



# MAKHUDUTHAMAGA

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## LOCAL MUNICIPALITY

*Mmogo re šomela dipheto!*

Department	Budget and Treasury Office
Document Name	Financial Management Report
Period	30 September 2024

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### Abbreviations and Acronyms

BPC	Budget Planning Committee	MIG	Municipal Infrastructure Grant
CFO	Chief Financial Officer	MPRA	Municipal Properties Rates Act
MM	Municipal Manager	MSA	Municipal Systems Act
CPI	Consumer Price Index	MTEF	Medium-term Expenditure Framework
CRRF	Capital Replacement Reserve Fund	MTREF	Medium-term Revenue and Expenditure Framework
DoRA	Division of Revenue Act	NGO	Non-Governmental organisations
EE	Employment Equity	NKPIs	National Key Performance Indicators
FBS	Free basic services	OHS	Occupational Health and Safety
mSCOA	Municipal Standard Chart Of Accounts	OP	Operational Plan
GRAP	General Recognised Accounting Practice	PMS	Performance Management System
HR	Human Resources	PPE	Property Plant and Equipment
IDP	Integrated Development Strategy	PPP	Public Private Partnership
IT	Information Technology	YTD	Year To Date
km	kilometre	SALGA	South African Local Government Association
DFS	Government Financial Statistics	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator	DOE	Department of Energy
LED	Local Economic Development	IYM	In Year Monitoring
MEC	Member of the Executive Committee	APC	Audit and Performance Committee
MFMA	Municipal Financial Management Act Programme	BTO	Budget and Treasury Office
IGF	Internally Generated Funds	MBRR	Municipal Budget and Reporting Regulations
CY	Current Year		
PY	Prior Year		
mSCOA	Municipal Standard Chart of Accounts		
SCM	Supply Chain Management		

## 1. Executive Summary

### 1.1. Overall total revenue and expenditure

The municipality's total actual operational revenue as at end of **September 2024** amounts to **R 169 772 212** and total actual operational expenditure of **R 95 451 041** translating into an operational surplus of **R 74 321 171**. Capital transfer and grants as at the end of **September 2024** amounted to **R28 402 559**. The following table summarises the overall revenue and expenditure performance as at the end of **September 2024**:

**N.B. Amounts are in "R000"**

Description	2023/24 Pre-Audited outcome	2024/25 YTD Budget	2024/25 YTD Actual	2024/25 YTD Variance
Total Operational revenue	412 288	177 422	169 772	7 650
Total operational expenditure	(568 651)	(101 482)	(95 451)	(6 031)
<b>Operating Surplus/Deficit</b>	<b>(156 363)</b>	<b>75 940</b>	<b>74 321</b>	<b>1 619</b>
Capital transfers and grants	108 372	20 447	18 402	2 045
<b>Net Surplus/Deficit after capital transfers</b>	<b>(47 991)</b>	<b>96 387</b>	<b>92 723</b>	<b>3 664</b>

### 1.2. Budgeted Revenue and Actual Revenue to date

The municipality's total actual revenue as at 30<sup>th</sup> September 2024 is **R 188 174 013** which amounts to 95% of the total to date budgeted revenue to the amount of **R 197 869 249**.

From the total actual revenue recorded as at the end of September 2024, **R 171 229 324** is from government grants and transfers and the remaining balance of **R 16 944 689** is from own revenue.

The following table shows a summary of the total revenue per source:

LIM473 Makhuduthamaga - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September										
Description	Ref	2023/24	Budget Year 2024/25							
		Pre-Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Waste management	6.11	349	340	–	30	105	108	3	3%	340
Sale of Goods and Rendering of Services		475	340	–	19	62	85	23	27%	340
Agency services		6,262	6,000	–	450	1,660	2,680	1,020	38%	6,000
Interest from Current and Non Current Assets	6.13	3,784	3,500	–	297	1,264	1,265	1	100%	3,500
Rental from Fixed Assets	6.27	263	190	–	17	54	55	1	98%	190
Non-Exchange Revenue		–	–	–	–	–	–	–	–	–
Property rates	6.15	39,628	63,000	–	3,335	10,004	10,750	746	93%	63,000
Fines, penalties and forfeits	6.18	668	800	–	106	365	366	1	100%	800
Transfers and subsidies - Operational	6.12	362,492	390,802	–	1,245	152,828	158,673	5,845	96%	390,802
Interest	6.14	12,575	13,000	–	1,079	3,430	3,440	10	100%	13,000
Operational Revenue		1,651	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		428,148	477,972	–	6,577	169,772	177,422	7,650	4%	477,972
Transfers and subsidies - capital (monetary allocations)		94,109	81,789	–	6,883	18,402	20,447	2,045	10%	81,789
Total Revenue (including capital transfers and contributions)		522,257	559,761	–	13,460	188,174	197,869	9,695	5%	559,761

- The municipality's overall collection rate is 122% as at 30<sup>th</sup> September 2024 when comparing the actual cash received from the different sources of our revenue to the billed revenue to date. The municipality's collection rate was 52% in the previous financial year ended 30 June 2024. Collection on property rates and interests on outstanding debts are the highest contributors to the poor collection rate. The following table summarises the collection from own sources of revenue per source:

**Collection on own sources of revenue**

Source of revenue	2024/25 (Current Year)			2023/24		
	Actual revenue billed (R000)	Actual revenue collected (R000)	% collected	Actual revenue billed (R000)	Actual revenue collected (R000)	% Collected
Property rates	13 435	17 540	131%	39 628	33 258	64%
Refuse removal	105	35	33%	349	268	77%
Rental of facilities & Equip	54	54	100%	263	243	92%
Interests on bank and investments	1 264	1 264	100%	3 784	3 784	100%
Traffic fines	365	113	31%	668	269	40%
Agency income and other income	1 722	1 722	100%	6 737	6 737	100%
Totals	16 945	20 728	122%	51 429	44 559	87%

Included on the Agency Income and other income amount of R 1 722 304.76 is an amount of R 7 791.36 (Tender Documents), R 54 444.07, Plan Approval, Permission to Occupy and LG Seta), R 1,660,069.33 (License and permits) and R 2 628.00 for vehicles that were tested at the Nebo VTS for road worthy as at 30<sup>th</sup> September 2024.

- The following are the challenges and recommendations for implementation to improve revenue generation and collection for the remaining periods of the financial year 2024/25 and the MTREF:

No	Challenges	Progress made to date	Recommendations
1	Non-payment of property rates by the high capacity businesses within our municipality.	<ul style="list-style-type: none"> <li>- Engagements with the house of Traditional Leaders in the Sekhukhune region was held in November 2022.</li> <li>- A meeting was held with the representative of the business owners (Mashadi business chamber) and agreement was reached to have a meeting with their respective traditional leaders to clear the matter of tribal levies.</li> <li>- A list of all tribal authority representatives with their contact details has been sent to CoGHSTA for verification on whether the allegation of them receiving levies from the affected business is correct.</li> <li>- An Attorneys to help the municipality with debt collection has been appointed and letters of demand has been sent to defaulting debtors.</li> <li>- A meeting is scheduled to be held before the end of the fourth quarter.</li> </ul>	<ul style="list-style-type: none"> <li>- Office of the mayor to write a letter to MEC Coghta requesting assistance of traditional affairs unit to be part of the meeting with the stakeholders</li> </ul>



2	Majority of billed properties are unregistered and on communal land.	<ul style="list-style-type: none"> <li>- EDP has concluded demarcation of a number of sites within Makhuduthamaga.</li> <li>- There is layout plan for Phase 01 of Formalisation of Jane Furse project.</li> <li>- The Town planning division receives and assesses development applications for key economic developments within the Municipality, which are subjected to formal processes that lead to subdivisions and registration of properties.</li> <li>- Magoshi are engaged on quarterly basis to ensure proper land use management</li> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>- Formalise key economic points (areas) within the municipality to ensure subdivision of the land and issuing of title deeds.</li> <li>- Engage Magoshi to prevent uncoordinated developments and allocation of stands in inappropriate areas.</li> </ul>
3.	Lack of credible indigent register.	<ul style="list-style-type: none"> <li>- Draft indigent register developed and currently updating the progress.</li> <li>- The indigent committee has been appointed and meetings are held monthly.</li> <li>- Temporary staff to assist in filling of the indigent forms and compilation of the register has been appointed, we are only left with conducting public</li> </ul>	<ul style="list-style-type: none"> <li>- Use general workers and ward committee members to assist in collecting information from all municipal wards to ensure a complete accurate indigent register.</li> <li>- Conduct public participation.</li> </ul>

		participation so that the register can be compiled..	
4.	Limited sources of own revenue resulting in no growth in revenue generation.	<ul style="list-style-type: none"> <li>- Revenue enhancement strategies developed and approved.</li> <li>- LED strategy developed and approved.</li> <li>- Magoshi are engaged on quarterly basis to ensure proper land use management</li> </ul>	<ul style="list-style-type: none"> <li>- Consult all stakeholders with the revenue enhancement strategies and to get their buy in on the implementation of credit control policy and rates policy (rental of municipal facilities).</li> <li>- Provide budget to build a grade A DLTC around Masemola nodal point.</li> <li>- Engage Magoshi to prevent uncoordinated developments and allocation of stands in inappropriate areas.</li> </ul>

### 1.3 Budgeted Expenditure and Actual Expenditure to date

- a. The municipality's total actual expenditure amounts to **R 123 853 600** as at 30<sup>th</sup> September 2024. This amounts to **88%** of the total budgeted expenditure to date to the amount of **R 140 404 665**.

#### 1.3.1 Operational Expenditure.

The total operational expenditure as at 30<sup>th</sup> September 2024 amounts to **R 95 451 041** which equates to **94%** of the total operational budget to date of **R 101 482 416**. The municipality has under spent by **6%** as compared to the budgeted expenditure to date.

