GP	🩷	🟦	🟦	⇔	↓	⇔	🟥	🟨	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	↑	↓	⇔	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	⇔	⇔	⇔	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨
246	Oudtshoorn	WC	🩷	🟦	🟦	↓	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥
247	Inkwanca	EC	🟥	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
248	Inxuba Yethemba	EC	🟥	🟦	🟦	↓	↓	↓	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
249	Port St Johns	EC	🟥	🟦	🟦	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
250	Sundays River Valley	EC	🟥	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
251	Mafube	FS	🟥	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟩	🟩	🟩	🟩	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
252	Maluti-A-Phofung	FS	🟥	🟦	🟦	↓	↓	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↑	⇔	⇔	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	⬜	⬜	🟥	↑	↑	↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
253	Matjhabeng	FS	🟥	🟦	🟦	↑	↑	↑	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	↑	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
254	Ephraim Mogale	LP	🟥	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟩	🟩	🟩	🟩	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟩	⬜	⬜	🟩	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨
255	Mogalakwena	LP	🟥	🟦	🟦	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
256	Thabazimbi	LP	🟥	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↑	⇔	⇔	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥
257	Tubatse	LP	🟥	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟩	⬜	⬜	🟩	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥
258	Emakhazeni	MP	🟥	🟦	🟦	↓	⇔	⇔	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↑	↑	⇔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
259	Emalahleni	MP	🟥	🟦	🟦	↑	↑	↑	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
260	Msukaligwa	MP	🟥	🟦	🟦	↓	↓	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
261	Thaba Chweu	MP	🟥	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	⇔	⇔	↓	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	↑	⇔	⇔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
262	Ga-Segonyana	NC	🟥	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	⇔	⇔	⇔	🟨	🟥	🟥	🟥	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨
263	Kgatelopele	NC	🟥	🟦	🟦	⇔	⇔	⇔	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↑	↑	↑	🟥	🟥	🟥	🟥	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
264	Magareng	NC	🟥	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↓	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
265	Phokwane	NC	🟥	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	↑	↑	↑	🟥	🟥	🟥	🟥	🟩	🟨	🟨	🟨	🟩	🟩	🟩	🟩
266	Siyathemba	NC	🟥	🟦	🟦	↓	⇔	↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	↓	⇔	⇔	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	⇔	⇔	↓	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥
267	Tsantsabane	NC	🟥	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
268	Ditsobotla	NW	🟥	🟦	🟦	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	⇔	⇔	⇔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥

Number	Auditee	Province	Audit opinion	Predetermined objectives	Compliance with legislation	Leadership																											Financial and performance																							Governance														
						Movement			Effective leadership culture				Oversight responsibility				Human resource management				Policies & procedures				Action plans				Information technology governance				Movement			Proper record keeping				Processing and reconciling controls				Reporting				Compliance				Information technology systems controls				Movement			Risk management				Internal audit				Audit committee			
						F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O
269	Mafikeng	NW	🟥	🟦	🟦	🟥 ↓	🟨 ↔	🟨 ↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥 ↓	🟨 ↔	🟨 ↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟥
270	Mamusa	NW	🟥	🟦	🟦	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨 ↔	🟨 ↔	🟨 ↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟨 ↔	🟩 ↑	🟨 ↔	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥
271	Tswaing	NW	🟥	🟦	🟦	🟥 ↓	🟥 ↓	🟥 ↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥 ↓	🟥 ↓	🟥 ↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟥 ↓	🟥 ↓	🟥 ↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
272	Ventersdorp	NW	🟥	🟦	🟦	🟥 ↓	🟨 ↔	🟨 ↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨 ↔	🟨 ↔	🟨 ↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟨 ↔	🟨 ↔	🟨 ↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
Municipal entities																																																																						
273	Joe Gqabi Economic Development Agency	EC	🟩	⬜	⬜	🟨 ↔	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨 ↔	🟨 ↔	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	⬜	⬜	🟨	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
274	Mandela Bay Development Agency	EC	🟩	⬜	⬜	🟨 ↔	🟩 ↑	🟨 ↔	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
275	Brakpan Bus Company	GP	🟩	⬜	⬜	🟥 ↓	🟨 ↔	🟩 ↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨 ↔	🟥 ↓	🟥 ↓	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
276	Ekurhuleni Development Company	GP	🟩	⬜	⬜	🟥 ↓	🟥 ↓	🟥 ↓	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟥 ↓	🟨 ↔	🟥 ↓	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
277	Germiston Phase II Housing Company	GP	🟩	⬜	⬜	🟥 ↓	🟥 ↓	🟥 ↓	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟥 ↓	🟨 ↔	🟥 ↓	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
278	Joburg City Theatres	GP	🟩	⬜	⬜	🟨 ↔	🟩 ↑	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨 ↔	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨 ↔	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
279	Joburg Property Company	GP	🟩	⬜	⬜	🟩 ↑	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩 ↑	🟥 ↓	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
280	Johannesburg Development Agency	GP	🟩	⬜	⬜	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟨	🟨	🟩	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟨	🟩	🟩	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	⬜	⬜	🟩	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟨	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
281	Johannesburg Roads Agency	GP	🟩	⬜	⬜	🟥 ↓	🟥 ↓	🟥 ↓	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
282	Johannesburg Social Housing Company	GP	🟩	⬜	⬜	🟩 ↑	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟥 ↓	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
283	Lethabong Housing Institute	GP	🟩	⬜	⬜	🟥 ↓	🟥 ↓	🟥 ↓	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟥 ↓	🟨 ↔	🟥 ↓	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
284	Pharoe Park Housing Company	GP	🟩	⬜	⬜	🟥 ↓	🟥 ↓	🟥 ↓	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟥 ↓	🟨 ↔	🟥 ↓	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
285	Pikitup Johannesburg	GP	🟩	⬜	⬜	🟩 ↑	🟨 ↔	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩 ↑	🟥 ↓	🟨 ↔	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟨	🟩	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
286	Durban Marine Theme Park	KZN	🟩	⬜	⬜	🟩 ↑	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
287	ICC, Durban	KZN	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟥 ↓	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
288	Ilembe Management Development Enterprise	KZN	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
289	Ugu South Coast Tourism	KZN	🟩	⬜	⬜	🟩 ↑	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩 ↑	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
290	Cape Town International Convention Centre	WC	🟩	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟥 ↓	🟥 ↓	🟥 ↓	🟩	🟨	🟩	🟨	🟨	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
291	Blue Crane Route Development Agency	EC	🟨	🟦	🟦	🟩 ↑	🟨 ↔	🟨 ↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟩 ↑	🟨 ↔	🟨 ↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟨 ↔	🟨 ↔	🟨 ↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
292	Buffalo City Development Agency	EC	🟨	🟦	🟦	🟨 ↔	🟨 ↔	🟨 ↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
293	Cacadu Development Agency	EC	🟨	🟦	🟦	🟨 ↔	🟥 ↓	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	⬜	⬜	🟨 ↔	🟥 ↓	🟥 ↓	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	⬜	⬜	⬜	⬜	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
294	Chris Hani Development Agency	EC	🟨	⬜	🟦	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟨	🟩	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟨	🟩	🟥	🟥	🟥	🟥	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟨	🟩	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟥	⬜	⬜	🟥	🟩 ↑	🟩 ↑	🟩 ↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
295	Nkonkobe Economic Development Agency	EC	🟨	⬜	🟦	🟩 ↑	🟩 ↑	🟩 ↑	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟩 ↑	🟩 ↑	🟩 ↑	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟩	⬜	⬜	🟩	🟩 ↑	🟩 ↑	🟩 ↑	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟥	🟩	🟥	🟥
296	Ntinga OR Tambo Development Agency	EC	🟨	⬜	🟦	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟩	🟩	🟩	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟩	⬜	⬜	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨
297	Port St Johns Development Agency	EC	🟨	🟦	🟦	🟩 ↑	🟨 ↔	🟩 ↑	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟩 ↑	🟨 ↔	🟩 ↑	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	⬜	⬜	🟨	🟩 ↑	🟩 ↑	🟩 ↑	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟩
298	Centlec	FS	🟨	🟦	🟦	🟩 ↑	🟩 ↑	🟨 ↔	🟩	🟨	🟩	🟩	🟨	🟥	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥 ↓	🟩 ↑	🟨 ↔	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟩 ↑	🟩 ↑	🟩 ↑	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩
299	Lejwe Le Putswa Development Agency	FS	🟨	🟦	🟦	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟨 ↔	🟨 ↔	🟨 ↔	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟨 ↔	🟨 ↔	🟨 ↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨

