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BUDGET AND TREASURY REPORT

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Report as of September 30 2025

SEPTEMBER 30, 2025  
MOPANI DISTRICT MUNICIPALITY  
Section 52 (71) Report

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## 1. Executive Summary

### 1.1.1 Introduction

Section 71(1) of the Municipal Finance Management Act (MFMA) requires from the Municipal Manager, as Accounting Officer of the Municipality, to submit a report in a prescribed format to the mayor and respective provincial treasury within 10 working days after the end of each month on the state of the municipality's budget for that month and for the financial year up to the end of that month.

### 1.1.1 Consolidated Performance Statement of financial performance

Limpopo: Mopani (DC33) - Table C4 Monthly Budgeted Financial Performance ( All ) for period ending (M03) 30 September 2025

Description	Ref	2024/25	Budget year 2025/26										
		Audited Outcome	Original Budget	Adjusted Budget	M01 July Actual	M02 Aug Actual	M03 Sept Actual	Q1 Sept Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands													
Revenue													
Exchange Revenue													
Service charges - Electricity													
Service charges - Water		180 278	388 360	388 360	5 725	50 365	24 807	80 897	80 897	97 090	(16 193)	(16.68)	388 360
Service charges - Waste Water Management		43 706	70 424	70 424		3 879	3 070	6 949	6 949	17 606	(10 657)	(60.53)	70 424
Service charges - Waste Management													
Sale of Goods and Rendering of Services		2 799	5 594	5 594	141	154	99	394	394	1 399	(1 004)	(71.82)	5 594
Agency services													
Interest													
Interest earned from Receivables		124 675	87 945	87 945		7 163	6 861	14 024	14 024	21 986	(7 963)	(36.22)	87 945
Interest earned from Current and Non Current Assets		29 904	20 000	20 000	2 964	3 018	2 300	8 283	8 283	5 000	3 283	65.66	20 000
Dividends													
Rent on Land													
Rental from Fixed Assets													
Licence and permits													
Special rating levies													
Operational Revenue		42 891			698	16		714	714		714		
Non-Exchange Revenue													
Property rates													
Surcharges and Taxes													
Fines, penalties and forfeits													
Licences or permits													
Transfer and subsidies - Operational		1 431 844	1 438 267	1 438 267	597 153	5 472	3 140	605 766	605 766	359 567	246 199	68.47	1 438 267
Interest													
Fuel Levy													
Operational Revenue													
Gains on disposal of Assets													
Other Gains		1 305											
Discontinued Operations		5 036											
Total Revenue (excluding capital transfers and contributions)		1 862 437	2 010 591	2 010 591	606 682	70 067	40 278	717 027	717 027	502 648	214 379	42.65	2 010 591
Expenditure													
Employee related costs		498 364	554 179	554 179	37 557	42 925	47 435	127 918	127 918	138 545	(10 627)	(7.67)	554 179
Remuneration of councillors		18 085	28 427	28 427	1 529	1 624	1 520	4 674	4 674	7 107	(2 433)	(34.24)	28 427
Bulk purchases - electricity													
Inventory consumed		572 439	416 841	416 841	3 668	38 270	51 533	93 471	93 471	104 210	(10 739)	(10.31)	416 841
Debt impairment		905 279	68 495	68 495						17 124	(17 124)	(100.00)	68 495
Depreciation and amortisation		300 268	316 194	316 194	17 392	17 388	16 821	51 601	51 601	79 048	(27 447)	(34.72)	316 194
Interest		18 942	31 956	31 956		1 233	8	1 241	1 241	7 989	(6 748)	(84.47)	31 956
Contracted services		368 727	324 017	324 017	32 739	31 960	35 327	100 027	100 027	81 004	19 022	23.48	324 017
Transfers and subsidies													
Irrecoverable debts written off													
Operational costs		194 967	128 162	128 162	6 424	8 491	12 053	26 968	26 968	32 082	(5 114)	(15.94)	128 162
Losses on disposal of Assets													
Other Losses		76											
Total Expenditure		2 877 146	1 868 269	1 868 269	99 310	141 891	164 699	405 899	405 899	467 109	(61 210)	(13.10)	1 868 269
Surplus/(Deficit)		(1 014 709)	142 322	142 322	507 372	(71 824)	(124 421)	311 127	311 127	35 539	275 589	775.46	142 322
Transfers and subsidies - capital (monetary allocations)		813 382	717 509	717 509		40 147	13 470	53 617	53 617	182 940	(129 323)	(70.69)	717 509
Transfers and subsidies - capital (in-kind)		1 749											
Surplus/(Deficit) after capital transfers and contributions		(199 578)	859 831	859 831	507 372	(31 677)	(110 951)	364 744	364 744	218 478	146 266	66.95	859 831
Income Tax													
Surplus/(Deficit) after income tax		(199 578)	859 831	859 831	507 372	(31 677)	(110 951)	364 744	364 744	218 478	146 266	66.95	859 831
Share of Surplus/Deficit attributable to Joint Venture													
Share of Surplus/Deficit attributable to Minorities													
Surplus/(Deficit) attributable to municipality		(199 578)	859 831	859 831	507 372	(31 677)	(110 951)	364 744	364 744	218 478	146 266	66.95	859 831
Share of Surplus/Deficit attributable to Associate													
Intercompany/Parent subsidiary transactions													
Surplus/(Deficit) for the year		(199 578)	859 831	859 831	507 372	(31 677)	(110 951)	364 744	364 744	218 478	146 266	66.95	859 831

## REVENUE

The municipal Revenue budget for the year was approved at **R2.01 billion**, allocating funds for operational activities and **R644 million** vat exclusive for capital expenditure. As of 30 September 2025, total amount of **R787.1 million (R594 million for equitable share, R140 Million for MIG, R46.4 Million for WSIG 6B, R3 million for FMG, R1.8 million for Rams and R1.9 for EPWP)** was received from National Treasury. The **R189.2 million** received for Capital expenditure, only **R107.9 million** has been recognized as income for meeting the condition of the grant, WSIG 6B being included.

