



FETAKGOMO TUBATSE
LOCAL MUNICIPALITY

2024/2025
DRAFT
ANNUAL REPORT

GENERAL INFORMATION

I. Executive Committee

- (i) Cllr. E.E. Maila (Mayor)
- (ii) Cllr. M.Q. Moeng (Portfolio Head: Budget and Treasury)
- (iii) Cllr. HL Mojalefa (Portfolio Head: Infrastructure Development and Technical Services)
- (iv) Cllr. M.M. Mabelane (Portfolio Head: Local Economic Development & Tourism)
- (v) Cllr. D.M. Mampa (Portfolio Head: Development and Planning)
- (vi) Cllr. R. M. Mashego (Portfolio Head: Corporate and shared Services)
- (vii) Cllr. KE Mokome (Portfolio Head: Community development Services)
- (viii) Cllr. ML Shai (Deputy portfolio Head: Corporate and shared Services)
- (ix) Cllr. I.T. Makofane (Deputy Portfolio Head: Local Economic Development & Tourism)
- (x) Cllr. JM Mabelane (Deputy Portfolio Head: Budget and Treasury)

II. Addresses

Head Office

01 Kastania Street
P.O. Box 206
Burgersfort
1150

Tel: (013) 231 1000

Fax: (013) 231 7467

Website: <http://www.tubatse.gov.za> and www.fetakgomo.gov.za (www.fgtm.gov.za)

Regional Office

01 Mashung Ga- Nkwana
P.O. Box 818
Apel
0739

Tel: (015) 622 8000

Fax: (015) 622 8026

III. Contacts

Magooa RM
Acting Municipal Manager

[Email: rmmagooa@ftlm.gov.za](mailto:rmmagooa@ftlm.gov.za)

This document is prepared in compliance with section 121 of Local Government: Municipal Finance Management Act, Act 56 of 2003

1.Acronym

NO	Abbreviations	Full Name
1.	AFS	Annual Financial statement
2.	AGSA	Auditor General of South Africa
3.	APR	Annual Performance Report
4.	AR	Annual Report
5.	BTO	Budget and Treasury Office
6.	CDW	Community Development Workers
7.	CIlr	Councillor
8.	COGHSTA	Cooperative Governance, Human Settlement & Traditional Affairs
9.	EPWP	Extended Public work Programme
10.	ESKOM	Electricity Supply commission
11.	EXCO	Executive Committee
12.	FBE	Free Basic Electricity
13.	FTSEZ	Fetakgomo Tubatse Special Economic Zone
14.	IDP	Integrated Development Plan
15.	INEP	Integrated National Electricity programme
16.	KPA	Key Performance Area
17.	KPI	Key Performance Indicator
18.	LEDT	Local Economic Development and Tourism
19.	MIG	Municipal Infrastructure Grant
20.	PMDS	Performance management Development System
21.	PMS	Performance Management System
22.	RAL	Road Agency Limpopo
23.	SANRAL	South African National Roads Agency Limited
24.	SCM	Supply Chain Management
25.	SDBIP	Service Delivery and Budget Implementation Plan
26.	UIFW	Unauthorised, Irregular, fruitless and wasteful expenditure

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CHAPTER 01: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A – MAYOR'S FOREWORD



As the elected leadership of this municipality, Council is entrusted by the community to set a clear development agenda and to provide oversight over how that mandate is implemented. This Annual Report reflects the progress made during the financial year under review in advancing service delivery, strengthening governance, and improving the lives of our residents.

At the center of our work as Council is a shared and ambitious vision: **to develop our municipality into a Platinum City for sustainable human settlements**. This vision is grounded in the lived realities of our people and driven by a firm belief that local government must be an Active catalyst for development, dignity, and opportunity. Guided by this vision, the municipality remains committed to delivering efficient and integrated services, accelerating socio-economic transformation, promoting industrialization, and creating an enabling environment for growth through strategic partnerships.

In line with the Local Government: Municipal Finance Management Act, Act 56 of 2003, this Annual Report provides an account of the municipality's Activities, reports on performance against the approved budget, and accounts to the local community for decisions taken throughout the financial year under review. It therefore serves as an important instrument of transparency and accountability.

To give practical meaning to this vision, Council has over the years developed and adopted a suite of long-term strategies and master plans that provide clarity, direction, and certainty to investors, communities, and stakeholders alike. These include, among others, the City Development Strategy Vision 2043, the Long-Term Growth Strategy, the Local Economic Development Strategy, the Special Economic Zone Master Plan, the Manufacturing and Industrialization Master Plan, the Rural and Urban Development Strategy, the Investment Strategy, and the Agriculture Master Plan. Collectively, these instruments position the municipality for sustained growth and inclusive development.

As we build towards the realization of the Platinum City, the 2025/2026 financial year marks another important milestone. The municipality is undertaking feasibility studies on the establishment of a municipal airport and the development of the Tjate Heritage Infrastructure. These catalytic initiatives are intended to unlock economic potential, stimulate tourism, create employment opportunities, and strengthen the municipality's role as a regional economic hub.

DELIVERING MEANINGFUL SERVICE DELIVERY

Since its inauguration in the 2021/2022 financial year, the current Council has prioritized infrastructure development as a foundation for economic participation and social inclusion. Significant progress has been made in the construction and rehabilitation of access roads across the municipality with completed projects like Appiesdoring to Manoke moshate access road. For many communities, improved road infrastructure has restored dignity, ensured safer access to schools and workplaces, and eliminated seasonal isolation caused by flooding and poor road conditions.

In addition to municipal investments, partnerships with key stakeholders have yielded tangible benefits. SANRAL's investment of over R1 billion in upgrading the R555 and R37 roads, as well as the construction of the Malekane Steel Bridge through mining Social and Labour Plan funding, demonstrates the power of collaborative development. These interventions are already unlocking new development opportunities and easing congestion in strategic growth nodes.

Progress has also been recorded in the electrification of villages and urban extensions like Nkwana Mashung and Nkwana New stands. While capacity constraints remain a challenge in certain areas like Praktiseer Mountain square, the municipality continues to engage national government to secure long-term solutions that will enable broader access to electricity and support future development.

GOVERNANCE, PARTICIPATION AND ACCOUNTABILITY

True development cannot occur without the Active participation of communities. In line with Section 152(e) of the Constitution of the Republic of South Africa, 1996, the municipality has continued to strengthen platforms for meaningful public participation. Through Mayor's Imbizos, IDP and Budget Consultations, Annual Report engagements, and various community forums, residents were afforded opportunities to influence planning, decision-making, and oversight.

Equally important is the municipality's commitment to sound governance and financial discipline. I am pleased to report that, once again, the municipality obtained an unqualified audit opinion from the Auditor-General of South Africa for the 2024/2025 financial year. This

achievement reflects a culture of accountability, ethical leadership, and collective responsibility within the institution.

LOOKING AHEAD

As Mayor, I wish to express my sincere appreciation to the Administration, under the leadership of the Acting Municipal Manager, for their dedication and professionalism. I also extend my gratitude to Councillors, traditional leadership, organized business, civil society, and, most importantly, the residents of this municipality for their continued support and partnership.

While we take pride in the progress achieved, we remain mindful that much work still lies ahead. Guided by our vision, strengthened by partnerships, and anchored in good governance, we move forward with renewed determination to build a municipality that works for all.

Together, we are laying the foundation for a Platinum City that is inclusive, resilient, and prosperous.

Cllr. Eddie Maila

Mayor

Component B: Executive Summary

Municipal manager's overview



As the Accounting Officer of the municipality, it is my responsibility to ensure that the institution operates in a lawful, effective, efficient, and accountable manner. This Annual Report for the 2024/2025 financial year presents an integrated account of the municipality's performance in governance, service delivery, organizational development, and financial management, in line with applicable legislative and regulatory prescripts.

The year under review was characterized by a continued focus on strengthening internal controls, institutional performance, and service delivery outcomes, while addressing long-standing infrastructure challenges and responding to evolving community needs. Through the collective efforts of Council, Administration, and our stakeholders, the municipality remained committed to improving the quality of life of its residents and advancing sustainable development.

SERVICE DELIVERY AND OPERATIONAL HIGHLIGHTS

In the 2024/2025 Financial year the municipality expanded waste collection services to rural areas, utilizing both municipal employees and appointed service providers where required. Thirty-three (33) Skip bins were strategically placed across various wards in the municipality to facilitate efficient waste collection and transportation to the municipal landfill site. These interventions have contributed positively to environmental health and cleanliness across communities.

As a result of these sustained efforts, the municipality was recognized as the Cleanest Municipality in Sekhukhune District Municipality. Building on this achievement, the municipality is currently participating at provincial level in the Greenest Municipality Competition following the top achievement on the district level of the same competition and remains optimistic about attaining further recognition.

The municipality has also demonstrated strong performance in the management of conditional grants. For the past two financial years, including the 2024/2025 financial year, the municipality achieved 100% expenditure on both the Municipal Infrastructure Grant (MIG) and the Integrated National Electrification Programme (INEP) grants. These investments have translated into tangible service delivery outputs, including the construction of quality access roads and bridges. Further details are provided in Chapter Three of this Annual Report.

INFRASTRUCTURE AND DEVELOPMENT INTERVENTIONS

A persistent challenge facing the municipality remains the insufficient electricity capacity from Eskom, which has constrained the energization of newly connected households in large parts of the municipal area. In response, the Office of the Mayor Proactively engaged the Office of the Minister of Mineral Resources and Energy. These engagements have already yielded positive outcomes in certain areas and further progress is anticipated through continued collaboration with national government and other stakeholders. The mining sector has also demonstrated commitment by contributing to key infrastructure initiatives.

Notably, the construction of the Steelpoort Bridge by local mining companies has addressed long-standing traffic congestion and accessibility challenges. Previously, learners and workers experienced difficulties accessing schools and workplaces during rainy seasons. This constraint has now been significantly alleviated, improving mobility, safety, and economic Activity.

Progress has also been recorded in the planning and development of the West and East Ring Roads in Burgersfort Town. Once completed, these projects are expected to significantly reduce traffic congestion, particularly during month-end periods and festive seasons, thereby enhancing urban mobility and supporting local economic growth.

Additionally, the municipality has commenced with the implementation of the Local Government: Municipal Staff Regulations, with particular emphasis on the cascading of the Performance Management and Development System (PMDS). As from the current financial year, all municipal officials have signed their performance agreements, marking a significant milestone in embedding a culture of accountability, performance excellence, and organizational discipline across the institution.

Consistent with the two preceding financial years, the municipality once again obtained an unqualified audit opinion from the Auditor-General of South Africa for the 2024/2025 financial year. This achievement reflects the collective commitment of municipal officials to sound financial management, compliance, and ethical administration. I wish to express my sincere appreciation to all municipal staff for their dedication and professionalism, as well as to the political leadership for the strategic guidance and support provided throughout the year.

In accordance with National Treasury guidelines on the structure of Annual Reports, this report is presented in six chapters, namely:

1. Chapter One: Mayor's Foreword and Executive Summary

2. Chapter Two: Governance
3. Chapter Three: Service Delivery Performance (Performance Report – Part I)
4. Chapter Four: Organizational Development Performance (Performance Report – Part II)
5. Chapter Five: Financial Performance
6. Chapter Six: Auditor-General Audit Findings

In addition, the Annual Report is supported by 21 annexures, compiled in line with the powers and functions of the municipality.

CONCLUSION

In conclusion, the municipality takes pride in retaining an unqualified audit opinion, achieving 100% expenditure of conditional grants, being recognized as the cleanest municipality in Sekhukhune District Municipality, and improving mobility through the construction of access roads and bridges. These achievements demonstrate a municipality that continues to advance in governance, service delivery, and financial management.

Mrs Magooa RM

Acting Municipal Manager

1.3. Municipal powers and functions, population, and environmental overview

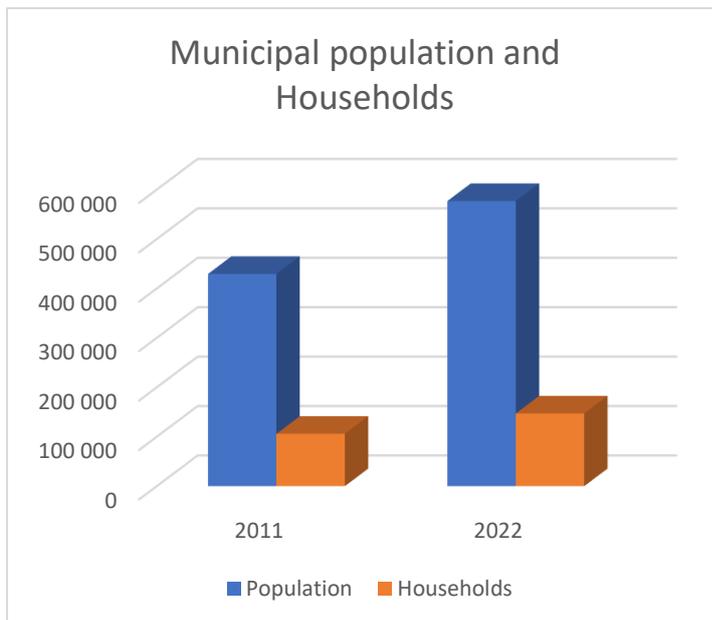
1.3.1. Municipal powers and functions

Table/figure 01: Municipal powers and functions

<i>Function</i>	<i>Municipal Authority</i>
Municipal planning	Yes
Building regulations	Yes
Local tourism	Yes
Trading regulations	Yes
Street trading	Yes
Control of undertakings that sell liquor to the public	Yes
Street lighting	Yes
Municipal roads	Yes
Traffic and parking	Yes
Municipal public transport	Yes
Billboards and the display of advertisements in public places	Yes
Local sport facilities	Yes
Local amenities	Yes
Refuse management	Yes
Municipal cemeteries, funeral parlours, and crematoria	Yes
Public places	Yes
Municipal airport	Yes

1.3.2. Municipal population

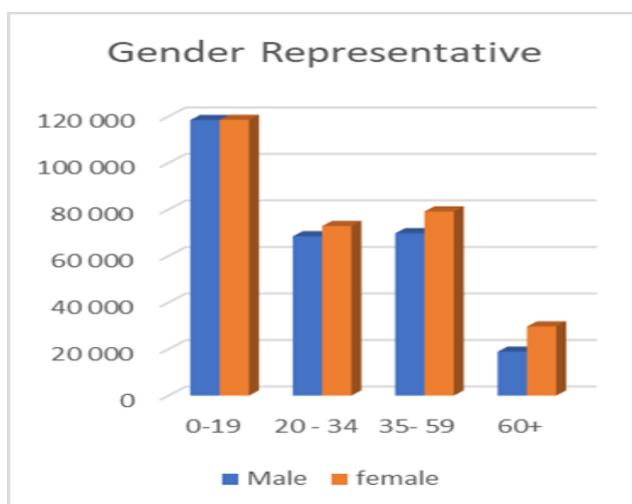
Chart 01: Municipal population



According to 2022 stats SA information, the municipal population has increased by 147 890(25%) from 429 471 in 2011 to 576 960 in 2022. The households have also increased by 41 219 (28%) households from 105 948 in 2011 to 147 167 households in 2022. These increases have elevated the municipality to be the highest populated municipality in the Sekhukhune District Municipality and the second populated municipality in Limpopo province after Polokwane municipality.

1.3.2.1. Total population by age and gender distribution

Chart 02: Population by age and gender



Fetakgomo Tubatse local municipality is dominantly youth and women municipality. Youth between 0 – 34 years old comprises about 66% of municipal population. Adults between 35 and 59 years old constitutes about 26% of municipal population, while adults above 60 Years old and above constitutes about 8% of the municipal population. 52% of the municipal population comprises of females and the remaining 48% are males

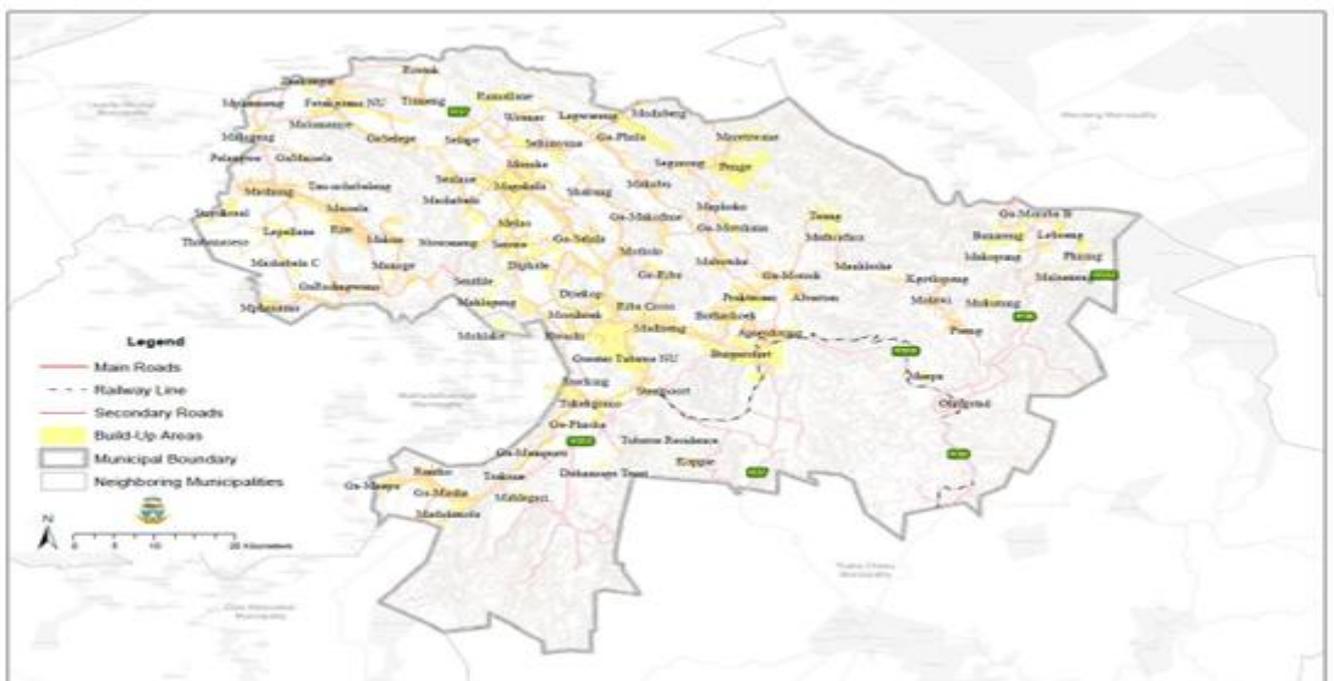
1.3.2. Environmental Overview

Fetakgomo Tubatse local municipality is a category B municipality. It is within Sekhukhune District Municipality in the Limpopo province. It is located north of N4 highway, Middleburg, Belfast and Mbombela, and east of the N1 highway, Groblersdal, and Polokwane. Its area of jurisdiction covers approximately 4550.001105 square kilometers or 45500.1105 ha in size.

The municipality comprises 387 villages and 39 wards. Larger part of the municipality is dominated by rural landscape with only 6 (six) proclaimed townships, which are Burgersfort, Steelpoort, Ohrigstad, Mapodile, Apel and Praktiseer.

Like most rural municipalities in the Republic of South Africa, Fetakgomo Tubatse local municipality is characterized by weak economic base, inadequate infrastructure, major service backlogs, dispersed human settlements and high poverty status. The chart below depicts the map of the municipality

Chart 03: Map of Fetakgomo Tubatse local municipality



1.4. SERVICE DELIVERY OVERVIEW

Fetakgomo Tubatse local municipality has limit powers and functions regarding the provision of basic services like water, housing, and electricity. The municipality plays a facilitation role in the provision of these services. Water is provided by Sekhukhune district municipality,

housing is the competency of provincial department of Cooperative Governance, Human Settlement & Traditional Affairs (COGHSTA), and Electricity is provided by Electricity Supply commission (ESKOM).

The municipality provides refuse collection services, construction of municipal roads, installation and maintenance of traffic and streetlights. Detailed information on the powers and functions of the municipality are depicted on item 1.3.1. (Municipal functions) above. A detailed report on service delivery is in discussed chapter

1.5. FINANCIAL HEALTH OVERVIEW

1.5.1. Financial overview

1.5.1.1. Municipal revenue and expenditure

Table /Figure 02: 2024/2025 Municipal revenue and expenditure

N0	Details	Original Budget(R)	Adjusted Budget(R)	Actual(R)	Variances
1.	Total Revenue excluding capital receipts	1 238 444 687	1 203 038 573	1 102 001 223	101 037350
2.	Total Operating Expenditure	1 102 001 223	1 013 983 198	(1 073 057 677)	(59 074 479)
3.	Operating surplus / (deficit)	136 443 464	189 055 375	165 387 009	23 668 366

1.5.1.2. Financial ratios

Table/Figure 03: Financial ratios

N0	Details	2024/2025	2023/2024
1.	Employee costs	27.82%	27.49%
2.	Repair and maintenance	1.09%	4.10%
3.	Finance charges and depreciation	10.35%	7.61%

1.5.1.3. Capital Expenditure

Table/figure 04: Capital expenditure

N0	Detail	2024/2025	2023/2024
1.	Original Budget	344 835 000	148 414 000
2.	Adjusted Budget	345 821 113	233 167 000
3.	Actual	282 992 059	392 891 800

1.6. ORGANIZATIONAL DEVELOPMENT OVERVIEW

The municipality has seven departments, namely: Office of the Municipal Manager, Corporate and shared services, Infrastructure development and technical service, Local economic development and tourism, Budget and Treasury, Development planning, and Community development services.

By the end of the financial year, two senior management positions(directors) namely director for Corporate and Shared Services, and director for Development Planning were vacant. However, recruitment processes were concluded and awaiting council to conclude the appointment of qualifying candidates.

1.7. 2020/2021 TO 2024/2025 AUDIT OUTCOMES COMPARISONS

Since 2020/2021 except 2021/2022 financial year, the municipality has been obtaining unqualified audit opinion from Auditor General of South Africa. The table below depict the picture.

Table/figure 05: Municipality 's Audit Opinions

Financial Year	Audit Opinion
2020/2021	Unqualified
2021/2022	Qualified
2022/2023	Unqualified
2023/2024	Unqualified
2024/2025	Unqualified

1.8. STATUTORY ANNUAL REPORT PROCESSES

The table below depicts the municipal statutory processes towards the adoption of the Annual Report.

Table/Figure 06: Statutory Annual Report Processes

No.	Activity	Time frame
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	August

No.	Activity	Time frame
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	July - June
3	Finalise 4 th quarter report for previous financial year	July
4	Submit draft annual performance report to Audit committee and Auditor-General	August
5	Audit/Performance committee considers draft annual performance report of municipality	August
6	Auditor general releases audit opinions to municipalities	November - December
7	Mayor tables annual report and audited financial statements to council compiled with the Auditor- general's report and Auditor general Action plan	31 January
8	Council subject the annual report to public scrutiny through MPAC	February – 31 March
9	Accounting officers make the annual report public	February
10	Council adopts Oversight report	31 March
11	Oversight report is made public	April
12	Oversight report is submitted to relevant provincial departments	April
13	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input.	April
14	Adoption of final Budget and IDP	May
15	Approval of SDBIP by Mayor	June

CHAPTER 02: GOVERNANCE

2.1. INTRODUCTION

Good governance is about participatory, consensus-orientation, accountability, transparency, responsiveness, effectiveness, efficiency, equality, and inclusive government that complies with the rule of law and ethical considerations. It assures that corruption is minimised, the views of minorities are considered and voices of the vulnerable in society are heard in decision-making. Good governance is also responsive to the present and future needs of a municipality.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Section 151 (3) of the Constitution of Republic of South Africa, 1996 gives municipal council rights to govern on its own initiatives the local government affairs of the local community.

Fetakgomo Tubatse local municipality has both political and administrative governance. Political governance is led by the mayor, while administrative governance is led by municipal managers. Council performs both legislative and executive functions. It also focuses on decision-making; approval of policies developed by administration and plays an oversight role on the work done by administration and councillors.

The Municipal Manager apart from being the head of the administrative governance, is also primarily chief custodian of service delivery and implementor of political decisions.

2.2. POLITICAL GOVERNANCE

2.2.1. Introduction

Fetakgomo Tubatse local municipality is politically led by the African National Congress (ANC). The municipality constitute by 39 wards and 77 councillors of which 39 councillors are ward councillors and 38 are proportionally elected councillors. 50 councillors are male while 27 councillors are female. 76 councillors are Africans, and the remaining one is white female councillor. The council is constituted by nine (9) political parties, namely: African National Congress (ANC) with 54 seats, Economic Freedom Fighters (EFF) with 14 seats, Democratic Alliance (DA) with 2 seats, Socialist Agenda of Dispossessed Africans (SADA) with 2 seat, Pan Africanist Congress of Azania (PAC) with 1 seat, Azanian People's Organization (AZAPO) with 1 seat, Power of Africans Unity (PAU) with 1 seat, Vryheid front plus (VF plus) with 1 seat and Bolsheviks party of South Africa(BPSA) with 1 seat. See full names and photos of the councillors below.

2.2.2. Political Management Team

2.2.2.1. THE MAYOR



Cllr. Maila EE (ANC)

2.2.2.2. SPEAKER



Cllr. Shoba M.V (ANC)

2.2.2.3. CHIEFWHIP



Cllr. Mphethi N.D (ANC)

2.2.3. Executive Committee

Head: Budget and Treasury



Cllr. Moeng QM. (ANC)

Head: Corporate and shared Services



Cllr. Mashego RM (ANC)

**Head: Local Economic Development
& Tourism**



Cllr. Mabelane MM (ANC)

**Head: Infrastructure Development
& Technical Services**



Cllr. Mojalefa LH (ANC)

Head: Development planning



Cllr. Mampa D.M (ANC)

Head: Community Development Services



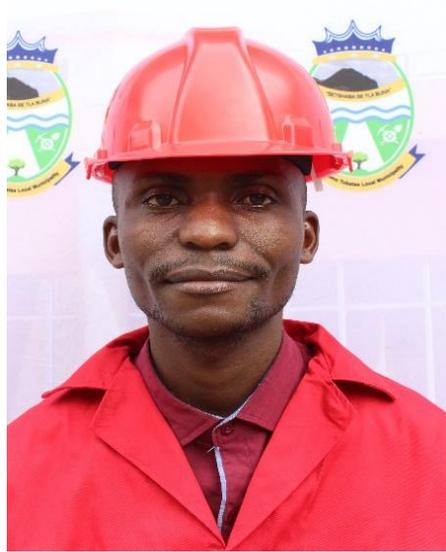
Cllr Mokome KE (ANC)

D/Head: Local Economic Development & Tourism D/Head: Corporate and Shared Services D/ Head: Budget and Treasury

Tourism



Cllr. Makofane IT (DA)



Cllr. Shai MN (EFF)



Cllr. Mabelane JM (EFF)

2.2.4. Councillors



Cllr. Moopane MK (ANC)

Ward 01



Cllr. Nkosi MD (ANC)

Ward 02



Cllr. Radingwna MR(ANC)

Ward 03



Cllr. Magagula TB (ANC)

Ward 04



Cllr. Malapane OT(ANC)

Ward 05



Cllr. Magane IP (ANC)

Ward 06



Cllr. Magaba AM (ANC)

Ward 07



Cllr. Modipa FM (ANC)

Ward 08



Cllr. Thobejane LM (ANC)
Ward 09



Cllr. Mashabela VM (ANC)
Wardv10



Cllr. Tjie MR (ANC)
Ward 11



Cllr. Sebopela MM (ANC)
Ward 12



Cllr. Nchabeleng N (ANC)
Ward 13



Cllr. Makofane T (ANC)
Ward 14



Cllr. Mampa DM (ANC)
Ward 15



Cllr. Mokgotho K (ANC)
Ward 16



Cllr. Mokoena MS (ANC)
Ward 17



Cllr. Ngwatle TJ (ANC)
Ward 18



Cllr. Tjie TM (ANC)
Ward 19



Cllr. Lekgau AK(ANC)
Ward 20



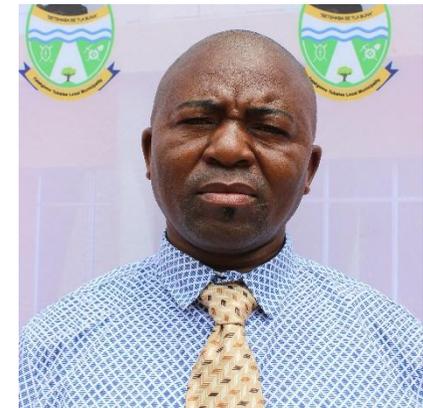
Cllr. Mokgotho LL (ANC)
Ward 21



Cllr. Ratshoshi LM(ANC)
Ward 22



Cllr. Mokoena DF(ANC)
Ward 23



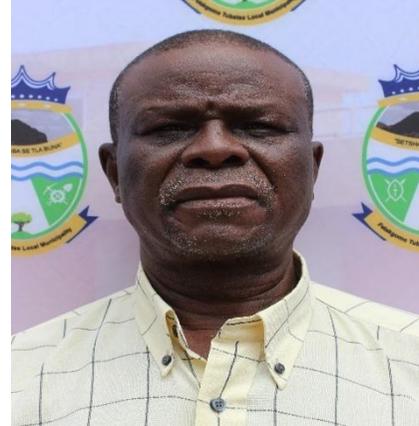
Cllr. Kgwete MP (ANC)
Ward 24



Cllr. Makutu TS (ANC)
Ward 25



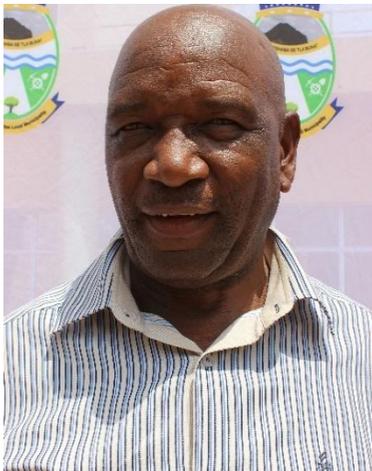
Cllr. Hlase ST (ANC)
Ward 26



Cllr. Mabowa SI (ANC)
Ward 27



Cllr. Tshehla MS (ANC)
Ward 28



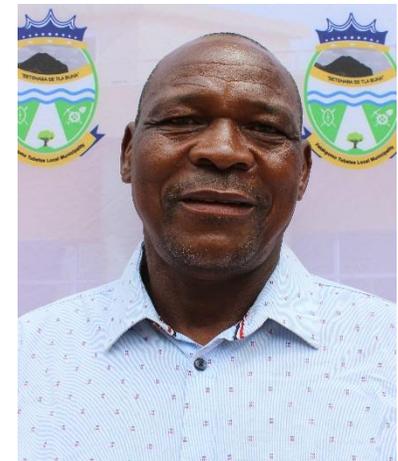
Cllr. Mmushi MJ(ANC)
Ward 29



Cllr. Magabe MS (ANC)
Ward 30



Cllr. Mohlala TH (ANC)
Ward 31



Cllr. Phasha MA(ANC)
Ward 32



Cllr. Mathipa MP(ANC)
Ward 33



Cllr. Thobejane KML (ANC)
Ward 34



Cllr. Phasha MM (ANC)
Ward 35



Cllr. Matheba AM (ANC)
Ward 36



Cllr. Matlakaneng MM
Ward 37

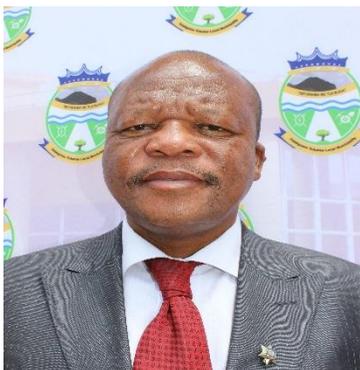


Cllr. Mamphekgo TL (ANC)
Ward 38



Cllr. Tlape MM (ANC)
Ward 39

2.2.4.2. Proportional Representative (PR) Councillors



Cllr. Motene PP (ANC)



Cllr. Rantho LJ (ANC)



Cllr. Mokome KE (ANC)



Cllr. Mgiba P (ANC)



Cllr. Makofane NN (ANC)



Cllr. Mojalefa LH(ANC)



Cllr. Maepa ML(ANC)



Cllr. Sefiti KI(ANC)



Cllr. Mashego OT



Cllr. Kupa RB (EFF)



Cllr. Thobejane ML (EFF)



Cllr. Komane WT (EFF)



Cllr. Mash MM (EFF)



Cllr. Mogashoa ML (EFF)



Cllr. Phahlamohlaka TP (EFF)



Cllr. Malepe KPT (EFF)



Cllr. Phasha TE (EFF)



Cllr. Ngwatle MP (EFF)



Cllr. Sekgala SM (EFF)



Cllr. Molapo TI (DA)



Cllr. Ngwatle AD (SADA)



Cllr. Makofane PJ (SADA)



Cllr. Mola N (PAC)



Cllr. Thamaga ST (AZAP)



Cllr. Madalane ETD (PAU)



Cllr. Bothma C (VFplus)



Cllr. Kupa SM (BPS)

2.2.5. Traditional Leaders In Council

There was no Traditional leader representative in Council during the 2024/2025 financial year.

2.2.6. Political Decision-Taking

Council is the highest decision-making body in a municipality. Councillors in a well constituted council meeting/sittings discuss and resolve on matters submitted to council. Matters to council may come through portfolio committees, Speaker or Mayor's office depending on the nature of the matter.

Portfolio committees discuss matters submitted to them by Executive committee. The Executive committee receive reports from the administration through the office of the municipal manager.

Portfolio committees then submit the reports to council for consideration, approval or noting depending on the nature of the submission.

Council after discussing the report may approve/adopt or disapprove, note, or refer the report to other committees of council such as MPAC to play oversight and report back to council thereafter for further Action.

2.3. ADMINISTRATIVE GOVERNANCE

2.3.1. Introduction

Administrative governance in municipal environment is headed by municipal manager/ Accounting Officer. The municipal manager provides guidance and advice to the political structures, political office bearers and municipal officials. The accounting officer is supported by senior managers. Fetakgomo Tubatse Local Municipality has seven (7) senior managers /directors positions including the Municipal manager on its organizational structure. By the end of the financial year three senior positions were occupied by Acting managers. See their names and photos below.

2.3.2. Top Administrative Team Of the Municipality

2.3.2.1. Acting Municipal Manager



Mrs. Magooa RM

2.3.2.2. Chief Financial Officer



Mr. Makgopa ML

2.3.3. Municipal senior management Team

**2.3.3.1. Acting Director Corporate
and shared Services**



Mr. Tshilwane M.J

**2.3.3.2. Acting Director Community
Development**



Mr. Mashoeu M.D

**2.3.3.3. Director Development
Planning**



Ms. Moswane M.R

**2.3.3.4. Acting Director Infrastructure
Development & Technical Services**



Mr. Dikgale R.K

**2.3.3.5. Director Local Economic
Development and Tourism**



Mrs. Mkabela S.M

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.4.1. Introduction

Section 41 of the Constitution of Republic of South Africa, 1996 mandates municipalities to exercise its executive and legislative authorities within the constitutional system of co-operative governance and facilitate an Intergovernmental Relations (IGR) in the form of, *inter alia*, an IDP/Budget Representative Forum.

2.4.2. Intergovernmental structures

The municipality participated in various intergovernmental fora in both district and provincial levels. Below is a detailed report on intergovernmental fora.

2.4.2.1. District Intergovernmental Structure



Fetakgomo Tubatse local municipality is one of four local municipalities in Sekhukhune district municipality. The municipality participates in all intergovernmental fora in the district municipality. The district fora for the financial year under review, were the following: District Monitoring and Evaluation (M&E forum), District Back to Basic forum (B2B), Municipal manager, CFO Fora and district Planning Forum

Participation in these fora has improved the performance of the municipality and helped the municipality in addressing service delivery related challenges

2.4.2.2. Provincial Intergovernmental Structure

In provincial level, the municipality participates in Provincial Planning Forum, Provincial monitoring & Evaluation forum (M&E forum), B2B forum, CFO Forum, SALGA working committees and Premier's Mayors Forum.

Just Like the district intergovernmental fora, the provincial intergovernmental fora have improved the performance of the municipality. Service delivery in the municipality has improved and the municipality sustained its unqualified audit opinion

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.5. OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

MSA S15(b) mandates municipalities to establish and organize their administrations to facilitate and inculcate a culture of accountability amongst their staff. S16(i) of the same Act mandates municipalities to develop a system of governance that compliments formal representative governance with a system of participatory governance. S18(i)(d) mandates municipalities to provide their community with information concerning municipal governance, management, and development.

2.6. PUBLIC CONSULTATIVE MEETINGS

Section 152(1) (b) of the constitution of the Republic of South Africa (RSA), 1996 mandates municipalities to involve their communities and community organizations in municipal matters. Fetakgomo Tubatse local municipality has established various fora for public consultations such as IDP/Budget/PMS forum, Ward committees, Mayor's Imbizos, and Annual report presentation. The table below depicts number of public participation fora held, types and stakeholders participated.

2.6.1.2024/25 IDP and Budget consultative Meetings

Table/figure 07: IDP & Budget consultations



<i>Date</i>	<i>Venue</i>	<i>Stakeholder</i>
<i>07 May 2025</i>	<i>Tau Phahlamohlaka Tribal Office</i>	<i>councillors, ward committee secretaries and CDWs</i>
<i>08 May 2025</i>	<i>Pelangwe Community Hall</i>	<i>Magoshi</i>
<i>09 May 2025</i>	<i>Mohlaetse disability Centre</i>	<i>Special Groups</i>
<i>12 May 2025</i>	<i>Leboeng Community Hall</i>	<i>Community members</i>
<i>15 May 2025</i>	<i>Ga- Rantho Community Hall</i>	<i>Community members</i>
<i>19 May 2025</i>	<i>Mankotsana Tribal Office</i>	<i>Community members</i>
<i>20 May 2025</i>	<i>Kgopaneng Community Hall</i>	<i>Community members</i>
<i>21 May 2025</i>	<i>Malokela Church of Christ</i>	<i>Community members</i>
<i>22 May 2025</i>	<i>Sefateng Community Hall</i>	<i>Joint FTLM & SDM</i>

2.6.2. Mayor's/speaker's Imbizos

Table/figure 08 : Mayor& Speaker imbizos

<i>Date</i>	<i>Venue</i>	<i>Stakeholder</i>
<i>22 July 2024</i>	<i>Pelangwe Community Hall</i>	<i>Community</i>
<i>09 December 2024</i>	<i>Tau Mankotsana Community Hall</i>	<i>Community</i>
<i>27 March 2025</i>	<i>Ga- Manyaka Community Hall</i>	<i>Community</i>
<i>14 May 2025</i>	<i>Kgopaneng Sports Ground</i>	<i>Community</i>
<i>25 October 2024</i>	<i>Thaba moshate</i>	<i>Magoshi</i>
<i>09 April 2025</i>	<i>Thaba moshate</i>	<i>Magoshi</i>
<i>22 July 2024</i>	<i>Pelangwe Community Hall</i>	<i>Community</i>

2.6.3. Annual Report consultative meetings



Table/figure 09: Annual Report consultations

<i>Date</i>	<i>Venue</i>	<i>Stakeholder</i>
<i>28 February 2025</i>	<i>Municipal Chamber (Burgersfort)</i>	<i>Councillors, CDW & W/committees secretaries</i>
<i>04 March 2025</i>	<i>Ultimate Resort</i>	<i>Magoshi</i>
<i>05 March 2025</i>	<i>Phiring Tribal Hall</i>	<i>General Public</i>
<i>06 March 2025</i>	<i>Maseven Village</i>	<i>General Public</i>
<i>19 March 2025</i>	<i>Tjebane Community Hall</i>	<i>General Public</i>

2.7. IDP PARTICIPATION AND ALIGNMENT

Chapter 5 and 6 of municipal system Act, Act 32 of 2000 regulate the compilation of Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) documents respectively. The table below depicts the alignment of the IDP and SDBIP documents to required criteria.

Figure/Table 10: IDP participation and alignment.

IDP Participation and Alignment Criteria	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 54/56 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes

IDP Participation and Alignment Criteria	Yes/No
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

COMPONENT D: CORPORATE GOVERNANCE

2.8. OVERVIEW OF CORPORATE GOVERNANCE

Sections 165 and 166 of Municipal Finance Management Act, Act 56 of 2003 require municipalities to establish internal audit unit and Audit committee respectively.

MFMA S62(i)(c) requires municipalities to develop and maintain an effective, efficient, and transparent system of risk management. Below are functions and tasks performed by internal audit unit, Audit committee and Risk management committee in the 2024/2025 financial year.

2.8.1. Internal Audit

The municipality has a functional Internal audit unit which is in the office of municipal manager. The unit comprises of four fulltime employees which are made up by the Chief Audit Executive, Senior internal Auditor and two audit officers. The unit has also two audit interns to supplement the audit unit staff.

According to the MFMA, Act 56 of 2003, Section 165, The unit advises the accounting officer; submit reports to audit committee; and prepare a risk-based audit plan and its annual program.

2.8.2. Audit and Performance committees:

The municipality has both Audit and Performance committees. The two committees comprise of five members with expertise in Auditing, Finance Management, Legal Services, Performance Management and Information Communication Technology who serve in both committees. The two committees are chaired by one person. The committees meet quarterly to process reports and make submission to Council.

2.8.3. Risk management unit

The municipality has a functional Risk management unit in the office of the municipal manager. The unit advises the municipal manager on risk related matters and report to the Risk management committee. The risk management unit develops both strategic and operational risk registers in consultation with municipal departments. The Risk registers are adopted by the Risk management committee and submitted to the Audit committee for approval.

2.8.4. Risk management Committee:

The municipality has a functional Risk management committee. The committee constituted by municipal directors and one independent member who serve as the chairperson of the committee.

The committee meets quarterly to review quarterly reports from risk management unit; recommends the reports to audit committee for further processing.

2.8.5. Top ten Risks:

The municipality has identified and developed the top ten municipal risks register. The risks were mitigated and reported on, on a quarterly basis, to the audit committee by the Risk management committee. Below is a list of the top ten municipal risks, mitigation made to address them, outputs and impacts of the mitigations

Table/Figure 11: 2024/2025 Municipal top ten risks

Department	Risk name	Root Cause	Inherent Risk	Action Plan	Responsible Person	Progress to date
Basic Services Delivery & Infrastructure Development	Inadequate road network for easy mobility	Settlement along the Bushveld Complex	25	Roads and stormwater infrastructure integrated Master Plan.	Director Technical Services	Roads and stormwater masterplans are developed
Community Services/Development	Inadequate maintenance of municipal facilities	Lack of infrastructure maintenance plan. Lack of resources services (water & sanitation, electricity, furniture etc.) Lack of awareness campaigns.	20	Engage Corporate Services & Technical Services to provide resources for maintenance of infrastructure. Conduct monthly/quarterly community awareness campaigns of municipal facilities.	Director Community Services	Awareness Campaign held
Financial Viability	Unauthorized expenditure	TransActing in wrong segment. Non-compliance to cost containment policy. Overspending on conditional grants	20	Monthly budget early warning reports. Monitoring of conditional grants expenditure through approved implementation plan	Chief Financial Officer	Unauthorized monitoring Tool performed

Department	Risk name	Root Cause	Inherent Risk	Action Plan	Responsible Person	Progress to date
	Inadequate inventory Management	Lack of resources (staff capacity and transport). Inadequate storage.	25	Capacitation of inventory management staff(training). Allocation for vehicles for stores. Conduct quarterly stock counts.	Chief Financial Officer	The municipality is using its old municipal offices as its store and has relocated its stores officials to stay/work from that store/building
	Inadequate collection of revenue	Inadequate implementation and incomplete Revenue Enhancement Strategy	20	Review and implementation of Revenue Enhancement Strategy. Improve revenue collection to at least 90% collection rate.	Chief Financial Officer	The municipality has developed 2024/2025 Revenue enhancement strategy and revenue collection is monitored on a monthly bases
	Cyber Attacks	Inadequate implementation of IT governance frameworks. Inadequate ICT Infrastructure and maintenance. Inadequate IT Cyber security. Inadequate budgeting. Disruptions of municipal operations	20	Review of Firewall logs, Review of user access rights on Payday and Munsoft. Review of system administrators' Activities on Payday and Munsoft systems. Procurement of additional IT equipment Procurement and maintenance of ICT infrastructure.	Director Corporate Services	The municipality has reviewed firewall logs, User access rights on Payday and Munsoft. System administrator's Activities on Payday and Munsoft systems are also reviewed.

Department	Risk name	Root Cause	Inherent Risk	Action Plan	Responsible Person	Progress to date
				Procurement of vulnerability monitoring tool. Penetration testing		
Local Economic Development	Uncontrolled informal trading.	Gazette Street Trading by-law and establishment of street trading committee	20	Finalized Street Trading by law with tariffs for full implementation (gazette)	Director LEDT	The municipality has developed Township economy by - law and the by-law is approved by council.
	Inadequate monitoring of Social Labour Plan projects. (SLP)	Misalignment of the IDP and Social Labour Plans projects (Social Labour Plans project not traced in the IDP.) Inadequate monitoring of Social Labour Plans. Inadequate Social Labour Plans	20	Development and implementation of mining community engagement framework	Director LEDT	The municipality has developed Mining community engagement framework

Department	Risk name	Root Cause	Inherent Risk	Action Plan	Responsible Person	Progress to date
		Projects inspections.				
Spatial Rationale	Scattered spatial patterns – Not compacted development	Lack of inclusive planning (e.g rural integration, lack of focus on neglected areas, affordable housing).	20	Engagement with land stakeholders. Acquire software to archive building plans electronically.	Director Development Planning	Meeting with land stakeholders was held on 03rd of June 2025.
	Land Invasion on municipal land	Lack of Staff Capacity lack of law enforcement	20	Continuous monitoring of municipal land against land invasion. Continuous land invasion awareness.	Director Development Planning	Municipality made an advert on newspaper and engaged Department of Rural development and land reform regarding land invasion, install notice board on its land to prevent land invasion.,.

2.9. FRAUD AND ANTI-CORRUPTION STRATEGY

The municipality does not tolerate any Act of fraud, corruption, maladministration, or any other Act of dishonest. Prevention, detection, response, and investigation strategies are designed and implemented. Any Act of dishonesty that may surface in the municipality among the employees or councillors will result in investigations conducted. where the culprit is found guilty necessary corrective Actions are instituted against him/her.

2.10. SUPPLY CHAIN MANAGEMENT

2.10.1. Overview Supply Chain Management

The municipality has a functional Supply Chain Management (SCM) unit located in the Budget and treasury department. The unit has established all relevant committees to process procurement in the municipality. The committees are reviewed on a quarterly basis by the municipal manager. The SCM policy is reviewed annually to keep it relevant with legislative developments.

2.11. By – Law

MSA 2000 S11(3)(m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation. The following by-laws were developed in the financial year under review:

2.11.1. Community services by- laws:

- a. Noise control by - law – SC99/2021
- b. Waste management by-law – OC112/2018
- c. Air Quality By-Law – OC21/2021
- d. Cemetery and crematoria by-law – OC51/2021
- e. Traffic management by-law – OC13/2022

2.11.2. Local Economic Development and Tourism by-laws

- a. SMME by-law – OC153/2022
- b. Street trading by-law- SC106/2021

2.12. WEBSITE

Section 75 of MFMA, Act 56 of 2003 is precise on names of documents that municipalities should upload on their websites. Municipality has uploaded the following documents on its website.

Table/Figure 12: Municipal website

Municipal website		
Documents published on Municipal website	Yes/No	Publishing date
2024/2025 annual and adjustments budgets and all budget-related documents	Yes	15 March 2024
The previous annual report (2023/2024)	Yes	15 March 2024
The annual report (2023/2024) published/to be published	Yes	13 March 2023
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2024/2025) and resulting scorecards	Yes	31 July 2024
All service delivery agreements (2024/2025)	No	
All long-term borrowing contracts (2024/2025)	No	
All supply chain management contracts above a prescribed value (give value) for 2024/2025	No	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2024/2025	No	
Contracts agreed in 2024/2025 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	

Municipal website		
Documents published on Municipal website	Yes/No	Publishing date
Public-private partnership agreements referred to in section 120 made in 2024/2025	No	
All quarterly reports tabled in the council in terms of section 52 (d) during 2024/2025	Yes	Quarterly

2.13. CLIENT SATISFACTION SURVEY ON MUNICIPAL SERVICES

2.13.1 Infrastructure Development and Delivery Of Services

2.13.1.1 Water, Road and bridges

Most of Fetakgomo Tubatse local municipality citizens have shown dissatisfactions with the quality and quantity of infrastructure development related service the municipality has provided to them. 82,7% of the respondents to the survey questionnaire shown that they do not have access to clean piped municipal water, while 85% of the respondents claimed that their streets and roads are predominantly not tarred. Majority (77,5%) of those who responded to road and bridges infrastructure felt that the municipality takes a long to repair and maintain damaged roads and bridges.

2.13.1.2 Waste collection

Majority (82%) of Fetakgomo Tubatse residents who responded the section on waste collection do not know that the municipality is conducting waste collection in its urban and rural areas. An awareness campaign is due in this regard so that more people become aware of the waste collection service in the municipality so that they may support it and participate in the cleaning of the municipality.

2.13.1.3 Municipal facilities

56% of the municipal residents are happy with the number and status of municipal halls.

In terms of the usage of municipal library, most of municipal residents shown dissatisfaction with the library services in the municipality. It is alarming to notice that 77,5% of the participants never visited the library in the past three months and the majority (81%) of the respondents confirmed that they do not have sufficient libraries in their communities.

2.13.2. Support Services

2.13.2.1 Trading and accounts

Fetakgomo Tubatse local municipality residents have shown dissatisfaction relating to trading services in the municipality. 64% of the participants are of the view that the municipality is incapable of resolving their challenges. 80% of them complain about the late delivery of accounts from the municipality, however, they expressed satisfaction on behaviour of municipal employees.

2.13.2.2 Queries and complains

Regarding response to the community queries, number of citizens are not happy with this service. 25% of the participants feel that their queries are resolved to their satisfaction while 75% of the respondents are not happy with the service.

2.14. OVERSIGHT REPORT ON ANNUAL REPORT

According to section 127 (2) of MFMA, Act 56 of 2003, the mayor of a municipality must within seven months after the end the financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.

Section 129 of the same Act, MFMA Act 56 of 2003 requires the council after considering its annual report within two months from the date on which the annual report was tabled in council in terms of section 127, adopt an oversight report containing the council comments on the annual report which must include the statement whether council:

- 1.Has approved the annual report with or without reservation.
- 2.Has rejected the annual report.
- 3.Has referred the annual report back for revision of those components that can be revised.

In compliance to the above sections the municipality has tabled its 2023/2024 Annual report in council on 31 January 2024 (OC71/2024). The Council adopted the annual report and referred it for oversight to Municipal Public Account Committee (MPAC). The annual report was scrutinised, and oversight report was produced. The council approved the annual report without reservations on 27 March 2024(SC 57/2024).

CHAPTER 03: SERVICE DELIVERY PERFORMANCE

3.1. INTRODUCTION

The chapter provides service delivery performance overview of Fetakgomo Tubatse local municipality (FTLM) for the period 1 July 2024 to 30 June 2025. The performance is measured against the strategic goals set out in the 2024/2025 Integrated development plan (IDP) and the key performance indicators (KPI's) contained in the 2024/2025 adjusted Service Delivery and Budget Implementation Plan (SDBIP). The chapter comprises eight components, namely: Basic services, Road and transport, Planning and development, Community and social services, Environmental protection, Sport and recreations, corporate policies and other services, and Organizational performance score card.

COMPONENT A: BASIC SERVICES

3.2. INTRODUCTION

Most basic services in the municipality are provided by external stakeholders, whereas the municipality facilitates the provision thereof. The municipality identifies communities or households which need electricity and submits that list to ESKOM, who is responsible the provision of electricity. However, there are areas where ESKOM through the consultation of the Municipality does electrification and energization.

The second basic service which is provided by external stakeholders is Water and Sanitation. Water and Sanitation in the municipality is provided by Sekhukhune District municipality (SDM). The municipality (SDM) has two sewer plants which are in Burgersfort and Steelpoort, two ponds which are Mapodile and Praktiseer and four regional water depots in the FTLM, which are Penge/Praktiseer, Mapodile, Moroke and Leboeng water depots.

Housing Provision is the competence of Co-operative Governance, Human Settlement & Traditional Affairs (COGHSTA). The municipality provides waste or refuses removal services. This section of the report will discuss number of households connected to electricity and benefiting from waste collection in the municipality.

3.3. WASTE MANAGEMENT (REFUSE COLLECTIONS)

3.3.1. Introduction

The municipality renders waste collection services in both rural and urban areas. The services are rendered through in-house and contracted services. The in-house service is rendered through municipal own staff and specialized waste management fleet, while the contracted service is outsourced to external service providers.

The municipality is also rendering cleaning and management of open spaces services through its own staff in its four towns which are Burgersfort, Apel, Steelpoort and Ohrigstad and various areas.

3.3.2. In House waste management



The municipality is rendering in-house waste collection in the following areas: Mashifane Park, Matji-Mohlaletse, Magaba Park, Praktiseer Extension 2,3 &4, and Lerajane-Mohlaletse.

3.3.3. ContrActed waste management services



The municipality has contracted waste management service contractors at the following section of the municipality: Burgersfort, Apel, Steelpoort, Ohrigstad, Mapodile and Praktiseer.

3.3.4. Areas receiving waste collection services

A total of 11650 households in the municipality compared to 11379 which were benefiting in 2023/2024 financial year is receiving house to house waste collection by both in-house and contracted services. The table below depicts the picture.

Table/figure 13

N0	Area	Number of households
01.	Ohrigstad	255
02	Praktiseer	2773
03	Mapodile	698

N0	Area	Number of households
04	Steelpoort	462
05	Burgersfort	4940
06	Lerajane-Mohlaletse	1217
07	Mashifane Park	793
08	Magaba Park	200
09	Matji-Mohlaletse	271
10	Farms	41
	Total	11650

3.3.5. Rural Waste Collection



The municipality has placed several skip bins in strategic areas in both rural urban areas for waste collection. This strategy has assisted the municipality in extending waste collection to far rural areas which were previously not benefiting from this service. It has also helped the municipality to obtain the award of the cleanest municipality in Sekhukhune district. The list of benefiting areas is depicted in the table below.

3.3.5.1. Location of Skip Bins in the Municipality

Table/figure 14

NO	AREA	WARD NO	Rural/Urban
1	Burgersfort	Ward 18 & 31	Both
2	Bothashoek	Ward 20	Rural
3	Gowe and Mooihoek	Ward 7	Rural
4	Praktiseer Ext 2, 3 and 4	Ward 13 & 30	Both
5	Riba Cross	Ward 4	Rural
6	Steelpoort	Ward 31	Urban
7	Mapodile	Ward 2	Urban
8	Mohlaletse	Ward 3	Rural
9	Strydkraal A	Ward 36	Rural
10	Strydkraal B	Ward 37	Rural
11	Ga-Nkoana	Ward 36	Rural
12	Mabopo	Ward 36	Rural
13	Ga-Nchabeleng	Ward 36	Rural

NO	AREA	WARD NO	Rural/Urban
14	Apel	Ward 35	Rural
15	Mashilabele	Ward 38	Rural
16	Driekop Post Office-Maditameng	Ward 7 &19	Rural
17	Ga-Mashishi	Ward 15	Rural
18	Mashifane Park	Ward25	Urban
19	Mashung, Mabopo,	Ward 36,	Rural
20	Alverton	Ward 23	Rural
21	Dresden	Ward 24	Rural
22	Lerajane	Ward 39	Rural
23	Appiesdoorndraai Motaganeng	Ward 18	Rural
24	Ohrigstad	Ward 01	Urban
25	Mphanama	Ward 37	Rural
26	Atok	Ward 34	Rural
27	Ga-Makofane	Ward 21	Rural
28	Ga-Mampuru	Ward 06	Rural
29	Ditwebeleng	Ward 15	Rural
30	Moroke	Ward 14	Rural

3.3.6. Solid Waste Removal Employees

The waste removal unit in the municipality had 20 employees in 2024/2025 financial year compared to 19 employees in 2023/2024 financial year. The unit has been improved by one employee. A full picture is depicted on the table below.

Table/Figure 15: Solid waste removal employees

Solid removal employees					
Job level	2023/2024	2024/2025			
	Employees	Posts	Employees	Vacances	%
T1 – T4	5	60	5	55	92%
T5 – T8	9	23	9	14	61%
T9 – T13	3	9	4	5	56%
T14 – T18	1	1	1	0	0%
S57	1	1	1	0	0%
Total	19	94	20	74	79%

3.3.7. Solid Waste Removal Financial Position

The table below depicts the financial position waste removal service in the municipality in 2024/2025 financial year in comparison with 2023/2024 financial year. The 2023/2024 financial year budget was increased for the unit to improve its service provision, however, the municipality by the end of the financial year could spend 97.4% of the allocation.

Table/Figure16: Solid waste removal financial position

Solid waste management services					
Detail	2023/2024	2024/2025			
		Original	Adjusted	Actual	Variance
Total Operational Revenue (excluding tariffs)	- 32,927,642.15	-35 751 418	-36 181 281	-42 548 202	6,366,920.97
Expenditure:					
Employees costs	489,777.30	2 236 664	2 236 664	3 747 753	-1,511,089.29
Repairs and Maintenance	-	-	-	-	-
ContrActed Services	45,801,404.19	49 610 460	45 955 118	42 140 420	4 219 676
Other Expenditure	572,239.50	3 223 500	3 123 500	7 149 269	-4 025 769
Total Expenditure	50,253,949.24	55 070 624	51 315 282	49 998 444.24	-1 722 160

3.4. ELECTRIFICATION OF HOUSEHOLDERS



1900 households were scheduled to be electrified in the 2024/2025 financial year as follows: 705 households in Nkwana Mashung, 300 households in Nkwana new stand, 120 households at Tjate village, 37 households at Ga-Motsana village, 21 households at Ga-Malepe village and 717 households at Praktiseer Mountain view.

However, due to lack of electrical capacity in some villages like Motsana, Tjate and Praktiseer mountain square, the villages were withdrawn from the electrification schedule for 2024/2025 financial year.

The new final list was constituted as follows: Nkwana Mashung 705 households, Nkwana New Stand 300 households, Burgersfort Ext (54, 58, 71 and 72) 551 households, 221 households in Ext 54, 224 households in Ext 58, 106 households in Ext 71&72, and Praktiseer Mountain Square 344

households. In Praktiseer mountain view the number was reduced from 717 to 344 households.

By the end of 2024/2025 financial year, progress of the project was as follows: Nkwana Mashung was at 48%, Nkwana New stand at 84%. The implementation of the two projects was delayed due to Land dispute in the village which resulted into lawsuit, which was later withdrawn, and the project could continue.

Burgersfort extensions were at practical completion at 95% while with Praktiseer mountain view, tender was concluded in the fourth quarter.

COMPONENT B: ROADS AND TRANSPORT

3.5. ROADS

3.5.1. Introduction

The municipality has a road network of 1401.7 km. 614,7 km of the roads are surfaced, and 787 km are un-surfaced roads. Majority of the wards in the municipality depend on unsurfaced roads for access to socio-economic opportunities. These unsurfaced roads are particularly found in scattered rural villages of the municipality. Most of these roads are poorly maintained, muddy, and rocky, and are mainly used by buses and taxis to transport passengers to work, schools and business areas.

The municipality is constructing and maintaining internal streets, access roads and bridges to improve accessibility in rural and township areas. Number of access roads and bridges were constructed in 2024/2025 financial year. In addition, SANRAL and RAL are constructing roads in the municipal area.

3.5.2. Access Roads



The Municipality has constructed two access roads in the financial year under review which are Dresden and Maepa access road. Dresden access road is 2.7Km long and was at 68% completed by the end of the financial year. Maepa access road is 4.5 Km long and was at 83% completion by the end of the financial

3.5.3. Gravel roads infrastructure



The municipality has upgraded 7.2km of its gravel road to Asphalt and graded 1475.15km in 2024/2025 financial year. See detailed report on the table below.

Table/Figure 17: Gravel roads infrastructure

Gravel road infrastructure				
				kilometres
	Total gravelled road planned	New gravelled road constructed	Gravel road upgraded to Asphalt	Gravel road graded/maintained
2022/2023	870 km	0km	11.7km	3120km
2023/2024	870km	0km	16.4km	2030.72km
2024/2025	1500km	0km	7.2km	1475,15km

3.5.4. Road Service Employees

The unit had 23 employees in 2023/2024. However, the number was reduced by 13 employees and 10 employees in 2024/2025 financial year. The vacant rate is 58% in the financial year under review. See detailed information on the table below.

Table/figure 18: Road services employees

Employees: Road services					
Job level	2023/24	2024/2025			
	No. Employees	No. posts	No. Employees	Vacancies	%
T1 - T4	6	10	4	6	60%
T5 -T8	8	1	1	0	0%
T9 -T13	9	11	3	8	73%
T14 - T18	0	1	1	0	0%
S57	0	1	1	0	0%
Total	23	24	10	14	58%

3.5.5. Road Service Financial Status

In the 2023/2024 financial year, the unit had an expenditure of R191 633 870, however it was reduced to R168 632 735 in 2024/2025 financial year. The unit due to amount of work for 2024/2025 financial year has spent more money than was budgeted for. See the table depicted below.

Table/figure 19: Road services financial status

2024/2025 financial year performance					
Details	2023/2024	2024/2025			
	Actual	Original	Adjustment	Actual	Variance
Total operational revenue	-223,612,447	-191,426,000	-207 548 835	-214 270 845	-6 722 010
Expenditure :					
Expenditure - Employees	28,294,974.06	28,996,836.	28,971,836.	29,244,508	-272,672
Repair and Maintenance	9 194 396	24,000,000.	10,000,000.	6,949 852.	3,050,148.
Contracted Services	128 483 153	33,600,000.	40,527 381.	30,285,319	10,282,061
Depreciation	27 318 282	62,636,698	59,298,935	70,547,253	954,042.00
Other Expenditure	7 537 459	8,411 769	9,755,845	10,670,154	-914,309
Total Expenditure	191 633 870	157,645,303	148,503,997.	168,632,735.	20,128,738.

3.5.6. Capital Expenditure from Own Funding Revenue Source

The municipality has in 2024/2025 financial year identified 14 projects to be implemented through municipal own funding. R74,804,348.00 was set aside for such projects. However, due to poor revenue collection the budget was adjusted to R57,099,062.00 during mid-year budget adjustment. By the end of the financial year, R42,212,443.53 was spent. For more detailed information see the table below.

Table/figure 20: Capital Expenditure from Own Funding Revenue Source

N0	Capital Expenditure 2024/2025					
	R00					
	Capital Project	2024/2025				
Budget		Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value	
1.	PLANNING AND DESIGN OF FETAKGOMO EXT 1	2,608,696.00	1,155,408.00	546,913.50	608,494.50	47%
2.	PLANNING & DESIGN OF MAKUBU ACCESS ROAD	608,696.00	348,778.00	348,778.18	0	100%
3.	PLANNING & DESIGN OF MOKHOTHO ACCESS ROAD	608,696.00	6,091,567.00	6,091,567.15	0	100%
4.	DEVELOPMENT OF VEHICLE POUND	2,608,696.00	1,736,250.00	1,736,249.99	0	100%
5.	PILOT PROJECT SOLAR HIGH MAST LIGHT	3,478,261.00	3,724,758.00	3,299,674.99	425,083.01	89%

N0	Capital Expenditure 2024/2025					
	R00					
	Capital Project	2024/2025				
Budget		Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value	
6.	CLOSURE OF OLD BURGERSFORT LANDFILL SITE	2,173,913.00	1,666,660.00	1,666,660.00	0	100%
7.	CONSTRUCTION OF STREETLIGHTS AT MAIN INTERSECTIONS	4,347,826.00	674,317.00	1,117,527.47	-443,210.47	100%
8.	INSTALLATION OF FIXED SPEED CAMERAS	1,304,348.00	1,307,451.00	613,073.00	694,378.00	47%
9.	COMMUNICATION INRASTRUCTURE	1,304,348.00	376,888.00	376,887.83	0	100%
10.	UPGRADING OF CCTV CAMERAS	3,478,261.00	7,308,161.00	428,012.00	6,880,149.00	
11.	ACQUISITION OF SERVICE DELIVER VEHICLES	6,521,739.00	1,526,406.00	1,357,368.00	169,038.00	89%
12.	ACQUISITION OF MUNICIPAL GRADERS	8,695,652.00	3,695,652.00	11,097,766.98	- 7,402,114.98	100%

N0	Capital Expenditure 2024/2025					
	R00					
	Capital Project	2024/2025				
Budget		Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value	
13.	DESIGNS AND IMPLEMENTATION OF E/W RING ROAD	5,217,391.00	4,347,826.00	4,347,826.09	0	100%
14.	PLANNING AND DESIGN OF MAPODILE INTERGRATED ROADS AND STORMWATER (NMT)	1,739,130.00	9,184,138.00	9,184,138.00	0	100%
	TOTAL	74,804,348.00	57,099,062.00	42,212,443.53	14,886,618.47	74%

3.5.7. Capital Expenditure Through Municipal Infrastructure Grants (MIG)

Municipality was allocated R90 294 609 Municipal infrastructure grant (MIG) for 2024/2025 allocation and additional R15 652 169 for spending 100% of its 2023/2024 Municipal infrastructure grant. Even in 2024/2025 financial year the municipality spent 100% of its MIG allocations. Five projects as demonstrated in the table below were funded through the MIG.

