



BUDGET AND TREASURY REPORT

Report as of February 28 2025

FEBRUARY 28, 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 (Table, c4)

Limpopo: Mopani (DC33) - Table C4 Monthly Budgeted Financial Performance (All) for period ending (M08) 28 February 2025										
Description	Ref	2023/24	Budget year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	M08 Feb Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity										
Service charges - Water		174 501	306 370	306 370	8 164	69 506	204 247	(134 740)	(65.97)	306 370
Service charges - Waste Water Management		45 253	469	59 356	3 026	23 994	12 090	11 903	98.46	59 356
Service charges - Waste Management										
Sale of Goods and Rendering of Services		1 827	2 000	2 000	270	2 443	1 333	1 110	83.22	2 000
Agency services										
Interest										
Interest earned from Receivables		112 148	73 416	73 416	6 329	30 472	48 944	(18 472)	(37.74)	73 416
Interest earned from Current and Non Current		28 439	18 000	18 000	1 932	20 433	12 000	8 433	70.27	18 000
Dividends										
Rent on Land										
Rental from Fixed Assets										
Licence and permits										
Operational Revenue		13 300			181	993		993		
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	1 353 289	6 584	983 126	902 193	80 933	8.97	1 353 289
Interest										
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets				3 280			656	(656)	(100.00)	3 280
Other Gains		(65)								
Discontinued Operations						2 694		2 694		
Total Revenue (excluding capital transfers)		1 697 131	1 753 544	1 815 711	26 487	1 133 661	1 181 463	(47 802)	(4.05)	1 815 711
Expenditure										
Employee related costs		498 527	526 096	535 078	42 062	303 359	352 527	(49 168)	(13.95)	535 078
Remuneration of councillors		16 256	23 761	27 073	1 545	12 325	16 503	(4 178)	(25.32)	27 073
Bulk purchases - electricity										
Inventory consumed		346 409	413 496	436 520	29 306	230 753	280 270	(49 517)	(17.67)	436 520
Debt impairment		297 636	65 251	65 251			43 501	(43 501)	(100.00)	65 251
Depreciation and amortisation		321 688	300 018	300 318	15 775	137 154	200 072	(62 919)	(31.45)	300 318
Interest		73 831	30 734	30 434	8	67	20 430	(20 362)	(99.67)	30 434
Contracted services		268 452	194 359	369 727	33 561	268 089	164 645	103 444	62.83	369 727
Transfers and subsidies										
Irrecoverable debts written off		(225)								
Operational costs		179 696	124 406	125 544	14 635	71 926	83 165	(11 239)	(13.51)	125 544
Losses on disposal of Assets										
Other Losses		(438)	860	860			573	(573)	(100.00)	860
Total Expenditure		2 001 831	1 678 982	1 890 805	136 891	1 023 673	1 161 686	(138 013)	(11.88)	1 890 805
Surplus/(Deficit)		(304 700)	74 562	(75 094)	(110 405)	109 988	19 777	90 211	456.15	(75 094)
Transfers and subsidies - capital (transfer allocations)		1 026 347	575 141	527 143	60 443	392 648	373 828	18 820	5.03	527 143
Transfers and subsidies - capital (in-kind)										
Surplus/(Deficit) after capital transfers and		721 647	649 703	452 049	(49 962)	502 636	393 605	109 031	27.70	452 049
Income Tax										
Surplus/(Deficit) after income tax		721 647	649 703	452 049	(49 962)	502 636	393 605	109 031	27.70	452 049
Share of Surplus/Deficit attributable to Joint										
Share of Surplus/Deficit attributable to Municipal										
Share of Surplus/Deficit attributable to Municipality		721 647	649 703	452 049	(49 962)	502 636	393 605	109 031	27.70	452 049
Share of Surplus/Deficit attributable to Associated										
Intercompany/Parent subsidiary transaction										
Surplus/(Deficit) for the year		721 647	649 703	452 049	(49 962)	502 636	393 605	109 031	27.70	452 049

1. REVENUE

The municipal Revenue budget for the year was approved at **R1.815 billion**, allocating funds for operational activities and **R590.9 million vat inclusive** for capital expenditure. As of 28 February 2025, total amount of **R1.572 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 **R622.9 million**, only **R463 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 **R7.7 million**, and YTD Vat refundable amount totals **R223.2 million**, the amount of **R2.9 million** was received from the local municipalities. Together these revenues amount to **R233.9 million** as to 28 February 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

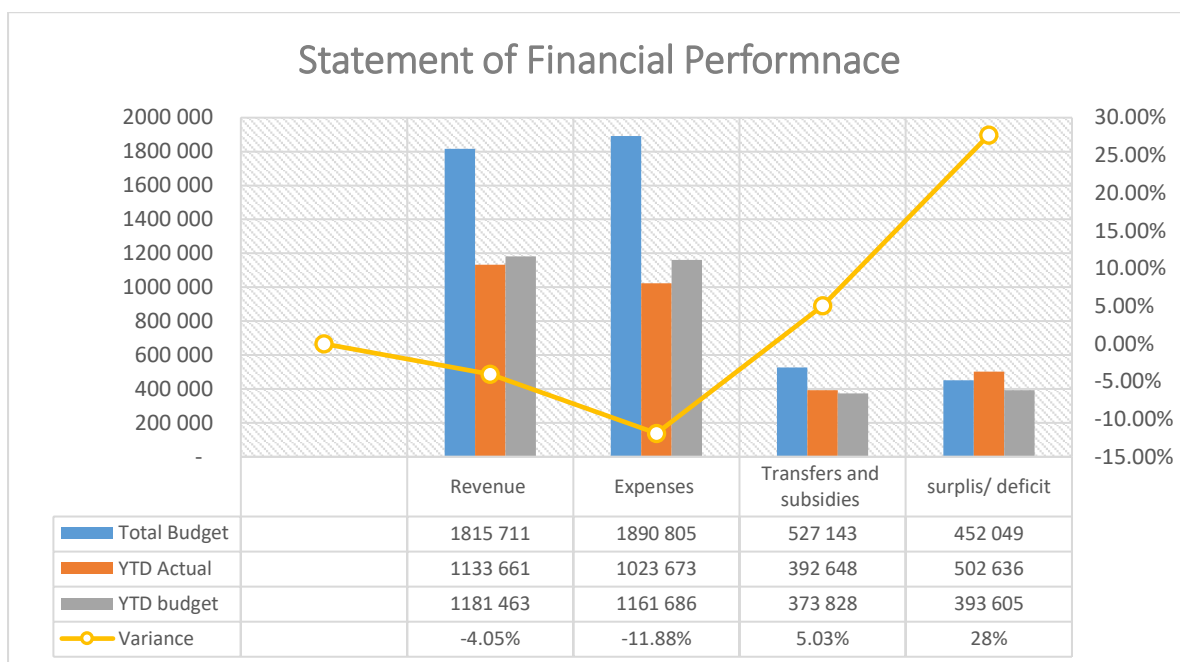
i. Service charges (GRAP 9)

