



MAKHUDUTHAMAGA

LOCAL MUNICIPALITY

Mmogo re šomela dipheto go!

Department	Budget and Treasury Office
Document Name	Financial Management Report
Period	31st March 2025

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Abbreviations and Acronyms

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

1. Executive Summary

1.1. Overall total revenue and expenditure

The municipality's total actual operational revenue as at end of **March 2025** amounts to **R 433 312 229** and total actual operational expenditure of **R 326 803 440** translating into an operational surplus of **R 106 508 789**. Capital transfer and grants as at the end of **March 2025** amounted to **R 88 923 876**. The following table summarises the overall revenue and expenditure performance as at the end of **March 2025**:

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	426 650	462 187	433 312	28 875
Total operational expenditure	(569 214)	(475 763)	(326 803)	(148 960)
Operating Surplus/Deficit	(142 564)	(13 576)	106 509	(120 085)
Capital transfers and grants	94 109	81 647	53 635	28 012
Net Surplus/Deficit after capital transfers	(48 455)	68 071	160 144	(92 073)

1.2. Budgeted Revenue and Actual Revenue to date

The municipality's total actual revenue as at 31 March 2025 is **R 486 946 971** which amounts to 98% of the total to date budgeted revenue to the amount of **R 498 899 494**.

From the total actual revenue recorded as at the end of March 2025, **R 428 030 924** is from government grants and transfers and the remaining balance of **R 58 916 047** 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) - M09 March										
Description	Ref	2023/24	Budget Year 2024/25							
		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		349	340	390	30	279	293	14	95%	340
Sale of Goods and Rendering of Services		474	340	1,030	161	1,120	772	(348)	145%	340
Agency services		6,262	6,000	6,500	584	5,037	4,875	(162)	103%	6,000
Interest from Current and Non Current Assets		3,784	3,500	3,500	200	2,300	2,625	325	88%	3,500
Rental from Fixed Assets		264	190	220	10	171	165	(6)	104%	190
Non-Exchange Revenue		–	–	–	–	–	–	–	–	–
Property rates		39,628	63,000	43,000	3,334	38,239	32,250	(5,989)	119%	63,000
Fines, penalties and forfeits		668	800	1,200	393	1,286	900	(386)	143%	800
Transfers and subsidies - Operational		362,492	390,802	393,381	91,260	374,396	385,036	10,639	97%	390,802
Interest		12,575	13,000	13,000	1,265	10,485	10,750	265	98%	13,000
Gains on disposal of Assets		(958)	–	–	–	–	–	–	–	–
Other Gains		(638)	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		424,901	477,972	462,221	97,237	433,312	437,666	4,353	99%	477,972
Transfers and subsidies - capital (monetary allocations)		94,109	81,789	81,645	7,027	53,635	61,234	7,599	88%	81,789
Total Revenue (including capital transfers and contributions)		519,010	559,761	543,866	104,264	486,947	498,899	11,953	98%	559,761

- The municipality's overall collection rate is 54% as at 31 March 2025 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 70% 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	Actual revenue collected (R000)	% Collected
Property rates	48 724	22 793	47%	52 203	33 258	64%
Refuse removal	279	223	80%	349	268	77%
Rental of facilities & Equip	171	171	100%	263	243	92%
Interests on bank and investments	2 300	2 300	100%	3 784	3 784	100%
Traffic fines	1 286	397	31%	668	269	40%
Agency income and other income	6 182	6 182	100%	6 737	6 737	100%
Totals	58 942	32 066	54%	64 004	44 559	70%

- Included on the Agency Income and other income amount of R 6 182 160.05 is an amount of R 16 069.68 (Tender Documents), R 1,103,800.97, (Tractor Services for ploughing, Plan Approval, Permission to Occupy and LG Seta), R 5 036 633.85 (License and permits) and R 25 656.00 for vehicles that were tested at the Nebo VTS for road worthy as at 31 March 2025.

- 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"> - Engagements with the house of Traditional Leaders in the Sekhukhune region was held in November 2022. - 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. - 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. - An Attorneys to help the municipality with debt collection has been appointed and letters of demand has been sent to defaulting debtors. - A meeting is scheduled to be held before the end of the fourth quarter. 	<ul style="list-style-type: none"> - 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

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

		been appointed, we are only left with conducting public 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"> - Revenue enhancement strategies developed and approved. - LED strategy developed and approved. - Magoshi are engaged on quarterly basis to ensure proper land use management 	<ul style="list-style-type: none"> - 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). - Provide budget to build a grade A DLTC around Masemola nodal point. - Engage Magoshi to prevent uncoordinated developments and allocation of stands in inappropriate areas.

1.3 Budgeted Expenditure and Actual Expenditure to date

The municipality's total actual expenditure amounts to **R 415 727 316** as at 31 March 2025. This amounts to **90%** of the total budgeted expenditure to date to the amount of **R 460 189 209**.

1.3.1 Operational Expenditure.

The total operational expenditure as at 31 March 2025 amounts to **R 326 803 440** which equates to **90%** of the total operational budget to date of **R 361 375 681**. The municipality has under spent by **10%** 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) - M09 March

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		115,498	145,051	131,509	10,098	94,798	98,632	3,834	96%	145,051
Remuneration of councillors		27,817	29,563	28,063	2,268	21,118	21,947	829	96%	29,563
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–
Inventory consumed		2,465	2,000	1,900	229	1,793	1,825	32	98%	2,000
Debt impairment		20,362	10,000	19,000	–	–	14,250	14,250	0%	10,000
Depreciation and amortisation		34,937	34,775	35,298	2,982	25,993	26,473	480	98%	34,775
Interest		2,232	–	–	–	–	–	–	–	–
Contracted services		285,626	153,146	186,032	15,318	126,444	139,524	13,080	91%	153,146
Transfers and subsidies		9,077	6,980	9,218	1,574	5,803	6,913	1,110	84%	6,980
Irrecoverable debts written off		20,563	–	–	–	–	–	–	–	–
Operational costs		69,605	57,994	69,082	10,066	50,854	51,812	958	98%	57,994
Losses on Disposal of Assets		–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–
Total operational Expenditure		588,181	439,508	480,101	42,533	326,803	361,376	34,572	90%	439,508
Total Capital Expenditure - Functional Classification	3	176,422	155,689	126,890	10,013	88,924	98,814	9,890	90%	126,765
Total Expenditure		764,603	595,197	606,992	52,546	415,727	460,189	44,462	90%	566,273

1.3.2 Capital Expenditure

a. The total capital expenditure as at 31 March 2025 amounts to **R 88 923 876** which equates to **90%** of the **R 98 813 528** to-date budget. The municipality has underspent by **10%** 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) - M09 March

