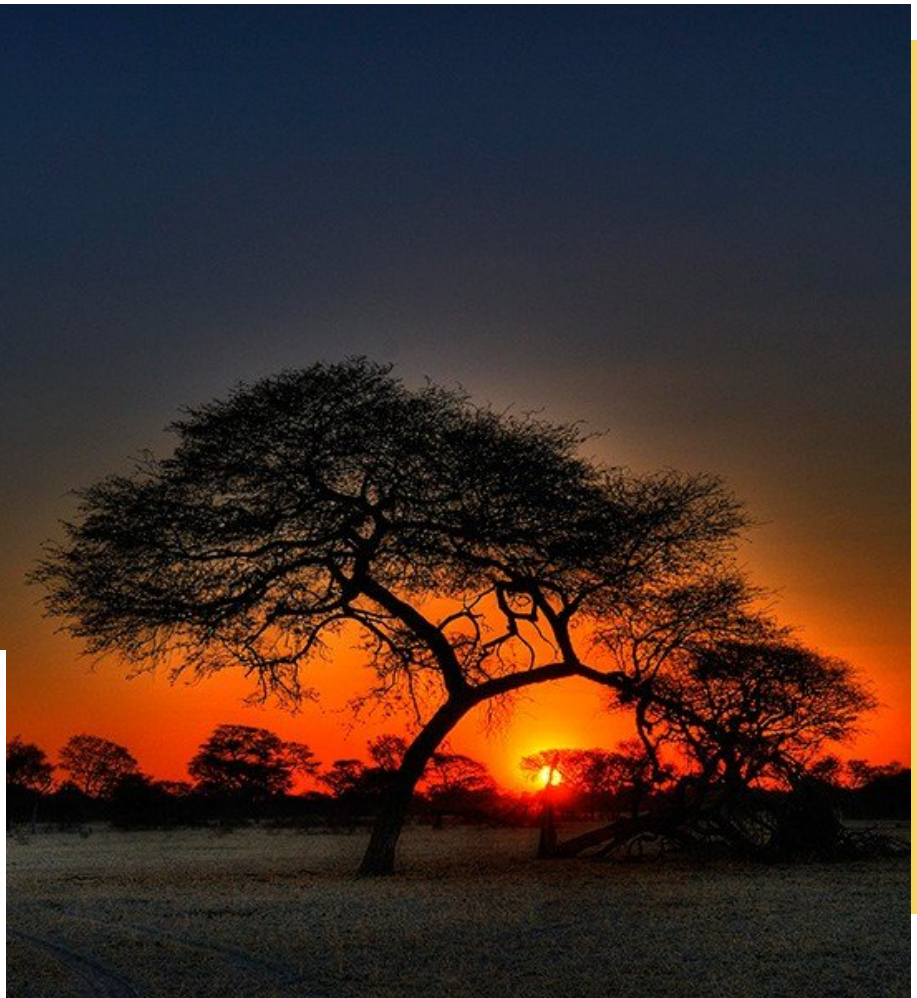




Vol.1 - Annual Report 2024/2025

John Taolo Gaetsewe District Municipality

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CHAPTER 1 - MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

The tabling of the Annual Report represents the culmination of the accountability cycle of the John Taolo Gaetsewe District Municipality and provides Council, oversight institutions, and our communities with a comprehensive account of our governance, financial management, and service delivery performance for the 2024/25 financial year.

I am pleased to report that for the year under review, the municipality achieved an unqualified audit opinion on the annual financial statements, together with a clean audit outcome on performance management. These outcomes affirm that the municipality's financial affairs were managed in accordance with applicable legislation and accounting standards, and that our reported performance information is credible, reliable, and supported by adequate systems and controls. This achievement reflects the sustained commitment of Council and administration to sound governance, transparency, and accountability.

The audit process conducted by the Auditor-General of South Africa serves as an independent assurance mechanism on the integrity of our reporting and the effectiveness of our internal control environment. The outcomes attained demonstrate that the municipality continues to strengthen its control systems, improve record-keeping practices, and embed a culture of compliance and performance excellence across all functional areas.

This Annual Report further provides an opportunity to reflect on progress made in advancing the municipality's strategic objectives, as articulated in the Integrated Development Plan and implemented through the Service Delivery and Budget Implementation Plan. It highlights both our achievements and the areas that require focused attention as we continue to respond to service delivery challenges, fiscal pressures, and evolving community needs. In this regard, the municipality remains aligned with national priorities, including the implementation of the District Development Model, which promotes coordinated planning and integrated service delivery across the district.

While we take pride in the positive audit outcomes achieved, Council remains mindful that good governance is a continuous journey rather than a destination. We are committed to consolidating these gains, addressing identified matters with urgency, and continuously improving our systems, processes, and institutional capacity in the best interests of the communities we serve.

On behalf of Council, I extend my sincere appreciation to municipal management, officials, and all stakeholders for their dedication, professionalism, and cooperation throughout the year and during the audit process. Your collective efforts contribute meaningfully to strengthening public trust and advancing the vision of a well-governed, financially sustainable, and development-oriented district municipality.

MRS. P. Q. MOGATLE
EXECUTIVE MAYOR

COMPONENT B: EXECUTIVE SUMMARY

1.1 Municipal Manager's Overview

The Annual Report for the 2024/25 financial year presents a consolidated account of the governance, financial management, and service delivery performance of the John Taolo Gaetsewe District Municipality. It reflects the municipality's ongoing commitment to transparency, accountability, and continuous institutional improvement within a challenging and evolving operating environment.

For the year under review, the municipality achieved an unqualified audit opinion on its annual financial statements, together with a clean audit outcome on performance management. These outcomes confirm that the municipality's financial reporting is fairly presented in accordance with applicable accounting standards and legislation, and that performance information reported is credible, reliable, and supported by effective systems and controls.

The audit conducted by the Auditor-General of South Africa further identified matters relating to expenditure management and procurement and contract management. While these matters did not result in a qualification of the audit opinion, they point to specific areas where control processes, compliance practices, and operational discipline require strengthening. Management acknowledges these matters and has already initiated corrective actions to address the root causes and prevent recurrence.

During the year, focused interventions were implemented to improve expenditure monitoring, enhance supply chain management oversight, and reinforce contract administration processes. These included tighter expenditure controls, improved documentation and record-keeping practices, strengthened review mechanisms, and targeted support to responsible units. These measures form part of a broader programme to entrench fiscal discipline, value for money, and regulatory compliance across the municipality.

Despite ongoing socio-economic pressures, fiscal constraints, and capacity challenges, the municipality continued to deliver on its core mandate and developmental objectives. Strategic alignment with national priorities remained a central focus, particularly through the continued implementation of the District Development Model (DDM). The municipality sustained

alignment between the Integrated Development Plan, Service Delivery and Budget Implementation Plan, and the DDM One Plan, enabling coordinated planning and implementation with sector departments and key stakeholders.

Oversight and accountability were further strengthened through continuous reporting to Council, Audit and Risk structures, and the DDM-IGR Forum. These platforms played a critical role in monitoring performance, addressing risks, and ensuring that corrective actions arising from audit and oversight processes were implemented timeously.

Looking ahead, management has prioritised the consolidation of existing control improvements, with particular emphasis on expenditure management and procurement and contract management. Strategic priorities include strengthening preventative controls, enhancing capacity in key compliance areas, improving contract lifecycle management, and leveraging technology to support real-time monitoring and reporting.

As Accounting Officer, I reaffirm the municipality's commitment to upholding sound financial management, ethical governance, and effective service delivery. The 2024/25 audit outcomes provide assurance that the municipality remains on a stable governance trajectory, while also offering clear guidance on areas requiring focused improvement.

I extend my appreciation to Council, the Audit and Risk Committees, management, municipal officials, and all stakeholders for their cooperation and dedication throughout the year and the audit process. Together, we remain resolute in advancing a financially sustainable, accountable, and development-oriented district municipality in service of our communities.

MR. K. K. TEISE

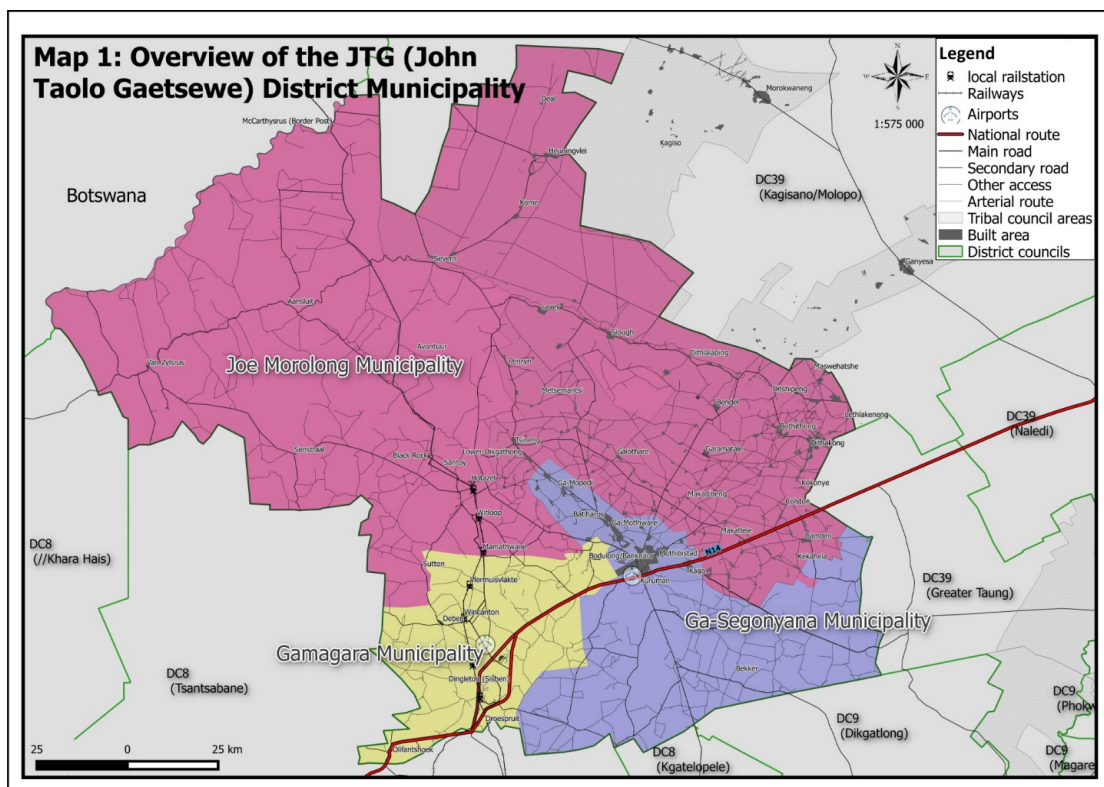
MUNICIPAL MANAGER

1.2 Municipal Functions, Population and Environmental Overview

The John Taolo Gaetsewe District Municipality (JTGDM) is situated in the Northern Cape Province and is bordered by (1) The ZF Mgcawu (previously Siyanda) and Francis Baard District Municipalities to the south and west; (2) The North West Province (Dr. Ruth Segomotsi Mompati District Municipality) to the east and northeast; and (3) Botswana to the northwest. Administratively, the JTGDM comprises three Local Municipalities: (1) The Gamagara Local Municipality; (2) The Ga-Segonyana Local Municipality; and (3) The Joe Morolong Local Municipality, which encapsulates the geographical area covered by the former District Management Area and the former Moshaweng Local Municipality. *(Source: JT Gaetsewe 16-17 SDF Review)*

JT Gaetsewe is the second smallest district in the Northern Cape, occupying only 6% of the Province (27 293 km²). The largest area within JT Gaetsewe is the former District Management Area (DMA) with over 10 000 km². Joe Morolong covers the next largest area of 9 477 km² (JTGDM, IDP 2023-24). The JT Gaetsewe District comprises of 186 towns and settlements of which the majority (80%) are villages in the Joe Morolong Municipality.

The JT Gaetsewe Municipal Area

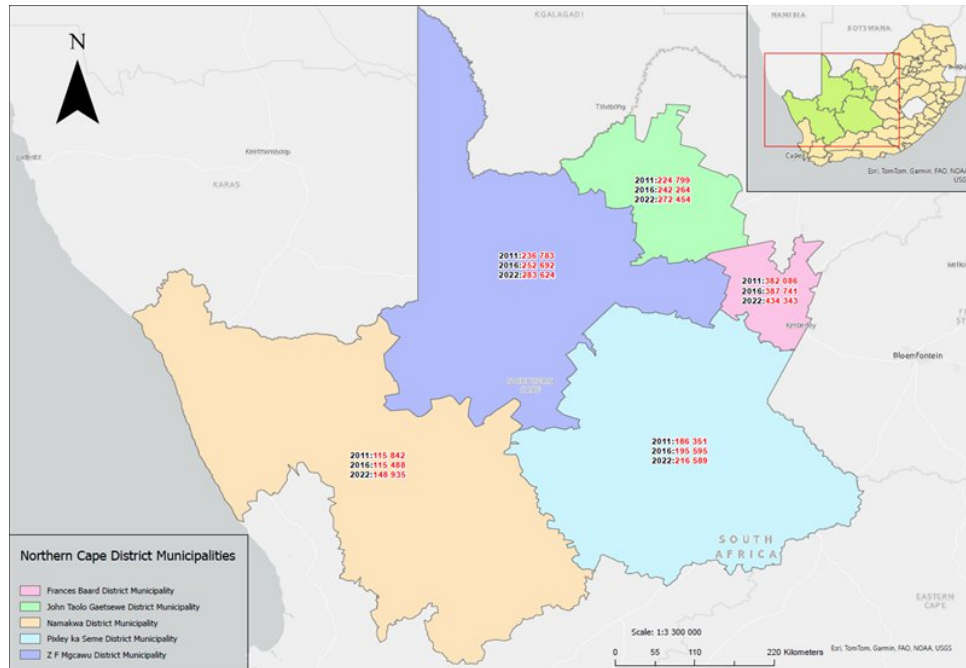


(Source: JT Gaetsewe DM 2017 SDF)

Population Demographics

The population of the John Taolo Gaetsewe District Municipality accounts for 20.1% of the total population in the Northern Cape Province. It is the third largest population size after the Frances Baard and ZF Mgcawu Districts. This position has been consistent throughout the period between 2011, 2016 and 2022.

Map 1 Northern Cape Population per District



Source: StatsSA 2011, 2016 & 2022

The district had an increase of 30 190; 242 264 in 2016 to 272 454 in 2022; indicating annual growth rate of about 1.87%. According to StatsSA (2022), there has been a major decline of about 44.9% in the population of Gamara Local Municipality in the period between 2016 and 2022; this is mainly due to the out-migration from the municipality to the Ga-Segonyana and Joe Morolong Local Municipalities.

The Gamagara Local Municipality decreased, with an average annual rate of -3.31%, the Ga-Segonyana Local Municipality had an average annual growth rate of 2.20%. The Joe Morolong Local Municipality had the highest average annual growth rate of 3.27% (Stats SA 2022).

Table 1 Total Population - Local Municipalities of JTG District Municipality, 2011, 2016 and 2022

	2011	2016	2022	Average Annual growth
John Taolo Gaetsewe	224 799	242 264	272 454	1.87%
Gamagara	41 617	53 656	29 580	-3.31%
Ga-Segonyane	93 651	104 408	117 454	2.20%
Joe Morolong	89 530	84 201	125 420	3.27%

Source: StatsSA 2022

However, the South African Regional explorer statistics (2022), shows an increase in the Ga-Segonyana and Gamagara local municipalities as it has been the trend since 2011 statsSA report. The report indicates an increase of about 14857; 242 264 in 2016 to 257 121 in 2022; with an annual growth rate of about 1.92%. Ga-Segonyana (12.6%), Gamagara (12.3%) and about 3.2% in the population of Joe Morolong Local Municipality in the period between 2016 and 2022 (South African Regional eXplorer, 2022).

Table 2 comparison of total Population - Local Municipalities of JTG District Municipality, 2012, 2017 AND 2022

Municipality	2012	2017	2022	Average Annual growth
Joe Morolong	80,400	80,200	82,800	0.29%
Ga-Segonyana	89,200	103,000	116,000	2.65%
Gamagara	42,900	52,100	58,500	3.16%
John Taolo Gaetsewe	212,512	235,587	257,121	1.92%

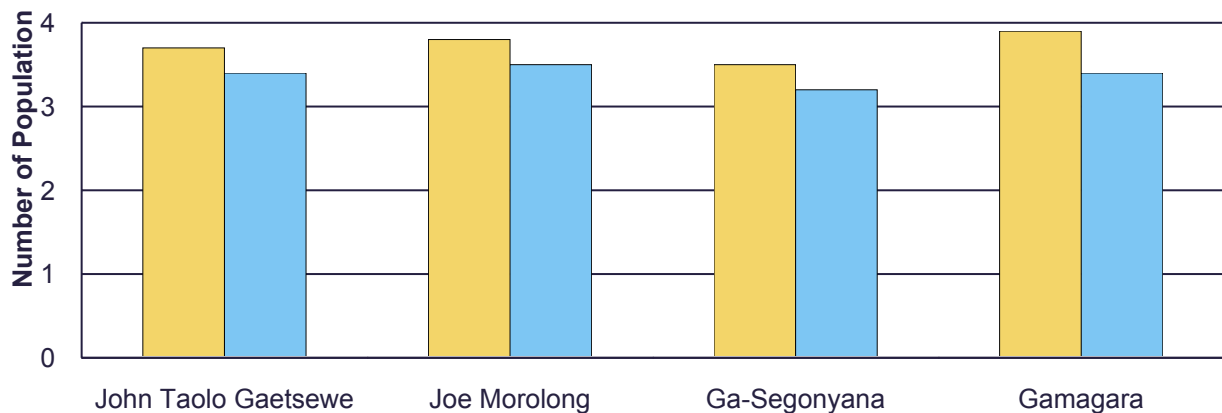
Source: South African Regional eXplorer, 2022

Gamagara Local Municipality had an increase of 3.16%, while Ga-Segonyana Local Municipality had the second highest growth 2.65%. The Joe Morolong Local Municipality annual growth rate of 0.29% (South African Regional eXplorer, 2022).

The increase in population growth is attributed to in-migration and high fertility rate. It is clear that the trend in the district municipal area is towards a growing population. This is largely attributable to the mining activities around the district area.

Population Distribution

The household sizes decreased from 2011 to 2016 in all local municipalities within the district. A huge decrease is experienced in Gamagara LM from 3.9 in 2011 to 3.4 in 2016, this may be due to the high number of rental accommodation status which includes the in-migration (within the district) and out-migration (from outside the district) arising from work opportunities in Gamagara LM. The low decrease in Joe Morolong LM and Ga-Segonyana LM is as a result of the increase in the number of households and high dependency due to level of poverty within the areas, especially in Joe Morolong LM where a high number of outmigration is experienced.

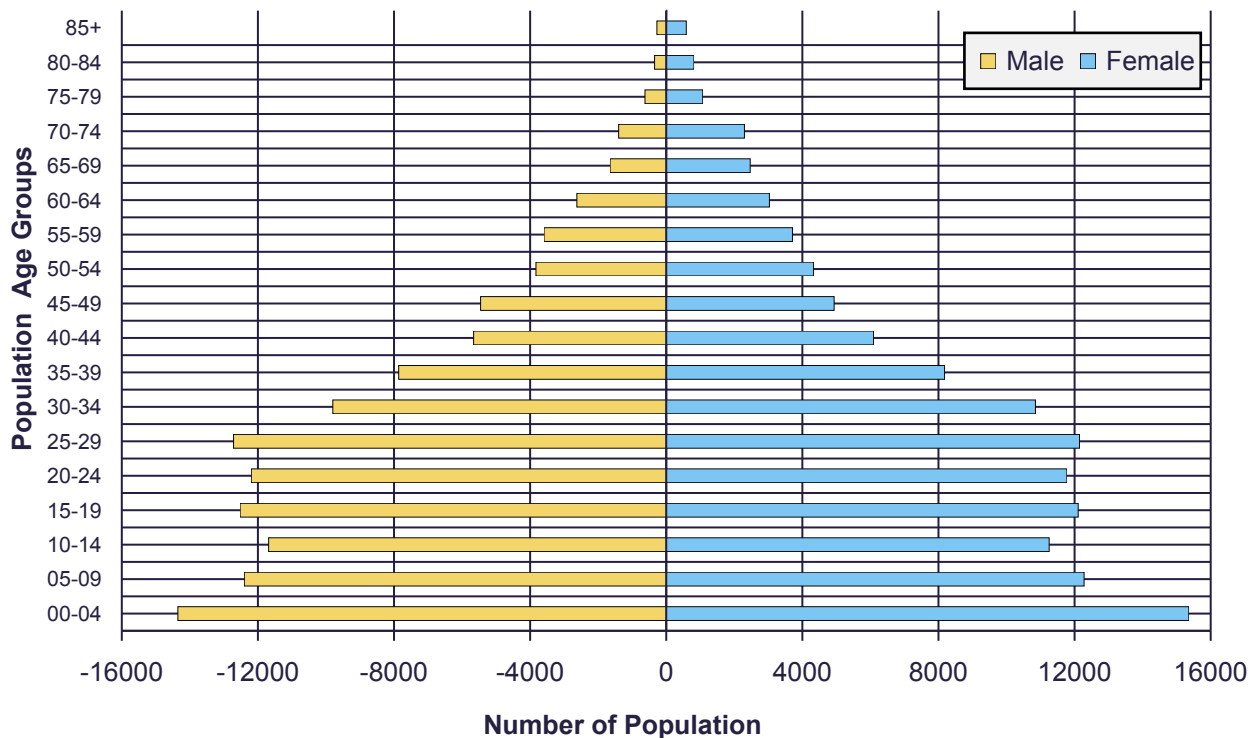


(Source: StatsSA 2016)

It is clear from figure above that the household size decreased from 2011 to 2016 in all local municipalities within the district. A huge decrease is experienced in Gamagara LM from 3.9 in 2011 to 3.4 in 2016, this may be due to the high number of rental accommodation status which includes the in-migration (within the district) and out-migration (from outside the district) arising from work opportunities in Gamagara Local Municipality. The low decrease in Joe Morolong LM and Ga-Segonyana LM is as a result of increase in number of households and high dependency due to level of poverty within the areas, especially in Joe Morolong LM where high number of outmigration is experienced.

Age profile

The age composition is often demonstrated using population pyramid which graphically illustrates the distribution of various age groups in a population. Population pyramids are often viewed as the most effective way to graphically depict the age and sex distribution of a population including age dependency ratio, partly because of the very clear image these pyramids present. Age dependency ratio is the ratio of persons aged under 15 years and older than 64 years to those aged between 15 and 64 years in a population. This ratio has importance because it shows the ratio of economically inactive compared to economically active. Economically active people are expected to earn money, pay tax and contribute to the overall economy whereas economically inactive people are considered as the bigger recipients of government spending e.g. education, social welfare grants and health care. Therefore, the lower the ratio the better is the situation. The figure below illustrates the population pyramid for John Taolo Gaetsewe District Municipality as captured in the Census 2011.



(Source: StatsSA 2016)

The age profile of the JTGDM in based on Community Survey 2016 as follows: 0 - 14 years: 31.92%; 15 - 64 years: 63.32%; and older than 65: 4.76%. It is not that different from the

national profile on Census 2011 (i.e. 0 - 14 years: 31.03%; 15 - 64 years: 63.59%; and older than 65: 5.39%). The figure above shows a generally youthful population between the age segment 15 – 36 of 100 973 people i.e. 41.68%. The implication of this is that there should be equitable distribution of social facilities and development opportunities in line with gender proportions as per figure above.

Gender profile

The gender split in the JTGDM is 47.4% male and 52.6% female. There are generally more females than males in all municipalities with the exception of Gamagara; where there are more males than females, mainly because of the presence of job opportunities that attract men from other areas outside the district (Stats SA 2022).

Table 3 Gender Ratio

	John Taolo Gaetsewe	Joe Morolong	Ga- Segonyana	Gamagara
Male	129166	58039	56318	14809
Female	143288	67381	61136	14771
Total population	272 454	125 420	117 454	29 580

Source: StatsSA 2022

The gender split in the JTGDM is 48.1% male and 51.9% female (South African Regional eXplorer, 2022).

Table 4 comparison Population by gender - John Taolo Gaetsewe, 2022

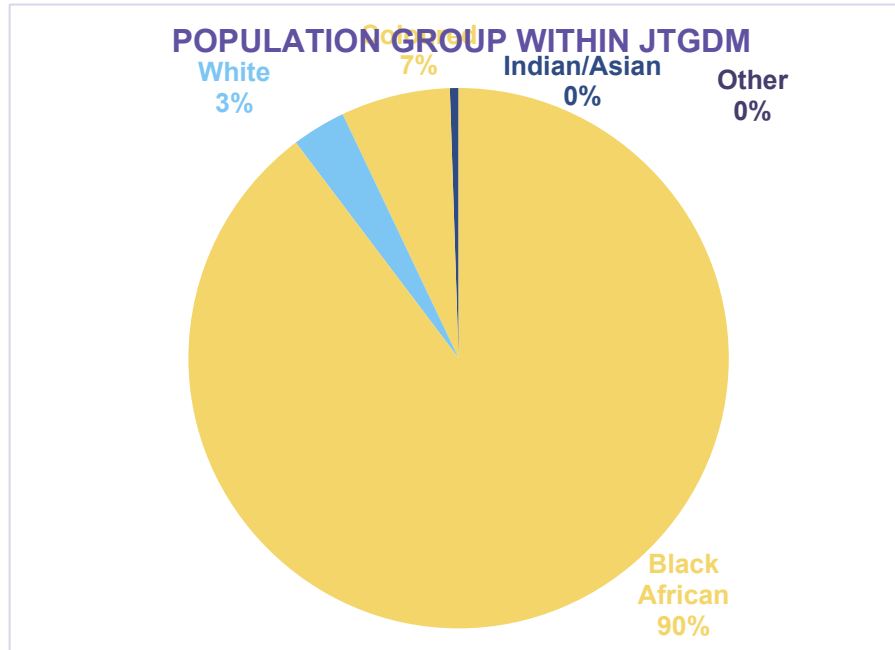
Municipality	Male	Female	Total
John Taolo Gaetsewe District Municipality	123, 796	133, 796	257, 121

Source: South African Regional eXplorer (2022)

Racial distribution

According to StatsSA 2022 the racial profile of the JTGDM is as follows: Black/African: 90%; Coloured: 7%; Asian and Indian: 0%; White: 3%; other: 0% (Stats SA 2022).

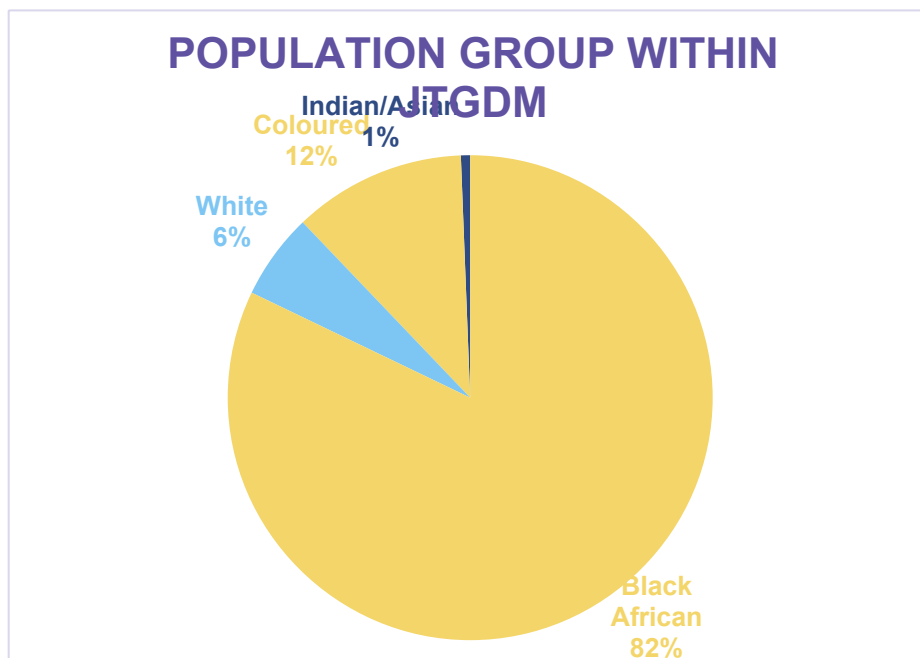
Figure 1 Population group within JTGDM



Source: StatsSA 2022

According to South African Regional eXplorer (2022), the racial profile of the JTGDM is as follows: Black/African: 82%; Coloured: 11%; Asian and Indian: 1%; White: 6% (According to South African Regional eXplorer, 2022).

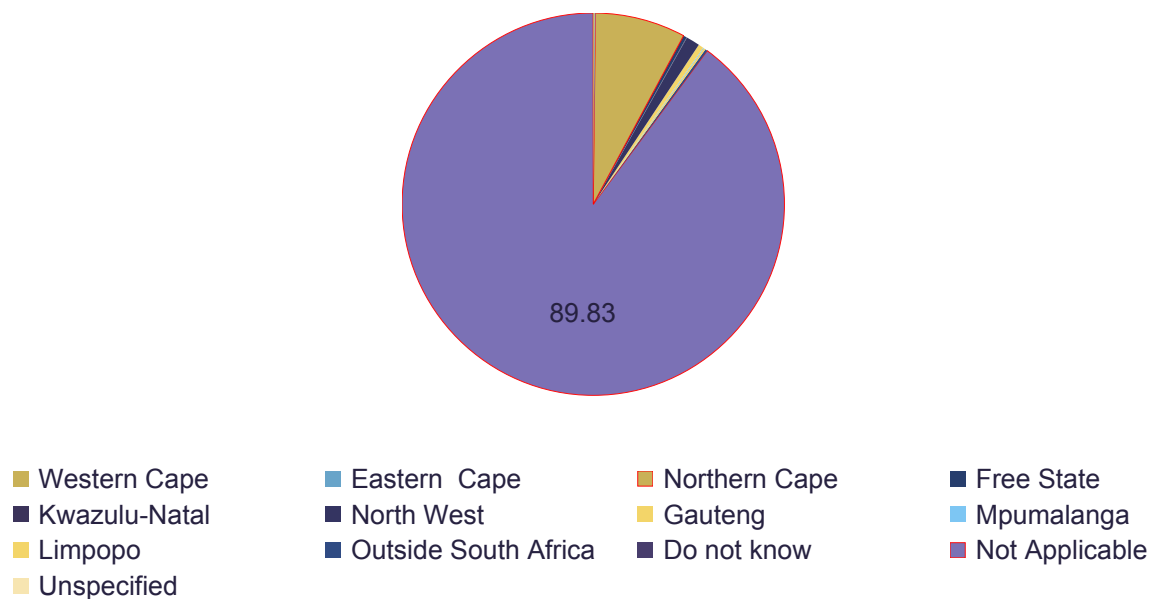
Figure 2 comparison of Population group within JTGDM



Source: South African Regional eXplorer, 2022

Population Migration

We live in a rapidly changing world in which forced migration have a significant impact on the economic, political and social agendas. The figure below illustrates the level of migration regarding the province of previous residence.