## 2 The following table indicates the operational expenditure per standard classification:

LIM473 Makhuduthamaga - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		Pre-Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>R thousands</b>									%	
<b>Expenditure By Type</b>										
Employee related costs	6.19	116,454	145,051	–	9,857	29,847	30,263	415	99%	145,051
Remuneration of councillors	6.2	28,318	29,563	–	2,146	6,545	6,691	146	98%	29,563
Inventory consumed	6.2	2,465	2,000	–	141	363	500	137	73%	2,000
Debt impairment		19,773	10,000	–	–	–	2,500	2,500	0%	10,000
Depreciation and amortisation	6.21	34,937	34,775	–	2,836	8,698	8,700	2	100%	34,775
Interest		2,232	–	–	–	–	–	–	–	–
Contracted services	6.24	272,160	153,146	–	10,845	36,727	38,287	1,559	96%	153,146
Transfers and subsidies	6.25	2,145	6,980	–	192	902	1,045	143	86%	6,980
Irrecoverable debts written off		20,563	–	–	–	–	–	–	–	–
Operational costs	6.27	69,605	57,994	–	4,735	12,369	13,498	1,129	92%	57,994
Losses on Disposal of Assets		958	–	–	–	–	–	–	–	–
Other Losses		638	–	–	–	–	–	–	–	–
<b>Operational Expenditure</b>		<b>570,247</b>	<b>439,508</b>	<b>–</b>	<b>30,753</b>	<b>95,451</b>	<b>101,482</b>	<b>6,031</b>	<b>6%</b>	<b>439,508</b>
total expenditure -capital		236,116	155,689	–	8,470	28,403	38,922	10,520	73%	81,789
<b>Total Expenditure</b>		<b>806,363</b>	<b>595,197</b>	<b>–</b>	<b>39,223</b>	<b>123,854</b>	<b>140,405</b>	<b>16,551</b>	<b>12%</b>	<b>521,297</b>

▪ Operational variance analysis as at 30 September 2024.

Expenditure by type	Variance %	Reason for variance	Remedial action	Remedial action due date	Responsible person
None	None	None	None	None	None

### 1.3.2 Capital Expenditure

- a. The total capital expenditure as at 30<sup>th</sup> September 2024 amounts to **R 28 402 559** which equates to **73%** of the **R 38 922 249** to-date budget. The municipality has underspent by **27%** on capital expenditure.

- b. The following table indicates the capital expenditure per functional classification:

LIM473 Makhuduthamaga - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September										
Vote Description	Ref	2023/24	Budget Year 2024/25							
		Pre-Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		46,416	7,900	–	–	2,326	1,975	351	18%	7,900
Executive and council		–	–	–	–	1,050	–	(1,050)	#DIV/0!	–
Finance and administration		46,416	7,900	–	–	1,276	1,975	699	65%	7,900
<b>Economic and environmental services</b>		177,099	124,558	–	7,994	25,601	31,139	5,539	82%	124,558
Road transport		177,099	124,558	–	7,994	25,601	31,139	5,539	82%	124,558
<b>Trading services</b>		12,601	23,231	–	476	476	5,808	5,332	8%	23,231
Energy sources		10,317	12,431	–	476	476	3,108	2,632	15%	12,431
Waste management		2,284	10,800	–	–	–	2,700	2,700	0%	10,800
<b>Total Capital Expenditure - Functional Classification</b>	3	236,116	155,689	–	8,470	28,403	38,922	10,520	73%	155,689
<b>Funded by:</b>										
National Government		236,116	155,689	–	8,470	28,403	38,922	10,520	73%	81,789
Transfers recognised - capital		236,116	155,689	–	8,470	28,403	38,922	10,520	73%	81,789
<b>Total Capital Funding</b>		236,116	155,689	–	8,470	28,403	38,922	10,520	73%	155,689

### 1.3.3 Grants Receipts and expenditure.

- a. The following table shows the expenditure on grants as at 30<sup>th</sup> September 2024 per grant

LIM473 Makhuduthamaga - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September										
Description	Ref	2023/24	Budget Year 2024/25							
		Pre-Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		6,218	7,648	–	961	1,580	1,712	132	7.7%	7,648
Expanded Public Works Programme Integrated Grant	–	1,783	2,348	–	502	520	587	67	88.6%	2,348
Local Government Financial Management Grant	–	1,720	1,800	–	195	446	450	4	99.1%	1,800
Municipal Infrastructure Grant	–	2,715	3,500	–	264	613	675	62	90.9%	3,500
<b>Total operating expenditure of Transfers and Grants:</b>		6,218	7,648	–	961	1,580	1,712	132	7.7%	7,648
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		92,200	81,789	–	6,619	18,336	18,387	52	0.3%	81,789
Integrated National Electrification Programme Grant	–	–	12,431	–	–	547	548	1	99.9%	12,431
Municipal Infrastructure Grant	–	92,200	69,358	–	7,580	17,788	17,839	51	99.7%	69,358
<b>Total capital expenditure of Transfers and Grants</b>		92,200	81,789	–	7,580	18,336	18,387	52	99.7%	81,789
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		98,418	89,437	–	7,580	19,915	20,100	184	99.1%	89,437

- b. The following table shows the receipts and expenditure on grants as at 31<sup>st</sup> September 2024 per grant:  
The municipality's spending per conditional grant is as follows as at the end of September 2024:

Conditional Grant details	Budget for the year	Grant received	Grant expenditure	Received %	Spending %
FMG	1 800 000	1 800 000	445 956	100%	25%
EPWP	2 348 000	586 000	520 104	25	89%
MIG	72 858 000	49 858 000	18 401 801	23%	37%
INEP	12 431 000	1 000 000	547 463	8%	55%
WRM(SDM)	20 000 000	-	-	-	-

**i. Overall Spending per departments**

- a. The following table indicates the spending performance per department from the highest performance to the least performance:

Expenditure Performance Per Department				
Department	To date Actual Expenditure	To date budget	To date variance	Spending %
Economic Planning & Development	12,059,850.00	13,059,400.00	999,550.00	92%
Community Services	13,948,090.00	15,289,838.00	1,341,748.00	91%
Budget & Treasury Office	28,093,951.00	30,958,002.00	2,864,051.00	91%
MM's Office	14,059,500.00	16,039,488.00	1,979,988.00	88%
Infrastructure Development	33,958,400.00	39,059,859.00	5,101,459.00	87%
Corporate Services	13,059,004.00	15,049,500.00	1,990,496.00	87%
Executive support	8,674,805.00	10,948,578.00	2,273,773.00	79%
	<b>123,853,600.00</b>	<b>140,404,665.00</b>	<b>16,551,065.00</b>	<b>88%</b>

### c. Going concern and Liquidity ratios.

#### ▪ Going concern

- a. After the assessment of the key factors to the going concern of the municipality it is assumed and concluded that the municipality shall continue operating as a Going Concern as at 30 September 2024

#### ▪ Liquidity ratios

##### a. Current ratio

Current Assets/Current Liabilities (Norm is 2:1)

2025	2024
R 81 661: R 86 266	R 57 483: R 150 889
<b>0.95: 1</b>	0.38: 1

This ratio measures the Municipality's ability to pay its short-term debt with liquid assets which are assets easily converted in to cash. The above ratio indicates a current ratio of **0.95:1** that suggest that the municipality's liquid assets are currently not easy to be converted into cash to can cover the current liabilities as & when they become due.

**b. Debt ratio**

**Total Liabilities/Total Assets) x 100**

2025	2024
R 95 560 / R 571 300 X 100%	R 172 616 / R 543 761 X 100%
<b>=16.73%</b>	<b>=31.74%</b>

This ratio measure how much the municipality's total liabilities are covered by the total assets the results of which measures the solvency of the municipality. The results above show that the municipality is solvent as the total liabilities are covered by the total assets and total liabilities makes a small percentage portion of the total assets which decreased from 31.74% to **16.73%** in the current year and the means our debt ratio is sound.

**c. Net Operating surplus margin.**

**NORM: Equal to or greater than zero**

(Total Operating revenue – Total Operating expenditure)/Total Operating revenue x 100

2025	2024
(R 169 772 – R 95 451)/ R 169 772 x 100	(R 414 012 – R 446 860)/ R 414 012 x 100
<b>=43.78%</b>	<b>=-7.93%</b>



- i. The Ratio assesses the extent to which the Municipality generates Operating Surpluses. The above ratio indicates that the municipality reported a net surplus of **43.78%** for the period ended 30 September 2024 which shows a 52.31% increase from the prior period of -7.93% net surplus.

**d. Collection rate.**

**NORM: 95%**

**Formula**

= Actual Revenue Received / Billed Revenue x 100

2025	2024
$\text{R } 20\,728 / \text{R } 16\,945 \times 100\%$ $= \mathbf{122\%}$	$\text{R } 44\,559 / \text{R } 51\,429 \times 100\%$ $= \mathbf{87\%}$

The Ratio indicates the collection rate; i.e. level of payments. It measures increases or decreases in Debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration.

The municipality's collection rate is low as compared to the norm of 95% as per MFMA circular No. 71. However, it must be noted that the municipality fund more than 80% of its expenditure through Government Grants and there have not been any indication that the municipality will not be receiving the grants in the foreseeable future.

The revenue billed from customers is used to fund mostly the non-cash expenditure items such as depreciation and impairments when preparing the MTREF budget for the municipality to guard against the cash flow risk in cases of poor collection.

