

MASILONYANA LOCAL MUNICIPALITY



JUNE 2025 SECTION 52 REPORT

TABLE OF CONTENTS

Description	Page
Executive Summary	3
Purpose	3
Inventory Management	4
Debtors	5 - 7
Cash & Cash Management	7
Payables & Creditors	7 - 8
Grants	8 - 9
Budget & Reporting	9 - 18

EXECUTIVE SUMMARY

PURPOSE

To present financial report and inform Council about the income and expenditure of the Municipality as measured against the budget for the quarter to the end June 2025.

AUTHORITY

Municipal Finance Management Act No. 56 of 2003.

BACKGROUND

The purpose of this report is firstly to comply with section 52(d) of the Municipal Finance Management Act (MFMA), by submission of a report to the Council on the implementation of the budget. The report provides a quarterly overview of the financial performance of the municipality.

The report's strategic objective is to ensure good governance, provide a monitor tool for financial viability as well as to provide Council with the necessary information to make informed decisions. Section 52 (d) of the MFMA requires that:

The mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial situation of the municipality.

LEGAL IMPLICATIONS

Submission of the report in terms of Section 52 of the Local Government: Municipal Finance Management Act (MFMA), Act 56 of 2003.

FINANCIAL IMPLICATIONS

None.

RECOMMENDATIONS

That Council take note of the Section 52 report on the overall financial affairs of the municipality for the quarter ended June 2025

1.INVENTORY MANAGEMENT AND ASSETS MANAGEMENT

The municipality must manage, control and maintain all inventory/ consumables items as per requirement of Grap 3, furthermore stock count should be performed to ensure inventory as per system record is reconciled to inventory in the ground.

- The municipality has started with conducting its annual inventory count for the 2024/2025 financial year count has been conducted for Theunissen and Verkeerdevelei, count still to be conducted for Winburg and Brandfort 2024/2025 financial year.

The municipality must manage, control and maintain all municipal assets according to GRAP requirement, MFMA regulation and good asset management practices

- The municipality has to date received its draft asset register for the 2024/25 financial year, and thus regular updates towards full compilation are being made to such register on regular basis.

Asset Category	Carrying Value_2025
BUILDINGS	R 38 376 740,41
COMMUNITY ASSETS	R 69 278 701,36
ELECTRICITY	R 112 133 400,17
COMPUTER EQUIPMENT	R 656 645,97
FURNITURE & OFFICE EQUIPMENT	R 79 623,36
MACHINERY & EQUIPMENT	R 262 199,75
TRANSPORT	R 2 087 495,93
ROADS & STORM WATER	R 200 225 757,38
SOLID WASTE DISPOSAL	R 5 852 828,34
WASTE WATER	R 142 617 186,97
WATER	R 214 067 802,40

DEBTORS

The municipality is owed **R1 900 billion** for the quarter ended June 2025 and what is worrying is that 95% (R1 800 billion) of the service arrears debt is older than 90 days and thus denotes that it would be a hard slog to collect the debt. There is a subjective observation amongst local government practitioners that the majority of service arrears debt is not recoverable and therefore the municipality should consider writing off some of the debt.

