



BUDGET AND TREASURY REPORT

Report as of March 31 2026

MARCH 31, 2026
MOPANI DISTRICT MUNICIPALITY
Section 71 Report

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REVENUE

The municipal Revenue budget for the year was approved at **R2.01 billion**, adjusted to **R2.02 billion**, for operational activities and **R628 million** vat exclusive for capital expenditure. As of 31 March 2026, total amount of **R 1.941 billion (R1.427 billion for equitable share, R 356.8 Million for MIG, R135.4 Million for WSIG 6B, R3 million for FMG, R3.14 million for RRAMS, R7.8 for EPWP and R 8 million Disaster relief)** was received from National Treasury.

The total other revenue received YTD is **R157.9 million (VDM R3.8, VAT R150.4 million, GLM R1.2 million and Auction R2.5 million)**

The municipality is currently recognizing conditional grant such as Municipal Infrastructure Grant as liability which is the requirements with generally Accepted Accounting Practice (GRAP 23). This grant will only be recognized as revenue once they have meet conditions of those grants.

2. Financial Overview

Figure 1: Statement of Financial Performance

2.1 Statement of financial Performance

a). Operating Revenue

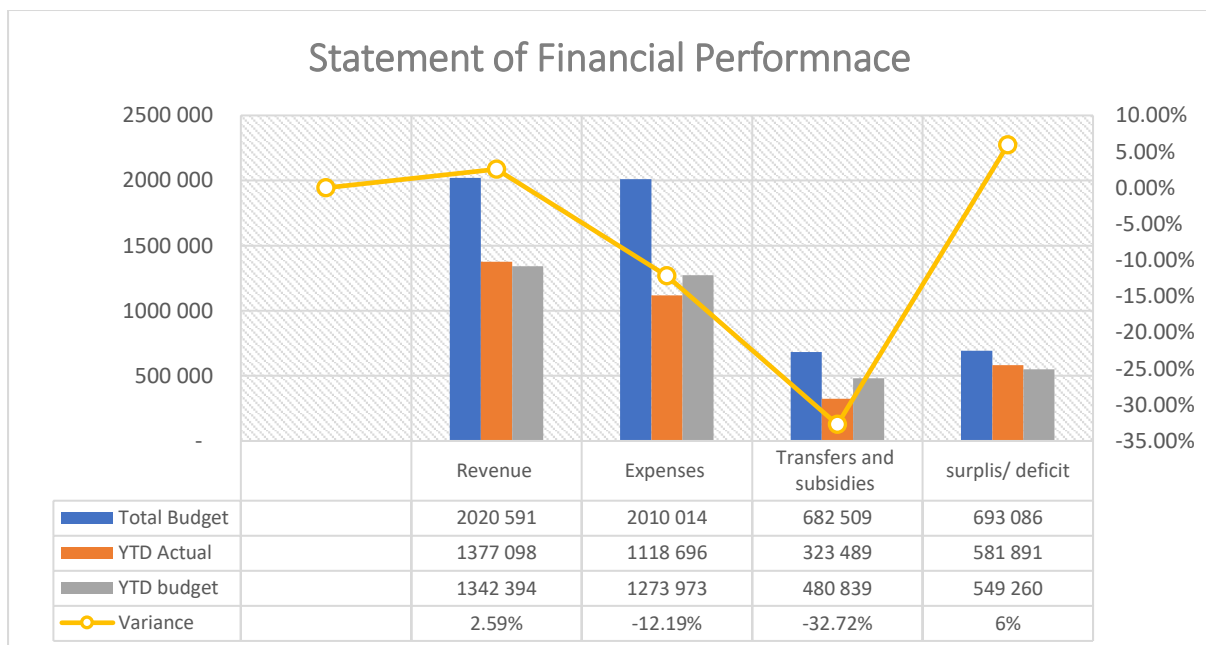
i. Service charges (GRAP 9)

The services charges for water charged to consumers is at **R205.7 million** of the YTD Actual when compared to the YTD Budget of **R291.3 million** and the variances **-29.37 %**. The service charges for sanitation is at **R29.3 million** of the YTD Actual when compared to the YTD Budget of **R52.8 million** and the variance is **-44.52 %** as at the period ending 31 March 2026.

The system vendor is in the process of uploading customer information on the system, the process of consolidating billing from local municipalities is in progress.

ii. Transfers and Subsidies Operational– the municipality is at **R1.458 billion** of the YTD Actual when compared to the YTD Budget of **R1.078 billion**, the variance is **35.22%** on operating grants and subsidies as at the end of the period ended the 31 March 2026. The variance is due to an evenly monthly allocation of the budget throughout the period by the system.

- iii. **Transfers and Subsidies Capital**– the municipality is at **R405.0 million** (WSIG 6B included) of the YTD Actual when compared to the YTD Budget of **R534.8 million**, the variance is **-24.27%**. on capital grants and subsidies as at the end of the period ended the 31 March 2026. The variance is due to evenly allocation of the budget throughout the period.
- iv. **Interest earned on Current and Non-Current Assets** –Interest earned on current and non-current asset is **R18.8 million** of the YTD Actual when compared to the YTD Budget of **R19.0 million**. The variance is **1.07%**
- v. **Sale of Goods and rendering services (Tenders)**- Sale of goods and other services including sales from Tenders is **R1.5 million** of the YTD Actual when compared to the YTD Budget of **R4.2 million**, the variance of **-64.98%**. The municipality anticipated to advertise the WSIG 6B phase 2 project tender documents
- vi. **Interest Earned from Receivables**- Interest earned on receivables is at **R50.0million** of the YTD Actual when compared to the YTD budget of **R65.95 million**, the variance **-24.13%**. the YTD actual information is one month behind due to locals not submitting the information in time.



b) Operating Expenditure

- i. **Employee Related Costs** (Salaries and Wages & Social contribution) – Employee related costs expenditure is at **R404.6 million** of YTD Actual when compared to the YTD Budget of **R429.8 million** and the variance is **-5.85%** for the period ended 31 March 2026, which is lower than the expected budget.

Overtime and leave encashment have been reduced significantly and as per Mscoa classification Subsistence and Travel (S&T) is classified under operational cost.

- ii. **Councillors Remuneration** – The councillors' remuneration is at **R13.6 million** of the YTD Actual when compared to the YTD Budget of **R19.9 million** the variance is **-31.66%**. 2025/26 determination of upper limits for Councillors is not yet effected.
- iii. **Depreciation** – The depreciation is at **R162.8 million** of the YTD Actual when compared to the YTD Budget of **R233.1 million** and the variance is **-30.15%** for the period ended 31 March 2026. The municipality still in the process of implementing asset conversion module
- iv. **Debt Impairment**- Currently the municipality is accounting for debt impairment at year end. The municipality is planning to put revenue collection strategies to optimize the collection of debt owned by consumers through its local such as the use debt collectors, improved meter reading and other initiatives. The Municipality has a council approved Debt write-off policy which does not intend to promote the culture of non-payment and compromise the municipality future cash position, the policy is expected to assist in reducing irrecoverable debt.
- v. **Contracted services** – includes the payments for water tankers, security services, Legal Services, PMU Support, consultants assisting in preparation of AFS and MSCOA. Expenditure is at **R345.9 million** of the YTD Actual compared to the YTD Budget of **R271 million**, the variance is **27.63%** for the period ending 31 March 2026.