The total revenue received YTD from VDM amounts to **R0**, and YTD Vat refundable amount totals **R44.4 million**, the amount of **R928 thousand** was received from the Greater Letaba Local municipality. Together these revenues amount to **R45.3 million** as at 30 September 2025

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

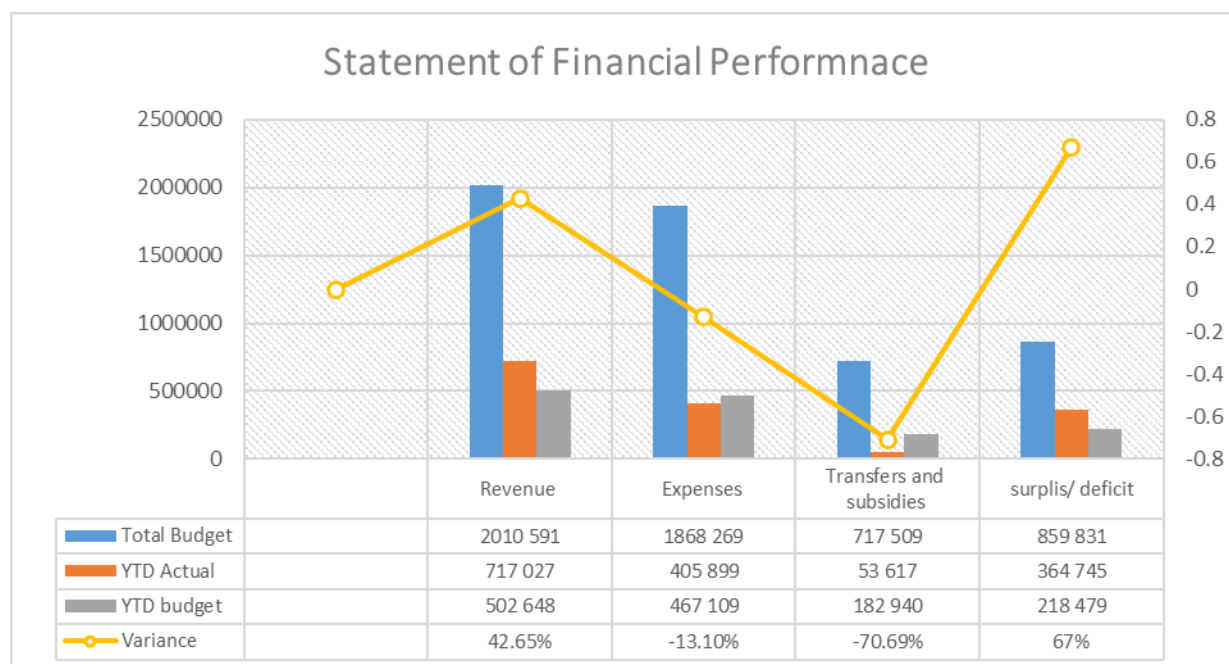
#### a). Operating Revenue

##### i. Service charges (GRAP 9)

The services charges for water charged to consumers is at **R80.8 million** of the YTD Actual when compared to the YTD Budget of **R97 million** and the variances **-16.6 %**. The service charges for sanitation is at **R6.9 million** of the YTD Actual when compared to the YTD Budget of **R17.6 million** and the variance is **-60.5** as at the period ending 30 SEPTEMBER 2025.

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.

- i. **Transfers and Subsidies Operational**– the municipality is at **R605.7 million** of the YTD Actual when compared to the YTD Budget of **R359.5 million**, the variance is **68.4%** on operating grants and subsidies as at the end of the period ended the 30 September 2025. The variance is due to an evenly monthly allocation of the budget throughout the period by the system.
- ii. **Transfers and Subsidies Capital**– the municipality is at **R180 million** (WSIG 6B included) of the YTD Actual when compared to the YTD Budget of **R121.9 million**, the variance is **46.8%**. on capital grants and subsidies as at the end of the period ended the 30 September 2025. The variance is due to evenly allocation of the budget throughout the period.
- iii. **Interest earned on Current and Non-Current Assets** –Interest earned on current and non-current asset is **R8.2 million** of the YTD Actual when compared to the YTD Budget of **R5 million**. The variance is **65.66%** the higher favourable variance is due municipality's ability to manage cashflow and putting money in the bank for longer period.
- iv. **Sale of Goods and rendering services (Tenders)**- Sale of goods and other services including sales from Tenders is **R394 thousand** of the YTD Actual when compared to the YTD Budget of **R1.3 million**, the variance of **-71.8%**.
- v. **Interest Earned from Receivables**- Interest earned on receivables is at **R14 million** of the YTD Actual when compared to the YTD budget of **R21.9 million**, the variance - **36.22%**. 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 it at **R127.9 million** of YTD Actual when compared to the YTD Budget of **R138.5 million** and the variance is **-7.6%** for the period ended 30 September 2025, 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 **R4.6 million** of the YTD Actual when compared to the YTD Budget of **R7.1 million** the variance is **-34.2%**. 2025/26 determination of upper limits for Councillors is not yet effected.
- iii. **Depreciation** – The depreciation is at **R51.6 million** of the YTD Actual when compared to the YTD Budget of **R79 million** and the variance is **-34.72%** for the period ended 30 September 2025.
- 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 **R100 million** of the YTD Actual compared to the YTD Budget of **R81 million**, the variance is **23.48%** for the period ending 30 September 2025.

Segment	Month	Budget	Actual	Available
Security	1 <sup>st</sup> Quarter	R120 000 000	R40 292 523	R79 707 476
Legal	1 <sup>st</sup> Quarter	R20 000 000	R12 830 430	R7 169 573
Water Tanker	1 <sup>st</sup> Quarter	R35 000 000	R7 147 202	R23 916 801
PMU support	1 <sup>st</sup> Quarter	R16 800 000	R5 086 587	R11 713 412
AFS Support	1 <sup>st</sup> Quarter	R7 000 000	R4 994 948	R2 005 046
mSCOA Support	1 <sup>st</sup> Quarter	R4 000 000	R5 008 964	-R1 008 968

- 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 **R93.4 million** of the YTD Actual compared to the YTD Budget of **R104.2 million**, the variance is **-10.31%** for the period ending 30 September 2025. 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 for month of September not yet been processed.
- vii. **Operational Costs** – Operational Costs is at **R26.9 million** of the YTD Actual compared to the YTD Budget of **R32 million** the variance is **-15.94%** as at the period ended 30 September 2025. Successfully implemented cost reduction strategies.
- viii. **Interest Paid** – Interest paid is at **R1.2 million** of the YTD Actual compared to the YTD Budget of **R7.9 million** the variance is at **-84.47** as the period ended 30 September 2025. The high variance is due to interest written off by the creditors.

The overall operating expenditure as on the 30 September 2025 is at **R405.8 million** of the YTD Actual compared to the YTD Budget of **R467.1 million** and the variance is **-13.10%**. 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 **R132.5 million** as compared to the budget of **R145.6 million**. The overall salary variance is reported at **-41.9%** as of 30 September 2025.