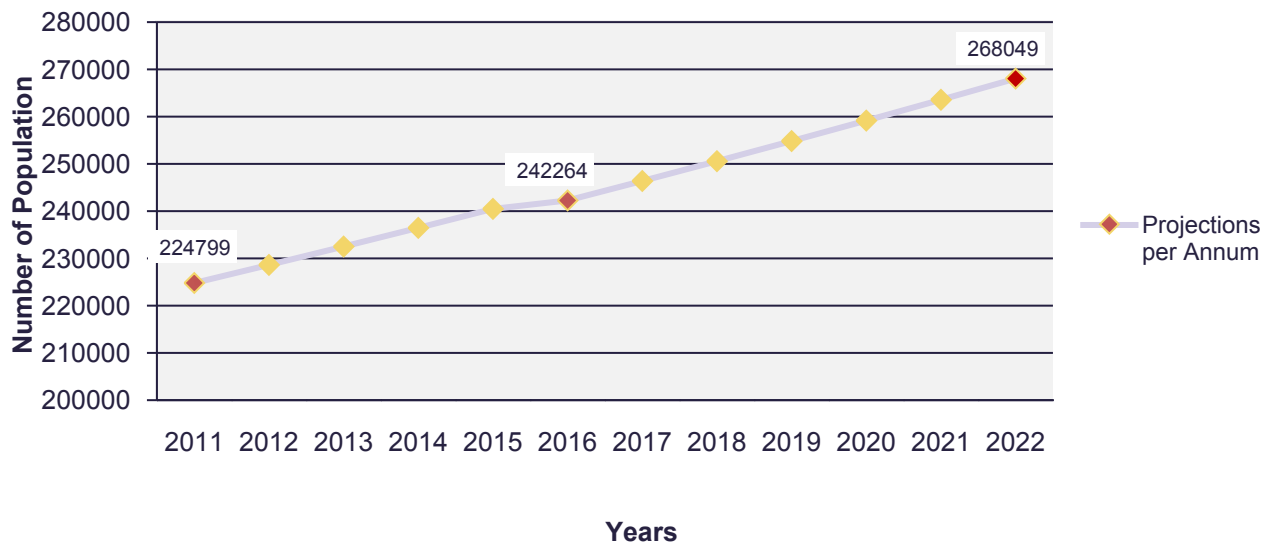
(Source: StatsSA 2016)

It is clear from the figure above that 89.83% of the population originates and still stay in JTGDM. The figure above shows that 89.8% of the population in JTGDM were considered “not applicable”, due to the fact that they do not influence the migration patterns. Within the local municipalities, Gamagara LM (13.7%) experiences a high in-migration within district, with Ga-Segonyana LM (12.4%) and Joe Morolong LM (5%).

In regard to the CENSUS 2022, specific data detailing the internal migration patterns—such as the number of individuals moving into or out of JTGDM and within the District itself, their origins or destinations, and the demographic characteristics of these migrants—are not explicitly provided in the available sources.

Population Projections

A population projection refers to an extrapolation of historical data into the future, i.e. an attempt to describe what is likely to happen under certain explicit assumptions about the future as related to the immediate past. The District population growth as per Census 2011 and Community Survey 2016 shows a positive growth rate of 1.6 and 0.017 respectively. The figure below is an illustration of population projections of the JTGDMD using the intercensal growth rate of 0.017 which shows an increasing population 268049 by 2022. This projection does not take into consideration other factors such as fertility, mortality and migration.



(Source: StatsSA 2011 & 2016)

1.3 Service Delivery Overview

The John Taolo Gaetsewe District area being mainly rural nature, lower level of service of infrastructure is being implemented, for instance water networks are of a supply targeting 200m communal taps, roads networks are prioritised to render access to social amenities like schools, clinic, etc. The service delivery infrastructure planning as implemented by the District Municipality is mainly driven by grants relating to the built industry skills development and roads asset management. All infrastructure planning and skills development grants were effectively used and spent within the financial year.

There are three modes of transportation in the District namely Road, Rail and Air. The District is engaging key stakeholders to establish a regional airport so that the public will not only rely to develop the air travel the transportation. The District had set up the Rural Road Asset Management Systems (RRAMS), and collects road, bridge and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa (RISFSA). The systems improve the accuracy of roads information as collected per the latest data on municipal roads and do thus guide infrastructure maintenance and investments. This if adhered to assists in the reduction of vehicle operating costs.

There are currently 2,773.11 km of municipal road network captured on the District Rural Road Asset Management System. A total of 58.4km is block paved, 1,595.60km is earth, 794.35km gravel and 324.76km flexible pavement. The Municipality maintains the Roads Asset Management Plan (RAMP) developed through the RRAMS and continues to improve data on all municipal roads to guide infrastructure investment on roads. The RAMP assists on imputing in the reduction of the vehicle operating costs and in extending the lifespan of municipal roads. The plan is also critical in the allocation of road infrastructure related grants.

Four Civil Engineering technicians are running the RRAMS programme. The technicians are trained in the road management system and they are crucial in roads data gathering and arrangement. They assisted local municipalities on planning information required for roads. The RRAMS software is shared with the local municipalities and the roads official s for each local municipality have viewer access to the programme.

Professional capacitation of graduates in the built industry under the Infrastructure Skills Development Grant (ISDG) programme is ongoing. Since inception of the grant, four Town Planning graduates trained through the ISDG programme are appointed on permanent positions in all municipalities within the District as registered professionals in management positions. Further three town planning graduates under the programme are employed by the municipalities on a permanent basis. One registered professional Civil Engineering Technician is a permanent employee in the Technical Services Department of a nearby local municipality. One Civil Engineering Technician is registered as a professional and is appointed in the District Municipality while one Civil Engineering Technician is appointed in the Joe Morolong Local Municipality and is completing his registration as a professional. A Land Surveyor has registered has been appointed by the District Municipality. This development is relevant to the programme objectives as it enhances the built environment levels of professionalism in local government.

Reviewed business plans for the upgrading of municipal roads, manufacturing of interlocking paving blocks, capacity development in the municipality to efficiently implement Human Settlement Accreditation related functions were submitted in request of funding. The Integrated Transport Plan is reviewed in the 2023/24 financial year and the District will explore its implementation on achieving sustainable integrated transport in detail. In this way, a step change will be achieved by prioritising the right development in the right locations, along major road and activity route in the district.

This approach, coupled with a focus on public transport (PT), non-motorised transport (NMT) and Travel Demand Management (TDM) will reduce travel times and costs, as well as deliver important environmental benefits. This document seeks to set out the District's plans for transport within the wider context of its drive to create an equal society based on integrated communities, economic inclusion and access to opportunities.

The housing demand estimated for the planning period 2021- 2030 requires that approximately 335 hectares of land to be available in the JTG District to supply in the estimated housing backlog and another 2,246 hectares to accommodate the household growth in total with various housing options from both the public and private sector. This land need was divided per local municipality for the planning period of 2019- 2024.

Challenges remain on water borne sanitation in addressing the basic housing needs and slow progress in eradicating housing backlogs. Challenges further, relates to addressing emergency housing needs which were created by floods experienced during the end of 2020/21 financial year. The Municipality received funding to build temporary housing units in the Joe Morolong and Ga-Segonyana Local Municipalities. This project has been successfully completed at the end of the 2023/24 financial year.

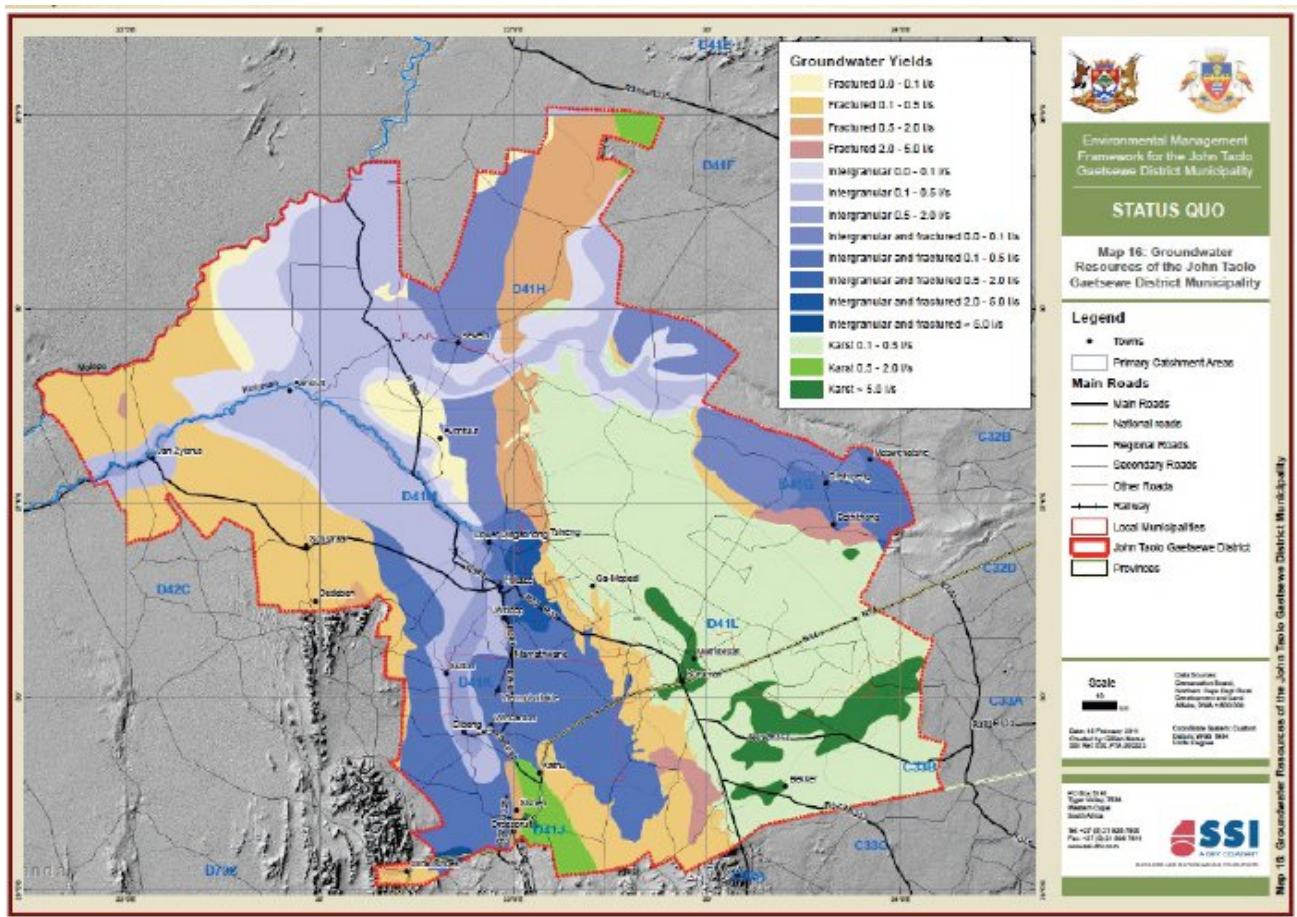
Water

The John Taolo Gaetsewe District Municipality is not a Water Service Authority and does thus not have the executive authority to provide water services within its area of jurisdiction in terms of the Municipal Structures Act (Act No. 117 of 1998) or the ministerial authorizations made in terms of this Act.

The district is, however, being plagued by several challenges on the supply of water. Around 8,251 (11,5%) household has no access to the safe drinking water. The 11,5% excludes 8,7% of the population which draws water from own boreholes, rain water harvesting, water carrier/tanker or flowing water/stream/river etc. Only 37,7% have yard piped connections in their yards.

The JTGDM has a “flat” geomorphic profile, with the Kuruman hill’s ridge system bisecting the district along a north-south axis. The drainage pattern in the district is determined by this ridge system, channeling all streams northwards and then sharply westwards. Falling in the Lower Vaal Water Management Area, the most important catchment area in the JTGDM is the Korannaberg Mountains, from which the majority of the streams in the district spring and from where they drain into the Kuruman River system. (Source: JT Gaetsewe 2017 SDF Review)

Groundwater yields



(Source: JT Gaetsewe 2011-12 SDF Review)

Access to piped water

All the local municipalities in the District are responsible for the development and maintenance of water sources, like boreholes, operation and maintenance of bulk pipeline, operation and maintenance of reticulation network, process operation and maintenance of water treatment works to ensure rendering of portable water to the community. The sources of water supply are the aquifers located along villages and town. The water network reticulation for all the villages is the 200m radius communal standpipes beside the township and town areas which has yard connections.

The municipalities are reticulating water in all the villages however like most municipalities in semi-arid areas with insufficient rainfall, most borehole are drying up. As a way to manage and control the dwindling water resource the municipalities installed pre-paid meter in the villages however the lack of cooperation to pay services by some community members are a challenge to this initiative as they constantly vandalise installed prepaid standpipes. Access to basic services is one of the important priorities of the municipalities. Around 8,251 (11,5%)

household has no access to the safe drinking water that's excluding 8,7% who managed to get water from own boreholes, rain water tank, water carrier/tanker or flowing water/stream/river etc. And because of the rural nature of the municipalities only 37,7% have yard piped connections. The Municipalities have intensified water provision through Municipal Infrastructure Grant programme as reflected on projects undertaken per municipalities. Bulk is generally still issue, which hampers provision of waterborne sewerage in townships like Vanzylsrus.

The first phase of the Vaal Gamagara water supply pipeline, which is the upgrade of the existing scheme has been completed. An extension of the pipeline to service areas which have a dire need of water in the far north of the District is being explored. The following are the 2016 Stats for the District and Municipalities:

Table 1: Distribution of households by access to safe drinking water by municipality, CS 2016

Municipality	Access to safe drinking water		No access to safe drinking water		Total Households
	Households	Percentage	Households	Percentage	
Joe Morolong	21,497	90,3	2,303	9,7	23,800
Ga-Segonyana	27,615	85,3	4,774	14,7	32,388
Gamagara	14,502	92,5	1,174	7,5	15,677
John Taolo Gaetsewe	63,614	88,5	8,251	11,5	71,865

Table 2: Distribution of households by main source of water for drinking, CS 2016

Municipality	Piped (tap) water inside the dwelling/house/yard		Piped water on community stand / Neighbour's tap/Public/communal tap		Others		Total Households
	Households	Percentage	Households	Percentage	Households	Percentage	
Joe Morolong	2,439	10,2	18,520	77,4	2,961	12,4	23,919
Ga-Segonyana	11,530	35,3	18,410	56,4	2,729	8,4	32,669
Gamagara	13,328	84,8	1,782	11,3	612	4	15,723
John Taolo Gaetsewe	27,297	37,7	38,712	53,5	6,301	8,7	72,310

Table 3: Distribution of households by main source of drinking water supplier, CS 2016

Municipality	Municipality		Other Water scheme		Water vendors		Own service		Flowing water/stream/river/spring/rain-water		Total House-holds
	House-holds	%	House-holds	%	House-holds	%	House-holds	%	House-holds	%	
Joe Morolong	17,665	74,2	2,383	10,0	84	0,4	3,123	13,1	550	2,3	23,805
Ga-Segonyana	22,747	70,4	5,673	17,6	1,514	4,7	2,298	7,1	68	0,2	32,300
Gamagara	15,000	95,5	127	0,8	69	0,4	511	3,3	-	-	15,707
John Taolo Gaetsewe	55,415	77,2	8,183	11,4	1,666	2,3	5,932	8,3	8,3	0,9	71,812

Table 4: Distribution of households by water interruptions in the last three months, CS 2016

Municipality	Water interruptions		No Water interruptions		Total Households
	Households	Percentage	Households	Percentage	
John Taolo Gaetsewe	16,483	30,1	38,356	69,9	54,838

Sanitation

Sanitation is a basic need in communities which can pose serious health and hygiene risks for communities and the environment at large scale, if not properly managed and monitored. According to the White Paper on Basic Household Sanitation, 2001, basic sanitation is defined as: “The minimum acceptable basic level of sanitation is: Appropriate health and hygiene awareness and behaviour – A System for disposing of human excreta, household waste water and refuse, which is acceptable and affordable to the users, safe, hygienic and easily accessible and which does not have an unacceptable impact on the environmental and a toilet facility for each household”.

A total of 65 469 (90.5%) households in the District has some form of toilet, and around 6 841 (9.5%) have no access to sanitation services. 40 377 (56%) households in the District are the Pit latrine toilets and only 22 480 (31%) households are Flush toilets.

The Provincial Department of Water and Sanitation and CoGHSTA are funding sanitation projects in the district to eradicate the inadequate toilets and providing toilets where there is a lack through the different government grants. Based on the 2016 STATS the sanitation backlog for John Taolo Gaetsewe can be determined to be 9,453 households.

Table 28: Distribution of households by type of toilet facility and municipality, CS 2016

Municipality	Flush toilets connected to a public sewerage system	Flush toilets connected to a septic tank or conservancy tank	Chemical toilets	Pit latrine toilet with ventilation pipe	Pit latrine toilet without ventilation pipe	Ecological toilet / other	Bucket toilet	No Toilet
Joe Morolong	1,281	233	172	12,921	5,596	509	1,025	2,182
Ga-Segonyana	5,717	1,772	35	6,115	15,612	453	162	2,789
Gamagara	12,712	764	34	55	79	208	1	1,869
John Taolo Gaetsewe	19,711	2,769	241	19,090	21,287	1,170	1,202	6,841

The 2016 STATS, indicates that the households overall rating for sanitation services is at 45.2% and 16.7% of households have no access to sanitation.

Refuse Removal

In the case of refuse removal, 24.63% of the population within the JTGDMD have their refuse removed by the local authority or a private company at least once a week or less often. This is far below less than half the provincial figure of 64.89%. In relation to the other four other districts in the province, it is far below the figure in this regard in these municipalities which all have percentages above 75%.

In the absence of a refuse removal service, population is dependent on their own endeavour, with 63.65% of the population within the JTGDMD having their own refuse dump. This is more than three times the provincial figure 21.45% respectively, and far higher than the figure in the four other districts in the province, which all have figures of less than 20%. With regards to the situation in the three local municipalities in the district, while 84.92% of the population in Gamagara LM and 67.87 % in the province have their refuse removed by the local authority or a private, only 12.33% in the Ga-Segonyana LM and 3.09% in the Joe Morolong have access to such a service. According to SEAT (2014), refuse removal in the JTG district area has not shown any real improvement in the past three years, nor in the 10 years between 2001 and 2011 Census.

Household level of refuse removal

	Joe Morolong	Ga-Segonyana	Gamagara	John Taolo Gaetsewe
Removed by local authority/private company/community members at least once a week	2 539	12 630	44 489	59 658
Removed by local authority/private company/community members less often than once a week	58	242	1 071	1 372
Communal refuse dump	4 902	4 737	1 125	10 764
Communal container/central collection point	1 320	2 168	409	3 896
Own refuse dump	71 031	77 757	5 402	154 190
Dump or leave rubbish anywhere (no rubbish disposal)	3 002	4 084	567	7 653
Other	1 349	2 790	592	4 731

(Source: StatsSA 2016)

Electricity

The Part B of Schedule 4 and 5 of the Constitution in section 156(1) grant Municipalities executive authority to administer the local government matters and list as part of the powers and functions, Electricity reticulation. Part of the reticulation includes Bulk supply of electricity, the transmission, distribution and, where applicable, the generation of electricity, and also the regulation, control and maintenance of the electricity reticulation network. However only around 30% of the households in the District obtain electricity from the municipalities the other 70% is supplied directly by Eskom, and that deprives the municipalities an income generating opportunities.

The 2016 Community Survey indicates that 8,527 (11.8%) of the households are still with no electricity in the District. Majority 58 753 (81%) of the households are on Prepaid. Only around (1232) 1.7% households use alternative source of energy.

Coordination between stakeholders has slightly improved – local municipalities in the District and Eskom. Support on electricity supply strategy from ESKOM is an area of discussion. This being reflected and raised in the district planning platforms.

Access to electricity

Table 59: Distribution of households by main type of energy source

Municipality	In-house pre-paid meter	In-house Convention Meter	Connected to other source which household pays for	Connected to other source which households is not paying for	Solar home system	Generator/ Battery	Other	No Access to Electricity	Total
Joe Morolong	19,727	768	46	26	10	0	85	3,258	23,920
Ga-Segonyana	26,848	1,438	529	21	127	120	59	3,526	32,668
Gamagara	12,178	1,595	156	24	12	0	15	1,743	15,723
John Taolo Gaetsewe DM	58,753	3,801	731	71	149	120	159	8,527	72,311

42 342 (68%) of the households in the District use Eskom prepaid, and 18 541(30%) households' electricity is provided by municipality, it can also be noted that 60 888 (98%) households utilizes prepaid electricity in the District

Table 60: Distribution of households by municipality and supplier of electricity

Municipality	Municipality Prepaid	Municipality Post-paid	Eskom Prepaid	Eskom Post-paid	Other Supplier	Total
Joe Morolong	2,216	7	17,741	149	146	20,259
Ga-Segonyana	7,207	168	20,532	135	33	28,074
Gamagara	9,117	335	4,069	213	26	13,760
John Taolo Gaetsewe DM	18,541	510	42,342	497	205	62,094

Housing

The District Municipality remains a level 2 accredited municipality and has an Integrated Human Settlement Sector plan which provide the strategic direction for transforming human settlements in the John Taolo Gaetsewe District aligned to the Provincial Department and Local municipalities' Sector plans and IDPs. This transformation relate to accelerating human

settlement delivery on well-located land, that provide opportunities to beneficiaries to access the property market and have sufficient access to social amenities and economic opportunities. This transformation will further support the integration of communities and the spatial restructuring of the towns and villages in the Municipal area.

Table 42: The following are household growth projections 2016, 2021 to 2024 (STATS 2016)

Backlog indicator	Total Households			Growth (Calculated)
	CS 2016	2021 Estimates	2024 Estimates	
Joe Morolong	23 919	24 159	24 304	0,2%
Ga-Segonyana	32 669	40 517	46 104	4,4%
Gamagara	15 723	24 303	31 560	9,1%
John Taolo Gaetsewe	72 310	88 979	101 968	3,6%

The using the 2016 Community Survey growth projections the household's growth in the District can be calculated to be 88 979 in 2021 and 101 968 by 2024. Using the SMEC report 2013 growth scenario for that was anticipated for 2019, the housing backlog and delivery by 2030 may be calculated as follows:

Table 43: The housing backlog and targeted delivery of housing units

		Gamagara	Joe Morolong	Ga-Segonyana	JTG
Housing Backlog 2021	Total Backlog/Need	4 440	4 817	7 441	16 698
Future Growth in Households (2021-2030) – Maximum growth scenario	Future Demand: Low Income	12,180	5,046	6,867	24,094
	Future Demand: Gap Market	9,035	765	2,657	12,457
Proposed Average Supply/ Delivery of units – 2021-2030	Total Housing Delivery/Supply Rate	2 609 units/year	1 112 units/year	1 770 units/year	5 491 units/year
	Supply for Backlog Eradication by 2030	488 units/year	530 units/year	817 units/year	1 836 units/year
	Supply for Future Growth – Low Income group (moderate growth)	1218 units/year	505 units/year	687 units/year	2,409 units/year
	Supply for Future Growth – Gap Market	903 units/year	77 units/year	266 units/year	1,246 units/year

The municipal targets for housing supply should balance their yearly allocations towards addressing the backlog, vs providing for the upgrading of informal settlements and providing for the household growth and gap market. This balance is necessary to ensure that the municipality provide for the backlog and for the income groups that increase their revenue base, and hence support the municipal financial sustainability.

The housing demand estimated for the planning period 2021- 2030 requires that approximately 335 hectares of land to be available in the JTG District to supply in the estimated housing backlog and another 2,246 hectares to accommodate the household growth in total with various housing options from both the public and private sector. This land need is divided per local municipality as follows:

Table 44: The JTG estimated land requirement

Municipality	Type	Number of households	Size per dwelling unit	Estimated Land Required by 2021
Gamagara LM	Housing Backlog, 2021	4,440	300m ²	135 ha
	Housing Demand for all income groups due to household growth	28,073	500m ²	1,404 ha
Ga-Segonyana LM	Housing Backlog, 2021	7,441	300m ²	225 ha
	Housing Demand for all income groups due to household growth	10,713	500m ²	536 ha
Joe Morolong LM	Housing Backlog, 2021	4,817	300m ²	145 ha
	Housing Demand for all income groups due to household growth	6,112	500m ²	306 ha
John Taolo Gaetsewe DM		61,596	-	2,751ha

An estimated 505 hectares are required to accommodate the housing backlog of 16,698 households in the District within the 2021 to 2024 planning term. Moreover, the total average land required to accommodate various housing options due to the household growth (an estimated total of 44,897 additional households), is estimated at 2,245 hectares within the same term. Which brings the overall land requirement of 61,596 households to 2,751 ha.

(Source: Integrated Human Settlement Sector Plan, JTG-Reviewed)

Roads, Storm water and Transport

Storm water management in various towns and townships seeks to mainly address roads surface water drainage problems. The storm-water infrastructure can best be described as aged. In a number of cases capacity problems are also experienced, due in large part to accumulation of debris in the pipes and surface drains. This debris (gravel, silt, refuse, etc.) are not being removed to allow storm-water systems to function efficiently. In some cases, culverts crossing the roads have collapsed, grids from inlets have been stolen, which exacerbates the problem of refuse being deposited in the systems. The increased sewage

influent at the various Waste Water Treatment Works (WWTW), indicates that storm-water is entering the sewerage.

Though the municipalities do not have storm-water bylaws or policies, they do have storm-water masterplans in place that will guide them on how to proceed to reduce the storm-water problems. There have not been any storm-water projects implemented in the municipalities. This indicates that storm-water management has not been a priority in the municipalities mainly because, probably because of the low rainfall in the area and related traffic volumes in the past. The initiative to compile the masterplans shows a paradigm shift towards mitigation of the storm-water risks and identification of mitigating projects to be implemented.

The Rural Asset Management Systems, is envisaged to assist the Local Municipalities in project prioritisation, maintenance scheduling and application of funding for maintenance and rehabilitation of the roads. The three local municipalities have Road Masterplans which incorporate the Storm-water master plans. There are currently 2,773.11km of municipal road network captured on the District Rural Road Asset Management System, of which 58.4 km is Block paved, 1,595.6km is earth, 794.35km gravel and 324.76km have flexible pavement.

Table 16: The following is the total municipal road network for the District

LM MUNICIPALITY	FLEX (km)	BLOCK (km)	GRAV (km)	EARTH (km)	GRAND TOTAL (km)
Ga-Magara	163,57	6,10	25,92	67,85	263,44
Ga-Segonyana	133,69	34,64	229,19	862,04	259,56
Joe Morolong	27,50	17,66	539,24	665,71	250,11
GRAND TOTAL	324,76	58,40	794,35	595,60	773,11

The modes of transportation in the District beside road transportation are rail and air transportation. The air transportation is mainly of the private sector and as a result airport in the region are not on public grounds only. The District is spearheading stakeholder engagements for the establishment of a regional airport. The District also has an Integrated Transport Plan which is reviewed annually.

The rail infrastructure of the Northern Cape is an important element of the provincial transportation system. The rail transport is mainly utilised in the mining sectors. A railway

line extends from Blackrock southwards past Sishen to Kimberley where it connects with the main Cape Town – Johannesburg line. A second line used to transport ore from this area extends from Sishen southwards to Saldanha Bay where it supplies the Saldanha Steel Plant.

Walking and cycling are the most dominant mode of non-motorised transport within the John Taolo Gaetsewe District Municipality with animal drawn transport being the least dominant and found mostly in rural low-income communities. The non-motorised transport within the District is slowly developing and has to date not been given substantial attention to reach appreciable impact in the District. The extent of non-motorised transport within the District still need to be comprehensively quantified. The non-motorised transport infrastructure has been developed in an ad-hoc fashion and there is a need for pedestrian side-walk and cycle path plan to be developed for John Taolo Gaetsewe District Municipality.

Because the District is mainly rural, the priority is to develop or improve the access roads in the villages and towns. The District assists the local municipalities in compiling the Roads Asset registers that will assist with the prioritisation of the road's construction and maintenance.

It is noteworthy that the roads agency function was moved away from the District Municipality and maintenance of provincial roads is now the sole responsibility of the Department of Roads and Public Works.

Comment on Access to Basic Services

Water, sanitation, roads, housing and refuse removal are still the biggest needs. The increase in mining related activities in the District puts severe strain on the roads infrastructure. Mass transport and alternative modes of transport must be introduced in the District in conjunction with mixed land uses, proper land management and development.

1.4 Financial Health Overview

The municipality on plans submitting its Annual Financial Statements to Auditor-General timeously on the 28 August 2025. During the financial year all existing finance related policies were reviewed and an additional policy, namely the UIF reduction strategy was adopted to

strengthen the financial management of the municipality. All creditors were paid within 30 days, and there was no loan commitment.

This overview highlights the Municipality's financial performance in the 2024/25 financial year. Full details appear in the audited Annual Financial Statements for the year ended 30 June 2025.

The municipality faced serious financial setbacks mainly due to the prevailing market and economic conditions. However, such were closely monitored to ensure that the municipality continues to operate as a going concern. The effectiveness of the strategies and improvements deployed.

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2025

Statement of Changes in Net Assets

Figures in Rand	Revaluation reserve	Accumulated surplus / deficit	Total net assets
Balance at July 1, 2023	62 024 719	31 339 112	93 363 831
Revaluation of property, plant and equipment	5 241 042	-	5 241 042
Net income recognised directly in net assets	5 241 042	-	5 241 042
Deficit for the year	-	(12 841 099)	(12 841 099)
Total recognised income and expenses for the year	5 241 042	(12 841 099)	(7 600 057)
Total changes	5 241 042	(12 841 099)	(7 600 057)
Balance at July 1, 2024	67 265 761	18 498 013	85 763 774
Changes in net assets			
Deficit for the year	-	(5 271 256)	(5 271 256)
Total changes	-	(5 271 256)	(5 271 256)
Balance at 30 June 2025	67 265 761	13 226 757	80 492 518
Note(s)	17		

The municipality continued to maintain a Net Asset position for the year under review.

Below is an extract of the Statement of financial Performance:

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2025

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Rental of facilities and equipment	18	290 725	449 178
Other income	19	45 878	192 722
Administration and management fees	20	2 838 657	2 839 596
Interest income	21	2 112 113	2 742 573
Total revenue from exchange transactions		5 287 373	6 224 069
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	22	120 495 790	118 998 531
Donations received	23	1 094 104	4 727 949
Total revenue from non-exchange transactions		121 589 894	123 726 480
Total revenue		126 877 267	129 950 549
Expenditure			
Employee related costs	24	(89 473 827)	(87 240 890)
Remuneration of councillors	25	(6 836 419)	(6 626 785)
Depreciation and amortisation	26	(6 259 570)	(6 474 246)
Finance costs	27	(1 031 185)	(914 209)
Debt Impairment	28	(133 796)	(216 237)
Bad debts written off	29	-	(2 234 314)
Operational cost	30	(32 511 205)	(36 628 838)
Total expenditure		(136 246 002)	(140 335 519)
Operating deficit		(9 368 735)	(10 384 970)
Gain (loss) on disposal of assets and liabilities	31	284 444	(139 412)
Fair value adjustments	32	3 955 764	96 537
Actuarial gains/losses	14	(22 000)	(183 000)
Loss on biological assets	33	(178 610)	(2 230 254)
Gain on assets not previously on register	34	57 881	-
		4 097 479	(2 456 129)
Deficit for the year		(5 271 256)	(12 841 099)

Revenue decreased to R 126 million (2024: R129 million) with the total expenditure decreasing to R 132 million (2024: R141 million).

The municipality will continue to prioritise the repairs and maintenance of assets because preservation is important for continued service delivery.