🟩 Unqualified with no findings
🟨 Unqualified with findings
🟪 Qualified with findings
🟪 Adverse with findings
🟥 Disclaimed with findings
🟦 With findings

MET = metropolitan municipality
DM = district municipality
LM = local municipality
ME = municipal entity

🟩 Good
🟨 In progress
🟥 Intervention required
F Financial
P Performance
C Compliance
O Overall
🟩 ↑ Improved
🟨 ↔ Unchanged
🟥 ↓ Regressed

Number	Auditee	Province	Audit opinion	Predetermined objectives	Compliance with legislation	Leadership																											Financial and performance																							Governance														
						Movement			Effective leadership culture				Oversight responsibility				Human resource management				Policies & procedures				Action plans				Information technology governance				Movement			Proper record keeping				Processing and reconciling controls				Reporting				Compliance				Information technology systems controls				Movement			Risk management				Internal audit				Audit committee			
						F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	O	F	P	C	F	P	C	O	F	P	C	O	F	P	C	O
300	Maluti-A-Phofung Water	FS	🟨	🟦	🟦	🟥↓	🟥↓	🟩↑	🟨	🟨	🟨	🟨	🟥	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟥↓	🟥↓	🟨↔	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟨↔	🟥↓	🟨↔	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
301	City Power Johannesburg	GP	🟨	⬜	🟦	🟩↑	🟥↓	🟩↑	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟩	🟨	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟩↑	🟨↔	🟩↑	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
302	East Rand Water Care Company	GP	🟨	⬜	🟦	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟥	🟩	🟩	🟩	🟩	🟨	🟥	🟨	🟨	🟨	🟨	🟥	🟨	🟩	🟩	🟩	🟩	🟥↓	🟩↑	🟩↑	🟨	🟩	🟩	🟩	🟨	🟨	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟩	⬜	⬜	🟩	🟨↔	🟨↔	🟥↓	🟨	🟨	🟨	🟨	🟩	🟩	🟨	🟨	🟩	🟩	🟩	🟩
303	Housing Company Tshwane	GP	🟨	⬜	🟦	🟨↔	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨↔	🟥↓	🟥↓	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟥	🟥	🟩	🟥	🟨	🟥	🟥	🟥	🟨	⬜	⬜	🟨	🟨↔	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
304	Joburg Market	GP	🟨	⬜	🟦	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟥↓	🟥↓	🟨↔	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟩	⬜	⬜	🟩	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
305	Johannesburg City Parks	GP	🟨	⬜	🟦	🟨↔	🟥↓	🟨↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟥↓	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	⬜	⬜	🟩	🟨↔	🟨↔	🟥↓	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩
306	Johannesburg Metropolitan Bus Services	GP	🟨	🟦	🟦	🟥↓	🟥↓	🟥↓	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥↓	🟨↔	🟥↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	🟥↓	🟥↓	🟥↓	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥
307	Johannesburg Water	GP	🟨	⬜	🟦	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨↔	🟨↔	🟩↑	🟩	🟨	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟨	🟨	🟨	⬜	⬜	🟨	🟨↔	🟩↑	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
308	Sandspruit Works Association	GP	🟨	⬜	🟦	🟥↓	🟥↓	🟥↓	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥↓	🟥↓	🟥↓	🟨	🟥	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟩	🟥	🟥	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
309	Tshwane Economic Development Agency	GP	🟨	🟦	🟦	🟨↔	🟨↔	🟥↓	🟩	🟩	🟩	🟩	🟨	🟨	🟥	🟥	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟩↑	🟨↔	🟨↔	🟩	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
310	West Rand Development Agency	GP	🟨	🟦	🟦	🟩↑	🟨↔	🟩↑	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟩↑	🟨↔	🟩↑	🟩	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟩	⬜	⬜	🟩	🟩↑	🟨↔	🟩↑	🟨	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨
311	South Coast Development Agency	KZN	🟨	⬜	🟦	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩↑	🟩↑	🟩↑	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	⬜	⬜	🟩	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
312	Uthukela Water	KZN	🟨	🟦	🟦	🟥↓	🟥↓	🟥↓	🟩	🟩	🟩	🟩	🟨	🟨	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥↓	🟥↓	🟥↓	🟩	🟥	🟩	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	⬜	⬜	🟨	🟥↓	🟥↓	🟥↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
313	Greater Tzaneen Economic Development Agency	LP	🟨	⬜	🟦	🟨↔	🟨↔	🟨↔	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟨↔	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨
314	Polokwane Housing Association	LP	🟨	🟦	🟦	🟩↑	🟨↔	🟨↔	🟩	🟩	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟩↑	🟩↑	🟩↑	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨
315	Thaba Chweu Local Economic Development Agency	MP	🟨	⬜	🟦	🟨↔	🟨↔	🟨↔	🟩	🟩	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟥	🟨	🟩	🟩	🟨	🟨	⬜	⬜	⬜	⬜	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟩	🟨	🟨	⬜	⬜	⬜	⬜	🟩↑	🟩↑	🟩↑	🟨	🟨	🟨	🟨	🟩	🟩	🟩	🟩	🟩	🟩	🟩	🟩