The services charges for water charged to consumers is at **R190.0 million** of the YTD Actual when compared to the YTD Budget of **R204.2 million** and the variances **-6.8%**. The service charges for sanitation is at **R27.5 million** of the YTD Actual when compared to the YTD Budget of **R39.5 million** and the variance is **-30.3%** as at the period ending 28 February 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 **R983.1 million** of the YTD Actual when compared to the YTD Budget of **R902.1 million**, the variance is **8.9%**. on operating grants and subsidies as at the end of the period ended the 28 February 2025. The variance is due to straight line budgeting.
- ii. **Transfers and Subsidies Capital**– the municipalities is at **R392.6 million** of the YTD Actual when compared to the YTD Budget of **R351.4 million**, the variance is **11.73%**. on capital grants and subsidies as at the end of the period ended the 28 February 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 **R250.5 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 **R20.4 million** of the YTD Actual when compared to the YTD Budget of **R12 million**. The variance is **70.2%** 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 **R2.4 million** of the YTD Actual when compared to the YTD Budget of **R1.3 million**, the variance of **83.0%**.
- v. **Interest Earned from Receivables**- Interest earned on receivables is at **R30.5 million** of the YTD Actual when compared to the YTD budget of **R48.9 million**, the variance - **37.7%** 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 **R303.3 million** of YTD Actual when compared to the YTD Budget of **R356.7 million** and the variance is **-14.9%** for the period ended 28 February 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 **R12.3 million** of the YTD Actual when compared to the YTD Budget of **R18.5 million** the variance is **-31.7%**. Lower travel claims most of meetings are attended virtually.
- iii. **Depreciation** – The depreciation is at **R137.1 million** of the YTD Actual when compared to the YTD Budget of **R200.0 million** and the variance is **-31.5%** for the period ended 28 February 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 **R268.0 million**, of the YTD Actual compared to the YTD Budget of **R246.4 million**, the variance is **8.77%** for the period ending 28 February 2025. Reason for higher variance is due to under budgeting and increased scope of work leading to higher costs.

Segments	2022/23 Financial year		2023/24 Financial year		2024/25 Financial year	
	Original Budget	Actual Expenditure	Original Budget	Actual Expenditure	Original Budget	Actual Expenditure (Feb 2025)
Security	R69 200 000	R82 730 386	R62 650 000	R100 399 906	R120 000 000	R86 020 373
Legal	R24 017 668	R29 065 091	R22 000 000	R43 095 575	R50 000 000	R48 093 785
Water Tanker	R24 736 051	R19 088 223	R26 096 300	R32 325 090	R38 000 000	R28 116 812

- 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 **R230.7 million** of the YTD Actual compared to the YTD Budget of **R291.2 million**, the variance is **-20.71%** for the period ending 28 February 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 **R71.9 million** of the YTD Actual compared to the YTD Budget of **R83.1 million** the variance is **-14.06%** as at the period ended 28 February 2025. Cost cutting initiatives successfully implemented of cost reduction strategies included in Cost containment policy.
- viii. **Interest Paid** – Interest paid is at **R67 thousands** of the YTD Actual compared to the YTD Budget of **R20.2 million** the variance is at **-99.6%** as the period ended 28 February 2025. The high variance is due to interest written off by the creditors.

The overall operating expenditure as on the 28 February 2025 is at **R1.0 billion** of the YTD Actual compared to the YTD Budget of **R1.2 billion** and the variance is **-18.79%**. 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 **R315.6 million** as compared to the budget of **R374.7 million**. The overall salary variance is reported at **-46.6%** as of 28 February 2025.