#### A.1.1.1.1 Statement of Financial Position as at 30 September 2024

LIM473 Makhuduthamaga - Table C6 Monthly Budget Statement - Financial Position - M03 September						
Description	Ref	2023/24	Budget Year 2024/25			
		Pre-Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	6.1	13,920	30,199	–	57,303	30,199
Trade and other receivables from exchange transactions	6.4	3,993	2,779	–	35	2,779
Receivables from non-exchange transactions	6.3	20,355	56,688	–	15,175	56,688
Inventory	6.2	628	2,328	–	631	2,328
VAT	6.5	18,587	41,800	–	8,517	41,800
<b>Total current assets</b>		<b>57,483</b>	<b>133,795</b>	<b>–</b>	<b>81,661</b>	<b>133,795</b>
<b>Non current assets</b>						
Investment property	6.7	539	514	–	539	514
Property, plant and equipment	6.8	484,105	544,039	–	487,634	544,039
Intangible assets	6.6	1,634	–	–	1,466	–
<b>Total non current assets</b>		<b>486,278</b>	<b>544,553</b>	<b>–</b>	<b>489,639</b>	<b>544,553</b>
<b>TOTAL ASSETS</b>		<b>543,761</b>	<b>678,348</b>	<b>–</b>	<b>571,300</b>	<b>678,348</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Trade and other payables from exchange transactions	6.9	143,199	46,269	–	44,386	46,269
Trade and other payables from non-exchange transactions	6.9	7,158	1,871	–	40,649	1,871
Provision	6.28	532	813	–	1,231	813
VAT	6.5	–	1,031	–	–	1,031
<b>Total current liabilities</b>		<b>150,889</b>	<b>49,984</b>	<b>–</b>	<b>86,266</b>	<b>49,984</b>
<b>Non current liabilities</b>						
Provision	6.28	21,727	11,797	–	9,295	11,797
<b>Total non current liabilities</b>		<b>21,727</b>	<b>11,797</b>	<b>–</b>	<b>9,295</b>	<b>11,797</b>
<b>TOTAL LIABILITIES</b>		<b>172,616</b>	<b>61,781</b>	<b>–</b>	<b>95,560</b>	<b>61,781</b>
<b>NET ASSETS</b>	2	<b>371,145</b>	<b>616,567</b>	<b>–</b>	<b>475,740</b>	<b>616,567</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		371,145	616,567	–	475,740	616,567
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>371,145</b>	<b>616,567</b>	<b>–</b>	<b>475,740</b>	<b>616,567</b>

#### d. Statement of Financial Performance as at 30 September 2024

LIM473 Makhuduthamaga - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		Pre-Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue										
Exchange Revenue										
Service charges - Waste management	6.11	349	340	—	30	105	108	3	3%	340
Sale of Goods and Rendering of Services		475	340	—	19	62	85	23	27%	340
Agency services		6,262	6,000	—	450	1,660	2,680	1,020	38%	6,000
Interest from Current and Non Current Assets	6.13	3,784	3,500	—	297	1,264	1,265	1	100%	3,500
Rental from Fixed Assets	6.27	263	190	—	17	54	55	1	98%	190
Non-Exchange Revenue		—	—	—	—	—	—	—	—	—
Property rates	6.15	39,628	63,000	—	3,335	10,004	10,750	746	93%	63,000
Fines, penalties and forfeits	6.18	668	800	—	106	365	366	1	100%	800
Transfers and subsidies - Operational	6.12	362,492	390,802	—	1,245	152,828	158,673	5,845	96%	390,802
Interest	6.14	12,575	13,000	—	1,079	3,430	3,440	10	100%	13,000
Operational Revenue		1,651	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		428,148	477,972	—	6,577	169,772	177,422	7,650	4%	477,972
Expenditure By Type										
Employee related costs	6.19	116,454	145,051	—	9,857	29,847	30,263	415	99%	145,051
Remuneration of councillors	6.2	28,318	29,563	—	2,146	6,545	6,691	146	98%	29,563
Inventory consumed	6.2	2,465	2,000	—	141	363	500	137	73%	2,000
Debt impairment		19,773	10,000	—	—	—	2,500	2,500	0%	10,000
Depreciation and amortisation	6.21	34,937	34,775	—	2,836	8,698	8,700	2	100%	34,775
Interest		2,232	—	—	—	—	—	—	—	—
Contracted services	6.24	272,160	153,146	—	10,845	36,727	38,287	1,559	96%	153,146
Transfers and subsidies	6.25	2,145	6,980	—	192	902	1,045	143	86%	6,980
Irrecoverable debts written off		20,563	—	—	—	—	—	—	—	—
Operational costs	6.27	69,605	57,994	—	4,735	12,369	13,498	1,129	92%	57,994
Losses on Disposal of Assets		958	—	—	—	—	—	—	—	—
Other Losses		638	—	—	—	—	—	—	—	—
Total Expenditure		570,247	439,508	—	30,753	95,451	101,482	6,031	6%	439,508
Surplus/(Deficit)		(142,099)	38,464	—	(24,176)	74,321	75,940	1,618	2%	38,464
Transfers and subsidies - capital (monetary allocations)		94,109	81,789	—	6,883	18,402	20,447	2,045	10%	81,789
Surplus/(Deficit) after capital transfers & contributions		(47,990)	120,253	—	(17,292)	92,723	96,387			120,253
Surplus/(Deficit) after income tax		(47,990)	120,253	—	(17,292)	92,723	96,387			120,253
Surplus/(Deficit) attributable to municipality		(47,990)	120,253	—	(17,292)	92,723	96,387			120,253
Surplus/ (Deficit) for the year		(47,990)	120,253	—	(17,292)	92,723	96,387			120,253

### e. Cash Flow Statement as at 30 September 2024

LIM473 Makhuduthamaga - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		Pre-Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		17,221	49,770	–	449	17,544	18,443	899	95%	49,770
Service charges		–	309	–	13	26	77	51	34%	309
Other revenue		9,868	44,160	–	5,187	18,201	19,040	839	96%	44,160
Transfers and Subsidies - Operational		355,296	403,233	–	–	154,700	158,808	4,108	97%	403,233
Transfers and Subsidies - Capital		108,372	69,358	–	33,000	49,858	50,339	481	99%	69,358
Interest		–	3,500	–	–	–	875	875	0%	3,500
<b>Payments</b>										
Suppliers and employees		(405,576)	(418,515)	–	(36,192)	(154,624)	(155,686)	(1,061)	99%	(441,868)
Transfers and Subsidies		–	(3,080)	–	–	–	(770)	(770)	0%	(3,080)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>85,180</b>	<b>148,734</b>	<b>–</b>	<b>2,457</b>	<b>85,705</b>	<b>91,127</b>	<b>5,422</b>	<b>94%</b>	<b>125,381</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		964	–	–	–	–	–	–		–
Capital assets		(78,869)	(179,042)	–	(8,470)	(28,403)	(38,922)	(10,520)	73%	(155,689)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(77,905)</b>	<b>(179,042)</b>	<b>–</b>	<b>(8,470)</b>	<b>(28,403)</b>	<b>(38,922)</b>	<b>(10,520)</b>	<b>73%</b>	<b>(155,689)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>7,276</b>	<b>(30,308)</b>	<b>–</b>	<b>(6,014)</b>	<b>57,302</b>	<b>52,204</b>			<b>–</b>
Cash/cash equivalents at beginning:		6,644	60,508	–	–	–	60,508			60,508
Cash/cash equivalents at month/year end:		13,920	30,199	–		57,302	112,712			–

## 6. Notes to the 30 September 2024 Financial Report (Statements).

### 6.1 Cash and cash equivalents

#### Cash and cash equivalents consists of:

Cash on hand	2	2
Bank balances	57 302 578	13 919 983
Call account investment	-	-
	<b>57 302 580</b>	<b>13 919 985</b>

#### Short-term Investments

The municipality had no short-term investments with any financial institution during the 2023/24 financial year and the municipality did not have any investment as at the ended of 30 September 2024.

#### Details

#### The municipality had the following bank accounts during the year under review

Account number / description	Bank statement balances		Cash book balances	
	30-SEP-24	30-JUNE-24	30-SEP-24	30-Jun-24
ABSA BANK - 4050384145 - (Primary Cheque Account)	53 830 076	12 693 549	55 118 281	12 693 549
ABSA BANK - 4076690079 - (Salaries)	1 029 401	500	1 037 081	500
ABSA BANK - 4098981597 - (Solidarity Fund)	202 168	202 448	202 170	202 448
ABSA BANK - 2078073033 Term Deposit Investment	945 046	1 023 486	945 046	1 023 486
	<b>56 006 691</b>	<b>13 919 983</b>	<b>57 302 578</b>	<b>13 919 983</b>

### 6.2 Inventories

#### Inventories consists of:

Consumable stores	631 423	627 614
	<b>631 423</b>	<b>627 614</b>

#### Reconciliation of Inventory

Opening Balance	627 614	707 345
Add: Receipts	302 535	2 326 675
Less: Issues	(298 726)	(2 465 410)
<b>CLOSING BALANCE</b>	<b>631 423</b>	<b>627 614</b>

(Figures in RSA Rand)

2025

2024

### 6.3 Receivables from non-exchange transactions

Gross balances

Rates	111 371 614	115 246 830
Traffic fines	2 572 257	2 286 490

<b>113 943 871</b>	<b>117 533 320</b>
--------------------	--------------------

### Less: Allowance for impairment

Property Rates	(96 318 179)	(95 309 335)
Traffic Fines	(2 450 381)	(1 868 850)

<b>(98 768 560)</b>	<b>(97 178 185)</b>
---------------------	---------------------

### Net balances

Property Rates	15 053 435	19 937 495
Traffic Fines	121 876	417 640

<b>15 175 311</b>	<b>20 355 135</b>
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### 6.4 Receivables from exchange transactions

Accrued income (interest on bank)	-	81 806
Accrued income( Primedia)	-	11 401
Other debtors		
Employee		
Other debtors-ABSA	-	378 264
Other debtor-Caseware	-	62 425
Waste collection	35 250	313 044
SALGA Levy	-	1 117 253
SDM water reticulation		2 227 092
	<b>25 250</b>	<b>3 993 292</b>

### 6.5 Other debtors (VAT receivable & receivables from exchange transaction)

VAT	8 516 544	18 578 291
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(Figures in RSA Rand)

2025

2024

8 516 544

18 578 291

### VAT Reconciliation

Balance at the beginning of the year	18 587 291	24 034 529
Add: Net Refunds as per VAT receivable	6 519 219	58 597 258
Add: Current year VAT suspense - Retention amount	5 374 391	5 678 536
Less: Prior year suspense - Retention amount	(5 678 536 )	(5 473 330 )
Less: VAT Payments by SARS - Current year	(6 519 219 )	(48 830 656)
Less: VAT payments by SARS - Previous year	(9 766 601 )	(15 419 046)
Adjustments	-	-
	<b>8 516 544</b>	<b>18 578 291</b>

VAT is payable on invoice basis and claimed from SARS when a tax invoice is received.