Segment	As at	Budget	Actual	Available
Security	July	150,000,000.00	13,463,268.72	13,027,165.24
	August		12,317,301.51	
	September		14,511,953.12	
	October		15,526,284.63	
	November		14,721,430.51	
	December		17,491,481.64	
	January		5,171,395.32	

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	February		24,753,942.41	
	March		19,015,776.90	
Legal	July	25,000,004.00		-53,818.49
	August		2,914,382.06	
	September		294,923.67	
	October		4,667,195.54	
	November		876,093.76	
	December		9,295,070.22	
	January		712,886.18	
	February			
	March		6,293,271.06	
Labour	July	20,999,996.00	7,246,758.26	710,976.29
	August		2,843,695.66	
	September		2,503,487.50	
	October		1,499,095.00	
	November		-	
	December		-	
	January		-	
	February		3,512,385.00	
	March		2,683,598.29	
Water Tanker	July	40,000,000.00	2,400,000.00	6,605,667.44
	August		2,976,000.00	
	September		4,111,202.13	
	October		5,424,000.00	
	November		744,000.00	
	December		8,844,000.00	
	January		3,123,130.43	
	February		1,296,000.00	
	March		4,476,000.00	
PMU support	July	16,800,000.00		1,474,513.87
	August		1,707,632.63	
	September		1,677,879.83	

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	October		1,701,075.09	
	November		1,704,427.07	
	December		3,411,573.62	
	January		1,707,632.63	
	February		1,707,632.63	
	March		1,707,632.63	
AFS Support	July	7,000,000.00		2,463,974.23
	August		1,594,722.83	
	September		1,877,427.39	
	October		312,904.57	
	November		362,904.57	
	December		388,066.41	
	January		-	
	February		-	
	March		-	
mSCOA Support	July	5,299,996.00	4,358,040.06	47,832.94
	August		66,433.54	
	September		66,433.54	
	October		518,057.30	
	November		-	
	December		199,300.62	
	January		43,898.00	
	February		-	
	March		-	
Assets Support	July	4,961,256.00	2,520,800.00	2,440,456.00

- vi. **Inventory Consumed** - This figure includes repairs and maintenance of infrastructure and movable assets on an ad hoc basis and the purchase of bulk water purchases from Lepelle Northern Water and Department of Water and Sanitation is at **R247.2 million** of the YTD Actual compared to the YTD Budget of **R335.8 million**, the variance is **-18.33%** for the period ending 31 March 2026. The figure includes repairs and maintenance of infrastructure and movable asset on an ad hoc basis and the purchase of bulk water purchases from Lepelle Northern Water and Department of Water and

Sanitation. Invoices from LNW and DWS for month of March 2026 are not yet been processed.

- vii. **Operational Costs** – Operational Costs is at **R80.5 million** of the YTD Actual compared to the YTD Budget of **R99.5 million** the variance is **-19.04%** as at the period ended 31 March 2026. The variance is due to municipality 'ability to implement cost containment strategy
- viii. **Interest Paid** – Interest paid is at **R1.3 million** of the YTD Actual compared to the YTD Budget of **R17.6 million** the variance is at **-92.81** as the period ended 31 March 2026. The high variance is due to interest written off by the creditors and municipality's ability to service current accounts.

The overall operating expenditure as on the 31 March 2026 is at **R1.3 billion** of the YTD Actual compared to the YTD Budget of **R1.5 billion** and the variance is **-12.68%**. The operational expenditure has non-calculations of the debt impairment, and the receiving and issuing of the water inventory and other stores not using the financial system (stores module)

Detailed statement of Financial Performance

2.1 Staff benefits expenditure.

The Municipality staff and councillors' benefits to date amount to **R418.2 million** as compared to the budget of **R449.7 million**. The overall salary variance is reported at **-7.0%** as of 31 March 2026.

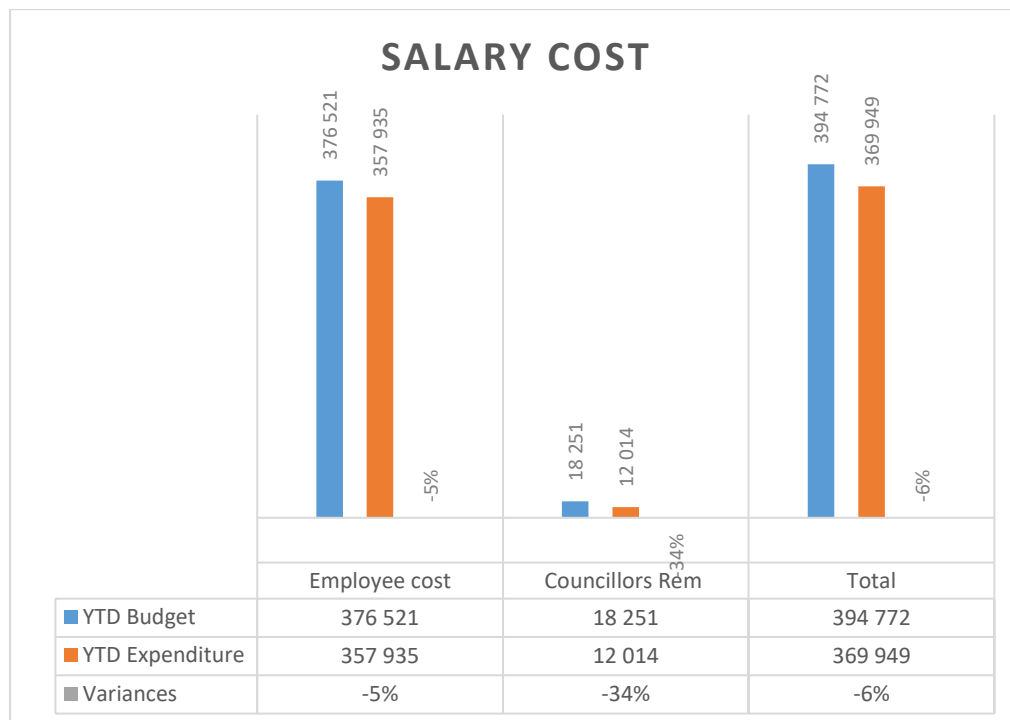


Figure Remuneration Cost

2.2 Capital expenditure

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The overall capital expenditure as of 31 March 2026 is at **R369.3 million** of the YTD Actual compared to the YTD Budget of **R487.6 million** and the variance is **24.25%**.

Limpopo: Mopani (DC33) - Table C5 Monthly Budgeted Capital Expenditure by Functional Classification and Funding for period ending (M09) 31 March 2026

Description	Ref	Budget year 2025/26										
		2024/25	Budget year 2025/26									
R thousands		Audited Outcome	Original Budget	Adjusted Budget	M08 Feb Actual	M09 Mar Actual	Q3 Mar Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
Capital Expenditure - Functional												
Municipal governance and administration		18,533	6,000	6,000	-	-	-	2,162	4,500	(2,338)	(51.97)	6,000
Executive and council												
Finance and administration		18,533	6,000	6,000				2,162	4,500	(2,338)	(51.97)	6,000
Internal audit												
Community and public safety		(5,777)	26,500	26,500	-	-	-	12,681	19,875	(7,194)	(36.20)	26,500
Community and social services			1,500	1,500					1,125	(1,125)	(100.00)	1,500
Sport and recreation												
Public safety		(5,777)	25,000	25,000				12,681	18,750	(6,069)	(32.37)	25,000
Housing												
Health												
Economic and environmental services		224	2,587	2,587	126	-	126	126	1,940	(1,815)	(93.53)	2,587
Planning and development		224	2,587	2,587	126		126	126	1,940	(1,815)	(93.53)	2,587
Road transport												
Environmental protection												
Trading services		612,947	609,380	593,240	5,066	68,167	79,663	354,375	461,267	(106,892)	(23.17)	593,240
Energy sources				2,522		2,480	2,480	2,480	1,009	1,471	145.85	2,522
Water management		612,947	609,380	590,719	5,066	65,687	77,183	351,895	460,258	(108,363)	(23.54)	590,719
Waste water management												
Waste management												
Other												
Total Capital Expenditure - Functional	3	625,927	644,467	628,327	5,192	68,167	79,788	369,343	487,582	(118,239)	(24.25)	628,327
Funded by												
National Government		14,359	611,967	581,306	5,192	65,687	77,309	342,682	457,398	(114,716)	(25.08)	581,306
Provincial Government												
District Municipality		(238,839)		12,000				9,339	4,800	4,539	94.55	12,000
Transfers and subsidies - capital (monetary allocations) (Nat/Prov)												
Transfers recognised - capital		(224,480)	611,967	593,306	5,192	65,687	77,309	352,021	462,198	(110,177)	(23.84)	593,306
Borrowing	6											
Internally generated funds		850,407	32,500	35,022		2,480	2,480	17,322	25,384	(8,062)	(31.76)	35,022
Total Capital Funding		625,927	644,467	628,327	5,192	68,167	79,788	369,343	487,582	(118,239)	(24.25)	628,327

2.3. CashFlowStatement

Limpopo: Mopani (DC33) - Table C7 Monthly Budgeted Cash Flows (A8) for period ending (M09) 31 March 2026