316	Dr KKDM Economic Agency	NW	🟨	⬜	🟦	🟥↓	🟥↓	🟥↓	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	⬜	⬜	🟨↔	🟩↑	🟨↔	🟨	🟩	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	⬜	⬜	⬜	⬜	🟨↔	🟨↔	🟨↔	🟥	🟩	🟥	🟥	🟥	🟥	🟥	🟥	🟩	🟩	🟩	🟩
317	Lekwa Teemane Development Agency	NW	🟨	🟦	🟦	🟨↔	🟥↓	🟨↔	🟨	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	⬜	⬜	⬜	⬜	🟨↔	🟥↓	🟨↔	🟩	🟥	🟨	🟨	🟩	🟥	🟨	🟨	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	⬜	⬜	⬜	⬜	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
318	Rustenburg Water Services Trust	NW	🟨	⬜	🟦	🟨↔	🟩↑	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟨	🟨	🟨	🟨	🟩	🟩	🟨	🟩	⬜	⬜	⬜	⬜	🟨↔	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	🟩	🟩	🟨	🟩	⬜	⬜	⬜	⬜	🟨↔	🟨↔	🟨↔	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
319	Central Karoo Economic Development Agency	WC	🟨	🟦	🟦	🟥↓	🟨↔	🟨↔	🟩	🟩	🟩	🟩	🟥	🟥	🟥	🟥	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	⬜	⬜	🟥↓	🟥↓	🟥↓	🟨	🟥	🟨	🟨	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	⬜	⬜	🟥↓	🟨↔	🟥↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
320	Amathole Economic Development Agency	EC	🟪	⬜	🟦	🟥↓	🟨↔	🟥↓	🟨	🟩	🟨	🟨	🟥	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟩	🟩	🟩	🟩	🟥↓	🟨↔	🟥↓	🟨	🟨	🟨	🟨	🟥	🟩	🟨	🟨	🟥	🟩	🟨	🟨	🟨	🟨	🟥	🟨	🟩	⬜	⬜	🟩	🟥↓	🟨↔	🟥↓	🟨	🟩	🟨	🟨	🟨	🟨	🟨	🟨	🟥	🟨	🟥	🟥
321	Sisonke Economic Development Agency	KZN	🟪	⬜	🟦	🟥↓	🟥↓	🟥↓	🟩	🟩	🟨	🟩	🟥	🟨	🟥	🟥	🟨	🟨	🟨	🟨	🟨	🟩	🟨	🟨	🟥	🟨	🟥	🟥	🟨	🟨	🟨	🟨	🟥↓	🟥↓	🟥↓	🟥	🟩	🟩	🟨	🟥	🟩	🟩	🟨	🟥	🟨	🟨	🟥	🟨	🟨	🟥	🟥	🟨	⬜	⬜	🟨	🟥↓	🟥↓	🟥↓	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨	🟨
322	Umjindi Local Economic Development Agency	MP	🟪	🟦	🟦	🟩↑	🟩↑	🟩↑	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟥	🟥	🟥	🟥	⬜	⬜	⬜	⬜	🟩↑	🟨↔	🟩↑	🟨	⬜	🟥	🟨	🟨	⬜	🟨	🟨	🟨	⬜	🟥	🟨	🟥	⬜	🟥	🟥	⬜	⬜	⬜	⬜	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
323	Alfred Nzo Development Agency	EC	🟥	🟦	🟦	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	⬜	⬜	🟥	🟨↔	🟨↔	🟨↔	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥
324	Sekhukhune Development Agency	LP	🟥	🟦	🟦	🟥↓	🟥↓	🟥↓	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟩	🟩	🟩	🟩	🟥↓	🟨↔	🟥↓	🟥	🟥	🟨	🟥	🟥	🟥	🟨	🟥	🟥	🟥	🟥	🟥	🟨	🟨	🟨	🟨	🟨	⬜	⬜	🟨	🟨↔	🟨↔	🟨↔	🟥	🟥	🟨	🟥	🟨	🟥	🟨	🟨	🟨	🟥	🟨	🟨

11 Need to know

11.1 AGSA audit processes and focus

What is our audit and reporting process?

We audit every municipality and municipal entity in the country in order to report on the quality of their financial statements and APRs and on their compliance with key legislation.

We also assess the root cause of any error or non-compliance, based on the internal control that had failed to prevent or detect it. We report on the following three types of reports:

- We report our findings, the root causes of such findings and our recommendations in **management reports** to the senior management and municipal managers, or CEOs in the case of municipal entities, which are also shared with the mayors and audit committees.
- Our opinion on the financial statements, material findings on the APRs and compliance with key legislation, as well as significant deficiencies in internal control, are included in an **audit report**, which is published with the auditee's annual report and dealt with by the municipal council.
- Annually, we report on the audit outcomes of all auditees in a **consolidated report** (such as this one), in which we also analyse the root causes that need to be addressed to improve audit outcomes. Before the general reports are published, we share the outcomes and root causes with the national and provincial leadership, Parliament and the legislatures, as well as key role players in national and provincial government.

Over the past few years, we have intensified our efforts to assist in improving audit outcomes by identifying the key controls that should be in place at auditees, assessing these on a regular basis and sharing the assessment with mayors, municipal managers, CEOs and audit committees.

During the audit process, we work closely with the municipal managers, CEOs, senior management, audit committees and internal audit units, as they are key role players in providing assurance on the credibility of the auditee's financial statements, performance report as well as compliance with legislation.

We also continue to strengthen our relationship with the mayors, ministers and MECs responsible for local government, premiers, treasuries, departments of cooperative governance as well as Parliament and provincial legislatures, as we are convinced that their involvement and oversight have played – and will continue to play – a crucial role in the performance of local government. We share our messages on key controls, risk areas and root causes with them, and obtain and monitor their commitment to implementing initiatives that can improve audit outcomes.

