CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

AUDITED

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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REPORTING ENTITY'S MANDATE

The City of Cape Town is a high-capacity, category A local authority established in terms of section 151 of the Constitution of the Republic of South Africa, 1996.

The principal activities of the City are to:

- provide democratic and accountable government to the local communities;
- ensure sustainable service delivery to communities;
- promote social and economic development;
- promote a safe and healthy environment; and
- encourage the involvement of communities and community organisations in the matters of local government.

The City's operations are governed by the Local Government: Municipal Structures Act 117 of 1998, the Local Government: Municipal Systems Act 32 of 2000, the Local Government: Municipal Finance Management Act 56 of 2003, and various other acts and regulations.

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

I am responsible for the preparation of these annual financial statements for the year ended 30 June 2024, as set out on pages 17 to 99 in terms of section 126(1) of the Local Government: Municipal Finance Management Act 56 of 2003, and have accordingly signed the statements on behalf of the City.

I certify that the salaries, allowances and benefits of councillors as disclosed in note 38.2.2.1 to these financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, 1996, read with the Remuneration of Public Office Bearers Act 20 of 1998, and the Minister of Provincial and Local Government's determination in accordance with this act.

Digitally signed by Lungelo Mbandazayo
Date: 2024.08.30 13:03:39 +02'00'

Signed

Lungelo Mbandazayo
City Manager

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the City of Cape Town set out on pages 7 to 74, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all materiel respects, the financial position of the City of Cape Town as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and Division of Revenue Act of 2022 (Dora)

Basis of opinion

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

4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Key audit matters

6. I have determined that there are no key audit matters to communicate in this audit report.

Emphasis of matters

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

Material impairments

8. As disclosed in note 9 to the financial statements, the municipality provided for impairment of trade receivables from non-exchange transactions amounting to R4,00 billion (2022-23: R3,67 billion) and trade receivables from exchange transactions amounting to R5,48 billion (2022-23: R5,19 billion).

Material losses

9. As disclosed in note 40.1.2.3 to the financial statements, material electricity losses of R915 million (2022-23: R768 million) was incurred, which represents 11% (2022-23: 11,46%) of total electricity purchased.

Subsequent events

10. I draw your attention to note 39 in the financial statements. The municipality obtained a significant amount of external funding. The detail of the transaction is further described in the disclosure note. The matter was treated as a non-adjusting subsequent event.

Irregular expenditure

11. As disclosed in note 40.1.2.1 to the financial statements, irregular expenditure of R634 million was incurred. The amount represents R368 million incurred in current year and R266 million relating to the prior year.

Other matters

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

Unaudited disclosure notes

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

Unaudited supplementary schedules

14. The supplementary information set out on pages 75 to 90 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

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

16. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

17. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

18. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 9 and 10, forms part of my auditor's report.

Report on the audit of the annual performance report

19 In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected priorities presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

20. I selected the following priorities presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected priorities that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Development priority	Page numbers	Purpose
Basic services	APR Annexure A Scorecard 3 to 8	Objective 2: Improved access to quality and reliable basic services Objective 3: End load shedding in Cape Town over time

Basic services	APR Annexure A Scorecard 3 to 8 APR Annexure A.2 Circular 88 2 to 6	Objective 2: Improved access to quality and reliable basic services Objective 3: End load shedding in Cape Town over time Objective 4: Well-managed and modernised infrastructure to support economic growth
Housing	APR Annexure A Scorecard 10 to 11 APR Annexure A.2 Circular 88 7 to 8	Objective 7: Increased supply of affordable, well-located homes Objective 8: Safer, better-quality homes in informal settlements and backyards over time
Transport	APR Annexure Scorecard 14 to 15 APR Annexure A.2 Circular 88 9 to 10	Objective 12: A sustainable transport system that is integrated, efficient and provides safe and affordable travel options for all Objective 13: Safe and quality roads for pedestrians, cyclists

21. I evaluated the reported performance information for the selected priorities against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

22. I performed procedures to test whether:

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

23. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

24. I did not identify any material findings on the reported performance information for the basic services, housing and transport.

Other matters

25. I draw attention to the matters below.

Achievement of planned targets

26. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

27. The tables that follow provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report Annexure A Scorecard on pages 3 to 8, 10 to 11 and 14 to 15; Annexure A.2 Circular 88 on pages 2 to 10 *(APR)*.

Basic service priority

Targets achieved: 73% Budget spent: 95,3%		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
4.A – Sewer reticulations pipelines replaced (metres)	100 000	96 863
4.F – Service requests for no collection of refuse resolved within 3 days (%) (NKPI)	90%	61,06%
4.G – Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards (indicator EE1.13)	95%	72,80%

Housing priority

Targets achieved: 70% Budget spent: 97,9%		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
7.C – Formal housing serviced sites provided (number)	2 700	1 627
8.A – Informal settlement sites serviced (number)	1 220	1 124
HS1.12 – Number of serviced sites	4 000	2 751

Transport priority

Targets achieved: 75% Budget spent: 93,8%		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
TR6.13 – Kilometres of new municipal road network	0,2	0

Material misstatements

28. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic services, housing and transport. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

29. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

30. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

31. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

32. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

33. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected priorities presented in the annual performance report that have been specifically reported on in this auditor's report.

34. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

35. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

36. The information I obtained prior to the date of this auditor's report is the draft annual report and the final annual report is expected to be made available to us after 30 November 2024.

37. When I do receive and read the final annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

38. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

39. I did not identify any significant deficiencies in internal control.

Other reports

40. Investigations commissioned by the accounting officer is being performed concerning allegations of SCM non-compliance with laws and regulations within the Urban Waste Management directorate of the City of Cape Town. The period covered by the investigations is from 1 August 2006 to date. As at the date of this auditor's report, the investigations were still ongoing.

Cape Town

11 December 2024

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003 (MFMA)	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), Sections: 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), Sections: 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), Regulations: 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), Sections: 54A(1)(a),56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1),96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)

MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1),31
National Environmental Management: Waste Act 59 of 2008	Section: 20(b)
National Water Act 36 of 1998	Section: 22(1)(b)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), Regulations: 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

GENERAL INFORMATION

AS AT 30 JUNE 2024

BANKERS

Nedbank Limited
135 Rivonia Campus
135 Rivonia Road
Sandown
Sandton
2196

PO Box 1144
Johannesburg
2000

AUDITORS

The Auditor-General of South Africa
No 19 Park Lane Building
Park Lane
Century City
7441

Private Bag X1
Chempet
7442

REGISTERED OFFICE

City of Cape Town
12 Hertzog Boulevard
Cape Town
8001

PO Box 655
Cape Town
8000

MEMBERS OF THE MAYORAL COMMITTEE

Executive Mayor; Future Planning and Resilience
Ald G Hill-Lewis

Deputy Mayor; Spatial Planning and Environment
Ald E Andrews

Community Services and Health
Cllr P van der Ross

Corporate Services
Ald T Uys

Economic Growth
Ald J Vos

Energy
Cllr B van Reenen

Finance
Cllr S Mbandezi

Human Settlements
Cllr C Pophaim

Safety and Security
Ald JP Smith

Urban Mobility
Cllr R Quintas

Urban Waste Management
Ald G Twigg

Water and Sanitation
Cllr Z Badroodien

EXECUTIVE MANAGEMENT TEAM

City Manager
L Mbandazayo

Chief Financial Officer
K Jacoby

Community Services and Health
Z Mandlana

Corporate Services
E Sass

Economic Growth
R Gelderbloem

Energy
K Nassiep

Future Planning and Resilience
G Morgan

Human Settlements
N Gqiba

Safety and Security Services
V Botto

Spatial Planning and Environment
R McGaffin

Urban Mobility
D Campbell

Urban Waste Service
P Mayisela (acting)

Water and Sanitation
L Manus

MEMBERS OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE

Chairperson
T Blok

Members
P Dala
S Mzizi
R Najjaar
L Nene

***** M Burton, former chairperson's, term ended.

OTHER

Speaker
Ald F Purchase

Chief Whip
Cllr D Visagie

COUNCIL MEMBERS OF THE CITY OF CAPE TOWN

Aldermen/Alderwomen

Andrews, EP
Arendse, R
Basson, AJG
Brynard, CA
Chapple, PH
Fourie, GD
Hill-Lewis, G
Jacobs, BM
Jaftha, WD
Jordaan, C
Justus, CR
Kempthorne, ML
Limberg, XT
Moodley, S
Neilson, ID
Nieuwoudt, MJ
Pringle, SB
Purchase, FA
Rossouw, SJ
Smith, JP
Sotashe, X
Thompson, TB
Twigg, GG
Uys, TA
Van der Merwe, JFH
Van der Rheede, A
Vos, J

Councillors

Abbass, S
Abrahams, F
Achmat, MF
Adams, A
Adams, R
Adams, Y
Addinall, AS
Adonis, M
Adonis, N
Ah-Sing, FK
Akim, WJ
Anstey, E
Badela, DE
Badroodien, ZA
Barends, UM
Benadie, AM
Benge, L
Berry, F
Bodin, K
Booi, PN
Booysen, S
Botha-Rossouw, FR
Botya, NA
Bresler, R
Cameron, R
Cannon, R
Carls, KR
Cassiem, MA
Cerfontein, CS
Chitha, MN
Christians, DJ
Christians, M
Clarke, BR
Classen, GJ
Cottee, DG
Cupido, J
Dambuza, M
Davids, A
Davids, CO
Davids, R
De Beer, AC
De Vos, D
De Vos, PW
Diniso, X
Duka, SS
East, PA
Elyas, AZMI
Esau, CJ
Francke, P
Franklin, C
Gabuza, A
Gadeni, M
Ganger, R
Gordon, GE
Gqada, T
Griesel, AJ
Grose, NE
Gungxe, LA
Gxasheka, KW
Hansen, B
Harris, W
Haskin, GCR
Helfrich, PG
Hendricks, A
Hendricks, P
Heynes, PC
Higham, F
Jackson, T
Jacobs, MR
Jacobson, PS
Janse van Rensburg, C
Jansen, AJ
Jansen, EE
Jansen van Vuuren, PJ
Jowell, N
Kama, K
Kleinschmidt, MRH
Kleinsmith, ME
Kobeni, C
Kopman, NF
Kwebulana, AV
Langenhoven, E
Lansdowne, A
Lasiti, U
Liell-Cock, SP
Lightburn, AG
Little, SA
Lombard, FP
Lombi, N
Loonat, H
Louw, AC
Lubbe, BM
Mabungani, M

COUNCIL MEMBERS OF THE CITY OF CAPE TOWN (continued)

Councillors (continued)

Madikane, EM
Majingo, BM
Makuwa, MS
Malgas, GD
Mamkeli, S
Manuel, M
Maqungwana, BB
Mare, K
Marman, PI
Marr, MJ
Martin, L
Martlow, J
Masiu, DZ
Matanzima, V
Matutu, N
Maxiti, P
Mazwi, L
Mbandezi, S
Mbiza, LN
McFarlane, N
McKenzie, AP
McMahon, IP
Mei, B
Mes, CM
Mills, JS
Mjuza, TM
Mkutswana, MA
Mohamed, Y
Mokhathi, T
Moses, AC
Mpengezi, T
Mqina, LM
Mvinjelwa, NC
Mzolisa, PS
Ndamane, S
Nelson, D
Ngcombolo, B
Ngubelanga, D
Nikelo, M
Nodliwa, S
Nqavashe, ML
Ntshuntshe, L
Ntshweza, NA
Ntsodo, A
Nyamakazi, T
Paige, GD
Payiya, BL
Peck, GC
Peter, XG
Petersen, MJ
Phakade, L
Philander, S
Pimpi, TI
Plaatjies, A
Pophaim, CJ
Potts, A
Punt, CB
Qoba, ZL
Quintas, RM
Raise, MH
Raymond, FHL
Rigby, S
Satarien, N
Sauls, FA
Sawant, E
Sherry, I
Sibunzi, MM
Siebritz, CC
Simangweni, L
Solomons, FJ
Somdaka, L
Sono, NP
Sonyoka, LP
Sophazi, Z
Southgate, KG
Stacey, S
Steenberg, CJ
Stevens, JN
Stuurman, N
Sukers, NRE
Sulelo, Z
Swart, PS
Tagodien, R
Taliep, S
Tause, PP
Temlett, M
Terblanche, HP
Tetani, A
Thompson, SC
Timm, G
Tyandela, NV
Van der Linde, SI
Van der Merwe, B
Van der Ross, PE
Van Nelson , S
Van Reenen , B
Van Zyl , A
Viljoen, R
Visagie, DA
Visser, CL
Visser, J
Walker, FC
Witbooi, JJ
Woodman, J
Yeko, B
Zumana, S

In the course of the reporting period, the following councillors ceased to be political office bearers:

Councillors

Adams, F	26/09/2023
Joachims, GV	03/10/2023
Joseph, M	03/10/2023
Wannenburgh, CMK	03/10/2023
Booi, M	31/10/2023
Loonat, H	29/02/2024
Little, SA	25/03/2024
Beneke, R	31/03/2024
Kuhl, AE	31/03/2024
Solomon, J	31/03/2024
August, SF	26/04/2024
Williams, N	26/04/2024
Max, L	02/05/2024
Jacobs, DG	05/06/2024
Mthathi, PP	06/06/2024
Marais, GP	10/06/2024
Makasi, N	12/06/2024
Christie, K	13/06/2024
Frenchman, S	14/06/2024
Salie, S	27/06/2024

Aldermen/Alderwomen

Watkyns, BRW	29/02/2024
Linde, E	13/06/2024

SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

The City's significant accounting policies, which are in all material respects consistent with those applied in the previous year, unless specified otherwise, are set out below.

BASIS OF PRESENTATION

The financial statements have been prepared in accordance with the Generally Recognised Accounting Practices (GRAP), standards issued by the Accounting Standards Board (ASB) and approved by the Minister of Finance as effective in accordance with section 122(3) of the Local Government: Municipal Finance Management Act 56 of 2003.

These financial statements have been prepared on an accrual basis of accounting and incorporate the historical cost convention as the basis of measurement, except where indicated otherwise.

The City has adopted Directive 5, as issued by the ASB, which outlines the GRAP reporting framework hierarchy. In the absence of an issued and effective standard of GRAP, accounting policies for material transactions, events or conditions have been developed using the principles set out in the "Standard of GRAP 3 on Accounting Policies, Changes in Accounting Estimates and Errors", read with Directive 5.

In preparing the financial statements, management has used assessments and estimates that are based on the best information available at the time of preparation.

GOING-CONCERN ASSUMPTION

These financial statements have been prepared on a going-concern basis.

OFFSETTING

Assets and liabilities, as well as revenue and expenses, are not offset unless it is required by a Standard of GRAP or when there is a legally enforceable right to offset the recognised amount, and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

COMPARATIVE INFORMATION

When the presentation or classification of items in the financial statements is amended, comparative amounts are restated and the nature and reason for such reclassification are disclosed.

Where accounting errors have been identified and/or a change in accounting policy has been made in the current year, the correction is made retrospectively as far as is practicable, and the comparatives are restated accordingly.

FOREIGN-CURRENCY TRANSACTIONS

Transactions in foreign currencies are initially accounted for at the ruling exchange rate on the date of the transaction. Trade creditors denominated in foreign currency are reported at the statement of financial position date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from reporting of creditors at rates different from those at which they were initially recorded during the period, are recognised as income or expenses in the period during which they arise.

USE OF SIGNIFICANT JUDGEMENTS AND ESTIMATES

In the process of applying the City's accounting policies, management has made the following significant accounting judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

GOING CONCERN

Included in management's assessment of the City's going-concern status are:

- ✓ key financial metrics;
- ✓ the general economic conditions and forecast;
- ✓ approved medium-term budgets; and
- ✓ the City's dependency on grants from National Government and the Western Cape Provincial Government (hereinafter "Province").

Based on all of the above, management has concluded that the going-concern assumption used in the compiling of its financial statements, is appropriate.

MATERIALITY

Materiality is judged according to the size and nature of the item. The deciding factor is whether the omission or misstatement could, individually or collectively, influence users' decisions based on these annual financial statements.

In preparing the annual financial statements, materiality has been considered in:

- ✓ deciding what to report in the annual financial statements and how to present it; and
- ✓ assessing the effect of omissions, misstatements and errors on the annual financial statements.

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USE OF SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

MATERIALITY (CONTINUED)

In assessing whether an item, transaction or event is material, specific thresholds for specific items, transactions and events, or aggregations thereof, have been developed. These thresholds are used to make decisions about the reporting of information (i.e. how to recognise, measure, present and disclose items, transactions and events) and serve as a margin of error or framework within which to assess misstatements and errors.

Threshold for budget information

Variances between budget and actual amounts are regarded as material when the variance is:

- ✓ 10% or greater in the statement of financial position, the statement of financial performance, and the cash flow statement; and
- ✓ 5% or greater in capital expenditure.

All material differences are explained in note 37 to these financial statements.

Qualitative thresholds

The nature of an item, transaction or event is determined by its inherent characteristics, or the circumstances in which it was undertaken. Items, transactions or events may be considered material:

- ✓ if they relate to legal or regulatory requirements, e.g. specific disclosures required by legislation, restrictions on certain transactions or activities imposed by legislation, or breaches of legislation.
- ✓ if they constitute related-party transactions;
- ✓ depending on their regularity or frequency, e.g. a once-off transfer of funds to another entity in terms of legislation, or a ministerial directive;
- ✓ if they result in the reversal of a trend, e.g. changing a surplus to a deficit, or vice versa;
- ✓ if they are likely to result in a change in accounting policy;
- ✓ if they involve the commencement of a new function, or the reduction or discontinuation of an existing one;
- ✓ depending on the degree of estimation or judgement required to determine their value; and
- ✓ if they affect the going-concern assumption of the municipality.

The relative importance of these qualitative factors in determining materiality is a matter of professional judgement.

Quantitative thresholds

Quantitative materiality refers to the monetary value of items, transactions or events that are likely to influence users' decisions.

The quantitative materiality per transaction class for the year is as follows:

Class of transactions	Level of materiality (R'000)
Revenue	315 435
Expenditure	302 888
Non-current assets	362 852
Current assets	104 163
Non-current liabilities	70 643
Current liabilities	75 203

The materiality calculation is based on the final approved 2023/24 adjustments budget of April 2024 for all classes of transactions.

Based on professional judgement, the overall quantitative value of materiality for the 2023/24 financial year is set at R275 million.

PENSION AND OTHER POST-EMPLOYMENT BENEFITS

The cost of defined-benefit pension plans and other employment medical benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

IMPAIRMENT OF RECEIVABLES

The calculation in respect of the impairment of receivables is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments. Groups of debtors with similar credit risk characteristics are assessed for impairment, considering factors such as socioeconomic conditions, type of customer, the default period and service-specific payment histories.

The concentration of credit risk is limited, as the customer base is large and unrelated. Accordingly, management believes no further credit provisions are required in excess of the present allowance for doubtful debts.

USE OF SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

INVENTORY

The City regards water as inventory at the point where it enters the City's purification network. However, raw water in dams and aquifers, is not regarded as inventory, as it is not under the City's control. Control is demonstrated by an entity's ability to access and regulate the benefits of an asset. In terms of these natural resources, the City does not have control under all circumstances.

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

The calculation in respect of the impairment of property, plant and equipment (PPE) is based on an assessment of the extent to which the recoverable amount of the asset has declined below the carrying amount. This was performed across all classes of property, plant and equipment.

SIGNIFICANT DELAYS IN ASSETS UNDER CONSTRUCTION

The City regards delays in assets under construction of more than one year as significant.

RESIDUAL VALUE OF PROPERTY, PLANT AND EQUIPMENT

Management has determined that none of its infrastructural assets have any active market value, and the value of the amount at the end of their useful lives would therefore be insignificant.

USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTY AND INTANGIBLE ASSETS

The useful lives of assets are based on management's estimates. Management considers the impact of technology, service requirements and required return on assets to determine the optimum useful-life expectation, where appropriate. The estimated residual values of assets are also based on management's judgement on whether the assets will be sold, held indefinitely or used to the end of their useful lives, and what their condition will be at that time.

CAPITAL COMMITMENTS APPROVED AND CONTRACTED FOR CAPITAL EXPENDITURE

Capital commitments represent future capital expenditure, exclusive of VAT. The City is obligated to spend these amounts due to signed contracts with suppliers.

MATERIAL LOSSES

Material losses are losses that occur due to factors other than normal production, and are regarded as material in accordance with the materiality thresholds above.

Losses that occur due to normal production are classified as production costs and factored into the City's tariffs. They, therefore, do not constitute material losses. If actual production losses exceed the budgeted production losses factored into the tariff, the difference is considered a material loss.

PROVISIONS AND CONTINGENT LIABILITIES

Management's judgement is required in recognising and measuring provisions, as well as measuring contingent liabilities, as set out in notes 14 and 34 respectively. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted where the effect of discounting is material.

Provision for the rehabilitation of landfill sites is determined based on the advice and judgement of qualified engineers. The valuation of the rehabilitation and post-monitoring costs involves making assumptions about discount rates, expected useful lives of the landfill sites, rehabilitation and post-monitoring periods, and future inflation increases. Due to the long-term nature of these obligations, such estimates are subject to significant uncertainty.

CASH AND NON-CASH-GENERATING ASSETS

The City is not a profit-oriented entity, as its primary objective is service delivery. Tariffs and charges are cost-reflective to ensure continued financial sustainability. No profit element is included in the determination of a tariff, although net positive cash inflows are achieved from electricity service charges. The City acquired an investment in an associate over which it has significant influence, with the strategic intent of promoting economic growth and job creation.

Management has determined that only the City's electricity assets and its investment in the associate meet the definition of cash-generating assets, and that the GRAP standard for the impairment of non-cash-generating assets will therefore apply to all other City assets.

PRINCIPAL-AGENT ARRANGEMENTS

Management's judgement is required in determining whether it has entered into a principal-agent arrangement, as set out in note 35. A principal-agent arrangement results from a binding arrangement in which one entity (an agent) undertakes transactions with third parties on behalf and for the benefit of another entity (the principal).

The assessment of whether a municipality is a principal or an agent requires the municipality to evaluate the rights and obligations of all parties to each binding arrangement so as to establish whether the transactions it undertakes with third parties are for the benefit of another entity or for its own.

SEGMENT REPORTING

In applying GRAP 18 segment reporting, management makes judgements with regard to the identification of reportable segments, as well as regarding what constitutes segment results. This enables users to evaluate the nature and financial effects of the activities in which the segment engages, and the economic environments in which it operates.

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ADOPTION OF NEW AND REVISED STANDARDS

STANDARDS, GUIDELINES AND INTERPRETATIONS EFFECTIVE AND ADOPTED IN THE CURRENT YEAR

The following standards and pronouncements became effective and were adopted in the current year:

- ✓ Amendments to GRAP 1 – Presentation of Financial Statements
- ✓ GRAP 25 – Employee Benefits
- ✓ IGRAP 7 – The limit on defined benefit asset, minimum funding requirements and their interaction
- ✓ IGRAP 21 – The effect on past decisions on materiality
- ✓ Improvements to Standards of GRAP (2020)
- ✓ Guideline on Accounting for Landfill Sites

The amendments to GRAP 1 includes additional principles on aggregation of line items and the Improvements to the Standards of GRAP achieves better alignment with international developments.

GRAP 25 introduces new reporting requirements which includes presentation changes to defined benefit plans and additional guidance on actuarial assumptions. In relation to GRAP 25, IGRAP 7 addresses how minimum funding requirements might affect the availability of reductions in future contributions.

IGRAP 21 explains the implications of adopting accounting policies for material items based on the standards of GRAP, as well as applying alternative accounting treatments for immaterial items. It establishes the principle that adopting materiality and applying alternative accounting treatments are not in themselves errors or departures from the standards of GRAP. It further clarifies instances where errors may occur in applying materiality, and the circumstances that may lead to such errors.

The Guideline on Accounting for Landfill Sites has been used to formulate the City's accounting policies since 2018/19.

STANDARDS, GUIDELINES AND INTERPRETATIONS ADOPTED EARLY

The City has not early adopted any GRAP standard that is not yet effective.

STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET EFFECTIVE

At the date of submission of these financial statements, the following approved standards of GRAP and amendments to the standards of GRAP had been issued, but were not yet effective.

Annual periods commencing on or after 1 April 2024

There are no GRAP standards with effective dates that are on or after 1 April 2024.

Annual periods commencing on or after 1 April 2025

GRAP 104 on Financial Instruments

GRAP 104 was revised in 2021 so as to align with IPSAS 41 on Financial Instruments and IFRS 9 on Financial Instruments. IFRS 9 has substantially revised the way in which financial instruments are classified, how amortised cost is determined, and how and when financial assets are assessed for impairment, and has also overhauled the requirements for hedge accounting. The transitional provisions require adoption of the revised GRAP 104 standard in its entirety. Partial or incremental adoption is not permitted.

HOUSING FUNDS

The housing development fund was established in terms of the Housing Act 107 of 1997.

HOUSING DEVELOPMENT FUND

Sections 15(5) and 16 of the Housing Act, which took effect on 1 April 1998, required the City to maintain a separate housing operating account. This legislated separate operating account is known as the housing development fund and is fully cash-backed.

In addition, section 14(4)(d)(iii)(aa), read with, inter alia, section 16(2) of the Housing Act, also requires that the net proceeds of any letting, sale or alienation of property previously financed from government housing funds be paid into a separate operating account, and be utilised by the Entity for housing development in accordance with the National Housing Policy.

UNREALISED HOUSING PROCEEDS

In order to comply with sections 14(4)(d)(i) and (iii) of the Housing Act, in terms of which all net proceeds need to be paid into the housing development fund, it was necessary to create a holding account that represents the unrealised funds due by long-term housing selling developments and sponsored loan debtors. This account is reduced when debtors are billed for their current loan repayments.

RESERVES

The City creates and maintains reserves in terms of specific requirements.

CAPITAL REPLACEMENT RESERVE (CRR)

In order to finance the acquisition of property, plant and equipment, and other assets from internal sources, cash amounts are transferred from the accumulated surplus to the CRR.

The following guidelines are set for the creation and utilisation of the CRR:

- ✓ The cash funds that back up the CRR are invested until utilised.
- ✓ The CRR may only be utilised for purchasing items of property, plant and equipment, and not for their maintenance, unless otherwise directed by Council.
- ✓ Whenever an asset is purchased out of the CRR, an amount equal to the cost price of the asset is transferred from the CRR, and the accumulated surplus is credited by a corresponding amount.

RESERVES (continued)

INSURANCE RESERVES

SELF-INSURANCE RESERVE

A general insurance reserve has been established and covers claims that may occur, subject to reinsurance where deemed necessary. Premiums are charged to the respective services, taking into account the claims history and replacement value of the insured assets.

Reinsurance premiums paid to external reinsurers are regarded as an expense, and are shown as such in the statement of financial performance. The net surplus/deficit on the insurance operating account is transferred to or from the insurance reserve via the statement of changes in net assets.

A viability valuation report is obtained each year to assess the adequacy of the insurance reserve at year-end.

COMPENSATION FOR OCCUPATIONAL INJURIES AND DISEASES (COID) RESERVE

The City has been exempted from making contributions to the Compensation Commissioner for occupational injuries and diseases in terms of section 84 of the COID Act 130 of 1993.

The certificate of exemption issued by the Commissioner and prescribed by the COID Act requires the City to deposit cash and/or securities with the Commissioner, the market values of which in aggregate shall not be less than the capitalised value of the continuing liability of the City as at 31 December of each year.

The continuing liability is that of annual pensions, the capitalised value of which is determined on the basis of an actuarial determination prescribed by the Commissioner. A COID reserve has been established to equate to the value of the continuing liability. The market value of the securities is determined annually by the Commissioner, and the City is required to meet any shortfall in the aggregate value of the securities as at 31 December. Monthly pensions are funded by transferring funds from the reserve to the expense account in the statement of financial performance.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment (PPE) are stated at cost less accumulated depreciation and accumulated impairment losses. Where PPE is acquired through non-exchange transactions, the cost is deemed to be the item's fair value on the date of acquisition.

Subsequent expenditure relating to PPE is capitalised if it is probable that future economic benefits or potential service delivery of the assets are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally assessed standard of performance, it is regarded as repairs and maintenance, and is expensed.

The City maintains and acquires assets to provide a social service to the community, with no intention of disposing of the assets for any economic gain.

Property, plant and equipment (PPE) is derecognised upon disposal, or when no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying value, and is recognised in the statement of financial performance.

DEPRECIATION RATES

Depreciation is calculated, using the straight-line method, over the estimated useful lives of the assets. The residual value, depreciation method and useful life, if significant, are reassessed annually. If there is any indication of changes, the effect of such changes in estimate is accounted for on a prospective basis. The depreciation rates are based on the following estimated useful lives:

	Years		Years
Infrastructure		**Other**	
Roads and paving	10 – 50	Buildings	2 – 50
Electricity	15 – 50	Other vehicles	4 – 15
Water	15 – 50	Office equipment	2 – 10
Sewerage	15 – 50	Watercraft	5
Telecommunications	10 – 30	Bins and containers	5
		Landfill sites	8 – 51
Housing	30	Specialised vehicles	10 – 20
		Library books	1
Community		Furniture and fittings	2 – 15
Community and recreational facilities	20 – 50	Computer equipment	1 – 7
Security	5 – 10	Plant and equipment	2 – 12
		Living resources	5 – 12
		Service concession	3 – 50

Assets under construction are carried at cost. Depreciation of an asset commences when the asset is ready for its use as intended by management. Freehold land is not depreciable, as it has an indefinite useful life.

A living resource is a living animal that the City uses to deliver a mandated service.

INVESTMENT PROPERTIES

Investment properties are immovable land and/or buildings that are held to earn rental income and/or for capital appreciation. Investment property excludes owner-occupied property that is used in the production or supply of goods or services, or for administrative purposes, or property held to provide a social service.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Where investment properties are acquired through non-exchange transactions, the cost is deemed to be the item's fair value on the date of acquisition.

Investment property other than vacant land is depreciated on the straight-line basis over the useful lives of the assets, estimated at 20 to 50 years.

An investment property is derecognised upon disposal or when it is permanently withdrawn from use, or when no future economic benefits or service potential are expected from its disposal. Any gain or loss arising from the retirement or disposal of investment property is included in the surplus or deficit in the period of such retirement or disposal.

Direct income and expenses arising from investment property are disclosed as part of general income and expenses, and are thus not disclosed separately, as they are not material.

HERITAGE ASSETS

A heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance, and is held and preserved indefinitely for the benefit of present and future generations.

Heritage assets are stated at cost less accumulated impairment losses. Where a heritage asset is acquired through a non-exchange transaction, its cost is deemed to be its fair value as at the date of acquisition. Costs incurred to enhance or restore the heritage asset to preserve its indefinite useful life are capitalised as incurred. Day-to-day costs incurred to maintain a heritage asset are expensed.

Transfers to heritage assets are made only when the asset meets the definition of a heritage asset, and transfers from heritage assets are only made when the asset no longer meets the definition of a heritage asset. Transfers to and from heritage assets are done at the carrying amount of the assets transferred, at the date of transfer.