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		117,405	7,900	8,072	1,625	7,638	7,700	62	99%	8,072
Finance and administration		117,405	7,900	8,072	1,625	7,638	7,700	62	99%	8,072
<i>Economic and environmental services</i>		46,416	124,558	95,462	8,388	75,733	76,596	863	99%	95,462
Road transport		46,416	124,558	95,462	8,388	75,733	76,596	863	99%	95,462
<i>Trading services</i>		12,601	23,231	23,357	–	5,553	14,518	8,965	38%	23,231
Energy sources		10,317	12,431	12,431	–	5,553	6,323	770	88%	12,431
Waste management		2,284	10,800	10,926	–	–	8,194	8,194	0%	10,800
Total Capital Expenditure - Functional Classification		176,422	155,689	126,890	10,013	88,924	98,814	9,890	90%	126,765
Funded by:										
National Government		176,422	155,689	126,890	10,013	88,924	98,814	9,890	90%	126,765
Transfers recognised - capital		176,422	155,689	126,890	10,013	88,924	98,814	9,890	90%	126,765
Total Capital Funding		176,422	155,689	126,890	10,013	88,924	98,814	9,890	90%	126,765

1.3.3 Grants Receipts and expenditure.

- a. The following table shows the expenditure on grants as at 31 March 2025 per grant

LIM473 Makhuduthamaga - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<u>EXPENDITURE</u>										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		6,360	7,648	7,648	766	6,068	6,480	412	93.6%	7,648
Expanded Public Works Programme Integrated Grant	—	1,925	2,348	2,348	300	2,348	2,348	—	100.0%	2,348
Local Government Financial Management Grant	—	1,720	1,800	1,800	171	1,398	1,399	1	99.9%	1,800
Municipal Infrastructure Grant	—	2,715	3,500	3,500	296	2,322	2,733	411	84.9%	3,500
Total operating expenditure of Transfers and Grants:		6,360	7,648	7,648	766	6,068	6,480	412	93.6%	7,648
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		98,200	81,789	81,139	6,732	56,989	61,234	4,245	93.1%	81,789
Integrated National Electrification Programme Grant	—	6,000	12,431	11,781	—	5,676	9,323	3,647	60.9%	12,431
Municipal Infrastructure Grant	—	92,200	69,358	69,358	6,732	51,313	51,911	598	98.8%	69,358
Total capital expenditure of Transfers and Grants		98,200	81,789	81,139	6,732	56,989	61,234	4,245	93.1%	81,789
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS										
		104,560	89,437	88,787	7,498	63,056	67,714	4,657	93.1%	89,437

- b. The following table shows the receipts and expenditure on grants as at 31st March 2025 per grant:
The municipality's spending per conditional grant is as follows as at the end of March 2025:

Conditional Grant details	Budget for the year	Adjusted budget	Grant received	Grant expenditure	Received %	Spending %
FMG	1 800 000	1 800 000	1 800 000	1 397 995	100%	78%
EPWP	2 348 000	2 348 000	1 943 000	1 943 000	100%	100%
MIG	72 858 000	72 858 000	58 858 000	53 634 742	81%	91%
INEP	12 431 000	11 780 618	11 780 618	5 675 907	95%	48%
WRM(SDM)	20 000 000	22 435 000	10 086 769	9 689 498	50%	96%

- c. National Treasury approved roll-over amounting to R7 086 525. Out of this amount the municipality spent R 1 790 094.58 as at end of March 2025, of which translates to 25%.

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 %
Budget & Treasury Office	94,808,954.00	104,094,030.00	9,285,076.00	91%
Infrastructure Development	113,600,989.00	124,801,376.00	11,200,387.00	91%
MM's Office	32,699,842.00	36,039,200.00	3,339,358.00	91%
Corporate Services	40,399,670.30	44,772,731.00	4,373,060.70	90%
Economic Planning & Development	41,980,387.00	46,800,392.00	4,820,005.00	90%
Community Services	50,247,616.00	56,391,090.00	6,143,474.00	89%
Executive support	41,989,858.00	47,290,390.00	5,300,532.00	89%
	415,727,316.30	460,189,209.00	44,461,892.70	90%

d. 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 31 March 2025

▪ **Liquidity ratios**

(Figures in RSA Rand)

2025

2024

a. Current ratio

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

2025	2024
R 67 047: R 95 730	R 57 483: R 150 889
0.70: 1	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 **0.70:1** 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 104 168 / R 562 817 X 100%	R 172 616 / R 543 761 X 100%
=18.51%	=31.74%

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 **18.51%** 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 433 312 – R 326 803)/ R 433 312 x 100	(R 414 012 – R 446 860)/ R 414 012 x 100
=24.58%	=-7.93%

- 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 **24.58%** for the period ended 31 March 2025 which shows a 32.51% 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
R 32 066 / R 58 942 x 100%	R 44 559 / R 64 004 x 100%
= 54%	= 70%

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 31 March 2025

LIM473 Makhuduthamaga - Table C6 Monthly Budget Statement - Financial Position - M09 March						
Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		13,897	30,199	1,451	40,389	1,451
Trade and other receivables from exchange transactions		2,194	2,779	2,791	141	2,791
Receivables from non-exchange transactions		10,141	56,688	38,028	17,605	38,028
Current portion of non-current receivables		—	—	—	—	—
Inventory		628	2,328	2,443	651	2,443
VAT		1,733	41,800	16,215	8,261	16,215
Other current assets		5,239	—	—	—	—
Total current assets		33,833	133,795	60,929	67,047	60,929
Non current assets						
Investments		—	—	—	—	—
Investment property		539	514	514	539	514
Property, plant and equipment		484,105	544,039	514,830	494,097	514,830
Intangible assets		1,634	—	—	1,134	—
Total non current assets		486,278	544,553	515,343	495,770	515,343
TOTAL ASSETS		520,111	678,348	576,272	562,817	576,272
LIABILITIES						
Current liabilities						
Trade and other payables from exchange transactions		140,560	46,269	45,377	68,356	45,377
Trade and other payables from non-exchange transactions		7,551	1,871	3,371	24,024	3,371
Provision		15,518	813	813	3,349	813
VAT		15,082	1,031	1,221	—	1,221
Other current liabilities		—	—	—	—	—
Total current liabilities		178,711	49,984	50,783	95,730	50,783
Non current liabilities						
Financial liabilities		—	—	—	—	—
Provision		9,718	11,797	11,797	8,438	11,797
Total non current liabilities		9,718	11,797	11,797	8,438	11,797
TOTAL LIABILITIES		188,429	61,781	62,580	104,168	62,580
NET ASSETS	2	331,682	616,567	513,692	458,649	513,692
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		331,682	616,567	513,692	458,649	513,692
TOTAL COMMUNITY WEALTH/EQUITY	2	331,682	616,567	513,692	458,649	513,692