FS181 Maslonyana - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June													
Description	MT Code	Budget Year 2024/25										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts (I/O Council Policy)
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dts-1 Yr	Over 1Yr	Total	Total over 90 days		
3 R thousands													
4 Debtors Age Analysis By Income Source													
5 Trade and Other Receivables from Exchange Transactions - Water	1200	11 737	-	5 828	6 702	13 267	4	40 012	446 930	524 481	506 915	-	-
6 Trade and Other Receivables from Exchange Transactions - Electricity	1300	2 235	28	779	890	1 823	299	5 279	84 234	95 960	92 316	-	-
7 Receivables from Non-exchange Transactions - Property Rates	1400	16 439	(18)	5 042	8 116	16 077	-	50 046	397 797	483 498	472 035	-	-
8 Receivables from Exchange Transactions - Waste Water Management	1500	6 773	-	3 235	3 677	7 325	-	22 040	249 653	292 714	282 706	-	-
9 Receivables from Exchange Transactions - Waste Management	1600	(6)	-	(1)	(1)	(1)	-	(2)	50 330	50 320	50 325	-	-
10 Receivables from Exchange Transactions - Property Rates Debtors	1700	-	-	-	-	-	-	-	58 821	58 821	58 821	-	-
11 Interest on Arrear Debtor Accounts	1810	21 280	-	10 733	10 628	21 400	-	73 670	199 457	336 049	334 056	-	-
12 Recoverable unauthorised, irregular, hush and wasteful expenditure	1820	-	-	-	-	-	(429)	-	50 747	54 758	47 201	-	-
13 Other	1900	(653)	(555)	6 708	585	(469)	(429)	(3 173)	-	-	-	-	-
14 Total By Income Source	2600	57 786	(546)	34 325	30 597	59 223	(135)	187 772	1 536 980	1 906 002	1 814 437	-	-
15 2023/24 - totals only													
16 Debtors Age Analysis By Customer Group													
17 Organs of State	2200	4 127	(376)	9 112	1 657	3 740	(308)	10 823	84 854	113 928	100 765	-	-
18 Commercial	2300	2 540	(13)	1 166	1 375	2 373	167	8 744	42 789	59 141	55 418	-	-
19 Households	2400	50 448	(152)	23 743	27 310	52 586	7	165 964	1 407 132	1 727 039	1 552 999	-	-
20 Other	2500	571	(5)	273	255	525	(1)	2 242	2 235	6 194	6 234	-	-
21 Total By Customer Group	2600	57 786	(546)	34 325	30 597	59 223	(135)	187 772	1 536 980	1 906 002	1 814 437	-	-

The municipal collection rate for the quarter ending June 2025 is as follows:

	SERVICE DESCRIPTION	EXC BILLING AMOUNT	TAX AMOUNT	INC BILLING AMOUNT	RECEIPTS AMOUNT
1	Electricity Basic	R614 947,35	R95 213,95	R710 161,30	-R184 887,42
3	Electricity Consumption	-R525 601,62	R23 176,94	-R502 424,68	-R224 621,97
4	Property Rates	R6 653 671,60	R0,00	R6 653 671,60	-R2 029 040,35
5	Refuse	R1 457 286,31	R219 932,86	R1 677 219,17	-R119 956,88
7	Sanitation	R2 684 774,17	R404 414,16	R3 089 188,33	-R218 477,30
3	Water Basic	R1 519 745,90	R230 738,85	R1 750 484,75	-R102 920,01
3	Water Consumption	R135 774,61	R21 478,80	R157 253,41	-R180 244,74
1	Leases	R56 854,16	R8 768,13	R65 622,29	R0,00
2	Interest on Arrears	R10 738 376,14	R0,00	R10 738 376,14	-R65 152,58
3	Electricity Demand Charge	R19 440,96	R2 916,14	R22 357,10	-R19 502,62
4	Water Flat Rate	R2 524 162,18	R398 723,70	R2 922 885,88	-R9 050,13
5	Grand Total	R25 879 431,76	R1 405 363,53	R27 284 795,29	-R3 153 854,00

MAY 2025 BILLING AND COLLECTION

SERVICE DESCRIPTION	EXC BILLING AMOUNT	TAX AMOUNT	INC BILLING AMOUNT	RECEIPTS AMOUNT
Electricity Basic	R587 512,60	R95 283,07	R682 795,67	-R175 291,02
Electricity Consumption	R193 428,18	R31 309,63	R224 737,84	-R194 042,47
Property Rates	R6 554 725,60	R0,00	R6 554 725,60	-R1 988 602,90
Refuse	R1 456 462,71	R220 046,41	R1 676 509,12	-R116 829,04
Sanitation	R2 775 557,57	R419 945,16	R3 195 502,73	-R216 844,59
Water Basic	R1 512 073,97	R231 075,90	R1 743 149,87	-R117 786,67
Water Consumption	R118 480,24	R20 802,90	R139 283,14	-R96 629,82
(blank)				
Leases	R56 854,16	R8 768,13	R65 622,29	-R95 106,67
Water Flat Rate	R2 655 381,21	R398 831,25	R3 054 212,46	-R52 361,86
Electricity Demand Charge	R19 440,96	R2 916,14	R22 357,10	-R29 857,10
Property Rates - Vacant	R0,00	R0,00	R0,00	-R1 770,42
Interest on Arrears	R9 168 742,66	R0,00	R9 168 742,66	-R57 510,69
Grand Total	R25 098 659,86	R1 428 978,59	R26 527 638,48	-R3 142 633,25