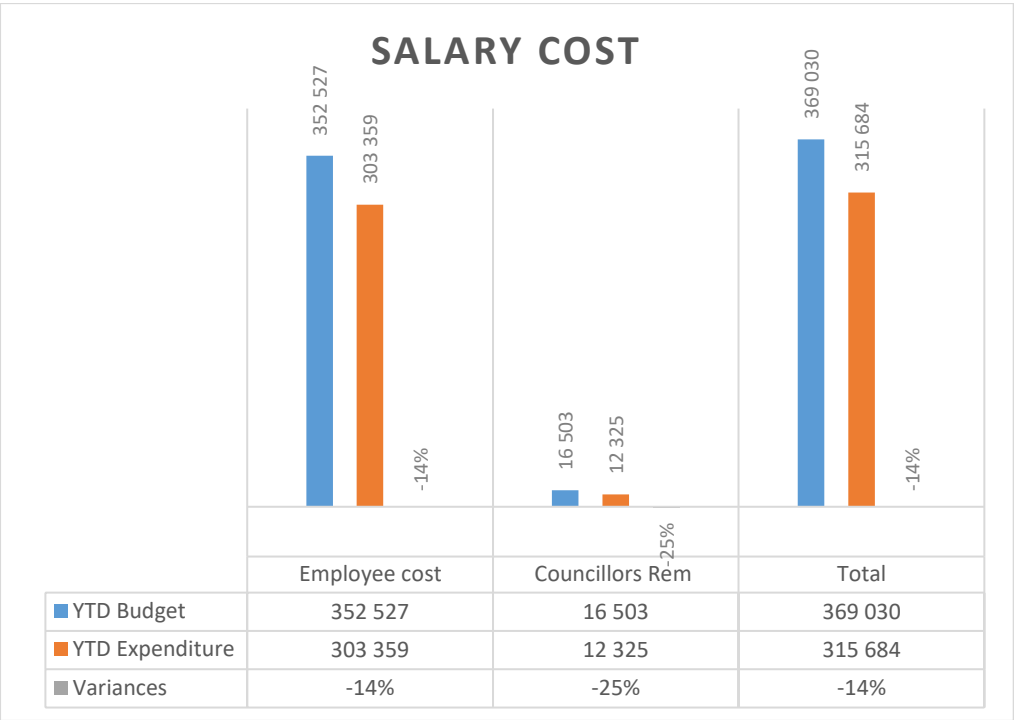


Figure Remuneration Cost

2.2 Capital expenditure

The overall capital expenditure as of 28 February 2025 is at **R373 million** of the YTD Actual compared to the YTD Budget of **R326.6 million** and the variance is **-14.32%**. There is no provision for emergency maintenance and the municipality will provide repairs and maintenance for all categories of asset register during adjustment budget.

Limpopo: Mopani (DC33) - Table C5 Monthly Budgeted Capital Expenditure by Functional Classification and Funding for period ending (M08) 28 February 2025									
Description	Ref	2023/24	Budget year 2024/25						
R thousands		Audited Outcome	Original Budget	Adjusted Budget	M08 Feb Actual	YTD Actual	YTD Budget	YTD Variance	Full Year Forecast
Capital Expenditure - Functional									
<i>Municipal governance and administration</i>		9 380	16 783	21 163	-	14 204	12 065	2 139	21 163
Executive and council									
Finance and administration		9 380	16 783	21 163		14 204	12 065	2 139	21 163
Internal audit									
<i>Community and public safety</i>		4 417	4 348	4 348	-	-	2 899	(2 899)	4 348
Community and social services									
Sport and recreation									
Public safety		4 417	4 348	4 348			2 899	(2 899)	4 348
Housing									
Health									
<i>Economic and environmental services</i>		315	3 197	5 519	-	856	2 596	(1 740)	5 519
Planning and development		315	3 197	5 519		856	2 596	(1 740)	5 519
Road transport									
Environmental protection									
<i>Trading services</i>		892 831	489 506	458 400	40 690	357 957	320 116	37 842	458 400
Energy sources									
Water management		892 831	489 506	458 400	40 690	357 957	320 116	37 842	458 400
Waste water management									
Waste management									
<i>Other</i>									
Total Capital Expenditure - Functional	3	906 943	513 833	489 430	40 690	373 017	337 675	35 342	489 430
Funded by									
National Government		351 606	478 354	445 271	20 650	212 508	312 286	(99 779)	445 271
Provincial Government									
District Municipality		435 043			20 040	135 209	135 209		
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)									
Transfers recognised - capital		786 649	478 354	445 271	40 690	347 717	312 286	35 430	445 271
Borrowing	6								
Internally generated funds		120 294	35 478	44 159		25 300	25 388	(88)	44 159
Total Capital Funding		906 943	513 833	489 430	40 690	373 017	337 675	35 342	489 430

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 (M08) 28 February 2025										
Description	Ref	2023/24 Audited Outcome	Original Budget	Adjusted Budget	M08 Feb Actual	YTD Actual	Budget year 2024/25 YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates										
Service charges		4 614	145 924	173 775		10 723	102 853	(92 131)	(89.57)	173 775
Other revenue		25 817	145 613	349 300	509	6 496	137 813	(131 317)	(95.29)	349 300
Transfers and Subsidies - Operational	1	1 261 956	1 353 289	1 353 289	2 040	950 927	902 193	48 734	5.40	1 353 289
Transfers and Subsidies - Capital	1	477 669	575 141	479 145		372 730	363 691	9 039	2.49	479 145
Interest		24 560	18 000	18 000	1 932	20 433	12 000	8 433	70.27	18 000
Dividends										
Payments										
Suppliers and employees		(495 081)	(1 286 003)	(1 492 941)	(83 525)	(664 096)	(898 723)	234 626	(26.11)	(1 492 941)
Finance charges			(30 734)	(30 434)			(20 430)	20 430	(100.00)	(30 434)
Transfers and Subsidies	1									
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 299 535	921 230	850 134	(79 044)	697 211	599 396	97 815	16.32	850 134
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		(440 590)	(510 808)	(489 215)	(47 494)	(490 093)	(336 220)	(153 873)	45.77	(489 215)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(440 590)	(510 808)	(489 215)	(47 494)	(490 093)	(336 220)	(153 873)	45.77	(489 215)
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		858 945	410 422	360 919	(126 538)	207 119	263 176	(56 058)	(21.30)	360 919
Cash/cash equivalents at the year begin:		18 477	18 477	18 477	515 306	181 649	18 477	163 172	883.09	18 477
Cash/cash equivalents at the year end:	2	877 422	428 899	379 396	388 768	388 768	281 654	107 114	38.03	379 396
References										

2.4 Cash and Cash equivalents

MOPANI DISTRICT MUNICIPALITY CONSOLIDATED BTS FOR FEBRUARY 2025			
Month	7		
Statement Description	MAIN ACCOUNT 62854372093	CALL ACCOUNTS	TOTAL
Opening balance	29 534 475.46	471 305 026.22	500 839 501.68
Interest capitalised	40 912.49	1 891 029.32	1 931 941.81
Transfer from Main to Call	-	-	-
Transfer to Main Account from call	131 400 000.00	(131 400 000.00)	-
Current - Refunds SARS	-	-	-
Current - Unallocated deposits	-	-	-
Current - ACB (GRANT)	19 323 277.34	-	19 323 277.34
Current - Deposits	337 203.84	-	337 203.84
Current - Income from Asset auction	-	-	-
Current - Collection from Locals	-	-	-
Current - ACB	(131 321 794.77)	-	(131 321 794.77)
Current - debit orders	(1 037 555.55)	-	(1 037 555.55)
Current - ESKOM	(5 549 231.39)	-	(5 549 231.39)
Current - Unknown Deposit	-	-	-
Current - Bank Charges	(4 334.60)	-	(4 334.60)
Current - (Salaries)	(41 082 839.83)	-	(41 082 839.83)
Current - Salary Refund	-	-	-
Current - Salaries - Unpaid	-	-	-
Current ACB - Unpaid	-	-	-
Current ACB - Refund	-	-	-
Closing balance	1 640 112.99	341 796 055.54	343 436 168.53

