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## BUDGET AND TREASURY REPORT



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Report as of January 31 2025

JANUARY 31, 2025  
MOPANI DISTRICT MUNICIPALITY  
Section 71 Report

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	0days	30days	60days	90days	120days	Total	
Other Creditors	30,263,871.66	7,218,022.71	154,131.48	-	11,012,441.01	48,648,466.86	
DWS	4,413,780.12	-	-	-	12,500,000.00	16,913,780.12	
Lepelle	16,319,896.43	-	-	-	30,000,000.00	46,319,896.43	
	50,997,548.21	7,218,022.71	154,131.48	-	53,512,441.01	111,882,143.41	
NB! Creditors above 30 days							
	Creditors above 90 and 120 days consists of invoices relating to WSIG which were accrued in June 2024, still awaiting for payment from DWS					391,672,189.59	DWS
						301,312,291.14	Lepelle

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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 (Table, c4)

### REVENUE

The municipal Revenue budget for the year was approved at **R1.753 billion**, allocating funds for operational activities and **R575,1 million vat inclusive** for capital expenditure. As of 31 January 2025, total amount of **R1.7 billion** was received which includes the **R940.1 million** for equitable shares received from National Treasury. However out of the total amount received for capital expenditure **R605.8 million**, only **R565.7 million** has been recognized as income for meeting the condition of the grant, WSIG B being included.

The total revenue received YTD from VDM amounts to **R 7.7 million**, and YTD Vat refundable amount totals **R223.2 million**, from Local Municipality YTD amounts to **R2.9 million**. Together these revenues amount to **R233.9 million** as to 31 January 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

Limpopo: Mopani (DC33) - Table C4 Monthly Budgeted Financial Performance ( All ) for period ending (M07) 31 January 2025

Description	Ref	2023/24	Budget year 2024/25						
		Audited Outcome	Original Budget	M07 Jan Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands									
Revenue									
Exchange Revenue									
Service charges - Electricity									
Service charges - Water		174,501	306,370	9,010	61,342	178,716	(117,373)	(65.68)	306,370
Service charges - Waste Water Management		45,253	469	3,932	20,967	274	20,694	7,565.03	469
Service charges - Waste Management									
Sale of Goods and Rendering of Services		1,827	2,000	749	2,173	1,167	1,006	86.25	2,000
Agency services									
Interest									
Interest earned from Receivables		112,148	73,416	5,021	24,143	42,826	(18,682)	(43.62)	73,416
Interest earned from Current and Non Current Assets		28,439	18,000	2,826	18,501	10,500	8,001	76.20	18,000
Dividends									
Rent on Land									
Rental from Fixed Assets									
Licence and permits									
Operational Revenue		13,300		330	812		812		
Non-Exchange Revenue									
Property rates									
Surcharges and Taxes									
Fines, penalties and forfeits									
Licences or permits									
Transfer and subsidies - Operational		1,321,730	1,353,289	12,626	976,541	789,419	187,123	23.70	1,353,289
Interest									
Fuel Levy									
Operational Revenue									
Gains on disposal of Assets									
Other Gains		(65)							
Discontinued Operations					2,694		2,694		
Total Revenue (excluding capital transfers and contrib		1,697,131	1,753,544	34,494	1,107,174	1,022,900	84,274	8.24	1,753,544
Expenditure									
Employee related costs	-	498,527	526,096	42,998	261,297	306,890	(45,592)	(14.86)	526,096
Remuneration of councillors		16,256	23,761	1,510	10,780	13,860	(3,081)	(22.23)	23,761
Bulk purchases - electricity									
Inventory consumed		346,409	413,496	21,980	201,447	241,206	(39,759)	(16.48)	413,496
Debt impairment		297,636	65,251			38,063	(38,063)	(100.00)	65,251
Depreciation and amortisation		321,688	300,018	17,471	121,378	175,011	(53,632)	(30.65)	300,018
Interest		73,831	30,734	16	60	17,928	(17,869)	(99.67)	30,734
Contracted services		268,452	194,359	31,717	234,529	113,376	121,153	106.86	194,359
Transfers and subsidies									
Irrecoverable debts written off		(225)							
Operational costs		179,696	124,406	6,714	57,291	72,570	(15,279)	(21.05)	124,406
Losses on disposal of Assets									
Other Losses		(438)	860			502	(502)	(100.00)	860
Total Expenditure		2,001,831	1,678,982	122,406	886,782	979,406	(92,624)	(9.46)	1,678,982
Surplus/(Deficit)		(304,700)	74,562	(87,913)	220,392	43,494	176,898	406.71	74,562
Transfers and subsidies - capital (monetary allocations)									
		1,026,347	575,141	121,827	332,205	335,499	(3,294)	(0.98)	575,141
Transfers and subsidies - capital (in-kind)									
Surplus/(Deficit) after capital transfers and contributions		721,647	649,703	33,914	552,597	378,993	173,604	45.81	649,703
Income Tax									
Surplus/(Deficit) after income tax		721,647	649,703	33,914	552,597	378,993	173,604	45.81	649,703
Share of Surplus/Deficit attributable to Joint Venture									
Share of Surplus/Deficit attributable to Minorities									
Surplus/(Deficit) attributable to municipality		721,647	649,703	33,914	552,597	378,993	173,604	45.81	649,703
Share of Surplus/Deficit attributable to Associate									
Intercompany/Parent subsidiary transactions									
Surplus/(Deficit) for the year		721,647	649,703	33,914	552,597	378,993	173,604	45.81	649,703