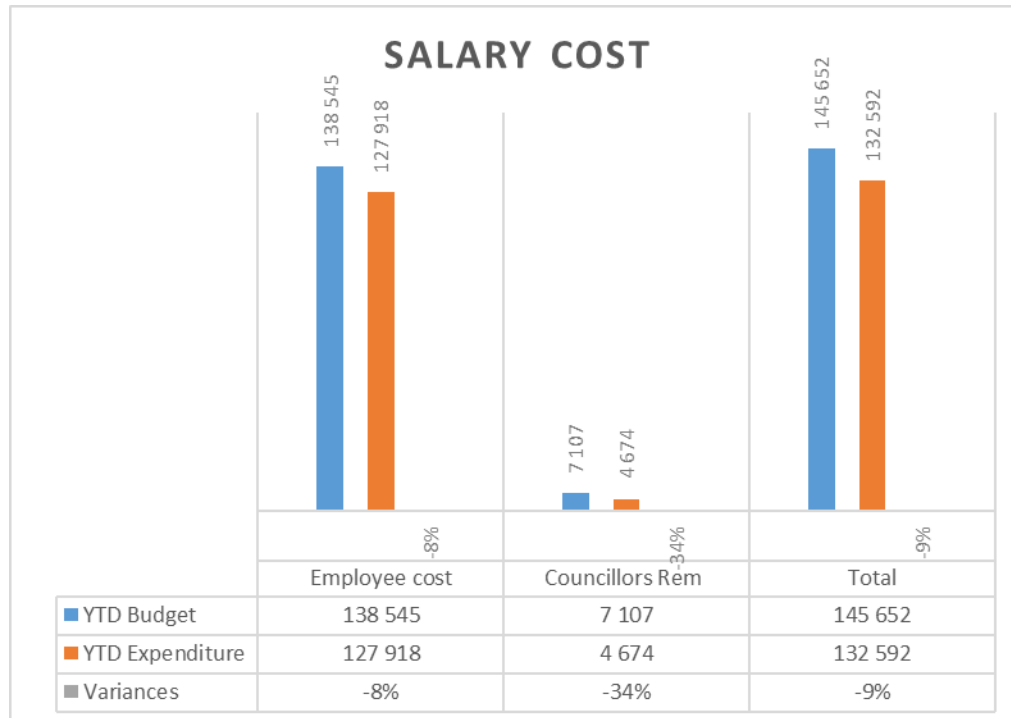


Figure Remuneration Cost

### 2.2 Capital expenditure

The overall capital expenditure as of 30 September 2025 is at **R107.9 million** of the YTD Actual compared to the YTD Budget of **R164.6 million** and the variance is **-34.14%**.



## 2.3.CashFlowStatement

Limpopo: Mopani (DC33) - Table C7 Monthly Budgeted Cash Flows ( All ) for period ending (M03) 30 September 2025

Description		Ref	2024/25	Budget year 2025/26										
R thousands		1	Audited Outcome	Original Budget	Adjusted Budget	M01 July Actual	M02 Aug Actual	M03 Sept Actual	Q1 Sept Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES														
Receipts														
Property rates														
Service charges			19 211	68 818	68 818		392	536	928	928	17 204	(16 276)	(94.60)	68 818
Other revenue			10 038	201 145	201 145	163	177	114	453	453	50 286	(49 833)	(99.10)	201 145
Transfers and Subsidies - Operational		1	1 253 084	1 438 267	1 438 267	594 762	4 960		599 722	599 722	359 567	240 155	66.79	1 438 267
Transfers and Subsidies - Capital		1	522 677	717 509	717 509	141 662	1 827		143 489	143 489	179 377	(35 888)	(20.01)	717 509
Interest			29 311	33 192	33 192	2 964	3 018	2 302	8 284	8 284	8 298	(14)	(0.17)	33 192
Dividends														
Payments														
Suppliers and employees			(1 517 072)	(1 482 306)	(1 482 306)	(97 305)	(88 154)	(92 355)	(277 815)	(277 815)	(370 576)	92 762	(25.03)	(1 482 306)
Finance charges				(1 276)	(1 276)						(319)	319	(100.00)	(1 276)
Transfers and Subsidies		1												
NET CASH FROM/(USED) OPERATING ACTIVITIES			317 249	975 350	975 350	642 246	(77 780)	(89 403)	475 062	475 062	243 837	231 225	94.83	975 350
CASH FLOWS FROM INVESTING ACTIVITIES														
Receipts														
Proceeds on disposal of PPE														
Decrease (increase) in non-current receivables														
Decrease (increase) in non-current investments														
Payments														
Capital assets			(760 472)	(644 467)	(644 467)	(41 125)	(42 743)	(34 277)	(118 146)	(118 146)	(161 117)	42 971	(26.67)	(644 467)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(760 472)	(644 467)	(644 467)	(41 125)	(42 743)	(34 277)	(118 146)	(118 146)	(161 117)	42 971	(26.67)	(644 467)
CASH FLOWS FROM FINANCING ACTIVITIES														
Receipts														
Short term loans														
Borrowing long term/refinancing														
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	330 883	601 121	(120 524)	(123 681)	356 917	356 917	82 721	274 196	331.47	330 883
Cash/cash equivalents at the year begin:			180 739	(142 121)	(142 121)	163 823	764 944	644 420	163 823	163 823	(142 121)	305 944	(215.27)	(142 121)
Cash/cash equivalents at the year end:		2	(262 485)	188 762	188 762	764 944	644 420	520 740	520 740	520 740	(59 400)	580 140	(976.66)	188 762

## 2.4 Cash and Cash equivalents

MOPANI DISTRICT MUNICIPALITY				
CONSOLIDATED BTS FOR SEPTEMBER 2025				
Month	3			
	Statement Description	MAIN ACCOUNT 62854372093	CALL ACCOUNTS	TOTAL
	Opening balance	(183 258.79)	574 687 370.60	574 504 111.81
	Interest capitalised	28 900.94	2 271 420.66	2 300 321.60
	Transfer from Main to Call	-	(174 500 000.00)	(174 500 000.00)
	Transfer to Main Account from call	174 500 000.00	-	174 500 000.00
	Current - Refunds SARS	18 589 554.04	-	18 589 554.04
	Current - Unknown deposits	-	-	-
	Current - ACB (GRANT)	7 191 277.55	-	7 191 277.55
	Current - Deposits	114 374.27	-	114 374.27
	Current - Collection from Locals	536 352.10	-	536 352.10
	Current - ACB	(144 202 923.78)		(144 202 923.78)
	Current - debit orders	(238 411.70)	-	(238 411.70)
	Current - ESKOM	(5 998 715.16)	-	(5 998 715.16)
	Current - Refund Medical aid & Pension	-	-	-
	Current - Bank Charges	(3 874.54)	-	(3 874.54)
	Current - (Salaries)	(46 935 261.68)	-	(46 935 261.68)
	Current - S & T Refund	-	-	-
	Current - Salaries - Unpaid	27 602.49	-	27 602.49
	Current ACB - Unpaid	53 480.00	-	53 480.00
	Current ACB - Refund	50 000.00	-	50 000.00
	Closing balance	3 529 095.74	402 458 791.26	405 987 887.00