e. Statement of Financial Performance as at 31 March 2025

LIM473 Makhuduthamaga - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March										
Description	Ref	2023/24	Budget Year 2024/25							
		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		349	340	390	30	279	293	14	95%	340
Sale of Goods and Rendering of Services		474	340	1,030	161	1,120	772	(348)	145%	340
Agency services		6,262	6,000	6,500	584	5,037	4,875	(162)	103%	6,000
Interest		—	—	—	—	—	—	—	—	—
Interest earned from Receivables		—	—	—	—	—	—	—	—	—
Interest from Current and Non Current Assets		3,784	3,500	3,500	200	2,300	2,625	325	88%	3,500
Rental from Fixed Assets		264	190	220	10	171	165	(6)	104%	190
Non-Exchange Revenue										
Property rates		39,628	63,000	43,000	3,334	38,239	32,250	(5,989)	119%	63,000
Surcharges and Taxes		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		668	800	1,200	393	1,286	900	(386)	143%	800
Licence and permits		—	—	—	—	—	—	—	—	—
Transfers and subsidies - Operational		362,492	390,802	393,381	91,260	374,396	385,036	10,639	97%	390,802
Interest		12,575	13,000	13,000	1,265	10,485	10,750	265	98%	13,000
Total Revenue (excluding capital transfers and contributions)		424,901	477,972	462,221	97,237	433,312	437,666	4,353	99%	477,972
Expenditure By Type										
Employee related costs		115,498	145,051	131,509	10,098	94,798	98,632	3,834	96%	145,051
Remuneration of councillors		27,817	29,563	28,063	2,268	21,118	21,947	829	96%	29,563
Bulk purchases - electricity		—	—	—	—	—	—	—	—	—
Inventory consumed		2,465	2,000	1,900	229	1,793	1,825	32	98%	2,000
Debt impairment		20,362	10,000	19,000	—	—	14,250	14,250	0%	10,000
Depreciation and amortisation		34,937	34,775	35,298	2,982	25,993	26,473	480	98%	34,775
Interest		2,232	—	—	—	—	—	—	—	—
Contracted services		285,626	153,146	186,032	15,318	126,444	139,524	13,080	91%	153,146
Transfers and subsidies		9,077	6,980	9,218	1,574	5,803	6,913	1,110	84%	6,980
Irrecoverable debts written off		20,563	—	—	—	—	—	—	—	—
Operational costs		69,605	57,994	69,082	10,066	50,854	51,812	958	98%	57,994
Losses on Disposal of Assets		—	—	—	—	—	—	—	—	—
Other Losses		—	—	—	—	—	—	—	—	—
Total operational Expenditure		588,181	439,508	480,101	42,533	326,803	361,376	34,572	90%	439,508
Surplus/(Deficit)		(163,280)	38,464	(17,880)	54,703	106,509	76,290	(30,219)	0%	38,464
Transfers and subsidies - capital (monetary allocations)		94,109	81,789	81,645	7,027	53,635	61,234	7,599	0%	81,789
Transfers and subsidies - capital (in-kind)		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		(69,171)	120,253	63,765	61,731	160,144	137,524			120,253
Income Tax		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after income tax		(69,171)	120,253	63,765	61,731	160,144	137,524			120,253
Share of Surplus/Deficit attributable to Joint Venture		—	—	—	—	—	—	—	—	—
Share of Surplus/Deficit attributable to Minorities		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality		(69,171)	120,253	63,765	61,731	160,144	137,524			120,253
Share of Surplus/Deficit attributable to Associate		—	—	—	—	—	—	—	—	—
Intercompany/Parent subsidiary transactions		—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year		(69,171)	120,253	63,765	61,731	160,144	137,524			120,253

f. Cash Flow Statement as at 31 March 2025

LIM473 Makhuduthamaga - Table C7 Monthly Budget Statement - Cash Flow - M09 March

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		57,437	49,770	39,430	691	22,902	29,572	(6,671)	-23%	49,770
Service charges		520	309	354	44	219	266	(47)	-18%	309
Other revenue		111,090	44,160	73,613	3,148	60,762	55,209	5,553	10%	44,160
Transfers and Subsidies - Operational		274,644	403,233	405,812	1,670	287,183	304,359	(17,176)	-6%	403,233
Transfers and Subsidies - Capital		189,024	69,358	69,214	–	58,858	51,911	6,947	13%	69,358
Interest		–	3,500	3,500	–	–	2,625	(2,625)	-100%	3,500
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(256,750)	(418,515)	(453,847)	(63,399)	(300,611)	(312,567)	(11,956)	4%	(441,868)
Finance charges		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	(3,080)	(4,620)	–	–	(3,465)	(3,465)	100%	(3,080)
NET CASH FROM/(USED) OPERATING ACTIVITIES		375,966	148,734	133,455	(57,846)	129,313	127,910	(1,403)	-1%	125,381
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Payments										
Capital assets		–	(179,042)	(145,924)	–	(88,924)	(95,168)	(6,244)	7%	(155,689)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(179,042)	(145,924)	–	(88,924)	(95,168)	(6,244)	7%	(155,689)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		(146,980)
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		375,966	(30,308)	(12,469)	(57,846)	40,389	32,742			–
Cash/cash equivalents at beginning:		–	60,508	(13,920)	–	–	(13,920)			60,508
Cash/cash equivalents at month/year end:		375,966	30,199	(26,389)		40,389	18,822			–

6. Notes to the 31 March 2025 Financial Report (Statements).

6.1 Cash and cash equivalents

Cash and cash equivalents consists of:

Cash on hand	2	2
Bank balances	40 388 888	13 919 983
Call account investment	-	-
	40 388 890	13 919 985

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 period ended of 31 March 2025.