Description	Ref	Budget year 2025/26																			
		2024/25	Budget year 2025/26																		
R thousands		Audited Outcome	Original Budget	Adjusted Budget	M01 July Actual	M02 Aug Actual	M03 Sept Actual	Q1 Sept Actual	M04 Oct Actual	M05 Nov Actual	M06 Dec Actual	Q2 Dec Actual	M07 Jan Actual	M08 Feb Actual	M09 Mar Actual	Q3 Mar Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES																					
Receipts																					
Property rates		19,211	68,818	68,818	392	536	608	302	3,807	4,218							5,137	51,813	(48,487)	(93.63)	68,818
Service charges		10,038	201,145	201,145	163	177	114	403	3,057	541	759	3,797	58	186	162	405	4,616	150,869	(146,253)	(96.94)	201,145
Other revenue		1,253,084	1,438,267	1,438,267	4,960	594,762	4,960	599,722	48	3,527	475,810	479,385		2,351	356,857	359,208	1,438,315	1,078,700	359,615	33.34	1,438,267
Transfers and Subsidies - Operational	1	522,677	717,509	682,509	141,662	1,827	143,469	251	138,490	130,801	289,542	61	1,947	43,816	44,984	498,015	524,132	(66,116)	(12.61)	682,509	
Transfers and Subsidies - Capital	1	29,311	33,192	43,192	2,964	3,018	2,302	8,284	1,557	1,038	1,644	4,239	2,224	1,693	2,359	6,275	18,799	28,894	(10,095)	(34.94)	43,192
Dividends																					
Payments																					
Supplies and employees		(1,517,073)	(1,482,306)	(1,619,370)	(97,305)	(87,768)	(92,350)	(277,426)	(107,598)	(78,630)	(100,041)	(286,275)	(82,048)	(71,257)	(93,475)	(248,768)	(810,484)	(1,168,555)	356,071	(30.52)	(1,619,370)
Finance charges			(1,274)	(15,956)														(8,829)	8,829	(100.00)	(15,956)
Transfers and Subsidies	1																				
NET CASH FROM/USED: OPERATING ACTIVITIES		317,248	975,556	798,695	642,246	(77,394)	(89,483)	475,449	(162,334)	64,966	912,224	474,865	(79,787)	(65,989)	309,789	164,695	1,114,408	689,814	424,593	68.54	798,695
CASH FLOWS FROM INVESTING ACTIVITIES																					
Receipts																					
Proceeds on disposal of PPE																					
Decrease (increase) in non-current receivables																					
Decrease (increase) in non-current investments																					
Insurance Refund - Capital																					
Interest on Short Term Investment (Greater than 90 days) and L																					
Payments																					
Capital assets		(769,472)	(644,467)	(628,327)	(41,129)	(42,743)	(34,277)	(118,146)	(49,364)	(23,220)	(184,489)	(257,013)	(8,109)	(5,707)	(51,549)	(65,365)	(440,523)	(476,894)	36,371	(7.63)	(628,327)
Rebates (Capex) (Only V.7.2)																					
NET CASH FROM/USED: INVESTING ACTIVITIES		(769,472)	(644,467)	(628,327)	(41,129)	(42,743)	(34,277)	(118,146)	(49,364)	(23,220)	(184,489)	(257,013)	(8,109)	(5,707)	(51,549)	(65,365)	(440,523)	(476,894)	36,371	(7.63)	(628,327)
CASH FLOWS FROM FINANCING ACTIVITIES																					
Receipts																					
Short term loans																					
Borrowing long term/financing																					
Increase (decrease) in consumer deposits																					
Payments																					
Repayment of borrowing																					
NET CASH FROM/USED: FINANCING ACTIVITIES																					
NET INCREASE (DECREASE) IN CASH HELD		(443,224)	330,883	170,378	601,121	(126,137)	(123,641)	357,303	(151,637)	41,746	327,745	217,853	(87,816)	(71,687)	258,231	98,728	673,884	163,933	489,955	266.40	170,378
Cash/cash equivalents at the year begin:	2	189,739	(142,121)	168,068	163,823	769,436	649,292	163,833	525,612	373,974	415,729	525,612	743,465	655,650	93,962	743,465	163,823	168,068	(4,245)	(2.53)	168,068
Cash/cash equivalents at the year end:	2	(262,485)	188,762	338,346	764,944	648,292	525,612	525,612	373,974	415,729	743,465	743,465	655,650	93,962	842,193	842,193	842,193	351,989	489,719	137.99	338,346

2.4 Cash and Cash equivalents

MOPANI DISTRICT MUNICIPALITY			
CONSOLIDATED BTS FOR MARCH 2026			
Month	9		
Statement Description	MAIN ACCOUNT 62854372093	CALL ACCOUNTS	TOTAL
Opening balance	8,974,507.56	339,886,930.65	348,861,438.21
Interest capitalised	127,579.39	2,231,430.77	2,359,010.16
Transfer from Main to Call	(515,000,000.00)	515,000,000.00	-
Transfer to Main Account from call	269,500,000.00	(269,500,000.00)	-
Current - Refunds SARS	9,897,780.58	-	9,897,780.58
Current - Cellphone Allowance	38,600.00	-	38,600.00
Current - ACB (GRANT)	452,554,096.71	-	452,554,096.71
Current - Deposits	123,727.60	-	123,727.60
Current - ACB - Unpaid	-	-	-
Current - Refund Insurance	21,139.35	-	21,139.35
Current - ACB	(153,904,060.03)	-	(153,904,060.03)
Current - debit orders	(187,729.95)	-	(187,729.95)
Current - ESKOM	(5,330,734.96)	-	(5,330,734.96)
Current - Refund Medical aid & Pension		-	-
Current - Bank Charges	(3,453.72)	-	(3,453.72)
Current - (Salaries)	(65,381,797.45)	-	(65,381,797.45)
Current - Salaries Refund	28,086.76	-	-
Current - Salaries - Unpaid	7,680.60	-	7,680.60
Current - Refund Medical aid	13,318.81		
Current ACB - Refund Overpayment		-	-
Current ACB - Unknown		-	-
Closing balance	1,478,741.25	587,618,361.42	589,097,102.67

3. Grant Management

3.1 Grant Payment Allocation

The table below depicts the amount and the date that the payments were made into the municipality's bank account.

4. Revenue Management

The Municipality's revenue sources are as follows: -

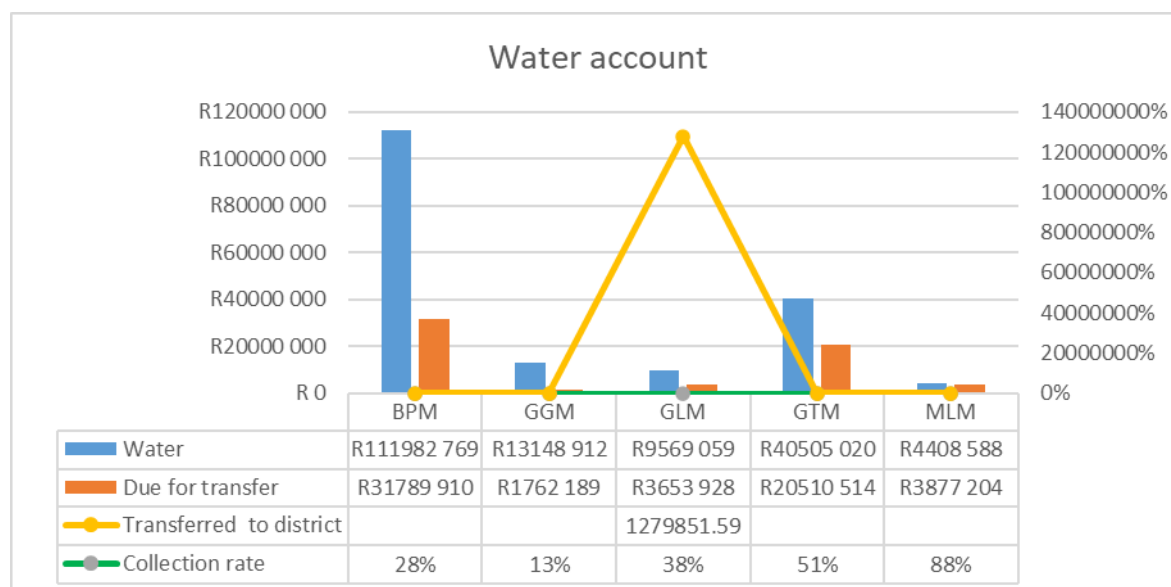
- Water and sewer service charges
- Fire services charges.
- Environmental Health service charges
- Air Quality services charges
- Sale of tenders