The gain or loss arising from the disposal or retirement of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying value, and is recognised in the statement of financial performance. Heritage assets are not depreciated.

INTANGIBLE ASSETS

An intangible asset is defined as an identifiable non-monetary asset without physical substance, held for use in the production or supply of goods or services, for rental to others or for administrative purposes.

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Where intangible assets are acquired through non-exchange transactions, the cost is deemed to be the item's fair value on the date of acquisition.

The City recognises computer development software costs as intangible assets, if the costs are clearly associated with an identifiable and unique system controlled by the City, and have a probable benefit exceeding one year. Direct costs include software development, employee costs and an appropriate portion of relevant overheads.

AMORTISATION RATES

Intangible assets are amortised on the straight-line basis over the useful lives of the assets. The residual value, amortisation method and useful life, if significant, are reassessed annually. If there is any indication of changes, the effect of such changes, in estimate, is accounted for on a prospective basis.

The amortised rates are based on the following estimated useful lives:

	Years
Acquisition of rights	8
Computer software	1-10

IMPAIRMENT OF NON-CASH-GENERATING ASSETS

At each reporting date, the City assesses whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the recoverable service amount of the asset is estimated to determine the extent of the impairment loss (if any).

Intangible assets not yet available for use are tested for impairment annually if there is an indication that the asset may be impaired.

The recoverable service amount of a non-cash-generating asset is the higher of fair value less costs to sell and the value-in-use. The value-in-use is the present value of the remaining service potential of the asset, and is determined using the most appropriate of the depreciated replacement cost, restoration cost or service unit approach.

If the recoverable service amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. An impairment loss is recognised immediately in surplus or deficit.

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IMPAIRMENT OF CASH-GENERATING ASSETS

At each reporting date, the City assesses whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the City estimates the recoverable amount of the asset.

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value-in-use.

The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's-length transaction between knowledgeable, willing parties, less costs of disposal.

The value-in-use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset, as well as from its disposal at the end of its useful life.

RECOGNITION AND MEASUREMENT (INDIVIDUAL ASSET)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss. An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the City recognises a liability only to the extent required by the standards of GRAP.

After the recognition of an impairment loss, the depreciation or amortisation charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value, on a systematic basis over its remaining useful life.

At each reporting date, a municipality assesses whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If so, the recoverable amounts of those assets are estimated. A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

Impairment losses on financial assets measured at cost shall not be reversed.

CASH AND CASH EQUIVALENTS

Cash includes cash on hand, cash held with banks, and call deposits. Cash equivalents are short-term bank deposits with a maturity of three months or less from inception, readily convertible to cash without significant change in value.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any bank overdrafts.

INVENTORIES

Inventories consist of consumable stock, water and other goods held for use or resale. Inventories are initially measured at cost and subsequently valued at the lower of cost (determined on the weighted-average basis) and net realisable value. Where they are held for distribution or consumption at no charge, or for a nominal amount, inventories are subsequently valued at the lower of cost and current replacement value.

Cost of inventories comprises all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition. Where inventories are acquired through a non-exchange transaction, their cost is measured at their fair value as at the date of acquisition.

Redundant and slow-moving inventories are identified and written down to their estimated net realisable values or current replacement cost according to their age, condition and utility. Differences arising in the measurement of such inventories at the lower of cost and net realisable value or current replacement cost are recognised as an expense in the period during which the write-down or loss occurs.

The carrying amount of inventories is recognised as an expense in the period during which the inventories are consumed, sold, distributed or written off, unless the cost qualifies for capitalisation to the cost of another asset.

GRANTS AND TRANSFERS

Grants and transfers received or receivable are recognised as assets when the resources that have been transferred to the City meet the definition and criteria for recognition as assets.

A corresponding liability is recognised to the extent that the grant and transfer recognised as an asset is subject to conditions that require that the City either consumes the future economic benefits or service potential of the asset as specified, or that in the event that the conditions are breached, the City returns such future economic benefits or service potential to the transferor. The liability is transferred to revenue when the conditions attached to the grants and transfers are met. Grants and transfers that are not subject to any conditions are recognised as revenue when the assets are initially recognised.

Interest earned on the investment of grants and transfers received is treated in accordance with the stipulations set out in the agreement for the receipt of the grant and transfer invested.

PROVISIONS

A provision is recognised when the City has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money. The impact of the periodic unwinding of the discount is recognised in the statement of financial performance as a finance cost.

ENVIRONMENTAL REHABILITATION PROVISIONS

Estimated long-term environmental provisions, comprising rehabilitation of environmental damage and landfill site closure costs, are based on the City's policy, taking into account current technological, environmental and regulatory requirements.

The provision for rehabilitation is recognised as and when the environmental liability arises in terms of legislation. Changes in the measurement of existing environmental liabilities resulting from changes in the estimated timing or amount of the outflow of resources required to settle the obligation, or a change in the discount rate, shall be added to or deducted from the cost of the related asset in the current period. The amount deducted from the cost of the asset shall not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess shall be recognised immediately in surplus or deficit. Any unwinding of discount is charged to the statement of financial performance as a finance cost.

EMPLOYEE BENEFITS

RETIREMENT BENEFIT PLANS

The City provides retirement benefits for its employees and councillors. Retirement benefits consist of defined-contribution plans and defined-benefit plans.

Defined-contribution plans are post-employment benefit plans under which the city pays fixed contributions, and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year during which they become payable.

Defined-benefit plans are post-employment benefit plans other than defined-contribution plans. The defined-benefit funds are actuarially valued triennially on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on a proportional basis from all participating municipalities. The contributions and lump sum payments are charged against income in the year during which they become payable.

The municipality does not apply defined-benefit accounting to the defined-benefit plans that are classified as multi-employer plans, as sufficient information is not available to apply the relevant principles. As a result, such plans are accounted for as defined-contribution plans.

POST-RETIREMENT MEDICAL AID: CONTINUED MEMBERS

The City provides post-retirement benefits by subsidising the medical-aid contributions of certain retired staff. According to the rules of the medical schemes with which the City is associated, a member of the scheme is entitled to remain a member in retirement. Therefore, the City will continue to subsidise medical-aid contributions in accordance with the provisions of the employee's employment contract and the City's decision on protected rights.

Post-retirement medical-aid contributions paid by the City, depending on the employee's contract, could be 70% or a subsidy indicated on a sliding scale. In each case, the employee is responsible for the balance of post-retirement medical-aid contributions. External appointments after 15 December 2000 do not qualify for a post-retirement medical-aid subsidy. Only registered dependants on the medical scheme as at the date of the principal member's retirement are allowed to continue as dependants after retirement. In the event of the death of the principal member, the remaining dependants and children continue to be subsidised, subject to the rules of the post-retirement medical scheme. These contributions are charged to the operating account when employees have rendered the service entitling them to the contribution.

The liability in respect of current pensioners is regarded as fully accrued, and is therefore not split between a past (or accrued) and future in-service element. The liability is recognised at the fair value of the obligation, together with adjustments for remeasurement, and past service costs.

Any unwinding of discount is charged to the statement of financial performance as an employee-related cost. Remeasurements are fully accounted for in the statement of financial performance in the year during which they occur. The projected unit credit method has been used to value the obligation.

SHORT-TERM AND LONG-TERM EMPLOYEE BENEFITS

The cost of all short-term employee benefits is recognised in the period during which the employee renders the related service. The City recognises the expected cost of performance bonuses only when the City has a present legal or constructive obligation to make such payment, and if a reliable estimate can be made.

The City provides long-service leave to eligible employees, payable on completion of years of employment. The City's liability is based on an actuarial valuation. Any unwinding of discount is charged to the statement of financial performance as an employee-related cost. Remeasurements on the long-term incentives are fully accounted for in the statement of financial performance. The projected unit credit method has been used to value the obligation.

FINANCIAL INSTRUMENTS

Financial instruments are recognised when the City becomes a party to the contractual provisions of the instrument, and are initially measured at fair value. In the case of a financial instrument not subsequently measured at fair value through the statement of financial performance, transaction costs that are directly attributable to the acquisition or issue of the instrument are added to or deducted from the fair value, as appropriate on initial recognition.

Standard of GRAP 108 on statutory receivables does not require disclosure of the risk associated with these transactions. In the absence of such a requirement, the City has based its disclosure on standard of GRAP 104, which deals with financial instruments. The risk exposure for these transactions is disclosed under a separate category, "Statutory assets", in note 1 to these financial statements.

NON-DERIVATIVE FINANCIAL ASSETS

The classification of financial assets depends on their nature and purpose, and is determined at the time of initial recognition.

Investments at fair value

Non-derivative investments held without the positive intent or ability to hold to maturity. Subsequent to initial recognition, all changes to fair value are recognised through the statement of financial performance.

Investments at amortised cost

Non-derivative investments with fixed or determinable payments and fixed maturity dates, which the City has the positive intent and ability to hold to maturity. Subsequent to initial recognition, such investments are measured at amortised cost using the effective interest method less any impairment.

Investments at cost

The City elected in its separate financial statements to account for its investments in controlled entities and associates as financial instruments.

Residual interests that do not have a quoted market price in an active market, and the fair value of which cannot be reliably measured. Subsequent to initial recognition, such investments are measured at cost less any impairment.

Financial assets other than those at fair value are assessed for indicators of impairment at the end of each reporting period. Impairment is considered when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. The impairment assessment is based on the difference between the carrying amount of the investment and the present value of the estimated future cash flows, discounted at the current market rate of return. In arriving at the estimated future cash flows, management made significant assumptions regarding future cash flows.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred, and the City has transferred substantially all risks and rewards of ownership, or when the enterprise loses control of contractual rights that comprise the assets.

NON-DERIVATIVE FINANCIAL LIABILITIES

After initial recognition, the City measures all financial liabilities, including payables, at amortised cost, using the effective interest rate method. Financial liabilities include borrowings, other non-current liabilities (excluding provisions) and payables. Interest-bearing external loans and bank overdrafts are recorded net of direct issue costs. Finance charges, including premiums payable, are accounted for on an accrual basis.

Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled, or when it expires.

DERIVATIVE FINANCIAL INSTRUMENTS

The City holds derivative financial instruments to hedge its foreign-currency risk exposures. Derivatives are initially measured at fair value; any directly attributable transaction costs are recognised in profit or loss, as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and any changes are recognised in profit or loss.

PAYABLES

Payables are initially measured at fair value plus transactional cost, and are subsequently measured at amortised cost, using the effective interest rate method.

RECEIVABLES

Receivables that arise from contractual rights are classified as contractual receivables, while receivables that arise from the operation of law are classified as statutory receivables.

Contractual receivables are initially recognised at fair value plus transactional cost, which approximates amortised cost.

Statutory receivables are initially measured at the transaction amount of the corresponding exchange or non-exchange revenue transaction, and are subsequently measured at cost. Property rates are charged in terms of the Local Government: Municipal Property Rates Act 6 of 2004, and city improvement district (CID) levies and traffic fines in terms of the municipal by-laws. The transaction amounts are based on approved tariff structures. Statutory receivables are derecognised when the rights to the cash flows are settled, transferred, expired or waived.

Included in the contractual receivables from exchange transactions, specifically water, refuse and sewerage, are receivables from availability charges that should be presented as contractual receivables from non-exchange receivables. The revenue related to these receivables has been correctly split between exchange and non-exchange service charges in note 19.

RECEIVABLES (continued)

A provision for impairment of receivables is established when there is objective evidence that the City will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision for impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Interest is charged on overdue amounts.

Bad debts are written off in the year during which they are identified as irrecoverable, subject to approval by the appropriate delegated authority.

Amounts receivable within 12 months from the date of reporting are classified as current.

BUDGET INFORMATION

The annual budget figures have been prepared in accordance with the GRAP standards on an accrual basis, and are consistent with the accounting policies adopted by Council for the preparation of these financial statements.

The budget amounts are presented as a separate additional financial statement, called the statement of comparison of budget and actual amounts. Explanatory comments on material differences are provided in the notes to the financial statements.

Comparative information is not required for, and has therefore not been presented in, the statement of comparison of budget and actual amounts.

REVENUE RECOGNITION

Revenue is recognised net of indirect taxes, rebates and trade discounts, and consists primarily of rates, grants from National Government and Western Cape Provincial Government ('Province'), service charges, rentals, interest received and other services rendered. Revenue is recognised when it is probable that future economic benefits or services potential will flow to the City, and when these benefits can be reliably measured. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount. Revenue arising from the application of the approved tariff charges is recognised when the relevant service is rendered, by applying the relevant authorised tariff. This includes the issuing of licences and permits.

REVENUE FROM EXCHANGE TRANSACTIONS

Exchange transactions are transactions in which the City receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another in exchange.

Service charges are levied in terms of the approved tariffs.

Credit meters are read on a periodic basis, and revenue is recognised providing that the benefits can be measured reliably. Estimates of consumption are made every other month based on consumption history. Such estimated consumption is recognised as income when invoiced, and adjusted upon subsequent actual meter readings. An accrual based on a determined consumption factor is made for consumption not measured as at the end of the financial year.

Electricity services provided on a prepayment basis are recognised at the point of sale. An adjustment for an unutilised portion is made at year-end, based on the average consumption history.

Income in respect of housing rental and instalment sale agreements is accrued monthly.

Interest earned on investments is recognised in the statement of financial performance on a time-proportionate basis, which takes into account the effective yield on the investment. Interest may be transferred from the accumulated surplus to the housing development fund or the insurance reserve.

Interest earned on the following investments is not recognised in the statement of financial performance:

- ✓ Interest earned on trust funds is allocated directly to the fund.
- ✓ Interest earned on unutilised conditional grants is allocated directly to the creditor "Unspent conditional grants and receipts" if the grant conditions indicate, or where management has determined, that interest is payable to the funder.

Income for agency services, where the City acts as an agent, is recognised monthly once the income collected on behalf of principals is earned. The income is recognised in terms of the agency agreement.

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- ✓ The City has transferred to the buyer the significant risks and rewards of ownership of the goods.
- ✓ The City retains neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.
- ✓ The amount of revenue can be reliably measured.
- ✓ It is probable that economic benefits or service potential will flow to the City.
- ✓ The costs incurred or to be incurred in respect of the transaction can be reliably measured.

REVENUE RECOGNITION (continued)

REVENUE FROM NON-EXCHANGE TRANSACTIONS

Non-exchange transactions are transactions where the City received revenue from another entity without giving approximately equal value in exchange.

Revenue from rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Interest on unpaid rates is recognised on a time-proportionate basis with reference to the principal amount receivable and interest rate applicable.

A composite rating system, charging different rate tariffs, is used. Rebates are granted to certain categories of ratepayers, and are deducted from revenue.

Revenue from traffic fines is recognised on the date of the offence.

Donations are recognised on a cash receipt basis or, where the donation is in the form of property, plant and equipment, when the risks or rewards of ownership have transferred to the City. Donations are measured at fair value.

Income from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Local Government: Municipal Finance Management Act 56 of 2003, and is recognised when recovered from the responsible party.

CONSTRUCTION CONTRACTS

ARRANGEMENTS UNDERTAKEN IN TERMS OF THE NATIONAL HOUSING PROGRAMME

In March 2021, the City received level-two accreditation under the National Housing Code for its participation in the National Housing Programme. This accreditation now means that the City serves as a project developer in terms of arrangements relating to the construction and transfer of houses to the beneficiaries of the National Housing Programme.

Grants received to implement the National Housing Programme are recognised as contract revenue.

Contract revenue comprises:

a) the initial amount of revenue agreed in the contract; and
b) variations in contract work, claims and incentive payments to the extent that:
   i) it is probable that they will result in revenue; and
   ii) they are capable of being reliably measured.

Contract revenue is measured at the fair value of the consideration received or receivable.

When the outcome of a construction contract can be estimated reliably, contract revenue is recognised as revenue based on the stage of completion of the contract activity at the reporting date. The stage of completion is assessed with reference to a review of work performed. Otherwise, contract revenue is recognised only to the extent of contract costs that have been incurred and are likely to be recoverable.

The outcome of a construction contract can be estimated reliably when all the following conditions are satisfied:

a) Total contract revenue, if any, can be measured reliably;
b) It is probable that the economic benefits or service potential associated with the contract will flow to the Entity;
c) Both the contract costs to complete the contract and the stage of contract completion at the reporting date can be measured reliably.
d) The contract costs attributable to the contract can be clearly identified and measured reliably so that actual contract costs incurred can be compared with prior estimates.

Costs incurred to implement the National Housing Programme are expensed as contract costs. Contract costs comprise:

a) costs that relate directly to the specific contract;
b) costs that are attributable to contract activity in general and can be allocated to the contract on a systematic and rational basis; and
c) such other costs as are specifically chargeable to the customer under the terms of the contract.

Contract costs include the costs attributable to a contract from the date of securing the contract up to its final completion. Costs that cannot be attributed to contract activity or be allocated to a contract are excluded from the costs of a construction contract. Such costs include:

a) general administration costs for which reimbursement is not specified in the contract;
b) selling costs;
c) research and development costs for which reimbursement is not specified in the contract; and
d) depreciation of idle plant and equipment that is not used on a particular contract.

As with contract revenue, contract costs are recognised as expenses when the outcome of a construction contract can be estimated reliably, based on the stage of completion of the contract activity at the reporting date.

CONSTRUCTION CONTRACTS (continued)

OTHER TRANSACTIONS RELATED TO HOUSING ARRANGEMENTS

Other transactions may also arise from the housing arrangements. These may fall within the ambit of GRAP 11: Construction Contracts, GRAP 9: Revenue from Exchange Transactions, GRAP 23: Revenue from Non-Exchange Transactions, or GRAP 109: Accounting by Principals and Agents.

- ✓ Income from grants pertaining to the planning and construction of civil services for a project is considered to be grants and subsidies in terms of GRAP 23: Revenue from Non-Exchange transactions.
- ✓ Receipts directly attributable to the administration of beneficiaries are accounted for under operational revenue as housing services rendered in terms of GRAP 9: Revenue from Exchange Transactions.
- ✓ Receipts to register the title deed in the name of the beneficiary are regarded as receipts and payments on behalf of the beneficiaries in terms of GRAP 109: Accounting by Principals and Agents, which implies that the City is regarded as an agent.

LEASES

THE CITY AS LESSEE

Operating leases are those where risks and rewards of ownership are not transferred to the lessee. Payments made under operating leases are charged to the statement of financial performance on a straight-line basis over the period of the lease.

THE CITY AS LESSOR

Rental income from operating leases is recognised on a straight-line basis over the term of the lease.

GRANTS-IN-AID

The City transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the City does not:

- ✓ receive any goods or services directly in return, as would be expected in a purchase or sale transaction;
- ✓ expect to be repaid in future; or
- ✓ expect a financial return, as would be expected from an investment.

These transfers are recognised in the statement of financial performance as expenses in the period during which the events giving rise to the transfer occurred.

BORROWING COSTS

Borrowing costs are recognised as an expense in the period during which they are incurred.

UNAUTHORISED, IRREGULAR, AND FRUITLESS AND WASTEFUL EXPENDITURE

Unauthorised, irregular, and fruitless and wasteful expenditure is accounted for as a capital or an operating expense in the financial statements and classified in accordance with the nature of the expense. Where recovered, it is subsequently accounted for as revenue.

The total amounts, nature and type of these expenses are disclosed in note 40.

SERVICES IN KIND

Services in kind are not recognised as revenue or assets, but the nature and type of major classes of services in- kind are disclosed in note 21.

RELATED PARTIES

A related party is a person or an entity with the ability to control the Entity either individually or jointly, or the ability to exercise significant influence over the City, or vice versa.

Management is regarded as a related party, and comprises the councillors, Executive Mayor, Executive Deputy Mayor, Mayoral Committee (Mayco) members, City Manager and executive directors.

SEGMENT REPORTING

BASIS FOR SEGMENTATION

The City is a complex metropolitan municipality with a wide variety of goods and services managed by various business units. Operations are structured to achieve optimum service delivery, and the city produces various reports in which its activities are presented in a number of ways.

Segments are identified based on the Municipal Finance Management Act section 71 monthly budget statements, which executive management and Council review to make strategic decisions and monitor segment performance. The disclosure of information about segments in the budget statements is organised around the type of service delivered, and is presented in a standardised format. As such, it is considered appropriate for external reporting purposes to achieve the objectives of GRAP 18.

SEGMENT REPORTING (continued)

BASIS FOR SEGMENTATION (CONTINUED)

Segments are aggregated for reporting purposes where management considers the economic characteristics and nature of services as sufficiently similar to warrant aggregation. The components of each aggregated segment are explained under the description of segment operations.

Reportable segments are identified based on activities of the City that generate economic benefits or service potential, including internal services that contribute to achieving the City's objectives without necessarily generating net cash inflows.

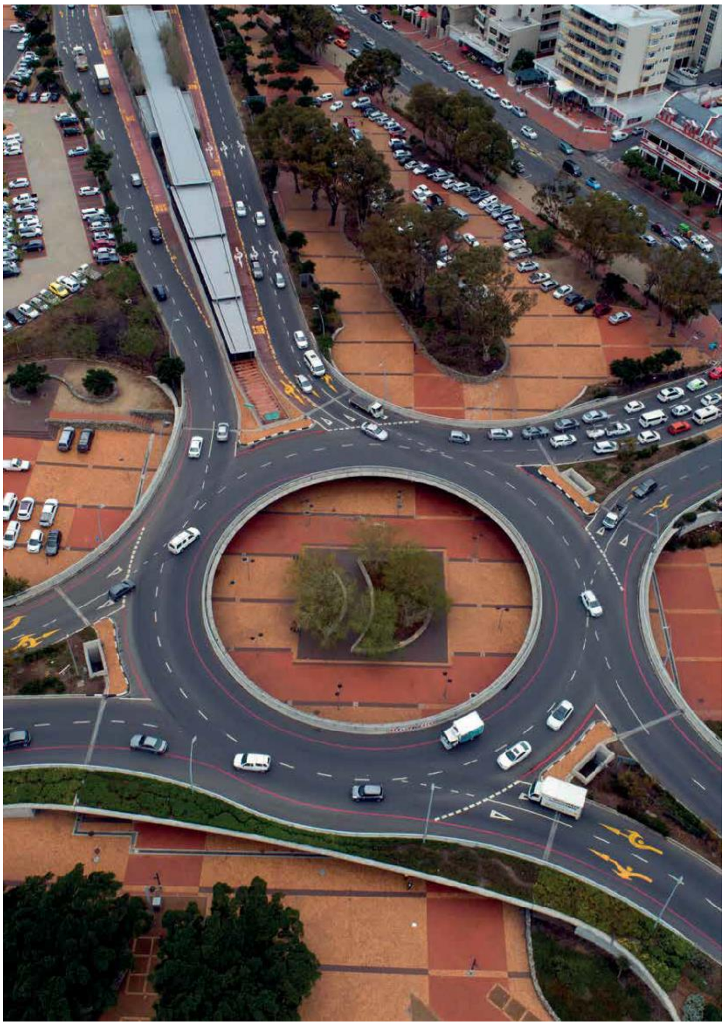
ACCOUNTING POLICY AND MEASUREMENT BASIS

The accounting policies of the reportable segments are the same as the City's accounting policies.

Inter-segment pricing is determined on an arm's-length basis, similar to transactions with third parties. Inter-segment revenues are eliminated upon consolidation and reflected in the "Inter-segment offsetting" column of the segment report.

GEOGRAPHIC INFORMATION

All the City's operations are located in the Republic of South Africa, in the Cape Town area. Information to report on different geographic areas is not available, and the cost to develop this functionality would be excessive.



STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	Note	2024	2023
ASSETS			
Non-current assets		**70 371 869**	**66 030 087**
Property, plant and equipment	2	64 728 478	58 990 950
Heritage assets	3	10 340	10 268
Investment property	4	574 392	576 106
Intangible assets	5	835 011	733 844
Investments	6	4 223 415	5 718 223
Long-term receivables	7	233	696
Current assets		**21 281 622**	**20 416 991**
Inventory	8	477 648	483 155
Receivables	9	8 053 642	7 400 919
From non-exchange transactions		3 119 340	3 237 826
From exchange transactions		4 934 302	4 163 093
Investments	6	5 260 680	4 375 085
Value-added tax	10	201 872	46 439
Current portion of long-term receivables	7	205	612
Cash and cash equivalents	11	7 287 575	8 110 781
TOTAL ASSETS		**91 653 491**	**86 447 078**
LIABILITIES			
Non-current liabilities		**10 400 311**	**12 244 597**
Borrowings	12	4 093 807	5 630 840
Provisions	14	6 306 504	6 613 757
Current liabilities		**13 972 147**	**12 478 340**
Deposits	15	455 050	439 733
Provisions	14	1 845 184	1 709 921
Payables from exchange transactions	16	8 235 199	7 783 114
Unspent conditional grants and receipts	17	833 187	826 752
Current portion of borrowings	12	2 603 527	1 718 820
TOTAL LIABILITIES		**24 372 458**	**24 722 937**
NET ASSETS			
Total net assets		**67 281 033**	**61 724 141**
Housing development fund	18	278 974	307 275
Reserves		4 396 362	4 689 354
Accumulated surplus		62 605 697	56 727 512
TOTAL NET ASSETS AND LIABILITIES		**91 653 491**	**86 447 078**

AUDITOR-GENERAL SOUTH AFRICA

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STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	Note	2024	2023
REVENUE			
Exchange revenue		**32 619 581**	**27 276 051**
Service charges	19	29 312 992	24 295 205
Rental of letting stock and facilities		465 769	420 355
Finance income	20	1 902 872	1 735 432
Licences and permits		43 613	41 517
Agency services		278 170	276 684
Other income	21	463 250	420 167
Gains on disposal of property, plant and equipment		152 915	86 691
Non-exchange revenue		**26 337 297**	**24 815 052**
Service charges	19	42 379	50 856
Finance income	20	137 912	124 173
Other income	21	365 552	409 696
Property rates	22	11 986 459	11 245 429
Fuel levy		2 639 290	2 666 726
Fines, penalties and forfeits		1 910 360	1 984 419
Government grants and subsidies	23	8 774 667	7 990 614
Construction contracts	24	261 227	284 904
Public contributions	25	219 451	58 235
TOTAL REVENUE		**58 956 878**	**52 091 103**
EXPENDITURE			
Employee-related costs	26	17 107 335	15 260 879
Remuneration of councillors	38.2.2.1	173 249	166 895
Impairment	27	2 900 067	3 040 034
Collection costs		285 373	203 676
Depreciation and amortisation[2]	2,4,5	3 464 793	3 241 058
Finance costs	28	828 707	768 944
Bulk purchases[1]	29	14 078 064	11 959 379
Contracted services	30	3 446 135	3 183 339
Grants and subsidies paid		329 204	348 248
General expenses[1]	31	10 778 817	10 210 647
Losses on disposal of property, plant and equipment		8 242	4 564
TOTAL EXPENDITURE		**53 399 986**	**48 387 663**
NET SURPLUS FROM OPERATIONS		**5 556 892**	**3 703 440**

[1]*See notes 29 and 31 for more details.*

[2]*See annexure B for more details.*

AUDITOR-GENERAL SOUTH AFRICA

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STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	Housing development fund	Capital replacement reserve	Insurance reserves	Accumulated surplus	Total
2023					
Balance as at 1 July 2022	**312 820**	**4 434 807**	**633 188**	**52 639 886**	**58 020 701**
Surplus for the year	-	-	-	3 703 440	3 703 440
Transfer to/(from)	1 804	808 408	(18 114)	(792 098)	-
Property, plant and equipment purchased	(7 349)	(1 168 935)	-	1 176 284	-
Balance as at 30 June 2023	**307 275**	**4 074 280**	**615 074**	**56 727 512**	**61 724 141**
2024					
Surplus for the year	-	-	-	5 556 892	5 556 892
Transfer (from)/to	(25 270)	944 370	(47 430)	(871 670)	-
Property, plant and equipment purchased	(3 031)	(1 189 932)	-	1 192 963	-
Balance as at 30 June 2024	**278 974**	**3 828 718**	**567 644**	**62 605 697**	**67 281 033**

AUDITOR-GENERAL SOUTH AFRICA

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CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	Note	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other		53 289 675	46 603 682
Cash paid to suppliers and employees		(46 648 741)	(41 639 854)
Cash generated from operations	32	6 640 934	4 963 828
Finance income	32	1 992 741	1 817 833
Finance costs	32	(733 304)	(673 596)
NET CASH FROM OPERATING ACTIVITIES		**7 900 371**	**6 108 065**
CASH FLOW FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment and other		(8 824 051)	(6 671 739)
Proceeds on disposal of assets		186 319	133 778
Decrease in long-term receivables		1 013	5 974
Decrease/(increase) in investments		616 688	(518 278)
NET CASH FROM INVESTING ACTIVITIES		**(8 020 031)**	**(7 050 265)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings	12	1 000 000	2 116 000
Repayment of borrowings		(1 685 895)	(1 358 162)
Capitalisation of borrowing costs		(17 651)	-
NET CASH FROM FINANCING ACTIVITIES		**(703 546)**	**757 838**
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(823 206)**	**(184 362)**
Cash and cash equivalents at the beginning of the year		8 110 781	8 295 143
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	11	**7 287 575**	**8 110 781**

AUDITOR-GENERAL SOUTH AFRICA
11/12/2024

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	Note	Approved budget 37.1	Virements 37.2	Final budget 37.1	Actual per annual financial statements classification 37.3	Classification differences 37.4.1	Recognition differences 37.4.2	Actual per budget classification	Variance: Final budget and actual amounts	Actual per budget as a % of final budget amount
STATEMENT OF FINANCIAL POSITION	37.5.1									
Total non-current assets		72 570 353	-	72 570 353	70 371 869	-	-	70 371 869	2 198 484	96,97
Total current assets		20 832 562	-	20 832 562	21 281 622	-	-	21 281 622	(449 060)	102,16
TOTAL ASSETS		**93 402 915**	**-**	**93 402 915**	**91 653 491**	**-**	**-**	**91 653 491**	**1 749 424**	**98,13**
Total non-current liabilities	i	14 128 646	-	14 128 646	10 400 311	-	-	10 400 311	3 728 335	73,61
Total current liabilities		15 040 538	-	15 040 538	13 972 147	-	-	13 972 147	1 068 391	92,90
TOTAL LIABILITIES		**29 169 184**	**-**	**29 169 184**	**24 372 458**	**-**	**-**	**24 372 458**	**4 796 726**	**83,56**
Total net assets		64 233 731	-	64 233 731	67 281 033	-	-	67 281 033	(3 047 302)	104,74
TOTAL NET ASSETS AND LIABILITIES		**93 402 915**	**-**	**93 402 915**	**91 653 491**	**-**	**-**	**91 653 491**	**1 749 424**	**98,13**
FINANCIAL PERFORMANCE	37.5.2									
Property rates		11 857 238	-	11 857 238	11 986 459	-	-	11 986 459	(129 221)	101,09
Service charges		27 968 145	-	27 968 145	29 355 371	(805 026)	-	28 550 345	(582 200)	102,08
Investment revenue	i	1 369 275	-	1 369 275	2 040 784	(461 938)	-	1 578 846	(209 571)	115,31
Transfers recognised - operational		6 765 143	-	6 765 143	6 515 305	204 474	-	6 719 779	45 364	99,33
Other own revenue		12 237 218	-	12 237 218	6 318 919	6 317 527	-	12 636 446	(399 228)	103,26
Total revenue (excluding capital transfers and contributions)		**60 197 019**	**-**	**60 197 019**	**56 216 838**	**5 255 037**	**-**	**61 471 875**	**(1 274 856)**	**102,12**
Employee costs		18 396 070	(31 310)	18 364 760	17 107 335	279	-	17 107 614	1 257 146	93,15
Remuneration of councillors		190 784	1 064	191 848	173 249	9 781	-	183 030	8 818	95,40
Debt impairment		2 923 730	-	2 923 730	2 900 067	(30 997)	-	2 869 070	54 660	98,13
Depreciation and asset impairment		3 549 360	-	3 549 360	3 464 793	30 995	-	3 495 788	53 572	98,49
Finance charges		900 201	(38 990)	861 211	828 707	1 265	-	829 972	31 239	96,37
Materials and bulk purchases		20 735 215	(46 853)	20 688 362	14 078 064	6 515 273	-	20 593 337	95 025	99,54
Transfers and grants		400 894	(6 565)	394 329	329 204	30 614	-	359 818	34 511	91,25
Other expenditure		13 481 253	122 654	13 603 907	14 518 567	(1 506 548)	-	13 012 019	591 888	95,65
Total expenditure		**60 577 507**	**-**	**60 577 507**	**53 399 986**	**5 050 662**	**-**	**58 450 648**	**2 126 859**	**96,49**
Surplus		**(380 488)**	**-**	**(380 488)**	**2 816 852**	**204 375**	**-**	**3 021 227**	**(3 401 715)**	
Transfers recognised - capital	ii	2 890 078	-	2 890 078	2 520 589	14 959	-	2 535 548	354 530	87,73
Contributions recognised - capital and contributed assets		-	-	-	219 451	(219 334)	-	117	(117)	
Surplus after capital transfers and contributions		**2 509 590**	**-**	**2 509 590**	**5 556 892**	**-**	**-**	**5 556 892**	**(3 047 302)**	

