



BUDGET AND TREASURY REPORT

Report as of August 31 2025

AUGUST 31, 2025
MOPANI DISTRICT MUNICIPALITY
Section 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

Budget and Treasury Reporting Section-71

Limpopo: Mopani (DC33) - Table C4 Monthly Budgeted Financial Performance (All) for period ending (M02) 31 August 2025

Description	Ref	2024/25	Budget year 2025/26								
		Audited Outcome	Original Budget	Adjusted Budget	M01 July Actual	M02 Aug 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	56 090	64 727	(8 637)	(13.34)	388 360
Service charges - Waste Water Management		43 706	70 424	70 424		3 879	3 879	11 737	(7 858)	(66.95)	70 424
Service charges - Waste Management											
Sale of Goods and Rendering of Services		2 799	5 594	5 594	141	154	295	932	(637)	(68.35)	5 594
Agency services											
Interest											
Interest earned from Receivables		124 675	87 945	87 945		7 163	7 163	14 658	(7 495)	(51.13)	87 945
Interest earned from Current and Non Current Assets		29 904	20 000	20 000	2 964	3 018	5 982	3 333	2 649	79.47	20 000
Dividends											
Rent on Land											
Rental from Fixed Assets											
Licence and permits											
Special rating levies											
Operational Revenue		42 891			698	16	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	602 626	239 711	362 914	151.40	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	676 749	335 098	341 651	101.96	2 010 591
Expenditure											
Employee related costs	-	498 364	554 179	554 179	37 557	42 925	80 482	92 363	(11 881)	(12.86)	554 179
Remuneration of councillors		18 085	28 427	28 427	1 529	1 624	3 153	4 738	(1 585)	(33.45)	28 427
Bulk purchases - electricity											
Inventory consumed		572 439	416 841	416 841	3 668	38 270	41 938	69 474	(27 535)	(39.63)	416 841
Debt impairment		905 279	68 495	68 495				11 416	(11 416)	(100.00)	68 495
Depreciation and amortisation		300 268	316 194	316 194	17 392	17 388	34 780	52 699	(17 919)	(34.00)	316 194
Interest		18 942	31 956	31 956		1 233	1 233	5 326	(4 093)	(76.86)	31 956
Contracted services		368 727	324 017	324 017	32 739	31 960	64 699	54 003	10 696	19.81	324 017
Transfers and subsidies											
Irrecoverable debts written off											
Operational costs		194 967	128 162	128 162	6 424	8 491	14 915	21 388	(6 473)	(30.27)	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	241 201	311 406	(70 205)	(22.54)	1 868 269
Surplus/(Deficit)		(1 014 709)	142 322	142 322	507 372	(71 824)	435 549	23 692	411 856	1 738.34	142 322
Transfers and subsidies - capital (monetary allocations)		813 382	717 509	717 509		40 147	40 147	121 960	(81 813)	(67.08)	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)	475 695	145 652	330 043	226.60	859 831
Income Tax											
Surplus/(Deficit) after income tax		(199 578)	859 831	859 831	507 372	(31 677)	475 695	145 652	330 043	226.60	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)	475 695	145 652	330 043	226.60	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)	475 695	145 652	330 043	226.60	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 31 August 2025, total amount of **R779.7 million (R594 million for equitable share, R140 Million for MIG, R39 Million for WSIG 6B, R3 million for FMG, R1.8 million for RRAMS and R1.9 for EPWP)** was received from National Treasury. The **R180 million** received for Capital expenditure, only **R33.3 million** has been recognized as income for meeting the condition of the grant, WSIG B being included.