Details

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

Account number / description	Bank statement balances		Cash book balances	
	31-MAR-25	30-JUNE-24	31-MAR-25	30-Jun-24
ABSA BANK - 4050384145 - (Primary Cheque Account)	34 169 260	12 693 549	35 951 048	12 693 549
ABSA BANK - 4076690079 - (Salaries)	3 206 949	500	3 212 765	500
ABSA BANK - 4098981597 - (Solidarity Fund)	201 588	202 448	201 590	202 448
ABSA BANK - 2078073033 Term Deposit Investment	1 023 485	1 023 486	1 023 485	1 023 486
	38 601 282	13 919 983	40 388 888	13 919 983

6.2 Inventories

Inventories consist of:

Consumable stores	651 229	627 614
	651 229	627 614

Reconciliation of Inventory

Opening Balance	627 614	707 345
Add: Receipts	1 816 859	2 326 675
Less: Issues	(1 793 244)	(2 465 410)
CLOSING BALANCE	651 229	627 614

(Figures in RSA Rand)

2025

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6.3 Receivables from non-exchange transactions

Gross balances

Rates	122 209 387	115 246 830
Traffic fines	2 904 707	2 286 490

125 114 094	117 533 320
--------------------	--------------------

Less: Allowance for impairment

Property Rates	(104 862 298)	(95 309 335)
Traffic Fines	(2 646 642)	(1 868 850)

(107 508 940)	(97 178 185)
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Net balances

Property Rates	17 347 089	19 937 495
Traffic Fines	258 065	417 640

17 605 154	20 355 135
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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	140 850	313 044
SALGA Levy	-	1 117 253
SDM water reticulation		2 227 092

140 850	3 993 292
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6.5 Other debtors (VAT receivable & receivables from exchange transaction)

VAT	8 261 197	18 578 291
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(Figures in RSA Rand)

2025

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8 261 197

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	28 769 780	58 597 258
Add: Current year VAT suspense - Retention amount	5 119 044	5 678 536
Less: Prior year suspense - Retention amount	(5 678 536)	(5 473 330)
Less: VAT Payments by SARS - Current year	(28 769 780)	(48 830 656)
Less: VAT payments by SARS - Previous year	(9 766 602)	(15 419 046)
Adjustments	-	-
	8 261 197	18 578 291

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

6.6 Top ten (10) Business Debtors

Customer	180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Balance
Group By Rep: (None)								
0008001146 (JANE FURSE CROSSING)	3,126,147.51	164,385.47	166,183.45	165,117.95	169,098.20	167,803.91	172,732.69	4,131,469.18
0008001143 (BAPEDI STORES AND TOTAL GARAGE)	3,083,610.45	37,046.23	37,451.09	35,012.92	37,566.61	35,129.38	38,361.56	3,304,178.24
0008001142 (BAPEDI GARAGE AND SHOPS)	2,653,179.92	34,481.39	34,858.28	32,789.36	35,015.18	32,942.33	35,757.29	2,859,023.75
0008001153 (HYPER SAVE)	2,434,324.28	37,822.30	38,235.83	36,406.17	38,516.24	36,671.76	39,335.09	2,661,311.67
0006000444 (BUILD IT, TOP CASH AND CARRY (SC)	2,332,670.26	41,012.32	41,460.80	39,760.45	41,834.73	40,111.52	42,725.75	2,579,575.83
0006001766 (KGOLANE SHOPPING CENTRE)	2,354,630.03	34,078.27	34,437.44	32,671.21	34,637.05	32,862.08	35,345.83	2,558,661.91
0008001128 (MASANTENG LODGE AND ENTERTAINMENT)	2,275,021.53	27,182.27	27,479.33	25,678.84	27,561.26	25,761.73	28,144.42	2,436,829.38
0008001123 (JANE FURSE MEAT AND CHICKEN)	2,076,790.07	26,014.83	26,299.16	24,668.88	26,400.45	24,768.86	26,959.58	2,231,901.83
0008001253 (MORENA SHOPPING COMPLEX)	1,528,939.17	27,902.30	28,207.43	27,104.28	28,475.05	27,355.05	29,081.84	1,697,065.12
0006000655 (LOVELIFE CENTRE)	1,372,374.93	23,106.28	23,358.94	22,347.24	23,556.38	22,533.08	24,057.79	1,511,334.64
TOTALS								25,971,351.55

Top ten (10) Government Debtors

Customer	180 Days	150 Days		90 Days	60 Days	30 Days	Current	Balance
00008001119 (SASSA SEKHUKHUNE DISTRICT OF	3,628,871.29	53,208.89	53,790.59	51,027.91	54,138.60	51,359.58	55,288.50	3,947,685.36
0008001057 (HOME AFFAIRS & DEPT OF LABOUR)	2,700,691.00	35,891.94	36,284.29	34,279.50	36,484.25	34,471.82	37,258.36	2,915,361.16
0008001232 (SEKHUKHUNE AREA OFFICE)	2,377,898.54	43,797.40	44,276.37	42,565.13	44,701.45	42,963.29	45,654.13	2,641,856.31
0006000280 (MAMULUBE PRIMARY)	1,814,201.31	28,608.32	27,499.01	26,139.05	27,716.21	26,331.18	28,304.64	1,978,799.72
0008001152 (STATISTICS SA)	1,523,255.80	22,418.14	22,663.24	21,588.49	22,831.85	21,748.07	23,317.30	1,657,822.89
0006001158 (DEPT OF WATER AFFAIRS)	1,130,313.90	12,478.64	12,615.00	11,709.06	12,633.05	11,729.46	12,899.89	1,204,379.00
0008001219 (NEBO HOME AFFAIRS)	904,235.55	19,321.16	19,532.49	18,911.34	19,752.96	19,116.73	20,174.71	1,021,044.94
0006001885 (PHOKWANE TRADITIONAL AUTHORITY)	846,171.60	11,288.01	11,411.40	10,754.79	11,467.86	10,809.47	11,711.03	913,614.16
0008001182 (LIMPOPO ECONOMIC DEVELOPMENT)	776,574.88	13,887.61	14,039.48	13,476.01	14,169.13	13,597.62	14,470.98	860,215.71
0006000032 (LOBAMBA SECONDARY)	712,560.53	12,406.70	12,574.04	12,083.33	12,715.62	12,188.43	12,986.12	787,514.77
TOTALS								17,928,294.02

6.7 Intangible assets

	2025			2024		
	Cost/Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost/Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	9 350 316	(8 216 572.36)	1 133 743.64	10 216 008	(8 582 030)	1 633 978
Work In Progress	0.00	0.00	0.00	0.00	0.00	0.00
	9 350 316	(8 216 572.36)	1 133 743.64	10 216 008	(8 582 030)	1 633 978

Reconciliation of intangible assets – 2025					
	Opening balance	Additions	Transfers	Amortisation	Total
Computer software	1 633 978	0.00	0.00	(500 234.36)	1 133 743.64
Work In Progress	0.00	0.00	0.00	0.00	0.00
	1 633 978	0.00	0.00	(500 234.36)	1 133 743.64
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
	0.00	2 000 937	0.00	(366 960)	1 633 977

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.