AUDITOR-GENERAL SOUTH AFRICA

11/12/2024

All amounts indicated in Rand thousands (R'000)

	Note	Approved budget 37.1	Virements 37.2	Final budget 37.1	Actual per annual financial statements classification 37.3	Classification differences 37.4.1	Recognition differences 37.4.2	Actual per budget classification	Variance: Final budget and actual amounts	Actual per budget as a % of final budget amount
CASH FLOW STATEMENT	37.5.3									
Net cash from operating	i	6 092 065	-	6 092 065	7 900 371	(15 317)	-	7 885 054	(1 792 989)	129,43
Net cash from investing	ii	(10 243 571)	-	(10 243 571)	(8 020 031)	-	-	(8 020 031)	(2 223 540)	78,29
Net cash from financing	iii	1 844 114	-	1 844 114	(703 546)	15 317	-	(688 229)	2 532 343	(37,32)
Net decrease in cash and cash equivalents		**(2 307 392)**	**-**	**(2 307 392)**	**(823 206)**	**-**	**-**	**(823 206)**	**(1 484 186)**	**35,68**
Cash/cash equivalents at year-end		**5 803 389**	**-**	**5 803 389**	**7 287 575**	**-**	**-**	**7 287 575**	**(1 484 186)**	**125,57**
CAPITAL EXPENDITURE	37.6									
Community Services and Health	i	422 549	-	422 549	368 520	-	(77)	368 443	(54 106)	87,20
Corporate Services	ii	689 175	-	689 175	642 156	-	-	642 156	(47 019)	93,18
Economic Growth	iii	93 615	-	93 615	77 008	-	-	77 008	(16 607)	82,26
Energy	iv	1 218 331	-	1 218 331	1 109 601	-	-	1 109 601	(108 730)	91,08
Finance		64 824	-	64 824	64 131	-	-	64 131	(693)	98,93
Future Planning and Resilience		20 218	-	20 218	19 973	-	-	19 973	(245)	98,79
Human Settlements		985 447	-	985 447	959 185	-	-	959 185	(26 262)	97,34
Office of the City Manager		6 395	-	6 395	6 322	-	-	6 322	(73)	98,86
Safety and Security		447 865	-	447 865	444 415	-	(40)	444 375	(3 490)	99,22
Spatial Planning and Environment	v	313 868	-	313 868	252 541	-	-	252 541	(61 327)	80,46
Urban Mobility	vi	1 877 301	-	1 877 301	1 552 346	-	-	1 552 346	(324 955)	82,69
Urban Waste Management	vii	732 579	-	732 579	578 714	-	13 703	592 417	(140 162)	80,87
Water and Sanitation	viii	4 455 614	-	4 455 614	3 315 859	-	-	3 315 859	(1 139 755)	74,42
TOTAL		**11 327 781**	**-**	**11 327 781**	**9 390 771**	**-**	**13 586**	**9 404 357**	**(1 923 424)**	**83,02**

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SEGMENT REPORT

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	2024								
	Water management	Waste water management	Waste management	Energy sources	Municipal governance and administration	Community and public safety	Economic and environmental services	Inter-segment offsetting	TOTAL
STATEMENT OF FINANCIAL POSITION									
ASSETS									
Non-current assets	7 331 842	9 264 150	2 107 322	11 344 688	12 857 466	10 609 571	16 856 830	-	**70 371 869**
Current assets	1 135 205	633 078	257 424	2 209 147	16 369 408	582 624	94 736	-	**21 281 622**
TOTAL ASSETS	**8 467 047**	**9 897 228**	**2 364 746**	**13 553 835**	**29 226 874**	**11 192 195**	**16 951 566**	**-**	**91 653 491**
LIABILITIES									
Non-current liabilities	479 468	213 025	828 051	581 582	7 253 300	763 260	281 625	-	**10 400 311**
Current liabilities	2 197 349	2 684 601	267 344	3 070 902	3 237 991	998 705	1 515 255	-	**13 972 147**
TOTAL LIABILITIES	**2 676 817**	**2 897 626**	**1 095 395**	**3 652 484**	**10 491 291**	**1 761 965**	**1 796 880**	**-**	**24 372 458**
ADDITIONS TO PPE AND OTHER ASSETS	**794 788**	**2 316 039**	**298 597**	**1 064 402**	**1 490 117**	**1 530 043**	**1 896 785**	**-**	**9 390 771**
STATEMENT OF FINANCIAL PERFORMANCE									
REVENUE									
Exchange revenue	**5 047 125**	**2 509 014**	**1 431 322**	**20 106 906**	**2 494 052**	**394 609**	**636 553**	**-**	**32 619 581**
Service charges	4 876 513	2 407 433	1 373 833	19 948 138	159 440	79 418	468 217	-	**29 312 992**
Rental of letting stock and facilities	264	23	-	29	243 139	221 414	900	-	**465 769**
Finance income	161 542	62 208	40 037	36 059	1 582 691	5 244	15 091	-	**1 902 872**
Licences and permits	-	-	-	-	(22)	591	43 044	-	**43 613**
Income from agency services	-	-	-	-	264 128	14 042	-	-	**278 170**
Other income	8 565	39 321	17 404	120 206	113 617	56 442	107 695	-	**463 250**
Gains on disposal of PPE	241	29	48	2 474	131 059	17 458	1 606	-	**152 915**
Non-exchange revenue	**527 580**	**1 170 327**	**616 311**	**373 383**	**17 264 367**	**4 160 296**	**2 225 033**	**-**	**26 337 297**
Service charges	14 759	16 400	11 220	-	-	-	-	-	**42 379**
Finance income	-	-	-	-	137 912	-	-	-	**137 912**
Other income	-	-	-	-	100	-	365 452	-	**365 552**
Property rates	-	-	-	-	11 986 459	-	-	-	**11 986 459**
Fuel levy	-	-	-	-	2 639 290	-	-	-	**2 639 290**
Fines	1 897	611	9 051	830	6 212	1 879 426	12 333	-	**1 910 360**
Government grants and subsidies	510 924	1 150 294	596 040	372 553	2 490 535	2 009 468	1 644 853	-	**8 774 667**
Construction contracts	-	-	-	-	-	261 227	-	-	**261 227**
Public contributions	-	3 022	-	-	3 859	10 175	202 395	-	**219 451**
Inter-segment revenue	**457 478**	**1 980 755**	**2 859 074**	**885 162**	**4 357 433**	**41 916**	**3 731**	**(10 585 549)**	**-**
TOTAL REVENUE	**6 032 183**	**5 660 096**	**4 906 707**	**21 365 451**	**24 115 852**	**4 596 821**	**2 865 317**	**(10 585 549)**	**58 956 878**
EXPENDITURE	**3 797 683**	**3 248 994**	**2 856 284**	**16 706 825**	**10 590 937**	**9 948 368**	**6 250 895**	**-**	**53 399 986**
Employee-related costs	1 693 702	883 830	1 161 693	1 276 026	4 719 105	5 409 447	1 963 532	-	**17 107 335**
Remuneration of councillors	-	-	-	-	173 249	-	-	-	**173 249**
Impairment	532 383	195 421	117 609	127 198	466 496	1 449 736	11 224	-	**2 900 067**
Collection costs	5 441	2 286	2 059	-	186 590	88 997	-	-	**285 373**
Depreciation and amortisation expense	277 526	298 932	90 766	445 700	947 327	601 205	803 337	-	**3 464 793**
Finance costs	-	-	44 183	-	784 524	-	-	-	**828 707**
Bulk purchases	136 678	-	-	13 941 386	-	-	-	-	**14 078 064**
Contracted services	109 248	827 259	757 541	228 663	150 127	139 619	1 233 678	-	**3 446 135**
Grants and subsidies paid	27 767	450	-	1 900	164 172	33 196	101 719	-	**329 204**
General expenses	1 013 928	1 040 807	682 424	685 452	2 995 777	2 223 202	2 137 227	-	**10 778 817**
Loss on disposal of PPE	1 010	9	9	500	3 570	2 966	178	-	**8 242**
Inter-segment expenses	**504 952**	**2 388 301**	**812 088**	**2 970 358**	**2 973 657**	**748 427**	**187 766**	**(10 585 549)**	**-**
TOTAL EXPENDITURE	**4 302 635**	**5 637 295**	**3 668 372**	**19 677 183**	**13 564 594**	**10 696 795**	**6 438 661**	**(10 585 549)**	**53 399 986**
NET SURPLUS FROM OPERATIONS	**1 729 548**	**22 801**	**1 238 335**	**1 688 268**	**10 551 258**	**(6 099 974)**	**(3 573 344)**	**-**	**5 556 892**

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FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	2023								
	Water management	Waste water management	Waste management	Energy sources	Municipal governance and administration	Community and public safety	Economic and environmental services	Inter-segment offsetting	TOTAL
STATEMENT OF FINANCIAL POSITION									
ASSETS									
Non-current assets	6 699 107	7 319 377	1 900 095	10 692 781	13 713 973	9 909 749	15 795 005	-	**66 030 087**
Current assets	1 037 447	479 029	287 523	1 799 821	16 332 077	375 562	105 532	-	**20 416 991**
TOTAL ASSETS	**7 736 554**	**7 798 406**	**2 187 618**	**12 492 602**	**30 046 050**	**10 285 311**	**15 900 537**	**-**	**86 447 078**
LIABILITIES									
Non-current liabilities	194 378	104 279	880 184	603 959	9 299 879	857 674	304 244	-	**12 244 597**
Current liabilities	2 004 210	2 242 011	202 656	2 905 869	2 715 279	1 010 876	1 397 439	-	**12 478 340**
TOTAL LIABILITIES	**2 198 588**	**2 346 290**	**1 082 840**	**3 509 828**	**12 015 158**	**1 868 550**	**1 701 683**	**-**	**24 722 937**
ADDITIONS TO PPE AND OTHER ASSETS	**710 922**	**1 060 185**	**368 262**	**1 003 581**	**1 319 810**	**1 236 733**	**1 259 563**	**-**	**6 959 056**
STATEMENT OF FINANCIAL PERFORMANCE									
REVENUE									
Exchange revenue	**4 163 404**	**2 113 418**	**1 349 044**	**16 563 694**	**2 139 143**	**355 157**	**592 191**	**-**	**27 276 051**
Service charges	4 009 107	2 018 816	1 296 223	16 389 724	85 824	67 253	428 258	-	**24 295 205**
Rental of letting stock and facilities	207	24	-	27	215 948	203 367	782	-	**420 355**
Finance income	145 923	54 918	37 805	32 680	1 444 816	4 118	15 172	-	**1 735 432**
Licences and permits	-	-	-	-	7	296	41 214	-	**41 517**
Income from agency services	-	-	-	-	262 347	14 337	-	-	**276 684**
Other income	7 786	39 584	14 981	139 148	48 481	64 289	105 898	-	**420 167**
Gains on disposal of PPE	381	76	35	2 115	81 720	1 497	867	-	**86 691**
Non-exchange revenue	**428 877**	**1 117 697**	**557 905**	**316 153**	**16 334 049**	**4 275 009**	**1 785 362**	**-**	**24 815 052**
Service charges	18 301	18 473	14 081	-	-	-	1	-	**50 856**
Finance income	-	-	-	-	124 173	-	-	-	**124 173**
Other income	-	-	-	-	93 515	-	316 181	-	**409 696**
Property rates	-	-	-	-	11 245 429	-	-	-	**11 245 429**
Fuel levy	-	-	-	-	2 666 726	-	-	-	**2 666 726**
Fines	80	4	157	10	1 158	1 974 236	8 774	-	**1 984 419**
Government grants and subsidies	410 496	1 099 220	543 667	316 143	2 202 436	2 007 237	1 411 415	-	**7 990 614**
Construction contracts	-	-	-	-	-	284 904	-	-	**284 904**
Public contributions	-	-	-	-	612	8 632	48 991	-	**58 235**
Inter-segment revenue	**427 986**	**1 611 190**	**2 600 239**	**724 779**	**3 269 431**	**31 099**	**14 125**	**(8 678 849)**	**-**
TOTAL REVENUE	**5 020 267**	**4 842 305**	**4 507 188**	**17 604 626**	**21 742 623**	**4 661 265**	**2 391 678**	**(8 678 849)**	**52 091 103**
EXPENDITURE	**3 180 923**	**2 744 692**	**2 785 202**	**14 445 462**	**9 704 203**	**9 929 742**	**5 597 439**	**-**	**48 387 663**
Employee-related costs	1 204 115	687 114	1 069 292	1 114 654	4 464 164	4 981 098	1 740 442	-	**15 260 879**
Remuneration of councillors	-	-	-	-	166 895	-	-	-	**166 895**
Impairment	383 747	107 743	108 513	296 398	246 392	1 881 851	15 390	-	**3 040 034**
Collection costs	2 495	1 045	922	-	144 806	54 408	-	-	**203 676**
Depreciation and amortisation expense	263 652	247 101	78 694	416 082	848 791	634 467	752 271	-	**3 241 058**
Finance costs	-	-	57 196	-	711 748	-	-	-	**768 944**
Bulk purchases[1]	147 220	-	-	11 812 159	-	-	-	-	**11 959 379**
Contracted services	89 660	704 276	766 536	205 500	137 762	124 451	1 155 154	-	**3 183 339**
Grants and subsidies paid	27 324	450	-	2 350	169 622	33 196	115 306	-	**348 248**
General expenses[1]	1 062 615	996 948	704 027	597 995	2 811 563	2 218 669	1 818 830	-	**10 210 647**
Loss on disposal of PPE	95	15	22	324	2 460	1 602	46	-	**4 564**
Inter-segment expenses	**351 210**	**1 822 520**	**701 007**	**2 454 052**	**2 571 118**	**651 534**	**127 408**	**(8 678 849)**	**-**
TOTAL EXPENDITURE	**3 532 133**	**4 567 212**	**3 486 209**	**16 899 514**	**12 275 321**	**10 581 276**	**5 724 847**	**(8 678 849)**	**48 387 663**
NET SURPLUS FROM OPERATIONS	**1 488 134**	**275 093**	**1 020 979**	**705 112**	**9 467 302**	**(5 920 011)**	**(3 333 169)**	**-**	**3 703 440**

[1]*See notes 29 and 31 for more details.*

DESCRIPTION OF SEGMENTS AND PRINCIPAL ACTIVITIES

The following summary describes the principal activities and operations of each reportable segment.

REPORTABLE SEGMENTS	PRINCIPAL ACTIVITIES AND OPERATIONS
Water management	Providing residents, business and industry with clean, safe and reliable drinking water. This entails many diverse activities, from the management of water catchment areas and water storage, to distribution.
Wastewater management	Treating wastewater and safely disposing of it back into the environment.
Waste management	Collecting and disposing of waste in a safe manner, as required by legislation. Ensuring the general cleanliness of the city's streets, public spaces, beaches and rivers.
Energy sources	Distributing electricity to residential, commercial and industrial customers in Cape Town, and providing the link between Eskom and electricity consumers. Constructing and maintaining the equipment that transforms the power supply for consumers' needs.
Municipal governance and administration	All aspects of governance and the centralised financial administration of the City. Various transactions are managed and administered centrally.
Community and public safety	Community and social services, sport and recreation facilities, crime prevention, traffic enforcement, public housing and health. These activities are performed by various departments with aligned objectives.
Economic and environmental services	Urban planning and development, transport, road maintenance and environmental protection. These activities are performed by various departments with aligned objectives.

CENTRALLY INCURRED ASSETS, LIABILITIES, REVENUE AND EXPENDITURE

Value-added tax (VAT), cash, investments, borrowings and unspent grants have not been allocated to individual segments, as these are managed centrally by the City's Treasury Department. Similarly, external interest relating to cash, investments or borrowings is not allocated to individual segments. All these items are allocated to the "Municipal governance and administration" segment.

All amounts indicated in Rand thousands (R'000)

1. FINANCIAL RISK MANAGEMENT

Exposure to currency, interest rate, liquidity and credit risk arises in the normal course of the City's operations. This note presents information about the City's exposure to each of the above risks, the policies and processes for measuring and managing risk, as well as the City's management of capital. Further quantitative disclosures are included throughout these financial statements.

The accounting policy for financial instruments was applied to the following statement of financial position items:

	Amortised cost	Fair value	Cost	Total carrying amount	Fair value
2024					
Financial assets					
Investments	2 145 941	7 010 219	327 935	9 484 095	9 503 541
Long-term receivables	438	-	-	438	438
Contractual receivables	4 408 581	-	-	4 408 581	4 408 581
Cash and cash equivalents	5 636 287	1 651 288	-	7 287 575	7 287 575
TOTAL	**12 191 247**	**8 661 507**	**327 935**	**21 180 689**	**21 200 135**
Statutory assets					
Receivables	**3 199 138**	**-**	**-**	**3 199 138**	**3 199 138**
2023					
Financial assets					
Investments	2 965 088	6 800 285	327 935	10 093 308	10 064 250
Long-term receivables	1 308	-	-	1 308	1 308
Contractual receivables[1]	3 886 117	-	-	3 886 117	3 886 117
Cash and cash equivalents	7 015 649	1 095 132	-	8 110 781	8 110 781
TOTAL	**13 868 162**	**7 895 417**	**327 935**	**22 091 514**	**22 062 456**
Statutory assets					
Receivables[1]	**3 386 284**	**-**	**-**	**3 386 284**	**3 386 284**

[1] Comparitive: The VAT refund is classified as a statutory receivable, as a result the comparative amount of R169,31 million was reclassified from contractual to statutory.

	Amortised cost	Total carrying amount	Fair value
2024			
Non-derivative financial liabilities			
Borrowings	6 697 334	6 697 334	6 608 708
Payables	6 947 877	6 947 877	6 947 877
TOTAL	**13 645 211**	**13 645 211**	**13 556 585**
Derivative financial liabilities			
Forward exchange contracts	**4 247**	**4 247**	**4 247**
2023			
Non-derivative financial liabilities			
Borrowings	7 349 660	7 349 660	7 288 882
Payables	6 250 815	6 250 815	6 250 815
TOTAL	**13 600 475**	**13 600 475**	**13 539 697**
Derivative financial liabilities			
Forward exchange contracts	-	-	-

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All amounts indicated in Rand thousands (R'000)

1. FINANCIAL RISK MANAGEMENT (continued)

1.1 FAIR VALUES

The table below analyses financial instruments carried at fair value at the end of the reporting period, by level of fair-value hierarchy. The different levels are based on the extent to which quoted prices are used in the calculation of the fair value of the financial instruments, and have been defined as follows:

Level 1: Fair values are based on quoted market prices (unadjusted) in active markets for an identical instrument.

Level 2: Fair values are calculated using valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Fair values are based on valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data, and the unobservable inputs have a significant effect on the instrument's valuation. Also, this category includes instruments that are valued based on quoted prices for similar instruments, where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

	Level 1	Level 2	Level 3	Total
2024				
Financial assets				
Investments	2 542 338	4 467 881	-	7 010 219
Cash and cash equivalents	-	1 651 288	-	1 651 288
TOTAL	**2 542 338**	**6 119 169**	**-**	**8 661 507**
Financial liabilities				
Borrowings	**6 697 334**	**-**	**-**	**6 697 334**
Derivative financial liabilities				
Forward exchange contracts	**4 247**	**-**	**-**	**4 247**
2023				
Financial assets				
Investments	2 549 121	4 251 164	-	6 800 285
Cash and cash equivalents	-	1 095 132	-	1 095 132
TOTAL	**2 549 121**	**5 346 296**	**-**	**7 895 417**
Financial liabilities				
Borrowings	**7 349 660**	**-**	**-**	**7 349 660**
Derivative financial liabilities				
Forward exchange contracts	**-**	**-**	**-**	**-**

1.2 LIQUIDITY RISK

Liquidity risk is the risk of the City not being able to meet its obligations as they fall due. The City's approach to managing liquidity risk is to ensure that sufficient cash is available to meet its expected operating expenses and liabilities when due, without incurring unacceptable losses or risking damage to the City's reputation. This is achieved by using cash flow forecasts.

The following are contractual liabilities of which interest is included in borrowings:

	Up to 1 year	1-5 years	>5 years	Total
2024				
Non-derivative financial liabilities	**10 227 338**	**3 149 370**	**3 397 143**	**16 773 851**
Borrowings	3 279 461	3 149 370	3 397 143	9 825 974
Capital repayments	2 603 527	1 819 203	2 274 604	6 697 334
Interest	675 934	1 330 167	1 122 539	3 128 640
Payables	6 947 877	-	-	6 947 877
Derivative liabilities	4 247	-	-	4 247
Forward exchange contracts	4 247	-	-	4 247
TOTAL	**10 231 585**	**3 149 370**	**3 397 143**	**16 778 098**

All amounts indicated in Rand thousands (R'000)

1. FINANCIAL RISK MANAGEMENT (continued)

1.3 CREDIT RISK

Credit risk is the risk of financial loss to the City if customers or counterparties to financial instruments fail to meet their contractual obligations, and arises principally from the City's investments, receivables, and cash and cash equivalents.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at 30 June was as follows:

	2024	2023
Financial assets	**20 852 754**	**21 763 579**
Investments	9 156 160	9 765 373
Long-term receivables – see note 7	438	1 308
Contractual receivables[1]	4 408 581	3 886 117
Cash and cash equivalents	7 287 575	8 110 781
Statutory assets		
Receivables[1]	3 199 138	3 386 284
TOTAL	**24 051 892**	**25 149 863**

[1] Comparitive: The VAT refund is classified as a statutory receivable, as a result the comparative amount of R169,31 million was reclassified from contractual to statutory.

Investments, and cash and cash equivalents

The City limits its exposure to credit risk by investing with only reputable financial institutions that have a sound credit rating, and within specific guidelines set in accordance with Council's approved investment policy. Consequently, the City does not consider there to be any significant exposure to credit risk.

Long-term receivables

Loans were granted and are managed in accordance with policies and regulations as set out in note 7. The associated interest rates and repayments are clearly defined and, where appropriate, the City obtains certain suitable forms of security when granting loans. Allowances for impairment are made in certain instances. No further loans have been awarded.

Receivables

Receivables are amounts owing by consumers, and are presented net of impairment losses. The City has a credit risk policy in place, and the exposure to credit risk is monitored on an ongoing basis. The City is compelled in terms of its constitutional mandate to provide all its residents with basic minimum services, without recourse to an assessment of creditworthiness. The objectives, policies and processes for managing and measuring the City's risk during the year in review have remained stable. The City's strategy for managing risk is inherent in its credit control and debt collection as well as tariff policy measures, which include encouraging residents to install prepaid electricity meters. In certain instances, a deposit is required for new service connections.

The City's maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial position. The City has no significant concentration of credit risk, with exposure spread over multiple consumers and not concentrated in any particular sector or geographic area. The City establishes an allowance for impairment that represents its estimate of anticipated losses in respect of receivables. The outstanding amounts of the ten largest debtors represent R276,40 million (2023: R238,42 million). The average credit period on services rendered is 30 days from date of invoice. Interest is raised at prime plus 1% on any unpaid accounts after the due date. Receivables are provided for based on estimated irrecoverable amounts, as explained in the accounting policy. Additional information relating to the analysis of receivables is given in note 9.

Payments on accounts of debtors who are unable to pay due to an adverse change in their circumstances are renegotiated as part of an ongoing customer relationship. Traffic fines can be disputed in writing, which can lead to a renegotiated fine.

1.4 CAPITAL MANAGEMENT

The primary objective of managing the City's capital is to ensure that there is sufficient cash available to support the City's funding requirements, including capital expenditure, so that the City remains financially sound. This is done by means of the following key ratios:

- **Cost coverage ratio**, which is used to calculate the City's ability to meet its monthly operating commitments from cash and short-term investments without collecting any additional revenue, during that month
- **Net-debt-to-income ratio**, which is used to determine the affordability of total borrowings to be funded from operating revenue

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All amounts indicated in Rand thousands (R'000)

1. FINANCIAL RISK MANAGEMENT (continued)

1.5 PRICE RISK

The City is exposed to price risk because of investments held by the City and classified as financial instruments carried at fair value. The City is not exposed to commodity price risk. To manage its price risk arising from investments, the City diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the City. The exposure to price risk is not material to the City and, consequently, is not elaborated on any further.

1.6 MARKET RISK

Market risk is the risk that changes in market prices, such as interest rates and foreign-exchange rates may affect the City's income or the value of its financial instrument holdings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on the risk.

1.6.1 Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market interest rates. The City's exposure to the risk of changes in market rates relates primarily to the City's investments with floating interest rates.

The effective rates on financial instruments as at 30 June 2024 were as follows:

MATURITY OF INTEREST-BEARING ASSETS/LIABILITIES

	Weighted average interest rate %	1 year or less	1-5 years	>5 years	Total
Financial assets					
Investments	8,66	6 911 967	3 867 763	27 718	10 807 448
Cash and cash equivalents	9,67	5 636 287	-	-	5 636 287
TOTAL		**12 548 254**	**3 867 763**	**27 718**	**16 443 735**
Financial liabilities					
Borrowings	10,15	**2 603 527**	**1 819 203**	**2 274 604**	**6 697 334**

Sensitivity analysis

Financial assets

As at 30 June 2024, if the weighted average interest rate at that date had been 100 basis points higher, with all other variables held constant, the fair-value impact on the statement of financial performance would have been R152,54 million (2023: R182,04 million) with the opposite effect if the interest rate had been 100 basis points lower. The sensitivity analysis is performed by dividing the total investment interest earned for the year by the average interest rate earned to give the effect of a one-percent movement in interest rates.

Financial liabilities

As at 30 June 2024, if the interest rate on the Nedbank loan 830021027 at that date had been 100 basis points higher, with all other variables held constant, the fair-value impact on the statement of financial performance would have been R0,247 million (2023: Nil) with the opposite effect if the interest rate had been 100 basis points lower. The sensitivity analysis is performed by computing the difference in the interest expense for the year on the Nedbank Loan at the current rate on 10.342%, and at a rate one-percent higher/lower.

1.6.2 Currency risk

The City is exposed to foreign-currency risk through the importation of goods and services, either directly or indirectly, through the award of contracts to local importers. The City manages any material direct exposure to foreign-currency risk by entering into forward exchange contracts. The City manages its indirect exposure by requiring the local importer to take out a forward exchange contract at the time of procurement, so as to predetermine the rand value of the contracted goods or services.

Sensitivity analysis

Financial liabilities

As at 30 June 2024, if the foreign-exchange rate at that date had been 5% higher, with all other variables held constant, the surplus for the year would have decreased by R8,7 million due to the changes in the carrying value of the foreign-exchange liability at the reporting date, with the opposite effect if the foreign exchange rate had been 5% lower.

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All amounts indicated in Rand thousands (R'000)

2. PROPERTY, PLANT AND EQUIPMENT

	As at 30 June 2024			As at 30 June 2023		
	Cost price	Accumulated depreciation	Carrying value	Cost price	Accumulated depreciation	Carrying value
Land and buildings	5 605 843	(1 429 167)	4 176 676	5 203 457	(1 307 785)	3 895 672
Infrastructure	66 533 167	(21 293 857)	45 239 310	59 950 037	(19 500 212)	40 449 825
Community	5 881 560	(2 123 638)	3 757 922	5 637 906	(1 998 328)	3 639 578
Other	15 473 277	(8 716 998)	6 756 279	14 001 658	(7 986 997)	6 014 661
Living resources	1 312	(802)	510	1 088	(882)	206
Service concession	6 376 347	(3 537 693)	2 838 654	6 336 966	(3 318 665)	3 018 301
Housing rental stock	3 437 764	(1 478 637)	1 959 127	3 436 277	(1 463 570)	1 972 707
TOTAL	**103 309 270**	**(38 580 792)**	**64 728 478**	**94 567 389**	**(35 576 439)**	**58 990 950**

RECONCILIATION

	Opening balance	Transfers/ adjustments	Additions	Disposals	Depreciation	Impairment	Carrying value
As at 30 June 2024							
Land and buildings	3 895 672	61 273	262 634	(46)	(18 461)	(24 396)	4 176 676
Infrastructure	40 449 825	(25 533)	6 608 388	(33)	(1 793 337)	-	45 239 310
Community	3 639 578	32 568	210 539	-	(124 763)	-	3 757 922
Other	6 014 661	(88 342)	1 917 768	(39 003)	(1 042 205)	(6 600)	6 756 279
Living resources	206	-	340	-	(36)	-	510
Service concession	3 018 301	(3)	47 041	(168)	(226 517)	-	2 838 654
Housing rental stock	1 972 707	(14 823)	112 171	(2 341)	(108 587)	-	1 959 127
TOTAL	**58 990 950**	**(34 860)**	**9 158 881**	**(41 591)**	**(3 313 906)**	**(30 996)**	**64 728 478**

(See annexure B for more details.)