### Top ten (10) Business Debtors

Customer	180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Balance
0008001146 (JANE FURSE CROSSING)	<a href="#">2,642,822.87</a>	<a href="#">162,023.32</a>	<a href="#">160,681.65</a>	<a href="#">160,619.67</a>	<a href="#">164,385.47</a>	<a href="#">166,183.45</a>	<a href="#">165,117.95</a>	3,621,834.38
0008001143 (BAPEDI STORES AND TOTAL GA	<a href="#">2,979,190.19</a>	<a href="#">33,771.56</a>	<a href="#">36,181.72</a>	<a href="#">34,466.98</a>	<a href="#">37,046.23</a>	<a href="#">37,451.09</a>	<a href="#">35,012.92</a>	3,193,120.69
0008001142 (BAPEDI GARAGE AND SHOPS)	<a href="#">2,555,669.74</a>	<a href="#">31,589.04</a>	<a href="#">33,681.63</a>	<a href="#">32,239.51</a>	<a href="#">34,481.39</a>	<a href="#">34,858.28</a>	<a href="#">32,789.36</a>	2,755,308.95
0008001153 (HYPER SAVE)	<a href="#">2,326,665.90</a>	<a href="#">34,991.05</a>	<a href="#">36,955.76</a>	<a href="#">35,711.57</a>	<a href="#">37,822.30</a>	<a href="#">38,235.83</a>	<a href="#">36,406.17</a>	2,546,788.58
0006001766 (KGOLANE SHOPPING CENTRE)	<a href="#">2,260,143.57</a>	<a href="#">31,520.11</a>	<a href="#">33,348.68</a>	<a href="#">32,117.67</a>	<a href="#">34,078.27</a>	<a href="#">34,437.44</a>	<a href="#">32,671.21</a>	2,458,316.95
0006000444 (BUILD IT, TOP CASH AND CARRY	<a href="#">2,215,479.96</a>	<a href="#">38,162.44</a>	<a href="#">40,079.61</a>	<a href="#">38,948.25</a>	<a href="#">41,012.32</a>	<a href="#">41,460.80</a>	<a href="#">39,760.45</a>	2,454,903.83
0008001128 (MASANTENG LODGE AND ENTEI	<a href="#">2,198,422.61</a>	<a href="#">24,770.59</a>	<a href="#">26,547.67</a>	<a href="#">25,280.66</a>	<a href="#">27,182.27</a>	<a href="#">27,479.33</a>	<a href="#">25,678.84</a>	2,355,361.97
0008001123 (JANE FURSE MEAT AND CHICKE	<a href="#">2,003,333.02</a>	<a href="#">23,778.83</a>	<a href="#">25,409.75</a>	<a href="#">24,268.47</a>	<a href="#">26,014.83</a>	<a href="#">26,299.16</a>	<a href="#">24,668.88</a>	2,153,772.94
0008001193 (MANODOMA HOUSING COMPLE>	<a href="#">1,449,124.51</a>	<a href="#">26,005.07</a>	<a href="#">27,269.05</a>	<a href="#">26,540.54</a>	<a href="#">27,902.30</a>	<a href="#">28,207.43</a>	<a href="#">27,104.28</a>	1,612,153.18
0008001253 (MORENA SHOPPING COMPLEX)	<a href="#">1,449,124.51</a>	<a href="#">26,005.07</a>	<a href="#">27,269.05</a>	<a href="#">26,540.54</a>	<a href="#">27,902.30</a>	<a href="#">28,207.43</a>	<a href="#">27,104.28</a>	1,612,153.18
<b>TOTAL</b>								<b>24,763,714.65</b>

### Top ten (10) Government Debtors

Customer	180 Days	150 Days		90 Days	60 Days	30 Days	Current	Balance
00008001119 (SASSA SEKHUKHUNE DISTRIC	<a href="#">3,477,716.69</a>	<a href="#">49,079.38</a>	<a href="#">51,985.23</a>	<a href="#">50,089.99</a>	<a href="#">53,208.89</a>	<a href="#">53,790.59</a>	<a href="#">51,027.91</a>	3,786,898.68
0008001057 (HOME AFFAIRS & DEPT OF LABO	<a href="#">2,598,954.95</a>	<a href="#">32,996.76</a>	<a href="#">35,063.08</a>	<a href="#">33,676.21</a>	<a href="#">35,891.94</a>	<a href="#">36,284.29</a>	<a href="#">34,279.50</a>	2,807,146.73
0008001232 (SEKHUKHUNE AREA OFFICE)	<a href="#">2,252,583.46</a>	<a href="#">40,835.17</a>	<a href="#">42,803.90</a>	<a href="#">41,676.01</a>	<a href="#">43,797.40</a>	<a href="#">44,276.37</a>	<a href="#">42,565.13</a>	2,508,537.44
0006000280 (MAMULUBE PRIMARY)	<a href="#">1,732,539.78</a>	<a href="#">26,577.53</a>	<a href="#">28,147.31</a>	<a href="#">26,936.69</a>	<a href="#">28,608.32</a>	<a href="#">27,499.01</a>	<a href="#">26,139.05</a>	1,896,447.69
0008001152 (STATISTICS SA)	<a href="#">1,459,428.74</a>	<a href="#">20,747.54</a>	<a href="#">21,904.76</a>	<a href="#">21,174.76</a>	<a href="#">22,418.14</a>	<a href="#">22,663.24</a>	<a href="#">21,588.49</a>	1,589,925.67
0006001158 (DEPT OF WATER AFFAIRS)	<a href="#">1,095,275.85</a>	<a href="#">11,309.89</a>	<a href="#">12,185.38</a>	<a href="#">11,542.78</a>	<a href="#">12,478.64</a>	<a href="#">12,615.00</a>	<a href="#">11,709.06</a>	1,167,116.60
0008001219 (NEBO HOME AFFAIRS)	<a href="#">848,739.92</a>	<a href="#">18,118.21</a>	<a href="#">18,886.14</a>	<a href="#">18,491.28</a>	<a href="#">19,321.16</a>	<a href="#">19,532.49</a>	<a href="#">18,911.34</a>	962,000.54
0006001885 (PHOKWANE TRADITIONAL AUTH	<a href="#">814,217.19</a>	<a href="#">10,357.22</a>	<a href="#">11,026.70</a>	<a href="#">10,570.49</a>	<a href="#">11,288.01</a>	<a href="#">11,411.40</a>	<a href="#">10,754.79</a>	879,625.80
0008001182 (LIMPOPO ECONOMIC DEVELOPI	<a href="#">736,872.26</a>	<a href="#">12,932.13</a>	<a href="#">13,572.07</a>	<a href="#">13,198.42</a>	<a href="#">13,887.61</a>	<a href="#">14,039.48</a>	<a href="#">13,476.01</a>	817,977.98
0006000032 (LOBAMBA SECONDARY)	<a href="#">668,975.11</a>	<a href="#">14,169.32</a>	<a href="#">14,955.01</a>	<a href="#">14,461.09</a>	<a href="#">12,406.70</a>	<a href="#">12,574.04</a>	<a href="#">12,083.33</a>	749,624.60
TOTALS								17,165,301.73



## 6.6 Intangible assets

	2025			2024		
	Cost/Valuation	Accumulated amortisation and accumulated impairment		Cost/Valuation	Accumulated amortisation and accumulated impairment	
Computer software	10 216 007	(8 749 992))	Computer software	10 216 007	(8 749 992))	Computer software
Work In Progress	0.00	0.00	Work In Progress	0.00	0.00	Work In Progress
	10 216 007	(8 749 992)		10 216 007	(8 749 992)	

Reconciliation of intangible assets – 2025						
	Opening balance	Additions	Transfers	Amortisation	Total	
Computer software	1 633 978	0.00	0.00	(167 962)	1 466 015	
Work In Progress	0.00	0.00	0.00	0.00	0.00	
	<b>1 633 978</b>	<b>0.00</b>	<b>0.00</b>	<b>(167 962)</b>	<b>1 466 015</b>	
Reconciliation of intangible assets – 2024						
	Opening balance	Additions	Transfers	Amortisation	Total	
Computer software	0.00	2 000 937.30	0.00	(366 960)	1 633 977	
Work In Progress	0.00	0.00	0.00	0.00	0.00	
	<b>0.00</b>	<b>2 000 937</b>	<b>0.00</b>	<b>(366 960)</b>	<b>1 633 977</b>	

## Other information

A register containing the information required by section 63 of the MFMA is available for inspection at the registered office of the municipality. No intangible assets were pledged as security for liabilities as at year end.