Figure 1: Statement of Financial Performance

## 2.1 Statement of financial Performance

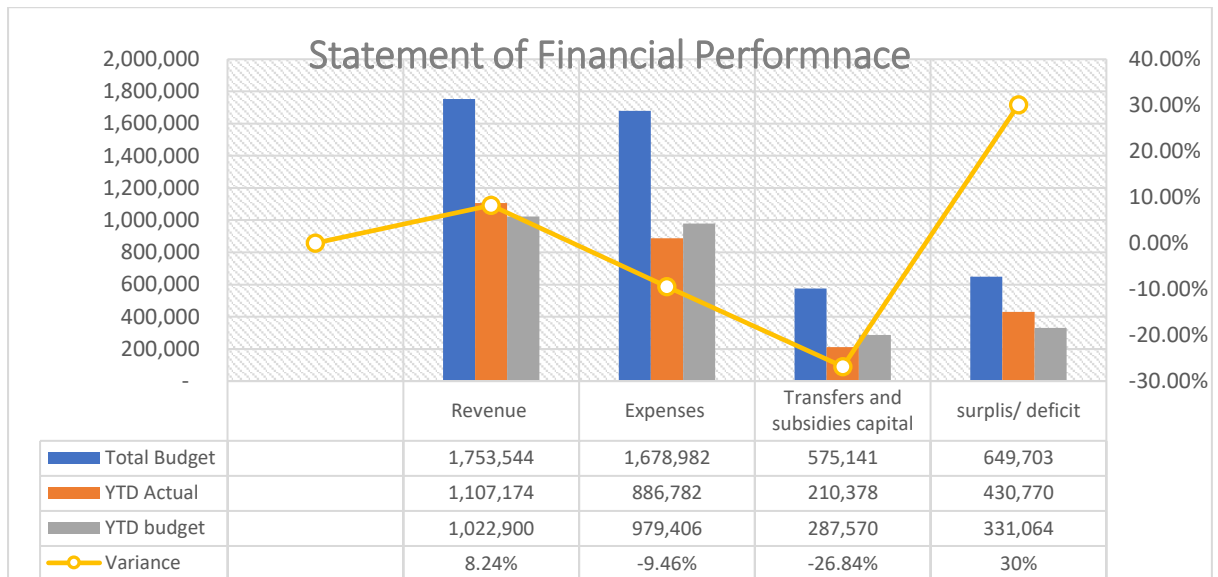
### a). Operating Revenue

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

The services charges for water charged to consumers is at **R131.1 million** of the YTD Actual when compared to the YTD Budget of **R153.1 million** and the variances **-23%**. The service charges for sanitation is at **R19.7 million** of the YTD Actual when compared to the YTD Budget of **R234 thousand** and the variance is **-84%** as at the period ending January 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 and remains slow due to lack of agreements with local municipalities and shall be automated on the system.

- i. **Transfers and Subsidies Operational**– the municipalities is at **R976.5 million** of the YTD Actual when compared to the YTD Budget of **R789.4 million**, the variance is 23.7% on operating grants and subsidies as at the end of the period 31 January 2025. The variance is due to straight line budgeting.
- ii. **Transfers and Subsidies Capital**– the municipalities is at **R332.3 million** of the YTD Actual when compared to the YTD Budget of **R335.4**, the variance is -0.98% on capital grants and subsidies as at the end of the period ended the 31 January 2025. The variance is due to straight line budgeting and WSIG is not included in the monthly movement. The YTD actual for WSIG 6B is at **R233.4 million** and delays in project implementation and procurement.
- iii. **Interest earned on Current and Non-Current Assets** –Interest earned on current and non-current asset is **R18.5 million** of the YTD Actual when compared to the YTD Budget of **R10.5 million**. The variance is 76.2% the higher favourable variance is due to under budgeted interest income or not forecasted accurately.
- iv. **Sale of Goods and rendering services (Tenders)**- Sale of goods and other services including sales from Tenders is **R2.1 million** of the YTD Actual when compared to the YTD Budget of **R1,1 million** the variance of **86.2 %**, we anticipated more revenue in selling of tender documents compared to the straight budget.
- v. **Interest Earned from Receivables**- Interest earned on receivables is at **R24.1** of the YTD Actual when compared to the YTD budget of **R42.8 million**, the variance **-43.62%** the variance is due to the performance of the non-payment of historical debts. The debtor's information is not being calculated as result of the Municipality is not able to account for the interest on debtors.



### b) Operating Expenditure

- i. **Employee Related Costs** (Salaries and Wages & Social contribution) – Employee related costs expenditure is at **R 261.2 million** of YTD Actual when compared to the YTD Budget of **R306.8 million** and the variance is **-14.86%** for the period ended 31 January 2025, which is lower than the expected budget.

This variance is due to vacant posts not yet filled. Overtime and leave encashment have been reduced significantly and as per Mscoa recommendation Subsistence and Travel is classified under operational cost.

- ii. **Councillors Remuneration** – The councillors' remuneration is at **R10.7 million** of the YTD Actual when compared to the YTD Budget of **R13.8 million** the variance is **-22.2%**. Lower travel claims most of meetings are attended virtually.

- iii. **Depreciation** – The depreciation is at **R121.3 million** of the YTD Actual when compared to the YTD Budget of **R175.0 million** and the variance is **-30.7%** for the period ended 31 January 2025. The Asset module has been recently converted and is now operational, although it has not yet reached its full potential and optimal level of functionality. More user training is recommended.

- 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 **R234.5 million** of the YTD Actual compared to the YTD Budget of **R113.3 million**, the variance is **106.86%** for the period ending 31 January 2025. Reason for higher variance is due to under budgeting and increased scope of work leading to higher costs.

- 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 **R201.4 million** of the YTD Actual compared to the YTD Budget of **R241.2 million**, the variance is **-16.48%** for the period ending 31 January 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.