	Opening balance	Transfers/ adjustments	Additions	Disposals	Depreciation	Impairment	Carrying value
As at 30 June 2023							
Land and buildings	3 830 479	71 100	111 018	(29 754)	(73 110)	(14 061)	3 895 672
Infrastructure	36 897 654	133 895	5 051 478	(788)	(1 632 414)	-	40 449 825
Community	3 646 282	(3 256)	118 562	-	(121 645)	(365)	3 639 578
Other	5 816 273	(273 869)	1 434 840	(19 514)	(942 258)	(811)	6 014 661
Living resources	383	-	2	(10)	(169)	-	206
Service concession	3 235 768	-	11 545	-	(225 784)	(3 228)	3 018 301
Housing rental stock	2 000 201	5 006	76 690	(1 579)	(107 611)	-	1 972 707
TOTAL	**55 427 040**	**(67 124)**	**6 804 135**	**(51 645)**	**(3 102 991)**	**(18 465)**	**58 990 950**

All amounts indicated in Rand thousands (R'000)

2. PROPERTY, PLANT AND EQUIPMENT (continued)

Assets under construction

Carrying value	2024	2023
Infrastructure	6 975 037	5 054 844
Community	228 388	74 666
Other	572 941	283 365
Service concession	10 715	228
TOTAL	**7 787 081**	**5 413 103**

PPE projects

Significantly delayed

Infrastructure	476 527	365 135
Community	359	1 279
Other	12 299	2 191
TOTAL	**489 185**	**368 605**

The significant delays in the current year mainly relate to delays in the completion of work at various informal settlements and housing projects worth R295,98 million, the new Hout Bay and Noordhoek low-voltage depots worth R44,39 million, and the extension of the Vissershok landfill site worth R110,93 million.

Halted

Infrastructure	182 776	157 598
Community	359	359
Other	-	19 037
TOTAL	**183 135**	**176 994**

The halted projects in the current year mainly relate to civil unrest at informal settlements and housing projects worth R182,78 million.

Capital commitments

Approved and contracted-for capital expenditure	2024	2023
Infrastructure	9 228 049	9 257 528
Community	22 861	21 448
Other	216 012	81 677
TOTAL	**9 466 922**	**9 360 653**

Repairs and maintenance

An amount of R3.83 billion (2023: R3.68 billion) was spent during the year in review. In determining this amount, the City has exclusively disclosed amounts charged by service providers.

Residual value

During the current financial year, the City reviewed the estimated useful lives and residual values of PPE, where appropriate – see note 36.

Impairment of non-cash-generating assets

The recoverable amount of impaired assets is R142,78 million (2023: R26,28 million). Impairment losses arise mainly from damage to City movable and immovable assets due to accidents and protest actions, storm damage as well as impairment of land purchased for social housing purposes.

All amounts indicated in Rand thousands (R'000)

2. PROPERTY, PLANT AND EQUIPMENT (continued)

Non-living resources

The City is responsible for the following non-living resources that do not meet the definition of an asset:

- Water in dams and reservoirs. Once treated, water is disclosed as inventory in note 8, and revenue for the sale of treated water is disclosed as service charges in note 19.
- Nature reserves, parks and the coastline: The entrance fees for these areas are not material.

Service concession assets

The City has made service concession arrangements with three operators on the MyCiTi integrated rapid transit (IRT) system as well as with the Cape Town Stadium (RF) SOC (CTS). The assets involved are IRT buses, related depots and CTS. However, the City does retain full control over the nature and extent of the services that the operators must perform.

3. HERITAGE ASSETS

	As at 30 June 2024			As at 30 June 2023		
	Cost price	Accumulated depreciation	Carrying value	Cost price	Accumulated depreciation	Carrying value
Paintings and museum items	**10 340**	**-**	**10 340**	**10 268**	**-**	**10 268**

RECONCILIATION

	Opening balance	Transfers/ adjustments	Additions	Disposals	Carrying value
As at 30 June 2024					
Paintings and museum items	**10 268**	**-**	**77**	**(5)**	**10 340**
(See annexure B for more details.)					
As at 30 June 2023					
Paintings and museum items	**10 268**	**-**	**-**	**-**	**10 268**

Heritage assets are held at cost, as it is impracticable to determine their fair value.

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All amounts indicated in Rand thousands (R'000)

4. INVESTMENT PROPERTY

	As at 30 June 2024			As at 30 June 2023		
	Cost price	Accumulated depreciation	Carrying value	Cost price	Accumulated depreciation	Carrying value
Land and buildings	**642 643**	**(68 251)**	**574 392**	**642 643**	**(66 537)**	**576 106**

RECONCILIATION

	Opening balance	Transfers/ adjustments	Additions	Depreciation	Disposals	Carrying value
As at 30 June 2024						
Land and buildings	**576 106**	**-**	**-**	**(1 714)**	**-**	**574 392**

(See annexure B for more details.)

As at 30 June 2023						
Land and buildings	**577 820**	**-**	**-**	**(1 714)**	**-**	**576 106**

Repairs and maintenance

An amount of R0,05 million (2023: R0,36 million) was spent during the year in review. In determining this amount, the City has exclusively disclosed amounts charged by service providers.

5. INTANGIBLE ASSETS

	As at 30 June 2024			As at 30 June 2023		
	Cost price	Accumulated amortisation	Carrying value	Cost price	Accumulated amortisation	Carrying value
Acquisition of rights	561 443	(561 071)	372	561 441	(556 433)	5 008
Computer software	1 998 769	(1 164 130)	834 639	1 752 784	(1 023 948)	728 836
TOTAL	**2 560 212**	**(1 725 201)**	**835 011**	**2 314 225**	**(1 580 381)**	**733 844**

RECONCILIATION

	Opening balance	Transfers/ adjustments	Additions	Amortisation	Disposal	Carrying value
As at 30 June 2024						
Acquisition of rights	5 008	-	-	(4 636)	-	372
Computer software	728 836	18 577	231 813	(144 537)	(50)	834 639
TOTAL	**733 844**	**18 577**	**231 813**	**(149 173)**	**(50)**	**835 011**

(See annexure B for more details.)

As at 30 June 2023						
Acquisition of rights	16 283	-	-	(11 275)	-	5 008
Computer software	605 317	93 682	154 921	(125 078)	(6)	728 836
TOTAL	**621 600**	**93 682**	**154 921**	**(136 353)**	**(6)**	**733 844**

Included in computer software above are assets under construction of R107,08 million (2023: R27,58 million). This includes development costs of an amount of R1,95 million (2023: Nil), for which there was a significant delay.

Capital commitments

Approved and contracted-for capital expenditure	2024	2023
Intangible assets	3 870	-
TOTAL	**3 870**	**-**

All amounts indicated in Rand thousands (R'000)

6. INVESTMENTS

	Amortised cost	Fair value	Cost	Total
As at 30 June 2024				
RSA Government stock	51 332	-	-	51 332
Guaranteed investment instruments	1 859 336	-	-	1 859 336
Other fixed deposits	5 414 426	-	-	5 414 426
Deposits held with fund managers	-	8 661 507	-	8 661 507
Shares in: Atlantis SEZ Company SOC Ltd	-	-	56 500	56 500
CTICC	-	-	884 998	884 998
	7 325 094	8 661 507	941 498	16 928 099
Provision for impairment	-	-	(613 563)	(613 563)
Net investments	7 325 094	8 661 507	327 935	16 314 536
Transferred to current investments	(2 094 609)	(3 166 071)	-	(5 260 680)
Transferred to cash and cash equivalents – see note 11	(5 179 153)	(1 651 288)	-	(6 830 441)
TOTAL	**51 332**	**3 844 148**	**327 935**	**4 223 415**

	Amortised cost	Fair value	Cost	Total
As at 30 June 2023				
RSA Government stock	52 058	-	-	52 058
Guaranteed investment instruments	2 805 762	-	-	2 805 762
Other fixed deposits	6 630 447	-	-	6 630 447
Deposits held with fund managers	-	7 895 417	-	7 895 417
Shares in: Atlantis SEZ Company SOC Ltd	-	-	56 500	56 500
CTICC	-	-	884 998	884 998
	9 488 267	7 895 417	941 498	18 325 182
Provision for impairment	-	-	(613 563)	(613 563)
Net investments	9 488 267	7 895 417	327 935	17 711 619
Transferred to current investments	(1 235 876)	(3 139 209)	-	(4 375 085)
Transferred to cash and cash equivalents – see note 11	(6 523 179)	(1 095 132)	-	(7 618 311)
TOTAL	**1 729 212**	**3 661 076**	**327 935**	**5 718 223**

Guaranteed investment instruments

A total of R1.86 billion (2023: R2.80 billion) has been ring-fenced for the repayment of long-term liabilities – see note 12.

Cape Town International Convention Centre Company (RF) SOC Ltd (CTICC)

The cost of the City's investment in CTICC at 30 June 2024 is R884,99 million (2023: R884,99 million) and the impairment loss provision is R613,56 million (2023: R613,56 million). At year end an impairment assessment was made based on the projected cash flows of the entity. The present value of the discounted estimated future cash flows exceeded the carrying amount of the investment and therefore no further impairment loss was recognised. Impairment losses on financial assets measured at cost are not reversed.

Atlantis Special Economic Zone (SEZ) Company SOC Ltd

As at 30 June 2024, there are no indications that the investment may be impaired as there have been no significant changes that have adversely affected the entity's operations during the period or will affect the entity in the near future.

Compensation for occupational injuries and diseases (COID) investments

In terms of the COID Act 130 of 1993, the Compensation Commissioner (Department of Labour) is required to hold investments and guarantees as security for the City's liabilities under the act. The amounts constitute RSA Government stock (bonds) of R51,33 million (2023: R52,06 million) and cash-backed guarantees of R153,56 million (2023: R107,27 million).

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7. LONG-TERM RECEIVABLES

	2024	2023
Exchange transactions		
Other	36 256	36 371
Provision for impairment	(36 131)	(36 156)
	125	215
Housing selling developments	349	1 247
Provision for impairment	(36)	(154)
	313	1 093
	438	1 308
Transferred to current receivables	(205)	(612)
TOTAL	**233**	**696**

Reconciliation of impairment provision

	2024	2023
Balance at beginning of the year	36 310	39 104
Contribution from provisions	(143)	(2 794)
Balance as at 30 June	**36 167**	**36 310**

7.1 OTHER

Sporting bodies

To facilitate the development of sporting facilities, loans were historically issued to provide the necessary financial assistance. These loans attract interest at a rate of 3,63–12% per annum, and are repayable over a maximum period of 20 to 40 years.

Housing land sale

The long-term loan to the Khayelitsha Community Trust (KCT) (sale of portion 1 to 3, erf 58856) is repayable over 18 years. Annual payments are received, with the final payment due in 2024.

Public organisations

Loans to public organisations were granted in terms of the National Housing Policy. At present, these loans attract interest at 1%, and are repayable over 30 years. With the implementation of the Municipal Finance Management Act (MFMA) and the Housing Act, no further loans have been awarded.

Litigation debtors

The City is currently in a dispute with a service provider regarding an outstanding claim.

7.2 HOUSING SELLING DEVELOPMENT LOANS

Housing loans were historically granted to qualifying individuals in terms of the National Housing Policy. These loans currently attract interest at 11,75% (2023: 10,50%) per annum, and are repayable over 20 years. The interest rate is determined by Council policy.

The gross debt has decreased due to the implementation of the ownership regularisation programme, which helps raise awareness of the enhanced extended discount benefit scheme. This scheme assists qualifying beneficiaries and occupants with subsidies to accelerate the transfer of their properties.

8. INVENTORY

	2024	2023
Consumable stock	346 830	360 692
Water	46 300	41 692
Other goods held for use/resale	84 518	80 771
TOTAL	**477 648**	**483 155**

Inventory to the value of R0,47 million (2023: R3,90 million) was scrapped during the year, and R837,62 million (2023: R754,15 million) was expensed. Refer to note 29 for water bulk purchases.

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All amounts indicated in Rand thousands (R'000)

9. RECEIVABLES

	As at 30 June 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
FROM NON-EXCHANGE TRANSACTIONS	**7 128 201**	**(4 008 861)**	**3 119 340**	**6 908 493**	**(3 670 667)**	**3 237 826**
Statutory	**7 104 415**	**(4 008 861)**	**3 095 554**	**6 887 641**	**(3 670 667)**	**3 216 974**
Property rates debtors	3 723 614	(1 395 556)	2 328 058	3 881 674	(1 151 400)	2 730 274
City improvement district (CID) levies	92 302	(23 432)	68 870	89 826	(18 947)	70 879
Government subsidies	304 000	-	304 000	178 052	-	178 052
Traffic fines	2 984 499	(2 589 873)	394 626	2 738 089	(2 500 320)	237 769
Contractual	**23 786**	**-**	**23 786**	**20 852**	**-**	**20 852**
Other receivables	23 786	-	23 786	20 852	-	20 852
FROM EXCHANGE TRANSACTIONS	**10 413 039**	**(5 478 737)**	**4 934 302**	**9 358 932**	**(5 195 839)**	**4 163 093**
Statutory	**103 584**	**-**	**103 584**	**169 310**	**-**	**169 310**
Other receivables[1]	103 584	-	103 584	169 310	-	169 310
Contractual	**10 309 455**	**(5 478 737)**	**4 830 718**	**9 189 622**	**(5 195 839)**	**3 993 783**
Electricity	2 889 718	(772 844)	2 116 874	2 402 009	(646 525)	1 755 484
Water	3 128 234	(2 039 329)	1 088 905	2 932 067	(1 936 411)	995 656
Sewerage	1 295 778	(763 603)	532 175	1 207 684	(728 916)	478 768
Refuse	749 350	(518 851)	230 499	812 827	(552 294)	260 533
Housing rental stock	1 002 399	(922 616)	79 783	961 868	(899 738)	62 130
Housing selling stock	224 426	(210 967)	13 459	220 951	(207 199)	13 752
Other receivables[1]	573 627	(250 527)	323 100	523 698	(224 756)	298 942
Payments made in advance	445 923	-	445 923	128 518	-	128 518
TOTAL	**17 541 240**	**(9 487 598)**	**8 053 642**	**16 267 425**	**(8 866 506)**	**7 400 919**

[1]Comparitive: The VAT refund is classified as a statutory receivable, as a result the comparative amount of R169,31 million was reclassified from contractual to statutory.

As at 30 June 2024, the receivables balance included an amount of R163,81 million (2023: R139,75 million) owed by National Government and Province.

RECONCILIATION OF IMPAIRMENT PROVISION

	Non-exchange statutory	Exchange contractual	TOTAL
2024			
Balance at beginning of the year	3 670 667	5 195 839	8 866 506
Contributions to provisions	1 742 669	1 107 519	2 850 188
Transfers from provisions	(6 478)	-	(6 478)
Bad debts written off	(1 397 997)	(824 621)	(2 222 618)
Balance as at 30 June	**4 008 861**	**5 478 737**	**9 487 598**
2023			
Balance at beginning of the year	3 590 442	4 466 503	8 056 945
Contributions to provisions	1 945 692	1 032 961	2 978 653
Transfers from provisions	(1 769)	-	(1 769)
Bad debts written off	(1 863 698)	(303 625)	(2 167 323)
Balance as at 30 June	**3 670 667**	**5 195 839**	**8 866 506**

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All amounts indicated in Rand thousands (R'000)

9. RECEIVABLES (continued)

ANALYSIS OF RECEIVABLES' AGE IN DAYS FROM NON-EXCHANGE TRANSACTIONS

	As at 30 June 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
Statutory						
Property rates debtors	**3 723 614**	**(1 395 556)**	**2 328 058**	**3 881 674**	**(1 151 400)**	**2 730 274**
Not past due date	1 772 954	-	1 772 954	1 920 531	-	1 920 531
Past due						
0-90	407 811	(32 317)	375 494	495 421	(14 759)	480 662
91-180	167 161	(36 949)	130 212	219 672	(50 017)	169 655
181-365	278 527	(191 550)	86 977	275 274	(114 752)	160 522
365+	1 097 161	(1 134 740)	(37 579)	970 776	(971 872)	(1 096)
CID levies	**92 302**	**(23 432)**	**68 870**	**89 826**	**(18 947)**	**70 879**
Not past due date	45 364	(1 057)	44 307	39 522	(1 320)	38 202
Past due						
0-90	13 524	(315)	13 209	17 230	(576)	16 654
91-180	4 315	(101)	4 214	10 793	(360)	10 433
181-365	7 735	(180)	7 555	7 414	(248)	7 166
365+	21 364	(21 779)	(415)	14 867	(16 443)	(1 576)
Government subsidies	**304 000**	**-**	**304 000**	**178 052**	**-**	**178 052**
Not past due date	304 000	-	304 000	178 052	-	178 052
Traffic fines	**2 984 499**	**(2 589 873)**	**394 626**	**2 738 089**	**(2 500 320)**	**237 769**
Past due						
0-90	389 105	(315 421)	73 684	422 394	(374 545)	47 849
91-180	387 388	(314 028)	73 360	350 918	(311 165)	39 753
181-365	710 845	(576 233)	134 612	671 129	(595 102)	76 027
365+	1 497 161	(1 384 191)	112 970	1 293 648	(1 219 508)	74 140
	7 104 415	**(4 008 861)**	**3 095 554**	**6 887 641**	**(3 670 667)**	**3 216 974**
Contractual						
Other receivables	**23 786**	**-**	**23 786**	**20 852**	**-**	**20 852**
Not past due date	23 786	-	23 786	20 852	-	20 852
	23 786	**-**	**23 786**	**20 852**	**-**	**20 852**
TOTAL	**7 128 201**	**(4 008 861)**	**3 119 340**	**6 908 493**	**(3 670 667)**	**3 237 826**

The negative "Net balance" in the 365+ category represents payments received in respect of government accounts that have yet to be allocated to the respective service charge debt.

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All amounts indicated in Rand thousands (R'000)

9. RECEIVABLES (continued)

ANALYSIS OF RECEIVABLES' AGE IN DAYS FROM EXCHANGE TRANSACTIONS

	As at 30 June 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
Statutory						
Other receivables[1]	**103 584**	**-**	**103 584**	**169 310**	**-**	**169 310**
Not past due date	103 584	-	103 584	169 310	-	169 310
	103 584	**-**	**103 584**	**169 310**	**-**	**169 310**
Contractual						
Electricity	**2 889 718**	**(772 844)**	**2 116 874**	**2 402 009**	**(646 525)**	**1 755 484**
Not past due date	1 467 045	-	1 467 045	1 112 668	-	1 112 668
Past due						
0-90	474 827	(10 122)	464 705	429 112	(3 852)	425 260
91-180	98 388	(21 129)	77 259	81 406	(12 585)	68 821
181-365	257 669	(158 788)	98 881	235 920	(94 466)	141 454
365+	591 789	(582 805)	8 984	542 903	(535 622)	7 281
Water	**3 128 234**	**(2 039 329)**	**1 088 905**	**2 932 067**	**(1 936 411)**	**995 656**
Not past due date	515 833	-	515 833	386 963	-	386 963
Past due						
0-90	351 503	(37 865)	313 638	318 883	(27 331)	291 552
91-180	222 357	(83 389)	138 968	231 576	(83 428)	148 148
181-365	330 960	(227 581)	103 379	331 944	(180 187)	151 757
365+	1 707 581	(1 690 494)	17 087	1 662 701	(1 645 465)	17 236
Sewerage	**1 295 778**	**(763 603)**	**532 175**	**1 207 684**	**(728 916)**	**478 768**
Not past due date	271 233	-	271 233	77 054	-	77 054
Past due						
0-90	165 137	(12 495)	152 642	282 536	(9 738)	272 798
91-180	87 952	(30 521)	57 431	93 517	(29 822)	63 695
181-365	126 181	(83 472)	42 709	125 123	(64 469)	60 654
365+	645 275	(637 115)	8 160	629 454	(624 887)	4 567
Refuse	**749 350**	**(518 851)**	**230 499**	**812 827**	**(552 294)**	**260 533**
Not past due date	88 311	-	88 311	77 634	-	77 634
Past due						
0-90	81 851	(8 096)	73 755	106 099	(10 459)	95 640
91-180	50 039	(16 529)	33 510	63 004	(24 961)	38 043
181-365	86 765	(57 359)	29 406	98 628	(55 271)	43 357
365+	442 384	(436 867)	5 517	467 462	(461 603)	5 859
Housing rental stock	**1 002 399**	**(922 616)**	**79 783**	**961 868**	**(899 738)**	**62 130**
Not past due date	-	-	-	-	-	-
Past due						
0-90	174 872	(130 594)	44 278	135 769	(105 153)	30 616
91-180	27 545	(20 571)	6 974	44 132	(34 180)	9 952
181-365	112 681	(84 150)	28 531	95 619	(74 057)	21 562
365+	687 301	(687 301)	-	686 348	(686 348)	-
Housing selling stock	**224 426**	**(210 967)**	**13 459**	**220 951**	**(207 199)**	**13 752**
Not past due date	-	-	-	-	-	-
Past due						
0-90	8 721	(1 584)	7 137	8 928	(1 783)	7 145
91-180	1 002	(104)	898	1 812	(248)	1 564
181-365	6 091	(667)	5 424	5 808	(765)	5 043
365+	208 612	(208 612)	-	204 403	(204 403)	-

[1]Comparitive: The VAT refund is classified as a statutory receivable, as a result the comparative amount of R169,31 million was reclassified from contractual to statutory.

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9. RECEIVABLES (continued)

ANALYSIS OF RECEIVABLES' AGE IN DAYS FROM EXCHANGE TRANSACTIONS (continued)

	As at 30 June 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
Contractual (continued)						
Other receivables[1]	**573 627**	**(250 527)**	**323 100**	**523 698**	**(224 756)**	**298 942**
Not past due date	231 949	-	231 949	215 195	-	215 195
Past due						
0-90	37 296	(1 593)	35 703	32 929	(2 654)	30 275
91-180	16 213	(2 538)	13 675	3 482	(1 421)	2 061
181-365	51 698	(14 749)	36 949	61 137	(13 383)	47 754
365+	236 471	(231 647)	4 824	210 955	(207 298)	3 657
Payments made in advance	**445 923**	**-**	**445 923**	**128 518**	**-**	**128 518**
Not past due date	445 923	-	445 923	128 518	-	128 518
	10 309 455	**(5 478 737)**	**4 830 718**	**9 189 622**	**(5 195 839)**	**3 993 783**
	10 413 039	**(5 478 737)**	**4 934 302**	**9 358 932**	**(5 195 839)**	**4 163 093**
TOTAL RECEIVABLES	**17 541 240**	**(9 487 598)**	**8 053 642**	**16 267 425**	**(8 866 506)**	**7 400 919**

[1]Comparitive: The VAT refund is classified as a statutory receivable, as a result the comparative amount of R169,31 million was reclassified from contractual to statutory.

The "Not past due date" category represents customers who have not exceeded the 30-day credit period granted by the City to pay their municipal accounts.

10. VALUE-ADDED TAX (VAT)

	2024	2023
VAT receivable	626 851	526 010
Total VAT payable	(424 979)	(479 571)
VAT payable	(408 671)	(482 289)
Impairment adjustment	(16 308)	2 718
TOTAL	**201 872**	**46 439**

The VAT liability was impaired as a result of impairment against debtors. The City is registered for VAT on the payment basis.

11. CASH AND CASH EQUIVALENTS

	2024	2023
Amortised cost	5 636 287	7 015 649
Bank balance[1]	384 253	486 048
Year-end accruals	887	1 423
Cash on hand and in transit	71 994	4 999
Call and short-term deposits – see note 6	5 179 153	6 523 179
Fair value – see note 6	1 651 288	1 095 132
Call and short-term deposits	1 620 875	1 074 769
Bank accounts managed by fund managers[1]	30 413	20 363
TOTAL	**7 287 575**	**8 110 781**

[1]See annexure C for more details.

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12. BORROWINGS

	2024	2023
Marketable bonds	2 431 595	3 743 303
Concessionary loans	3 280 840	3 606 357
Other loans	984 899	-
Subtotal – see annexure A for more details	6 697 334	7 349 660
Transferred to current liabilities	(2 603 527)	(1 718 820)
TOTAL	**4 093 807**	**5 630 840**

A total of R1.86 billion (2023: R2.80 billion) has been ring-fenced for the repayment of long-term liabilities – see note 6.

	2024	2023
MARKETABLE BONDS	**2 431 595**	**3 743 303**
Marketable bonds In terms of the City's domestic medium-term note (DMTN) programme registered on the Johannesburg Stock Exchange (JSE) Limited, unsecured bonds totalling R2.35 billion are listed on the JSE. Each of the municipal bonds bears interest at fixed rates of 10,17% and 11,16% per annum, respectively. Interest is payable semi-annually for all bonds. Capital will be redeemed by way of a bullet repayment on the final redemption date for CCT03 and by way of semi-annual capital redemptions for CCT04 (green bond). The municipal bonds are repayable on 15 March 2025 (CCT03) and 17 July 2027 (CCT04). A guaranteed investment instrument has been established with a financial institution, namely Liberty Group Limited for the repayment of CCT03 by a once-off lump sum payment. Municipal bond CCT02 was repaid on 12 June 2024, using a guaranteed investment instrument from Rand Merchant Bank.	2 431 595	3 743 303
CONCESSIONARY LOANS	**3 280 840**	**3 606 357**
Agence Française de Développement (AFD) An unsecured loan received in the 2013 financial year, bearing interest at an average fixed rate of 5,76% per annum, as well as a loan received in the 2023 financial year, bearing interest at a fixed rate of 11,30% per annum, both repayable semi-annually in equal instalments of capital, with interest payable on the reducing balance. The first loan will be fully paid on 31 March 2028, and the second on 30 April 2038. Nominal value as at 30 June 2024 was R2.61 billion (2023: R2.91 billion).	2 540 257	2 793 937
KfW Development Bank An unsecured fixed-term concessionary loan, bearing interest at a fixed rate of 8,107% per annum, repayable semi-annually in equal instalments of capital, with interest payable on the reducing balance. This loan was received in three tranches: the first two during the 2019 financial year, and the third during the 2020 financial year. It will be fully paid on 15 November 2033. Nominal value as at 30 June 2024 was R816 million (2023: R902 million).	740 583	812 420
OTHER LOANS	**984 899**	**-**
Nedbank Limited A new unsecured loan, bearing interest at a variable rate, repayable semi-annually in equal instalments of capital, with interest payable on the reducing balance. The interest rate applicable at 30 June 2024 was 10.342% and this is reset at each interest reset date (every 6 months from the loan inception date). This loan is to be drawn in three tranches – the first tranche was received on 21 June 2024 (R1 billion). The second tranche of R1 billion will be received on 21 August 2024, and the third tranche of R1.5 billion will be received on 23 December 2024. A loan fee amounting to R17,6 million was capitalised to the loan balance. This loan will be fully paid on 21 June 2039.	984 899	-
TOTAL – see annexure A for more details	**6 697 334**	**7 349 660**

For more details about short-term debt facilities available to the City, see annexure C.

In compliance with paragraph 7.3(g) of the JSE listing requirements, Mr H Robbins, in his capacity as Manager: Treasury of City of Cape Town, has been appointed as the City's debt officer with effect from 12 October 2021.

In compliance with paragraph 7.16 of the JSE listing requirements, the City has no loans or procurement transactions with any related parties, domestic prominent influential persons or prescribed officers as defined by the JSE debt listing requirements.

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13. RETIREMENT BENEFIT INFORMATION

The City makes provision for post-retirement benefits to eligible councillors and employees who belong to different pension schemes. These funds are governed by the Pension Funds Act 24 of 1956, and include both defined-benefit (DB) and defined-contribution (DC) schemes. Contributions of R1.74 billion (2023: R1.61 billion) to the DB and DC schemes were expensed as incurred during the year in review.

These schemes are subject to a triennial, biennial or annual actuarial valuation, as set out below.

13.1 DEFINED-BENEFIT SCHEMES

LA Retirement Fund (multi-employer fund)

The last statutory actuarial valuation of the fund was performed as at 30 June 2022. An interim funding basis valuation at 30 June 2023 indicated an overall sound financial position with a R226,29 million surplus and an overall funding level of 106,9% at year-end.

South African Local Authorities (SALA) Pension Fund (multi-employer fund)

The last statutory valuation at 1 July 2021 revealed a deficit of R2.08 billion and a funding level of 85,5%, having deteriorated since its previous statutory valuation at 1 July 2018, which indicated a deficit of R601,2 million and a funding level of 96%. That was prior to the approval of a scheme of arrangement (SOA) between the fund and all participating employers. The SOA required all participating employers to contribute an additional 2% per annum over the next five to six years to restore the fund to financial soundness.

An interim valuation performed at 1 July 2022 shows a further deterioration where the fund is 84,2% funded at this valuation date.The opinion was reached that there is no viable SOA that would meet the requirements as set out in the Financial Soundness Notice. The Board is considering options for the possible funding of the deficit.

13.2 DEFINED-CONTRIBUTION SCHEMES

- LA Retirement Fund (multi-employer fund)
- SALA Pension Fund (multi-employer fund
- Cape Retirement Fund for Local Authorities (multi-employer fund)
- Municipal Councillors' Pension Fund (multi-employer fund)
- National Fund for Municipal Workers (multi-employer fund)
- Municipal Workers' Retirement Fund (multi-employer fund)

13.3 DEFINED-BENEFIT AND DEFINED-CONTRIBUTION SCHEME

Cape Municipal Pension Fund

The last statutory actuarial valuation of the fund was performed as at 30 June 2021. An interim actuarial valuation of the fund was performed at 30 June 2023 which certified it as being in a financially sound position.

	DB section	DC section	Total
In-service members	123	9 050	**9 173**
Pensioners	1 844	2 791	**4 635**
Membership as at 30 June 2023	**1 967**	**11 841**	**13 808**

	2023 R'million	2022 R'million
Past-service position: DB section	3 317	3 479
DC section	16 112	14 409
Total liabilities	**19 429**	**17 888**
Assets valued at market value	19 689	17 929
Actuarial surplus	194	37

The actuarial surplus is mainly attributable to the DB in-service members, and is not refundable to the employer.

Key financial assumptions	2023 %	2022 %
Actual employer contribution: DB section	20,25	20,25
DC section	18,00	18,00
Net discount rate: Pre-retirement	3,52	2,62
Post-retirement	4,52	3,62
Normal retirement age	65 years	65 years

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14. PROVISIONS

	As at 30 June 2024			As at 30 June 2023		
	Non-current	Current	Total	Non-current	Current	Total
Environmental rehabilitation	414 321	120 897	**535 218**	432 891	120 897	**553 788**
Long-service benefits	671 501	116 084	**787 585**	673 681	129 334	**803 015**
Post-retirement healthcare benefits	5 213 830	388 036	**5 601 866**	5 497 251	331 845	**5 829 096**
Leave and other provisions	6 852	1 220 167	**1 227 019**	9 934	1 127 845	**1 137 779**
TOTAL	**6 306 504**	**1 845 184**	**8 151 688**	**6 613 757**	**1 709 921**	**8 323 678**

MOVEMENT FOR THE YEAR

	Environmental rehabilitation	Long-service benefits	Post-retirement healthcare benefits	Leave and other provisions	Total
Opening balance	**553 788**	**803 015**	**5 829 096**	**1 137 779**	**8 323 678**
Service costs	-	64 369	56 427	260	121 056
Interest costs	44 183	89 077	721 056	1 425	855 741
Payments/utilised	(49 050)	(110 107)	(321 950)	(181 423)	(662 530)
Additional provision raised	-	-	-	1 420 826	1 420 826
Reversed	-	-	-	(1 206 766)	(1 206 766)
Actuarial gains	-	(58 769)	(682 763)	(3 100)	(744 632)
Remeasurements	(13 703)	-	-	58 018	44 315
TOTAL	**535 218**	**787 585**	**5 601 866**	**1 227 019**	**8 151 688**

14.1 ENVIRONMENTAL REHABILITATION

In terms of the City's licensing stipulations for waste landfill sites, provision is made for the estimated cost of rehabilitating waste sites for the portion of land used or contaminated at the reporting date. The provision has been determined based on an independent valuation performed by a firm of consulting engineers on 30 June 2024.