### 6.7 Investment Property

	2025			2024		
	Cost/Valuation	Accumulated amortisation and accumulated impairment	Carrying Amount	Cost/Valuation	Accumulated amortisation and accumulated impairment	Carrying Amount
Investment property	539 289	0.00	539 289	513 500	0.00	513 500
	<b>539 289</b>	<b>0.00</b>	<b>539 289</b>	<b>513 500</b>	<b>0.00</b>	<b>513 500</b>

#### Reconciliation of investment property- 2025

	Opening balance	Additions	Transfers	Amortisation	Total
Investment property	539 289	0.00	0.00	0.00	539 289
	<b>539 289</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>539 289</b>

#### Reconciliation of investment property - 2024

	Opening balance	Additions	Transfers	Amortisation	Total
Investment property	513 500	0.00	0.00	25 789	539 289
	<b>513 500</b>	<b>0.00</b>	<b>0.00</b>	<b>25 789</b>	<b>539 289</b>

### Details of valuation

Investment property was valued by Mod Hope (Pty) Ltd an independent professional valour with registration number 1988/001677/07. The Municipal Valour has experience of properties within the jurisdiction of Makhuduthamaga Local Municipality. The valuation was based on an open market value for existing use:

## Details of property

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality. No revenue was earned from the investment property as the property is vacant land held for long term capital appreciation

No investment property was pledged as security for liabilities as at year end.

### 6.8 Property Plant and Equipment

Details	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying Value	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	1 265 000	0.00	1 265 000	1 265 000	0.00	1 265 000
Land – Landfill Site	2 706 613	(1 547 949)	1 158 664	2 706 613	(1 537 815)	1 168 798
Buildings	72 742 147	(23 293 081)	49 449 066	72 742 147	(22 436 011)	50 306 136
Furniture and fixtures	9 148 473	(6 118 208)	3 403 464	9 148 473	(5 997 142)	3 151 331
Motor vehicles	47 036 627	(26 653 452)	20 383 175	47 036 627	(25 811 982)	21 224 644
Road Infrastructure	505 595 207	(192 126 464)	317 468 743	505 595 207	(186 744 377)	322 850 830
IT equipment	31 009 496	(18 166 292)	12 843 204	30 114 973	(17 356 541)	12 758 432
Loose tools	6 868 192	(3 677 713)	3 190 479	6 840 692	(3 550 454)	3 290 238
Community Halls	33 894 567	(6 218 807)	27 675 760	33 894 567	(5 842 839)	28 051 728
Capital work in progress	50 796 205	0.00	50 796 205	43 957 217	0.00	43 957 217
	<b>765 435 726</b>	<b>(277 801 966)</b>	<b>487 633 760</b>	<b>757 301 516</b>	<b>(269 272 145)</b>	<b>488 029 371</b>

**Reconciliation of Property, Plant and Equipment -  
2025**

Details	Opening balance	Additions	Disposals - Cost	Disposals - Depreciation	Transfers from WIP	Depreciation	Total
Land	1 265 000	-	-	-	-	-	1 265 000
Landfill Site Asset	1 168 797	-	-	-	-	(10 134)	1 158 664
Buildings	50 260 455	-	-	-	-	(811 388)	49 449 066
Furniture and Fixtures	3 207 338	373 199	-	-	-	(177 074)	3 403 464
Motor Vehicles	21 218 393	-	-	-	-	(835 217)	20 383 175
IT Equipment	12 758 433	894 522	-	-	-	(809 751)	12 843 204
Road Infrastructure	322 851 771	-	-	-	-	(5 383 030)	317 468 743
Other Assets - Loose tools	3 290 239	27 500	-	-	-	(127 259)	3 190 479
Community Assets	28 051 727	-	-	-	-	(375 968)	27 675 760
Capital Work in progress	50 078 384	6 838 988	-	-	-	-	50 796 205
<b>TOTAL</b>	<b>494 150 537</b>	<b>8 134 209</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8 529 821)</b>	<b>487 633 760</b>

**Reconciliation of Property, Plant and Equipment – 2024**

Details	Opening balance	Additions	Disposals - Cost	Disposals - Depreciation	Transfers from WIP	Depreciation	Total
Land	1 265 000	-	-	-	-	-	1 265 000
Landfill Site Asset	1 193 148	-	-	-	-	(24 350)	1 168 798
Buildings	44 386 173	5 960 770	-	-	806 294	(2 892 782)	50 260 454
Furniture and Fixtures	3 595 635	264 150	(1 625 899)	1 592 873	-	(670 397)	3 207 339
Motor Vehicles	18 378 281	7 136 868	(4 221 953)	3 124 530	-	(3 199 332)	21 218 392
IT Equipment	14 699 469	2 013 510	(5 334 752)	4 698 792	-	(3 318 586)	12 758 432
Road Infrastructure	241 153 846	1 006 500	(449 697)	(255 001)	103 697 479	(22 725 358)	322 851 773
Other Assets - Loose tools	2 485 073	823 395	(23 988)	17 408	476 279	(487 918)	3 290 238
Community Assets	20 075 946	1 694 692	-	-	321 440	(1 510 111)	28 051 728
Capital Work in progress	75 213 451	77 486 858	-	-	(108 215 492)	-	43 957 217
<b>TOTAL</b>	<b>351 138 897</b>	<b>99 386 743</b>	<b>- 11 656 299</b>	<b>6 748 336</b>	<b>-</b>	<b>(35 056 434)</b>	<b>488 029 370</b>

(Figures in RSA Rand)

2025

2024

### 6.9 Payables from exchange transactions

Trade Creditors	13 331 918	89 645 177
Income received in advance	635 591	1 193 299
Creditor: Ward committee	13 201	13 201
Accrued(SDL, UIF, PAYE, Salary, Party Levies, Pension)		5 929 629
Leave provision	9 294 851	10 920 938
Bonus provision	1 230 633	3 360 657
Unknown deposits	409 796	308 125
Retentions	29 995 731	28 958 721
Other creditor		42 328
SDM water reticulation		2 619 792
Solidarity Fund		207 534
	<b>54 911 721</b>	<b>143 199 401</b>

### Unspent Conditional grants and receipts

Unspent conditional grants and receipts comprises of:

LG SETA Discretionary Grant	233 463	170 041
Financial Management Grant	1 354 044	-
DOE (Integrated National Electrification)	7 539 062	7 086 525
EPWP Grant	65 896	-
Municipal Infrastructure Grant	31 456 199	-
WRM(SDM)	-	-
	<b>40 648 664</b>	<b>7 256 566</b>

### 6.10 Revenue

The amount included in revenue arising from exchanges of goods or services are as follows:

Rental of facilities and equipment	53 671	262 732
Licences and permits	1 660 069	6 261 884
Interests earned on Bank & Investment accounts	1 263 996	3 784 346
Refuse Removal	104 700	349 435
Other Income	54 447	433 516
Tender Documents	7 791	41 879
	<b>3 144 674</b>	<b>11 133 792</b>

(Figures in RSA Rand)

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**The amount included in revenue arising from non-exchange transactions is as follows:**

Property rates	10 004 417	39 627 958
Interest on outstanding debtors	3 430 347	12 574 615
Traffic fines	365 250	667 650
Transfers and subsidies	19 935 324	111 916 650
Actuarial (Gain)/loss		-
Gain/loss on disposal of Assets		-
	<b>33 735 337</b>	<b>164 786 873</b>
	<b>36 880 011</b>	<b>175 920 665</b>

#### 6.11 Defined benefit obligation

Post-employment Medical Aid Benefits	5 387 000	7 047 000
	<b>5 387 000</b>	<b>7 047 000</b>

#### Long service awards

##### Long Service Awards Liability

Long service awards - current liability	813 000	531 915
Long service awards - Non-current liability	3 760 000	4 962 085
	<b>4 573 000</b>	<b>5 494 000</b>

N.B. The municipality did not have any investments during the current year due to low levels of cash balances and the amount of interests received is for the positive bank balance of the main cheque account.

#### 6.12 Government grants and subsidies

Equitable share	151 314 000	344 706 000
Municipal Infrastructure Grant (MIG)	49 858 000	94 109 000
Finance Management Grant (FMG)	1 800 000	1 720 000
Integrated National Electrification ( DOE Grant)	1 000 000	14 263 475
EPWP Grant	586 000	1 783 000
LGSETA	115 000	-
	<b>204 673 000</b>	<b>456 581 475</b>

(Figures in RSA Rand)

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N.B. The municipality did not have any investments during the current year due to low levels of cash balances and the amount of interests received is for the positive bank balance of the main cheque account.

#### 6.14 Interest on outstanding debtors

Interest charged on trade and other receivables

3 440 347

12 574 615

**3 430 347**

**12 574 615**

NB. All interests relates to property rates outstanding debts.

#### 6.15 Property rates

##### Rates – revenue

Commercial

1 500 663

12 264 634

State

8 003 534

26 404 590

Agricultural

500 22

958 734

**10 004 417**

**39 627 958**

#### 6.17 Actuarial gain/ (Loss)

Long service awards - Actuarial Gain/(Loss)

-

265 834

Post-employment medical aid - Actuarial gain/(Loss)

-

372 000

-

**637,834**

#### 6.18 Traffic fines

Traffic fines

365 250

667 650

**365 250**

**667 650**

The municipality issued traffic fines to a total value of **R 365 250** as at September 2024, and the amount collected for the traffic fines as at 30 September 2024 is **R 112 800** which is 31% of the value amount of tickets issued as at end of the 30 September 2024.