### 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.

MOPANI DISTRICT MUNICIPALITY										
2025/2026										
Sept-25										
	EQUITABLE SHARES	MIG	FMG	EXP PUBLIC WORKS	RURAL ROADS ASSETS MANAGEMENT GRANT	RBIG_SCHEDULE 6B	WSIG_SCHEDULE 6B	GLM PAYMENTS	VAT REFUND	TOTAL
BUDGET	1 427 429 000.00	543 921 996.00	3 000 000.00	7 838 004.00	2 586 996.00	35 000 000.00	136 000 000.00	-	-	2 155 775 996.00
% RECEIVED	42%	26%	100%	25%	70%	0%	34%	#DIV/0!	#DIV/0!	
GRANT INCOME	594 762 000.00	140 964 000.00	3 000 000.00	1 960 000.00	1 811 000.00		46 442 123.46	928 249.32	44 435 073.99	834 302 446.77
Jul-25	594 762 000.00	140 964 000.00		1 960 000.00	1 811 000.00		15 902 761.66	-		751 628 761.66
Aug-25			3 000 000.00				23 348 084.25	391 897.22	25 845 519.95	56 356 501.42
Sept-25							7 191 277.55	536 352.10	18 589 554.04	26 317 183.69
Oct-25										-
Nov-25										-
Dec-25										-
Jan-26										-
Feb-26										-
Mar-26										-
Apr-26										-
May-26										-
Jun-26										-
TOTAL	594 762 000.00	140 964 000.00	3 000 000.00	1 960 000.00	1 811 000.00		46 442 123.46	928 249.32	44 435 073.99	834 302 446.77

#### 3.2 Creditors aging analysis.

The total due to creditors above 30 days' amounts to **R838.9 million** as of 30 September 2025.

	R		R		R		R		R	
	0days	30days	60days	90days	120days	Total				
	R	R	R	R	R	R				
Other Creditors	19 130 163.58	403 968.18	130 403.68	30 186 010.16	7 105 748.56	56 956 294.16				
DWS	3 226 193.83	22 500 000.00	-	-	-	25 726 193.83				
Lepelle	19 947 239.99	76 500 000.00	-	-	-	96 447 239.99				
	42 303 597.40	99 403 968.18	130 403.68	30 186 010.16	7 105 748.56	179 129 727.98				
NB! Creditors above 30 days										
Municipality is adhering to the arrangement made with DWS and far the municipality has paid 750000 as per the agreement and the is no invoice that is over due										
Invoice for July was not yet received										
						403 298 845.28	DWS			
The amount include the debt from Letaba and only 102 000000will be serviced in the current financial year , for the old debt of which 25500000 is already being paid for July to Sep 2025										
						378 743 158.67	Lepelle			

#### 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

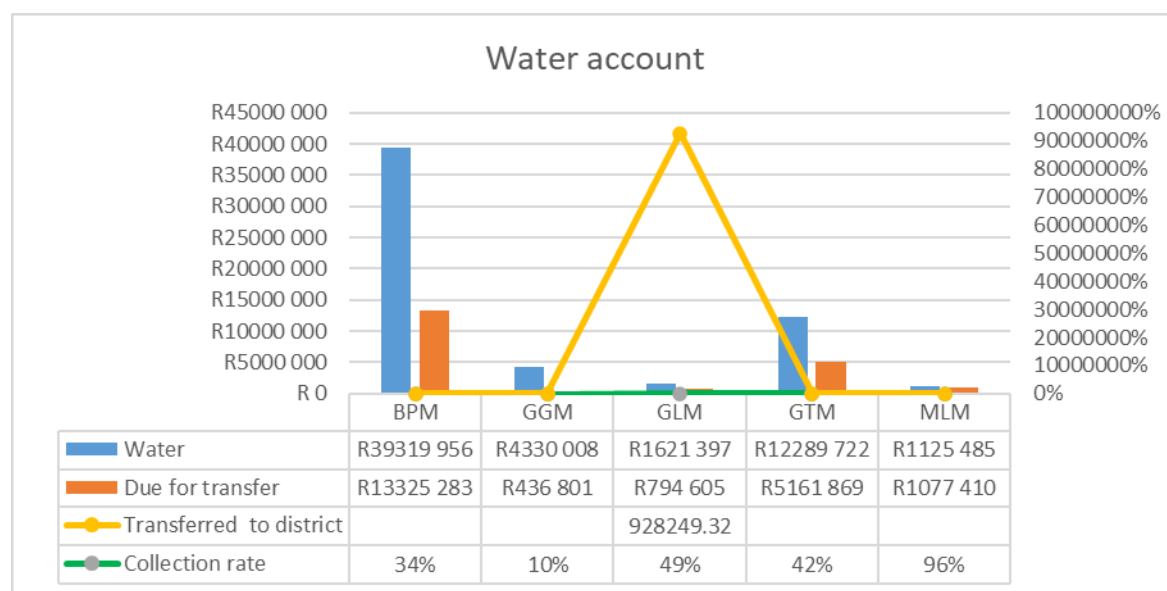
The main own revenue is water and sewer transaction that are done at the local municipalities on behalf of the District Municipality

##### 4.1. Billing on Water and Sewer Services

All the local municipalities have not yet submitted their September 2025 reports.