Key cost parameters	2024	2023
Estimated dates of reaching full capacity	Between 2030 and 2041	Between 2018 and 2044
Estimated post-closure rehabilitation time	4 years	4 years
Post-closure monitoring period	30 years	30 years
Average estimated annual inflation rate	5,28%	7,22%
Discount rate at the average borrowing rate	12,12%	12,48%

14.2 LONG-SERVICE BENEFITS

An actuarial valuation has been performed of the City's liability for vested long-service benefits to which employees may become entitled upon completion of ten years' service and every five years thereafter. The provision is utilised when eligible employees receive the value of the vested benefits.

Discount rate

The nominal and real-zero curves were used to determine the discount rates and consumer price index (CPI) assumptions for the respective periods.

Key financial assumptions	2024	2023
Discount rate	Yield curve	Yield curve
Consumer price index	Difference between nominal and real-yield cures	Difference between nominal and real-yield curves
Salary increase rate	Equal to CPI + 1%	Equal to CPI + 1%

All amounts indicated in Rand thousands (R'000)

14. PROVISIONS (continued)

14.3 POST-RETIREMENT HEALTHCARE DEFINED BENEFITS

An actuarial valuation has been performed of the City's liability in respect of healthcare benefits to its eligible retirees and retrenched employees. The provision is utilised when eligible employees receive the value of the vested benefits.

The contributions paid are actual contributions paid by the City, and the unrecognised actuarial gains and losses have been adjusted accordingly to take into account the difference between the estimated contribution payments determined by the actuary and the actual contributions paid to members by the City.

For past service of in-service and retired employees, the City recognises and provides for the actuarially determined present value of post-retirement medical-aid employer contributions on an accrual basis, using the projected unit credit method.

The members of medical schemes entitled to a post-employment subsidy as at 30 June 2024 constituted 4 289 (2023: 4 867) in-service members and 7 117 (2023: 7 065) pensioners.

It was assumed that the employer's healthcare arrangements and subsidy policy would remain as outlined in the accounting policy, and that the level of benefits and contributions would remain unchanged, with the exception of inflationary adjustments. Implicit in this approach is the assumption that current levels of cross-subsidisation from in-service members to retiree members within the medical scheme are sustainable and will continue.

It is further assumed that the subsidy will continue for eligible members and their spouses until the last survivor's death.

Continuation of membership

It is assumed that 100% of in-service members entitled to a post-retirement subsidy retiring from the City of Cape Town will remain on the employer's healthcare arrangements.

Family profile

Family profile is based on actual data and, therefore, no assumptions had to be made.

Plan assets

Currently, no long-term assets are set aside off-balance sheet in respect of the employer's post-employment healthcare liability.

Discount rate

The fund benefit liability to the City as at 30 June 2024 has been discounted at a rate determined on the basis of the nominal and real-zero curves.

Key financial assumptions	**2024**	**2023**
Discount rate	Yield curve	Yield curve
Consumer price index	Difference between nominal and real-yield curves	Difference between nominal and real-yield curves
Healthcare cost inflation rate	CPI + 2%	CPI + 2%

Sensitivity analysis	Change in assumption	Liability	Interest costs	Service costs
Assumptions used				
Healthcare inflation	1% decrease	5 092 220	697 116	43 571
	1% increase	6 190 892	847 584	58 475
Post-retirement mortality	20% decrease	6 072 281	831 345	54 439
	20% increase	5 219 227	714 554	47 003

14.4 LEAVE AND OTHER PROVISIONS

The majority of the provisions is made of annual leave which accrues to employees monthly, subject to certain conditions. The provision of R1.12 billion (2023: R1.06 billion) is an estimate of the amount due to staff as at the financial year-end, based on the value of statutory and non-statutory leave.

15. DEPOSITS

	2024	**2023**
Services deposits	426 282	416 918
Rental and other deposits	28 768	22 815
TOTAL	**455 050**	**439 733**

All amounts indicated in Rand thousands (R'000)

16. PAYABLES FROM EXCHANGE TRANSACTIONS

	2024	2023
Trade and other creditors	6 919 234	6 221 921
Payments received in advance	1 287 322	1 532 299
Funds administered on behalf of third parties	28 643	28 894
TOTAL	**8 235 199**	**7 783 114**

Payables are non-interest-bearing and are normally settled on 30-day terms, except for retentions, which are settled in terms of the contract agreement.

Payments received in advance are non-interest-bearing and normally settled on 30-day terms.

17. UNSPENT CONDITIONAL GRANTS AND RECEIPTS

	2024	2023
Conditional grants from other spheres of government	501 446	368 146
National Government	183 125	122 012
Province	318 321	246 134
Other conditional receipts	331 741	458 606
Public contributions	331 741	458 606
TOTAL	**833 187**	**826 752**

Urban Settlements Development Grant (USDG)

The first USDG tranche of R239,4m that was scheduled to be received on 19 July 2023 as per the approved payment schedule was delayed, without any reason provided. The City submitted correspondence to the national Department of Human Settlements (NDHS) regarding payment delays and received no response. The funds were received on 17 August 2023.

Informal Settlements Upgrading Partnership Grant (ISUPG)

The first ISUPG tranche of R95,8 million, which should have been released on 24 July 2023 as per the approved payment schedule, was delayed, without any reason provided. The City submitted correspondence to the national Department of Human Settlements (NHDS) regarding payment delays and received no response. An amended payment schedule was received from NDHS on 17 August 2023 stipulating a new transfer date for the funds of 22 August 2023. The funds were received on 22 August 2023.

See notes 23, 24, 25 and annexure D for more details of grants from National Government and Province, as well as public contributions.

18. HOUSING DEVELOPMENT FUND

	2024	2023
Realised housing proceeds		
Balance at beginning of the year	309 283	311 741
Income	24 155	16 258
Interest	27 147	21 008
Expenditure	(78 823)	(39 724)
Balance at end of the year	281 762	309 283
Unrealised housing proceeds		
Balance at beginning of the year	(2 008)	1 079
Long-term loans realised	(924)	(5 880)
Transfer to impairment provision – selling schemes	144	2 793
Balance at end of the year	(2 788)	(2 008)
TOTAL	**278 974**	**307 275**

Unrealised housing proceeds represent loan repayments not yet due in terms of the debtors' loan agreement.

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All amounts indicated in Rand thousands (R'000)

	2024	2023
19. SERVICE CHARGES		
Exchange transactions	29 312 992	24 295 205
Electricity	19 833 703	16 289 642
Water	4 773 938	3 926 582
Sewerage	2 391 146	2 004 358
Refuse	1 186 518	1 151 523
ICASA ECNS licence fees	25 715	26 566
Other	1 101 972	896 534
Non-exchange transactions	42 379	50 856
Water	14 757	18 296
Sewerage	16 401	18 473
Refuse	11 221	14 087
TOTAL	**29 355 371**	**24 346 061**

20. FINANCE INCOME

	2024	2023
Exchange transactions	1 902 872	1 735 432
External investments	1 651 672	1 491 874
Outstanding debtors	324 026	288 014
Transferred interest to conditional grants	(72 826)	(44 456)
Non-exchange transactions		
Outstanding debtors	137 912	124 173
TOTAL	**2 040 784**	**1 859 605**

21. OTHER INCOME

	2024	2023
Exchange transactions	463 250	420 167
Development contributions	265 402	283 368
Other income	155 095	124 935
Gains on foreign-exchange transactions	2 482	517
Fair-value adjustments	40 271	11 347
Non-exchange transactions	365 552	409 696
City improvement districts (CIDs)	365 452	316 181
Emergency relief donations	100	-
Fair-value adjustments	-	93 515
TOTAL	**828 802**	**829 863**

The City received services in kind to an estimated value of R26,73 million (2023: R7,73 million) in the form of volunteers.

All amounts indicated in Rand thousands (R'000)

22. PROPERTY RATES

	2024	2023
Actual		
Residential, commercial and other	13 965 196	12 725 479
Income forgone	(1 978 737)	(1 480 050)
TOTAL	**11 986 459**	**11 245 429**

Valuations per category	2024	2023
Agricultural	7 101 674	7 141 156
Business and commercial	202 996 622	264 730 908
Industrial	88 062 218	91 421 546
Mining	236 490	218 373
Multiple purpose	39 933 855	11 946 907
Organ of state (public service purposes)	31 286 807	33 377 692
Public benefit organisation	4 985 312	5 362 533
Public service infrastructure	5 659 776	8 319 917
Residential	1 323 821 890	1 197 723 748
Vacant land	30 742 444	34 536 515
Place of worship	-	12 202
Cemeteries and crematoria; animal shelters; local community museums; nature conservation land	681 901	615 446
Properties owned by not-for-profit organisations	3 344 954	2 889 976
Specified religious purposes	17 420 949	-
Miscellaneous	19 606 702	-
TOTAL valuations at commencement of financial year	**1 775 881 594**	**1 658 296 919**

The general valuation roll (GV2022) took effect on 1 July 2023 and will be in place for at least the next 3 financial years. The 2022 roll is based on market-related values as at 1 July 2022.

Property valuation adjustments, such as supplementary valuations, objection valuations and Valuation Appeal Board decisions, are processed continuously. Municipal rates are levied daily in terms of the provisions of the rates policy, which makes provision for rebates and exemptions.

The first supplementary valuation roll to the 2022 general valuation roll was prepared in accordance with the requirements of the legislation and certified on 28 June 2024.

23. GOVERNMENT GRANTS AND SUBSIDIES

	2024	2023
Unconditional grants	4 575 296	4 106 985
Conditional grants	4 460 598	4 168 533
National Government	3 329 328	2 960 597
Province	1 131 270	1 207 936
Total grants	9 035 894	8 275 518
Housing construction revenue	(261 227)	(284 904)
TOTAL	**8 774 667**	**7 990 614**
Analysis of government grants and subsidies		
Operating	6 515 305	6 171 454
Capital	2 520 589	2 104 064
TOTAL	**9 035 894**	**8 275 518**

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24. CONSTRUCTION CONTRACTS

HOUSING CONTRACTS

Revenue and expenses at year-end were as follows:

	2024		2023	
	Revenue	Expenses	Revenue	Expenses
Emergency Housing Programme	102	102	18 998	18 998
Enhanced People's Housing Process	39 324	39 324	118 672	118 672
Integrated Residential Development Programme	221 801	221 801	147 234	147 234
TOTAL	**261 227**	**261 227**	**284 904**	**284 904**

In progress

	Debtors outstanding	Advances received	Retentions
As at 30 June 2024			
Emergency Housing Programme	24 735	(127)	-
Enhanced People's Housing Process	-	(31 410)	-
Integrated Residential Development Programme	215 881	(6 560)	(7 571)
TOTAL	**240 616**	**(38 097)**	**(7 571)**
As at 30 June 2023			
Emergency Housing Programme	24 735	(754)	-
Enhanced People's Housing Process	-	(32 882)	(3 641)
Integrated Residential Development Programme	79 056	(10 262)	-
TOTAL	**103 791**	**(43 898)**	**(3 641)**

	2024	2023
25. PUBLIC CONTRIBUTIONS		
Unconditional	1 610	123
Conditional	217 841	58 112
Contributed assets	117	835
Other	217 724	57 277
TOTAL	**219 451**	**58 235**
26. EMPLOYEE-RELATED COSTS		
Salaries, wages and allowances	16 930 588	15 794 600
Contributions and benefits paid: current provisions	13 499	(164)
Contributions: post-retirement and long-service benefits	187 982	(507 148)
Current service costs	121 056	147 226
Interest costs	811 558	860 242
Actuarial gains	(744 632)	(1 514 616)
	17 132 069	15 287 288
Expenditure recharged to capital projects	(24 734)	(26 409)
TOTAL	**17 107 335**	**15 260 879**

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27. IMPAIRMENT

	2024	2023
Receivables	2 869 071	3 021 569
Property, plant and equipment	30 996	18 465
TOTAL	**2 900 067**	**3 040 034**

28. FINANCE COSTS

	2024	2023
Borrowings	784 524	711 748
Unwinding of discount	44 183	57 196
TOTAL	**828 707**	**768 944**

29. BULK PURCHASES

	2024	2023
Electricity	13 941 386	11 812 158
Water[1]	136 678	147 221
TOTAL	**14 078 064**	**11 959 379**

[1]Comparative amount: Water levies are classified as general expenses, as a result the comparative amount of R138,92million was reclassified from bulk purchases to general expenses.

30. CONTRACTED SERVICES

	2024	2023
Transportation services	1 121 397	1 068 047
Refuse removal services	534 659	479 532
Sewerage services	804 975	685 639
Electrical services	325 001	286 357
Waste haulage services	213 524	251 491
Other services	446 579	412 273
TOTAL	**3 446 135**	**3 183 339**

Contracted services are mandated services in terms of the Local Government: Municipal Structures Act 117 of 1998, a municipal by-law or the Integrated Development Plan (IDP) that the municipality is expected to have the capacity and expertise to deliver, but are being outsourced instead.

31. GENERAL EXPENSES

	2024	2023
Auditor remuneration	27 017	19 991
CIDs levies	354 489	306 696
Consultants	947 022	848 452
Electricity – Eskom service areas	223 447	184 003
Fair-value adjustments	16 459	14 211
Indigent relief	171 404	139 094
Loss on foreign-exchange transactions	5 254	604
Inventory: scrapping	466	3 897
Telecommunications	316 449	272 483
Building contractors	2 474 008	2 387 049
Fuel	547 821	602 714
Minor tools and equipment	697 218	636 288
Security services	1 422 131	1 279 003
Servicing of vehicle and equipment	675 210	720 753
Other expenditure[1]	2 902 354	2 799 469
	10 780 749	10 214 707
Contributions to/(from) provisions	1 329	(559)
	10 782 078	10 214 148
Expenditure recharged to capital projects	(3 261)	(3 501)
TOTAL	**10 778 817**	**10 210 647**

[1]Comparative amount: Water levies are classified as general expenses, as a result the comparative amount of R138,92 million was reclassified from bulk purchases to general expenses.

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All amounts indicated in Rand thousands (R'000)

32. CASH GENERATED FROM OPERATIONS

	2024	2023
Surplus for the year	5 556 892	3 703 440
Adjustment for:	4 777 930	4 134 443
Contributed assets	(117)	(7 714)
Contribution to provisions	(202 470)	(879 393)
Depreciation and amortisation	3 464 793	3 241 058
Fair-value adjustments	(23 812)	(90 651)
Gains and losses on disposal of assets	(144 673)	(82 127)
Impairment	2 900 067	3 040 034
Inventory scrapping	466	3 897
Unrealised foreign-exchange gains	(4 247)	-
Finance income	(2 040 784)	(1 859 605)
Cash transactions	(1 992 741)	(1 817 833)
Non-cash transactions	(48 043)	(41 772)
Finance costs	828 707	768 944
Cash transactions	733 304	673 596
Non-cash transactions	95 403	95 348
Operating surplus before working capital changes	**10 334 822**	**7 837 883**
Decrease/(increase) in inventories	8 240	(83 419)
Increase in receivables	(3 454 868)	(3 429 172)
Increase in unspent conditional grants and receipts	6 435	48 768
Increase/(decrease) in deposits	15 317	(48 145)
(Decrease)/increase in payables	(94 553)	724 111
Decrease in net VAT	(174 459)	(86 198)
CASH GENERATED FROM OPERATIONS	**6 640 934**	**4 963 828**

33. OPERATING LEASE COMMITMENTS

33.1 THE CITY AS LESSEE

Future minimum lease payments under non-cancellable operating leases

	2024	2023
Buildings	54 732	53 384
Payable within one year	37 831	34 318
Payable within two to five years	16 901	19 066
Radio masts	336	728
Payable within one year	219	567
Payable within two to five years	117	161
TOTAL	**55 068**	**54 112**

Minimum lease payments recognised as an expense during the period amounted to R54,43 million (2023: R48,17 million). Leased premises are contracted for remaining periods of between one and four years, with renewal options available in certain instances.

33.2 THE CITY AS LESSOR

Future minimum lease income under non-cancellable operating leases

Buildings

	2024	2023
Receivable within one year	151 387	105 990
Receivable within two to five years	498 708	297 824
Receivable after five years	986 597	688 543
TOTAL	**1 636 692**	**1 092 357**

The City lets properties under operating leases. Property rental income earned during the year was R135,72 million (2023: R114,74 million). The tenants maintain the properties at their cost.

The impact of charging the escalations in operating leases on a straight-line basis over the term of the lease has been a decrease of R0,12 million in current-year income.

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34. CONTINGENT LIABILITIES

34.1 DISPUTES

Claims by various parties are currently in dispute, and are subject to mediation or litigation. The potential extent of the liability cannot be determined, but a provisional estimate for the City based on management assessment is R713,74 million (2023: R187,24 million).

34.2 OUTSTANDING INSURANCE CLAIMS

The estimated liability for insurance claims amounts to R284,05 million (2023: R287,86 million). The estimated amount is based on quotations, medical reports and letters of demand received. The merits must still be determined, and could result in a lesser or greater amount.

35. PRINCIPAL-AGENT ARRANGEMENTS

35.1 PRINCIPAL ARRANGEMENTS

Collection agents

Prepaid electricity

Cigicell, Ontec, Flash and Contour are service providers who serve as agents for the City in the third-party sale of prepaid electricity. All payments are made directly to the City, and the service provider invoices the City for commission payable.

	2024	2023
Commission paid to the agents	62 468	61 622

Municipal accounts and fines

The City also has service providers who serves as a third-party agent for the payment of the City's municipal accounts and traffic fines. All payments are paid into the third-party agent's bank account, and are then transferred to the City the next day. The agent invoices the City for commission payable and the reimbursement of bank costs.

	2024	2023
Commission paid to agent	56 502	59 926

35.2 AGENT ARRANGEMENTS

Motor vehicle registration services

Agent for Province's Department of Mobility

The City acts as an agent for Province's Department of Mobility, providing motor vehicle registration services on its behalf.

Reconciliation of amounts payable to the department

	2024	2023
Balance owing at the beginning of year	-	-
Revenue received on behalf of principal (includes commission)	1 362 252	1 400 908
Revenue recognised by City as agency fee (includes VAT)	(303 730)	(301 716)
Revenue paid over to the principal	(1 058 522)	(1 099 192)
Balance owing at the end of year	**-**	**-**

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35. PRINCIPAL-AGENT ARRANGEMENTS (continued)

35.2 AGENT ARRANGEMENTS (continued)

Licensing services

Agent for Province's Department of Mobility

The City acts as an agent for Province's Department of Mobility, providing licensing services on its behalf.

Reconciliation of amounts payable to the department

	2024	2023
Balance owing at the beginning of year	-	-
Revenue received on behalf of principal (includes commission)	37 312	37 741
Revenue recognised by City as agency fee (includes VAT)	(16 469)	(16 472)
Revenue paid over to the principal	(20 843)	(21 269)
Balance owing at the end of year	**-**	**-**

Collection agents

Agent for the Road Traffic Infringement Agency

The City acts as an agent for the Road Traffic Infringement Agency, collecting traffic fines issued by other municipalities in terms of the Administrative Adjudication of Road Traffic Offences (AARTO) Act 46 of 1998. The City earns commission on all payments collected.

Reconciliation of amounts payable to the department

	2024	2023
Balance owing at the beginning of year	-	272
Revenue received on behalf of principal (includes commission)	1 915	1 944
Revenue recognised by City as agency fee (includes VAT)	(57)	(66)
Revenue paid over to the principal	(1 858)	(2 150)
Balance owing at the end of year	**-**	**-**

Agent for the National Department of Justice and Constitutional Development

The City acts as an agent for the national Department of Justice and Constitutional Development, collecting contempt-of-court fines imposed on traffic fine offenders who fail to appear in court. The City does not derive any revenue from this function.

Reconciliation of amounts payable to the department

	2024	2023
Balance owing at the beginning of year	-	-
Revenue received on behalf of principal	70 147	26 372
Revenue paid over to the principal	(70 147)	(26 372)
Balance owing at the end of year	**-**	**-**

All amounts indicated in Rand thousands (R'000)

36. CHANGE IN ESTIMATE

Annual review of assets' useful lives and residual values

The City's annual review of the useful lives of assets resulted in an increase of R3,88 million (2023: R9,47 million) in the depreciation charge to the statement of financial performance. The annual update of the residual values of assets and other depreciation corrections, in turn, resulted in a decrease of R74,00 million (2023: R19,51 million) in the depreciation charge to the statement of financial performance.

It is impracticable to estimate the effect of these changes on future periods.

37. BUDGET INFORMATION

PRESENTATION OF STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

The presentation format adopted for the statement of comparison of budget and actual amounts is based on the Municipal Budget Reporting and Regulation (MBRR) Table B1, Adjustments budget summary, as well as table B5, Adjustments budget capital expenditure by vote, as included in the published budget.

37.1 APPROVED AND FINAL BUDGET

The approved budget presented is the most recent adjustment budget approved by Council.

The final budget presented is the most recently approved budget adjusted for virements, and has not been formally reapproved by Council.

37.2 VIREMENTS

The changes from the approved to final budget are due to virements in terms of Council-approved policy.

37.3 FINANCIAL STATEMENTS CLASSIFICATION

The actual amounts presented in the column "Actual per annual financial statements classification" correlate with the actual amounts presented in the statement of financial position, the statement of financial performance and the cash flow statement. They have been aggregated, disaggregated or grouped to correspond with the budget line-item descriptions.

The reconciliation in the table below illustrates that the budget and the financial statements amounts correspond for total revenues. The total expenses and net cash flows from operating activities, investing activities and financing activities all directly correlate with the line items in the financial statements.

	2024
Total revenue (excluding capital transfers and contributions)	**56 216 838**
Transfers recognised - capital	2 520 589
Contributions recognised - capital and contributed assets	219 451
Total Revenue per Statement of Financial Performance	**58 956 878**

37.4 BUDGET DIFFERENCES

The Municipal Standard Chart of Accounts (mSCOA) format and classification of the budget schedules as issued by National Treasury are not fully aligned with the standards of GRAP, hence the disparity in classification between the budget and the annual financial statements.

The reconciliations below illustrate the classification and recognition differences between the budget and the financial statements amounts for total revenues, total expenses and net cash flows from operating activities, investing activities and financing activities.

37.4.1 Classification differences

	2024
Financial Performance	
Total revenue (excluding capital transfers and contributions)	**56 216 838**
Inventory consumed: mSCOA classification	5 050 662
Public contributions: operating (conditional)	202 765
Public contributions (unconditional)	1 610
Budget	**61 471 875**
Total expenditure	**53 399 986**
Inventory consumed: mSCOA classification	5 050 662
Budget	**58 450 648**

All amounts indicated in Rand thousands (R'000)

37. BUDGET INFORMATION (continued)

37.4 BUDGET DIFFERENCES (continued)

37.4.1 Classification differences (continued)

	2024
Financial Performance (continued)	
Surplus before capital transfers and contributions	**2 816 852**
Public contributions: operating (conditional)	202 765
Public contributions (unconditional)	1 610
Budget	**3 021 227**
Transfers recognised - capital	**2 520 589**
Public contributions: capital (conditional)	14 959
Budget	**2 535 548**
Contributions recognised - capital and contributed assets	**219 451**
Public contributions: capital (conditional)	(14 959)
Public contributions: operating (conditional)	(202 765)
Public contributions (unconditional)	(1 610)
Budget	**117**
Cash flow statement	
Net cash from operating	**7 900 371**
Increase in deposits	(15 317)
Budget	**7 885 054**
Net cash from financing	**(703 546)**
Increase in deposits	15 317
Budget	**(688 229)**

37.4.2 Recognition differences

	2024
Capital expenditure per financial statements	**9 390 771**
Landfill site provision change in estimate	13 703
Contributed assets	(117)
Budget	**9 404 357**

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37. BUDGET INFORMATION (continued)

37.5 EXPLANATION OF VARIANCES GREATER THAN 10%: FINAL BUDGET AND ACTUAL AMOUNTS

37.5.1 Statement of financial position

Liabilities

i) Total non-current liabilities
The variance is due to a better than expected cash position which resulted in the City not having to raise the full extent of its loans budgeted for the year. An amount of R2.5 billion was not taken up.

37.5.2 Statement of financial performance

Revenue

i) Investment revenue
The variance is due to higher interest rates on Short Term and Call Accounts during the course of the 2023/24 financial year, resulting higher than estimated interest revenue returns.

Expenditure

ii) Transfers and grants
Energy
The variance is due to reclassification of non-exchange revenue recognized through grants and donations to exchange revenue.

Spatial Planning and Environment
The variance is due to poor contractor performance and the resultant termination of construction tender 344Q/2021/22 and the cancellation of Tender 413Q/2022/23 due to restrictive eligibility criteria.

Urban Mobility
The variance is largely as a result of numerous high value, complex construction contracts underperforming due to technical challenges, project dependencies, security issues, and contractor performance on-site. In addition, site security issues led to contractors being discouraged from participating in construction work packages in certain areas as well as a contractor abandoning the site and the subsequent termination of the contract in question.

37.5.3 Cash flow statement

i) Net cash from operating
The variance is due to higher than expected finance income, and savings from suppliers and employees.

ii) Net cash from investing
The variance is due to actual capital spend less than expected. The underspending was offset by investment that performed better than expected.

iii) Net cash from financing
The variance is attributed to an R1 billion loan drawdown, which is less than the R3.5 billion loan that was anticipated.

37. BUDGET INFORMATION (continued)

37.6 EXPLANATION OF VARIANCES GREATER THAN 5%: FINAL BUDGET AND ACTUAL AMOUNTS

Capital expenditure

i) Community Services and Health
The variance is largely due to professional services underperforming and the late award of two critical tenders who struggled to meet the work outputs. There were also items not delivered on time due to supplier constraints.

ii) Corporate Services
The variance is predominantly due to unspent contingencies, the cancellation of 5 CAR tenders and the rephrasing of the CAR Financial Core Application tender by 6 months.

iii) Economic Growth
The variance is due to unspent contingencies as well as the Upgrade: Track infrastructure, Green Point Athletic Stadium project, where the work was halted due to moisture found in the track shock pad. An alternative approach was explored leading to the decision to remove the shock pad and replace the track with a complete polyurethane system. The suspension was lifted and work on site only resumed on 24 June 2024, leaving insufficient time to complete all the works by 30 June 2024.

iv) Energy
The variance is largely due to extortion and shootings experienced, vendor disputes regarding CPA, supplier constraints, poor contractor performance, the unutilised contingency provision for construction projects and cost savings realised on completed projects.

v) Spatial Planning and Environment
The variance is predominantly due poor contractor performance, termination of construction tender 344Q/2021/22, cancellation of tenders, lengthy land acquisition processes, community interference, extortion, and on-going legal issues with tender 27Q/2022/23.

vi) Urban Mobility
The variance is largely as a result of numerous high value, complex construction contracts underperforming due to technical challenges, project dependencies, security issues, and contractor performance on site. In addition, site security issues led to contractors being discouraged from participating in construction work packages in certain areas as well as a contractor abandoning the site and the subsequent termination of the contract in question. Furthermore, a significant component of the variance is made up of unspent contingency provisions.

vii) Urban Waste Management
The variance is largely attributable to unspent contingencies, a protracted dispute on a contract price adjustment now requiring a contract amendment per section 116 of the MFMA, backlog in the testing of landfill liners (done independently and externally) as well as the delay by the successful bidder in securing bank guarantee.

viii) Water and Sanitation
The variance is predominantly due to unspent contingencies. Additional factors that contributed to the variance, include delays in tender approval, an extended tender evaluation period, late delivery of materials and mechanical and electrical equipment, delays in obtaining wayleaves, the need to adjust drilling positions, non-compliance by the contractor with technical specifications or refusal of work packages, and delays caused by hard rock excavation and attempted extortion.

All amounts indicated in Rand thousands (R'000)

38. RELATED-PARTY DISCLOSURES

38.1 MUNICIPAL ENTITIES AND OTHER ENTITIES

During the year, in the ordinary course of business, transactions between the City and the following entities occurred under terms and conditions that were no more favourable than those entered into with third parties in arm's-length transactions.

	2024	2023
CTICC		
The CTICC was established for Cape Town to become host to national and international conferences, with the objective of creating jobs, driving the local economy, and promoting Cape Town as a tourism city.		
Percentage owned	72,70%	72,70%
Arm's-length transactions for the year		
Receivables	3 899	3 217
Payables	-	672
Deposits	1 162	1 234
Service charges	39 167	28 609
Rental of letting stock and facilities	2 790	2 571

The City is leasing to the CTICC the land on which CTICC 1 (erf 263) and CTICC 2 (erf 270) are built, on the following terms:

- Erf 263 for a period of 99 years, commencing on 1 December 2001, at a nominal rental amount of R100 per annum
- Erf 270 for a period of 30 years, commencing on 31 October 2012, after signing the second addendum, at a nominal rental amount of R5 000 per annum

Cape Town Stadium (RF) SOC Ltd

The Cape Town Stadium (CTS) municipal entity was established to manage and operate the stadium on behalf of the City. The vision of the stadium is to achieve worldwide recognition as a facility for the hosting of major sports events, and to become the premium venue of choice.

	2024	2023
Percentage owned	100%	100%
Arm's-length transactions for the year		
Receivables	8 808	11 895
Payables	7 845	4 641
Service charges	12 021	10 291
Other income	20 980	24 254
Grants and subsidies paid	33 196	33 196

The City is the sole shareholder in the CTS, which started operating as a municipal entity on 1 February 2018. The City is the holder of 100 ordinary shares issued with no par value.

The City is leasing to the CTS erf 2188, Green Point, being the stadium precinct, for an initial period of 50 years commencing on 13 November 2019, with the option of renewal for an additional 49 years, at a nominal rental amount of R100 per annum.

Cape Metropolitan Transport Fund (CMTF)

The CMTF was created in terms of section 18 of the Urban Transport Act 78 of 1977. The administration of the CMTF vests with the City. The principal activity of the CMTF is to fund the planning and provision of adequate urban transport facilities and all incidental matters.

	2024	2023
Administrator		
Arm's-length transactions for the year		
Funds held on behalf of CMTF	27 523	27 865
Transfers	7 219	5 590
Interest paid	2 425	1 817
Revenue collected	4 595	4 556

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38. RELATED-PARTY DISCLOSURES (continued)

38.1 MUNICIPAL ENTITIES AND OTHER ENTITIES (continued)

	2024	2023
Atlantis Special Economic Zone Company (SOC) Ltd		

Atlantis Special Economic Zone Company (SOC) Ltd (Atlantis SEZ) is a state-owned entity listed as a schedule 3D entity in terms of section 47(2) of the Public Finance Management Act. Its purpose is to develop a green technology special economic zone (SEZ) in close collaboration with the national Department of Trade, Industry and Competition (DTIC), Wesgro, the City and Province's Department of Economic Development and Tourism.