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

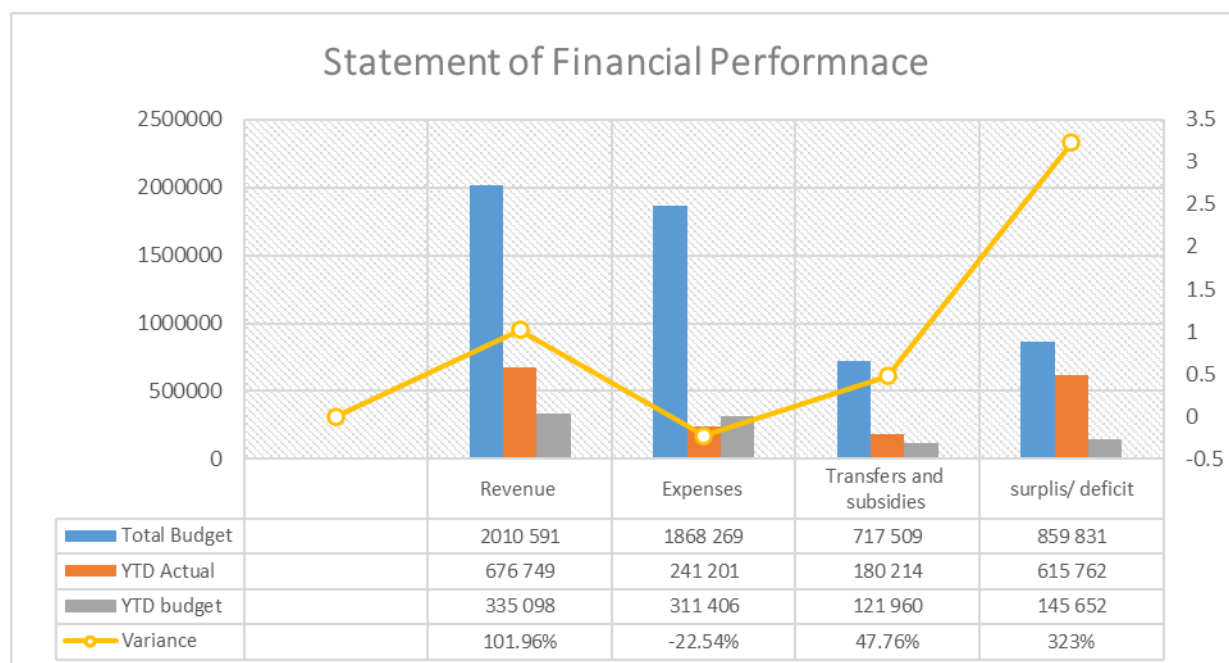
i. Service charges (GRAP 9)

The services charges for water charged to consumers is at **R56 million** of the YTD Actual when compared to the YTD Budget of **R64.7 million** and the variances **-13.3 %**. The service charges for sanitation is at **R3.8 million** of the YTD Actual when compared to the YTD Budget of **R11.7 million** and the variance is **-66.9** as at the period ending 31 August 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 **R606.2 million** of the YTD Actual when compared to the YTD Budget of **R239.7 million**, the variance is **151.4%** on operating grants and subsidies as at the end of the period ended the 31 August 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 31 August 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 **R5.9 million** of the YTD Actual when compared to the YTD Budget of **R3.3 million**. The variance is **79.47%** 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 **R295 thousand** of the YTD Actual when compared to the YTD Budget of **R932 thousand**, the variance of - **68.35%**.
- v. **Interest Earned from Receivables-** Interest earned on receivables is at **R7.1 million** of the YTD Actual when compared to the YTD budget of **R14.6 million**, the variance **-51.13%**.



b) Operating Expenditure

- i. **Employee Related Costs** (Salaries and Wages & Social contribution) – Employee related costs expenditure is at **R80.4.5 million** of YTD Actual when compared to the YTD Budget of **R92.3 million** and the variance is **-12.86%** for the period ended 31 August 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 **R3.1 million** of the YTD Actual when compared to the YTD Budget of **R4.7 million** the variance is **-33.45%**. 2025/26 determination of upper limits for Councillors is not yet effected.
- iii. **Depreciation** – The depreciation is at **R34.7 million** of the YTD Actual when compared to the YTD Budget of **R52.6 million** and the variance is **-34%** for the period ended 31 August 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 **R64.6 million** of the YTD Actual compared to the YTD Budget of **R54 million**, the variance is **19.81%** for the period ending 31 August 2025.

Segment	Month	Budget	Actual	Available
Security	July-August	R120 000 000	R25 780 570	R94 219 429
Legal	July-August	R20 000 000	R8 942 366	R11 057 637
Water Tanker	July-August	R35 000 000	R4 260 000	R30 740 004

- 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 **R41.9 million** of the YTD Actual compared to the YTD Budget of **R69.4 million**, the variance is **-39.63%** for the period ending 31 August 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.
- vii. **Operational Costs** – Operational Costs is at **R14.9 million** of the YTD Actual compared to the YTD Budget of **R21.3 million** the variance is **-30.27%** as at the period ended 31 August 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 **R5.3 million** the variance is at **-76.86** as the period ended 31 August 2025. The high variance is due to interest written off by the creditors.