The main own revenue is water and sewer transaction that are done at the local municipalities on behalf of the District Municipality

4.1. Billing on Water and Sewer Services

a) Local Municipalities invoiced as of 31 March 2026

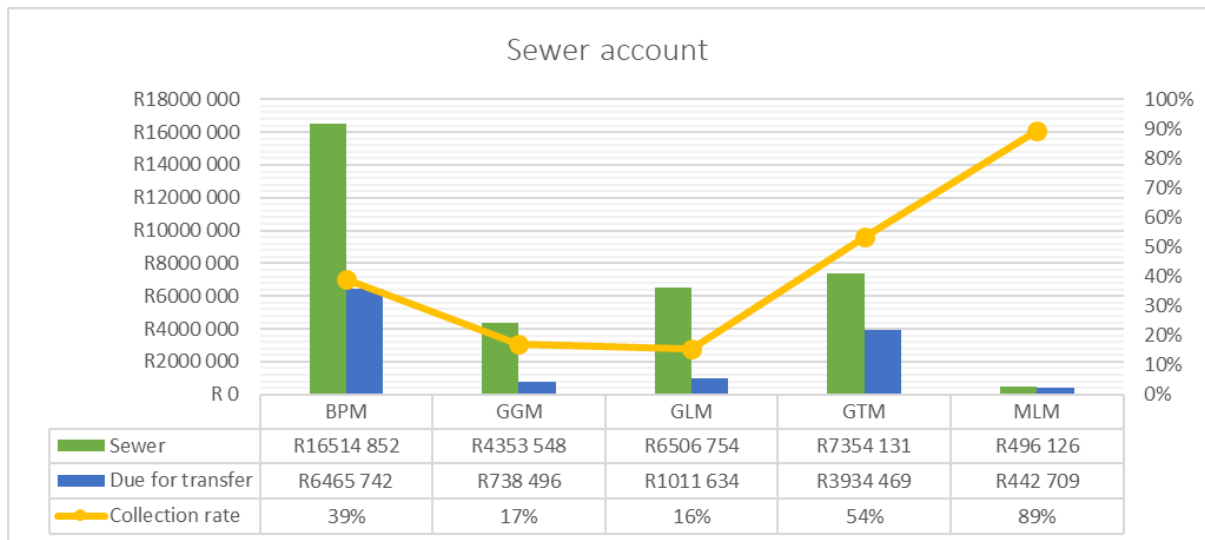
Figure 2: Water account



b) Sewer Billing

The following graph illustrate the performance of the sewer services.

Figure 3: Sewer Account



c) Local Municipalities Costs Recovery Report (Expenditures)

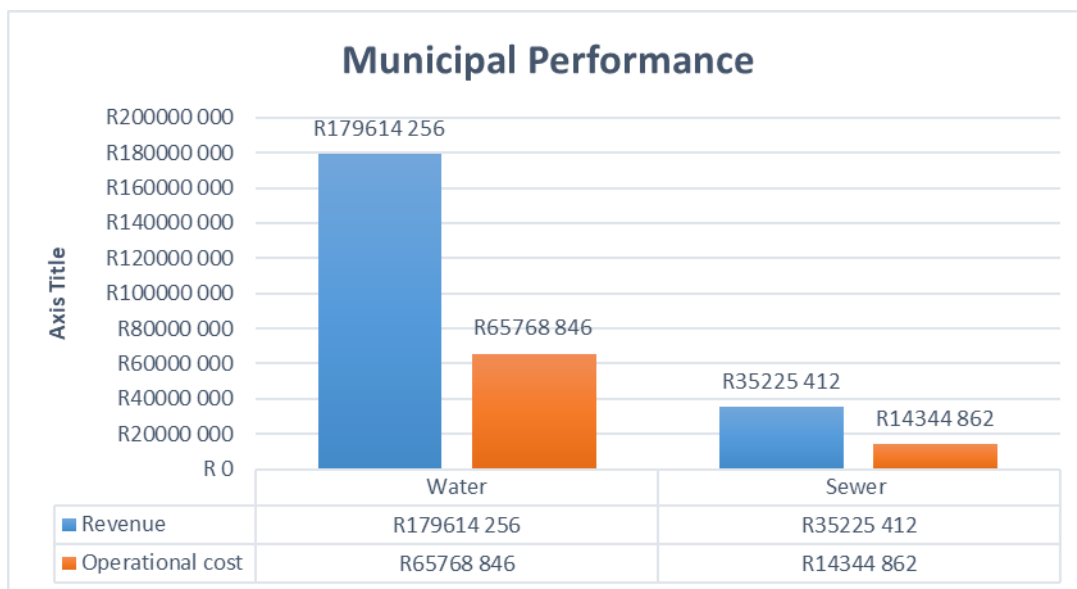


Figure 4: Cost recovery.

The revenue invoiced on water and sewer for functions performed by local municipalities as per the below two tables. All municipalities have not yet transferred the money to the district municipality. As such further engagements with the local municipalities is critical. The local municipalities need to invoice the district on the total expenditures incurred on the water and sewer transactions.

Below is a summary of the revenue collection and expenditure expenditures incurred by the local municipalities.

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SUMMARY OF INCOME/EXPENDITURE						
YEAR TO DATE	Ba-PHALABORWA	TZANEEN	MARULENG	LETABA	GIYANI	TOTAL
Water Collection	R28 879 086.86	R18 056 143.16	R3 376 353.13	R2 896 077.47	R1 550 283.35	R54 757 943.97
Sewer Collection	R5 701 745.52	R3 239 491.23	R398 781.52	R724 347.26	R681 332.84	R10 745 698.37
Total Collection	R34 580 832.38	R21 295 634.39	R3 775 134.65	R3 620 424.73	R2 231 616.19	R65 503 642.34
Water Expenditure	-R10 382 119.99	-R23 299 864.76	-R1 939 524.48	-R3 660 843.98	-R1 329 479.64	-R40 611 832.85
Sewer Expenditure	-R2 208 028.49	-R5 183 453.66	R0.00	R0.00	-R606 774.72	-R7 998 256.87
Agency fees	-R1 729 041.62	-R1 064 781.72	-R188 756.73	-R181 021.24	-R111 580.81	-R3 275 182.12
Total Expenditure	-R14 319 190.10	-R29 548 100.14	-R2 128 281.21	-R3 817 666.36	-R2 047 835.17	-R49 782 945.71
Transferred to MDM	R0.00	R0.00	R0.00	R1 279 851.59	R0.00	R1 279 851.59
Profit/(loss)	R20 261 642.28	-R8 252 465.75	R1 646 853.44	-R681 218.84	R183 781.02	R15 720 696.63

4.2. DEBTORS AGE ANALYSIS

The Municipality aims to effectively implement credit control and debt collection policy specifically on businesses, currently the municipality is in the process of uploading customer information on the system.

a) Debt age analysis.

Debtors Aging Analysis March 2026			
Age Analysis	Sewerage R'000	Water R'000	Total R'000
Current	5 955 254	35 889 279	41 844 533
30 days	4 367 092	29 068 024	33 435 116
60 days	4 079 180	20 993 220	25 072 400
90 days	4 023 029	23 043 781	27 066 809
120 days	3 889 650	21 472 742	25 362 392
150 days plus	332 883 153	1 940 422 990	2 273 306 143
TOTAL	355 197 357	2 070 890 036	2 426 087 393
			2 426 087 393.31
AGEING PER LOCAL MUNICIPALITY			
WATER		SEWER	DEBT COLLECTION
MUNICIPALITY	AMOUNT R'000	MUNICIPALITY	AMOUNT R'000
BPM	1 568 113 371	BPM	247 279 240
GGM	71 619 576	GGM	22 800 492
GLM	43 603 825	GLM	45 146 201
GTM	200 702 117	GTM	39 331 230
MLM	3 969 956	MLM	640 195
MDM	182 881 192	MDM	-
TOTAL	2 070 890 036	TOTAL	355 197 357
			0.21

b) Sale Of Goods

Month	Tender	Fire Services	EHS	Water Connection	Total
Jul-25	R 60 504.35	R 31 167.89	R 49 809.04	R -	R 141 481.28
Aug-25	R 54 347.85	R 60 488.10	R 38 804.21	R -	R 153 640.16
Sept-25	R 23 043.47	R 28 597.89	R 47 306.68	R -	R 98 948.04
Oct-25	R 16 956.52	R 67 802.63	R 38 079.20	R -	R 122 838.35
Nov-25	R 371 348.76	R 79 722.74	R 26 101.70	R -	R 477 173.20
Dec-25	R 106 091.30	R 9 425.76	R 16 526.08	R 15 502.07	R 147 545.21
Jan-26	R -	R 28 413.73	R 20 008.79	R -	R 48 422.52
Feb-26	R 23 043.47	R 24 472.58	R 96 408.76		R 143 924.81
Mar-26	R 58 260.88	R 15 193.56	R 31 395.66	R 28 086.76	R 132 936.86
Total	R 713 596.60	R 345 284.88	R 364 440.12	R 43 588.83	R 1 466 910.43