##### a) Local Municipalities invoiced as of 30 September 2025

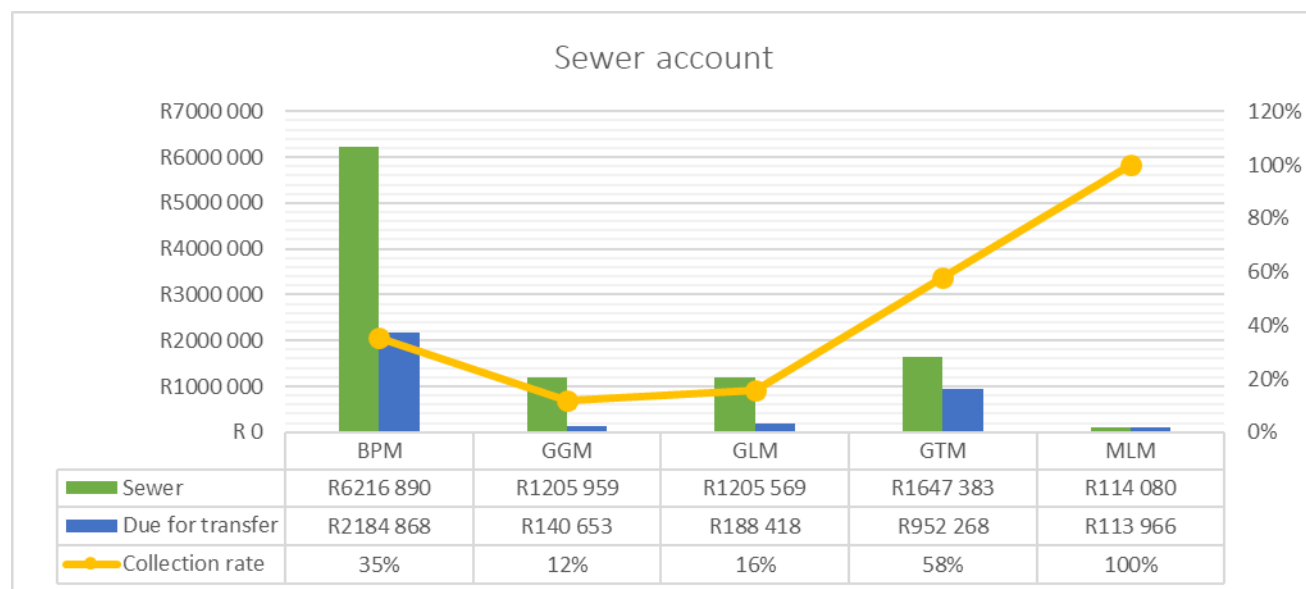
Figure 2: Water account



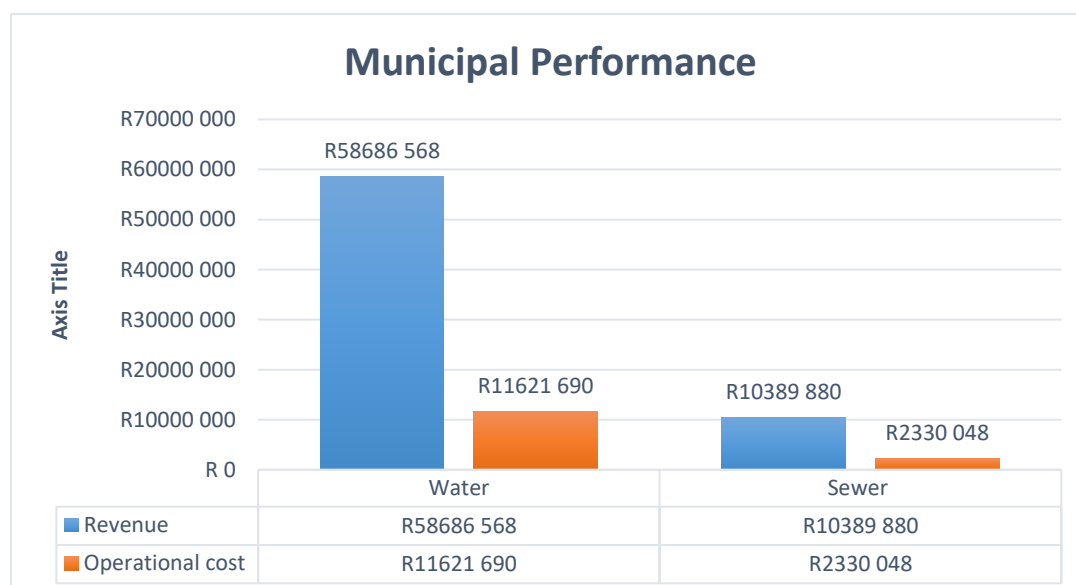
##### b) Sewer Billing

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 above two tables. Municipalities has 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.

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

SUMMARY OF INCOME/EXPENDITURE						
YEAR TO DATE	Ba-PHALABORWA	TZANEEN	MARULENG	LETABA	GIYANI	TOTAL
Water Collection	R10 447 725.81	R6 184 149.76	R1 121 356.65	R788 686.81	R181 366.93	R18 723 285.96
Sewer Collection	R1 492 293.64	R952 268.15		R188 417.74	R140 653.00	R2 773 632.53
<b>Total Collection</b>	<b>R11 940 019.45</b>	<b>R7 136 417.91</b>	<b>R1 121 356.65</b>	<b>R977 104.55</b>	<b>R322 019.93</b>	<b>R21 496 918.49</b>
Water Expenditure	-R2 497 605.60	-R6 512 676.06	-R1 049 777.58	-R994 510.11	-R567 120.78	-R11 621 690.13
Sewer Expenditure	-R579 975.03	-R968 102.50	-R285 541.96	-R285 541.96	-R210 886.12	-R2 330 047.57
Agency fees	-R597 000.97	-R356 820.90	-R56 067.83	-R48 855.23	-R16 101.00	-R1 074 845.92
<b>Total Expenditure</b>	<b>-R3 674 581.60</b>	<b>-R7 837 599.46</b>	<b>-R1 391 387.37</b>	<b>-R1 328 907.30</b>	<b>-R794 107.90</b>	<b>-R15 026 583.62</b>
Transferred to MDM	R0.00	R0.00	R0.00	R928 249.32	R0.00	R928 249.32
<b>Profit/(loss)</b>	<b>R8 265 437.85</b>	<b>-R701 181.55</b>	<b>-R270 030.72</b>	<b>-R351 802.75</b>	<b>-R472 087.97</b>	<b>R6 470 334.87</b>

#### 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 September 2025			
Age Analysis	Sewerage R'000	Water R'000	Total R'000
Current	6 936 001	43 505 463	50 441 464
30 days	5 464 798	59 735 753	65 200 551
60 days	5 244 347	19 295 066	24 539 413
90 days	4 043 752	22 394 246	26 437 998
120 days	4 478 617	27 571 378	32 049 995
150 days plus	371 744 235	1 810 934 793	2 182 679 028
<b>TOTAL</b>	<b>397 911 749</b>	<b>1 983 436 699</b>	<b>2 381 348 449</b>
AGEING PER LOCAL MUNICIPALITY			
WATER	SEWER		
MUNICIPALITY	AMOUNT R'000	MUNICIPALITY	AMOUNT R'000
BPM	1 553 376 610	BPM	297 771 908
GGM	54 225 094	GGM	19 033 175
GLM	39 543 957	GLM	43 831 203
GTM	187 812 040	GTM	36 649 935
MLM	3 656 701	MLM	625 528
MDM	144 822 296	MDM	-
<b>TOTAL</b>	<b>1 983 436 699</b>	<b>TOTAL</b>	<b>397 911 749</b>

**b) Sale Of Goods**

Month	Tender	Fire Services	EHS	Water Connection	Total
Jul-25	R60 504.35	R31 167.89	R49 809.04	R0.00	R141 481.28
Aug-25	R54 347.85	R60 488.10	R38 804.21	R0.00	R153 640.16
Sept-25	R23 043.47	R28 597.89	R47 306.68	R0.00	R98 948.04
<b>Total</b>	<b>R137 895.67</b>	<b>R120 253.88</b>	<b>R135 919.93</b>	<b>R0.00</b>	<b>R394 069.48</b>