The overall audit outcomes fall into five categories:

1. Auditees that received a **financially unqualified opinion with no findings** are those that were able to:
   - produce financial statements free of material misstatements (material misstatements mean errors or omissions that are so significant that they affect the credibility and reliability of the financial statements)
   - measure and report on their performance in accordance with the predetermined objectives in their IDPs and/or SDBIPs in a manner that is useful and reliable
   - comply with key legislation.

This audit outcome is also commonly referred to as a *clean audit*.

2. Auditees that received a **financially unqualified opinion with findings** are those that were able to produce financial statements without material misstatements, but are struggling to:
   - align their performance reports to the predetermined objectives to which they had committed in their IDPs and/or SDBIPs
   - set clear performance indicators and targets to measure their performance against their predetermined objectives
   - report reliably on whether they had achieved their performance targets
   - determine which legislation they should comply with, and implement the required policies, procedures and controls to ensure that they comply.
3. Auditees that received a **financially qualified opinion with findings** face the same challenges as those that were financially unqualified with findings in the areas of reporting on performance and compliance with key legislation. In addition, they were unable to produce credible and reliable financial statements. Their financial statements contain misstatements which they could not correct before the financial statements were published.
4. The financial statements of auditees that received an **adverse opinion with findings** include so many material misstatements that we disagree with virtually all the amounts and disclosures in the financial statements.

5. Those auditees with a **disclaimed opinion with findings** could not provide us with evidence for most of the amounts and disclosures in the financial statements. We were unable to conclude or express an opinion on the credibility of their financial statements.

   Auditees with adverse and disclaimed opinions are typically also:

   - unable to provide sufficient supporting documentation for the achievements they report in their APRs
   - not complying with key legislation.

What is the purpose of the annual audit of the financial statements?

The purpose of the annual audit of the financial statements is to provide the users thereof with an opinion on whether the financial statements fairly present, in all material respects, the key financial information for the reporting period in accordance with the financial framework and applicable legislation. The audit provides the users with reasonable assurance regarding the degree to which the financial statements are reliable and credible on the basis that the audit procedures performed did not reveal any material errors or omissions in the financial statements. We use the term *material misstatement* to refer to such material errors or omissions.

We report the poor quality of the financial statements we receive in the audit reports of some auditees as a material compliance finding, as it also constitutes non-compliance with the MFMA. The finding is only reported for auditees that are subject to the MFMA and if the financial statements we received for auditing included material misstatements that could have been prevented or detected if the auditee had an effective internal control system. We do not report a finding if the misstatement resulted from an isolated incident or if it relates to the disclosure of unauthorised, irregular or fruitless and wasteful expenditure identified after the financial statements had been submitted.

What does compliance with key legislation mean?

We annually audit and report on compliance by auditees with key legislation applicable to financial and performance management and reporting as well as related matters. We focused on the following areas in our compliance audits: ■ the quality of annual financial statements submitted for auditing ■ asset and liability management ■ audit committees and internal audit units ■ budget management ■ expenditure management ■ unauthorised, irregular as well as fruitless and wasteful expenditure ■ consequence management ■ revenue management ■ strategic planning and performance management ■ annual financial statements and annual report ■ transfer of funds and conditional grants ■ procurement and contract management (in other words, SCM) ■ human resource management and compensation.

In our audit reports, we report findings that were material enough to be brought to the attention of auditee management, municipal councils, boards of municipal entities as well as oversight bodies and the public.

What is the scope of supply chain management audits?

We test whether the prescribed procurement processes had been followed to ensure that all suppliers were given equal opportunity to compete and that some suppliers were not favoured above others. The principles of a fair, equitable, transparent, competitive and cost-effective supply chain process are fundamental to the procurement practices of the public sector and are enshrined in the Constitution and prescribed in the MFMA and its SCM regulations. The MFMA and these regulations define what processes should be followed to adhere to the constitutional principles, the level of flexibility available, and the documentation requirements.

We also focus on contract management, as shortcomings in this area can result in delays, wastage as well as fruitless and wasteful expenditure, which in turn have a direct impact on service delivery.

We further assess the financial interests of employees and councillors of the auditee and their close family members in suppliers to the auditee. The requirements in this regard are as follows:

- SCM regulation 44 prohibits the awarding of contracts to and acceptance of quotations from employees, councillors or other state officials, or entities owned or managed by them, if they are in the service of the auditee or if they are in the service of any other state institution. Such expenditure is also considered irregular. During our audits, we identify such prohibited awards and also test whether the legislated requirements with regard to declarations of interest are adhered to.
- Awards to close family members of persons in the service of the state, whether at the auditee or another state institution, are not prohibited. However, such awards of more than R2 000 must be disclosed in the financial statements of the auditee for the sake of transparency and as required by SCM regulation 45. A close family member is a spouse, child or parent of a person in the service of the state.

What is irregular expenditure?

Irregular expenditure is expenditure that was not incurred in the manner prescribed by legislation. Such expenditure does not necessarily mean that money had been wasted or that fraud had been committed. However, it is an indicator of irregularities in processes followed in the procurement of goods and services and a measure of a municipality's ability to comply with legislation relating to expenditure and procurement management.

The MFMA requires municipal managers to take all reasonable steps to prevent irregular expenditure. If they persistently disregard the need for strengthening this control, opportunities may be inadvertently created for the commission of fraudulent transactions. Auditees should have processes in place to detect non-compliance with legislation that results in irregular expenditure and disclose the amounts in the financial statements. Irregular expenditure is reported when it is identified – even if the expenditure was incurred in a previous year.

The MFMA provides steps that municipal managers and councils should take to investigate irregular expenditure to determine whether any officials are liable for the expenditure and to recover the money if liability is proven. The investigation should also confirm whether fraud had been committed or money had been wasted.

What is fruitless and wasteful expenditure?

Fruitless and wasteful expenditure is expenditure that was made in vain and that could have been avoided had reasonable care been taken. This includes penalties and interest on the late payment of creditors or statutory obligations as well as payments made for services not utilised or goods not received.

The MFMA requires municipal managers to take all reasonable steps to prevent fruitless and wasteful expenditure. Auditees should have processes in place to detect fruitless and wasteful expenditure and disclose the amounts in the financial statements. Fruitless and wasteful expenditure is reported when it is identified – even if the expenditure was incurred in a previous year.