The overall operating expenditure as on the 31 August 2025 is at **R241.2 million** of the YTD Actual compared to the YTD Budget of **R311.4 million** and the variance is **-22.54%**. 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 **R83.6 million** as compared to the budget of **R97.1 million**. The overall salary variance is reported at - **46.31%** as of 31 August 2025.

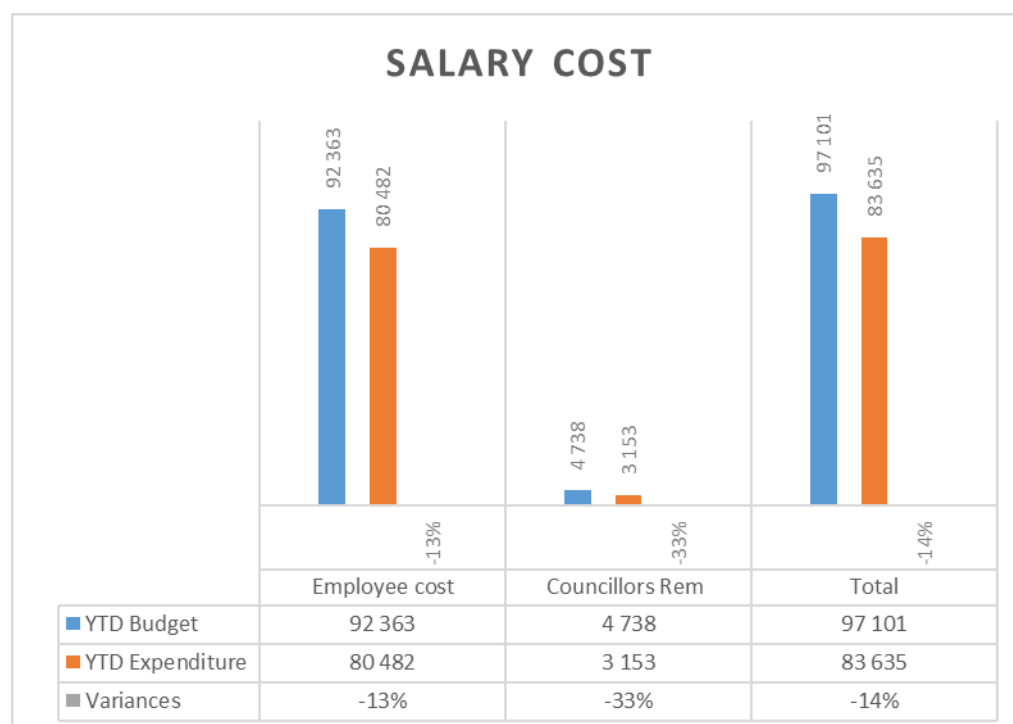


Figure Remuneration Cost

2.2 Capital expenditure

The overall capital expenditure as of 31 August 2025 is at **R33.8 million** of the YTD Actual compared to the YTD Budget of **R121.9 million** and the variance is **-72.27%**.

2.3.Cash-Flow-Statement

Limpopo: Mopani (DC33) - Table C7 Monthly Budgeted Cash Flows (All) for period ending (M02) 31 August 2025

Description	Ref	2024/25	Budget year 2025/26								
		Audited Outcome	Original Budget	Adjusted Budget	M01 July Actual	M02 Aug Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands	1										
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates											
Service charges		19 211	68 818	68 818		392	392	11 470	(11 078)	(96.58)	68 818
Other revenue		10 038	201 145	201 145	163	177	339	33 524	(33 185)	(98.99)	201 145
Transfers and Subsidies - Operational	1	1 253 084	1 438 267	1 438 267	594 762	4 960	599 722	239 711	360 011	150.19	1 438 267
Transfers and Subsidies - Capital	1	522 677	717 509	717 509	141 662	1 827	143 489	119 585	23 905	19.99	717 509
Interest		29 311	33 192	33 192	2 964	3 018	5 982	5 532	451	8.14	33 192
Dividends											
Payments											
Suppliers and employees		(1 517 072)	(1 482 306)	(1 482 306)	(97 305)	(88 154)	(185 459)	(247 051)	61 591	(24.93)	(1 482 306)
Finance charges			(1 276)	(1 276)				(213)	213	(100.00)	(1 276)
Transfers and Subsidies	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		317 249	975 350	975 350	642 246	(77 780)	564 466	162 558	401 907	247.24	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)	(83 869)	(107 411)	23 543	(21.92)	(644 467)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(760 472)	(644 467)	(644 467)	(41 125)	(42 743)	(83 869)	(107 411)	23 543	(21.92)	(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)	480 597	55 147	425 450	771.48	330 883
Cash/cash equivalents at the year begin:		180 739	(142 121)	(142 121)	163 823	764 944	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	644 420	(86 974)	731 394	(840.94)	188 762