JUNE BILLING AND COLLECTION							
SERVICE DESCRIPTION	EXC BILLING AMOUNT	TAX AMOUNT	INC BILLING AMOUNT	RECEIPTS AMOUNT	RECEIPTS AMOUNT		
Electricity Basic	R613 935,57	R95 236,99		R709 172,56		-R134 350,05	
Electricity Consumption	R298 533,46	R44 939,00		R343 472,46		-R167 914,06	
Property Rates	R6 710 295,04	R0,00		R6 710 295,04		-R1 867 331,41	
Refuse	R1 437 685,44	R216 993,61		R1 654 679,05		-R70 200,60	
Sanitation	R2 738 015,14	R414 717,66		R3 152 732,80		-R155 334,51	
Water Basic	R1 412 712,44	R227 654,40		R1 640 366,84		-R68 257,92	
Water Consumption	R135 454,57	R20 860,65		R156 315,22		-R80 610,62	
Leases	R56 854,16	R8 768,13		R65 622,29		R0,00	
Electricity Demand Charge	R16 600,32	R2 490,05		R19 090,37		-R34 268,49	
Property Rates - Vacant	R0,00	R0,00		R0,00		-R925,60	
Interest on Arrears	R10 447 973,04	R0,00		R10 447 973,04		-R43 692,54	
Water Flat Rate	R2 571 421,18	R391 195,20		R2 962 616,38		-R12 500,83	
Grand Total	R26 439 480,36	R1 422 855,69		R27 862 336,05		-R2 635 386,63	
MONTH	EXC BILLING AMOUNT	TAX AMOUNT	INC BILLING AMOUNT	RECEIPTS AMOUNT	COLLECTION RATE		
JUNE	R26 439 480,36	R1 422 855,69	R27 862 336,05	-R2 635 386,63	9%		
MAY	R25 098 659,86	R1 428 978,59	R26 527 638,48	-R3 142 633,25	12%		
APRIL	R25 879 431,76	R1 405 363,53	R27 284 795,29	-R3 153 854,00	12%		

The following initiatives are being implemented to maximise the revenue output of the municipality:

- Constant monthly consultations with businesses for payment of accounts.
- Offering 50% incentives to customers wishing to settle their accounts.

The municipality has developed and implemented a revenue enhancement strategy which focuses on the following measures to improve the revenue collection and financial position of the municipality. The following interventions

are proposed:

- Establishment of a strong debt collection unit with dedicated officials focusing on long outstanding debt, disconnections and blocking of electricity.

- The Completeness of the Refuse Service Charges and enhancement through the review of the Wheelie Bins application forms and its reconciliation with the Billing System. Follow up on variances emanating from the comparison of the Billing system with the application forms. Automation of the Wheelie Bins application and synchronization with the Billing System
- Property Rates Billing System Reconciliation with the General Valuation Roll and investigate any variances. Developing an action plan, which will be monitored monthly, to address the exceptions identified in the reconciliation

The following initiatives are to be implemented to further maximize the revenue output of the municipality:

- Cutting off all services to defaulting consumers.
- Handling over all business debts over 90 days to attorneys for collection and legal proceedings.

3. CASH AND CASH EQUIVALENTS

Investments play a crucial role in a municipality's financial management, as they enable the municipality to be able to meet its short-term liabilities, bridge shortfalls and earn interest on surplus cash. However, due to cash flow challenges, huge list of creditors and constant attachment of the municipal bank account, however, here is the investment Register submitted to treasury for reporting on **Q4**

Darmacation Code	Fin Year	Quarter	From	To	Monthly Interest percentage	Interest	Opening	Withdrawals	Deposit	Closing Balance
FS181 Masiomyana	2025	Q4	20250401	20250630	9%	R767 573,00	R73 350 425,00	-R63 951 065,00	R5631 436,00	R15 798 369,00

The municipality's primary bank account with Absa has been attached by various creditors and the Municipal Manager and his team are implementing effective controls to deal with all the litigations against the municipality.