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 GRANTS 2024/2025 Feb-25												
	EQUITABLE SHARES	MIG	FMG	EXP PUBLIC WORKS	ROADS ASSETS MANAGEMENT GRANT	WSIG, SCHED ULE 5B	WSIG, SCHEDU LE 6B	VDM REPAYMENT	LGWSETA	LOCAL MUNICIPALITI ES	VAT REFUND	TOTAL
BUDGET	1 343 490 000.00	524 667 000.00	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%	100%	70%	0%	#DIV/0!	#DIV/0!			#DIV/0!	
GRANT INCOM	940 186 000.00	370 667 000.00	3 000 000.00	6 799 000.00	1 733 000.00		250 537 920.54	7 733 333.34	1 009 600.00	2 956 722.54	223 241 378.95	1 807 863 955.37
Jul-24	526 072 000.00	105 667 000.00					33 902 369.30	3 866 666.67			27 760 720.90	697 268 756.87
Aug-24			3 000 000.00	1 699 000.00	1 733 000.00		26 034 610.03		402 400.00		19 425 420.06	52 294 430.09
Sept-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	88 945 768.69	253 457 573.34
Nov-24				3 060 000.00			45 783 887.44				16 888 990.21	65 732 877.65
Dec-24	414 114 000.00	140 000 000.00					34 316 841.91			1 371 575.90	18 717 320.10	608 519 737.91
Jan-25							3 829 105.66		607 200.00	513 910.21	51 503 158.99	56 453 374.86
Feb-25				2 040 000.00			17 084 917.34					19 124 917.34
Mar-25												-
Apr-25												-
May-25												-
Jun-25												-
TOTAL	940 186 000.00	370 667 000.00	3 000 000.00	6 799 000.00	1 733 000.00		250 537 920.54	7 733 333.34	1 009 600.00	2 956 722.54	223 241 378.95	1 807 863 955.37
							212 508 000.00					

3.2 Creditors aging analysis.

The total due to creditors above 30 days' amounts to **R727.7 million** as of 28 February 2025.

	0days	30days	60days	90days	120days	Total	
Other Creditors	28 012 017.96	59 859.97	6 749 593.29	64 721.88	10 927 258.71	45 813 451.81	
DWS	3 026 214.10	-	-	-	10 000 000.00	13 026 214.10	
Lepelle	15 217 753.62	-	-	-	18 000 000.00	33 217 753.62	
	46 255 985.68	59 859.97	6 749 593.29	64 721.88	38 927 258.71	92 057 419.53	
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					387 784 623.57	DWS
						294 210 148.30	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

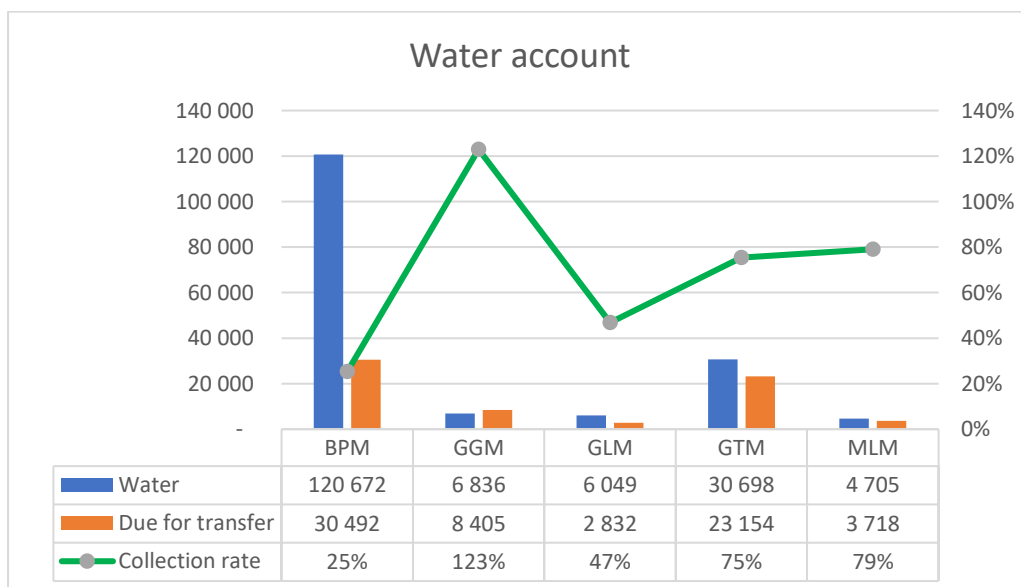
4.1. Billing on Water and Sewer Services