References

1 Material variances to be explained in Table SC1

2.4 Cash and Cash equivalents

CONSOLIDATED BTS FOR AUGUST 2025

Month

2

Statement Description	MAIN ACCOUNT 62854372093	CALL ACCOUNTS	TOTAL
Opening balance	4 022 743.04	694 912 092.68	698 934 835.72
Interest capitalised	43 161.14	2 975 277.92	3 018 439.06
Transfer from Main to Call	-	(123 200 000.00)	(123 200 000.00)
Transfer to Main Account from call	123 200 000.00	-	123 200 000.00
Current - Refunds SARS	25 845 519.95	-	25 845 519.95
Current - Unknown deposits	(21 800.00)	-	(21 800.00)
Current - ACB (GRANT)	30 135 084.25	-	30 135 084.25
Current - Deposits	199 186.12	-	199 186.12
Current - Collection from Locals	391 897.22	-	391 897.22
Current - ACB	(137 630 900.96)	-	(137 630 900.96)
Current - debit orders	(238 087.78)	-	(238 087.78)
Current - ESKOM	(7 090 301.54)	-	(7 090 301.54)
Current - Refund Medical aid & Pension	9 240.66	-	9 240.66
Current - Bank Charges	(3 496.91)	-	(3 496.91)
Current - (Salaries)	(44 657 027.93)	-	(44 657 027.93)
Current - S & T Refund	-	-	-
Current - Salaries - Unpaid	7 680.60	-	7 680.60
Current ACB - Unpaid	5 522 049.35	-	5 522 049.35
Current ACB - Refund	81 794.00	-	81 794.00
Closing balance	(183 258.79)	574 687 370.60	574 504 111.81

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										
Aug-25										
	EQUITABLE SHARES	MIIG	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%	29%	#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		39 250 845.91	391 897.22	25 845 519.95	807 985 263.08
Jul-25	594 762 000.00	140 964 000.00					15 902 761.66	-		751 628 761.66
Aug-25			3 000 000.00	1 960 000.00	1 811 000.00		23 348 084.25	391 897.22	25 845 519.95	56 356 501.42
Sept-25										-
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		39 250 845.91	391 897.22	25 845 519.95	807 985 263.08

3.2 Creditors aging analysis.

The total due to creditors above 30 days' amounts to **R899.6 million** as of 31 August 2025.

	0days	30days	60days	90days	120days	Total		
Other Creditors	30 478 637.89	687 507.85	33 005 454.22	14 457.77	7 180 400.76	55 075 166.83		
DWS	25 000 000.00	-	-	-	-	25 000 000.00		
Lepelle	19 815 741.84	70 000 000.00	-	-	-	89 815 741.84		
	137 860 429.73	77 241.16	417 001.24	2 090 536.30	15 661 962.00	136 373 997.08		
NBI Creditors above 30 days								
	No invoices were received for August 2025, The current arrangement for DWS is 2500 000 of which July and August are already paid Invoice for July was not yet received						376 174 202.91	DWS
	The amount include the debt from Letaba and only 102 000000will be serviced in the current financ						387 111 660.53	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