Financial Overview: Year 2024/25			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	118,813	121,871	120,496
Taxes, Levies and tariffs			
Other	4,709	7,882	6,381
Sub Total	123,522	129,753	126,877
Less: Expenditure	130,343	137,249	136,246
Net Total*	(6,822)	(7,495)	(9,369)
* Note: surplus/(deficit)			T 1.4.2

Operating Ratios	
Detail	%
Employee Cost	65.7%
Repairs & Maintenance	0.4%
Finance Charges & Impairment	0.9%
	T 1.4.3

Comment on Operating Ratios

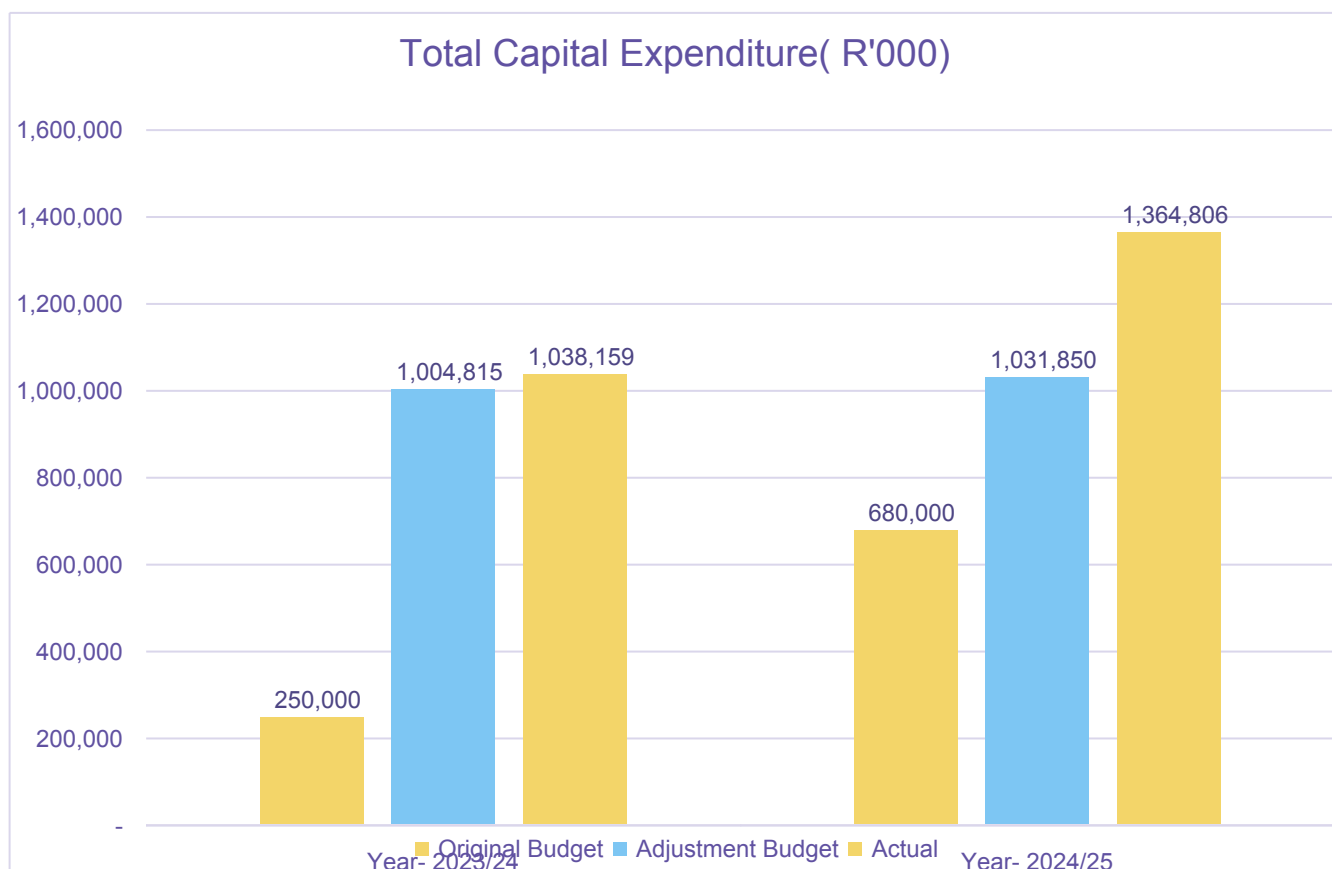
Employee costs including remunerations of councilors remain high at 65.7%. The high percentage is directly as a result of grant dependency and the inability to generate any additional revenue.

Repairs & Maintenance relates more to items of property plant and equipment and finance charges related to finance lease in respect of copy machines.

Repairs & Maintenance relates more to items of property plant and equipment:

Detail	Year-2022/23	Year-2023/24	Year-2024/25
Original Budget	565,576	250,000	680,000
Adjustment Budget	3,225,259	1,004,815	1,031,850
Actual	2,703,090	1,038,159	1,364,806
<i>T 1.4.4</i>			

For the 2024/25 the municipality invested towards property, plant and equipment and intangibles assets. Most part of the spending being on computer equipment. The spending on the capital expenditure relates to office equipment and IT equipment procured during the year.



1.5 Organisational Development Overview

Organisational development was done in line with the approved Workplace Skills Plan for 2022/23. Additional training as identified during the performance assessments and requests from the Training and Development Committee were also accommodated. The Municipality focused on the prescribed minimum competency training of all qualifying staff members.

1.6 Auditor General Report - Current Year 2024/2025

For 2024/25, we have yet to receive an audit opinion. Whilst the Municipality received an unqualified with findings opinion for the 2023/24 Financial Year. An audit action plan has been developed with the objective to sustain this audit outcome.

1.7 Statutory Annual Report Process

No.	Activity	Timeframe
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	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	January
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	

Comment on the Annual Report Process

It is important that the above timetabled is followed as closely as possible. Completion of the Annual Report and especially the Annual Performance Report is of critical importance. It informs both the planning process for the IDP and also provides a tool to both Council and our community to measure our performance and progress in addressing services.

CHAPTER 2 - GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 Political Governance



Executive Mayor: Cllr. P. Q. Mogatle - Thoane



Speaker: Cllr. I. E. Aiseng

The new Executive Mayor, as the Political Head, is supported by the following Mayoral Committee Members that headed the respective portfolio committees:

Councillor I Matebesi – Finance and Corporate Committee



Councillor KF Masilabele – Planning and Development Committee



Councillor O Kgopodithata – Community Development Services Committee



Councillor PM Kgosiengewang – Infrastructure and Basic Services Committee

**COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE** (New Council inaugurated on 03 December 2021)

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Written and signed Apologies for non-attendance	Percentage Apologies not written for non-attendance
	FT/PT			%	%	%
Councillor PQ Mogatle - Thoeane	FT	Executive Mayor	ANC	100	-	-
Councillor IE Aiseng	FT	Speaker	ANC	90	-	10
Councillor KF Masilabele	FT	Chairperson: Development & Planning Committee	ANC	100	-	-
Councillor OH Kgopodithata	FT	Chairperson: Community Development Services Committee	ANC	90	-	10
Councillor I Matebesi	PT	Chairperson: Finance and Corporate Committee	ANC	90	-	10
Councillor GG Kaotsane	PT	Infrastructure & Basic Services Committee	EFF	80	-	20
Councillor PM Kgosiengewang	FT	Chairperson: Infrastructure & Basic Services Committee	ANC	80	-	20
Councillor PJ Ohentswe	FT	Finance and Corporate Committee	EFF	100	-	-
Councillor TC Kegakilwe	FT	Community Development Services Committee	EFF	60	-	40
Councillor OD Mathibe	PT	Planning and Development Committee	DA	60	10	30
Councillor AI Eilerd	FT	Finance and Corporate Committee	DA	90	-	10
Councillor NG Ngesi	FT	Finance and Corporate Committee	ANC	90	-	10
Councillor N Tswere	PT	Planning and Development Committee	ANC	100	-	-
Councillor M Filipo	PT	Finance and Corporate Committee	ANC	100	-	-
Councillor TG Mosegedi	PT	Community Development Services Committee	ANC	90	-	10
Councillor N Mereotlhe	PT	Community Development Services Committee	ANC	100	-	-
Councillor KR Paul	FT	Community Development Services Committee	DA	100	-	-
Councillor KS Setlhodi	PT	Community Development Services Committee	EFF	70	-	30
Councillor M Valela	PT	Infrastructure & Basic Services Committee	ANC	100	-	-
Councillor GM Chere	PT	Infrastructure & Basic Services Committee	ANC	100	-	-
Councillor TM Motsoare	PT	Planning and Development Committee	ANC	70	-	30
Councillor NM Koi-koi	PT	Infrastructure & Basic Services Committee	DA		-	
Councillor OA Etshetshang	PT	Infrastructure & Basic Services Committee	EFF	70	-	10
Kgosi GE Thaganyane	PT	N/A	N/A	60	10	30
Kgosi PS Bareki	PT	N/A	N/A	30	-	70

Political Decision-taking

The Council of John Taolo Gaetsewe District Municipality is made up of four Portfolio Committees which report to Mayoral Committee and the Mayoral Committee reports to Council, eventually Council takes the final decision. The decision that Council takes its either approve the reports or reject them after altering where it deems necessary to do so.

Upon decision by Council, the administration wing has to implement that decision and report back to Council in the form of Council Resolution Register. The register will indicate as to how the administration has implemented the Council decision and progress thereof.

2.2 Administrative Governance

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Municipal Manager	Mr. KK Teise
Corporate Services Department	Ms. SP Mereyotlhe
BTO Department	Ms. CC Sibanyoni
Community Development Services Department	Mr. TH Matlhare
Economic Development Department	Ms. L Gaetsewe
Basic Services & Infrastructure	Mr. MW Molusi



Municipal Manager

Mr. K. K. Teise



Director: Basic Services and Infrastructure

Mr. M. W. Motshabi

Director: Corporate Services

Ms. S.P. Mereyotlhe

Director: Development and Planning

Ms. L. Gaetsewe



Director: Community Development Services

Mr. T. H. Matlhare

Chief Financial Officer: Budget and Treasury Office

Ms. C.C. Sibanyoni

COMPONENT B: CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The Municipality is part of and contribute to various cooperative governance and inter-governmental initiatives by the different spheres of Government and coordinate the inter-governmental relations forums in the District.

2.3 Intergovernmental Relations

National Intergovernmental Structures

The Municipality participates in various forums at national level. These forums include MINMEC and MINTECH meetings that are attended by the Executive Mayor and Municipal Manager or their delegates respectively. Other forums include the Municipal Managers Forum.

Provincial Intergovernmental Structure

The Municipality participates in the Premier's IGR where the Executive Mayor reports on the progress made in the District at large and presents a report on behalf of all the Municipalities in the District. The Municipal Manager also attends this with the Executive Mayor and also attends the HOD Forum. Various other provincial forums are participated in by the Municipality and ranges from health and safety to water and sanitation, to social MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars, set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

Overview Supply Chain Management

MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars, set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

The Municipality's Supply Chain Management Unit is a support function for all business units within the municipality, assisting them to implement their service delivery priorities. One of the

main objectives of the unit is to ensure provision of efficient, transparent, fair, equitable and cost-effective procurement services.

Below are major Supply Chain Management activities:

1.1 Demand and Acquisition Management

The SCM Unit is responsible for planning procurement activities that are aligned to the municipal budget and Integrated Development Plan (IDP) within the municipality. Meetings are held regularly with directors and managers to ensure that goods and services are procured timeously.

1.1.1 PROCUREMENT BELOW R200 000.

During the 2024/25 financial year, purchase orders were issued to various entities as indicated below.

a) Analysis of Purchase Order Issued:

Duration	PO Issued	Target Specific Group (Youth/Women/Disability veteran/ Black Owned)	Unspecific Group	Target Specific Group (Based in JTGDM)	Target Specific Group (Based in NC Province)	Target Specific Group (Based in Local – All Provinces)
12 months	244	90	46	50	35	23

b) Quotations (RFQ) above R30 000 and below R200 000:

During the 2024/25 financial year formal written price quotations between transaction value of R30 000 up to R200 000 (VAT included) were advertised and awarded as indicated below:

Number	Quote Number	Quote Description	Awarded to	Bid Price
1	01/2024/25	Supply and Delivery of Laptops	Siraha Group (Pty) Ltd	R 70 868,38
2	02/2024/25	Supply and Delivery of Building Materials	Oshebeng Trading Services	R 184 562,82

Number	Quote Number	Quote Description	Awarded to	Bid Price
3	04/2024/25	Supply and Delivery of Kerio Connect License Renewal	Netsec (Pty)Ltd	R 121 670,00
4	06/2024/25	Supply and Delivery of Protective Clothing	Keamogetse Katlego Holdings	R 68 999.98
TOTAL				R 377 101,20

c) Implementation of the 2024/25 Procurement plan

During the 2024/25 financial year six (6) tenders were advertised. However, they were cancelled and not awarded mainly due to budget constraints. It is envisaged that some of the bids will be advertised and awarded in the 2025/26 financial year.

d) Procurement of goods through the National Treasury's Transversal Contracts

During Q4 capital items as listed below were procured through the National Treasury's Transversal Contracts:

ITEM NR	RT CONTRACT NR	TRANSACTION DATE	SUPPLIER NAME	PROJECT NAME & BRIEF DESCRIPTION	CONTRACT VALUE
1	RT 15 – 2021	13 May 2025	Vodacom (Pty) Ltd	Procurement of devices & laptops	R239 741.45
2	RT 57 – 2022	30 May 2025	Toyota SA (Pty) Ltd	Procurement of vehicle	R352 634,52
TOTAL					R592 375,97

1.2 Disposal Management

During 2024/25 financial year the following items were disposed in accordance with MFMA section 14, and applicable Council Resolution:

1.2.1 Damaged vehicles and redundant items

ITEM DESCRIPTION		TOTAL AMOUNT
Sale of Assets: Vehicles & Redundant assets		R 263 550,00
Less: Auctioneers commission of 4,5%	R 11 859,75	
Advertisement cost	R 31 420,00	
Registration fees	R 20 412,00	
AMOUNT PAID TO THE MUNICIPALITY		R 199 858,25

1.2.2. Biological assets

During the 2024/25, there were no disposal of biological assets. The annual verification of the biological assets was done on the 27th of June 2025 and matters thereon are disclosed on the Annual Financial Statements.

1.3 Risk Management

The SCM risk register and mitigating plans are revised regularly. The management is satisfied that identified risk are being managed and monitored as required.

1.4 Contractor Performance Management

The performance of contractors is evaluated on monthly basis as required by section 116 (2)(a) of the MFMA. Generally, the performance of contractors for various contracts within the municipality is satisfactory as indicated on **Appendix I**. The contract register has been developed and it is updated regularly.

1.5 Declaration of Interest

In order to comply with regulation 44 and 45 of the SCM regulations, due diligence is being performed to ensure that the Municipality does not do business with any person in the service of the state. All municipality staff and councillors are disclosing their business interests regularly.

1.6 Audit Action Plan

The audit action plan was developed by the management team in order to address all the issues that were raised by the Auditor-General during the 2023/24 Financial Year.

1.7 SCM Policy Review and latest developments

The municipality has adopted the revised SCM policy incorporating FIDPM in Quarter 4. The Public Procurement Act (PPA) was approved regulations thereof are still being developed by the National Treasury.

PERFORMANCE MANAGEMENT

A Contract Management Report on performance of service providers is included in **Appendix I** of the Annual Report.

2.4 By-laws

The Municipality published the Commonage Management By-Law in 2021/22. The public participation processes in respect of the Draft Air Quality Management and Municipal Health Services By-Laws were concluded.

2.5 Websites

Municipal Website: Content and Currency of Material	
Documents published on the Municipality's / Entity's Website	Yes / No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous annual report (Year -1)	Yes
The annual report (Year 0) published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes
All service delivery agreements (Year 0)	No
All long-term borrowing contracts (Year 0)	No
All supply chain management contracts above a prescribed value (give value) for Year 0	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 Year 1	No
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No

Public-private partnership agreements referred to in section 120 made in Year 0	No
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes

2.6 Public Satisfaction on Municipal Services

The Municipality commissioned a customer satisfaction survey on behalf of all the municipalities in the District. It was concluded during the 2015/16. Next survey will be conducted within the next 5-year cycle due to costs of survey. The findings are summarized below.

Although service protests were experienced in the District these protest were related to services provided by sector departments such as roads. Communities disrupted educational services in some areas of especially Joe Morolong Municipality because of the demand for roads. The Municipality facilitated at a political level to resolve the roads issue.

Comment on Satisfaction Levels

John Taolo Gaetsewe District Municipality commissioned a Customer Satisfaction Survey for the entire District. The Survey was also conducted in support of the Gamagara, Ga-Segonyana and Joe Morolong Local Municipalities. It was undertaken to gather information on customer requirements, their expectations on performance and measure the community satisfaction index (CSI). The survey served as a mechanism to identify and prioritize service improvement areas from a customer's perspective and provide a benchmark upon which future improvements in service delivery and customer satisfaction could be measured.

The study focused on generating information sourced from external customers (Individual & corporate, as well as NGOs, CBOs and SMMEs). This covered both the domestic, regional and international community. The study focused on a sample of John Taolo Gaetsewe District Area, Local Municipalities and other stakeholder service outlets e.g., tribal offices. This covered the communities that are resident within the John Taolo Gaetsewe District Area. The survey had a sample size of 500.

Local residents were appointed to distribute questionnaires with a target of at least 10 to achieve the overall target of 500 questionnaires. A random sample selection procedure was followed. Forms were completed using face to face contact. No telephone interviews were conducted.

The following findings have been summarised for easy referencing for Council and comprehensive reports are available at the Strategic Planning and Organizational Performance Management Unit:

Joe Morolong Local Municipality (Bothitong, Dikhing, Dithakong, Tsaelengwe, Pietersan and Washington):

Rating	Poor 1	Satisfactory 2	Good 3
Service Experience	599	117	428
Service Delivery	5115	534	924

Ga-Segonyana Local Municipality (Mothibistad, Kuruman, Bankhara Bodulung, Seven Miles, Gantatelang, Ditshoswaneng, Thamoyanche and Mapoteng):

Rating	Poor 1	Satisfactory 2	Good 3
Service Experience	790	419	959
Service Delivery	8080	1845	2578

Gamagara Local Municipality (Gamagara, Kathu and Dibeng):

Rating	Poor 1	Satisfactory 2	Good 3
Service Experience	181	160	347
Service Delivery	1372	1028	1604

The research results may be summarized as follows and is clearly addressing almost exclusively issues related to local municipalities:

A. Service Experience

- Service points are not easily accessible
- There are insufficient staff to provide effective service
- Staff are impatient and not helpful and unfriendly
- Staff are competent and knowledgeable
- Office hours of service points are unsuitable and inconvenient
- The municipal offices close early and this affects people who work
- Areas in and around the offices are clean and neat
- Residents doesn't find it easy to reach the municipality telephonically
- Switchboard staff are not friendly and courteous
- People at the helping desk are sometimes impatient in dealing with clients

B. Service Delivery

- The water is not of good quality and clean water is not provided to households.
- Water supply is very limited in rural areas, many households do not have taps in their homes.
- Sanitation services are generally poor. The communities are not satisfied with the sewer bucket removals which they felt are ineffective, sewerage suction tanker

services are not effective and the absence of waterborne sewerage systems which in some areas is very ineffectively.

- Lack of sanitation and sewerage services is severe in rural areas where some households do not have these services.
- People need to be notified when the water supply will not be available.
- Electricity bill is expensive and some areas do not access to electricity.
- People need to be notified when electricity supply will not be available.
- Roads and Storm Water need maintenance.
- Potholes are repaired within reasonable time.
- Speed humps are needed in busy areas and close to schools.
- Refuse removal in the most areas is very poor and attention needs to be paid to at least removal once a week and minimization of waste and refuse dumps that are unclean should be closed completely.
- Most areas where refuse has been removed not clean and are unhygienic.
- The refuse removal services need to be improved as some of the refuse bins are damaged by waste collectors.
- The communication between the municipality and the rest of the community needs more improvement.
- Municipal Health Services such as clinics close early while most of them have limited staff members; the service is reported as in general not satisfactory. In some rural wards there is a need for mobile clinics.
- There is a need for a hall, a park, sports facilities and a library in many areas/wards.
- Fire and rescue services are provided poorly in rural areas and there is need to expand the service to these areas.
- After hour municipal emergency services delay to respond or simply do not respond.
- The municipality's law enforcement and traffic services are mostly working in urban areas, are not visible in the rural areas.
- The rates and accounts service is generally poor.
- The accounts are often inaccurate. Billing is thumb sucked and residents don't have easy channels to complain about accounts.
- Residents in urban areas complain that they don't see the meter readers but do get accounts.
- The ward committees are functional, but regular report backs are not forthcoming.

- The municipality is not accessible to many and information published needs to be improved to be more relevant for local citizens.
- Council meetings are not always accessible.
- The residents would want to be involved in IDP/budget meetings but need to be well informed in advance.

CHAPTER 3 - SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

The Municipality continues to support the locals with roads, human settlement and water quality monitoring services whereby planning documents are developed, related information and advices are given to the municipalities. An Integrated Transport Plan is developed and being reviewed, a comprehensive identification of the roads network through the Rural Roads Assets Management System (RRAMS) is made. Replacement of mud houses is continued and is depended on funding resources allocated. The intent is to implement housing projects as guided by the Integrated Human Settlement Plan over the years. This will, however be impeded by inadequate funding resources.

There are anticipated needs for increase on human resources. This is already visible by the contract appointment of interns on certain sectors - RRAMS programme. The outcome of Assessment of Bulk Water Services will surely also shed light on areas which need to be beefed up with human resources. The Municipality on economic development had commenced in ensuring that the District Growth Development Strategy, the Local Economic Development Strategy and the Small Medium and Macro Enterprises becomes in place. The procurement processes had commenced in the financial year under review.

COMPONENT A: BASIC SERVICES

The pressing needs on services are a coordinated supply of bulk water services so as to optimize efficiency on the supply of the service. On housing needs there is huge backlog of housing as indicated in the Council adopted Integrated Human Settlement Plan which needs to be addressed. The needed services for the new townships are equally an area to be addressed. The Norms and Standards of National Home Builders Registration Council (NHBRC) that houses be built only in areas where the Geotech and Dolomitic investigation are completed has been covered in many areas within the District.

Basic Services backlogs eradication is being hampered by poor roads conditions and this continue to have an effect on transportation services which in turn places duress on the

better roads. The municipality had shed light on the magnitude of roads in the municipal space and their overall conditions. This information is being used as a planning tool, to quantify the resources required in addressing these challenges in an informed manner.

3.1 Water Provision

Local Municipalities are Water Service Authorities and in some instances Water Services Providers. The District Municipality does however; support the local municipalities where feasible within the available resources.

Comment on Water Use by Sector

Though noted that there are the mining, agriculture and other water user sectors in the district, it cannot be ascertained yet what the actual volume of extraction, use and losses are. The Local Municipalities which are water services authorities cannot not avail this information as there are challenges relating to water metering still.

Comment on Water Services Performance Overall

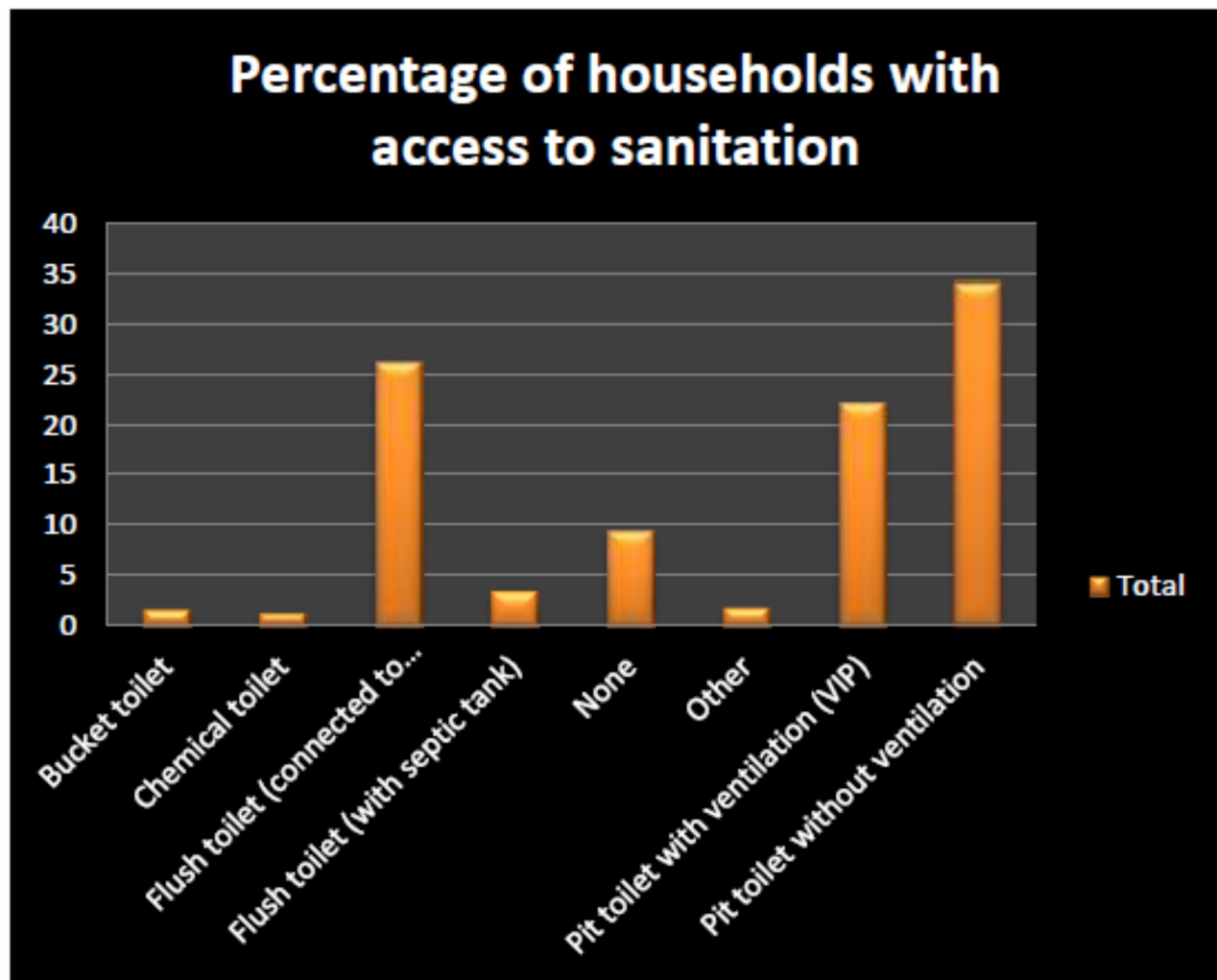
The Municipality targets to provide Bulk Water Services in a coordinated way and optimizing the district wide resources. The assessment can be attained within the approved budget. This outcome will assist in shedding light on how best the services can be performed in the district and this is being done in consultation with the local municipalities.

3.2 Waste Water (Sanitation) Provision

All of the municipalities within the area of jurisdiction of the JT Gaetsewe District Municipality (DC45) reported that they performed a sanitation function during the August 2008 capacity assessment review; in each case the function is rendered by the Technical Services (Basic Services and Infrastructure) Department, together with the Community Services Department in the case of the Ga-Segonyana Local Municipality (NC452), and consists in the main of the provision of waterborne and dry sanitation facilities.

In this regard it is noted that two of the municipalities within the area of jurisdiction of the JT Gaetsewe District Municipality (DC45) have officials managing the sanitation .

JT Gaetsewe District Municipality monitors waste and sanitation on a monthly basis from an Environmental Health perspective.



Source: Census 2011

Comment on Sanitation Services Performance Overall

The MHS function of JTGDMD monitor sanitation from an Environmental Health Perspective.

3.3 Electricity

The Services is being implemented by the local municipalities and in some areas by Eskom. There had however been a big coverage of household electricity – grid supply throughout the district. The areas still mainly not covered are new establishments – particularly informal settlements and in fills. There is however plans in place to augment such shortcomings, particularly in the Ga-Segonyana Local Municipal area. There are developments on alternate energy in the district with a solar park in Kathu being established. Few villages and many

cattle posts are being serviced by limited supply of alternate energy and the sustainability thereof in such instances is not well. There supply challenges in some towns, Kuruman and Kathu, where there is a need to augment the supply and in some instances the grant resources not adequate in the local municipalities.

Comment on Electricity Service Performance Overall

The District Municipality is currently not implementing the function and does engage with the locals where support is being requested.

3.4 Waste Management

JT Gaetsewe District Municipality does not provide this service.

Comment on Waste Management Service Performance Overall

JTGDM completed the IWMP for the whole district. The project was funded by DEA. A waste management forum was established at district level for support to local municipalities in implementing their IWMP.

3.5 Housing

The Integrated Human Settlement Plan (IHSP) is in place is reviewed annually. Council had approved a SDBIP which monitors the information update on an annual basis. There are projects reflected in the Human Settlement Plan and preparations of business cases are being in line with the Integrated Human Settlement Plan. The Municipality reports on matters relating to housing distress as from risks related to improper housing structures, disaster incidents and progress on projects implemented by the Local Municipalities.

Challenges are that the eradication of the housing backlogs are very slow in local municipalities, contract management challenges. The Local Municipalities had however, where there had been unsatisfactory progress terminated contracts where necessary.

Comment on the Performance of the Housing Service Overall

The performance of housing in overall is not very satisfactory due to insufficient funding, contract management challenges and aligning projects to the new Norms and Standards of NHBRC on Geotech and Dolomitic investigations. There are planning projects completed and ongoing, particularly on Geotech and Dolomitic investigations in all municipalities in the District.

There are four main human settlements construction sites in the district. Civil engineering services for 240 low-cost houses in Wrenchville which has been completed and 171 top structures had been completed. The construction of 177 houses in Bankhara/Bodulong has been completed. Both projects are in the Ga-Segonyana Local Municipal area. A project of 5700 houses mixed development has been completed and handed over to Municipality for beneficiary selection and identification. Bulk services is a serious challenge though and the construction of 142 housing units at Siyathemba. The contractor was appointed in May 2023, progress has been slow with only 10 houses completed and 17 at different milestones, both the projects are implemented at Gamagara Local Municipality.

3.6 Free Basic Services and Indigent Support

Provision of free basic services is with the local municipalities – this includes identification of indigents and policies addressing the methods of how such services are being provided.

Comment on Free Basic Services and Indigent Support Overall

Indigent support and free basic services is not provided by the District, but by the local municipalities.

COMPONENT B: Road and Transport

Transport within JT Gaetsewe District is characterized by a limited availability of number of transport modes, storage facilities and huge backlogs in communication. This is the reality despite the fact that Kuruman is an important distribution depot for the surrounding rural areas. The Municipality had through the development of the Rural Roads Asset Management identified the extent of the roads network and completed the review of the Integrated Transport Plan. The roads asset system and the transport plan will guide on transport infrastructure and the all pressing transport services needing attention.

Road transportation remains a challenge on certain focal areas: existence of by-laws, law enforcement, safety on roads, limitations of resources on planning tasks, fare structures for different modes of public transportation, of taxi licensing, inadequacies of bus and taxi ranks, weigh bridges to regulate freight – where in place, being too small for the holding capacities.

3.7 Roads

All of the municipalities within the area of jurisdiction of the JT Gaetsewe District Municipality (DC45) reported that they performed the municipal roads function in each of the assessment periods under review. The function is performed within the Technical Services (Basic Services and Infrastructure) Department within each of the municipalities within the service area of the JT Gaetsewe District Municipality (DC45). All the provincial roads are being planned for, constructed and maintained by the provincial Department of Roads and Public Works.

The Integrated Transport Plan identified key transport infrastructure projects, including roads. The output on the Rural Roads Asset Management System (RRAMS) assists in guiding on prioritising roads needing attention. There is progress on district roads as being implemented by the Department of Roads and Public Works and local municipalities had also constructed some roads. The steps following the identification of roads needing attention will be followed by sourcing funding as to the projects implemented.

The municipal roads network increased to 2773.11 km and this is attributed in the main to expansion of villages of the rural communities. The breakdown of of roads surfaces is as follows:

Paved roads = 324,76km

Block roads = 58,4 km

Unpaved roads = 2389, 95km

Of the total 2773.11 km, 339,44 km of the roads network is not yet assessed. 1 979,46km are in a very poor state, 189,6 km in a poor state, 118,84 km in a fair condition, 93.1km and 52,17km are in a very good condition.

Comment on the Performance of Roads Overall

The projects embarked on are strategic projects and no capital projects were embarked upon. Operation related function of roads is with the local municipalities, the Department of Roads and Public Works and SANRAL on the national road. A Roads Management Plan (RAMP) was developed in the financial year to assist on municipal roads planning.

3.8 Transport (including vehicle licensing & public bus operation)

The Reviewed Integrated Transport Plan which has been reviewed for 2023/24 financial year, seeks to address the population and socio-economic transportation challenges by ensuring the existence of structures which initiate plans to ensure the existence of improved and maintained infrastructure and services.

Comment of the Performance of Transport Overall

The transport services are not properly regulated and maintaining a Transport forum to ensure the implementation of the District Integrated Transport Plan is a challenge. The municipalities and the Department of Roads and Public Works are embarking on capital and operational projects roads projects.

Generally, the level of service on public transport is not satisfactory due to long waiting times for public transport. The condition increases hitchhiking and this in turn make taxi operators to erect informal taxi ranks on N14 and R31. The highest volumes of public transport (taxis and busses) of areas with 15 km's of the Kuruman town and the route linking Hotazel and Kuruman ranging between 651-1300 per day.

Road freight and parking in towns are areas and concern and there is a necessity for roads infrastructure plans in the municipalities to take care of.

Major maintenance roads on the N14 on the eastern side of the district for a distance of 54,56km has commenced. A feasibility study of the N14/ R31 bypass road is completed by the Gasegonyana Local Municipality. The construction thereof will reduce mainly heavy traffic load off the Kuruman town streets.

3.9 Waste Water (storm water drainage)

The storm water function in towns is being executed by the local municipalities. There is however limited, roads associated, developments during construction of new roads but this relates to the protection of roads infrastructure. Many existing rural settlements including informal settlements close to towns are in the risk of being below the flood lines.

Comment on the Performance of Storm Water Drainage Overall

There are no specific storm water capital projects in the district currently. The operations functions in the towns by the local municipalities are ongoing, particularly on maintenance related incidents causing flooding on roads.