The MFMA also sets out the steps that municipal managers and councils should take to investigate fruitless and wasteful expenditure to determine whether any officials are liable for the expenditure and to recover the money if liability is proven.

What is unauthorised expenditure?

Unauthorised expenditure refers to expenditure that municipalities incurred without provision having been made for it in the budget approved by the council or which does not meet the conditions of a grant.

The MFMA requires municipal managers to take all reasonable steps to prevent unauthorised expenditure. Auditees should have processes in place to identify any unauthorised expenditure incurred and disclose the amounts in the financial statements. The MFMA also includes the steps that municipal managers and councils should take to investigate unauthorised expenditure to determine whether any officials are liable for the expenditure and to recover the money if liability is proven.

What are conditional grants?

Conditional grants are funds transferred from national government to auditees, subject to certain services being delivered or on compliance with specified requirements. Municipalities receive two types of allocations from the national revenue fund, namely equitable share and conditional allocations. Equitable share allocations are non-conditional, based on the municipality's share of revenue raised nationally. Conditional allocations are made for a specific purpose, and include:

- allocations to municipalities to supplement the funding of functions funded from municipal budgets
- specific-purpose allocations to municipalities
- allocations-in-kind to municipalities for designated special programmes
- funds not allocated to specific municipalities that may be released to municipalities to fund immediate disaster response.

Conditional allocations are approved each year through DoRA. DoRA will indicate the approved allocation per type of allocation per institution for that particular year, together with a forward estimate of allocations for the next two years.

With regard to forward estimates, the following take place before a set deadline for the final allocation to be approved through DoRA:

- Each municipality must agree on the provisional allocations and the projects to be funded from those allocations. This information is sent to the national transferring officer.

- After consolidating the information for each municipality, the transferring national officer submits the final allocation list and the draft grant framework for each allocation to the National Treasury for approval.

Municipalities may only use a conditional allocation for its intended purpose in accordance with the requirements of each grant framework and for projects or programmes included in their business plans.

What is the purpose of the grants that were audited?

Our audits included testing compliance with DoRA and the individual grant frameworks as well as the achievement of planned targets for each allocation. We focused on the FMG, MSIG and MIG.

The MSIG and the FMG are allocations aimed at capacity building for improving financial and performance management in local government.

The strategic goal of the **MSIG** is to have local government as an efficient and developmental sphere of government capable of delivering services to local communities. The grant is aimed at building the capacity of municipalities to implement sound institutional and governance systems as required in terms of the MSA.

The core outcome of the grant is to have a responsive, accountable, effective and efficient local government system. In order to achieve the core outcome, annual targets must be set in respect of the following expected outputs derived from the MSIG framework:

- Number of municipalities with information systems that support effective service delivery
- Number of municipalities with strengthened administrative systems enabling effective implementation of the ward participation system
- Number of municipalities developing by-laws, policies and systems that support local government legislation.

For this purpose, municipalities must submit a signed activity plan in the prescribed format with detailed budgets and time frames for the implementation of prioritised measurable outputs.

The strategic goal of the **FMG** is the secure, sound and sustainable management of the fiscal and financial affairs of municipalities. The grant aims to promote and support reforms in financial management by building capacity in municipalities to implement the MFMA.

The following are the intended outcomes of the grant:

- Improved capacity in the financial management of municipalities
- Improved and sustained skills development, including the appointment of at least five interns per municipality to support the implementation of financial management reforms focusing on the gaps identified in MFMA support plans
- The appointment of appropriately skilled financial officers at municipalities consistent with competency regulations
- Improvement in budget practices consistent with budget reforms
- Improvement in the management of revenue and expenditure, assets and liabilities
- Improvement in SCM practices
- Timely submission of financial statements and improved audit outcomes
- Improvement in municipal governance and oversight.

In order to achieve these outcomes, annual targets must be set in respect of the following expected outputs derived from the FMG framework:

- Number of municipal officials registered for financial management training
- Number of interns appointed per municipality
- Submission of MFMA support plans
- Preparation and implementation of multi-year budgets
- Improved submission of financial management reports
- Improvement in SCM practices
- Number of internal audit units and audit committees established
- Preparation and implementation of financial recovery plans, where appropriate.

For this purpose, municipalities must submit MFMA implementation and support plans, which include measures or programmes to address weaknesses in financial management. In allocating the funds, priority is given to municipalities with a low revenue base and weaker capacity to enable them to sustain the financial management reforms. The allocation should be spent in accordance with the submitted MFMA implementation and support plan.

CoGTA introduced the **MIG** in 2004-05 with the core outcome to improve access to basic service infrastructure for poor communities by providing specific capital finance for basic municipal infrastructure backlogs for poor households, micro-enterprises and social institutions servicing poor communities.

In achieving the core outcome, annual targets must be set in respect of the following expected outputs derived from the MIG framework:

- Number of additional poor households receiving basic water and sanitation services
- Number of additional poor households serviced by sport and recreation facilities
- Number of additional kilometres of municipal roads developed
- Number of additional poor households serviced by solid waste disposal sites and transfer stations
- Number of additional poor households serviced by street or community lighting
- Number of work opportunities created using the guidelines of the expanded public works programme for the above outputs.

For this purpose, municipalities must annually submit business plans to CoGTA. The grant uses the registration requirements of the MIG management information system to register, track and monitor projects as per the business plans. Such plans should include timelines regarding project designs, initiation of procurement, environmental impact assessments and relevant permit or licence approvals in the prescribed format.

What is the purpose and nature of auditing of annual performance reports?

Auditees are required to measure their actual service delivery against the performance indicators and targets set for each of their predetermined performance objectives as defined in their IDPs and/or annual SDBIPs, and to report on this in their APRs.

On an annual basis, we audit selected objectives to determine whether the information in the APRs is useful and reliable enough to enable the council, the public and other users of the reports to assess the performance of the auditee. The objectives we select are those that are important for delivery by the auditee on its mandate. In the audit report, we reported findings arising from the audits that were material enough to be brought to the attention of these users.

As part of the annual audits, we audited the **usefulness of the reported performance information** by determining whether it was presented in the annual report in the prescribed manner and was consistent with the auditees' planned objectives as defined in their IDPs and/or SDBIPs. We also assessed whether the performance indicators and targets that were set to measure the achievement of the objectives were well defined, verifiable, specific, time bound, measurable and relevant.

We further audited the **reliability of the reported information** by determining whether it could be traced back to the source data or documentation and was accurate, complete and valid.