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- vii. **Operational Costs** – Operational Costs is at **R57.2 million** of the YTD Actual compared to the YTD Budget of **R72.5 million** the variance is **-21.05%** as at the period ended 31 January 2025. Cost cutting initiatives successfully implemented of cost reduction strategies included in Cost containment policy.
- viii. **Interest Paid** – Interest paid is at **R60 thousands** of the YTD Actual compared to the YTD Budget of **R17.9 million** the variance is at **-99.67%** as the period ended 31 January 2025. The high variance is due to interest written off by the creditors.

The overall operating expenditure as on the 31 January 2025 is at **R886.7 million** of the YTD Actual compared to the YTD Budget of **R979.4 million** and the variance is **-9.46%**. The reason for low spending on operational expenditure is 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 **R273.07 million** as compared to the budget of **R320.75 million**. The overall salary variance is reported at -37% as of 31 January 2025.

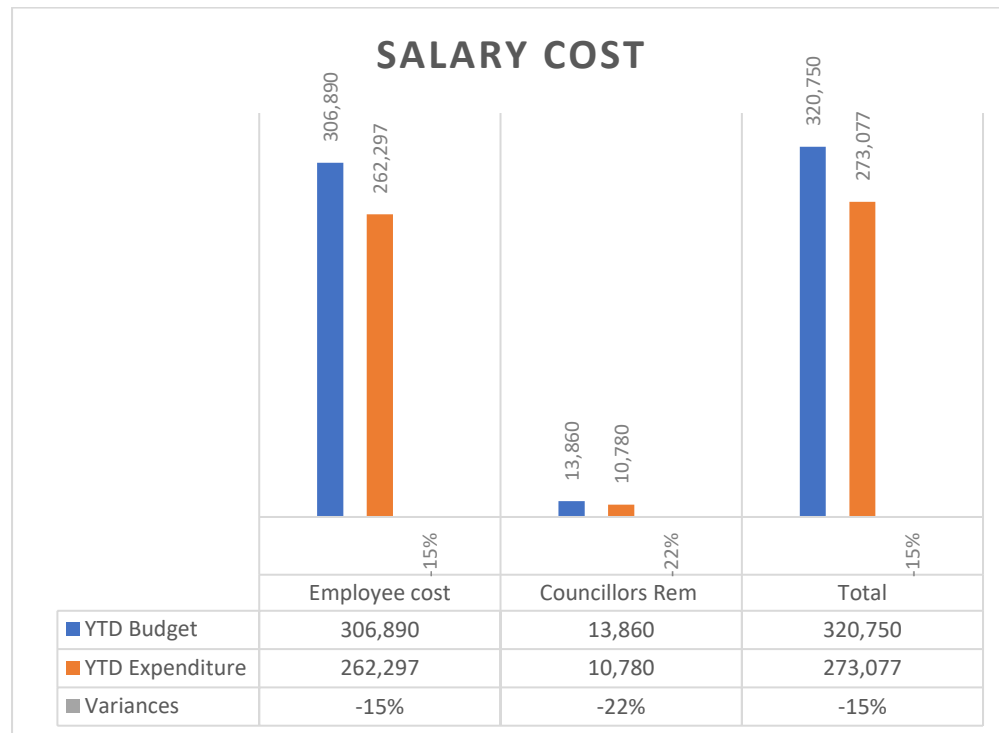


Figure Remuneration Cost

## 2.2 Capital expenditure

The overall capital expenditure as of 31 January 2025 is at **R332.32 million** of the YTD Actual compared to the YTD Budget of **R299.73 million** and the variance is 10.87%. There is no provision for emergency maintenance and the municipality will provide repairs and maintenance for all categories of asst register during adjustment budget.

**Limpopo: Mopani (DC33) - Table C5 Monthly Budgeted Capital Expenditure by Functional Classification and Funding for period ending (M07) 31 January 20**

Description	Ref	2023/24	Budget year 2024/25						
		Audited Outcome	Original Budget	M07 Jan Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital Expenditure - Functional</b>									
<b>Municipal governance and administration</b>		9,380	16,783	-	14,204	9,790	4,414	45.08	16,783
Executive and council									
Finance and administration		9,380	16,783		14,204	9,790	4,414	45.08	16,783
Internal audit									
<b>Community and public safety</b>		4,417	4,348	-	-	2,536	(2,536)	(100.00)	4,348
Community and social services									
Sport and recreation									
Public safety		4,417	4,348			2,536	(2,536)	(100.00)	4,348
Housing									
Health									
<b>Economic and environmental services</b>		315	3,197	130	856	1,865	(1,009)	(54.10)	3,197
Planning and development		315	3,197	130	856	1,865	(1,009)	(54.10)	3,197
Road transport									
Environmental protection									
<b>Trading services</b>		892,831	489,506	25,713	317,267	285,545	31,722	11.11	489,506
Energy sources									
Water management		892,831	489,506	25,713	317,267	285,545	31,722	11.11	489,506
Waste water management									
Waste management									
<b>Other</b>									
<b>Total Capital Expenditure - Functional</b>	3	906,943	513,833	25,843	332,327	299,736	32,591	10.87	513,833
<b>Funded by</b>									
National Government		351,606	478,354	8,912	191,857	279,040	(87,183)	(31.24)	478,354
Provincial Government									
District Municipality		435,043		9,113	115,170		115,170		
Transfers and subsidies - capital (monetary allocations)									
<b>Transfers recognised - capital</b>		786,649	478,354	18,025	307,027	279,040	27,986	10.03	478,354
<b>Borrowing</b>	6								
<b>Internally generated funds</b>		120,294	35,478	7,819	25,300	20,696	4,604	22.25	35,478
<b>Total Capital Funding</b>		906,943	513,833	25,843	332,327	299,736	32,591	10.87	513,833

## 2.3 Cash Flow statement

The Municipality is having engagements with local municipalities to intensify the implementation of the WS

Limpopo: Mopani (DC33) - Table C7 Monthly Budgeted Cash Flows ( All ) for period ending (M06) 31 December 2024