#### 6.19 Employee related costs

Basic

16 783 168

66 964 129

Bonus & P/Bonus

1 685 446

5 269 525

Medical aid - company contributions

1 599 970

6 230 401

UIF

114 290

447 443

SDL

242 797

957 915



(Figures in RSA Rand)

2025

2024

Leave pay provision charge	274 734	785 637
Pension contribution	3 065 715	12 083 091
Overtime payments	355 893	2 385 185
Post-employment benefits costs	148 538	414 585
Car allowance	3 879 346	16 649 136
Housing benefits and allowances	916 767	3 511 580
Bargaining Council	7 636	28 768
Clothing allowance	15 667	61 197
Cell phone allowance	696 524	2 752 958
Acting allowance	60 738	
	<b>29 847 229</b>	<b>116 453 931</b>

**Chief Financial officer Mr Chuene MV**

Basic salary	-	254 214
Travel allowance	-	63 554
Cell	-	8 474
Pension fund	-	42 369
Medical aid	-	42 369
Housing	-	12 711
Contributions to UIF	-	886
Bargaining council	-	57
SDL	-	4 605
Leave payout	-	32 534
Travel claim	-	4 449
Remote allowance	-	16 948
		<b>483 170</b>

**Municipal Manager (Mr Moganedi R.M)**

Basic salary	182 041	785,012
Travel allowance	91 021	391 364
Cell phone allowance	15 170	65 227
B/P Basic	-	18,187
B/P Trv	-	9,093
B/P Cell	-	1,516
B/P Med	-	1,516
Performance Bonus	-	64,550
Travel claims	-	-
Contributions to medical aid	15 170	65 227
Contributions to UIF	531	2 125

(Figures in RSA Rand)

2025

2024

SDL	2 973	13 953
SALGBE	36	137
Remote allowance	12 136	52 182
B/P Remote	-	1,212
B/P Non Pen	-	20,341

**319 078**

**1,491,642**

**Chief Financial Officer(former) (Mr Moganedi R.M)**

Basic salary	-	-
Travel allowance	-	-
Cell phone allowance	-	-
Acting allowance	-	-
B/P Basic	-	18 187
B/P Non Pens	-	20 340
B/P Trv	-	9 093
B/P Cell	-	1 516
B/P Med	-	1 516
Travel claims	-	-
Contributions to medical aid	-	-
Contributions to UIF	-	-
SDL	-	-
Leave pay-out	-	-
SALGBE	-	-
Remote allowance	-	-
B/P Remote	-	1 212
Performance Bonus	-	64 551
Long Service Award	-	-

**116 415**

**Acting Chief Financial officer for BTO 2023/24 (Mr Makgalemane T.M.)**

B/P Acting allowance	-	4085
B/P Remote	-	272
Cash gratuity	-	5085
SDL	-	94

**9 536**

**Acting Chief Financial officer for BTO 2023/24 (Mr Mothapo K.T.)**

B/P Acting allowance	-	8 170
B/P Remote allowance	-	545
B/P Cash gratuity	-	10 170

(Figures in RSA Rand)

2025

2024

SDL

-

189

-

19 074

**Acting Chief Financial officer for BTO 2023/24 (Mr Mathabathe C.S.)**

Acting allowance

2 507

Remote allowance

9 351

12 650

B/P Remote

-

363

B/P Cash gratuity

-

5085

SDL

-

54

11 858

18 152

**Senior manager: Corporate services (Mr Matsetse P.E)**

Basic salary

152 528

457 585

Travel allowance

50 843

152 528

Cell phone

3 000

8 000

Travel claim

-

26 340

Pension

22 421

68 264

Medical aid contributions

25 421

76 264

UIF

531

1 594

SALGBE

36

102

SDL

2 542

7 626

Remote

10 169

30 506

267 491

828 809

**Senior manager: Community services (Ms Mashao A.M)**

Basic salary

152 528

457 585

Travel allowance

50 843

152 528

Cell phone

3 000

8 000

Pension

25 421

76 264

Travel claim

-

12 899

Medical aid contributions

22 421

68 264

UIF

531

1 594

SALGBE

36

102

SDL

2 542

7 626

Remote

10 169

30 506

(Figures in RSA Rand)

2025

2024

267 491

815 368

**Senior manager: Corporate services (Ms Mahlare M.A)**

Basic salary	-	-
Travel allowance	-	-
Acting Allowance	-	-
Medical aid contributions	-	-
B/P Basic	-	65 395
B/P Non Pens	-	20 340
B/P Trv	-	27 520
B/P Med	-	16 076
Performance bonus	-	-
UIF	-	531
Leave pay out	-	20 932
SALGBE	-	-
SDL	-	1 491
Travel claims	-	-
Remote	-	4 360
Long Service Award	-	-

-

156 645

**Acting Senior Manager: Corporate services2023/24 (Mrs Make M.M.)**

B/P Acting allowance	-	9 799
B/P Remote	-	4 810
SDL	-	13

-

14 622

**Senior manager: Community services (Ms Marishane M.E)**

Basic salary	-	-
Travel allowance	-	-
Cell phone allowance	-	-
Housing allowance	-	-
B/P Basic	-	59 945
B/P Trv	-	20 481
B/P Cell	-	3 747
B/P Hou	-	7 993
B/P Non Pens	-	18 645
Travel claims	-	-

(Figures in RSA Rand)

2025

2024

P bonus	-	-
B/P pen	-	7 743
Leave pay out	-	20 923
UIF	-	531
SALGBE	-	-
SDL	-	1 394
Long Service award	-	-
Performance Bonus	-	-
Remote allowance	-	3 996
	-	<b>145 398</b>

**Acting Senior manager: Community services (Mrs Makola B.C )**

Acting Allowance		2 442
Remote allowance	-	1 376
		<b>3 818</b>

**Acting Senior Manager: Community Services2023/24 (Mr Matsimela M.J)**

B/P Acting allowance	-	9 799
B/P Remote	-	4 810
SDL	-	13
	-	<b>14 622</b>

**Senior Manager: Infrastructure Development (Mr Segale M.A)**

Basic salary	-	140 265
Travel allowance	-	51 122
Cell phone allowance	-	7 522
Medical contribution	-	35 066
B/P Basic	-	77 658
Non Pens	-	20 340
B/P Trv	-	26 395
B/P Cell	-	5 963
B/P Med	-	4 085
UIF	-	1 062
SALGBE	-	34
Performance bonus	-	45 393
SDL	-	6 135
Remote allowance	-	9 351
Performance bonus	-	-
Leave payout	-	200 665
B/P Remote	-	5 177

(Figures in RSA Rand)

2025

2024

	-	636 234
<b>Senior Manager: Infrastructure Development 2023/24 (Ms Lubisi NB )</b>		
Basic salary	140 265	93 510
Travel allowance	46 748	31 165
Cell allowance	11 691	7 794
Housing allowance	11 691	7 794
Medical aid	23 381	15 588
Travel claim	1 508	-
Acting allowance	-	26 962
SDL	1 980	1 320
UIF	531	354
Remote	9 351	6 234
Acting Remote	-	6 779
SALGBE	36	23
	<b>247 182</b>	<b>197 523</b>

**Senior manager Economic Development and Planning (Mr Thabela A.P)**

Basic salary	-	284 618
Travel allowance	-	88 527
Cell phone allowance	-	12 352
Pension contribution	-	77 239
Medical aid contribution	-	57 955
B/P Basic	-	16 342
B/P Non Pens	-	20 340
B/P Trv	-	4 085
B/P Cell	-	583
B/P Med	-	2 649
B/P Pens	-	3 578
UIF	-	1 063
SALGBE	-	68
SDL	-	7 513
Leave payout	-	170 805
Performance bonus	-	-
Remote allowance	-	18 884
B/P Remote	-	5 813
Travel Claim	-	36 620
	-	<b>809 033</b>

**Acting Senior Manager: Economic Development and Planning 2024/25 (Mrs Tong K.T )**

**(Figures in RSA Rand)**

**2025**

**2024**

Acting allowance	6 418	8 987
Remote	6 234	3 390
	-	
	<b>12 652</b>	<b>12 377</b>

**6.20 Remuneration and allowances of councillors**

Mayor	252 693	1,309,161
Council speakers	204 527	887,419
Executive Committee Members	1 277 520	5,498,017
Other councillors basic salary	2 642 762	11,232,606
Councillors pension contribution	466 369	1 980 105
Travel allowance	1 036 376	4 403 693
Travel claims	33 661	169,559
Cell phone allowance	545 981	2 291 912
Skills development levy	48 077	158 970
Data cards (61 councillors)	37 026	386,656
	<b>6 544 992</b>	<b>28 318 098</b>

**Remuneration and allowances of selected members of the council**

**Remuneration and allowances for the Cllr Maitula B.M**

Basic salary	-	282 567
Cell phone allowance	-	24 764
Contributions to pension fund	-	161 790
SDL and Data card	-	3 780
	<b>-</b>	<b>472 900</b>

(Figures in RSA Rand)

2025

2024

**Remuneration and allowances for the Cllr Mahlase M.M**

Basic salary	152 307	315 440
Cell phone allowance	10 800	23 185
Contributions to pension fund	86 606	179 368
SDL and Data card	2 980	4 510

**252 693**

**522 503**

**Remuneration and allowance for the council speaker Cllr Mphelane M.J**

Basic salary	121 845	474 425
Cell phone allowance	10 800	42 000
Contributions to pension	69 284	274 042
SDL and Data card	2 597	13 756
	<b>204 526</b>	<b>804 223</b>

**Remuneration and allowances of members of the executive committee**

Basic salary	725 043	2 741 421
Travel allowance	284 331	1 075 068
Cell phone allowance	97 200	367 200
Pension fund Medical & SDL	137 534	520 057
Travel claims and Data card	33 412	145 518
	<b>1 277 520</b>	<b>4 849 264</b>

The remuneration and allowances of the political office bearers and councillors are within the upper limits as determined by the framework envisaged in section 219 of the Constitution.