6.8 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
	539 289	0.00	539 289	513 500	0.00	513 500

Reconciliation of investment property- 2025

	Opening balance	Additions	Transfers	Amortisation	Total
Investment property	539 289	0.00	0.00	0.00	539 289
	539 289	0.00	0.00	0.00	539 289

Reconciliation of investment property - 2024

	Opening balance	Additions	Transfers	Amortisation	Total
Investment property	513 500	0.00	0.00	25 789	539 289
	513 500	0.00	0.00	25 789	539 289

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.

6.9 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	3 468 857	(1 569 366)	1 899 491	2 706 613	(1 537 815)	1 168 798
Buildings	69 935 853	(24 852 538)	45 083 315	72 742 147	(22 436 011)	50 306 136
Furniture and fixtures	11 118 472	(6 451 630)	4 666 842	9 148 473	(5 997 142)	3 151 331
Motor vehicles	52 524 983	(28 434 423)	23 793 761	47 036 627	(25 811 982)	21 224 644
Road Infrastructure	509 595 207	(202 728 220)	306 866 987	505 595 207	(186 744 377)	322 850 830
IT equipment	31 129 835	(19 664 966)	11 555 533	30 114 973	(17 356 541)	12 758 432
Loose tools	6 868 192	(3 943 509)	2 924 684	6 840 692	(3 550 454)	3 290 238
Community Halls	33 894 567	(10 228 411)	23 666 156	33 894 567	(5 842 839)	28 051 728
Capital work in progress	72 375 218	0.00	72 375 218	43 957 217	0.00	43 957 217
	791 970 049	(297 873 064)	494 096 985	757 301 516	(269 272 145)	488 029 371

**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	1 929 672	-	-	-	-	(30 181)	1 899 491
Buildings	47 499 841	-	-	-	-	(2 416 526)	45 083 315
Furniture and Fixtures	3 213 473	1 969 999	-	-	-	(516 630)	4 666 842
Motor Vehicles	21 224 649	5 191 558	-	-	-	(2 622 445)	23 793 761
IT Equipment	12 894 101	1 085 468	-	-	-	(2 424 037)	11 555 533
Road Infrastructure	322 850 830	-	-	-	-	(15 983 843)	306 866 987
Other Assets - Loose tools	3 276 935	27 500	-	-	-	(379 751)	2 924 684
Community Assets	24 785 885	-	-	-	-	(1 119 729)	23 666 156
Capital Work in progress	45 164 364	27 210 854	-	-	-	-	72 375 218
TOTAL	484 104 750	35 485 379	-	-	-	(25 493 144)	494 096 985

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	-	-	2 806 294	(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	-	-	1 321 440	(1 510 111)	28 051 728
Capital Work in progress	75 213 451	77 486 858	-	-	(108 215 492)	-	43 957 217
TOTAL	351 138 897	99 386 743	- 11 656 299	6 748 336	-	(35 056 434)	488 029 370

(Figures in RSA Rand)

2025

2024

6.10 Payables from exchange transactions

Trade Creditors	21 295 773	23 257 510
Income received in advance	1 189 786	1 284 842
Creditor: Ward committee	13 201	13 201
Accrued(SDL, UIF, PAYE, Salary, Party Levies, Pension)		
Leave provision	8 438 403	10 418 463
Bonus provision	3 349 211	1 009 394
Unknown deposits	642 361	856 845
Retentions	28 202 051	27 338 090
Other creditor	-	-
SDM Water reticulation	2 287 022.53	771 482
Solidarity fund	207 534	207 534
	65 625 343	64 949 827

6. 11 Unspent Conditional grants and receipts

Unspent conditional grants and receipts comprises of:

LG SETA Discretionary Grant	210 963	170 041
Financial Management Grant	402 005	-
DOE (Integrated National Electrification)	12 125 316	7 086 525
EPWP Grant	4 551	-
Municipal Infrastructure Grant	11 281 302	-
WRM(SDM)	-	-
	24 024 137	7 256 566

6.12 Revenue

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

Rental of facilities and equipment	171,031	262 732
Licences and permits	5,036,634	6 261 884
Interests earned on Bank & Investment accounts	2,299,987	3 784 346
Refuse Removal	278 565	349 435
Other Income	1,104,149	433 516
Tender Documents	16,070	41 879
	8 906 436	11 133 792

(Figures in RSA Rand)

2025

2024

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

Property rates	38 238 920	39 627 958
Interest on outstanding debtors	10 485 080	12 574 615
Traffic fines	1 285 611	667 650
Transfers and subsidies	54 112 892	111 916 650
Actuarial (Gain)/loss	-	-
Gain/loss on disposal of Assets	-	-
	104 122 503	164 786 873
	113 028 939	175 920 665

6.13 Defined benefit obligation

Post-employment Medical Aid Benefits	576 253	7 047 000
	576 253	7 047 000

Long service awards

Long Service Awards Liability

Long service awards - current liability	531 915	531 915
Long service awards - Non-current liability	4 962 085	4 962 085
	5 494 000	5 494 000

6.14 Government grants and subsidies

Equitable share	363 154 000	344 706 000
Municipal Infrastructure Grant (MIG)	58 858 000	94 109 000
Finance Management Grant (FMG)	1 800 000	1 720 000
Integrated National Electrification (DOE Grant)	8 000 000	14 263 475
EPWP Grant	1 943 000	1 783 000
LGSETA	115 000	-
	433 870 000	456 581 475

6.15 Interest on outstanding debtors

Interest charged on trade and other receivables	10 485 080	12 574 615
	10 485 080	12 574 615

(Figures in RSA Rand)

2025

2024

NB. All interests relates to property rates outstanding debts.

6.16 Property rates

Rates – revenue

Commercial	2 667 845	12 264 634
State	22 676 681	26 404 590
Agricultural	1 333 922	958 734
	26 678 448	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	1 285 611	667 650
	1 285 611	667 650

The municipality issued traffic fines to a total value of R 1 285 611 as at 31 March 2025, and the amount collected for the traffic fines as at 31 March 2025 is R 397 160 which is 31% of the value amount of tickets issued as at end of the 31 March 2025.