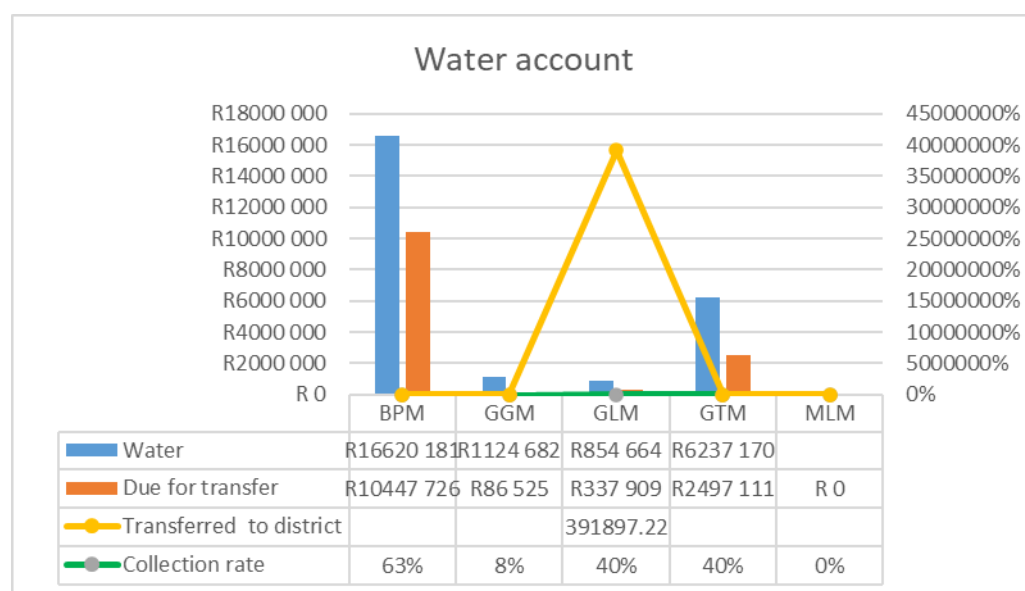
4.1. Billing on Water and Sewer Services

YEAR TO DATE								
Municipality	Water Budget	Sewer Budget	YTD Water Billing	YTD Sewer Billing	YTD Water Collection	YTD Sewer Collection	& YTD Receipts vs Billing	Transferred to MDM
BPM	248 663 112	52 670 160	16 620 181	4 168 000	10 447 726	1 492 294	57%	-
GGM	22 631 844	6 764 472	1 124 682	421 752	86 525	45 811	9%	-
GLM	38 429 424	10 093 604	854 664	620 548	337 909	74 615	28%	391 897
GTM	102 582 984	22 520 604	6 327 170	1 048 146	2 497 111	506 473	41%	-
MLM	35 703 264	4 764 468	848 394	51 661	645 338	54 204	78%	-
BPM_Businesses	-	-	5 270 987	-	-	-	0%	-
Peppa Dew	-	-	453 746	-	-	-	0%	-
Vhembe DM	-	-	44 823 240	-	-	-	0%	-
TOTAL	448 010 628	96 813 308	76 323 063	6 310 107	14 014 609	2 173 396	20%	391 897

N.B. Only Ba-Phalaborwa municipality have submitted their August 2025 report.