Table/figure 21: Capital Expenditure

N0	Capital Expenditure MUNICIPAL INFRASTRUCTURE GRANT					
	R00					
	Capital Project	2024/2025				
Budget		Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value	
1.	UPGRADING OF KGOPANENG SPORTS HUB PHASE 2	8,695,652.00	7,453,119.00	7,453,119.00	0.00	100%
2.	CONSTRUCTION OF NEW BURGERSFORT LAND FILL SITE	25,957,301.00	51,856,981.43	51,856,981.43	0.00	100%
3.	CONSTRUCTION OF DRESDEN ACCESS ROAD	17,391,304.00	18,353,998.33	18,353,998.33	0.00	100%
4.	CONSTRUCTION MAGAKALA ACCESS	0	4,954,078.16	4,954,078.16	0.00	100%
5.	PURCHASE OF REFUSE REMOVAL TRUCKS	0	5,671,077.39	5,671,077.39	0.00	100%

N0	Capital Expenditure MUNICIPAL INFRASTRUCTURE GRANT					
	R00					
	Capital Project	2024/2025				
Budget		Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value	
	TOTAL	90,294,609.00	105,946,778.00	105,946,778.00	0.00	

3.5.8. Capital Expenditure Through Integrated Electrification Grants (INEP)

Seven projects were funded through integrated Electrification Grant in 2024/2025 financial year as demonstrated the table below.

Table/figure 22: Capital Expenditure

N0	Capital Expenditure INTERGRATED ELECTRIFICATION GRANT					
	Capital Project	2024/2025				
		Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value
1.	ELECTRIFICATION OF GANKWANA NEW STAND	8,151,248.30	8,151,248.30	8,151,248.30	0.00	100%
2.	ELECTRIFICATION OF GANKWANA MASHUNG	3,506,448.90	3,506,448.90	3,506,448.90	0.00	100%
3.	MOGABA PARK	3,429,194.43	3,429,194.43	3,429,194.43	0.00	100%
4.	ELECTRIFICATION BURGERSFORT EX 54,58 & 71	8,249,669.33	8,249,669.33	8,249,669.33	0.00	100%

N0	Capital Expenditure INTERGRATED ELECTRIFICATION GRANT					
	Capital Project	2024/2025				
		Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value
5.	MANDELA EAST & WEST	536,992.50	536,992.50	536,992.50	0.00	100%
6.	ELECTRIFICATION TAUNG	125,171.75	125,171.75	125,171.75	0,00	100%
7.	ELECTRIFICATION OF TJATE	123,270.00	123,270.00	123,270.00	0.00	100%

3.5.9. Capital Expenditure through Neighbourhood partnership Development Grant

Municipality was allocated R50,434,783.00 from neighbourhood partnership development grant was allocated for the Mashifane park sewer and water reticulation

Table/figure 23: Capital Expenditure

Capital Expenditure NEIGHBOURHOOD PARTNERSHIP DEVELOPMENT GRANT					
					R00
Capital Project	2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value
MASHIFANE PARK SEWER AND WATER RETICULATION	50,434,783.00	41,493,913.00	41,493,913.00	0.00	100%

COMPONENT C: PLANNING AND DEVELOPMENT

3.6.1. Integrated Development Plan (IDP)

According to section 25 (1) of municipal system Act, Act 32 of 2000, municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive, and strategic plan for the development of the municipality which:

- (a) Links, integrates and co-ordinates plans and considers proposals for the development of the municipality.
- (b) Aligns the resources and capacity of the municipality with the implementation of the plan.
- (c) Forms the policy framework and general basis on which annual budgets will be based.

According to section 34 of the same Act, a municipal council:

- (a) Must review its integrated development plan (IDP),
 - (i) Annually in accordance with an assessment of its performance measurements in terms of section 41 and
 - (ii) to the extent that changing circumstances so demand; and
- (b) May amend its integrated development plan in accordance with a prescribed process.

In compliance with the above legislative mandates, Fetakgomo Tubatse local municipality reviewed and adopted its draft 2024/2025 IDP on 31 March 2025 and the final IDP was approved by council on 30 May 2025.

3.6.2. Spatial Development Planning

3.6.2. 1. Formalization of informal settlements

The municipality was in the financial year under review in the process of formalizing two informal settlements namely, Praktiseer extensions and Mashifane park. Detailed information is depicted in the table below.

Table/figure 24: Formalization of informal settlements

Township/Village	Progress made
Mashifane informal settlement	Service provider has been appointed, and various investigation studies have been concluded such as Traffic Impact Study. Community resolution was conducted regarding the development. The Service Provider is finalising compilation of the township establishment application.

Township/Village	Progress made
Praktiseer Extensions (4574 Erven) informal settlement	The general plans have been lodged at the Surveyor General. The opening of Township was commissioned in a few townships.

3.6.2.2. Township Establishment

The municipality has applied for the establishment of a township on Portion 6 of farm Hoeraroep KS to the joint district municipal planning tribunal. The final erven will be finalised once the application is approved by the Joint District Municipal Planning Tribunal (JDMPT).

3.6.2.3. Application Of Land Use Development

Municipality has received and processed three (3) rezoning applications and 1240 building plans in the financial year under review. However, by the end of the financial year 640 building applications were outstanding. See the table below for more information

Table/figure 25: Land use development applications

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025
Planning application received	2	0	2	3	107	1240
Determination made in year of receipt	2	0	2	2	80	600
Determination made in following year	0	0	0	0	0	0
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year end	0	0	0	1	27	640
						T3.10.2

3.6.2.4. Planning Service Employees

The planning services unit had 44 positions on its Organogram but the end of the financial year 13 positions were filled. This an improvement by two filled positions compared to eleven (11) filled positions in 2023/2024 financial year. See detailed information the table below.

Table/figure 26: Planning service Employees

Job Level	2023/2024	2024/2025			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
T1 – T4	0	0	0	0	0
T5 – T8	1	5	0	5	100%
T9 - T13	8	35	12	23	66%
T14 - T18	2	3	1	2	67%
S57	0	1	0	1	100%
Total	11	44	13	31	70%

3.6.2.5. Planning Services Financial status

R48,356,988.00 was budgeted for the planning services in 2024/2025 financial year compared to R42,962,117.72 which was allocated for 2023/2024 financial year. However, during mid-year adjustments, the allocation was adjusted to R18,280,158.00. By the end of the financial year R20,586,973.66 was spent. For more detailed information see the table below.

Table/figure 27: Planning Services Financial status

Financial Performance 2024/2025: Planning Services					
					R'000
Details	2023/2024	2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tarrifs)	-	-1,253,900.00	-4,137,700.00	-4,473,657.44	335,957.44
Expenditure:					
Employees	38,930,199.33	9,366,988.00	10,033,438.00	14,708,382.81	-4,674,944.81

Financial Performance 2024/2025: Planning Services					
					R'000
Details	2023/2024	2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Repairs and Maintenance	-	-	-	-	-
Contracted Services	3,989,344.03	38,170,000.00	7,946,720.00	5,794,597.11	2,152,122.89
Other Expenditure	42,574.36	820,000.00	300,000.00	83,993.74	216,006.26
Total Operational Expenditure	42,962,117.72	48,356,988.00	18,280,158.00	20,586,973.66	- 2,306,815.66

3.7. LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM)

3.7.1. Introduction

Local Economic Development (LED) is a process that allows local communities, government, and the private sector to work together to stimulate sustainable economic growth, create jobs, and improve the quality of life for residents. It involves identifying and using local resources, ideas, and skills to enhance competitiveness, increase growth, and ensure that growth is inclusive and beneficial to all. In the financial year under review, the municipality engaged with different stakeholders in and outside its jurisdiction to create jobs, improving the quality of life of its citizens through joint venture with local mining companies and Agricultural projects. The support is used as foundation of all economic development; the municipality has developed a local economic strategy.

3.7.2. Local Economic Development Strategy

The municipality has developed and adopted its local economic development strategy in 2023/2024 financial year, now the municipality is in the implementation phase of the strategy. Different projects are identified and implemented from the strategy.

3.7.3. Mining and industrialisation

The Fetakgomo Tubatse Local Municipality is characterized by large presence of mining Activities along the R555 and R37 provincial roads. This sector includes the extracting and beneficiating of minerals such as platinum, lead, chrome, black chrome and other precious minerals. This sector includes the extracting and beneficiating of minerals occurring naturally, including solids, liquids

and crude petroleum and gases. It also includes underground and surface mines, quarries and the operation of oil and gas wells as well as all supplemental Activities for dressing and beneficiating of ores and other crude materials.

3.7.3.1. Mining

Mining is contributing 34,5% of the municipality total GVA and 55% of the municipal workforce is within the mining industry. The mining value chain consists primarily of exploration, extraction, mining, processing, refining, fabrication, and production stages. Most mining in the municipality is at extraction stage and very few are doing processing operations.

Minerals and potential jobs are exported for beneficiation to overseas companies and very little beneficiation in the municipality and in South Africa as a whole. To benefit sustainably on these mineral resources, the municipality need to develop its industrial capabilities in the value-creation stages of its core mineral endowments. In the Burgersfort area site, asbestos, chromite, and platinum deposits from the Merensky Reef are mined in the town.

3.7.3.2. Industrialization

3.7.3.2.1. Fetakgomo Tubatse Special Economic zone

The establishment of Fetakgomo Tubatse special Economic zone is in progress. A tripartite agreement is signed between LEDET, Sekhukhune District Municipality and Fetakgomo Tubatse Local Municipality. Service providers are appointed to undertake engineering designs and rezoning the land for industrial use. A Township establishment committee is established. A final Environmental Impact Assessment Report is completed and submitted to LEDET.

The contractor for the construction of the perimeter fence was appointed in April 2024.

The project is at 50% completion stage with the perimeter fence at 92% completion stage.

3.7.4. Policies/Strategies

Five economic and development policies and plans were developed by the Local Economic Development department in the financial years under review which are:

- City Development Strategy vision 2043
- LED strategy
- Long term economic growth strategy
- Financial Inclusion Strategy
- Township rural economic strategy

3.7.5. Jobs created through Municipal Initiatives

The municipality has created 3070 jobs in the financial year under review. A detailed report is depicted in the table below.

Table/figure 28: Job creation

Grants/Incentive	Job Created	Job sustained	Youth	Male	Female	People living with disability
EPWP	92	92	33	30	66	2
CWP	2665	2665	231	308	2357	24
MIG	238	238	129	57	71	4
Other	75	75	48	13	12	0
Total	3070	3070	441	408	2506	30

3.7.6. Local Economic Development & Tourism Services Employees

The department had managed to appoint 9 out of 19 positions from the organizational structure. With vacancy rate stands at 53%

Table/figure 29: Local economic development services employees

Employees: Local Economic Development Services					
Job Level	2023/2024	2024/2025			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
T1 – T4	0	0	0	0	0
T5 – T8	2	3	2	1	33%
T9 - T13	5	13	5	8	62%
T14 - T18	2	2	2	0	0
S57	0	1	0	1	100%
Total	9	19	9	10	53%

3.7.7. Local Economic development & Tourism financial status

Table/Figure 30: Local Economic development & Tourism financial status

Financial Performance 2024/2025: Local Economic development					
					R'000
Details	2023/2024	2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget

Total Operational Revenue (excluding tariffs)	1 285 000	-1 742 000	1 742 000	1 742 000	0
Expenditure:					
Employees	4,579,909	4,270,006.00	6,012,006.00	2,816,297.38	3,195,708.62
Repairs and Maintenance					
Contracted Services	9 614 671	21,642,000.00	5,569,000.00	4,778,219.12	790,780.88
Other Expenditure	1,407,145	5,370,530.00	3,475,024.00	2,072,961.52	1,402,062.48
Total Operational Expenditure	15,601,725	31,393,022.00	15,166,516.00	9,667,478.02	5,499,037.98

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

3.8. INTRODUCTION

Fetakgomo Tubatse municipality is predominantly a rural municipality. It provides community and social services to both Urban and Rural areas.

COMPONENT E: ENVIRONMENTAL PROTECTION

The Municipality was engaged in enormous environmental protection and cleaning campaigns. It has concluded rehabilitation of Apel Recreational Park. Air pollution by- law and Noise pollution by – laws were adopted by council.

The municipality has environmental management plans and by-laws for facilitation, monitoring and enforcement of environmental and waste management services.

3.9. DISASTER MANAGEMENT

Disaster Management Plan is reviewed and rationalized. The municipality has developed and adopted two policies namely: Disaster Relief Material and Burial of the unknown.

Disaster Relief Material policy guides the municipality on who qualifies for relief material and how such will be distributed in case of disasters. Burial of the Unknown Policy provides distinction

between burials conducted by the municipality, Department of Health and Department of Social Development.

3.10. COMMUNITY DEVELOPMENT BY – LAWS/PLANS

The municipality has environmental management plans and by-laws for facilitation, monitoring and enforcement of environmental and waste management services

3.10.1. Waste Management, Environmental and Traffic Management By-Laws.

Table/Figure 31: Waste management, environmental and traffic by-laws

By – Law Name	Approved/Gazetted	Status
Noise Pollution By – Law	Gazetted	In Place
Air Quality By – Law	Approved	In Place
Cemetery Management By -Law	Approved	In Place
Waste Management By – Law	Gazetted	In Place
Traffic Management By – Law	Gazetted	In Place

3.10.2 Environmental and Waste Management Plans

The table below depicts waste management plans endorsed and completed.

Table/figure 32: Waste management plans

Plans	Status
Integrated Waste Management Plan	Endorsed and under implementation
Waste Minimisation Strategy	Completed and under implementation
Air Quality Management Plan	Completed and under implementation
Climate Change and adaptation strategy	Completed and under implementation
Environmental Management Plan	Completed and under implementation
Bioregional Management Plan	Completed and under implementation

COMPONENT F: SPORT AND RECREATION

3.11. Sport complexes

The municipality has two completed sport complexes at Motodi village and Mapodile township. There are also Radingwana and Ohrigstad sport complexes which need renovations. Radingwana and Kgopaneng Sport Hub were upgraded to include other activities like tennis courts. The two hubs form part of the nine sport hubs in Fetakgomo Tubatse Local Municipality promoting high performance athlete development, health and wellbeing of the community members of all ages and backgrounds

Mapodile and Motodi Sport complexes are fully utilised by the communities within Fetakgomo Tubatse Municipality for different physical activities to promote social cohesion. Government departments, local teams and social clubs across the municipality, book the facility for local games, practices and social gatherings. This includes school sports activities, competitions and awareness campaigns. These contribute to economic development by generating revenue for the municipality.

3.11.1. Staff Component Of Community Service Department.

Community development department has 528 positions on its organogram, 113 positions are filled, and 415 positions are vacant.

Table/figure 33: Community services employees

Job Level	Employees: Community Services Department				
	2023/2024	2024/2025			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
T1 – T4	9	156	8	148	95%
T5 – T8	35	181	33	148	82%
T9 - T13	59	183	63	120	66%
T14 - T18	6	7	5	2	29%
S57	1	1	1	0	0%
Total	110	528	110	418	79%

3.11.2. Financial Performance Of Community Service Department

This section is divided into three sub-sections, which are community services library, Cemeteries and protection services as demonstrated in the tables below.

Table/Figure 34: Community services financial status (Library)

Financial Performance 2024/2025: Community development (Library)					
R'000					
Details	2023/2024	2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	- 11,910.51	-12,063.00	- 17,713.00	-1,306,685.28	1,288,972.28
Expenditure:					
Employees	4,542,016.18	5,156,293.00	5,156,293.00	4,646,331.84	509,961.16
Other Expenditure	2,769,825.61	3,287,400.00	2,381,000.00	1,439,066.68	941,933.32
Total Operational Expenditure	7,311,841.79	8,443,693.00	7,537,293.00	6,085,398.52	1,451,894.48

Table/Figure 35: Community services financial status (Cemeteries)

Financial Performance 2024/2025: Community development (Cemeteries)					
R'000					
Details	2023/2024	2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	- 74,208.01	- 262,250.00	- 62,250.00	- 60,136.68	- 2,113.32
Expenditure:					
Employees	2,170,446.87	3,773,280.00	3,773,280.00	1,823,405.84	1,949,874.16
contracted Services	793,956.00	3,628,713.00	2,878,713.00	1,373,575.82	1,505,137.18
Other Expenditure	18,835.02	569,600.00	150,000.00	24,221.09	125,778.91
Total Operational Expenditure	2,983,237.89	7,971,593.00	6,801,993.00	3,221,202.75	3,580,790.25

Table/Figure 36: Community services financial status (Protection Services)

Financial Performance 2024/2025: Community development (Protection Services)					
R'000					
Details	2023/2024	2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	- 16,035,784.73	18,424,315.00	- 20,199,315.00	- 17,320,554.34	- 2,878,760.66
Expenditure:					
Employees	40,816,581.53	3,773,280.00	3,773,280.00	1,823,405.84	1,949,874.16
contracted Services	112,231.57	3,628,713.00	2,878,713.00	1,373,575.82	1,505,137.18
Other Expenditure	3,015,553.23	569,600.00	150,000.00	24,221.09	125,778.91
Total Operational Expenditure	43,944,366.33	48,547,021.00	48,247,021.00	45,721,760.64	2,525,260.36

COMPONENT G: CORPORATE POLICY AND OTHER SERVICES

3.12.1. Introduction

The corporate and shared services department in Fetakgomo Tubatse local municipality consist of the following units: Mayor's office, Speaker's office, Office of the Whip of Council, Record and Facility Management, Fleet management and Information Communication Technology, four Regional Cluster Offices (Apel, Steelpoort, Ohrigstad and Praktiseer), Human Resource Management, Training and Development

3.12.2. EXECUTIVE AND COUNCIL

3.12.2.1. Introduction

The municipality has ten executive committee members including the mayor. The executive committee is constituted by three political parties namely, African National Congress (ANC) with seven members, Economic Freedom Fighters (EFF) with two members and Democratic Alliance (DA) with one member. The Mayor, Speaker and Council Whip are from African National Congress.

3.12.2.2. Section 79 Committees

Municipality has six section 79 committees which are Budget & Treasury, Corporate and shared Services, Infrastructure Development & Technical Services, Community Development, Development Planning, and Local Economic Development & Tourism. The committees are chaired by non- executive committee members.

3.12.2.3. Council Stability

Fetakgomo Tubatse municipal council is stable and meet quarterly in ordinary council sittings and as and when a need arise special council meetings convened. There is a healthy and constructive work relationship between the governing party and the opposition parties in council. The relationship is beneficial to the administrative wing of council and its communities. Administration submits quarterly performance reports to Council and its sub - structures.

Five out of seven senior management positions including the Municipal Manager were filled. The filled positions are director Local economic development and tourism; Community development; Chief Finance Officer and Municipal manager, director infrastructure and technical services. The vacant positions, Director corporate and shared services and Development Planning.

3.12.2.4. Executive Support Unit Employees

The executive support unit in the municipality belong to corporate and shared service department. In 2024/2025 financial year, the unit had 28 employees which was addition of one employee from 27 employees it had in 2023/2024 financial year.

The financial status of the unit in the financial year under review was that R101,104,005 was allocated to the unit after mid-year budget adjustment and by the end of the financial year R101,115,666 spent. For detailed information see the tables below.

Table/figure 37: Executive support unit employees

Employees: Executive Support Services unit					
Job Level	2023/2024	2024/2025			
	Employees	Posts	Employees	Vacafores (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
T1 – T3	0	0	0	0	0%
T4– T8	7	21	13	8	38%
T9 - T13	19	34	14	20	59%
T14 - T18	1	3	1	2	67%
S57	0	0	0	0	0
Total	27	58	28	30	52%

Table/figure 38: Executive support unit financial status

Financial Performance 2020/2021: Executive Support					
Details	2023/2024	2024/2025			
	Actual	Original	Adjustment	Actual	Variance
Total operational revenue (excluding tariffs)	-	-	-	-	-
Expenditure:					
Employees Costs	6 257 252	3,897,619.00	27,959,620.00	34,421,670	6,462,050.41
Repairs and Maintenance	-	-	-	-	-
contracted services	3 683 086	6,456,555.00	6,128,730.00	3,738,720.38	2,390,009.62
Other Expenditure	15 150 276	19,986,982.00	20,012,150.00	18,567,238	1,444,911.52

Financial Performance 2020/2021: Executive Support					
Details	2023/2024	2024/2025			
	Actual	Original	Adjustment	Actual	Variance
Total Expenditure	68 588 402	76,644,661.00	101,104,005.	101,115,666	- 11,661.95

3.13. FINANCIAL SERVICES

3.13.1. Introduction

The department of Budget and Treasury in the municipality comprises of the following units; Financial reporting, Budget and reporting, Supply Chain Management, Revenue , Expenditure Management, Asset Management, Stores and Logistics.

3.13.2. Revenue collections

3.13.2.1. Billing vs Collection

The municipality has collected 67% of its billed revenue in the financial year under review. The following challenges were identified as main cause for such collection:

Table/Figure 39: Billing v/s Collections

Challenges	Mitigation
1.Low collection of Government debts Only the farm portions are paid and the debt for the improvements on the Government farms such as Dept of Rural Development is not there. Department of Public Works is in the process of registering some of the properties, but the municipality will only start billing the properties from the date of the registration and there is no guarantee if the historical debt will be paid.	Quarterly Provincial Debt Forums are held to unlock Government Debts
2.Low number of indigent registrations.	Awareness Campaign on indigent registration.

Challenges	Mitigation
3. A culture of non-payment of services by municipal townships	Debts over 90 days are handed over to the debt collectors to recover the long outstanding debts. 50 % rebate is granted to residential properties in Tubatse A and Ga-Mapodile A

3.13.3. Budget and Treasury Department employees

Budget and Treasury department employed 40 employees during the 2024/2025 financial year out of 82 positions on the organogram. The number had decreased compared to 42 employees in 2023/2024 financial year. For more information see the table below.

Table/figure 40: Budget and Treasury department employees

Job Level	2023/2024 Employees	2024/2025			
		Posts	Employees	vacancy	Vacancies (fulltime equivalents)
T1 – T4	0	0	0	0	0
T5 – T8	21	48	15	33	69%
T9 - T13	21	46	19	27	59%
T14 - T18	5	7	5	2	29%
S57	1	1	1	0	0%
Total	42	82	40	62	51.%

3.13.4. Budget and Treasury department financial status

The table below depict the financial status of budget and treasury by end of 2024/2025 financial year.

Table/figure 41: Budget and Treasury department financial status

Financial Performance 2024/2025: Budget and Treasury Department					
					R'000
Details	2023/2024	2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	966 587 571	- 997,947,612	930,125,599.	947,637,229.24	17,511,630.24

(excluding tariffs)					
Expenditure:					
Employees	37,903,867	41,323,605.	41,323,605.	42,123,732.01	800,127.01
Repairs and Maintenance					
Contracted Services	55,699,842	15,500,000	14,500,000	11,601,052.11	2,898,947.89
Other	79,094 721	25,104,930	29,233,127	24,842,237.82	4,390,889.18
Depreciation and debt impairment	120 127 821	16,868,257	18,396,158	20,997,558.45	2,601,400.45
Total Operational Expenditure	292 826 251	108,296,792.	108,114,476	129,117,231.54	- 21,002,755.54

3.14. HUMAN RESOURCE SERVICES

3.14.1. Introduction

The human resources management and training development unit in the municipality falls under corporate and shared service department. The unit plays an Active role in the alignment of the IDP and staff, to ensure that the municipality reaches its strategic goals. The unit prepares and presents Organizational structure to management, develop and monitor the implementation of employment equity plan and issue bursaries for both internal and external students

3.14.2. Organizational Structure

The municipality has seven (7) departments including office of the municipal manager as reflected in the Organogram below. All departments except office of municipal manager have political and administrative heads which are members of Executive committee and section 56 appointers (Directors) respectively. The sketch below depicts municipal departments.

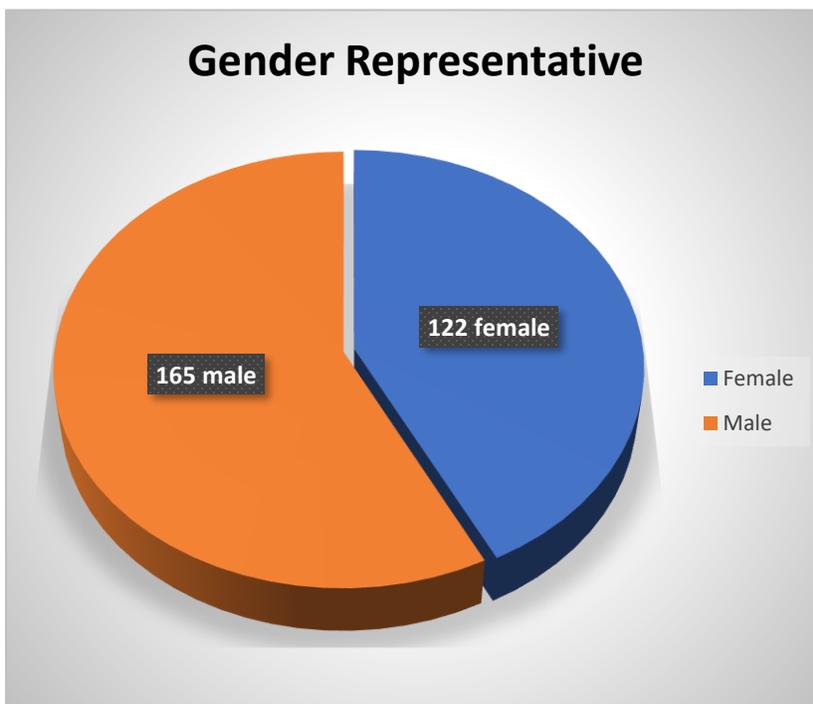
Chart 04: Organogram



3.14.3. Employment Equity plan

The Municipality had 1158 positions on its organogram in the financial year under review. 330 positions were filled and 821 was vacant. 7 positions from the political office bearers’ offices were filled through secondment by permanent employees. In terms of gender representation, the municipality is male dominated, 188 municipal employees are male while 142 employees are female.

Chart 05: Population per Gender Representatives



At senior management level, three senior management positions were filled by female and four positions filled by male. Three females were director Community development, Director Development planning and director local economic development and tourism. Male senior managers were director corporate and shared services, Chief finance officer, director infrastructure and technical services and municipal manager.

In terms of race representation, the Municipality has only two

white female employees. The bigger portion of the workforce comprises of black people. 3 male municipal employees are living with disabilities.

3.14.3. Staff Component of Corporate and Shared Service Department

In the financial year under review, corporate and shared services employed 68 employees out of 164 positions on organogram. For more details check the table below.

Table/figure 42: Corporate and shared Service department employees

Corporate and shared service employees					
Job Level	2023/2024 Employee s	2024/2025			
		Posts	Employees	Vacant	Vacancies (fulltime equivalents)
T1 – T4	9	50	19	31	32%
T5 – T8	18	45	17	28	54%
T9 - T13	20	59	23	36	48%
T14 - T18	9	9	9	0	0%
S57	1	1	0	1	100%
Total	47	164	68	96	40%

3.14.4. Corporate Services Financial Status

The department was allocated R151 035 916 for the 2024/2025 financial year. However, due to the high demands in the department the budget was adjusted to R172 837 570 during the mid-year budget adjustment period. By the end of financial year, R195 711 068 was spent. For more details see the table below.

Table/figure 43: Corporate and shared services financial status

Financial Performance 2024/2025: Coperate and shared Services					
R'000					
Details	2023/2024	Original Budget	2024/2025	Actual	Variance
	Actual		Adjustment Budget		
Total Operational Revenue (excluding tarrifs)	1 833 750	2 020 000	1 039 175	18 302 943	17 263 768
Expenditure:					
Employees	52 ,377,185	63,722,615	59,785,979	58,694,206	1 091 772

Repairs and Maintenance					
Contracted Services	23 010 744	26 527 410	32,715,062	33 480,729	765 667
Operating Leases	26 037 175	18 500 000	20,770,000	10,334,868	10 435 132
Other Expenditure	47,157,967	42,285,891			13 821 470
Total Operational Expenditure	223,968,833	151,035,916	172 837 570	195,711,068	-22 873 499

3.15. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

3.15.1. Introduction

Information and Communication Technology (ICT) Unit is located within the Corporate and Shared Services Department. The unit has eight (8) permanent employees, who collectively provide technical and administrative support to the municipality's ICT environment. Activities of the unit are aligned to the broader objectives of the municipality's Integrated Development Plan (IDP) of improving operational efficiency, data integrity, and digital transformation.

3.15.2. Information And Communication Technology Steering Committee

The municipality has established information and communication technology committee. The committee accounts to the audit committee. It provides strategic oversight, guidance, and direction on ICT governance, infrastructure priorities, and compliance with audit and risk management recommendations. It further ensures that ICT initiatives are implemented in a way that supports the municipality's strategic goals, enhances accountability, and promotes value for money in line with public sector ICT governance standards.

The steering committee was presided over by an audit committee member, which was later found to be irregular by AGSA. The committee was then forced to advertise for new chairperson. When the financial year ended the committee was chaired by the director corporate and shared service while seeking for independent chairperson.

COMPONENT H: ORGANISATIONAL PERFORMANCE SCORECARD

3.16.1. Summary Of Municipal Performance Per Key Performance Areas

Table/figure 44: Municipal performance

2024/2025					2022/2023	2023/2024
KPA	Annual Targets	Targets Achieved	Targets Not Achieved	%		
Spatial Rationale	18	14	4	78%	29%	67%
Municipal Transformation and Organizational Development	8	3	5	38%	91%	93%
Basic Service Delivery	29	13	16	45%	29%	44%
Local Economic Development	19	14	5	75%	72%	100%
Financial Viability and Management	12	6	6	50%	79%	91%
Good Governance and Public participation	37	26	11	70%	80%	94%
Total	123	76	47	62%	67%	86%

PERFORMANCE SCORE CARD

Fetakgomo Tubatse Local Municipality

2024-2025 Annual Performance Report

KPA 1: Spatial Rationale

The Objective: To promote integrated human settlements (Output 04)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
SPT/1	# of Ohrigstad Regional Precinct Plan developed	Simple determining recorded project progress in line with its predetermined milestones	New Indicator	1	0.5	0.5	G	None	None
SPT/2	# Burgersfort Regional Precinct Plan developed	Simple determining recorded project progress in line with its predetermined milestones	New Indicator	1	0.5	0.5	G	None	None
SPT/3	# Steelpoort Regional Precinct Plan developed	Simple determining recorded project progress in line with its predetermined milestones	New Indicator	1	0.5	0.5	G	None	None
SPT/4	# Apel Regional Precinct Plan developed	Simple determining recorded project progress in line with its	New Indicator	1	0.5	0.5	G	None	None

KPA 1: Spatial Rationale

The Objective: To promote integrated human settlements (Output 04)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
		predetermined milestones							
SPT/5	# Integrated Public Transport Network developed	Simple determining recorded project progress in line with its predetermined milestones	New Indicator	1	0.5	0.5	G	None	None
SPT/6	# Feasibility study for International Convention Centre (ICC) developed	Simple determining recorded project progress in line with its predetermined milestones	New Indicator	1	0.5	0.5	G	None	None
SPT/7	# Feasibility study for government precinct	Simple determining recorded project progress in line with its predetermined milestones	New Indicator	1	0.5	0.5	G	None	None
SPT/8	# Burgersfort Urban Design Framework developed by June 2025	Simple determining recorded project progress in line with its predetermined milestones	New Indicator	1	0.5	0.5	G	None	None

KPA 1: Spatial Rationale

The Objective: To promote integrated human settlements (Output 04)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
SPT/9	# of due diligence reports for land acquisition and consolidation completed	Simple count number off due diligence reports for land acquisition and consolidation completed	New Indicator	10	5	1	R	Five lands were requested however, due to human resource capacity only one due diligent report was completed by the end of the term other four were still outstanding.	Capacitation of the unit and completion of the outstanding due diligent reports

KPA 1: Spatial Rationale

The Objective: To promote integrated human settlements (Output 04)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
SPT/10	# Application for restructuring zone completed	Simple count number of Application for restructuring zone completed	New Indicator	1	1	0	R	COGHST A could not finalised restructuring zone in time , due to late receiptio n of council resolution from the municipality.	To ensure that the council resolution is submitted to COGHST A for further processing
SPT/11	# Stakeholder engagements on formalization of rural settlements facilitated	Simple count number of Stakeholder engagements on formalization of rural settlements facilitated	New Indicator	4	4	6	B	More stakeholders than expected shown interest	None

KPA 1: Spatial Rationale

The Objective: To promote integrated human settlements (Output 04)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
								on the project	
SPT/12	# Application for Housing Accreditation	Simple count number of Application for Housing Accreditation	New Indicator	1	1	0	R	COGHST A could not finalized housing accreditation in time , due to late reception of council resolution from the municipality.	To ensure that the council resolution is submitted to COGHST A for further processing

KPA 1: Spatial Rationale

The Objective: To promote integrated human settlements (Output 04)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
SPT/13	# potential funders mobilized for land development	Simple count number of potential funders mobilized for land development	New Indicator	4	4	3	0	The fourth engagement could not take place due to the resignation fourth quarter	capacitation of the department and engage potential funders in the next financial year
SPT/14	# strategic land released for development	Simple count number of strategic land released for development	New indicator	4	4	5	G2	More clients than anticipated shown interested in utilization of municipal land	None

KPA 1: Spatial Rationale

The Objective: To promote integrated human settlements (Output 04)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
								for their development,	
SPT/15	# of land acquired at Witgatboom 316 KT by June 2025	Simple count of number of lands acquired	New Indicator	1	0.5	0.5	G	None	None
SPT/16	# of land acquired at Erf 2238 Burgersfort Ext 21 by June 2025	Simple count of number of lands acquired	New Indicator	1	0.5	0.5	G	None	None
SPT/17	# of land acquired at Leeuwvallei 297 KT by June 2025	Simple count of number of lands acquired	New Indicator	1	0.5	0.5	G	None	None
SPT/18	# of land acquired at Mooifontein 313 KT by June 2025	Simple count of number of lands acquired	New Indicator	1	0.5	0.5	G	None	None

KPA 2: Municipal Transformation and Institutional Development

The Objective is to build municipal capacity by way of raising institutional efficiency, effectiveness and competency (output 01-07)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
MTT/01	% Development of Regional Office Model	Percentage project progress in line with its predetermined milestones	New Indicator	100.00%	75.00%	75.00%	G	None	None
MTT/02	% progress in establishment of Municipal Training Centre in Ohrigstad	Percentage project progress in line with its predetermined milestones	New Indicator	50.00%	40.00%	40.00%	G	None	None
MTT/03	% progress in conducting feasibility study on expansion of administration offices	Percentage project progress in line with its predetermined milestones	New Indicator	100.00%	50.00%	25.00%	R	Advertisement could not be done because the terms of reference was rejected for correction by end user department.	Project carried over to 2025/2026 financial year.

KPA 2: Municipal Transformation and Institutional Development

The Objective is to build municipal capacity by way of raising institutional efficiency, effectiveness and competency (output 01-07)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
MTT/04	# of Municipal Facilities name changed	Simple count of number of Municipal Facilities names changed	New Indicator	10	4	0	R	No facility name was changed because the name change process took a longer time than expected.	Project carried over to 2025/2026 financial year
MTT/05	# of potential funders mobilized for skills development.	Simple count of number of potential funders mobilized for skilled development.	New Indicator	2	2	2	G	None	None
MTT/07	% Cascading of Performance Management Systems to all employees	Percentage project progress in line with its predetermined milestones	30%	100.00%	100.00%	65.00%	R	Inadequate capacity by line managers to conduct individual performance assessments	Individual performance assessment training is provided for future application.

KPA 2: Municipal Transformation and Institutional Development

The Objective is to build municipal capacity by way of raising institutional efficiency, effectiveness and competency (output 01-07)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
								because cascading of performance management is new to them.	
MTT/08	# Reviewed City Development strategy vision 2043	Submission of City Development strategy vision 2043 to council by 30 June 2025	New Indicator	1	1	0	R	The partnership with MCPP terminated due to change management and Anglo platinum mine closed	The CDS to be reviewed internally in the next financial year
MTT/09	# SLP assets verified for both Graap and SLP compliance	Simple count of number of LP assets verified	New Indicator	10	10	9	O	Verification processes implemented; however delays were on discrepancies	Project carried over to 2025/2026 financial year.

KPA 2: Municipal Transformation and Institutional Development

The Objective is to build municipal capacity by way of raising institutional efficiency, effectiveness and competency (output 01-07)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
								as identified by FTLM and attended to by the mines.	

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
BSDT/1	% Construction of Appiesdoring to Manoke moshate access road	Percentage project progress in line with its predetermined milestones	80%	20.00%	20.00%	20.00%	G	None	None
BSDT/2	% Construction of Dresden Access Road	Percentage project progress in line with its predetermined milestones	Detailed design completed	100.00%	100.00%	36.87%	R	Slow progress by the Contractor due slow delivery of material by the supplier.	An alternative supplier and engineer have since been sourced
BSDT/3	% Construction of Maepa Access Road	Percentage project progress in line with its predetermined milestones	Detailed design completed	100.00%	100.00%	65.00%	R	Contractor delayed due to inclement weather	Extension of time has been applied as per the GCC
BSDT/4	% Construction of New Burgersfort Landfill site	Percentage project progress in line with its predetermined milestones	Detailed design Completed	20.00%	20.00%	10.00%	R	Delays were encountered due to the presence of human remains.	The work is in progress

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
								Construction of Cell one works were paused.	
BSDT/5	% Construction of Kgopaneng Sports Hub Phase 2	Percentage project progress in line with its predetermined milestones	Phase 1	100.00%	20.00%	12.00%	R	Sport fielded at 2.5% by the end of the financial year.	Fast track implementation
BSDT/6	# of Municipal households electrified.	Simple count of number of households electrified. Electrified in this incident means energized. i.e. lighting	0	1 900	1 900	0	R	*Nkwana Mashung and Nkwana new stand were delayed due Land dispute which resulted in lawsuit. * Praktiseer Mountain square lacked energizing	Nkwana Mashung and Nkwana new stand case were withdrawn, and the ESKOM was engaged in capacitating other municipal areas.

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
								capacity from ESKOM.	
BSDT/7	% Completion of Planning and Design of Streetlights at Main Intersections	Percentage project progress in line with its predetermined milestones	Preliminary and detailed designs	5.00%	5.00%	5.00%	G	None	None
BSDT/8	% Completion of Magotwaneng access road	Percentage project progress in line with its predetermined milestones	Designs completed	100.00%	60.00%	0.00%	R	procurement processes of the project started in the third quarter and by fourth quarter was on evaluation	SCM Progresses to be fast-tracked
BSDT/9(a)	% Spent on Repairs and Maintenance and re-gravelling of	Percentage of money (Rand) spent on repair and maintenance	rehabilitation of 2 roads per year	100.00%	100.00%	60.00%	R	Panel for maintains expired. The expenditure	Panel to be concluded in the 1st quarter of 2025.

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
	various Municipal Roads	of municipal roads against its allocated budget.						incurred was on a month-to-month extension.	
BSDT/9(b)	*Turnaround time in fixing potholes from the identified date	Average days taken to fix potholes after been identified should be less than or equal to 30 days for the target to be achieved.	31	30	30	227	R	Pothole memo submitted towards end 3rd quarter and could not be processed until the end of fourth quarter	Capacitation of SCM to effective on its work
BSDT/10	Turnaround time in fixing traffic light from the date observed	Average days taken to fix traffic lights after been identified should be less than or equal to 30 days for the target to be achieved.	Maintenance of Traffic lights.	30	30	0	R	Delays on finalizing procurement processes to acquire service providers for the execution of the works	Expedite SCM processes

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
BSDT/10(a)	# of municipal road intersection where traffic lights are replaced	simple count number of traffic lights installed at municipal road intersections: Cheap-Cheap intersection, Morone, Civic Centre, Ohrigstad and Taxi rank intersection	New Project	5	5	0	R	The Project was introduced during mid-year budget adjustment to replace BSDT/10 and its procurement process started in the 3rd quarter and by the end of the 4th Quarter the project was still on the adjudication phase	The project will commence and continue in the new financial year

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
BSDT/11	Turnaround time in fixing streetlights and high mast light from date reported	Average days taken to fix streetlights after been identified should be less than or equal to 30 days for the target to be achieved.	210	30	30	1	B	The project was concluded early as the required equipment was available and performed by internal staff, thus procurement processes were not necessary.	None
BSDT/12	% Complete for design of Bulk Infrastructure for various townships	Percentage project progress in line with its predetermined milestones	Design of bulk infrastructure for various townships	100.00%	100.00%	0.00%	R	The project could not commence because Council could not approve the implementation of the project	Project will commence once MOU is signed

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
								pending the conclusion of Memorandum Of Understanding (MOU) between the Municipality and Service Provider	
BSDT/13	% Completed for Integrated Sports Precinct	Percentage project progress in line with its predetermined milestones	Integrated Sports Precinct	100.00%	50.00%	50.00%	G	None	None
BSDT/15	% Completion of detailed design for Burgersfort Ring Road	Percentage project progress in line with its predetermined milestones	Design for Burgersfort Ring Road	100.00%	50.00%	50.00%	G	None	None

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
BSDT/16	% completion of Detailed design for Integrated urban Roads and Stormwater	Detailed design for Integrated urban Roads and Stormwater	Design for Integrated Urban Roads and storm water	100.00%	50.00%	50.00%	G	None	None
BSDT/17	% Complete for Energy Master Plan	Percentage project progress in line with its predetermined milestones	Energy Master plan	100.00%	100.00%	100.00%	G	None	None
BSDT/18	% Completion of Budget facility for Infrastructure (BFI) Application	Verify if the application for budget facility infrastructure is made	Budget facility for Infrastructure (BFI) Packaging	100.00%	100.00%	100.00%	G	None	None
BSDT/19	% Complete for Electrification Distribution License	Verify if electricity distribution license is obtained	Electrification Master Plan	100.00%	60.00%	60.00%	G	None	None
BSDT/20	% Complete on Sewer	Percentage project progress in line with its	Development of Mashifane Park Services	100.00%	100.00%	89.00%	O	Works Stopped due to lack of	Construction Permit was obtained, thus

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
	Reticulation service	predetermined milestones						construction permit, from 25/07/2024 to 09/09/2024.	project continued
BSDT/21	% Complete on the Planning, design and installation of Electricity at Mashifane Park	Percentage project progress in line with its predetermined milestones	Planning, design and Installation of Electrification at Mashifane Park	10.00%	5.00%	5.00%	G	The project was adjusted during midyear budget adjustment however the Service provider had fast tracked it after been adjusted	None
BSDT/22	% Complete on installation of Water Reticulation Services at Mashifane Park ext 2 and 3	Percentage project progress in line with its predetermined milestones	Development of Mashifane Park Services	100.00%	100.00%	78.00%	O	There was hard rock on site required approval of variation order before demolition.	The variation order was approved by the municipality, and the project is in progress

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
BSDT/23	% Complete/installation of Bulk Services at Mafolo Park	Percentage project progress in line with its predetermined milestones	Infrastructure development framework	100.00%	55.00%	0.00%	R	The project could not commence because Council could not approve the implementation of the project pending the conclusion of Memorandum Of Understanding (MOU) between the Municipality and Mafolo Park	Project will commence once MOU is signed

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
BSDT/24	% completion of planning and design of Electrification of Appiesdoorndraai portions 9,10,11 &12, Fetakgomo Ext 1, Mafolo Park.	Percentage project progress in line with its predetermined milestones	Planning and design of Electrification for Various townships	100.00%	100.00%	0.00%	R	The project could not commence because Council could not approve the implementation of the project pending the conclusion of Memorandum of Understanding (MOU) between the Municipality and affected areas	Work will commence once the agreement between parties is being reached

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
BSDT/25	% Completion of Design for Burgersfort regional Library	Percentage project progress in line with its predetermined milestones	Planning and design of Burgersfort regional Library	50.00%	50.00%	0.00%	R	The project was delayed because the contractual period of the current panel of consultants had expired and the municipality was in the process of acquiring a new panel of consultants.	Work will commence once panel of consultants has been appointed
BSDT/26	% Completion of Design for Intermodal facility	Percentage project progress in line with its predetermined milestones	Inception report	20.00%	20.00%	20.00%	G	None	None
BSDT/27	# FBE campaigns held	Simple count of number of FBE campaigns held	5	2	2	2	G	None	None

KPA 3: Infrastructural Development and Basic Service Delivery

THE OBJECTIVE “TO FACILITATE FOR BASIC SERVICES DELIVERY AND INFRASTRUCTURAL DEVELOPMENT / INVESTMENT” (OUTPUT 02)

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
BSDT/27(a)	# of Indigent households receiving FBE	Simple count of number of indigent households receiving Free basic electricity	3033	2 500	2 500	2662	G2	More indigents households than expected register on the register	None

KPA 4: Local Economic Development & Tourism

OBJECTIVES: TO CREATE ENVIRONMENT THAT PROMOTES GROWTH, DEVELOPMENT THEREBY FACILITATING JOB CREATION AND INEQUALITY POVERTY (OUTPUT03

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
LEDT/01	# Facilitation of PSP /PPP for Agro processing master plan implementation	Simple count of number of PSP /PPP for Agro processing master plan implementation facilitated	3	4	4	4	G	None	None
LEDT/ 02	# Development of Fetakgomo Tubatse Social Labour Plan Policy	Simple count of number of Fetakgomo Tubatse Social Labour Plan Policy developed	Draft Social labour plan	1	1	0	R	Mining and Industrialization unit could not finalize the development of the social labour plan policy due to disruptions of consultative meeting by members of community/stakeholders.	The final draft of the social labour plan policy shall be taken to the new financial year
LEDT/ 03	# Establishment of LED mining support (SLPs and mining funding trust and NPC)	Simple count of number of LED mining support established	New	1	1	1	G	None	None

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
LEDT/ 05	% Strategic facilitation and support for Small, Medium and Micro Enterprises (SMME) with Development Finance Institute (DFI)	Percentage project progress in line with its predetermined milestones	New	100.00%	100.00%	100.00%	G	None	None
LEDT/ 06	% Strategic facilitation and support for Small, Medium and Micro Enterprises (SMME) through public sector funding agencies	Percentage project progress in line with its predetermined milestones	New	25.00%	25.00%	25.00%	G	None	None
LEDT/ 07	# municipalities outside south Africa twinned with Fetakgomo Tubatse Local municipality on Local Economic Development	Simple count of number of municipalities outside south Africa twinned with Fetakgomo Tubatse Local municipality on Local	New	1	1	1	G	None	None

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
	(LED) programmes	Economic Development (LED) programmes							
LEDT/08	% of Strategic Partnerships created with institution of high learning	Percentage project progress in line with its predetermined milestones	1	100.00%	50.00%	50.00%	G	None	None
LEDT/09	# FTLM chamber of Commerce and Industries established	Simple count of number of FTLM chamber of Commerce and Industries established	0	2	1	0	R	The FTLM chamber of commerce could not be functioning pending the endorsement by the Limpopo chamber of commerce and Limpopo business forum	The FTLM chamber of commerce will be functional in 2025/2026 financial year
LEDT/10	# of projects implementation from the manufacturing and industrial master plan	Simple count of number of projects implemented from the manufacturing and industrial master plan	30%	2	2	4	B	None	None

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
LEDT/ 11	# Facilitation on transfer of Potlake Nature Reserve strategic partnership with Limpopo Department of Economic Development, Environment and Tourism (LEDET)	Simple count of number of transfers of Potlake Nature Reserve strategic partnership with Limpopo Department of Economic Development, Environment and Tourism (LEDET) facilitated	0	1	1	1	G	None	None
LEDT/12	# Facilitation of a Partnership with Sekhukhune Development Agency (SDA) for implementation of integrated resource plan (de -hoop)	Simple count of number of a Partnership Fetakgomo Tubatse Municipality has facilitated with Sekhukhune Development Agency (SDA) for implementation	New	1	1	1	G	None	None

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
		of integrated resource plan (de -hoop)							
LEDT/ 13	# Strategic/ Partnership on Heritage and culture Programmes	Simple count of number of Strategic/ Partnership on Heritage and culture Programmes	New	2	2	2	G	None	None
LEDT/ 14	% Progress in conducting Moshate battlefield trail feasibility study	Percentage project progress in line with its predetermined milestones	20%	50.00%	40.00%	40.00%	G	None	None
LEDT/15	# Investment Promotion Strategy implementation	Simple count of number of Investment Promotion Strategy implemented	New	1	1	1	G	None	None

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
LEDT/16	% Great Sekhukhune series	Percentage project progress in line with its predetermined milestones	New	5	5	5	G	None	None
LEDT/ 17	# Completion of Feasibility study Mphanama Dam for tourism attraction	Simple count of number of Feasibility study conducted on Mphanama Dam for tourism attraction	New	1	1	0	R	None	None
LEDT/ 19	# of Feasibility study completed on Logistic hub	Simple number of Feasibility study completed on Logistic hub	New	1	1	0	R	Memos have been submitted and approved by Mm, but supply chain could not make appointment. the documents have been submitted in the last six month	Waiting for supply chain process as per the attached memo
LEDT/ 20	# of Automative Industrial Park initiative feasibility study completed	Simple count of number of Automative Industrial Park initiative	New	1	1	1	G	None	None

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
LEDT/ 21	% Completion of Tjate Infrastructure designs	Percentage project progress in line with its predetermined milestones	Infrastructure development framework	100.00%	75.00%	50.00%	R	Memos were written and submitted on time, however, there the procurement processes were prolonged.	Unlocking procurement processes.

KPA 5: Financial Viability

OBJECTIVE: “TO IMPROVE OVERALL MUNICIPAL FINANCIAL MANAGEMENT” OUTCOME 06

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
BTOT/01	Submission of 2025/26 municipal budget to council by 31 May 2025	Submission of 2025/26 municipal budget to council by 31 May 2025 will be considered as 01 achieved	31 May 2024	1	1	1	G	None	None
BTOT/01(a)	Submission of 2024/25 municipal Budget Adjustment to council by 24 February 2025	Submission of 2024/25 municipal Budget Adjustment to council by 24 February 2025 will be considered as 01 achieved	24-Feb-24	1	1	1	G	None	None
BTOT/01(b)	Turnaround time on submission of 2024/25 Mid-Year Report (s72) to the Mayor, National treasury & provincial treasury by 25 January 2025	submission of 2024/25 Mid-Year Report (s72) to the Mayor, National treasury & provincial treasury by 25 January 2025 will be considered as 01 achieved	25-Jan-25	1	1	1	G	None	None

KPA 5: Financial Viability

OBJECTIVE: “TO IMPROVE OVERALL MUNICIPAL FINANCIAL MANAGEMENT” OUTCOME 06

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
BTOT/01(c)	# of MFMA section (s52) reports submitted to the Mayor and Provincial Treasury within 30 days after end of each quarter	Simple count of number of MFMA section (s52) reports submitted to the Mayor and Provincial Treasury within 30 days after end of each quarter	4 MFMA reports	4	4	4	G	None	None
BTOT/01(d)	# Development of long -term financial plan and capital funding plan	Simple count of number of long -term financial plan and capital funding plan developed	Long-term funding plan	1	1	1	G	None	None
BTOT/01(e)	% Opening of sinking fund to ringfence funds set aside for rehabilitation of the landfill side	Percentage project progress in line with its predetermined milestones	Rehabilitation of landfill side	70.00%	70.00%	60.00%	O	Less revenue was collected	Develop workable strategy to address it
BTOT/01(f)	% Reduction in non-	Comparison of incompliance matter identified per quarter	31-Aug-24	100.00%	100.00%	80.00%	O	Not all compliance	Address all non-

KPA 5: Financial Viability

OBJECTIVE: “TO IMPROVE OVERALL MUNICIPAL FINANCIAL MANAGEMENT” OUTCOME 06

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
	compliance matters							matters are resolved	compliance matters
BTOT/02	Submission of reviewed Annual Financial Statements to Auditor General of South Africa by 31 August 2024	Submission of reviewed Annual Financial Statements to Auditor General of South Africa by 31 August 2024 will be considered as I achieved	31-Aug-24	1	1	1	G	None	None
BTOT/03	Compliant ratio liquidity norm	Verify the liquidity ratio of the municipality quarterly	2:1 liquidity	2:01	2:01	1.50:1	O	Decreased current assets due to decreased cash and cash equivalents balance, ratio is below targeting however municipality is able to meet its current	Budget and cash flow management to ensure that the liquidity ratio is maintained on a 2:1 ration

KPA 5: Financial Viability

OBJECTIVE: “TO IMPROVE OVERALL MUNICIPAL FINANCIAL MANAGEMENT” OUTCOME 06

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
								obligations as they become due	
BTOT/04	% Billing vs revenue collected	Determining the collection ratio of the municipality of Billing vs revenue collected	75% Billed Revenue	80.00%	80.00%	77.00%	○	Non-Payment of Government Debts Culture of nonpayment by two townships, Ga-Mapodile A and Tubatse A Disputes by mine on other land values (after the consolidation)	*Attending Quarterly Provincial Debt Forum *Handing over of the debt that is more 90 days *One on one meeting with the affected mines Legal steps were taken against other businesses

KPA 5: Financial Viability

OBJECTIVE: “TO IMPROVE OVERALL MUNICIPAL FINANCIAL MANAGEMENT” OUTCOME 06

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
BTOT/05	% Implementation of Council resolutions	Calculate number council resolution implemented against number of council resolutions taken by the municipality which are Implemented	100% implementation of council resolutions	100.00%	100.00%	75.00%	○	Not all council resolutions were implemented in the financial year	The BTO will implement once they have resolutions to be implemented
BTOT/06	% implementation of strategic risk management issues	Calculate number Risk implemented against number risks recorded on risk management register.	80% implementation of risk management issues.	90.00%	90.00%	88.00%	○	Not all third quarter risks were implemented	Implementation of all strategic risks

KPA 6: Good Governance and Public Participation

OBJECTIVE: “TO PROMOTE A CULTURE OF PARTICIPATORY AND GOOD GOVERNANCE” OUTPUT 05

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
GGT/1	# of Internal Audit projects conducted	Simple count of number of Internal Audit projects conducted	27- Internal Audit projects	27	22	23	G2	AGSA Action plan review was not planned for July	None
GGT/2	% progress in the Review of Internal Audit strategic and governance frameworks	Percentage project progress in line with its predetermined milestones	100% Review of Internal Audit strategic and governance frameworks	100.00%	100.00%	100.00%	G	None	None
GGT/3	% progress in the development of Internal Audit strategy	Percentage project progress in line with its predetermined milestones	0%	100.00%	100.00%	100.00%	G	None	None
GGT/3(a)	% progress in the development of Internal Audit 3 year rolling strategic plan	Percentage project progress in line with its predetermined milestones	100% Internal Audit 3 year rolling strategic plan	100.00%	100.00%	100.00%	G	None	None
GGT/4	% progress in the implementation of operational Clean Audit strategy	Percentage project progress in line with its predetermined milestones	100% implementation of operational Clean Audit strategy	100.00%	100.00%	100.00%	G	None	None

KPA 6: Good Governance and Public Participation

OBJECTIVE: “TO PROMOTE A CULTURE OF PARTICIPATORY AND GOOD GOVERNANCE” OUTPUT 05

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
GGT/5	Turnaround time in the Review of Audit and Performance committees Charter	Review of Audit and Performance committees Charter by 30 June 2025 will be considered as 01 achieved	Review of Audit and Performance committees Charter	1	1	1	G	None	None
GGT/5(a)	# of Audit Committee reports Submitted to council	Simple count of number of Audit Committee reports Submitted to council	Audit Committee reports Submitted to council	4	4	4	G	None	None
GGT/5(b)	# of Performance Committee Reports Submitted to council	Simple count of number of Performance Committee reports Submitted to council	Performance Committee reports Submitted to council	4	4	4	G	None	None
GGT/6	% progress in Implementation of risk management Frameworks	Percentage project progress in line with its predetermined milestones	100% Implementation of risk management Frameworks	100.00%	100.00%	100.00%	G	None	None
GGT/7	% progress Implementation of	Percentage project progress in line with	100% Implementation	100.00%	100.00%	100.00%	G	None	None

KPA 6: Good Governance and Public Participation

OBJECTIVE: “TO PROMOTE A CULTURE OF PARTICIPATORY AND GOOD GOVERNANCE” OUTPUT 05

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
	Anti- fraud and corruption strategy/policy	its predetermined milestones	of Anti- fraud and corruption strategy/policy						
GGT/8	% progress in Development of institutional Compliance Framework	Percentage project progress in line with its predetermined milestones	New	100.00%	100.00%	50.00%	R	It took a longer time to review the policy, due to its inadequate human resource capacity.	The policy will be presented to Council for approval once legal comments received
GGT/10	% progress implementation of business continuity management plan	Percentage project progress in line with its predetermined milestones	50% implementation of business continuity management plan	100.00%	100.00%	100.00%	G	None	None
GGT/11	% progress in Development of Protection of personal information (POPI) strategy	Percentage project progress in line with its predetermined milestones	New	100.00%	100.00%	70.00%	R	The POPI strategy was completed in the 3rd quarter and submitted to council for approval however,	The POPI strategy is approved in August 2025

KPA 6: Good Governance and Public Participation

OBJECTIVE: “TO PROMOTE A CULTURE OF PARTICIPATORY AND GOOD GOVERNANCE” OUTPUT 05

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
								submission to council was delayed until it was approved in August 2025	
GGT/12	% progress in the acquisition of Smart City Surveillance Cameras	Measure percentage progress against the Smart City Surveillance Cameras implementation plan per quarter.	New	100.00%	100.00%	100.00%	G	None	None
GGT/13	Turnaround time in the reviewal of Communication strategy	Review of the Communication strategy by 30 September 2024 will be considered as 01 achieved	0	1	1	0	R	The project was terminated during mid-year budget adjusted due to budgetary constrains	The project will be implemented in 2025/2026 financial year
GGT/14	# of newsletters produced	Simple count of number of newsletters produced	04 newsletters produced	4	4	4	G	None	None

KPA 6: Good Governance and Public Participation

OBJECTIVE: “TO PROMOTE A CULTURE OF PARTICIPATORY AND GOOD GOVERNANCE” OUTPUT 05

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
GGT/15	# of communication equipments acquired	Simple count of number of communications equipments acquired	07 communication equipments purchased	51	51	16	R	The project was terminated during mid-year budget adjusted due to budgetary constrains	The project will be implemented in 2025/2026 financial year
GGT/16	% Brand repositioning Activities conducted	Percentage project progress in line with its predetermined milestones	New	100.00%	100.00%	75.00%	O	Project was delayed pending approval of brand repositioning policy.	The project will continue in 2025/2026 financial year.
GGT/17	% Finalization of broadband strategy	Percentage project progress in line with its predetermined milestones	New	100.00%	100.00%	50.00%	R	The project was delayed due to introduction of new employee in the unit to take over the project.	Project to be implemented in the 2025/2026 financial year.

KPA 6: Good Governance and Public Participation

OBJECTIVE: “TO PROMOTE A CULTURE OF PARTICIPATORY AND GOOD GOVERNANCE” OUTPUT 05

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
GGT/18	% progress in acquisition of additional powers and Functions	Percentage project progress in line with its predetermined milestones	1	75.00%	100.00%	50.00%	R	Service provider delayed the stakeholder consultation and hence the delays in the implementation of the project.	Engage the service provider to commence stakeholder consultations in 2025/2026 financial year with assistance from the unit.
GGT/19	% progress in the Alignment of legal footprints (By-laws, policies and standard operating procedures)	Number of policies/by-laws reviewed against number of policies received for review. If no policy/by- laws are received for review the performance will be record as 100% achievement	New	100.00%	100.00%	80.00%	O	Inadequate human resources in the unit hence the policy review was outsourced.	The project was outsourced to fast track the process
GGT/20	% progress in the development of security master plan	Percentage project progress in line with its predetermined milestones	New	100.00%	100.00%	100.00%	G	None	None

KPA 6: Good Governance and Public Participation

OBJECTIVE: “TO PROMOTE A CULTURE OF PARTICIPATORY AND GOOD GOVERNANCE” OUTPUT 05

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
GGT/21	% progress in the implementation of waste minimization strategy	Percentage project progress in line with its predetermined milestones	New	25.00%	25.00%	25.00%	G	None	None
GGT/22	% progress in implementation of Air Quality by law	Percentage project progress in line with its predetermined milestones	New	100.00%	100.00%	50.00%	R	The memo for gazetting was approved in the first quarter however; procurement processes were delayed	SCM to work on improving its procurement processes.
GGT/23	% progress in Implementation of crematoria and cemetery by-law	Percentage project progress in line with its predetermined milestones	0%	100.00%	100.00%	100.00%	G	None	None
GGT/24	% Progress in the development of disaster management plan	Percentage project progress in line with its predetermined milestones	0%	100.00%	50.00%	50.00%	G	None	None
GGT/25	% progress in the Development of HIV/AIDS Multisectoral plan	Percentage project progress in line with its predetermined milestones	0%	100.00%	50.00%	50.00%	G	None	None

KPA 6: Good Governance and Public Participation

OBJECTIVE: “TO PROMOTE A CULTURE OF PARTICIPATORY AND GOOD GOVERNANCE” OUTPUT 05

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
GGT/26	% Progress in the establishment of one stop traffic station	Percentage project progress in line with its predetermined milestones	25% for feasibility study	50.00%	10.00%	10.00%	G	None	None
GGT/27	% progress in the development of HIV/AIDS response strategy	Percentage project progress in line with its predetermined milestones	0%	100.00%	50.00%	50.00%	G	None	None
GGT/28	# of Maintenance reports of FTLM Network (WAN and LAN) infrastructure compiled	simple count of number of Maintenance reports of FTLM Network (WAN and LAN) infrastructure compiled	4	4	4	4	G	None	None
GGT/29	# of IT software Licenses renewed	simple count of number of IT software Licenses renewed	5	5	5	5	G	None	None
GGT/30	Turnaround time in providing support in fixing IT Systems	counting time taken to fix IT system from the time reported	5 working days	5	5	3	B	Most of the end-user requests were resolved internally without	None

KPA 6: Good Governance and Public Participation

OBJECTIVE: “TO PROMOTE A CULTURE OF PARTICIPATORY AND GOOD GOVERNANCE” OUTPUT 05

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
								external intervention	
GGT /31	% progress in the development of ICT Strategy.	Percentage project progress in line with its predetermined milestones	New	50.00%	25.00%	25.00%	G	None	None
GGT /32	# of time/s ICT equipments acquired	count number of time/s ICT equipments acquired	4	4	3	2	R	Requestion for procurement ICT equipment was made in the first quarter, however, the process was delayed at procurement stage.	SCM to work on improving its procurement processes.
GGT /33	% progress in acquisition of Audio Visual (Hybrid) System in the Municipal Chambers	Percentage project progress in line with its predetermined milestones	New	100.00%	25.00%	25.00%	G	None	None

KPA 6: Good Governance and Public Participation

OBJECTIVE: “TO PROMOTE A CULTURE OF PARTICIPATORY AND GOOD GOVERNANCE” OUTPUT 05

Internal Ref / Indicator Code	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	YTD Actual	Year to Date Values for Quarter ending June 2025		
							Result	Reason for variation	Recommended Actions
GGT /34	% Development of Public Participation Policy	Percentage project progress in line with its predetermined milestones	20%	100.00%	100.00%	0.00%	R	Councilors could not be consulted as expected due to the instability which prevailed in Council as much focus or time was given to Council meetings.	We are planning workshop during the 2025 2026 financial year (June 2025)
GGT/35	# of consolidated ward committee reports submitted to council	simple count of number of consolidated ward committee reports submitted to council	4 consolidated ward committee reports submitted to Council.	4	4	4	G	None	None

Legends

R	KPI Not Met	$0\% \leq \text{Actual/Target} \leq 74.999\%$
O	KPI Almost Met	$75.000\% \leq \text{Actual/Target} \leq 99.999\%$
G	KPI Met	Actual meets Target (Actual/Target = 100%)
G2	KPI Well Met	$100.001\% \leq \text{Actual/Target} \leq 149.999\%$
B	KPI Extremely Well Met	$150.000\% \leq \text{Actual/Target}$
N/A	KPI Did Not Occur	KPIs with a target which did not materialize

CHAPTER 04: ORGANIZATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

COMPONENT A: INTRODUCTONAL TO THE MUNICIPAL PERSONNEL

4.1. EMPLOYEE TOTALS, TURNOVER, AND VACANCIES

The staff complement of the municipality by the end of 2024/2025 financial year was 330. The number has increased by one employee compared to 2023/2024 enrolment of 329. A detailed information is depicted in the table below.