When is human resource management effective?

Human resource management refers to the management of an auditee's employees or human resources, which involves adequate and sufficiently skilled people as well as the adequate management of staff performance and their productivity. Human resource management is effective if adequate and sufficiently skilled staff members are in place and if their performance and productivity are properly managed.

Our audits included an assessment of human resource management, focusing on the following areas: ■ Human resource planning and organisation ■ management of vacancies ■ appointment processes ■ performance management ■ acting positions ■ management of leave, overtime and suspensions.

Our audits further looked at the management of vacancies and stability in key positions, the competencies of key officials, performance management as well as consequences for transgressions, as these matters directly influence the quality of auditees' financial and performance reports and their compliance with legislation.

Based on the results of these audits, we assessed the status of auditees' human resource management controls.

When are internal controls effective and efficient?

A key responsibility of municipal managers, CEOs, senior managers and municipal officials is to implement and maintain effective and efficient systems of internal control.

We assess the internal controls to determine the effectiveness of their design and implementation in ensuring reliable financial and performance reporting and compliance with legislation. This consists of all the policies and procedures implemented by auditee management to assist in achieving the orderly and efficient conduct of business, including adhering to policies, safeguarding assets, preventing and detecting fraud and error, ensuring the accuracy and completeness of accounting records, and timeously preparing reliable financial and service delivery information. To make it easier to implement corrective action, we categorise the principles of the different components of internal control under leadership, financial and performance management, or governance. We call these the *drivers of internal control*.

The key basic controls that should be focused on are as follows:

Providing effective leadership

In order to improve and sustain audit outcomes, auditees require effective leadership that is based on a culture of honesty, ethical business practices and good governance, protecting and enhancing the interests of the auditee.

Audit action plans to address internal control deficiencies

Developing and monitoring the implementation of action plans to address identified internal control deficiencies are a key element of internal control.

The MTSF defines the implementation of audit action plans and the quarterly monitoring thereof by a coordinating structure in the province as key measures to support financial management and governance at municipalities. It is also echoed in CoGTA's back-to-basics strategy, which tasks local government with addressing post-audit action plans and the National Treasury, provincial treasuries and departments of cooperative governance with assessing the capacity of municipalities to develop and implement such plans.

Proper record keeping and document control

Proper and timely record keeping ensures that complete, relevant and accurate information is accessible and available to support financial and performance reporting. Sound record keeping will also enable senior management to hold staff accountable for their actions. A lack of documentation affects all areas of the audit outcomes.

Some of the matters requiring attention include the following:

- Establish proper record keeping so that records supporting financial and performance information as well as compliance with key legislation can be made available when required for audit purposes.
- Implement policies, procedures and monitoring mechanisms to manage records, and make staff members aware of their responsibilities in this regard.

Implement controls over daily and monthly processing and reconciling of transactions

Controls should be in place to ensure that transactions are processed in an accurate, complete and timely manner, which in turn will reduce errors and omissions in financial and performance reports.

Some of the matters requiring attention include the following:

- Daily capturing of financial transactions, supervisory reviews of captured information, and independent monthly reconciliations of key accounts
- Collect performance information at intervals appropriate for monitoring, set service delivery targets and milestones, and validate recorded information
- Confirm that legislative requirements and policies have been complied with before initiating transactions.

Review and monitor compliance with legislation

Auditees need to have mechanisms that can identify applicable legislation as well as changes to legislation, assess the requirements of legislation, and implement processes to ensure and monitor compliance with legislation.

What is information technology and what are IT controls?

Information technology refers to the computer systems used for recording, processing and reporting financial and non-financial transactions. IT controls ensure the confidentiality, integrity and availability of state information, enable service delivery, and promote national security. Good IT governance, effective IT management and a secure IT infrastructure are therefore essential.

During our audits, we assessed the IT controls that focus on IT governance, security management, user access management and IT service continuity.

To evaluate the status of the IT controls in the areas we audited, we grouped them into the following three categories, with reference to the control measures that should be in place:

Where IT controls are being designed, management should ensure that the controls would reduce risks and threats to IT systems.

Where IT controls are being implemented, management should ensure that the designed controls are implemented and embedded in IT processes and systems. Particular attention should be paid to ensuring that staff members are aware of, and understand, the IT controls being implemented, as well as their roles and responsibilities in this regard.

Where IT controls have been embedded and are functioning effectively, management should ensure that the IT controls that have been designed and implemented are functioning effectively at all times. Management should sustain these IT controls through disciplined and consistent daily, monthly and quarterly IT operational practices.

Information technology governance

IT governance refers to the leadership, organisational structures and processes which ensure that the auditee's IT resources will sustain its business strategies and objectives. Effective IT governance is essential for the overall well-being of an auditee's IT function and ensures that the auditee's IT control environment functions well and enables service delivery. A national coordinating and monitoring structure has been established to oversee ICT in local government. The purpose of this initiative is to develop implementation requirements and a guideline specific to local government to structure the establishment of an IT governance framework. Key stakeholders in the local government sector form part of this ICT coordinating and monitoring structure.

Security management

Security management refers to the controls preventing unauthorised access to the computer networks, computer operating systems and application systems that generate and prepare financial information.

User access management

User access controls are measures designed by business management to prevent and detect the risk of unauthorised access to, and the creation or amendment of, financial and performance information stored in the application systems.

Information technology service continuity

IT service continuity controls enable auditees to recover within a reasonable time the critical business operations and application systems that would be affected by disasters or major system disruptions.

What are root causes?

Root causes are the underlying causes or drivers of audit findings; in other words, why the problem occurred. Addressing the root cause helps ensure that the actions address the real issue, thus preventing or reducing incidents of recurrence, rather than simply providing a one-time or short-term solution.

Our audits included an assessment of the root causes of audit findings, based on the identification of internal controls that had failed to prevent or detect the error or non-compliance. These root causes were confirmed with management and shared in the management report with the municipal managers or CEOs and the mayors. We also included the root causes of material findings reported as internal control deficiencies in the audit report, classified under the key drivers of leadership, financial and performance management, or governance.

Who provides assurance?

Mayors and their municipal managers use the annual report to report on the financial position of auditees, their performance against predetermined objectives and overall governance, while one of the important oversight functions of councils is to consider auditees' annual reports. To perform their oversight function, they need assurance that the information in the annual report is credible. To this end, the annual report also includes our audit report, which provides assurance on the credibility of the financial statements, the APR and the auditee's compliance with legislation.