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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	264 939 648	40 191 485	119 767 742	15 712 203	28 574 564	6 163 006	26%	
GGM	26 055 552	15 250 236	6 836 175	2 590 562	8 405 669	827 912	98%	
GLM	18 508 884	6 067 620	6 048 572	4 128 654	2 831 767	459 451	32%	2 956 723
GTM	65 795 808	7 905 150	30 697 655	4 664 044	23 154 226	3 707 758	76%	
MLM	4 385 832	468 936	4 705 064	411 414	3 717 804	372 159	80%	
Ndindani Village	-	-	297 877	-	-	-		
BPM_Businesses	-	-	18 577 900	-	-	-		
Peppa Dew	-	-	1 126 715	-	-	-		
Vhembe DM	-	-	1 995 930	-	7 798 266	-	391%	7 798 266
TOTAL	379 685 724	69 883 427	190 053 630	27 506 879	74 482 296	11 530 285	40%	10 754 989
Feb-25								
Municipality	Water Budget	Sewer Budget	Water Billing	Sewer Billing	Water Collection	Sewer Collection	Receipts vs Billing	Transferred to MDM
BPM	22 078 304	3 349 290	18 777 451	2 345 604	3 276 824	711 305	19%	-
GGM	2 171 296	1 270 853	1 120 463	403 947	3 653 460	72 722	244%	-
GLM	1 542 407	505 635	1 024 646	553 978	565 189	54 891	39%	-
GTM	5 482 984	658 763	2 280 018	241 910	3 653 460	452 896	163%	-
MLM	365 486	39 078	369 055	51 661	518 331	46 859	134%	-
Vhembe District Mun	-	-	573 818	-	-	-	0%	-
BPM_Businesses	-	-	1 103 944	-	-	-	0%	-
Peppa Dew	-	-	249 491	-	-	-	0%	-
Ndindani Village	-	-	297 877	-	-	-	0%	-

a) Local Municipalities invoiced as of 28 February 2025

Figure 2: Water account

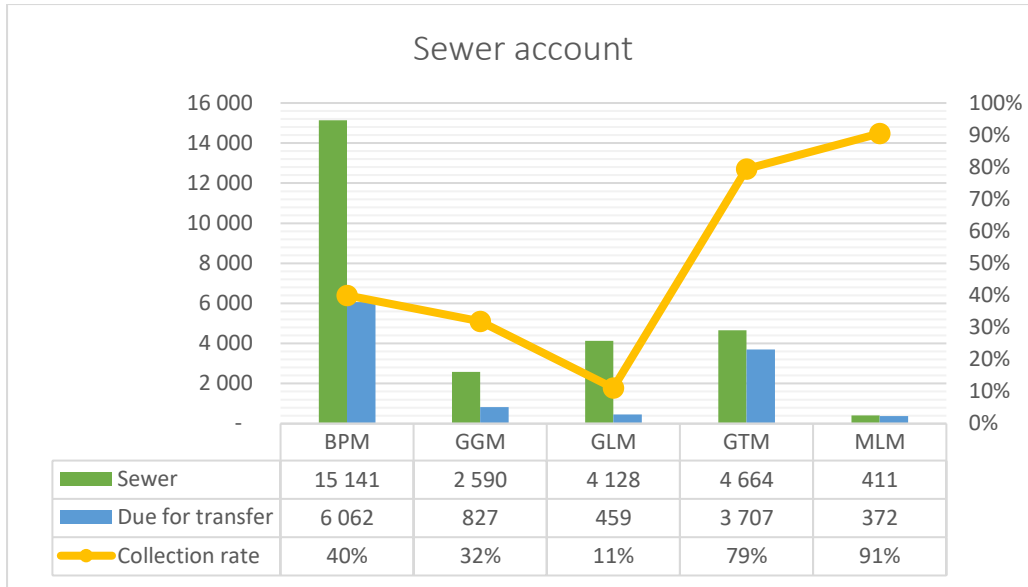


b) Sewer Billing

The following graph illustrate the performance of the sewer services.

Figure 3: Sewer Account

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c) Local Municipalities Costs Recovery Report (Expenditures)

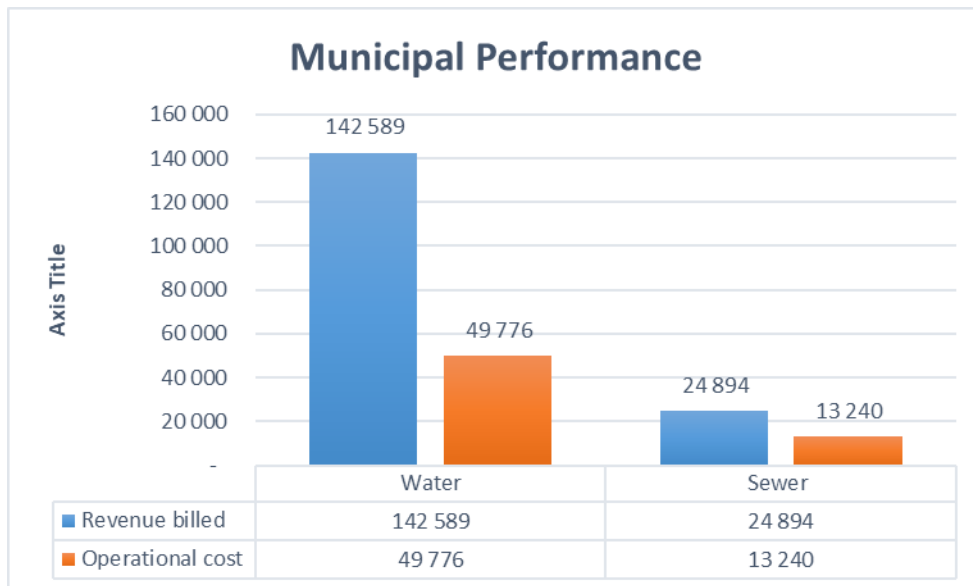


Figure 4: Cost recovery.

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	25 817 418.33	19 500 766.60	3 405 803.30	3 975 805.40	1 377 363.55	54 077 157.18
Sewer Collection	5 451 700.93	3 254 862.13	329 478.50	250 860.31	378 537.42	9 665 439.29
Total Collection	31 269 119.26	22 755 628.73	3 735 281.80	4 226 665.71	1 755 900.97	63 742 596.47
Water Expenditure	- 8 736 093.71	- 29 143 080.54	-3 667 303.73	- 5 192 797.04	- 2 540 894.95	- 49 280 169.97
Sewer Expenditure	- 4 940 034.07	- 6 746 382.62	-	- 860 790.35	- 693 219.07	- 13 240 426.11
Agency fees	- 1 563 455.96	- 1 308 448.65	- 186 764.09	- 211 333.29	- 87 795.05	- 3 357 797.04
Transferred to MDM	-	-	-	- 2 956 722.54		- 2 956 722.54
Total Expenditure	- 15 239 583.74	- 37 197 911.81	- 3 854 067.82	- 9 221 643.22	- 3 321 909.07	- 68 835 115.66
Profit/(loss)	16 029 535.52	14 442 283.08	- 118 786.02	- 4 994 977.51	- 1 566 008.10	- 5 092 519.19

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.