Table/Figure 45: Employees and vacates

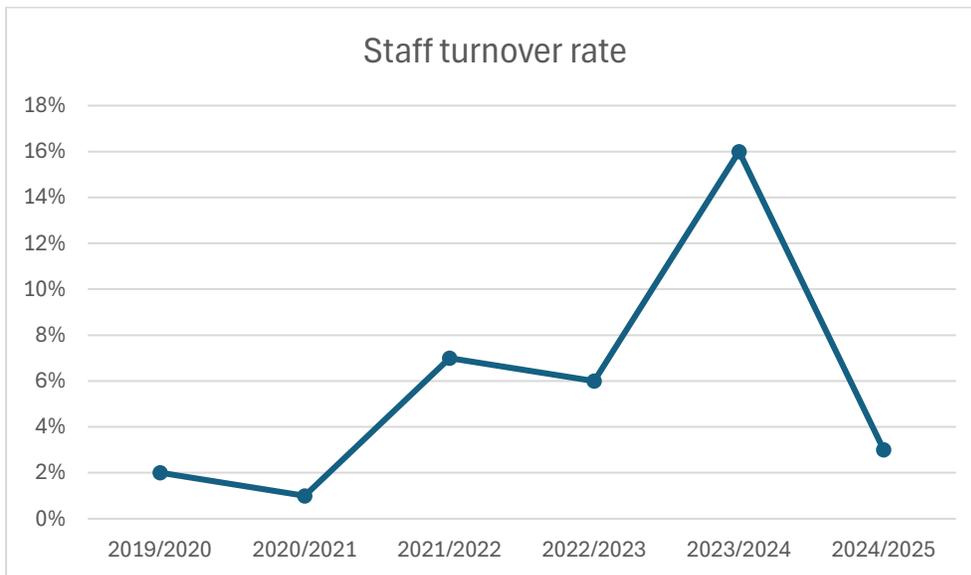
Departments	2023/2024	2024/2025			
		Approved Posts	Employees	Variance	Variance on funded (%)
Office of Municipal Manager	29	74	28	46	62%
Office of the Mayor	12	29	11	18	62%
Office Chip whip	1	6	4	2	33%
Office of Speaker	14	23	13	10	43%
Budget and Treasury	40	100	40	60	60%
Development and Planning	14	63	14	49	78%
Local Economic Development and Tourism	9	35	9	26	74%
Community Services	111	528	110	418	79%
Corporate Services	65	164	68	96	59%
Infrastructure Development and Technical Services	32	136	33	103	76%
Energy Services	2	0	0	0	0
Total	329	1158	330	828	71%

4.2. Staff turnover rate

Table/figure 46: Turnover rate

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
2019/2020	316	8	2%
2020/2021	309	3	1%
2021/2022	288	21	7%
2022/2023	287	17	6%
2023/2024	329	47	16%
2024/2025	330	11	3%

Chart 06: Staff turnover rate



COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.3.1. INTRODUCTIONS

Section 67 of Municipal System Act, Act 32 of 2000 mandates municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.

4.3.2. HUMAN RESOURCE POLICIES

The table below shows Human resource management policies in the municipality and dates in which they were adopted.

Figure/Table 47: Human Resource policies

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or on failure to adopt
		%	%	
1	Occupational Health and safety policy	100%	None	29/05/2017
2	Leave Management Policy	100%	100%	30/06/2022
3	Legal Aid Policy	100%	100%	30/06/2022
4	Smoking Policy	100%	100%	30/06/2022
5	Employment Assistance policy	100%	100%	30/06/2022
6	Staff Retention Policy	100%	100%	30/06/2022
7	Record management policy	100%	100%	30/06/2022
8	Housing Allowance policy	100%	100%	30/06/2022
9	Sexual harassment policy	100%	100%	30/06/2022
10	Covid -19 policy	100%	100%	30/06/2022
11	Travelling and out of pocket expenses policy	100%	100%	30/06/2022
12	Subsistence and Travel policy	100%	100%	30/06/2022
13	Overtime Policy	100%	100%	30/06/2022

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
14	Bursary Policy	100%	100%	30/06/2022
15	Fleet Management policy	100%	100%	30/06/2022
16	Secondment, transfer and Acting in Higher or Equivalent position policy	100%	100%	30/06/2022
17	Performance Management framework	100%	100%	29/05/2021
18	Recruitment, selection, and appointment policy	100%	100%	30/06/2022
19	Human Resource Planning Policy	100%	100%	30/06/2022
20	Internship, learnership and Experiential policy	100%	100%	30/06/2022
21	Training and Development Policy	100%	100%	30/06/2022
22	Employment Equity policy	100%	100%	30/06/2022

4.3.3. INJURIES, SICKNESS AND SUSPENSIONS

4.3.3.1. Injuries

43 injury leave were taken the 2024/2025 financial year. For more information See the table below.

Table/figure 48: Employees injuries on duty

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Average injury leave taken per employee	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	43	8	19%	5	R616.13

Temporary total disablement	0	0	0	0	0
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	43	08	19%	5	R616.13

4.3.3.2. Sick leaves

Table/Figure 49: Sick leaves

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	n %	No.	No.	Days	R' 000
Lower skilled (T1 – T4)	190	4.84%	9	31	21	R143 521.6
Skilled (T5 - T8)	84	1.13%	22	97	4	R108 008.31
Highly skilled supervision (T9 – T13)	674	8.9%	82	164	8	R1 285 957.00
Senior Management (T14 – T18)	204	6.3%	17	35	12	R636 166.46
MM and S57	0	0%	0	0	0	0
Total	1152	21.17%	130	327	45	R2 173 653.31

4.3.3.3. Suspended Employees

Three employees were suspended due to different misconducts which were levelled against them. The first one was plant operator, who was suspended with pay and later the suspension was lifted. The second one was the Director for infrastructure development and technical service and the final one is the municipal manager who were both suspended due to financial misconduct. Detailed information is depicted in the table below.

Table/figure 50: suspended employees

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken, or Status of Case and Reasons why not Finalised	Date Finalised
Plant operator	inciting	21/05/2024	The employee was suspended with pay. The employee's suspension was lifted.	11/09/2024
Municipal Manager	Financial Misconduct	16/10/2024	The Employee is still suspended, without pay.	Not finalised
Director Technical Services	Financial Misconduct	16/10/2024	The employee still suspended with pay	Not finalised

4.3.4. Disciplinary Actions taken on cases of financial misconduct

As demonstrated in the table above the municipality has taken disciplinary Action on cases of financial misconduct against its two employees which were the Municipal manager and director for infrastructure development and technical services. The municipal manger was suspended without pay and the director was suspended with pay. Detailed information is depicted in the table below.

Table/figure 51: Disciplinary Actions taken on cases of financial misconduct

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary Action taken	Date Finalised
Municipal Manager	Financial Misconduct	16/10/2024	The Employee is still suspended, without pay.
Director Technical Services	Financial Misconduct	16/10/2024	The employee still suspended with pay

4.3.5. PERFORMANCE REWARDS

The municipality conducted performance review for both senior managers and other employees accountable to senior managers however no one qualified for performance reward. See a detailed report in the table presented below.

Table/figure 52: Performance rewards

Performance Rewards by Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 2024/2025 R' 00	Proportion of beneficiaries within group %
Lower skilled (Tasks 1-4)	Female	21	None	None	None
	Male	11	None	None	None
Skilled (Tasks 5-8)	Female	40	None	None	None
	Male	51	None	None	None
Highly skilled supervision (Tasks 9-13)	Female	66	None	None	None
	Male	98	None	None	None
Senior management (Tasks 14 -18)	Female	14	None	None	None
	Male	24	None	None	None
MM and S57	Female	02	None	None	None
	Male	03	None	None	None
Total		330	None	None	None

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.4. SKILL DEVELOPMENT AND TRAINING

Municipal System Act, Act 2000 S68(1) mandates municipalities to develop capacity of their human resource to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient, and accountable way. The municipality has in 2024/2025 financial year took its staff through capacity programmes to improve their performance in delivering service to the communities. The table below reflects municipal skill matrix

Table/figure 53: Skill matrix

Skill Matrix														
Management Level	Gender	Employees in the post as at 30 June 2024	Number of skilled employees required and Actual as at 30 June 2025											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
MM and S57			30 June 2024	30 June 2025	Target	30 June 2024	30 June 2025	Target	30 June 2024	30 June 2025	Target	30 June 2024	30 June 2025	Target
			Female	01	00	00	00	00	01	01	00	00	00	00
Male	03	00	00	00	00	02	01	00	00	00	00	00	02	02
Councillors, senior officials, and managers	Female	40	00	00	00	00	27	27	00	00	00	00	27	20
	Male	71	00	00	00	00	36	50	00	00	00	00	51	35
Technicians and associate professionals	Female	04	00	00	00	00	34	11	00	00	00	00	72	72
	Male	06	00	00	00	00	26	09	00	00	00	00	46	46
Professionals	Female	05	00	00	00	00	14	08	00	00	00	00	16	16
	Male	04	00	00	00	00	15	15	00	00	00	00	18	18
Sub total	Female	50	00	00	00	00	76	47	00	00	00	00	117	109
	Male	84	00	00	00	00	79	75	00	00	00	00	117	101
Total		134	00	00	00	00	155	122	00	00	00	00	234	210

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.5. Employees whose salaries are upgraded.

No employee salary was upgraded in the financial year under review as demonstrated in the table below.

Table/figure 54: Employees whose salaries are upgraded in 2024/2025 financial year

Number Of Employees Whose Salaries Were Increased Due to Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Task 1 – 4)	Female	0
	Male	0
Skilled (Task 5 - 8)	Female	0
	Male	0
Highly skilled supervision (Task 9 - 13)	Female	0
	Male	0
Senior management (Task14 -18)	Female	0
	Male	0
MM and S 57	Female	0
	Male	0
Total		0

4.6. Employees whose salaries are affected by Job evaluation in 2024/2025.

No employee salary was affected by job evaluation in 2024/2025 financial year. See the table below for more information.

Table/figure 55: Employees whose salaries are affected by Job evaluation.

Employees whose salary levels exceeded the grade determine by job evaluation				
Occupation	Number of Employees	Job evaluation level	Remuneration level	Reason for deviation
None	None	None	None	None

4.7. Employees appointed on unapproved position

No employee in 2024/2025 financial year was appointed on unapproved position on the organizational structure.

Table/figure 56: Employees appointed on unapproved position.

Employees not appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exists
None	None	None	None	None

CHAPTER 05: FINANCIAL PERFORMANCE

5.1. STATEMENT OF FINANCIAL PERFORMANCE

Table/figure 57: statement of financial performance

Figures in Rands	Notes	2025	2024
REVENUE			
Revenue from exchanged transactions.			
Services charges	21	30 369 479	25 272 101
Rental of community offices and facilities	22	455 931	420 962
Interest Charged (trading)	28	7 493 611	6 068 964
Agency Services	24	8 498 436	8 372 821
Licence and Permits	25	7 316 719	6 394 676
Fees Earned	29	4 277 134	1 003 896
Other Incomes	30	64 150 963	140 042 854
Interest Received – Investment	31	12 662 044	19 650 733
Fair value adjustments	49	1 219 146	1 597 254
Total Revenue from exchange transaction		136 443 463	208 824 261
Revenue from non-exchanged transactions			
Taxation Revenue			
Property rates	32	223 997 029	183 809 936
Property rates – penalties Imposed	32	29 592 515	20 165 871
Transfer Revenue			

Government Grants and Subsidies	36	828 969 839	818 694 231
Public Contributions and Donations	26	17 834 650	17 391 303
Traffic fines	23	1 607 190	1 363 200
Other Revenue			
Total Revenue from Non – exchange transactions		1 102 001 223	1 041 424 541
Total Revenue	19	1 238 444 686	1 250 248 802
Expenditure			
Employees related costs	37	(298 591 426)	(255 273 876)
Remuneration of Councillors	38	(44 388 037)	(43 497 787)
Inventory Consumed	20	(17 691 575)	(53 696 458)
Depreciation and Amortisation	39	(101 758 132)	(85 935 983)
Impairment losses/reversal of impairment	40	(64 500)	(23 081 327)
Finance costs	41	(9 198 241)	(4 284 559)
Lease rentals on operating lease	27	(10 950 982)	(10 879 007)
Debt impairment/(Reversal of impairment)	43	(78 746 782)	(138 389 821)
Bad debts written off	45	(2 732 008)	(514 874)
Contracted services	46	(374 281 551)	(423 689 976)
Transfer and subsidies	33	(3 499 343)	(2 454 000)
Inventories losses/write-downs	34	-	(37 150 000)
Loss on disposal of assets	35	(708 532)	(4 962 992)
General expenses	44	(130 446 568)	(103 033 413)
Total expenditure		(1 073 057 677)	(1 186 844 073)
Surplus for the year		165 387 009	63 404 729

5.2. FINANCIAL PERFORMANCE OF OPERATIONAL SERVICES

Table/figure 58: financial Performance of Operational Services

Description	2023/2024	2024/2025			2024/2025 Variance	
		Original budget	Adjusted budget	Actual	Original Budget	Adjusted budget
Operational Costs						
Refuse Removal	50,253,949.24	55,070,624.	51,315,282.	53,702,369.80	5,072,179.76	1,316,837.76
Corporate service Administration	178,032,404	189,466,219	197,084,134	173,064,900.34	13,237,671.51	20,855,586.51
Municipal Manager administration	135,602,699	95,700,403	103,570,572	96,158,242.32	888,579.57	8,758,748.57
Finance administration.	338,653,190	142,596,792.	143,480,797.	137,112,809.47	20,820,439.54	21,002,755.54
Technical Services	200,828,266	157,645,303	148,503,997.	169,692,428.21	- 12,047,125.21	- 21,188,431.21
Local Economic Development and Tourism	14,967,033	31,393,022	15,166,516.	9,667,478.02	21,725,543.98	5,499,037.98
Development Planning	58,356,099	48,356,988.	18,280,158.	20,586,973.66	27,770,014.34	- 2,306,815.66
Executive Support	68,160,170	76644661	101104005	101,115,666.95	24,471,005.95	11,661.95

Libraries	7,311,841	8,443,693.00	7,537,293.00	6,085,398.52	7,504,634.00	1,451,894.48
Protection	44,314,366	55,097,021.	48,747,021.00	45,721,760.64	9,375,260.36	3,025,260.36
Cemeteries	2,983,237.89	7,971,593.	6,801,993.00	3,221,202.75	4,750,390.25	4,750,390.25
Community halls and Social Services	40,801,468	50,808,106.	47,574,855.00	36,904,613.14	13,903,492.86	10,670,241.86
Security Services		50,520,000.0	74,563,605.00	77,545,225.92	-27,025,225.92	- 2,981,620.92
Electricity/Engineeri ng services				26,309,421.38	-26,309,421.38	- 26,309,421.38
Total	1,140,264,723.	971,317,395.	964,983,198.00	956,888,491.12	84,137,439.61	24,556,126.09

5.3. GRANTS

Table/figure 59: Grants

Descriptions	2023/2024	2024/2025			2024/2025 variance	
		Original budget	Adjustment budget	Actual	Adjusted Budget	Original Budget
<u>Operational transfers and grants</u>						
Equitable Share	584,706,000.00	617,179,000.00	617,179,000.00	617,179,000.00	0.00	0.00
Finance management grant	2 550 000	2,500,000.00	2,500,000.00	2,500,000.00	00	00
EPWP	1,463,000.00	1,742,000.00	1,742,000.00	1,742,000.00	0.00	0.00
<u>Capital Transfer and Subsidies</u>						
Municipal Infrastructure Grant	124,208,004.00	109,304,000.00	127,304,001.00	127,304,001.00	0.00	0.00
Integrated Electrification Grant	85,264,227.00	24,122,000.00	24,122,000.00	24,122,000.00	0.00	0.00
Development Partnership Grant	20,503,000.00	58,000,000.00	47,718,000.00	47,718,000.00	0.00	0.00
Distress Mining Town Grant	8 404 838	8 404 838	8 404 838	00	8 404 838	8 404 838

Descriptions	2023/2024	2024/2025			2024/2025 variance	
		Original budget	Adjustment budget	Actual	Adjusted Budget	Original Budget
Total	818 694 231	821 251 838	828 969 839	820 565 001	8 404 838	8 404 838

5.4. ASSET MANAGEMENT

Table/Figure 60: Asset management

Asset 1			
Name	Magakala access road and access bridge		
Description	Upgrading 5.2km of gravel road to asphalt		
Asset Type	Road infrastructure		
Key Staff Involved	PMU manager		
Staff Responsibilities	Monitoring of implementation and compliance		
Asset value	2023/2024	2024/2025	2025/2026
	R 37 963 966	R 38,977,689.98	N/A
Capital Implications	MIG		
Future Purpose of Asset	Promotion of road safety		
Describe Key Issues	Road safety		
Policies in Place to Manage Asset	Repair and Maintenance		

Asset 2			
Name	Appiesdoring to Manoke access road		
Description	Upgrading of Appiesdoring to Manoke access road from gravel to asphalt and construction of access bridge on the road		
Asset Type	Road infrastructure		
Key Staff Involved	PMU manager		
Staff Responsibilities	Monitoring of implementation and compliance		
Asset value	2023/2024	2024/2025	2025/2026
	R51 500 000	R0.00	R0.00
Capital Implications	MIG		
Future Purpose of Asset	Promotion of road safety		
Describe Key Issues	Road safety		
Policies in Place to Manage Asset	Repair and Maintenance		

Asset 3			
Name	Mashung internal street (Nchabeleng, Nkoana and Apel) Phase 01		
Description	Construction 4km Mashung internal street r		
Asset Type	Upgrading road Infrastructure		
Key Staff Involved	PMU manager		
Staff Responsibilities	Monitoring of implementation and compliance		
Asset value	2023/2024	2024/2025	2025/2026
	R 39 356 144	R0.00	R0.00
Capital Implications	MIG		
Future Purpose of Asset	Improve road condition and viable Economy		
Describe Key Issues	Improve road condition and viable Economy		
Policies in Place to Manage Asset	Repair and Maintenance		

Asset 4			
Name	Municipal Electrification project		
Description	Electrification of villages at the Municipality		
Asset Type	Electrification project		
Key Staff Involved	PMU manager		
Staff Responsibilities	Monitoring of implementation and compliance		
Asset value	2023/2024		2024/2025
	R 52 353 000.00	R 40 231 000	R 42 035 000
Capital Implications	INEP		
Future Purpose of Asset	Crime prevention and viable Economy		
Describe Key Issues	Improve economic status of the community		
Policies in Place to Manage Asset	Repair and Maintenance		

Asset 5			
Name	New Burgersfort landfill site		
Description	Construction of new landfill site at Burgersfort		
Asset Type	Upgrading road Infrastructure		
Key Staff Involved	PMU manager		
Staff Responsibilities	Monitoring of implementation and compliance		
Asset value	2023/2024		2024/2025
	R 3 000 000	R 68 233 283.36	R0. 00
Capital Implications	MIG		
Future Purpose of Asset	Improve road condition and viable Economy		
Describe Key Issues	Improve road condition and viable Economy		
Policies in Place to Manage Asset	Repair and Maintenance		

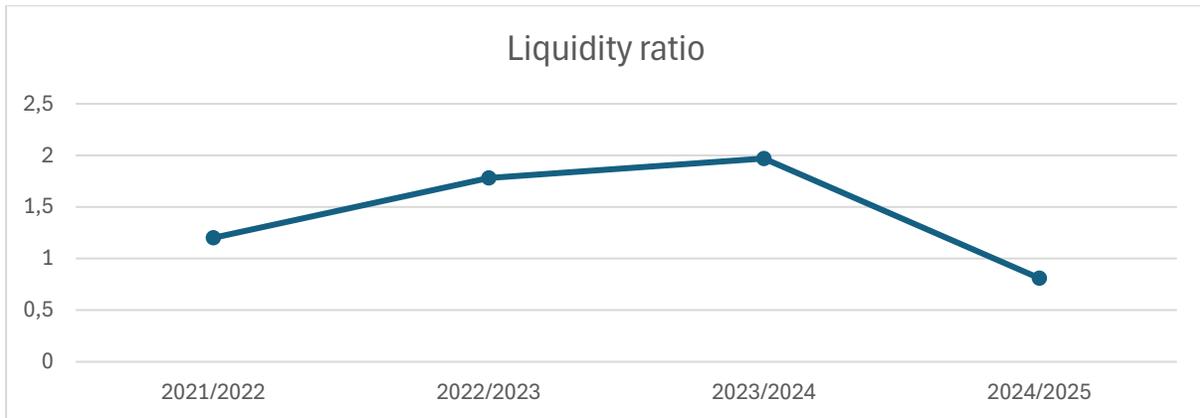
5.5. REPAIR AND MAINTENANCE

Table/figure 61: Repair and maintenance

Descriptions	2024/2025			2025/2026 variance
	Original Budget	Adjusted Budget	Actual	Variance
Repair and Maintenance	32,998,497.	33,970,002.	30,700,881.	3,269,120.

5.6. FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

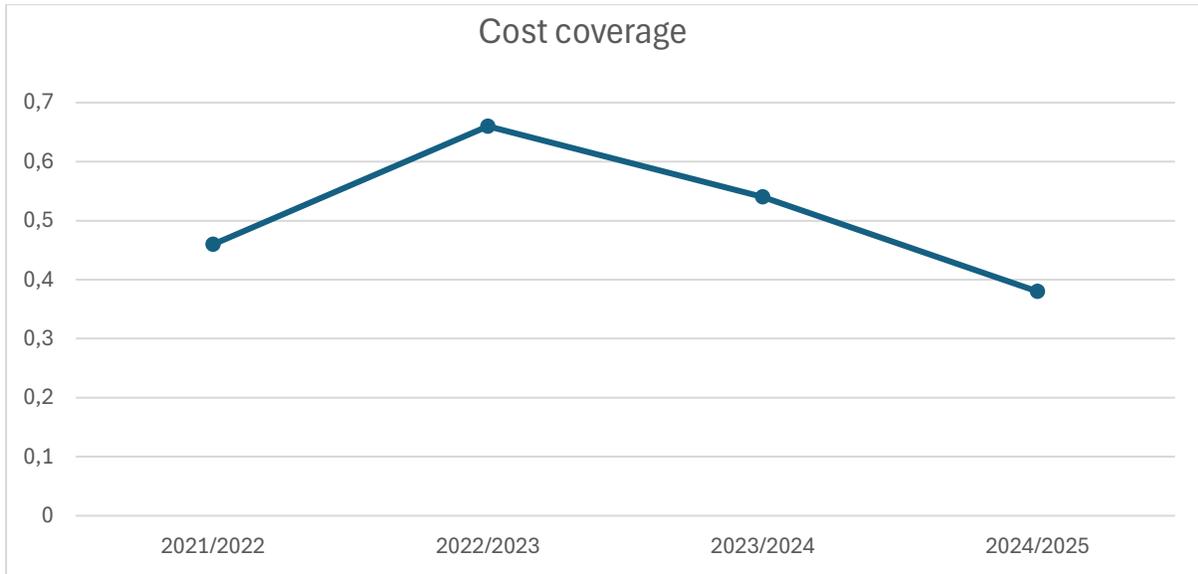
5.6.1. Chart 07: Liquidity ratio



2021/2022	2022/2023	2023/2024	2024/2025
1.20	1.78	1.97	0.81

5.6.2. Cost Coverage

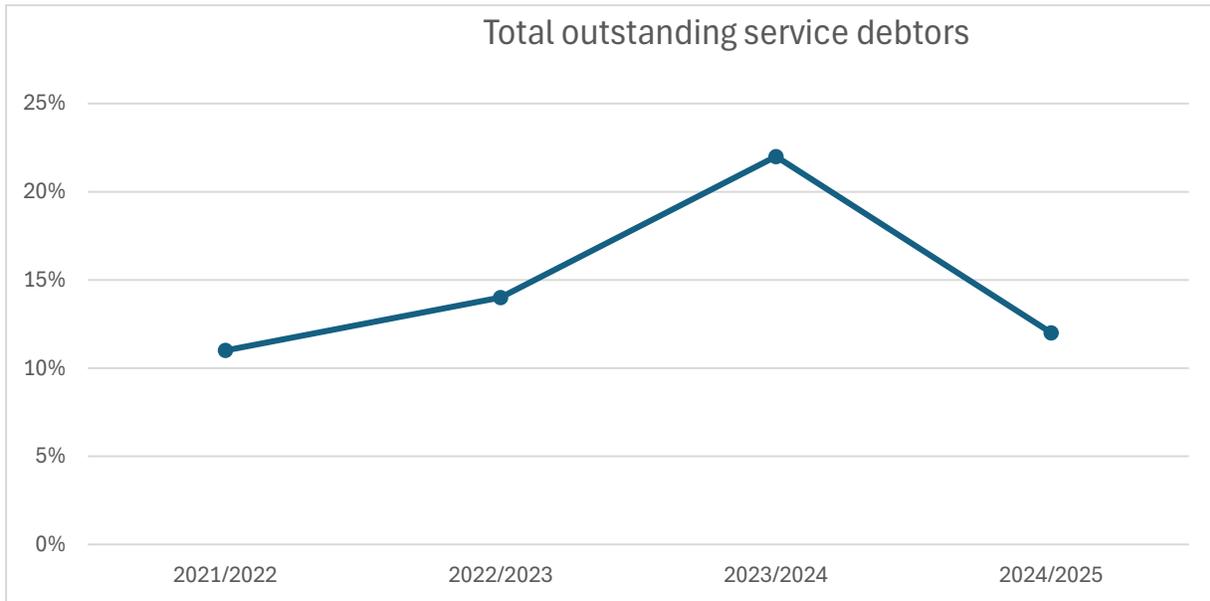
Chart 08: Cost Coverage



2021/2022	2022/2023	2023/2024	2024/2025
0.46	0.66	0.54	0.38

5.6.3. Total outstanding Services debtors

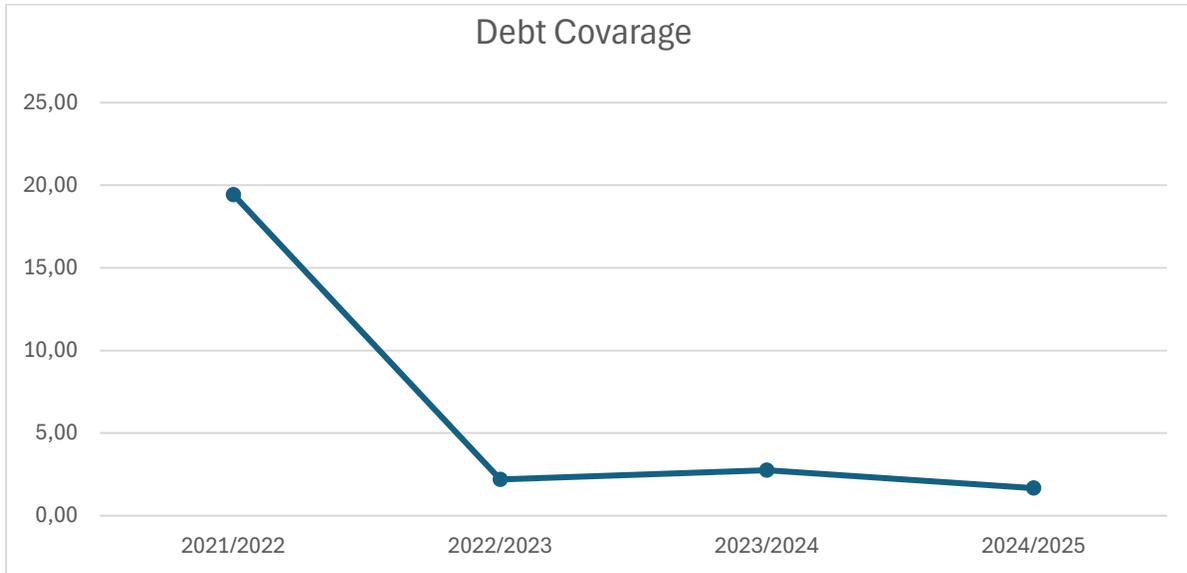
Chart 09: Total Outstanding Services debtors



2021/2022	2022/2023	2023/2024	2024/2025
11%	14%	22%	12%

5.6.4. Debt Coverage

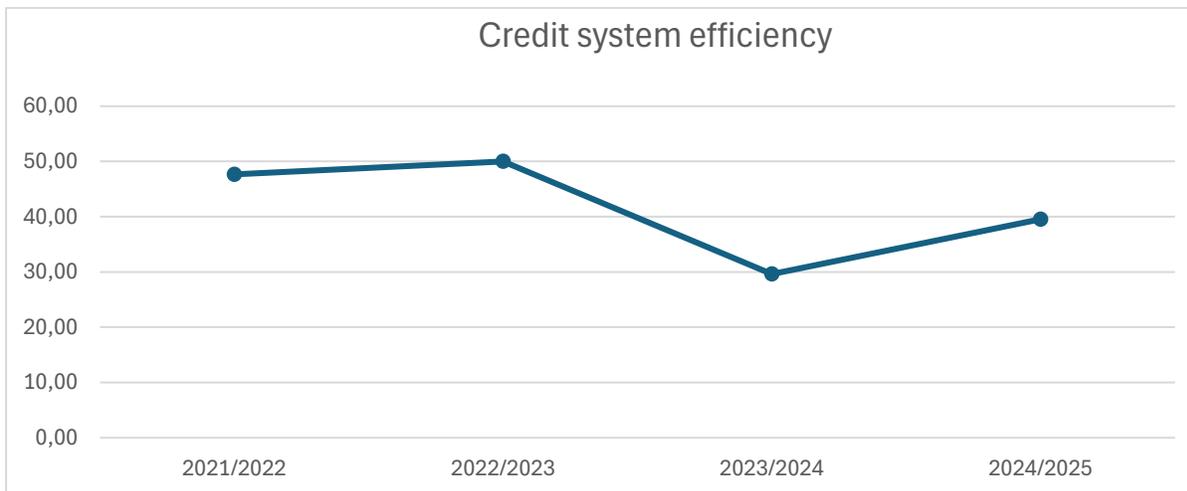
Chart 10: Debt Coverage



2021/2022	2022/2023	2023/2024	2024/2025
19.44	2.19	2.75	1.67

5.6.5. Creditor System Efficiency

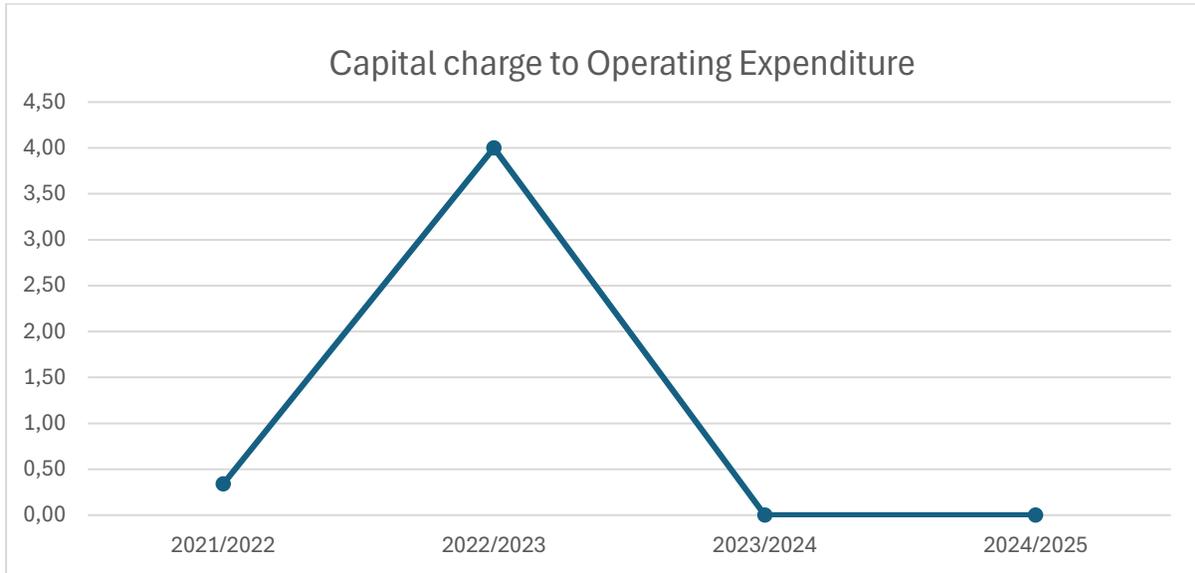
Chart 11: Credit system efficiency



2021/2022	2022/2023	2023/2024	2024/2025
47.67%	50%	29.62%	39.54%

5.6.6. Capital Charges to Operating Expenditure

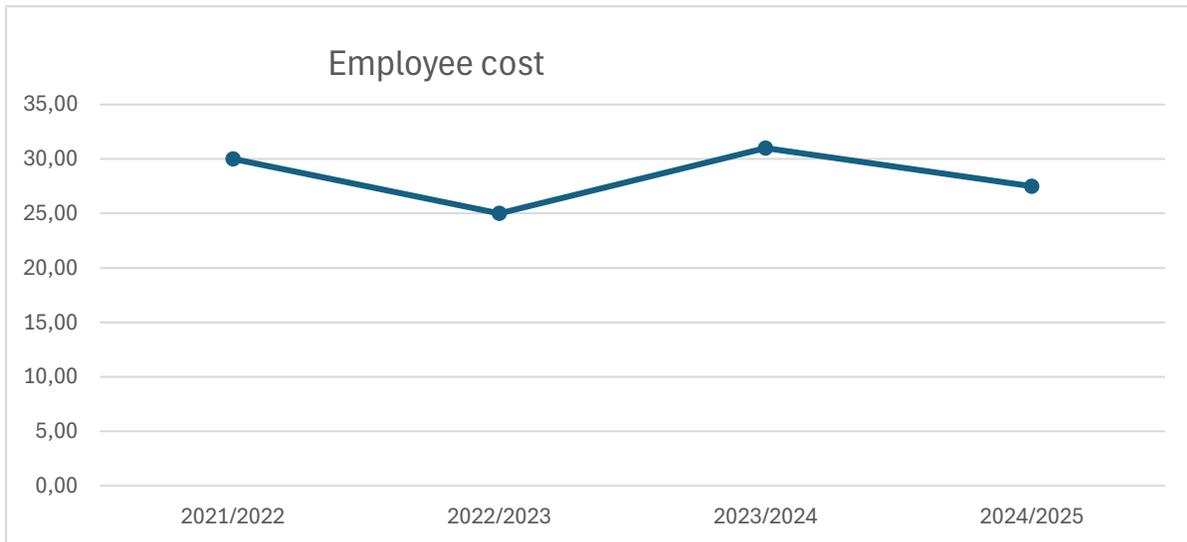
Chart 12: Capital charges to operating expenditure



2020/2021	2021/2022	2022/2023	2023/2024
0.34%	4%	0%	0%

5.6.7. Employee costs

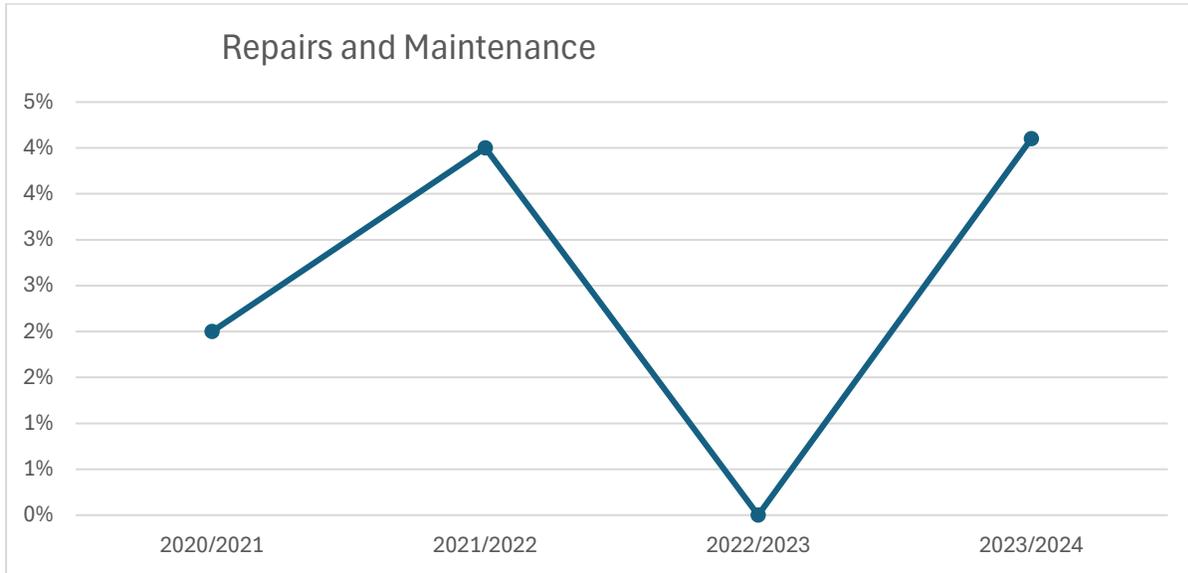
Chart 13: Employee costs



2021/2022	2022/2023	2023/2024	2024/2025
30%	25%	31%	27.49%

5.6.8. Repairs and Maintenance

Chart 14: Repairs and Maintenance



2021/2022	2022/2023	2023/2024	2024/2025
2%	4%	0%	4.10%

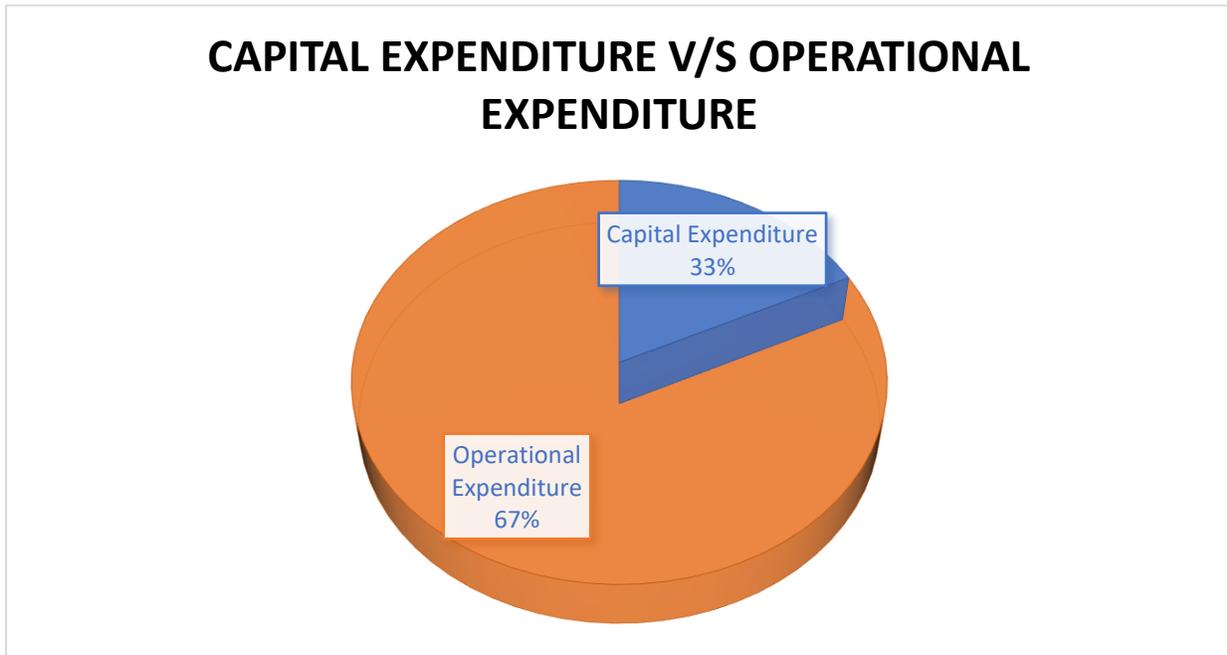
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.7.1. Capital Expenditure Vs Operational Expenditure

Figure/Table 62: Capital Expenditure V/S Operational Expenditure

Expenditure Type	% of Expenditure Budget	Original Budget	Adjustment Budget	Audited Full Year Total
Capital Expenditure	67%	798 815 000	902 673 000	766 592 778
Operating Expenditure	33%	385 809 000	336 388 000	213 295 012
Total expenditure	100%	1 184 624 000	1 239 061 000	979 887 790

Chart 15: Capital expenditure v/s operational expenditure



5.7.2. Capital Spending On Five Largest Projects

Table/Figure 63: Capital Spending On Five Largest Projects

projects names	2024/2025 financial year			Variance 2024/2025	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Maepa Access road	19 119 916	17 657 521	17 657 521	92%	100%
Burgersfort Landfill site	25,957,301.00	51,856,981.43	51,856,981.43	100%	64%
Dresden Access road	17,391,304.00	18,353,998.33	18,353,998.33	100%	1%
Mashifane Park water and sewer reticulation	50,434,783.00	41,493,913.00	41,493,913.00	100%	

projects names	2024/2025 financial year			Variance 2024/2025	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Magotwaneng Access road	3 000 000	3 000 000	0,00	0%	0%

Name of Project - A	Maepa Access Bridge
Objective of Project	Improve connectivity between villages
Delays	None
Future Challenges	None
Anticipated citizen benefits	None anticipated

Name of Project - B	Dresden Access road
Objective of Project	Improve connectivity between villages
Delays	None
Future Challenges	None anticipated
Anticipated citizen benefits	600

Name of Project - C	Burgersfort Landfill site
Objective of Project	Improve connectivity between villages
Delays	None
Future Challenges	None
Anticipated citizen benefits	600

Name of Project - D	Mashifane Park water and sewer reticulation
Objective of Project	Improve connectivity between villages
Delays	none

Future Challenges	none
Anticipated citizen benefits	2348

Name of Project - E	Magakala Access bridges
Objective of Project	Improve connectivity between villages
Delays	None
Future Challenges	None anticipated
Anticipated citizen benefits	600

5.8. BASIC SERVICE AND INFRASTRUCTURE BACKLOG – OVERVIEW

5.8.1. Introduction

As indicated in the overview in chapter 01 of this report, the municipality does not have authority to provide most of basic services. The table below highlights the status of basic service delivery in Fetakgomo Tubatse local municipality.

Table/figure 64: Service Delivery Backlog

No	Services	Access/connected	No Access/connection	% Access/connected
1.	Water (Pipe water)	58 255HH	67 208HH	46%
2.	Sanitation (Flushing toilets)	98 231HH	111 661HH	47%
3.	Electricity	107 770HH	17 692HH	87%
4.	Refuse Removal (at least once a week)	12 095HH	113 266HH	10%
5.	Housing (Formal)	107 477HH	17 976HH	87%

Source: FGTM IDP 2022/2023

5.8.2. 2024/2025 MIG Spending

The table below depicts the municipal spending on MIG.

Table/Figure 65: MIG spending

Capital Expenditure MUNICIPAL INFRASTRUCTURE GRANT					
R00					
Capital Project	2024/2025			2024/2025	
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value
Upgrading of Kgopaneng sports hub phase 2	8,695,652.00	7,453,119.00	7,453,119.00	0.00	100%
Construction of new Burgersfort land fill site	25,957,301.00	51,856,981.43	51,856,981.43	0.00	100%
Construction of Dresden access road	17,391,304.00	18,353,998.33	18,353,998.33	0.00	100%
Construction Magakala access	0	4,954,078.16	4,954,078.16	0.00	100%

Capital Expenditure MUNICIPAL INFRASTRUCTURE GRANT					
R00					
Capital Project	2024/2025			2024/2025	
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value
Purchase of refuse removal trucks	0	5,671,077.39	5,671,077.39	0.00	100%
Mashifane Park water and sewer reticulation	50,434,783.00	41,493,913.00	41,493,913.00	00.00%	100%
TOTAL	90,294,609.00	105,946,778.00	105,946,778.00	0.00	100%

COMPONENT C: CASHFLOW MANAGEMENT AND INVESTMENT**5.9. CASH FLOW****Table/figure 66: Cash flow management**

Figures in Rands	Notes	2025	2024
Cash flows from operating Activities.			
Receipts			
Sales of goods and services		305 392 246	146 946 914
Government Grant and subsidies		820 565 001	755 621 000
		1 125 957 247	902 567 914
Payments			
Employee costs		(336 775 051)	(294 684 470)
Suppliers		(626 823 179)	(497 013 581)
Finance costs		(9 198 241)	(4 284 558)
		(972 796 471)	(795 982 609)
Total receipts		1 125 957 247	902 567 914
Total Payments		(972 796 471)	(795 982 609)
Net cash flows from operating Activities	47	153 160 794	106 585 305
Cash flows from investing Activities			
Purchase of property, plant, and equipment		(206 808 477)	(296 108 120)
Proceeds from sale of property, plant and equipment	4	1 465 600	-
Purchase of other intangible assets	5	(694 378)	-
Proceeds from sale/purchase of financial assets		-	(50 000 000)
Interest Income		7 374 322	20 758 493
Net cash flows from investing Activities		(198 662 933)	(325 349 627)
Cash flow from finance Activities.			
Inflow from borrowings	17	-	100 000 000
Loan repayments		(35 901 149)	-

Net cash flow from Financing Activities	(35 901 149)	100 000 000
Net increase (decrease) in cash and cash equivalent	(81 403 288)	(118 764 322)
Cash and cash equivalents at the beginning of the year	99 299 089	218 063 411
Cash and cash equivalents at the end of the year 15	17 895 801	99 299 089

5.10. BORROWING AND INVESTMENT

Table/Figure 67: Borrowing and investment.

Actual Borrowings 2024/2025	
Instrument	2024/2025
Long-Term Loans (annuity/reducing balance)	00
Long-Term Loans (non-annuity)	(35 901 149)
Financial Leases	49 818 424
Total	85 719 573

5.11. PUBLIC PRIVATE PARTNERSHIP

No public private partnership was entered into in the financial year under review.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12. SUPPLY CHAIN MANAGEMENT

5.12.1. Introduction

The Municipality has established a functional Supply Chain Management unit in Budget and Treasury department. It has adopted its Supply Chain Management policy on 29 May 2017, which is reviewed annually with other finance policies. On quarterly basis the Municipality tables in council and National Treasury SCM reports.

5.12.2. Bid Committees

Appointment of Bid Committees is the competency of Municipal Manager. The Municipality has established the three required Bid committees namely: specification, Evaluation and Adjudication Committees. All these committees were functional.

The Municipality had a procurement plan to regulate its procurement processes. The plan has improved turnaround time in procurement of goods in the municipality.

5.12.3. Oversight Role Of Council

Municipality has established five oversight committees which play oversight function over council and its committees and report directly to council through office of the speaker. The committees are depicted in the table below:

Table/figure 68: Oversight council committees

No	Committee Name	Responsibilities
1.	Rules committees	Enforces council rules during council sittings
2.	Petition committee	Attends to petitions submitted to the municipality and report to council.
3.	Ethic committee	Regular conduct of councillors
4.	Municipal Public account committee (MPAC)	Ensures accountability of administration to council
5.	Audit committee	advises the municipal council, the political office bearers, the accounting officer, and the management on matters reflected in section 166(2) of MFMA.

5.13. GRAP Compliance

The Municipality is implementing different GRAP (Generally Recognised Accounting Practices) standards in its finance related matters. Numbers of finance staff members have attended different workshops on GRAP standards, some have registered in different courses on the implementation of various GRAP standard.

CHAPTER 06: AUDITOR GENERAL AUDIT FINDINGS

6.1. INTRODUCTION

Section 188(1)(b) of the constitution of Republic of South Africa mandates Auditor General of South Africa (AGSA) to audit municipalities and report on their accounts, financial statements, and financial management annually. On the same breath section 45(b) of the Municipal System Act, 32 of 2000 mandates the Auditor General of South Africa to audit the results of performance measurement of municipalities and give his/her audit opinion of the financial matters of municipalities.

6.2. COMPONENT A: AUDITOR GENERAL OPINION OF 2023/2024 FINANCIAL STATEMENT

Auditor General Report on 2023/2024 financial year	
Audit Report status:	Unqualified Opinion
Emphasis of Matter	Remedial Action taken
<p>Material Allowance for impairment As disclosed in note 15 the financial statements, the gross consumer debtor balance amounted to R466 259 752 and because of irrecoverable consumer debtors, a material allowance for impairment of R 386 256 807 was made</p>	
<p>Restatement of corresponding figures As disclosed in note 54 and 55 of the financial statement the corresponding figure for 30 June 2023 were restated because of errors in the financial statement of the municipality at and for the year ended, 30 June 2024</p>	

COMPONENT B: 2024/2025 AUDITOR GENERAL OPINION

6.2. 2024/2025 AUDITOR GENERAL OPINION

Auditor General Report on 2024/2025 financial year	
Audit Report status:	Unqualified Opinion
Emphasis of Matter	Remedial Action taken
Material Allowance for impairment As disclosed in note 14 the financial statements, the gross consumer debtor balance amounted to R553 682 313. Due to recognition of recoverable debtors, an impairment allowance of R463 534 480 was raised.	

APPENDIX A: Councillors, Committee Allocation and Council Attendance

No.	Surname	Full Names	Full time/Part time	Committee allocated	Ward and/or party representing.	% Council meetings attendance	% Apologies for non-attendance
1.	Maila	Edwin Eddie	Full Time	Mayor/ Executive Committee Chairperson	PR /ANC	93%	7%
2.	Shoba	Makgalema Vincent	Full Time	Speaker	PR/ ANC	100%	0%
3.	Mphethi	Ngwakwane Dorah	Full Time	Speaker	PR/ ANC	97%	3%
4.	Moeng	Queen Malekgale	Full time	Executive Committee	PR/ ANC	80%	20%
5.	Mashego	Raisibe Maria	Full Time	Executive Committee	PR/ ANC	93%	7%
6.	Mojalefa	Lerero Hallinda	Full time	Executive Committee	PR/ ANC	97%	3%
7.	Mokome	Khudu Elsie	Part time	Executive Committee	PR/ ANC	80%	20%
8.	Mabelane	Motsebeng Morussia	Full time	Executive Committee	PR/ ANC	97%	3%
9.	Shai	Makola Lucky	Part time	Executive Committee	PR/EFF	73%	27%
10.	Mabelane	Juliet	Part time	Executive Committee	PR/EFF	50%	50%

No.	Surname	Full Names	Full time/Part time	Committee allocated	Ward and/or party representing.	% Council meetings attendance	% Apologies for non-attendance
11.	Makofane	Isaac Phasha	Part time	Executive Committee	PR/DA	57%	43%
12.	Moopane	Michel Khutso	Part time	Corporate services, Local Geographic Name Change committee	Ward 01 /ANC	77%	23%
13.	Nkosi	Manchipane David	Part time	Corporate services, Local economic Development and Tourism	Ward 02/ ANC	77%	23%
14.	Radingwana	Maroale Release	Part time	MPAC Chairperson	Ward 03/ ANC	97%	3%
15.	Magagula	Tshepo Brown	Part time	Development Planning, Corporate and Shared Services	Ward 04/ANC	70%	30%
16.	Malapane	Oupa Timothy	Part time	Budget & Treasury, Development Planning	Ward 05/ANC	83%	17%
17.	Magane	Isaac Phasudi	Part time	Community Services Corporate Services Local Geographic	Ward 06/ANC	93%	7%
18.	Magaba	Anthony Mogalabanna	Part time	Infrastructure Development &	Ward 07/ANC	87%	13%

No.	Surname	Full Names	Full time/Part time	Committee allocated	Ward and/or party representing.	% Council meetings attendance	% Apologies for non-attendance
				Technical service; Rules and Ethics committee			
19.	Modipa	Freddy Mathume	Part time	MPAC	Ward 08/ANC	63%	37%
20.	Thobejane	Lordwill Masenyeletse	Part time	Development planning,	Ward 09/ANC	83%	17%
21.	Mashabela	Victor Mmutlane	Part time	Infrastructure Development & Technical service; Local Geographic Name Change committee	Ward 10/ANC	80%	20%
22.	Tjie	Mohube Rachel	Part time	MPAC,	Ward 11/ANC	87%	13%
23.	Sebopela	Maurice Maphakela	Part time	Budget & Treasury Rules and Ethics committee,	Ward 12/ANC	67%	33%
24.	Nchabeleng	Nkoele Colman	Part time	Infrastructure Development & Technical service, Rules and Ethics committee,	Ward 13/ANC	77%	23%
25	Makofane	Thabang	Part time	Infrastructure Development & Technical service,	Ward 14/ANC	60%	40%

No.	Surname	Full Names	Full time/Part time	Committee allocated	Ward and/or party representing.	% Council meetings attendance	% Apologies for non-attendance
				Rules and Ethics committee			
26.	Mampa	Daphney Mmateng	Part time	Development Planning Head, Executive Committee	Ward 15/ANC	73%	27%
27.	Mokgotho	Khutjo	Part time	Budget & Treasury Local Geographic Name Change committee	Ward 16/ANC	60%	40%
28.	Mokoena	Matladi Salome	Part time	Budget & Treasury; Rules and Ethics committee	Ward 17/ANC	73%	27%
29.	Ngwatle	Themba Jackson	Part time	Development Planning – Chairperson, Budget and Treasury	Ward 18/ANC	53%	47%
30.	Tjie	Thoko Mamsy	Part time	Community Development Chairperson	Ward 19 /ANC	70%	30%

No.	Surname	Full Names	Full time/Part time	Committee allocated	Ward and/or party representing.	% Council meetings attendance	% Apologies for non-attendance
				Infrastructure and Technical Services			
31.	Lekgau	Alfred Kale	Part time	Corporate and Shared Services, Infrastructure and Technical services	Ward 20 /ANC	67%	33%
32.	Mokgotho	Lisbeth Letlabolo	Part time	Community services; Local Geographic Name Change committee	Ward 21 /ANC	77%	23%
33.	Ratshoshi	Lentle Moses	Part time	Local Economic Development	Ward 22 /ANC	60%	40%
34.	Mokoena	Dira Freddy	Part time	MPAC	Ward 23 /ANC	70%	30%
35.	Kgwete	Makhanakhana Peter	Part time	Corporate Services – Chairperson, Rules and ethics Committee	Ward 24 /ANC	30%	70%
36	Makutu	Tshepo Sam	Part time	LED & T, Rules & Ethics Committee	Ward 25 /ANC	50%	50%
37.	Hlase	Sydwel Thaweng	Part time	Infrastructure Development & Technical service	Ward 26 /ANC	83%	17%

No.	Surname	Full Names	Full time/Part time	Committee allocated	Ward and/or party representing.	% Council meetings attendance	% Apologies for non-attendance
38.	Mabowa	Swarang Isaiah	Part time	Budget & Treasury, name change committee	Ward 27 /ANC	53%	47%
39.	Tshehla	Mahlabe Simon	Part time	Development Planning, LED & T	Ward 28/ANC	83%	17%
40.	Mmushi	Mpaki Johannes	Part time	Local Geographic Name Change committee, Corporate and Shared Services	Ward 29/ANC	57%	43%
41.	Magabe	Mathokge Sarah	Part time	Rules and ethics Committee, Corporate and Shared Services	Ward 30/ANC	93%	7%
42.	Mohlala	Traidor Hlakudi	Part time	MPAC	Ward 31/ANC	87%	13%
43.	Phasha	Matime Andrew	Part time	MPAC	Ward 32/ANC	83%	17%
44.	Mathipa	Moffat Phonyoga	Part time	LED&T, Local Geographic Name Change Committee	Ward 33/ANC	43%	57%
45.	Thobela	Koketso Makgalema Lennox	Part time	LED & T Infrastructure Development & Technical service – Chairperson	Ward 34/ANC	73%	27%

No.	Surname	Full Names	Full time/Part time	Committee allocated	Ward and/or party representing.	% Council meetings attendance	% Apologies for non-attendance
46.	Phasha	Mmakgashane Maggy	Part time	Community Services, LED & T	Ward 35/ANC	67%	33%
47.	Matheba	Abel Madiboke	Part time	Infrastructure Development & Technical service, Development Planning	Ward 36/ANC	83%	17%
48.	Matlakaneng	Matjatji Matshidisho	Part time	Community services	Ward 37/ANC	53%	47%
49.	Mamphego	Taumang Lawrence	Part time	Infrastructure Development & Technical service	Ward 38/ANC	57%	43%
50.	Tlape	Matlale Mathilda	Part time	Corporate Services, Local geographic name change committee	Ward 39/ANC	87%	13%
51.	Mashego	Owen Teishi	Part time	Budget & treasury, Community Services	PR/ ANC	93%	7%
52.	Maepa	Mahlabane Linah	part time	Budget & Treasury; Community services	PR/ANC	43%	57%
53.	Makofane	Ntshabolane Nelly	Part time	LED & T- Chairperson, Corporate & shared Services	PR/ANC	60%	40%

No.	Surname	Full Names	Full time/Part time	Committee allocated	Ward and/or party representing.	% Council meetings attendance	% Apologies for non-attendance
54.	Rantho	Lekgemane Jim	Part time	Budget & Treasury – Chairperson, Local geographic name change	PR/ANC	93%	7%
55.	Mgiba	Nokuthula Peaceful	Part time	Development planning, Community services	PR/ ANC	93%	7%
56.	Motene	Papi Petrus	Part time	Development Planning, Local Geographic Name Change committee - Chairperson	PR/ ANC	67%	33%
57.	Sefiti	Mologadi Yvonne	Part Time	Infrastructure and Technical services, LED& T	PR/ANC	70%	30%
58.	Thamaga	Shibane Thakgatso	Part time	Development Planning; Community services	PR/AZAPO	67%	33%
59.	Kupa	Simon Mantsho	Part time	LED & T	PR/BPSA	80%	20%
60.	Molapo	Tjekane Itumeleng	Part time	MPAC	PR/DA	80%	20%
61.	Mola	Nkoemakae	Part time	LED & T; Rules and Ethics committee	PR/PAC	23%	77%
62.	Madalane	Ephraim Tololo	Part time	Community Services	PR/PAU	33%	67%

No.	Surname	Full Names	Full time/Part time	Committee allocated	Ward and/or party representing.	% Council meetings attendance	% Apologies for non-attendance
				Infrastructure Development & Technical service			
63.	Ngwatle	Aubrew Dibapoleng	Part time	Corporate & Shared Services, Local Geographic name change committee	PR/SADA	37%	63%
64.	Makofane	Phatudi Jim	Part time	Budget & Treasury, Rule & Ethics Committee	PR/SADA	47%	53%
65.	Bothma	Charmaine	Part time	Development Planning; Local Geographic Name Change committee	PR/VF PLUS	67%	33%
66.	Kupa	Ramatsobane Brenda	Part time	Rules and Ethics committee, Local Geographic Name Change Committee	EFF	47%	53%
67.	Thobejane	Matlale Esmay	Part time	MPAC	EFF	57%	43%
68.	Ngwatle	Masha Patrick	Part time	Infrastructure Development & Technical service, LED&T	EFF	33%	67%

No.	Surname	Full Names	Full time/Part time	Committee allocated	Ward and/or party representing.	% Council meetings attendance	% Apologies for non-attendance
69.	Komana	Winnie Thomo	Part time	Infrastructure Development & Technical service; Development Planning	EFF	47%	53%
70.	Mogashoa	Mashianyane Lucia	Part time	Development Planning	EFF	33%	67%
71.	Masha	Moses Maitso	Part time	Corporate & Shared Services, Development Planning	EFF	47%	53%
72.	Phasha	Tsapisi Edward	Part time	LED &T	EFF	43%	57%
73.	Phahlamohlaka	Tshephang Phehlane	Part time	Budget & Treasury, Community Services	EFF	50%	50%
74.	Mashaba	Granny Pulane	Part Time	Development planning, Rules & ethics Committee	EFF	23%	77%
75.	Maredi	Sengange Enock	Part Time	Development planning	EFF	7%	93%
76.	Sekgala	Greatwell Sebele	Part time	Budget & Treasury	EFF	40%	60%

APPENDIX B: Council Committees and their Purposes

Name change Committee	Ethics committee	Municipal Public Account committee	Audit committee
Purpose: To facilitate the process naming of municipal properties	Purpose: Investigate the conduct of councillors	Purpose: To ensure accountability of administration to council	Purpose: To advise the municipal council, the political office bearers, the accounting officer, and the management staff of the municipality on matters as per section 166(2) of MFMA
Members	Members	Members	Members
Chairperson: Cllr. Motene P.P Cllr. Mmushi M.J Cllr. Mokgotho L.L Cllr. Mashabela V.M Cllr. Masha M.M Cllr. Ngwatle A.D Cllr. Bothma C Cllr. Mokgotho K	Chairperson: Cllr. Tjie T.M Cllr. Sebopele M.M Cllr. Tjie M.R Cllr. Magaba A.M Cllr. Mogoshoa M.L Cllr. Kupa R.B Cllr. Mola N Cllr. Mamphego T.L Cllr. Mokoena M.S	Chairperson: Cllr. Mojalefa LH Cllr. Mokoena D.F Cllr. Phasha M.A Cllr. Modipa F.M Cllr. Mohlala T.H Cllr. Thobejane M.E Cllr. Molapo W.S Cllr. Molapo T.I Cllr. Tjie M.R	Chairperson: Mr. Marobane N Ms. Mabuza J Ms. Ramutsheli M Mr. Maharaj S Mr. Mathabathe M.G

APPENDIX C: Third Tier Administrative Structure

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Accounting officer	Acting Municipal Manager: Mr. Magooa R.M
Budget and Treasury	Chief Finance Officer: Mr. Makgopa L
Corporate and Shared Services	Acting Director: Mr. Tshilwane M. J
Community Development Services	Acting Director: Mr. Mashoeu M. D
Infrastructure Development and Technical Services	Acting Director: Mr. Dikgale R.K
Local Economic Development and Tourism	Director: Mrs Mkabela S.M
Development Planning	Acting Director Ms. Moswane R.M

APPENDIX D: Powers and functions of the Municipality

<i>Function</i>	<i>Municipal Authority</i>
Municipal planning	Yes
Building regulations	Yes
Local tourism	Yes
Trading regulations	Yes
Street trading	Yes
Control of undertakings that sell liquor to the public	Yes
Street lighting	Yes
Municipal roads	Yes
Traffic and parking	Yes
Municipal public transport	Yes
Billboards and the display of advertisements in public places	Yes
Local sport facilities	Yes
Local amenities	Yes
Refuse management	Yes
Municipal cemeteries, funeral parlours, and crematoria	Yes
Public places	Yes
Municipal airport	Yes

APPENDIX E: WARD COMMITTEE REPORTING

Functionality of Ward Committees						
Ward Name (Number)	Surname of Ward Councillor	Name of Ward Councillor	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 01	Moopane	MK	Yes	4	4	2
Ward 02	Nkosi	MD	Yes	4	4	2
Ward 03	Radingwana	MR	Yes	4	4	2
Ward 04	Magagula	TB	Yes	4	4	2
Ward 05	Malapane	OT	Yes	4	4	2
Ward 06	Magane	IP	Yes	4	4	2
Ward 07	Magaba	AM	Yes	4	4	2
Ward 08	Modipa	FM	Yes	4	4	2
Ward 09	Thobejane	LM	Yes	4	4	2
Ward 10	Mashabela	VM	Yes	4	4	2

Functionality of Ward Committees						
Ward Name (Number)	Surname of Ward Councillor	Name of Ward Councillor	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 11	Tjie	MR	Yes	4	4	2
Ward 12	Sebopela	MM	Yes	4	4	2
Ward 13	Nchabeleng	NC	Yes	4	4	2
Ward 14	Makofane	T	Yes	4	4	2
Ward 15	Mampa	DM	Yes	4	4	2
Ward 16	Mokgotho	K	Yes	4	4	2
Ward 17	Mokoena	MS	Yes	4	4	2
Ward 18	Ngwatle	TJ	Yes	4	4	2
Ward 19	Tjie	TM	Yes	4	4	2
Ward 20	Lekgau	AK	Yes	4	4	2
Ward 21	Mokgotho	LL	Yes	4	4	2
Ward 22	Ratshoshi	LM	Yes	4	4	2

Functionality of Ward Committees						
Ward Name (Number)	Surname of Ward Councillor	Name of Ward Councillor	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 23	Mokoena	DF	Yes	4	4	2
Ward 24	Kgwete	MP	Yes	4	4	2
Ward 25	Makutu	TS	Yes	4	4	2
Ward 26	Hlase	ST	Yes	4	4	2
Ward 27	Mabowa	SI	Yes	4	4	2
Ward 28	Tshehla	MS	Yes	4	4	2
Ward 29	Mmushi	MJ	Yes	4	4	2
Ward 30	Magabe	MS	Yes	4	4	2
Ward 31	Mohlala	TH	Yes	4	4	2
Ward 32	Phasha	MM	Yes	4	4	2
Ward 33	Mathipa	AM	Yes	4	4	2
Ward 34	Thobela	KML	Yes	4	4	2

Functionality of Ward Committees						
Ward Name (Number)	Surname of Ward Councillor	Name of Ward Councillor	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 35	Phasha	MM	Yes	4	4	2
Ward 36	Matheba	AM	Yes	4	4	2
Ward 37	Matlakaneng	MM	Yes	4	4	2
Ward 38	Mamphekgo	TL	Yes	4	4	2
Ward 39	Tlape	MM	Yes	4	4	2
Total				156	156	78

Appendix G: Recommendation of the Municipal Audit Committee

AUDIT COMMITTEE ANNUAL REPORT 2024/2025

We are pleased to present our report for the financial year ended 30 June 2025.

1. Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 166 of the Municipal Finance Management Act and Circular 65 issued by National Treasury. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, and it has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

2. Audit Committee members and attendance

The Audit Committee, consisting of independent outside members, meets at least four times per annum as per its approved terms of reference, however additional special meetings may be called as the need arises.