Our reporting and the oversight processes reflect on history, as they take place after the financial year. Many other role players in local government contribute throughout the year to the credibility of financial and performance information and compliance with legislation by ensuring that adequate internal controls are implemented.

The mandates of these role players differ from ours, and we have categorised them as follows:

- Those directly involved in the management of the auditee (management/leadership assurance)
- Those that perform an oversight or governance function, either as an internal governance function or as an external monitoring function (internal independent assurance and oversight)
- The independent assurance providers that give an objective assessment of the auditee's reporting (external independent assurance and oversight).

We assess the level of assurance provided by the role players based on the status of internal controls of auditees and the impact of the different role players on these controls. In the current environment, which is characterised by inadequate internal controls, corrected and uncorrected material misstatements in financial and performance information, and widespread non-compliance with legislation, all role players need to provide an extensive level of assurance.

What is the role of each key role player in providing assurance?

Senior management

Senior management, which includes the CFO, CIO and head of the SCM unit, provides assurance by implementing the following basic financial and performance controls:

- Ensure proper record keeping so that complete, relevant and accurate information is accessible and available to support financial and performance reporting
- Implement controls over daily and monthly processing and reconciling of transactions
- Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information
- Review and monitor compliance with applicable legislation
- Design and implement formal controls over IT systems.

Municipal managers and municipal entities' chief executive officers

While we recognise that municipal managers and the CEOs of municipal entities depend on senior management for designing and implementing the required financial and performance management controls, they are responsible for creating an environment that helps to improve such controls in the following ways:

- Provide effective and ethical leadership and exercise oversight of financial and performance reporting and compliance with legislation
- Implement effective human resource management to ensure that adequate and sufficiently skilled staff are employed and their performance is monitored, and that there are proper consequences for poor performance
- Establish policies and procedures to enable sustainable internal control practices and monitor the implementation of action plans to address internal control deficiencies and audit findings
- Establish an IT governance framework that supports and enables the achievement of objectives, delivers value and improves performance
- Implement appropriate risk management activities to ensure that regular risk assessments, including the consideration of IT risks and fraud prevention, are conducted and that a risk strategy to address the risks is developed and monitored
- Ensure that an adequately resourced and functioning internal audit unit is in place and that internal audit reports are responded to
- Support the audit committee and ensure that its reports are responded to.

The MFMA also defines the role of the municipal manager as follows:

Role of the municipal manager

Robust financial and performance management systems	Oversight and accountability	Commitment and ethical behaviour
Full and proper records of financial affairs Effective, efficient and transparent systems for **financial and risk management** and **internal control** System of **internal audit** Develop and implement **policies** – tariffs, rates, credit control, debt collection and SCM Appropriate **management, accounting and information systems** – assets, liabilities, revenue and expenditure	Effective, efficient, economic and transparent **use of resources** Prevention of **unauthorised, irregular and fruitless and wasteful expenditure** as well as other losses	Act with **fidelity, honesty, integrity** and in the **best interest** of the municipality Manage and safeguard **assets and liabilities** Take appropriate **disciplinary steps** against any official who commits an act of financial misconduct or an offence **Disclose** all material facts to the council or mayor

The **role of the municipal manager** is critical to ensure:
timely, credible information **+** accountability **+** transparency **+** service delivery

Mayors

Mayors have a monitoring and oversight role at both municipalities and municipal entities. They have specific oversight responsibilities in terms of the MFMA and the MSA, which include reviewing the IDP and budget management and ensuring that auditees address the issues raised in audit reports.

Mayors can bring about improvement in the audit outcomes of auditees by being actively involved in key governance matters and managing the performance of municipal managers.

Internal audit units

The internal audit units assist municipal managers and the CEOs of municipal entities in the execution of their duties by providing independent assurance on internal controls, financial information, risk management, performance management and compliance with legislation. The establishment of internal audit units is a requirement of legislation.

Audit committees

An audit committee is an independent body, created in terms of legislation, which advises the municipal manager or CEO, senior management and the council on matters such as internal controls, risk management, performance management as well as the evaluation of compliance with legislation. The committee is further required to provide assurance on the adequacy, reliability and accuracy of financial and performance information.

Coordinating/monitoring departments

The Constitution stipulates that national and provincial government must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their duties. The MFMA further requires national and provincial government to assist municipalities in building capacity to support efficient, effective and transparent financial management. Both the MFMA and the MSA define responsibilities to monitor financial and performance management.

Municipal councils

The council is the executive and legislative authority of the municipality. In order for the council to perform its oversight and monitoring role, the municipal manager and senior managers must provide the council with regular reports on the financial and service delivery performance of the municipality. The MFMA and MSA also require the council to approve or oversee certain transactions and events, and to investigate and act on poor performance and transgressions, such as financial misconduct and unauthorised, irregular as well as fruitless and wasteful expenditure.

Municipal public accounts committees

The MPAC was introduced as a committee of the council to deal specifically with the municipality's annual report, financial statements and audit outcomes as well as to improve governance, transparency and accountability. The committee is an important provider of assurance, as it needs to give assurance to the council on the credibility and reliability of financial and performance reports, compliance with legislation as well as internal controls.

The primary functions of the MPAC can be summarised as follows:

- Consider and evaluate the content of the annual report and make recommendations to the council when adopting an oversight report on the annual report
- Review information relating to past recommendations in the annual report; this relates to current in-year reports, including the quarterly, mid-year and annual reports
- Examine the financial statements and audit reports of the municipality and municipal entities and consider improvements, also taking into account previous statements and reports
- Evaluate the extent to which our recommendations and those of the audit committee have been implemented
- Promote good governance, transparency and accountability in the use of municipal resources.

Portfolio committees on local government

In terms of the Constitution, the National Assembly and provincial legislatures must maintain oversight of the executive authority responsible for local government. This executive authority includes the minister and MEC for local government and other executives involved in local government, such as the minister and MEC for finance. The mechanism used to conduct oversight is the portfolio committee on local government.