6.19 Employee related costs

Basic	53 338 015	41 071 482
Bonus & P/Bonus	4 624 510	3 765 116
Medical aid - company contributions	4 909 819	3 759 998
UIF	345 446	267 518
SDL	769 590	591 273
Leave pay provision charge	1 170 183	619 747
Pension contribution	9 440 815	7 322 534
Overtime payments	1 132 024	889 063
Post-employment benefits costs	723 845	613 257
Car allowance	12 902 037	9 881 581
Housing benefits and allowances	2 872 881	2 232 278
Bargaining Council	22 884	17 746
Clothing allowance	44 283	36 306
Cell phone allowance	2 208 785	1 698 704

(Figures in RSA Rand)

2025

2024

Acting allowance

292 552

146 034

94 797 669

72 912 637

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

483 170

Municipal Manager (Mr Moganedi R.M)

Basic salary

574 512

785 012

Travel allowance

287 256

391 364

Cell phone allowance

47 876

65 227

Contributions to medical aid

47 876

65 227

Basic B/P

314 269

Travel B/P

157 135

Cell B/P

26 189

Medical B/P

26 189

B/P non pensionable salary

20 340

Remote B/P

20 951

Contributions to UIF

1 594

2 125

SDL

14 720

13 953

SALGBE

108

137

Remote allowance

38 301

52 182

1 577 316

1 375 090

(Figures in RSA Rand)

2025

2024

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
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

(Figures in RSA Rand)

2025

2024

B/P Cash gratuity	-	5085
SDL	-	54
	11 858	18 152

Chief Financial officer :Budget & Treasury (Mr Mothapo K.T)

Basic salary	289 787	-
Travel allowance	126 000	-
Cell phone	15 000	-
Travel claim	22 599	-
Housing	28 192	-
Medical aid contributions	24 000	-
UIF	1 063	-
SALGBE	72	-
SDL	4 000	-
Remote	19 319	-
	530 032	-

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

Basic salary	460 940	457 585
Basic back pay	26 845	
Travel allowance	153 647	152 528
Back pay travel	8 948	
Cell phone	9 066	8 000
Back pay cell	528	
Travel claim	25 319	26 340
Pension	67 758	68 264
Back pay pension	3 946	
Medical aid contributions	76 823	76 264
Back pay medical	4 474	
UIF	1 594	1 594
SALGBE	108	102
SDL	8 282	7 626
Remote	30 729	30 506
Back pay remote	1 790	
Non pensionable salary	15 255	
	896 052	828 809

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

Basic salary	460 940	457 585
Travel allowance	153 647	152 528
Cell phone	9 066	8 000
Pension	76 823	76 264
Travel claim	-	12 899
Medical aid contributions	67 758	68 264
B/P basic	26 845	
B/P Travel	8 948	
B/P cell	528	
B/P pension	4 474	
B/P medical	3 946	
B/P non pensionable salary	15 255	
B/P remote	1 790	
UIF	1 594	1 594
SALGBE	108	102
SDL	8 282	7 626
Remote	30 729	30 506
	870 733	815 368

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

B/P Basic	-	65 395
B/P Non Pens	-	20 340
B/P Trv	-	27 520
B/P Med	-	16 076
B/pay Performance bonus	-	45 393
UIF	-	708
Leave pay out	-	20 932
SDL	-	1 945
Remote	-	4 360
	-	202 669

Acting Senior Manager: Corporate services 2023/24 (Mrs Make M.M.)

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

(Figures in RSA Rand)

2025

2024

- 14 622

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

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
B/P pen	-	7 743
Leave pay out	-	20 923
UIF	-	531
SDL	-	1 394
Remote allowance	-	3 996
	-	145 398

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

Acting Allowance		2 442
Remote allowance	-	1 376
		3 818

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

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

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

(Figures in RSA Rand)

2025

2024

Performance bonus	-	45 393
SDL	-	6 135
Remote allowance	-	9 351
Performance bonus	-	-
Leave payout	-	200 665
B/P Remote	-	5 177
	-	636 234
Senior Manager: Infrastructure Development 2023/24 (Ms Lubisi NB)		
Basic salary	423 881	93 510
Travel allowance	141 276	31 165
Cell allowance	35 328	7 794
Housing allowance	35 328	7 794
Medical aid	70 655	15 588
B/P basic	13 886	
B/P travel	4 629	
B/P Cell	1 157	
B/P medical	2 314	
B/P housing	1 157	
B/P non pensionable salary	3 390	
Travel claim	15 294	-
Acting allowance	-	26 962
SDL	6 238	1 320
UIF	1 594	354
Remote	28 259	6 234
Acting Remote	-	6 779
SALGBE	108	23
B/P remote	925	
	785 419	197 523

Senior Manager: Economic Development & Planning (Mrs Tong K.T)

Basic salary	193 192	-
Travel allowance	60 000	-
Pension	40 000	-
Travel claim	11 027	-
Medical aid contributions	28 794	-
UIF	709	-
SALGBE	48	-
SDL	2 765	-
Remote	12 879	-
	349 414	

(Figures in RSA Rand)

2025

2024

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
	-	809 033

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

Acting allowance	9 626	8 987
Remote	9 351	3 390
	-	
	18 977	12 377

(Figures in RSA Rand)

2025

2024

6.20 Remuneration and allowances of councillors

Mayor	807 039	1,309,161
Council speakers	655 812	887,419
Executive Committee Members	4 123 442	5,498,017
Other councillors basic salary	8 620 424	11,232,606
Councillors pension contribution	1 446 542	1 980 105
Travel allowance	3 381 356	4 403 693
Travel claims	170 836	169,559
Cell phone allowance	1 647 581	2 291 912
Skills development levy	119 906	158 970
Data cards (61 councillors)	145 079	386,656
	21 118 017	28,318,098

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
	-	472 900

Remuneration and allowances for the Cllr Mahlase M.M

Basic salary	482 088	315 440
Cell phone allowance	32 400	23 185
Contributions to pension fund	272 562	179 368
SDL and Data card	9 282	4 510
	796 332	522 503

(Figures in RSA Rand)

2025

2024

Remuneration and allowance for the council speaker Cllr Nkgadima M.J

Basic salary	489 431	474 425
Cell phone allowance	32 400	42 000
Contributions to pension	220 788	274 042
SDL and Data card	8 182	13 756
	655 812	804 223

Remuneration and allowances of members of the executive committee

Basic salary	2 340 622	2 741 421
Travel allowance	916 594	1 075 068
Cell phone allowance	291 600	367 200
Pension fund Medical & SDL	424 241	520 057
Travel claims and Data card	150 385	145 518
	4 123 442	4 849 264