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

3.10 Planning

The District compiles a package of plans. These plans include the Integrated Development Plan (IDP), Spatial Development Framework (SDF), Housing Sector Plans, Local Economic Development Strategy, Integrated Transport Strategy and District Growth and Development Strategy. The IDP is the master plan and covers a period of five years and must be reviewed annually. The development priorities contained in the IDP is based on the spatial priorities and objectives identified in the SDF.

The IDP must be aligned with all sector plans internally and externally. The District Municipal Planning Tribunal (DMPT) was established in 2016; in terms of the Spatial Planning and Land Use Management Act (SPLUMA), Act 16 of 2013. The DMPT was fully functional in dealing with development applications from all 3 local municipalities. For the year 2021/22 Local Municipalities opted out of the DMPT to establish their respective MPTs.

The values, vision and mission of the municipality that is also guiding planning and development in the District and indicated in the IDP are as follows: “The Vision” statement of the JT Gaetsewe District Municipality reflects its commitment to the ideal of an integrated, development-focused district, and is built on the following municipal core values:

- 👤 Development – strive for the development of the district and its people, while also striving for own personal development;
- 👤 Commitment – stay committed to the vision of the John Taolo Gaetsewe DM and to serving the people of the district in whatever you do;
- 👤 Care – to show empathy and care towards others, while striving to promote a positive working atmosphere; and
- 👤 Integrity – stay true to whatever you commit to, performing your duties to the best of your ability, while conducting yourself professionally at all times.

Vision

A global centre of excellence for environmentally sustainable, innovative and competitive iron ore and manganese mining and steel beneficiation that anchors a diversified and inclusive economy with an empowered and prosperous local community.

The vision statement of the JT Gaetsewe DM represents an ideal of what it wishes to achieve. It represents the main and ultimate deliverable of the municipality. The focus is on the value that the municipality aims to create and add for the communities of the district.

Mission

Accelerating the implementation of integrated development initiatives and providing support to local municipalities.

The above-mentioned mission statement reflects what the municipality will do in an ongoing manner to constantly striving towards achieving its vision. The District Development priorities indicated in the IDP are as follows:

- Water & Sanitation
- Roads & Transport
- Local economic development (LED)
- Land development and reform
- Integrated human settlements
- Sustainable Development Orientated Municipality
- Environmental management and conservation and climate change management
- Promotion of health in the District
- Disaster management

The District Reviewed Spatial Development Framework (SDF) was concluded in 2017. The reviewed SDF is compliant with Chapter 4(21) of the SPLUMA (Act 16 of 2013). Spatial Development Frameworks are long terms plans that are reviewed every 5 years and can only be amended through a legislatively prescribed process.

The reviewed SDF retains the previous spatial development vision of the District as follows: “*The John Taolo Gaetsewe District Municipality will become a district in which all its residents...*

- **... engage in viable and sustainable wealth-generating economic activities.** *This will result in the eradication of poverty, and will ensure a dramatic reversal in the unequal distribution of wealth and income and the skewed access to opportunities in the district. Viable, well-planned rural development initiatives will bring an end to the deep poverty and the destitution of the district. Due to well researched and tested desert-resistant agricultural practices, high-value rural products will be produced and over-grazing and soil erosion won't be a problem any longer. Serious investment in and exploitation of renewable sources of energy will result in the district becoming self-reliant in the generation of electricity which will provide a sizeable injection into the national electricity grid.*
- **... live in sustainable human settlements that are safe, vibrant and in balance with the environment.** *Young people will grow up with the prospect of a bright future, either in the district, or anywhere else in the world as the quality education they will have received, will prepared them for. Walking and cycling will be the two most common modes of movement within towns and villages, while a safe and reliable minibus system will provide public transport between settlements. Traffic management and road maintenance will mean that mining trucks no longer pass-through settlements and potholes will be a thing of the past. Water and energy-use, energy generation and the construction of housing, will be examples of “best practice in green design, building and living”. Due to proper, respected and wise land-use management, including the regulation of mining activities, uncontrolled settlement expansion will not take place and environmental damage will be minimised.*
- **... participate in the governance of the district, including settlement formation and expansion, economic development, education, and the provision of basic services.** *Plans will be prepared with full participation of all interested and affected parties, which will be based on accurate information and will be implemented. Elected politicians and officials will serve the people and corruption and misappropriation of funds will be rare occurrences. Traditional leaders will serve on a civil society advisory body that is consulted on all strategic decisions by the elected politicians. Decisions that affect the public will be based on evidence, and only taken after careful consideration of all the viable options and deliberation on all the positions and perspectives in the district. Due to payment for services by all, and smart systems and practices, the municipalities in the district will be financially viable and desirable places to work in.*

In support of the vision, the SDF provides a spatial structure that would promote the following **development objectives**:

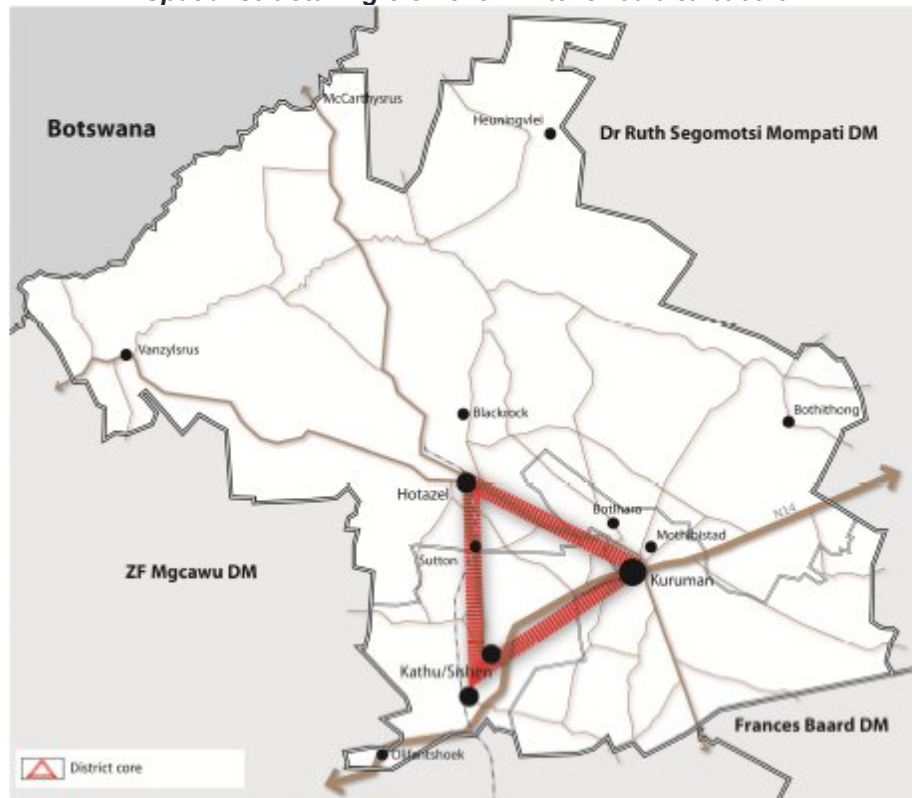
- Attract new business (especially manufacturing linked to other sectors e.g. mining, agriculture) to the district in a focused/core area.
- Create a spatial structure that would maximise accessibility of the dispersed population to a range of services and facilities.
- Support the diversification of the economy, whilst strengthening existing area-specific economic activities relating to specific regions.
- Promote expansion of the mining industry in such a way that its negative impacts are minimised and distressed mining communities are supported.
- Stimulate the agricultural sector through the strengthening of commercial farming and the creation of a new intensive agriculture and agro-processing SMME economy in densely populated rural areas with predominantly subsistence farming.
- Enhance tourism as a more important component integrated in the economy of the district.

The reviewed SDF supports the SPLUMA principles and the incorporation thereof is indicated as follows:

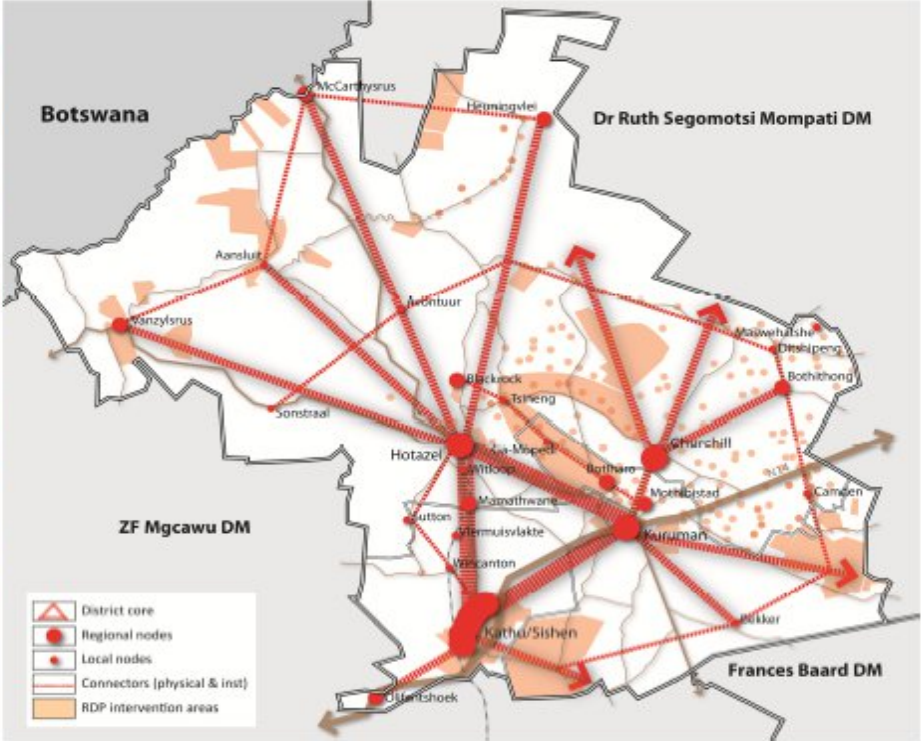
SPLUMA Principles	Spatial Application in JTGDM SDF
Spatial Justice	Connectors between regional nodes, local nodes and human development hubs serve impoverished villages.
Spatial Sustainability	Strategies in functional economic regions address mining, agricultural and tourism activities as major economic activities in the area. The locality of the region on the N14 highway is proposed to accommodate a light industrial strip between Kuruman and Sishen/Kathu, which will assist in a diversifying the economy and creating job opportunities. The clustering of social facilities in nodes should further combat sprawl and assist with the creation of viable communities and sustainable settlements.
Spatial Efficiency	Through the integration of mining, agricultural (both commercial and subsistence) and tourism activities in spatial planning, area-based strategies could be applied more efficiently.
Spatial Resilience	The spatial framework provides a conceptual spatial idea, which gives guidance to context-specific implementation relating to the characteristics of a specific place and in relation to a specific community.
Good Administration	The spatial framework builds on the spatial framework of the Northern Cape, whilst taking cognisance of planning in the three local municipalities, thus supporting the principle of intergovernmental coordination.

The following elements guide the spatial structure of the district and form the basis of the SDF:

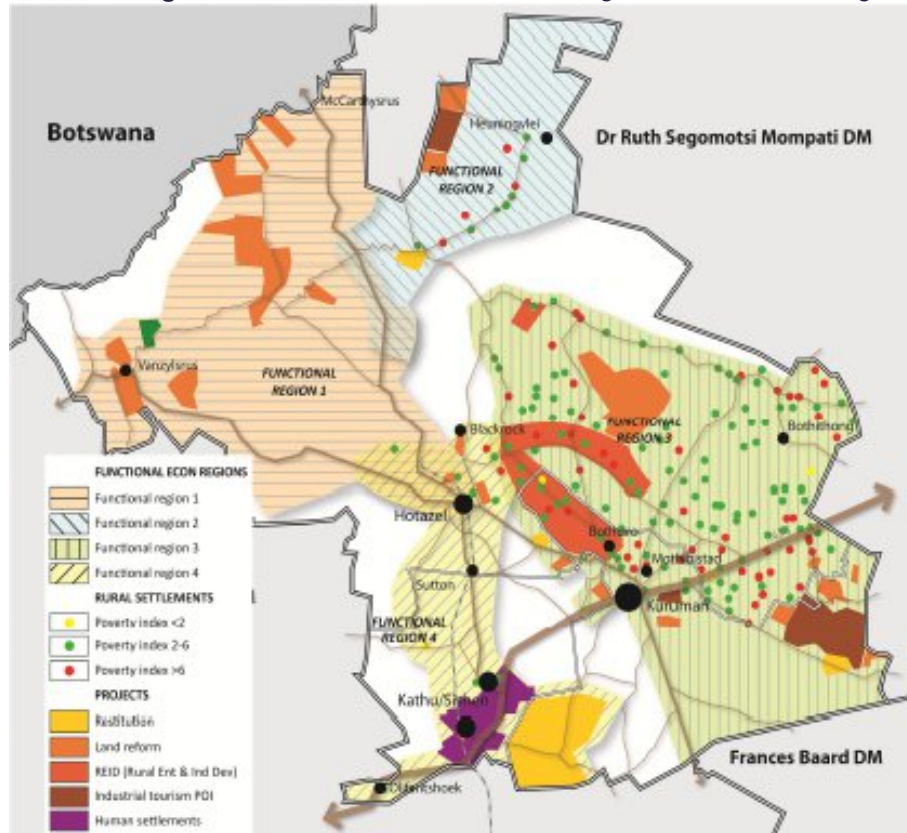
Spatial structuring element 1: Intensified district core



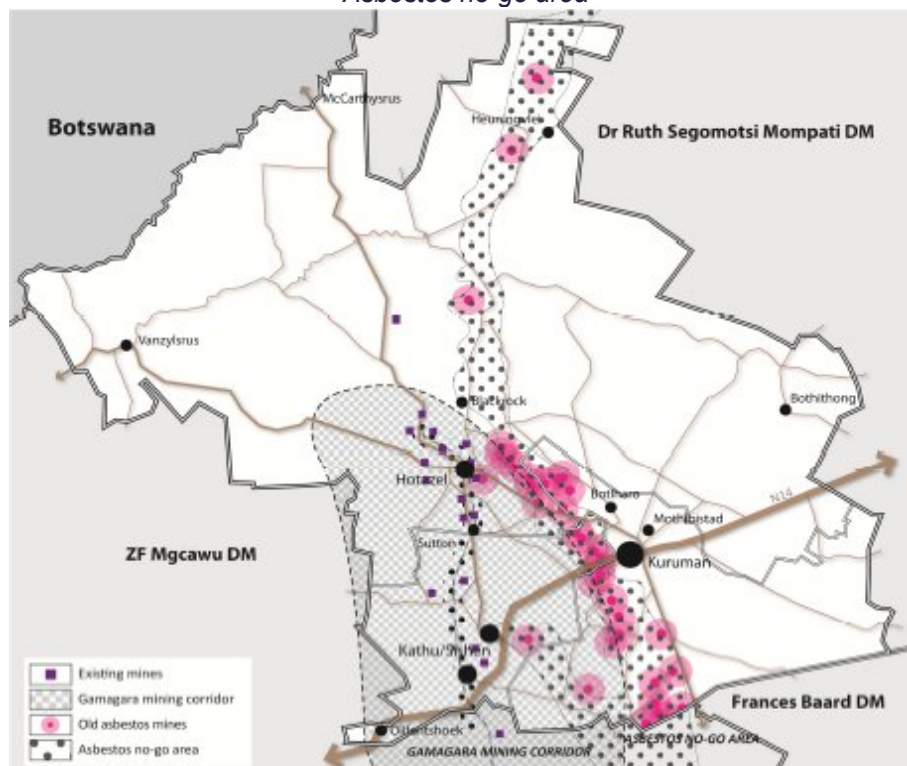
Spatial structuring element 2: Polycentric network of nodes and (physical and institutional) connecting routes
– Regional nodes, Local nodes and Human Development Hubs



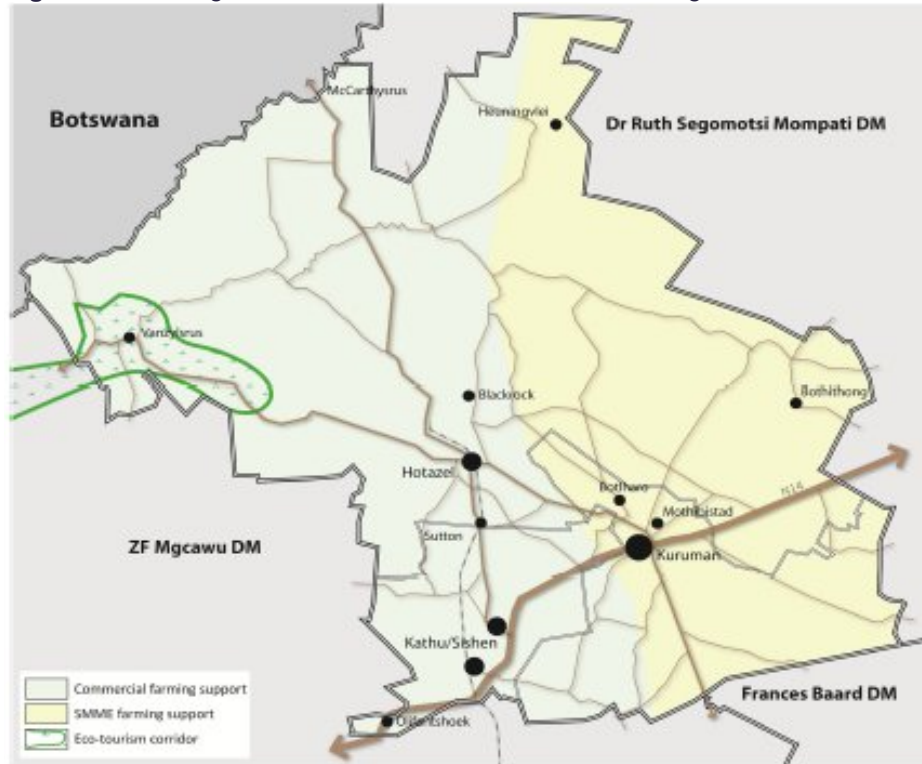
Spatial structuring element 3: Functional economic regions – Functional Regions 1 – 4



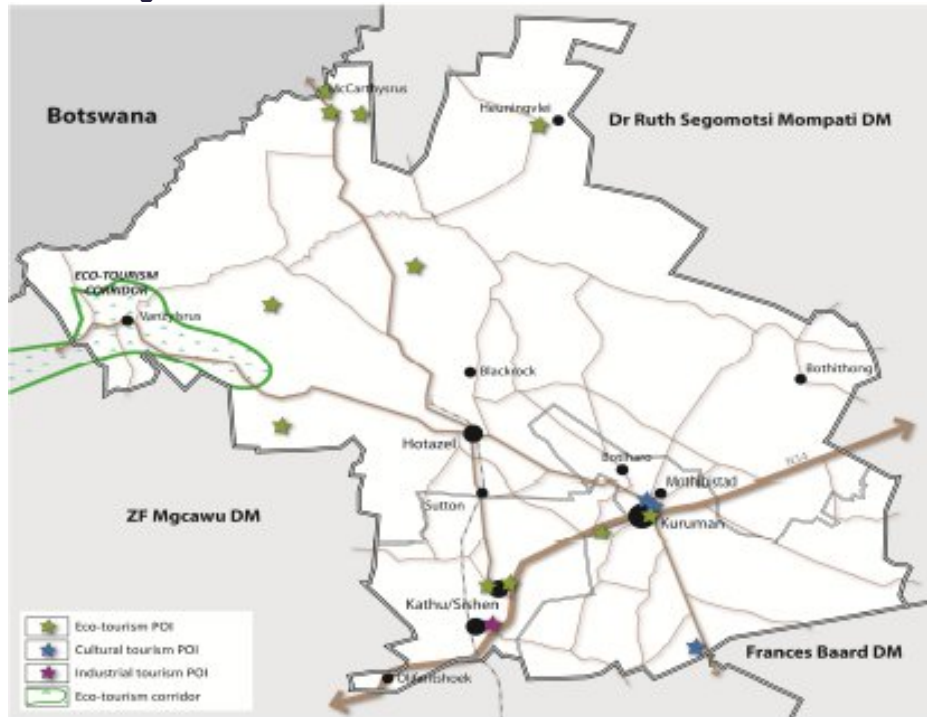
Spatial structuring element 4: Mines and mining activities - Gamagara Mining Corridor, Active mines and Asbestos no-go area



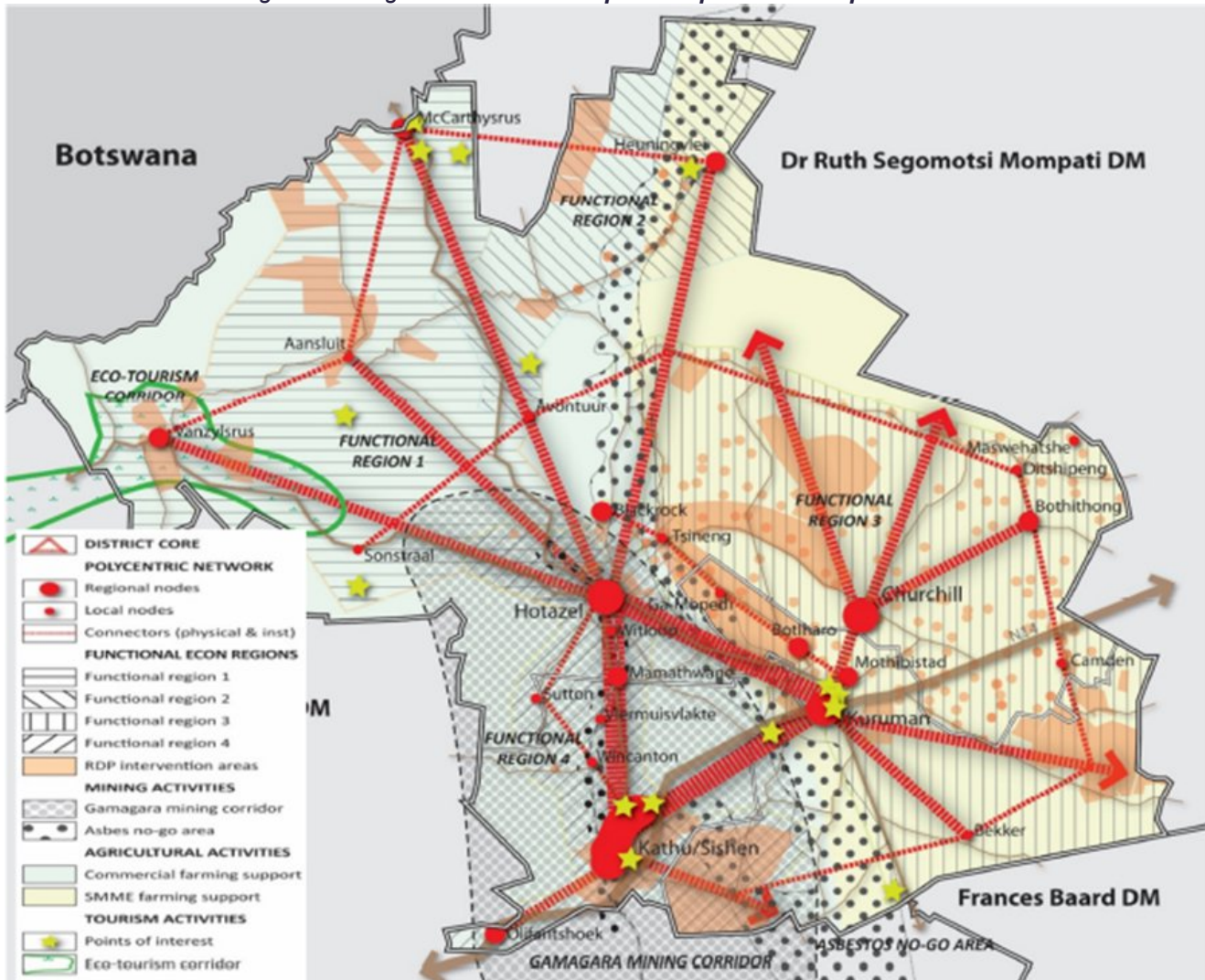
Spatial structuring element 5: Agricultural activities – Commercial farming and rural extensive farming



Spatial structuring element 6: Tourism activities– Points of interest and Eco-tourism Corridor



The above structuring elements give rise to the **Composite Spatial Development Framework** as follows:



Employees: Planning Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	1	1	1	0	0%
4 – 6	2	2	2	0	0%
7 – 9	1	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	4	4	4	0	0%

T 3.10.4

Comment on the performance of physical planning overall

The Municipality maintains the following physical planning projects:

- Human Settlement Plans – completed but needs in-depth review. Funding is dependent on grants and unfortunately limits the roll out of projects. Reviews are now taking place annually.
- Integrated Transport Plan – Funding is dependent on grants and unfortunately limits the roll out of projects. Reviews are now taking place annually but needs in-depth review.
- The Rural Roads Asset Management System project is a multi-year project is progressing well and is still unfolding.
- Integrated infrastructure plan – Reviews are now taking place annually. There is unfortunately limited information and the plan needs to be urgently overhauled.
- Air Quality Section 78 Assessment could not commence in 2017/18 and concluded in 2019/20 instead.

3.11 Local Economic Development (including tourism and market places)

LED is the function under which the following programmes are implemented as priorities:

- **Tourism**
 - Tourism Awareness Campaigns
 - Entrepreneurial support
 - Cleaning Campaign
 - Skills Development
 - Schools Tourism
 - Women in tourism
- **Comprehensive Rural Development Programme(CRDP)**
 - AGRI- Park project
 - Support Agriculture Cooperatives (Youth and Women)
 - Enterprise development
 - Support to local emerging farmers
 - Management of commonage farms
 - Agricultural Programs
 - JTG Rural Development Plan
- **SMME**
 - Enterprise development
 - Supplier development
 - Database development
 - Help develop Business plan
 - Lobby for funds for Enterprises

Comment on local job opportunities

The mining sector created more jobs, followed by Sectoral Departments and Tourism in the District. Provincially unemployment stand at 28% and John Taolo Gaetsewe District at 28,5%. Municipalities plan to have a mining Supplier Day/awareness for communities and business people (StatsSA, 2016).

Comment on local economic development performance overall

Each local area has a unique set of opportunities, problems, and has developed an LED strategy that is specific to its local context. The local municipalities agreed in line with the legislation that the JTGD District municipality can run/drive the following priorities:

Eight priorities:

- Tourism development and running of office
- Support SMME's and Cooperatives
- Coordination of Social and Labour Plan
- Support to Local Emerging Farmers
- Infrastructure: Roads and bulk water
- Agri-Park Mega Project
- DPMT coordination
- Regional Development agency

The Local Economic Development (LED) and Tourism Unit got involved in number of initiatives and activities that steered economic development in the District for the period under review. These events have big economic benefits to the business and community at large as they create temporary job opportunities to the residents of the District and they are not limited to the following:

- Africa's Travel Indaba
- Meeting's Africa

Unfortunately, due to the COVID-19 lockdown regulations the JTGDMD deemed it necessary to postpone its participation in all public events until a directive is given to resume with such events.

CRDP

The Unit envisaged to work together with relevant sectoral Department in all spheres to harness resources and avoid unnecessary duplication of projects for community development. Fourteen Agricultural cooperatives are assisted by the Cooperative Grant. John Taolo Gaetsewe District Municipality facilitated the process and it will be an ongoing effort.

Implementation of the Agri-park is of great help to local farmers. The coordination of farmers in JTG District is on track. The Pilot Project (Heuningvlei Farmer Production Support Unit) hand-over by the Deputy President was postponed to the next financial year hopefully in September 2023. It must be noted that according to National Department, Heuningvlei Farmer Support Unit is one of the best in the Country and it is getting a necessary attention even in Parliament (FPSU) The following was purchased for the Project:

- Two Trucks (10 Ton)
- Two Toyota Single cab Bakkies (GD6)
- Deeping Spray
- Crate Neck Clamps
- 30 Bonsmara Bulls
- Mobile Kraals

Progress to date (With Heuningvlei FPSU)

In 2018, through the services of Urban Econ Service Provider, we drafted the Heuningvlei Farmer Production Support Unit business plan together as a District. That business plan enabled us to establish the Heunngvlei FPSU as it currently is. However, it has now been 5 years and that business plan needs to be updated and more importantly there is a need for a business plan that will map an exit strategy of governmental support of the FPSU.

The Department has requested assistance from our sister Chief Directorate: Small Business Development, to assist with the update of the Heuningvlei Business Plan. They have requested for an active participation of key FPSU stakeholders in the drafting of the Business Plan. The plan is to offer a skills development training for three days on the drafting of a business plan (as a form of skills transfer) and to continue for the remaining two days with the actual drafting/ updating of the Heuningvlei FPSU Business Plan. This Business Plan is

actually an exit Strategy for Department to allow/prepare farmers to run the FPSU effectively, efficiently and independently.

Farmer Production Support Unit (Ga-Segonyana – Yale Farm)

The Department of Rural Development has appointed a Service Provider to develop a Business Plan. The Department is currently mobilizing farmers that are within a 60KM radius including those in Gamagara. As soon as the mobilization is finalized, the Department will then formalize them into a Cooperative.

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

The District Municipality only perform municipal health services. Other services are provided by the local municipalities where those functions are assigned to them and where they have the resources to do so.

3.12 Cemeteries and Crematoriums

The MHS section of JTGDM monitors Funeral Undertakers and Mortuaries in terms of the National Health Act and regulations.

Service Statistics for Cemeteries and Crematoriums

Funeral Undertakers and Mortuaries are regularly monitored for compliance in terms of the National Health Act, 61 of 2003.

Comment on the performance of cemeteries and crematoriums overall

JTGDM monitor Cemeteries, funeral undertakers and mortuaries as part of the Municipal Health function – disposal of the dead. Fencing of cemeteries is on an annual basis implemented. Eleven cemetery sites were fenced in both Joe Morolong and Ga-Segonyana Local Municipalities.

3.13 Child Care, Aged Care, Social Programmes

The MHS Section of JTGDM monitors Environmental Health risk factors at Child Care Facilities as part of the MHS function.

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and coastal protection. The Department of Environmental Affairs (National) has approved funding for Environmental Protection and Infrastructure Programme (EPIP). The Department remains committed in supporting municipalities through funding initiatives that enhance the protection of environment and responsible use of natural resources. A number of projects has been approved and are implemented from 2017/18-2021/22 MTEF Cycle in the local municipalities.

The projects are as follows. Waste Management and Greening; Greening and Open Space Management; and Establishment of a Game Farm.

3.14 Pollution Control

Environmental Pollution Control is conducted in terms of the Municipal Health Services function within the scope of the National Health Act.

Comment on the performance of pollution control overall

Monitoring of Environmental Pollution is conducted in terms of the Municipal Health function within the scope of the National Health Act, 61 of 2003.

3.15 Bio-diversity; Landscape (incl. open spaces) and other (e.g. coastal protection)

This service is not provided by the District Municipality.

COMPONENT F: HEALTH

This component includes: clinics; ambulance services; and health inspections. The 9 Municipal Health functions defined as Environmental Health was delegated to District and Metro Municipalities in South Africa. Environmental Health is the only preventative health service designed to identify and contain environmental risk factors that have a detrimental effect to the health of communities.

3.16 Clinics

The Municipal Health function at JTGDM monitor Health Care Facilities from an Environmental Health perspective.

Comment on the performance of clinics overall

As indicated Health Care Facilities and Hazardous Medical Waste are monitored by the Municipal Health Section of JTGDM from an Environmental Health perspective.

3.17 Ambulances

This service is not provided by the District Municipality, but by the Provincial Department of Health.

3.18 Health Inspection; Food & Abattoir Licensing; Inspections; Etc.

MHS is a District and Metro Municipal function and consist of the following:

DEPARTMENT OF HEALTH

No. R. 698 26 June 2009

HEALTH PROFESSIONS ACT, 1974 (ACT NO. 56 OF 1974)

REGULATIONS DEFINING THE SCOPE OF THE PROFESSION OF ENVIRONMENTAL HEALTH: AMENDMENT

The Minister of Health has, under section 33(1), read with section 61(2) of the Health Professions Act, 1974 (Act No. 56 of 1974), and on the recommendation of the Health Professions Council of South Africa, amended the regulations promulgated by Government Notice No. R. 888 of 26 April 1991, as reflected in the Schedule.

SCHEDULE

Definitions

1.