3. The Effectiveness of Internal Controls

Our review of the internal control environment revealed that there were no material breaches of the system of internal controls during the year under review. However, there are several deficiencies in the system of internal controls and/or deviations were reported by the internal auditors and the Auditor General South Africa (AGSA). Nevertheless, the Audit Committee noted management's commitment and action plans to correct such deficiencies.

4. In-Year Management and Monthly or Quarterly Report

The municipality does have an effective monthly and quarterly reporting system to the Council as required by the Municipal Finance Management Act (MFMA).

5. Performance and Risk Management

The Audit Committee has reviewed functionality of the performance and risk management system, and they appear to be adequate. However, there is a room for improvement in so far as achievement of planned targets is concerned and submission of portfolio of evidence timely.

6. Compliance with laws and regulations

Several non-compliance with the enabling laws and regulations were revealed by Audit Committee, AGSA, and Internal Audit during the year. Thus, there is a room for improvement regarding the establishment of an effective system for monitoring compliance with laws and regulations.

7. Internal Audit

The Audit Committee is satisfied with the effectiveness of Internal Audit and recommend that Management and Council should consider capacitating this unit to enable them to adequately cover the risk profile of the Municipality.

8. Progress in implementation of AGSA findings from prior year

AGSA, Audit Committee and Internal Audit's recommendations affecting the audit report were partially implemented by Management at the time of this report, which is commendable.

9. Evaluation of the Annual Financial Statements

Following the review by the Audit Committee of the Annual Financial Statements for the year ended 30 June 2025 before and after the audit, the Committee is of the view that, in all material respects, it complied with the relevant provisions of the MFMA and GRAP and fairly presents the financial position at that date and the results of its operations and cash flows for the year then ended.

10. Evaluation of Annual Performance Report

Following the review by the Audit Committee of the Annual Performance Report for the year ended 30 June 2025 before and after the audit, the Committee is of the view that, in all material respects, the Municipality complied with the relevant provisions of the MFMA and Framework for Managing Programme Performance Information (FMPPI) and fairly presents the performance of the Municipality at that date. Furthermore, the Audit Committee concurs with reasons for deviations and measures proposed to address the underachieved contained in the report.

11. Final Auditor General South Africa's Report

The Audit Committee concurs and accepts the conclusions of the AGSA on the Annual Financial Statements which is unqualified with findings, and qualified audit opinion on Annual Performance Report. Consequently, the Audit Committee is of the opinion that the audited Annual Financial Statements and Annual Performance Report be accepted and read together with the report of the AGSA.

Having achieved unqualified audit opinion on Annual Financial Statements for the financial year, the Audit Committee commend His Worship the Mayor, Council, Municipal Manager and municipal staff for receiving an unqualified audit opinion.

12. Conclusion

The Audit Committee wishes to acknowledge the commitment from Council, Management and staff of the Municipality. The stability in terms of the political and administrative leadership of the Municipality has contributed to these improvements reported above. We would also like to thank and appreciate the Mayor for his support, Councillors, Senior Management for their efforts and Internal Audit for their contribution.



Ms MP Ramutsheli

Chairperson of the Audit Committee Fetakgomo Tubatse Local Municipality January 2026

Appendix H1 - H2: Long term contrActs and Public Private Schedule

Long Term ContrActs (20 Largest ContrActs Entered into 2024/2025)					
R' 000					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of ContrAct	Expiry date of ContrAct	Project manager	ContrAct Value
Nevutalu Consulting Engineers	Planning, design and of moshire access road	2024/07/01	completion of construction phase	Dikgale RK	14% of construction amount
Mafumu Consulting	Infrastructure and PMU support team for a period of 36 months	2021-07-02	2025-08-30	Dikgale RK	Rates Based
Omnirisk Solution (Pty) Ltd	Provide insurance brokering services for FTM	2021/05/18	2025/06/30	Malepe AL	Rates Based
Reliant Consulting	Electrification of 800 households at Nkwana Mashung.	2025/03/10	2026/03/09	Dikgale RK	R19 583 285.37
Munsoft	MSCOA complaint ERP system	2024/06/28	2027/06/27	Thobejane RA	Rates based
Mashumi Construction Supply and projects	Cleaning of Burgersfort town	2025/05/01	2028/04/30	Coetzer KH	R801 894.31 p,m
Annie Security Services	Provision of security services cluster 2	2025/05/01	2028/04/30	Coetzer KH	R801 894.31 pm
Mabokwane Security Services	Provision of security services cluster 1	2025/02/01	2028/01/30	Coetzer KH	R1 563 663.71 p.m

Long Term ContrActs (20 Largest ContrActs Entered into 2024/2025)

R' 000

Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of ContrAct	Expiry date of ContrAct	Project manager	ContrAct Value
Tubatse Security Services	Provision of security services cluster 6	2025/05/01	2028/04/30	Coetzer KH	R1 579 068.71 p.m
Mamaila Security Services	Provision of security services cluster 4	2025/05/01	2028/04/30	Coetzer KH	R1 100 000 p.m
Tubatse Security Services	Provision of security services cluster 5	2025/05/01	2028/05/30	Coetzer KH	R862 029.71 p.m
Tubatse Security Services	Provision of security services cluster 5	2025/06/01	2028/05/30	Coetzer KH	R781 840.9 pm
Mashumi Leswao Jv	Construction of the new Burgersfort Landfill site	2024/06/19	2025/12/30	Dikgale RK	R252 477 787.17
Mashumi Construction Supply and Projects	Cleaning services and maintenance of open spaces at Burgersfort town	2025/05/01	2028/04/30	Lesufi MA	R661 572 p.m
Bauba Marumo Group	waste collection at Mapodile and Steelpoort	2023/12/01	2026/11/30	Lesufi MA	R16 564 963.86
Mashumi Construction Supply and Projects	Waste collection at Burgersfort	2023/12/01	2026/11/30	Lesufi MA	R17 754 559.88
Mashumi Construction Supply and Projects	Waste collection at Praktiseer and Ohrigstad	2023/12/01	2026/11/30	Lesufi MA	R15 188 320.02
Mashumi Construction Supply and Projects	cleaning services & maintenance of open spaces at Apel Town	2024/01/01	2026/12/31	Lesufi MA	R17 532 000.00
Standard bank	Provision of banking services	2025/06/01	2030/05/30	Mapeka M	Rate based

Long Term ContrActs (20 Largest ContrActs Entered into 2024/2025)

R' 000

Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of ContrAct	Expiry date of ContrAct	Project manager	ContrAct Value
Emalangen Technologies	provision, maintenance, and support network (WAN and LAN) infrastructure, internet service system and ICT disaster recovery site	2025/06/01	2028/05/30	Madiga MM	R30 010 411.67
UG Comms	Supply, delivery, installation and maintenance of smart city surveillance solution	2024/06/18	2027/05/18	Thobejane MP	R38 488 379.00
Aprilite Investment	Professional engineering services (excluding electrical engineering) for Mashifane park development	2023/10/01	2026/10/01	Dikgale RK	14% of construction amount
Bashimane Consulting Engineers	Integrated urban roads and stormwater master plan including planning, design and supervision of Mapodile, Burgersfort, Hoeraroep, Steelpoort and Ohrigstard.	2023/03/01	completion of construction phase	Dikgale RK	14% of construction amount
Bashimane Consulting Engineers	Planning, design and supervision of new Burgersfort landfill site	2024/06/19	completion of construction phase	Dikgale RK	14% of construction amount
Risima Consulting	Planning and designing of Streetlights at the main intersection (four way stop next	2022/03/01	completion of	Dikgale RK	14% of construction amount

Long Term ContrActs (20 Largest ContrActs Entered into 2024/2025)

R' 000

Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of ContrAct	Expiry date of ContrAct	Project manager	ContrAct Value
	to Coca cola to Tubatse Ferrochrome in Steelpoort to Riba Cross, Four way to regional office, R37 Bothashoek cross, towards Praktiseer, R555 Spar robot to Motaganeng and Burgersfort last stop to Lydenburg		construction phase		
Reliant Consulting	Designing, project management and commissioning of electrification of 543 households at Burgersfort EXT 54, 58, 71 and 74	2022/05/15	completion of construction phase	Dikgale RK	14% of construction amount
Reliant Consulting	Designing, project management and commissioning: Electrification of 1900 households at Praktiseer Mountain Square/ Mogaba Park.	2022/03/01	completion of construction phase	Dikgale RK	14% of construction amount
TMS CONSULTING	Planning and designing of Driekop access road from N1 ga Mohlopi to Hall	2021/10/22	completion of construction phase	Dikgale RK	14% of construction amount

Long Term ContrActs (20 Largest ContrActs Entered into 2024/2025)

R' 000

Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of ContrAct	Expiry date of ContrAct	Project manager	ContrAct Value
VOLT CONSULTING ENGINEERS	Designing, project management and commissioning: Electrification of 1400 households at Leboeng (Nkoana, Moraba & Ruteng)	2022/05/02	completion of construction phase	Dikgale RK	14% of construction amount
Loato Engineers	Planning and design of fetakgomo EXT 1	2024/07/01	completion of construction phase	Dikgale RK	14% of construction amount

Public Private Partnerships Entered into 2024/2025

R' 000

Long Term ContrActs (20 Largest ContrActs Entered into 2024/2025)

R' 000

Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of ContrAct	Expiry date of ContrAct	Project manager	ContrAct Value
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	Value 2024/2025
None	None	None	None	None	None
None	None	None	None	None	None
None	None	None	None	None	None
None	None	None	None	None	None

APPENDIX I: 2023/2024 SERVICE PROVIDERS PERFORMANCE REPORT

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
FTM/T06/22/23	Appointment of service provider for cleaning services and maintenance of open spaces at Steelpoort Town for a period of 36 months	Community Development	01/06/2023	31/05/2026	Active	R 391466,90 per month	Good
FTM/T23/21/22	Supply, delivery and maintenance of multifunctional printers for the period of 36 months.	Corporate	01/05/2023	30/04/2026	Active	480 443,78 pm	Good
FTM/T15/24/25	Provision of security services at Fetakgomo Tubatse Local Municipality for the period of 36 months. Cluster 2: Praktiseer DLTC, Praktiseer Regional Office, Motodi sports complex, Dresden Cemetery, Penge and Kgopaneng Thusong Centre and Kgopaneng Sports Complex.	Community Development	01/05/2025	30/04/2028	Active	R801 894,31 per month	Good
Council Resolution	Appointment of professional engineering services (excluding electrical engineering) for Mashifane park development for a period of 36 months effective from as per council resolution	Technical	01/10/2023	01/10/2026	Active	Rate based	Good
FTM/T28/20/21	Makgakala Internal Street 2,6 km and culvert Bridge ContrAct A	Technical	17/06/2023	31/08/2024	Expired	R22,400,000.00	Good
FTM/T05/19/20_2023/01	Addendum integrated urban roads and stormwater master plan including planning, design and supervision of Mapodile,	Technical	01/03/2023	30/06/2026	Active	Not Exceeding 17,5% Construction Fee	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
	Burgersfort, Hoeraroep, Steelpoort and Ohrigstad.						
FTM/T05/19/20_2023/02	Addendum planning, design and supervision of new Burgersfort landfill site	Technical	19/06/2024	completion of construction phase	Active	Not Exceeding 17,5% Construction Fee	Good
FTM/T05/19/20_2024/01	Feasibility study of all water boreholes and related water supply including implementation of Turney solution as and when required.	Technical	19/01/2024	19/07/2024	Expired	Not exceeding 17,5% construction fee	Good
FTM/04/23/24	Household and business waste collection at Mapodile and Steelpoort for a period of 36 months	Community Development	01/12/2023	30/11/2026	Active	R16,564,963.86	Good
FTM/T05/23/24	Appointment of a service provider for operation & management of Malogeng landfill site for a period of 24 months (2 years)	Community Development	01/12/2023	30/11/2025	Active	R18,351,023.06	Good
RT57-2022	Supply and delivery of 1X JCB 3CX plus extrating backhoe loader		01/11/2024	31/03/2025	Expired	R1,560,973.20	Good
FTM/T03/21/22	Provision of security at cluster 3 for 33 months.	Community Development	01/03/2022	30/04/2025	Expired	R452,614.72	Good
FTM/T02/21/22	Provision of security services at Fetakgomo Tubatse local municipality for the period of 33 months (Cluster 6)	Community Development	01/03/2022	31/05/2025	Expired	R496 137,20 Per month	Good
FTM/T02/21/22	Service provider for security services for fleet depot of the municipality for eight (8) months	Community Development	01/03/2024	31/05/2025	Expired	R229 999.91 Per month	Good
FTM/T14/23/24	Appointment of a service provider for provision,	Corporate	01/06/2025	30/05/2028	Active	R30,010,411.67	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
	maintenance, and support network (WAN and LAN) infrastructure, internet service system and ICT disaster recovery site for 36 months period.						
FTM/T02/22/23	Addendum Development of Illegal Land Use and Building Audit	Development Planning	01/01/2024	31/12/2024	Expired	R592,250.00	Good
FTM/T26/20/21	Asset Verification, Condition Assessment Classification, Valuation of Immovable and Movable Properties, Review of Useful Life, Residual Values of all Assets and other related Activities.	BTO	19/01/2022	30/06/2025	Expired	Rates Based	Good
FTM/T26/20/21	Auctioning of municipal assets	BTO	19/05/2025	30/06/2025	Expired	commission based	Good
FTM/T26/20/21	Provision for free basic electricity	Technical	01/07/2024	30/06/2027	Active	Rates Based	Good
FTM/T26/20/21	Strategic Financial Reporting Support and Capacity Building Programme in the office of the CFO.	BTO	03/01/2022	31/01/2025	Expired	R4,000,000.00	Good
FTM/T26/20/21	Addendum of scope to labour plan assets accounting and Grap alignment project for period of 12 months	BTO	13/10/2023	20/02/2025	Expired	R6,773,500.00	Good
FTM/T26/20/21	Addendum Co-sourcing of the development of long-term financial planning	BTO	01/03/2024	31/01/2025	Expired	Rate based	Good
<u>FTM/T05/20/21</u>	Revenue enhancement project: debt collection	BTO	18/01/2021	30/07/2024	Expired	12.5 % of Collection revenue	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
FTM/T06/20/21	Addendum to the service level agreement for harmonisation of delegation of powers and function with regionalization model for twenty-four (24) months	MM's Office	01/05/2025	31/12/2026	Active	R4,500,000.00	Good
FTM/EOI/01/23	Appointment of a contractor for the new Mashifane park - installation of Civil engineering services: water reticulation	Technical	11/04/2024	10/07/2025	Active	R55,319,721.33	Good
FTM/T29/20/21	1544 connections of Mandela Park east and west	Technical	20/08/2022	31/08/2024	Expired	R26,092,911.60	Good
FTM/T11/22/23	Appointment of solar development for Steelpoort regional cluster, Thusong MPCC and Apel Regional Office effective from 1 December 2023 to 1 December 2026	Technical	01/12/2023	01/12/2026	Active	R10,877,821.17	Good
FTM/T07/20/21	Request for proposal for provision of infrastructure and connectivity for a period of 36 month with an option to renew for two years.	Technical	01/03/2021	31/05/2025	Expired	R 48,472,913,30	Good
FTM/T02/22/23	Addendum Development of land acquisition strategy	Development Planning	01/11/2023	30/10/2024	Expired	R574,310.00	Good
FTM/T02/22/23	Addendum Formalization of Strydkraal Informal Settlement	Development Planning	01/12/2023	30/11/2024	Expired	R369,056.00	Good
FTM/T05/19/20	Planning, Design, Construction Management and Commissioning of Tidintitsane Access	Technical	03/04/2023	until the contractor completes the construction of the project	Active	14% of construction amount	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
FTM/T05/19/20	Planning, designing, project management and commissioning of Malogeng Landfill site internal street	Technical	22/10/2021	until the contractor completes the construction of the project	Active	14% of construction amount	Good
FTM/T05/19/20	Planning, designing, project management and commissioning of Radingwana to Sekhukhune College internal street	Technical	22/10/2021	until the contractor completes the construction of the project	Active	14% of construction amount	Good
FTM/T05/19/20	Planning and design and construction monitoring of Shubushung access bridge	Technical	22/10/2021	until the contractor completes the construction of the project	Active	14% of construction amount	Good
FTM/T05/19/20	Addendum planning and design of Fetakgomo EXT 1	Technical	01/07/2024	until the contractor completes the construction of the project	Active	Not exceeding 17,5% construction fee	Good
FTM/T01/21/22	Provision of security services cluster 1	Community Development	01/11/2021	31/01/2025	Expired	R1 622 008 p.m.	Good
FTM/T14/24/25	Provision of Security Services Cluster 1	Community Development	01/02/2025	31/01/2028	Active	1563663,71 per month	Good
FTM/T14/24/25	Extension of scope: Provision of security guards at Makuwa library and Municipal control room	Community Development	01/04/2025	31/01/2028	Active	R240563,64 per month	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
FTM/T29/20/21	Electrification of 225 household in Mogabane/ Selepe ContrAct A	Technical	15/07/2023	08/08/2024	Expired	R5,182,471.67	Good
FTM/T23/20/21	Infrastructure and PMU support team for a period of 36 months	Technical	01/08/2021	Month to month	Active	Rates Based	Good
FTM/T17/24/25	Provision of security services at Fetakgomo Tubatse Local Municipality for the period of 36 months. Cluster 4: Malogeng Landfill Site, Atok Thusong Centre, Seokodibeng, Tjate Community Hall, Moeng Community Hall, Moopetsi Library and Moopetsi DLTC.	Community Development	01/05/2025	30/04/2028	Active	R1 100 000 per month	Good
FTM/T05/19/20	Planning and designing of Mashamothane access road to moshate, Praktiseer roads and stormwater project	Technical	22/10/2021	until the contractor completes the construction of the project	Active	14% of construction amount	Good
FTM/T02/23/24	Household and business waste collection at Burgersfort for a period of 36 months	Community Development	01/12/2023	30/11/2026	Active	R17,754,559.88	Good
FTM/T03/23/24	Household and business waste collection at Praktiseer and Ohrigstad for a period of 36 months	Community Development	01/12/2023	30/11/2026	Active	R15,188,320.02	Good
FTM/T06/23/24	Appointment of a service provider for cleaning services & maintenance of open spaces at Apel Town for a period 36 months.	Community Development	01/01/2024	31/12/2026	Active	R17,532,000.00	Good
FTM/T09/20/21	Appointment of a service provider for cleaning services &	Community Development	01/10/2021	26/02/2025	Expired	R633 190 per month	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
	maintenance Cleaning of Burgersfort town						
FTM/T03/24/25	Appointment of a service provider for cleaning services and maintenance of open spaces at Burgersfort town for a period of three years (36 months)	Community Development	01/05/2025	30/04/2028	Active	R661 572 per month	Good
RFQ/01/22/23	Construction of the new Burgersfort Landfill site	Technical	19/06/2024	30/12/2025	Active	R252,477,787.17	Good
FTM/T27/20/21	VAT recovery services for a period of 36 months	BTO	01/08/2021	31/07/2025	Active	Rate based	Good
FTM/T08/21/22	Supply and installation and maintenance of digital two-way radio communication infrastructure for Fetakgomo Tubatse Municipality Traffic Department	Community Development	01/08/2023	01/08/2026	Active	R17,580,070.14	Good
FTM/T10/20/21	Hybrid fleet solution for the period of three years with an option to renew for two years. lease option with intension to own	Corporate	01/08/2021	30/06/2025	Active	Rates Based	Good
FTM/T18/22/23	Addendum to the service level agreement for allocation of a service provider for encroachment analysis of Burgersfort extension 10 for six months	Development Planning	01/01/2025	12/08/2025	Active	R600,405.80	Good
FTM/T05/19/20	Appointment of service provider for Construction of Dresden Village Access Road	Technical	01/08/2024	12/08/2025	Active	R34,936,328.89	Good
FTM/T11/21/22	Construction of Praktiseer Library Phase 1	Technical	02/05/2022	31/08/2025	Active	R16,460,023.60	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
FTM/T05/19/20	Planning, Designing, Project Management and Commissioning of Mapodile roads and stormwater	Technical	22/10/2021	until the contractor completes the construction of the project	Active	14% of construction amount	Good
FTM/T05/20-2023/02	Planning and design of access road to moshate Makofane	Technical	02/05/2023	until the contractor completes the construction of the project	Active	Not Exceeding 17,5% Construction Fee	Good
FTM/T20/21/22	Compilation of municipal valuation roll for a period of 3 years (36 months) with option to renew for 2 years for supplementary valuation	Development Planning	01/07/2022	31/10/2025	Active	R1,450,000.00	Good
FTM/E01/01/23	Addendum service level agreement for allocation of a service provider for provision of social facilitation: New Mashifane park water and sewer reticulation	Technical	01/09/2024	30/07/2025	Active	R1,500,000.00	Good
FTM/T11/22/23	Appointment of solar development for Burgersfort civic centre, Ohrigstad library and Mohlaletse thusong centre	Technical	01/12/2023	01/12/2026	Active	R15 335 162 excl VAT	Good
FTM/T11/20/21	Addendum for implementation for Munsoft performance management support.	Corporate	21/09/2022	30/06/2027	Active	Rate based	Good
FTM/T11/20/21	Appointment of service provider for MSCOA complaint ERP system for a period of 36 months	BTO	28/06/2024	27/06/2027	Active	Rate based	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
	with an option to renew on an annual basis.						
FTM/T28/20/21_08	Refurbishment of sports facilities and planning, designing, project management and commissioning for 36 months.	Technical	01/12/2021	until the contractor completes the construction of the project	Active	14% ECSA	Good
FTM/T05/19/20	Addendum PLANNING, DESIGN AND SUPERVISION OF TJATE ACCESS ROAD	Technical	01/07/2024	until the contractor completes the construction of the project	Active	Not exceeding 17,5% construction fee	Good
FTM/T05/19/20	Addendum planning, design and of moshire access road	Technical	01/07/2024	until the contractor completes the construction of the project	Active	Not exceeding 17,5% construction fee	Good
FTM/T26/20/21	FORMULATE and Development of broadband strategy		01/01/2024	31/1/2025	Expired	Rates Based	Good
FTM/T26/20/21	MSCOA project implementation and support	Corporate	20/01/2023	31/1/2025	Expired	Rates Based	Good
FTM/T02/22/23	Addendum Urban and rural Development strategy	Development Planning	01/01/2024	30/06/2025	Active	R904,820.00	Good
RT57-2022	Supply and delivery of two (2) specialized vehicle waste management Mercedes Benz aros 3336K/36 CKD5 ZA and Mercedes Benz Arcos 336/36 CKD5	Community Development	01/11/2024	31/03/2025	Expired	R6,716,133.23	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
FTM/T02/22/23	Addendum Development of Fetakgomo Tubatse Building Rubble Policy	Development Planning	01/01/2024	30/12/2024	Expired	R720,000.00	Good
FTM/T12/20/21	Phase 2 management of disposal of stands at Burgersfort identified land parcel as part of revenue enhancement strategy.	Development Planning	01/11/2022	30/06/2025	Expired	7,5% COMMISSION OF SOLD LAND	Good
FTM/T12/20/21_1	Planning, design, project management commissioning of eastern and western road.	Technical	01/11/2022	until the contractor completes the construction of the project	Active	14% OF CONSTRUCTION FEE	Good
FTM/T01/23/24	Appointment of two service providers to implement debt collection services for a period of 36 months.	BTO	01/08/2024	31/07/2027	Active	12%	Good
FTM/T19/20/21	Provide insurance brokering services	BTO	01/06/2021	30/06/2025	Expired	Rates Based	Good
FTM/T38/24/25	APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE INSURANCE SERVICES TO FETAKGOMO MUNICIPALITY FOR A PERIOD OF 36 MONTHS	BTO	01/07/2025	30/06/2028	Active	Rates Based	Good
FTM/T02/22/23	Addendum Development of Fetakgomo Tubatse Human settlement Master Plan	Development Planning	01/01/2024	30/06/2025	Active	R1,500,000.00	Good
FTM/T12/22/23	Appointment of service provider for call centre management operation agency for period of thirty -six (36) months	LEDT	01/09/2023	30/08/2026	Active	R18,554,672.70	Good
FTM/T26/20/21	Addendum Investigation of UIFW	BTO	01/02/2023	31/03/2025	Expired	Rate based	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
FTLM/T07/21/22_2023	Addendum planning, design and supervision of integrated urban grid and off grid (renewable) streetlights and high mast lights in Mapodile, Burgersfort, Hoeraroep, Steelpoort and Ohrigstad.	Technical	01/03/2023	30/06/2026	Active	NOT EXCEEDING 17,5% CONSTRUCTION FEE	Good
FTM/T11/22/23	Appointment of solar development for Praktiseer licence centre, Praktiseer satellite office and Mabopo testing station,	Technical	01/12/2023	01/12/2026	Active	R8,323,305.09	Good
FTM/T07/21/22	designing, project management and commissioning of electrification of 543 households at Burgersfort EXT 54, 58, 71 and 74	Technical	15/05/2022	until the contractor completes the construction of the project	Active	14% of construction amount	Good
FTM/T07/21/22	Designing, project management and commissioning: Electrification of 1900 households at Praktiseer Mountain Square/ Mogaba Park.	Technical	08/02/2022	until the contractor completes the construction of the project	Active	14% of construction amount	Good
FTM/T09/24/25	Appointment of a contractor for electrification of 375 Household at Nkwana New Stand: 4EP or higher.	Technical	10/03/2025	30/08/2025	Active	R9,699,345.76	Good
FTM/T10/24/25	Appointment of service provider for electrification of 800 households at Nkwana Mashung.	Technical	10/03/2025	09/03/2026	Active	R19,583,285.37	Good
FTM/T29/20/21	Electrification of 750 household in Leboeng/Moraba Contract B	Technical	15/07/2023	31/08/2024	Expired	R12,812,431.35	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
FTM/T23/23/24	Appointment of a contractor for construction of Kgopaneng sports hub phase two (2).	Technical	01/05/2025	30/04/2026	Active	R18,341,165.21	Good
FTM/T07/21/22	Designing, project management and commissioning: Electrification of 340 households at Mogabane Village (Kgoladitshelo, Mashemong & 1 high mast light at Mohlaetse Ga Kgoshi Thulare)	Technical	04/02/2022	until the contractor completes the construction of the project	Active	14% of construction amount	Good
FTM/T07/21/22	Planning and designing of Streetlights at the main intersection (four way stop next to Coca cola to Tubatse Ferrochrome in Steelpoort to Riba Cross, Four way to regional office, R37 Bothashoek cross, towards Praktiseer, R555 Spar robot to Motaganeng and Burgersfort last stop to Lydenburg	Technical	04/02/2022	until the contractor completes the construction of the project	Active	14% of construction amount	Good
FTM/T26/20/21	Business Continuity Phase 2- Implementation for 24 months	LEDT	01/01/2023	30/06/2025	Active	RATES BASED	Good
FTM/T26/20/21	Addendum for manage, safeguard and facilitate the movement process of municipal documents and information from the current off-site storage.	Corporate	01/05/2024	30/06/2025	Active	RATES BASED	Good
SLA 9413_001	Information management: Website Services		01/07/2023	30/06/2026	Active	Rates Based	Good
FTM/T05/19/20	Planning, designing, project management and commissioning of N1 road from Bothashoek T-Junction to River	Technical	22/10/2021	until the contractor completes the	Active	14% of construction amount	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
	cross and Ohrigstad road and stormwater			construction of the project			
FTM/T05/19/20	TUBATSE A Extension (Shushumala) integrated Roads and Stormwater Planning, design and supervision	Technical	03/04/2023	until the contractor completes the construction of the project	Active	NOT EXCEEDING 17,5% CONSTRUCTION FEE	Good
FTM/T05/19/20	Addendum planning, design and supervision of Maakubu access road	Technical	01/07/2024	until the contractor completes the construction of the project	Active	Not exceeding 17,5% construction fee	Good
FTM/T05/19/20	Addendum planning, design and supervision of Mokgotho access road	Technical	01/07/2024	until the contractor completes the construction of the project	Active	Not exceeding 17,5% construction fee	Good
	Provide free basic water/electricity/energy	Technical	01/12/2023	30/06/2026	Active	Rates Based	Good
FTM/T02/22/23	Addendum Determination of Flood line around major streams and low lying areas	Community Development	15/04/2024	15/10/2025	Active	R2,794,000.00	Good
FGTM/F13/16/17	Provision of banking services for a period of 36 months renewable for a period not exceeding 60 months	BTO	01/01/2018	30/05/2025	Expired	Rate based	Good
FTM/T09/21/22	Provision of banking services for a period of five (5) years.	BTO	01/06/2025	30/05/2030	Active	Rates Based	Good
FTM/T09/21/22	Fleet management solution (Provision of fleet cards,	Corporate	01/06/2025	30/05/2030	Active	Rates Based	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
	toll gate cards, puncture repair, etc)						
FTM/T18/23/24	Appointment for occupational health & safety agent for construction of electrification 551 households at Burgersfort	Technical	01/09/2024	until the contractor completes the construction of the project	Active	R1,016,676.65	Good
FTM/T01/23/24	Appointment of two service providers to implement debt collection services for a period of 36 months.	BTO	01/08/2024	31/07/2027	Active	12.5%	Good
FTM/T18/23/24	Appointment for occupational health & safety agent for Mashifane park sewer reticulation network	Technical	01/09/2024	until the contractor completes the construction of the project	Active	R750,000.00	Good
FTM/T18/23/24	Appointment for occupational health & safety agent for Mashifane park water reticulation network	Technical	01/09/2024	until the contractor completes the construction of the project	Active	R750,000.00	Good
FTM/T05/19/20-2023/08	Planning and design of Maepa access road	Technical	02/05/2023	until the contractor completes the construction of the project	Active	ECSA Guideline	Good
FTM/T05/19/20	Planning and designing of Appiesdooring to Manoke road and Driekop access road from N1 Ga Mohlopi to Holong.	Technical	22/10/2021	until the contractor completes the	Active	14% of construction amount	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
				construction of the project			
FTM/T04/21/22	Provision of security at cluster 4 for 33 months.	Community Development	01/03/2022	30/04/2025	Expired	R567,000.00	Good
FTM/T17/23/24	Appointment of a service provider for Upgrading of Maepa Access Road	Technical	02/09/2024	30/06/2025	Active	R39,741,790.07	Good
FTM/T05/22/23	Appointment of a service provider for cleaning and maintenance services of open spaces at Ohrigstad for 36 months	Community Development	01/06/2023	31/05/2026	Active	R 250 000,00 per Month	Good
FTM/T02/21/22	Provision of security services Cluster 5 at Fetakgomo Tubatse Municipality effective from 01 March 2023	Community Development	01/03/2023	30/04/2025	Expired	R1 090 152,60 PER MONTH	Good
FTM/T02/21/22	Provision of security for a period of 33 months cluster 2 at Praktiseer, Ga-Motodi sports complex, Penge and Kgopaneng	Community Development	01/03/2022	30/04/2025	Expired	R 798 716,66 PER MONTH	Good
FTM/T19/22/23	Addendum ant land-response and eviction of illegal occupants and structure on an Adhoc basis	Development Planning	01/11/2023	02/10/2026	Active	R540,000.00	Good
FTM/T19/22/23	Addendum service level agreement for allocation of a service provider for provision of security at Moopetsi library and traffic licence station	Community Development	01/05/2024	30/04/2025	Expired	R260,360.00	Good
FTM/T16/24/25	Provision of security services at Fetakgomo Tubatse Local Municipality for the period of 36 months. Cluster 3: Leboeng Community Hall, Ohrigstad storeroom, Ohrigstad Regional	Community Development	01/05/2025	30/04/2028	Active	R1 579 068,16 per month	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
	Office, Ohrigstad Cemetery, Ohrigstad Sports complex, Burgersfort Fleet Depot, Burgersfort Park, Burgersfort Flea market, Municipal House						
FTM/T18/24/25	Provision of security services at Fetakgomo Tubatse Local Municipality for the period of 36 months. Cluster 5: Apel Regional Office, Moses Mabothe Civic Hall, Pelangwe Community Hall, Strydkraal Community Hall, Strydkraal Sports Complex and Burgersfort Landfill Site.	Community Development	01/05/2025	30/04/2028	Active	R862 029,71 per month	Good
FTM/T19/24/25	Provision of security services at Fetakgomo Tubatse Local Municipality for the period of 36 months. Cluster 6: Apel Testing Station (Mabopo), Apel Sports Complex, Apel Recreational Park, Mphanama Community Hall, Radingwana Sports Complex, Mohlaletse Community Hall and Mohlaletse Thusong Centre.	Community Development	01/06/2025	30/05/2028	Active	R781,840.90	Good
FTM/T16/24/25	Addendum service level agreement for allocation of a security services for cluster 3: Burgersfort extension 54,58,71, and 72 for three months	Community Development	01/05/2025	31/07/2025	Active	R477 9191,07 per month	Good
FTM/T28/20/21	Mashung Internal Street 3 km contrAct A	Technical	17/07/2023	15/08/2024	Expired	R26,582,108.00	Good
RFP/01/23/24	Supply, delivery, installation and maintenance of smart city	Community Development	18/06/2024	18/05/2027	Active	R38,488,379.00	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
	surveillance solution for a period of 36 months.						
FTM/T07/18/19	Electrification for Mandela Park east & west, Praktiseer ext 11&3, Kutullo, Taung, Barcelona and Maphutle villages	Technical	03/07/2020	until the contractor completes the construction of the project	Active	R7,004,919.91	Good
FTM/T28/20/21	Makgakala Internal Street 2.6 km ContrAct B	Technical	17/07/2023	31/08/2024	Expired	R22,400,000.00	Good
FTM/T07/21/22	Designing, project management and commissioning: Electrification of 1400 households at Leboeng (Nkoana, Moraba & Rutseng)	Technical	17/11/2021	30/09/2025	Active	14% of construction amount	Good
FTM/T07/21/22_01	Addendum energy master plan	Technical	01/03/2023	30/06/2026	Active	NOT EXCEEDING 17,5% CONSTRUCTION FEE	Good
FTM/T07/21/22_02	Addendum Planning, design and supervision of electrification of high-density villages within Fetakgomo Tubatse Local Municipality	Technical	01/03/2023	30/06/2026	Active	NOT EXCEEDING 17,5% CONSTRUCTION FEE	Good
FTM/T07/21/22_03	Addendum finalization of the acquisition of FTLM electricity distribution license technical assessment for all the affected substations from Eskom to FTLM in Burgersfort, Steelpoort and Ohrigstad.	Technical	01/03/2023	30/06/2026	Active	NOT EXCEEDING 17,5% CONSTRUCTION FEE	Good
FTM/T07/21/22_04	Addendum Advisory Service on the planning and implementation	Technical	01/03/2023	30/06/2026	Active	NOT EXCEEDING	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
	of Fetakgomo Tubatse Local Municipality Solar Energy Plant and household renewable energy solution					17,5% CONSTRUCTION FEE	
FTM/T09/23/24	Appointment of a contractor for the new Mashifane park - installation of civil engineering services: sewer reticulation network	Technical	11/04/2024	10/07/2025	Active	R55,599,077.60	Good
FTM/T28/20/21	Electrification of 843 households at Mogaba Park Contract A and B	Technical	01/08/2023	25/03/2025	Expired	R13,592,351.74	Good
FTM/T12/23/24	Electrification of 551 household Burgersfort Ext 54, 48, 71 & 72 internal reticulation	Technical	04/04/2024	31/05/2025	Expired	R56,481,819.81	Good
FTM/T05/19/20-2023/10	Planning and design of Nkotsane primary school access bridge	Technical	02/05/2023	until the contractor completes the construction of the project	Active	Not exceeding 17,5% construction fee	Good
FTM/T05/19/20-2023/09	Planning and design of Dresden access road	Technical	02/05/2023	until the contractor completes the construction of the project	Active	Not exceeding 17,5% construction fee	Good
ADHOC	Evidence leader in the disciplinary proceedings: Fetakgomo Tubatse Municipality versus Makgata MJ	MM's Office	03/01/2025	until the matter is resolved	Active	Rates Based	Good
ADHOC	For providing a legal opinion on the alleged matter levelled against Makgata MJ and any	MM's Office	23/10/2024	until the matter is resolved	Active	Rates Based	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
	interlocutory proceedings related thereto						
RT57-2022-09-01-03	Supply and delivery of a motor grader	Technical	10/05/2025	09/06/2025	Expired	R 6,055,628.57	Good
FTM/T19/23/24	Management and sale of Municipal Land Parcels	Development Planning	01/07/2025	30/06/2028	Active	Commission of 7,5%	Good
FTM/T31/24/25	Appointment of a service provider for the upgrading of Mokgotho Access Road ContrAct A.	Technical	26/06/2025	26/06/2027	Active	R 32,131,786.86	Good
FTM/T32/24/25	Appointment of a service provider for the upgrading of Mokgotho Access Road ContrAct B.	Technical	23/06/2025	23/06/2027	Active	R 31,801,543.40	Good
FTM/T33/24/25	Appointment of a service provider for the upgrading of Shushumala Access Road ContrAct A.	Technical	17/06/2025	17/06/2027	Active	R 42,994,234.36	Good
FTM/T34/24/25	Appointment of a service provider for the upgrading of Shushumala Access Road ContrAct B.	Technical	17/06/2025	17/06/2027	Active	R 38,886,787.46	Good
FTM/T38/24/25	Budget support and technical adjustments in line with Mscoa and MTREF circular requirements	BTO	05/06/2025	31/07/2026	Active	R 2,500,000.00	Good
FTM/T38/24/25	UIFW Expenditure investigation	BTO	23/06/2025	21/07/2025	Active	R 1,639,091.14	Good
FTM/T38/24/25	SCM Support	BTO	23/06/2025	30/11/2025	Active	R 2,238,207.42	Good

TENDER NO.	SERVICE DESCRIPTION	DEPARTMENT	APPOINTMENT DATE	END OF CONTRACT	STATUS	TENDER AMOUNT	COMMENTS
FTM/T38/24/25	Business Continuity Management (BCM) project and Provision of off-site storage as part of business continuity	Corporate	01/07/2025	31/12/2025	Active	Rates Based	Good

APPENDIX J: Disclosure of Financial Interest

Disclosures of Financial Interests		
Period 1 July 2024 to 30 June 2025		
Position	Name	Description of Financial interests* (Nil / Or details)
Mayor	Maila EE	Baphuti mining and construction
Member of Exco		
Head: Budget and Treasury	Moeng Queen Malekgale	None
D/Head: Budget and Treasury	Mabelane	None

Disclosures of Financial Interests		
Period 1 July 2024 to 30 June 2025		
Position	Name	Description of Financial interests* (Nil / Or details)
Head: Corporate Services	Mashego RM	None
D/Head: Corporate Services	Shai ML	None
Head: Infrastructure Development and Technical services	Mojalefa LH	None
D/Head: Infrastructure Development and Technical Services	Mabelane JM	None
Head: Local Economic Development and Tourism	Mabelane MM	None
D/Head: Local Economic Development and Tourism	Makofane IT	None
Head: Community Services	Mokome KE	None
Head: Development Planning	Mampa DM	None
SPEAKER	Shoba Makgalema Vicent	Shoba & sons (Brother) Driving school business
CHIEFWHIP	Mphethi ND	None
Councillors		
Ward Councillors	Moopane MK	JJM BUILDING CONSTRUCTION AND GENERAL TRADING
	Nkosi MD	DV AUTOMATION AND PROJECTS
	Magagula TB	MAGRITA TURCKSHOP
	Malapane OT	None
	Magane LP	None
	Magaba AM	ARM CONSORDIUM COMMUNITY COMPANY

Disclosures of Financial Interests

Period 1 July 2024 to 30 June 2025

Position	Name	Description of Financial interests* (Nil / Or details)
	Modipa FM	TSWAKO MOHLALA TRIBAL TRUST
	Thobejane LM	None
	Mashabela VN	NOKWENA PTY LTD
	Tjie MR	None
	Sebopela MM	None
	Nchabeleng NC	None
	Makofane T	ITC
	Mampa DM	None
	Mokgotho K	None
	Mokoena MS	None
	Ngwatla TJ	DITSWANENG TRADING ROUKAKOU TRADING
	Tjie TM	MAGABE-MOGOFE DEVELOPMENT TRUST
	Lekgau AK	None
	Mokgotho LL	None
	Ratshoshi LM	None
	Mokoena DF	LAND AND HOUSES RENTING ROOMS
	Kgwete MP	MPONYA INVESTMENT TSOSHA TRADING CONSTRUCTION SUPPLIER
	Makutu TS	NKILISHE CONSTRUCTION
	Hlase ST	FAKPAL GENERAL CONTRACTOR SEMETSA HOLDING PROPERTY DEVELOPMENT
	Mabowa SI	

Disclosures of Financial Interests

Period 1 July 2024 to 30 June 2025

Position	Name	Description of Financial interests* (Nil / Or details)
	Tshehla MS	MAHLABE HOLDING IT CONSTRUCTION
	Mmushi MJ	None
	Magabe MS	None
	Mohlala TH	None
	Phasha MA	None
	Mathipa MP	None
	Thobela KML	RURAL HUSTLE GROUP MAKGALEMA CONSTRUCTION @ENGINEERING CC
	Phasha MM	MAAPARANKWE CORPARATION TSELETSELE CORPARATION PRIVATE CATERING GRAND SECONDARY CORPORATION
	Matheba AM	NGWANA NAPJADI TRADING
	Matlakaneng MM	None
	Mamphekgo TL	None
	Tlape MM	MOTHOKABATHO PTY LTD
Proportional Representation	Mojalefa LH	None
	Maepa ML	None
	Makofane NN	None
	Mokome KE	None
	Rantho LJ	None
	Mgiba NP	MAMPONILE PROJECTS
	Motene PP	SANTETE TRADING TRANSPORT
	Thamaga ST	None

Disclosures of Financial Interests

Period 1 July 2024 to 30 June 2025

Position	Name	Description of Financial interests* (Nil / Or details)
	Kupa SM	None
	Mohuba MS	None
	Mabelane MS	None
	Shai ML	None
	Sekgala SM	None
	Thobejane ME	None
	Ngwatle MP	NAPJADI LIQUOR REST MAGOLELA TRADING TARVEN
	Komana WT	None
	Mogashoa ML	None
	Molapo WS	MOLAPO KB FAMILY TRUST MAMOKGALAKOPIE TRUST
	Mogoane MK	None
	Masha MM	None
	Mola N	None
	Madalane ET	None
	Ngwatle AD	MATSHEKGE TRADING SUPPLY
	Nkele JT	None
	Bothma C	BURGERSFORT RIVER LODGE BURGERSFORT BLOAMSH FLOWERS

Appendix K(i): Revenue collection performance by Vote

Revenue Collection Performance by Source						
Description	2023/2024	2024/2025		2024/2025 Variance		
	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
Property rates	122 770 396	225 823 942	232 613 542	223 997 029	8 616 513	8 616 513
Service charges	22 760 952	30 947 302	28 947 302	30 369 479	1 422 177	1 422 177
Rental of Facilities and Equipment's	420 322	322 345	415 345	455 931	40 586	40 586
License and Permits	5 787 104	7 128 259	8 127 529	7 316 719	-810 810	-810 810
Interest on investments	13 932 328	11 764 489	13 100 489	12 662 044	-2 036 894	-2 036 894
Interest received (trading)	4 799 464	6 481 771	6 815 771	7 493 611	677 480	677 480
Traffic fines	1 574 400	3 613 434	3 644 084	1 607 190	-2 036 894	-2 036 894
Government grants and subsidies	689 088 880	821 847 000	828 969 835	828 969 839	4	4
Fees earned	918 000	2 128 000	2 874 000	4 277 134	1 403 134	1 403 134
Other income	11 021 467	-	-	65 711 246	65 711 246	65 711 246

Total Revenue (excluding capital transfers and contributions)	773 806 517	1 110 056 812	1 125 507 897	1 182 860 222	72 986 542	72 986 542
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Appendix L: Conditional Grants Received (Excluding MIG)

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjust-ments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budg et	Adjustmen ts Budget	
Finance Management Grant	2,500,000.00	2,500,000.00	2,500,000.00	00	00	None
Extended Public work programme	1,742,000.00	1,742,000.00	1,742,000.00	00	00	None
Distressed Mining Towns	1,906,551.00	85,264,227.00	85,264,227.00	00	00	None
Integrated National Electrification grant	24,122,000.00	24,122,000.00	24,122,000.00	00	00	None
Total	40,270,551.00	113,628,227.00	113,628,227.00	00	00	None

Annexure M: Capital Expenditure

Capital Expenditure 2024/2025					
					R00
Capital Project	2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value
PLANNING AND DESIGN OF FETAKGOMO EXT 1	2,608,696.00	1,155,408.00	546,913.50	608,494.50	47%
PLANNING & DESIGN OF MAKUBU ACCESS ROAD	608,696.00	348,778.00	348,778.18	0	100%
PLANNING & DESIGN OF MOKHOTHO ACCESS ROAD	608,696.00	6,091,567.00	6,091,567.15	0	100%
DEVELOPMENT OF VEHICLE POUND	2,608,696.00	1,736,250.00	1,736,249.99	0	100%
Pilot Project Solar High mast Light	3,478,261.00	3,724,758.00	3,299,674.99	425,083.01	89%
CLOSURE OF OLD BURGERSFORT LANDFILL SITE	2,173,913.00	1,666,660.00	1,666,660.00	0	100%

Capital Expenditure 2024/2025					
					R00
Capital Project	2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value
CONSTRUCTION OF STREETLIGHTS AT MAIN INTERSECTIONS	4,347,826.00	674,317.00	1,117,527.47	-443,210.47	100%
INSTALLATION OF FIXED SPEED CAMERAS	1,304,348.00	1,307,451.00	613,073.00	694,378.00	47%
COMMUNICATION INRASTRUCTURE	1,304,348.00	376,888.00	376,887.83	0	100%
UPGRADING OF CCTV CAMERAS	3,478,261.00	7,308,161.00	428,012.00	6,880,149.00	
ACQUISITION OF SERVICE DELIVER VEHICLES	6,521,739.00	1,526,406.00	1,357,368.00	169,038.00	89%
ACQUISITION OF MUNICIPAL GRADERS	8,695,652.00	3,695,652.00	11,097,766.98	- 7,402,114.98	100%
DESIGNS AND IMPLEMENTATION OF E/W RING ROAD	5,217,391.00	4,347,826.00	4,347,826.09	0	100%

Capital Expenditure 2024/2025					
					R00
Capital Project	2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from Original Budget	Total Project value
PLANNING AND DESIGN OF MAPODILE INTERGRATED ROADS AND STORMWATER (NMT)	1,739,130.00	9,184,138.00	9,184,138.00	0	100%
TOTAL	74,804,348.00	57,099,062.00	42,212,443.53	14,886,618.47	74%

APPENDIX O: Capital Programme by project by ward current Year

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
BSDT/1	Construction of Appiesdoring to Manoke Moshate Access Road	Detailed design completed	% Construction of Appiesdoring to Manoke moshate access road	100% Construction of Appiesdoring to Manoke Access Road (5.1km).	R 22 000 000	R0.00	R0.00	R 22 000 000	MIG	18	Manoke
BSDT/2	Construction of Dresden Access Road	Detailed design completed	% Construction of Dresden Access Road	100% Construction of Dresden Access Road (3.1km)	R20 000 000	R4 177 885	R0.00	R 24 177 885	MIG	24	Dresden
BSDT/3	Construction of Maepa Access Road	Detailed design completed	% Construction of Maepa Access Road	100% Construction of Maepa Access road. (6km.)	R21 987 903	R 16 926 036	R0.00	R 38 913 939	MIG	1	Maepa
BSDT/4	Construction of New Burgersfort Landfill site	Detailed design Completed	% Construction of New Burgersfort Landfill site	20% Construction of New Burgersfort landfill site	R29 850 896	R 57 214 859	R0	R 87 065 257	MIG/N DPG/PP	24	Aplesdoringdraai

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
BSDT/5	Upgrading of Kgopane ng Sports Hub Phase 2	Phase 1	% Construct ion of Kgopane ng Sports Hub Phase 2	100% Completion of Kgopane ng Sports Hub Phase 2	R 10 000 000.00	R0.00	R0.00	R10 000 000.00	MIG	16	Kgopane ng
BSDT/6	Municipal Electrification projects	Detailed design complete d	# of Municipal households electrified.	1900 municipal households electrified (Nkwana Mashung, 705, Nkwana New Stand 300, Tjate 120, Ga Motsana 37, Malepe 21, Praktiseer Mountain Square 717) 551Households electrified at Burgersfort Ext 54, 58, 71 and 72	R 24 122 000.00	R 25 000 000	R 27 149 999	R76 271 999	INEP	36,16,10,18	Nkwana Mashung, Nkwana New Stand, Tjate, Ga Motsana, Malepe, Praktiseer Moountain Square, Burgersfort Ext 54, 58,71 and 72
BSDT/7	Constructio n of Streetlights	Detailed design planning	% Completion of Planning	5% Completion of Streetlights at	R 5 000 000	R 5 000 000	R6 000 000	R 16 000 000	Own	18	Burgersfort

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
	at Main intersections.		and Design of Streetlights at Main Intersections	Main intersections							
BSDT/8	Completion of Magotwaneng access road	Designs completed	% Completion of Magotwaneng access road	100% Completion of Magotwaneng access road	R 3 000 000	R0.00	R0.00	R 3 000 000	Own	36	Magotwaneng
BSDT/9	Repairs and Maintenance and re-gravelling of Municipal Roads.	Rehabilitation of roads after damages	# of roads rehabilitated.	1 Rehabilitation of municipal roads. (Leboeng Access Road Phase 1)	R 3 000 000	R 3 000 000	R 10 941 160	R 16 941 160	Own	All	All villages
		Rehabilitation of 2 roads per year	% Spent on Repairs and Maintenance and re-gravelling of various Municipal Roads	100% Spent on Repairs and Maintenance and re-gravelling of Municipal Roads identified	R 10 000 000	R 10 460 000	R 10 930 000	R 31 390 000	Own	All	All villages

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
				for Financial Year							
		Fixing of potholes	*Turnaround time in fixing potholes from the identified date	*30 working days Turnaround time in fixing potholes from the identified date						All	All Villages
BSDT/10	Maintenance of Traffic lights	Maintenance of Traffic lights.	Turnaround time in fixing traffic light from the date observed	30 working days Turnaround time in fixing traffic light from the date observed	R 4 000 000	R 4 184 000	R 4 372 280	R 12 556 280	Own	All	All villages
BSDT/11	Maintenance of streetlights and high mast lights	Maintenance of streetlights and high mast lights	Turnaround time in fixing streetlights and high mast light from date reported	30 working days Turnaround time in fixing streetlights and high mast light from date reported	R 10 000 000.	R 10 460 000	R 10 930 000	R 31 390 000	Own	All	All villages
BSDT/12	Planning and design	Design of bulk	% Complete for design of	100% Bulk infrastructure	R 5 000 000	R 0	R.0.0	R 5 000 000	Own	18,2 5,36	Tubatse B, Fetakgomo

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
	of Bulk Infrastructure for various townships	infrastructure for various townships	Bulk Infrastructure for various townships	completed for: Tubatse B, * Fetakgomo Ext 1, * Burgersfort Ext 54,58,71&78,* Mashifane Ext 2 & 3.							Ext 1, Burgersfort Ext 54,58,71 & 78, Mashifane Ext 2 & 3
BSDT/13	Integrated Sports Precinct	Integrated Sports Precinct	% Completed for Integrated Sports Precinct	100% Design for Sports Precinct completed.	R 5 000 000	R 4 500 000	R 10 000 000	R 19 500 000	Own	All	All villages
BSDT/14	Stormwater Canal	Design and construction of Stormwater Canal	%Design Construction of Praktiseer Stormwater Canal	100% Design and construction of Praktiseer Stormwater Canal	R 2 000 000	R 0	R.0.0	R 2 000 000	Own	13	Praktiseer
BSDT/15	Planning and design of Burgersfort Ring Road	Design for Burgersfort Ring Road	% Complete for detail design report or	100% detailed design report for Burgersfort Ring Road completed.	R 6 000 000	R0.00	R0.00	R 6 000 000	Own	18	Burgersfort

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
	Roads		Burgersfort Ring Road								
BSDT/16	Planning and design of Integrated Urban Roads and storm water	Design for Integrated Urban roads and stormwater	% Detailed design report for Integrated urban roads and Stormwater completed	100% detailed design report for Integrated Urban Roads and Stormwater completed	R 4 500 000	R 4 500 000	R 0.00	R9 000 000	Own	All	All
BSDT/17	Energy Master Plan	Energy Master plan	% Complete of Energy Master Plan	100% completion of Energy Master Plan	R5 000 000	R0.00	R0.00	R5 000 000	Own	All	All villages
BSDT/18	BFI Packaging	BFI Packaging	% Complete for BFI Application	Submission of BFI Application	R 5 500 00	R0.00	R0.00	R5 500 000	Own	All	All villages
BSDT/19	Electricity distribution license	Electrification Master Plan	% Completed for Electrification Distribution License	100% Completed application for EDL	R 700 000	R0.00	R0.00	R 700 000	Own	All	All villages
BSDT/20	Mashifane Park	Development of	% Complete on Sewer	100% Completion of	R 29 000 000	R29 000 000	R1 000 000	R 59 000 000	Own//NDPG	20	Mashifane

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
	Sewer Reticulation	Mashifane Park Services	Reticulation service	Installation of Sewer Reticulation Service							
BSDT/21	Mashifane Park electricity Reticulation	Planning, design and Installation of Electrification at Mashifane Park	% Complete on the Planning, design and installation of Electricity at Mashifane Park	10% progress on the planning, design and installation of Electricity at Mashifane Park	R 20 000 000	R0.00	R 0.00	R 0.00	Borrowing	20	Mashifane
BSDT/22	Mashifane Park Water Reticulation	Development of Mashifane Park Services	%Complete on installation of Water Reticulation Services at Mashifane Park ext 2 and 3	100% Completion of Construction of Mashifane Park Services.	R29 000 000	R29 000 000	R0.00	R58 000 000	Own/NDPG	20	Mashifane
BSDT/23	Installation	Installation	%Completion	100% Installation	R 5 000 000	R0.00	R0.00	R 5 000 000	Own	19	Mafolo Park

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
	n of Services for Mafolo Park	on of Services for Mafolo Park	on for Construction of Bulk Services at Mafolo Park	of Bulk infrastructure and reticulation services							
BSDT/24	Planning and design of electricity for various township	Planning and design of Electrification for Various townships	% completion of planning and design of Electrification of Appiesdoorndraai portions 9,10,11 &12, Fetakgomo Ext 1, Mafolo Park.	100% detailed design report for Electrification of Appiesdoorndraai , Fetakgomo Ext 1, Mafolo park completed	R15 000 000	R0.00	R0.00	R15 000 000	Own	19,18,36	Mafolo, Appiesdoorndraai Fetakgomo
BSDT/25	Planning and Design of Burgersfort regional Library	Planning and design of Burgersfort	% Completion of Design for Burgersfort regional Library	100% designs for Burgersfort regional Library completed.	R700 000	R0.00	R0.00	R700 000	Own	18	Burgersfort

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
		regional Library									
BSDT/26	Planning and Design of Burgersfort Intermodal facility	Inception report	% Completion of Design for Intermodal facility	20% Completion of Design for Burgersfort Intermodal facility.	R4 000 000	R 2 750 000	R 6 000 000	R 12 750 000	Own	18	Burgersfort
BSDT/27	Free Basic Electricity	2	# FBE campaigns held	2 FBE campaigns held	R 7 270 000	R 7 604 420	R7 946 619	R22 821 039	Own	All	All villages
		2000	# of Indigent households receiving FBE	2500 Indigent households receiving FBE						All	All Villages
Departmental projects											
BSDD/1	Development of access road at Malogeng Landfill site	Detail designs completed	% Construction in the development of access road at Malogeng Landfill site	100% Construction of access road at Malogeng Landfill site	R 1 500 000	R0.00	R0.00	R1 500 000	Own	35	Malogeng
BSDD/2	Planning and Design	Feasibility study	% Planning and Design	100% Completion of planning	R 700 000	R0.00	R0.00	R 700 000.00	Own	37	Mphanama

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
	of Mphanama internal street	(scoping report)	of Mphanama internal street	and Detailed Design of Mphanama internal street							
BSDD/3	Construction of Gaselala Access road to Moshate	Design Completed	% Construction of Gaselala access road to moshate	0% Construction Gaselala Access road to moshate	R0.00	R0.00	R 21 000 000	R 21 000 000	own	17	Ga-selala
BSDD/4	Planning and design Praktiseer integrated Roads and storm water (NMT).	New	% Planning and design of Praktiseer integrated Roads and storm water.	5% Planning of Praktiseer roads and stormwater	R 2 500 000	R 2 000 000	0.00	R 4 500 000	Own/NDPG	13	Praktiseer
BSDD/5	Planning and design of integrate Mapodile roads and storm water (NMT)	New	% Planning and design of integrated Mapodile roads and storm water	5% Planning and design of integrated Mapodile roads and storm water	R 2 000 000	R 3 000 000	R0.00	R 5 000 000	Own/NDPG	02	Mapodile
BSDD/06	Construction of Stoking	Design Completed	% Construction of	100% Construction Stoking Road & stormwater	R0.00	R 21 000 000	R0.00	R 21 000 000	Own/MIG		

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
	Road & stormwater		Stoking Road & stormwater								
BSDD/07	Planning and design of Access road to Moshate Kgautswane	Feasibility study	% Planning and design of Access road to Moshate Kgautswane	100% Detailed design for access road to Moshate Kautswane	R 700 000	R0.00	R0.00	R 700 000	OWN		Kgautswane
BSDD/08	Planning and Design Access road to Moshate Makofane	Feasibility study	% Planning and design access road to Moshate Makofane	100% Detailed design access road to Moshate Makofane	R 700 000	R0.00	R0.00	R 700 000	OWN	21	Makofane
BSDD/09	Planning and Design Access Road to Moshate Ranto	Feasibility study	% Planning and design for access road to moshate Ranto	100% Detailed design access road to Moshate Ranto	R 700 000	R0.00	R0.00	R 700 000	OWN	28	Ranto
BSDD/10	Planning and design access road to Moshate Phasha Selatole	Feasibility study	% Planning and design access road to moshate Phasha Selatole	100% Detailed design access road to Moshate Phasha Selatole	R 700 000	R0.00	R0.00	R 700 000	OWN	32	Phasha Selatole
BSDD/11	Planning and design	Feasibility study	%Planning and design	100% Detailed design access	R 700 000	R0.00	R0.00	R 700 000	OWN	15	Ga-Kgoete

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
	access road Moshate Ga-Kgoete		access road Moshate Ga-Kgoete	road to Ga-Kgoete							
BSDD/12	Planning and design of Phiring Access Road	Feasibility study	% Planning and design of Phiring Access Road	100% Detailed design of Phiring Access Road	R 700 000	R0.00	R0.00	R 700 000	OWN	26	Phiring
BSDD/13	Planning and Design of Nkotsane Primary School Access Bridge	Feasibility study	% Planning and Design of Nkotsane Primary School Access Bridge	100% Detailed Design of Nkotsane Primary School Access Bridge	R 700 000	R0.00	R0.00	R 700 000	OWN	35	Nkotsane-Apel
BSDD/14	Closure of old Burgersfort Landfill Site	Fencing Completed	% Closure of old Burgersfort Landfill site	20% Closure of old Burgersfort Landfill Site	R 2 500 000	R 2 000 000	R3 000 000	R 7 500 000	OWN		Burgersfort
BSDD/15	Construction Penge transfer Station Phase 2	Construction Penge transfer Station	% Construction of Penge Transfer Station Ph2	100% Construction of Penge Transfer Station	R 500 000	R0.00	R0.00	R 500 000	OWN	16	Penge

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
		Phase 1									
BSDD/16	Construction of Mphanama transfer station Phase 2	Construction of Mphanama transfer station 1	% Construction of Mphanama Transfer station Ph2	100% Construction of Mphanama Transfer Station	R 500 000	R0.00	R0.00	R 500 000	OWN	37	Mphanama
BSDD/17	Planning and Design of Fetakgomo Extension 1 Township Development	Feasibility studies	% Planning and Design of Fetakgomo Extension 1 Township	100% Planning and Design of Fetakgomo Extension 1 Township Infrastructure Development	R 3 000 000	R 1 500 000	R0.00	R 4 500 000	OWN		
BSDD/18	Development of Malogeng Landfill Cell	New	% Planning and design of Malogeng Landfill Cell	100% Planning and design of Malogeng landfill cell	R 2 000 000	R1 000 000	R0.00	R 3 000 000	Own	35	Malogeng
		Construction of Cell	% progress in Construction of Malogeng Landfill Cell	20% Progress in planning and design of malogeng landfill cell							

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
BSDD/19	Planning and Design of Tidintijane Access bridge	Feasibility study	% Planning and Design of Tidintijane Access bridge	100% Detailed Design of Tidintijane Access bridge	R 700 000	R0.00	R0.00	R 700 000	Own	10	Tidintijane
BSDD/20	Planning and Design of access of bridge to Shubushung	Feasibility study	% Planning and design of access bridge to Shubushung	100% Detailed design of access bridge to Shubushung	R 700 000	R0.00	R0.00	R 700 000	Own	32	Shubushung
BSDD/21	Planning and design of Malomanye Access road	Feasibility study	% Planning and design of Malomanye Access road	100% Detailed design of Malomanye Access road	R 700 000	R0.00	R0.00	R 700 000	Own	34	Malomanye
BSDD/22	Development of Vehicle pound	Development of Vehicle pound	% Development of vehicle pound.	100% Development of vehicle pound.	R 3 000 000	R 3 000 000	R0.00	R 6 000 000	Own		
BSDD/23	Planning and Design of Makubu Access road	New	% Planning and Design	100% detailed design of Makubu Access road	R 700 000	R0.00	R0.00	R 700 000	Own	16	Makubu

Project No.	Project/Programme	Baseline	Performance Indicator	2024/25 Targets	Budget & Target			Overall Total	Source	Wards	Villages
					2024/25	2025/26	2026/2027				
			of Makubu Access road								
BSDD/24	Planning and design of Mokgotho Access road	New	% Planning and design of Mokgotho Access road	100% detailed design of Mokgotho Access road	R 700 000	R0.00	R0.00	R 700 000	Own	16	Mokgotho
BSDD/25	Planning and Design of Ga-Phala to Modubeng Access road	New	% Planning and Design of Ga-Phala to Modubeng Access road	100% detailed design of Ga-phala to Modubeng access road	R 700 000	R0.00	R0.00	R 700 000	Own	09	Phala-Modubeng

APPENDIX P: SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Schools Needing Extension of Blocks, Renovation / Upgrading and Construction (New)

Ward	Construction of new school(s)	Schools needing renovation / upgrading	Schools needing extension of blocks
1	Maepa Sec. School	Mareolege Primary,, Mokutung Primary	
2	Mahloakweng and Ga-Ragopola	Maelebe Primary School, and Shopyane Primary School need for upgrading	Maelebe
		need for upgrading	Shopyane and Kgahlanong
3	Moshiane Primary School	Thete High School	Maebe Primary School
		Mohlaletse High School	Peu Secondary School
		Maphuthe Primary School	Matleu Primary School
		Leganabatho Primary School	
		Matleu Primary School	
4	None	none	none
5	N/A	Morewane Primary School	Morewane Primary School Mogolo Sec School
6	Ngwanatheko, Mampuru, makopole, rehlahleng, nkokoane, mante, mashupje, kgoboko	Ngwanatheko	n/a
7	France village	Gowe primary	Tumishi primary, Bonwankwe school, Nakgwadi school
8	Diphale (Ga-malemane, Dipatji, Ga-Makhwae, Tsokung andGa-mabilo)	Matladi-a-phaahla, Diketepe primary, Dihlabakela sec, Tswako primary	Hlahlana

Ward	Construction of new school(s)	Schools needing renovation / upgrading	Schools needing extension of blocks
9	N/A	N/A	Letolwane primary, Potoko high, Mahlo Mmutlane high
10	Primary schools at Djate, Monampane, Ga-Mongatane, Ga-makgopa, Serafa, Madifahlane and secondary at Ga-Mongatane	Djate primary, Mosego Sec, Monampane Primary, Lephenye Sec, Motlammotse primary, Teleki primary, Makgopa primary, Setlamorago primary and Diphala primary	Djate primary, Mosego Sec, Monampane Primary, Lephenye Sec, Teleki primary, Makgopa primary, Tshihlo Sec and Diphala primary
11	Sebope Primary School	2	2
	Maroga Primary School	6	2
	Maputle High School	2	3
	Maboeletsa primary School	2	2
	Maroka Dieta Primary School	1	2
	Molaka Primary School	N/A	2
12	Setlopong Primary School, Ratau Primary school, Phutinare Sen Secondary School, Marole High School	Setlopong Primary School, Molaka Primary School, Moruladilepe Primary school, Phutinare Senior and Secondary School, Morole High school.	Moruladilepe primary, Molaka primary
13	Madikiloshe Malepe, Segorong , Dr Selahle high	Bogwasha	Leolo ,bogwasha
14	N/A	Malegodu primary	Moroke primary 3 blocks Ntwampe high 3 blocks Maepa primary 2 blocks

Ward	Construction of new school(s)	Schools needing renovation / upgrading	Schools needing extension of blocks
			Motloulela high 3 blocks Mohloping primary 3 blocks Kgolane high 2 blocks Ledingwe primary 1 block Makwane high 3 blocks Malegodu primary 1 block Hlakanang primary 4 blocks Magobanya high 2 blocks
15			Moroke and Makofane need additional block
16	1 Kgopanong	Masenyetse Primary	Masenyetse Primary
	1Maakubu	Manawe Sec School	Manawe Sec School
	1 Malepe	Kanama Sec School	Kanama Sec School
	1Maretlwaneng	Legathoko Sec and Pre-school	Legathoko Sec and Pre-school
	1Mamogolo	Makidi Sec & Mamogolo Primary	Makidi Sec & Mamogolo Primary
	1Motshana	Makgatagabotse Sec School	Makgatagabotse Sec School
	1Moraba	Kgakantshane Primary	Kgakantshane Primary
	1 Penge	Penge Primary	Penge Primary
17	N/A	Phogole ,Ntoshang ,Ratanang new school	Phogole 1 block & hall, Ntoshang 1 block & hall,Mosedu 1 block &

Ward	Construction of new school(s)	Schools needing renovation / upgrading	Schools needing extension of blocks
			hall, Selala primary admin block, hall & library, Ratanang library & hall, Mamogege library & hall, Mohlophe 1 block
18	Burgersfort ext10	Tubatse primary, Manoke high	Manoke high, Mafemane primary, Ikhwezi primary
19	N/A	All schools	All school
20	Secondary school Bothashoek	Phaahla high, Tshwelopele primary, Mokgabudi primary, Madinoge primary, Mahlagaume primary	Phaahla high, Tshwelopele primary, Mokgabudi primary, Madinoge primary, Mahlagaume primary
21	N/A		Ntibaneng Sec school, Rootse Primary, Kgomatau primary
22	Taung & motodi	Taung high, Ntlaisheng primary, Tswetlane primary, Marota primary	Taung high, Ntlaisheng primary, Tswetlane primary, Marota primary
23	Nazaretha Alverton primary and secondary school	Mashakwaneng, Sedibeng, Maatserepe Primary	Lehlabile
24	Majaditshukudu, Makgopa	Matshaile, Mahlahle, Morwakgwadi, Dipitsi & Legoleng	Mashakwaneng, Mathafeng Motlailane, Matshaile, Mahlahle, Morwakgwadi, Dipitsi & Legoleng
25	Mareseleng	There is a need for a school	Primary and Secondary School
	Mashifane	Primary school needed	
26	Leboeng primary, Banareng	Upgrading hall	n/a

Ward	Construction of new school(s)	Schools needing renovation / upgrading	Schools needing extension of blocks
27	Kutullo need secondary school	Malekane primary	Ngwanathupane primary need 01 block and admin
28	n/a	Masha primary, Masago primary Ngwaabe sec, Ngwanangwato sec	Masha primary, Masago primary
29	Maphopha School	Upgrading hall	None
	Sengange H	Upgrading hall	None
	Shorwane H	Renovation	Extension of blocks
	Dikgageng P	Upgrading hall	Extension of blocks
	Mashego H	Upgrading hall	Extension of blocks
	Madiete P	Renovation	Extension of blocks
	Ntake P	Renovation	n/a
	Maaphoko P		
	Makgwale H		
	Nthule Pre School		
	Matladi Pre School		
	Maubane Day care		
	Magawane Pre School		
Segopotse crèche			
Motsetladi Pre School			

Ward	Construction of new school(s)	Schools needing renovation / upgrading	Schools needing extension of blocks
	Maselatole Preschool		
	Naledi crèche		
30	High school (Dark city	Kweledi Secondary	Koboti Primary
	Paepae High School		Thabane Primary
	Priamary School		Mabocha Primary
	Highschool (Extension 11)		Mokobela Primary
	Nkota High School		Kweledi secondary
	Sehloi Primary School		
31	Dresten, Makgemeng & Kopie need secondary schools	Magakantshe Primary	None
32	Seroletshidi secondary	Lebelo Primary	Nyaku Secondary
		Kwano Primary	Mogale Primary
		Morwaswi Secondary	Malegase Primary
		Makgalanoto Priamry	Modiadie Secondary
33	Mogabane	Selepe Primary	Sejadipudi Primary
		Lefakgomo secondary	Selepe Primary
		Manotoana Primary	Lefakgomo Secondary
		Motjatjana Primary	Tloupthuthi secondary
		Hlapogadi Primary	Ramoko Primary

Ward	Construction of new school(s)	Schools needing renovation / upgrading	Schools needing extension of blocks
			Kangaza secondary
34	Makudu primary	Mphaaneng primary, Selebalo Sec, Serokolo Sec, Mafise primary, Phoko primary, Mafene primary	Bogatladi primary, Serokolo Sec
35	Mphela Marumu	n/a	Extension
	Modimolle Primary	Renovation	Extension
	Idia Primary	Renovation	Extension
	Nkoana Primary	Renovation	Extension
	Maphotle	Renovation	Extension
36	Ngwanamala	Upgrading	Extention of office
	Tlakale	n/a	Extention of office
	Frank Mashile	n/a	Extention of office
	Madithame	Upgrading	n/a
	Moenyane	Upgrading	n/a
	Masha Makopole	N/A	Extention of office
37	Sepakapakeng Primary		Mphanama Primary
	Matebana Primary		Makelepeng
			Thobehlale primary
			Strydkraal B primary

Ward	Construction of new school(s)	Schools needing renovation / upgrading	Schools needing extension of blocks
38	Mashilabele Secondary, Primary at Manoge/Matlou		

Health

Ward	Village	Clinic/mobile	If mobile state frequency of visit	Challenges/comments
1	Makopung	Mobile	Once in two weeks	There is a need for a clinic as people travel long distance to reach health services
	Makgalane	No	No	People travel six km to swarang clinic
	Ga Mabelane	Clinic	n/a	Over crowding
	Newstands	Clinic	n/a	Over crowding & lack of medicines
	Mapareng	Mobile	Once per month	
	Malaeneng	Mobile	Not reliable	People foot to Phiring clinic
	Mokutung	Mobile	Once per month	Far from clinic
	Ohrigstad	No clinic and mobile	n/a	Access clinic at Burgersfort clinic
	Maepa	No mobile and clinic	n/a	Access clinic Burgersfort clinic
2	Mapodile	Ga-Ragopola	Once a week	There is a need for central clinic as Mapodile Clinic is far from other villages
	Mahlakwena	Mobile clinic	No longer coming	Mapodile clinic not

Ward	Village	Clinic/mobile	If mobile state frequency of visit	Challenges/comments
				operating fully
	Maganagobushwa	Mobile clinic	n/a	Mapodile clinic is faraway from Maganagobushwa
3	Ga-Mmakopa Badimong	Mobile	Once a week	There is a need for mobile to atleast 3days per week
	Tsereng(Pukubjane and Senthlane),	Mobile	Once a week	There is a need for mobile to atleast 3days per week
	Mapulaneng	Mohlaletse clinic	None	Clinic is not easily accessible especially old age people it is far and they pay transport.
	Ga- Phasha,	Mohlaletse clinic	None	Clinic is not easily accessible especially old age people it is far and they pay transport.
	Ga-Tebeila	Mohlaletse clinic	None	None
	Maroteng Tsate	Mohlaletse clinic	None	Clinic is not easily accessible especially old age people it is far and they pay transport.
	Selotsane, Molalaneng Leswaneng,	Mohlaletse clinic	None	Clinic is not easily accessible especially old age people it is far and they pay transport.
	Matebeleng	Mohlaletse clinic	None	None
	Mogolwaneng,	Mohlaletse clinic	None	None
Shushumela	Mohlaletse clinic	None	Clinic is not easily accessible especially old age people it is far and they pay transport.	