4. PAYABLES AND CREDITORS

FS181 Masilionyana - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June												
Budget Year 2024/25												Prior year totals for chart (same period)
Description	NT Code	0 -	31 -	61 -	91 -	121 -	151 -	181 Days -	Over 1	Total		
		30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	1 Year	Year			
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	46 917	46 917	
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	
Loan repayments	0600	-	-	-	-	-	-	-	-	228 407	228 407	
Trade Creditors	0700	550	(1 033)	(470)	(85)	(475)	1 624	102 797	125 499	(1 059)	(1 059)	
Auditor General	0800	(300)	-	(759)	-	-	-	-	-	107 285	107 285	
Other	0900	12 753	999	6 760	3 676	2 070	190	17 250	63 568	381 529	381 529	
Total By Customer Type	1000	13 003	(34)	5 530	3 591	1 595	1 814	141 264	214 766			

- The creditors books are incomplete on the C schedule of the Municipality due to system setup that is not pulling correctly to SC4 like it supposed to. This incident was raised with service provider to update the setup to reflect the correct amount. The amount is, however, captured on the system on SAGE but not correctly integrating into where the report is pulling from. as the bulk water, electricity and pension funds are not correctly appearing on the system. The municipality is, however in the processes on engaging the service provider to assist and on the new financial year, this incident does not repeat itself.

PAYROLL

Nett Salary Monthly	591 Officials	19 Councillors	5 Section 57	5 Intern	98 Wards	25 Temps
April	R5 949 566,21	R426 569,16	R247 360,28	R42 183,43	R45 000,00	R357 242,14
May	R6 083 334,90	R431 466,70	R243 460,02	R42 230,49	R53 410,00	R442 236,06
June	R6 065 536,32	R427 654,27	R297 285,50	R42 230,49	R48 955,00	R496 811,99

The municipality is reliant on quarterly equitable shares tranches to pay salaries. It simply means that the total equitable shares are used for salaries, and less is left for the operations and service delivery

5. GRANTS

Conditional grants performance for the month of June 2025:

No	Description	Amount Received	Amount Spent	Balance	Spending in term of percentage
1	MIG	19 770 068,58	20 256 789,70	-486 721,12	102%
2	DSM	27 629 000,00	2 496 583,86	25 132 416,14	9%
3	WSIG	21 224 000,00	21 304 634,70	-80 634,70	100%
4	INEP	14 283 000,00	11 319 453,67	2 963 546,33	79%
5	FMSG	2 600 000,00	2 600 024,98	-24,98	100%
6	EPWP	1 200 000,00	1 223 123,12	-23 123,12	102%
7	EEDG	4 000 000,00	2 912 895,85	1 087 104,15	73%
		90 706 068,58	62 113 505,88	28 592 562,70	

R3.5 million was withheld by NT

5. BUDGET AND REPORTING

- The Budget Department has completed and submitted the annual funded budget MTRE 2025/2026 and submitted supporting documents, to NT and relevant PT, in the form of PDF and mSCOA data strings as required by MFMA 22 (b) (i)(ii). The funding plan was also submitted to support the budget as treasury recalculated the budget as unfunded using budget tools, which requires the municipality to submit the funding plan. The draft funding pal was submitted to treasury Go Mun.
- All budget related monthly data-strings have been uploaded on Go-Mun portal for the 2024/2025 financial year except for the month of May 2025 which were rejected on the portal and only tried to be resubmitted again, only too late as the portal was already closed. The root cause was lack of assistance from the service provider to assist on clearing the error that caused the data to be rejected. This causes no submission on data string for May 2025
- Monthly data-strings for the quarter under review have also been uploaded successfully.