In this Schedule, **"the regulations"** means the regulations relating to the scope of the profession of environmental health published under Government Notice No. R. 888 of 25 April 1991, and any word or expression to which a meaning has been assigned in the regulations shall bear such meaning, unless the context otherwise indicates.

Amendment of the regulations

2.

The regulations are hereby amended by the addition at the end of the regulations as an annexure, of the following Scope of Practice of Environmental Health Practitioners:-

ANNEXURE

SCOPE OF PRACTICE OF ENVIRONMENTAL HEALTH PRACTITIONERS

In addition to the scope of the profession as prescribed in the regulations, the following acts fall within the scope of practice of environmental health practitioners.

Environmental health services include performance of the following acts:

(1) WATER MONITORING – District Municipal Health Competency

- (a) Monitoring water quality and availability, including mapping water sources and enforcing laws and regulations related to water quality management;
- (b) ensuring water safety and accessibility in respect of a safe quality (microbiological, physical and chemical) and an adequate quantity for domestic use as well as in respect of the quality for recreational, industrial, food production and any other human or animal use;
- (c) promoting access to water for all communities by providing inputs toward the planning, design and management of the water supply system and ensuring healthy community water supplies through surveillance;
- (d) ensuring monitoring of effective waste water treatment and water pollution control, including the collection, treatment and safe disposal of sewage and other water-borne waste, and surveillance of the quality of surface water (including sea water) and ground water;
- (e) advocating proper and safe water usage and waste water disposal;
- (f) sampling and testing water in the field and examining and analysing it in a laboratory.

(2) FOOD CONTROL - District Municipal Health Competency

- (a) Ensuring food safety in respect of acceptable microbiological and chemical standards, quality of all food for human consumption and optimal hygiene control throughout the food supply chain from the point of origin, all primary raw material or raw products production, up to the point of consumption;
- (b) inspecting food production, distribution and consumption areas;
- (c) monitoring informal food trading;
- (d) inspecting food premises and any nuisances emanating therefrom;
- (e) enforcing food legislation and the Codex Alimentarius;
- (f) applying food quality monitoring programmes and principles through various techniques, e.g. Hazard Analysis and Critical Control Points System (HACCP System) audits;

- (g) promoting the safe transportation, handling, storage and preparation of foodstuffs used in the Primary School Nutrition Programme (PSNP), prisons, health establishments, at airports, etc.;
- (h) promoting the safe handling of meat and meat products through, amongst others, meat inspections and examination of abattoirs;
- (i) promoting the safe handling of milk and milk products.

(3) WASTE MANAGEMENT AND GENERAL HYGIENE MONITORING - District Municipal Health Competency

- (a) Ensuring proper refuse storage, collection, transportation, transfer and processing, materials recovery, and final disposal;
- (b) ensuring proper management of liquid waste including sewage and industrial effluents;
- (c) ensuring the proper storage, treatment, collection, transportation, handling and disposal of medical waste and hazardous waste;
- (d) sampling and analysing any waste or waste product such as sewage or refuse;
- (e) investigating and inspecting any activity relating to the waste stream or any product resulting therefrom;
- (f) advocating proper sanitation;
- (g) controlling the handling and disposal of diseased animal tissue;
- (h) ensuring safe usage of treated sewage sludge and ensuring that reclaimed waste is safe for health;
- (i) ensuring waste management including auditing of waste management systems and adherence to the 'cradle-to-grave' approach.

(4) HEALTH SURVEILLANCE OF PREMISES - District Municipal Health Competency

- (a) Conducting environmental health impact assessments of, amongst others, housing projects;
- (b) assessing aspects such as ventilation and indoor air quality, lighting, moisture-proofing, thermal quality, structural safety and floor space;
- (c) assessing overcrowded, dirty or other unsatisfactory health conditions on any residential, commercial, industrial or other occupied premises;

- (d) monitoring all buildings and all other permanent or temporary physical structures used for residential, public or institutional purposes (including health care and other care, detainment, work and recreation, travel, tourism, holidaying and camping) and the facilities in connection therewith and the immediate precincts;
- (e) ensuring urban and rural land-use planning and practices that are conducive to sustainable development by conducting sound environmental health impact and other assessments;
- (f) ensuring the prevention and abatement of any condition on any premises, which is likely to constitute a health hazard;
- (g) ensuring the health safety of public transport facilities such as buses, trains, taxis, boats and aeroplanes as well as all other facilities in connection therewith;
- (h) ensuring compliance with the principles of Local Agenda 21 and the Healthy Cities approach to integrated service rendering and the practical minimising of any environmental health risk.

(5) SURVEILLANCE AND PREVENTION OF COMMUNICABLE DISEASES, EXCLUDING IMMUNIZATIONS - District Municipal Health Competency

- (a) Promoting health and hygiene, aiming at preventing environmentally induced diseases and related communicable diseases;
- (b) Collecting, analysing and disseminating epidemiological data and information;
- (c) Using the Participatory Hygiene and Sanitation Transformation (PHAST) training approaches and any other educational training programmes or approaches for effectual control measures at community level;
- (d) Conducting epidemiological surveillance of diseases;
- (e) Establishing an effective environmental health surveillance and information system within the different spheres of governance;
- (f) Developing environmental health measures, including protocols, with reference to epidemics, emergencies, diseases and migrations of populations.

(6) VECTOR CONTROL MONITORING - District Municipal Health Competency

- (a) Identifying vectors, their habitats and breeding places;
- (b) conducting vector control in the interest of public health, including control of arthropods, molluscs, rodents and other alternative hosts of diseases;
- (c) removing or remedying conditions resulting in or favouring the prevalence of or increase in rodents, insects, disease carriers or pests;
- (d) ensuring the residual spraying of premises and precincts;
- (e) investigating zoonotic diseases and vector-borne diseases in the working and living environment;
- (f) surveying imported cargo and livestock for the prevalence of disease vectors;
- (g) undertaking serological testing of rodents, dogs and other pets or animals.

(7) ENVIRONMENTAL POLLUTION CONTROL - District Municipal Health Competency

- (a) Ensuring hygienic working, living and recreational environments;
- (b) identifying the polluting agents and sources of water, air and soil pollution;
- (c) conducting environmental health impact assessments of development projects and policies, including assessments of major hazard installations;
- (d) Identifying environmental health hazards and conducting risk assessment and mapping thereof;
- (e) Preventing accidents, e.g. owing to paraffin usage;
- (f) Approving environmental health impact assessment reports and commenting on environmental impact assessment applications;
- (g) Ensuring clean and safe air externally (ambient and point sources) through emission inventory monitoring, modelling and toxicological reports, reviews and complaint investigations;
- (h) Controlling and preventing vibration and noise pollution;
- (i) Preventing and controlling soil pollution that is detrimental to human, animal or plant life;

- (j) Ensuring compliance with the provisions of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), and its regulations, including anticipating, identifying, evaluating and controlling occupational hazards;
- (k) Taking the required preventative measures to ensure that the general environment is free from health risks;
- (l) Ensuring the registration, permitting, monitoring and auditing of all industries, activities, trade, etc., which involves controlling the internal effects of pollution on the worker and the external effects of pollution on the community and the environment;
- (m) Monitoring management of infrastructure integrity, including management of the infrastructure integrity of pipelines and tanks;
- (n) Ensuring, jointly with other role players, a readiness for abnormal operating conditions and disasters;
- (o) Developing sustainable indicators appropriate for monitoring the effectiveness of environmental management systems of industries.

(8) DISPOSAL OF THE DEAD - District Municipal Health Competency

- (a) Controlling, restricting or prohibiting the business of an undertaker or embalmer, mortuaries and other places or facilities for the storage of dead bodies;
- (b) monitoring practices at cemeteries, crematoria and other facilities used for the disposal of dead bodies;
- (c) managing, controlling and monitoring exhumations and reburials or the disposal of human remains.

(9) CHEMICAL SAFETY - District Municipal Health Competency

- (a) Monitoring and regulating all operators, fumigation firms and formal and informal retailers that deal with the manufacture, application, transport and storage of chemicals;
- (b) Permitting, licensing and auditing the premises of the above, e.g. by issuing Scheduled Trade Permits;
- (c) Facilitating advice, education and training on pesticides and/or chemical safety.

(10) NOISE CONTROL - District Municipal Health Competency

- (a) Assessing the extent of noise pollution and its effects on human health;
- (b) facilitating noise control measures;
- (c) measuring ambient sound levels and noise levels.

(11) RADIATION (IONISING AND NON-IONISING) MONITORING AND CONTROL - District Municipal Health Competency

- (a) Ensuring ionising and non-ionising radiation sources are registered with the Department of Health;
- (b) ensuring registered ionising and non-ionising sources meet licence conditions;
- (c) monitoring the safe transportation of radioactive material to ensure compliance;
- (d) ensuring radioactive sources are licensed at the South African Nuclear Energy Corporation (NECSA);
- (e) ensuring the proper disposal of all radiation waste materials from hospitals and other licensed establishments;
- (f) ensuring protection against any form or sources of electromagnetic radiation.

(12) PORT HEALTH – Department of Health Competence

- (a) Monitoring, inspecting, sampling and labelling all imported foodstuffs, cosmetics and disinfectants at all ports of entry (harbours and border posts);
- (b) monitoring all imported foodstuffs, cosmetics and disinfectants for which a certificate of approval is required;
- (c) sampling foodstuffs consumed on board all aeroplanes and ships;
- (d) monitoring, inspecting and sampling (for chemical and bacteria testing purposes) all maize and wheat imports;
- (e) monitoring continuous rodent and vector control at airports and harbours;

- (f) monitoring imports of used pneumatic tyres for the prevalence of mosquitoes such as the Aedes species (vectors for yellow fever, dengue fever and encephalitis);
- (g) Providing a continuous vaccination programme for seafarers at all ports;
- (h) Monitoring and inspecting all hazardous cargo entering the country;
- (i) Monitoring and preventing communicable diseases on a 24 hour-basis;
- (j) Monitoring water on board ships to ensure that it is safe for human consumption;
- (k) Monitoring food wastes and medical waste for disposal.

(13) MALARIA CONTROL – Department of Healthy Competency

- (a) Ensuring, developing and implementing a malaria control programme for the country, thus lowering parasite levels in the population and preventing deaths through rapid diagnosis and prompt treatment;
- (b) Ensuring a continued active and feasible malaria surveillance programme;
- (c) Carrying out house-to-house surveys to actively detect malaria cases;
- (d) Ensuring blood smears are taken from foreigners and people who have visited malaria-endemic countries for malaria parasitaemia screening;
- (e) ensuring randomised screening of the population by blood sampling for testing during seasonal changes in high-risk malaria areas;
- (f) carrying out epidemiological surveys to research the extent of transmission and gather data on the infected population;
- (g) undertaking vector control on an annual basis by application of residual insecticides on inner wall surfaces, roofs and eaves of dwellings in malaria areas;
- (h) conducting continued health education and awareness programmes on malaria, for example by distributing pamphlets and launching campaigns.

(14) CONTROL AND MONITORING OF HAZARDOUS SUBSTANCES – Department of Health Competency

- (a) Ensuring the correct labelling of hazardous substances;
- (b) Ensuring all active ingredients are indicated;

- (c) Ensuring warning signs are indicated;
- (d) Ensuring precautions are taken during storage and transportation, and the appropriate protective gear is used during handling;
- (e) Ensuring all hazardous substances are registered with the Departments of Agriculture and Environmental Affairs and Tourism;
- (f) Ensuring hazardous substances control to prevent injury, ill-health or death by reason of the toxic, corrosive, irritant or flammable nature of substances;
- (g) Ensuring control over the importation, manufacture, sale, operation, application, modification or dumping of such substances;
- (h) Ensuring premises are licensed and registered with the appropriate authorities;
- (i) Inspecting premises to ensure compliance with safety, storage and other precaution measures;
- (j) Ensuring sampling is done according to approved procedures;
- (k) Ensuring all labelling regulations are complied with;
- (l) Checking all stock records and ensuring the hazardous substance register is up to date;
- (m) Ensuring that empty containers are disposed of according to statutory requirements.

(Signed)
DR A MOTSOLEDI, MP
MINISTER OF HEALTH

Service Statistics for Health Inspection, etc.: Municipal Health Services

Breakdown of Targets and Actual Performance	
Actions Annual Target	528
Actions Quarterly Target	132
Actions Actual Performance	856
Break Down	
Water	76
Health Surveillance of Premises	65
ECD	76
Food Premises	541
Awareness Campaigns	18
Food Samples	12
Funeral Undertakers	25
Air quality Management Inspections	43

Comment on the performance of clinics overall

As indicated Health Care Facilities and Hazardous Medical Waste are monitored by the Municipal Health Section of JTGDM from an Environmental Health perspective.

There is a healthy relationship between the National Department of Health and the District Municipality. The National Department of Health recently deployed one Environmental Health Practitioner (Community Service) for one year to do community services in the District. The Community Development Services Department appreciates efforts by the National Department and therefore would like to lobby for another Environmental Health Practitioner (Community services) to assist in the District. The Department needs internships for both Disaster Management and Municipal Health Services. Therefore the Community Development Services Department would further like to engage organizations like NARYSEC to see how we can forge good relations so that we can be able to work together in future, especially on issues related to environment.

The Department (Community Development Services) has also prepared business plans that have been send to different stakeholders to assist with funding of environmental projects in order to further enhance service delivery.

There are also challenges facing this profession in our district, for example geographically the District is huge and the resources and the manpower are few, therefore the Environmental Health Practitioners has to travel long distances to execute their duties. Compliance remains

a challenge in most businesses and government institutions, but the EHP's try everything in their power to do their job, by advising and taking the necessary punitive measures were possible. In some instances they must be able to identify themselves fully because some new business owners will not trust them thinking that they are not the right personnel.

COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc. Security and Safety is not a District Municipality function.

3.19 Police

Security and Safety is not a District Municipality function.

3.20 Other (Disaster Management)

1) ACTIVITIES DURING THE YEAR

1.1) Attendance of meetings

- District Disaster Management Advisory Forum Meetings was combined with COVID JOC meetings.
- Virtual JOC meetings commenced on a quarterly base.
- Disaster Management Unit meetings commenced on a monthly base.
- Fire Protection Association meetings commenced by annually.
- Road Incident Management System meetings commenced on a quarterly base.

1.2) Contingency Planning

The following Contingency Plans were compiled and submitted.

- Winter Season Contingency Plan
- Heavy Rain Contingency Plan
- Veldt fire Contingency Plan
- Contingency Plan for the Festive Season of 2024/25
- Contingency Plans for the Easter weekend of 2024/25

1.3) Compilation of reports

- Compilation of 4 Quarterly reports for the JTGDM Council.
- Compilation of 4 Quarterly Reports for the Provincial Disaster Management Centre

- Compilation of Annual JTGDM Report
- Compilation of Annual Provincial Disaster Management Report

2) RESULTS OF PREVENTION AND MITIGATION INITIATIVES

2.1) Road Incident Management System Workshop

Awareness programs focused on the following prioritised disaster risks:

- Fire Awareness
- Severe Weather Storms
- COVID Awareness

2.2) Disaster Risk Reduction

- 10 Disaster Management Employees received in-house Disaster Management Centre training.

3) CLASSIFICATION, MAGNITUDE AND SEVERITY OF DISASTERS/ INCIDENTS

3.1) Emergencies Coordinated

- 2067 Emergencies were co-ordinated and monitored by the DMC.
- Standing Operating Procedures were activated for all emergencies handled.

3.2) COVID 19 Disaster

The Head of the National Disaster Management Centre (NDMC), announced the revocation of the classification of the COVID-19 pandemic as a national disaster, in Government Gazette Nr. 46199 on 05 April 2022.

4) PROBLEMS EXPERIECED IN DEALING WITH INCIDENTS

- Role Players/ Sector Departments, Local Municipalities do not budget for Disaster Assistance in their Operational Budget.
- Slow response from Sector Departments.

5) WAY IN WHICH PROBLEMS WERE ADDRESSED

JTG District Municipality developed and approved a COVID Contingency plan.

6) DISASTER MANAGEMENT PLAN

DMP and DMF were compiled and reviewed for each Local Municipality and the District Municipality.

COMPONENT H: SPORTS AND RECREATION

This component includes: community parks; sports fields; community halls; stadiums; swimming pools; and camp sites. As part of employee wellness a service provider was appointed to develop an Integrated Employee Wellness policy and strategy. Sports and recreation is covered in the employee wellness activity program. This service is however not provided to communities.

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate services policies, financial services, human resource services, ICT services, property services. All policies have been consulted with all stakeholders, thereafter the policies were submitted to Council for approval and implemented as required.

3.21 Executive and Council

This component includes: Executive office (mayor; councilors; and municipal manager). The Municipal priorities for 2024/25 as indicated below. The priorities are numbered for convenience only. Priorities are regarded as equally important:

1. Water & Sanitation
2. Roads & Transport
3. Local economic development (LED)
4. Land development and reform
5. Integrated human settlements
6. Sustainable Development Orientated Municipality
7. Environmental management and conservation and climate change management
8. Promotion of health in the District
9. Disaster management

Service Statistics for the Executive and Council

The Municipality does not provide services directly to communities. The annual performance of the Municipality is indicated in the Unaudited Annual Performance Report in Volume 3.

Comment on the performance of the Executive and Council

Council managed to meet successfully during the year and a number of ordinary and special meetings were held. Council fulfilled its oversight obligations with the assistance of the Municipal Public Accounts Committee, as well as the Audit and Performance Committee.

Management to the most extent were also effective and is continuing with its change management process. Problems were however experienced in the Budget and Treasury Office, where interventions had to be made during the year. Certain processes in this regard is still unfolding. The Municipality also progressed to an unqualified without findings audit opinion 2020/21 Financial Year.

3.22 Financial Services

Please refer to the Unaudited Annual Financial Statements 2021-2022 in the Annual Report Volume II.

3.23 Human Resource Services

The HR unit is responsible for individual performance management, skills development, bursaries recruitment & selection, HR administration, employee benefits and leave management.

Comment on the performance of Human Resource Services overall

Budgeted vacant positions were advertised and filled as per approved organogram. Performance assessments were conducted and reported to council on quarterly basis. Leave has been administered and reconsolidated on monthly basis. Training programs (including on-job training) have been implemented for all officials (including interns) and councilors.

3.24 Information and Communication Technology (ICT) Services

During the year under review, network problems were experienced especially at Basic Services & Infrastructure, Development & Planning however Management did address the issues as the needs arise. As at the end of the year work was in progress in trying to connect the respective departments with network to improvement of IT infrastructure.

IT audit findings were fully addressed. The accounting system and HR system was changed from Sebata EMS to Sage Evolution and Sage 300 People systems, we have also implemented the electronic self services (ESS) system that enables employees access and apply leave at their disposal further than the office.

3.25 Property; Legal; Risk Management and Procurement Services

Tremendous improvement has been recorded around seating of MPAC and MPAC resolutions, where even the prior year UIF register has been worked on and minuted for council resolutions.

The members of the MPAC have received numerous and rigorous training throughout the year in order to ensure that we build capacity around them in relation to the required investigations of MPAC. There has also been interaction between MPAC and the Provincial Legislature in terms of workshops facilitated by COGHSTA and the Provincial Legislature.

Issues of compliance have been tackled in line with departmental and functional adherence to policy and legislation. Management has put systems in place to ensure that all units, departments and the Office of the Municipal Manager take charge and responsibility in responding to possible breaches. We expect, going forward to enforce the improvement in the upcoming years by making compliance a performance target for Directors.

The continuous implementation of the Risk Management Model assisted the Municipality to identify risks, to assess risk and to treat risk, related to the operations and performance of the Municipality. The Municipal Council adopted a Risk Management Framework that formed the basis of developing and/or implementing the following:

- Risk Management Policy, which is a comprehensive policy that outlines the risk management methodology to be used for the identification and assessment of risk;
- Fraud and Corruption Management and Promotion of Ethics and Professionalism Policy and Plan.
- Risk Register for 2024/25, with quarterly progress reviews and reporting during the year;
- Risk Management Strategy and Implementation Plan that guides risk management activities and reporting during the year. Progress was also monitored and reported on during the year on a quarterly basis;
- Risk based auditing and the development of internal audit plans;
- Risk assessment and Risk Register for the 2024/25 Financial Year; and
- Risk Management Strategy and Implementation Plan for 2024/25.

The Municipality continued to implement and review risk management progress as displayed in the figure below:

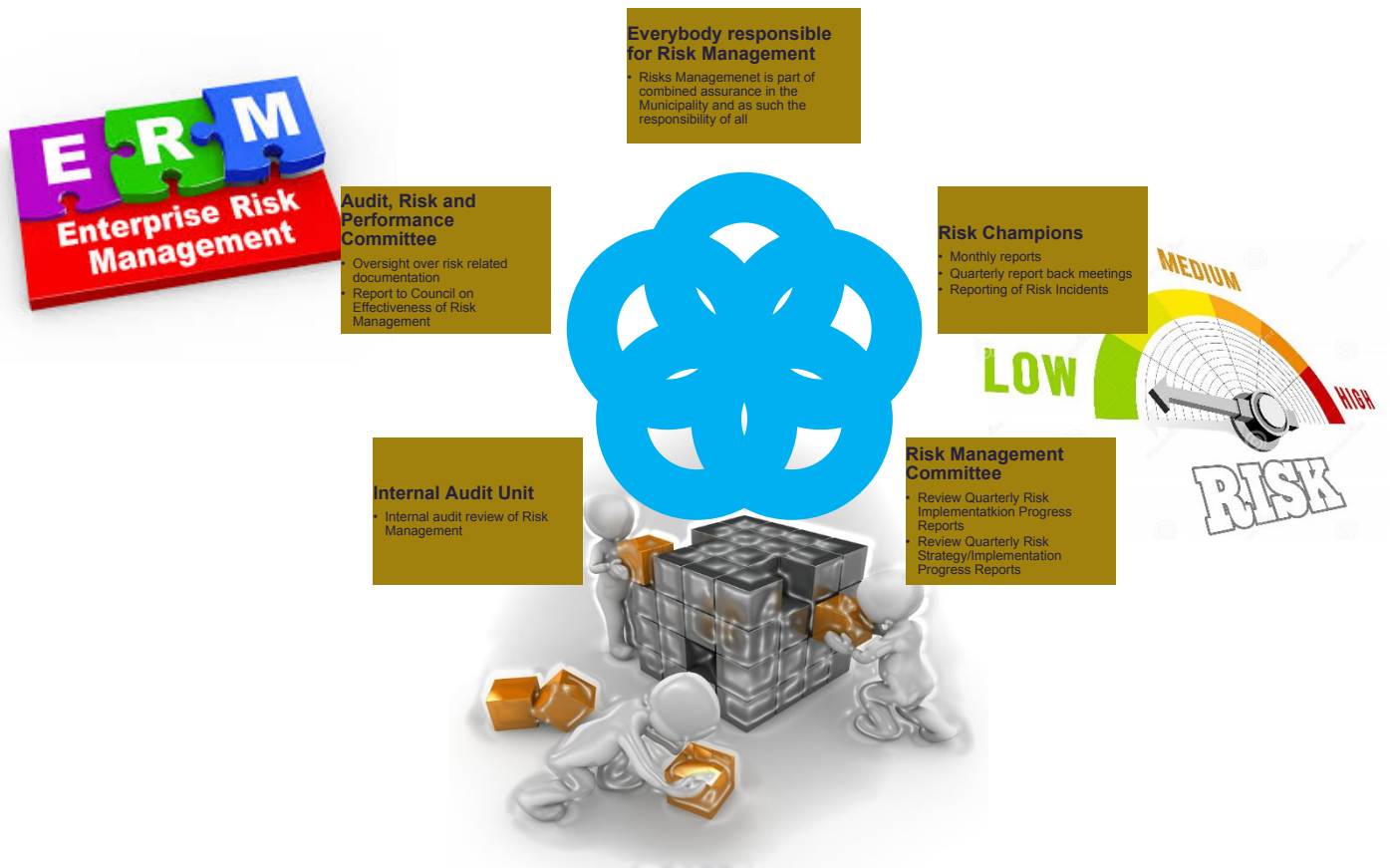


Figure 3: Integrated Risk Management

Risk Management Champions were identified for each business unit in the Municipality. Quarterly updates of the risk register and report were based on the monthly reports and quarterly meetings with Risk Champions. In addition to this, Risk Champions also reported on the occurrence of risk incidents during each quarter. This was included in the library of risk incidents that has commenced in 2019/20 and continued in 2024/25.

Risk register updates and reports were reviewed by the internal Risk Committee, before submission to the Audit and Performance Committee of Council. The combination of reporting and participation of Risk Champions, reporting to the internal Risk Committee and its review of documentation, as well as the review of the Audit and Performance Committee all contributed to the increased awareness of risk and the combined responsibility to manage it.

The quarterly risk reporting included a dashboard that enabled Management to view its risk implementation progress at a glance. The risk that did not materialize for 2024/25 was 90%. Risk that materialized was 10% 2024/25.

The internal Risk Management Committee (RMC) consists of Senior Management. It should be noted that RMC meetings did not take place for the entire financial year due to the unavailability of members. Regardless of governance issues, reports are still submitted to the Audit , Performance, Risk and Ethic Committee on a quarterly basis. The assessment is as follows:

PLANNED ACTION	DETAILED ACTIONS	OUTPUTS	RESPONSIBLE PERSON	TIME FRAME	PROGRESS TO DATE
RISK ORIENTATION, AWARENESS AND RESPONSIBILITIES					
Review and/or compile the following documents:	✓ Risk Management Committee (RMC) to review the policies and recommend to Council for approval. ✓ RMC to review Risk Management Charter and Strategy/Implementation Plan. ✓ RMC to review Fraud Prevention Plan	✓ Approved Risk and Fraud Risk Management Policy ✓ Approved Risk Management Charter ✓ Approved Risk Management Strategy/ Implementation Plan ✓ Approved Fraud Prevention Plan	Coordinator: Risk Officer	31 May	Completed
Provision of Risk Management training to other role players (raising awareness)	✓ Capacitate all role players throughout the Municipality through training/awareness sessions.	✓ Role players generally aware of risk management. ✓ Risk management incorporated into the daily operations of the Municipality.	Municipal Manager (MM) and Senior Management (SM)	30 June	Not Completed
Orientation and/or induction of new appointments in the Risk Management Unit	✓ Orientate and capacitate new appointments to the Risk Management Unit.	✓ Risk Management Unit capacitated to coordinate the implementation of risk management in the Municipality. ✓ Risk Management	Municipal Manager and RO	When appointments are made	Risk Officer has been appointed

PLANNED ACTION	DETAILED ACTIONS	OUTPUTS	RESPONSIBLE PERSON	TIME FRAME	PROGRESS TO DATE
<i>Risk Management Responsibilities and duties assigned</i>		incorporated into the daily operations.			
	✓ RMC Members appointed ✓ RMC Charter developed	✓ RMC appointed and functional. ✓ RMC Charter approved.	✓ MM ✓ Coordinator: RO and RMC	Only applicable in July 2026	N/A
	✓ Risk Management Unit (RMU) Members appointed	✓ RO and RMU members appointed.	✓ MM & Director: Corporate Services	Only applicable in July 2026	N/A
	✓ Risk Champions assigned	✓ Risk Management Champions designated for each unit. ✓ Risk Champions Committee functional	✓ MM & SM ✓ Coordinator: RO	Only applicable in July 2026	N/A
<i>Risk Management provided for in planning and performance management</i>	✓ Risk Management to be included in IDP and SDBIP	✓ Risk Management provided for in IDP and SDBIP	✓ RMC with support from RO	31 May	Completed
	✓ Performance Contracts of the MM and SM to include risk management responsibilities	✓ Risk Management responsibilities included in performance contracts of MM & SM	✓ MM & SM with support from IPMS Officer	31 July	Completed
	✓ RMC key performance indicators to be developed by the RMC against which value added can be assessed, for approval by MM. ✓ RMC to undertake annual self-assessment in terms of key performance indicators	✓ Reviewed RMC indicators ✓ RMC annual key performance indicator assessment report	✓ RMC with support from RO	31 May 31 July	Completed
<i>Conduct strategic and operational risk assessment</i>	✓ Determine risk context and gather information	✓ Draft Risk Register	✓ Coordinator: RO	31 May	Completed
	✓ Facilitate risk assessment sessions	✓ Draft Risk Register	✓ Coordinator: RO	31 May	Completed
	✓ Analyse information and develop risk assessment report/s	✓ Draft Risk Register	✓ Coordinator: RO	31 May	Completed
	✓ Risk Incident Register developed and maintained	✓ Historical risk incident library maintained. ✓ Risk Register updated ✓ Risk Champions to report incidents to RO through their respective	✓ Coordinator: RO	Ongoing	Risk incidents are not reported

PLANNED ACTION	DETAILED ACTIONS	OUTPUTS	RESPONSIBLE PERSON	TIME FRAME	PROGRESS TO DATE
Develop risk response strategies Approval of Risk Register Develop Internal Audit Plans		Heads of Department.			
	✓ Identify new and emerging risks	✓ Risk Register updated ✓ Risk Champions to report new and emerging risks to RO	Coordinator: RO	Ongoing	Completed
	✓ Develop action plans ✓ Assign responsible parties ✓ Assign timeframes for implementation	✓ Risk Register updated	MM & SM with support from RO.	31 May	Completed
	✓ Submit risk register to RMC for review	✓ Reviewed Risk Register	Coordinator: RO	31 May	Completed
	✓ Submit Risk Register to Internal Audit and Audit, Performance and Risk Committee (APRC) for review	✓ Reviewed Risk Register	Coordinator: RO	30 June	Completed
	✓ Risk based Internal Audit Plan to be developed and submitted to Management for review.	✓ Reviewed Internal Audit Plan	Coordinator: Chief Audit Executive	30 June	Completed
	✓ Risk based Internal Audit Plan to be submitted to APRC for approval.	✓ Approved Internal Audit Plan/s	Coordinator: Chief Audit Executive	30 June	Completed
RISK MONITORING					
Monitoring and measuring of risk management progress	✓ Q1 Monthly risk management progress reports to be compiled and submitted to the respective departmental heads for each unit in the Municipality	✓ Monthly risk management progress reports	Risk Champions & Unit Heads	Monthly	Reporting is haphazard.
	✓ Management to actively manage actions and report on action plans to RO	✓ Quarterly Risk Management Progress Reports	MM & SM	15 October	Completed.
	✓ RO to compile consolidated municipal Q1 Risk Management Progress Report for review by RMC	✓ Draft municipal Q1 Risk Management Progress Report	RO	30 October	Completed.
	✓ RMC quarterly meeting	✓ Reviewed Q1 consolidated Risk Management Progress Report ✓ Minutes of RMC	RMC supported by RO	30 November	Completed.
	✓ Internal Audit and APRC to review Q1 Risk Management Progress Report	✓ Reviewed Q1 Risk Management Progress Report	APRC supported by Internal Audit	30 November	Completed.
	✓ Q2 Monthly risk management progress	✓ Monthly risk management	Risk Champions	Monthly	Completed.

PLANNED ACTION	DETAILED ACTIONS	OUTPUTS	RESPONSIBLE PERSON	TIME FRAME	PROGRESS TO DATE
	reports to be compiled and submitted to the respective departmental heads for each unit in the Municipality	progress reports	& Unit Heads		
✓	Management to actively manage actions and report on action plans to RO	✓ Quarterly Risk Management Progress Reports for Q2	MM & SM	15 January	Completed.
✓	RO to compile consolidated municipal Q2 Risk Management Progress Report for review by RMC	✓ Draft municipal Q2 Risk Management Progress Report	RO	31 January	Completed.
✓	RMC quarterly meeting	✓ Reviewed Q2 consolidated Risk Management Progress Report ✓ Minutes of RMC	RMC supported by RO	28 February	Completed.
✓	Internal Audit and APRC to review Q2 Risk Management Progress Report	✓ Reviewed Q2 Risk Management Progress Report	APRC supported by Internal Audit	31 March	Completed.
✓	Q3 Monthly risk management progress reports to be compiled and submitted to the respective departmental heads for each unit in the Municipality	✓ Monthly risk management progress reports	Risk Champions & Unit Heads	Monthly	Completed.
✓	Management to actively manage actions and report on action plans to RO	✓ Quarterly Risk Management Progress Reports for Q3	MM & SM	15 April	Completed.
✓	RO to compile consolidated municipal Q3 Risk Management Progress Report for review by RMC	✓ Draft municipal Q3 Risk Management Progress Report	RO	30 April	Completed
✓	RMC quarterly meeting	✓ Reviewed Q3 consolidated Risk Management Progress Report ✓ Minutes of RMC	RMC supported by RO	15 May	Not Completed
✓	Internal Audit and APRC to review Q3 Risk Management Progress Report	✓ Reviewed Q3 Risk Management Progress Report	APRC supported by Internal Audit	31 May	Completed
✓	Q4 Monthly risk management progress reports to be compiled and submitted to the respective departmental heads for each unit in the Municipality	✓ Monthly risk management progress reports	Risk Champions & Unit Heads	Monthly	Completed.