Ward	Village	Clinic/mobile	If mobile state frequency of visit	Challenges/comments
	Maebe,	Mohlaletse clinic	None	None
	Ga-Matjie,	Mohlaletse clinic	None	None
	Makola	Mohlaletse clinic	None	None
	Lekgwarapeng	Mohlaletse clinic	None	None
	Rite	Mohlaletse clinic	None	Clinic is far from the village
	Sekateng	Mohlaletse clinic	None	None
4	Mpita, Matsianeng & Riba Cross	none	none	community travel long distance to the clinic
	Mahlakeng	none	none	No clinic around the village
5	Mandela 122	None	None	Distance to Access Clinic
	Pomping	None	None	
	Polaseng	None	None	
	London	None	None	
	Stasie	Mobile	Daily	Crossing – R37
	Morewane	None	None	Distance
	Lepakeng	None	None	None
	Crossong	None	None	None
Sedibaneng	None	None	None	

Ward	Village	Clinic/mobile	If mobile state frequency of visit	Challenges/comments
	Madiseng	Mobile	Regularly	None
6	Dipolateng	clinic	n/a	n/a
7	Gowe, Kampeng, France, Hollong, Moihoek, Maponong, Legononong, Boitumelo & Lekgwareng	All villages use Dilokong hospital	n/a	n/a
8	Seuwe	Matsageng clinic	n/a	Clinic does not operate 24 hours, community travel long distance to the clinic
9	Shakung	Mobile	n/a	
	Thokwane	Mobile	n/a	
10	Mashabela	Clinic	n/a	Road towards the clinic is slippery and thus inaccessible during rainy season
11	Makgopa	Mobile	Once a week	n/a
12	Swale	Clinic	n/a	No medical facilities
	Komane	Mobile	n/a	Road not properly maintained
				Shortage of staff at H.C. Boschhoff Health Centre
13	Praktiseer, Ext 2-10 and 15; Tshwelopele Park; Ramaube	Clinic	n/a	Poor service Shortage of medication
14	Moroke	Clinic Mecklenburg	n/a	Staff not cooperating with the community

Ward	Village	Clinic/mobile	If mobile state frequency of visit	Challenges/comments
	magobading	Mobile	Once a week	n/a
	Habeng	Mobile	Once a month	n/a
	Moshira	Mobile	Once a month	n/a
15	Mashishi	Under construction by C.Trust	Thursday	Sometimes not coming
	Kgoete, masete, morapaneng & mphogo	No clinic or mobile	n/a	Travel long distance to access health facilities
	Shakung	mobile	Monday & Wednesday	Sometimes not coming during rainy seasons
	Ditwebeleng	mobile	Tuesday	n/a
16	Kgopaneng	Mobile	Once a week	Scheduled days not followed
	Maakubu	Mobile	Once a week	Scheduled days not followed
	Mokgotho	None	None	There a need for clinic
	Malepe	None	None	Mobile/ clinic needed
	Moretlwaneng	Clinic	N/A	None

Ward	Village	Clinic/mobile	If mobile state frequency of visit	Challenges/comments
	Mamogolo	None	None	Mobile is needed
	Lefahla	None	None	Mobile needed
	Motshana	Clinic	N/A	None
	Moraba	None	None	Revive mobile clinic
	Penge	Hospital	N/A	Dysfunctional
17	Ga-selala	clinic	n/a	Shortage of staff and medications Operate during the day only
	Ga-mahlokwane	mobile	Once a month	Community travel long distance to access clinic at Ga-selala
18	Burgersfort town	clinic	24hrs	A need for extension of the clinic
	Manoke Mobile	Mobile	Once per week	n/a
19	Riba moshate	Clinic	n/a	Need for a Doctor
20	Bothashoek	Clinic	n/a	Challenge of the structure only 2 cubicles Does not operate 24 hours
21	Makofane & Motlolo	Clinic	n/a	n/a

Ward	Village	Clinic/mobile	If mobile state frequency of visit	Challenges/comments
	Ga podile, Sekopung & Pidima	Clinic	n/a	No ambulance during the night at Ga-podile, Sekopung, Pidima
22	Taung	Clinic	n/a	Long distance to clinic
	Makotaseng	Mobile	Once a week	Sometimes fails to come
	Matokomane	Mobile	Once a week	Sometimes fails to come
	Motodi	Clinic	n/a	Long distance to clinic
23	Mafarafara,	Mobile	Once a month	There is clinic needed in the ward as there is no clinic.
	Alverton	Mobile	Once a month	
	Kgotlopong	Mobile	Once a month	
	Mahlatsi	Mobile	Once a month	
	Motlailan	Mobile	Once a month	
24	Paeng & Makgopa	Mobile	Once a week	n/a
25	Mareseleng	None	None	There is a need for clinic in all the villages
26	Rutseng, Ga-Nkoana, Banareng, Ga-moraba, Lepelle A&B, Tswenyane, Matshokgeng & Phiring	Clinic		Old people had to wait for long hours to be assisted, request for intervention by the department
27	Malekane, Kutullo,	Mobile	Once a week	All villages need mobile

Ward	Village	Clinic/mobile	If mobile state frequency of visit	Challenges/comments
28	Ga-Rantho	clinic	none	Hospital is faraway
29	Maphopha	Mobile	Once a week	Scheduled days not followed
	Maepa	Mobile	Once a week	Scheduled days not followed
	Maseven	Mobile	Once a week	Scheduled days not followed
	Makua	None	Once a week	Mobile needed
	Ratau	None	Once a week	Mobile needed
30	Oak city, Vodaville, Mountain view, Town(kweledi), Extension1(Airport), Extension 11(Showground), Mapareng(Mabocha), Thab akhulwane (Mabocha), Lekgwareng (Mokobola), Mokobola (Morulaneng)	None	None	There is a need for a clinic as people travel long distance to access health service at ward 13 Gamanyake and Penge
31	Dresten and Makgemeng village	Mobile	Once a week	Need for a clinic
	Mangabane village	Mobile	Thursday	
32	Shubushubung	Mobile	Once a week	n/a
	Rostock	Mobile	Once a week	n/a

Ward	Village	Clinic/mobile	If mobile state frequency of visit	Challenges/comments
	Mahlabeng	Mobile	Once a week	n/a
	Tjibeng	Mobile	Once a week	n/a
	Mooilyk	None	None	There is need for clinic and mobile and people travel long distances
	Ga-Mampa	None	n/a	There is a need for clinic or mobile as they access clinic at Ga-Phasha
	Seokodibeng	Mobile	n/a	There is a need for clinic or mobile at least twice a week
	Ledingwe	Mobile	n/a	n/a
33	Mogabane –shole		n/a	There is a need for clinic
	Selepe Moshate	Clinic	n/a	n/a
	Checkers	Clinic	n/a	n/a
	Swazi- mnyamane		n/a	There is a need for clinic
34	Mokgotho, Monametse, Sefateng, Mohlahlaneng, Bogalatladi, Mabulela, Maruping, Mogabane, Malomanye, Mphaaneng & Mashikwe	Mobile all villages Clinic at Sefateng	Once a week	People travel long distance to access clinic
35	Ga-Maisela	None	n/a	There is lack of medication in the clinics
	India	None		

Ward	Village	Clinic/mobile	If mobile state frequency of visit	Challenges/comments
	Pelangwe	None		
	Modimolle	None		
	Malogeng	None		
	Apel	Yes		
	Mapodi,	None		
	Maesela-Mahlabaphoko,	None		
	Mapulaneng,	None		
	Nkoana Moshate,	Yes		
	Matheba(majane)	None		
	Masha, Nchabeleng, Nkwana, Apel	None		
36	All villages	Mobile Clinic	n/a	Mobile clinic needed in all villages, people travel long distances to access health services
	Mooiplaas	None	n/a	There is a need for mobile clinic
	Strydkraal	Masha clinic	n/a	Closed and night
	Nchabeleng health Clinic			There is a need for Nchabeleng health Clinic to be converted to a hospital
37	Sepakapakeng	Mobile	n/a	Mobile clinic no longer adhering to schedule

Ward	Village	Clinic/mobile	If mobile state frequency of visit	Challenges/comments
	Moagagamatala,	Mobile	n/a	Accommodation is challenges
	Moshate	None	N/A	There only use Mphanama clinic
	seleteng	None	N/A	
	Matamong	None	N/A	
	Malaeneng	None	N/A	
	Mototolwaneng	None	N/A	
	Matebana	None	N/A	There is need for mobile clinic as they travel long distance
	Radingwana	None	N/a	There is a need for mobile clinic as they access clinic in Ikageng
	Ga-Mashabela	None	N/a	Mobile Clinic need
	Thanaseshu	Mobile	N/A	Mobile Clinic need
	Thobehlale	None	N/A	There is need clinic
	Ga-Matlala	None	N/A	There is need clinic and mobile
Strydkraal B	None	N/A	There is a need for clinic or mobile	
38	Ga-Seroka	Clinic	N/A	There is cracks inside the container,
	Manoge	-	N/A	There is a need for clinic and mobile
	Mashilabele	Mobile	On Thursday	The schedule is not followed accordingly as its been 3months without mobile clinic

Ward	Village	Clinic/mobile	If mobile state frequency of visit	Challenges/comments
	Phageng	-	N/A	N/A
	Ga-Mmela	Clinic	N/A	N/A
	Phahlamanoge	Clinic	N/A	N/A
	Masehleng	-	N/A	There is a need for mobile clinic
39	Lerajane Ditlokwe	Clinic	N/A	There is a need for health service in all villages
	Mokhulwane Ditlokwe	Clinic	N/A	

APPENDIX Q: SERVICE BACKLOG EXPERIENCED BY COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Ward No	No.	Priority	Location
01	1	Water	Maepa to Ramakgai, Ohrigstad, Pureplaas, Mokutung, Mapareng to Moshate, Malaeneng, New Stand, Ga-Mabelane, Makgalane, Makopung, Mapareng Maxemong Section
	2	Access Roads	Maepa, Ohrigstad, Mokutung, Malaeneng, Makgalane, Mapareng, New Stand, G Mabelane Makgalane, Mokutung, Mapareng, Makopung
	3	Access Bridge	Mapareng, Makgalane
	4	RDP	Maepa, Mokutung, Mapareng, Malaeneng, New Stands, Ga-Mabelane, Makgalane, Makopung
	5	Sanitation	450 Household
	6	Electricity	Makopung, Maepa
	7	Network Tower	Maepa, Ga-Mabelane, Mokutung
	8	Schools	Mokutung, Maepa, Makgalane
	9	Cemeteries	Mapareng
	10	Employment	

Ward No	No.	Priority	Location
02	1	Water	Mahlakwena, Malaeneng, Tukakgomo, Garagopola, Molawetsi, Mapodile, Legabeng, Shu shumela, Mshengoville, Dingi Ndoda
	2	Primary Schools	Mahlakwena, Malaeneng, Tukakgomo, Garagopola, Molawetsi, Mapodile, Legabeng, Shushumela, Mshengoville, Dingi Ndoda Mahlakwena, Malaeneng, Tukakgomo, Garagopola, Molawetsi, Mapodile, Legabeng, Shu shumela, Mshengoville, Dingi Ndoda
	3	Electricity	Mahlakwena, Malaeneng, Tukakgomo, Garagopola, Molawetsi, Mapodile, Legabeng, Shu shumela, Mshengoville, Dingi Ndoda
	4	RDP Houses	Mahlakwena, Malaeneng, Tukakgomo, Garagopola, Molawetsi, Mapodile, Legabeng, Shu shumela, Mshengoville, Dingi Ndoda Mahlakwena, Malaeneng, Tukakgomo, Garagopola, Molawetsi, Mapodile, Legabeng, Shu shumela, Mshengoville, Dingi Ndoda
	5	VIP Toilets	Mahlakwena, Malaeneng, Tukakgomo, Garagopola, Molawetsi, Mapodile, Legabeng, Shu shumela, Mshengoville, Dingi Ndoda
	6	School	Mahlakwena, Malaeneng, Tukakgomo, Garagopola, Molawetsi, Mapodile, Legabeng, Shu shumela, Mshengoville, Dingi Ndoda
	7	Mobile Clinic	Mahlakwena, Malaeneng, Tukakgomo, Garagopola, Molawetsi, Mapodile, Legabeng, Shu shumela, Mshengoville, Dingi Ndoda

Ward No	No.	Priority	Location
	8	School Transport	
	9	Storm Water Control	
	10	Access Bridge	
03	1	High Mast Lights	Maebe, Makola, Leshwaneng, Maroteng Tsate, Tswereng
	2	Bridges	D4206 to Maroteng D4190 to Maroteng Matebeleng to Ga Phasha Rite Ga-Maile Mogohlwaneng Mmakopa Phukubjane
	3	D Roads	Lerajane to Tswereng
	4	Cemeteries	Mmakopa, Tswereng, Thete, Matji, Ga-phasha, matebeleng
	5	Broken gate, fence and hall windows	Mohlaletse Community hall, Mohlaletse Thusong Centre

Ward No	No.	Priority	Location
	6	Sports complex	Ward 3
	7	RDP houses	Ward 3
04	1	Electricity	Legabeng Section, Matxianeng Section
	2	Road	Legabeng Section, Matxianeng section, Madithongwane Legabeng Section, Matxianeng Section, malaeneng Section
	3	RDP	Matxianeng Section
	4	Access Bridges	Matxianeng Section
	5	Storm Water	Madithongwane
	6	Water	Malaeneng Section
	7	Clinic	Malaeneng section
	8	Community Hall	
05	1	Paving main street from London to Crossong	London, Stasie, Lepakeng, Mandela Crossong, Madiseng, Poming, Morewane
	2	Access Bridges	London Sethokgeng and Mosebu, Mandela Lepakeng, Makgemeng
	3	Storm water drainage	London, Stasie, Lepakeng Mandela1&2, lepakeng

Ward No	No.	Priority	Location
	4	Apolo lights	Mandela 1,2, Lepakeng, Stasie, London,Madiseng, Morewane, Sedibaneng
	5	RDP Houses	Mandela 1,2, Lepakeng, Stasie, London,Madiseng,Thabaneng, Morewane, Sedibaneng
	6	Fencing of Cementry	London, Sethokgeng, Stasie, Sedibaneng
	7	Electrification	Sedibaneng, Morewane, London Sethokgeng, Madiseng Sethokgeng
06	1	Water	Ga-Phasha and Mampuru
	2	Electricity	Ga-Phasha and Mampuru New Stands
	3	RDP houses	Ga-Phasha and Mampuru
	4	Library	Ga-Phasha and Mampuru
	5	Sanitation	VIP Toilets Ga-Phasha and Mampuru
	6	Access Bridges	Ga-Phasha and Mampuru
	7	High Mast Lights	Ga-Phasha and Mampuru
	8	Paving of Cemeteries	Ga-Phasha 1 and Mampuru 3
	9	Grading of Sports ground	Ga-Phasha 8 and Mampuru 9
	10	Regravelling of internal street	Ga-Phasha and Mampuru
07	1	Water	Mooihoek, Frans, Gowe, Legonong, Kampeng, Boitumelo, Holong, Tsidintsi, Mashibishane

Ward No	No.	Priority	Location
	2	Housing	Mooihoek, Frans, Gowe, Legonong, Kampeng, Boitumelo, Holong, Tsidintsi,
	3	Roads	Mashibishane
	4	Electricity	All sections
	5	Sports Centre	Mooihoek
	6	Library	Mooihoek, Frans
			Frans
08	1	Paved road	Madikane to Fraxer Dam
	2	Apolo Lights	Madikane, Legabeng, Seuwe, Tsokung, Makhwae, Modimolle, Kalane Magabaneng, Nyakela, Mashibiring Makete, Manjekane
	3	RDP Houses	Madikane, Legabeng, Seuwe, Tsokung, Makhwae, Modimolle, Kalane, - Magabaneng, Nyakela, Mashibiring Makete, Manjekane
	4	Regravilling	Seuwe to Tsokung
	5	Electrification of boreholes	Tsokung and Dipatsi
	6	Water	Diphale and Makete
	7	Electrification	Mashibiring Road community next to Matjageng Clinic Mmotong, Ditianeng, Modimolle
	8	Access Bridge	Tsokung to Seuwe, Molapa Phiri, Manjekane, Modimolle and Magabaneng
09	1	Roads	Phase 2 of Tar/Pavement road from Ga-Phala to Sehwing, Modubeng Extension of Tar Road from end of the Tar Malokela via Maakubu to

Ward No	No.	Priority	Location
			Mabotsha(Morulaneng) Tar road/Pavement from R37 Thokwane Cross via Shakung to Sehunyane Re-graveling of internal road in Modubeng Village, Ga-Phala village, Malokela village, Sehunyane village, Shakung village(Ga- Letolwane),Thokwane village Pavement/Tar for internal roads to Meshate for all villages
	2	Fencing	Fencing for all cemeteries in the wards as there is no one fenced Fencing of all Sporting grounds Fencing of Agricultural farms in the wards Fencing of all building of old ages and home base care facilities in the ward 09
	3	Community Halls	Community Halls in Modubeng Village, Ga-Phala village, Malokela village, Sehunyane village, Shakung village, Thokwane Village
	4	RDP Houses	Modubeng village(Sehweting, Makgwahla and Senyatho) Ga-Phala village(Semaneng, Molalaneng, Mafokubje and Matshelapata) Malokela village(Ga-Mampa, Molapong, Phukubjeng, Sekwakwaile and Matshelapata) Sehunyane village(Ka morago Ga-Thaba, Super castle and new stands) Shakung village(Ga-Letolwane Thokwane village
	5	Health and Welfare needs	Mobile clinic to all villages to service old age and other sick people Shelter for patients at Mmutlane clinic Mmutlane clinic be in operation 27 hours 7 day a week
	6	Electricity	Modubeng Extension and new houses, Ga-Phasha Matshelapata, Malokela Matshelapata and new houses, Sehunyane extension and new houses, Thokwane new stand and new houses,Shakung new houses extension
	7	Apollo Lights	Energizing of Apollo at Modubeng next to Mmakanaga café, Re- Energizing of Apollo

Ward No	No.	Priority	Location
			at Ga-Motloulela cross next to Mmutlane clinic <u>Apollo lights requested</u> Modubeng Moshate, Ga-Phala, Sehweting, Malokela end of tar road, Malokela Moshate ka Molapong village, Ga-Mampa village, Thokwane cross to Shakung and Thokwane Moshate, Shakung main cross to Sekopung and to Sehunyane, Sehunyane next to Mabu primary school and Sehunyane ka Morago Ga-Thaba Moshate
	8	VIP Toilets	Modubeng village(Sehweting, Makgwahla and Senyatho) Ga-Phala village (Semaneng, Molalaneng, Mafokubje and Matshelapata) Malokela village(Ga-Mampa, Molapong, Phukubjeng, Sekwakwaile and Matshelapata) Sehunyane village(Ka morago Ga-Thaba, Super castle and new stands) Shakung village(Ga-Letolwane Thokwane village
	9	Water	Phase 2 Malokela(all villages affected) and Ga-Phala(all villages affected), Malokela part of and Malokela Matshelapata, Ga- Mampa and Molapong Ga-Phala part of and Ga-Phala Matshelapata, Modubeng all village including extension, Sehunyane all villages including extension, Sehweting all villages including extension, Thokwane part of it, Shakung all village
	10	Libraries	Modubeng village(Sehweting, Makgwahla and Senyatho), Ga-Phala village (Semaneng, Molalaneng, Mafokubje and Matshelapata), Malokela village (Ga-Mampa, Molapong, Phukubjeng, Sekwakwaile and Matshelapata), Sehunyane village(Ka morago Ga-Thaba, Super castle and new stands), Shakung village(Ga-Letolwane, Thokwane village
	11	Sport and Recreation facilities	Building of state of art sport facilities including indoors sport Activities in the ward, Ga-Phala and Modubeng, Re-grading/graveling for all sport field in all villages, Recreational

Ward No	No.	Priority	Location
			park at Modubeng Village, Ga-Phala village, Malokela village, Sehunyane village, Shakung village, Thokwane Village
	12	EPWP	From Ga-Phala to Modubeng road is too bushy From Magobadung to Malokela Ga-Mampa Thokwane via Shakung to Sehunyane ka Morago Ga-Thaba
	13	Bursaries, internships and skills development	All matriculated in Modubeng Village, Ga-Phala village, Malokela village, Sehunyane village, Shakung village, Thokwane Village to be assisted
10	1	Access Bridge	Mongatana Marapong section Dithabaneng access bridge Tjate need 2 access bridges at Makete Makgopa access bridge Madifahlane need 2 access bridges
	2	Electricity	Electrification of all sections in the whole ward
	3	Roads	Regravelling of all internal roads
	4	Network Tower	Need Network towers
11	1	Roads	Garagopola Mathuleng street need regravelling and paving of 3 km access road Morokadieta completion of the access road Phogole access road to Moshate need regravelling and paving, Mooihoek 01 need regravelling and paving at King Princess
	2	Electricity	Garagopola Sekutlong Ga Molapo 100 households need electricity extensions Morokadieta need electricity Phogole need electricity at new stands

Ward No	No.	Priority	Location
	3	Access bridges	Maroga-Maputle need a bridge Mooihoek 01 Difataneng to Sehlaku need bridge
	4	Skip Bins	At Legabeng Marooga Cross At Garagopola Nonyana cross and Javels Taven At Maroga-Phalatseng Molopeng and Chotas next to Moshate At Moeng busy corner
12	1	Water	Need boreholes at Mamphahlane, Hwashi (Difagate), Swale, Komana, Mpuru Sekiti, Mahubane, Sehlaku, Molongwane & Balotsaneng
	2	Reservoirs	Pelaneng (1) Mogoleng (1) Motayane (1) Upgrade recent reservoir Komana (1) Taleng Hill (1) Motomelane (1) Upgrade old reservoir Phokathaba (1) Balotsaneng Hill (1)
	3	Sanitation	Vip Toilets needed as follows: Mamphahlane – 1200 Hwashi – 200 Swale – 600 Komana - 20 Motomelane – 500 Mpuru – 600 (Taleng, Mabilu & Makhwaye) Sekiti – 400 Mahubane – 1200 (Crossing and Middelburg) Sehlaku – 500 Molongwane & Balotsaneng – 800
	4	Bridges	Mamphahlane Village Mowa access bridge (joining mamphahlane and sehlaku village), Mamphahlane Crech access bridge (joining Mamphahlane sports ground) Mokgase access bridge (joining Mamphahlane sport ground and Moripane ZCC church main road), Swale Village, Makwakwa access bridge (joining Setlopong

Ward No	No.	Priority	Location
			<p>primary / Sun City and Swale Village), Downstairs access bridge (joining Mohlala Tuck Shop, Motomelane (Ratau Primary School) and Phutinare Secondary School)</p> <p>Bohlankana access bridge (joining swale sports ground and Phutinare Secondary School)</p> <p>Komana Village</p> <p>Putimogolodi / Maleswielane, Motse / Mategeng access bridges (joining Phutimogolodi Secondary School, Makobote Primary School and Pitsaneng)</p> <p>Hwashi (Difagate)</p> <p>Mpitikwane access bridge (joining Mamphahlane and Hwashi Village)</p> <p>Mabudubutswane access bridge (joining Hwashi and Mamphahlane Village)</p> <p>Balotsaneng</p> <p>Maletle access bridge joining Sehlaku 1 graveyard</p> <p>Lepakeng access bridge (joining Sehkaku 2 / Banareng graveyard) Sehlaku Village</p> <p>Leopeladitshipa access bridge need upgrading joining Mahubane</p>
	5	Roads and Storm Water	<p>Mamphahlane Village</p> <p>Baroka Ba Mamphahlane via Mamphahlane Crech, Makabing to Sehlaku and Balotsaneng</p> <p>Hlalamething / Leporoganeng to Mamphahlane sports ground connecting Mamphahlane crech and the road from Mamphahlane sports ground to Muripane joining Maandagshoek mainroad.</p> <p>Mampahahlane apostolic church to Ratau bottle store and Mahlakeng tavern;</p> <p>Monyakeng passing Mogoleng to Ragane and Skotipola connecting Nkosi and Mokoena.</p> <p>Monyakeng to Manopeng connecting Setlopong st. engenas ZCC Moruti to Legohlong joining Jordan at Sun City</p> <p>Mogiba / Leshaba to Maelane and Malepe</p> <p>Hwashi Village</p> <p>Acces road from Mabuza to gaMamphahlane</p>

Ward No	No.	Priority	Location
			<p>Access road from Modikwa plant to Makgapeng connecting Balotsaneng. Swale Village Access road from Suncity to Mashishi shop, Sekutu, Lekgwareng, Bohlankana, Down stairs passing Mohlala Tuckshop connecting Mpuru</p> <p>Komana Village Construction of new road from Mpuru (Ratauw) via Mohlake, Seolomathebo to Komana and Pitsaneng. Access road Mailamapitsane (Mokadi), Seolomathebo to Komana and Pitsaneng</p> <p>Mpuru Village Access road from Taleng to Mabilo and Makhwaye Internal road from Tlapa la Modikologo to Madingwane Tuckshop The road from Pita/Taleng sport ground to Mabilo cemetery.</p> <p>Sekiti Village The road to Sekiti Cemeteries and Kgwapa/Score to Khutwaneng. Sekiti Community hall to Molaka primary. The road from Mokwena to Mawela and New Stand Mahubane Village D4167 Crossing circle to Sebopela, Nonyana to Modutubyane joining main road at Leope La Ditshipa. Access road to Mahubane new stand.</p> <p>Sehlaku Village Internal road from Mootlweng to Phokathaba and from Sehlaku bus stop to Phokathaba 2. Access road from Sehlaku Cemeteries to Mamphahlane and Balotsaneng.</p> <p>Balotsaneng Village D4167 Mankgaganyane to Molopeng, Letsopeng, Musurukusu and Madibanyaneng</p>

Ward No	No.	Priority	Location
			Molopeng to Banareng cemetery (Sehlaku 2) connecting St. Engenas ZCC and Maandagshoek sport field Selahle to Maletle connecting Sehlaku 1 cemetery D4167 Madigage butchery to old Mologwane sport ground connecting Makola shop and Mankgaganyane
	6	RDP House	RDP Houses needed for 2024/25 Mamphahlane 130,Hwashi 60, Swale 90,Komana 46,Mpuru 90, Sekiti 50, Mahubane 60, Sehlaku 42 Balotsaneng 20, Molongwane 20 DP Houses needed for 2025/26 Mamphahlane 70,Hwashi 30, Swale 90,Komana 23,Mpuru 590, Sekiti 30, Mahubane 30, Sehlaku 42, Balotsaneng 16, Molongwane 16 RDP Houses needed for 2025/26 Mamphahlane 65,Hwashi 30, Swale 45, Komana 23, Mpuru 45, Sekiti 25, Mahubane 30, Balotsaneng 15, Molongwane 15
	7	Halls	Need community halls at Mamphahlane,Hwashi,Swale,Komana,Mpuru,Sehlaku,Balotsaneng
	8	Cemeteries	Need fencing and toilets at Sehlaku 1and 2 Mamphahlane,Mabilo and Swale graveyards
	9	Electricity	Post connection, and or pole strengthening 30 Mamphahlane,36 Hwashi 25 Swale,30 Mpuru,34 Sekiti,30 Mahubane,45 Balotsaneng. Free Basic Electricity 250 Mamphahlane, 100 Hwashi, 100 Swale, 50 Komana, 250 Motomelane, 300 Mpuru/Mabilu/Makhwaye, 100 Sekiti, 100 Mahubane, 150 Sehlaku, 50 Molongwane, 150 Balotsaneng.
	10	High Mast Lights	Maphahlane Village Suncity, Manopeng / Lebenkeleng, Makabing, Sekotiphola. Swale Village Mashishi, Junieur sport field, Setentsheng/Palace, Phutinare, Separakong Mpuru Village

Ward No	No.	Priority	Location
			<p>Moshate, Modukologo, Taleng sport field, Mabilu/Thankeng Sekiti Village Khutwaneng, Kgwapa, Sekiti community hall, Maraganeng</p> <p>Mahubane Village Phokathaba/Maahlo, Mahubane bus stop, Mahubane sport field.</p> <p>Sehlaku Village Khulong tarven / Maahlo coalyard</p> <p>Balotsaneng Village Molopeng/Lepakeng, Selahle/Madibanyaneng, Balotsaneng sport field, Musurukusu, Old Molongwane sport ground</p>
	11	Schools	<p>Grading and re-gravelling of all sport fields; Ratau Primary school, Setlopong Primary School, Molaka Primary School, Moruladilepe Primary school, Phutinare Senior and Secondary School, Morole High school.</p> <p>Grading and re-gravelling of sports grounds in all villages as follows: Mamphahlane, Hwashi, Swale, Mpuru, Komana, Sekiti, Crossong, Mahubane, Sehlaku and Balotsaneng</p> <p>School that needs rebuilding or new construction Setlopong Primary School Ratau Primary school Phutinare Sen Secondary School Marole High School</p> <p>Schools need extension of blocks / upgrading Molaka Primary school Moruladilepe Primary School</p>

Ward No	No.	Priority	Location
	12	Network	No SABC TV, Radio,MTN,Cell C,Telkom and Vodacom telecommunication Need a network tower at Ga-Mamphahlane to cover
	13	Health	Hange of HC Boshoff Health Centre into hospital Need a mobile clinic at Hwashi and Komana
13	1	High Mast Lights	Need 1 At Ramaube section Need 3 at Ext 2,3and 4 1x High mast light at the intersection of roads D2537 and D4550
	2	Storm Water Control	Storm water control at Ramaube
	3	Skip bins	Next to Itirele Primary School Next to Blue Moon tarven Ext 3 next to Marebane Tuckshop
	4	Access bridges	Access bridge on the road to Leolo Technical High School Access bridge next to Big Palace tarven
14	1	Electricity	Electrification at Magobading for 600 household Post connections at all villages extensions
	2	Roads	Regravelling of roads Tarring of Moshira Access road
	3	Water	Water at all villages
	4	Bridges	Magobading
	5	Refuse Removal	Need skip bins at Magobading and Seokodibeng
	6	RDP	Need RDP to all villages

Ward No	No.	Priority	Location
	7	EPWP	Need EPWP for the whole ward
	8	High Mas Lights	At Magobading
	9	Sports	Need recreational facilities at Magobading sports ground
15	1	Water	Ditoebeleng, Masete, Mphogo, Shakung, Kgoete and Mashishi
	2	Access Roads	Morapaneng from Pitsi courner to Ga-Napea Thokwane to Shakung,Ditwebeleng
	3	Access Bridge	Morapaneng Shakung
	4	Sanitation VIP Toilet	Morapaneng 400 Shakung 800 Kgoete Malaeneng 200 Kgoete and Mphogo 800 Ditoebaneng 1000
	5	Schools	Moroke and Makofane need additional block
	6	Cemeteries	Fencing of Ditoebeleng cemeteries and toilet
	7	Employment	Need EPWP/CWP at Ditoebeleng and Molapaneng Masete and Mphogo
	8	RDP House	Molapaneng 400,Ditwebeleng 600,Masete and Mphogo 400,Shakung 700,Kgoete 250
	9	Re-gravelling	Morapaneng, Thokwane to Shakung
	10	Roads Internal	Masete, Ditoebeleng
	11	Paved Road	Ditoebeleng via Morapaneng

Ward No	No.	Priority	Location
	12	Electricity	All villages
	13	Mobile Clinic	Morapaneng Kgoete
	14	Apollo Lights	Masete via Shakung
	15	Community hall	Morapaneng, Ditoebeleng
16	1	Access Bridge	Small access bridge at Ga-Mokgotho, Ga-Motshana, Lefahla, Moraba, Maretlwaneng, Penge Access bridge to Newtown and between Newtown to Penge Hospital
	2	Fencing of cemeteries	Ga-Mokgotho
	3	Learnership and Internship	Ga-Mokgotho, Ga-Mamogolo
	4	Sport Ground	Grading and regravelling of sports ground Ga-Mokgotho, Ga- Malepe, Ga-Motshana, Lefahla, Ga-Moraba, Need sports ground Ga-Mokgotho, Lefahla,
	5	RDP	Ga-Mokgotho 100, Maretlwaneng 65, Mamogogolo 126, Lefahla 35 Ga-Malepe, Penge, Kgopaneng, Maakubu, Ga-Motshana, Moraba,
	6	Water	Purification and monitoring of water at Ga-Mokgotho Water crisis at Penge Centre A and B and Gaishe sections Kgopaneng, Maakubu, Moraba,
	7	Roads	Regravelling, grading of internal road Ga-mokgotho, Ga Malepe, Maakubu, Kgopaneng, Moraba, Maretlwaneng, Regravelling road from the bridge to Moshate Lefahla, Access road from 4(four) way to Stadium Penge, Access road from Police Station to Hospital Penge, Need

Ward No	No.	Priority	Location
			2 small access bridge to Lekgwareng sections Tarring of roads at Kgopaneng
	8	Electricity	Need 165 post connections Ga-Mokgotho,75 connections Maretlwaneng, Ga-Malepe, Moraba, 15 household without electricity Lefahla
	9	Sanitation	350 Ga-Mokgotho,Ga-mamogolo 160 toilets, Ga-Malepe,Maakubu, Kgopaneng, Ga-Motshana, Moraba,
	10	High Mast Lights	Need high Mast Lights Maakubu, Motshana, Moraba and Ga- Mamogolo Energizing of Kgopaneng,Maretlwaneng high mast lights
	11	Network	No network at Ga-Motshana, Ga Moraba,Maretlwaneng,Ga-Mamogolo
17	1	Roads	Need access road R37 to Moshate, Hlololo and Ditholo need regravelling
	2	Electricity	Hlololo and Ditholo Ga-Maapea Diphukubjeng Mokgare Maapero Ga-Mphethi No. 05 section and Angola Mahlokwane
	3	Bridges	Naume to Ntoshang Ga-mahlokwane Diphukubjeng Monokwaneng -Ga-Mphethi between mamogege and Rasupi next to makofane Café
	4	Water	Diphukubjeng Ga-Mphethi Hlolo and Ditholo Ga-maapea Leshwaneng and Maatadi Ditxhosaneng Ga-Manyaka Dikwateng Ga-Selala No.05 section Mahlokwane Natlela
	5	Community Hall	Selala,Mahlokwane, Maapea
	6	Network	Mpheti,Mahlokwane,Maapea
	7	RDP Houses	Mahlokwane , Maapea, Manyaka, Selala, Mpheti

Ward No	No.	Priority	Location
	8	Sanitation	Mahlokwane 800 units Mpheti 400 units Maapea 400 units Selala units 300 units Manyaka 100 units
	9	Schools	Selala village
	10	Waste Removal	Manyaka, Mahlokwane, Selala
	11	Sports Complex	Between Mahlokwane and Selala
18	1	Roads	Tarring of road D4425 at Manoke Tarring or paving of Segorong internal road Tarring or paving of Tswelopele park internal road Tarring or paving of Mashamothane B1 and Zone1 Tarring or paving of Burgersfort Ext 10 Upgrading of internal roads Magaba Township
	2	Water	Water reticulation at Segorong, Tswelopele, Mashamothane B1 and Zone1, Burgersfort Ext 10, Magaba Township,
	3	High Mast Lights	Segorong, Tswelopele, Burgersfort Ext 10, Mashamothane B1 and Zone 1, Aapiesdooring
	4	Community Hall	Need community hall at Aapiedoorring
	5	Electricity	Electrification of 450 household at Mashamothane B1 and Zone 1 Electrification of 750 household at Magaba Township
	6	Recreational Facilities	Sport center at Manoke
	7	Library and Wifi	Need Library and Wifi hub at Manoke
19	1	High Mast Lights	At Ga-Riba due to high crime rate

Ward No	No.	Priority	Location
	2	Access Road	At Ga-Komane – Ga-Riba to connect schools, clinic and main road D446 to Burgersfort town
	3	Electricity	Electrification of 200 households at Ga-Sekome Electrification of 300 households at Riba school Post connection at Ga-Riba(Moretele section)
	4	Water	Most section experienced water shortage
	5	RDP Houses	Backlog of RDP Houses
	6	Network	Poor Network link at Mohlophi and Polaseng
	7	Unemployment	High rate of unemployment
	8	Bridges	Ga-Komane bridge to access schools and life in particular that connects the tarring road,D446 and clinics Barcelona to Ga-Maroga assisting learners from point one to point B Sehlaku to Difataneng village
	20	1	Water
2		Roads	Santeng/Mashemong/Sofaya section tarring of road from Mahubahube clinic to Mokgabudi primary school
3		Bridges	Pologong to Phukubjeng access bridge. Dithabaneng to Pologong access bridge. Pakaneng to Phelindaba access bridge. Mmiditdsi high school to Riverside gravesite.
4		Electricity	Sofaya Naledi Section 65 Post connections needed, khalanyoni section 50 post connections needed. Legabeng section 60 Post connections needed.

Ward No	No.	Priority	Location
			<p><u>Pologong</u> 60 Post connections needed. Pologong New Stands 100 need new project <u>Dithabaneng</u> 100 Post connections needed. Dithabaneng New stands 400 need new project Phelindaba new stands 480 need new project</p>
	5	Roads	Riverside sports grounds. Santeng Tumi's tavern. Dithabaneng Two for joy. Sofaya Sebitsi Taxi stop
	6	High Mass Lights	Community hall at Doornkop section
	7	Community hall	Doornkop Section building of a Library at Old Mahlagaume Primary school
	8	Library	350 RDP backlog
	9	RDP	Riverside sports grounds. Santeng Tumi's tavern. Dithabaneng Two for joy. Sofaya Sebitsi Taxi stop
21	1	Road, Storm Water and Access Bridge	Motlolo Tribal office to Mafolo Primary school need access bridge, Ga-Podile access bridge to Legoleng Tarring of road Morulaneng to sekopung village Access bridge at Ga-Makofane (Wela O hwe) section
	2	Water	Motlolo-Mabeng and Taung section need pipe connections and four installation of pipes Sekopung Extension of Dam Ga-Makofane Matswale section need water pipes connection Pidima Stars section need drilling of boreholes
	3	Education	Sekopung (Ntibaneng Sec school need additional block, sanitation, Nkgomeleng (Ga-

Ward No	No.	Priority	Location
			Podile) lack of educators and Rootse Primary overcrowded Pidima – Kgomatau primary need two additional blocks
	4	Housing	1190 RDP Houses needed
	5	Sanitation	2700 VIP toilets needed
	6	Community Hall	Need community hall at ward 21
	7	Electricity	Sekopung Lewaneng section 66 household Pidima 55 household Ga-Makofane 80 household Mmatswale section New stands
	8	EWP/CWP	Ga-Makofane, Sekopung, Motlolo, Ga-Podila, Pidima
	9	High Mast Light	Ga-Makofane, Sekopung, Motlolo, Ga-Podila, Pidima
	10	Unemployment	Pidima, Ga-Makofane, Sefalemo

Ward No.	No	Priority	Location
22	1	Access road	Road D4150
	2	Access bridge	Motodi from moshate to graveyard, taung from magokolotsaneng to ntlasheng primary school, ext 11 motodi to shushumela, ext 11 specific main road for paving, monganeng to Morena access road, matokomane morolong to st Engenas, Stasir ring road and Mabelane

Ward No.	No	Priority	Location
			section,
	3	Water	Taung, Makotaseng, Matokomane, Motodi, Shushumela ext 11
	4	School	Extention 11
	5	Electricity	Motodi Morena section, Moshate, Ga-Mabelane, Stasie and Matokomane
	6	High Mast Light	Taung, Makotaseng, Matokomane, Motodi, Shushumela ext 11
	7	Cemeteries	Fencing of cemetery at Taung
23	1	Access Road	Alverton and Motlailane, Mafarafara access road to town
	2	Electricity	Kgotlopong, Mahlashi, Motlailane & Alverton
	3	High Mast Lights	Kgotlopong, Mahlashi, Motlailane, Mafarafara & Alverton
	4	Access Bridge	Access Bridge at Lehlabile Secondary School, Mathafeng Secondary School, Access Bridge to access town and other villages
24	1	Water	Rehabilitation of pipelines and reservoir at Paeng Lebalelo section, Ga-Kgwedi, Masakeng and Gamolai Rehabilitation of pipeline and reservoir at Makgwareng, Matsiretsane, and Phadishanong Rehabilitation of pipeline at Dresden
	2	Roads and Bridges	Access road from Matshiretsane via Moshate to Makgopa, Dresden access road, Access road to Maakgongwane, Access Road to Ga-Molai Access bridge at Legoleng Primary Access road to Lebalelo and Setswinyane
	3	Sanitation	Dresden, Kgautswane, Majaditshukudu

Ward No.	No	Priority	Location
	4	Electricity	Post connections at Makgwareng Dresden, Phadishanong and Paeng Electrification new project at Majaditshukudu
	5	Cemeteries	Fencing of cemeteries at Lebalelo, Majaditshukudu, Paeng, Makgopa and Dresden
25	1	Water	Madiseng zone 1 & 2 no water, Mashemong, Mashamothane zone 2 to 8 all zones need reservoirs to supply water across the village, Mareseleng
	2	Housing	Need for RDP Houses at Mareseleng (206), Mashifane (25), Mashamothane zone 2 to 8 (366), Mashemong (29), Madiseng zone 1 & 2 (94),
	3	Sanitation	All villages need sanitation
	4	Electricity	Mashamothane zone 7&8 need post connection, Madiseng zone 1&2, Mareseleng and Mashemong new electricity project
	5	Roads	All sections need regravelling, Steelbridge Mashifane to R555 to connect Makgemeng road via Mareseleng
	6	Access Bridge	Zone 7 SkotiPhola to London, madiseng zone 2 to mashemong
	7	High Mast Lights	Lehlaba scrapyard mashifane, Mareseleng next to sports ground and next to Riba double storey, next to Batau high, Malatjie tuckshop, Mashemong next to Vuma tuck shop, Madiseng zone 1 OJ tarven
	8	Community Hall	Ward 25
	9	Library	Madiseng and Mashifane Park
26	1	Water	Rutseng, Ga-Nkwana, Phiring, Moraba, Tswenyane, Banareng, Lepelle

Ward No.	No	Priority	Location
	2	RDP	Rutseng, Ga-Nkwana, Phiring, Moraba, Tswenyane, Banareng, Lepelle
	3	Cemeteries	Fencing of cemeteries Nkwana, Phiring, Moraba, Tswenyane, Lepelle Access road to the cemeteries Rutseng, Ga-Nkwana, Banareng, Tswenyane, Access bridge to the cemeteries Banareng, Tswenyane, Access road Phiring, Moraba, Lepelle
	4	Recreational facilities	Rutseng
	5	Library	Rutseng
	6	Roads and Bridges	Access road to the cemeteries Rutseng, Ga-Nkwana, Banareng, Tswenyane, Access bridge to the cemeteries Banareng, Tswenyane, Access Road Phiring, Moraba, Lepelle
	7	High Mast Lights	Rutseng, Ga-Nkwana, Phiring, Moraba, Tswenyane, Banareng, Lepelle
	8	Waste Management	Skips bins Phiring, Rutseng, Moraba, Ga-Nkwana, Lepelle, Tswenyane & Banareng
	9	Network	Lepelle
	10	Electricity	Post connections needed at Kalkfontein for 300 households and 250 dithamaga
	11	Sanitation	Phiring, Rutseng, Moraba, Ga Nkwana, Lepelle, Tswenyane & Banareng Phiring, Rutseng, Moraba, Ga-Nkwana, Lepelle, Tswenyane & Banareng
	27	1	Electricity
2		RDP houses	The whole ward needs RDP houses

Ward No.	No	Priority	Location
	3	Clinic	Clinic needed for Kalkfontein, Moletsi, Ga-mawela and Buffelshoek. People travel long distance to Ga- Rantho clinic
	4	Access Bridge and Roads	Roads from Kalkfontein to Buffelshoek needs regravelling and 02 access bridges; Dithamaga need access bridge to cemetery, road from R555 to Thorncliffe has potholes need to be maintained
	5	Network Tower	Tsakane and Buffelshoek need network tower
	6	Water	Kalkfontein, Dithamaga and Buffelshoek needs water
	7	High Mast Light	The whole ward need high mast lights
28	1	Sanitation	Ga-Rantho, Ga-Rantho Ntswaneng, Ga-masha, Ga masha matikiring
	2	RDP houses	Ga-Rantho, Ga-Rantho Ntswaneng, Ga-masha, Ga masha matikiring
	3	High mast lights	Ga-Rantho, Ga-Rantho Ntswaneng, Ga-masha, Ga masha matikiring
	4	Regravelling roads	Ga-Rantho, Ga-Rantho Ntswaneng, Ga-masha, Ga masha matikiring
	5	Access bridge	03 access brige Ga-Rantho Ntswaneng, Ga-masha access bridge from Sedibeng to Masago primary school, access bridge from road D 2219 to Matikiring
	6	boreholes	Ga-Rantho, Ga-Rantho Ntswaneng, Ga-masha, Ga masha matikiring
29	1	Electricity	Magohlong new stand, Makua new stand, Ratau and Maepa new stand, Maseven new stand and Maphopha
	2	Water	Magohlong new stand
	3	Roads	Magohlong new stand Regravelling of roads at Maepa,Ratau,Ntake,Mamphopha,Makua and Magolego Maseven

Ward No.	No	Priority	Location
	4	Access Bridges	Maphopha access bridge next to Mphosa Mmakololwane Makua access bridge from Madiete and Mashego schools to the graveyard Ratau access bridge to graveyard and Dikgageng primary school, Ratau access bridge to the graveyard and Dikgageng primary school, Maepa Motsetladi access bridge and Mpelegane, Moshate Ga-Maepa, Magohlong Ntake access bridge at mmangwane Creche Access bridge at Magolego Maseven graveyard to Tribal office
30	1	Water	Need water reticulation, reservoir and 6x jojo tankers, extension of pipes at Mabocho, Mapareng, Malayeneng, Magabe Park and Mokobola
	2	Electricity	Post connections at Mabocho Malaeneng, Morulaneng, Thabakhulwane, Hlahlaneng Illegal connections at Malayeng
	3	Access bridges	Magabe Park, Malayeneng, Mapareng, Matsintsi, Mokobola, Mountain Square, Mountain View, Vodaville, Mabocho
	4	Clinic	Mabocho
	5	Roads	Regravelling and grading of all internal roads for the whole ward
	6	Community hall	Mabocho and Praktiseer
	7	High Mast Lights	For the whole ward
	8	RDP Houses	900 RDP allocation
	9	Sports	Whole ward

Ward No.	No	Priority	Location
		Ground	
	10	Sanitation	1500 VIP toilets
	11	Roads and Storm water drainage	Mabochoa, Thabakhulwane, Mokobola, Sehloyi, Vodaville, Mountain Square
	12	Multipurpose Centre	Mabochoa
31	1	Electricity	Makgemeng Matshelapata and Post connections at Mangabane & Makgemeng
	2	Water	All villages
	3	Access bridge	Makgemeng, Mangabane and Kopie
	4	Clinic	Ward 31
	5	High school	Mangabane
	6	Cemetery	Steelpoort
	7	Skip bins	Mangabane & Makgemeng
	8	RDP houses	Mangabane & Makgemeng
	9	Roads	Regravelling of roads at Kopie, Makgemeng and Mangabane
32	1	Road to be Upgraded to tyre road	Mooihyk, Rostock, Mahlabeng, Shubushubung Ga Phasha Ga-Mampa Ledingwe
	2	Water Challenges	Seokodibeng, Taung, Segololo, Ga-Phasha Malaineng

Ward No.	No	Priority	Location
	3	Access Bridges	Seokodibeng, Mooilyk, Rostock, Mahlabeng, Taung, Segololo, Serishane Ga-Phasha, Ledingwe, Tjibeng
	4	RDP Houses	Rostock, Mahlabeng, Mooihyk, Ledingwe, Shubushubung, Seokodibeng, Ga-Phasha37
	5	Electrification	Rostock, Mahlabeng, Mooihyk, Taung, Segololo, Tjibeng, Ga- Phasha, Ga-Mampa
	6	Fencing of Cemetery	Rostock, Ga Malatji, Shubushubung, Mooihyk, Taung
	7	Community Hall	Rostock
	8	Clinic	Mahlabeng
33	1	Access roads	Roads that need to be tarred: Ga-selepe moshate access road Manotwane access road Mosotsi moshate to Motsatsane access road Phashaskraal Ramooko through to moshate Seelane moshate access road Mashegeng access road
	2	Access bridge	Ga-matsiana at ga selepe, Seduma at seelane, Mashegeng phashaskraal Malaeneng ga selepe Sekutlong gravesite
	3	High mast lights	Ga-selepe Madingwane Ga-selepe Madingwane, seelanesekoti, Matsiana, Manotwane moshate, Ga-selepe malaeneng, Phashaskraal modilaneng, Ga- selepe kgotladi'shehlo, Manotwane checkers, Mogabane
	4	Facilities	Mosotsi community hall, Ga-selepe drop in centre, Mogabane old age centre, Mogabane high school, Manotwane mobile police station, Ga selepe Lefagomo sports complex

Ward No.	No	Priority	Location
34	1	RDP Houses	Sefateng, Monametse, Ga-Mokgotho, Bogalatladi
	2	Access Bidges	Mokgotho/Monametse access bridge to Gaselepe Mafeane to Malomanye route
	3	High Mast Light	Mabulela, Sefateng, Mohlahlaneng
	4	Storm Water Control	Maruping and Mafeane
	5	Electricity	Maruping, Mafeane, Malomanye, Monametse, Ga-Mokgotho
	6	Water	Mafeane, Maruping, Bogalatladi
	7	Sanitation	Bogalatladi, Mohlahlaneng, Monametse
	8	Fencing of Cemeteries	Sefateng, Bogalatladi, Malomanye
	9	Regravelling of access routes	Mafeane, Monametse, Ga-Mokgotho, Malomanye, Maruping
35	1	Roads	D4190 to Maesela mahlabaphooko, Madithame sec school, Mphaaneng cross, D4124 to Takaneng
	2	Bridges	Access bridges needed at makgathe village Pelangwe, behind Nkoana clinic, Ga Matheba Ga Nkoana, behind Morokalebole high school, behind Madithame school, Mahlabaphooko and Hlapo section and Mokgwanyane in front of Moleme cafe
	3	Water	New pipe line at Madithame new stand, Malogeng new stand, extension of water pipes from existing boreholes
	4	Waste Management	Skip bins needed across the entire sections in the ward
	5	High Mast lights	High mast lights needed at Pelangwe primary, Boloba and Segabeng

Ward No.	No	Priority	Location
			sections, Mabodutwane and takaneng India, Malogeng new stand and Phutitlou sec school, Ga-nkoana makushwaneng, Mahlabanaselong, Mapulaneng sekhutlong and Mapodi godimo, Ga-maesela section and madithame, Maesela mahlabaphooko
	6	Clinic	Clinic needed at Pelangwe , People from malogeng, modimolle, India and Pelangwe travel long distance to access health facilities, increase number of Home based care givers in the ward
36	1	Access roads	Ga-Nkwana Mashung Apel Mooiplaas Strykraal A
	2	VIP Toilets	Ga-Nkwana Mashung
	3	Electricity	Ga-Nkwana Mashung,Apel Mooiplaas,Strykraal A,Ga-Nchabeleng
	4	RDP Houses	Ga-Nkwana,Apel Mooiplaas,Nchabeleng and Strykraal
	5	High Mast Light	Strykraal A,Ga-Nkwana,Ga-Nchabeleng,Apel Mooiplaas
37	1	Water	Extension of pipeline across villages,additional dam needed at Seraganeng,Ga-Matebane,Malaeneng A & B, Moshate, Mototolwaneng, Matamong ,Magagamatla, Strykraal B,Sepakapakeng and Ga-Matlala
	2	Bridges	<u>Sepakapakeng section</u> 2 bridge at cemetery, 1 bridge at makelepeng sec school, 1 bridge between sepakapakeng and makgwane <u>Magagamatala section</u> 1 bridge mabetha supermarket, 1 bridge at cemetery, 1 bridge at Maboe primary <u>Matamong section</u> 1 bridge Mphanama primary school, 1 at Ga-Ngwato tarven, 1 at cementry, 1 at Ga-Khotjo, 1 at Ga-Mantjike <u>Seleteng section</u>

Ward No.	No	Priority	Location
			1 bridge at Ga-Inkhora, 1 at Ga-Moitsane, 1 at Ga-Mothwane <u>Ga-Matebane section</u> 1 bridge Ga-Mohloba driving school <u>Ga Matlala</u> 1 bridge Thabanaseshu, 2 bridge Ga-Mashabela <u>Strydkraal B</u> 1 bridge at Mabokotswane community hall, 1 at Mphanama community hall Malaeneng B.
	3	Electricity	150 households need post connections at Moshate morakong and Nthagathaba/masweneng, need for high mast lights
	4	Clinic	Mobile clinic needed at Sepakapakeng at Thabane school
	5	Schools	Primary schools needed at Sepakapakeng and Ga matebane, extension of offices at Mphanama primary, Makelepeng secondary, Strydkraal B and Thobehlale primary schools
	6	Community hall	No electricity, toilets and water
	7	Sanitation	Need for VIP toilets at moshate morakong, Nthagathabana moshate, Mapshikologane
38	1	Water	Boreholes, extension of pipes and addition reservoir needed at Mashilabele, Phahlamanoge, Masehleng, Matlou Ga-seroka Phageng, Ga-mmela and Ga-radingwana
	2	Roads	From Ga-radingwana to Sekhukhune TVET and Mphanama, Ga-seroka, Mashilabele, Phageng, Masehleng, Phahlamanoge and Radingwana, D4220 road from Ga-Oria via R37 Ntswaneng
	3	Electricity	Mashilabele 600 households without electricity
	4	Housing	800 households needs RDPs and 16 incomplete houses since 2016

Ward No.	No	Priority	Location
	5	Sanitation	Ga- Seroka, Manoge, Mashilabele, Masehleng, Phageng ,Radigwana,Ga- Mmela, Phahlamanoge
	6	Community Hall	Ga- Seroka, Manoge, Mashilabele, Masehleng, Phageng,Radigwana,Ga- Mmela,Phahlamanoge
	7	Sports complex	Needed at Phahlamanoge, Seroka and Mashilabele
	8	Clinic	Needed at Mashilabele, Masehleng, Radingwana
	9	Network tower	Mashilabele and Masehleng
	10	School	Secondary at Mashilabele and Primary at Manoge/Matlou
	11	Grading of sports ground	Ga- Seroka, Manoge, Mashilabele, Masehleng, Phageng, Radigwana, Ga- Mmela, Phahlamanoge
	12	Waste collection	Skip bins needed in all villages
	13	Job creation	Ga Seroka, Manoge, Mashilabele, Masehleng, Phageng, Radigwana, Ga- Mmela, Phahlamanoge
	39	1	Roads
2		Access bridge	Mamokalatsane dibilwaneng Sekubeng and Maroteng
3		High mast lights	Dibilwaneng, Makgaleng, Mohlaletsi bridge, corner lerajane
4		Electricity	Dibilwaneng, Ditlokwe & Sehweleshane/Masehlaneng

Ward No.	No	Priority	Location
	5	Water	Extension of water pipes at Ditlokwe, Dibilwaneng, Masehlaneng/Sehweleshane
	6	Dam	Magotwaneng
	7	Sanitation	VIP toilets at Sehweleshane/masehlaneng, Dibilwaneng & Ditlokwe
	8	Clinic	Need for mobile at Sehweleshane/Masehlaneng
	9	Housing	Dibilwaneng, Maroteng, sedulamarabe, Ditlokwe & Sehweleshane/Masehlaneng

APPENDIX R: DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

NONE

APPENDIX S: DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA s71.

NONE

APPENDIX T: NATIONAL AND PROVINCIAL OUTCOME FOR LOCAL GOVERNMENT

FTLM Key Priority areas	FTLM Key Performance Area	FTLM (IDP) Development Objectives	Limpopo Development Plan (LDP) Key Pillars	National Development Plan (NDP) Key Pillars	Back to Basics Strategy Key Performance Areas	Municipal Regulations on Standard Chart of Accounts (mSCOA)
Access to Basic Services	Basic Services Delivery & Infrastructural Development	To facilitate basic services delivery and infrastructural development / investment	Infrastructure development	Building capabilities of the people and the state;	Basic Service: Creating Conditions for Decent Living	Improve measurement of the impact on service delivery and the community.
Job Creation	Local Economic Development	To promote economic development in the FTLM Municipal Area	Economic development and transformation	A developmental state capable of correcting historical inequalities and creating opportunities for more people while being professional, competent and responsive to the needs of all citizens;	Basic Service: Creating Conditions for Decent Living	Ensure alignment and implementation of the IDP as all expenditure, both capital and operating will be driven from a project.