Description	Ref	2023/24	Budget year 2024/25						
		Audited Outcome	Original Budget	M06 Dec Actual	Q2 Dec Actual	YTD Actual	YTD Budget	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>								
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates		4,614	145,924	1,372	6,309	10,209	72,962	(86.01)	145,924
Service charges		25,817	145,613	3,442	3,961	4,886	72,806	(93.29)	145,613
Other revenue		1,261,956	1,353,289	414,114	417,348	948,887	676,644	40.23	1,353,289
Transfers and Subsidies - Operational	1	477,669	575,141	140,000	265,000	372,400	287,570	29.50	575,141
Transfers and Subsidies - Capital	1	24,560	18,000	3,012	6,759	15,675	9,000	74.16	18,000
Interest									
Dividends									
<b>Payments</b>									
Suppliers and employees		(495,081)	(1,286,003)	(103,182)	(259,797)	(539,130)	(643,001)	(16.15)	(1,286,003)
Finance charges			(30,734)				(15,367)	(100.00)	(30,734)
Transfers and Subsidies	1								
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>1,299,535</b>	<b>921,230</b>	<b>458,757</b>	<b>439,581</b>	<b>812,927</b>	<b>460,615</b>	<b>76.49</b>	<b>921,230</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE									
Decrease (increase) in non-current receivables									
Decrease (increase) in non-current investments									
<b>Payments</b>									
Capital assets		(440,590)	(510,808)	(133,495)	(306,867)	(423,118)	(255,404)	65.67	(510,808)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(440,590)</b>	<b>(510,808)</b>	<b>(133,495)</b>	<b>(306,867)</b>	<b>(423,118)</b>	<b>(255,404)</b>	<b>65.67</b>	<b>(510,808)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans									
Borrowing long term/refinancing									
Increase (decrease) in consumer deposits									
<b>Payments</b>									
Repayment of borrowing									
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>858,945</b>	<b>410,422</b>	<b>325,262</b>	<b>132,715</b>	<b>389,809</b>	<b>205,211</b>	<b>89.96</b>	<b>410,422</b>
Cash/cash equivalents at the year begin:		18,477	18,477	246,195	438,743	181,649	18,477	883.09	18,477
Cash/cash equivalents at the year end:	2	877,422	428,899	571,458	571,458	571,458	223,688	155.47	428,899

## 2.4 Cash and Cash equivalents

## Budget and Treasury Reporting Section-71

MOPANI DISTRICT MUNICIPALITY			
CONSOLIDATED BTS FOR DECEMBER 2024			
Month	6		
Statement Description	MAIN ACCOUNT 62854372093	CALL ACCOUNTS	TOTAL
Opening balance	1,050,519.10	220,954,066.60	222,004,585.70
Interest capitalised	1,248,774.45	1,763,546.37	3,012,320.82
Transfer from Main to Call	(280,000,000.00)	280,000,000.00	-
Transfer to Main Account from call	1,000,000.00	(1,000,000.00)	-
Current - Refunds SARS	18,717,320.10	-	18,717,320.10
Current - Unallocated deposits	-	-	-
Current - ACB (GRANT)	588,430,841.91	-	588,430,841.91
Current - Deposits	748,213.12	-	748,213.12
Current - Income from Asset auction	-	-	-
Current - Collection from Locals	1,371,575.90	-	1,371,575.90
Current - ACB	(232,924,131.73)	-	(232,924,131.73)
Current - debit orders	(239,002.26)	-	(239,002.26)
Current - ESKOM	(6,488,271.31)	-	(6,488,271.31)
Current - Refund Medical aid	-	-	-
Current - Bank Charges	(5,459.21)	-	(5,459.21)
Current - (Salaries)	(41,721,632.83)	-	(41,721,632.83)
Current - Salary Refund	-	-	-
Current - Salaries - Unpaid	900.00	-	900.00
Current ACB - Unpaid	4,000.00	-	4,000.00
Current ACB - Refund	-	-	-
Closing balance	51,193,647.24	501,717,612.97	552,911,260.21
Compiled by : .....			
Date: .....			

## 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											
GRANTS 2024/2025											
Jan-25											
	EQUITABLE SHARES	MIG	FMG	EXP PUBLIC WORKS	RURAL ROADS ASSETS MANAGEMENT GRANT	WSIG_SCHEDULE 5B	WSIG_SCHEDULE 6B	VDM REPAYMENT	LOWSETA	LOCAL MUNICIPALITIES	TOTAL
BUDGET	1,343,490,000.00	524,867,000.00	3,000,000.00	6,799,000.00	2,476,000.00	47,998,000.00	-	-	-	-	1,928,430,000.00
% RECEIVED	70%	71%	100%	70%	70%	0%	#DIV/0!	#DIV/0!		#DIV/0!	
GRANT INCOME	940,186,000.00	370,667,000.00	3,000,000.00	4,759,000.00	1,733,000.00		233,453,003.20	7,733,333.34	1,009,600.00	2,956,722.54	1,788,739,038.03
Jul-24	526,072,000.00	105,867,000.00					33,902,369.30	3,866,666.67		27,760,720.90	687,268,756.87
Aug-24		3,000,000.00		1,699,000.00	1,733,000.00		26,034,610.03		402,400.00	19,425,400.06	52,294,430.09
Sep-24							55,012,287.31				55,012,287.31
Oct-24		125,000,000.00					34,573,901.55	3,866,666.67		1,071,236.43	86,945,768.69
Nov-24				3,060,000.00			45,763,887.44			16,888,290.21	65,732,877.65
Dec-24	414,114,000.00	140,000,000.00					34,316,841.91			1,371,575.90	608,519,737.91
Jan-25							3,829,105.66		607,200.00	513,910.21	51,503,158.88
Feb-25											-
Mar-25											-
Apr-25											-
May-25											-
Jun-25											-
TOTAL	940,186,000.00	370,667,000.00	3,000,000.00	4,759,000.00	1,733,000.00		233,453,003.20	7,733,333.34	1,009,600.00	2,956,722.54	1,788,739,038.03