Budget Performance

FS181 Maslonyana - Table C4 Monthly Budget Statement - Financial Performance (Revenue and expenditure) - M12 June

FS181 Masilonyana - Table C4 Monthly Budget Statement - Financial Performance (Revenue and Expenditure)											
R thousands	Description	Ref	2023/24	Original Budget	Adjusted Budget	Monthly	Budget Year 2024/25		YTD variance	YTD variance %	Full Year Forecast
			Audited Outcome			actual	YearTD actual	YearTD budget			
Revenue											
Exchange Revenue											
	Service charges - Electricity		315 263	58 422	58 422	2 249	25 334	67 741	(42 406)	-63%	58 422
	Service charges - Water		(244 899)	39 031	39 031	4 302	58 219	39 031	19 188	49%	39 031
	Service charges - Waste Water Management		27 351	27 215	27 215	2 770	35 451	27 215	8 236	30%	27 215
	Service charges - Waste management		13 043	16 630	16 630	1 389	22 219	16 630	5 589	34%	16 630
	Sale of Goods and Rendering of Services		274	1 699	1 404	66	398	1 404	(1 006)	-72%	1 699
	Agency services		-	-	-	-	-	-	-	-	-
	Interest		-	-	-	-	-	-	-	-	-
	Interest earned from Receivables		87 786	2 000	2 000	8 157	98 630	2 000	96 630	4832%	2 000
	Interest from Current and Non Current Assets		179	-	-	0	0	-	-	-	-
	Dividends		575	-	-	-	-	-	-	-	-
	Rent on Land		-	-	-	-	-	-	-	-	-
	Rentel from Fixed Assets		705	105	105	61	810	105	705	673%	105
	Licence and permits		-	-	-	4	5	-	5	#DIV/0!	-
Non-Exchange Revenue											
	Property rates		100 601	89 116	89 116	8 973	107 606	89 116	18 490	21%	89 116
	Surcharges and Taxes		-	-	-	-	-	-	-	-	-
	Fines, penalties and forfeits		90	-	295	4	28	295	(267)	-	-
	Licence and permits		-	-	198 968	-	112 616	198 968	(84 352)	-	171 968
	Transfers and subsidies - Operational		208 141	171 968	-	-	-	-	-	-	-
	Interest		-	-	-	-	-	-	-	-	-
	Fuel Levy		-	-	-	-	-	-	-	-	-
	Operational Revenue		-	-	-	-	-	-	-	-	-
	Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
	Other Gains		-	-	-	-	-	-	-	-	-
	Discontinued Operations		-	-	-	-	-	-	-	-	-
	Total Revenue (excluding capital transfers and contributions)		509 111	406 186	431 186	27 976	461 317	440 505	20 812	5%	406 186
Expenditure By Type											
	Employee related costs		119 530	162 328	162 328	14 132	157 813	162 328	(4 515)	-3%	162 328
	Remuneration of councillors		8 734	7 796	7 796	54	623	7 796	(7 174)	-92%	7 796
	Bulk purchases - electricity		71 525	31 739	31 739	-	31 741	31 739	2	-	31 739
	Inventory consumed		9 409	21 724	21 724	-	4 026	21 724	(17 698)	-	21 724
	Debt impairment		-	56 604	56 604	-	-	-	-	-	56 604
	Depreciation and amortisation		33 077	43 834	43 834	-	-	43 834	(43 834)	-100%	43 834
	Interest		25 760	2 609	2 609	1	12 172	2 609	9 563	367%	2 609
	Contracted services		56 210	46 083	40 633	3 259	19 991	40 633	(20 641)	-51%	46 083
	Transfers and subsidies		-	6 000	6 000	-	-	6 000	(6 000)	-	6 000
	Irrecoverable debts written off		-	31 353	36 303	393	14 652	36 303	(21 650)	-60%	31 353
	Operational costs		21 436	-	-	-	-	-	-	-	-
	Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
	Other Losses		-	-	-	-	-	-	-	-	-
	Total Expenditure		345 681	410 070	409 570	17 840	241 018	352 966	(111 947)	-32%	410 070
	Surplus/(Deficit)		163 430	(3 884)	21 616	10 135	220 299	87 539	132 759	0	(3 884)
	Transfer of capital subsidies - capital (monetary allocations)		28 293	103 731	103 731	-	39 483	103 731	(64 248)	(0)	103 731
	Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
	Surplus/(Deficit) after capital transfers & contributions		191 724	99 847	125 347	10 135	259 782	191 270	-	-	99 847
	Income Tax		191 724	99 847	125 347	10 135	259 782	191 270	-	-	99 847