FTLM Key Priority areas	FTLM Key Performance Area	FTLM (IDP) Development Objectives	Limpopo Development Plan (LDP) Key Pillars	National Development Plan (NDP) Key Pillars	Back to Basics Strategy Key Performance Areas	Municipal Regulations on Standard Chart of Accounts (mSCOA)
Spatial Rationale	Spatial Rationale	To promote integrated human settlements.	Integrated sustainable rural development & sustainable human settlements	South African leaders putting aside narrow sectarian interests in favour of national interest and putting the country first.	Basic Service: Creating Conditions for Decent Living	Improve quality of information for budgeting and management decision making
Organisational Development	Municipal Transformation & Organisational Development	To strengthen institutional efficiency and governance	Building a developmental and Capable State	Have South Africans be Active citizens in their community and in the development of the country;	Building Capable Institutions and Administrations	Improve oversight functions by council as the required information will be tabled for policy decisions, tariff modelling and monitoring.
Financial Viability	Financial Viability	To improve overall municipal financial management	Building a developmental and Capable State	A growing and inclusive economy with higher investment, better skills, rising savings and greater	Sound financial management	Accurate recording of transActions therefore reducing material misstatements

FTLM Key Priority areas	FTLM Key Performance Area	FTLM (IDP) Development Objectives	Limpopo Development Plan (LDP) Key Pillars	National Development Plan (NDP) Key Pillars	Back to Basics Strategy Key Performance Areas	Municipal Regulations on Standard Chart of Accounts (mSCOA)
				levels of competitiveness;		
Good Governance	Good Governance & Public Participation	To enhance good governance and public participation	Social cohesion and transformation	Unite all South Africans around a common programme to fight poverty and inequality and promote social cohesion;	Public Participation & Putting people first	Reduce the month/year end reconciliation processes and journals processed

**ANNUAL
FINANCIAL
STATEMENT**



Fetakgomo Tubatse Local Municipality
(Registration number LIM 476)
Annual Financial Statements
for the year ended 30 June 2025

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

General Information

Country of incorporation and domicile

South Africa

Legal form of entity

Municipality in terms of section 1 of the Local Government: Municipal Structures Act (Act 117 of 1998) read with section 155(1) of the Constitution of the Republic of South Africa (Act 108 of 1996)

Councillors list

EXECUTIVE COMMITTEE

Cllr Maila EE - The Mayor

Cllr Mphethi ND - The Chief Whip

Cllr Shoba MV - The Speaker

Cllr Moeng QM

Cllr Mashego RM

Cllr Mabelane MM

Cllr Mampa DM

Cllr Mojalefa LH

Cllr Mokome KE

Cllr Makofane IT

Cllr Mabelane JM

Cllr Shai ML

Cllr Radingwana MR - MPAC Chairperson

OTHER COUNCILLORS

Cllr Moopane MK

Cllr Nkosi MD

Cllr Magagula TB

Cllr Malapane OT

Cllr Magane IP

Cllr Magaba AM

Cllr Modipa FM

Cllr Thobejane LM

Cllr Mashabela VM

Cllr Tjie MR

Cllr Sebopela MM

Cllr Nchabeleng NC

Cllr Makofane T

Cllr Mokgotho K

Cllr Mokoena MS

Cllr Ngwatla TJ

Cllr Tjie TM

Cllr Lekgau AK

Cllr Mokgotho LL

Cllr Ratshotshi LM

Cllr Mokoena DF

Cllr Kgwete MP

Cllr Makutu TS

Cllr Hlase ST

Cllr Mabowa SI

Cllr Tshehla MS

Cllr Mmushi MJ

Cllr Magabe MS

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

General Information

Cllr Mohlala TH
Cllr Phasha MA
Cllr Mathipa MP
Cllr Thobela KML
Cllr Phasha MM
Cllr Matheba AM
Cllr Matlakaneng MM
Cllr Mamphekgo TL
Cllr Tlape MM
Cllr Maepa ML
Cllr Makofane NN
Cllr Rantho LJ
Cllr Mgiba NP
Cllr Motene PP
Cllr Mashego OT
Cllr Sefiti MY
Cllr Thamaga ST
Cllr Kupa SM
Cllr Molapo TI
Cllr Kupa RB
Cllr Malepe KP
Cllr Sekgala SM
Cllr Thobejane ME
Cllr Ngwatle MP
Cllr Komana WT
Cllr Mogashoa ML
Cllr Phasha TE
Cllr Phahlamohlake TP
Cllr Maredi SE
Cllr Masha MM
Cllr Mashaba GP
Cllr Mola N
Cllr Madalane ET
Cllr Ngwatle AD
Cllr Makofane PJ
Cllr Bothma C

Grading of local authority

Grade 4

Accounting Officer

Magooa RM

Chief Finance Officer (CFO)

Makgopa ML

Registered office

Fetakgomo Tubatse Local Municipality
1 Kastania Street
Burgersfort

Business address

1 Kastania Street
Burgersfort
1150

Postal address

P. O. Box 206

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

General Information

	Burgersfort 1150
Bankers	Standard Bank FNB Bank Burgersfort
Auditors	Auditor-General South Africa
Attorneys	Noko Maimela Inc Machaba Inc ML Mateme Inc Kgolishi A Mamabolo Kgoroadira Mudau Mmakola Attorneys Lebea and Associates Attorneys Maloka Sebola Inc Mphambane Mokone Attorneys Mohale Inc Montani Attorneys Ramakgwakgwa Attorneys Ka Mbonani Cooper Inc Shithelani TH Inc TJ Machete Attorneys Verveen Attorneys

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

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The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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Abbreviations used:

COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
MFMA	Municipal Finance Management Act
mSCOA	Municipal Standard Chart of Accounts

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

Accounting Officer's Responsibilities and Approval

The accounting officers are required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officers to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officers acknowledge that they are ultimately responsible for the system of internal financial control established by the municipality and places considerable importance on maintaining a strong control environment. To enable the accounting officers to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of fraud or error in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officers are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute assurance against material misstatement or deficit.

The accounting officers have reviewed the municipality's cash flow forecast for the year to 30 June 2026 and in the light of this review and the current financial position, they are satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the municipality's annual financial statements. The annual financial statements have been examined by the municipality's external auditors and their report is presented on page 8.

The annual financial statements set out on pages s 12 to 130 , which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2025 and were signed on its behalf by:

Magooa RM
Acting Accounting Officer

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

Audit Committee Report

We are pleased to present our report for the financial year ended 30 June 2025.

Audit committee members and attendance

The audit committee consists of the members listed hereunder and there should be at least 4 meetings as per its approved terms of reference. During the current year 14 meetings were held and all members, including chairperson attended all 14 meetings

Name of member	Number of meetings attended
1, Ms. Ramutsheli MP - Audit and Performance Committee Chairperson	14
2, Mr Maharaj S - Audit and Performance Committee Member	14
3, Mr, Morabane N - Audit and Performance Committee Member	14
4, Ms, Mabuza JM - Audit and Performance Committee Member	14
5,Mr, Mathabathe MG - Audit and Performance Committee Member	14

Audit committee responsibility

The audit committee reports that it has complied with its duties and responsibilities prescribed by section 166(2)(a) of the MFMA.

The audit committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The quality of in year management and monthly/quarterly reports submitted in terms of the MFMA and the Division of Revenue Act were reviewed and assessed.

The effectiveness of internal control

The system of internal controls applied by the municipality over financial and risk management is effective, efficient and transparent. In line with the MFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the audit committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the Audit Report on the annual financial statements, and the management report of the Auditor-General South Africa, it was noted that no matters were reported that indicate any material deficiencies in the system of internal control or any deviations therefrom. Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective.

The quality of in year management and monthly/quarterly reports submitted in terms of the MFMA and the Division of Revenue Act.

Evaluation of annual financial statements

The Audit Committee has reviewed and discussed the unaudited Annual Financial Statements, to be submitted to the Auditor-General South Africa, with the Accounting Officer and Senior Management of the municipality. The Committee also reviewed the municipality's compliance with the laws and legislations.

The Audit Committee has reviewed, discussed the draft unaudited Annual Performance Report prepared by the municipality before submission to the Auditor-General of South Africa and reviewed the reasons provided by management for material deviation from planned targets.

Internal audit

The audit committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the municipality and its audits.

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

Audit Committee Report

Auditor-General of South Africa

The audit committee has met with the Auditor-General of South Africa to ensure that there are no unresolved issues.

Chairperson of the Audit Committee

Date: _____



Report of the Auditor General

To the Provincial Legislature of Fetakgomo Tubatse Local Municipality

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

Accounting Officer's Report

The accounting officers submit their report for the year ended 30 June 2025.

1. Review of activities

Main business and operations

The Municipality is engaged in local service delivery as enshrined in the Constitution of the Republic of South Africa with its core functions and primary revenue sources being collection of property rates and taxes and refuse collection and operates principally in Burgersfort, South Africa.

Net surplus of the municipality was R 165 387 009 (2024: surplus R 63 404 729).

2. Going concern

We draw attention to the fact that on 30 June 2025, the municipality had an accumulated surplus of R 2 877 579 918 and that the municipality's total assets exceed its liabilities by R 2 877 579 918.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the accounting officer continue to procure funding for the ongoing operations for the municipality.

3. Subsequent events

Refer to the Events after reporting date note 58.

4. Accounting policies

The annual financial statements were prepared in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board as the prescribed framework by National Treasury.

5. Accounting Officer

The accounting officers of the municipality during the year and to the date of this report are as follows:

Name	Nationality	Changes
Makgata MJ	RSA	Appointed November 2022 and suspended in October 2024
Magooa RM		Appointed as Acting Municipal Manager from 18 October 2024

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

Accounting Officer's Report

6. Corporate governance

General

The accounting officers are committed to business integrity, transparency and professionalism in all its activities. As part of this commitment, the accounting officers supports the highest standards of corporate governance and the ongoing development of best practice.

The salient features of the municipality's adoption of the Code are outlined below:

Councillors

The Councillors:

- retain full control over the municipality, their plans and strategy.
- acknowledge their responsibilities as to strategy, compliance with internal policies, external laws and regulations, effective risk management and performance measurement, transparency and effective communication both internally and externally by the municipality.
- are of a unitary structure comprising:
 - Mayor
 - Speaker.
 - Chief Whip
 - Councillors

Mayor and Municipal Manager

The roles of the Mayor and Municipal Manager are separate, with responsibilities divided between them, so that no individual has unfettered powers of discretion. The Council and Mayor perform their oversight role and duties in terms of the prescribed legislation and delegated authorities.

Audit Committee meetings

The audit committee has met on 14 separate occasions during the financial year. The audit committee schedules to meet at least 4 times per annum.

Audit committee

During the period the audit committee was composed as follows:

1. Mr. N Marobane (appointed from 1 August 2021) - Chairperson from 01 July 2023 to 31 March 2024
2. Ms. M Ramutsheli (appointed from 1 August 2021) - Chairperson from 01 April 2024 to 31 December 2027
3. Ms. J Mabuza (appointed from 01 August 2021)
4. Mr. Suren Maharaj (appointed from 1 April 2021)
5. Mr. Mpaku Goodwill Mathabathe (appointed from 1 April 2021).

Internal audit

The municipality had its own internal audit function for the year under review. This is in compliance with the Municipal Finance Management Act, 2003.

7. Bankers

The municipality banks primarily with Standard Bank.

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

Accounting Officer's Report

8. Auditors

Auditor General South Africa will continue in office for the next financial period.

The annual financial statements set out on page 12, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2025 and were signed on its behalf by:

Magooa RM
Acting Accounting Officer

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

Statement of Financial Position as at 30 June 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Inventories	10	60 077 903	75 410 994
Receivables from exchange transactions	11	16 254 689	17 988 112
Receivables from non-exchange transactions	12	2 315 313	1 912 385
VAT receivable	13	52 858 386	67 816 906
Consumer debtors from exchange transactions	14	3 183 366	3 158 468
Consumer debtors from non exchange transactions	14	86 964 466	64 083 575
Cash and cash equivalents	15	17 895 801	99 299 089
		239 549 924	329 669 529
Non-Current Assets			
Investment property	3	54 550 000	53 330 854
Property, plant and equipment	4	2 913 204 549	2 729 010 585
Intangible assets	5	2 117 661	1 581 014
Heritage assets	6	1 068 300	1 068 300
Long term investments	7	58 747 630	53 452 630
		3 029 688 140	2 838 443 383
Total Assets		3 269 238 064	3 168 112 912
Liabilities			
Current Liabilities			
Borrowings	17	40 002 840	35 901 148
Payables from exchange transactions	8	222 078 858	257 579 392
Employee benefit obligation	9	2 659 653	1 605 107
Unspent conditional grants and receipts	16	-	8 404 838
Provisions	18	22 122 564	19 906 081
		286 863 915	323 396 566
Non-Current Liabilities			
Borrowings	17	24 500 658	64 503 499
Employee benefit obligation	9	43 894 893	37 937 254
Provisions	18	36 398 680	30 082 688
		104 794 231	132 523 441
Total Liabilities		391 658 146	455 920 007
Net Assets		2 877 579 918	2 712 192 905
Accumulated surplus		2 877 579 918	2 712 192 905
Total Net Assets		2 877 579 918	2 712 192 905

* See Note 55 & 54

Fetakgomo Tubatse Local Municipality

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Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	21	30 369 479	25 272 101
Rental of community facilities and equipment	22	455 931	420 962
Interest charged (trading)	28	7 493 611	6 068 964
Agency services	24	8 498 436	8 372 821
Licences and permits	25	7 316 719	6 394 676
Fees earned	29	4 277 134	1 003 896
Other income	30	64 150 963	140 042 854
Interest received - investment	31	12 662 044	19 650 733
Fair value adjustments	49	1 219 146	1 597 254
Total revenue from exchange transactions		136 443 463	208 824 261
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	32	223 997 029	183 809 936
Property rates - penalties imposed	32	29 592 515	20 165 871
Transfer revenue			
Government grants & subsidies	36	828 969 839	818 694 231
Public contributions and donations	26	17 834 650	17 391 303
Traffic fines	23	1 607 190	1 363 200
Total revenue from non-exchange transactions		1 102 001 223	1 041 424 541
Total revenue	19	1 238 444 686	1 250 248 802
Expenditure			
Employee related costs	37	(298 591 426)	(255 273 876)
Remuneration of councillors	38	(44 388 037)	(43 497 787)
Inventory consumed	20	(17 691 575)	(53 696 458)
Depreciation and amortisation	39	(101 758 132)	(85 935 983)
Impairment loss	40	(64 500)	(23 081 327)
Finance costs	41	(9 198 241)	(4 284 559)
Lease rentals on operating lease	27	(10 950 982)	(10 879 007)
Debt Impairment	43	(78 746 782)	(138 389 821)
Bad debts written off	45	(2 732 008)	(514 874)
Contracted services	46	(374 281 551)	(423 689 976)
Transfers and subsidies	33	(3 499 343)	(2 454 000)
Inventories losses/write-downs	34	-	(37 150 000)
Loss on disposal of assets	35	(708 532)	(4 962 992)
General expenses	44	(130 446 568)	(103 033 413)
Total expenditure		(1 073 057 677)	(1 186 844 073)
Surplus for the year		165 387 009	63 404 729

* See Note 55 & 54

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Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	2 654 859 006	2 654 859 006
Adjustments		
Prior year adjustments Note 55	6 070 832	6 070 832
Balance at 01 July 2024	2 648 788 176	2 648 788 176
Changes in net assets		
Surplus for the year	63 404 729	63 404 729
Total changes	63 404 729	63 404 729
Restated* Balance at 01 July 2024	2 712 192 909	2 712 192 909
Changes in net assets		
Surplus for the year	165 387 009	165 387 009
Total changes	165 387 009	165 387 009
Balance at 30 June 2025	2 877 579 918	2 877 579 918

Note(s)

* See Note 55 & 54

Fetakgomo Tubatse Local Municipality

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Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		305 392 246	146 946 914
Government grants and subsidies		820 565 001	755 621 000
		1 125 957 247	902 567 914
Payments			
Employee costs		(336 775 051)	(294 684 470)
Suppliers		(626 823 179)	(497 013 581)
Finance costs		(9 198 241)	(4 284 558)
		(972 796 471)	(795 982 609)
Net cash flows from operating activities	47	153 160 794	106 585 305
Cash flows from investing activities			
Purchase of property, plant and equipment		(206 808 477)	(296 108 120)
Proceeds from sale of Property, plant and equipment	4	1 465 600	-
Purchase of other intangible assets	5	(694 378)	-
Proceeds from sale/(Purchase) of financial assets		-	(50 000 000)
Interest income		7 374 322	20 758 493
Net cash flows from investing activities		(198 662 933)	(325 349 627)
Cash flows from financing activities			
Inflow from borrowings	17	-	100 000 000
Loan repayments		(35 901 149)	-
Net cash flows from financing activities		(35 901 149)	100 000 000
Net increase/(decrease) in cash and cash equivalents		(81 403 288)	(118 764 322)
Cash and cash equivalents at the beginning of the year		99 299 089	218 063 411
Cash and cash equivalents at the end of the year	15	17 895 801	99 299 089

The accounting policies on pages 29 to 62 and the notes on pages 63 to 130 form an integral part of the annual financial statements.

* See Note 55 & 54

Fetakgomo Tubatse Local Municipality

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Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Comparison of Budget and Actual Amounts						
Revenue						
Revenue from exchange transactions						
Sale of goods	108 752 375	(66 260 950)	42 491 425	-	(42 491 425)	N1
Service charges	30 947 302	(2 000 000)	28 947 302	30 369 479	1 422 177	(Immaterial below 10%)
Rental of community offices and facilities	322 345	93 000	415 345	455 931	40 586	Immaterial (below 10%)
Interest received (trading)	6 481 771	334 000	6 815 771	7 493 611	677 840	Immaterial (below 10%)
Agency services	7 815 050	775 000	8 590 050	8 498 436	(91 614)	Immaterial (below 10%)
Licences and permits	7 128 529	999 000	8 127 529	7 316 719	(810 810)	Immaterial (below 10%)
Fees earned	2 128 000	746 000	2 874 000	4 277 134	1 403 134	N2
Other income	-	-	-	64 150 963	64 150 963	N3
Interest received - investment	11 764 489	1 336 000	13 100 489	12 662 044	(438 445)	Immaterial below 10%
Total revenue from exchange transactions	175 339 861	(63 977 950)	111 361 911	135 224 317	23 862 406	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	225 823 942	6 789 600	232 613 542	223 997 029	(8 616 513)	Immaterial (below 10%)
Property rates - interest on outstanding debtors	-	-	-	29 592 515	29 592 515	N4
Interest on Outstanding Debtors	22 449 201	4 000 000	26 449 201	-	(26 449 201)	N5
Transfer revenue						
Government grants & subsidies	821 847 000	7 122 835	828 969 835	828 969 839	4	Immaterial (below 10%)
Public contributions and donations	-	-	-	17 834 650	17 834 650	N49
Fines, Penalties and Forfeits	3 613 434	30 650	3 644 084	1 607 190	(2 036 894)	N6
Total revenue from non-exchange transactions	1 073 733 577	17 943 085	1 091 676 662	1 102 001 223	10 324 561	
Total revenue	1 249 073 438	(46 034 865)	1 203 038 573	1 237 225 540	34 186 967	
Expenditure						
Employee related costs	(271 245 664)	(26 470 451)	(297 716 115)	(298 591 426)	(875 311)	Immaterial (below 10%)
Remuneration of councillors	(44 940 049)	(700 000)	(45 640 049)	(44 388 037)	1 252 012	Immaterial (below 10%)
Inventory consumed	(6 600 017)	1 246 856	(5 353 161)	(17 691 575)	(12 338 414)	N7
Depreciation and amortisation	(83 540 889)	-	(83 540 889)	(101 758 132)	(18 217 243)	N8
Impairment loss/ Reversal of impairments	-	-	-	(64 500)	(64 500)	N50
Finance costs	(6 500 000)	6 000 000	(500 000)	(9 198 241)	(8 698 241)	N9
Lease rentals on operating lease	(18 150 730)	2 098 000	(16 052 730)	(10 950 982)	5 101 748	N10
Debt impairment	(40 000 000)	-	(40 000 000)	(78 746 782)	(38 746 782)	N11
Bad debts written off	(2 073 500)	(1 161 586)	(3 235 086)	(2 732 008)	503 078	N12

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Contracted Services	(408 790 304)	49 209 169	(359 581 135)	(374 281 551)	(14 700 416)	Immaterial (below 10%)
Transfers and subsidies	-	-	-	(3 499 343)	(3 499 343)	N13
General expenses	(129 476 242)	(32 887 791)	(162 364 033)	(130 446 568)	31 917 465	N14
Total expenditure	(1 011 317 395)	(2 665 803)	(1 013 983 198)	(1 072 349 145)	(58 365 947)	
Operating surplus	237 756 043	(48 700 668)	189 055 375	164 876 395	(24 178 980)	
Fair value adjustments	-	-	-	1 219 146	1 219 146	N15
Loss on disposal of assets	-	-	-	(708 532)	(708 532)	N16
	-	-	-	510 614	510 614	
Surplus	237 756 043	(48 700 668)	189 055 375	165 387 009	(23 668 366)	
Actual Amount on Comparable basis as presented in the Budget and Actual Comparative Statement	237 756 043	(48 700 668)	189 055 375	165 387 009	(23 668 366)	

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Position						
Assets						
Current Assets						
Inventories	3 176 360	72 234 634	75 410 994	60 077 903	(15 333 091)	N17
Receivables from exchange transactions	16 518 730	16 774 452	33 293 182	16 254 689	(17 038 493)	N18
Receivables from non-exchange transactions	16 155 377	54 507 002	70 662 379	2 315 313	(68 347 066)	N19
VAT receivable	39 887 070	8 474 821	48 361 891	52 858 386	4 496 495	N20
Consumer debtors	-	-	-	90 147 832	90 147 832	N21
Cash and cash equivalents	235 320 640	(157 031 182)	78 289 458	17 895 801	(60 393 657)	N23
	311 058 177	(5 040 273)	306 017 904	239 549 924	(66 467 980)	
Non-Current Assets						
Investment property	60 800 000	(7 469 146)	53 330 854	54 550 000	1 219 146	Immaterial less than 10%
Property, plant and equipment	2 728 427 000	7 631 000	2 736 058 000	2 913 204 549	177 146 549	N24)
Intangible assets	1 045 231	(685 054)	360 177	2 117 661	1 757 484	N25
Heritage assets	1 068 300	-	1 068 300	1 068 300	-	Immaterial (less than 10%)
Investments	-	-	-	58 747 630	58 747 630	N26
	2 791 340 531	(523 200)	2 790 817 331	3 029 688 140	238 870 809	
Total Assets	3 102 398 708	(5 563 473)	3 096 835 235	3 269 238 064	172 402 829	
Liabilities						
Current Liabilities						
Borrowings	1 005 995	(1 005 995)	-	40 002 840	40 002 840	
Consumer deposits	15 665 694	(15 665 694)	-	-	-	Immaterial less than 10%
Payables from exchange transactions	69 432 867	(1 650 867)	67 782 000	222 078 859	154 296 859	N29
Trade and Other payables from non-exchange transactions	71 316 070	(62 911 232)	8 404 838	-	(8 404 838)	N30
VAT payable	8 957 350	(8 957 350)	-	-	-	N31
Other liabilities	-	35 901 000	35 901 000	-	(35 901 000)	
Employee benefit obligation	16 181 588	1 605 107	17 786 695	2 659 653	(15 127 042)	N32
Provisions	4 363 158	(2 333 899)	2 029 259	22 122 564	20 093 305	N34
	186 922 722	(55 018 930)	131 903 792	286 863 916	154 960 124	
Non-Current Liabilities						
Borrowing	(1 005 995)	1 005 995	-	24 500 658	24 500 658	N35
Employee benefit obligation	5 836 000	58 217 753	64 053 753	43 894 893	(20 158 860)	N36
Provisions	9 125 893	20 956 795	30 082 688	36 398 680	6 315 992	N37
	13 955 898	80 180 543	94 136 441	104 794 231	10 657 790	
Total Liabilities	200 878 620	25 161 613	226 040 233	391 658 147	165 617 914	
Net Assets	2 901 520 088	(30 725 086)	2 870 795 002	2 877 579 917	6 784 915	

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Property rates	232 327 000	(69 707 000)	162 620 000	253 589 544	90 969 544	N39
Service charges	33 666 000	(13 463 000)	20 203 000	30 369 479	10 166 479	N40
Transfers and Subsidies - Operational	635 886 000	(9 000 000)	626 886 000	621 421 000	(5 465 000)	N41)
Transfer and Subsidies - Capital	185 961 000	16 123 000	202 084 000	199 144 001	(2 939 999)	N42
Interest income	9 134 000	3 466 000	12 600 000	12 662 044	62 044	N43
Other revenue	133 655 000	(67 213 000)	66 442 000	64 150 963	(2 291 037)	N44
	1 230 629 000	(139 794 000)	1 090 835 000	1 181 337 031	90 502 031	
Payments						
Suppliers and employees	(879 203 000)	(1 762 000)	(880 965 000)	(956 280 967)	(75 315 967)	N45
Finance charges	(15 949 000)	15 449 000	(500 000)	(9 198 241)	(8 698 241)	N46
	(895 152 000)	13 687 000	(881 465 000)	(965 479 208)	(84 014 208)	
Net cash flows from operating activities	335 477 000	(126 107 000)	209 370 000	215 857 823	6 487 823	
Cash flows from investing activities						
Capital assets	(352 749 000)	6 928 000	(345 821 000)	(206 808 477)	139 012 523	N47
Proceeds from sale of property, plant and equipment	-	-	-	1 465 600	1 465 600	
Purchase of other intangible assets	-	-	-	(694 378)	(694 378)	N38
Interest income	-	-	-	7 374 322	7 374 322	
Net cash flows from investing activities	(352 749 000)	6 928 000	(345 821 000)	(198 662 933)	147 158 067	
Cash flows from financing activities						
Short-term loans	-	-	-	(35 901 149)	(35 901 149)	N48
Net increase/(decrease) in cash and cash equivalents	(14 627 000)	(121 824 000)	(136 451 000)	117 194 890	63 645 890	
Cash and cash equivalents at the beginning of the year	218 063 000	(8 637 000)	209 426 000	(99 299 089)	(308 725 089)	
Cash and cash equivalents at the end of the year	203 436 000	(130 461 000)	72 975 000	17 895 801	(245 079 199)	

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

Explanations for significant variances

A - STATEMENT OF FINANCIAL PERFORMANCE

N1 – Sale of goods

The underperformance in sale of goods revenue is primarily due to delays in infrastructure development (e.g., roads, utilities) for stand sales, shifting revenue timelines. These delays stem from external factors outside the municipality's control, such as water and electricity connections managed by other entities. Additionally, illegal encroachments on earmarked land and funding constraints further postponed anticipated sales from projects like Mashifane Park..

N2 – Fees earned

The overperformance in fees earned is attributed to higher-than-expected demand for municipal services, including building plan approvals, application fees for land usage, clearance certificates, and cemetery fees. This reflects increased community engagement and development activities, surpassing the adjusted budget projections.

N3 –Other incomes

Other income significantly overperformed due to unforeseen recoveries of R42 million from VBS and contributions not initially budgeted, including skills development levy refunds, staff-related cost recoveries. The variance also includes unprojected income from the sale of stands where only deposits were collected, reclassified as revenue upon full payment.

N4 –Property taxes- interest on outstanding debtors

The positive variance arises from higher-than-anticipated interest accrual on overdue property rates, particularly from state-owned properties and communal land debtors (e.g., Department of Rural Development). The implementation of the 2023-2028 valuation roll increased market values, leading to higher billed amounts and subsequent interest on outstanding balances, which was not separately budgeted..

N5 - Interest on outstanding debtors

The underperformance is due to the write-off of interest on non-rateable properties as per council-approved policy, combined with improved debtor collection efforts that reduced overdue accounts.

N6 - Fines, Penalties and Forfeits

The revenue underperformed due to reductions and cancellations of traffic fines by courts, lower issuance rates amid load shedding impacts on enforcement, and challenges in collections. This reflects a conservative adjustment based on historical trends and actual performance with efforts to enhance enforcement not yielding expected results.

N7 - Inventory consumed

The variance results from lower-than-budgeted consumption of inventory, driven by cost containment measures and efficient stock management (e.g., office supplies, maintenance materials). Additionally, delays in project implementation reduced the need for inventory drawdowns, leading to savings that were not initially anticipated.

N8 - Depreciation and amortisation

The overspending on depreciation is due to the addition of new infrastructure assets (e.g., roads donated by Roads Agency Limpopo) and revaluations increasing the asset base. A backlog of assets nearing the end of their useful lives but still in use, combined with prior-year adjustments, resulted in higher-than-budgeted charges.

N9 - Finance costs

The significant overspending is attributed to the budget Capitalization of interest on loan for the Mashifane project and being expensed in the financial statements consistent to the treatment in prior year.

N10 - Lease rentals on operating lease

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

The underspending reflects savings from over-budgeted lease repayments, achieved through renegotiations and cost containment measures. Some leased assets were not fully utilised due to operational efficiencies, leading to lower actual payments compared to the adjusted budget.

N11 - Debt impairment

The higher debt impairment as compared to the budget is attributed to the timing and availability of information. The actual impairment figure was determined at year-end, utilising comprehensive data and insights that were not available during the adjustment period when the budget was prepared. This additional information allowed for a more accurate assessment of the impairment

N12 - Bad debts written off

The slight overspending is linked to increased write-offs of irrecoverable debts from non-rateable areas and long-outstanding state-owned properties, as per council policy. However, the provision for doubtful debts covered most balances, mitigating the impact and resulting in a variance below materiality thresholds.

N13 - Transfers and subsidies

The overspending arises from unbudgeted transfers, including free basic electricity and indigent support programs.

N14 - General expenses

The underspending is due to cost containment measures and non-incurrence of certain expenses in the year (e.g., utilities, admin costs). Implementation of financial management strategies reduced discretionary spending, leading to savings across operational items.

N15 - Fair value adjustments

The positive adjustment reflects unforeseen fair value gains on investment properties and land inventory (e.g., write-down reversals on properties like Praktiseer portions). These were not budgeted, arising from market revaluations and asset disposals during the year.

N16 - Loss on disposal of assets

The loss was not budgeted for, stemming from the disposal of obsolete or underutilised assets (e.g., such as municipal vehicles and equipment).

Statement of Financial Position

N17 – Inventories

The variance emanates from lower-than-expected land acquisitions for future developments, and expansion, due to delays in infrastructure completion and funding constraints. The budget anticipated more stock of developable land based on projected timelines that were not met.

N18 – Receivables from exchange transactions

Receivables from exchange transactions were lower as a result of better-than-expected collection efforts and fewer credit sales than anticipated, including the land sales. This reduced outstanding amounts, reflecting improved debtor management and cost containment measures.

N19 – Receivables from non-exchange transactions

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

Receivables from non-exchange transactions were lower as a result of higher-than-expected impairment charges, which reduced the net receivables by an amount greater than budgeted. This includes write-offs for non-rateable properties and increased provisions for doubtful debts from state-owned and communal land properties.

N20 – VAT receivable

The significant increase in VAT receivable is due to higher input VAT from expanded capital and operational spending on infrastructure projects, supporting municipal activities like MIG and INEP-funded developments. This reflects greater grant utilization and asset acquisitions than initially projected.

N21 – Consumer debtors

Consumer debtors were not budgeted for separately but included under receivables from non exchange line item, but actual amounts arose from outstanding service charges, property rates, and new connections, particularly in nodal areas and indigent households. This includes debts from waste management and electricity services not fully anticipated.

N22 – Other Current assets / Prepayments

The variance is due to higher-than-expected prepayments and other current assets, including investments in call accounts to earn interest for the municipality

N23 – Cash and cash equivalents

The unfavourable variance is due to elevated capital expenditures on infrastructure projects and timing delays in revenue inflows from grants, stand sales, and collections. Despite better returns on investments, outflows for developments reduced short-term liquidity below budgeted levels.

N24 – Property, plant and equipment

The higher-than-budgeted PPE is due to completed infrastructure projects (e.g., roads, stormwater systems) and unbudgeted donations (e.g., library from Anglo Platinum), enhancing service delivery. This increased the asset base beyond initial projections for the year.

N25 – Intangible assets

The variance in intangible assets under note N25 arises from a shortfall in planned additions, such as software and licenses, which did not proceed as anticipated, alongside increased amortisation costs. The original budget underestimated both the amortisation expenses and the timing of acquisitions, with key purchases deferred to year-end to align with operational demands and cost management strategies.

N26 – Investments

Investments were not budgeted for, but actual amounts reflect long-term placements (e.g., money market investments with Standard Bank) to generate higher interest income. This supports financial sustainability and was driven by excess cash from improved collections.

N27 – Employee benefit asset

The employee benefit asset was not anticipated in the budget, arising from actuarial valuations indicating overfunding in certain obligations (e.g., pensions). This positive adjustment reflects better-than-expected management of employee benefits.

N28 – Construction Work-in-Progress

The zero balance is due to allocation of WIP under PPE and not separately disclosed, the additions to WIP were consistent to what was expected as construction of various capital projects were carried out

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

N29 – Payables from exchange transactions

The higher payables are mainly due to credit purchases with increased supplier invoices from expanded operational and capital activities. This reflects timing differences in payments.

N30 – Trade and Other payables from non-exchange transactions

The zero actual is due to settlement or reclassification of all budgeted non-exchange payables, including adjustments for unspent grants now reflected elsewhere. Anticipated obligations from transfers and subsidies were resolved through cost containment and efficient management.

N31 – VAT payable

VAT payable was not budgeted, but actual reflects net output VAT from increased vatable revenue activities (e.g., service charges, stand sales). However, the municipality maintained an overall net receivable position due to high input claims from capital projects.

N32 – Employee benefit provision

The zero actual is because current employee benefit obligations (e.g., leave provisions) were reclassified to non-current or adjusted lower based on actuarial assessments and payments. Budget projections were overstated, assuming higher short-term realizations.

N33 – Unspent conditional grants and receipts

This variance is attributed to the reclassification of certain current obligations (e.g., leave provisions) to non-current liabilities based on actuarial assessments and payments made at year end. Budget projections were previously overstated, as they had assumed higher short-term realisations than what occurred during the budget period.

N34 – Provisions

The higher provisions are due to increased estimates for short-term obligations, including leave, bad debts, and environmental items, influenced by prior-year error adjustments. This exceeds budget due to updated assessments and implementation of write-off policies for non-rateable areas.

N35 – Borrowing

Borrowings were not budgeted, but actual reflects non-current loans (e.g., Standard Bank loan for Mashifane project) with interest capitalized. The variance arose from the standard bank loan and payment was carried out during the year

N36 – Employee benefit provision

The lower provision is due to actuarial adjustments, payments, and reclassifications reducing long-term obligations (e.g., pensions) below budgeted levels. This reflects improved management and lower-than-expected growth in employee-related costs.

N38 – Provisions

Non current portion of provisions result from updated assessments for landfill environmental rehabilitation, including new sites (e.g., Burgersfort), and prior-year error adjustments. This increased the liability beyond budget due to expanded operational needs and compliance requirements.

Statement of Cash flows

N39 - Property rates

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

The underperformance in cash receipts from property rates is due to incorrect budget projections in the 2025 cash flow statement, influenced by a lower collection rate of 75% following the implementation of the new 2023-2028 valuation roll. Actual collections were potentially reclassified under other revenue streams or delayed due to billing adjustments and challenges with state-owned and communal land properties.

N40 - Service charges

The overperformance in cash receipts from service charges is attributed to better-than-expected collections from waste management in nodal areas (e.g., Burgersfort, Ohrigstad, Steelpoort, Praktiseer), driven by formalization of informal settlements and inclusion of open stand service charges. This reflects enhanced revenue collection efforts and a surge in demand, based on year-to-date performance as of April 2025.

N41 - Transfers and Subsidies - Operational

The overperformance is due to additional funding received, including revised grant allocations for Equitable Share and other operational grants. This supports service delivery and reflects unspent conditional grants from prior periods being utilised, exceeding initial budget projections.

N42 - Transfer and Subsidies - Capital

The underperformance arises from incorrect budget classifications; actual capital grant receipts (e.g., MIG, INEP, Neighbourhood Development Grant) were recorded under operational transfers due to grant conditions, rollovers, or additional funding timing. No separate cash inflows were recognized for capital, as projects were funded through combined grant receipts.

N43 - Interest income

The underperformance is due to incorrect budget projections in the 2025 cash flow statement for interest income. Actual interest from investments and overdue debtors was not realised in cash as anticipated, amid low recoveries from overdue accounts.

N44 - Other revenue

The underperformance results from budgeted amounts not being received in cash, with actual receipts (e.g., from stand sales, agency services, fees earned) reclassified under service charges or other categories. Delays in infrastructure for developments like Mashifane Park shifted timelines, leading to no separate cash inflows recorded.

N45 - Suppliers and employees (Payments)

The underspending on payments to suppliers and employees is due to implementation of cost containment measures, delayed project executions, and unfilled posts, resulting in savings. This aligns with financial management strategies to optimize cash flow, with actual payments lower than budgeted amid reprioritization of expenditures.

N46 - Finance charges

The underspending reflects incorrect budget projections; no cash outflows for finance charges occurred as interest on borrowings was capitalized to PPE and expensed under the income statement. Late payment interests were minimised through improved payment timing and negotiations.

N47 - Capital assets

The underspending on capital asset outflows is due to actual expenditures being recorded under operating payments (e.g., suppliers for infrastructure projects) or funded directly by grants without separate cash outflows in investing activities. Delays in project completion (e.g., roads, electrification) also reduced cash disbursements below budgeted levels.

N48 - Short-term loans

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Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

The positive variance arises from unbudgeted short-term loans obtained (e.g., R100 million for Mashifane development and infrastructure received in 2024 for 3 years), there amount in the current year involves the repayments during the financial year. The budget for the repayment was included in the 2026 MTRF period.

N49-Public contributions and donations

The Municipality received funding for the Mashifane park Project, amounting to R10 954 054.

Furthermore the municipality capitalised completed SLP projects based on control as the community is already enjoying the benefits of these projects at an amount of R 13 026 500. These were not previously budgeted for.

N50- Impairment loss/reversal

Impairment losses were not budgeted for under note N50. The impairment loss emanates from halted infrastructure projects and was determined at year-end, with information that was not available during the budget period.

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Reasons for adjustments to the approved Budget	Approved Budget	Adjustment	Final Budget		Reason for the adjustment	
Statement of Financial Performance		-	-	-	2025	
Service charges - Waste Management	30 947 302	(2 000 000)	28 947 302		Adjustment was done to cater for the results of the implementation of 2023-2028 valuation roll which resulted in increases in market values.	
Sale of Goods and Rendering of Services	108 752 375	(66 260 950)	42 491 425		This was due to delays in infrastructure (e.g., roads, utilities) for stand sales, shifting revenue timelines for developments delays are emanating mostly from work outside the scope of the municipality like water connections and electricity connections.	
Agency services	7 815 000	775 000	8 590 050		Over performance of the Agency Services due to the overtime work performed by the Licencing department by working during weekends to offer Enatis services.	
Interest earned-Investments	6 481 771	334 000	6 815 771		Improved debtor collection efforts, boosting recovery of outstanding payments from a historically low base.	
Rental from Fixed Assets	322 345	93 000	415 345		Increased due to growing demand for municipal asset rentals (e.g., halls, sports facilities), driven by community engagement and local events.	
Operational revenue	2 128 000	746 000	2 874 000		Increased due to higher recoveries, including skills development levy refunds and staff-related cost recoveries from training initiatives.	
Interest earned	11 764 489	1 336 000	13 100 489		Increased due to higher cash balances from better revenue collection and expenditure controls, increasing funds available for investment for the greater part of the year	
Property rates	225 823 942	6 789 600	232 613 542		Adjustment was done to cater for the results of the implementation of 2023-2028 valuation roll which resulted in increases in market values.	
Fines, penalties and forfeits	3 613 434	30 650	3 644 084		No major adjustment done.	
Licences or permits	7 128 529	999 000	8 127 529		Increased due to higher traffic fines, reflecting initial expectations of enhanced enforcement, though collections remain uncertain.	
Property rates - interest on outstanding debtors	22 449 201	4 000 000	26 449 201		Increased due to growing overdue accounts, notably from state-owned properties, accruing additional interest amid collection challenges.	
Transfer and subsidies-operational	821 847 000	7 122 835	828 969 835		Increased to reflect revised grant allocations, supporting service delivery through updates to Equitable Share and other operational grants.	
Employee related costs	(271 245 664)	(26 470 451)	(297 716 115)		Increased due to inflationary salary increases and critical new hires to enhance service delivery and administrative capacity.	
Interest	(6 500 000)	6 000 000	500 000		Reduced as no new borrowings were undertaken, lowering interest expenses on municipal debt for the period.	

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Remuneration of councillors		(44 940 049)	(700 000)	(45 640 049)	Increased due to inflationary salary adjustments, offset by cost containment measures reducing allowances and discretionary spending.	
Inventory consumed		(6 600 017)	1 246 856	(5 353 161)	Reduced due to a conservative approach to stock usage (e.g., office supplies, maintenance materials), aligning with cost containment.	
Depreciation and amortisation		(83 540 889)	-	(83 540 889)	No adjustment was performed	
Contracted services		(408 790 304)	49 209 169	(359 581 135)	Reduced through cost containment, reducing reliance on external providers (e.g., maintenance, consulting) as internal capacity grows.	
Irrecoverable debts written off		(2 073 500)	(1 161 586)	(3 235 086)	This is due to increased defaults, particularly from state-owned properties, despite efforts to improve collections.	
General expenses		(129 476 242)	(32 887 791)	(162 364 033)	Increased due to higher operational needs (e.g., utilities, admin costs), later moderated by cost containment measures.	
Statement of Financial Position		-	-	-		
Inventory		3 176 360	72 234 634	75 410 994	Increased due to land acquisitions for future developments, such as Mashifane Park expansion, increasing the stock of developable land	
Receivables from exchange transactions		16 518 730	16 774 452	33 293 182	Increased due to higher service charges and stand sales, reflecting enhanced revenue collection efforts aligned with financial sustainability.	
Receivables from non-exchange transactions		16 155 377	54 507 002	70 662 379	Increased due to updated property rates from the new valuation roll and increased fines, boosting municipal revenue streams.	
VAT		39 887 070	8 474 821	48 361 891	Increased due to higher input VAT from expanded capital and operational spending, supporting municipal activities.	
Other current assets		1 692 929	48 307 071	50 000 000	This is the investment account for the cash invested in a call account, which will earn interest for the municipality	
Cash and cash equivalents		235 320 640	(157 031 182)	78 289 458	Decreased due to elevated capital expenditures and timing delays in revenue inflows, affecting short-term liquidity.	
Heritage assets		1 068 300	-	1 068 000	No movement	
Construction work in progress		370 233 763	(10 503 635)	359 730 128	Decreased due to completed assets that were transferred to finished assets	
Investment property		60 800 000	(7 469 146)	53 330 854	Decreased due to reclassification of properties to inventories of land to be disposed	
Property Plant and Equipment		2 330 540 133	45 788 037	2 376 328 170	Increased due to completed infrastructure projects (e.g., roads, stormwater systems), enhancing service delivery and municipal capacity.	
Intangible assets		1 045 231	(685 054)	360 177	Decreased due to amortization of software and licenses, reflecting routine asset adjustments	
Current liabilities		-	-	-		
Payables from exchange transactions		(69 432 867)	37 552 305	(31 880 562)	Reduced due to increased payments for supplier payments from expanded operational and capital activities.	
Trade and other payables from non-exchange transactions		(71 316 070)	62 911 232	(8 404 838)	Decreased due to unspent grant adjustments, ensuring compliance with grant conditions.	

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Borrowings		(1 005 995)	1 005 995		-	- due to reclassification or short-term financing. This is for the 3 year loan for the Mashifane development, the loan is being paid off by the municipality
Consumer deposits		(15 665 694)	15 665 694		-	- This reflects to new service connection deposits and transfers out this balance reflects growth in municipal service demand.
Provisions		(4 363 158)	2 333 899	(2 029 259)		Decreased due to education of employee related provisions that are expected to be top be realised within the next 12 months
VAT		(8 957 350)	8 957 350		-	- The VAT output is on line with the revenue from municipal services which a vatable.
Non-current liabilities		-	-	-		
Provisions		(9 125 893)	(20 956 795)	(30 082 688)		Increase in provision is ,mainly based on the rehabilitation reserve, with new land fill sites in Burgersfort being put in to play the provision will also increase
Other non-current liabilities		1 005 995	(1 005 995)	-		
Accumulated surplus		(2 419 566 000)	(355 632 000)	(2 775 198 000)		Increase in revenue as a result of additional funding.
Cash Flow Statement		-	-	-		
CASH FLOW FROM OPERATING ACTIVITIES		-	-	-		
Property Rates (Receipts-Cash flows from operating activities)		232 327 000	(32 610 000)	162 620 000		This has decreased due to a lower collection rate of 75% post-new valuation roll implementation. Prior year was 80%
Transfer and subsidies- operational		635 886 000	(9 000 000)	626 886 000		This reduced due to the fact that expenses were revised lower due to cost containment and hence the corresponding grant income such as equitable share
Service Charges (Receipts-Cash flows from operating activities)		33 666 000	(6 716 000)	20 203 000		This has decreased due to a lower collection rate of 75% post-new valuation roll implementation. Prior year was 80%
Other Revenue (Receipts-Cash flows from operating activities)		133 655 000	(57 432 000)	66 442 000		Other revenue was decreased based on the decreased collection on sale of stands.
Transfers and Subsidies - Capital (Receipts-Cash flows from operating activities)		185 961 000	84 753 000	202 084 000		Increased due to additional capital grants such as MIG, supporting development goals.
Interest received		9 134 000	4 672 000	12 600 000		Increased due to higher investable cash balances, reflecting improved liquidity management.
Suppliers and employees		(879 203 000)	(1 181 000)	(880 384 000)		Increased marginally due to inflationary pressures but the increase was dampened due to cost containment and payment timing adjustments, optimising cash flow.
Finance charges		(15 949 000)	9 321 000	(15 939 679)		Incorrect budget projection.
CASH FLOW FROM INVESTING ACTIVITIES		-	-	-		
Increase in non-current investments		-	100 000 000	100 000 000		An amount of R100 million received on the medium-term loan.

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Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Capital assets		(352 749 000)	6 928 000	345 821 000	Decreased due to delays in infrastructure projects, deferring capital spending to future periods when funds become available	
		756 646 224	(130 834 983)	1 185 680 312		

Accounting Policies

Figures in Rand	Note(s)	2025	2024
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1. Significant account policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparations

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

These accounting policies are consistent with the previous period.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below

1.2 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality

1.3 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.4 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

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Annual Financial Statements for the year ended 30 June 2025

1.5 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

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Accounting Policies

1. Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases - lessor

The municipality recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the municipality's net investment in the finance lease.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

2. Residual Values of Property, Plant and Equipment

GRAP 17 – Property, Plant and Equipment

Residual values are reviewed at least annually at each reporting date. Determining the residual values requires management to make judgements based on current prices for similar assets at the expected date of disposal, taking into account the condition and location of the asset.

Factors considered include:

Market-based evidence of residual values;

Expected physical condition of the asset at the end of its useful life; and

Economic factors, including technological changes and demand for the asset.

Where leases are classified as operating leases, management has exercised judgement in determining the lease term, escalation clauses, and whether the substance of the transaction is consistent with the definition of an operating lease.

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Accounting Policies

3. Budget Information

GRAP 1 – Presentation of Financial Statements, paragraphs 13 and 150–157

The municipality discloses a comparison of the budget and actual amounts in the Annual Financial Statements, based on the approved budget. Judgement is applied in:

Determining which budget to present (original vs. final approved budget);

Identifying changes that constitute authorised budget adjustments; and

Mapping budget line items to financial statement presentation to ensure comparability.

4. Going Concern

GRAP 1 – Presentation of Financial Statements, paragraph 14

Management assesses the municipality's ability to continue as a going concern by evaluating:

The municipality's cash and cash equivalents position at year-end;

Expected revenue collection and grant receipts in the forthcoming period;

Commitments in the approved budget;

Contingent liabilities and outstanding litigation; and

The municipality's historical ability to fund operations and capital projects.

This assessment involves forecasting future cash flows and considering available financing facilities, with the conclusion that there are no material uncertainties casting significant doubt on the municipality's ability to continue operating in the foreseeable future.

5. Principal-Agent Arrangements

GRAP 109 – Accounting by Principals and Agents

Determining whether the municipality is acting as a principal or an agent in specific transactions requires the application of significant judgement. The following indicators are considered:

Control of the underlying resource before it is transferred to the third party;

Primary responsibility for fulfilling the obligations of the arrangement;

Pricing discretion in setting transaction terms; and

Credit risk borne in relation to the transaction.

Where the municipality is determined to be an agent, the transactions are not recognised as revenue or expenses but are disclosed in accordance with GRAP 109.

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

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Accounting Policies

Trade receivables

The municipality assesses its trade receivables and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the municipality makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 18 - Provisions.

The cost of defined benefit pension contribution plans and other employment medical benefits is determined using actuarial valuations.

The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Additional information is disclosed in note 9.

Traffic Debtors

The traffic fines will be impaired when the probability of collecting the outstanding amount is uncertain. The traffic fine shall be assessed "in each reporting period" individually to determine the recoverability rate of the amount collected and thereafter determine percentage for provision to be made based on the calculation recoverability rate. The provision for doubtful debts on traffic fines will be informed by the recoverability rate.

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Accounting Policies

Impairment of Consumer and Other Receivables

The calculation in respect of the impairment of debtors is based on the municipality's approved policy on calculation of doubtful debts. In accordance with GRAP 104 (Financial Instruments), an objective assessment of financial assets is made at year end to determine possible impairment. Impairment loss is recognised as an expense in the Statement of Financial Performance. The determination of the impairment loss is guided by the following principles as per GRAP 104. The municipality assesses financial assets individually, when assets are individually significant, and individually or collectively for financial assets that are not individually significant. (Individual Debtors' balances that constitute at least 5 percent of the total debtors' book are considered to be individually significant by the municipality).

Where no objective evidence of impairment exists for an individually assessed asset (whether individually significant or not), the municipality includes the assets in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised, are not included in the collective assessment of impairment. As soon as information becomes available that specifically identifies losses on individually impaired assets in a group (that are collectively assessed for impairment), those assets are removed from the group and assessed individually for impairment.

For collective assessment of impairment, as indicated above, assets with similar credit risk characteristics are grouped together. The credit risk characteristics should be indicative of the debtors' ability to pay all amounts due according to the contractual terms.

The method used in determining the group of assets to be assessed for impairment, is a grading process that considers the:

-Debtor type

-Industry

-Past due status (e.g. days/months that the accounts are in arrears)

Consumer debtors are evaluated at the end of the reporting date and impaired as follows:

a) Timing of Assessment

The Municipality will assess at the end of each reporting date whether there is objective evidence that a receivable account or group of receivable accounts is impaired.

b) Evidence of Impairment

Any one of the following events is considered to provide objective evidence that a receivable account or group of receivable accounts could be impaired:

- Indigent accounts.
- Inactive accounts.
- Accounts handed over to debt collectors and/or power of attorney, and not yet recovered at year-end.
- All accounts with balances outstanding 270 days and longer as these accounts are considered to be past due.

c) Calculation and Recognition of Impairment Loss

1. The impairment loss is calculated as the difference between the carrying value at reporting date less the present value of expected future cash flows:

Carrying Amount at reporting Date - Present Value of Future Expected Cashflows = Impairment Loss

2. The carrying amount (Expected Future Cash Flows) at reporting date is calculated as follows:

Gross carrying amount Less debtors to be impaired 100% (Indigent debtors, Handed over Debtors, Debtors with balances 270 days and longer)

The Discount Rate used is derived from the policy (prime plus 1%), average for the financial year.

4) The Expected Repayment Term is 30 days (derived from the policy).

Classification as investment property

The municipality has reviewed its property portfolio and determined which items of land and buildings are held to earn rental revenue or for capital appreciation. Land and buildings fulfilling these requirements have been classified as investment property, whilst the remainder of the portfolio has either been classified as property, plant and equipment or inventory depending on management's intention in dealing with these properties.

Depreciation and carrying value of items of property plant and equipment

The estimation of the useful lives of assets is based on management's judgment. Management considers the impact of technology, availability of capital funding, service requirements, and required return on assets to determine the optimum useful life expectation, where appropriate. The estimation of residual values of assets is also based on management's judgment whether the assets will be sold or used to the end of their useful lives, and what their condition will be at that time.

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Accounting Policies

1.6 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

If the municipality determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably measurable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). If the municipality determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the municipality measures that investment property using the cost model (as per the accounting policy on Property, plant and equipment). The residual value of the investment property is then assumed to be zero. The municipality applies the cost model (as per the accounting policy on Property, plant and equipment) until disposal of the investment property.

Once the municipality becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on Property, plant and equipment.

1.7 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

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Accounting Policies

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the municipality is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land	Straight-line	Indefinite
Buildings	Straight-line	2-40 years
Plant and Machinery	Straight-line	2-40 years
Furniture and Office Equipment	Straight-line	4-40 years
Motor vehicles	Straight-line	5-25 years
Office equipment	Straight-line	3-50 years
Computer equipment	Straight-line	3-25 years
Infrastructure Assets	Straight-line	2-150 years
Community Assets	Straight-line	3-80 years
Landfill site assets	Straight-line	20-100 years
Other property, plant and equipment	Straight-line	3-50 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life. (Depreciation per day)

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

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The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

1.8 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an municipality and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the municipality intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets, amortisation is provided on a straight-line basis over their useful life.

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The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight-line	3-25 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.9 Heritage assets

Assets are resources controlled by an municipality as a result of past events and from which future economic benefits or service potential are expected to flow to the municipality.

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an municipality's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

An impairment loss of a cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

An inalienable item is an asset that an municipality is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Value in use of a cash-generating asset is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

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Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential.

The municipality separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note 6).

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Impairment

The municipality assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one municipality and a financial liability or a residual interest of another municipality.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectability.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an municipality's statement of financial position.

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The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, a municipality shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the municipality shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash.
- a residual interest of another municipality or
- a contractual right to
 - receive cash or another financial asset from another municipality or
 - exchange financial assets or financial liabilities with another municipality under conditions that are potentially favourable to the municipality.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another municipality; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the municipality.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by a municipality in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of a municipality after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital.
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of a municipality's net assets, either before the contribution occurs or at the time of the contribution or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of a municipality.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the municipality had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the municipality designates at fair value at initial recognition; or
- are held for trading.

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Classification

The municipality has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Receivables from non exchange transactions	Financial asset measured at amortised cost
Consumer debtors from exchange transactions	Financial asset measured at amortised cost
Consumer debtors from non-exchange transactions	Financial asset measured at amortised cost
Long term investments	Financial asset measured at amortised cost

The municipality has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Borrowing	Financial liability measured at amortised cost
Payable from exchange	Financial liability measured at amortised cost

Initial recognition

The municipality recognises a financial asset or a financial liability in its statement of financial position when the municipality becomes a party to the contractual provisions of the instrument.

The municipality recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The municipality measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

The municipality measures all financial assets and financial liabilities after initial recognition using the following categories:

-Financial instruments at amortised cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

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Derecognition

Financial assets

The municipality derecognises financial assets using trade date accounting.

The municipality derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived.
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset or
- the municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
 - derecognise the asset and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If the municipality transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the municipality adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the municipality obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the municipality recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the municipality has retained substantially all the risks and rewards of ownership of the transferred asset, the municipality continues to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the municipality recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

Financial liabilities

The municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to

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another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another municipality by way of a non-exchange transaction

are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

1.11 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another municipality in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

The municipality has identified the following statutory receivables and their applicable legislation:

Name	Legislation
Property rates	Municipal Property Rates Act No. 6 of 2004.
Traffic fines	Criminal Procedures Act 51 of 1977. Administrative Adjudication of Road Traffic Act.
VAT Receivable	Value Added Tax Act 89 of 1991 (VAT Act).

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions.
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the transaction amount can be measured reliably.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable)
- impairment losses; and
- amounts derecognised.

Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

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Other charges

Where the municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the municipality applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or another financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

In estimating the future cash flows, the municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the municipality discounts the estimated future cash flows using a rate that reflects the current risk-free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived.
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
 - derecognises the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The municipality considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

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1.12 Value-Added Tax (VAT)

The municipality is registered with the South African Revenue Services (SARS) for VAT on the payment basis, in accordance with Section 15(2) of the Value-Added Tax Act No.89 of 1991.

The municipality recognises VAT on the accrual basis and declares it to SARS on a cash basis.

Revenue, expenses and assets are recognised net of the amounts of value added tax (VAT) measured in terms of the VAT Act except:

- Where the VAT incurred on the purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- Receivables and payables that are stated with the amount VAT included.

Where recoverable VAT amount (input VAT) exceeds payable VAT amount (output VAT), the municipality recognises VAT receivable. In case where output VAT exceeds input VAT, the municipality recognises VAT payable.

VAT receivable is an asset and creates a statutory receivable as defined in GRAP 108 - Statutory receivables.

1.13 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequent measurement

Land Inventory

Subsequently inventories are measured at the lower of cost and net realisable value.

Consumables and municipal bins

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories (Consumables) is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered.

The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.14 Cash and cash equivalents

Cash and cash equivalents are measured at fair value. The carrying amount approximates fair value due to the short period to maturity. Cash and cash equivalents comprise cash at bank, cash on hand and short- term investments.

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1.15 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Designation

At initial recognition, the municipality designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of a municipality's objective of using the asset.

The municipality designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

The municipality designates an asset as non-cash-generating when its objective is not to use the asset to generate a commercial return but to deliver services.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the municipality expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate a commercial return, the municipality designates the asset as a non-cash-generating asset and applies this accounting policy, rather than the accounting policy on Impairment of cash-generating assets.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

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Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an oversized or overcapacity asset. Oversized assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

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1.16 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions.
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service.
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the municipality during a reporting period, the municipality recognise the undiscounted amount

of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the municipality recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The municipality measures the expected cost of accumulating compensated absences as the additional amount that the municipality expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The municipality recognise the expected cost of bonus, incentive and performance related payments when the municipality has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the municipality has no realistic alternative but to make the payments.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an municipality provides post-employment benefits for one or more employees.

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Post employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an municipality pays fixed contributions into a separate municipality (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient

assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the municipality during a reporting period, the municipality recognise the contribution payable to

a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an municipality recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and

- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money.

The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases.

- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and

- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:

- those changes were enacted before the reporting date; or

- past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Other long-term employee benefits

Long service awards are provided to employees who achieve certain pre-determined milestones of service within the municipality. The cost for each employee is computed at each reporting date based on the probability of being employed at each service award date, taking into account the assumed rates of withdrawal, early retirement and death. On determining this liability due allowance is made for future salary increases. Actuarial gains and losses are recognised in full in the year they are incurred.

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Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan.

Consideration is given to any event that could impact the funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested and are otherwise amortised on a straight-line basis over the average period until the amended benefits become vested.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the municipality is demonstrably committed to curtailment or settlement.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

1.17 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event.
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus.

If an municipality has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised as an asset or liability in the financial statements. Contingencies are disclosed in note 51.

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Decommissioning, restoration and similar liability

Changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in the discount rate, is accounted for as follows:

If the related asset is measured using the cost model:

- changes in the liability is added to, or deducted from, the cost of the related asset in the current period.
- the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit.
- if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the municipality tests the asset for impairment by estimating its recoverable amount or recoverable service amount, and account for any impairment loss, in accordance with the accounting policy on impairment of assets as described in accounting policy and 1.15.
- changes in the liability alter the revaluation surplus or deficit previously recognised on that asset, so that:
 - a decrease in the liability is credited directly to revaluation surplus in net assets, except that it is recognised in surplus or deficit to the extent that it reverses a revaluation deficit on the asset that was previously recognised in surplus or deficit; and
 - an increase in the liability is recognised in surplus or deficit, except that it is debited directly to revaluation surplus in net assets to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The periodic unwinding of the discount is recognised in surplus or deficit as a finance cost as it occurs.

1.18 Commitments

Items are classified as commitments when an municipality has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements. The municipality discloses commitments arising from:

- Operating leases in accordance with GRAP 13,
- The purchase, construction, development, or repair and maintenance of investment property in accordance with GRAP 16,
- The acquisition of property, plant and equipment and intangible assets in accordance with GRAP 17 and GRAP 3,
- The acquisition, maintenance and restoration of heritage assets in accordance with GRAP 103,
- Contractual arrangements between related parties in accordance with GRAP 20.

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1.19 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

The amount of revenue arising on a transaction which is statutory (non-contractual) in nature is usually measured by reference to the relevant legislation, regulation or similar means. The fee structure, tariffs or calculation basis specified in legislation, regulation or similar means is used to determine the amount of revenue that should be recognised. This amount represents the fair value, on initial measurement, of the consideration received or receivable for revenue that arises from a statutory (non-contractual) arrangement (see the accounting policy on Statutory Receivables).

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods. Sale of stands is recognised in full once payment has been fully made and that is the point in time where the risk and rewards are transferred and the title deeds will be issued to the buyer.
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- the amount of revenue can be measured reliably.
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably.
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licenses and permits.

Interest

Revenue arising from the use by others of municipality assets yielding interest, royalties and dividends or similar distributions is recognised when:

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- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Other revenue from exchange

1. Unclaimed Deposits – Exchange Revenue

Unclaimed deposits relating to exchange transactions are recognised as revenue when:

The deposit has remained unclaimed for a period determined in accordance with municipal policy and applicable legislation;

All reasonable efforts to trace the rightful owner have been exhausted; and

The municipality has obtained legal entitlement to the amount.

The transaction is recognised in surplus or deficit under Other Income – Unclaimed Deposits. This treatment is consistent with GRAP 9 when the underlying transaction meets the definition of an exchange transaction.

2. Fees Earned

Fees for services rendered are recognised as revenue when:

The service has been provided to the customer;

The amount of revenue can be measured reliably; and

It is probable that the economic benefits will flow to the municipality.

Examples include clearance certificate fees, tender document sales, photocopying and printing services, and facility hire fees. Revenue is recognised in the period in which the service is rendered.

3. Other Income

Other income from exchange transactions includes revenue streams that do not fall under the municipality's main operating activities but arise from transactions where there is an exchange of approximately equal value. Examples include rental income from operating leases, sale of scrap, and insurance recoveries relating to operational activities.

Revenue from other income is recognised when:

The risks and rewards of ownership have transferred to the buyer (for goods); or

The service has been performed (for services); and

Collection is probable and the amount can be measured reliably.

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1.20 Revenue from non-exchange transactions

Revenue comprises of gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

Payments received from third parties like insurance refunds are recognised as revenue.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions, or obligations have not been met, a liability is recognised.

All unclaimed deposits are initially recognised as a liability. All unclaimed deposits that are more than one year old are transferred to the accumulated surplus.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Interest is recognised using the effective interest rate method for financial instruments and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Property Rates

The municipality recognises an asset in respect of taxes when the taxable event occurs, and the asset recognition criteria are met.

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Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur, and their fair value can be reliably measured.

The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

Transfers

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Gifts and donations

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

1.21 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.22 Borrowing costs

Borrowing costs are interest and other expenses incurred by an municipality in connection with the borrowing of funds.

Qualifying asset is an asset that necessarily takes a substantial period of period to get ready for its intended use of sale.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset when it is probable that they will result in future economic benefits or service potential to the municipality, and the costs can be measured reliably. The municipality applies this consistently to all borrowing costs that are directly attributable to the acquisition, construction, or production of all qualifying assets of the municipality. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any investment income on the temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the municipality on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when all the following conditions have been met:

- expenditures for the asset have been incurred.
- borrowing costs have been incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are undertaken.

When the carrying amount or the expected ultimate cost of the qualifying asset exceeds its recoverable amount or recoverable service amount or net realisable value or replacement cost, the carrying amount is written down or written off in accordance with the accounting policy on Impairment of Assets and Inventories as per accounting policy number 1.13 and 1.15. In certain circumstances, the amount of the write-down or write-off is written back in accordance with the same accounting policy.

Capitalisation is suspended during extended periods in which active development is suspended.

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Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

When the municipality completes the construction of a qualifying asset in parts and each part is capable of being used while construction continues on other parts, the municipality ceases capitalising borrowing costs when it completes substantially all the activities necessary to prepare that part for its intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.23 Accounting by principals and agents

Identification

An agent is an municipality that has been directed by another municipality (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an municipality that directs another municipality (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

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A principal-agent arrangement results from a binding arrangement in which one municipality (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another municipality (the principal).

Principle-agent arrangement

The Constitution of the Republic of South Africa, 1996 (the Constitution), sets out the various responsibilities of government, and assigns activities to various spheres of government or to particular types of entities. Supporting legislation within each sphere of government sets out the mandate, authority, roles and responsibilities of specific entities in undertaking the activities outlined in the Constitution. In many cases, this legislation results in the establishment of separate entities to undertake these activities. It is however not feasible to establish separate entities in all instances, and it may be more efficient and effective to utilise other entities to undertake certain activities. As a result, entities frequently have certain activities executed by another municipality, or undertake activities on behalf of other entities. The ultimate responsibility, however, for the various activities still rests with the entities identified in legislation.

Where these arrangements exist, it is important to identify which municipality should account for the transactions arising from these

activities, and what resulting revenue, expenses, assets and/or liabilities should be recognised. Examples of typical arrangements where one municipality undertakes activities on behalf of another municipality in the public sector may include:

- The collection of revenue, including taxes, fees and other charges from specific parties, e.g. motor vehicle licence fees collected by municipalities for the provincial government, and taxes collected by the Revenue Authority for the national government.
- The construction of assets, e.g. houses built for beneficiaries of the reconstruction and development programme, for national and/or provincial housing departments and organisations.
- The provision of goods and services to recipients, e.g. the provision of water to specific communities by municipalities on behalf of water service authorities.

Property management services, which may include the maintenance of properties and collection of revenue, for the Department of Public Works and/or municipalities.

Service concession arrangements may be an example of a principal-agent arrangement as one party (the operator, which is usually a private sector municipality) carries out certain activities on behalf of the other municipality (the grantor, which is usually a public

sector municipality) in relation to third parties (the public). An municipality should assess whether a principal-agent arrangement exists, and

whether it is a principal or an agent in such an arrangement using this Standard.