11.2 Glossary of key terminology used in this report

Asset (in financial statements)	Any item belonging to the auditee, including property, infrastructure, equipment, cash, and debt due to the auditee.
Backups (IT)	In information technology, a backup, or the process of backing up, refers to the copying and archiving of computer data so it may be used to restore the original after a data loss event. The verb form is to ‘back up’ (two words), whereas the noun is ‘backup’. The primary purpose of a backup is to recover data after its loss, be it by data deletion or corruption.
Cash flow (in financial statements)	The flow of money from operations: incoming funds are revenue (cash inflow) and outgoing funds are expenses (cash outflow).
Commitments from role players	Initiatives and courses of action communicated to us by role players in local government aimed at improving the audit outcomes.
Consolidated financial statements	Financial statements that reflect the combined financial position and results of a municipality and those of the municipal entities under its control.
Creditors	Persons, companies or organisations to whom the auditee owes money for goods and services procured from them.
Current assets (in financial statements)	These assets are made up of cash and other assets, such as inventory or debt for credit extended, which will be traded, used or converted into cash within 12 months. All other assets are classified as non-current, and typically include property, plant and equipment as well as long-term investments.
Disaster recovery plan (DRP) (IT)	A disaster recovery plan is a documented process or set of procedures to recover and protect a business IT infrastructure in the event of a disaster. Usually documented in written form, the plan specifies the procedures that an organisation is to follow in the event of a disaster. It is a comprehensive statement of consistent actions to be taken before, during and after a disaster. The disaster could be natural, environmental or man-made. Man-made disasters could be intentional (e.g. the act of an attacker) or unintentional (i.e. accidental, such as the wall of a man-made dam breaking).

Financial and performance management (as one of the drivers of internal control)	The performance of tasks relating to internal control and monitoring by management and other employees to achieve the financial management, reporting and service delivery objectives of the auditee. These controls include the basic daily and monthly controls for processing and reconciling transactions, the preparation of regular and credible financial and performance reports as well as the review and monitoring of compliance with key legislation.
Firewall (IT)	A security system used to prevent unauthorised access between networks (both internal/internal and internal/external). A firewall will allow only approved traffic in and/or out by filtering packets based on source/destination. The firewall inspects the identification information associated with all communication attempts and compares it to a rule set consistent with the organisation’s security policy. Its decision to accept or deny the communication is then recorded in an electronic log.
Going concern	The presumption that an auditee will continue to operate in the near future, and will not go out of business and liquidate its assets. For the going concern presumption to be reasonable, the auditee must have the capacity and prospect to raise enough financial resources to stay operational.
Governance (as one of the drivers of internal control)	The governance structures (audit committees) and processes (internal audit and risk management) of an auditee.
Leadership (as one of the drivers of internal control)	The administrative leaders of an auditee, such as municipal managers and senior management. It can also refer to the political leadership (including the mayor and the council) or the leadership in the province (such as the premier).
Material finding (from the audit)	An audit finding on the quality of the annual performance report or compliance with key legislation that is significant enough in terms of either its amount or its nature, or both these aspects, to be reported in the audit report.
Material misstatement (in financial statements or annual performance reports)	An error or omission that is significant enough to influence the opinions or decisions of users of the reported information. Materiality is considered in terms of either its rand value or the nature and cause of the misstatement, or both these aspects.
Misstatement (in financial statements or annual performance reports)	Incorrect or omitted information in the financial statements or annual performance report.

Net current liability	The amount by which the sum of all money owed by an auditee and due within one year exceeds the amounts due to the auditee within the same year.
Net deficit (incurred by auditee)	The amount by which an auditee's spending exceeds its income during a period or financial year.
Oversight structures as well as coordinating and monitoring departments	Oversight structures consist of the provincial legislatures, the portfolio committees on local government and the National Council of Provinces. Coordinating or monitoring departments include the Department of Planning, Monitoring and Evaluation, the National Treasury and provincial treasuries, the national and provincial departments of cooperative governance as well as the offices of the premiers. Refers to role players (1) that are directly involved with the management of the auditee (management/leadership assurance) – in other words, the first line of defence; (2) that perform an oversight or governance function, either as an internal governance function or an external monitoring function (internal independent assurance and oversight); and (3) that give an objective assessment of the auditee's reporting (external independent assurance and oversight).
Password (IT)	In access control, confidential authentication information, usually composed of a string of characters, may be used to control access to physical areas and to data. Passwords have to comply with certain complexity rules to ensure that they are not easy to guess.
Patch management (IT)	A piece of programming code that is added to an existing program to repair a deficiency in the functionality of the existing routine or program. It is generally provided in response to an unforeseen need or set of circumstances. Patching is also a common means of adding a new feature or function to a program until the next major version of the software is released.
Property, infrastructure and equipment (in financial statements)	Assets that physically exist and are expected to be used for more than one year, including land, buildings, leasehold improvements, equipment, furniture, fixtures and vehicles.
Reconciliation (of accounting records)	The process of matching one set of data to another; for example, the bank statement to the cheque register, or the accounts payable journal to the general ledger.

11.3 Acronyms and abbreviations used in this report

AFS	annual financial statements
ACTWG	anti-corruption technical working committee
AGSA	Auditor-General of South Africa (the institution)
APAC	Association of Public Accounts Committees
APP	annual performance plan
APR	annual performance report
CEO	chief executive officer
CFO	chief financial officer
CIO	chief information officer
CoGTA	Department of Cooperative Governance and Traditional Affairs
DCoG	Department of Cooperative Governance
DM	district municipality
DoRA	Division of Revenue Act
DPME	Department of Planning, Monitoring and Evaluation
EC	Eastern Cape
EFT	electronic fund transfer
FMG	financial management grant
FS	Free State

GP	Gauteng
GRAP	Generally Recognised Accounting Practice
ICT	information and communications technology
IDP	integrated development plan
IDMS	infrastructure development management system
IT	information technology
KZN	KwaZulu-Natal
LGMIM	local government management improvement model
LM	local municipality
LP	Limpopo
MASP	municipal audit support programme
MAT	municipal assessment tool
ME	municipal entity
MEC	member of the executive council
MET/metro	metropolitan municipality
MFMA	Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
MIG	municipal infrastructure grant
MISA	Municipal Infrastructure Support Agent
MP	Mpumalanga

MPAC	municipal public accounts committee
MPRA	Municipal Property Rates Act, 2004 (Act No. 6 of 2004)
MSA	Municipal Systems Act, 2000 (Act No. 32 of 2000)
mSCOA	Municipal Regulations on Standard Chart of Accounts
MSIG	municipal systems improvement grant
MTSF	medium term strategic framework
NC	Northern Cape
NCoP	National Council of Provinces
NW	North West
OCPO	Office of the Chief Procurement Officer
OTP	Office of the Premier
Salga	South African Local Government Association
SCM	supply chain management
SDIBP	service delivery and budget implementation plan
WC	Western Cape