

Mossel Bay Municipality Audit Outcomes from 2008 to 2021 – Auditor-General Western Cape

The Financial Year as at 30 June 2012

Concerns for citizens:

8. As disclosed in Note 53.1 in the financial statements, contractual claims iro court cases in dispute (mediation). Estimated at a maximum liability of R80.9m
9. As disclosed in Note 40, corresponding figures for 30 June 2012 have been restated for Property Plant and Equipment amounting to R36.2m and the Capital Replacement Reserve amounting to R33.8m as a result of an error discovered during 2012 at year ended 30 June 2011.
10. As disclosed in Note 20, material losses to the amount of R8.9m were incurred as a result of the write-off of irrecoverable debtors from exchange transactions.
11. As disclosed in Note 21, material losses to the amount of R13.3m were incurred as a result of the write-off of recoverable debtors from non-exchange transactions.
12. As disclosed in Note 20, trade receivables from exchange transactions to the amount of R23.9m (42%) was provided for as bad debts.
13. As disclosed in Note 39, material impairments to the amount of R429.8m was incurred as a result of the significant decline in the fair value of investment property.
14. As disclosed in Note 44, with reference to the statement of comparison of budget and actual amount variances, the municipality has materially underspent its capital budget with R34.1m (23%)....
23. Material omissions relating to improvement measures in the annual performance report were identified during the audit, of which all adjustments were corrected by management.
26. Investigations are being conducted against employees of the municipality regarding possible tender irregularities and electricity theft. The investigations were ongoing as at the reporting date.
27. Investigations were conducted by the municipality regarding tender irregularities, copper cable theft and prepaid electricity theft. The amounts were either recovered from the official or handed over to the attorneys for recovery. The officials have been dismissed and are criminally investigated.