### 3.2 Creditors aging analysis.

The total due to creditors above 30 days' amounts to **R111.8 million** as of 31 January 2025

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	0days	30days	60days	90days	120days	Total	
Other Creditors	30,263,871.66	7,218,022.71	154,131.48	-	11,012,441.01	48,648,466.86	
DWS	4,413,780.12	-	-	-	12,500,000.00	16,913,780.12	
Lepelle	16,319,896.43	-	-	-	30,000,000.00	46,319,896.43	
	50,997,548.21	7,218,022.71	154,131.48	-	53,512,441.01	111,882,143.41	
NB! Creditors above 30 days							
	Creditors above 90 and 120 days consists of invoices relating to WSIG which were accrued in June 2024, still awaiting for payment from DWS					391,672,189.59	DWS
						301,312,291.14	Lepelle

3.

### 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

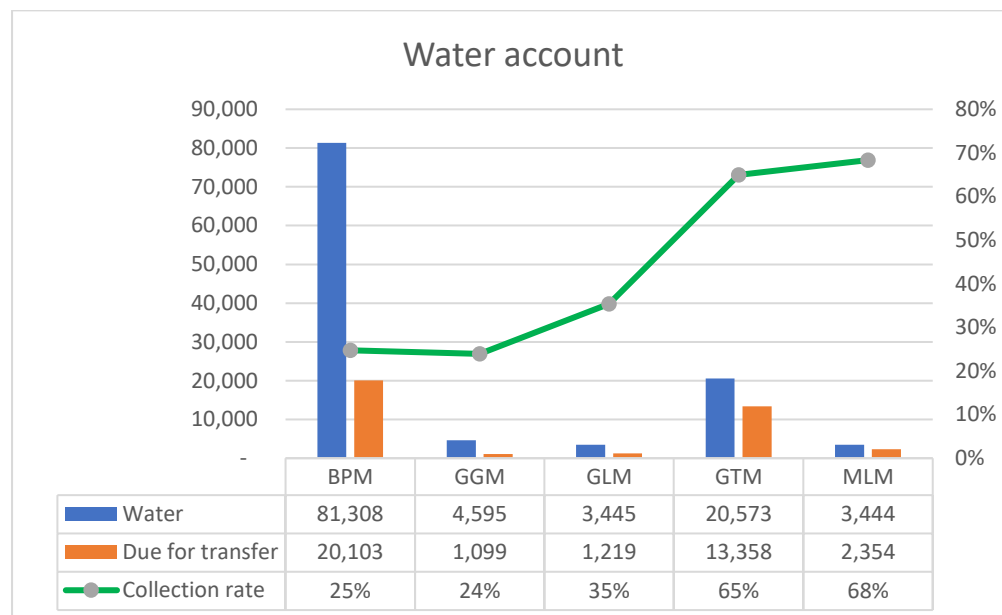
#### 4.1. Billing on Water and Sewer Services

YEAR TO DATE							
Municipality	Water Budget	Sewer Budget	YTD Water Billing	YTD Sewer Billing	YTD Water Collection	YTD Sewer Collection	& YTD Receipts vs Billing
BPM	264,939,648	-	81,308,195	11,591,951	20,103,300	4,841,118	27%
GGM	26,055,552	-	4,595,250	1,782,669	1,098,749	682,468	28%
GLM	18,508,884	-	3,445,285	2,466,703	1,219,066	298,876	26%
GTM	65,795,808	-	20,573,260	3,603,554	13,358,209	2,392,209	65%
MLM	4,385,832	468,936	3,443,520	256,433	2,354,026	221,497	70%
MDM	-	-	18,493,689	-	3,899,133	-	21%
<b>TOTAL</b>	<b>379,685,724</b>	<b>468,936</b>	<b>131,859,199</b>	<b>19,701,310</b>	<b>42,032,484</b>	<b>8,436,167</b>	<b>33%</b>
QUARTER 2							
Municipality	Water Budget	Sewer Budget	Water Billing	Sewer Billing	Water Collection	Sewer Collection	Receipts vs Billing
BPM	66,234,912	-	48,760,254	6,569,999	11,503,897	2,493,373	25%
GGM	6,513,888	-	2,723,563	1,053,382	509,703	82,856	16%
GLM	4,627,221	-	1,269,481	651,352	536,676	168,631	37%
GTM	16,448,952	-	6,622,462	1,368,789	5,619,836	1,014,692	83%
MLM	1,096,458	117,234	1,978,033	103,588	630,266	94,506	35%
MDM	-	-	8,921,285	-	3,866,667	-	43%
<b>TOTAL</b>	<b>94,921,431</b>	<b>117,234</b>	<b>70,275,078</b>	<b>9,747,110</b>	<b>22,667,045</b>	<b>3,854,057</b>	<b>33%</b>