5. ASSETS MANAGEMENT**Assets Management (MFMA section 63)**

- a) Significant movable / immovable assets under the control of the municipality.
- b) Continuous updates of the asset register. Depreciation for the year

NO	CLASS OF ASSETS	ACCUMULATED DEPRECIATION TO MARCH 2026	ACCUMULATED IMPAIRMENT MARCH 2026
1	Community Assets		
	Building	R 5 643 962.82	R 25 256 903.42
2	Infrastructure Assets		
	Sanitation	R 23 501 858.40	R 7 769 738.31
	Water	R119 540 928.60	R 28 971 265.14
3	Movables Assets		
	Computer Equipment	R1 348 183.53	R 290 783.32
	Furniture and Office Equipment	R1 641 977.28	R 423 700.24
	Machinery and Equipment	R3 542 045.13	R 921 213.35
	Motor Vehicle	R7 626 599.19	R 28 114.83
	Total	R 162 845 554.95	R 63 661 718.61

This section of the report relates to the asset spend analysis (quantum and rand value) during the past month for all asset transactions.

Threshold– Other Asset Purchases	Quantity	Value
Transactions Exceeding R 1 000	3	R 70 670.00

No	Date	Cheque Number	Description Of Works	Amount
1	Jan-26	'EF020294-0002	Supply And Delivery Of Freezer And Microwave At Thabina Water Works	R20 395.00
2	Jan-26	'INV090126	Supply; Delivery And Installation Of 3x 12000btu Air conditioners At	R28 500.00
3	Feb-26	'Mj010	Supply And Delivery Of Supplies To Tours Dam	R21 775.00

Total**R70 670.00**

This section of the report relates to the asset spend analysis (quantum and rand value) during the past month for all asset transactions.

Threshold– Infrastructure Asset Purchases	Quantity	Value
Transactions Exceeding R 1 000	74	R 95 911 420.25

No	Date	Cheque Number	Description Of Service	Amount
1	2026/01/26	'EF020278-0003	Claim 11 Muyexe Water Reticulation Contract A	R10,800.00
2	2026/01/26	'EF020280-0001	Mhlaba Willem Water Reticulation	R49,662.01
3	2026/01/26	'EF020278-0002	Claim 07 Dzingidzingi Water Reticulation	R318,743.47
4	2026/01/26	'EF020279-0002	Claim 07 Mageva Water Reticulation Contract A	R521,621.32
5	2026/01/26	'EF020278-0004	Claim 11 Muyexe Water Reticulation Contract A	R7,200.00

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6	2026/01/26	'EF020279-0001	Refurb Of Giyani Water Works And Reticulation Project	R 2,638,170.40
7	2026/01/26	'EF020278-0001	Claim 26 Refurb Of Giyani Water Works And Reticulation Project	R 2,638,170.40
8	2026/01/26	'EF020299-0002	Claim 07 Mninginisi Block 2 Water Reticulation	R245,288.36
9	2026/01/26	'EF020294-0001	Supply And Delivery Of Borehole Spares	R 10,199,930.00
10	2026/02/26	'EF020343-0003	Claim 09 Ritavi 2 Regional Water Scheme Phase 05	R430,161.30
11	2026/02/26	'EF020312-0001	Giyani Water Reticulation And Household55 Villvuhehli Mdm 2022/23-41	R493,044.97
12	2026/02/26	'EF020329-0001	Claim 27 Refurb Of Giyani Water Works Connections To 55 Villages	R 1,739,535.40
13	2026/02/26	'bet0133	Upgrade Of Sewer Pipeline At Giyani Section F And Earth Work	R 4,322,900.00
14	2026/02/26	'001/2026	Supply And Install 2500l Jojo Tak; Stander 150mmx1500mm And Pressure P	R25,500.00
15	2026/02/26	'NTABO780	Construction Of 2 Pits Toilets Male And Female	R30,000.00
16	2026/03/01	'EF020374-0001	CLAIM 24 LEPHEPHANE WATER RETICULATION PHASE B	R416,218.43
17	2026/03/01	'EF020374-0002	CLAIM 01 LEPHEPHANE WATER RETICULATION PHASE 2B	R 1,399,215.29
18	2026/03/01	'LLRM-12/2026	CLAIM 21 RITAVI 2 REGIONAL WATER SCHEME PHASE 3	R50,000.00
19	2026/03/01	'MOR250326-01	CLAIM 05 RITAVI 2 REGIONAL WATER SCHEME PHASE 5	R783,855.00
20	2026/03/01	'EF020411-0002	RITAVI II REGIONAL WATER SCHEME (SUB-SCHEME 1) PHASE 05 CLAIM NO 10	R319,177.43
21	2026/03/01	'EF020411-0002	RITAVI II REGIONAL WATER SCHEME(SUB SCHEME 2) CERTIFICATE NO 2	R 4,319,394.59
22	2026/03/01	'EF020390-0001	SUPPLY OF SOLAR SYSTEMS MDM MAIN OFFICE	R 2,479,850.00
23	2026/03/01	'EF020361-0001	CLAIM 04 MARULENG SANITATION PROGRAMME	R554,599.94
24	2026/03/01	'EF020388-0001	CLAIM 09 MARULENG SANITATION PROGRAMME	R134,709.58
25	2026/03/01	'EF020410-0004	RURAL HOUSEHOLD SANITATION BA PHALABORWA MUNICIPALITY CLAIM NO 5	R186,451.86
26	2026/03/01	'TBE003	CLAIM 03 GIYANI SANITATION PROGRAMME	R280,386.90

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27	2026/03/01	'MOP004	CLAIM 04 GIYANI SANITATION PROGRAMME	R213,655.38
28	2026/03/01	'EF020410-0003	RURAL HOUSEHOLD SANITATION PROJECT IN GREATER GIYANI CLAIM NO 3	R244,892.61
29	2026/03/01	'EF020411-0001	RURAL HOUSEHOLD SANITATION PROJECT IN GREATER GIYANI CERTIFICATE 4	R104,632.75
30	2026/03/01	'EF020411-0003	RURAL HOUSEHOLD SANITATIONPROJECT IN GREATER GIYANI MTEF-02 CLAIM 3	R328,668.12
31	2026/03/01	'EF020410-0001	RURAL HOUSEHOLD SANITATION PROJECT IN GREATER GIYANI CLAIM NO 4	R329,959.47
32	2026/03/01	'R-EF020383-0001 EF020383- 0001	CLAIM 03 LETABA SANITATION PROGRAMME	R551,488.10
33	2026/03/01	'EF020384-0001	CLAIM 03 LETABA SANITATION PROGRAMME	R551,488.10
34	2026/03/01	'EF020387-0001	CLAIM 08 LETABA SANITATION PROGRAMME	R147,417.01
35	2026/03/01	'EF020410-0005	RURAL HOUSEHOLD SANITATION PROJECT PHASE 3 CERTIFICATE NO 4	R224,561.37
36	2026/03/01	'EF020410-0002	RURAL HOUSEHOLD SANITATION PROJECTGREATER LETABACERTIFICATE 05	R72,466.20
37	2026/03/01	'EF020386-0001	CLAIM 09 TZANEEN SANITATION PROGRAMME	R316,204.43
38	2026/03/01	'INV0446	CLAIM 13 TOURS WATER RETICULATION PHASE 3	R 1,411,819.63
39	2026/03/01	'INV0447	CLAIM 14 TOURS WATER RETICULATION PHASE 3	R 2,333,872.80
40	2026/03/01	'EF020421-0003	TOURS WATER RETICULATION TO 25 VILLAGES PHASE 2D	R701,186.83
41	2026/03/01	'KBE/TWR/014	TOURS WATER RETICULATION PHASE 2C CLAIM 14	R 1,803,338.03
42	2026/03/01	'EF020359-0001	CLAIM 08 HOMU 14B WATER RETICULATION RETENTION PAID OUT	R 1,297,849.05
43	2026/03/01	'EF020378-0001	CLAIM 28 REFURB OF GIYANI WATER WORKS 55 VILLAGES	R 1,842,375.40
44	2026/03/01	'EF020382-0001	CLAIM 16 MAMETJA SEKORORO RWS	R622,059.78
45	2026/03/01	'EF020382-0003	CLAIM 16 MAMATJA SEKORORO RWS	R41,366.98
46	2026/03/01	'EF020382-0002	CLAIM 23 REFURB OF GIYANI WATER WORKS 55 VILLAGES	R 1,800,000.00
47	2026/03/01	'EF020382-0002	CLAIM 29 REFURB OF GIYANI WATER WORKS 55 VILLAGES	R 2,093,385.40