a) Local Municipalities invoiced as of 31 August 2025

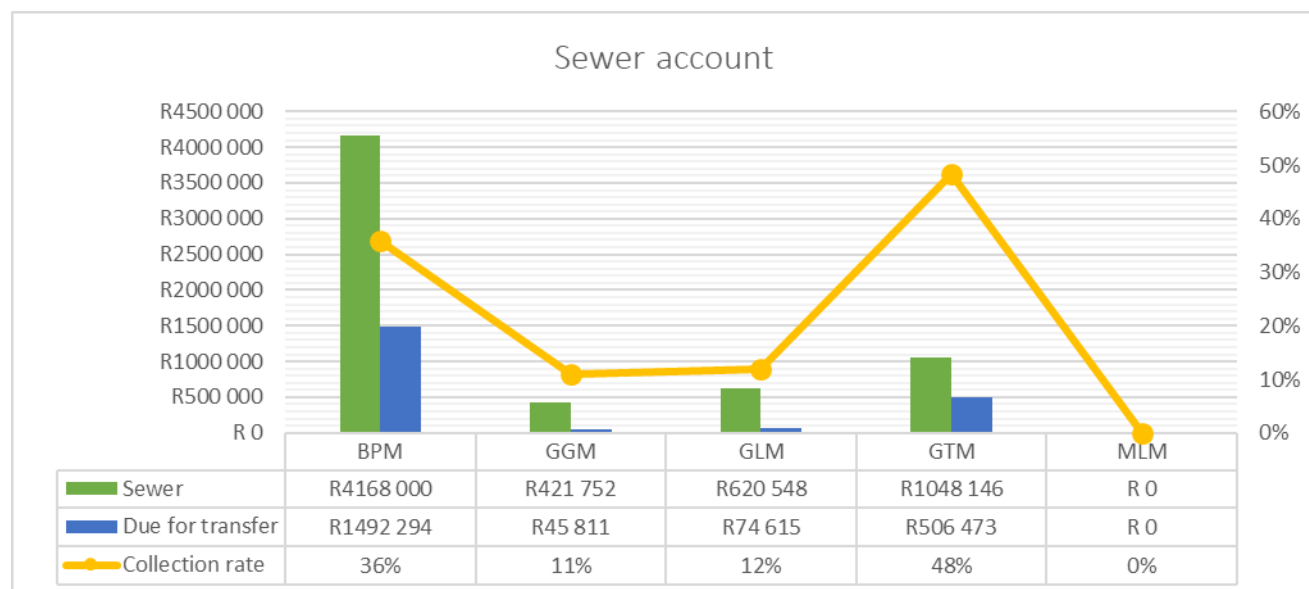
Figure 2: Water account



b) Sewer Billing

The following graph illustrate the performance of the sewer services.

Figure 3: Sewer Account



c) Local Municipalities Costs Recovery Report (Expenditures)

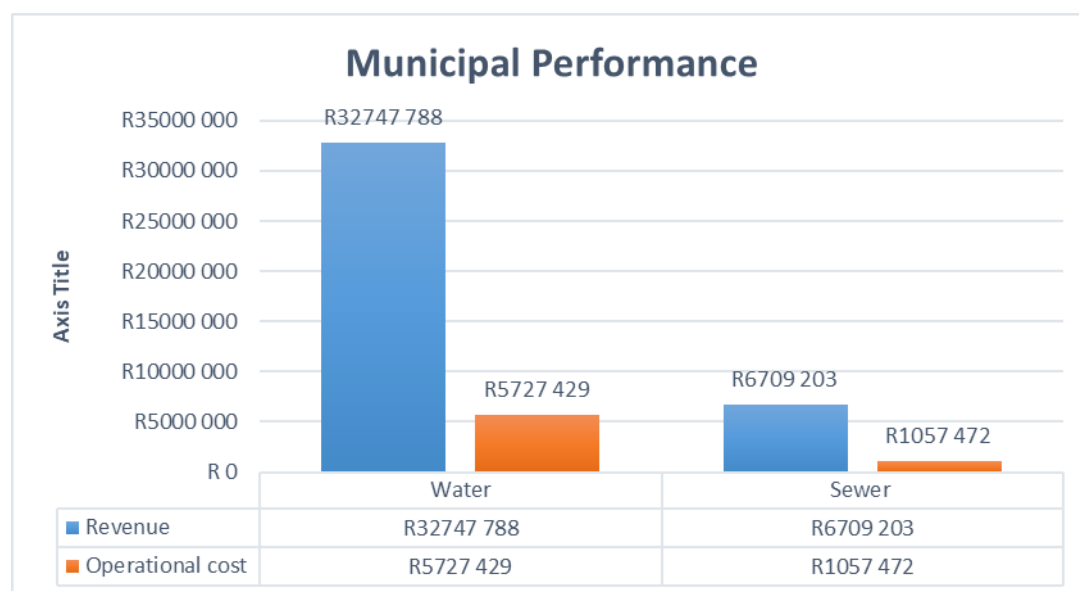


Figure 4: Cost recovery.

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.

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	R2 497 111.07	R699 542.14	R337 908.64	R86 524.93	R14 068 812.59
Sewer Collection	R1 492 293.64	R506 473.05		R74 614.75	R45 811.00	R2 119 192.44
Total Collection	R11 940 019.45	R3 003 584.12	R699 542.14	R412 523.39	R132 335.93	R16 188 005.03
Water Expenditure	-R1 062 907.69	-R3 251 312.13	-R516 213.20	-R512 224.23	-R384 771.67	-R5 727 428.92
Sewer Expenditure	-R270 178.01	-R501 102.70	-R180 749.71	-R180 749.71	-R105 441.84	-R1 238 221.97
Agency fees	-R597 000.97	-R150 179.21	-R34 977.11	-R20 626.17	-R6 616.80	-R809 400.25
Transferred to MDM	R0.00	R0.00	R0.00	-R391 897.22	R0.00	-R391 897.22
Total Expenditure	-R1 930 086.67	-R3 902 594.04	-R731 940.02	-R1 105 497.33	-R496 830.31	-R8 166 948.36
Profit/(loss)	R10 009 932.78	-R899 009.92	-R32 397.88	-R692 973.94	-R364 494.38	R8 021 056.67