On 31 March 2022, the City acquired 45,4% of the Atlantic SEZ's issued ordinary no-par-value shares in an asset-for-shares transaction. The 83 no-par-value shares were acquired by way of transfer of the following three properties valued at R56,50 million:

- Portion of remainder Cape farm 1183 and remainder farm 4-93, located on the corner of Dassenberg Street and Charel Uys Drive, Atlantis Industrial, 221 500 m² in extent (purchase price: R13,28 million)
- Portion of Cape farm 1183-4-1 bounded by Gideon Basson Road and Neil Hare Road, Atlantis Industrial, 386 500 m² in extent (purchase price: R23,18 million)
- Portion of remainder erf 171, portion remainder erf 277, erf 254 and erf 246, all located along Neil Hare Road, Atlantis Industrial, 386 500 m² in extent (purchase price: R20,03 million)

The value of the shares was independently determined and agreed by both parties. There were no other related party transactions between the City and Atlantis SEZ other than the sale of land in exchange for shares.

	2024	2023
Percentage owned	45,4%	45,4%

All amounts indicated in Rand thousands (R'000)

38. RELATED-PARTY DISCLOSURES (continued)

38.2 EXECUTIVE MANAGEMENT

38.2.1 Related-party transactions with close family members of executive management

No members of City management have significant influence over the financial or operating policies of the municipal entities.

The following reported transactions occurred on an arm's-length basis between the City and close family members of key management staff members.

38.2.1.1 Councillors

As at 30 June 2024

Name	Nature of relation	Key management	
VREDEKLOOF CID	Spouse	Cllr C Brynard	
Arm's-length transactions for the year			
Transfers in terms of Vredekloof CID memorandum of agreement			**4 864**
Amount owing			**-**
AFRIVEST BUSINESS SOLUTIONS	Child	Cll R Davids	
Arm's-length transactions for the year			
Rendering of services			**169**
Amount owing			**-**
AFRIWORLD BUSINESS SOLUTIONS	Child	Cllr R Davids	
Arm's-length transactions for the year			
Rendering of services			**12 480**
Amount owing			**4 817**

As at 30 June 2023

Name	Nature of relation	Key management	
VREDEKLOOF CID	Spouse	Cllr C Brynard	
Arm's-length transactions for the year			
Transfers in terms of Vredekloof CID memorandum of agreement			4 782
Amount owing			-

38.2.1.2 Executive director

As at 30 June 2024

Name	Nature of relation	Key management	
EMPIRE	Sister-in-law	V Botto	
Arm's-length transactions for the year			
Rendering of service			**349**
Amount owing			**-**
PRICE WATERHOUSE COOPERS (PWC)	Wife	L Manus	
Arm's-length transactions for the year			
Rendering of service			**29 520**
Amount owing			**14 765**
FAIRBRIDGES, WERTHEIM BECKER ATTORNEYS	Daughter	K Nassiep	
Arm's-length transactions for the year			
Rendering of service			**34 959**
Amount owing			**1 821**

As at 30 June 2023

Name	Nature of relation	Key management	
EMPIRE	Sister-in-law	V Botto	
Arm's-length transactions for the year			
Rendering of service			559
Amount owing			17

All amounts indicated in Rand thousands (R'000)

38.2 EXECUTIVE MANAGEMENT (continued)

38.2.2 Remuneration of executive management

38.2.2.1 Remuneration of councillors

SUMMARY OF REMUNERATION BENEFITS

	Annual salary	Car allowance	Social contri-bution	Sub-total	Retro-active salary increase[1]	Total
2024						
Mayco members	14 085	20	360	**14 465**	441	**14 906**
Councillors	149 929	227	3 047	**153 203**	5 140	**158 343**
TOTAL	**164 014**	**247**	**3 407**	**167 668**	**5 581**	**173 249**
2023						
Mayco members	12 771	19	400	**13 190**	-	**13 190**
Councillors	144 908	218	2 839	**147 965**	5 740	**153 705**
TOTAL	**157 679**	**237**	**3 239**	**161 155**	**5 740**	**166 895**

[1]As at 30 June 2024, the Minister for Cooperative Governance and Traditional Affairs, has not yet proclaimed a salary increase for the period 1 July 2023 to 30 June 2024 for councillors. An amount of R5,03 million was provided for the expected increase and included in note 14.

Councillors are remunerated according to the Remuneration of Public Office Bearers Act 20 of 1998. As councillors have only collective executive powers for planning, directing and controlling the activities of the City, their remuneration is not disclosed individually, but in aggregate.

There are 231 councillor positions, whose aggregate remuneration amounted to R164,01 million for the period in review. The average remuneration per councillor is R0,73 million (2023: R0,70 million) per annum.

Mayco members have such individual executive powers as granted by their delegation. Therefore, their remuneration is disclosed individually in the table below.

A full list of councillors is disclosed on pages 15 and 16 under "General information".

All amounts indicated in Rand thousands (R'000)

38. RELATED-PARTY DISCLOSURES (continued)

38.2.2 Remuneration of executive management (continued)

38.2.2.1 Remuneration of councillors (continued)

MAYORAL COMMITTEE MEMBERS' REMUNERATION

ANALYSIS OF REMUNERATION BENEFITS

	Annual salary	Car allowance	Social contribution	Total
2024				
Executive Mayor; Future Planning and Resilience				
Ald G Hill-Lewis	1 545	-	-	**1 545**
Deputy Mayor; Spatial Planning and Environment				
Cllr E Andrews	1 256	-	-	**1 256**
Economic Growth				
Ald J Vos	1 185	-	-	**1 185**
Finance				
Cllr S Mbandezi	1 057	-	129	**1 186**
Corporate Services				
Ald T Uys	1 185	-	-	**1 185**
Community Services and Health				
Cllr P van der Ross	1 185	-	-	**1 185**
Energy				
Cllr B van Reenen	1 185	-	-	**1 185**
Human Settlements				
Clr C Pophaim	997	-	-	**997**
Safety and Security				
Ald JP Smith	1 063	20	103	**1 186**
Urban Mobility				
Cllr R Quintas	1 185	-	-	**1 185**
Urban Waste Management				
Ald G Twigg	1 057	-	128	**1 185**
Water and Sanitation				
Cllr ZA Badroodien	1 185	-	-	**1 185**
TOTAL	**14 085**	**20**	**360**	**14 465**
2023				
Executive Mayor; Future Planning and Resilience				
Ald G Hill-Lewis	1 487	-	-	**1 487**
Deputy Mayor; Spatial Planning and Environment				
Cllr E Andrews	1 209	-	-	**1 209**
Economic Growth				
Ald J Vos	1 141	-	-	**1 141**
Finance				
Cllr S Mbandezi	1 018	-	123	**1 141**
Corporate Services				
Ald T Uys	1 141	-	-	**1 141**
Community Services and Health				
Cllr P van der Ross	1 141	-	-	**1 141**
Energy				
Cllr B van Reenen	1 141	-	-	**1 141**
Human Settlements				
Cllr M Booi	753	-	54	**807**
Safety and Security				
Ald JP Smith	1 023	19	99	**1 141**
Urban Mobility				
Cllr R Quintas	1 141	-	-	**1 141**
Urban Waste Management				
Ald G Twigg	1 018	-	124	**1 142**
Water and Sanitation				
Cllr ZA Badroodien	558	-	-	**558**
TOTAL	**12 771**	**19**	**400**	**13 190**

All amounts indicated in Rand thousands (R'000)

38. RELATED-PARTY DISCLOSURES (continued)

38.2.2 Remuneration of executive management (continued)

38.2.2.2 Remuneration of executive directors

ANALYSIS OF REMUNERATION BENEFITS

	Bonus	Annual salary	Relocation and car allowance	Social contri-bution	Travel and subsistence	Total
2024						
City Manager						
L Mbandazayo	362	3 630	-	436	59	**4 487**
Community Services and Health						
Z Mandlana	-	2 591	-	213	-	**2 804**
Corporate Services						
E Sass	283	3 035	-	426	20	**3 764**
Energy						
KM Nassiep	-	3 151	222	2	23	**3 398**
Economic Growth						
R Gelderbloem	150	2 705	-	334	31	**3 220**
Finance						
K Jacoby	397	3 011	150	300	41	**3 899**
Future Planning and Resilience						
G Morgan	198	2 715	-	223	35	**3 171**
Human Settlements						
NZ Gqiba	-	3 193	-	2	32	**3 227**
Safety and Security Services						
V Botto	210	2 552	-	382	-	**3 144**
Spatial Planning and Environment						
R McGaffin	-	2 802	-	2	11	**2 815**
Urban Mobility						
D Campbell	-	2 774	-	265	30	**3 069**
Urban Waste Management						
NP Mayisela[3]	-	808	-	78	-	**886**
L Mdunyelwa	-	2 314	109	381	-	**2 804**
Water and Waste						
LAV Manus[2]	-	1 252	70	74	-	**1 396**
E Hugo[3]	-	349	19	42	-	**410**
M Webster[1]	-	317	7	29	-	**353**
TOTAL	**1 600**	**37 199**	**577**	**3 189**	**282**	**42 847**

[1] Contract terminated during the year

[2] Appointed during the year

[3] Acted as executive director in the course of the year

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38. RELATED-PARTY DISCLOSURES (continued)

38.2.2 Remuneration of executive management (continued)

38.2.2.2 Remuneration of executive directors (continued)

ANALYSIS OF REMUNERATION BENEFITS (continued)

	Bonus	Annual salary	Relocation and car allowance	Social contri-bution	Travel and subsistence	Total
2023						
City Manager						
L Mbandazayo	229	3 861	-	419	18	**4 527**
Community Services and Health						
Z Mandlana [1/2]	-	2 465	-	199	-	**2 664**
Corporate Services						
E Sass	192	3 121	-	429	-	**3 742**
Energy						
KM Nassiep	-	3 172	222	2	56	**3 452**
Economic Growth						
R Gelderbloem	-	2 625	-	210	26	**2 861**
Finance						
K Jacoby	320	2 988	173	295	-	**3 776**
Future Planning and Resilience						
G Morgan	-	2 840	-	217	3	**3 060**
Human Settlements						
NZ Gqiba	-	3 074	-	2	8	**3 084**
Safety and Security Services						
V Botto	-	2 706	-	370	17	**3 093**
Spatial Planning and Environment						
R McGaffin [1]	-	2 185	-	2	-	**2 187**
E Naude [2]	-	342	33	49	-	**424**
Urban Mobility						
D Campbell	-	2 648	-	252	25	**2 925**
Urban Waste Management						
L Mdunyelwa [1/3]	-	1 820	91	309	-	**2 220**
R Keraan [2]	-	297	44	3	-	**344**
Water and Waste						
M Webster	-	2 489	88	337	14	**2 928**
TOTAL	**741**	**36 633**	**651**	**3 095**	**167**	**41 287**

[1] Appointed on 01/09/2022

[2] Acted as executive director in the course of the year

[3] Acted as executive director without compensation in the course of the year

39. EVENTS AFTER REPORTING DATE

Non-adjusting event

On 3 July 2024, the City signed a loan agreement with the International Finance Corporation (IFC) in which it was agreed that R2.8 billion will be made available to the City for disbursement at a date still to be determined during the 2024/25 financial year. The interest rate applicable to the loan (IFC's ZAR Fixed Base Rate + 1,60% margin) will be fixed at a point closer to the disbursement date. In terms of the loan agreement, the City is also required to be pay an upfront fee of R28 million.

All amounts indicated in Rand thousands (R'000)

40. DISCLOSURES IN TERMS OF LAW AND REGULATIONS

40.1 MUNICIPAL FINANCE MANAGEMENT ACT

40.1.1 Section 124(1)(b)

40.1.1.1. Disclosure concerning councillors' municipal accounts in arrears

2024

During the **financial year,** the following councillors, were in arrears for more than 90 days, but have since paid their accounts:

- Mamkeli, S
- Van Nelson, S

As at 30 June 2024, no councillors' rates and services accounts were in arrears for 90 or more days.

2023

During the **financial year,** the following councillors, were in arrears for more than 90 days, but have since paid their accounts:

- Adams, Y
- Addinall, AS
- Botya, NM
- Petersen, MJ

As at 30 June 2023, no councillors' rates and services accounts were in arrears for 90 or more days.

40.1.2 Section 125

40.1.2.1 Irregular expenditure	2024	2023
Opening balance	51 633	232 636
Prior year: adjustment	(60)	(8 225)
	51 573	224 411
Expenditure incidents identified in the current year, relating to:	634 262	11 989
Current year	367 805	2 421
Prior year	266 457	9 568
	685 835	**236 400**
Resolved by Council	(59 719)	(184 767)
Closing balance	**626 116**	**51 633**

Incidents	2024	2023
Legal services procurement not in terms of supply chain management (SCM) regulations	130	271
Expenditure incurred after contract expiry	8 418	4 720
Non-compliance with the City's SCM policy, SCM regulations and sections 33, 111 and 116(3) of the MFMA	625 714	6 998
TOTAL	**634 262**	**11 989**

The irregular expenditure is disclosed inclusive of VAT.

A potential fraud risk was identified concerning allegations of non-compliance with laws and regulations within the Urban Waste Management directorate, specifically related to community-based refuse collection and area cleaning in informal settlements for the City of Cape Town. The matter is under investigation by the Ethics and Forensic Services Department and has also been reported to SAPS. The City will assess the recommendations and the impact of any fruitless, wasteful, and irregular expenditure once the forensic investigation reports is finalised.

AUDITOR-GENERAL SOUTH AFRICA

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All amounts indicated in Rand thousands (R'000)

40. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (continued)

40.1 MUNICIPAL FINANCE MANAGEMENT ACT (continued)

40.1.2 Section 125 (continued)

40.1.2.2 Fruitless and wasteful expenditure

	2024	2023
Opening balance	12 313	12 712
Prior year: adjustment	-	(22)
	12 313	12 690
Expenditure incidents identified in the current year, relating to:	-	593
Current year	-	123
Prior year	-	470
	12 313	**13 283**
Resolved by Council	(12 313)	(970)
Closing balance	**-**	**12 313**

Incidents	2024	2023
Other	-	31
Interest	-	31
Duplicate/overpayments	-	531
TOTAL	**-**	**593**

The fruitless and wasteful expenditure is disclosed inclusive of VAT.

40.1.2.3 Material losses

	2024	2023
Water losses	**112 539**	**103 724**

In the current year, the material losses were 5,90% (2023: 6,54%). These are predominantly due to unauthorised usage and metering inaccuracies.

	2024	2023
Electricity losses	**633 187**	**585 601**

In the current year, the energy losses were 11,00% (2023: 11,46%). These losses are the result of system operation, theft and vandalism. The production losses amounted to R914,54 million (2023: R767,79 million).

AUDITOR-GENERAL SOUTH AFRICA

11/12/2024

All amounts indicated in Rand thousands (R'000)

40. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (continued)

40.1 MUNICIPAL FINANCE MANAGEMENT ACT (continued)

40.1.2 Section 125 (continued)

40.1.2.4 Other compulsory disclosures

		South African Local Government Association (SALGA) contributions	Audit fees	Pay-as-you-earn (PAYE) and Unemployment Insurance Fund (UIF)	Pension and medical aid
As at 30 June 2024					
Opening balance		**(17 663)**	**-**	**210 974**	**385 493**
Subscriptions/fees		17 663	30 826	2 827 154	4 922 296
Amount paid:	current year	-	(30 713)	(2 600 170)	(4 506 112)
	in advance	(18 900)	-	-	-
	previous years	-	-	(210 974)	(385 493)
Balance unpaid (included in payables)		**(18 900)**	**113**	**226 984**	**416 184**
As at 30 June 2023					
Opening balance		**(16 370)**	**215**	**193 981**	**358 100**
Subscriptions/fees		16 370	22 791	2 602 295	4 522 268
Amount paid:	current year	-	(22 791)	(2 391 321)	(4 136 775)
	in advance	(17 663)	-	-	-
	previous years	-	(215)	(193 981)	(358 100)
Balance unpaid (included in payables)		**(17 663)**	**-**	**210 974**	**385 493**

40.2 SUPPLY CHAIN MANAGEMENT REGULATIONS

40.2.1 Deviations and minor breaches

In terms of section 36 of the municipal SCM regulations, any deviation from SCM policy needs to be approved by the accounting officer and noted by Council. The awards listed below have been approved by the accounting officer or his delegate (SCM director) and noted by Council.

	2024	2023
Deviations: Municipal SCM regulation 36(1)(a)	**1 102 751**	**139 424**
Emergency	27 422	1 922
Single provider	1 036 653	51 067
Exceptional case (impractical or impossible)	38 676	86 435
Minor breaches: Municipal SCM regulation 36(1)(b)	**707 795**	**381 044**
Minor breaches by a committee acting in terms of its delegated powers or duties, which is purely of a technical nature.	707 795	381 044
TOTAL deviations/minor breaches approved by the accounting officer or his delegated authority, noted by Council	**1 810 546**	**520 468**

All deviations considered by the accounting officer are processed in terms of the SCM regulations and the SCM policy. This process entails being assessed by the delegated authority in terms of the stipulated criteria for emergency procurement, availability from only one provider, exceptional circumstances where it is impracticable or impossible to follow the official procedure, or correction of minor technical breaches.

All minor breaches are considered by the delegated authority and processed in terms of the SCM regulations and the SCM policy. Minor breaches are not an indication of tender irregularities or fraud. Minor breaches are purely of technical nature and does not impact the outcome or fairness of the award.

The annual financial statements discloses rates-based deviations/minor breaches at zero value as the value of the award is not quantifiable on the date the award approved by the delegated authority.

AUDITOR-GENERAL SOUTH AFRICA

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All amounts indicated in Rand thousands (R'000)

40. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (continued)

40.2 SUPPLY CHAIN MANAGEMENT REGULATIONS (continued)

40.2.2 Bids awarded to family of employees in service of the state

In terms of section 45 of the municipal SCM regulation, any award above R2 000 to family of employees in the service of the state must be disclosed in the financial statements. The following is a list as recorded in the declaration-of-interest form.

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE CITY AND OTHER STATE ENTITIES

Connected person	Position held in state	2024
ACG ARCHITECTS PTY LTD		**375**
E MOHAMED	CITY HEAD	
AFRIVEST BUSINESS SOLUTIONS		**169**
R DAVIDS	CITY COUNCILLOR	
AFRIWORLD BUSINESS SOLUTIONS (PTY) LTD		**9 203**
R DAVIDS	CITY COUNCILLOR	
ANLO PRINT AND MAIL CC		**417**
N TAYLOR	CITY PROJECT ADMINISTRATOR	
ATHLONE AUTO TRANSMISSIONS		**3 796**
N JOSEPH	WESTERN CAPE GOVERNMENT: CHIEF DIRECTOR	
BARAKA IT SOLUTIONS (PTY) LTD		**99 209**
E NTSHABELE	DEPARTMENT OF LABOUR	
BARENDS F		**122**
T BARENDS	CITY SAP INTEGRATION SPECIALIST	
BERGSTAN SOUTH AFRICA CONSULTING		**15 114**
JR BEUKES	DEPARTMENT OF SOCIAL DEVELOPMENT: SENIOR SOCIAL WORKER	
K CASO	DEPARTMENT OF EDUCATION: DEPUTY PRINCIPAL	
BOB C IMPORT/EXPORT AGENCIES CC		**1 320**
C PADIACHY	CITY HR CLERK	
BOWMAN GILFILLAN INC (LEGAL)		**1 646**
J VAN DEN HEUVEL	DEPARTMENT OF JUSTICE: MAGISTRATE	
E STEYN	WESTERN CAPE HIGH COURT: JUDGE	
L BOZALEK	WESTERN CAPE HIGH COURT: JUDGE	
M DE VILLERS	CSIR: MANAGER	
C DYER	NATIONAL DEPARTMENT OF EDUCATION: DEPUTY DIRECTOR	
M VAN AARDT	BARAGWANATH HOSPITAL COMPLEX: DOCTOR	
B MALOPE-KGOKONG	NHLS: NATIONAL MANAGER	
L NTOMBIFUTHI	DEPARTMENT OF BASIC EDUCATION: EDUCATOR	
M NYALI	DEPARTMENT OF EDUCATION: TEACHER	
J ODENDAL	ARMSCOR SOC LTD: SENIOR MANAGER TECHNICAL	
C RODRIGUES	WCPP: SENIOR IT AND DIGITAL OFFICER	
T SASS	CITY HEAD COMPLIANCE AND PROBITY	
G MORGAN	CITY EXECUTIVE DIRECTOR: FUTURE PLANNING AND RESILIENCE	
S MAMABOLO	INDEPENDENT ELECTORAL COMMISSION: CHIEF ELECTORAL OFFICER	
A VISSER	CITY MANAGER: WASTE WATER	
BSP CONSULTING ENGINEERS (PTY) LTD		**1 561**
A PLAATJIES	TYGERSIG PRIMARY SCHOOL: TEACHER	
C&A FRIEDLANDER INCL		**12 082**
A BELL	DEPARTMENT OF HIGHER EDUCATION AND TRAINING	
C & M CONSULTING ENGINEERS		**2 314**
CB NGELE	SOUTH AFRICAN WEATHER SERVICES: TECHNICIAN	
CAPE TRUCK AND VAN		**7 717**
T DUKWE	CITY PRINCIPAL PROFESSIONAL OFFICER	

AUDITOR-GENERAL SOUTH AFRICA

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All amounts indicated in Rand thousands (R'000)

40. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (continued)

40.2 SUPPLY CHAIN MANAGEMENT REGULATIONS (continued)

40.2.2 Bids awarded to family of employees in service of the state (continued)

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE CITY AND OTHER STATE ENTITIES (continued)

Connected person	Position held in state	2024
CLUVER MARKOTTER INC		**6 303**
AJK PECARARO	WESTERN CAPE DEPARTMENT OF HEALTH	
F GEYSER	OFFICE OF THE DIRECTOR PUBLIC PROSECUTION	
CONLOG		**11 897**
N MOODLEY	DEPARTMENT OF HEALTH: DIRECTOR	
CSM CONSULTING SERVICES (PTY) LTD		**595**
A VANCOILIE	DEPARTMENT OF PLANNING: CHIEF TOWN REGIONAL PLANNER	
DESIGNTEC PRINTING CC		**1 032**
M MSHWESHWE	CITY MANAGER ACCESS TO INFORMATION	
DS GXILISHE		**172**
B GXILISHE	DEPARTMENT OF AGRICULTURE AND FISHERIES	
S GXILISHE	WESTERN CAPE DEPARTMENT OF EDUCATION	
EMPA STRUCTURES		**26 088**
G PETERSON	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
EPI USE AFRICA (PTY) LTD		**14 333**
E JANSE VAN RENSBURG	ROAD ACCIDENT FUND: SENIOR MANAGER	
ERNST AND YOUNG ADVISORY SERVICES		**136 073**
MM MAKHAKHE	GAUTENG DEPARTMENT OF HEALTH: MEDICAL DOCTOR	
E MOTSAMAI	GAUTENG DEPARTMENT OF EDUCATION: MANAGER	
N MORRISON	DEPARTMENT OF DEFENCE: BOOKKEEPER	
S SOOBRAMONEY	ESKOM: SAP ANALYST	
K MOSEGEDI	CITY OF TSHWANE: INTERNAL AUDITOR	
P POTGIETER	TRANSNET: MEDICALLY BOARDED (PREVIOUSLY REGIONAL FINANCE MANAGER)	
B NKASELA	NATIONAL DEPARTMENT OF PUBLIC WORKS: ASSISTANT DIRECTOR	
K GOBARDAN	DEPARTMENT OF HIGHER EDUCATION AND TRAINING: MINISTERIAL TASK TEAM MEMBER	
T MASELA	SOUTH AFRICAN RESERVE BANK: EXECUTIVE HEAD	
SV SOLMS	UNIVERSITY OF JOHANNESBURG: HEAD OF DEPARTMENT	
RA BRADLEY	UNIVERSITY OF THE WITWATERSRAND: SENIOR LECTURER	
K SIBANYONI	BARAGWANATH HOSPITAL: OCCUPATIONAL THERAPIST	
EVERY FLUSH TOILET HIRE		**100**
N STIMELA	SOUTH AFRICAN POLICE SERVICES	
EXECUTIVE SAFETY SERVICE CC		**377**
T VISAGIE	CITY OF CAPE TOWN: ADMINISTRATOR CLERK	
FAYDIES CORPORATE GIFTS		**5 303**
MF VOTERSEN	CITY MANAGER FINANCE	
FG JACOBS TRANSPORT CC		**4 639**
M FLAGG	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
C POOLE	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
FIKELELA LABOUR SERVICES		**5 774**
D JOSEPH	NATIONAL ASSEMBLY: MEMBER OF PARLIAMENT	
G NKOMO INCORPORATED		**225**
M NKOMO	NATIONAL PROSECUTING AUTHORITY: STATE PROSECUTOR	

AUDITOR-GENERAL SOUTH AFRICA

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All amounts indicated in Rand thousands (R'000)

40. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (continued)

40.2 SUPPLY CHAIN MANAGEMENT REGULATIONS (continued)

40.2.2 Bids awarded to family of employees in service of the state (continued)

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE CITY AND OTHER STATE ENTITIES (continued)

Connected person	Position held in state	2024
GIBB		**53 738**
C HERING	DEPARTMENT OF TRANSPORT AND PUBLIC WORKS: ENGINEER	
C CLARK	ESKOM: TECHNICIAN	
A PETERSEN	DEPARTMENT OF EDUCATION: SUBJECT SPECIALIST	
D ALLDERMAN	DEPARTMENT OF EDUCATION: TEACHER	
A MOON	CITY HEAD BUSINESS CONTINUITY	
T GQOBO	ETHEKWINI MUNICIPALITY: CIVIL ENGINEERING TECHNICIAN	
D O'REILLY	SAPS: WARRANT OFFICER	
S JAFTA	EASTERN CAPE DEPARTMENT OF TRANSPORT: ASSISTANT MANAGER	
N MKHIZE	DEPARTMENT OF WATER AFFAIRS: ACCOUNTING CLERK	
A BRINK	DEPARTMENT OF HEALTH: MEDICAL PRACTITIONER	
I BRINK	DEPARTMENT OF EDUCATION: TEACHER	
L CLOETE	DEPARTMENT OF HIGHER EDUCATION AND TRAINING: LECTURER	
N NIACKER	DEPARTMENT OF TRANSPORT: SENIOR ADMINISTRATOR CLERK	
J GOOCH	DEPARTMENT OF TRANSPORT AND PUBLIC WORKS: HEAD	
GENLUX LIGHTING A DIVISION OF ACTOM		**4 082**
T LUBBE	GAUTENG EDUCATION DEPARTMENT: TEACHER	
I NEL	CITY PRINCIPAL PROFESSIONAL OFFICER	
GREENRO SOLUTIONS (PTY) LTD		**18 424**
N THABENG	SOUTH AFRICAN POLICE SERVICE: FORENSIC ANALYST	
HAIDO ENTERPRISES (PTY) LTD		**5**
A MALAHLELA	CITY SENIOR PROFESSIONAL OFFICER	
HAYES INCORPORATED		**2 194**
F AKHERWARAY	CITY SUPPORT ASSISTANT	
HENRY FAGAN CONSULTING ENGINEERS AN		**2 065**
P NAIDOO	GAUTENG DEPARTMENT OF HEALTH: MEDICAL DOCTOR	
HEROLD GIE ATTORNEYS		**5 373**
K MEYER	CITY SENIOR CLERK	
HITACHI ENERGY SOUTH AFRICA (PTY) LTD		**20 338**
G DU BOURG	RIVONIA PRIMARY SCHOOL: TEACHER	
HOWDEN PROJECTS		**8 300**
Z CHINGWARU	DEPARTMENT OF HEALTH: MANAGER	
IAN DICKIE & CO (PTY) LTD		**22**
D SAMUELS	SOUTH AFRICAN POLICE SERVICE: WARRANT OFFICER	
IKAMVA ENTREPRENUERSHIP DEVELOPMENT		**46**
T MOUTON	DEPARTMENT OF HEALTH CAPE WINELANDS: HEALTH INSPECTOR	
IKAPA RETICULATION AND FLOW CC		**42 458**
C DAVIDS	WESTERN CAPE DEPARTMENT OF EDUCATION: TEACHER	
IMMEX WASTE		**20 449**
A DORFING	DEPARTMENT OF EDUCATION: SPEECH THERAPIST	
INDECON INSTRUMENTATION		**5 165**
L BARNARD	DEPARTMENT OF EDUCATION: TEACHER	
INNOVATIVE TRANSPORT SOLUTIONS		**32 663**
D PRETORIUS	PRASA: CHIEF OPERATING OFFICER	
NA KHENA	CSIR: ENGINEER	
M VAN DER MERWE	CITY CLINICAL MEDICAL OFFICER	

AUDITOR-GENERAL SOUTH AFRICA
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All amounts indicated in Rand thousands (R'000)

40. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (continued)

40.2 SUPPLY CHAIN MANAGEMENT REGULATIONS (continued)

40.2.2 Bids awarded to family of employees in service of the state (continued)

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE CITY AND OTHER STATE ENTITIES (continued)

Connected person	Position held in state	2024
ISUZU TRUCK CENTRE		**563 374**
S GOVENDER	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
E JACOBS	CITY PROJECT ADMINISTRATOR	
IX ENGINEERS		**3 058**
RJ MASHEGANA	DEPARTMENT OF HEALTH: NURSE	
KALEIDOSCOPE EDUCATIONAL SERVICES		**1 794**
A ADAMS	CITY SENIOR PROFESSIONAL OFFICER	
KEMANZI (PTY) LTD		**7 451**
J DU TOIT	CITY TRAFFIC INSPECTOR	
KEMP EN GENOTE		**7 804**
MC WILLIAMS	STELLENBOSCH MUNICIPALITY: LEGAL ADVISOR	
DR OCTOBER	CAPE AGULHAS MUNICIPALITY	
KEPTRA TRADING		**1 392**
R MARAIS	WESTERN CAPE DEPARTMENT OF EDUCATION: TEACHER	
LEIBRANDT TRAINING ACADEMY CC		**146**
H BENJAMIN	CORRECTIONAL SERVICES: PSYCHOLOGIST	
LEVENDAL ATTORNEYS		**1 297**
K NDHLOVU	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
LIKHONA LETHU SERVICES		**92**
Z RAFU	SOUTH AFRICAN POLICE SERVICES	
LILIAN4ZONKE		**528**
F MONK	CITY SUB-COUNCIL MANAGER	
NL MONK	CITY SCM: SENIOR CLERK	
LUKISWA TRADERS		**49**
L LUCAS	PROVINCIAL TREASURY: INTERN	
LUKHONZI CONSULTING ENGINEERS		**41 243**
G KENNEDY	SOUTH AFRICAN POLICE SERVICES: CHIEF ADMINISTRATION CLERK	
M & C CLEVELAND A DIVISION OF ACTOM		**60 318**
I NEL	DEPARTMENT OF ENERGY: HEAD	
T LUBBE	GAUTENG EDUCATION DEPARTMENT: TEACHER	
MAGUGA ATTORNEYS INC.		**3 845**
KJ MGEGWANA	SOUTH AFRICAN POLICE SERVICE: SENIOR ADMINISTRATOR	
MALHERBE TUBB FOURE INC T/A MHI ATTORNEY		**795**
J ROSSOUW	DEPARTMENT OF TRANSPORT AND PUBLIC WORKS: ROADS RIGHTS	
MAYATS ATTORNEYS		**396**
T MAYAT	WESTERN CAPE DEPARTMENT OF HEALTH: DOCTOR	
NCC ENVIRONMENTAL SERVICES (PTY) LTD		**15 850**
C RHODA	CITY TRANSPORT	
NEOTERIC TRADING SERVICES		**975**
AA JACOBS	CAPE AGULHAS MUNICIPALITY: DIRECTOR OF INFRASTRUCTURE SERVICES	
NYATIKAZI ENTERPRISE		**3 839**
Z MBONGO	COLLEGE OF CAPE TOWN: HR MANAGER	
ONE STOP DRIVING SCHOOL (PTY) LTD		**93**
C JONAS	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
PARKERS BUS SERVICE		**38**
RM PARKER	WESTERN CAPE DEPARTMENT OF EDUCATION: ACTING DEPUTY PRINCIPAL	