PLANNED ACTION	DETAILED ACTIONS	OUTPUTS	RESPONSIBLE PERSON	TIME FRAME	PROGRESS TO DATE
<i>Perform annual quality assurance review of risk management performance</i>	✓ Management to actively manage actions and report on action plans to RO	✓ Quarterly Risk Management Progress Reports for Q4	MM & SM	15 July	Completed.
	✓ RO to compile consolidated municipal Q4 Risk Management Progress Report for review by RMC	✓ Draft municipal Q4 Risk Management Progress Report	RO	30 July	Completed.
	✓ RMC quarterly meeting	✓ Reviewed Q4 consolidated Risk Management Progress Report ✓ Minutes of RMC	RMC supported by RO	31 August	Completed.
	✓ Internal Audit and APRC to review Q4 Risk Management Progress Report	✓ Reviewed Q4 Risk Management Progress Report	APRC supported by Internal Audit	30 September	Completed.
	✓ Internal Audit to review risk management and provide assurance on its effectiveness	✓ Internal Audit Risk Management review for 2023/24	Internal Audit	31 July	Completed.
	✓ APRC to advise on the effectiveness of risk management	✓ APRC risk management progress and effectiveness review	APRC supported by Chief Audit Executive	31 August	Completed.
<i>RMC self-assessment performed</i>	✓ RMC to assess its performance against the key performance indicators that it set for itself. ✓ Submit self-assessment to MM	✓ RMC key performance indicator self-assessment	RMC supported by RO	31 August	Completed.
<i>Annual Report Risk Management comment developed</i>	✓ Risk Management input and comment to the annual report to be developed.	✓ Risk Management Comment in Annual Report	RO	31 July	Completed.
	✓ Annual Report Risk Management comment reviewed by RMC	✓ Reviewed Risk Management comment	RMC supported by RO	31 August	Completed.

Risk Management is continually improved upon and has proven to be a valuable tool in the combined assurance process, as well as the general management and performance of the Municipality. The Audit, Risk and Performance Committee performed independent oversight over risk management on behalf of Council and reported quarterly to Council on the effectiveness of Risk Management.

Risk and ethics awareness sessions were conducted with all internal departments in preparation for the risk assessment for the 2024/25 financial year, as well as for the role out and management thereof. This was repeated with the Risk Champions for the 2024/25 risk assessment process. The concepts of risk, risk management, risk assessment and ethics were discussed in terms of the policies of Council and the relevant legislation. Particular attention was given to the concepts related to unethical behavior, including dishonesty, fraud, corruption, theft, and maladministration.

Service Statistics for Property, Legal, Risk Management and Procurement Services

The legal cases have reduced in number due to the careful and considerate way of dealing with such cases, consulting the aggrieved and promoting discussions in a quest of arriving at amicable solutions on pending cases, which recognises that even compromises become a requirement after all options are tested. We commit to deal with all remaining cases in the spirit of the public interest, prudence regarding funds, avoidance of policy abuse and adhering to legislation, in the process following good corporate practices.

The procurement of municipal services is expected to adhere to the principles of completion, accountability, transparency, equity and fairness.

The above principles become the terrain for contestation from time to time due to either the public or administrative considerations. It must be emphasized that the guidance by the Constitution of South Africa, the Supply Chain Policy and Regulations must at all times be adhered to.

We also need at our municipal level to win the public and private sector confidence regarding the processes and procedures we undertake to arrive at procurement outcomes. That will go a long way in attracting funding for municipal functions, especially when government as a whole and members of society place their trust in municipal systems, municipal officials and executives.

Comment on the performance of Property Services overall

Property services is limited to the maintenance and/or refurbishment of municipal properties.

COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises. The Municipality provides none of the above services. The Community Services Department perform inspections at abattoirs, but the Municipality do not have any abattoirs.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

The Organisational Performance is reported on in Volume 3 of the Annual Report, in the unaudited annual performance report.

CHAPTER 4 - ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

As per amended Systems Act, the Organogram is annually reviewed and approved by Council. The 20-21 was approved by Council in May 2020 for implementation from 1st July 2020.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

The Organisational Performance is reported on in Volume 3 of the Annual Report, in the annual performance report.

4.1 Employee Totals, Turnover and Vacancies

Vacancy Rate: Year 0			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0.00
CFO	1	0	0.00
Other S57 Managers (excluding Finance Posts)	4	1	25.00
Other S57 Managers (Finance posts)	0	0	0.00
Police officers	0	0	0.00
Fire fighters	0	0	0.00
Senior management: Levels 13-15 (excluding Finance Posts)	4	2	33.00
Senior management: Levels 13-15 (Finance posts)	4	4	100.00
Highly skilled supervision: levels 9-12 (excluding Finance posts)	22	7	37.00

Highly skilled supervision: levels 9-12 (Finance posts)	5	0	100.00
Total	41	16	37.50
<i>Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>			T 4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2	-	-	-
Year -1			%
Year 0	26	6	5.5
<i>* Divide the number of employees who have left the organization within a year, by total number of employees who occupied posts at the beginning of the year</i>			T 4.1.3

Comment on vacancies and turnover

Budgeted vacant positions were filled as per Council's recruitment and selection policy.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

A functional Local Labour Forum (LLF) was assisting in a stable working environment. Relevant issues were discussed and resolved at LLF level and submitted to Council for approval. Despite the functional LLF some issues in the workplace still need attention and it is envisaged in coming financial year Management will try to resolve these issues in LLF.

4.2 Policies

Institutional Policies, Plans & Frameworks

No.	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1.	Cash & Investment Policy	100	100	F11. 20/05/2024
2.	Expenditure Management Policy	100	100	F11. 20/05/2024
3.	Fund & Reserve Policy	100	100	F11. 20/05/2024
4.	Accounting Policy	100	100	F11. 20/05/2024
5.	Telephone Policy	100	100	F11. 20/05/2024
6.	Remuneration Policy	100	100	F11. 20/05/2024
7.	Housing Allowance Policy	100	100	F11. 20/05/2024
8.	Rental of Council Facilities Policy	100	100	F11. 20/05/2024
9.	Catering Policy	100	100	F11. 20/05/2024
10.	Attendance & Punctuality	100	100	F11. 20/05/2024
11.	Credit Control Policy	100	100	F11. 20/05/2024
12.	Fraud and Corruption Management, Promotion of Ethics and Professionalism Policy and Plan	100	100	F11. 20/05/2024
13.	National Environmental Health Policy	100	100	HR03.20/05/2024
14.	Expanded Public Works Policy	100	100	HR03.20/05/2024
15.	Information Technology Policy	100	100	HR03.20/05/2024
16.	Compassion & Bereavement Policy	100	100	HR03.20/05/2024
17.	Internship & Experiential Policy	100	100	HR03.20/05/2024
18.	Fleet Management Policy	100	100	HR03.20/05/2024
19.	Job Evaluation Policy	100	100	HR03.20/05/2024
20.	Corporate Governance of Information & Communication Technology Policy	100	100	HR03.20/05/2024
21.	Commonage Policy	100	100	HR03.20/05/2024
22.	Records Management Policy	100	100	HR03.20/05/2024
23.	Registry Manual	100	100	HR03.20/05/2024
24.	Recruitment & Selection Policy	100	100	HR03.20/05/2024
25.	Sexual Harassment Policy	100	100	HR03.20/05/2024
26.	Staff Retention Policy	100	100	HR03.20/05/2024
27.	Risk Management Policy	100	100	HR03.20/05/2024
28.	Transfer Policy	100	100	HR03.20/05/2024
29.	Training & Development Policy	100	100	HR03.20/05/2024

30.	Vehicle Allowance Policy	100	100	HR03.20/05/2024
31.	Individual Performance Management Policy	100	100	HR03.20/05/2024
32.	Dress Code Policy	100	100	HR03.20/05/2024
33.	Delegations Framework	100	100	
34.	Leave Management Policy	100	100	HR03.20/05/2024
35.	Acting & Secondment Policy	100	100	HR03.20/05/2024
36.	Long Term Financial Plan	100	100	F11. 20/05/2024
37.	Study Assistance Policy	100	100	HR03.20/05/2024
38.	Bursary Policy (non-employees)	100	100	HR03.20/05/2024
39.	Placement Policy	100	100	HR03.20/05/2024
40.	Employment Equity Plan	100	100	
41.	HRM Strategy	100	100	HR03.20/05/2024
42.	Assets Management Policy	100	100	F11. 20/05/2024
43.	Budget Policy	100	100	F11. 20/05/2024
44.	Travel & Subsistence Policy	100	100	F11. 20/05/2024
45.	Tariff Policy	100	100	F11. 20/05/2024
46.	Credit Control & Debt Collection Policy	100	100	F11. 20/05/2024
47.	Impairment Policy	100	100	F11. 20/05/2024
48.	Supply Chain Management Policy	100	100	F11. 20/05/2024
49.	Petty Cash Policy	100	100	F11. 20/05/2024
50.	3G Card Policy	100	100	F11. 20/05/2024
51.	Cost Containment Policy	100	100	F11. 20/05/2024
52.	Virement Policy	100	100	F11. 20/05/2024
53.	Infrastructure Procurement Policy	100	100	F11. 20/05/2024
54.	Unauthorised, Irregular, Fruitless & Wasteful Expenditure Policy	100	100	F11. 20/05/2024

Comment on workforce policy development

Policies are annually reviewed and presented to Council. Revenue Enhancement Strategy will be developed for 2023/24 financial year.

4.3 Injuries, Sickness and Suspensions

Quarter 1 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	283	n/a
Sick leave		
With sick note	301	n/a
Without sick note	24	n/a
Additional paid sick leave	0	n/a
Special leave		
<i>Study</i>	6	n/a
<i>Family responsibility</i>	21	n/a
<i>Court appearance</i>	0	n/a
<i>Maternity leave</i>	86	n/a
<i>Sports / cultural activities</i>	0	n/a
<i>Performance</i>	0	n/a
<i>Special</i>	0	n/a
Council resolutions/ Overtime	102	n/a
Unpaid	0	n/a
Long Service	31	n/a

Quarter 2 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	784	n/a
Sick leave		
With sick note	222	n/a
Without sick note	10	n/a
Additional paid sick leave	0	n/a
Special leave		
<i>Study</i>	15	n/a
<i>Family responsibility</i>	17	n/a
<i>Court appearance</i>	0	n/a
<i>Maternity leave</i>	0	n/a
<i>Sports / cultural activities</i>	0	n/a
<i>Performance</i>	0	n/a

<i>Special</i>	0	n/a
Council resolutions/ Overtime	82	n/a
Unpaid	4	n/a
Long Service	17	n/a

Quarter 3 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	598	n/a
Sick leave		
With sick note	251	n/a
Without sick note	11	n/a
Additional paid sick leave	0	n/a
Special leave		
<i>Study</i>	0	n/a
<i>Family responsibility</i>	15	n/a
<i>Court appearance</i>	0	n/a
<i>Maternity leave</i>	73	n/a
<i>Sports / cultural activities</i>	0	n/a
<i>Performance</i>	0	n/a
<i>Special</i>		n/a
Council resolutions/ Overtime	94	n/a
Unpaid	0	
Long Service	20	n/a

Quarter 4 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	286	n/a
Sick leave		
With sick note	197	n/a
Without sick note	13	n/a
Additional paid sick leave	0	n/a
Special leave		
<i>Study</i>	21	n/a
<i>Family responsibility</i>	33	n/a
<i>Court appearance</i>	0	n/a

<i>Paternity</i>	0	n/a
<i>Maternity leave</i>	75	n/a
<i>Sports / cultural activities</i>	0	n/a
<i>Performance</i>	0	n/a
<i>Special (Union)</i>	2	n/a
Council resolutions/ Overtime	69	n/a
Unpaid	0	
Long Service	45	n/a

Comment on injury and sick leave

Throughout the year the municipality has experienced minor incidents where sick leave of some staff members is of high rate. There are cases of sick leave days being depleted before the end of the sick leave cycle (31 December 2023). There is a need to introduce a Wellness Programme in the workplace.

In addition to the Wellness Programme, an Occupational Health and Safety (OHS) Committee was elected for JTGDM in ensuring a safe workplace.

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
None	-	-	-	-

4.4 Performance Rewards

Implementation of Performance rewards are in line with the Individual Performance Management (IPMS) policy.

Comment on performance rewards

No performance rewards issued during the year.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Skills and developed of staff and councilors was done in line with the Work Skills Plan and Training & Development Policy.

4.5 Skills Development and Training

Management	Gender	Employ Employees in post as at 30 June Year 1	Learnerships		Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of Year 0	Actual: End of Year 1	Actual: End of Year 0	Actual: End of Year 1	Target	Actual: End of Year 0	Actual: End of Year 1	Target	Actual: End of Year 0	Actual: End of Year 1	Target
MM and s57	Female	2	0	0	1	0	2	1	1	2	2	1	4
	Male	3	0	0	0	0	4	0	0	4	0	0	8
Councillors and middle managers	Female	11	0	0	7	5	10	4	1	6	7	6	13
	Male	12	0	0	4	4	12	1	0	1	5	4	14
Technician associate Professionals*	Female	7	0	0	6	2	10	2	1	7	5	2	15
	Male	9	0	0	6	3	9	3	2	9	9	5	18
Professionals	Female	18	0	0	2	3	9	2	5	0	4	8	9
	Male	8	0	0	3	0	4	3	0	0	6	0	4
Sub Total	Female	38	0	0	10	10	31	9	8	15	18	17	41
	Male	32	0	0	13	7	29	7	2	14	20	9	43
Total		70	0	0	23	17	60	16	10	29	38	26	84

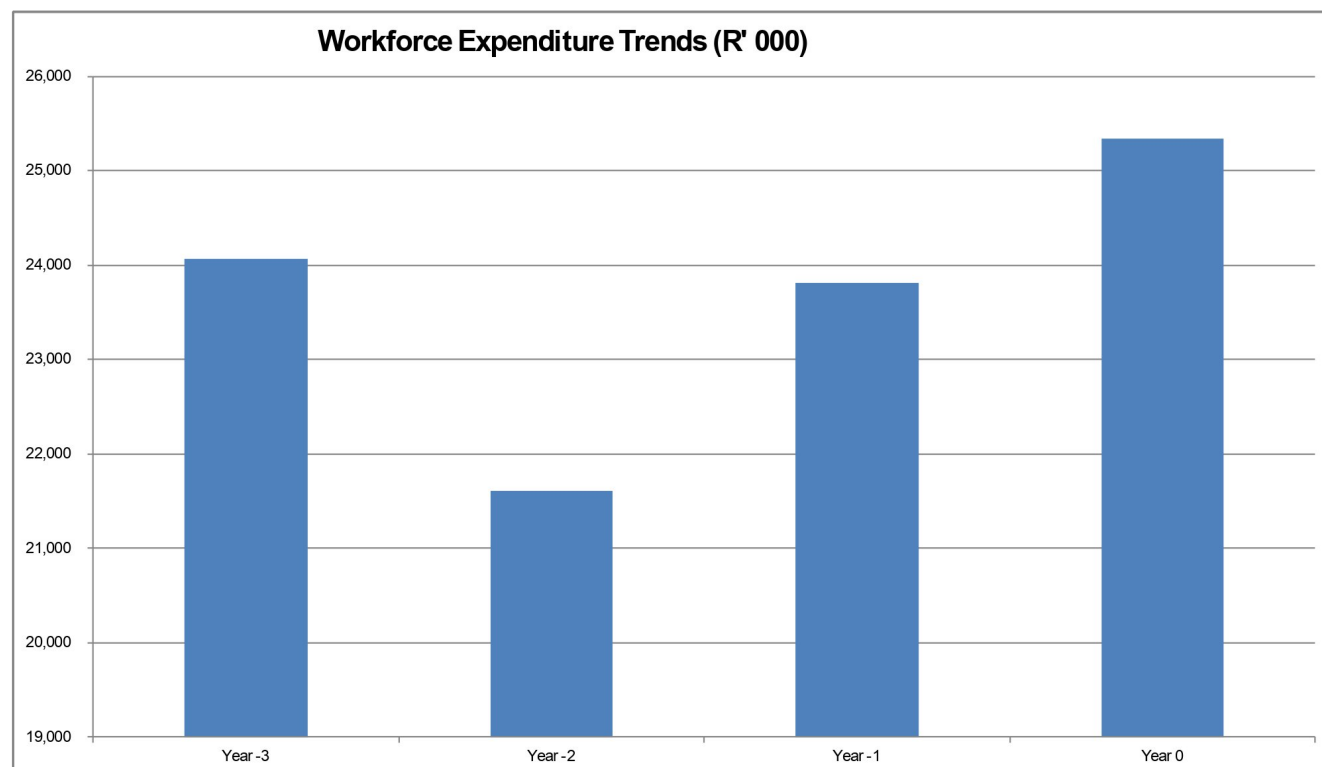
Skills Development Expenditure										
R'000										
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget R576 464.000	Actual (R131 534, 54)	Original Budget (R310 000.000)	Actual (R143 497.000)	Original Budget 0	Actual 0	Original Budget (R886 464.000)	Actual R275.041, 540
MM and S57	Female	2	0	0	1	1	1	1	2	2
	Male	4	0	0	0	0	0	0	4	0
Legislators, and middle managers	Female	12	0	0	7	3	2	2	7	6
	Male	5	0	0	5	3	1	1	5	3
Professionals	Female	20	0	0	4	1	2	2	4	4
	Male	10	0	0	7	4	0	3	3	6
Technicians and associate	Female	13	0	0	14	4	0	2	13	6
	Male	18	0	0						

professionals					17	4	0	3	18	8
Clerks	Female	28	0	2	27	1	9	9	37	12
	Male	8	0	1	8	0	1	1	9	2
Service and sales workers	Female	1	0	0	2	1	0	0	1	1
	Male	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	Female	2	0	0	3	0	0	0	2	0
	Male	6	0	0	4	1	0	0	6	1
Elementary occupations	Female	4	0	0	4	0	0	0	4	0
	Male	9	0	0	10	0	0	0	10	0
Sub total	Female	82	0	0	61	12	14	16	70	31
	Male	60	0	0	51	11	2	10	55	20
Total		142	0	0	112	23	16	26	125	51

T4.5.3

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.6 Employee Expenditure



Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 10-13)	Female	0
	Male	0
Skilled (Levels 7-9)	Female	0
	Male	0
Highly skilled production (Levels 6)	Female	0
	Male	0
Highly skilled supervision (Levels 4)	Female	0
	Male	0
Middle management (Levels 3)	Female	0
	Male	0
MM and S 57	Female	2
	Male	0
Total		2
Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right-hand side of the column (as illustrated above).		

Disclosures of Financial Interests

All Senior Managers and Councillors have completed the Interests Disclosure Register in the year under review.

CHAPTER 5 - FINANCIAL PERFORMANCE

The Office of the Auditor General is yet commence with audit on the municipality's 2024/25 Annual Financial Statements and issue an audit opinion.

The municipality has consistently received unqualified opinions on its financial statements and performance information. However, the continued material compliance findings on procurement and contract management and expenditure management remains unchanged from the previous year. The municipality however strives to ensure improvement given its strengths which includes but are not limited to:

1. Responsiveness of the Council, Council Committees, Management team and municipal staff on issues pertaining to improved systems.
2. Effectiveness of the Risk and Internal Audit functionaries within the municipality as well as the Advisory of the Audit, Risk and Performance Management Committee
3. Continued improvements on the functionality and operations of the core financial management system.
4. Success in data migration processes conducted
5. Development of and monitoring implementation of the Audit Action Plan, aimed at addressing other matters that the Office of the Auditor General emphasized on during the previous audits.

Period	30-Jun-24		
Schedule	Going Concern assessment		
Key Financial Ratios	2023/24	2022/23	Commentary
Current Ratio	0,80	1,15	Current liabilities exceeds current assets, the municipality may not meet its short term obligations, due to cashflow.
Total Current assets	13 151 175	44 167 656	
Total Current liabilities	16 487 086	39 136 577	
Acid test ratios	0,42	0,97	The ratio is below 1 which is an indication that the municipality will not be able to pay its current liabilities as it becomes due.
Current assets	13 151 175	44 167 656	
Less inventory	6 220 967	6 245 596	
	6 930 208	37 922 060	For the year under review as well as the budgeted 2023/24 financial years the total assets are above the municipality's debt. This is an indication of a solvent municipality.
/Current liabilities	16 487 086	39 136 577	
Debt ratio	5	3	
Total assets	107 527 645	138 138 407	
Total current Assets	13 151 175	44 167 656	
Total non current Assets	94 376 470	93 970 751	
Total liabilities	22 682 838	44 774 577	
Total current liabilities	16 487 086	39 136 577	Municipality spent over the revenue generated. This is an indication of tough economic environment.
Total non current liabilities	6 195 752	5 638 000	
Net Revenue to Net expenditure			
Revenue	129 950 549	162 848 244	
Total revenue from exchange transaction	6 224 069	7 678 678	
Total revenue from non-exchange transaction	123 726 480	155 169 566	
Expenditure	-141 254 486	-170 416 338	
Employee related benefits	-87 240 890	-80 312 588	
Remunerations of Councillors	-6 626 785	-6 223 884	
Depreciation and amortisation	-6 474 246	-5 646 440	
Finance charges	-914 209	-1 434 301	The municipality has no loan obligations.
Debt impairment	-216 237	-76 476	
Contract costs	-	-39 353 102	
Bad debts written-off	-2 234 314	-778 026	
Transfers and subsidies	-	-	
Other Expenditure	-37 547 805	-36 591 521	The Municipality is expecting 109 352 000 for the 2024/25 financial year from various departments including the national treasury.
Other Financial liabilities	-	-	
Indications of financial support			Based on the budget expenditure incurred by the municipality is expected to be less than the total revenue received.
Budgeted operating cash flows			No resolution
Council or management intentions to liquidate the municipality or cease operations			The CFO was appointed 1 July 2024.
Key Management positions			
other issues			
Pending legal or regulatory proceedings			Estimated costs on pending legal or regulatory proceedings against the municipality amount is R 12 650 000.
Changes in law that is likely to affect the municipality adversely			There are no expected changes in law that are likely to impact the municipality.
Conclusion			
Based on the above analysis the municipality is liquid and solvent, even though the expenditure is above the revenue. The most significant indicator of going concern issues for the municipality is an intention by government to merge a municipality of which there are no indications that JTG will be merged. Further there is no indication that the government intends to close the municipality in case the municipality experiences the difficulties, provincial government usually intervenes by placing the municipality under administration, therefore the municipality does not cease to exist due to financial problems.			

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The financial performance of the Municipality as at 30 June 2025 is reported in the audited Annual Financial Statements in Vol II.

5.1 Statements of Financial Performance

Reconciliation of Table A1 Budget Summary														
Description	2024/25											2023/24		
	Original Budget	Budget Adjustments (i.e. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.e. s31 of the MFMA)	Virement (i.e. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
R thousands														
Financial Performance														
Property rates	–	–	–	–	–	–	–	–	–	0%	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	0%	–	–	–	–
Investment revenue	1 811	–	1 811	–	–	1 811	1 651	–	(160)	91%	91%	–	–	2 743
Transfers recognised - operational	118 813	3 058	121 871	–	–	121 871	120 496	–	(1 375)	99%	101%	–	–	118 999
Contracted Revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other own revenue	2 897	3 173	6 071	–	–	6 071	3 175	–	(2 896)	52%	110%	–	–	8 209
	123 522	6 231	129 753	–	–	129 753	125 322	–	–	–	–	–	–	129 951
Total Revenue (excluding capital transfers and contributions)									(4 431)	97%	101%	–	–	
Employee costs	94 487	(5 361)	89 126	–	–	89 126	89 210	–	84	100%	94%	–	–	87 241
Remuneration of councillors	6 507	(204)	6 303	–	–	6 303	6 836	–	533	108%	105%	–	–	6 437
Debt impairment	81	169	250	–	–	250	472	–	222	0%	0%	–	–	216
Irrecoverable debts written off	70	733	803	–	–	803	–	–	–	–	–	–	–	–
Depreciation & asset impairment	6 201	843	7 044	–	–	7 044	3 564	–	(3 480)	51%	57%	–	–	6474246
Finance charges	706	–	706	–	–	706	1 031	–	325	0%	0%	–	–	914
Materials and bulk purchases	853	(464)	389	–	–	389	–	–	(289)	0%	0%	–	–	–
Contracted Services	9 938	690	10 627	–	–	10 627	–	–	(10 627)	–	–	–	–	–
Transfers and grants	60	–	60	–	–	60	–	–	(60)	0%	0%	–	–	–
Other expenditure	11 440	10 500	21 940	–	–	21 940	31 495	–	9 555	144%	276%	–	–	37 548
Total Expenditure	130 343	6 995	137 338	–	–	137 338	132 608	–	(3 837)	0%	0%	–	–	139 020
Surplus/(Deficit)	(6 822)	(674)	(7 495)	–	–	(7 495)	(7 286)	–	(289)	97%	107%	–	–	(9 070)
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	0%	0%	–	–	–
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	1 063	–	1 063	0%	0%	–	–	–
Surplus/(Deficit) after capital transfers & contributions	–	–	–	–	–	–	1 063	–	1 063	0%	0%	–	–	–
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	0%	0%	–	–	–
Surplus/(Deficit) for the year	(6 822)	(674)	(7 495)	–	–	(7 495)	(6 223)	–	(284)	83%	91%	–	–	(9 070)
Capital expenditure & funds sources														
Capital expenditure	680	352	1 032	–	–	1 032	1 345	–	313	0%	0%	–	–	2 703
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	0%	0%	–	–	–
Public contributions & donations	–	–	–	–	–	–	–	–	–	0%	0%	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	0%	0%	–	–	–
Internally generated funds	680	352	1 032	–	–	1 032	1 345	–	313	130%	198%	–	–	2 703
Total sources of capital funds	680	352	1 032	–	–	1 032	1 345	–	313	130%	198%	–	–	2 703
Cash flows														
Net cash from (used) operating	(3 670)	2 495	(1 175)	(1 175)	–	(1 175)	1 008	–	2 183	86%	27%	–	–	13 303
Net cash from (used) investing	(782)	(405)	(1 187)	(1 187)	–	(1 187)	(1 145)	–	41	97%	146%	–	–	2 703
Net cash from (used) financing	–	–	–	–	–	–	474	–	474	#DIV/0!	0%	–	–	566
Cash/cash equivalents at the year end	(4 452)	2 090	(2 362)	(2 362)	–	(4 724)	336	–	2 698	-14%	-8%	–	–	16 567
														T 6.1.1

From the table above, it is clear that the budget as adopted by Council for the 2024/25 financial year, implemented and monitored, was credible. This due to the fact that 97.% of the budgeted revenue was recognised for the year, with 99% of the budgeted expenditure being spent.

Only realistically anticipated revenue sources were budgeted for, with improved controls on cashflow and expenditure management processes.

SYNOPSIS FINANCIAL PERFORMANCE	FINANCIAL YEAR		, (Increase)/decrease
	2025	2024	
Total Revenue	126,877,267.00	129,950,549.00	2.36%
Grants	120,495,790.00	118,998,531.00	-1.26%
Other Revenue	5,287,373.00	6,224,069.00	0.00%
Donations	1,094,104.00	4,727,949.00	76.86%
Grants as a % of revenue	94.97%	91.57%	
Other revenue as a % of revenue	4.17%	4.79%	
Donation as a % of revenue	0.86%	3.64%	
Total Expenditure	136,246,002.00	140,335,519.00	2.91%
Employee Related Costs	89,473,827.00	87,240,890.00	-2.56%
Councillors Remuneration	6,836,419.00	6,626,785.00	-3.16%
Generals Expenses	39,935,756.00	46,467,844.00	14.06%
%Employee Costs	65.67%	62.17%	
Expenses	29.31%	33.11%	
Surplus/(Deficit)	-9,368,735.00	-10,384,970.00	9.79%

Revenue Management

As per the analysis above, the municipal revenue decreased by 2.36% as compared to the prior year. It is evident that for the period under review, 94.97% of the total municipal revenue is from grants and subsidies, 0.86% related to donation received and the remaining is the municipality's own generated revenue. This is mainly due to the fact that John Taolo Gaetsewe District is a district municipality with limited revenue streams.

Expenditure Management

Employee related costs continued to be one of the two key cost drivers at 65.67% (2024: 62.17%), with an 2.56% increase employee related costs and 3.16% increase in the remuneration of councilors respectively for 2024/25.

The second highest cost driver is the operational costs/general expenses at 29.31% (2024: 33.11%), with a decrease of 14.06% during the year under review.

Surplus/Deficit

The municipality recorded a deficit of R5,271 256 for the year under review.

5.2 Grants

Grant Performance						
Description	2023/24	2024/25			2024/25	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	118,387	118,813	120,840	119,967	528%	538%
Equitable share	106,128	109,352	109,352	109,352	100%	100%
Finance Management Grant	1,000	1,000	1,000	1,000	100%	100%
Infrastructure Skills Development Grant	5,000	5,000	5,000	5,000	100%	100%
Rural Road Asset Management Grant	2,559	2,226	2,845	2,845	128%	100%
Extended Public Works Programme Grant	950	1,235	1,235	1,235	100%	100%
Municipal disaster Relief Grant	–	–	–	–	0%	0%
LG SETA	2,750	–	1,408	535	0%	38%
Municipal Housing Emergency Grant	–	–	–	–	0%	0%
Provincial Government:	612	–	911	529	–	#DIV/0!
HIV and AIDS Council	250	–	–	–	0%	#DIV/0!
Housing	158	–	252	252	0%	100%
COGHSTA	204	–	659	277	0%	0%
NEAR Grant	–	–	–	–	0%	0%
Khotso Pula Nala Grant	–	–	–	–	0%	0%
FIRE Grant	0	–	0	0	0%	100%
District Municipality:	–	–	–	–		
<i>[insert description]</i>						
Other grant providers:	–	–	–	–	0%	0%
<i>Municipal disaster Grant</i>	–	–	–	–	0%	0%
Total Operating Transfers and Grants	118,999	118,813	121,751	120,496	101%	99%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of						T 5.2.1

Comment on operating transfers and grants

Based on Table 5.2.1 above, the municipality recognized 99% of its budgeted grants revenue for the 2024/25 financial year. This constitutes 95% (2024: 92%) of the total municipal revenue, which is a clear indication that the municipality continued to be fully grant dependent.

5.3 Asset Management

During the year the municipality acquired computer equipment and vehicle aimed at enabling and improving the efficiency of operations. Management also continued to manage and safeguard the municipal assets in line with the approved Municipal Assets Management Policy and report on a quarterly basis.

The municipality acquired a total of R 1,364,806 assets, with the largest asset procured being a transport asset.

The table below highlight the three largest assets procured by the municipality during the year under review:

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2024/25				
Asset 1				
Name	Vehicle			
Description	Toyota			
Asset Type	Transport Asset			
Key Staff Involved	MVMolusi			
Staff Responsibilities	Key Performance area			
Asset Value				
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policies			
Asset 2				
Name	Laptop			
Description	HP			
Asset Type	Computer Equipment			
Key Staff Involved	MVMolusi			
Staff Responsibilities	Key Performance area			
Asset Value				
	28,093.35			
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset	IT and Asset Management Policies			
Asset 3				
Name	Laptop			
Description	HP			
Asset Type	Computer Equipment			
Key Staff Involved	MVMolusi			
Staff Responsibilities	Key Performance area			
Asset Value				
	28,093.35			
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policies			
				T 5.3.2

The municipality also has an Asset Management Steering Committee, being the structure tasked with, amongst others, ensuring the safeguards of the municipal assets. The functionality of this structure was effective in the 2024/25 financial year and the same will be ensured fully in the 2025/26 financial year.

No additions and refurbishments were made to existing office buildings that increased the asset value of said buildings, and no property was purchased during the year under review.

The municipality's investment property appreciated in value to R 12 000 000.00 for the 2024/25 financial year, as per the valuation done by an independent valuer.

The municipality recorded a loss of R 178,610.00 on biological assets.