Budget and Treasury Reporting Section-71

Debtors Aging Analysis February 2025			
Age Analysis	Sewerage	Water	Total
	R'000	R'000	R'000
Current	2 290 044	13 488 868	15 778 911
30 days	4 898 939	25 358 996	30 257 936
60 days	3 767 864	18 729 696	22 497 560
90 days	4 262 890	17 965 376	22 228 266
120 days	3 462 976	18 286 576	21 749 552
150 days plus	292 643 128	1 454 168 378	1 746 811 506
TOTAL	311 325 841	1 547 997 890	1 859 323 731
AGEING PER LOCAL MUNICIPALITY			
WATER		SEWER	
MUNICIPALITY	AMOUNT	MUNICIPALITY	AMOUNT
	R'000		R'000
BPM	1 257 239 093	BPM	227 457 368
GGM	9 179 559	GGM	3 882 981
GLM	34 128 696	GLM	36 528 899
GTM	188 595 359	GTM	42 823 959
MLM	3 532 943	MLM	632 634
MDM	55 322 240	MDM	-
TOTAL	1 547 997 890	TOTAL	311 325 841

b) Sale Of Goods

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					-
Total	231,783.55	215,742.23	967,991.55	28,231.78	1,443,749.11

5.1 Asset 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	Monthly Depreciation February 2025
1	Building	5 308 245. 52	663 530.69
2	Water	111 590 745.28	13 948 843.16
3	Sanitation	25 072 829.76	3 134 103.72
4	Computer Equipment	638 560.40	79 820.05
5	Furniture and Office Equipment	1 702 905.68	212 863.21
6	Machinery and Equipment	2 202 365.20	275 295.65
7	Motor Vehicle	7 887 435.60	985 929.45
	Total	154 403 087.44	19 300 385.93

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 1,224,394.68

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No	Date	Cheque Number	Description Of Works	Amount
1	Feb-25	MDM/PIC/24-001	3X BOREHOLE; SUPPLY AND DELIVERY OF GENERATORS AT BELLEVUE	1,224,394.68

Total

R 1, 224, 394.68

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	65	R 48 798,778.12

No	Date	Cheque Number	Description Of Service	Amount
1	7/2/2025	EF019417-0002	Cession Sekgosese Ground Water Scheme Phase 3d Claim No 9	229,132.17
2	6/1/2025	XVIPT03	Claim 02 Giyani Sanitation Programme Retention Paid Out	49,366.25

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3	13/02/2025	MDM-2021/22-035-22/G	Claim 02 Tzaneen Sanitation Programme Retention Paid Out	49,492.75
4	3/3/2025	INV-002393	Claim 03 Refurb Of Namakgale Wastewater Treatment	370,178.22
5	28/02/2025	EF019494-0002	Claim 08 Gawula Water Reticulation	29,890.70
6	28/02/2025	EF019494-0002	Claim 08 Gawula Water Reticulation	199,271.32
7	28/02/2025	EF019494-0001	Claim 10 Bode Water Reticulation Contract B	179,000.00
8	28/02/2025	EF019494-0003	Claim 10 Bode Water Reticulation Contract B	285,997.08
9	28/02/2025	EF019494-0003	Claim 10 Bode Water Reticulation Contract B	1,906,647.23
10	20/02/2025	MMT009/2025	Claim 10 Sekgosese Regional Ground Water Phase 2b	1,829,815.55
11	11/2/2025	MDM2020-21/033-11D	Claim 11 Ritavi 2 Rws Phase 04d	254,356.17
12	24/10/2024	QU105119	Claim 12 Mageva Water Reticulation Contract A	347,083.48
13	11/2/2025	MDM-TDX-02	Claim 14 Ritavi 2 Regional Water Scheme Phase 3	180,950.00
14	12/2/2025	SEKGPC17	Claim 17 Sekgosese Regional Ground Scheme Phase 3b	1,236,433.77
15	28/02/2025	EF019494-0004	Gawula Water Reticulations	113,829.68
16	28/02/2025	EF019494-0004	Gawula Water Reticulations	758,864.55
17	7/2/2025	EF019419-0001	Makhushane Water Scheme Phase 4 Claim 17	1,451,920.21

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18	11/2/2025	EF019439-0002	Makoxa Reticulation Contract B	150,710.00
19	11/2/2025	EF019439-0002	Makoxa Reticulation Contract B	1,004,733.33
20	11/2/2025	EF019439-0003	Makoxa Reticulation Contract B	58,505.81
21	11/2/2025	EF019439-0003	Makoxa Reticulation Contract B	390,038.75
22	11/2/2025	EF019439-0001	Makoxa Reticulation Contract B	43,420.90
23	11/2/2025	EF019439-0001	Makoxa Reticulation Contract B	289,472.64
24	11/2/2025	EF019439-0004	Makoxa Reticulation Contract B	119,699.16
25	11/2/2025	EF019439-0004	Makoxa Reticulation Contract B	797,994.37
26	11/2/2025	EF019440-0001	Makoxa Reticulation Contract B Wsig 6b	139,366.67
27	17/02/2025	EF019465-0001	Ngove C Water Reticulation	41,400.00
28	17/02/2025	EF019465-0001	Ngove C Water Reticulation	276,000.00
29	18/02/2025	EF019465-0002	Ngove Reticulation Contract C	388,356.83
30	18/02/2025	EF019465-0002	Ngove Reticulation Contract C	2,589,045.50
31	18/02/2025	EF019464-0001	Ngove Water Reticulation Contract C	56,000.00
32	18/02/2025	EF019464-0002	Ngove Water Reticulation Contract C	43,662.40
33	18/02/2025	EF019464-0003	Ngove Water Reticulation Contract C - Claim 9	42,689.63