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

Former Chief Financial officer (Mr Chuene M.V)	-	483 170
Municipal Manager: (Mr Moganedi R.M)	1 577 316	1 375 090
Senior Manager: Corporate Services (Mr Matsetse P.E)	896 052	828 809
Former Senior Manager: Corporate Services (Ms. Mahlare M.A	-	202 669
Former Senior Manager: Community Services (Ms. Marishane M.E)	-	145 398
Senior Manager: Community Services (Ms Mashao A.M)	870 733	815 368
Senior Manager :Budget & Treasury(CFO) (Mr Mothapo K.T)	53 0032	
Former Senior Manager: Budget & Treasury(CFO) (Mr. Moganedi R.M)		-
Former Senior Manager: Economic Development & Planning (Mr. Thabela A.P)		809 033
-		
Senior Manager:Economic Development & Planning (Mrs Tong K.T)	349 414	
Senior Manager :Infrastructure Development (Ms Lubisi N)	785 419	197 523
Former Senior Manager: Infrastructure Development (Mr. Segale M.A)	-	682 258
	5 008 966	5 849 478

South African Local Government Association

Annual membership fee	-	1,117,253
	-	1,117,253

(Figures in RSA Rand)

2025

2024

Councillors

Remuneration of Councillors

21 118 017 28 297 456

21 118 017 28 297 456

6.21 Depreciation and amortisation

Property, plant and equipment

25 493 144 20 016 391

Intangible assets

500 234 392 520

25 993 378 20 408 911

6.22 Assets impairment

Property, plant and equipment

- -

Intangible Assets

- -

Investment Property

- -

- -

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

- 2,232,000

6.24 Contracted Services

Repairs and Maintenance: Other Assets

29 787 414 38 834 166

Repairs and Maintenance: Infrastructure Assets

23 953 175 32,042,587

Operating Lease and Cash collection

6 910 776 6 156 766

Solid waste collection

18 459 808 26,193,693

Development of valuation roll

- -

Cleaning and Security services & other

33 539 316 34 900 630

Publications VAT recovery services Spatial Planning & GIS

9 893 562 6,842,498

126 444 275 144 970 340

(Figures in RSA Rand)

2025

2024

6.25 Grants and subsidies paid

Indigents grants (Free Basic Electricity)

1 859 126 2,144,561

1 859 126 2 144 561

6.26 Capital expenditure written-off (D Roads)

Property Plant and Equipment

55 966 980 55 178 350 1

55 966 980 55 178 350 1

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 2025 the expenditure for D roads to date is R 55 966 980

Provision – Rehabilitation of Landfill Site

The cost of rehabilitating the Landfill site was determined to be R9,717,660 as at 30 June 2024 and the change in Landfill Closure provision was recognised as Property, plant and Equipment in the statement of Financial Position at the amount of R762,244. A non-current liability of R9,717,660 was also recognised in the statement of Financial position for the year ended 30 June 2024..

Reconciliation – Landfill Site

	2024	2023
Opening balance	8 037 416	17 667 408
Interest charge	918 000	1 653 404
Change in landfill closure provision	762 244	(11 283 394)
	9 717 660	8 037 416

(Figures in RSA Rand)

2025

2024

6.27 General expenses

1. Advertising	1 598 094	3,044,003
2. Bank charges	159 627	346,777
3. Consulting and professional fees	3 400 033	4,706,879
4. Consumables	1 200 340	2,552,809
5. Entertainment	-	-
6. Insurance	1 796 550	2,346,495
7. IT operating expenses	1 082 879	738 940
8. Marketing	6 985 096	8,480,131
9. Promotions and sponsorships	1 594 594	2,679,201
10. Fleet Management & System	120 944	196,299
11. Fuel and oil	4 078 937	6,244,774
12. Staff welfare	-	-
13. Telephone and Fax	948 317	1,901,636
14. Training	4 092 056	5,338,540
15. Travel and accommodation	3 998 833	4,888,877
16. Spatial planning - demarcation of sites	549 828	981,225
17. Water and electricity	4 116 128	5,811,899
18. SMME Support	-	148,125
19. Sitting allowance ex-officio	-	-
20. Publications	1 556 676	5,142,620
21. Audit committee support	309 059	769,502
22. Bursary fund	1 997 141	4,132,693
23. Legal costs and Development of by-laws	4 997 713	6,378,988
24. Customer care	-	227,100
25. Financial System support	5 135 482	6,842,498
26. Vehicle tracking	75 618	106,807
27. Disaster relief fund	0	2,509,775
28. EPWP	4 805 548	5,837,583
	50 854 297	83,424,903

6.28 Provision - Rehabilitation of Landfill Site

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

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

171 031	127,830
171 031	127,830

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

6.30 Operating lease

The Municipality has entered into 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	3 953 889	9 825 293
	6 325 146	10 856 274

6.31 COMMITMENT

CAPITAL COMMITMENTS	145 202 248
OPERATIONAL COMMITMENTS	43 348 393
TOTAL COMMITMENTS	188 550 641

(Figures in RSA Rand)

2025

2024

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.

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	17 605 154	20,355,135
Receivables from exchange transactions	140 850	3,993,292
Cash & Cash equivalents	40 388 888	13,919,985
VAT Receivable	8 261 197	18,587,291
Maximum exposure	66 396 089	56 855 703

6.33 Unauthorised expenditure

Opening balance	30 511 957	23,008,909
Current year	-	29 923 012
Less amounts: written-off by council	(-)	(23 008 909)
	30 511 957	29 923 012

6.34 Fruitless and wasteful expenditure.

Opening balance	64 753	64 753
Current year	-	-
Recovered/written off by council	(64 753)	-
	-	64 753

6.35 Irregular expenditure

Opening balance	65 100	65 100
		1 471 629
Add: Irregular Expenditure - current year	1 537 479	
Less: Amounts written-off by council	(-)	(1 471 629)

(Figures in RSA Rand)

2025

2024

1 602 579

65 100

6.36 Additional disclosure in terms of Municipal Finance Management Act

Audit fees

Amount incurred current year

5 252 346

4 844 497

Amount paid - current year

(5 252 346)

(4 844 497)

-

-

PAYE and UIF

Opening balance

2 137 876

Amount incurred current year

19 681 147

43 796 357

Amount paid - current year

(19,647,364)

(43 796 357)

2 171 659

-

Pension and Medical Aid funds deductions

Opening balance

2 258 206

Amount incurred current year

24 467 700

55 393 354

Amount paid - current year

(23 939 168)

(55 393 354)

TOP TEN CREDITORS FOR THE PERIOD ENDING 28 FEBRUARY 2025

Name of supplier	Project name	Amount
1. Sizabantu Piping system	Water reticulation network in Tswaing village	R2 553 218.50
2. Renofiwa property	Acquisition: Furniture	R1 624 650.00
3. Stonefound Engineering	Maintenance of landfill site	R1 501 875.00
4. Marweshe Attorneys	Legal Services	R994 325.00
5. Thomson projects	Supply and delivery of Protective clothing	R965 640.00

(Figures in RSA Rand)