## Budget and Treasury Reporting Section-71

a) Local Municipalities invoiced as of 31 January 2025

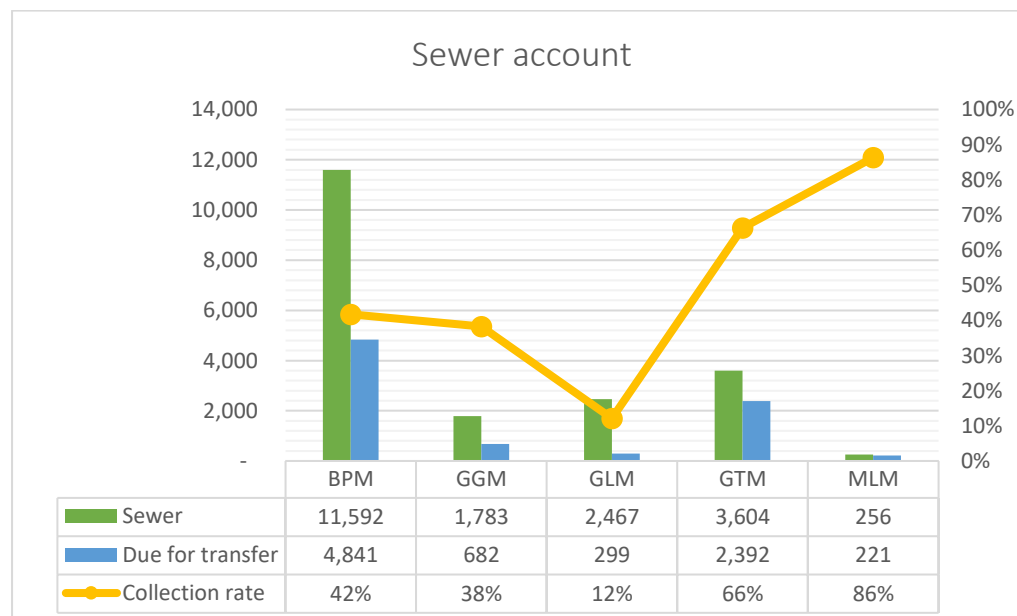
Figure 2: Water account



### b) Sewer Billing

The following graph illustrate the performance of the sewer services.

Figure 3: Sewer Account



### c) Local Municipalities Costs Recovery Report (Expenditures)

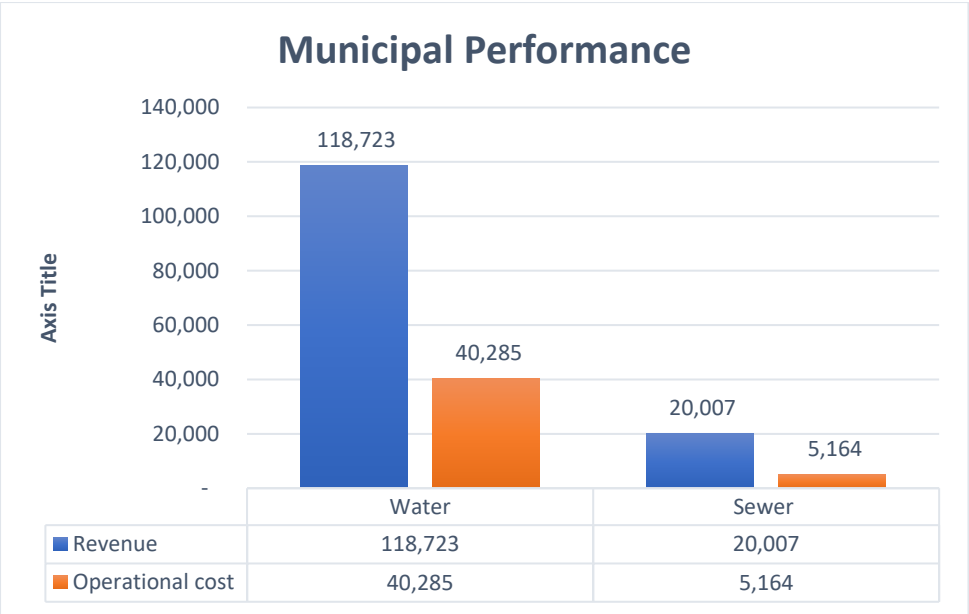


Figure 4: Cost recovery.

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.

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.

b) Debt age analysis.

Debtors Aging Analysis December 2024			
Age Analysis	Sewerage	Water	Total
	R'000	R'000	R'000
Current	2,379,318	17,229,594	19,608,912
30 days	4,939,014	25,497,483	30,436,497
60 days	3,786,819	26,103,559	29,890,378
90 days	4,260,317	24,182,620	28,442,937
120 days	3,486,495	20,766,835	24,253,330
150 days plus	288,469,658	1,455,985,596	1,744,455,253
<b>TOTAL</b>	<b>307,321,621</b>	<b>1,569,765,687</b>	<b>1,877,087,308</b>
AGEING PER LOCAL MUNICIPALITY			
WATER		SEWER	
MUNICIPALITY	AMOUNT	MUNICIPALITY	AMOUNT
	R'000		R'000
BPM	1,240,537,151	BPM	223,499,904
GGM	9,179,559	GGM	3,882,981
GLM	34,128,696	GLM	36,528,899
GTM	189,955,585	GTM	42,643,863
MLM	44,969,607	MLM	765,972
MDM	50,995,089	MDM	-
<b>TOTAL</b>	<b>1,569,765,687</b>	<b>TOTAL</b>	<b>307,321,621</b>

**Sale Of Goods**



## Budget and Treasury Reporting Section-71

Month	Tender	Fire Services	EHS	Water Connection	Total
Jul-24	44,183.49	14,482.05	20,152.20	-	78,817.74
Aug-24	63,565.22	96,716.63	12,843.48	28,231.78	201,357.11
Sep-24	17,947.82	29,094.54	19,399.55	-	66,441.91
Oct-24	64,347.87	25,059.96	24,239.34	-	113,647.17
Nov-24	-	31,864.60	301,000.47	-	332,865.07
Dec-24	41,739.15	18,524.45	590,356.51	-	650,620.11
Jan-25					-
Feb-25					-
Mar-25					-
Apr-25					-
May-25					-
Jun-25					-
<b>Total</b>	<b>231,783.55</b>	<b>215,742.23</b>	<b>967,991.55</b>	<b>28,231.78</b>	<b>1,443,749.11</b>