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34	18/02/2025	EF019464-0003	Ngove Water Reticulation Contract C - Claim 9	284,597.50
35	5/3/2025	MDM/017/2024	Refurb Of Giyani Water Treatment Works	253,033.76
36	5/3/2025	MDM/017/2024	Refurb Of Giyani Water Treatment Works	1,686,891.75
37	3/3/2025	INV-002394	Refurb Of Namakgale Waste Water Treatment	539,637.30
38	3/3/2025	INV-002394	Refurb Of Namakgale Waste Water Treatment	80,945.60
39	3/3/2025	INV0000787	Refurb Of Namakgale Wastewater Treatment Works	342,358.16
40	3/3/2025	INV0000787	Refurb Of Namakgale Wastewater Treatment Works	51,353.72
41	6/2/2025	EF019413-0001	Refurbishment Of Water Pipeline At Phalaborwa Town	1,934,978.50
42	7/2/2025	EF019418-0001	Sekgosese Regional Ground Water Scheme Phase 3b Claim 16	1,088,393.09
43	7/2/2025	EF019417-0001	Sekgosese Regional Water Scheme Phase 3d Claim No 9	2,728,018.56
44	13/02/2025	EF019456-0004	Skhunyani Reticulation Contract A - Claim 9	350,175.00
45	12/2/2025	EF019456-0001	Skhunyani Reticulation Contract A - Claim 9	7,200.00
46	13/02/2025	05-52.	Skhunyani Reticulation Contract A - Claim 9	7,200.00
47	12/2/2025	EF019456-0001	Skhunyani Reticulation Contract A - Claim 9	48,000.00
48	13/02/2025	05-52.	Skhunyani Reticulation Contract A - Claim 9	48,000.00

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49	12/2/2025	EF019454-0002	Skhunyani Reticulation Contract A - Claim 9	21,107.24
50	13/02/2025	EF019456-0003	Skhunyani Reticulation Contract A - Claim 9	21,107.24
51	12/2/2025	EF019454-0002	Skhunyani Reticulation Contract A - Claim 9	140,714.91
52	13/02/2025	EF019456-0003	Skhunyani Reticulation Contract A - Claim 9	140,714.91
53	12/2/2025	EF019454-0001	Skhunyani Reticulation Contract A - Claim 9	144,401.10
54	13/02/2025	EF019456-0002	Skhunyani Reticulation Contract A - Claim 9	144,401.10
55	12/2/2025	EF019454-0001	Skhunyani Reticulation Contract A - Claim 9	962,674.03
56	13/02/2025	EF019456-0002	Skhunyani Reticulation Contract A - Claim 9	962,674.03
57	12/2/2025	EF019453-0001	Tours Water Reticulation 25 Villages - Phase 3 -Claim 8	10,769,484.36
58	12/2/2025	EF019453-0001	Tours Water Reticulation 25 Villages - Phase 3 -Claim 8	1,615,422.65
59	12/2/2025	EF019455-0002	Xikukwani Reticulation Contract - Claim 6	43,100.00
60	12/2/2025	EF019455-0002	Xikukwani Reticulation Contract - Claim 6	287,333.33
61	12/2/2025	1126	Xikukwani Reticulation Contract B	298,821.35
62	12/2/2025	1126	Xikukwani Reticulation Contract B	1,992,142.35
63	12/2/2025	EF019455-0001	Xikukwani Reticulation Contract B - Claim 6	2,909,607.76

64	12/2/2025	EF019455-0003	Xikukwani Reticulation Contract B - Claim 6	390,125.70
65	12/2/2025	EF019455-0003	Xikukwani Reticulation Contract B - Claim 6	2,600,838.00
	Total			R 48,798,778.12

5.2 Asset Disposal Analysis Report:

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

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

FLEET MANAGEMENT

MONTHLY REPORT

FEB-2025

5.2.1. Summary Expenditure on fleet.

Period	Fuel Expenditure On Fleet	Fuel Expenditure On Borehole	Repairs And Maintenance Expenditure	Licensing Of Fleet Expenditure	Total Expenditure
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		And Generators			
Dec-24	R 664,446.65	R 214,175.16	R 438,160.88	R 32,852.00	R 1,349,634.69
Jan-25	R 592,588.64	R 155,391.97	R 481,869.61	R 23,592.00	R 1,253,442.22
Feb-25	R 496 527.00	R 138 973.38	R 311 447.11	R 87 510.00	R 1 034 457,49
Total	R1 753 462.29	R 508 540.51	R1 231 477.60	R 143 954.00	R 3 637 534.40

5.2.2. Summary listing on fleet status.

Location	Directorate	Number Of Vehicles & Plant	Operational	Non- Operational	Vehicles Involved In Accident
Tzaneen	Community Services	23	17	6	0
	Water Services	16	8	8	0
Ba-Phalaborwa	Community Services	9	6	2	1
	Water Services	15	13	2	0
Letaba	Community Services	8	6	2	0
	Water Services	17	9	7	1
Giyani	Community Services	10	8	2	0

	Water Services	43	35	6	2
Maruleng	Community Services	6	6	0	0
	Water Services	12	10	2	0
Total		159	118	37	4

Factors on non-operational fleet.

- a) 17- Vehicles are at the dealership/appointed service provider for repairs and maintenance.
- b) 09- Memo not submitted by Satellite managers/Supervisors.
- c) 06-Recommended for disposal
- d) 05- Vehicles involved in an accident, awaiting feedback from insurance.
- e) 04 - Vehicles which were previously involved in an accident are at the panel-beaters for repairs

5.2.3. List of vehicle with high fuel consumption.

Reg Num	Make	Model	Fuel	Opening Odo	Closing Odo	Span	Litres	Total
FDZ823L	FUSO	FUSO CANTER FE7.136	D	122574	127863	5289	1966	R 46 414,42

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.