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 August 2025			
Age Analysis	Sewerage	Water	Total
	R'000	R'000	R'000
Current	3 044 301	65 054 206	68 098 507
30 days	4 975 372	15 149 287	20 124 659
60 days	4 368 062	22 579 818	26 947 880
90 days	4 164 458	25 590 473	29 754 930
120 days	5 223 684	27 657 873	32 881 557
150 days plus	352 192 380	1 868 638 945	2 220 831 325
TOTAL	373 968 257	2 024 670 601	2 398 638 858
AGEING PER LOCAL MUNICIPALITY			
WATER		SEWER	
MUNICIPALITY	AMOUNT	MUNICIPALITY	AMOUNT
	R'000		R'000
BPM	1 530 502 631	BPM	258 297 252
GGM	131 225 658	GGM	34 564 338
GLM	39 543 957	GLM	43 831 203
GTM	187 812 040	GTM	36 649 935
MLM	3 656 701	MLM	625 528
MDM	131 929 614	MDM	-
TOTAL	2 024 670 601	TOTAL	373 968 257

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
Total	R114 852.20	R91 655.99	R88 613.25	R0.00	R295 121.44

FINANCIAL**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 AUGUST 2025
1	Community Assets	
	Building	R1 254 213.96
2	Infrastructure Assets	
	Sanitation	R5 222 635.20
	Water	R26 564 650.80
3	Movables Assets	
	Computer Equipment	R299 596.34
	Furniture and Office Equipment	R364 883.84
	Machinery and Equipment	R787 121.14
	Motor Vehicle	R1 694 799.82
	Total	R36 187 901.10

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 300 948.70

No	Date	Cheque Number	Description Of Works	Amount
1	Aug-25	EF019876-0006 EF019876-0006	Council Recording System	R 167 298.70
2	Aug-25	001	Supply And Delivery Of Visitors Chairs With Arm Rest For Conference Ha	R 29 250.00
3	Aug-25	EF019912-0005 EF019912-0005	Supply And Delivery Of Office Furniture	R 104 400.00
Total				R 300 948.70

Threshold– Other Asset Purchases	Quantity	Value
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:

Threshold– Infrastructure Asset Purchases	Quantity	Value
Transactions Exceeding R 1 000	18	R36 603 835.86

No	Date	Cheque Number	Description Of Service	Amount
1	Aug-25	EF019944-0001 EF019944-0001	Lulekani Water Scheme Phase 2c Kurhula	R 209 245.59
2	Aug-25	EF019935-0005 EF019935-0005	Lulekani Water Scheme Phase 2b Humulani	R 73 956.54
3	Aug-25	EF019907-0001 EF019907-0001	Tours Water Reticulation To 25 Villages Phase 3 Contract No Mdm2023/24	R 4 527 774.00
4	Aug-25	EF019947-0004 EF019947-0004	Claim 15 Lephephane Water Reticulation	R 1 887 199.92
5	Aug-25	EF019930-0002 EF019930-0002	Vuhehli Water Reticulation	R 121 177.15
6	Aug-25	EF019925-0001 EF019925-0001	Claim 10 Muyexe Water Reticulation Contract A	R 1 333 536.73
7	Aug-25	EF019925-0004 EF019925-0004	Claim 10 Muyexe Water Reticulation Contract A	R 755 783.43
8	Aug-25	EF019930-0003 EF019930-0003	Vuhehli Water Reticulation	R 342 335.11
9	Aug-25	EF019930-0001 EF019930-0001	Claim 08 Vuhehli Water Reticulation	R 717 450.57
10	Aug-25	EF019925-0003 EF019925-0003	Claim 2 Ritavi 2 Regional Water Scheme Phase 5	R 2 094 811.00
11	Aug-25	EF019925-0002 EF019925-0002	Claim 2 Ritavi 2 Regional Water Scheme Phase 5	R 123 959.00

TOTAL	R 1 299 486.80	R 413 201,45	R 968 176.13	R 137 706.00	R 2 818 570.38
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5.2.2. Summary listing on fleet status.