- **Service charges, Sales of Goods and rendering of services.** Property **Rates**, Revenue Section challenges include lack of stable financial system and internet connectivity, and collection is not unsatisfactory due to this issue.
- **Interest Earn from Receivable:** Interest modules show errors every month when running it and possible incorrect calculation and as a result customers' accounts are not accurate.
- **Transfer and subsidies-operation.** R112 616 mil grant were recognized in the statement of financial performance and still the year end journals will be done to record all grant as revenue recorded.
- Measure was put in place in May 2025 to ensure that revenue recognition journals are done and reconciled to the grant register to ensure that revenue reflects correctly

Expenditure By Type										
Employee related costs	-	142 589	-	-	-	-	71 294	(71 294)	-100%	142 589
Remuneration of councillors	-	8 007	-	-	-	-	4 004	(4 004)	-100%	8 007
Bulk purchases - electricity	-	74 787	-	-	-	-	37 393	(37 393)	-	74 787
Inventory consumed	5 055	-	-	-	-	5	-	5	-	-
Debt impairment	-	86 481	-	-	-	-	-	-	-	86 481
Depreciation and amortisation	-	95 719	-	-	-	-	47 860	(47 860)	-100%	95 719
Interest	-	3 500	-	-	-	-	1 750	(1 750)	-100%	3 500
Contracted services	5 776	17 171	-	-	-	26	8 585	(8 559)	-100%	17 171
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	-	-	-	-	-	-	-	-	-	-
Operational costs	4 962	19 749	-	-	-	368	9 875	(9 506)	-96%	19 749
Losses on Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Other Losses	-	-	-	-	-	-	-	-	-	-
Total Expenditure	15 793	448 003	-	-	-	399	180 761	(180 362)	-100%	448 003

Comparison against YTD Budget

- The municipality captured the invoices; hence most balances are no longer on credit. The current expenditure when compared to budget shows satisfactory variances due to the reasons mentioned.
- **As for employee-related cost and Remuneration**, the integration between CCG and Payday was done for both Employee related cost and Remuneration,
- **Bulk Purchases:** Invoices on bulk Electricity were also captured but the C schedule is still not updated. This issue was also reported again in April on CCG to check the root causes; the error was supposed to be corrected in April but still the issue in June.

Supply Chain Management

1.1 Adoption of SCM Policies in terms of SCM Regulation 3(1)

The policy was reviewed and adopted in May 2024 by the council in terms of SCM regulation 3.

1.2 Capacity of SCM Unit

Number of funded post	Number of filled post	Number of vacant post	Date to fill Vacant Post	Comments
3	2	1		None

1.3 Competitive bidding process

Tenders awarded:

Description	Value of tenders awarded	Supplier Name	Date awarded	Comments
Refurbishment of the Brandfort 11KV Switching Station	R5 386 308.02	Electricivil Trading	28 January 2025	None
Efficiency Demand-Side Management (EESDM) KKMT Construction (PTY) LTD	R3 858 051.63	KKMT Construction (PTY) LTD	28 January 2025	None