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48	2026/03/01	'EF020400-0001	CLAIM 11 RISINGA VIEW WATER RETICULATION CONTRACT C	R 1,712,608.88
49	2026/03/01	'EF020400-0003	CLAIM 10 THOMO WATER RETICULATION CONTRACT A	R766,288.83
50	2026/03/01	'EF020400-0002	CLAIM 10 THOMO WATER RETICULATION CONTRACT A	R 4,682,983.63
51	2026/03/01	'EF020413-0002	XIKUKWANI RETICULATION CONTRACT B 55 VILLAGES	R272,819.17
52	2026/03/01	'EF020414-0001	GIYANI WATER RETICULATION AND HOUSEHOLD CONNECTIONS- MAKOKA B	R965,579.26
53	2026/03/01	'EF020414-0001	GIYANI WATER RETICULATION AND HOUSEHOLD CONNECTIONS MUYEXE B	R438,735.11
54	2026/03/01	'EF020414-0001	GIYANI WATER RETICULATION AND HOUSEHOLD CONNECTIONS FOR 55 VILLAGES	R625,594.32
55	2026/03/01	'EF020414-0001	GIYANI WATER RETICULATION AND HOUSEHOLD CONNECTIONS GAWULA CERTIFICATE	R154,632.82
56	2026/03/01	'EF020414-0001	GIYANI WATER RETICULATION AND HOUSEHOLD CONNECTIONS XIKUKWANI	R747,387.05
57	2026/03/01	'EF020415-0001	REFURBISHMENT OF GIYANI WATER WORKS PHASE 1 AND GIYANI RETICULATION 55	R 1,674,555.40
58	2026/03/01	'EF020421-0007	RISINGA VIEW WATER RETICULATION CONTRACT B	R 1,170,958.65
59	2026/03/01	'EF020421-0001	RISINGA VIEW WATER RETICULATION CONTRACT B	R480,966.67
60	2026/03/01	'EF020421-0004	RISINGA VIEW WATER RETICULATION CONTRACT B	R724,096.65
61	2026/03/01	'EF020433-0001	RISINGA VIEW WATER RETICULATION CONTRACT B	R173,913.04
62	2026/03/01	'EF020421-0006	RISINGA VIEW RETICULATION CONTRACT B	R178,010.93
63	2026/03/01	'EF020424-0003	CLAIM 15 MAMAETJA SEKORORO RWS RETENTION PAID OUT	R766,200.00
64	2026/03/01	'EF020422-0001	CLAIM 06 MASWANGANYI WATER RETICULATION	R639,310.14

			CONNECTIONS TO HOUSEHOLDS	
65	2026/03/01	'EF020422-0001	CLAIM 06 XIKUKWANI WATER RETICULATIONS CONTRACT C	R 1,532,222.32
66	2026/03/01	'HWA/MDM/GVWRHC/07AK	CLAIM 05 NGOVE WATER RETICULATION 55 VILLAGES CONTRACT C	R147,840.77
67	2026/03/01	'EF020422-0001	CLAIM 07 MUYEXE WATER RETICULATION CONNECTION TO 25 VILLAGES	R116,329.21
68	2026/03/01	'EF020422-0001	CLAIM 07 BODE WATER RETICULATION HOUSEHOLDS CONNECTIONS	R167,420.28
69	2026/03/01	'EF020421-0002	REFURB OF GIYANI WATER TREATMENT PLANT	R 3,990,458.26
70	2026/03/01	'MDM2022/23-63-002	CLAIM 02 UPGRADING OF GIYANI WATER TREATMENT PLANT	R 16,416,664.76
71	2026/03/01	'EF020424-0001	CLAIM 15 RETENTION PAID OUT MAMETJA SEKORORO RWS	R 872.43
72	2026/03/01	'EF020424-0004	CLAIM 15 RETENTION PAID MAMETJA SEKORORO RWS	R396,466.28
73	2026/03/01	'EF020421-0005	CLAIM 10 HOMU 14A WATER RETICULATION HOUSEHOLDS CONNECTIONS	R 1,267,865.30
74	2026/03/31	'EF020370-0002	Refurbishment and replacement of vandalised Equipment Nkowankowa C Boo	R 4,073,366.00
		Total		R95,911,420.25

5.2 Asset Disposal Analysis Report:

This section of the report relates to the asset disposals (quantity and rand value) that occurred during the past month for all disposal transactions by means of a transfer donation and tender or competitive sale process.

Threshold– Asset Disposed	Value
Asset Disposals through Transfers	0
Asset Disposals through Donations	0
Asset Disposals through Tender or Sale Process	R
Total Transaction Value (Including Vat)	R 0

5.2.1. Summary Expenditure on fleet.

Period	Fuel Expenditure On Fleet	Fuel Expenditure On Borehole And Generators	Repairs And Maintenance Expenditure	Licensing Of Fleet Expenditure	Total Expenditure
Jan-26	R 476 483.61	R 123 162.66	R 113 043.48	R 115 599.00	R 828 288.80
Feb-26	R578 241.38	R190 815.97	R617 327,81	R0	R 769 057.40
Mar-26	R677 277.68	R 154 610.50	R 573 909.37	R0	R 140 579.80
TOTAL	R 1 732 002.70	R 468 589.00	R 686 953.00	R 115 599.00	R 3 003 143.70

5.2.2. Summary listing on fleet status.

Location	Directorate	Number Of Vehicles & Plant	Operational	Non-Operational	Vehicles Involved In Accident
Tzaneen	Community Services	19	17	02	0
	Water Services	16	11	05	0
Ba-Phalaborwa	Community Services	08	05	03	0
	Water Services	12	10	02	0
Letaba	Community Services	06	04	02	0
	Water Services	16	08	08	0
Giyani	Community Services	06	05	01	0
	Water Services	40	27	11	2
Maruleng	Community Services	05	04	01	0
	Water Services	12	08	04	0
Total		140	99	39	2

Factors on non-operational fleet.

- a) 13-Vehicles at the dealership/appointed service provider for repairs and maintenance.
- b) 02- Memo not submitted by Satellite managers/Supervisors.
- c) 02- Vehicles previously involved in an accident, which are at the panel-beaters for repairs.
- d) 18- Vehicles not yet allocated for repairs and maintenance.
- e) 06- Vehicles awaiting work to be carried out by the appointed service provider.

5.2.3. List of vehicles with high fuel consumption.

Reg Num	Make	Model	Fuel	Opening Odo	Closing Odo	Span	Litres	Grand Total

Factors on high fuel consumption.

None

5.2.4. Fleet with Zero/inaccurate readings on Odometers.

Reg Num	Make	Model	Fuel	Opening Odo	Closing Odo	Span	Litres	Fuel Value	Total Expense Excl Vat	Grand Total
CWT 163L	NIS SAN	UD 85	D	465072	465072	0	307 .36	6611. 85	6694.43	R6,70 6.82

Factors on zero/inaccurate readings on Odometers.

Inaccurate odometer readings on the system have been reconciled to confirm the accuracy on the transaction, discrepancies are reported to FNB.