All amounts indicated in Rand thousands (R'000)

40. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (continued)

40.2 SUPPLY CHAIN MANAGEMENT REGULATIONS (continued)

40.2.2 Bids awarded to family of employees in service of the state (continued)

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE CITY AND OTHER STATE ENTITIES (continued)

Connected person	Position held in state	2024
PEGASYS		**109 748**
P GREY	CITY PROFESSIONAL OFFICER	
B WESTON	DEPARTMENT OF WATER AND SANITATION: SCIENTIFIC MANAGER	
PSA AFRICA (PTY) LTD		**3 729**
T FROST	DEPARTMENT OF JUSTICE (DURBAN)	
RED ANT SECURITY RELOCATION AND EVICTION		**51 322**
N LESIELA	MOGALE CITY LOCAL MUNICIPALITY	
REEDS BELLVILLE		**53**
S GOVENDER	RANDPARK HIGH SCHOOL: TEACHER	
REEDS N1 CITY		**619**
S GOVENDER	RANDPARK HIGH SCHOOL: TEACHER	
RISK RELEASE (PTY) LTD		**379**
A DAMONS	CITY SPECIALIST CLERK	
ROYAL HASKONINGDHV (PTY) LTD		**1 705**
S SITHOLE	CITY OF JOHANNESBURG: ASSOCIATE DIRECTOR	
SBANISAMAGALWENI		**118**
L MLAMBO	CITY PHARMACIST ASSISTANT	
STEDONE DEVELOPMENT		**48 308**
L DUBE	DEPARTMENT OF TREASURY: CLERK	
SMART CIVIL CONSTRUCTION		**12 818**
N MOLEFE	CITY HEAD DEBT MANAGEMENT SERVICES	
SUCCIDO ENTERPRISES		**1 828**
L KRAMM	PRASA: ADMINISTRATOR	
TEMPUS DYNAMICS		**352**
M MVALO	CITY PROFESSIONAL OFFICER	
THE M		**202**
A HANGONE	NATIONAL PORTS AUTHORITY: CHIEF MARINE ENGINEER	
THE OIL CENTRE		**4 048**
LB MDYOGOLO	NTWASAHLOBO PRIMARY SCHOOL: TEACHER	
TOXSOLUTIONS KITS AND SERVICES CC		**1 064**
G PEARSON	RAND WATER: SENIOR EDUCATION ADVISOR	
TRANSPORT TELEMATICS AFRICA (PTY) LTD		**237**
JJE GROENEWALD	WESTERN CAPE PROVINCIAL GOVERNMENT: TRANSPORT AND PUBLIC WORKS	
TJEKA TRAINING MATTERS (PTY) LTD		**2 159**
B NTLANTI	MACCASAR CLINIC	
M TOUA	GAUTENG EDUCATION	
TRIDENTCHEM (PTY) LTD		**3 394**
GMT FEBRUARY	WESTERN CAPE DEPARTMENT OF EDUCATION: TEACHER	
UNAKO HOLDINGS (PTY) LTD		**6**
T VAPI	DEPARTMENT OF CORRECTIONAL SERVICES: OFFICER	
VAN DER SPUY & PARTNERS		**882**
M VAN ZYL	WESTERN CAPE DEPARTMENT OF EDUCATION: HEADMISTRESS	
VONDO TRADING CC		**48**
N NEVONDO	NATIONAL DEPARTMENT: HUMAN SETTLEMENT	

All amounts indicated in Rand thousands (R'000)

40. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (continued)

40.2 SUPPLY CHAIN MANAGEMENT REGULATIONS (continued)

40.2.2 Bids awarded to family of employees in service of the state (continued)

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE CITY AND OTHER STATE ENTITIES (continued)

Connected person	Position held in state	2024
WEBBER WENTZEL		**11 971**
J ABRAHAM	DEPARTMENT OF EDUCATION: SECRETARY	
C TRUTER	DEPARTMENT OF EDUCATION: SCHOOL PRINCIPAL	
AM TRUTER	WEST COAST EDUCATION DISTRICTS: CHIEF EDUCATION SPECIALIST	
E WATSON	DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION: BOARD MEMBER	
JCL SMIT	BEAUFORT WEST MUNICIPALITY: DIRECTOR	
B THEMBEKILE	DEPARTMENT OF EDUCATION: SCHOOL PRINCIPAL	
K NONYANE	PETRO SA: TECHNICIAN	
A SMITH	SAA: CABIN CREW MEMBER	
S QOLOHLE	NATIONAL TREASURY: DIRECTOR	
H PRINSLOO	DEVELOPMENT BANK OF SOUTHERN AFRICA: RISK ANALYST	
B WATSON	INDEPENDENT NON EXECUTIVE DIRECTOR OF PIC	
T MTHEMBU	RAND WATER: CIVIL ENGINEER	
N DIAS	WESTERN CAPE DEPARTMENT OF THE PREMIER: STATE LAW ADVISOR	
WRP CONSULTING ENGINEERS (PTY) LTD		**1 083**
EK MAMPHITHA	SABC: SYSTEMS ADMINISTRATOR	
ZANA MANZI SERVICES (PTY) LTD		**285 909**
G LUTHULI	DESMOND TUTU CHILD & YOUTH CARE CENTRE: HEAD	
ZUTARI (PTY) LTD		**259 177**
HC AHLSCHLAGER	SIU: LEGAL REPRESENTATIVE	
K NADASEN	DEPARTMENT OF PUBLIC WORKS: DIRECTOR	
MR MARQUES	DEPARTMENT OF INTERNAL AFFAIRS: DIRECTOR	
TJ NDALA	DEPARTMENT OF EDUCATION: SCHOOL PRINCIPAL	
U JUGWANTH	DEPARTMENT OF SPORTS, ARTS AND CULTURE: DEPUTY DIRECTOR	
GRAND TOTAL		**2 098 814**

See annexure F for the 2023 list.

ANNEXURE A: Schedule of external borrowings

AS AT 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	Contractual interest rate (NACS) %	Loan ID	Redeemable in financial year	Balance as at 30 June 2023	Received during the year	Capitalised during the year	Net interest accrual during the year	Concessionary loan adjustments	Redeemed/ written off during year	Balance as at 30 June 2024
MARKETABLE BONDS										
Municipal Bond CCT02	11,615	830016003	2024	1 207 236	-	-	(7 236)	-	(1 200 000)	-
Municipal Bond CCT03	11,160	830017007	2025	2 065 505	-	-	-	-	-	2 065 505
Municipal Bond CCT04 (green bond)	10,170	830019504	2028	470 562	-	-	(4 472)	-	(100 000)	366 090
TOTAL MARKETABLE BONDS [1]				**3 743 303**	**-**	**-**	**(11 708)**	**-**	**(1 300 000)**	**2 431 595**
CONCESSIONARY LOANS										
AFD	5,763	830018500	2028	189 837	-	-	(676)	4 679	(40 000)	153 840
AFD	5,730	830018516	2028	189 685	-	-	(672)	4 726	(40 000)	153 739
AFD	5,755	830018530	2028	189 804	-	-	(675)	4 690	(40 000)	153 819
AFD	5,800	830018523	2028	185 087	-	-	(662)	4 505	(38 961)	149 969
KfW	8,107	830020016	2034	812 420	-	-	(877)	14 907	(85 867)	740 583
AFD	11,300	830020507	2038	2 039 524	-	-	20 919	9 514	(141 067)	1 928 890
TOTAL CONCESSIONARY LOANS				**3 606 357**	**-**	**-**	**17 357**	**43 021**	**(385 895)**	**3 280 840**
OTHER LOANS										
Nedbank	10,342	830021027	2039	-	1 000 000	(17 680)	2 550	-	29	984 899
TOTAL OTHER LOANS				**-**	**1 000 000**	**(17 680)**	**2 550**	**-**	**29**	**984 899**
TOTAL				**7 349 660**	**1 000 000**	**(17 680)**	**8 199**	**43 021**	**(1 685 866)**	**6 697 334**

[1] *Guaranteed investment instruments have been established with two financial institutions, namely Rand Merchant Bank and Liberty Group Limited, for the repayment of CCT02 and CCT03 respectively by once-off lump sum payments.*

ANNEXURE B: Analysis of property, plant and equipment and other assets

AS AT 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	COST						ACCUMULATED DEPRECIATION						
	Opening balance	Transfers/ adjustments	Additions [1]	Impairments	Disposals	Closing balance	Opening balance	Transfers/ adjustments	Depreciation/ amortisation	Impairments	Disposals	Closing balance	Carrying value
Land and buildings													
Vacant land	1 564 373	808	203 080	-	(46)	1 768 215	(320 300)	-	-	(23 897)	-	(344 197)	1 424 018
Land and buildings	3 639 084	138 990	59 554	-	-	3 837 628	(987 485)	(78 525)	(18 461)	(499)	-	(1 084 970)	2 752 658
	5 203 457	**139 798**	**262 634**	**-**	**(46)**	**5 605 843**	**(1 307 785)**	**(78 525)**	**(18 461)**	**(24 396)**	**-**	**(1 429 167)**	**4 176 676**
Infrastructure													
Assets under construction	5 054 844	(1 979 271)	3 899 464	-	-	6 975 037	-	-	-	-	-	-	6 975 037
Telecommunications	1 663 288	39 497	249 182	-	(1 093)	1 950 874	(647 675)	(294)	(125 773)	-	1 060	(772 682)	1 178 192
Drains	2 014 521	74 350	48 026	-	-	2 136 897	(735 864)	-	(76 226)	-	-	(812 090)	1 324 807
Roads	17 407 157	232 485	394 117	-	-	18 033 759	(6 207 490)	(456)	(591 149)	-	-	(6 799 095)	11 234 664
Beach improvements	206 614	25 590	18 912	-	-	251 116	(57 758)	-	(6 631)	-	-	(64 389)	186 727
Sewerage mains and purification	8 531 098	1 267 592	465 339	-	-	10 264 029	(3 042 908)	-	(258 625)	-	-	(3 301 533)	6 962 496
Security	2 271 293	37 961	340 766	-	(9)	2 650 011	(1 180 529)	(484)	(195 145)	-	9	(1 376 149)	1 273 862
Electricity peak-load equipment and mains	13 259 935	145 134	695 572	-	-	14 100 641	(4 317 895)	(143)	(308 376)	-	-	(4 626 414)	9 474 227
Water mains and purification	7 617 196	94 712	354 550	-	-	8 066 458	(2 765 074)	-	(201 042)	-	-	(2 966 116)	5 100 342
Reservoirs - water	1 924 091	37 794	142 460	-	-	2 104 345	(545 019)	-	(30 370)	-	-	(575 389)	1 528 956
	59 950 037	**(24 156)**	**6 608 388**	**-**	**(1 102)**	**66 533 167**	**(19 500 212)**	**(1 377)**	**(1 793 337)**	**-**	**1 069**	**(21 293 857)**	**45 239 310**
Community assets													
Assets under construction	74 666	(3 072)	156 794	-	-	228 388	-	-	-	-	-	-	228 388
Parks and gardens	368 488	3 404	1 993	-	-	373 885	(113 761)	1	(12 400)	-	-	(126 160)	247 725
Libraries	356 998	749	82	-	-	357 829	(115 799)	-	(6 419)	-	-	(122 218)	235 611
Recreational facilities	1 589 610	988	21 443	-	-	1 612 041	(778 897)	(1 319)	(50 288)	-	-	(830 504)	781 537
Civic buildings	3 248 144	31 046	30 227	-	-	3 309 417	(989 871)	771	(55 656)	-	-	(1 044 756)	2 264 661
	5 637 906	**33 115**	**210 539**	**-**	**-**	**5 881 560**	**(1 998 328)**	**(547)**	**(124 763)**	**-**	**-**	**(2 123 638)**	**3 757 922**
Other assets													
Assets under construction	283 365	(77 282)	366 858	-	-	572 941	-	-	-	-	-	-	572 941
Buildings and land	1 249	-	-	-	-	1 249	(1 249)	-	-	-	-	(1 249)	-
Landfill sites	1 719 903	(28 621)	(4 253)	-	-	1 687 029	(825 762)	909	(44 720)	-	-	(869 573)	817 456
Furniture, fittings and equipment	1 626 875	10 953	165 299	-	(40 718)	1 762 409	(1 146 277)	(807)	(125 557)	-	36 965	(1 235 676)	526 733
Bins and containers	78 087	-	6 959	-	(267)	84 779	(62 806)	-	(5 695)	-	245	(68 256)	16 523
Emergency equipment	81 872	(2 270)	753	-	(6 008)	74 347	(66 644)	1 324	(6 209)	-	5 593	(65 936)	8 411
Motor vehicles and watercraft	2 884 501	(20)	489 593	-	(112 176)	3 261 898	(1 313 020)	-	(294 955)	(4 583)	94 983	(1 517 575)	1 744 323
Plant and equipment	1 531 817	4 349	230 920	-	(13 365)	1 753 721	(1 091 269)	450	(115 581)	-	11 306	(1 195 094)	558 627
Specialised vehicles	3 067 173	583	384 859	-	(64 760)	3 387 855	(1 324 450)	(13)	(190 778)	(2 017)	52 310	(1 464 948)	1 922 907
Computer equipment	2 726 816	2 508	276 780	-	(119 055)	2 887 049	(2 155 520)	(405)	(258 710)	-	115 944	(2 298 691)	588 358
	14 001 658	**(89 800)**	**1 917 768**	**-**	**(356 349)**	**15 473 277**	**(7 986 997)**	**1 458**	**(1 042 205)**	**(6 600)**	**317 346**	**(8 716 998)**	**6 756 279**
Living resources													
Animals	1 088	-	340	-	(116)	1 312	(882)	-	(36)	-	116	(802)	510
	1 088	**-**	**340**	**-**	**(116)**	**1 312**	**(882)**	**-**	**(36)**	**-**	**116**	**(802)**	**510**
Service concession assets													
Assets under construction	228	(229)	10 716	-	-	10 715	-	-	-	-	-	-	10 715
Cape Town Stadium	4 865 812	105	16 030	-	(380)	4 881 567	(2 480 178)	121	(181 034)	-	376	(2 660 715)	2 220 852
Buses and depots	1 470 926	-	20 295	-	(7 156)	1 484 065	(838 487)	-	(45 483)	-	6 992	(876 978)	607 087
	6 336 966	**(124)**	**47 041**	**-**	**(7 536)**	**6 376 347**	**(3 318 665)**	**121**	**(226 517)**	**-**	**7 368**	**(3 537 693)**	**2 838 654**
Housing rental stock	**3 436 277**	**(93 404)**	**112 171**	**-**	**(17 280)**	**3 437 764**	**(1 463 570)**	**78 581**	**(108 587)**	**-**	**14 939**	**(1 478 637)**	**1 959 127**
TOTAL PPE	**94 567 389**	**(34 571)**	**9 158 881**	**-**	**(382 429)**	**103 309 270**	**(35 576 439)**	**(289)**	**(3 313 906)**	**(30 996)**	**340 838**	**(38 580 792)**	**64 728 478**

ANNEXURE B: Analysis of property, plant and equipment and other assets (continued)

AS AT 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	COST						ACCUMULATED DEPRECIATION						
	Opening balance	Transfers/ adjustments	Additions [1]	Impairments	Disposals	Closing balance	Opening balance	Transfers/ adjustments	Depreciation/ amortisation	Impairments	Disposals	Closing balance	Carrying value
Heritage assets													
Paintings and museum items	10 268	-	77	-	(5)	10 340	-	-	-	-	-	-	10 340
	10 268	**-**	**77**	**-**	**(5)**	**10 340**	**-**	**-**	**-**	**-**	**-**	**-**	**10 340**
Investment property													
Vacant land	518 142	-	-	-	-	518 142	-	-	-	-	-	-	518 142
Land and buildings	124 501	-	-	-	-	124 501	(66 537)	-	(1 714)	-	-	(68 251)	56 250
	642 643	**-**	**-**	**-**	**-**	**642 643**	**(66 537)**	**-**	**(1 714)**	**-**	**-**	**(68 251)**	**574 392**
Intangible assets													
Assets under construction	27 575	(18 110)	71 998	-	-	81 463	-	-	-	-	-	-	81 463
Acquisition of rights	561 441	2	-	-	-	561 443	(556 433)	(2)	(4 636)	-	-	(561 071)	372
Computer software	1 725 209	36 396	159 815	-	(4 114)	1 917 306	(1 023 948)	291	(144 537)	-	4 064	(1 164 130)	753 176
	2 314 225	**18 288**	**231 813**	**-**	**(4 114)**	**2 560 212**	**(1 580 381)**	**289**	**(149 173)**	**-**	**4 064**	**(1 725 201)**	**835 011**
TOTAL OTHER	**2 967 136**	**18 288**	**231 890**	**-**	**(4 119)**	**3 213 195**	**(1 646 918)**	**289**	**(150 887)**	**-**	**4 064**	**(1 793 452)**	**1 419 743**
GRAND TOTAL PPE AND OTHER	**97 534 525**	**(16 283)**	**9 390 771**	**-**	**(386 548)**	**106 522 465**	**(37 223 357)**	**-**	**(3 464 793)**	**(30 996)**	**344 902**	**(40 374 244)**	**66 148 221**

[1] *See note 37 for more details.*

ANNEXURE C: Disclosure of bank accounts in terms of section 125(2)(a) of the MFMA

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	2024	2023	2022
BANK ACCOUNTS HELD WITH			
Nedbank			
Main bank	384 253	486 048	275 930
Salary bank	-	-	-
Cashier's bank	-	-	-
General income bank (primary)	-	-	-
IRT bank	-	-	-
Amortised cost	384 253	486 048	275 930
Amortised cost - see note 11	**384 253**	**486 048**	**275 930**
BANK ACCOUNTS MANAGED BY FUND MANAGERS			
FNB			
City of Cape Town	497	675	180
City of Cape Town	162	214	66
City of Cape Town	991	6 517	15 857
City of Cape Town	1 614	3 596	2 328
City of Cape Town	4 813	4 549	9 626
City of Cape Town	908	860	1 227
City of Cape Town	258	204	215
City of Cape Town	20 564	329	1 717
City of Cape Town	143	194	136
City of Cape Town	-	-	9
City of Cape Town	463	3 225	-
Fair value - see note 11	**30 413**	**20 363**	**31 361**

SHORT-TERM DEBT FACILITIES

The City had the following short-term debt facilities with its main banker:

	2024	2023
General banking facility	800 000	800 000
Guarantee facility (cash-covered)	150 000	150 000
Guarantee facility (non-cash-covered)	30 000	30 000
Letter of credit	16 000	16 000
Business travel card	2 000	2 000

The short-term debt facilities are reviewed annually and can be explained as follows:

General banking facility

This facility allows the City to quickly access funds should an immediate drawdown into the City's bank account be required.

Guarantee facility (cash-covered)

This is a facility whereby the bank will guarantee a payment to a beneficiary on behalf of the client to meet the obligations between the client and the beneficiary. This facility would be cash-covered which means that the client provides cash cover, which is held in an interest bearing investment account and is then ceded to the bank.

Guarantee facility (non-cash-covered)

This is a facility, whereby the bank will guarantee a payment to a beneficiary on behalf of the client to meet the obligations between the client and the beneficiary. There is no cash required in this instance.

Letter of credit

A letter of credit is a document issued by the bank, assuring payment to a seller of goods or services, provided that certain documents have been presented to the bank. The documents should prove that the seller has performed the duties specified by an underlying contract, and that the goods/services have been supplied as agreed. In return for these documents, the beneficiary receives payment from the bank that issued the letter.

Business travel card

The travel card facility is used for all the travel spend of the City (airfares, hotel and accommodation, car hire, travel agent fees, forex, etc.) as the main, cost-effective and reliable card payment solution from the City's main banker. A credit facility is loaded on the account/card.

ANNEXURE D: Disclosure of grants and subsidies in terms of section 123 of the MFMA

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

National and Province grant funds

Description	Source	Balance unspent at beginning of the year [1]	Current-year receipts	Adjustments	Conditions met - transferred to revenue: Operating	Conditions met - transferred to revenue: Capital	Interest earned	Amounts to be claimed	Balance unspent at the end of the year [1]
NATIONAL GOVERNMENT									
Accreditation: Development Support	Human Settlements	(293)	-	-	-	-	-	-	(293)
City Public Employment Programme (PEP)	National Treasury	-	(168 258)	(42 695)	209 716	1 237	-	-	-
Department of Environmental Affairs and Tourism	Forestry, Fisheries and the Environment	(94)	-	-	56	-	-	-	(38)
Dido Valley - Luyolo Land Claim	Human Settlements	-	-	11 759	-	-	-	(11 759)	-
DME - INEP	Energy	(5)	-	-	-	-	-	-	(5)
Energy Efficiency Electricity Demand Side Management	Energy	-	(9 000)	38	887	8 075	-	-	-
Expanded Public Works Incentive Grant	National Treasury	-	(59 093)	183	58 910	-	-	-	-
Finance Management Grant	National Treasury	-	(1 000)	-	1 000	-	-	-	-
Informal Settlements Upgrading Partnership	Human Settlements	(56 639)	(608 546)	79 395	21 009	564 781	-	-	-
Infrastructure Skills Development	National Treasury	-	(9 920)	6	9 315	599	-	-	-
Municipal Disaster Recovery Grant	Cooperative Governance	(30)	-	-	-	-	-	-	(30)
Municipal Disaster Recovery Grant Flood Intervention	Cooperative Governance	-	(4 450)	534	3 559	-	-	-	(357)
National Skills Fund	Higher Education and Training	(9 754)	-	8 534	1 220	-	-	-	-
Neighbourhood Development Programme	National Treasury	-	(67 632)	48 329	-	19 303	-	-	-
Philippi Agri-Hub	General Budget Support Allocation	-	-	134	-	-	-	(134)	-
Programme and Project Preparation Support	National Treasury	-	(68 877)	1 707	67 170	-	-	-	-
Public Transport Network Grant	Transport	(17 681)	(1 777 845)	936 941	428 074	408 921	-	-	(21 590)
Public Transport Network Grant - BFI	Transport	-	-	(826 070)	-	729 390	-	-	(96 680)
Restructuring Grant - Seed Funding	National Treasury	(173)	-	-	-	-	-	-	(173)
Urban Settlements Development Grant	National Treasury	(36 563)	(938 100)	116 174	37 791	757 168	-	-	(63 530)
TOTAL DORA ALLOCATION		**(121 232)**	**(3 712 721)**	**334 969**	**838 707**	**2 489 474**	**-**	**(11 893)**	**(182 696)**
National Skills Fund: Interest account		(635)	-	-	1 147	-	(784)	-	(272)
Natural Resource Management: Interest account		(13)	-	-	-	-	(1)	-	(14)
Smart Living Handbook: Interest account		(132)	-	-	-	-	(11)	-	(143)
TOTAL INTEREST EARNED		**(780)**	**-**	**-**	**1 147**	**-**	**(796)**	**-**	**(429)**
TOTAL NATIONAL GOVERNMENT TRANSFERS AND GRANTS		**(122 012)**	**(3 712 721)**	**334 969**	**839 854**	**2 489 474**	**(796)**	**(11 893)**	**(183 125)**

ANNEXURE D: Disclosure of grants and subsidies in terms of section 123 of the MFMA (continued)

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

National and Province grant funds									
					Conditions met - transferred to revenue				
Description	Source	Balance unspent at beginning of the year [1]	Current-year receipts	Adjustments	Operating	Capital	Interest earned	Amounts to be claimed	Balance unspent at the end of the year [1]
PROVINCE									
ABET Adult Education	Education	(4)	-	-	-	-	-	-	(4)
Atlantis Kanonkop Phase 2 Top Structures	Infrastructure (Human Settlements)	-	-	-	2 248	-	-	(2 248)	-
Belhar Pentech 340 Top Structures	Infrastructure (Human Settlements)	-	-	2 823	8 709	-	-	(11 532)	-
Delft - The Hague Phase 2 (896)	Infrastructure (Human Settlements)	-	-	5 238	-	-	-	(5 238)	-
Edward Road Energy Efficient Project	Infrastructure (Human Settlements)	(4 692)	-	-	-	-	(419)	-	(5 111)
Edward Street : Grassy Park Development	Infrastructure (Human Settlements)	-	-	(14 439)	1 828	-	-	-	(12 611)
EHP: Langa, Rondevlei, Joe Slovo	Infrastructure (Human Settlements)	(754)	-	627	-	-	-	-	(127)
Eradication of Registration Backlog	Infrastructure (Human Settlements)	(8)	-	-	-	-	-	-	(8)
Financial Management Capability Grant	Treasury	(5)	-	-	-	-	-	-	(5)
Fisantekraal Garden Cities (RDP 4672 Units)	Infrastructure (Human Settlements)	-	-	436	-	-	-	(436)	-
Fisantekraal , Greenville, Phase 3	Infrastructure (Human Settlements)	-	-	374	-	-	-	(374)	-
Government Grant Community Development Workers	WCG Local Government	(13)	(1 018)	-	998	-	-	-	(33)
Greenville Housing Phase 4 Tops	Infrastructure (Human Settlements)	-	-	67 575	98 494	-	-	(166 069)	-
Gugulethu Housing Infill Project	Infrastructure (Human Settlements)	(5 580)	-	-	3 799	-	-	-	(1 781)
Happy Valley - Phase 2 Top Structures	Infrastructure (Human Settlements)	(65)	-	65	-	-	-	-	-
Harare Infill Housing	Infrastructure (Human Settlements)	-	-	31 899	334	-	-	(32 233)	-
Hazendal Infill - Top Structures	Infrastructure (Human Settlements)	(66)	-	-	-	-	-	-	(66)
Heideveld Housing Infill	Infrastructure (Human Settlements)	(1 491)	-	-	-	-	-	-	(1 491)
HIV/AIDS Community-Based Response Projects	Health	(11 769)	(266 639)	-	265 179	-	-	-	(13 229)
Housing Settlements Development Grant	Infrastructure (Human Settlements)	(41 905)	(269 583)	208 008	-	-	-	-	(103,480)
IDA Projects: Urban Engineering	Infrastructure (Human Settlements)	-	-	24 735	-	-	-	(24 735)	-
IDA: Freedom Park Ottery	Infrastructure (Human Settlements)	-	-	-	102	-	-	(102)	-
Informal Settlements	Infrastructure (Human Settlements)	(459)	(1 500)	176	1 385	-	-	-	(398)
Jakkelsvlei Canal Upgrading	Infrastructure (Human Settlements)	(10 427)	-	-	-	-	-	-	(10 427)
K9 Unit	Community Safety	(2)	-	2	-	-	-	-	-
Khayelitsha Site C Subsidies	Infrastructure (Human Settlements)	(6 258)	-	-	-	-	(559)	-	(6 817)
Kleinvlei Phase 2	Infrastructure (Human Settlements)	(396)	-	396	-	-	-	-	-
Law Enforcement Officers	Community Safety	(463)	-	-	-	-	-	-	(463)
Law Enforcement Officers	Community Safety	(195)	(4 666)	166	4 467	-	(72)	-	(300)
Law Enforcement Officers - LEAP	Community Safety	(27 996)	(331 661)	27 604	308 479	23 573	(6 287)	-	(6 288)
Library Service: Procurement Periodicals and Newspapers	Cultural Affairs and Sport	(121)	(5 658)	-	5 779	-	(21)	-	(21)

ANNEXURE D: Disclosure of grants and subsidies in terms of section 123 of the MFMA (continued)

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

National and Province grant funds

Description	Source	Balance unspent at beginning of the year [1]	Current-year receipts	Adjustments	Conditions met - transferred to revenue: Operating	Conditions met - transferred to revenue: Capital	Interest earned	Amounts to be claimed	Balance unspent at the end of the year [1]
Library Service Replacement Funding	Cultural Affairs and Sport	-	(928)	-	-	927	(4)	-	(5)
Library Metro Grant	Cultural Affairs and Sport	(146)	(5 573)	-	9	5 616	(242)	-	(336)
Macassar BNG Housing Project	Infrastructure (Human Settlements)	-	-	(95 627)	63 887	-	-	-	(31 740)
Mahama Infill	Infrastructure (Human Settlements)	-	-	-	323	-	-	(323)	-
Maroela Housing (South)	Infrastructure (Human Settlements)	(12 782)	-	(3 472)	24 133	-	-	(7 879)	-
Metropolitan Land Transport Fund	Transport and Public Works	(19 916)	(23 132)	19 780	18 634	-	(180)	-	(4 814)
Morkel's Cottage Strand Housing Project	Infrastructure (Human Settlements)	(1 071)	-	-	-	-	-	-	(1 071)
Morningstar Infill IRDP	Infrastructure (Human Settlements)	(55)	-	-	6	-	-	-	(49)
Municipal Library Support Fund	Cultural Affairs and Sport	(1)	-	-	-	-	-	-	(1)
NHBRC Enrolment Fees	Infrastructure (Human Settlements)	(1 234)	-	(36 414)	24 550	-	-	-	(13 098)
Nutrition Supplement Programme	Health	-	(6 140)	976	5 908	-	-	(744)	-
People's Housing Process Project	Infrastructure (Human Settlements)	(32 885)	-	(26 202)	30 615	-	(2 938)	-	(31 410)
Philippi East Phase 5	Infrastructure (Human Settlements)	(567)	-	-	-	-	-	-	(567)
Pooke se Bos Housing Project	Infrastructure (Human Settlements)	-	-	(582)	-	-	-	-	(582)
Public Library Fund	Cultural Affairs and Sport	(2 091)	(53 826)	-	55 803	-	(901)	-	(1 015)
Sir Lowry's Pass HSDG Project	Infrastructure (Human Settlements)	(1 835)	-	(14 043)	28 917	-	-	(13 039)	-
Somerset West Housing Project	Infrastructure (Human Settlements)	(953)	-	-	-	-	-	-	(953)
TB Crisis Plan	Health	(18 556)	(43 780)	-	31 363	-	-	-	(30 973)
Title Deeds Restoration	Infrastructure (Human Settlements)	-	(9 014)	-	5 314	-	-	-	(3 700)
Tourism Safety Law Enforcement Unit	Community Safety	-	(2 000)	-	2 000	-	-	-	-
Vaccines	Health	(23 828)	(91 424)	-	81 124	-	-	-	(34 128)
Valhalla Park Integrated Housing Project	Infrastructure (Human Settlements)	-	-	-	737	-	-	(737)	-
Vrygrond	Infrastructure (Human Settlements)	(18)	-	18	-	-	-	-	-
WC Finance Management Capacity Grant (FMCG)	Treasury	(3)	(1 200)	-	203	999	(14)	-	(15)
WCED SRT Programme	Education Department	(17 524)	-	-	17 328	-	(1 008)	-	(1 204)
WCG - Municipal Accreditation and Capacity Building Gran'	Infrastructure (Human Settlements)	-	(7 500)	-	7 500	-	-	-	-
TOTAL PROVINCE TRANSFERS AND GRANTS		**(246 134)**	**(1 125 242)**	**200 119**	**1 100 155**	**31 115**	**(12 645)**	**(265 689)**	**(318 321)**
Analysis of grants and subsidies									
Total National Government transfers and grants		**(122 012)**	**(3 712 721)**	**334 969**	**839 854**	**2 489 474**	**(796)**	**(11 893)**	**(183 125)**
Total Province transfers and grants		**(246 134)**	**(1 125 242)**	**200 119**	**1 100 155**	**31 115**	**(12 645)**	**(265 689)**	**(318 321)**
		(368 146)	**(4 837 963)**	**535 088**	**1 940 009**	**2 520 589**	**(13 441)**	**(277 582)**	**(501 446)**

[1]The balance unspent at the beginning and end of the year excludes VAT.

