



LIMPOPO

PROVINCIAL GOVERNMENT

REPUBLIC OF SOUTH AFRICA

Media Statement

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Forensic investigation appointed on the Venda Building Society Investments

The Limpopo Provincial Treasury has to date appointed a forensic investigator to determine any irregularities on the investments of Limpopo municipalities into the Venda Building Society (VBS) Mutual Bank. The appointment follows the Limpopo Executive Council directive that the Provincial Treasury must immediately commence with a forensic audit in order to determine whether the 10 Municipalities namely Polokwane, Makhuduthamaga, Elias Motsoaledi, Makhado, Ephraim Mogale, Collins Chabane, Vhembe District, Greater Giyani, Lepelle-Nkumpi and Fetakgomo Tubatse flouted any legal provisions when they invested funds with Venda Building Society.

The Executive Council will only act once the investigation has been completed. In its meeting, EXCO has indicated that in instance where the laws and regulations be found to have been transgressed, actions need to be taken against the offending officials. The affected officials will have to account.

In the same meeting, the Premier Chupu Stanley Mathabatha strongly emphasised that serious actions will be taken against those implicated once the forensic investigation is completed. As Government, we view media report by the Democratic Alliance that the affected Mayors should be fired misleading. The DA's action by opening charges of "fraud, racketeering and corruption" are premature and reckless. Their sentiments are tantamount to hinder the investigation processes enforced by the Provincial Government. DA's opening of those charges are not in any way helping in the process and their action is viewed as useless grandstanding.

The Province had ten (10) municipalities that invested funds with VBS Mutual Bank, namely Polokwane, Makhuduthamaga, Elias Motsoaledi, Makhado, Ephraim Mogale, Collins Chabane, Vhembe District, Greater-Giyani, Lepelle-Nkumpi and Fetakgomo Tubatse.

Out of those ten (10) above-mentioned municipalities, investments for three (3) municipalities have matured and both investment and interest have been paid to the municipalities, namely Polokwane, Makhuduthamaga and Elias-Motsoaledi. The remaining seven (7) municipalities still have their invested funds with VBS Mutual Bank, namely Ephraim Mogale, Lepelle-Nkumpi, Fetakgomo Tubatse, Makhado, Vhembe, Greater-Giyani and Collins Chabane.

Issued by Office of the Premier

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