1.4 Deviations

Description	Supplier Name	Value for deviations	Reason for deviations
ISUZU CAR SERVICE	Westvaal Motors	R27 738,82	Urgent repair of vehicle for service delivery
Fleet material: 2 V-Belt	C U Rand Hersteldienste	R1 833,35	Material for vehicles
Water sampling - Invoice no: 11090/0010828	University of the Free State	R38 572,52	Water sampling
Water sampling - Invoice no: 11090/0010743	University of the Free State	R41 493,15	Water sampling
ACCOMMODATION FOR PMU TECHNICIANS	GARDEN COURT EASTGATE	R9 180,00	
ACCOMMODATION FOR BUDGET MANAGER	THE CAPITAL ON THE PARK	R9 000,00	THE HOTEL WAS CHOSEN AS THE TRAINING WILL BE HELD THERE AND MEMBERS ARE EXPECTED TO STAY TILL LATE
EMERGENCY OF TAKING MR L.SELEMA TO REHABILITATION CENTRE	ANCHOR RECOVERY RANCH	R14 100,00	EMERGENCY OF TAKING MR L.SELEMA TO REHABILITATION CENTRE
ACCOMMODATION FOR DIRECTOR PLANNING AND DEVELOPMENT	WILVEN WOONSTELLE PTY LTD	R6 500,00	THE ACCOMMODATION WAS CHOSEN AS IT WAS LOWER THAN COSMOS BNB, WHICH WAS THE RECOMMENDED ONE
URGENT PROCUREMENT OF MONO BLOCK, 35MM X1PE CABLE, FUSE CARRIER, MATERIAL, SERVICING AND REPAIRS O 11KV RMU IN THEUNISSEN	TRI-LECTRO	R52 460,96	URGENT LOCATING OF CABLE FAULT AND REPAIR AT THEUNISSEN
MAINTENANCE OF BRANDFORT PUMP STATION	RHOMBERG INSTRUMENTS	R381 552,75	MAINTENANCE OF BRANDFORT PUMP STATION
PLANT HIRE	SETSHABELO TRADING 647	R42 138,30	SUPPLY AND INSTALLATION OF 300MM AIR VALVE

Description	Supplier Name	Value for deviations	Reason for deviations
FUMIGATION OF OFFICES	THEUNISSEN TYRE PRO	R5 951,25	URGENT FUMIGATION AND DEEP CLEANSING OF NEW MUNICIPAL OFFICES
TRANSFORMER	CAPITAL POWER PROJECTS PTY LTD	R181 125,00	URGENT SUPPLY OF TRANSFORMER IN BRANDFORT
11KV FUSES	TRI-LECTRO	R30 432,70	URGENT MV CABLE FAULT LOCATION, TEST AND REPAIR OF TERMINATION OF 11KV UNDERGROUND FAULTY CABLE IN WINBURG
11KV UNDERGROUND CABLE	TRI-LECTRO	R73 369,94	URGENT MV CABLE FAULT LOCATION, TEST, CABLE JOINT REPAIRS AND TERMINATION OF 11KV UNDERGROUND FAULTY CABLE IN THEUNISSEN

1.5 Irregular Expenditure

Description	Supplier Name	Total Amount	Reason for irregular
Municipal Emails	ICLIX	R2 300	None adherence to SCM processes and incomplete information.
Municipal Emails	ICLIX	R2 300	None adherence to SCM processes.

Description	Supplier Name	Total Amount	Reason for irregular
Supply of Water Trucks	Iwe Civil and Project Management	R455 400,00	None adherence to SCM processes and incomplete information. BAC composition not in line with Regulation 29.
Winburg: Constructions of Outfall Sewer and Rectification of Existing Network	Stimer Construction JV Matsapa Trading	R2 506 894,73	None adherence to SCM processes and incomplete information. BAC composition not in line with Regulation 29.
Winburg: Constructions of Outfall Sewer and Rectification of Existing Network	Stimer Construction JV Matsapa Trading	R1 890 395,31	None adherence to SCM processes and incomplete information. BAC composition not in line with Regulation 29.
Emergency Repairs of Xipe 11kv Join Kit (For 50kv 90) Water Supply	Dln Consulting (Pty)Ltd	R698 889,50	None adherence to SCM processes and incomplete information. BAC composition not in line with Regulation 29.
Winburg: Constructions of Outfall Sewer and Rectification of Existing Network	Dipabala Solutions	R161 522,64	None adherence to SCM processes and incomplete information. BAC composition not in line with Regulation 29.

1.6 Procurement through SCM Regulation 32

Description	The name of the Entity that SCM Regulation 32 was sourced from.	Service Provider	Date Sourced	The total value of tenders	Comments
Advertisement to national newspaper of Technologist	N/A	All About Ads Pty Ltd	14 JANUARY 2025	R17 951,50	N/A
Water and Sanitation	N/A	Mont d'or Hotel	25 FEBRUARY 2025	R 1700,00	N/A
Accommodation for Chief Risk Officer	N/A				