ANNEXURE E: Appropriation statement

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	2023/24										2022/23			
	Original budget	Budget adjustments (i.t.o. s 28 and s 31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s 31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget	Reported unauthorised expenditure	Expenditure authorised i.to s 32 of MFMA	Balance to be recovered	Restated audited outcome
FINANCIAL PERFORMANCE															
Property rates	11 857 238	-	11 857 238	-	-	11 857 238	11 986 459	-	-	101	101	-	-	-	-
Service charges	27 821 663	146 482	27 968 145	-	-	27 968 145	28 550 345	-	-	102	103	-	-	-	-
Investment revenue	1 193 514	175 761	1 369 275	-	-	1 369 275	1 578 846	-	-	115	132	-	-	-	-
Transfers recognised - operational	6 809 560	(44 417)	6 765 143	-	-	6 765 143	6 719 779	-	-	99	99	-	-	-	-
Other own revenue	10 948 944	1 288 274	12 237 218	-	-	12 237 218	12 636 446	-	-	103	115	-	-	-	-
Total revenue (excluding capital transfers and contributions)	**58 630 919**	**1 566 100**	**60 197 019**	**-**	**-**	**60 197 019**	**61 471 875**	**-**	**-**	**102**	**105**	**-**	**-**	**-**	**-**
Employee costs	18 392 798	3 272	18 396 070	-	(31 310)	18 364 760	17 107 614	-	-	93	93	-	-	-	-
Remuneration of councillors	190 901	(117)	190 784	-	1 064	191 848	183 030	-	-	95	96	-	-	-	-
Debt impairment	2 321 520	602 210	2 923 730	-	-	2 923 730	2 869 070	-	-	98	124	-	-	-	-
Depreciation and asset impairment	5 814 685	(2 265 325)	3 549 360	-	-	3 549 360	3 495 788	-	-	98	60	-	-	-	-
Finance charges	945 367	(45 166)	900 201	-	(38 990)	861 211	829 972	-	-	96	88	-	-	-	-
Materials and bulk purchases	20 048 940	686 275	20 735 215	-	(46 853)	20 688 362	20 593 337	-	-	100	103	-	-	-	-
Transfers and grants	371 815	29 079	400 894	-	(6 565)	394 329	359 818	-	-	91	97	-	-	-	-
Other expenditure	11 005 901	2 475 352	13 481 253	-	122 654	13 603 907	13 012 019	-	-	96	118	-	-	-	-
Total expenditure	**59 091 927**	**1 485 580**	**60 577 507**	**-**	**-**	**60 577 507**	**58 450 648**	**-**	**-**	**96**	**99**	**-**	**-**	**-**	**-**
Surplus	**(461 008)**	**80 520**	**(380 488)**	**-**	**-**	**(380 488)**	**3 021 227**	**-**	**-**	(794)	(655)	**-**	**-**	**-**	**-**
Transfers recognised - capital	2 776 159	113 919	2 890 078	-	-	2 890 078	2 535 548	-	-	88	91	-	-	-	-
Contributions recognised - capital and contributed assets	-	-	-	-	-	-	117	-	-	-	-	-	-	-	-
Surplus/(deficit) after capital transfers and contributions	**2 315 151**	**194 439**	**2 509 590**	**-**	**-**	**2 509 590**	**5 556 892**	**-**	**-**	**221**	**240**	**-**	**-**	**-**	**-**
Share of surplus/(deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus for the year	**2 315 151**	**194 439**	**2 509 590**	**-**	**-**	**2 509 590**	**5 556 892**	**-**	**-**	**221**	**240**	**-**	**-**	**-**	**-**
CAPITAL EXPENDITURE AND FUNDS SOURCES															
Transfers recognised - capital	2 690 358	105 418	2 795 776	-	-	2 795 776	2 513 385	-	-	90	93	-	-	-	-
Public contributions and donations	85 801	8 501	94 302	-	-	94 302	66 133	-	-	70	77	-	-	-	-
Borrowing	6 500 000	(3 000 000)	3 500 000	-	-	3 500 000	2 544 486	-	-	73	39	-	-	-	-
Internally generated funds	1 711 530	3 226 173	4 937 703	-	-	4 937 703	4 280 353	-	-	87	250	-	-	-	-
Total sources of capital funds	**10 987 689**	**340 092**	**11 327 781**	**-**	**-**	**11 327 781**	**9 404 357**	**-**	**-**	**83**	**86**	**-**	**-**	**-**	**-**
CASH FLOWS															
Net cash from (used) operating	6 256 640	(164 575)	6 092 065	-	-	6 092 065	7 885 054	-	-	129	126	-	-	-	-
Net cash from (used) investing	(10 017 881)	(225 690)	(10 243 571)	-	-	(10 243 571)	(8 020 031)	-	-	78	80	-	-	-	-
Net cash from (used) financing	4 851 848	(3 007 734)	1 844 114	-	-	1 844 114	(688 229)	-	-	(37)	(14)	-	-	-	-
Cash/cash equivalents at the year end	**8 545 973**	**(2 742 584)**	**5 803 389**	**-**	**-**	**5 803 389**	**7 287 575**	**-**	**-**	**126**	**85**	**-**	**-**	**-**	**-**
Net increase/(decrease) in cash and cash equivalents	**1 090 607**	**(3 397 999)**	**(2 307 392)**	**-**	**-**	**(2 307 392)**	**(823 206)**	**-**	**-**	**36**	**(75)**	**-**	**-**	**-**	**-**

ANNEXURE F: Bids awarded to family of employees in service of the state – 2023

All amounts indicated in Rand thousands (R'000)

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE CITY AND OTHER STATE ENTITIES

Connected person	Position held in state	2023
AAE CATERING		821
Y EBRAHIM	CITY REGIONAL OPERATIONS MANAGER	
AFRIVEST BUSINESS SOLUTIONS		1 794
R DAVIDS	CITY COUNCILLOR	
AFRIWORLD BUSINESS SOLUTIONS (PTY) LTD		12 480
R DAVIDS	CITY COUNCILLOR	
AGL BUILDING REPAIRS AND MAINTENANCE SUP		146
G ELLOKER	CITY ADMINISTRATIVE OFFICER	
ANLO PRINT & MAIL CC		441
N TAYLOR	CITY ADMINISTRATIVE OFFICER	
BARENDS F		30
T BARENDS	CITY SAP DEVELOPER	
BOB C IMPORT/EXPORT AGENCIES CC		1 057
C PADIACHY	CITY CLERK	
BOWMAN GILFILLAN INC (LEGAL AND LAND)		4 459
T SASS	CITY HEAD COMPLIANCE AND PROBITY	
A VISSER	CITY MAINTENANCE MANAGER (WASTE WATER)	
	<u>OTHER STATE ENTITIES</u>	
H BEN-DAVID	SOUTH AFRICAN AIRWAYS: CAPTAIN	
L BOZALEK	WESTERN CAPE HIGH COURT: JUDGE	
HIJ CARIM	DEPARTMENT OF BASIC EDUCATION: DEPUTY PRINCIPAL	
M DE VILLIERS	THE COUNCIL FOR SCIENTIFIC AND INDUSTRIAL RESEARCH (CSIR): PROJECT AND PROCESS MANAGER (HUMAN RESOURCES)	
C DYER	NATIONAL DEPARTMENT OF EDUCATION: DEPUTY DIRECTOR COMMUNICATIONS	
N LUMEZA	DEPARTMENT OF BASIC EDUCATION: EDUCATOR	
B MALOPE-KGOKONG	NATIONAL HEALTH LABORATORY SERVICE: NATIONAL MANAGER	
G MELLEM	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
T MTSHALI	KZN DEPARTMENT OF EDUCATION: DEPUTY PRINCIPAL	
LWS NGUBANE	DEPARTMENT OF BASIC EDUCATION: EDUCATOR	
M NYALI	EASTERN CAPE DEPARTMENT OF EDUCATION: TEACHER	
J ODENDAL	ARMSCOR SOC LTD: SENIOR MANAGEMENT (TECHNICAL)	
C RODRIGUES	SOUTH AFRICAN POLICE SERVICES: FORENSIC ANALYST	
B SEPUBA	GAUTENG DEPARTMENT OF FINANCE: SPECIALIST RECRUITMENT	
E STEYN	WESTERN CAPE HIGH COURT: JUDGE	
E TIPRU	CITY POWER SAP ENGINEERING SERVICES: SENIOR APPLICATION ANALYST	
M VAN AARDT	BARAGWANETH HOSPITAL COMPLEX: DOCTOR	
J VAN DE HEUVEL	DEPARTMENT OF JUSTICE: MAGISTRATE	
S ZONDO	CITY OF JOHANNESBURG: OPERATIONS MANAGER	
CHARLMLU BUILDERS		86
C ABSOLOM	CITY ADMINISTRATIVE CLERK	
COMPUTER SPECIALISTS (PTY) LTD		605
N ORRIE	CITY SENIOR SUPERINTENDENT (WASTE WATER)	
CPR TRUCK REPAIRS		293
B MANUEL	CITY ADMINISTRATIVE OFFICER	
DESIGNTEC PRINTING CC		908
M MSHWESHWE	CITY MANAGER ACCESS TO INFORMATION	
EAS INFRASTRUCTURE ENGINEERS		11 758
J BROWN	CITY HUMAN SETTLEMENTS COORDINATOR	

ANNEXURE F: Bids awarded to family of employees in service of the state – 2023 (continued)

All amounts indicated in Rand thousands (R'000)

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE CITY AND OTHER STATE ENTITIES (continued)

Connected person	Position held in state	2023
FAYDIES CORPORATE GIFTS		4 458
MF VOTERSEN	CITY FINANCE MANAGER	
GIBB		38 519
A MOON	CITY HEAD BUSINESS CONTINUITY	
	OTHER STATE ENTITIES	
D ALLDERMAN	EASTERN CAPE DEPARTMENT OF EDUCATION: TEACHER	
I BRINK	FREE STATE DEPARTMENT OF EDUCATION: TEACHER	
C CLARK	ESKOM: INSTRUMENT TECHNICIAN	
L CLOETE	DEPARTMENT OF HIGHER EDUCATION AND TRAINING: LECTURER	
J GOOCH	DEPARTMENT OF TRANSPORT AND PUBLIC WORKS: HEAD OF DEPARTMENT	
C HERING	DEPARTMENT OF TRANSPORT AND PUBLIC WORKS: ELECTRICAL ENGINEER	
S JAFTA	EASTERN CAPE DEPARTMENT OF TRANSPORT: ASSISTANT MANAGER	
N MKHIZE	NATIONAL DEPARTMENT AFFAIRS AND FORESTRY: ACCOUNTING CLERK	
D O'REILLY	SOUTH AFRICAN POLICE SERVICE: WARRANT OFFICER	
A PETERSEN	DEPARTMENT OF EDUCATION: SUBJECT SPECIALIST	
S SINGH	DEPARTMENT OF EDUCATION: HUMAN RESOURCE OFFICER	
HAYES INCORPORATED		1 567
F AKHERWARAY	CITY SUPPORT ASSISTANT	
HEROLD GIE ATTORNEYS		6 507
K MEYER	CITY SENIOR CLERK	
INNOVATIVE TRANSPORT SOLUTION		27 331
M VAN DER MERWE	CITY CLINICAL MEDICAL OFFICER	
ISIDIMA CIVILS (PTY) LTD		1 084
S MANUEL	CITY ADMINISTRATIVE OFFICER	
ISUZU TRUCK CENTRE		261 171
E JACOBS	CITY SENIOR CLERK	
ITHALOMSO (PTY) LTD		109 584
S FUMBA	CITY GIS ADMINISTRATOR	
KALEIDOSCOPE EDUCATIONAL SERVICES		1 018
A ADAMS	CITY SENIOR PROFESSIONAL OFFICER SPATIAL PLANNING AND DEVELOPMENT	
A ADAMS	CITY SENIOR PROFESSIONAL OFFICER PUBLIC TRANSPORT OPERATIONS	
KEMANZI (PTY) LTD		6 079
J DU TOIT	CITY TRAFFIC INSPECTOR	
LILIAN4ZONKE		286
F MONK	CITY SUBCOUNCIL MANAGER	
N MONK	CITY EPWP CLERK	
	OTHER STATE ENTITIES	
N JANTJIES	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
LYNERS		2 012
A POTGIETER	CITY PROFESSIONAL OFFICER URBAN MOBILITY	
MARKET TOYOTA CULEMBORG		42
E JACOBS	CITY SENIOR CLERK	
NCC ENVIRONMENTAL SERVICES (PTY) LTD		31 634
C RHODA	CITY MANAGER INVASIVE SPECIES PROGRAMME	
PEGASYS		69 195
P GREY	CITY PROFESSIONAL OFFICER	
	OTHER STATE ENTITIES	
D QUIN	NATIONAL PROSECUTING AUTHORITY: SENIOR CRIME ANALYST	
E WARAMBWA	MUNICIPAL INFRASTRUCTURE SUPPORT AGENT: PROFESSIONAL ENGINEER	
B WESTON	DEPARTMENT OF WATER AND SANITATION: SCIENTIFIC MANAGER	

ANNEXURE F: Bids awarded to family of employees in service of the state – 2023 (continued)

All amounts indicated in Rand thousands (R'000)

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE CITY AND OTHER STATE ENTITIES (continued)

Connected person	Position held in state	2023
REEDS BELLVILLE		381
E JACOBS	CITY SENIOR CLERK	
REEDS CLAREMONT		338
E JACOBS	CITY SENIOR CLERK	
REEDS N1 CITY		427
E JACOBS	CITY SENIOR CLERK	
RNR AMBITION		13
C DE VOS	CITY RECREATION AND PARKS WORKER (KOGGEL BAY RESORT)	
RR MARINE ENGINEERING		3
S FRYDIE	CITY TECHNICAL ASSISTANT	
SAN BUILDING MAINTENANCE CC		11 211
B ASCOTT	CITY FINANCIAL COORDINATOR	
SANCCOB		456
P CILLIERS	CITY SAP ERP ANALYST	
	OTHER STATE ENTITIES	
L ROBERTS	DEPARTMENT OF AGRICULTURE: STATE VETERINARY	
SMART CIVIL CONSTRUCTION		9 878
N MOLEFE	CITY HEAD DEBT MANAGEMENT SERVICES	
SR CIVIL CONTRACTORS (PTY) LTD		3 151
E DE WET	CITY SENIOR FLEET OFFICER	
SUNSHINE HELLO DESIGN		15
MS MAROOF	CITY PROFESSIONAL OFFICER CUSTOMER RELATIONS	
TEMPUS DYNAMICS		1 632
M MVALO	CITY PROFESSIONAL OFFICER EXPENDITURE	
TRAFFIC MANAGEMENT TECHNOLOGIES		116 403
G ASPELING	CITY PRINCIPAL MECHANICAL ENGINEER	
WEBBER WENTZEL		18 542
N DIAS	CITY SENIOR LEGAL ADVISOR	
P COETZEE	TSHWANE METRO POLICE DEPARTMENT: COMMANDER COLONEL	
	OTHER STATE ENTITIES	
J ABRAHAM	LORRAINE PRIMARY SCHOOL: SECRETARY	
J BOTHA	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
B MAHLANGU	SCHOOL PRINCIPAL	
P MASEDI	CITY OF JOHANNESBURG: PERFORMANCE MANAGER	
K NONYANE	PETRO SA: SENIOR PLANNING TECHNICIAN	
H PRINSLOO	DEVELOPMENT BANK OF SOUTH AFRICA: PRINCIPAL RISK ANALYST	
S QOLOHLE	NATIONAL TREASURY: DIRECTOR	
A SMIT	SOUTH AFRICAN AIRWAYS: SENIOR CABIN CREW MEMBER	
JCL SMIT	BEAUFORT WEST MUNICIPALITY: DIRECTOR	
A TRUTER	WEST COAST EDUCATION DISTRICT: CHIEF EDUCATION SPECIALIST	
C TRUTER	NEWTON PRIMARY SCHOOL: PRINCIPAL	
P VAN DEN BRINK	WESGRO: PROJECT MANAGER	
B WATSON	PUBLIC INVESTMENT CORPORATION: DIRECTOR	
YIZA APHA TRADING		443
A KELLAND	CITY SENIOR CLERK	
Subtotal		**758 258**

ANNEXURE F: Bids awarded to family of employees in service of the state – 2023 (continued)

All amounts indicated in Rand thousands (R'000)

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF OTHER STATE ENTITIES

Connected person	Position held in state	2023
ASEP ELECTRICAL		8 340
Z SEPTEMBER	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
SATHLONE AUTO TRANSMISSION		2 017
N JOSEPH	WESTERN CAPE DEPARTMENT OF ECONOMIC DEVELOPMENT: CHIEF DIRECTOR	
BERGSTAN SOUTH AFRICA CONSULTING &D		2 087
JR BEUKES	DEPARTMENT OF SOCIAL DEVELOPMENT	
BOKAMOSO ENTERPRISE SOLUTIONS		226
M THOBEJANE	DEPARTMENT OF LAND AFFAIRS AND RURAL DEVELOPMENT	
BRAINPLAY		165
GJ PIETERSE	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
BSP CONSULTING ENGINEERS (PTY) LTD		4 605
A PLAATJIES	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
C & A FRIEDLANDER INC		5 556
AW BELL	HIGHER EDUCATION AND TRAINING	
C & M CONSULTING ENGINEERS		3 101
CB NGELE	SA WEATHER SERVICES: TECHNICIAN	
CLUVER MARKOTTER INC		4 879
F GEYSER	NATIONAL CONSTITUTIONAL DEVELOPMENT	
J HESS	WESTERN CAPE EDUCATION DEPARTMENT	
A PECORARO	WESTERN CAPE DEPARTMENT OF HEALTH	
CNP PROJECTS (PTY) LTD		106
C PILLAY	SOUTH AFRICAN NATIONAL DEFENCE FORCE: CHAPLAIN	
COEUR INVESTMENTS		20
P BELL	WESTERN CAPE DEPARTMENT OF CULTURAL AFFAIRS AND SPORTS: SPORTS FACILITATOR	
CONLOG		6 820
N MOODLEY	DEPARTMENT OF HEALTH: DIRECTOR	
COURTESY MANAGEMENT (PTY) LTD		605
F KHOSA	LIMPOPO COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: ASSISTANT DIRECTOR (RISK)	
CSM CONSULTING SERVICES (PTY) LTD		632
A VANCOILLIE	WESTERN CAPE DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING: CHIEF TOWN AND REGIONAL PLANNER	
CSV CONSTRUCTION		500 321
M DAVIDS	PROVINCIAL GOVERNMENT PROVINCE: TRAINING POST	
C SNELL	LENTEGEUR HOSPITAL: INTERN	
V VAN DER HEEVER	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
DS GXILISHE		66
B GXILISHE	DEPARTMENT OF AGRICULTURE AND FISHERIES	
S GXILISHE	WESTERN CAPE EDUCATION DEPARTMENT	
ELEMENT CONSULTING ENGINEERS		6 984
R ROSSOUW	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
EPI USE AFRICA (PTY) LTD		17 217
J ALBERTS	GAUTENG EDUCATION DEPARTMENT: DEPUTY PRINCIPAL	
E JANSE VAN RENSBURG	ROAD ACCIDENT FUND: SENIOR MANAGER OFFICE OF CHIEF OPERATING OFFICER	
EMPA STRUCTURES (PTY) LTD		20 400
G PETERSEN	WESTERN CAPE EDUCATION DEPARTMENT	
EMPIRE		559
B BOTTO	WORCESTER HOSPITAL: MEDICAL INTERN	

ANNEXURE F: Bids awarded to family of employees in service of the state – 2023 (continued)

All amounts indicated in Rand thousands (R'000)

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF OTHER STATE ENTITIES (continued)

Connected person	Position held in state	2023
ERNST AND YOUNG ADVISORY SERVICES		82 630
M MAKHAKHE	GAUTENG DEPARTMENT OF HEALTH: MEDICAL DOCTOR	
DF MAREE	JOHANNESBURG MUNICIPALITY: MANAGER	
K MAREE	NATIONAL TREASURY: ACTING ACCOUNTANT GENERAL	
N MORRISON	PRETORIA MILITARY SPORTS CLUB: BOOKKEEPER	
E MOTSAMAI	GAUTENG DEPARTMENT OF EDUCATION: MANAGER	
DP NATHOO	GAUTENG DEPARTMENT OF HEALTH: REGISTRAR	
N PANDAY	GAUTENG DEPARTMENT OF HEALTH: PHARMACIST	
EVERY FLUSH TOILET HIRE		96
N STIMELA	SOUTH AFRICAN POLICE SERVICE: WARRANT OFFICER	
FG JACOBS TRANSPORT CC		5 800
H POOLE	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
FIKELELA LABOUR SERVICES		4 098
D JOSEPH	MEMBER OF PARLIAMENT	
G NKOMO INCORPORATED		107
M NKOMO	DEPARTMENT OF JUSTICE: STATE PROSECUTOR	
GREENRO SOLUTIONS (PTY) LTD		15 190
N THABENG	SOUTH AFRICAN POLICE SERVICE: FORENSIC ANALYST	
HOWDEN PROJECTS		5 405
Z CHINGWARA	DEPARTMENT OF HEALTH: DEPUTY DIRECTOR	
IAN DICKIE & CO (PTY) LTD		1 652
D SAMUALS	SOUTH AFRICA POLICE SERVICES: WARRANT OFFICER	
IKAMVA YOUTH ENTREPRENEURSHIP DEVELOPMENT		235
T MOUTON	CAPE WINELANDS MUNICIPALITY: HEALTH INSPECTOR	
IKAPA RETICULATION CC		51 880
C DAVIDS	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
S DAVIDS	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
IMMEX WASTE		21 191
A DORFLING	EASTERN CAPE DEPARTMENT OF EDUCATION: EDUCATION THERAPIST	
INDECON INSTRUMENTATION		272
L BARANARD	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
IX ENGINEERS		1 443
RJ MASHEGANA	GAUTENG DEPARTMENT OF HEALTH: NURSE	
JC ACTIVE ELECTRICAL		11
C VAN VENT	WESTERN CAPE DEPARTMENT OF HEALTH	
JG AFRIKA (PTY) LTD		53 734
R MAHARAJ	UMGENI WATER: PLANNER	
JVZ CONSTRUCTION (PTY) LTD		46
R MATTHEE	NATIONAL DEPARTMENT OF CORRECTIONAL SERVICES: SECURITY OFFICER	
KEMP EN GENOTE		3 533
M WILLIAMS	STELLENBOSCH MUNICIPALITY: LEGAL ADVISOR	
KEPTRA TRADING		1 791
R MARIAS	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
LENTEC TRAINING ACADEMY		190
A THESEN	WESTERN CAPE DEPARTMENT OF HEALTH: RADIOLOGIST	
LIKHONA LETHU SERVICES		2 773
Z RAFU	SOUTH AFRICAN POLICE SERVICES: FORENSIC ANALYST	

ANNEXURE F: Bids awarded to family of employees in service of the state – 2023 (continued)

All amounts indicated in Rand thousands (R'000)

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF OTHER STATE ENTITIES (continued)

Connected person	Position held in state	2023
LJA CONSTRUCTION CC		3 889
L MCKRIEL	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
LUKHOZI CONSULTING ENGINEERS		59 055
G KENNEDY	SOUTH AFRICAN POLICE SERVICES: CHIEF ADMINISTRATION CLERK	
MAGUGA ATTORNEYS INC.		583
K MGENGWANA	SOUTH AFRICAN POLICE SERVICE: SENIOR ADMINISTRATOR	
MALHERBE TUBB FAURE INC T/A MHI ATTORNEY		2 279
J ROSSOUW	NATIONAL DEPARTMENT OF TRANSPORT AND PUBLIC WORKS: ADMINISTRATIVE OFFICER	
NEOTERIC TRADING SERVICES		346
A JACOBS	CAPE AGULHUS MUNICIPALITY: DIRECTOR INFRASTRUCTURE SERVICES	
NORTON ROSE FULBRIGHT SOUTH AFRICA		903
G ADAMS	DEPARTMENT OF EDUCATION: DEPUTY PRINCIPAL	
S CLAY	PARKTOWN GIRLS HIGH SCHOOL: TEACHER	
E MAUBANE	SOUTH AFRICAN POLICE SERVICE: HUMAN RESOURCES ADMINISTRATOR	
F NONHLANHLA	DEPARTMENT OF JUSTICE: TELECOMMUNICATIONS OPERATOR	
C SUNPATH	DEPARTMENT OF HEALTH: MEDICAL DOCTOR	
H SUNPATH	DEPARTMENT OF HEALTH: CHIEF TECHNICAL ADVISOR	
PISTON POWER CHEMICALS (PTY) LTD		11 869
N ANDHEE	KWAZULU NATAL EDUCATION DEPARTMENT: EDUCATOR	
PSA AFRICA (PTY) LTD		5 787
T FROST	DEPARTMENT OF JUSTICE	
C HECTOR	QUALITY ASSESSOR	
M HECTOR	MEDICAL DOCTOR	
RED ANT SECURITY RELOCATION AND EVICTION		54 787
N LESIELA	MOGALE CITY LOCAL MUNICIPALITY: DESIGN AND DEVELOPMENT PRACTITIONER	
ROYAL HASKONINGDHV (PTY) LTD		233
L DLALDLA	DEPARTMENT OF HEALTH: DEPUTY DIRECTOR	
T SITHOLE	CITY OF JOHANNESBURG: ASSOCIATE DIRECTOR	
STEDONE DEVELOPMENTS		53 921
L DUBE	DEPARTMENT OF TRANSPORT: CLERK	
SUCCIDO ENTERPRISES		237
L KRAMM	ADMINISTRATOR	
TERRATECH		317
AJM PRETORIUS	UNIVERSITY OF JOHANNESBURG	
THE OIL CENTRE		5 066
LB MDYOGOLO	DEPARTMENT OF EDUCATION: EDUCATOR	
TJEKA TRAINING MATTERS (PTY) LTD		40 077
B NLANTLI	DEPARTMENT OF HEALTH	
TOXSOLUTIONS KITS AND SERVICES CC		843
G PEARSON	RAND WATER: SENIOR EDUCATION ADVISOR	

ANNEXURE F: Bids awarded to family of employees in service of the state – 2023 (continued)

All amounts indicated in Rand thousands (R'000)

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF OTHER STATE ENTITIES (continued)

Connected person	Position held in state	2023
TRANSPORT TELEMATICS AFRICA		32 873
JJE GROENEWALD	PROVINCIAL GOVERNMENT WESTERN CAPE: TRANSPORT AND PUBLIC WORKS	
TRIDENTCHEM (PTY) LTD		2 619
GMT FEBRUARY	WESTERN CAPE EDUCATION DEPARTMENT: EDUCATOR	
UNAKO HOLDINGS (PTY) LTD		28
T VAPI	DEPARTMENT OF CORRECTIONAL SERVICES	
VONDO TRADING		12 782
N NEVONDO	DEPARTMENT OF HUMAN SETTLEMENTS	
ZUTARI (PTY) LTD		229 314
HC AHLSCHLAGER	SPECIAL INVESTIGATING UNIT: LEGAL REPRESENTATIVE	
K NADASEN	NATIONAL DEPARTMENT OF PUBLIC WORKS: DIRECTOR	
Subtotal		**1 354 591**
GRAND TOTAL		**2 112 849**

APPENDIX A

Abbreviations used in these financial statements

AARTO	Administrative Adjudication of Road Traffic Offences
AFD	Agence Française de Développement
AGSA	Auditor-General of South Africa
ASB	Accounting Standards Board
ATNS	Air Traffic and Navigation Services
CCT	City of Cape Town
CID(s)	city improvement district
CMTF	Cape Metropolitan Transport Fund
COID	compensation for occupational injuries and diseases
CPI	consumer price index
CRR	capital replacement reserve
CSIR	Council for Scientific and Industrial Research
CTS	Cape Town Stadium (RF) SOC Limited
CTICC	Cape Town International Convention Centre Company SOC Limited (RF)
DB	defined benefit (scheme)
DC	defined-contributions (scheme)
DMTN	domestic medium-term note
DTIC	Department of Trade, Industry and Competition
EPWP	Expanded Public Works Programme
ERP	Enterprise Resource Planning
FNB	First National Bank
GRAP	Generally Recognised Accounting Practice
ICASA	Independent Communications Authority of South Africa
IDP	Integrated Development Plan
IGRAP	Interpretation of the Standards of Generally Recognised Accounting Practice
IRT	integrated rapid transit
ISUPG	Informal Settlements Upgrading Partnership Grant
JSE	Johannesburg Stock Exchange
KCT	Khayelitsha Community Trust
KZN	Kwazulu Natal
Mayco	Mayoral Committee
MFMA	Local Government: Municipal Finance Management Act
MOA	memorandum of agreement
mSCOA	Municipal Standard Chart of Accounts
NACS	nominal annual compounded semi-annually
NDHS	National Department of Human Settlements
NHLS	National Health Laboratory Service
NPA	National Ports Authority
PAYE	pay-as-you-earn
PCDR	Public Contributions Donations Reserve
PFMA	Public Finance Management Act
PPE	property plant and equipment
PRASA	Passenger Rail Agency of South Africa
Province	Western Cape Provincial Government
RTMC	Road Traffic Management Corporation
SAA	South African Airways
SABC	South African Broadcasting Corporation
SALA	South African Local Authorities (Pension Fund)
SALGA	South African Local Government Association
SANDF	South African National Defence Force
SAP	Systems, Applications and Products
SARS	South Afican Revenue Services
SASSA	South African Social Security Agency
SCM	Supply Chain Management (Department)
SEZ	Special Economic Zone
SIU	Special investigating unit
SOA	Scheme of Arrangement
UIF	Unemployment Insurance Fund
USDG	Urban Settlements Development Grant
VAT	value-added tax
WCCP	Western Cape Provincial Parliament

CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

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