Location	Directorate	Number Of Vehicles & Plant	Operational	Non-Operational	Vehicles Involved In Accident	Disposals
Tzaneen	Community Services	23	19	1	0	3
	Water Services	17	6	10	0	1
Ba-Phalaborwa	Community Services	8	6	2	0	
	Water Services	14	7	5	0	2
Letaba	Community Services	8	4	2	0	2
	Water Services	16	8	8	0	
Giyani	Community Services	10	5	1	0	4
	Water Services	45	28	11	1	5
Maruleng	Community Services	6	4	1	0	1
	Water Services	12	7	5	0	
Total		159	94	46	1	18

Factors on non-operational fleet.

- a) 14-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) 16- Vehicles not yet allocated for repairs and maintenance.
- e) 13- 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 August 2025**

6.1 Demand Management: Supply Chain Management process	August 2025
Description	No
Bids considered / approved by BSC (SCM reg. 27)	4
Bids approved by MM for advertisement from BSC	4
New bids advertised on MDM website/notice board	0
Bids closed / opening register place on MDM website/notice board	0

6.2 Acquisition Management: Supply Chain Management process	August 2025
Description	No
Total orders below R100 000 for August 2025	215
Total orders above R100 000 for August 2025	4
Total deviation orders processed for August 2025	5
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 August 2025	0

6.3 Orders per supplier below and Above R100 000 for August 2025

Period	Description	Number
August 2025	Order below R100 000	215
Category		Number
Travel and accommodation		115
Repairs and maintenance		49
Event Management		26
Training and conferencing		6
Professional services		0
General		19

Period	Description	Number
August 2025	Order above R100 000	4
Category		Number
Travel and accommodation		1
Repairs and maintenance		1
Event Management		0
Training and conferencing		0
Professional services		1
General goods and services		1

6.4 Total deviation orders processed in August 2025.

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	5
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	5

6.5 Publication of bids for August 2025

No	Bid number	Bid description	Bid advert date	Bid closing date
None	None	None	None	None

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	Budget and Treasury Office	9 Jan 25	23 Jan 25	23 Aug 25	TBC	Awaiting Adjudication

	District Municipality for a period of 36 Months.						
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	Awaiting finalization
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	Under evaluation process
MDM 2025/26-01	Request for proposal for supply, delivery and	Corporate Services	04 Jul 25	07 Aug 25	15 Sep 25	TBC	Awaiting evaluation

	maintenance of Integrated Financial Management and Internal Control (MSCOA Compliant) Solution for Mopani District Municipality for a period of 60 Months.						
MDM 2025/26-02	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
MDM 2025/26-03	Makhushane water scheme phase 6	Technical Services	14 Jul 25	14 Aug 25	11 Sep 25	TBC	Awaiting evaluation
MDM 2025/26-04	Lephephane water reticulation phase 2B	Technical Services	14 Jul 25	14 Aug 25	11 Sep 25	TBC	Awaiting evaluation

6.7 UIFW as at 31 August 2025.

*See attached register.

Expenditure type	Opening Balance	Additions (2024/2025)	Written Off	Closing Balance
Irregular	R1 238 822 294.00	R0.00	R0.00	R1 238 822 294.00
Unauthorised	R1 417 111 635.00	R0.00	R0.00	R1 417 111 635.00
Fruitless & Wasteful	R181 050 970.00	R1 232 671.00	R0.00	R182 283 641.00

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 31 August 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

6.9.2 List of expired contracts

- None

Please see attached the 2025-26 Contract register.

6.9.3 LIST OF TERMINATED CONTRACTS

- MDM has not terminated any contract during August of 2025.

6.10 INVENTORY MANAGEMENT

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

STORES	STOCK ON HAND (R)	ISSUES (R)	RECEIVED GOODS (R)	NON MOVING STOCK (R)
NSAMI	R 35,412,839.92	R 907,225.00	R229,078.30	R310,827.00
PHALABORWA	R 1,435,102.52	R 240,000.00	R0.00	R826,534.54
TZANEEN	R 1,672,141.20	R 420,000.00	R450,000.00	R380,870.73
MARULENG	R 1,669,776.00	R 45,000.00	R12,225.00	R9,421.00
LETABA	R 841,139.50	R 8,000.00	R65,000.00	R0.00
STATIONERY	R 289,186.36	R 18,828.92	R88,590.00	R0.00
GIYANI	R 0.00	R380,000.00	R380,000.00	R0.00
TOTALS	R 41320185.50	R2,091,053.92	R1,224,893.30	R1,527,653.27

7. 1. Water production loss

No reports submitted for water production loss and distribution loss from the water department.