### 5. Assets and Fleet Management

#### 5.1. FINANCIAL

##### Asset 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

b) No	Class Of Assets	Accumulated Depreciation	Monthly Depreciation January 2025
1	Building	4 644 714.83	663 530.69
2	Water	97 641 902.12	13 948 843.16
3	Sanitation	21 938 726.04	3 134 103.72
4	Computer Equipment	558 740.35	79 820.05
5	Furniture and Office Equipment	1 490 042.47	212 863.21
6	Machinery and Equipment	1 927 069.55	275 295.65
7	Motor Vehicle	6 901 506.15	985 929.45
	<b>Total</b>	<b>135 102 701.51</b>	<b>19 300 385.93</b>

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

Threshold— Other Asset Purchases	Quantity	Value
Transactions Exceeding R 1 000	1	R 7 818 534.78

## Budget and Treasury Reporting Section-71

No	Date	Cheque Number	Description Of Works	Amount
1	Jan-25	EF019374-0002	Supply And Delivery Of 15 New MDM Vehicles	7 818 534.78

**Total**

**R 7 818 534.78**

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	22	R 35 317 473.58

No	Date	Cheque Number	Description Of Service	Amount
1	Jan-25	EF019380-0002	Service Provider To Construct A Parking Bay Ay Worcester Camp With The	24 641.20
2	Jan-25	EF019397-0004	Emergencyreplacement Of Damaged Sewer Pipeline Tshelanegape Booster	988 386.39
3	Jan-25	XKN23009.	Xikukwani Water Reticulation Contract A	1 181 684.44
4	Jan-25	INV 02-47	Xikukwani Water Reticulation Contract A	95 333.33
5	Jan-25	MDM2022-23-5B-019	Makhushane Water Scheme Phase 5b Claim 19	181 873.25
6	Jan-25	EF019376-0002	Claim 15 Sekgosese Regional Ground Water Scheme Phase 3b	707 275.67
7	Jan-25	BRK012	Sekgosese Regional Bulk Water Supply Phase 3c Claim No 12	1 496 244.38
8	Jan-25	8007/3C-015	Sekgosese Regional Ground Water Scheme Phase 3c Claim No 15	593 284.42
9	Jan-25	8007/3B-012	Sekgosese Regional Ground Water Scheme Phase 3b Claim 12	456 572.80
10	Jan-25	8007/3A-12.	Sekgosese Regional Ground Water Scheme-Phase 3a Claim No 12	677 333.67

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11	Jan-25	8007/2A-10	Sekgosese Regional Ground Water Scheme Phase 2a Claim No 10	1 046 594.67
12	Jan-25	8007/2B-009	Sekgosese Regional Ground Water Scheme Phase 2b- Claim 8	915 145.92
13	Jan-25	2544	Ritavi Water Scheme	16 409 704.45
14	Jan-25	CARO-MDM-0011	Lephephane Phase A Water Reticulation - Claim 11	1 878 061.89
15	Jan-25	LEP 2025001A	Lephephane Water Reticulation Phase 3a Craighead	243 231.47
16	Jan-25	EF019367-0001	Claim 08 Lulekani Water Scheme Phase 2b Humulani	64 000.00
17	Jan-25	EF019372-0001	Claim 06 Refurb Of Giyani Water Treatment Plant	3 139 803.47
18	Jan-25	EF019372-0002	Claim 06 Refurb Of Giyani Water Treatment Plant	792 760.97
19	Jan-25	EF019372-0003	Claim 06 Refurb Of Giyani Water Treatment Plant	573 398.36
20	Jan-25	EF019392-0001	Thomo Water Reticulation Contract A	2 464 376.94
21	Jan-25	EF019396-0001	Claim 11 Ngove Water Reticulation Contract B	865 280.16
22	Jan-25	EF019371-0001	Claim 12 Tours Water Scheme Phase 2c	522 485.73
	<b>Total</b>			<b>R 35 317 473.58</b>

## 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
<b>Total Transaction Value (Including Vat)</b>	<b>R 0</b>

## FLEET MANAGEMENT

### 2<sup>nd</sup> QUARTER REPORT

DEC-2024

#### 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
Oct-24	R 576 210.00	R 231 894.00	R 194 247.00	R 120 947.00	R 1 123 298.00
Nov-24	R 633 118.00	R 194 980.00	R 618 447.00	R 7 376.00	R 1 453 921.00
Dec-24	R 664 446.65	R 214 175.16	R 438 160.88	R 32,852.00	R 1 349 634.69
<b>Total</b>	<b>R 1 873 774.65</b>	<b>R 641 049.16</b>	<b>R 1 250 854.88</b>	<b>R 161 175.00</b>	<b>R 3 926 853.69</b>

#### 5.2.2. Summary listing on fleet status.

Location	Number Of Vehicles & Plant	Operational	Non-Operational
Tzaneen	38	18	20
Ba-Phalaborwa	14	9	5
Letaba	22	14	8
Giyani	50	25	25
Maruleng	22	14	8
<b>Total</b>	<b>146</b>	<b>80</b>	<b>66</b>

#### Factors on non-operational fleet.

- 07- Vehicles are at the dealership for repairs and maintenance.
- 20- Request been processed have been issued.
- 12- Requests not yet processed but in progress.
- 20- Memo not submitted by Satellite managers/Supervisors.
- 05- Vehicles involved in an accident, awaiting feedback from insurance.
- 02 - Vehicles which were previously involved in an accident are at the panel-beaters for repairs

**5.2.3. List of vehicles with high fuel consumption.**

Reg Num	Make	Fuel	Opening Odo	Closing Odo	Span	Litres	Total
CXS343L	Nissan	D	416198	423071	6873	2373.61	R 51,883.76
FDZ823L	Fuso	D	117727	119606	1879	2115.35	R 47,527.98

**Factors on high fuel consumption.**

The vehicles listed above are being utilized for service delivery programs at locals and district level, all activities outside the programs are requested by the satellite managers, logbooks are submitted as a support for travelled trips.