**FINANCIAL****5.1 Assets Management (MFMA section 63)**

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

NO	CLASS OF ASSETS	ACCUMULATED DEPRECIATION 1 <sup>ST</sup> QUARTER	MONTHLY DEPRECIATION SEPTEMBER 2025
1	<b>Community Assets</b>		
	Building	R1 881 320.94	R627,106.98
2	<b>Infrastructure Assets</b>		
	Sanitation	R7 833 952.80	R2,611,317.60
	Water	R39 846 976.20	R13,282,325.40
3	<b>Movables Assets</b>		
	Computer Equipment	R449 394.51	R149,798.17
	Furniture and Office Equipment	R547 325.76	R182,441.92
	Machinery and Equipment	R1 180 681.71	R393,560.57
	Motor Vehicle	R2 542 199.73	R847,399.91
	<b>Total</b>	<b>R54 281 851.65</b>	<b>R18,093,950.54</b>

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		11	R 1 177 011.75

No	Date	Cheque Number	Description Of Works	Amount
1	Jul-25	EF019951-0001 EF019951-0001	Supply And Delivery Of Garden Tools As Per Attached List	R29 850.00
2	Jul-25	EF019827-0003 EF019827-0003	Procurement Of Projector Screen And Gazebo For Use During Clean Earth	R68 000.00
3	Jul-25	EF019868-0001 EF019868-0001	Appointment Of Service Provider For The Supply And Brick Layer Tools O	R173 242.00

4	Jul-25	EF019766-0002	Council Recording System	R250 000.01
5	Aug-25	EF019876-0006 EF019876-0006	Council Recording System	R167 298.70
6	Aug-25	EF019912-0004 EF019912-0004	Supply And Delivery Of Cleaning Materials	R138 971.00
7	Aug-25	EF019970-0007 EF019970-0007	Supply And Delivery Of Visitors Chairs With Arm Rest For Conference Ha	R29 250.00
8	Aug-25	EF019912-0005 EF019912-0005	Supply And Delivery Of Office Furniture	R104 400.00
9	Sept-25	EF020020-0006 EF020020-0006	Manufacturing; Delivery And Installation Of A Zippel Lite 12 Bay High	R188 000.04
10	Sept-25	EF019979-0004 EF019979-0004	Supply And Delivery Of 8x Steel Cabinet For Tzaneen Fire	R28 000.00

**Total****R 1 177 011.75**

<b>Threshold– Other Asset Purchases</b>	<b>Quantity</b>	<b>Value</b>
Transactions not Exceeding R 1 000	N/A	0

The various threshold values in the table above determines the nature of the asset as well as the appropriate accounting treatment as follows:

<b>Threshold– Infrastructure Asset Purchases</b>	<b>Quantity</b>	<b>Value</b>
Transactions Exceeding R 1 000	<b>51</b>	<b>R63 766 333.80</b>

<b>No</b>	<b>Date</b>	<b>Cheque Number</b>	<b>Description Of Service</b>	<b>Amount</b>
1	Jul-25	EF019953-0001 EF019953-0001	Tours Water Reticulation To 25 Villages Phase 2b	R1 787 331.67
2	Jul-25	EF019842-0002 EF019842-0002	Mapayeni Reticuation Contract B	R879 496.46



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3	Jul-25	EF019839-0001 EF019839-0001	Ritavi 2 Rws Water Supply Phase 03	R227 546.00
4	Jul-25	EF019839-0002 EF019839-0002	Ritavi li Regional Water Scheme( Sub-Scheme 1) Phase 4c Sasekani	R1 110 085.75
5	Jul-25	EF019849-0001 EF019849-0001	Emergency Appointment Of Service Provider For Supply Of Spares To Repa	R2 435 455.00
6	Jul-25	EF019833-0004 EF019833-0004	Supply And Delivery Of Electrical Materials For Tzaneen Disaster Centr	R197 720.00
7	Jul-25	EF019868-0002 EF019868-0002	Supply And Install Of Cameras At Nsami Stores	R135 000.00
8	Jul-25	EF019866-0005 EF019866-0005	Procure A Service Provider To Supply And Deliver: 10 00l Water Tanker	R25 913.04
9	Jul-25	EF019815-0007 EF019815-0007	Supply And Construct The Car Shades For Giyani Fire Station	R29 800.00
10	Jul-25	EF019870-0001 EF019870-0001	Supply And Delivery Of Magnetic Flow Meters And Actuators At Thabina W	R1 676 803.60
11	Aug-25	EF019944-0001 EF019944-0001	Lulekani Water Scheme Phase 2c Kurhula	R209 245.59
12	Aug-25	EF019935-0005 EF019935-0005	Lulekani Water Scheme Phase 2b Humulani	R73 956.54
13	Aug-25	EF019907-0001 EF019907-0001	Tours Water Reticulation To 25 Villages Phase 3 Contract No Mdm2023/24	R4 527 774.00
14	Aug-25	EF019947-0004 EF019947-0004	Claim 15 Lephephane Water Reticulation	R1 887 199.92
15	Aug-25	EF019930-0002 EF019930-0002	Vuhehli Water Reticulation	R121 177.15
16	Aug-25	EF019925-0001 EF019925-0001	Claim 10 Muyexe Water Reticulation Contract A	R1 333 536.73

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17	Aug-25	EF019925-0004 EF019925-0004	Claim 10 Muyexe Water Reticulation Contract A	R755 783.43
18	Aug-25	EF019930-0003 EF019930-0003	Vuhehli Water Reticulation	R342 335.11
19	Aug-25	EF019930-0001 EF019930-0001	Claim 08 Vuheli Water Reticulation	R717 450.57
20	Aug-25	EF019925-0003 EF019925-0003	Claim 2 Ritavi 2 Regional Water Scheme Phase 5	R2 094 811.00
21	Aug-25	EF019925-0002 EF019925-0002	Claim 2 Ritavi 2 Regional Water Scheme Phase 5	R123 959.00
22	Aug-25	EF019898-0001 EF019898-0001	Ritavi li Regional Water Scheme (Sub Scheme 1) Phase 05 For July 2025	R181 064.52
23	Aug-25	EF019967-0002 EF019967-0002	Claim 14 Sekgosese Regional Ground Water Scheme 3a	R2 196 532.80
24	Aug-25	EF019947-0001 EF019947-0001	Claim 13 Sekgosese Regional Groundwater Scheme Phase 3d	R1 365 016.50
25	Aug-25	001	Appointment Oa A Service Provider For The Purchase And Supply Of Boreh	R16 111 935.00
26	Aug-25	EF019980-0001 EF019980-0001	Appointment Of Service Provider For The Refurbishment Main Booster Sew	R4 502 358.00
27	Aug-25	EF019918-0001 EF019918-0001	Appointment Of A Service Provider To Do Refurbishment Of Toilets Of Th	R166 631.24
28	Aug-25	EF019958-0001 EF019958-0001	New Electricity Supply To A New Satelite Offices	R70 001.25
29	Aug-25	EF019939-0010 EF019939-0010	Service Provider To Supply And Build A Septic Tank At Nkowankowa Water	R29 800.00
30	Aug-25	EF019939-0003 EF019939-0003	Service Provider To Supply And Build A Septic Tank At Giyani Fire	R29 900.00