**Related party transactions  
Section 57 Employees**

Chief Financial officer ( Mr Chuene M.V)	-	483 170
Municipal Manager: (Mr Moganedi R.M)	319 078	1 375 090



(Figures in RSA Rand)

2025

2024

Senior Manager: Corporate Services (Mr Matsetse P.E)	267 491	828 809
Senior Manager: Corporate Services (Ms. Mahlare M.A	46 024	156 645
Senior Manager: Community Services (Ms. Marishane M.E)	-	145 398
Senior Manager: Community Services (Ms Mashao A.M)	267 491	815 368
Senior Manager: Budget & Treasury(CFO) (Mr. Moganedi R.M )	-	116 415
Senior Manager: Economic Development & Planning (Mr. Thabela A.P)	-	809 033
Senior Manager :Infrastructure Development (Ms Lubisi N )	247 182	197 523
Senior Manager: Infrastructure Development (Mr. Segale M.A)	46 024	636 234
	<b>1 193 290</b>	<b>5 757 430</b>

**South African Local Government Association**

Annual membership fee

1 117 253	1,117,253
<b>1 117 253</b>	<b>1,117,253</b>

**62 Councillors**

Remuneration of Councillors

6 544 992	28 318 097
<b>6 544 992</b>	<b>28 318 097</b>

**6.21 Depreciation and amortisation**

Property, plant and equipment	8 529 821	34,569,679
Intangible assets	167 962	366,960
	<b>8 697 783</b>	<b>34 936 639</b>

**6.22 Assets impairment**

Property, plant and equipment	-	-
Intangible Assets	-	-
Investment Property	-	-
	<b>-</b>	<b>-</b>

The municipality has completed an asset verification process for the period ended 28 February 2023 and no impairment loss identified and reported.

**6.23 Finance Costs**

Interest cost: Employee benefit obligations	-	1,199,000
Interest cost: Landfill site provision	-	1,033,000
	<b>-</b>	<b>2,232,000</b>

(Figures in RSA Rand)

2025

2024

#### 6.24 Contracted Services

Repairs and Maintenance: Other Assets	3 566 576	38 834 166
Repairs and Maintenance: Infrastructure Assets	8 778 090	32,042,587
Operating Lease and Cash collection	2 234 098	6 156 766
Solid waste collection	4 234 900	26,193,693
Development of valuation roll	0	-
Cleaning and Security services & other	17 913 446	34 900 630
Publications VAT recovery services Spatial Planning & GIS	0	6,842,498
	<b>36 727 110</b>	<b>144 970 340</b>

#### 6.25 Grants and subsidies paid

Indigents grants (Free Basic Electricity)	183 298	2,144,561
	<b>183 298</b>	<b>2 144 561</b>

#### 6.26 Capital expenditure written-off (D Roads)

Property Plant and Equipment	0	119,704,748
	<b>0</b>	<b>119,704,748</b>

In terms of the General Notice 217 of 2014 ownership and jurisdiction of roads by municipality in Limpopo Province is listed in schedule B of the notice. The municipality has constructed roads under the ownership of Roads Agency Limpopo SOC Limited (RAL) in terms of the Notice during the 2020/21 financial year. The roads cannot be capitalised and will have to be written off at year end and as at 30 June 2024 the expenditure for D roads is **R 119 704 748**.

#### 6.27 General expenses

1.Advertising	-	3,044,003
2.Bank charges	23 776	346,777
3.Consulting and professional fees		4,706,879
4.Consumables		2,552,809
5.Entertainment	-	-
6.Insurance	-	2,346,495
7.IT operating expenses	4 576 909	738 940
8.Marketing	-	8,480,131
9.Promotions and sponsorships	-	2,679,201
10.Fleet Management & System	-	196,299
11.Fuel and oil	1 023 987	6,244,774
12.Staff welfare	-	

(Figures in RSA Rand)

2025

2024

13. Telephone and Fax	148 990	1,901,636
14. Training	129 843	5,338,540
15. Travel and accommodation	422 900	4,888,877
16. Spatial planning - demarcation of sites	-	981,225
17. Water and electricity	857 677	5,811,899
18. SMME Support	-	148,125
19. Sitting allowance ex-officio	-	-
20. Publications	-	5,142,620
21. Audit committee support	24 678	769,502
22. Bursary fund	498 890	4,132,693
23. Legal costs and Development of by-laws	68 778	6,378,988
24. Customer care	-	227,100
25. Financial System support	-	6,842,498
26. Vehicle tracking	22 689	106,807
27. Disaster relief fund	0	2,509,775
28. EPWP	44 879	5,837,583
	<b>12 368 847</b>	<b>83,424,903</b>

**6.28 Provision - Rehabilitation of Landfill Site**

Opening Balance	-	8,037,416
Interest charged	-	918,000
	-	762,244
	-	<b>9,717,660</b>

The Madibong Landfill Site was previously included in the asset register of the Sekhukhune District Municipality together with the provision for the rehabilitation of the Landfill Site in its 2017/18 audited annual financial statements. On the 30th of August 2019 the Landfill Site was transferred to the Makhuduthamaga Local Municipality.

The valuation of the rehabilitation on the Landfill Site was performed by Mr Seakle Godschalk a professional registered environmental scientist of the Environmental and Sustainability Solutions (ESS) Company The Company has developed and used the General Landfill Closure Costing Model (GLCCM) since 2011.

The future and discounted cash flows regarding the Landfill closure and rehabilitation related expenses were calculated using the CPI at 4.4437% and a discount rate of 7.9437%.

The cost of rehabilitating the Landfill Site was determined to be R 8 037 416 as at 30 June 2024 and was recognised at cost and depreciated over time as property, plant & equipment in the statement of the financial position of the municipality.

#### 6.29 Rental of facilities and equipment

Site rentals and facilities	53 671	262,732
	<b>53 671</b>	<b>262,732</b>

The amount for site rentals is for the advertising billboards from PRIMEDIA around Makhuduthamaga municipal area

#### 6.30 Operating lease

The Municipality has entered in to an operating lease with Velaphanda Trading & Projects for Photocopier machines for a period of three years.

The total future minimum operating lease payments payable under existing operating lease arrangements are categorised in the following categories:

Within one year of the operating date	2,371,257	1 030 981
More than one year but less than five years of the reporting date	2,766,466	9 825 293
	<b>5,137,723</b>	<b>10 856 274</b>

#### 6.32 Risk management

##### Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

(Figures in RSA Rand)

2025

2024

#### Credit risk

Credit risk consists mainly of cash deposits cash equivalents and receivables. The municipality only deposits cash with credible banking institutions and limits exposure to any one counter-party.

Financial assets exposed to credit risk at year end were as follows:

#### Financial instrument

Receivables from non-exchange transactions	14 443 840	20,355,135
Receivables from exchange transactions	1 401 645	3,993,292
Cash & Cash equivalents	59 954 084	13,919,985
VAT Receivable	1 385 320	18,587,291
<b>Maximum exposure</b>	<b>77 184 889</b>	<b>56 855 703</b>

#### 6.33 Unauthorised expenditure

Opening balance	-	23,008,909
Current year	-	-
Less amounts: written-off by council	(-)	(23 008 909)
	-	-

#### 6.34 Fruitless and wasteful expenditure.

Opening balance	64 753	64 753
Current year	-	-
Paid/written off by council	(-)	-
	<b>64 753</b>	<b>64 753</b>

#### 6.35 Irregular expenditure

Opening balance	65 100	65 100
Add: Irregular Expenditure - current year	921 520	1 471 629
Less: Amounts written-off by council	(-)	(1 471 629)
	<b>986 620</b>	<b>65 100</b>

#### 6.36 Additional disclosure in terms of Municipal Finance Management Act

#### Audit fees

(Figures in RSA Rand)

2025

2024

Amount incurred current year

454 968

4,844,497

Amount paid - current year

(454 968)

(4 844 497)

-

-

### PAYE and UIF

Opening balance

-

-

Amount incurred current year

2 055 191

24,575,743

Amount paid - current year

(2 055 191)

(22,437,867)

-

2,137,876

### Pension and Medical Aid funds deductions

Opening balance

17,387

Amount incurred current year

2 653 491

31,048,652

Amount paid - current year

(2 653 491)

(28,478,833)

-

2,587,206

### TOTAL AMOUNT COMMITTED FOR JUNE 2024/25

CAPITAL COMMITMENTS

183 735

669

OPERATIONAL COMMITMENTS

74 063 082

TOTAL COMMITMENTS

308 082 951

### TOP TEN CREDITORS

Name of supplier	Project name	Amount
1. Polokwane Surfacing	Construction access road from Mathapisa to Mampane (cession )	R10,479,304.85
2. Pfukani Kusile consulting	Transportation masterplan	R1,184,500.00
3. Ngoato le Nareadi construction	Construction access road from Mathapisa to Mampane	R1,106,729.81
4. AES Consulting	Construction from Mohlala Mamone R579	R193,939.82
5. Mwelase Thobs	Maintenance of Electrification	R216,671.50
6. Omega OS segaswane	Advertising	R109 200.00
7. Eskom	Electricity Supply	R22 401.71
8. Lauda flex investment	Procurement of sanitary pads for mayoral outreach Events	R19 170.00

#### 6.40 Deviations as per section 36 of the SCM policy 2023/24 financial year.

The accounting officer may dispense with the official procurement processes established by SCM Policy and to procure any required goods which may include direct negotiations, but only –

(i) In an emergency;

NO	Date	COMPANY NAME	DESCRIPTION	AMOUNT
<b>TOTAL (Closing Balance as at 30<sup>th</sup> September 2024)</b>				<b>R 00.00</b>

(ii) If such goods or services are produced or available from a single provider only

NO	Date	COMPANY NAME	DESCRIPTION	AMOUNT
1.	01/07/2024	Limpopo Toyota	Service-FXZ 842L	R 6 756.35
2.	19/07/2024	Limpopo Toyota	Service-DDK 932L	R 13 890.57
3.	30/07/2024	Limpopo Toyota	Service-DFS 501L	R 9 387.78
4.	05/08/2024	Autohaus BMW	Service-FWX 218L	R 6 901.14
5.	09/09/2024	BMW Autohaus	Service-FWX 218L	R 5 860.79
6.	23/09/2024	Isuzu Groblersdal	Service-FYG 761L	R 6 114.02
<b>TOTAL (Closing Balance as at 30<sup>th</sup> September 2024)</b>				<b>R 48 910.75</b>

- (iii) In any other exceptional case where it is impractical or impossible to follow the official procurement processes; therefore, the below transactions are incurred because it.