The truck in Giyani had to travel more than usual, due to the fact that less vehicles were traveling in the month because they are taken to dealerships for repairs and maintenance.

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

Cost Name	Reg Num	Make	Fuel	Opening Odo	Closing Odo	Span	Litres	Fuel Value	Grand Total
-	-	-	-	-	-	-	-	-	-

**Factors on inaccurate readings**

There are no vehicles with zero or inaccurate readings for the month of December 2024.

**SUPPLY CHAIN MANAGEMENT UNIT**

**2<sup>nd</sup> QUARTER REPORT: OCTOBER,NOVEMBER,DECEMBER 2024**

**DEPARTMENT : BUDGET AND TREASURY**

**DIVISION : SUPPLY CHAIN MANAGEMENT UNIT**

6. Major achievements for November 2025

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

<b>6.2 Acquisition Management: Supply Chain Management process</b>	<b>January 2025</b>
<b>Description</b>	<b>No</b>
Total orders below R100 000 for January 2025	47
Total orders above R100 000 for January 2025	9
Total deviation orders processed for January 2025	0
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 January 2025	0

**6.3 Orders per supplier below and Above R100 000 for January 2025**

Period	Description	Number
January 2025	Order below R100 000	47
Category		Number
Travel and accommodation		17
Repairs and maintenance		11
Event Management		12
Training and conferencing		01
Professional services		00
General		06

Period	Description	Number
January 2025	Order above R100 000	09
Category		Number
Travel and accommodation		01
Repairs and maintenance		02
Event Management		00
Training and conferencing		05
Professional services		00
General goods and services		01

**6.4 Total deviation orders processed for January 2025.**

A detailed deviation register is attached to this report.

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

**6.5 Publication of bids for January 2025**

<b>No</b>	<b>Bid number</b>	<b>Bid description</b>	<b>Bid advert date</b>	<b>Bid closing date</b>
None	None	None	None	None

**6.6 Progress on advertised bids**

<b>Bid No.</b>	<b>Description</b>	<b>User Dept.</b>	<b>Advert date</b>	<b>Closing Date</b>	<b>Evaluation date</b>	<b>Adjudication date</b>	<b>Status</b>
<b>MDM 2023/24-023</b>	Panel of Engineering Consultants for Water and Sanitation Infrastructure Projects for Mopani District Municipality for a Period of 36 Months	Technical Services	04 Jul 2024	04 Jul 2024	02 Sep 2024	18 Dec 24	Awarded, awaiting issuing of appointment letters
<b>MDM 2024/25-02</b>	Supply and delivery of fire and rescue equipment	Community Services	21 Aug 2024	03 Sept2024	05 Dec 24	18 Dec 24	Awarded, awaiting issuing of appointment letters
<b>MDM 2024/25-04</b>	Request for Proposal-Upgrading of emergency communication system	Community Services	21 Aug 2024	06 Sep 2024	05 Dec 24	18 Dec 24	Awarded, awaiting issuing of appointment letters



<b>MDM 2024/25-08</b>	Ritavi 2 Water Scheme (Sub-scheme 1) Phase 5	Technical Services	27 Sep 2024	30 October 2024	13 Jan 25	TBC	Awaiting finalization by BEC.
	Mopani Rural Household sanitation	Technical Services	19 Dec 24	27 Dec 24	13 Jan 25	TBC	Awaiting finalization by BEC.

**6.7 Irregular expenditure.**

\*See attached register.

Description	Additions
Irregular expenditure	0

**6.8 Commitments.**

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

Description	Opening Balance as at 01 July 2024	Closing balance as at 31 November 2024
Capital commitments	1,154,811,078.67	1,154,811,078.67*****
Operational Commitments	149,877,021.14	149,877,021.14*****

**6.9 Contract Management****Contract Register**

Please see attached the 2024-25 Contract register.

**Contracts near expiry and expired contracts.**

Description	Contract Number	Contract Value	Name of service	Award date	Contract duration	Expiry date
Provision of comprehensive insurance for Mopani District Municipality for a period of 36 Months.	MDM 2021/22-009	Premium	Kunene Makopo Risk Solutions	22-Jan-22	36 Months	30 May 25

Integrated Financial Management system and internal controls (MSCOA)	MDM 2018-025	Rates	Munsoft (Pty) Ltd	1 Nov 22	36 months	30 Jun 25
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**List of expired service not yet solicited through allocation of advertisement.**

- Banking services.
- Allocation of TLB's
- Preparation of GRAP compliant annual financial statements
- Updating and verification of fixed asset register.

Please see attached the 2024-25 Contract register.

**6.10 LIST OF TERMINATED CONTRACTS**

MDM has not terminated any contract during January 2025

**6.11 INVENTORY MANAGEMENT**

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

STORE	Stock On Hand (R )	Issues (R )	Received Goods (R )	Non Moving Stock (R )	Narration
	STOCK ON HAND	ISSUES	RECEIVED GOODS	NON MOVING STOCK	N/A
NSAMI	R 26,554,537.75	R 1,080,000.00	R - R	472,596.06	N/A
PHALABORWA	R 1,073,602.52	R 150,000.00	R 120,000.00	R 826,534.54	N/A
TZANEEN	R 1,166,444.20	R 86,000.00	R 380,000.00	R 380,870.73	N/A
MARULENG	R 1,205,001.00	R 55,000.00	R 360,000.00	R 27,244.60	N/A
LETABA	R 399,639.50	R 45,000.00	R - R	-	N/A
STATIONERY	R 542,265.03	R 120,000.00	R - R	2,295.00	N/A
GIYANI	R -	R 220,000.00	R 220,000.00	0	N/A

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TOTALS	R 30,941,490.00	R 1,756,000.00	R 1,080,000.00	R	1,709,540.93	N/A
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