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31	Sept-25	INV0371	Claim 10 Tours Water Reticulation 25 Villages Phase 3	R916 054.99
32	Sept-25	INV0299	Claim 9 Tours Water Reticulation 25 Villages Phase 3	R1 407 478.90
33	Sept-25	EF020016-0003 EF020016-0003	Claim 13 Bode Water Reticulation	R537 456.67
34	Sept-25	EF020016-0002 EF020016-0002	Claim 13 Ngove Water Reticulation Contract B Retention Paid	R843 412.37
35	Sept-25	EF019996-0001 EF019996-0001	Claim 06 Tomu Water Reticulation Retention Paid	R551 790.70
36	Sept-25	EF019981-0002 EF019981-0002	Claim 09 Bode Water Reticulation Project	R569 452.60
37	Sept-25	EF019981-0001 EF019981-0001	Claim 09 Bode Water Reticulation	R571 648.34
38	Sept-25	EF020004-0003 EF020004-0003	Khakhala Water Reticulation	R252 005.35
39	Sept-25	EF020016-0001 EF020016-0001	Xikukwane Water Reticulation Contract A	R362 425.88
40	Sept-25	EF020017-0002 EF020017-0002	Claim 06 Thomo Water Reticulation Sigivo	R100 000.00
41	Sept-25	EF020016-0004 EF020016-0004	Claim 13 Bode Water Reticulation	R119 999.92
42	Sept-25	EF020017-0001 EF020017-0001	Claim 06 Thomo Water Reticulation Contract B	R157 952.86
43	Sept-25	TANGO024	Claim 13 Lephephane Water Reticulation Phase 3a	R224 915.00
44	Sept-25	EF019966-0001 EF019966-0001	Refurb Of Giyani Water Works	R2 718 660.40

45	Sept-25	EF019975-0002 EF019975-0002	Claim 12 Xikukwani Water Reticulation Contract C	R1 874 007.65
46	Sept-25	EF019975-0001 EF019975-0001	Claim 06 Gawula Water Reticulations	R596 163.45
47	Sept-25	EF020006-0001 EF020006-0001	Claim 10 Ritavi 2 Regional Water Scheme Phase 4a	R251 991.00
48	Sept-25	EF019963-0006 EF019963-0006	Claim 12 Sekgosese Regional Ground Water Scheme Phase 2b	R95 658.52
49	Sept-25	EF019967-0001 EF019967-0001	Claim 09 Thabina To Lenyenye Bulk Water Supply Phase 5	R193 878.41
50	Sept-25	STE260925	Refurbishment Of A Vandalised Electrical Powerline Of Borehole At Bode	R2 078 260.92
51	Sept-25	ABS 248	Supply And Delivery Of Water Purification For Giyani; Middle Letaba; M	R3 968 000.00
<b>Total</b>				<b>R 63 766 333.80</b>

## 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.

**Mopani District Municipality conducted an auction for the disposal of assets on 21<sup>st</sup> and 22<sup>nd</sup> August 2025 in Giyani and Tzaneen respectively. The auction report is attached.**

**5.2.1. Summary Expenditure on fleet.**

Period	Fuel Expenditure On Fleet	Fuel Expenditure On Borehole And Other Categories	Repairs And Maintenance Expenditure	Licensing Of Fleet Expenditure	Total Expenditure
Jul-25	R 639 838.00	R 175 045.71	R 500 896.12	R 137 706.00	<b>R 1 453 485.83</b>
Aug-25	R 659 648.80	R 238 155.74	R 467 280.01	R 0	<b>R 1 365 084.55</b>
Sept-25	R 666 849.00	R 159 944.97	R 818 290.71	R 112 656.00	<b>R 1 757 740.68</b>
<b>TOTAL</b>	<b>R 1 966 335.80</b>	<b>R 573 146.42</b>	<b>R1 786 466.84</b>	<b>R 250 362.00</b>	<b>R 4 576 311.06</b>

**5.2.2. Summary listing on fleet status.**

Location	Directorate	Number Of Vehicles & Plant	Operational	Non-Operational	Vehicles Involved In Accident
Tzaneen	Community Services	20	19	1	0
	Water Services	16	7	9	0
Ba-Phalaborwa	Community Services	8	5	3	0
	Water Services	12	8	4	0
Letaba	Community Services	6	5	1	0
	Water Services	16	9	7	0
Giyani	Community Services	06	6	0	0
	Water Services	40	28	11	1
Maruleng	Community Services	5	4	1	0
	Water Services	12	7	5	0
<b>Total</b>		<b>141</b>	<b>98</b>	<b>42</b>	<b>1</b>

**Factors on non-operational fleet.**

- a) 12-Vehicles at the dealership/appointed service provider for repairs and maintenance.
- b) 03- Memo not submitted by Satellite managers/Supervisors.
- c) 01- Vehicles which were previously involved in an accident are at the panel-beaters for repairs.
- d) 18- Vehicles not yet allocated for repairs and maintenance.
- e) 09- 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	Fuel	Opening Odo	Closing Odo	Span	Litres	Total
							0

Factors on high fuel consumption.

**5.2.4. Fleet with Zero/inaccurate readings on Odometers.**

Reg Num	Make	Fuel	Opening Odo	Closing Odo	Span	Litres	Total
							0

**SUPPLY CHAIN MANAGEMENT UNIT****6. Major achievements for September 2025**

<b>6.1 Demand Management: Supply Chain Management process</b>	<b>1<sup>st</sup> Quarter 2025/26</b>
<b>Description</b>	<b>No</b>
Bids considered / approved by BSC (SCM reg. 27)	8
Bids approved by MM for advertisement from BSC	8
New bids advertised on MDM website/notice board	8
Bids closed / opening register place on MDM website/notice board	0

<b>6.2 Acquisition Management: Supply Chain Management process</b>	<b>1<sup>st</sup> Quarter 2025/26</b>
<b>Description</b>	<b>No</b>
Total orders below R100 000 for 1 <sup>st</sup> Quarter 2025/26	552
Total orders above R100 000 for 1 <sup>st</sup> Quarter 2025/26	13
Total deviation orders processed for 1 <sup>st</sup> Quarter 2025/26	14
Bid awarded / approved / appointed by MM (No. Service Providers)	0
SCM Reg. 32 Bid approved / appointed by MM	0
SCM Reg. 36 Bid approved / appointed by MM	0
Bids Awards place on Notice/website	0
Bids Awards reported to Treasury	0
Bids reported to External e.g. CIDB	0
Irregular Expenditure for 1 <sup>st</sup> Quarter 2025/26	0

**6.3 Orders per supplier below and Above R100 000 for 1st Quarter 2025/26**

<b>Period</b>	<b>Description</b>	<b>Number</b>
1 <sup>st</sup> Quarter 2025/26	Order below R100 000	552
<b>Category</b>	<b>Number</b>	
Travel and accommodation	264	
Repairs and maintenance	116	
Event Management	92	
Training and conferencing	19	
Professional services	00	
General	61	

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Period	Description	Number
1 <sup>st</sup> Quarter 2025/25	Order above R100 000	13
Category		Number
Travel and accommodation		01
Repairs and maintenance		11
Event Management		00
Training and conferencing		00
Professional services		01
General goods and services		00

### 6.4 Total deviation orders processed for 1<sup>st</sup> Quarter 2025/26.

A detailed deviation register is attached to this report.