NO	Date	COMPANY NAME	DESCRIPTION	AMOUNT
1.	10/07/2024	South Point Management	Accommodation for bursary holder	R 31 500.00
2.	12/07/2024	Simonsberg Guest House	Accommodation for bursary holder	R 37 550.00
3.	12/07/2024	The Campus	Accommodation for bursary holder	R 21 989.96
4.	15/07/2024	Sefako Makgatho health science	Tuition Fees	R 75 528.54
5.	22/07/2024	Eris Property Group	Accommodation for bursary holder	R 36 000.00
6.	25/07/2024	University of Free State	Tuition Fees	R 67 446.11
7.	25/07/2024	Respublica Student Living	Accommodation for bursary holder	R 63 500.00
8.	30/07/2024	Moloi Filling Station	Fuel	R 131 068.76
9.	30/07/2024	BP	Fuel	R 74 461.08
10.	30/07/2024	Shell	Fuel	R 124 312.20
11.	30/07/2024	Focus 1	Student Accommodation	R 48 085.00
12.	07/08/2024	Van Schaik Bookstore	Stationery	R 2 105.68
13.	16/08/2024	University of Witwatersrand	Tuition Fees	R 131 798.05
14.	20/08/2024	University of Pretoria	Tuition Fees	R 12 800.00
15.	20/08/2024	Van Schaik Bookstore	Stationery	R 1 206.90
16.	21/08/2024	University of Witwatersrand	Tuition Fees	R 184 736.21

17.	21/08/2024	Focus 1	Accommodation for bursary holder	R 25 000.00
18.	31/08/2024	Moloi Filling Station	Fuel	R 113 717.67
19.	31/08/2024	BP	Fuel	R 48 948.03
20.	31/08/2024	Shell	Fuel	R 104 828.99
21.	30/09/2024	Moloi Filling Station	Fuel	R 204 547.54
22.	30/09/2024	BP	Fuel	R 42 853.41
23.	30/09/2024	Shell	Fuel	R 87 629.15
24.	30/09/2024	Van Schaik Book Store	Stationery	R 7 746.69
<b>TOTAL (Closing Balance as at 30<sup>th</sup> September 2024)</b>				<b>R 1 679 359.97</b>

#### 4. Contract Management

##### 7.5.1 SERVICE PROVIDERS STRATEGIC PERFORMANCE AS AT 31<sup>st</sup> SEPTEMBER 2024

Section 116(2)

- Service provider means a person or institution or any combination of persons and institutions which provide a municipal service;
- of the Municipal Finance Management Act (MFMA) states that “The Accounting officer of a Municipality or Municipal Entity must- monitor on a monthly basis the performance of the contractor under the contract or agreement”
- Regularly report to the council of the Municipality or the board of directors of the entity as may be appropriate, on the management of the contract or agreement and the performance of the contractor.

The table below indicates service providers utilised according to functional areas:

#### MUNICIPAL MANAGER

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance Comment	Corrective Measure	Contract Expiry Date
Multichoice DStv	Pay per view	Subscription to active internal television screen	Good	Good	N/A	Continuous
Re Basadi Creates (Pty) Ltd	3 Years	Provision of Marketing and Branding for a period of three (03) years	Good	Good	N/A	05/12/2026

### BUDGET AND TREASURY

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance Comment	Corrective Measure	Contract Expiry Date
ABSA Bank	5 Years	Provision of Banking services	Good	Good	N/A	05/09/2028
Pheladichuene Maintenance and General Supplier	3 Years	Provision of cleaning services	Good	Good	N/A	30/09/2026
Camelsa Consulting Group	3 Years	Provision of Integrated Financial System with support and maintenance	Good	Good	N/A	30/09/2025
Mod Hope Properties CC	3 Years	Development and maintaining of Property Valuation Roll	Good	Good	N/A	30/06/2026
Onkutlwile Security Services	3 Years	Provision of Security Services and access control services for a period of three (03) years	Good	Good	N/A	31/03/2025
Velaphanda Trading & Projects	3 Years	Provision of Lease for photocopy machines for a period of three (03) years	Good	Good	N/A	28/09/2026
G4S Cash Solutions (SA) (Pty) Ltd	3 Years	Provision of cash collection services for a period of three (03) years	Good	Good	Expired	31/10/2026
Bra Mesh Group (Pty) Ltd	3 Years	Provision of service, maintenance & repairs of yellow fleet for a period of three (03) years	Good	Good	N/A	31/10/2026

Cumo Consulting	O	3 Years	Provision of Vetting System for a period of Three (03) years	Good	Good	Expired	17/03/2027
Kunene Makopo Risk Solutions		3 Years	Provision of Short Term Comprehensive Insurance	Good	Good	Expired	12/06/2027
Fleet Horizon Solutions (Pty) Ltd		3 Years	Provision of tacking devices on all municipal vehicles for a period of three (03) years	Good	Good	N/A	31/08/2025
PK Financial Consultants CC		3 Years	Provision of VAT recovery for a period of three (03) years	Good	Good	N/A	30/04/2025
Omega Segaswane Holdings (Pty) Ltd	OS	3 Years	Provision of advertising agency	Good	Good	N/A	14/12/2025

### COMMUNITY SERVICES

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance Comment	Corrective Measure	Contract Expiry Date
Crystal Africa Venture (Pty) Ltd	3 Years	Supply and delivery of waste collection bags for a period of 03 Years	Good	Good	N/A	17/03/2027
Stonefound Engineering Solutions	3 Years	Maintenance of Landfill Site for a period of three(03) years	Good	Good	N/A	30/04/2025
4 Interconnect Project Developers	3 Years	Distribution of water services for a period of three (03) years	Good	Good	N/A	01/11/2025
Deocon Business Enterprise	3 Years	Enviromental assessment for new landfill site	Good	Good	N/A	17/03/2027

### INFRASTRUCTURE SERVICES

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance Comment	Corrective Measure	Contract Expiry Date
Mwelase Thops Construction & Projects	3 Years	Repairs and Maintenance of All Municipal Electrical Infrastructure: Including Highmast, Traffic Lights, Streets Lights, and Lights on All Municipal Facilities for a period of three (03) years.	Good	Good	N/A	28/10/2024
Kgwadi Ya Madiba General Trading & Projects	3 Years	Maintenance of roads and storm water within Makhuduthamaga Municipality for a period of three years	Good	Good	N/A	28/10/2024
White Rock 75 Investment and Holdings	3 Years	Repairs and maintenance of Municipal facilities for a period of three (03) years	Good	Good	N/A	31/08/2026

### ECONOMIC DEVELOPMENT AND PLANNING

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance Comment	Corrective Measure	Contract Expiry Date
N/A		N/A		N/A		N/A

## **IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY 30 September 2024**

Section 6.3 of the Supply chain management Policy” The Accounting Officer must, within 10 working days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the executive committee”  
Section 6.4 of the Supply Chain Management Policy” The reports must be made public in accordance with section 21A of the Municipal Systems Act”.

1. Adoption of SCM Policy  
The Council has adopted an SCM policy in terms of SCM regulation 3
2. Staff Employed in SCM unit  
The unit comprise of six filled posts.
3. Job descriptions  
The posts have job descriptions
4. Implementation Plan for SCM  
Detailed Procurement Plan has been developed. The plan is updated on daily basis and serves on monthly reports
5. Needs assessment.  
Necessary needs assessment undertaken before each acquisition through user Dept.
6. Performance of Vendors  
Performance of vendors performed regularly by the Contract management officer in consultation with the user department.
7. Monitoring of SCM Policy  
SCM processes are independently monitored to ensure the SCM policy is followed and desired objectives are achieved
8. Threshold values  
Threshold values contained in the SCM Policy are aligned with the values stipulated in regulation 12.
9. Municipal bid documents  
Municipal bid documents include evaluation criteria for use by the bid evaluation and adjudication committees. The documents made available for at least three days before the compulsory briefing date (if applicable).
10. Code of Conduct  
All SCM Officials and Bid committee members have signed a Code of Conduct.

11. Invitations for bids.

All invitations for bids above R30 000 are advertised for at least 7 days on the website and official notice board (reg 18(a)).

12. In addition, all invitations for competitive bids are publically advertised

All invitations for competitive bids are publically advertised in newspapers commonly circulating locally (reg 22(1))

13. Training strategy for SCM practitioners

- Training strategy for SCM practitioners has been developed through corporate Services.
- SCM officials have completed a minimum requirement level (MFMP).

14. Bid Specification Committee.

Bid Specification Committee membership comply with regulation 27.

15. Bid Evaluation Committee

Bid Evaluation Committee membership comply with regulation 28.

16. Bid Adjudication Committee membership comply with regulation 29

Bid Adjudication Committee membership comply with regulation 29

17. Regulation 29(4), which stipulates that a member of a bid evaluation committee or an advisor October not be a member of a bid adjudication committee

18. Circular 82 approved by council and implemented.