5.2.4. Fleet with Zero/inaccurate readings on Odometers.

Reg Num	Make	Model	Fuel	Opening Odo	Closing Odo	Span	Litres	Total
FSL949L	NISSAN	NISSAN P9218 CRONER	D	3722	3722	0	67	R 1 582,11

Factors on inaccurate readings

The above mentioned vehicles with zero readings are followed up has been made with the bank and reconciled with slips and logbooks for the month.

SUPPLY CHAIN MANAGEMENT UNIT

6. Major achievements for February 2025

6.1 Demand Management: Supply Chain Management process	February 2025
Description	No
Bids considered / approved by BSC (SCM reg. 27)	2
Bids approved by MM for advertisement from BSC	2
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	February 2025
Description	No
Total orders below R100 000 for February 2025	88
Total orders above R100 000 for February 2025	3
Total deviation orders processed for February 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 February 2025	0

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

Period	Description	Number
February 2025	Order below R100 000	88
Category		Number
Travel and accommodation		42
Repairs and maintenance		15
Event Management		21
Training and conferencing		01
Professional services		00
General		08

Period	Description	Number
February 2025	Order above R100 000	03
Category		Number
Travel and accommodation		00
Repairs and maintenance		00
Event Management		00
Training and conferencing		00
Professional services		00
General goods and services		03

6.4 Total deviation orders processed for February 2025.

A detailed deviation register is attached to this report.

DEVIATION TYPE	
1. In case of an emergency	3
2. Sole supplier or single provider only or	3
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	6

6.5 Publication of bids for February 2025

No	Bid number	Description	Bid advert date	Bid closing date
1	AFS1	Correction of opening balances as well as adjustments and the preparation of Annual Financial Statements for the year ending 30 June 2025.	4 March 2025	17 March 2025
2	ASS1	Preparation of GRAP Compliant fixed asset register for Mopani District Municipality for the year ending 30 June 2025.	4 March 2025	17 March 2025

6.6 Progress on advertised bids

Bid No.	Description	User Dept.	Advert date	Closing Date	Evaluation date	Adjudication date	Status
MDM 2023/24-023	Panel of Engineering Consultants for Water and Sanitation Infrastructure Projects for Mopani District	.Technical Services	04 Jul 2024	04 Jul 2024	02 Sep 2024	18 Dec 24	Awarded, awaiting issuing of appointment letters

	Municipality for a Period of 36 Months						
MDM 2024/25-02	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
MDM 2024/25-04	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
MDM 2024/25-08	Ritavi 2 Water Scheme (Sub-scheme 1) Phase 5	Technical Services	27 Sep 2024	30 October 2024	13 Jan 25	TBC	Awarded, awaiting issuing of appointment letters
MDM 2024/25-021	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	Addition
Irregular expenditure	0.00

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 28 February 2025
Capital commitments	1,154,811,078.67	1,042,242,398.03 *****
Operational Commitments	149,877,021.14	149,877,021.14*****

***** Process of updating balances underway.

6.9 Contract Management

Contract Register.

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	21-May-25

List of expired contracts

- Banking services.
- Panel of contractors for CIDB grade 1-3.
- 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 February 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 25,799,537.75	R 755,000.00	R -	R 472,596.06	R 25,799,537.75
PHALA BORWA	R 943,602.52	R 130,000.00	R 250,000.00	R 826,534.54	R 943,602.52
TZANE EN	R 1,076,444.20	R 90,000.00	R -	R 380,870.73	R 1,076,444.20
MARUL ENG	R 1,130,001.00	R 75,000.00	R 120,000.00	R 27,244.60	R 1,130,001.00
LETABA	R 349,639.50	R 50,000.00	R 150,000.00	R -	R 349,639.50
STATIO NERY	R 544,125.03	R 42,000.00	R 43,860.00	R 2,295.00	R 544,125.03
GIYANI	R -	R 235,000.00	R 235,000.00	R 0-	R -

TOTAL		R			
S	29,843,350.00	1,377,000.00	798,860.00	1,709,540.93	29,843,350.00

7. 1. Water production loss

The water production loss for the municipality for the month of February is reported below, the water distribution loss could not be reported as there was no submission from the water division. The water production loss is for all the local municipalities for the month of February 2025 and it is reported as follows:

 MOPANI DISTRICT MUNICIPALITY					
GTM SATELLITE MONTHLY PRODUCTION REPORT FEB-2024/2025					
MONTH	WORKS NAME	RAW ABSTRACTED	PRODUCED	WATER LOSS	WATER LOSS IN %
		IN KI	IN KI	IN KI	
25-Feb	Nkowankowa	808906	620326	188580	23%
	Nkambako	168004	144662	23342	14%
	Tours	319936	294872	25064	8%
	Thabina	411912	396070	15842	4%
	Thapane	15830	11530	4300	3%
	Semarela	1382	845	537	4%
	TOTAL	1725970	1468305	257665	15%
GGM SATELLITE MONTHLY PRODUCTION REPORT FEB-2024/2025					

	MAPUVE WATER WORKS	0	0	0	-
	GIYANI WATER WORKS	902930	712762	190168	21%
	MIDDLE LETABA WATER WORKS	127009	110164	16845	13%
	SIKHIMINI SAND	0	0	0	-
	ZAVA WATER WORKS	0	0	0	-
	TOTAL	1029939	822926	207013	20%
	GLM SATELLITE MONTHLY PRODUCTION REPORT FEB-2024/2025				
	MODJADJI WATER WORKS	220349	207072	11259	5%
	TOTAL	220349	207072	11259	5%
	MLM SATELLITE MONTHLY PRODUCTION REPORT FEB-2024/2025				
	THE OAKS PACKAGE PLANT	3740	3526	13277	13%
	MAMETJA SEKORORO WATER WORKS	3115	2386	729	18%
	BPM SATELLITE MONTHLY PRODUCTION REPORT FEB-2024/2025				
	NONDWENI WATER WORKS	93254	66386	26868	29%
	MDM MONTHLY PRODUCTION REPORT FEB-2024/2025				
	MDM	3076367	2570601	516811	16%