When an municipality directs another municipality to undertake an activity on its behalf, it must consider whether it is a party to a principal-agent arrangement. The definition of a principal-agent arrangement refers to an municipality acting on behalf of another municipality in

relation to transactions with third parties. In the absence of transactions with third parties, the arrangement is not a principal-agent arrangement, and the municipality then acts in another capacity rather than as an agent. This type of assessment may be

particularly relevant to the following two scenarios that are often encountered in the public sector:

(a) Entities, particularly national and provincial departments, are often asked to collect money from public entities or other agencies and to subsequently deposit the money into the relevant revenue fund. In these arrangements, although the departments seemingly undertake activities on behalf of the revenue fund, there is no specific direction given by the revenue fund in relation to the transactions with third parties. As a result, such arrangements may not meet the definition of a principal-agent arrangement.

b) The structure and operation of the public sector means that entities frequently control other entities in accordance with the Standard of GRAP on Consolidated Financial Statements (GRAP 35). Although these control relationships mean that the controlling municipality is able to direct the activities of an municipality so that it benefits from those activities, these relationships by

themselves do not indicate the existence of a principal-agent arrangement. Only where a controlling municipality specifically directs a

controlled municipality to undertake transactions with third parties for its benefit will a principal-agent arrangement exist. In control

relationships, it is possible for one or more principal-agent arrangements to exist within the context of a control relationship.

“Transactions with third parties” in the context of this Standard includes the execution of a specific transaction with a third party, e.g. a sale or purchase transaction, but it also includes interactions with third parties, e.g. when an agent is able to negotiate with third parties on the principal’s behalf. The nature of the transactions with third parties is linked to the type of activities carried out by the agent in accordance with the binding arrangement. These activities could include the agent

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transacting with third parties for the procurement or disposal of resources, or the receipt resources from a third party on behalf of the principal.

Principal-agent arrangements usually exist as a result of a binding arrangement between the parties to the arrangement. It is unlikely that an municipality would undertake activities on behalf of another municipality in the absence of a binding arrangement as the arrangement imposes rights and obligations on the parties to perform in a particular manner.

Where no binding arrangement exists, it is assumed that the municipality is acting for itself, rather than on behalf of another municipality. As a result, no principal-agent arrangement exists in the absence of a binding arrangement.

Presentation

Where assets and liabilities are recognised, in accordance with other Standards of GRAP by an agent in respect of those transactions that it undertakes on behalf of its principal, it is inappropriate to offset the assets and liabilities recognised, unless another Standard of GRAP permits the offsetting of such amounts.

Disclosure

An municipality that is a party to a principal-agent arrangement shall disclose:

- (a) a description of the arrangement, including the transactions undertaken.
- (b) whether the municipality is the principal or agent and any significant judgement applied in making this assessment.
- (c) significant terms and conditions of the arrangements and whether any changes occurred during the reporting period; and
- (d) an explanation of the purpose of the principal-agent relationship and any significant risks (including any risk mitigation strategies) and benefits associated with the relationship.

Disclosure by agents

A municipality that is the agent in a principal-agent arrangement shall disclose the following in the notes to the financial statements:

(a) a description of any resources (including the carrying value and description of any assets recognised) that are held on behalf of a principal but recognised in the agent's own financial statements. Such disclosure shall include:

- (i) the remittance of any resources during the period, as well as the expected timing of remittance of any remaining resources to the principal; and
- (ii) risks that are transferred from the principal to the agent (if any), including risks flowing to the municipality as a result of its custodianship over the resources held on behalf of a principal.

(b) the aggregate amount of revenue that the municipality recognises as compensation for the transactions carried out on behalf of

the principal; and

(c) a description of any liabilities incurred on behalf of a principal that have been recognised by the municipality, as well as any corresponding rights of reimbursement that have been recognised as assets.

An agent shall disclose information in the notes to the financial statements about the revenue and expenses that relate to transactions with third parties undertaken in terms of the principal-agent arrangement. An agent shall disclose:

(a) The category of revenue received or to be received, as well as the category of expenses paid or accrued on behalf of the principal.

(b) The amount of revenue received or to be received, as well as the amount of expenses paid or accrued on behalf of the principal during the reporting period per category of revenue or expense.

1.24 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

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Accounting Policies

1.25 Unauthorised expenditure

Unauthorised expenditure is defined in section 1 of the MFMA as follows:

“unauthorised expenditure”, in relation to a municipality, means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3), and includes—

- (a) overspending of the total amount appropriated in the municipality’s approved budget;
- (b) overspending of the total amount appropriated for a vote in the approved budget;
- (c) expenditure from a vote unrelated to the department or functional area covered by the vote;
- (d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- (e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of “allocation” otherwise than in accordance with any conditions of the allocation; or
- (f) a grant by the municipality otherwise than in accordance with this Act.

Unauthorised expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.26 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is defined in section 1 of the MFMA as Expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.27 Irregular expenditure

Irregular expenditure is defined in section 1 of the MFMA as follows:

“irregular expenditure”, in relation to a municipality or municipal municipality, means—

- (a) expenditure incurred by a municipality or municipal municipality in contravention of, or that is not in accordance with, a requirement of this Act, and which has not been condoned in terms of section 170;
- (b) expenditure incurred by a municipality or municipal municipality in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;
- (c) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998); or
- (d) expenditure incurred by a municipality or municipal municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or municipality or any of the municipality’s by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law, but excludes expenditure by a municipality which falls within the definition of “unauthorised expenditure”.

In this context ‘expenditure’ refers to any use of municipal funds that is in contravention of the following legislation:

- Municipal Finance Management Act, Act 56 of 2003, and its regulations;
- Municipal Systems Act, Act 32 of 2000, and its regulations;
- Public Office-Bearers Act, Act 20 of 1998, and its regulations; and
- The municipality’s supply chain management policy, and any by-laws giving effect to that policy.

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Irregular expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc. (as applicable).

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law.

Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.28 Segment information

A segment is an activity of an municipality:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same municipality);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Reportable segment Goods and/or services

Community services - Removal and disposal of waste, traffic safety, municipal bylaws and security. Provision of libraries, pounds, public parks and cemeteries.

Finance - Ensure proper management of municipal finances to improve financial viability, revenue, budget control, expenditure and free basic services. It also administers supply chain, fleet and asset management services.

Technical services - Technical Services Administration, Roads, Storm Water.

Corporate services - Corporate Services Administration, Executive Support., Waste Management Waste disposal.

Development Planning - Development Planning Services Administration, Municipal Buildings.

Local Economic Development - Economic & Land Development Administration.

Municipal Manager - Municipal Manager Administration.

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Accounting Policies

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the municipality's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the municipality's financial statements.

1.29 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2024/07/01 to 2025/06/30.

The budget for the economic municipality includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

For purposes of explaining the variances between the budget versus actual performance, variances below the *10% of budget* threshold are considered immaterial and are not reported.

1.30 Related parties

A related party is a person or an municipality with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an municipality that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an municipality so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting municipality and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an municipality, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality.

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Accounting Policies

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual municipality or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting municipality's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the municipality's financial statements to understand the effect of related party transactions on its annual financial statements.

Events after the reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.31 Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised

1.32 Prior period errors

Errors are corrected retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality would restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable

When the presentation or classification of items in the Annual Financial Statements is amended, prior period comparative amounts are reclassified. The nature and reasons for the reclassification are disclosed

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2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

GRAP 25 (as revised): Employee Benefits

Background

Key amendments to GRAP 25

2.2 Standards and Interpretations early adopted

The municipality has chosen to early adopt the following standards and interpretations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none">GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	Not yet defined	The impact of the is not material.
<ul style="list-style-type: none">GRAP 104 (as revised): Financial Instruments	01 April 2025	The impact of the is not material.

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3. Investment property

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	54 550 000	-	54 550 000	53 330 854	-	53 330 854

Reconciliation of investment property - 2025

	Opening balance	Fair value adjustments	Total
Investment property	53 330 854	1 219 146	54 550 000

Reconciliation of investment property - 2024

	Opening balance	Transfers	Fair value adjustments	Total
Investment property	78 233 600	(26 500 000)	1 597 254	53 330 854

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.

The fair values of investment property as measured or disclosed in the financial statements are based on a valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

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3. Investment property (continued)

The determination of fair values was supported by market evidence, the location, type and condition of the property (land. The type of property, the zoning of the property, the location of the property, the highest and best use of the property and the size of the property are some of the factors that were taken into consideration when deciding on a correct valuation method. The following valuation methods were used in the valuation:

The comparative method – (Residential & Vacant Land / Agricultural Properties).

The principle of comparison is based on the economic concept of substitution that a knowledgeable and prudent person would not pay more for a property than the cost of acquiring an equally satisfactory substitute. This implies that, within a suitable time frame, the values of properties that are considered to be close substitutes in terms of location, utility and desirability will tend to be similar, and the lowest price of the best alternative tends to establish market value.

A property may be valued by comparing it to similar properties for which recent price information is available. Comparable properties are selected on the basis of their **elements of comparison** which include the key transaction information,

such as the date, price paid, market rent (MR) and yield, as well as the determinants of value such as size, location, use, age, condition, and tenure.

Investment method/income method (Business & Industrial / Agricultural Properties).

The income capitalisation method is a discounting method just as the DCF valuation method and takes into account the time value of money. It encompasses the following rationale:

The property is valued by discounting the expected future net income for a specific period at an appropriate capitalisation rate (Years Purchase) to give the present value (PV) of the expected net income cash flow.

Residual method (Vacant Land).

The actual value of a particular piece of land (or site) will depend on not only

on its current or existing use but also on its potential use and the anticipation

of development rights – often referred to as **hope value** or development value. Changes in supply and demand may influence the development value of a piece of land to an extent that competition may increase the value of the land for reasons that have little to do with its current use, and it is the valuation of these potential development rights.

This method is a project-based valuation approach, known as the **residual method of valuation**, is used. It is based on the assumption that an element of latent or residual value is released after development has taken place. The value of the site in its proposed state is estimated, as are all of the costs involved in the development, including a suitable level of return to the developer. If the value of the completed development is greater than its cost to build, the difference, known as the **residual value**, is the value of site.

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3. Investment property (continued)

Replacement Cost Method & Depreciated Replacement Cost Method (DCF) (Mining, Places of Worship/ Specialised properties).

The replacement cost or contractor's method also known as **Reinstatement Value**, is used to value specialist properties that are seldom sold because there is no clear market demand. Consequently, there is little or no comparable evidence. The method is employed when the existing uses of these sorts of properties need to be valued for corporate disclosure (reporting the value of property assets in company accounts), purposes for business rates for compulsory purchase and compensation. The method is also used to estimate the replacement cost for insurance valuations. The Depreciated Replacement Cost Method (DRC) is applied when the property is "fit for purpose built" or specialised and would therefore rarely come to the market for sale. The nature of design, location and its use mean that the property has limited marketability except for its current use.

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4. Property, plant and equipment

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	340 718 983	-	340 718 983	340 718 982	-	340 718 982
Buildings	187 328 368	(54 307 893)	133 020 475	186 973 930	(47 190 817)	139 783 113
Plant and machinery	73 650 816	(36 956 775)	36 694 041	69 971 960	(39 164 116)	30 807 844
Furniture and office equipment	32 148 003	(17 385 557)	14 762 446	28 633 199	(14 477 727)	14 155 472
Motor vehicles	33 457 917	(15 424 168)	18 033 749	30 375 358	(13 207 537)	17 167 821
IT equipment	30 846 352	(19 233 074)	11 613 278	29 082 032	(17 349 868)	11 732 164
Infrastructure assets	2 933 785 140	(1 072 952 872)	1 860 832 268	2 841 212 792	(1 005 930 870)	1 835 281 922
Community assets	254 381 340	(74 822 327)	179 559 013	235 852 411	(65 791 632)	170 060 779
Work in progress	316 258 139	(886 688)	315 371 451	167 884 832	(886 688)	166 998 144
Land - landfill site	5 150 735	(2 551 890)	2 598 845	4 176 950	(1 872 606)	2 304 344
Total	4 207 725 793	(1 294 521 244)	2 913 204 549	3 934 882 446	(1 205 871 861)	2 729 010 585

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4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Transfers	Revaluations/r eclassification	Public contribution and donation	Depreciation	Impairment loss	Total
Land	340 718 983	-	-	-	-	-	-	-	340 718 983
Buildings	139 783 113	324 329	-	-	-	-	(7 086 967)	-	133 020 475
Plant and machinery	30 807 844	11 800 949	(73 665)	654 187	-	-	(6 495 274)	-	36 694 041
Furniture and office equipment	14 155 472	2 086 463	(165 254)	911 722	-	513 840	(2 739 797)	-	14 762 446
Motor vehicles	17 167 820	5 855 768	(428 381)	-	-	-	(4 561 458)	-	18 033 749
IT equipment	11 732 164	3 501 972	(72 359)	382 275	-	708 144	(4 638 918)	-	11 613 278
Infrastructure	1 835 281 923	43 370	(423)	92 300 938	-	153 229	(66 882 692)	(64 077)	1 860 832 268
Community assets	170 060 779	-	-	13 259 928	-	5 269 000	(9 030 694)	-	179 559 013
Work in progress	166 998 144	243 930 759	-	(107 509 050)	-	11 951 598	-	-	315 371 451
Land - Landfill site	2 304 344	-	-	-	459 097	-	(164 596)	-	2 598 845
	2 729 010 586	267 543 610	(740 082)	-	459 097	18 595 811	(101 600 396)	(64 077)	2 913 204 549

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4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Additions through transfer of functions / mergers	Disposals	Transfers	Change in useful life	Prior period error	Other changes, movements	Depreciation	Impairment loss	Total
Land	185 318 983	155 399 999	-	-	-	-	-	-	-	-	340 718 982
Buildings	146 888 441	-	-	-	-	7 712	-	-	(7 113 039)	-	139 783 113
Plant and machinery	18 776 067	15 565 526	-	-	-	-	981 888	-	(4 515 637)	-	30 807 844
Furniture and office equipment	8 832 987	7 323 232	-	-	-	-	14 321	-	(2 015 067)	-	14 155 473
Motor vehicles	16 539 055	4 158 450	-	-	-	-	20 000	-	(3 549 684)	-	17 167 821
IT equipment	11 785 792	3 933 919	-	-	-	-	-	-	(3 987 547)	-	11 732 164
Infrastructure	1 746 673 566	1 733 068	-	(4 962 992)	149 888 152	73 157	1 676 765	17 391 303	(54 996 441)	(22 194 639)	1 835 281 939
Community assets	178 811 728	195 000	-	-	348 790	(45 078)	-	-	(9 249 657)	-	170 060 783
Work in progress	114 688 492	204 582 606	-	-	(150 236 942)	-	(1 149 324)	-	-	(886 688)	166 998 138
Land - Landfill site	6 060 925	-	(514 688)	-	-	-	-	-	(233 037)	-	2 304 344
Other assets	(1 834 224)	-	-	-	-	-	(996 252)	-	(178 380)	-	-
	2 432 541 812	392 891 800	(514 688)	(4 962 992)	-	35 791	547 398	17 391 303	(85 838 489)	(23 081 327)	2 729 010 601

Reconciliation of Work-in-Progress 2025

	Included within Infrastructure	Included within Community	Included within IT	Total
Opening balance	136 852 122	28 077 719	2 068 303	166 998 144
Additions/capital expenditure	163 357 906	92 524 455	-	255 882 361
Transferred to completed items	(92 300 938)	(13 480 924)	(1 727 191)	(107 509 053)
	207 909 090	107 121 250	341 112	315 371 452

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4. Property, plant and equipment (continued)

Reconciliation of Work-in-Progress 2024

	Included within Infrastructure	Included within Community	Included within Other PPE	Total
Opening balance	95 530 321	18 099 667	1 058 503	114 688 491
Additions/capital expenditure	266 671 385	10 326 842	1 727 191	278 725 418
Transfer to PPE	(149 888 152)	(348 790)	-	(150 236 942)
Impairment	(886 688)	-	-	(886 688)
Adjustment	1 256 853	-	586 957	1 843 810
Prior year adjustment	(1 688 787)	-	(1 304 348)	(2 993 135)
Transfer to expenditure	(74 142 805)	-	-	(74 142 805)
	136 852 127	28 077 719	2 068 303	166 998 149

SLP projects (Donations)

Asset description	SLP Provider	Asset category	Fair value at date of capitalisation
Moopetsi library and ICT center	Twickenham Mine	Community assets	5 269 000
Water tank, filter & pump	Twickenham	Machinery and equipment	153 229
Computer equipment	Twickenham mine	Computer equipment	720 544
Furniture and office equipment	Twickenham	Furniture and office equipment	502 822
			6 645 595

The municipality capitalised completed SLP projects based on control as the community is already enjoying the benefits of these projects. Condition assessment was performed during the year and the SLP projects were included in the asset register at fair value as guided by GRAP 23 paragraph 98

2. Receipt of technical handover from mines after verification of the assets by the municipality.

Donation	Donor	Asset category	Fair value at capitalisation
Moopetsi Traffic office	Bohwa Bja Rena trust	Buildings	235 000
Mashifane park donation	Treasury	Work in progress	11 951 598
			12 186 598

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4. Property, plant and equipment (continued)

WIP projects temporarily stopped or taking long to complete

Included in the Work in Progress are projects that are taking significantly longer period to complete than expected with a carrying value of R36 549 352.20 (2024: R33 087 849.81) The delays in completion were due to non-availability of adequate funding however these projects are not impaired.

Projects delayed in completion	Carrying value at June 2025	Carrying value at 30 June 2024
Highmast phase 2- Awaiting energisation	11 808 814	11 808 814
Construction of boreholes- Boreholes are incomplete and pumps to be reconnected	232 000	232 000
Computer hardware- Materials in stores awaiting installation	341 112	341 112
Praktiseer library-	17 646 993	14 185 488
	30 028 919	26 567 414

Projects temporarily halted	Carrying value at June 2025	Carrying value as 30 June 2024
Refurbishment of Fetakgomo sports complex and other dilapidated municipal sports complex within the municipality- Ended at design stage. Project has not commenced due to financial challenges	1 480 501	1 480 501
Mashamotane access road to moshate- Ended at design stage- Project has not commenced due to financial challenges	260 321	260 321
Malogeng landfill site internal street- Project has not commenced due to financial challenges	324 296	324 296
Ohrigstad road & stormwater - Ended at design stage. Project has not commenced due to financial challenges	260 870	260 870
N1 GA-Mohlopi to Holong road - Ended at design stage. Project has not commenced due to financial challenges	246 353	246 353
Praktiseer roads and stormwater - Ended at design stage. Project has not commenced due to financial challenges	206 623	206 623
Nkotsana primary school access bridge- Ended at design stage. Project has not commenced due to financial challenges	608 695	608 695
Shubushung access bridge - Ended at design stage. Project has not commenced due to financial challenges	363 952	363 952
Planning and design Tidintitsane bridge- Ended at design stage. Project has not commenced due to financial challenges	554 890	554 890
	4 306 501	4 306 501

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4. Property, plant and equipment (continued)

Details of properties

Municipalities shared and continue to share responsibility with provinces for the release of land for housing development, land use planning, and land use and building control. In terms of this responsibility, the Department of Human Settlement identified and repatriated land owned by the municipality to fulfil its mandate with respect to the delivery of houses. Included in the register for the municipality, there is land located in Mecklenburg and Hoeraroep transferred by the Provincial Government of Limpopo and Department of Rural development with occupants for the purpose of town establishments. Whilst the municipality has legal title to the land, it does not recognise the land because from the date of repatriation, the Department of Human Settlements is responsible for the subdivision, planning and urban development and the subsequent allocation of the built houses to beneficiaries. The Municipality has no right to control the land and is not involved in key decision making with respect to the use of this land. Council took a resolution to derecognise these land and properties in the financial statements.

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.

Land which Municipality has no control

Land with the value of R26,485,460 at 30 June 2025 were not included in the Land Register since the Municipality has no control

Private residents have built their houses on the land and steps are being undertaken by the Municipality to alienate the land. Alienation in Fetakgomo will be undertaken once bulk services have been provided. Mecklenburg formalisation is yet to be undertaken.

Area	Cost (R)
Mecklenburg A	14,523,000
Mecklenburg B	10,390,000
Fetakgomo ext3	187,404
Fetakgomo ext4	102,596
Fetakgomo ext5	1,134,959
Fetakgomo ext7	147,501
TOTAL	26,485,460

Properties which Municipality has no Control

Burgersfort Properties R14,735,261

Properties with the fair value of R14,735,261 at 30 June 2025 were not included in the register because the municipality has no control.

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5. Intangible assets

	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	2 758 118	(640 457)	2 117 661	2 063 740	(482 726)	1 581 014

Reconciliation of intangible assets - 2025

	Opening balance	Additions	Amortisation	Total
Computer software	1 581 014	694 378	(157 731)	2 117 661

Reconciliation of intangible assets - 2024

	Opening balance	Prior period	Amortisation	Total
Computer software	436 535	1 241 973	(97 494)	1 581 014

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6. Heritage assets

	2025			2024		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Art Collections, antiquities and exhibits	1 068 300	-	1 068 300	1 068 300	-	1 068 300

Reconciliation of heritage assets 2025

	Opening balance	Total
Art Collections, antiquities and exhibits	1 068 300	1 068 300

Reconciliation of heritage assets 2024

	Opening balance	Total
Art Collections, antiquities and exhibits	1 068 300	1 068 300

Heritage assets consist of the mayoral chains from the former Fetakgomo and former Tubatse Local Municipalities, and are carried at deemed cost.

7. Long term investment

Residual interest at cost

Standard bank- Fixed deposit - 038578492 007	50 000 000	50 000 000
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Terms and conditions

Fixed deposit of R50 000 000 at 10,59%, from 06 November 2023 to 06 November 2026.

Standard bank- Interest on fixed deposit- 038578492007	8 747 630	3 452 630
	58 747 630	53 452 630

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7. Long term investment (continued)

Non-current assets

Residual interest at cost	58 747 630	53 452 630
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8. Payables from exchange transactions

Trade payables	80 172 425	86 724 675
Sale of land deposits	12 272 103	14 125 269
Unallocated receipts	752 556	-
Accrued bonus	5 405 117	5 222 178
Retention creditors	67 856 676	64 061 471
Other payables and accruals	52 345 563	83 349 891
Consumer debtors in credit	3 274 418	4 095 908
	222 078 858	257 579 392

9. Employee benefit obligations

Defined benefit plan

The amounts recognised in the statement of financial position are as follows:

Carrying value

Present value of the defined benefit obligation-wholly unfunded	(26 425 756)	(22 017 334)
Present value of the defined benefit obligation-partly or wholly funded	(1 866 607)	(1 733 737)
Fair value of plan assets	(3 569 485)	(3 129 153)
Fair value of reimbursement rights	444 974	178 288
Actuarial gain /loss	(485 371)	276 180
	(31 902 245)	(26 425 756)

Post retirement medical aid	-	-
Non-current liabilities	(31 469 433)	(25 980 782)
Current liabilities	(432 812)	(444 974)
	(31 902 245)	(26 425 756)

Net expense recognised in the statement of financial performance

Current service cost	1 866 607	1 733 737
Interest cost	3 569 485	3 129 153
Actuarial gains	485 371	(276 180)
	5 921 463	4 586 710

Calculation of actuarial gains and losses

Actuarial gains - Obligation	485 371	(276 180)
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LONG SERVICE AWARDS

The amounts recognised in the statement of financial position are as follows:

Opening balance	(13 116 605)	(11 670 093)
Current Service cost	(962 955)	(866 599)
Interest cost	(1 288 478)	(1 193 402)
Benefits paid	1 886 069	2 001 889
Actuarial losses	(1 170 332)	(1 388 400)
	(14 652 301)	(13 116 605)

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9. Employee benefit obligations (continued)		
Changes in the present value of the defined benefit obligation are as follows:		
Opening balance	12 422 452	8 974 051
Net expense recognised in the statement of financial performance	3 421 765	3 448 401
	15 844 217	12 422 452
Net expense recognised in the statement of financial performance		
Current service cost	962 955	866 599
Interest cost	1 288 478	1 193 402
Actuarial (gains) losses	1 170 332	1 388 400
	3 421 765	3 448 401
Calculation of actuarial gains and losses		
Actuarial (gains) losses – Obligation	1 170 332	1 388 400
Long service awards		
Non-Current Liabilities	(12 425 460)	(11 956 472)
Current Liabilities	(2 226 841)	(1 160 133)
	(14 652 301)	(13 116 605)
Total employee benefit obligation		
Non-Current Liabilities	(43 894 893)	(37 937 254)
Current Liabilities	(2 659 653)	(1 605 107)
	(46 554 546)	(39 542 361)

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9. Employee benefit obligations (continued)

Defined contribution plan

Post retirement medical aid plan

- The actuarial valuation determined that the retirement plan was in a sound financial position

The plan is a post employment medical benefit plan.

Post retirement medical aid plan

The employer's post-employment health care liability consists of a commitment to pay a portion of the pensioners' post-employment medical scheme contributions. This liability is also generated in respect of dependents who are offered continued membership of the medical scheme after the death of the primary member.

Fetakgomo is committed to paying subsidies broadly as follows:

- All new continuation pensioners (that are currently still in service) and their dependents will receive a 70% subsidy subject to the maximum (CAP) amount of R5 791.15 (per month per member) for the financial period from 1 July 2025.
- All existing continuation pensioners and their dependents will continue to receive a 70% subsidy subject to the maximum (CAP) amount of R5, 791.15 (per month per member) from 1 July 2024.
- We have assumed that the subsidy would increase by 50% of long-term CPI.

Valuation method

In accordance with the requirements of GRAP 25, the Projected Unit Credit method has been applied. The assumption underlying the funding method is that the employer's post-employment medical scheme costs in respect of an employee should be fully recognised by the time that the employee reaches fully accrued age. The valuation has been made with reference to the Actuarial Society of South Africa (ASSA) guidelines, in particular, the Advisory Practice Note 207, and is consistent with the requirements of GRAP 25.:

Assumption

Discount rate (D)	12,64 %	13,62 %
Consumer price inflation (C)	7,10 %	8,00 %
Health care cost inflation (H)	8,60 %	9,50 %
Net discount rate ((1+D)/(1+H)-1)	3,71 %	3,77 %

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9. Employee benefit obligations (continued)

GRAP25 defines the determination of the investment return assumption to be used as the rate that can be determined by reference to market yields (at the balance sheet date) on government bonds. The currency and term of the government bonds should be consistent with the currency and estimated term of the obligation.

According to GRAP 251; "The discount rate that reflects the time value of money is best approximated by reference to market yields at the end of the reporting period on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an municipality uses current market rates of the appropriate term to discount shorter-term payments and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve. The total present value of a defined benefit obligation is unlikely to be particularly sensitive to the discount rate applied to the portion of benefits that is payable beyond the final maturity of the available financial instrument"

The yield curves used for the derivation of the discount rate are the NACS (Nominal and Real) Zero Curves as published by the Johannesburg Stock Exchange. The Nominal NACS curve illustrates the nominal zero-coupon yields, which are Nominal Compounded Semi-Annually. This gives us an idea of the nominal return at varying durations. The Real NACS curve illustrates Real zero-coupon bond yields, which are Nominal Annual Compounded Semi-Annually. This gives us an idea of the real return at varying durations.

The methodology of setting the financial assumptions has been updated to be more duration-specific. At the previous valuation report, 30 June 2024, the duration of liabilities was 15.70 years. At this duration, the discount rate determined by using the Bond Exchange Zero Coupon Yield Curve as at 30 June 2025 is 12.64% per annum, and the yield on inflation-linked bonds of a similar term was about 5.17% per annum. This implies an underlying expectation of inflation of 7.10% per annum ($[1 + 12.64\%] / [1 + 5.17\%] - 1$).

We have assumed that healthcare cost inflation would exceed general inflation by 1.50% per annum, i.e. 8.60% per annum. However, it is the relative levels of the discount rate and healthcare cost inflation to one another that are important, rather than the nominal values. We have thus assumed a net discount factor of 3.71% per annum ($[1 + 12.64\%] / [1 + 8.60\%] - 1$).

Assumption	Active employees	Pensioners
Normal retirement age	65	
Fully accrued age (to take into account ill-health and early retirement decrements)	63	
Employment age used for past service period	Actual service entry ages	Actual service entry ages
Age difference between spouses	5 years	Actual ages used
Proportion married	90% assumed married at retirement	Actual marital status
Mortality	SA85-90 (Normal)	PA(90)

Withdrawal rates

We used the same withdrawal rates assumption used by the previous actuary to be consistent between valuations.

Age	Withdrawal rates
20	9 %
25	8 %
30	6 %
35	5 %
40	5 %
45	4 %
50	3 %
55+	- %
	- %

Continuation percentages

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9. Employee benefit obligations (continued)

We have assumed a continuation of the post-employment health care subsidy would be at 100% of active employees, or their surviving dependants

Long service awards

FTLM offers bonuses for every 5 years of completed service from 10 years to 45 years. Below we outline the benefits awarded to qualifying employees.

Completed Service (Years)	Long Service Awards(% of Annual Salary)
10	4,0 %
15	8,0 %
20,25,30,35,40,45	12,0 %

- %

A day of accumulated leave is worth 1/250 of the annual salary.

Long service accumulated leave must be taken within one year of receiving such leave or may be wholly or partially cashed. FTLM advised that in most cases, employees choose to exercise the option to wholly convert their accumulative leave bonus days into cash.

Valuation Method

In accordance with the requirements of GRAP25, the Projected Unit Credit method has been applied. Accrued liabilities are defined as the actuarial present value of all benefits expected to be paid in the future based on service accrued to the valuation date and awards projected to the retirement date. In determining these liabilities, due allowance has been made for future award increases.

The valuation has been made with reference Actuarial Society of South Africa (ASSA) guidelines, in particular, the Advisory Practice Note 207, and is consistent with the requirements of GRAP25.

Valuation Assumptions

Net Discount Rate

The key assumptions used in the valuation, with the prior years' assumptions shown for comparison, are summarised below:

Assumption

Discount rate	8,97 %	10,28 %
CPI	3,90 %	5,25 %
Salary increase rate	4,90 %	6,25 %
Net Discount Rate	3,88 %	3,79 %

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9. Employee benefit obligations (continued)

GRAP25 defines the determination of the investment return assumption to be used as the rate that can be determined by reference to market yields (at the balance sheet date) on government bonds. The currency and term of the government bonds should be consistent with the currency and estimated term of the obligation.

The methodology of setting the financial assumptions has been updated to be more duration-specific. At the previous valuation report, 30 June 2024, the duration of liabilities was 5.25 years. At this duration, the discount rate determined by using the Bond Exchange Zero Coupon Yield Curve as at 30 June 2025 is 8.97% per annum, and the yield on inflation-linked bonds of a similar term was about 4.88% per annum. This implies an underlying expectation of inflation of 3.90% per annum ($[1 + 8.97\%] / [1 + 4.88\%] - 1$).

We have assumed that salary inflation would exceed general inflation by 1.00% per annum, i.e. 6.86% per annum. However, it is the relative levels of the discount rate and CPI to one another that are important, rather than the nominal values. We have thus assumed a net discount factor of 3.88% per annum ($[1 + 8.97\%] / [1 + 4.90\%] - 1$).

10. Inventories

Consumable stores	2 040 764	2 118 254
Municipal bins	1 780 000	1 885 600
Land inventory	56 257 139	71 407 140
	60 077 903	75 410 994

Inventories 2025	Opening balance	Purchases during the year	Expensed during the year	Transfers from PPE: Land	Total
Consumables	2 118 254	2 358 485	(2 435 975)	-	2 040 764
Land Inventory	71 407 140	-	(15 150 000)	-	56 257 140
Municipal bins	1 885 600	-	(105 600)	-	1 780 000
	75 410 994	2 358 485	(17 691 575)	-	60 077 904

Inventories 2024	Opening balance	Land Inventory Write-downs	Purchases during the year	Transfers from Investment Property	Expensed during the year	Total
Consumables	1 291 743	-	6 803 231	-	(5 976 720)	2 118 254
Land inventory	129 817 140	(37 150 000)	-	26 500 000	(47 760 000)	71 407 140
Municipal bins	1 885 600	-	-	-	-	1 885 600
	-	(37 150 000)	-	-	-	-
	132 994 483	(37 150 000)	6 803 231	26 500 000	(53 736 720)	75 410 994

Inventory pledged as security

No balance of inventory was pledged as security.

11. Receivables from exchange transactions

Staff debtors and other debtors	16 241 912	16 848 708
Accrued interest on investment	7 278	1 139 404
Auction debtor	5 500	-
	16 254 690	17 988 112

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11. Receivables from exchange transactions (continued)		
Trade and other receivables from exchange transactions impaired		
As of 30 June 2025, trade and other receivables from exchange transactions of R 86 098 108 (2024: R 86 098 108) were impaired and fully provided for.		
Trade and other receivables from exchange transactions fully impaired at year-end	2025	2024
TT Properties - Gross	8 783 249	8 783 249
Mphaphuli Consulting - Gross	76 462 807	76 462 807
Undeserving recipients of Free Basic Electricity (Deceased)	852 052	852 052
Less contribution to allowance	(86 098 108)	(86 098 108)
	-	-
Reconciliation of debt impairment	2025	2024
Opening balance	86 098 108	-
Contributions to allowance 2024	-	86 098 108
	86 098 108	86 098 108
12. Receivables from non-exchange transactions		
Fines	78 754	283 883
Other receivables	2 236 559	1 628 502
	2 315 313	1 912 385
Receivables from non-exchange transactions pledged as security		
None of the Receivables from non-exchange transactions were pledged as security.		
Statutory receivables non-exchange transactions (Traffic fines)		
The two types of traffic fines that are issued are:		
- Fines issued in terms of the Administrative Adjudication of Road Traffic Offences Act (AARTO Act).		
- Fines issued in terms of the Criminal Procedures Act.		
Traffic fines are issued in terms of the AARTO Act by way of notices to offenders which specify the value of the fine that must be paid, along with any discount that can be applied if the fine is paid within a specific period of time.		
Fines issued in terms of the Criminal Procedures Act are usually issued by way of notice to offenders, and can (a) indicate the value of the fine to be paid, and that certain reductions could be made to the value of the fine payable and how, or the circumstances under which, such reductions can be applied, or		
(b) indicate that the offender must appear in Court on a specified date (in these instances, the value of the fine may or may not be indicated but this is often only determined after a separate legal process).		
Age Analysis (Traffic fines)		
Previous - 30 days	187 400	143 850
31 - 60 days	141 250	202 500
61 - 90 days	90 050	79 200
91 - 120 days	136 950	129 800
121 - 365 days	84 150	64 300
> 365 days	4 782 206	3 723 666
Less Allowance for impairment	(5 343 251)	(4 059 433)
	78 755	283 883

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12. Receivables from non-exchange transactions (continued)		
Credit quality of receivables from non-exchange transactions		
Collectability of Traffic fines recognised at the reporting date.		
Amounts past due	5 234 606	4 199 466
Amounts impaired	(5 343 251)	(4 059 433)
	(108 645)	140 033
Receivables from non-exchange transactions impaired		
As of 30 June 2025, other receivables from non-exchange transactions of R - (2024: R 85 246 056) were impaired and provided for.		
The amount of the provision was R 5 343 251 as of 30 June 2025 (2024: R 4 059 433).		
The ageing of these receivables is as follows:		
Opening balance - Gross	5 422 006	4 343 316
Less contribution to allowance	(5 343 251)	(4 059 433)
	78 755	283 883
Indicators and assumptions in assessment of Impairment of Traffic Fines Debtors		
The municipality considers events and circumstances such as discounts, tickets withdrawn or cancelled and tickets paid to determine the impairment loss on traffic receivables at year end. Amounts that are past due after taking into account these events and circumstances are considered to be impaired.		
Assessment of Impairment of Traffic Fines Debtors		
In assessing and calculating whether traffic fines were impaired during the reporting period, the municipality considers any discounts, tickets withdrawn or cancelled and tickets paid to determine the amount outstanding at year-end. The impairment loss is based on the calculated recoverability rate at year end.		
All traffic fines that were past due at year end were impaired.		
Impairment of Other receivables		
Opening Balance - Gross	1 064 001	1 064 001
Reconciliation of allowance for impairment		
Opening Balance	(4 059 433)	(2 924 115)
Contributions to allowance - Traffic debtors	(1 283 819)	(1 135 318)
	(5 343 252)	(4 059 433)
13. VAT receivable		
VAT	52 858 386	67 816 906
The Vat receivable/payable is attributed to		
Statutory receivables	10 380 432	20 721 330
Vat receivable(accruals)	42 477 954	47 095 578
	52 858 386	67 816 908

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13. VAT receivable (continued)		
a) Vat receivable-cash portion		
The Vat receivable-cash portion is attributable to VAT returns submitted to SARS awaiting payment by SARS		
b) Vat receivable (Payable) Accrual portion		
The vat receivable- Accrual portion is attributable to VAT related transactions arising from debtor, and creditor transaction not yet actually paid or receivable and impairment transactions related to debtors.		
14. Consumer debtors		
Gross balances		
Rates	327 370 017	254 207 576
Refuse	63 978 989	50 158 745
Other	162 333 307	149 170 456
	553 682 313	453 536 777
Less: Allowance for impairment		
Rates	(258 525 435)	(221 986 804)
Refuse	(60 795 622)	(47 000 271)
Other	(144 213 423)	(117 307 652)
	(463 534 480)	(386 294 727)
Net balance		
Rates	68 844 582	32 220 772
Refuse	3 183 366	3 158 468
Other	18 119 884	31 862 803
	90 147 832	67 242 043
Included in above is receivables from exchange transactions		
Refuse	3 183 366	3 158 468
Included in above is receivables from non-exchange transactions (taxes and transfers)		
Rates	68 844 582	32 220 772
Other	18 119 884	31 862 803
	86 964 466	64 083 575
Net balance		
	90 147 832	67 242 043
Rates		
Current (0 -30 days)	32 392 943	17 318 503
31 - 60 days	16 355 760	9 520 315
61 - 90 days	7 125 396	8 278 883
91 - 120 days	8 464 746	7 643 647
121 - 365 days	58 895 787	54 192 885
> 365 days	204 135 383	157 253 340
	327 370 015	254 207 573

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14. Consumer debtors (continued)		
Refuse		
Current (0 -30 days)	3 460 483	1 879 473
31 - 60 days	1 316 253	1 471 322
61 - 90 days	2 203 822	1 177 924
91 - 120 days	1 768 351	1 118 014
121 - 365 days	7 823 325	9 088 777
> 365 days	47 406 753	35 423 227
	63 978 987	50 158 737
Other		
Current (0 -30 days)	7 994 017	3 792 814
31 - 60 days	3 734 661	3 327 580
61 - 90 days	3 710 023	3 098 693
91 - 120 days	3 944 117	2 974 127
121 - 365 days	24 303 137	20 358 032
> 365 days	118 647 350	115 619 200
	162 333 305	149 170 446
Summary of debtors by customer classification		
Consumers		
Consumer debtor- Agriculture	39 734 880	34 645 925
Consumer debtor-Business and Commercial	74 324 557	57 085 763
Consumer debtor-Industrial	20 328 215	20 346 711
Consumer debtors-Mines	34 884 648	17 575 930
Consumer debtors- Multi purpose	128 112 979	92 813 954
Consumer debtor-Municipal	2 561 662	2 131 879
Consumer debtor-Place of Worship	273 518	221 105
Consumer debtor-Public Service Infrastructure	911	569 503
Consumer debtor-Public Service purpose	40 062 570	38 642 205
Consumer debtor-Public/Private open space	-	511 486
Consumer debtor-Residential	177 304 282	154 560 640
Consumer debtor-Vacant	27 666 587	41 584 572
Consumer debtor-Sundry	8 427 500	5 966 477
	553 682 309	466 656 150
Less: Allowance for impairment	(463 534 480)	(386 294 728)
Less : Reconciling items	-	(13 119 376)
	90 147 829	67 242 046
Business /commercial		
Current (0 -30 days)	14 089 666	4 536 252
31 - 60 days	9 127 867	2 190 964
61 - 90 days	1 762 629	1 862 417
91 - 120 days	1 669 838	1 897 802
121 - 365 days	8 462 230	10 015 629
36582697.33	39 212 326	36 582 697
	74 324 556	57 085 761

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14. Consumer debtors (continued)		
Industrial		
Current (0 -30 days)	1 948 809	928 000
31 - 60 days	827 698	726 541
61 - 90 days	1 260 063	690 031
91 - 120 days	1 532 651	676 539
121 - 365 days	4 802 151	4 430 172
> 365 days	9 956 841	12 895 426
	20 328 213	20 346 709
Mines		
Current (0 -30 days)	6 422 621	5 080 220
31 - 60 days	2 859 358	1 346 719
61 - 90 days	1 695 508	939 527
91 - 120 days	1 674 083	820 581
121 - 365 days	15 941 402	3 899 174
> 365 days	6 291 674	5 489 706
	34 884 646	17 575 927
Municipal		
Current (0 -30 days)	121 314	280 967
31 - 60 days	59 950	55 799
61 - 90 days	59 480	13 706
91 - 120 days	60 832	13 122
121 - 365 days	480 805	146 687
> 365 days	1 779 278	1 621 595
	2 561 659	2 131 876
Multi purpose		
Current (0 -30 days)	9 391 662	4 277 651
31 - 60 days	3 673 868	3 149 465
61 - 90 days	3 135 729	3 538 682
91 - 120 days	3 070 008	2 431 795
121 - 365 days	24 043 343	20 821 541
> 365 days	84 798 367	58 594 817
	128 112 977	92 813 951
Agricultural		
Current (0 -30 days)	440 838	192 738
31 - 60 days	211 713	253 208
61 - 90 days	229 268	185 186
91 - 120 days	1 004 148	185 760
121 - 365 days	5 670 131	5 411 374
> 365 days	32 178 780	28 417 657
Subtotal	39 734 878	34 645 923
	39 734 878	34 645 923

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14. Consumer debtors (continued)		
Place of worship		
Current (0-30 days)	10 001	5 068
31 - 60 days	4 960	3 544
61 - 90 days	12 632	3 527
91 - 120 days	3 873	3 509
121 - 365 days	29 867	27 307
>365 days	212 182	178 147
	273 515	221 102
Public service infrastructure		
Current (0-30 days)	892	5 915
31 - 60 days	-	5 919
61 - 90 days	19	5 924
91 - 120 days	-	5 913
121 - 365 days	-	49 719
>365 days	-	496 113
	911	569 503
Public service purpose		
Current (0 - 30 days)	387 288	229 292
31 - 60 days	181 708	228 073
61 - 90 days	218 829	192 230
91 - 120 days	184 962	161 327
121 - 365 days	1 319 306	1 227 231
> 365 days	37 770 474	36 604 049
	40 062 567	38 642 202
Residential		
Current (0-30 days)	8 317 340	4 918 507
31-60 days	3 378 082	3 895 479
61-90 days	3 614 017	3 229 022
91- 120 days	3 351 753	3 103 790
121-365 days	22 781 811	23 848 129
>365 days	135 861 276	115 565 711
	177 304 279	154 560 638
Sundries		
Current (0-30 days)	502 037	273 911
31- 60 days	245 006	266 565
61-90 days	218 116	185 875
91-120 days	216 093	156 817
121-365 days	1 807 938	1 226 854
>365 days	5 438 307	3 856 452
	8 427 497	5 966 474
Vacant		
Current (0-30 days)	2 214 972	2 234 721
31-60 days	836 458	2 169 588
61-90 days	832 946	1 682 217
91-120 days	1 408 969	2 251 870

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14. Consumer debtors (continued)		
121-365 days	5 683 260	12 265 401
>365 days	16 689 979	20 980 771
	27 666 584	41 584 568
Reconciliation of allowance for impairment		
Balance at beginning of the year	(386 294 728)	(338 790 161)
Contributions to allowance	(77 426 732)	(51 156 543)
Debt impairment written off against allowance	905 236	3 651 975
Reversal of VAT	(718 256)	-
	(463 534 480)	(386 294 729)
15. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	10 959 844	63 000 174
Short-term investments (Call accounts)	6 935 957	36 298 915
	17 895 801	99 299 089

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15. Cash and cash equivalents (continued)

The municipality had the following bank accounts

Account number / description	Bank statement balances		Cash book balances	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
FNB BANK CHEQUE ACCOUNT 565-500-22466	3 989 817	3 655 509	3 989 817	3 655 509
FNB CALL ACCOUNT 616-55000887	94 487	90 265	94 487	90 265
STANDARD BANK- CALL ACCOUNT-38578492001	2 246 783	5 849 498	2 246 783	5 750 023
STANDARD BANK - CURRENT ACCOUNT- 330062891000	2 637 015	47 811 549	2 637 015	47 811 549
STANDARD BANK - CURRENT ACCOUNT- 30144841000	4 333 012	11 533 115	4 333 012	11 533 115
STANDARD BANK - CALL ACCOUNT- 38578492003	4 594 690	31 092 712	4 594 690	30 458 627
Total	17 895 804	100 032 648	17 895 804	99 299 088

VBS Investments

Balance of VBS Investment	184 376 998	227 156 998
Less impairment of investments	(184 376 998)	(227 156 998)
	-	-

Reconciliation

	Opening balance	Amount recovered- Provision utilised	Closing balance
Balance of VBS Investment	227 156 998	(42 780 000)	184 376 998
Impairment of VBS Investment	(227 156 998)	42 780 000	(184 376 998)
	-	-	-

Impairment of VBS Investments

Full provision was made for the investments in VBS due to the bank being put under curatorship on 11 March 2018 and the subsequent liquidation of the bank, which made the recoverability of the amounts invested highly unlikely at the time. The municipality appointed Verveen Attorneys to recover the VBS investments from the Liquidator.

The municipality assessed at the reporting date whether there is any indication that the impairment loss may no longer exist or may have decreased. In the 2020/21 financial year the municipality was allocated R16,100,000 by the Liquidator in the First Liquidation and Distribution Account which is a portion of R 158 563 496, which is the free residue the of the total Estate which the liquidator has been able to recover from the liquidated VBS Bank to date. The municipality was further allocated R 42 780 000 in the year 2024/25. This amount was recovered and the provision for Impairment of VBS investments was reduced with the recovered amount of R 42 780 000.

Should the municipality recover additional amounts of the investments from the legal action, the impairment loss recognised will be reversed with the value of the amount recovered.

16. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

Distressed Mining Town Grant	-	8 404 838
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Figures in Rand	2025	2024
16. Unspent conditional grants and receipts (continued)		
Movement during the year		
Balance at the beginning of the year	8 404 838	71 316 069
Additions during the year	203 386 001	171 077 000
Income recognition during the year	(211 790 839)	(233 988 231)
	-	8 404 838

See note 36 for reconciliation of grants from National/Provincial Government.

17. Borrowings

At amortised cost

Standard Bank of South Africa Limited - Fixed Rate Enterprise Loan Facility	64 503 498	100 404 647
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Terms

R100 000 000 loan facility amount at variable interest rates for 36 months.

Pledge and Cession

Pledge and cession in security in favour of the Bank by the Borrower of an amount of R50,000,000 (fifty million Rand) held in the Borrower's Investment Account.

This loan facility is for medium-term financing of land acquisition and infrastructure development as contemplated in Section 46(1)(a) of the MFMA, and was taken in terms of Council resolution OC44/2023, taken on 31 October 2023.

As at 30 June 2024 the full R100 000 000 had been drawn by the municipality. The first drawdown of R60 000 000 was at 10.68% and the second drawdown of R40 000 000 was at 11.24%.

Terms and conditions

1. That the Borrower has provided the Bank with written confirmation (in a form and substance acceptable to the Bank) from the Accounting Officer or any other duly authorised representative of the Borrower confirming:
2. That the Borrower is not in breach of any material contracts to which the Borrower is a party; and
3. The absence of any material pending (which has a reasonable prospect of occurring) industrial action; litigation, investigation or proceeding against the Borrower.
4. That there has been no material deterioration in the financial position of the Borrower between the date of acceptance of this Agreement and the date of the first drawdown under the Loan Facility;
5. That the Bank has been provided with written confirmation signed by the accounting officer of the Borrower, in a form and substance acceptable to the Bank, confirming that the Borrower has, in relation to the Loan Facility:
6. Obtained all authorisations (including exemptions, approvals, consents) and no steps have been taken to revoke, adversely modify or cancel any such authorisations and the authorisations are not subject to any conditions which Fetakgomo Tubatse Local Municipality does not expect to be satisfied; and
7. Complied with all laws or regulations applicable to it, including but not limited to the provisions of the Municipal Finance Management Act No. 56 of 2003; the Preferential Procurement Policy Framework Act 5 of 2000, including all schedules and regulations thereto, as amended from time to time.

As at June 2025 the municipality fully satisfied the noted terms and conditions/ covenants.

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Figures in Rand	2025	2024	
17. Borrowings (continued)			
Long-term loan repayment commitments	Capital Amount	Interest	Total
Within one year	40 407 487	9 198 241	49 605 728
Over one year	24 500 658	6 238 916	30 739 574
	64 908 145	15 437 157	80 345 302
Non-current liabilities			
At amortised cost		24 500 658	64 503 499
Current liabilities			
At amortised cost		40 002 840	35 901 148

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18. Provisions

Reconciliation of provisions - 2025

	Opening Balance	Additions	Reversals- Adjustment for change in discount rate	Increases (passage of time/discounte d rate)	Total
Landfill site rehabilitation	30 082 688	-	3 222 215	3 093 777	36 398 680
Leave accrual	19 906 080	2 216 484	-	-	22 122 564
	49 988 768	2 216 484	3 222 215	3 093 777	58 521 244

Reconciliation of provisions - 2024

	Opening Balance	Additions	Prior period error	Reversals- Adjustment for change in discount rate	Increases (passage of time/discounte d rate)	Total
Landfill site rehabilitation	28 004 699	-	-	(960 130)	3 038 119	30 082 688
Leave accrual	20 196 601	(380 647)	90 126	-	-	19 906 080
	48 201 300	(380 647)	90 126	(960 130)	3 038 119	49 988 768

Non-current liabilities					36 398 680	30 082 688
Current liabilities					22 122 564	19 906 081
					58 521 244	49 988 769

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2024

18. Provisions (continued)

Environmental rehabilitation provision

The landfill rehabilitation provision is intended for the rehabilitation of the current operational sites which are evaluated at each year-end to reflect the best estimate at reporting date. The sites under consideration are the Burgersfort Landfill Site and Malogeng landfill site. The estimated value of the rehabilitation cost of landfill sites has been determined as at 30 June 2025 by Mr Seakle Godschalk Pr Sci Nat, GIMFO. Mr Godschalk is a registered professional environmental scientist with the South African Council for Natural Scientific Professions (SACNASP) as well as the Southern African Institute of Ecologists and Environmental Scientists (SAIE&ES).

Key Financial Assumptions used in this calculation are as follows:

	Burgersfort Landfill Site	Malogeng Landfill Site
CPI	2.8878%	2.8878%
Discount Rate	8.3878%	8.6378%
Net Effective Rate	5.5%	5.75%

The amount of the discounted landfill closure provision of R36 398 679 in 2025 represents an increase of R6 315 992 over the provision of R30 082 687 in the previous financial statements. The changes are due to changes in provision by R3 222 214 as a result of change in CPI, Change in discount rate and; interest charge due to passage of time (R3 093 778). The 2025 amount is a

discounted amount based on the expected remaining life of the landfill site and based on the size of the area that had been used for waste disposal as at 30 June 2025. The size of the landfill sites used up until now and estimated remaining useful lives are as follows:

	Burgersfort Landfill Site	Malogeng Landfill Site
Total landfill area	49,167 m ²	104,908 m ²
Approximate size used until 30 June 2024	49,167 m ²	11,858 m ²
Remaining useful lives	0 years	14 years

The municipality has an obligation to rehabilitate its Burgersfort and Malogeng landfill sites in terms of the closure license referenced 12/4/10/8-A/14/S10 issued by the provincial Department of Economic Development, Environment & Tourism on 26 June 2019, and the permit referenced 12/9/11/P67 issued by the national Department of Environmental Affairs & Tourism on 14 January 2009, respectively..

Burgersfort Landfill Site

The Burgersfort Landfill Site Municipality landfill site was closed in 2019 as it was full. There is no rehabilitation expenditure incurred towards the landfill rehabilitation and closure of the landfill site. The current expected remaining life of the landfill is estimated at zero(0) years. The landfill rehabilitation and closure cost provision for this landfill site was determined by the actuaries to be R23 233 124 for 30 June 2024 and R28 359 143 as at 30 June 2025.

Malogeng Landfill Site

The Malogeng landfill site was donated by the Sekhukhune District Municipality to Fetakgomo Tubatse Municipality with the effective transfer date being 01 July 2018. The current expected remaining life of the landfill is estimated at 14 years. The landfill rehabilitation and closure cost provision for this landfill site was determined by the actuaries to be R6 849 563 for 30 June 2024 and R8 039 536 as at 30 June 2025 .

Leave Accrual

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18. Provisions (continued)

This is in respect of leave days for employees that accrues at a rate of 2 days per month. At year-end any days accrued but not yet taken are provided for, as the municipality has an obligation to pay the value of the leave days should an employee leave the municipality.

While the value of the leave days due at year-end can be calculated, the timing of any outflows is uncertain as it is impossible to ascertain when an employee will leave the municipality in future.

There is no expected reimbursement, or any amount of any asset that has been recognised for any expected reimbursement in respect of the leave provision.

19. Revenue

Service charges	30 369 479	25 272 101
Rental of community facilities and equipment	455 931	420 962
Interest received (trading)	7 493 611	6 068 964
Agency services	8 498 436	8 372 821
Licences and permits	7 316 719	6 394 676
Fees earned	4 277 134	1 003 896
Other income	64 150 963	140 042 854
Interest received - investment	12 662 044	19 650 733
Property rates	223 997 029	183 809 936
Property rates - interest on outstanding debtors	29 592 515	20 165 871
Government grants & subsidies	828 969 839	818 694 231
Public contributions and donations	17 834 650	17 391 303
Traffic fines	1 607 190	1 363 200
	1 237 225 540	1 248 651 548

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

Service charges	30 369 479	25 272 101
Rental of community facilities and equipment	455 931	420 962
Interest received (trading)	7 493 611	6 068 964
Agency services	8 498 436	8 372 821
Licences and permits	7 316 719	6 394 676
Fees earned	4 277 134	1 003 896
Fair value adjustment	1 219 146	1 597 254
Other income	64 150 963	140 042 854
Interest received - investment	12 662 044	19 650 733
	136 443 463	208 824 261

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

Taxation revenue		
Property rates	223 997 029	183 809 936
Property rates - interest on outstanding debtors	29 592 515	20 165 871
Transfer revenue		
Government grants & subsidies	828 969 839	818 694 231
Public contributions and donations	17 834 650	17 391 303
Traffic fines	1 607 190	1 363 200
	1 102 001 223	1 041 424 541

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20. Inventory consumed					
Consumables	2 541 575	5 936 458			
Sale of stands	15 150 000	47 760 000			
	17 691 575	53 696 458			
21. Service charges					
Refuse removal - Own Collection	26 671 522	22 367 930			
Refuse removal - Private refuse removal	3 697 957	2 904 171			
	30 369 479	25 272 101			
22. Rental of community facilities and equipment					
Premises					
Premises	455 931	420 962			
23. Traffic fines					
Municipal Traffic Fines	1 607 190	1 363 200			
24. Agency services					
Department of Roads and Transport	8 498 436	8 372 821			
Agency fee breakdown	RTMC	Municipality	Department of transport	AARTO	Total
Amount paid over	2 479 896	9 773 202	39 028 651	518 591	51 800 340

Accounting by principals and agents

The municipality has an agreement with the Department of Roads and Transport to collect revenue from licensing and permits. In terms of the agreement, the municipality acts as an agent and retains 20% of the revenue as an agency fee, recognised as revenue in the Statement of Financial Performance. The remaining 80% is accounted for as a liability until remitted to the Department.

The purpose of the arrangement is to improve accessibility of services, with the benefit to the municipality being the agency fee earned. The municipality is exposed to custodianship and operational risks relating to the handling of funds, which are mitigated through internal controls, reconciliations and timely remittances.

During the year, amounts collected were remitted to the Department in line with agreed timelines, with outstanding balances at year-end disclosed as liabilities. No significant changes to the terms and conditions occurred during the reporting period, and risks relating to demand for services remain with the Department as principal.

In accordance with GRAP 109, the municipality does not control the revenue arising from licensing and permits, but is entitled to retain a fixed percentage (20%) of the revenue collected as compensation for the services rendered. Accordingly, only the 20% agency fee is recognised as revenue in the Statement of Financial Performance. The remaining 80% collected is recognised as a liability until it is paid over to the Department of Roads and Transport.

Revenue recognised

The aggregate amount of revenue that the municipality recognised as compensation for the transactions carried out on behalf of the principal is R8 498 436 (2024: R8 372 821).

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Figures in Rand 2025 2024

25. Licences and permits

Road and Transport 7 316 719 6 394 676

26. Public contributions and donations

Public contributions and donations 17 834 650 17 391 303

The Municipality received funding for the Mashifane park Project.

The value of the completed work has been recognised as a donation to the Municipality, amounting to R10 954 054.

The municipality capitalised completed SLP projects based on control as the community is already enjoying the benefits of these projects. Condition assessment was performed during the year and the SLP projects were included in the asset register at fair value as guided by GRAP 23 paragraph 98 at an amount of R 6 644 213.16.

27. Lease rentals on operating lease

Lease rentals on operating lease

Contractual amounts 10 950 982 10 879 007

Lease rentals	2026	2025	2024	Total
Contractual amounts	4 177 772	5 013 326	5 013 326	14 204 424

Operating lease as lease (commitments)

	2026	2025	Total
Within one year	4 177 772	5 013 326	9 191 098
In second to fifth year	-	4 177 772	4 177 772
	4 177 772	9 191 098	13 368 870

Included in the lease expenses are costs arising from lease agreements for:

1. Office equipment leased from 1 May 2023 for a period of 3 years at R480 443.87 (incl VAT) per month plus additional costs that vary upon usage of the equipment.

2. Leasing of yellow machines on an ad-hoc basis.

28. Interest charged (Trading)

Interest charged on overdue accounts 7 493 611 6 068 964

Interest from service charges is calculated as a fixed interest rate based on annual prime plus 1%.

29. Fees earned

Fees earned 4 277 134 1 003 896

Included in fees earned are fees from valuation services, issuing of clearance certificates, cemetery and burial and plan printing.

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Figures in Rand	2025	2024
30. Other income		
Sundry Income	2 779 858	2 490 585
Recoveries	46 092 843	94 052 013
Sale of land inventory	15 278 262	43 500 256
	64 150 963	140 042 854

Included in Other Income are the following:

1.Recoveries

a. Amounts recovered from VBS

The municipality recovered R 42 780 000 from the outstanding amount of R 227 156 998

b. Prior year amount recoverable after favourable court judgements

In the prior year TT Properties and Mphaphuli Consulting were recognised as Other Receivables to the amounts of R8 783 249 and R76 462 807, respectively after favourable Court judgements for the municipality

2. Sale of land inventory

The municipality through a council resolution, approved the sale of stands. Current year sales at an amount of R 15 278 262

3. LG SETA Reimbursive Subsidy

The municipality received funding from the LG Seta reimbursive subsidy to the amount of R 1 786 679.

31. Interest received - investment

Interest revenue

Interest on call accounts	7 367 044	16 198 103
Interest on long term investment	5 295 000	3 452 630
	12 662 044	19 650 733

The amount included in Investment revenue arising from exchange transactions amounted to R 12 622 044 (2024: R19 650 733).

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Figures in Rand	2025	2024
32. Property rates		
Rates received		
Residential	34 143 127	33 308 413
Business and commercial	50 180 023	59 712 662
Agricultural	8 052 686	8 142 680
Vacant stands	12 654 215	1 087 495
Municipal	18 374 773	17 254 580
Industrial	10 702 766	9 394 441
Mining	137 253 558	60 501 110
Less: Income forgone	(47 364 120)	(5 591 445)
	223 997 028	183 809 936
Property rates - penalties imposed	29 592 515	20 165 871
	253 589 543	203 975 807

Valuations

Agricultural	2 745 450 000	2 768 340 000
Business and Commercial	2 197 362 000	2 085 562 000
Industrial	395 985 000	396 485 000
Public Service Purpose	1 119 581 000	1 161 771 000
Residential	3 244 109 000	3 272 248 000
Mining	1 337 800 000	1 259 990 000
Vacant	561 590 000	903 115 000
Place of Worship	18 530 000	23 260 000
Public Service Infrastructure	30 041 000	38 655 000
Municipal	417 667 000	444 747 000
Public private open space	5 550 000	700 000
	12 073 665 000	12 354 873 000

The 2023-2028 General Valuation Roll was implemented on the 1 July 2023..

The Municipality ensures the maintenance of supplementary valuation on ongoing basis in compliance with sect 78 Municipal Property Rates Act, 2004.

33. Transfer and subsidies

Other subsidies

Indigent Relief	3 499 343	2 454 000
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The municipality provides Free Basic Electricity (FBE) to registered indigent households as part of its Indigent Support Programme. For indigent households supplied directly by Eskom, the municipality incurs expenditure to subsidise the allocated FBE units on their behalf. These payments to Eskom are recognised as Transfers and Subsidies expenditure in accordance with the municipality's Indigent Policy.

34. Inventory write-downs

Inventory write downs	-	(37 150 000)
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Praktiseer 275KT portions 7, 8, 23, 24, 25, 28, 31, 32 and 33 were written down by R37 150 000 in the prior year due to land invasions on the properties.

35. Loss on disposal of assets

Gains or losses arising from a change in fair value less point of sale costs	739 659	4 962 992
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Fetakgomo Tubatse Local Municipality

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024
36. Government grants & subsidies		
Operating grants		
Equitable share	617 179 000	584 706 000
Expanded Public Works Program Grant	1 742 000	1 463 000
Finance Management Grant	2 500 000	2 550 000
	621 421 000	588 719 000
Capital grants		
Municipal Infrastructure Grant	127 304 001	124 208 004
Integrated National Electrification Programme	24 122 000	85 264 227
Neighbourhood Development Partnership Grant	47 718 000	12 098 162
Distress Mining Town Grant	8 404 838	8 404 838
	207 548 839	229 975 231
	828 969 839	818 694 231
Conditional and unconditional		
Included in above are the following grants and subsidies received and recognised as revenue:		
Conditional grants received	203 386 001	225 583 393
Conditional grant rolled over	8 404 838	8 404 838
Unconditional grants received	617 179 000	584 706 000
	828 969 839	818 694 231
Financial Management Grant		
Current-year receipts	2 500 000	2 550 000
Conditions met - transferred to revenue	(2 500 000)	(2 550 000)
	-	-
Conditions still to be met - remain liabilities (see note 16).		
Provide explanations of conditions still to be met and other relevant information.		
Expanded Public Works Program Grant		
Current-year receipts	1 742 000	1 463 000
Conditions met - transferred to revenue	(1 742 000)	(1 463 000)
	-	-
Conditions still to be met - remain liabilities (see note 16).		
Provide explanations of conditions still to be met and other relevant information.		
Municipal Infrastructure Grant		
Balance unspent at beginning of year	-	30 000 000
Current-year receipts	127 304 001	94 208 000
Conditions met - transferred to revenue	(127 304 001)	(124 208 000)
	-	-
Neighbourhood Development Partnership Grant		
Current-year receipts	47 718 000	20 503 000

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Figures in Rand	2025	2024
36. Government grants & subsidies (continued)		
Conditions met - transferred to revenue	(47 718 000)	(20 503 000)
	-	-
Integrated National Electrification Programme		
Balance unspent at beginning of year	-	32 911 227
Current-year receipts	24 122 000	52 353 000
Conditions met - transferred to revenue	(24 122 000)	(85 264 227)
	-	-
Conditions still to be met - remain liabilities (see note 16).		
Provide explanations of conditions still to be met and other relevant information.		
Distressed Mining Town Grant		
Balance unspent at beginning of year	8 404 838	8 404 838
Conditions met - transferred to revenue	(8 404 838)	-
	-	8 404 838

Conditions still to be met - remain liabilities (see note 16).

