

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

The Financial Year as at 30 June 2013

Concerns for citizens:

8. As disclosed in Note 55.1 in the financial statements, contractual claims iro court cases currently in dispute (mediation). Estimated at a maximum liability of R87.7m
9. As disclosed in Note 42, corresponding figures for 30 June 2012 have been restated as a result of errors discovered during 2013 in financial statements at 30 June 2012.
10. As disclosed in Notes 19, 22 and 23, the provision for bad debt for long term debtors amounts to R1.3m (2011-12: R0.9m) while consumer debtors from exchange transactions amount to R18.9m (2011-12: R24m) and from non exchange transactions R5.2m (2011-12: R4.7m). Also disclosed in Notes 19, 22 and 23 is the total bad debt written off during the year amounting to R19.2m (2011-12: R22.3m)
11. As disclosed in Note 50.9, the municipality suffered material electricity losses of 23 177 734kWh (6.26%) during the year under review (2011-12: 17 234 906kWh (6.96%) due to technical losses on the distribution system (transformers, cables and overhead lines), faulty meters, theft and vandalism.
12. As disclosed in 50.9, the municipality suffered material water losses of 1 293ML (17.69%) during the year under review (2011-12: 621ML (9.12%) due to defective meters, losses in the water network (breakage in pipelines and pumps as well as leaking valves), evaporation, damages due to blind excavations, theft and vandalism.
13. As disclosed in Note 46, the municipality materially underspent its capital budget by R12.9m (10%), which had an impact on the R3.9m shelter for the homeless project and housing projects of R5m.