6. SUPPLY CHAIN MANAGEMENT UNIT

6. Major achievements for January, February and March 2026

6.1 Demand Management: Supply Chain Management process	January, February and March 2026
Description	No
Bids considered / approved by BSC (SCM reg. 27)	5
Bids approved by MM for advertisement from BSC	2
New bids advertised on MDM website/notice board	2
Bids Awards	8

6.2 Acquisition Management: Supply Chain Management process	January, February and March 2026
Description	No
Total orders below R100 000 for January, February and March 2026	248
Total orders above R100 000 for January, February and March 2026	26
Total deviation orders processed for January, February and March 2026	2
Bid awarded / approved / appointed by MM (No. Service Providers)	8
SCM Reg. 32 Bid approved / appointed by MM	0
SCM Reg. 36 Bid approved / appointed by MM	0
Bids Awards place on Notice/website	8
Irregular Expenditure for January, February and March 2026	0

6.3 Orders per supplier below and Above R100 000 for January, February and March 2026

Period	Description	Number
January, February and March 2026	Order below R100 000	248
Category		Number
Travel and accommodation		95
Repairs and maintenance		42
Event Management		92
Training and conferencing		7
Professional services		0
General		12

Period	Description	Number
January, February and March 2026	Order above R100 000	26
Category		Number
Travel and accommodation		3
Repairs and maintenance		9
Event Management		0
Training and conferencing		1
Professional services		0
General goods and services		13

6.4 Total deviation orders processed for January, February and March 2026.

A detailed deviation register is attached to this report.

DEVIATION TYPE	No
1. In case of an emergency	0
2. Sole supplier or single provider only or	2
3. Acquisition of special works of art or	0
4. historical objects (spec are difficult to compile)	0
5. Acquisition of animals for zoos; or	0
6. In any other exceptional case where it is impractical or impossible to follow the official procurement processes	0
Total	2

6.5 Publication of bids for January, February and March 2026

No	Bid number	Description	Bid advert date	Bid closing date
1	MDM 2025/26-22	Ritavi 2 Water Scheme Sub Scheme Contract 001	19 February 2026	23 March 2026
2	MDM 2025/26-23	Ritavi 2 Water Scheme Sub Scheme Contract 002	19 February 2026	23 March 2026

6.6 Progress on advertised bids

Bid No.	Description	User Dept.	Advert date	Closing Date	Evaluation date	Adjudication date	Status
MDM 2025/26-17	Supply and delivery of 27 Printing Machines to various traditional leaders in Mopani District Municipality	Office of the Executive Mayor	9 Nov 25	24 Nov 25	TBC	TBC	Awaiting Evaluation
MDM 2025/26-18	Provision of ISO 17025 accredited Laboratory to analyse SANS 241 determinants required for Annual publication for Mopani District Municipality for a period of 12 Months.	Water Services	9 Nov 25	24 Nov 25	TBC	TBC	Awaiting Evaluation
MDM 2025/26-19	Supply and delivery of Water purification Chemicals for Mopani District Municipality for a period of 36 months	Water Services	9 Nov 25	10 Dec 25	TBC	TBC	Awaiting Evaluation
MDM 2025/26-20	Appointment of 25 Service Providers for repairs and maintenance for CIDB grading 4-6 for Mopani District Municipality for a period of 36 Months.	Water/Technical/corporate Services	9 Nov 25	11 Dec 25	TBC	TBC	Awaiting Evaluation
MDM 2025/26-17	Appointment of service provider to develop an Environmental Management Framework (EMF) for Mopani District Municipality	Community Services	9 Nov 25	10 Dec 25	TBC	TBC	Awaiting Evaluation

	for a period of 20 Months						
MDM 2025/26-18	Maphalle and Meidingen township establishment- Greater Letaba Municipality for a period of 24 months	Planning and Development	9 Nov 25	10 Dec 25	TBC	TBC	Awaiting Evaluation
MDM 2025/26-19	Supply and delivery of Laptops and Desktops for a period of 36 months	Corporate Services	9 Nov 25	10 Dec 25	TBC	TBC	Awaiting Evaluation

6.7 Unauthorised, Irregular, Fruitless and wasteful expenditure March 2026

Expenditure type	Opening Balance	Additions	Written Off	Closing Balance
Irregular	R 1,238,822,294.00	R -	R -	R 1,238,822,294.00
Unauthorised	R 1,417,111,635.00	R -	R -	R 1,417,111,635.00
Fruitless & Wasteful	R 181,050,970.00	R 1,262,432.74	R -	R 182,313,401.74

6.8 Commitments.

*A detailed commitment register is attached for ease of reference.

Description	Opening Balance as at 01 Jan 2026	Closing balance as at 31 Mar 2026
Capital commitments	1,154,811,078.67	1,042,242,398.03 *****
Operational Commitments	149,877,021.14	149,877,021.14*****

***** Process of updating balances underway.

6.9 Contract Management

Contract Register is annexed to the report.

6.9.1 Contracts near expiry and expired contracts.

Description	Award Date	End Date	Comment
Panel of Contractors for CIDB Grade 4-6 CE/EP/ME/SQ	1-Mar-23	30-Apr-26	Advertised, Bid closed awaiting evaluation
Panel of service providers for supply and delivery of water purification chemicals	1-Mar-23	30-Apr-26	Advertised, Bid closed awaiting evaluation

6.9.3 List of expired contracts

Description	Bid number	Duration
Sekgosese regional water scheme phase 2B	MDM 2021/22-021	12 Months
Thabina regional water scheme (The resigning and replacement of bulk water pipeline from Thabina to Lenyenye Phase 6.	MDM 2021/22-024	12 Months
Maswanganyi reticulation contract B	MDM 2022/23-58	12 Months
Sekgosese regional groundwater scheme-3B	MDM 2022/23-05	12 Months
Sekgosese groundwater scheme phase 3C	MDM 2022/23-008	12 Months
Lulekani water scheme phase 2 (Humbulani B)	MDM 2022/23-15	12 Months
Ritavi II Water Scheme Phase 4B Petaneng Village water reticulation	MDM 2022/23-002	12 Months
Makhushane water scheme Phase 5B	MDM 2022/23-11	12 Months
Ritavi II Water Scheme Phase 4A Zangoma and Muhlava Village water reticulation	MDM 2022/23-001	12 Months
Risinga View Reticulation Contract C	MDM 2022/23-44	12 Months
Risinga View Reticulation Contract B	MDM 2022/23-43	12 Months
Sekgosese regional groundwater scheme-3D	MDM 2022/23-076	12 Months
Burgersdorp Township establishment	MDM 2023/24-09	12 Months
Mariveni Township establishment	MDM 2023/24-09	12 Months
Relela Township establishment	MDM 2023/24-09	12 Months
Nemakgale bufferzone township establishment	MDM 2023/24-09	12 Months
Tours water reticulation to 25 Villages Phase 3	MDM 2023/24-016	12 Months

see attached the 2025-26 Contract register.

6.9.3 LIST OF TERMINATED CONTRACTS


MDM has not terminated any contract during January, February and March 2026.

6.10 INVENTORY MANAGEMENT

Inventory summaries: stock on hand, movements and non-moving stock.

LOCATION	STOCK ON HAND	ISSUES	RECEIVED GOODS
NSAMI	R 52,682,097.28	R 1,796,834.65	R -
	R 1,288,474.90	R 257,959.02	R 87,714.00
TZANEEN	R 3,962,155.94	R 450,000.00	R 674,971.00
MARULENG	R 2,431,014.00	R 95,000.00	R 147,200.00
LETABA	R 1,832,740.50	R 67,732.00	R 249,013.00
STATIONERY	R 541,522.54	R 297,411.97	R 269,504.46
NSAMI CAMP	R -	R 637,936.65	R 637,936.65
TOTALS	R 62,738,005.16	R 3,602,874.29	R 2,066,339.11