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Figures in Rand	2025	2024
37. Employee related costs		
Basic	174 544 625	142 998 299
Medical aid - company contributions	11 842 488	10 738 619
UIF	878 483	720 204
South African Local Bargaining Council	70 156	46 575
Skills development levy	2 083 574	5 532 056
Leave pay provision charge	3 045 631	451 543
Defined contribution plans	26 209 075	24 341 220
Travel, motor car, accommodation, subsistence and other allowances	76 272	1 680 414
Overtime payments	13 477 882	11 037 279
Long-service awards	2 075 156	1 807 125
13th Cheques	10 018 384	9 122 079
Acting allowances	760 468	636 197
Car allowance	40 911 140	35 226 664
Housing benefits and allowances	1 939 674	2 826 531
Telephone allowance	2 920 992	2 653 548
Standby allowance	1 090 605	770 921
Post Employment Health Care Benefit Current Cost	6 646 821	4 684 602
	298 591 426	255 273 876
Remuneration of Municipal Manager		
Annual basic salary	981 447	982 409
Car Allowance	220 386	229 493
Other allowance	-	9 500
Leave pay	230 811	-
Telephone allowance	31 575	32 880
Remote allowance	48 156	51 792
Back pay	-	71 438
Cash gratuity	19 533	20 340
	1 531 908	1 397 852
Remuneration of Acting Municipal Manager		
Acting allowance	126 659	-
Remuneration of Chief Financial Officer		
Annual basic salary	800 883	731 136
Car allowance	234 942	234 942
Performance bonuses	-	59 496
Telephone allowance	29 400	29 400
Remote allowance	42 016	43 396
Housing allowance	12 323	12 323
Travel claim	93 875	47 502
Back pay	-	70 098
Subsistence allowance	4 767	3 992
Cash gratuity	20 340	20 340
Other allowances	-	10 000
	1 238 546	1 262 625
Remuneration of Director Regional Office		
Remote allowance	-	1 474
Back pay	-	24 675
	-	26 149

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024
37. Employee related costs (continued)		
Remuneration of Director Community Services		
Annual basic salary	674 366	270 180
Car allowance	255 381	106 409
Telephone allowance	29 400	12 250
Performance Bonus	51 514	-
Housing allowance	65 000	27 084
Travel claim	76 458	29 881
Remote allowance	42 016	18 290
Acting allowance	18 074	11 487
Cash gratuity	20 340	8 475
Back pay	-	29 193
	1 232 549	513 249
Remuneration of Director Technical Services		
Annual basic salary	804 531	716 566
Car allowance	231 476	231 476
Housing allowance	12 141	12 141
Acting allowance	58 394	-
Telephone allowance	29 400	29 400
Back pay	-	162 264
Remote allowance	42 016	42 708
Cash gratuity	20 340	20 340
Travel claim	-	45 649
Refund	-	6 447
	1 198 298	1 266 991
Remuneration of Director Local Economic Development (Acting)		
Acting allowance	12 953	147 063
Back pay	-	24 675
Remote allowance	-	1 474
	12 953	173 212
Remuneration of Director Development and Planning (Acting)		
Acting allowance	45 855	192 731
Remote allowance	-	1 474
Back pay	-	24 681
	45 855	218 886
Remuneration of Director Corporate and Human Resources		
Annual basic salary	-	354 497
Acting allowance	7 485	23 083
Performance Bonus	-	1 589
Car Allowance	-	148 972
Housing Allowance	-	37 917
Travel Claim	-	58 125
Back pay	-	19 071
Refund	-	414
Subsistence Allowance	-	483
Telephone Allowance	-	17 150
Remote Allowance	-	23 716
Cash Gratuity	-	35 595

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37. Employee related costs (continued)		
Sec 57 Leave	-	78 005
Other allowance	-	10 000
	7 485	808 617

Remuneration of S 56 and 57 Managers

Municipal manager	1 531 910	1 397 852
Chief financial officer	1 238 548	1 262 625
Acting Municipal manager	126 659	-
Director regional office	-	26 149
Director community services	1 232 550	513 249
Director local economic development	12 954	173 211
Director development and planning	45 855	218 885
Director technical services	1 198 299	1 266 990
Director corporate services	7 485	808 618
	5 394 260	5 667 579

38. Remuneration of councillors

Executive Mayor	1 088 583	1 040 254
Chief Whip	904 167	924 794
Mayoral Committee Members	7 654 311	7 468 992
Speaker	797 651	799 285
Councillors	33 943 325	33 264 462
	44 388 037	43 497 787

In-kind benefits

The Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Mayor is entitled to stay at the mayoral residence owned by Council at no cost. The Mayor has use of a Council owned vehicle for official duties.

The Mayor has the right of use of a municipal vehicle including a driver.

The Mayor has two full-time bodyguards.

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38. Remuneration of councillors (continued)

Additional information

The salaries, allowance and benefits of councillors are within the upper limits of the framework envisaged in section 219 of the Constitution of South Africa.

Remuneration of Mayor

Salary	740 043	742 985
Car Allowance	256 410	247 662
Cellphone Allowance	43 200	45 600
Data Allowance	3 804	4 008
Back pay	29 189	-
Travelling Allowance	15 937	-
	1 088 583	1 040 255

Remuneration of Speaker

Salary	544 542	564 118
Car Allowance	194 254	188 039
Cellphone Allowance	39 600	43 320
Data Allowance	3 487	3 807
Back pay	15 769	-
	797 652	799 284

Remuneration of Chief Whip

Salary	555 183	557 001
Car Allowance	192 443	182 507
Cellphone Allowance	43 200	45 600
Data Allowance	3 804	4 008
Travel Claim	87 087	135 678
Back pay	22 450	-
	904 167	924 794

Remuneration of councillors Including EXCO members

Salaries and other allowances	19 840 013	19 960 514
Car Allowance	6 889 115	6 652 104
Cellphone allowance	3 173 239	3 359 760
Data Allowance	282 224	292 657
Travel claim	10 625 799	10 468 419
Back pay	778 961	-
Refund	8 284	-
	41 597 635	40 733 454

39. Depreciation and amortisation

Property, plant and equipment	101 600 401	85 838 489
Intangible assets	157 731	97 494
	101 758 132	85 935 983

40. Impairment loss

Impairments

Property, plant and equipment	64 500	23 081 327
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Moveable assets in poor and very poor physical condition were impaired due to recoverable service amount being less than the carrying value.

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41. Finance costs		
Non-current borrowings	9 198 241	4 284 559
Borrowings		
R100 000 000 loan facility amount at interest rate of 10.27% for 36 months.		
42. Auditors' remuneration		
Fees	7 643 463	8 058 618
43. Debt impairment		
Debt impairment - Consumer debtors	77 462 963	51 156 397
Debt impairment - Other receivables from exchange transactions	-	86 098 106
Debt impairment - Traffic fines debtors	1 283 819	1 135 318
	78 746 782	138 389 821
44. General expenses		
Advertising	10 497 395	7 790 806
Auditors remuneration	7 643 463	8 058 618
Bank charges	1 217 933	1 070 947
Consulting and professional fees	2 198 889	717 457
Entertainment	9 733	74 851
Hire	8 949 806	5 633 698
Insurance	10 448 923	8 123 686
IT expenses	7 446 224	9 038 310
Promotions and sponsorships	4 002	53 200
Magazines, books and periodicals	123 780	827 694
Fuel and oil	3 986 925	5 485 193
Printing and stationery	66 346	139 000
Protective clothing	2 129 337	3 989 155
Royalties and license fees	196 871	1 389 192
Subscriptions and membership fees	3 226 562	3 241 354
Telephone and fax	5 989 774	1 371 954
Training	28 389 724	4 771 332
Travel - local	14 709 774	17 532 797
Special programs	626 437	330 414
Ward committees	9 616 543	7 442 249
Other expenses	12 968 127	15 951 506
	130 446 568	103 033 413
45. Bad debts written off		
Consumer debtors	2 732 008	514 874

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46. Contracted services		
Contracted Services		
Consultants and professionals	149 214 634	136 009 528
Contractors	91 452 979	134 658 049
Outsourced Services	133 613 937	153 022 396
	374 281 550	423 689 973
Consultants and Professionals Services- Business Advisory Services		
Business and Advisory : Project Management	5 864 147	370 000
Business and Advisory : Accounting and Auditing	35 781 035	37 221 090
Business and Advisory : Board Member	2 099 886	1 854 913
Business and Advisory : Business and Financial Management	12 059 409	2 978 563
Business and Advisory : Commissions and Committees	206 070	190 675
Business and Advisory : Forensic Investigators	-	-
Business and Advisory : Valuer and Assessors	-	1 727 623
Business and Advisory : Human resources Occupational Health and Safety	1 050 270	554 361
Business and Advisory : Research and Advisory	46 976 801	47 912 665
Communications	1 297 713	3 205 134
Organisational	28 860	2 549 100
Business and Advisory: Medical and Examinations	724 649	-
	106 088 840	98 564 124
Consultants and Professional Services- Infrastructure and Planning		
Engineering: Electrical	12 412 988	10 397 669
Infrastructure and Planning: Agriculture	-	1 510 029
Engineering: Civil	-	-
Infrastructure and Planning: Land and Quantity Surveyors	2 197 860	2 557 031
Ecological	-	-
Infrastructure and Planning: Town Planner	-	182 694
	14 610 848	14 647 423
Consultant and Professional Services- Legal Services		
Legal Cost: Collection	2 629 930	1 697 255
Legal Cost: Legal Advice and Litigation	25 885 014	21 100 725
	28 514 944	22 797 980
Contractors- General Services		
Contractors: Electrical	55 709 465	77 559 991
Contractors: Event Promoters	852 878	905 306
Contractors: Forestry	255 890	95 000
Contractors: Graphic Designers	-	2 528 321
Contractors: Transportation	22 700	159 170
Contractors: Audio visual service	80 556	-
Contractors: Inspection Fees	-	13 989
Contractors: Pest Control and Fumigation	530 186	1 185 274
Contractors: Preservation/Restoration/Dismantling/Cleaning Services	-	309 670
Contractors: Traffic and Street Lights	-	1 698 652
Contractors: Catering Services	1 404 468	1 488 569
	58 856 143	85 943 942
Contractors- Maintenance		
Contractors: General services	11 983 563	11 843 462
Contractors: Maintenance of Building and Facilities	10 640 944	14 426 543
Contractors: Maintenance of Equipment	3 022 473	5 235 383
Contractors: Maintenance of Unspecified Assets	6 949 852	17 208 720

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46. Contracted services (continued)		
	32 596 832	48 714 108
Outsourced services- general services		
Outsourced services: Transport services	-	148 850
Outsourced Services: Cleaning Services	11 396 028	14 148 477
Outsourced Services: Security Services	75 293 793	65 063 254
Outsourced Services: Personnel and Labour	2 420 467	2 231 116
Outsourced Services: Clearing and Grass Cutting Services	4 199 916	4 101 100
Outsourced Services: Professional Staff	-	141 359
Outsourced Services: Catering Services	919 593	2 054 056
Outsourced Services: Internal Auditors	1 030 633	1 226 610
Outsourced Services: Connection/Disconnection Electricity	-	1 594 672
	95 260 430	90 709 494
Outsourced Services- Business and Advisory Services		
Valuer	5 638 211	6 763 492
Business and Financial Management	17 000	793 409
Communications	-	114 750
Human Resources	23 489	104 064
Project Management	2 840 912	33 869 138
Research and Advisory	1 761 873	1 578 037
Accounting and auditing	2 456 170	4 410 951
	12 737 655	47 633 841
Outsourced Services: Trading Services		
Outsourced Services: Refuse Removal	25 615 851	14 679 062

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Figures in Rand	2025	2024
47. Cash generated from operations		
Surplus	165 387 009	63 404 729
Adjustments for:		
Depreciation and amortisation	101 758 132	85 049 295
Public contributions and donations	(17 834 650)	(17 391 303)
Fair value adjustments-investment property	(1 219 146)	(1 597 254)
Loss on disposal of assets	708 532	4 962 992
Prepaid expenses	-	525 000
Interest income - investing activities	(7 374 322)	(20 758 493)
Other income- non cash	(19 551 920)	(93 400 951)
Donations in kind	-	-
Impairment deficit	64 500	23 968 015
Debt impairment	78 746 782	138 389 821
Bad debts written off	2 732 008	514 874
Leave provision	2 216 484	(380 647)
Bonus Accrual	182 939	680 349
Employee benefits obligation movements	7 012 185	5 854 934
Interest on land fill site	3 093 777	2 592 677
Accrued Interest	9 198 241	-
Inventory losses or write-downs	-	37 150 000
Inventory consumed	17 691 575	53 696 458
Changes in working capital:		
Inventories	(2 358 484)	(6 803 231)
Receivables from exchange transactions	(1 685 539)	(16 563 698)
Consumer debtors	(103 691 588)	(83 636 589)
Other receivables from non-exchange transactions	1 733 423	(2 157 154)
Unspent conditional Grants	(8 404 838)	(62 911 231)
Borrowings	(35 901 149)	-
Payables from exchange transactions	(57 523 909)	32 520 595
VAT Receivable	14 958 520	(36 699 323)
Provisions	3 222 214	(424 560)
	153 160 776	106 585 305

48. Operating Surplus

Operating Surplus for the year is stated after accounting for the following:

Operating lease charges

Lease rentals on operating lease		
• Contractual amounts	10 950 982	10 879 007

Impairment on property, plant and equipment	64 500	23 081 327
Gain on sale of non-current assets held for sale and net assets of disposal groups	708 532	4 962 992
Amortisation on intangible assets	157 731	97 494
Depreciation on property, plant and equipment	101 600 401	85 838 489
Employee costs	342 979 463	298 771 663

49. Fair value adjustments

Investment Property (Fair Value model)	1 219 146	1 597 254
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Investment property (Fair value model)

These are fair value adjustments (gains) from the fair valuation of the municipality's Investment Property in line with the municipality's accounting policy and GRAP 16 paragraphs 46 to 70.

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Figures in Rand	2025	2024
50. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	675 506 138	728 329 783
Total capital commitments		
Already contracted for but not provided for	675 506 138	728 329 783
Total commitments		
Total commitments		
Authorised capital expenditure	675 506 138	728 329 783

Capital commitment prior period Adjustment	Previously reported in 2024	Prior period adjustment	2024 restated
Bashimane consulting - Payments for master plan incorrectly recognised as planning and design	82 426 981	4 708 486	87 135 467
Ngwato le Nareadi - Practically completed project incorrectly recognised	1 186 608	(1 186 608)	-
Uranus Consulting Engineers - Prior period error amount to R247 462,24 for accrual invoices incorrectly recognised	494 924	(494 924)	-
Volt- Energisation of tubatse 40 mast lights. Project not recognised in prior year	-	9 607 675	9 607 675
Reliant- Designing, project management and commissioning of electrification of 543 households at Ext 54,58,71 and 74. External Reticulation Works not recognised in prior year as commitments including eskom reconnection fees	728 396	1 711 806	2 440 202
	84 836 909	14 346 435	99 183 344

This committed expenditure relates to plant and equipment budgeted for in the Medium Term Revenue and Expenditure Framework and it will be financed out of existing cash as well as future anticipated revenue to be collected as per Section 18 of the MFMA.

All commitments are inclusive of VAT.

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51. Contingencies		
Contingent assets		
Description		
1. FTM/Mapale Distributors CC	-	1 689 742
The municipality brought an application to rescind and set aside the taxed bill of cost in the amount of R 271 962.43 and R1 417 829.44 respectively in favour of Mapale Distributors. Judgement was granted in favour of Mapale by the Magistrate and a garnish order issued against the municipality, but the municipality successfully appealed the ruling with the High Court, the garnish interdicted by the High Court. Garnish order was nevertheless effected by the bank, and per the Legal opinion from Mmakola Matsimela Inc the bank and Mahowa Attorneys, who were formerly handling the case are jointly liable for the loss. The municipality has since concluded the case with low likelihood of recovery.		
2,FTM/Murathi Inc	-	453 720
Murathi Inc was erroneously paid twice by FTM. Our instruction entails to recover the payment. The above matter previously disclosed under contingent asset has had no further progress or developments for a prolonged period. Based on the current assessment, management considers the case to have become moot and does not anticipate any future financial inflow arising from this matter. Accordingly, no contingent asset has been recognised in the financial statements.		
	-	-
	-	2 143 462

Contingent liabilities

The following are the Contingent liabilities assumed:

Description		
3. Lizzard Tech vs FTLM	14 500 000	-
The plaintiff sued the municipality for shortfall payment of invoices. The timing of any outflow or the possibility of any reimbursement from this case cannot be ascertained at this stage.		
4. SAGIS data CSI Project CC vs FTLM.	1 950 000	1 950 000
The Municipality was served with summons for payment of the outstanding invoices and therefore the Plaintiff is suing the Municipality for the breach of contract. The Municipality is disputing the claim and has appointed a service provider on the 26 July 2022 to defend the matter. The municipality has filed a Plea to the claim. The timing of any outflow or the possibility of any reimbursement from this case cannot be ascertained at this stage.		
6. KIPP consulting engineers vs FTLM	3 598 043	-
In December 2024 the applicant instituted an arbitration proceeding claiming payment to the sum of R 3 598 043 for outstanding professional fees for Magakala Mashung projects. The timing of any outflow or the possibility of any reimbursement from this case cannot be ascertained at this stage.		
7. Joel Makgata vs FTLM	54 147	-
This is an application in the Polokwane High Court to declare the termination of the employee by the municipality unlawful, to set it aside and order reinstatement. The High Court has ruled in Makgata's favour, finding that the termination was unlawful and that he should accordingly be reinstated. There are no monetary claims from Makgata – he merely seeks an order which will set aside the termination of his employment and reinstate him as municipal manager. However, if Makgata is reinstated, the Municipality may become liable for his salary or the period that he was not paid, until the date of reinstatement. The timing of any outflow or the possibility of any reimbursement from this case cannot be ascertained at this stage.		

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51. Contingencies (continued)		
8. Bernard Nchabeleng vs FTLM. The plaintiff was evicted from the municipality land. The plaintiff alleges that he was allocated the land by the traditional authority. He further alleges that he suffered damages in the amount of R590 000, 00 as result of their eviction. The above matter previously disclosed under contingent liabilities has had no further progress or developments for a prolonged period. Based on the current assessment, management considers the case to have become moot and does not anticipate any future financial outflow arising from this matter. Accordingly, no contingent liability has been recognised in the financial statements.	-	590 000
9. FM Maluleke Inc// FTLM. The plaintiff launched an action against the municipality for defamation of character and claims for reputational damages. The potential financial exposure is R 4 000 0000. The above matter previously disclosed under contingent liabilities has had no further progress or developments for a prolonged period. Based on the current assessment, management considers the case to have become moot and does not anticipate any future financial outflow arising from this matter. Accordingly, no contingent liability has been recognised in the financial statements.	-	4 000 000
11. Locality holdings vs FTLM The plaintiff was appointed as social facilitator for electrification of riverside phase 2 village at ward 20 for an amount of R 120 000. The plaintiff failed to be on site and he was never paid and he issued summons against the municipality. The municipality has opposed the matter. The case was withdrawn by the plaintiff	-	120 000
	-	-
	-	-
	20 102 190	6 660 000

Contingent liabilities prior period error

Heading	Audited balance	Adjustment	Restated
Telkom- the contingent liability amount was accrued for in 2022	8 605 605	(1 945 605)	6 660 000

52. Related parties

Relationships

Accounting Officers

Members of key management

Refer to accounting officers' report note 5&37

Related party balances

Payments received in advance - contract in process

Chief Financial Officer	(6 000)	(210 000)
Acting Municipal Manager	(104 000)	(65 000)
Close family member of key management personnel	(39 000)	(50 000)
Mayoral committee member	(40 000)	(250 000)

Included in the Payables from exchange transactions - Other payables (Payments received in advanced - contract in process) is the liability balances with related parties and close family members of related parties.

The above mentioned related parties entered into sale agreements for the purchase of stands in Extension 93, the transactions were at fair value as per the approved council resolution for the sale of stands.

Remuneration of management

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53. Awards to persons or close family members of persons in the service of the state

The Chief Audit Executive declared interest in Bauba Marumo, one of the municipality's service providers for refuse collection, which is owned by her mother. During the period under review payments amounting to R14 697 166 (2024: R 14 609 715) were paid to the company.

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54. Prior period errors

During the 2025 financial year the following prior period errors were noted and corrected:

1.SLM Engineering Projects payment of R 754 880 as per voucher EF001434-0001 was not recorded in the wip register the prior year .therefore understating the WIP and expenditure

2.Philcon Group payment of R230 379 as per voucher EF000995-0005 was expensed in the prior year as 149 359.11
Katlolo Engineering payment of R156 100 as per voucher EF00789-0005 was omitted from expensing in the prior year.

3.Nkanivo land software development was not capitalised in the financial year 2022-2023 for an amount of R 586 956.

4.Reliant Consulting payment of R1 942 104.52 as per voucher EF001568-0002 was recorded in the wip register the prior year including vat.

5. In the year 23/24. Mr Mabuza was recognised as a staff debtor resulting int the overstatement of debtors by R4,421 and understatement of Employee related costs by the same amount.

6. In 23/24 financial year invoice INV-L1405 VAT of R152 000 for contracted services was not accounted for, resulting in the understatement of Contracted services expense and Payables for the 23/24 financial year by R152 000.

7.There were overpayments of overtime to employees incurred in the year 23/24, resulting in overstatement of payroll costs (overtime) by R30 021 and understatement of Other Receivables from exchange transactions (Staff debtors) by the same amount.

8.Input VAT on transactions amounting to R324,707 was erroneously not recognised in prior year, resulting in understatement of VAT Receivable by R324,707, and overstatement of Inventory consumed, Contracted services and General expenses by R25,050, R255,364 and R44,293, respectively.

9. Input VAT amounting to R1,261,575 was erroneously recognised on non-taxable on transactions in prior year, resulting in overstatement of VAT Receivable by R1,261,575, and understatement of Employee related costs, Lease rentals on operating lease, Contracted services, Transfers and subsidies and General expenses by R8,576, R126,361, R743,981, R268 and R382,389, respectively.

10.Payment voucher EF00309-0004 was erroneously expensed year 2022 resulting in the understatement of Planning and Design of Street lights.

11. An invoice credit note of R12 600 for consumables delivered the year 23/24 was s incorrectly captured on the system. The prior period error is to correct the mispost

12. An employee was overpaid on acting allowance in the year 23/34, the staff debtor was not raised in the prior year list of staff debtor receivable understating receivables and overstating expenditure.

13. The municipality invested R50 000 000 in a long- term investment with standand bank account no 038578492_007. During 23/24 the municipality received interest on investment amounting to R3 452 630 which was recorded to Other receivables, resulting in overstatement of Other receivables from exchange transactions by R3 452 630 and understatement of long term investments by the same amount.

14.In 2025 CY the municipality received a supplementary valuation roll, which had changed market values from the 2023/24 year end. This was as a result of identifying that Tubatse estate and Blue Horizon are developers and were billed separately (in various erfs) instead of creating one account for the developer. The developers has one title deed, therefore the market values of this properties changes and the prior year billing for the affected customers were adjusted.

The prior year Consumer debtors were overstated by 12 709 547 and Rates Revenue, Service charges Revenue and Fees earned were overstated by R11 621 903, R828 203 and R117 671 respectively. Furthermore, VAT receivable was understated by R141 884 and Consumer debtors in credit understated by R114.

15.In the 21/22 financial year, the Council approved 50% for Domestic and 30% for Business amnesty to the debt that is 180 days and older upon settlement. Four debtors paid the settlement in 21/22 financial year and the accounts were omitted during the write offs process.

The prior period error of R13 435.60 was processed to reduce the consumer debtors and the accumulated surplus.

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54. Prior period errors (continued)

16. Municipality purchased Mashifane Park Land in the prior year for R135 000 000 excluding VAT. The payments made for VAT arising from the purchase of R20 250 000 and Convenor fees amounting to R7 895 972,72 were erroneously recorded as payments to settle the land balance of R135 000 000. This resulted in the misstatement of input Capital VAT by R20 250 000, misstatement of convenor fees (legal fees) by R7 895 972,72 and understatement of accruals by the total of R28 145 972,72. A prior year adjusting journals was processed to correct the error.

17. In the 2024/2025 financial year, we identified errors in the calculation of the 2024 debt impairment provision. The error emanates from the incorrect categorisation of Consumer debtors in the 2024 Debtor's age analysis, whereby amounts relating to Other consumer debtors (Interest) were mistakenly classified to the Assessment Rates and Refuse category. This resulted in the following:

- Overstatement of the Gross amount and Debt Impairment Provision for Assessment rates and Refuse.
- Understatement of the Gross amount and Debt Impairment Provision for Other debtors.

The prior period error of 122 586 144 and 107 211 609 was processed to correct the misclassification of the gross debtors and Debt Impairment Provision respectively.

Municipality purchased Mashifane Park Land in the prior year for R135 000 000 excluding VAT. The payments made for VAT arising from the purchase of R20 250 000 and Convenor fees amounting to R7 895 972,72 were erroneously recorded as payments to settle the land balance of R135 000 000. This resulted in the misstatement of input Capital VAT by R20 250 000, misstatement of convenor fees (legal fees) by R7 895 972,72 and understatement of accruals by the total of R28 145 972,72. A prior year adjusting journals was processed to correct the error.

18. Adjustments were made to work in progress due to capitalisation of assets whose completion certificates were availed after the completion of 2023/24 audit. The capitalised projects are computer software (R1 304 348).

19. A payment for makgakala internal street project was omitted in the 23/24 work in progress. Understating the WIP and overstating accumulated surplus by R 734 104.

20. Depreciation in relation to the prior property plant and equipment adjustments for the amounted to R35 736.14

21. Adjustments were made to work in progress due to capitalisation of assets whose completion certificates were availed after the completion of 2023/24 audit. The capitalised projects are Mabopo Traffic Station solar project with a cost of R1 688 786,54

22. Leave accrual for the 2023/2024 financial year leave provision was finalised taking into account the leave taken in the 2024/25 financial year therefore reducing the actual leave balance in the 2023/24 financial year. This amount must be added back to prior year.

23. Motor vehicle omitted in the prior year register was recognised this financial year at a cost of R20 000

24. The municipality purchased land, the payment was subsequently made into the attorneys trust account with interest accruing to the municipality. As at 23/24 interest accrued on the trust account was omitted, understating the receivables and revenue by R405 843.82.

Statement of financial position

Long term investment	-	3 452 630
Receivables from exchange	-	(3 016 340)
VAT Receivable	-	19 455 016
Consumer debtors	-	(12 760 904)
Leave provision	-	(90 126)
Payables from exchange transactions	-	(26 737 882)
Property plant and equipment	-	583 169
Accumulated surplus	-	6 070 830
Intangible assets	-	1 241 973

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Figures in Rand	2025	2024
54. Prior period errors (continued)		
Statement of financial performance		
Service charges	-	828 203
Fees earned	-	117 671
Other income	-	(1 962 007)
Rates received	-	7 240 461
Property rates -penalties imposed	-	4 381 441
Employee related costs	-	474 262
Lease rentals on operating lease	-	126 361
Bad debts written off	-	13 436
Contracted service	-	640 697
Transfers and subsidies	-	267
General expense	-	(72 029)
Inventory consumed	-	(25 050)
Debt impairment	-	37 921

55. Prior-year adjustments

Statement of financial position

2024

	Note	As previously reported	Correction of error	Restated
Long term investment	7	50 000 000	3 452 630	53 452 630
Receivables from exchange transactions	11	21 004 452	(3 016 340)	17 988 111
Vat receivable	12	48 361 891	19 455 016	67 816 909
Consumer debtors	14	80 002 945	(12 760 904)	67 242 040
Leave provision	18	(19 815 954)	(90 126)	(19 906 081)
Payables from exchange transactions	8	(232 173 969)	(26 737 882)	258 911 851
Property plant and equipment	4	2 728 427 420	583 168	2 729 010 589
Accumulated surplus		(2 654 859 004)	6 070 832	(2 648 788 173)
Computer software	4	339 041	1 241 973	1 581 014
		21 286 822	(11 801 633)	527 308 890

Statement of financial performance

2024

	Note	As previously reported	Correction of error	Re-classification	Restated
Service charges	21	(26 100 304)	828 203	-	(25 272 101)
Fees earned	29	(1 121 567)	117 671	-	(1 003 896)
Other income	30	(138 080 847)	(1 962 007)	-	(140 042 854)
Rates received	32	(191 050 398)	7 240 461	-	(183 809 936)
Property rates-penalties imposed	32	(24 547 312)	4 381 441	-	(20 165 870)
Employee related costs	37	254 799 612	474 262	410 125	255 273 877
Inventory consumed	20	53 721 508	(25 050)	-	53 696 457
Lease rentals on operating lease	27	10 752 645	126 361	-	10 879 006
Bad debts written off	45	501 439	13 436	-	514 874
Contracted services	46	419 632 091	640 697	3 417 185	423 689 973
Transfers and subsidies	33	5 870 918	267	(3 417 185)	2 454 000
Debt impairment	43	138 351 899	37 922	-	138 389 820
General expense	44	103 105 441	(72 029)	(410 125)	103 033 412
Surplus for the year		605 835 125	11 801 635	-	617 636 762

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55. Prior-year adjustments (continued)

Reclassifications

The following reclassifications adjustment occurred:

Reclassification 1

1. Other assets were reclassified into landfill site to at an amount of R 996 25
2. Reclassification of travel costs from general expenses to employee cost to ensure accurate disclosure of R 410 125.
3. Reclassification of unallocated deposit for 2024 to revenue of R 1 560 283.
4. Reclassification of grants and subsidies note, from conditional grants received in the current year to "conditional grants rolled over"
5. Reclassification of solar expenses from transfer and subsidies to contracted services."

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56. Risk management

Financial risk management

The municipality's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The accounting policy for financial instruments was applied to the following statement of financial position items:

Amortised cost - Financial Assets	2025	2024
Receivables from exchange transactions	16 254 689	17 988 112
Receivables from non-exchange transactions	3 841 975	3 244 850
Consumer Debtors	90 147 832	67 242 043
Cash and cash equivalents	17 895 801	99 299 089
Long-term investment	58 747 630	53 452 630
	186 887 927	241 226 724

Amortised cost - Non-Derivative Financial Liabilities	2025	2024
Borrowings	(64 503 498)	(100 404 647)
Payables	(222 078 861)	(258 911 857)
	(286 582 359)	(359 316 504)

Fair Values

The table below analyses financial instruments carried at fair value at the end of the reporting period, by level of fair-value hierarchy. The different levels are based on the extent to which quoted prices are used in the calculation of the fair value of the financial instruments, and have been defined as follows:

Level 1:

Fair values are based on quoted market prices (unadjusted) in active markets for an identical instrument.

Level 2:

Fair values are calculated using valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3:

Fair values are based on valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data, and the unobservable inputs have a significant effect on the instrument's valuation. Also, this category includes instruments that are valued based on quoted prices for similar instruments, where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

2025	Level 1	Total
Financial Assets		
Cash and cash equivalents	17 895 801	17 895 801
Long-term investment	58 747 630	58 747 630
Borrowings	(64 503 498)	(64 503 498)
	12 139 933	12 139 933

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56. Risk management (continued)		
2024	Level 1	Total
Financial Assets		
Cash and cash equivalents	99 299 089	99 299 089
Long term investment	53 452 630	53 452 630
Borrowings	(100 404 647)	(100 404 647)
	52 347 072	52 347 072

Liquidity risk

2025	Up to 1 year	1-5 years	Total
Non-derivative financial liabilities			
Borrowings	(49 545 728)	(25 503 915)	(75 049 643)
Capital repayments	(40 407 487)	(24 500 658)	(64 908 145)
Interest	(9 138 241)	(1 003 257)	(10 141 498)
Payables	(222 078 858)		(222 078 858)
	-271 624 586	(25 503 915)	(297 128 501)

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.

The following are contractual liabilities of which interest is included in borrowings:

2024	Up to 1 year	1-5 years	Total
Non-derivative financial liabilities			
Borrowings	(45 099 389)	(70 742 415)	(115 841 804)
Capital repayments	(35 901 148)	(64 503 499)	(100 404 647)
Interest	(9 198 241)	(6 238 916)	(15 437 157)
Payables	(257 579 392)	-	(257 579 392)
	(302 678 781)	(70 742 415)	(373 421 196)

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables are assessed for recoverability in line with the municipality debt impairment policy which is aligned to the GRAP 104 paragraph 61 (Financial Instruments).

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

Financial instrument	2025	2024
Receivables from exchange transactions	16 254 689	17 988 112
Receivables from non-exchange transactions	2 315 313	1 912 385
Consumer debtors	90 147 832	67 242 043
Cash and Cash equivalents	17 895 801	99 299 089
Long term investment	58 747 630	53 452 630

Market risk

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56. Risk management (continued)

Market risk of the Municipality

Market risk is the risk to the municipality that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The municipality is not exposed to currency risk as its operations are only in South Africa, and its financial transactions are primarily denominated in the South African Rand.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Consumer debtors are exposed to interest rate risk as the municipality levies interest at prime plus 1%. The municipality's investments are also affected by fluctuations in the market interest rates.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). Changes in the CPI and the PPI could have an impact on the pricing of goods and services procured by the municipality. Similarly, the volatility in international markets and the seasonal fluctuations in fuel price and supply also present a price risk to the municipality.

57. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern.

This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The municipality is constitutionally mandated to impose Rates and Taxes in terms of Section 229 of the Constitution and that ensures that it will continue to fund its operations.

In light of the municipality's financial performance and position for the year ended 30 June 2025, the evidence strongly supports the presumption of going concern. The substantial accumulated surplus of R2.874 billion, coupled with total assets significantly exceeding total liabilities, reflects a robust net asset position capable of absorbing foreseeable operational and financial shocks. The recorded annual surplus of R164.3 million underscores the municipality's capacity to generate positive economic resources through its service delivery and revenue streams.

The municipality concluded the financial year with a cash and cash equivalents balance of R17.8 million, indicating that it maintained a positive liquidity position. Although the current ratio of 0.81:1 suggests that liquidity is inadequate, it remains at a level that requires careful cash flow management to avoid pressure during periods of high expenditure or delayed revenue receipts. Furthermore, the observed decline in the collection rate from 80% to 65% poses a medium-term risk to cash-generating capacity if not addressed proactively.

From a public sector financial sustainability perspective, the continued receipt of equitable share allocations and conditional grants remains a critical determinant of solvency and service delivery continuity. The municipality's demonstrated compliance with grant conditions and its effective utilisation of capital and operational transfers provide assurance of ongoing fiscal support. Considerations made by management in assessing the going concern of the municipality as at 30 June 2025:

1. Financial Position Indicators

- Accumulated Surplus: R2.874 billion (2024: R2.710 billion).
- Net Assets: R2.946 billion with total assets of R3.282 billion exceeding total liabilities of R 401.3 million.
- Liquidity Position: Current assets of R241 million vs current liabilities of R296 million (Current ratio 0.81:1).
- Borrowings: R64.5 million (down from R100 million in 2024), indicating manageable debt levels.
- Cash and Cash Equivalents: Closing balance at R17,8 million compared to R99.3 million in 2024 — this is a red flag for short-term liquidity but mitigated by strong receivables and grant inflows.

2. Performance Indicators

- Surplus for the year: R164.3 million (significant increase from prior year surplus of R61.8 million).
- Operating Expenditure Coverage: Large surplus provides headroom to absorb cost pressures.
- Grants Dependency: Government grants and subsidies remain a major income source (R831.5 million), making continued compliance with conditional grant requirements critical.

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58. Events after the reporting date

There were no events after the reporting date.

59. Unauthorised, Irregular and Fruitless and Wasteful Expenditure

Unauthorised expenditure	113 250 066	275 655 848
Irregular expenditure	150 970 160	167 575 319
Fruitless and wasteful expenditure	906 177	1 362 501
Closing balance	265 126 403	444 593 668

*Refer to reconciling notes in the annual report

60. Unauthorised expenditure

Opening balance as previously reported	275 655 848	463 418 696
Less: Amount written off - prior period	(275 655 848)	(463 418 696)
Add: Administration Corporate (operational)	-	23 523 115
Add: Finance and administration (operational)	61 829 309	127 502 213
Add: Roads (Operational)	47 572 922	36 599 433
Add: Solid waste landfill site (Operational)	1 722 160	984 590
Add: Finance and administration (Capital)	-	47 062 587
Add: Waste management (Capital)	184 690	13 214 927
Add: Development planning (operational)	1 940 985	26 768 983
Closing balance	113 250 066	275 655 848

The 2025 unauthorised expenditure consists of:

1. Finance and administration (Operational)

The major contributor to the unauthorised expenditure is the impairment loss for debtors and depreciation, which were determined at year end

2. Roads (Operational)

This stems from the INEP-funded electrification project, which was expensed as per Treasury regulations. However, the budget was allocated under the capital budget, leading to a mismatch that resulted in unauthorised expenditure, when compared with the capital budget there is no unauthorised expenditure. The Budget on these electrification projects were budgeted under capital expenditure.

3. Solid waste landfill site (Operational)

The major contributor was the interest on landfill rehabilitation, calculated at year-end by an expert. This was not budgeted for because the information for the determination of the landfill site was only carried out at year end.

4. Development and planning (Operational)

Local Economic Development and Tourism (Vote 8) salaries were processed under the Development and Planning (Vote 7) due to quick codes integration issues. The budget for Local Economic Development and Tourism salaries is allocated under the respective vote. Hence, Vote 7 has unauthorised expenditure, and Vote 8 shows significant underspending

5. Waste management (capital)

Purchase of waste removal fleet not previously budgeted for.

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61. Fruitless and wasteful expenditure		
Opening balance as previously reported	1 362 501	1 362 501
Add: Fruitless and wasteful expenditure identified - current	20 295	-
Less: Amount written off - current	(20 295)	-
Less: Amount written off - prior period	(456 324)	-
Closing balance	906 177	1 362 501

Fruitless and wasteful expenditure is presented inclusive of VAT.

Additional text

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61. Fruitless and wasteful expenditure (continued)			
Details of fruitless and wasteful expenditure			
Fruitless and wasteful expenditure write off			
Alber Hibbert Attorneys- Interest on the Payment in favour of Mammule Chidi Attorney in a case of Wonder Kgole and Lelo - Amount written off		132 850	-
Sekhukhune Times- Re-Advertisement - Amount written off		17 312	-
Sheriff praktiseer H&L-Storage claim that accumulated due delay in removal of a car		26 557	-
Bathane Rasemana Attorney		134 218	-
Eskom- Interest on overdue account		689	-
Department of labour- Penalty on assessment		40 970	-
Municipal Gratuity Fund- Interest on overdue account		2 339	-
SARS- Interest and penalty on overdue account		26 644	-
Mapale- Lost legal case (interest) on judgement against the municipality -		67 847	-
Sekhukhune District-Interest on overdue account		4	-
AGSA-Interest on overdue account		385	-
Eskom- Interest on overdue account		3 729	-
Eskom- Interest on overdue account		2 571	-
Eskom- Interest on overdue account		2 785	-
Eskom- Interest on overdue account		1 828	-
Eskom- Interest on overdue account		6 056	-
Eskom- Interest on overdue account		548	-
Regenesys Business School fees-Interest on overdue account		1 276	-
University of witwatersrand- Interest on overdue account		1 502	-
Mmule chidi		6 509	-
		476 619	-
Disciplinary steps taken/criminal proceedings			
Mmule chidi	Payment in favour of Mammule Chidi Attorney in a case of wonder kgole and Lelo- Amount written off	-	6 509
Alber Hibbert Attorneys	The municipality did not oppose an appeal the case at the supreme court and as a result and as a result the appellant won the case - Amount written off	-	132 850
Sekhukhune Times	Re-Advertisement - amount written off	-	17 312
Sheriff Praktiseer H&L	Storage claim that accumulated due delay in removal of a car - Amount written off	-	26 557
Bathane Rasemana Attorney	Legal costs relating to dispute between (Kgaogelo Kae-Kae) (Pty) Ltd and FTLM-Amount written off	-	134 218
Standard Bank	Unauthorised bank withdrawals - Under investigation	896 593	896 593
FNB Bank	Unauthorised bank withdrawals - Under investigation	9 584	9 584

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Figures in Rand		2025	2024
61. Fruitless and wasteful expenditure (continued)			
Eskom	Interest on overdue account- Amount written off	-	689
Department of Labour	Penalty on assessment- Amount written off	-	40 970
Municipal Gratuity Fund	Interest on overdue account- Amount written off	-	2 339
SARS	Interest and penalty on overdue account-Amount written off	-	26 644
Mapale	Lost legal case (interest) on judgement against the municipality -Amount written off	-	67 847
Sekhukhune District	Interest on overdue account- amount written off	-	4
AGSA	Interest on overdue account- Amount written off	-	385
		906 177	1 362 501

Prior-year adjustments - Fruitless and wasteful expenditure

62. Irregular expenditure

Opening balance as previously reported	167 575 320	181 937 131
Add: Irregular expenditure - current	136 432 141	46 851 432
Less: Irregular expenditure - prior period error	-	(1 968 584)
Less: Amount written off - current	(49 393 191)	(10 777 684)
Less: Amount written off - prior period	(103 644 110)	(48 466 975)
Closing balance	150 970 160	167 575 320

Refer to Final Annexure 1-Irregular Expenditure breakdown as at 30 June 2025 for a detailed breakdown of the irregular expenditure identified in the 2025 financial year and disclosure in terms of Section 125 (2)(d) of the MFMA.

Prior period error- Irregular expenditure

	2024	PY error adjustment	Restated Balance
ZML Africa projects / Aleng South Africa JV Reteneion not yet paid incorrectly recognised as irregular expenditure	169 543 904	(1 968 584)	167 575 320

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63. Additional disclosure in terms of Municipal Finance Management Act		
Contributions to organised local government		
Current year subscription / fee	3 057 188	3 049 140
Amount paid - current year	(3 057 188)	(3 049 140)
	-	-
Audit fees		
Opening balance	6 969	-
Current year subscription / fee	8 789 982	9 267 411
Amount paid - current year	(8 796 951)	(9 260 442)
	-	6 969
PAYE and UIF		
Current year subscription / fee	52 939 108	48 017 767
Amount paid - current year	(52 939 108)	(48 017 767)
	-	-
Pension and Medical Aid Deductions		
Current year subscription / fee	41 079 432	35 100 971
Amount paid - current year	(41 079 432)	(35 100 971)
	-	-
VAT		
VAT receivable	500 866 269	395 348 771
VAT payable	(448 007 883)	(327 531 865)
	52 858 386	67 816 906

VAT output payables and VAT input receivables are shown in note .

All VAT returns have been submitted by the due date throughout the year.

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63. Additional disclosure in terms of Municipal Finance Management Act (continued)

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2025:

30 June 2025	Outstanding less than 90 days	Outstanding more than 90 days	Total
Makhofane I.T	2 158	16 840	18 998
Maila E.E	2 565	8 648	11 213
	4 723	25 488	30 211

30 June 2024	Outstanding less than 90 days	Outstanding more than 90 days	Total
Makofane I.T	5 813	96 390	102 203
Maila E.E	2 965	-	2 965
	8 778	96 390	105 168

During the year the following Councillors' had arrear accounts outstanding for more than 90 days.

64. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the accounting officer and includes a note to the annual financial statements.⁴

During the 2025 financial year, the municipality incurred total deviations amounting to R34 681 166.

These deviations relate to emergency procurement of legal services amounting to R3 130 728, which was incurred during the 2025 financial year; and

Electrification of 551 households in Burgersfort Extensions 54, 48, 71 and 72 (internal reticulation) amounting to R31 550 438 which relates to a contract initially entered during the 2024 financial year, with a total contract value of R56 481 819. The deviation was approved in terms of SCM Regulation 36(1)(a)(v) as it was impractical to follow the normal competitive bidding processes.

Class	2025	2024
Emergency	3 130 728	-
	31 550 438	17 717 262
	34 681 166	17 717 262

65. Segment information

General information

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65. Segment information (continued)

Identification of segments

The municipality is organised and reports to council on the basis of eight (8) major functional areas: community services, corporate services, executive council, finance, technical service administration, local economic development, development planning and municipal manager. The segments are organised around the departments which assist the municipality in service delivery. Council uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by Council as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Aggregated segments

The municipality operates in the Sekhukhune District area of the Limpopo province. Since all the segments are located in one geographical area, segment results were aggregated on the basis of services departments..

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment

Community Service

Finance

Technical services

Corporate Services

Waste Management

Development Planning

Local Economic Development

Municipal Manager

Goods and/or services

Removal and disposal of waste, traffic safety, municipal bylaws and security. Provision of libraries, pounds, public parks and cemeteries.

Ensure proper management of Municipal finance to improve financial viability, revenue, budget control, expenditure and free basic service. it also administers supply chain, fleet and assets management services

Technical Services Administration, Roads, Storm Water.

Corporate Services Administration, Executive Support

Waste Disposal

Development Planning Services Administration, Municipal Buildings.

Economic & Land Development Administration

Municipal Manager Administration

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65. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2025

	Community services	Finance	Corporate services	Waste Management	Development Planning	Local Economic Development	Municipal Manager	Technical services	Total
Revenue									
Revenue from exchange transactions	(46 618 230)	(61 365 441)	(4 087 707)	-	-	(4 107 827)	(108 602)	-	(116 287 807)
Interest Revenue	(7 493 611)	(12 662 044)	-	-	-	-	-	-	(20 155 655)
Revenue from non-exchange transactions	(18 583 738)	(873 268 544)	(5 593 229)	-	-	(1 742 000)	-	(202 813 707)	(1 102 001 218)
Total segment revenue	(72 695 579)	(947 296 029)	(9 680 936)	-	-	(5 849 827)	(108 602)	(202 813 707)	(1 238 444 680)
Entity's revenue									(1 238 444 680)
Expenditure									
Employee related cost	74 707 921	44 482 573	99 815 500	3 747 753	-	17 523 680	28 897 361	29 416 578	298 591 366
Remuneration of councillors	-	-	44 388 037	-	-	-	-	-	44 388 037
Inventory consumed	-	17 219 892	223 925	228 187	-	-	-	19 569	17 691 573
Depreciation and amortisation	9 030 694	19 190 533	4 071 630	-	-	-	-	69 465 272	101 758 129
Finance cost	-	9 198 241	-	-	-	-	-	-	9 198 241
Impairment losses	-	-	-	-	-	-	-	64 501	64 501
Lease rentals on operating lease	-	-	10 950 981	-	-	-	-	-	10 950 981
Debt Impairment	-	78 746 782	-	-	-	-	-	-	78 746 782
Bad debts written off	919 163	1 812 844	-	-	-	-	-	-	2 732 007
Contracted services	24 388 750	60 563 209	32 708 395	41 367 971	5 637 185	4 935 631	132 928 881	71 751 526	374 281 548
Transfers and subsidies	-	-	-	-	-	-	-	3 499 343	3 499 343
General expenses	9 852 589	23 087 302	84 460 032	16 752	83 993	1 708 131	10 530 807	707 017	130 446 623
Loss on disposal	-	-	708 532	-	-	-	-	-	708 532
Total segment expenditure	118 899 117	254 301 376	277 327 032	45 360 663	5 721 178	24 167 442	172 357 049	174 923 806	1 073 057 671
Total segmental surplus/(deficit)	46 203 538	(692 994 653)	267 646 096	45 360 663	5 721 178	18 317 615	172 248 447	(27 889 898)	(165 387 009)

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	Community services	Finance	Corporate services	Waste Management	Development Planning	Local Economic Development	Municipal Manager	Technical services	Total
65. Segment information (continued)									
Assets									
Inventories	2 193 089	55 148 969	2 222 651	362 969	-	-	(8 139)	158 362	60 077 901
Receivables from exchange transactions	-	16 254 689	-	-	-	-	-	-	16 254 689
Receivables from non-exchange transactions	(113 362)	(40 289 260)	(164 208)	182 101	-	-	42 857 456	(157 415)	2 315 312
VAT receivable	977 007	(228 994 636)	38 743 936	14 418 448	1 240 456	3 341 673	58 417 900	164 713 601	52 858 385
Consumer debtors from exchange transactions and non exchange	76 060 254	12 630 022	-	-	-	(200 312)	-	1 657 870	90 147 834
Cash and cash equivalents	(80 711 698)	2 023 894 774	(733 561 605)	(112 938 333)	(16 129 552)	24 961 797	(483 607 098)	(604 012 480)	17 895 805
Investment property	-	(5 784 000)	60 334 000	-	-	-	-	-	54 550 000
Long term investment	-	58 747 630	-	-	-	-	-	-	58 747 630
Property, Plant and Equipment	(65 586 020)	(79 260 422)	2 650 035 162	22 616 307	3 538 261	412 827	6 920 169	374 528 266	2 913 204 550
Intangible assets	2 502 124	(225 251)	(159 212)	-	-	-	-	-	2 117 661
Heritage Assets	-	-	1 068 300	-	-	-	-	-	1 068 300
Total segment assets	(64 678 606)	1 812 122 515	2 018 519 024	(75 358 508)	(11 350 835)	28 515 985	(375 419 712)	(63 111 796)	3 269 238 070
Total assets as per Statement of financial Position									3 269 238 070
Liabilities									
Payables from exchange transactions	5 066 987	49 451 651	(421 152 092)	1 202 881	(2 385 701)	(789 029)	(13 217 922)	159 744 364	(222 078 861)
Employee benefit obligation	-	(53 981 860)	7 427 314	-	-	-	-	-	(46 554 546)
Unspent conditional grant and receipts	(5 222 756)	(1 528 949)	(58 765 847)	-	-	1 688 000	-	63 829 550	(2)
Provision (Leave accrual)	-	(20 200 286)	(1 922 277)	-	-	-	-	-	(22 122 563)
Provision (Landfill site rehabilitation)	(36 398 679)	-	-	-	-	-	-	-	(36 398 679)
Standard bank loan	-	(64 503 498)	-	-	-	-	-	-	(64 503 498)
Total segment liabilities	(36 554 448)	(90 762 942)	(474 412 902)	1 202 881	(2 385 701)	898 971	(13 217 922)	223 573 914	(391 658 149)
Total liabilities as per Statement of financial Position									(391 658 149)

Fetakgomo Tubatse Local Municipality

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Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

65. Segment information (continued)

2024

	Community Services	Finance	Corporate services	Waste management	Development Planning	Local Economic Development	Municipal Manager	Technical Services	Total
Revenue									
Revenue from non-exchange transactions	(1 363 200)	(797 594 591)	(17 391 303)	-	(223 612 447)	-	-	(1 463 000)	(1 041 424 541)
Interest Revenue	(6 068 964)	(19 650 734)	-	-	-	-	-	-	(25 719 698)
Revenue from exchange transactions	(40 451 767)	(140 827 199)	(907 520)	(94 912)	-	-	-	(823 165)	(183 104 563)
Total segment revenue	(47 883 931)	(958 072 524)	(18 298 823)	(94 912)	(223 612 447)	-	-	(2 286 165)	(1 250 248 802)
Entity's revenue									(1 250 248 802)
Expenditure									
Employee related costs	83 641 236	38 548 205	68 523 358	468 644	-	11 322 162	24 288 832	28 481 437	255 273 874
Remuneration to Councillors	-	-	43 497 786	-	-	-	-	-	43 497 786
Inventory consumed	464 891	51 304 643	1 404 898	507 607	-	-	-	14 417	53 696 456
Depreciation and amortisation	4 863 112	7 185 069	46 569 519	-	-	-	-	27 318 283	85 935 983
Impairment loss/reversal of impairment	-	-	-	-	-	-	-	23 081 327	23 081 327
Finance costs	-	4 284 558	-	-	-	-	-	-	4 284 558
Lease rentals on operating lease	-	-	10 879 006	-	-	-	-	-	10 879 006
Debt impairment	-	138 389 820	-	-	-	-	-	-	138 389 820
Bad debts written off	290 243	224 630	-	-	-	-	-	-	514 873
Contracted services	16 378 731	57 016 467	38 435 756	30 723 413	-	14 731 125	125 394 587	141 009 890	423 689 969
Transfer and subsidies	-	-	-	-	-	-	-	2 454 000	2 454 000
Fair value adjustment	-	-	-	-	37 150 000	-	-	-	37 150 000
General expenses	8 233 155	26 082 771	57 681 327	191 477	-	1 776 512	7 590 328	1 477 839	103 033 409
Loss on non current assets held for sale or disposal groups	-	-	-	-	-	-	-	4 962 992	4 962 992
Total segment expenditure	113 871 368	323 036 163	266 991 650	31 891 141	37 150 000	27 829 799	157 273 747	228 800 185	1 186 844 067
Total segmental surplus/(deficit)	65 987 439	(635 036 356)	248 692 829	31 796 230	(186 462 447)	(27 829 799)	(157 273 747)	226 514 020	(63 404 734)

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

	Community Services	Finance	Corporate services	Waste management	Development Planning	Local Economic Development	Municipal Manager	Technical Services	Total
65. Segment information (continued)									
Assets									
Inventories	1 730 326	70 875 410	2 464 174	190 000	-	-	(14 950)	166 033	75 410 993
Receivables from exchange transactions	-	17 988 111	-	-	-	-	-	-	17 988 111
Receivables from non-exchange transactions	415 138	1 427 296	88 844	-	-	(157 415)	138 522	-	1 912 385
Vat Receivable	(514 724)	(126 828 921)	26 368 055	8 207 431	521 739	3 562 554	36 753 838	119 746 937	67 816 909
Consumer Debtors from exchange and non exchange	83 145 529	(17 330 483)	-	-	-	(230 878)	-	1 657 870	67 242 038
Cash and cash equivalents	(54 906 830)	1 526 063 912	(568 118 637)	(64 733 027)	(12 000 000)	24 950 745	(309 816 179)	(442 140 896)	99 299 088
Property, Plant and Equipment	(66 769 931)	(67 321 453)	2 638 398 427	16 760 539	3 538 261	412 829	6 115 269	197 876 649	2 729 010 590
Investment property	-	(5 784 000)	59 114 854	-	-	-	-	-	53 330 854
Intangible Assets	1 807 746	(225 251)	(1 481)	-	-	-	-	-	1 581 014
Heritage Assets	-	-	1 068 300	-	-	-	-	-	1 068 300
Long-term investment	-	53 452 630	-	-	-	-	-	-	53 452 630
Total segment assets	(35 092 746)	1 452 317 251	2 159 382 536	(39 575 057)	(7 940 000)	28 537 835	(266 823 500)	(122 693 407)	3 168 112 909
Total assets as per Statement of financial Position									3 168 112 909
Liabilities									
Payables from exchange transactions	6 399 175	16 415 118	(438 123 928)	994 472	-	(3 437 468)	(13 403 288)	173 576 532	(257 579 387)
Employee benefit obligation	-	(45 083 606)	5 541 246	-	-	-	-	-	(39 542 360)
Unspent conditional grants and receipts	-	(1 528 949)	(58 765 846)	-	-	1 688 000	-	50 201 957	(8 404 838)
Provisions (leave accrual)	-	(20 200 286)	294 205	-	-	-	-	-	(19 906 081)
Provision landfill site	(30 082 688)	-	-	-	-	-	-	-	(30 082 688)
Standard bank Loan	-	(100 404 647)	-	-	-	-	-	-	(100 404 647)
Total segment liabilities	(23 683 513)	(150 802 370)	(491 054 323)	994 472	-	(1 749 468)	(13 403 288)	223 778 489	(455 920 001)
Total liabilities as per Statement of financial Position									(455 920 001)

Fetakgomo Tubatse Local Municipality

(Registration number LIM 476)

Annual Financial Statements for the year ended 30 June 2025

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Figures in Rand

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65. Segment information (continued)

Measurement of segment surplus or deficit, assets and liabilities

Fetakgomo Tubatse Local Municipality

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Annual Financial Statements for the year ended 30 June 2025

* See Note 54

AUDIT REPORT



Auditing to build public confidence



AUDITOR - GENERAL
SOUTH AFRICA

Report of the auditor-general to Limpopo Provincial Legislature and council on Fetakgomo Tubatse Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of Fetakgomo Tubatse Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets and the cash flow statement and statement of comparison of budget and actual for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Fetakgomo Tubatse Local Municipality as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (DoRA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International Code of ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.
7. As disclosed in note 14 to the financial statements, the gross consumer debtors balance amounted to R553 682 313. Due to the recognition of irrecoverable debtors, an impairment allowance of R463 534 480 was raised.
8. With reference to note 51 to the financial statements, the municipality is the defendant in various lawsuits. The municipality is opposing these claims. The ultimate outcome of the

matters could not be determined and no provision for any liability that may result was made in the financial statements.

Other matter

9. I draw attention to the matters below. My opinion is not modified in respect of this matter.
10. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirements did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of MFMA and DoRA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page xx, forms part of my auditor's report.

Report on the audit of the annual performance report

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected key performance area presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

16. I selected the following key performance areas presented in the annual performance report for the year ended 30 June 2025. I selected key performance areas that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Key performance area (KPA)	Page numbers	Purpose
KPA 3: Infrastructural development and basic service delivery	[XX]	To facilitate for road infrastructure construction and delivery of electricity to households and indigents
KPA 4: Local Economic Development and Tourism	[XX]	To aim at creating an environment that will promote economic growth and development in areas surrounding the municipality and facilitate job creation.

17. I evaluated the reported performance information for the selected key performance area against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

18. In performing the audit, my procedures focused on the material indicators relating to sewer reticulation, energisation and related infrastructure, as well as roads.

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements measures taken to improve performance.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. I did not identify any material findings on the reported performance information for the KPA 4: local economic development and tourism.
22. The material findings on the reported performance information for the selected key performance area are as follows:

KPA 3: Infrastructural development and basic service delivery

% completed for integrated sports precinct

23. An achievement of 50% was reported against a target of 50%. I could not determine whether the reported achievement was correct, as the indicator was not well defined and I could not verify the methods and processes used to measure the achievements. Consequently, the reported achievement might be more or less than reported and was not reliable for determining if the target has been achieved.

% complete on the planning, design and installation of electricity at Mashifane Park

24. No target was set for the installation for this indicator. The reason provided by the accounting officer for this was the indicator related to a multi-year project and only the planning and design was earmarked for this current year. However, evidence was not provided to support this. Consequently, the target is not useful for measuring and monitoring progress against the municipality's planned objectives.

of indigent households receiving free basic electricity (FBE)

25. An achievement of 2 662 was reported against a target of 2 500. I could not determine if the reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be more or less than reported and was not reliable for determine if the target was achieved.

Other matters

26. I draw attention to the matters below.

Achievement of planned targets

27. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.
28. The table that follows provides information on the achievement of planned targets and list the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages xx to xx.

KPA 3: Infrastructural development and basic service delivery

<i>Targets achieved: 45%</i> <i>Budget spent: 100%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
% Construction of Dresden access road	100,00%	36.87%
% Construction of Maepa access road	100%	65%
% Construction of New Burgersfort landfill site	20%	10%
% Construction of Kgopaneng sports hub Phase 2	20%	12%
# of Municipal households electrified	1 900	0
% Completion of Magotwaneng access road	60%	0%
% Complete on sewer reticulation service	100%	89%
% Complete on installation of water reticulation services at Mashifane Park ext 2 and 3	100%	78%

Material misstatements

29. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for KPA 3: infrastructural development and basic service delivery and KPA 4: local economic development and tourism. Management did not correct all of the misstatements and I reported material findings in this regard.

Report on compliance with legislation

30. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

31. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

32. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently

detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

33. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

34. The financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.

Material misstatements of non-current assets, current assets and disclosure items identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Strategic planning and performance management

35. The performance management's related controls were inadequate as it did not function how the performance planning and reporting processes should be managed, as required by municipal planning and performance management regulation 7(1).

Expenditure management

36. Reasonable steps were not taken to ensure that money owed by the municipality was always paid within 30 days, as required by section 65(2)(e) of the MFMA.

37. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R113 250 066 as disclosed in note 60 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by overspending of the total amount appropriated for vote: finance and administration in the approved operating and capital budgets.

38. Reasonable steps were not taken to prevent irregular expenditure amounting to R150 970 160 as disclosed in note 62 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by the non-compliance with the Preferential Procurement Policy Framework Act 5 of 2000 and the supply chain management (SCM) regulations.

Procurement and contract management

39. Some of the goods and services within the prescribed transaction value for competitive bids were procured without inviting competitive bids, as required by SCM regulation 19(a).

Consequence management

40. Some of the irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

41. Some of the fruitless and wasteful expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Other information in the annual report

42. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information does not include the financial statements the auditor's report and those selected key performance areas presented in the annual performance report that have been specifically reported on in this auditor's report.
43. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
44. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected key performance areas presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
45. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary

Internal control deficiencies

46. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
47. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
48. Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.
49. The internal controls for monitoring compliance with laws and regulations are ineffective as they do not detect and prevent instances non-compliance with legislation

Material irregularities

50. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report

Status of previously reported material irregularities

Overpayment to contractor for Motodi sports complex

51. In terms of section 65(2)(a) of the MFMA, the accounting officer must take all reasonable steps to ensure that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds.

52. The municipality failed to maintain an effective system of expenditure control by overpaying a contractor for construction of the sports complex or by paying for service that was not received. The contractor claimed for a 2.3 km fence amounting to R2 990 000 whereas the actual fence built/installed on site was 1.7 km, which is an overpayment by R734 500. In addition, the contractor claimed for 14 000 m² segmented paving for an amount of R1 170 000 whereas the actual segmented paving installed on site was 5 971 m², incurring an overpayment by R632 610. This resulted in non-compliance with section 65(2)(a) of the MFMA and has resulted in a material financial loss of R1 572 176.

53. The accounting officer was notified of the MI on 22 March 2023 and invited to make a written submission on the actions taken and that will be taken to address the MI. The accounting officer responded on 26 September 2023 and the following actions have been taken to address the MI:

- The accounting officer requested a written submissions on 18 April 2023 from the affected officials involved in the projects. The accounting officer is still reviewing these submissions and will obtain a legal opinion for the best approach to resolve on the matter.
- The matter was referred to the Municipal Public Accounts Committee on 21 August 2023 and to an external service provider on 31 August 2023 for further investigations. The investigation was completed on 2 October 2024 and the following was recommended:
 - The municipality should recover the overpayment of R734 500 from the contractor for the installation of the fence and R632 610 overpayment for the paving, a total of R1 572 176 will be recovered.
 - To mitigate the impact, the recovery should be done by deducting the amount of R1 572 176 from the retention amount on the project, which is R3 722 000, with the balance to be paid to the contractor.
 - The municipality should implement consequence management against three municipal officials as a result of the lapses that took place during the implementation of the project. The following officials were found to be responsible; manager roads and storm water, technician: PMU and manager parks and cemetery.

- Training on contract management and record keeping should be conducted from time to time to capacitate municipal officials who are managing technical projects.
- The legal department instituted letters of recovery of the overpaid amounts to the affected contractor on 20 March 2025 and 10 May 2025. R1 494 720 was recovered through retention held by the municipality and a debt was created for the shortfall of R77 456.
- The municipal manager issued reprimand letters to the affected officials on the 20 March 2025. The technical: PMU official was moved to another unit as part of consequence management.
- Relating to the recommended training needs, the municipality will incorporate those needs in the workspace skills plan for 2025-26.
- The following internal controls are being implemented to prevent the re-occurrence:
 - The contract engineer will certify the work of the contractor. The certified work is to be submitted to the project manager, who will go on site to verify that the certified work has been executed as reported
 - The project manager will prepare a memo to the director to confirm that certified work is verified, for a payment to be processed in accordance with the work done

54. I received your written submission on 22 May 2025. I considered the representations made and the substantiating documents provided and have concluded that appropriate actions have been taken to address the material irregularity. Therefore, I will not pursue this matter any further.

Overpayment to contractor for Magotwaneng access bridge

55. In terms of section 65(2)(a) of the MFMA, the accounting officer must take all reasonable steps to ensure that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds.

56. The municipality failed to maintain an effective system of expenditure control by overpaying a contractor on the construction of Magotwaneng access bridge. The municipality paid for goods and services or for quantities that were not received, i.e. paid for more items but received less. There was an over-claim of R4 941 953 on certain activities as compared to what was received by the municipality and that was on site. The project had already achieved practical completion on 10 November 2020. This resulted in non-compliance with section 65(2)(a) of the MFMA and resulted in a material financial loss of R4 941 953.

57. The accounting officer was notified of the MI on 22 March 2023 and invited to make a written submission on the actions taken and that will be taken to address the MI. The accounting officer responded on 26 September 2023 and the following actions have been taken to address the MI:

- The accounting officer requested written submissions on 18 April 2023 from the affected officials involved in the projects. The accounting officer is still reviewing the submissions made and will obtain a legal opinion for the best approach to resolve on the matter.

- The matter has been referred to MPAC on 21 August 2023 and an external service provider on 31 August 2023 for further investigations. The investigation was completed on 2 October 2024 and the following was recommended:
 - The loss was determined at R612 562 and the municipality should recover the overpaid amount of R612 562 from the retention.
 - The municipality should implement consequence management against three municipal officials as a result of the lack of oversight during the implementation of the project. The following officials were found to be responsible; manager roads and storm water, technician: PMU and manager parks and cemetery.
- The legal department instituted letters of recovery of the overpaid amounts to the affected contractor on 20 March 2025 and 10 May 2025. R612 561 was recovered through retention held by the municipality and the remaining retention of R309 809 was paid to the supplier.
- The municipal manager issued reprimand letters to the affected officials on the 20 March 2025 The technical: PMU official was moved to another unit as part of consequence management.
- The following internal controls are being implemented to prevent the re-occurrence:
 - The contract engineer will certify the work of the contractor. The certified work is to be submitted to the project manager, who will go on site to verify that the certified work has been executed as reported
 - The project manager will prepare a memo to the director to confirm that certified work is verified, for a payment to be processed in accordance with the work done

58. I received your written submission on 22 May 2025. I considered the representations made and the substantiating documents provided and have concluded that appropriate actions have been taken to address the material irregularity. Therefore, I will not pursue this matter any further

Auditor-General

Polokwane

30 November 2025



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected key performance areas and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the municipality to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements; including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	<p>Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii),</p> <p>Sections: 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 165(1), 165(2)(a), 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b)</p>
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii)

Legislation	Sections or regulations
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3), 26(5), 27(4)(a)(i)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1), 19, 31, 35(1)
MSA: Municipal Systems Regulations, 2001	Regulation: 43
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)