DEVIATION TYPE	
1. In case of an emergency	0
2. Sole supplier or single provider only or	14
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
<b>Total</b>	<b>14</b>

### 6.5 Publication of bids for 1<sup>st</sup> Quarter 2025/26

No	Bid number	Bid description	Bid advert date	Bid closing date
1	MDM 2025/26-01	Request for proposal for supply, delivery and maintenance of Integrated Financial Management and Internal Control (MSCOA Compliant) Solution for Mopani District Municipality for a period of 60 Months.	04 July 2025	07 August 2025
2	MDM 2025/26-02	Request for proposal for banking services for Mopani District Municipality for a period of 60 Months	04 July 2025	07 August 2025
3	MDM 2025/26-03	Makhushane water scheme phase 6	14 July 2025	14 August 2025
4	MDM 2025/26-04	Lephephane water reticulation phase 2B	14 July	14 August 2025
5	MDM 2025/26-05	Supply, delivery and installation of laboratory instruments for Mopani District Municipality	08 September 2025	25 September 2025
6	MDM 2025/26-06	Provision of Electronic Records Management System support services for Mopani District Municipality for a period of 36 Months	08 September 2025	9 October 2025



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7	MDM 2025/26-07	Supply and installation of Sulphur Dioxide Gas Analyser for the Ambient Air Quality monitoring station for Mopani District Municipality	08 September 2025	25 September 2025
8	MDM 2025/26-08	Supply and delivery of water services working tools in Mopani District Municipality	08 September 2025	25 September 2025

### 6.6 Progress on advertised bids

Bid No.	Description	User Dept.	Advert date	Closing Date	Evaluation date	Adjudication date	Status
MDM 2024/25-011	Appointment of 5 service providers for supply and delivery of stationery and cleaning material on a rotational basis for Mopani District Municipality for a period of 36 Months.	Budget and Treasury Office	9 Jan 25	23 Jan 25	23 Aug 25	TBC	Evaluation finalized
MDM 2024/25-16	Supply and installation of 100kva solar electricity back up system for Giyani head office and 26kva solar electricity back up system for disaster centre in Tzaneen.	Corporate Services & Community services	19 Mar 25	03 Apr 25	23 Aug 25	27 Aug 25	Adjudication finalized
MDM 2024/25-09	Panel of contractors for construction, repairs and maintenance (buildings and water infrastructure) and new installations for CIDB grade 1-3 for Mopani District Municipality for a period of 36 months	Technical, Water & Corporate services	19 Mar 25	03 Apr 25	23 Aug 25	TBC	Evaluation finalized
MDM 2025/26-01	Request for proposal for supply, delivery and maintenance of Integrated Financial Management and Internal Control	Corporate Services	04 Jul 25	07 Aug 25	15 Sep 25	TBC	Awaiting evaluation

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	(MSCOA Compliant) Solution for Mopani District Municipality for a period of 60 Months.						
<b>MDM 2025/26-02</b>	Request for proposal for banking services for Mopani District Municipality for a period of 60 Months	Budget and Treasury Office	04 Jul 25	07 Sep 25	15 Sep 25	TBC	Awaiting evaluation
<b>MDM 2025/26-03</b>	Makhushane water scheme phase 6	Technical Services	14 Jul 25	14 Aug 25	11 Sep 25	TBC	Evaluation is in progress
<b>MDM 2025/26-04</b>	Lephephane water reticulation phase 2B	Technical Services	14 Jul 25	14 Aug 25	11 Sep 25	TBC	Evaluation is in progress
<b>MDM 2025/26-05</b>	Supply, delivery and installation of laboratory instruments for Mopani District Municipality	Water Services	08 Sep 25	25 Sep 25	TBC	TBC	Bid closed
<b>MDM 2025/26-07</b>	Supply and installation of Sulphur Dioxide Gas Analyser for the Ambient Air Quality monitoring station for Mopani District Municipality	Community Services	08 Sep 25	25 Sep 25	TBC	TBC	Bid closed
<b>MDM 2025/26-08</b>	Supply and delivery of water services working tools in Mopani District Municipality	Water Services	08 Sep 25	25 Sep 25	TBC	TBC	Bid closed

### 6.7 UIFW's .

\*See attached registers.

Expenditure type	Opening Balance 1 July 2025	Additions 2025/26	Written Off 2025/26	Closing Balance 30 Sept 2025
Irregular	R 1 238 822 293	-	-	R 1 238 822 293
Unauthorised	R 1 857 925 689	-		R 1 857 925 689
Fruitless & Wasteful	R 181 050 969	R1 241 006		R 182 291 975

**6.8 Commitments.**

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

Description	Opening Balance as at 01 July 2025	Closing balance as at 30 September 2025
Capital commitments	R 932,161,895	R 932,161,895
Operational Commitments	R 124,744,051	R 124,744,051

**6.9 Contract Management**

Contract Register is annexed to the report.

**6.9.1 Contracts near expiry and expired contracts.**

➤ None

**6.9.3 List of expired contracts**

➤ No contracts have expired.

**6.9.3 LIST OF TERMINATED CONTRACTS**

➤ No contracts were terminated during the 1<sup>st</sup> quarter of 2025/26 financial year.

**6.10 INVENTORY MANAGEMENT**

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

	STOCK ON HAND	ISSUES	RECEIVED GOODS	NON MOVING STOCK
NSAMI	R 37,325,661.77	R 1,440,000.00	R 12,966,124.02	R 310,827.00
PHALABORWA	R 1,198,602.52	R 95,000.00	R 350,000.00	R 826,534.54
TZANEEN	R 1,371,444.20	R 85,000.00	R 380,000.00	R 380,870.73
MARULENG	R 1,230,001.00	R 50,000.00	R 150,000.00	R 9,421.00
LETABA	R 449,639.50	R 150,000.00	R 250,000.00	R -
STATIONERY	R 499,125.03	R 45,000.00	R -	R -
GIYANI	R -	R 310,000.00	R 310,000.00	0
TOTALS	R 42,074,474.02	R 2,175,000.00	R 14,406,124.02	R 1,527,653.27