7.1 Water Debt Relief Guideline (Condition 7.3.1.1) – Municipality Compliance Self-Assessment

Annexure 02 - Monthly			
 Department of Water and Sanitation and National Treasury Water Debt Relief Water Debt Relief Guideline Municipal Finance Management Act No. 56 of 2003			
National Treasury			
Certificate of Compliance: Water Debt Relief Conditions			
Period	Feb-26		
National Financial Year	2025/26		
Demarcation Code of Municipality being assessed	DC33		
District	Mopani		
Demarcation Description	Mopani		
I, <u>name and surname of HOD</u> , hereby certify that the provincial treasury monitored the municipality's compliance against the conditions of Municipal Debt Relief as set-out in the Water Debt Relief Guideline and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:			
Water Debt Relief Conditions (Monthly reporting) <i>Choose from drop down list</i>			
Condition	7.1 Maintaining the bulk water current account – (current account for the purpose of the exercise means the account for a single month's consumption that was due and payable during the month being assessed).		Notes/Comments
1	7.1 - Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note – refer condition 7.1.</i>	Yes, fully paid	The municipality is receiving raw water from DWS and purified water from Lepelle Northern Water. The municipality is having the payment agreement with LNW and currently servicing the current debt.
2	7.1.1 - Has the municipality submitted the supporting evidence of the bulk water current account payment(s) to the relevant Water Board (WB) and/ or Water Trading Entity (WTE) and / or Water User Association (WUA) within 1 day of making any such payment (in PDF format)?	Yes	The municipality submits the proof of payment to the water board
3	7.1.2 - Has the municipality submitted the consolidated proof of payments to the respective bulk suppliers to the National Treasury GoMuni Upload portal https://guploadportal.treasury.gov.za by the 10th working day of the month following the invoice date (in PDF format)?	Yes	No proof of payment for bulk supplies uploaded on the LGUPLOADPORTAL.
4	7.1.2 - Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board (WB) and/ or Water Trading Entity (WTE) and / or Water User Association (WUA)?	Yes	
7.2 Accounting Treatment and mSCOA Reporting			
5	7.2.1 Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Water arrear debt (debt existing as on 30 September 2024) as per any written instruction of the National Treasury, Office of the Accountant General and NT: CD: Local Government Budget Analysis issued for Water Debt Relief to date?	Yes	
6	7.2.1 Did the municipality account for any related benefit (e.g. interest suppression, etc.) and does such align with mSCOA?	Yes	
7.3 Monitor and report on implementation –			
7	7.3.1 MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the Water Debt Relief Conditions as part of the implementation of the municipality's funded budget (and Budget Funding Plan where relevant)?	No	The municipality was approved in July 2025 to participate in the Water Debt Relief Program and the BFP was already adopted and it does not include the Water Debt Relief conditions.
8	7.3.1.1 Does the municipality's MFMA section 71 statement for the month being assessed include the municipality's water debt relief compliance self-assessment (signed by the Municipal Manager) - in the format of the Water Debt Relief compliance certificate (Annexure 02 of the Water Debt Relief Guideline)?	Yes	The Section 71 statement from the municipality has not included the municipal water debt relief compliance.
7.3.1 Does the municipality's MFMA section 71 statement for the month being assessed -			
9	7.3.1.2 Part A: include the municipality's progress against its approved funded budget?	No	The municipality has approved an unfunded budget for 2025/26 financial year.
10	7.3.1.2 Part B: If the municipality's budget was assessed as unfunded by any of the Treasuries, the municipality include the progress against approved Budget Funding Plan?	Yes	The municipality had submitted the adopted budget funding plan for the unfunded budget.
11	7.3.1.2 - Does the municipality's progress report envisaged in Part A and B above clearly demonstrate that the municipality is achieving the required Water Debt Relief compliance?	Incomplete reporting	The municipality has just started with the implementation of some of the activities, other were not completed as they were not aware.
12	7.3.1.3 - Include the municipality's water losses (both in Rand value and kilolitres) for the month being assessed? (MFMA Circular 71)	Yes	The municipality did not submit monthly water losses, the information is only submitted at year-end.
13	7.3.1.3 - Include the municipality's energy losses (both in Rand value and kilowatt hours) for the month being assessed? (MFMA Circular 71)	Does not have the function	
14	7.3.1.3 - If the municipality is unable to calculate and report on its water and/or energy losses, did the municipality make any progress in terms of its loss calculation/ reporting strategy towards calculating and reporting on such losses ?	Yes	water loss strategy submitted.
15	7.3.1.3 - Include the progress made to reduce the municipality's reported water and/ or energy losses against its water and energy losses reduction strategy?	No	
Municipalities with financial recovery plans (FRP)			
16	7.3.1.2 - Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework: Did the municipality's FRP progress report during the month being assessed, explicitly include the municipality's progress against those components of the FRP aimed to achieve water debt relief compliance as part of achieving a funded budget?	Not applicable (No FRP)	The municipality does not take part in FRP.
17	7.3.1.2 - Municipalities with financial recovery plans (FRP) – Was the municipality's FRP progress report during the month being assessed, submitted to the relevant Provincial Executive?	Not applicable (No FRP)	The municipality does not take part in FRP.
18	7.3.2 - If progress is slow in terms of paragraph 7.3.1, is the municipal council and senior management team's active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string?	Select	The municipality does not take part in FRP.
PT: HOD/ NT/ MM Name: Mogano TJ			

7.2 Water Debt Relief Performance across the period of debt relief participation

National Treasury																		Legend				
Water Debt Relief																		100% Complied				
Water Debt Relief Guideline																		60-99% Moderate Compliance				
Municipal Finance Management Act No. 56 of 2003																		0-59% Not Compliant				
Monthly Performance Report																						
Municipal Details			Part A				Part B				Part C					Part D				Scoring and Rating		
Month	Code Description	Code	Bulk water current account				Accounting Treatment and MSCO Reporting				Monitor and report on implementation					FRPs & Implementation progress				Score	Rating	
			C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18		
1.July 2025	Complete demarcation Code ab Search																				0%	Not Compliant
2.August 2025	Mopani	DC33	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	No	Yes	No	No	N/A	No	No	N/A	N/A	No	67%	Moderate compliance
3.September 2025	Mopani	DC33	Yes	Yes	Yes	Yes	N/A	Yes	No	No	No	Yes	No	No	N/A	No	No	N/A	N/A		56%	Not Compliant
4.October 2025	Mopani	DC33	Yes	Yes	Yes	Yes	N/A	N/A	No	No	No	Yes	No	No	N/A	No	No	N/A	N/A	No	56%	Not Compliant
5.November 2025	Mopani	DC33	Yes	Yes	Yes	Yes	N/A	Yes	No	Yes	No	Yes	No	Yes	N/A	Yes	No	N/A	N/A	No	72%	Moderate compliance
6.December 2025	Mopani	DC33	Yes	Yes	Yes	Yes	N/A	Yes	No	Yes	No	Yes	No	Yes	N/A	Yes	No	N/A	N/A		72%	Moderate compliance
7.January 2026	Complete demarcation Code ab Search		Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	No	Yes	N/A	Yes	No	N/A	N/A		72%	Moderate compliance
8.February 2026	Mopani	DC33	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	No	Yes	N/A	Yes	No	N/A	N/A		72%	Moderate compliance

7.3 Water production loss

Technical losses			
Raw water Purchases(Input Volume)	A		16 711 349.22
Portable water produced (Output Volume)	B		15 764 911.04
Technical losses (in KL)	[A-B]		G46 438.1G
Technical losses percentage	[(A-B)/A]		6%
Cost per KL of raw water			R1.82
Technical losses in Rands			1 722 517.50
<p>Technical losses were determined on own water produced. Municipality purchases portable water from Lepelle NW to supply mainly Ba-phalaborwa areas and other parts of Letaba LM</p>			
Distribution losses			
Own Water produced			15 764 911.04
Portable water purchased			12 890 734.78
Total portable water -acquisition	[Y]		28 655 645.82
Water Sales (billing reports)			9 303 085.00
Free Basic Water			13 038 318.85
Total distribution in KL	[Z]		22 341 403.85

	Distribution losses in KL	[Y-Z]	6 314 241.G7
	Weighted average Cost per KL		7.2
	Distribution losses in Rand		45 462 542.1G
	Distribution losses was calculated on total portable water acquired , which is own water produced and portable water purchased from Lepelle NW		

8.ACTION PLAN PROGRESS

The municipality has an action plan that is implemented and has been approved for the development by all the directorates management, and the other approvals are ongoing for all relevant sections.

8.1 BUDGET FUNDING PLAN

The municipality has a budget funding plan that is ongoing, with the cost containment implemented. The municipality and the locals are in the process of reviewing the SLAs for the water and sanitation.

The municipality has repayment agreements with the water board.

MPAC is in the process of investigation of the UIFW and therefore do write off recommendation where necessary.

9. CONCLUSION

The above is the budget and Treasury report as per the different sections.

The municipality was approved in July 2025 to participate in the Water Debt Relief Program. Treasury has currently assessed the municipality at 83% as at December 2025