2025

2024

6. Pontsee	Monthly Maintenance of tyres	R681 766.00
7. Tychorite	Water Reticulation	R562 368.71
8. PK Financial services	VAT Recovery	R246 98.39
9. Masa M projects	Travel and accommodation	R239 358.36
10. AES consulting	Construction of Gaphaahla to Masehlaneng	R213 049.97

6.37 Deviations as per section 36 of the SCM policy 2024/25 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
TOTAL (Closing Balance as at 31st March 2025)				R 0.00

(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
7.	30/09/2024	VW Polokwane	Service-FFN 914L	R 5 695.95
8.	11/10/2024	Limpopo Toyota	Service-DDK 932L	R 6 677.65
9.	15/10/2024	VW Polokwane	Service-FYC 031L	R 2 593.25
10.	17/10/2024	Autohaus BMW	Service-FWX 218L	R 6 901.14
11.	30/10/2024	Limpopo Toyota	Service-FXZ 842L	R 6 903.16
12.	20/11/2024	VW Polokwane	Service-FFN 914L	R 3 750.61
13.	11/12/2024	Limpopo Toyota	Service-DDK 932L	R 2 982.46
14.	21/01/2025	Workshop Electronics	Calibration of Nebo Station	R 17 418.86
15.	13/01/2025	Limpopo Toyota	Service-DDK 935L	R 2 982.46
16.	31/01/2025	VW Middleburg	Service-FFN 914L	R 39 443.75
17.	31/01/2025	Limpopo Toyota	Service-DFS 501L	R 3 573.21
18.	05/02/2025	Limpopo Toyota	Service-DDK 931L	R 2 690.99
19.	05/02/2025	Autohaus BMW	Service-FYG 761L	R 7 138.97
20.	07/02/2025	Isuzu Groblersdal	Service-FYG 761L	R 4 346.38
21.	05/03/2025	Isuzu Polokwane	Service-HDG 765L	R 17 251.38
22.	24/03/2025	VW Middleburg	Service-FYC 031L	R 8 862.49

TOTAL (Closing Balance as at 31st March 2025)	R 188 123.46
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- (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
25.	31/10/2024	Moloi Filling Station	Fuel	R 144 346.20
26.	31/10/2024	BP	Fuel	R 19 998.45
27.	31/10/2024	Viva	Fuel	R 6 350.70

28.	31/10/2024	Shell	Fuel	R 98 685.10
29.	30/11/2024	Moloi Filling Station	Fuel	R 157 812.01
30.	30/11/2024	BP	Fuel	R 12 655.43
31.	30/11/2024	Viva	Fuel	R 8 658.60
32.	30/11/2024	Shell	Fuel	R 91 530.48
33.	31/12/2024	Moloi Fulling Station	Fuel	R 146 770.24
34.	31/12/2024	BP	Fuel	R 43 171.34
35.	31/12/2024	Viva	Fuel	R 3 111.20
36.	31/12/2024	Shell	Fuel	R 120 397.75
37.	31/01/2025	Moloi Filling Station	Fuel	R 146 770.24
38.	31/01/2025	BP	Fuel	R 43 171.34
39.	31/01/2025	Viva	Fuel	R 3 111.20
40.	31/01/2025	Shell	Fuel	R 120 397.75
41.	04/02/2025	South Point Management	Accommodation for bursary holder	R 40 595.00
42.	04/02/2025	KPA Student	Accommodation	R 36 885.00
43.	04/02/2025	Eris Property	Accommodation	R 34 000.00
44.	05/02/2025	Campus Central Parktown	Accommodation	R 37 000.00
45.	07/02/2025	Auckland park Campus	Accommodation	R 43 400.00

46.	07/02/2025	University of Cape Town	Tuition Fees	R 109 165.00
47.	14/02/2025	PNS Court	Accommodation	R 15 600.00
48.	24/02/2025	Kings Way	Accommodation	R 30 000.00
49.	26/02/2025	Kings Way Place	Accommodation	R 31 075.00
50.	26/02/2025	Focus 1	Accommodation	R 50 000.00
51.	27/02/2025	Wits	Tuition Fees	R 102 205.97
52.	28/02/2025	Shell	Fuel	R 311 054.30
53.	31/03/2025	Moloi Filling Station	Fuel	R 14 224.75
54.	31/03/2025	BP	Fuel	R 133 665.40
55.	31/03/2025	Shell	Fuel	R 138 887.96
56.	03/03/2025	University of Pretoria	Tuition Fees	R 296 889.40
57.	04/03/2025	University of Johannesburg	Tuition Fees	R 160 000.00

58.	04/03/2025	Renpro	Student Accommodation	R 21 000.00
59.	04/03/2025	Van Schaik	Stationery	R 66 448.45
60.	05/03/2025	University of Stellenbosch	Tuition fees	R 21 500.65
61.	14/03/2025	University of Johannesburg	Tuition Fees	R 189 450.78
TOTAL (Closing Balance as at 31st March 2025)				R 4 526 815.01

4. Contract Management

7.5.1 SERVICE PROVIDERS STRATEGIC PERFORMANCE AS AT 31 MARCH 2025

Section 116(2) of the MFMA

(2) The accounting officer of a municipality or municipal entity must—

- (a) take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality or municipal entity is properly enforced;
- (b) monitor on a monthly basis the performance of the contractor under the contract or agreement;
- (c) establish capacity in the administration of the municipality or municipal entity—
 - (i) to assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and
 - (ii) to oversee the day-to-day management of the contract or agreement; and
- (d) 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

CORPORATE SERVICES

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance Comment	Corrective Measure	Contract Expiry Date
Telkom SA	3 Years	Provision of Telephone Services	Good	Good	N/A	30/06/2027
LCK Technologies	3 Years	Provision of maintenance and ICT systems and infrastructure for a period of three (03) years	Good	Good	N/A	28/09/2026
Segeru General Suppliers	3 Years	Provision of Printing and publication for a period of 3 years	Good	Good	N/A	12/09/2027

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 Mscoa System	Good	Good	N/A	30/06/2027

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	N/A	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 O Consulting	3 Years	Provision of Vetting System for a period of Three (03) years	Good	Good	N/A	17/03/2027
Kunene Makopo Risk Solutions	3 Years	Provision of Short Term Comprehensive Insurance	Good	Good	N/A	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 OS Segaswane Holdings (Pty) Ltd	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
Mampane Corporates (Pty) Ltd	3 Years	Supply and delivery of Blankets for a period of three (03) years	Good	Good	Good	19/05/2027

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	Good	Good	Expired	28/10/2024

		Facilities for a period of three (03) years.				
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	Expired	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 31 MARCH 2025

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.