Description	The name of the Entity that SCM Regulation 32 was sourced from.	Service Provider	Date Sourced	The total value of tenders	Comments
Catering forward committee training in Theunissen - 13/02/2025	N/A	Madironisho cleaning and projects	11 FEBRUARY 2025	R7 160,00	N/A
Catering forward committee training in Brandfort - 11/02/2025	N/A	Koaho Creations Trading and Projects	10 FEBRUARY 2025	R7 591,00	N/A
Catering forward committee training in Winburg - 12/02/2025	N/A	Koaho Creations Trading and Projects	10 FEBRUARY 2025	R7 513,00	N/A
Accommodation for 4 Revenue staff to attend Roll out of the municipal Finance Program SALGA training in Bloemfontein	N/A	Lion Lodge	25 FEBRUARY 2025	R4 060,00	N/A
Accommodation for 2 Revenue staff to attend Roll out of the municipal Finance Program SALGA training in Bloemfontein	N/A	Lion Lodge	25 FEBRUARY 2025	R2 030,00	N/A
Accommodation to attend Disaster Recovery Plan Meeting in Midrand for PMU Technicians - 3-5 February 2025	N/A	Town Lodge by City Lodge Hotels Midrand	11 FEBRUARY 2025	R 5 160,00	N/A
Document scanner	N/A	Tsoane Trading	11 FEBRUARY 2025	R9 593,75	N/A
Accommodation for 2 Councilors to attend Roll out of the municipal Finance Program SALGA training in	N/A	College Lodge	25 FEBRUARY 2025	R15 230	N/A

Description	The name of the Entity that SCM Regulation 32 was sourced from.	Service Provider	Date Sourced	The total value of tenders	Comments
Bloemfontein - 23-27 February 2025					
Advertisement for Audit and Performance Committee Member	N/A	THE CITIZEN	11 FEBRUARY 2025	R10 194,75	N/A
Re-advert for Director Technical Services	N/A	ALL ABOUT ADS PTY LTD	14 FEBRUARY 2025	R17 149,95	N/A
Accommodation for mayor and 2 drivers in Midrand	N/A	REGAL INN	25 MARCH 2025	R8 100,00	N/A
Accommodation for MM, DCOS and Senior Legal Advisor	N/A	Anew Hotel Parktonian	3 MARCH 2025	R4 590,00	N/A
Accommodation for Municipal Manager	N/A	Garden Court Hatfield	10 MARCH 2025	R3 060,00	N/A
Fuses	N/A	Lesokwaneng General Trading	13 MARCH 2025	R 19 800,00	N/A
Clamps	N/A	Masarasara Trading and Projects	10 MARCH 2025	R11 000,00	N/A

1.7 E-Tender Publication Portal In terms of Circular 83

The number of tenders published.	The number of tenders cancelled.	The number of tenders re-advertised.	The number of tenders awarded.	Comments
8	1	1	5	The RFQ cancelled was a result of unclear specifications. Other tenders closed in April

mSCOA Implementation

- The municipality has a functional mSCOA enabling financial system

Planning - Budget/IDP - 100% implementation.

Challenges	Progress/Status Quarter 1	Progress/Status Quarter 2	Progress/Status Quarter 3	Progress/Status Quarter 4
Late updates by the system vendor - which puts us under pressure to capture the budget on time and identify errors, correct them on time before submission to council and to the NT portal.	Applicable in the 3 rd quarter, during adjustment budgets.	Applicable in the 3 rd quarter, during adjustment budgets.	This challenge was identified during the month of May during the submission of data.	Nothing reported on the 4 th quarter.
Information/inputs loaded on the system shows different amounts when generating the A1 schedule or other budget schedules.	Corrected. The mapping of accounts and segments of accounts was corrected.	N/A	This challenge was identified during the submission of 2025/2026 tabled budget from the assessment from Treasury on the A Schedules submitted when compared to data string	This challenge was identified during the submission of 2025/2026 tabled budget from the assessment from Treasury on the A Schedule submitted when compared to data string
Certain accounts are removed from the chart without consultation with the municipality. For example, ERC - Provident Funds.	This is still an issue and can only be corrected during the adjustment budget.	N/A	N/A	N/A

Prepared by:

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end, enclosed within a dotted oval border.

A Makoe

Chief Financial Officer