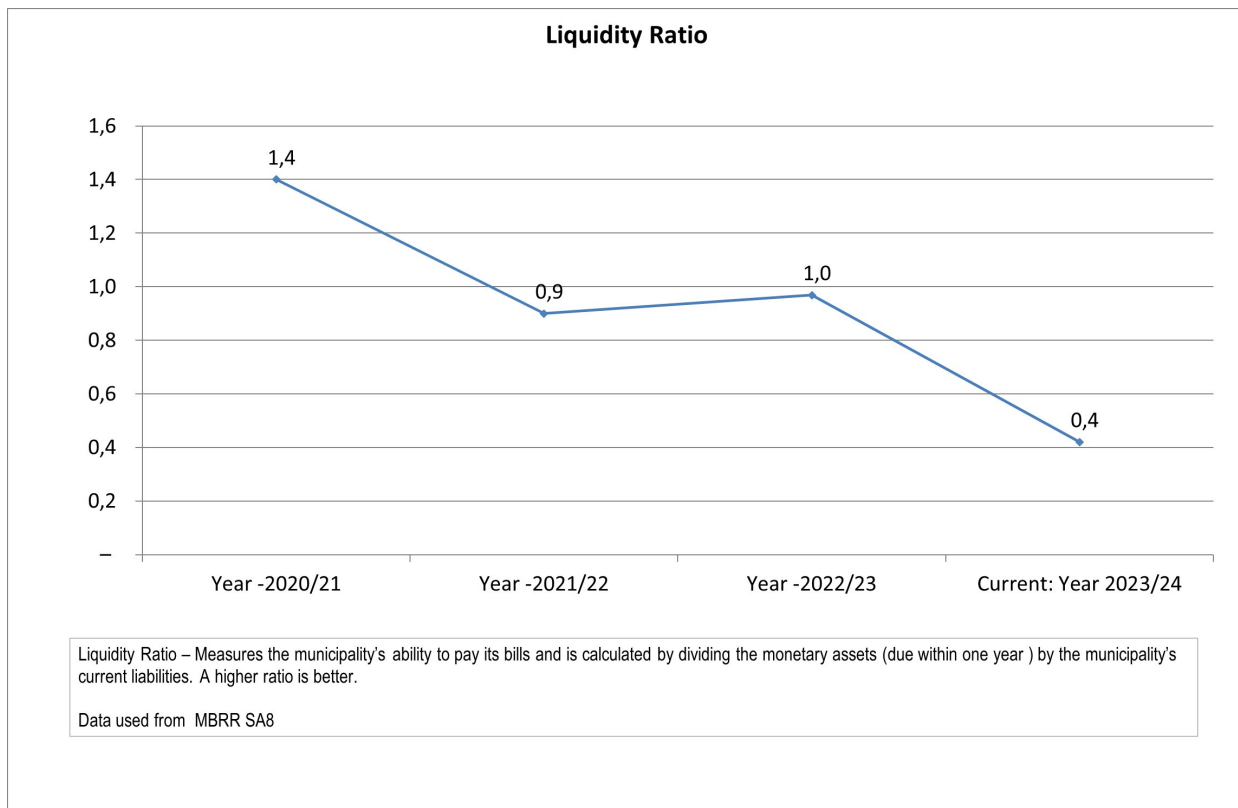
Comment on repair and maintenance expenditure

Repairs and maintenance were mostly related to the maintenance of buildings, vehicles and equipment. A high percentage rate is an indication that municipal assets are aged and may soon require renewal/replenishment/replacement.

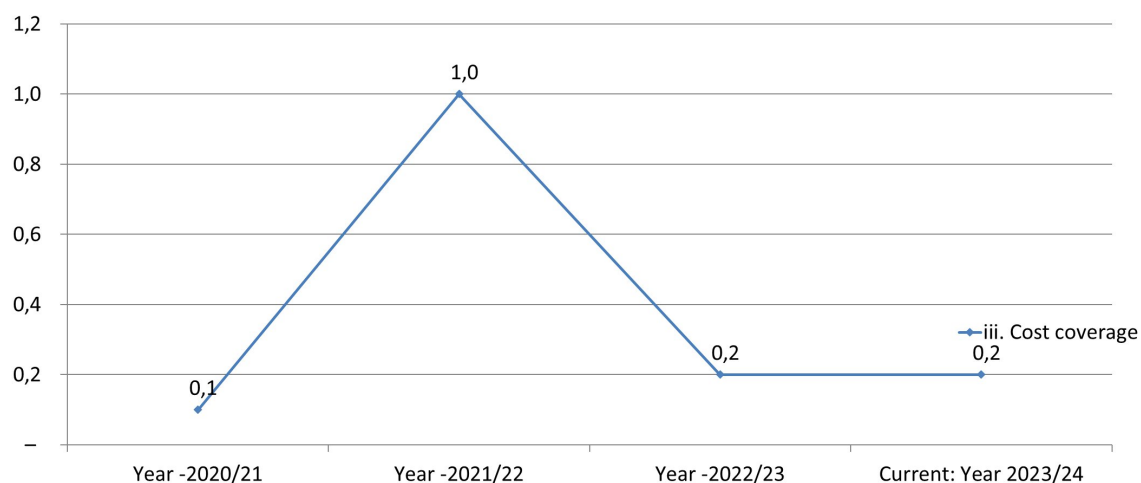
Repair and Maintenance Expenditure: Year 2024/25				
				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	200	323	378	117%
				T 5.3.4

5.4 Financial Ratios based on Key Performance Indicators

A detailed analysis of the following ratios, amongst others, is provided under 5.0.1 above.



Cost Coverage

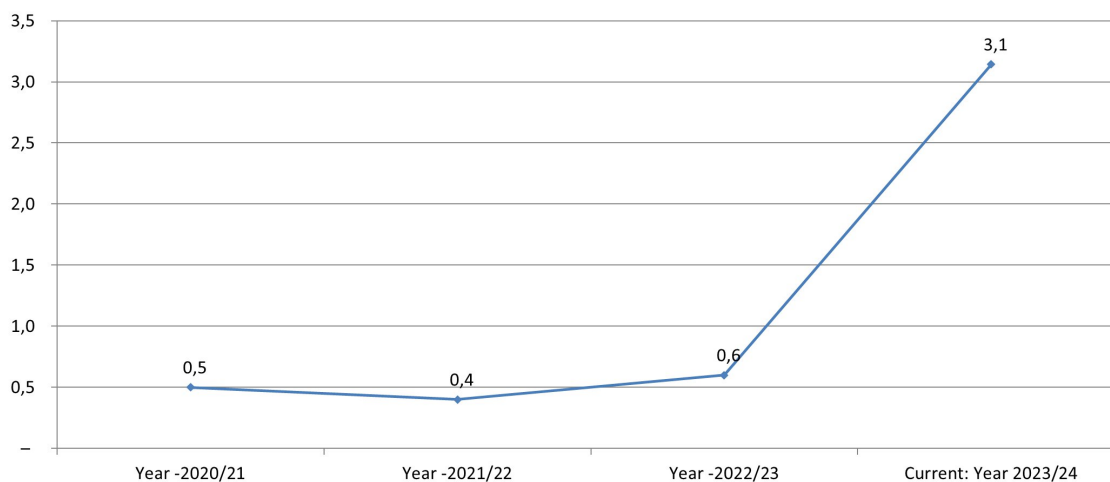


Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

The Municipality did not have any service debtors in 2023/24 or the prior years.

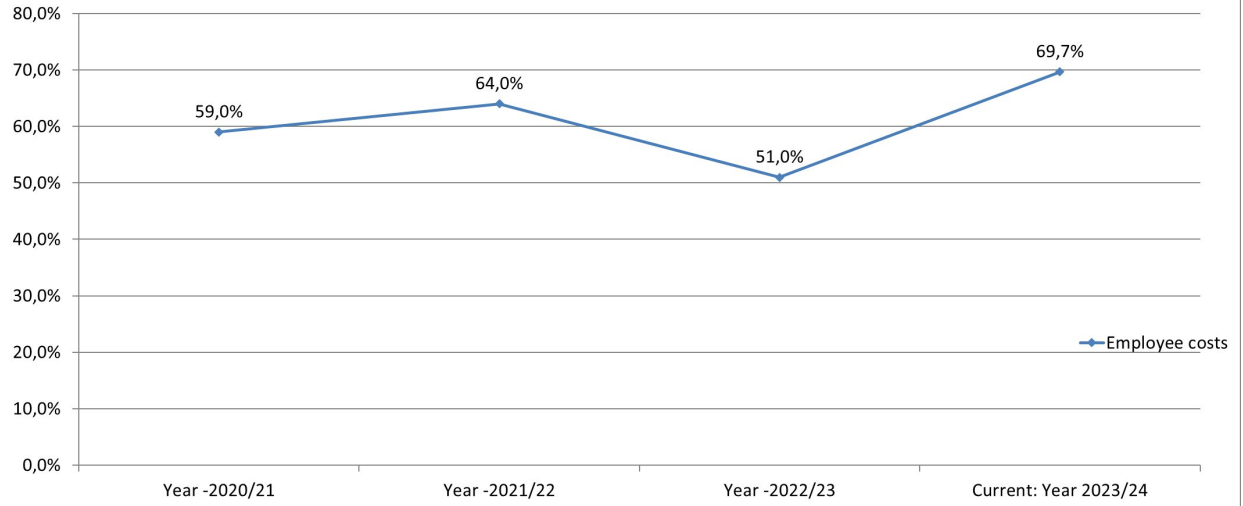
Debt Coverage



Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

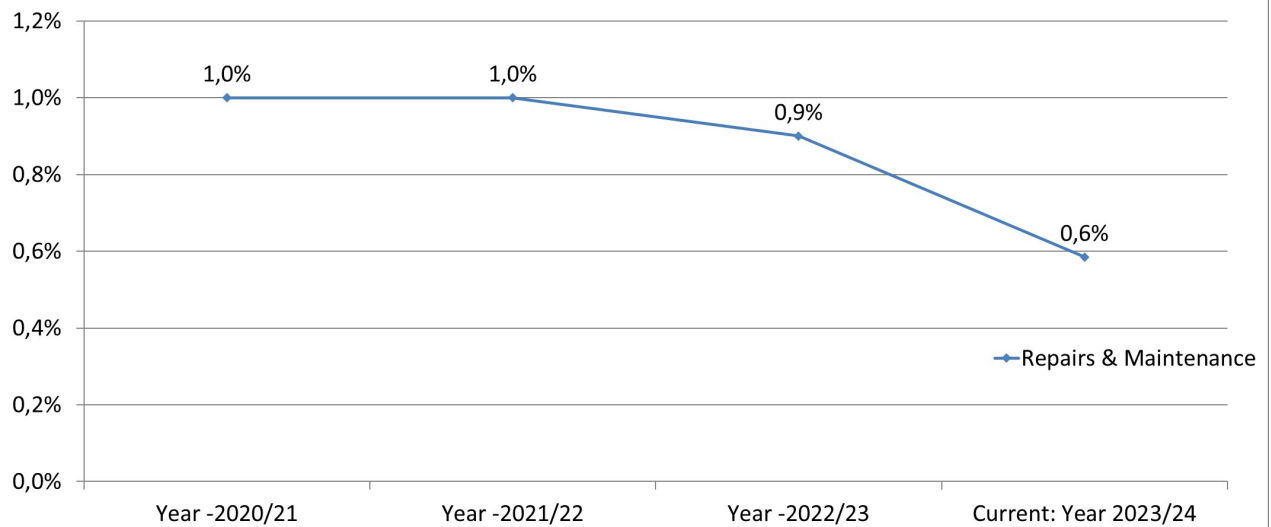
Data used from MBRR SA8

Employee Costs



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.
Data used from MBRR SA8

Repair & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance
Data used from MBRR SA8

Comment on financial ratios

1. **The liquidity ratio** is below 1 which is an indication that the municipality will not be able to pay its current liabilities as it becomes due.
2. **Cost Coverage ratio** – It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding the utilisation of grants. The ratio is below 1 which is an indication that the municipality can not cover its costs without the utilization of grants as expected from a district municipality.
3. **Debt Coverage ratio** - The debt of the municipality is relatively low in relation to the scale of its operations. The debt relates to finance leases on office equipment.
4. **Employee Costs ratio** - The employee costs relative to operating revenue has increased as compared to the prior years. The increase is largely attributable to

- a. the review and change in approach on management of the organizational structure.
 - b. the economic changes and increase in the post-retirement medical aid benefit obligation (based on the valuation by an independent actuary).
5. **Creditor Payment Period** - Creditor payments were monitored during the year so as to minimize instances of non-compliance. The municipality has improved in this area with a creditor payment period of 30 days in the 2023/24 financial year, compared to the 256 days in the 2022/23 financial year.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Capital expenditure was not related to major infrastructure projects, as very limited allocation was made for capital projects on the budget. Capital expenditure was mostly related to the acquisition of furniture and office equipment, computer equipment and transport assets.

5.5 Capital Expenditure

John Taolo Gaetsewe District Municipality's assigned functions are mainly service-oriented e.g. Disaster Management, Environmental Health, Planning etc. therefore the majority of the budgeted expenses are operational.

5.6 Sources of finance

Capital Expenditure - Funding Sources: Year - 2023/24 to Year 2024/25						
R' 000						
Details	Year 2023/24	Year 2024/25				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans						
Public contributions and donations						
Grants and subsidies						
Other	1,038,159.00	680,000.00	1,031,850.00	1,364,806.00	151.7%	200.7%
Total	1,038,159.00	680,000.00	1,031,850.00	1,364,806.00	151.74%	200.71%
Percentage of finance						
External loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants and subsidies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital expenditure						
Water and sanitation						
Electricity						
Housing						
Roads and storm water						
Other	1,038,159.00	680,000.00	1,031,850.00	1,364,806.00	151.7%	200.7%
Total	1,038,159.00	680,000.00	1,031,850.00	1,364,806.00	151.74%	200.71%
Percentage of expenditure						
Water and sanitation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Electricity	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Roads and storm water	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
T5.6.1						

Comment on sources of funding

JTGDM is essentially dependent on grants and is not able to generate revenue as a District Municipality. Funds utilized for capital expenditure were sourced from internal revenue.

5.7 Capital spending on 5 largest projects

Comment on capital projects

The Municipality did not have any large capital infrastructure projects. We acquired furniture and office equipment, computer equipments and transport assets as indicated under 5.3 (Assets Management).

5.8 Basic Services and Infrastructure backlog - overview

This function is provided by the Local Municipalities and is not reported on.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow and investments is regarded as extremely important, because it affects the operations and service delivery of the Municipality. This is managed in terms of the policies of Council in this regard, as well as the Cash and Investment Regulations of the MFMA.

5.9 Cashflow

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended June 30, 2024

Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		3,958,780	3,905,925
Grants		118,938,474	113,822,256
Interest income		2,742,573	5,038,457
		<u>125,639,827</u>	<u>122,766,638</u>
Payments			
Employee costs		(91,825,960)	(86,661,036)
Suppliers		(61,704,289)	(48,666,664)
Finance costs		(914,199)	(742,301)
		<u>(154,444,448)</u>	<u>(136,070,001)</u>
Net cash flows from operating activities	34	<u>(28,804,621)</u>	<u>(13,303,363)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(970,921)	(2,611,590)
Proceeds from sale of property, plant and equipment	9	889,759	-
Purchase of other intangible assets	10	(67,238)	(91,500)
Proceeds from sale of biological assets	7	412,400	-
Net cash flows from investing activities		<u>264,000</u>	<u>(2,703,090)</u>
Cash flows from financing activities			
Finance lease payments		<u>18,554</u>	<u>(560,063)</u>
Net increase/(decrease) in cash and cash equivalents		<u>(28,522,067)</u>	<u>(16,566,516)</u>
Cash and cash equivalents at the beginning of the year		29,219,005	45,785,521
Cash and cash equivalents at the end of the year	3	<u>696,938</u>	<u>29,219,005</u>

As indicated above, on an extract of the audited 2023/24 Annual Financial Statements i.e. the Cash Flow Statement, the municipality recorded a 98% decrease in terms of the cash and cash equivalents for the 2023/24 financial year.

Cash Flow Outcomes				
R'000				
Description	Year - 2022/23	Current: Year 2023/24		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	3,906	2,582	2,907	3,959
Government - operating	113,822	115,837	119,930	118,938
Government - capital			–	–
Interest	5,038	1,317	3,555	2,743
Dividends	–	–		
Payments				
Suppliers and employees	(135,328)	(116,416)	(120,766)	(153,530)
Finance charges	(748)	(597)	(419)	(914)
Transfers and Grants		(50)	(50)	
NET CASH FROM/(USED) OPERATING ACTIVITIES	(13,309)	2,674	5,156	(28,805)
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE		–	–	890
Proceeds on sale of biological assets	–			412
Purchase of property, plant and equipment	(2,612)	–	–	(971)
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables		–		
Decrease (increase) in non-current investments		–	–	
purchase of other intangible assets	(92)	–	–	(67)
Payments				
Capital assets	–	(288)	(1,156)	
NET CASH FROM/(USED) INVESTING ACTIVITIES	(2,703)	(288)	(1,156)	264
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–			
Borrowing long term/refinancing	–	–		
Increase (decrease) in consumer deposits	–			
Payments				
Repayment of borrowing	–	–	–	–
Finance lease payments	(560)	–	–	19
NET CASH FROM/(USED) FINANCING ACTIVITIES	(560)	–	–	19
NET INCREASE/ (DECREASE) IN CASH HELD	(16,573)	2,386	4,001	(28,522)
Cash/cash equivalents at the year begin:	45,786	47,349	47,349	29,219
Cash/cash equivalents at the year end:	29,219	49,735	51,350	697
Source: MBRR A7				T 5.9.1

Comment on cash flow outcomes

There is a significant decrease in the cash and cash equivalents balance at year end. The municipality's cash is tied up in the receivables by organs of state, namely local municipalities within the District. Improved cash flow management principles and practices will be employed in the 2024/25 financial year, to improve the cash flow position.

5.10 Borrowing and Investments

No new loans were made and reserves were invested in terms of the appropriate policy of Council and the MFMA Regulations in this regard.

Actual Borrowings: Year -20 to Year 2023/24			
			R' 000
Instrument	Year -2021/22	Year 2022/23	Year 2023/24
Municipality			
Long-Term Loans (annuity/reducing balance)			
Financial Leases			
Municipality Total	0	0	0
Municipal Entities			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total	0	0	0
			T 5.10.2

Investments were only made in line with the Municipal Cash and Investment Management Policy i.e. at registered banks in terms of the Banks Act, with balances on the accounts as indicated on the table below:

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	970	1,141
Short-term deposits	39,343	22,844,846
Bank balance	656,619	6,373,018
	696,932	29,219,005

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended June 30, 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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The municipality had the following bank accounts and cash on hand:

Account number / description	Bank statement balances			Cash book balances		
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2024	June 30, 2023	June 30, 2022
STD BANK - Main Account - 240923804	656,619	6,373,018	3,139,802	656,619	6,373,018	3,139,802
Cash on Hand	970	1,141	8	970	1,141	8
ABSA BANK - Fixed Account - 9370995821	-	-	2,798,359	-	-	2,798,359
ABSA BANK - Fixed Account - 9370194405	39,342	22,387,095	39,847,353	39,342	22,387,095	39,847,353
ABSA BANK - Fixed Account - 9372758744	-	345,426	-	-	345,426	-
NEDBANK - Call Account - 037881102918/000064	-	112,325	-	-	112,325	-
Total	696,931	29,219,005	45,785,522	696,931	29,219,005	45,785,522

Comment on investments

From the table above it is evident that the municipality ensured that it maintains a separate investment account for each grant received. This was to ensure that any unspent portion of grants is fully accounted for.

5.11 Public Private Partnerships

The Municipality does not have any public private partnerships.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 Supply Chain Management

Officials in the Supply Chain Unit comply with the minimum competency requirements.

All issues of non-compliance of policies and regulations raised in prior periods were addressed in the audit action plan in response to the Auditor General's Report. Further details are provided as per section 2.8 of this report.

5.13 GRAP Compliance

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The Municipality is GRAP compliant. As part of addressing capacity challenges experienced in Budget and Treasury Office, for the year under review, officials in the Budget and Treasury Office were assigned to work with the team appointed to assist in compiling the Annual Financial Statements. This was done as part of the Consultants Reduction Plan and is to continue in the foreseeable future.

5.14 Municipal Budget and Reporting Regulations (MBRR) Compliance

The municipality is to strengthen further MBRR compliance and continued to implement the updates and notices communicated from time to time by National Treasury.

CHAPTER 6 - AUDITOR GENERAL AUDIT FINDINGS

Upon conclusion of auditing the Auditor General audited the financial and performance information for the 2023/24 Financial Year.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2023/24

6.1 AUDITOR GENERAL REPORTS YEAR - 2023/24 (PREVIOUS YEAR)

The Municipality received an unqualified with findings audit opinion for the 2023/24 Financial Year. Management compiled and implemented the Audit Action Plan as adopted. The Plan was implemented during the year with confirmed success.

COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2024/25 CURRENT YEAR)

6.2 AUDITOR GENERAL REPORT YEAR 2022/23

The Municipality is yet to receive an audit opinion for 2024/25.

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give <i>“full and regular”</i> reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe <i>“what we do”</i> .
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.

Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General performance indicators Key	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National performance areas Key	• Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.

Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

This is discussed in Chapter 2 under Governance and no additional information is provided here.

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

This is discussed in Chapter 2 under Governance and no additional information is provided here.

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

This is discussed in Chapter 2 under Governance and no additional information is provided here.

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Positioning of the functions and responsibilities of district municipalities in relation to the integrated municipal governance framework

Function in schedules 4 and 5 of the Constitution	Integrated Planning and Development Facilitation	Promoting bulk infrastructural development and services for the district as a whole	Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking	Promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area
Air pollution			✓	
Building regulations			✓	
Electricity and gas reticulation		✓		
Firefighting services		✓		
Local tourism	✓			✓
Municipal airports		✓		
Municipal health services		✓		✓
Municipal public transport		✓		✓
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law		✓		✓
Storm water management systems in built-up areas		✓		✓

Function in schedules 4 and 5 of the Constitution	Integrated Planning and Development Facilitation	Promoting bulk infrastructural development and services for the district as a whole	Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking	Promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area
Trading regulations			✓	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems		✓		✓
Billboards and the display of advertisements in public places				
Municipal planning	✓			
Cemeteries, funeral parlours and crematoria		✓		
Cleansing				
Control of public nuisances				
Control of undertakings that sell liquor to the public				
Facilities for the accommodation, care and burial of animals				
Fencing and fences				
Licensing of dogs				
Licensing and control of undertakings that sell food to the public				
Local amenities		✓		✓
Local sport facilities		✓		✓
Markets	✓		✓	✓
Municipal abattoirs		✓		✓
Municipal parks and recreation		✓		✓
Municipal roads		✓		✓
Noise pollution				
Pounds				
Public places				
Refuse removal, refuse dumps and solid waste disposal		✓		✓
Street trading			✓	
Street lighting		✓		✓
Traffic and parking		✓		✓

APPENDIX E – WARD REPORTING

The District Municipality does have ward committees, as this is a function performed by the local municipalities.

APPENDIX F – WARD INFORMATION

The District Municipality does have ward committees, as this is a function performed by the local municipalities. Capital projects is discussed in Chapter 5 of the report.

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 0

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendation during the Year 0	Recommendation adopted (enter Yes) If not adopted (provide explanation)
Quarter 2, 3 and 4.	Matter to be referred to the Mayoral Committee for review of:	Yes
	Creditors and debtors analysis.	Yes
	Payments made after 30 June (testing cut off).	Yes
	Review aged items for creditors and debtors and recommend an implementation plan.	Yes
	Internal audit to perform a follow up audit by the 15th of August and report to the next Audit Committee meeting.	Yes
	Report referred to MM to follow up with Corporate Services Manager for his urgent attention (DD 7 August 2015 for input, implementation and action).	Yes
	The report should be presented to the NEXT Audit and Performance Committee together with the Accounting Officer's action plan to turn around the plight of Corporate Services.	Yes
	Report referred to Accounting Officer to ensure it's finalised.	Yes
	All internal audit findings per quarter should be summarised in one document and be monitored for implementation by the Chief Risk Officer for implementation through the office of the MM every fourth night.	Yes
	The Compliance Officer needs to monitor all compliance issues and update the Municipal Manager who will in turn advice the office of the Mayor on all compliance issues.	Yes
	The Compliance Officer and the Accounting Officer must review all the Audit Reports Q1,2,3 and 4 Issued by Internal Audit, and come up with a way forward to manage compliance (Director Internal Audit to facilitate this process).	Yes
	Communications portfolio to be part of this meeting.	Yes
	Management must ensure that Financials are	Yes

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendation during the Year 0	Recommendation adopted (enter Yes) If not adopted (provide explanation)
	reviewed and presented to Council by the Audit and Performance Committee prior to them being submitted to Auditor General.	
	Performance information is also part of the AFS, so the above is also applicable.	Yes

Refer to Volume IV for the Audit and Performance Committee report upon adoption by Council for the year ended 30 June 2023.

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

The long-term contracts were entered into during 2024/25. There are no public private partnerships

NO	SERVICE PROVIDER	TYPE OF SERVICE	DURATION	PERFORMANCE RATING/ CONTRACTUAL OBLIGATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	TIME MANAGEMENT (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	CUSTOMER RELATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)
1	Reneilwe Consulting & Planners	Professional Services for RRAMS & ISDG	36 months	Satisfactory	Acceptable	Acceptable
2	Multichoice	DSTV	Prepaid Contract	Satisfactory	Acceptable	Acceptable
3	DDP (Pty) Ltd	Valuation of municipal properties for the period of 36 months – DDP Ltd	36 months	Satisfactory	Acceptable	Acceptable
4	Arch Actuaries Consulting	Provision of Actuaries for a period of 36 months	36 months	Satisfactory	Acceptable	Acceptable
5	ABSA Bank	Provision of Banking services	5 years	Satisfactory	Acceptable	Acceptable
6	CCG Systems (Pty) Ltd	Provision of ERP Financial Systems that is mSCOA	2 months	Satisfactory	Acceptable	Acceptable

NO	SERVICE PROVIDER	TYPE OF SERVICE	DURATION	PERFORMANCE RATING/ CONTRACTUAL OBLIGATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	TIME MANAGEMENT (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	CUSTOMER RELATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)
		Compliant				
7	All Diamond Risk Solutions (Pty) Ltd	Provision of Insurance Services of Properties and Liabilities	3 years	Satisfactory	Acceptable	Acceptable
8	EMS Solutions (Pty) Ltd	Verification And Valuation Of Municipal Owned Biological Assets (Game Species) At Thwane Farm	3 years	Satisfactory	Acceptable	Acceptable
9	Maxprof (Pty) Ltd	Professional Services for VAT recovery	3 months	Satisfactory	Acceptable	Acceptable
10	Root - X Auctioneers	Panel of Auctioneers for a period of 24 months (as and when needed)	24 months	Satisfactory	Acceptable	Acceptable
11	Koikanyang Incorporated	Panel of Attorneys for a period of 36 months	36 months	Satisfactory	Acceptable	Acceptable
12	Tjikunga & Associates Inc	Panel of Attorneys for a period of 36 months	36 months	Satisfactory	Acceptable	Acceptable
13	Maake Inc	Panel of Attorneys for a period of 36 months	36 months	Satisfactory	Acceptable	Acceptable
14	Telkom	PBX Rental Term Service Agreement	Extended on a month to month until the appointment of a new sp is made	Satisfactory	Acceptable	Acceptable
15	Telkom	ISDN PRA Service agreement	Extended on a month to month until the appointment of a new sp is made	Satisfactory	Acceptable	Acceptable

NO	SERVICE PROVIDER	TYPE OF SERVICE	DURATION	PERFORMANCE RATING/ CONTRACTUAL OBLIGATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	TIME MANAGEMENT (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	CUSTOMER RELATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)
16	Urb ICT - Uppington	Provision of Static IP Address (for emails only)	12 months	Satisfactory	Acceptable	Acceptable
17	JTG Development Trust	Lease of a building - ERF 938	36 months	Satisfactory	Acceptable	Acceptable
18	National Youth Development Agency (NYDA)	Lease of a building - ERF	36 months	Satisfactory	Acceptable	Acceptable
19	Lefetho Trading (Pty)Ltd	Provision of Cleaning materials	36 months	Satisfactory	Acceptable	Acceptable
20	Vysem Traders Cc	Provision of photocopying machines for a period of 36 months	36 months	Satisfactory	Acceptable	Acceptable
21	Kathu Technical College	Lease of a building	24 months	Satisfactory	Acceptable	Acceptable
22	Kagotsentle Security Services	Security Services	N/A	Satisfactory	Acceptable	Acceptable
23	PAPKRAST Group	Maintenance of Municipal Websites	24 months	Satisfactory	Acceptable	Acceptable
24	Bushie Holdings	Supply and Delivery of ICT Equipments	36 months	Satisfactory	Acceptable	Acceptable
25	Skhunyana Consulting	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
26	Lucus Macintyre Jele Engineering Services	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable

NO	SERVICE PROVIDER	TYPE OF SERVICE	DURATION	PERFORMANCE RATING/ CONTRACTUAL OBLIGATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	TIME MANAGEMENT (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	CUSTOMER RELATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)
27	Ntiyiso Consulting (Pty)Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
28	Engineerex (Pty) Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
29	Utho capital (Pty)Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
30	TM Consulting (Pty)Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
31	Aseda Consulting Engineers (Pty) Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
32	Tsela Tsweu Consulting Engineers (Pty) Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
33	Paragon Debt Advisory	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable

NO	SERVICE PROVIDER	TYPE OF SERVICE	DURATION	PERFORMANCE RATING/ CONTRACTUAL OBLIGATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	TIME MANAGEMENT (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	CUSTOMER RELATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)
34	Pholisani Capital (Pty) Ltd	Transactional advisory and capital raising services including public private partnerships	DURATION	Acceptable	Acceptable	Acceptable

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

The Municipality has no municipal entities.

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

All councillors and senior managers are required to declare their business interests annually.

Such business interests are:

DISCLOSURE OF FINANCIAL INTERESTS FOR COUNCILLORS & SNR OFFICIALS		
Period July 2024 to June 2025		
Position	Name	Description of Financial Interests (Nil / Or Details)
Executive Mayor	PQ Mogatle	Bomme-Sejo Services and Supply Co-Operative Limited
		Blesbok Coal Mine
		Queen Mogatle Foundation
		Kalahari Beach Island
Speaker	IE Aiseng	Nil
JTG Councillors	KF Masilabele	Nil
	OH Kgopodithata	Faraway Agricultural
		Refemele Multi Purpose Primary Co-operative Limited
	NG Ngesi	Bokone Mining Primary C-Operative Limited
		Ditukus Projects
	PM Kgosienewang	Nil
	KR Paul	Nil
	AI Eilerd	Nil
	PJ Ohentswe	Letso Investment
		JTG Trucking Group
		Kgalagadi Freights
	TC Moliwe	Ashelwang Trading Enterprise
Seconded Councillors (Joe Morolong)	I Matebese	Nil
	N. Tswere	Batho Phuthanang Sand Mining
		Tsela Kgopo Primary Co-Operative Limited
		Nil
	M Filipo	Nil
	T Mosegedi	Nil
	G Kaotsane	Nil
	O Etshetshang	Nil
Seconded Councillors (Ga-Segonyana)	G Chere	Nil
	N Mereotlhe	Nil
	M Elliot Valela	Nil

	O Mathibe	Nil
	K. Setlhodi	Nil
Seconded Councillors (Gamagara)	B Sebego	Nil
	T Motsoare	Two Tones Cleaning Services
Municipal Manager	K Teise	Nil
Chief Financial Officer	CC Sibanyoni	MRCP (Pty) Ltd
Director Corporate Services	LL Morris (Acting)	Nil
	SP Mereotlhe	Sey Mining and Projects
Director: Community Development Services	TH Matlhare	Maremane Mining and Projects
Director: Local Economic Development	D Segoje (Acting)	Northern Cape Bikers Tour
	T Motlhanke (Acting)	Nil
	Lindelwa Geatsewe	Bothojwaone Trading
		Sebilo Resources
Director: Basic Services & Infrastructure	M Molusi	Nil

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

Revenue collection details are disclosed in the Unaudited Annual Financial Statements and no further information is provided.

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Grant information details are disclosed in the Unaudited Annual Financial Statements and no further information is provided.

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

Capital expenditure details are disclosed in the Unaudited Annual Financial Statements and no further information is provided.

APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 0

Capital expenditure details are disclosed in the Unaudited Annual Financial Statements and no further information is provided.

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0

Capital expenditure details are disclosed in the Unaudited Annual Financial Statements and no further information is provided. It is however important to note that the District Municipality does not have wards.

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

This function is performed by the local municipalities.

APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service backlogs are indicated in the tables below and is based on information from StatsSA Community Survey 2016.

Dwelling type

Housing Types					
Type of main dwelling	Northern Cape	John Taolo Gaetsewe	Joe Morolong	Ga-Segonyana	Gamagara
Formal dwelling/house or brick/concrete block structure on a	920,702	184,071	60940.00	80,831	42,301
Traditional dwelling/hut/structure made of traditional mater	25,457	14,406	10083.00	4,322	-
Flat or apartment in a block of flats	7,754	743	45.00	337	361
Cluster house in complex	1,241	345	0	23	322
Townhouse (semi-detached house in a complex)	3,648	683	27.00	336	320
Semi-detached house	21,423	1,546	129.00	509	908
Formal dwelling/house/flat/room in backyard	58,229	15,567	7608.00	7,069	890
Informal dwelling/shack in backyard	45,013	7,177	2092.00	3,548	1,536
Informal dwelling/shack not in backyard (e.g. in an informal	92,146	11,870	2853.00	3,594	5,423
Room/flatlet on a property or larger	2,875	700	-	655	45

dwelling/servants quart					
Caravan/tent	862	238	39.00	17	183
Other	14,293	4,917	385.00	3,166	1,366
Unspecified	137	-	-	-	-
Total	1,193,780	242,264	84,201	104,408	53,656

Source: StatsSA 2016

Energy source for cooking

Main Source of Energy for Cooking				
	NC451: Joe Morolong	NC452: Ga-Segonyana	NC453: Gamagara	DC45: John Taolo Gaetsewe
Electricity from mains	49 867	88 951	45 876	184 693
Other source of electricity (e.g. generator; etc.)	54	32	112	197
Gas	2 190	9 310	4 088	15 587
Paraffin	1 038	1 267	1 064	3 370
Wood	30 679	4 594	2 084	37 358
Coal	41	-	-	41
Animal dung	117	4	-	121
Solar	-	-	147	147
Other	61	-	24	84
None	145	114	261	519
Unspecified	9	136	-	145

Access to water sources

Water Sources within JTGDM				
	Joe Morolong	Ga-Segonyana	Gamagara	John Taolo Gaetsewe
Public/communal tap	27 815	28 283	3 006	59 104
Water-carrier/tanker	315	2 364	278	2 956
Borehole outside the yard	1 238	456	185	1 879
Flowing water/stream/river	2 259	-	-	2 259
Well	406	41	-	444
Spring	-	47	-	47
Other	305	937	361	1 602

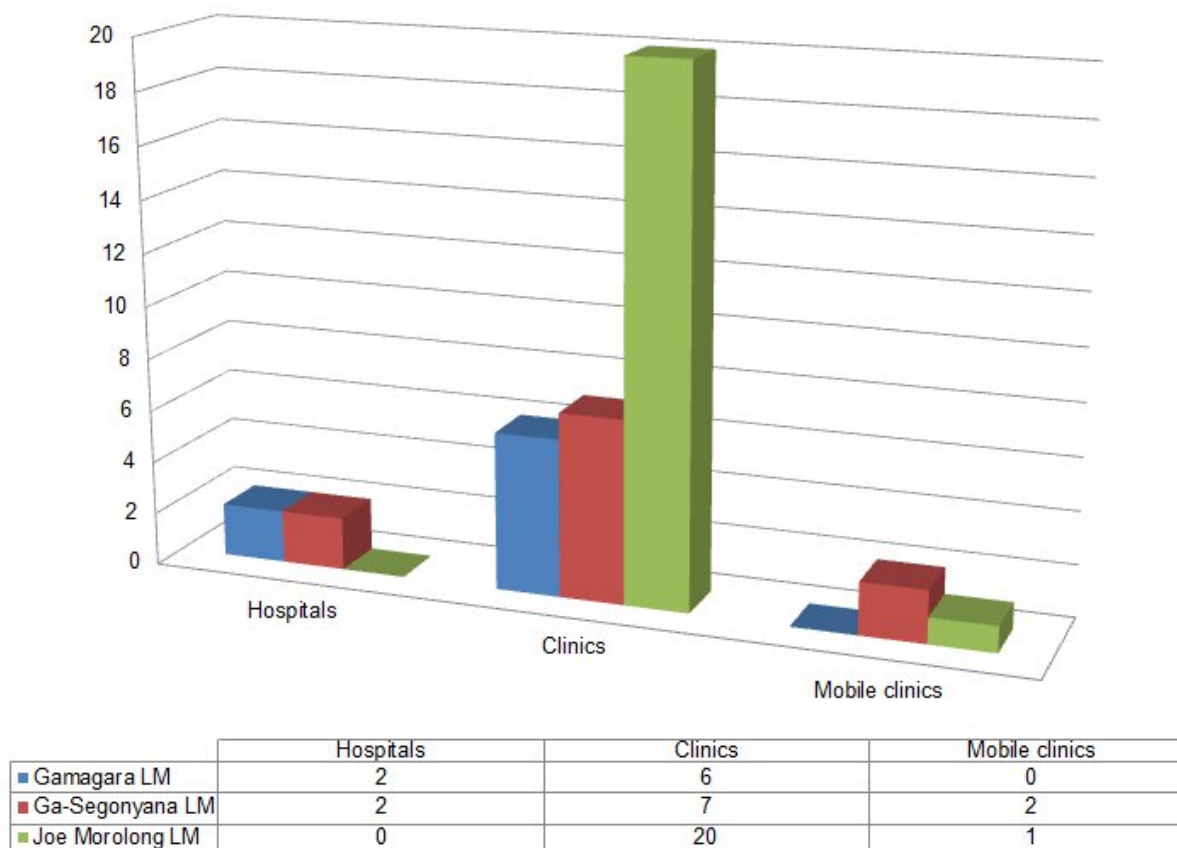
Household access to sanitation (toilet facilities)

Access to sanitation within JTGDM				
	NC451: Joe Morolong	NC452: Ga-Segonyana	NC453: Gamagara	DC45: John Taolo Gaetsewe
Flush toilet connected to a public sewerage system	3 345	18 682	46 505	68 533
Flush toilet connected to a septic tank or conservancy tank	623	4 903	1 766	7 292

Chemical toilet	632	66	27	724
Pit latrine/toilet with ventilation pipe	46 958	22 976	452	70 387
Pit latrine/toilet without ventilation pipe	21 202	48 645	147	69 994
Ecological toilet (e.g. Urine diversion; enviroloo; etc.)	1 880	69	-	1 949
Bucket toilet (collected by municipality)	-	89	-	89
Bucket toilet (emptied by household)	3 311	543	2	3 856
Other	552	1 330	645	2 528
None	5 697	7 104	4 112	16 912

Household level of refuse removal

Refuse removal within JTGDM				
	NC451: Joe Morolong	NC452: Ga-Segonyana	NC453: Gamagara	DC45: John Taolo Gaetsewe
Removed by local authority/private company/community members at least once a week	2 539	12 630	44 489	59 658
Removed by local authority/private company/community members less often than once a week	58	242	1 071	1 372
Communal refuse dump	4 902	4 737	1 125	10 764
Communal container/central collection point	1 320	2 168	409	3 896
Own refuse dump	71 031	77 757	5 402	154 190
Dump or leave rubbish anywhere (no rubbish disposal)	3 002	4 084	567	7 653
Other	1 349	2 790	592	4 731



Detail breakdown of educational levels in the District

Figure 20: Highest Level of Education

	Northern Cape	DC45: John Taolo Gaetsewe	NC451: Joe Morolong	NC452: Ga-Segonyana	NC453: Gamagara
No schooling	175 584	42 628	18 569	16 320	7 739
Grade 0	43 087	10 508	4 455	4 758	1 296
Grade 1/Sub A/Class 1	30 584	7 323	3 880	2 576	867
Grade 2/Sub B/Class 2	25 270	6 046	2 769	2 537	740
Grade 3/Standard 1/ABET 1	44 975	11 165	5 057	4 468	1 640
Grade 4/Standard 2	46 382	10 886	4 988	4 214	1 685
Grade 5/Standard 3/ABET 2	47 613	9 996	4 546	3 533	1 917
Grade 6/Standard 4	59 918	11 604	4 571	4 580	2 453
Grade 7/Standard 5/ABET 3	66 386	11 966	4 542	4 917	2 507
Grade 8/Standard 6/Form 1	84 813	13 606	5 055	5 927	2 624
Grade 9/Standard 7/Form 2/ABET 4/Occupational certificate NQF Level 1	84 188	15 446	5 067	6 817	3 562
Grade 10/Standard 8/Form 3/Occupational certificate NQF	109 531	19 191	5 501	8 575	5 115

Level 2					
Grade 11/Standard 9/Form 4/NCV Level 3/ Occupational certificate NQF Level 3	83 298	18 533	4 909	9 661	3 964
Grade 12/Standard 10/Form 5/Matric/NCV Level 4/ Occupational certificate NQF Level 3	212 153	36 578	6 802	18 144	11 631
NTC I/N1	663	279	12	88	179
NTCII/N2	1 569	576	98	153	325
NTCIII/N3	2 098	695	124	210	360
N4/NTC 4/Occupational certificate NQF Level 5	3 173	1 112	130	444	538
N5/NTC 5/Occupational certificate NQF Level 5	2 244	851	82	285	484
N6/NTC 6/Occupational certificate NQF Level 5	3 707	1 283	263	418	602
Certificate with less than Grade 12/Std 10	499	79	-	36	43
Diploma with less than Grade 12/Std 10	1 301	310	20	132	157
Higher/National/Advanced Certificate with Grade 12/Occupational certificate NQF	5 007	727	207	199	322
Diploma with Grade 12/Std 10/Occupational certificate NQF Level 6	13 728	1 899	262	1 046	590
Higher Diploma/Occupational certificate NQF Level 7	5 120	979	272	234	474
Post-Higher Diploma (Master's	2 578	439	129	201	109
Bachelor's degree/Occupational certificate NQF Level 7	10 910	1 297	215	789	293
Honours degree/Post-graduate diploma/Occupational certificate NQF Level 8	5 091	795	96	459	240
Master's/Professional Master's at NQF Level 9 degree	1 318	210	80	63	66
PHD (Doctoral degree/Professional doctoral degree at NQF Level 10)	505	113	10	29	74
Other	3 988	1 127	147	618	363
Do not know	14 582	3 722	1 149	1 878	696
Unspecified	1 917	296	193	103	-

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

No additional information is disclosed other than what is contained in the Unaudited Annual Financial Statements.

APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

The Integrated Development Plan of the Municipality is structured to include the National Outcomes and Key Performance Areas for Local Government. The Unaudited Annual Performance Report of the Municipality contains information in this regard. No additional information is disclosed.

VOLUME II: UNAUDITED ANNUAL FINANCIAL STATEMENTS

The Unaudited Annual Financial Statements for the 2024/25 Financial Year is enclosed hereto.

VOLUME III: UNAUDITED ANNUAL PERFORMANCE REPORT

The Audited Annual Performance Report for the 2024/25 Financial Year is enclosed hereto.

VOLUME IV: AUDIT AND PERFORMANCE COMMITTEE REPORT

The Audit and Performance Committee Report for the 2024/25 Financial Year is not yet concluded.

VOLUME V: AUDITOR-GENERAL'S REPORT

The Auditor-General's Report for the 2024/25 Financial Year is not yet concluded.



Vol. 2 Audited Annual Finance Statements

2024/2025

John Taolo Gaetsewe District Municipality

Email: mmsec@taologaetsewe.gov.za

Website: www.taologaetsewe.gov.za

Tel: 053-712-8700

4 Federale Mynbou, Kuruman, NC, 8460



John Taolo Gaetsewe District Municipality
Annual financial statements
for the year ended 30 June 2025

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

General Information

Legal form of entity	The entity is a category C Municipality (District Municipality) as defined by the Municipal Structures Act (Act 117 of 1998)
Nature of business and principal activities	John Taolo Gaetsewe Municipality is a district municipality performing the functions as set out in the Constitution (Act no 108 of 1996)
Jurisdiction	The John Taolo Gaetsewe Municipality includes the municipality areas of Gamagara Municipality, Ga-Segonyana Municipality and Joe Morolong Municipality. Demarcation Code - DC45 John Taolo Gaetsewe
Mayoral committee	
Executive Mayor	Mogatle-Thoane P.Q.
Executive Councillors	Masilabele K.F.
	Matebese I.
	Kgopodithata O.H
	Kgosienewang P.M.
Councillors	Ngesi N.
	Moilwe T.C.
	Tswere K.N.
	Etshetsang O.A.
	Sebego B.I.
	Motsoare T.M.
	Kaotsane G.G
	Chere G.M.
	Mereyotlhe N.
	Valela M.E.
	Setlhodi K.S.
	Mathibe O.D.
	Mosegedi T.G.
	Filipo M.P.
	Ohetswe P.J.
	Paul K.R.
	Eilerd A.I.
	Koikoi M.
Grading of local authority	3
Speaker	Aiseng I.
Accounting Officer	K.K Teise
Chief Financial Officer	C.C Sibanyoni
Business address	4 Federale Mynbou Street Kuruman 8460
Postal address	P.O. Box 1480 Kuruman 8460

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

General Information

Primary bankers

The Standard Bank of South Africa Limited
ABSA Bank Limited

Auditors

Auditor-General of South Africa (AGSA)

Attorneys

Koikanyang Incorporated
Maake Clement Incorporated Attorneys
Tjikunga & Associates Incorporated

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

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Abbreviations used:

DORA	Division of Revenue Act
GRAP	Generally Recognised Accounting Practice
LGSETA	Local Government Services Sector Education and Training Authority
MFMA	Municipal Finance Management Act
MPAC	Municipal Public Accounts Committee
SCM	Supply Chain Management

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

Accounting Officer's Responsibilities and Approval

The accounting officer is 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 officer 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 officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the municipality sets standards for internal control aimed at reducing the risk of error or deficit 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 officer is 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 officer has 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, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The municipality is largely dependent on the government for continued funding of operations. The annual financial statements are prepared on the basis that the municipality is a going concern and that the municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

The accounting officer is primarily responsible for the financial affairs of the municipality,

The annual financial statements have been prepared on the going concern basis and were approved by the Accounting Officer on 31 August 2025 and were signed on its behalf by:

Accounting Officer
K.K Teise

Audit Committee Report

We are pleased to present our draft report for the financial year ended 30 June as required in terms of section 166 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003, as amended) (MFMA), read with circular 65 published by the National Treasury.

Audit, Performance and Risk committee (APRC) members and attendance

The Audit, Risk and Performance committee (APRC) has been appointed by the District Municipality John Taolo Gaetsewe. Service level agreements between the District and Gamagara, Ga-Segonyana and Joe Morolong Local Municipalities provide for a shared APRC within the District.

The APRC is governed by formal terms of reference, which are regularly reviewed and approved by the council. The APRC consists of the members listed hereunder and should meet 4 times per annum as per its approved terms of reference. During the current year, 6 meetings were held:

Name of member	Number of meetings
Snyders J. (Chairperson)	6
Nkoe K.	6
Mathibela B.	6

Audit committee responsibility

The APRC has complied with its responsibilities arising from section 166(2)(a) of the MFMA read with MFMA Circular 65, and reports that it has adopted appropriate formal terms of reference as per 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.

Evaluation of annual financial statements

The APRC has:

- Reviewed and discussed the final unaudited annual financial statements to be included in the annual report with the Accounting Officer for submission to AGSA on 31 August 2025. The draft unaudited annual financial statements was work in progress, however management committed to finalise and consider the review by internal audit, Provincial Treasury and the APRC. On this basis the APRC support the submission to AGSA.
- Reviewed the progress on the audit action plan.

The following will be reviewed in the APRC meeting of November 2025:

- the Auditor-General of South Africa's audit report, management report and management's the response thereto, and organisation's compliance with legal and regulatory provisions.

From the above the concurrence and acceptance of the Auditor-General of South Africa's report on the annual financial statements will be assessed.

Internal audit

The APRC is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the municipality and its audits. The quality assurance improvement program and combined assurance will be implemented in the next financial year.

Audit Committee Report

Auditor-General of South Africa

The APRC will meet with the Auditor-General of South Africa to ensure that there are no unresolved issues.

Chairperson of the Audit Committee

Date: _____

Annual Financial Statements for the year ended 30 June 2025

The accounting officer submits his report for the year ended 30 June 2025.

1. Review of activities

Main business and operations

The operating results and state of affairs of the Municipality are fully set out in the attached Annual Financial Statements and do not in our opinion require any further comment.

2. Going concern

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 will continue to procure funding for the ongoing operations of the municipality.

3. Subsequent events

The accounting officer is not aware of any matter or circumstance arising since the end of the financial year.

4. Municipal Manager's interest in contracts

The Municipal Manager did not have an interest in any of the contracts entered into during the current financial year.

5. Accounting policies

The annual financial statements 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.

6. Non-current assets

No major changes in the nature or the policy relating to the use of the non-current assets of the Municipality occurred during the year.

7. Accounting officer

The accounting officer of the municipality during the year and to the date of this report is as follows:
K.K Teise South Africa

8. Bankers

Accounts were held with Standard Bank and ABSA (being the primary bankers), as well as investment accounts with Standard Bank, Nedbank, African Bank and ABSA during the year.

9. Auditors

Auditor-General of South Africa (AGSA) will continue in office for the next financial period.

John Taolo Gaetsewe District Municipality

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	3	6 381 504	6 220 967
Receivables from exchange transactions	4	3 548 396	5 156 474
Statutory receivables	5	1 552 522	1 076 802
Cash and cash equivalents	6	1 033 430	696 932
		12 515 852	13 151 175
Non-Current Assets			
Biological assets	7	2 264 910	2 081 632
Investment property	8	12 000 000	8 420 000
Property, plant and equipment	9	79 520 626	83 535 345
Intangible assets	10	281 501	319 743
Heritage assets	11	19 750	19 750
		94 086 787	94 376 470
Total Assets		106 602 639	107 527 645
Liabilities			
Current Liabilities			
Finance lease obligation	12	121 715	13 802
Payables from exchange transactions	13	17 151 651	13 540 730
Employee benefit obligation	14	883 000	817 000
Unspent conditional grants and receipts	15	747 514	1 166 405
Construction contracts	16	30 182	30 182
		18 934 062	15 568 119
Non-Current Liabilities			
Finance lease obligation	12	370 482	4 752
Employee benefit obligation	14	6 590 000	6 191 000
		6 960 482	6 195 752
Total Liabilities		25 894 544	21 763 871
Net Assets		80 708 095	85 763 774
Reserves			
Revaluation reserve	17	67 265 761	67 265 761
Accumulated surplus		13 442 334	18 498 013
Total Net Assets		80 708 095	85 763 774

* See Note 46

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Rental of facilities and equipment	18	290 725	449 178
Other income	19	60 782	192 722
Administration and management fees	20	2 838 657	2 839 596
Interest income	21	2 112 308	2 742 573
Total revenue from exchange transactions		5 302 472	6 224 069
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	22	120 495 790	118 998 531
Donations received	23	1 094 104	4 727 949
Total revenue from non-exchange transactions		121 589 894	123 726 480
Total revenue		126 892 366	129 950 549
Expenditure			
Employee related costs	24	(89 184 422)	(87 240 890)
Remuneration of councillors	25	(6 836 419)	(6 626 785)
Depreciation and amortisation	26	(6 138 985)	(6 474 246)
Finance costs	27	(1 031 185)	(914 209)
Debt Impairment	28	(359 026)	(216 237)
Bad debts written off	29	-	(2 234 314)
Operational cost	30	(32 345 700)	(36 628 838)
Total expenditure		(135 895 737)	(140 335 519)
Operating deficit		(9 003 371)	(10 384 970)
Gain (loss) on disposal of assets and liabilities	31	116 564	(139 412)
Fair value adjustments	32	3 955 764	96 537
Actuarial gains/losses	14	(22 000)	(183 000)
Loss on biological assets	33	(192 486)	(2 230 254)
Gain on assets previously not on register	34	89 850	-
		3 947 692	(2 456 129)
Deficit for the year		(5 055 679)	(12 841 099)

* See Note 46

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2025

Statement of Changes in Net Assets

Figures in Rand	Revaluation reserve	Accumulated surplus / deficit	Total net assets
Balance at July 1, 2023	62 024 719	31 339 112	93 363 831
Revaluation of property, plant and equipment	5 241 042	-	5 241 042
Net income recognised directly in net assets	5 241 042	-	5 241 042
Deficit for the year	-	(12 841 099)	(12 841 099)
Total recognised income and expenses for the year	5 241 042	(12 841 099)	(7 600 057)
Total changes	5 241 042	(12 841 099)	(7 600 057)
Balance at July 1, 2024	67 265 761	18 498 013	85 763 774
Changes in net assets	-	(5 055 679)	(5 055 679)
Deficit for the year	-	(5 055 679)	(5 055 679)
Total changes	-	(5 055 679)	(5 055 679)
Balance at 30 June 2025	67 265 761	13 442 334	80 708 095
Note(s)	17		

* See Note 46

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		4 200 749	3 958 780
Grants		120 076 899	118 938 474
Interest income		2 112 113	2 742 573
		<u>126 389 761</u>	<u>125 639 827</u>
Payments			
Employee costs		(91 142 882)	(91 825 960)
Suppliers		(33 911 888)	(61 704 289)
Finance costs		(307 185)	(914 199)
		<u>(125 361 955)</u>	<u>(154 444 448)</u>
Net cash flows from operating activities	35	<u>1 027 806</u>	<u>(28 804 621)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(1 288 949)	(970 921)
Proceeds from sale of property, plant and equipment	9	199 858	889 759
Purchase of other intangible assets	10	(75 860)	(67 238)
Proceeds from sale of biological assets	7	-	412 400
Net cash flows from investing activities		<u>(1 164 951)</u>	<u>264 000</u>
Cash flows from financing activities			
Finance lease payments		<u>473 643</u>	<u>18 554</u>
Net increase/(decrease) in cash and cash equivalents		<u>336 498</u>	<u>(28 522 067)</u>
Cash and cash equivalents at the beginning of the year		696 932	29 219 005
Cash and cash equivalents at the end of the year	6	<u>1 033 430</u>	<u>696 938</u>

The accounting policies on pages 14 to 39 and the notes on pages 40 to 84 form an integral part of the annual financial statements.

* See Note 46

John Taolo Gaetsewe District Municipality

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
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Figures in Rand

Statement of Financial Performance

Revenue

Revenue from exchange transactions

Rental of facilities and equipment	289 239	-	289 239	290 725	1 486	
Other income	259 980	-	259 980	60 782	(199 198)	1
Administration and management fees	1 565 834	1 123 352	2 689 186	2 838 657	149 471	
Interest received	2 593 534	-	2 593 534	2 112 308	(481 226)	2
Total revenue from exchange transactions	4 708 587	1 123 352	5 831 939	5 302 472	(529 467)	

Revenue from non-exchange transactions

Transfer revenue

Government grants & subsidies	118 813 000	3 058 128	121 871 128	120 495 790	(1 375 338)	
Donations received	-	-	-	1 094 104	1 094 104	3
Total revenue from non-exchange transactions	118 813 000	3 058 128	121 871 128	121 589 894	(281 234)	

Total revenue

123 521 587	4 181 480	127 703 067	126 892 366	(810 701)	
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Expenditure

Employee related costs	(95 335 970)	5 518 885	(89 817 085)	(89 184 422)	632 663	
Remuneration of councillors	(6 553 987)	(122 919)	(6 676 906)	(6 836 419)	(159 513)	
Depreciation and amortisation	(6 201 223)	(842 768)	(7 043 991)	(6 138 985)	905 006	4
Finance costs	(706 000)	-	(706 000)	(1 031 185)	(325 185)	5
Debt Impairment	(81 447)	(168 553)	(250 000)	(359 026)	(109 026)	6
Bad debts written off	(70 000)	(733 425)	(803 425)	-	803 425	7
Transfers and Subsidies	(60 000)	-	(60 000)	-	60 000	8
General Expenses	(21 334 628)	(9 319 932)	(30 654 560)	(32 345 700)	(1 691 140)	
Operational costs	-	-	-	-	-	

Total expenditure

(130 343 255)	(5 668 712)	(136 011 967)	(135 895 737)	116 230	
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Operating (deficit)

(6 821 668)	(1 487 232)	(8 308 900)	(9 003 371)	(694 471)	
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Gain on disposal of assets and liabilities	-	(986 575)	(986 575)	116 564	1 103 139	9
Fair value adjustments	-	2 050 000	2 050 000	3 955 764	1 905 764	10
Actuarial gains/losses	-	(250 000)	(250 000)	(22 000)	228 000	11
Gain on biological assets	-	-	-	(192 486)	(192 486)	12
Gain on non-current assets held for sale or disposal groups	-	-	-	89 850	89 850	13

-	813 425	813 425	3 947 692	3 134 267	
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Deficit

(6 821 668)	(673 807)	(7 495 475)	(5 055 679)	2 439 796	
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Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement

(6 821 668)	(673 807)	(7 495 475)	(5 055 679)	2 439 796	
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John Taolo Gaetsewe District Municipality

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 Financial Position						
Assets						
Current Assets						
Inventories	5 268 223	6 864 680	12 132 903	6 381 504	(5 751 399)	1
Receivables from exchange transactions	7 798 764	(2 663 372)	5 135 392	3 548 396	(1 586 996)	2
Statutory receivable	2 489 650	1 957 172	4 446 822	1 552 522	(2 894 300)	3
Cash and cash equivalents	1 021 193	705 399	1 726 592	1 033 430	(693 162)	4
	16 577 830	6 863 879	23 441 709	12 515 852	(10 925 857)	
Non-Current Assets						
Biological assets	4 817 749	2 000 000	6 817 749	2 264 910	(4 552 839)	5
Investment property	8 230 000	(200 000)	8 030 000	12 000 000	3 970 000	6
Property, plant and equipment	76 572 954	(6 589)	76 566 365	79 520 627	2 954 262	
Intangible assets	1 062 401	(772 394)	290 007	281 501	(8 506)	
Heritage assets	19 750	-	19 750	19 750	-	
	90 702 854	1 021 017	91 723 871	94 086 788	2 362 917	
Total Assets	107 280 684	7 884 896	115 165 580	106 602 640	(8 562 940)	
Liabilities						
Current Liabilities						
Finance lease obligation	-	-	-	121 715	121 715	7
Payables from exchange transactions	1 650 532	2 744 948	4 395 480	17 151 652	12 756 172	8
Employee benefit obligation	-	1 000 000	1 000 000	883 000	(117 000)	9
Unspent conditional grants and receipts	-	-	-	747 514	747 514	10
Construction contracts	-	-	-	30 182	30 182	11
	1 650 532	3 744 948	5 395 480	18 934 063	13 538 583	
Non-Current Liabilities						
Finance lease obligation	-	-	-	370 482	370 482	12
Employee benefit obligation	-	7 277 310	7 277 310	6 590 000	(687 310)	
	-	7 277 310	7 277 310	6 960 482	(316 828)	
Total Liabilities	1 650 532	11 022 258	12 672 790	25 894 545	13 221 755	
Net Assets	105 630 152	(3 137 362)	102 492 790	80 708 095	(21 784 695)	
Net Assets Attributable to Owners of Controlling Entity						
Reserves						
Revaluation reserve	-	1 000 000	1 000 000	67 265 761	66 265 761	
Accumulated surplus	105 630 152	(4 137 362)	101 492 790	13 442 334	(88 050 456)	
Total Net Assets	105 630 152	(3 137 362)	102 492 790	80 708 095	(21 784 695)	

Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024
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1. Presentation of Annual Financial Statements

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

1.1 Basis of preparation

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.

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

1.2 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.

1.3 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.

The entity does not retrospectively adjust the accounting of past items (or group of items) that were previously assessed as immaterial, unless an error occurred.

1.4 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:

Receivables

The municipality assesses its trade 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.

Allowance for slow moving, damaged and obsolete stock

An allowance for stock to write stock down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the operation surplus note.

Significant Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The municipality uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

An independent, qualified valuer will be appointed where necessary, for example in estimating the fair value of investment property or biological assets.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the key assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

Value in use of cash generating assets.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, together with economic factors such as exchange rates, inflation and interest rates.

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 - Provisions.

Post-retirement benefits

The present value of the post-retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post-retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the post-retirement and long-term benefit obligations. In determining the appropriate discount rate, the municipality considers the market yields at the reporting date on government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension or other long-term liability. Where there is no market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, the 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.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 14.

Significant Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Effective interest rate

The municipality used the prime interest rate to discount future cash flow except for long term borrowings or finance leases, where the contractually agreed or implied interest rate is used.

Allowance for impairment of financial assets

On receivables an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.5 Biological assets

The entity recognises biological assets or agricultural produce when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the municipality; and
- the fair value or cost of the asset can be measured reliably.

Biological assets are measured at their fair value less costs to sell.

A gain or loss arising on initial recognition of biological assets or agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of biological assets is included in surplus or deficit for the period in which it arises.

Where market determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined pre-tax rate where applicable is used to determine fair value.

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.

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.

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

Significant Accounting Policies

1.6 Investment property (continued)

Fair value

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

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.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

When classification is difficult, the criteria used to distinguish investment property from owner-occupied property and from property held for sale in the ordinary course of operations, including the nature or type of properties classified as held for strategic purposes, are as follows: managements' intended usage of the property; and the extent to which it is owner occupied.

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.

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, it's 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 entity 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.

Significant Accounting Policies

1.7 Property, plant and equipment (continued)

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 is carried at cost less accumulated depreciation and any impairment losses except for land, buildings and community assets which are carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

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

The depreciation charge for each period is recognised in surplus or deficit.

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	20-30 years
Furniture and fittings	Straight-line	5 -30 years
Motor vehicles	Straight-line	5 -15 years
Office equipment	Straight-line	5 -30 years
IT equipment	Straight-line	5 -30 years
Community assets- Land	Straight-line	Indefinite
Other property, plant and equipment	Straight-line	2 -25 years
Community assets - building	Straight-line	5 -30 years
Disaster unit - buildings	Straight-line	5 -30 years
Leased Assets	Straight-line	3 -8 years

The municipality has re-assessed the useful lives of property, plant and equipment 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 in terms of the Standard of GRAP on Accounting Policies, Changes in Estimates and Errors.

Assets of the municipality 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.

Significant Accounting Policies

1.7 Property, plant and equipment (continued)

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 9).

Compensation from third parties for an item of property, plant and equipment that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable

1.8 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity 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.

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.

Intangible assets are initially measured at cost

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

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

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. The amortisation charge for each period is recognised in surplus or deficit

The useful lives of items of intangible assets have been assessed as follows:

Item	Depreciation method	Average useful life
Computer software	Straight-line	5 -10 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).

Significant Accounting Policies

1.9 Heritage assets

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.

The Municipality recognises heritage assets 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 can be measured reliably. When the Municipality holds a heritage asset, but on initial recognition it does not meet the recognition criteria because it cannot be reliably measured, information of such heritage asset is disclosed in note 11 - Heritage assets. Heritage assets are initially measured at cost.

When 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 to initial measurement classes of heritage assets are carried at cost less any accumulated impairment losses.

The Municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

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. The Municipality derecognises heritage assets on disposal, or when no future economic benefits or service potential are expected from its used or disposal.

The gain or loss arising from the derecognition of a heritage asset is the difference between the net disposal proceeds and the carrying amount and is included in surplus or deficit when the item is derecognised.

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.

1.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

Significant Accounting Policies

1.10 Financial instruments (continued)

Classification

The entity 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 (Trade debtors)	Financial asset measured at amortised cost

The entity 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
Payables from Exchange transactions (Trade payables)	Financial liability measured at amortised cost
Finance lease obligations	Financial liability measured at amortised cost
Unspent conditional grants and receipts, grant receivable	Financial liability measured at amortised cost

Significant Accounting Policies

1.10 Financial instruments (continued)

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity 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 entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the municipality uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on municipality-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, an entity calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

Short-term receivables and payables are not discounted when the initial credit period granted or received is consistent with terms used in the public sector, either through established practices or legislation.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively

Significant Accounting Policies

1.10 Financial instruments (continued)

to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, 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 entity ;
 - 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.

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.

Financial liabilities

The entity 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 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 entity by way of a nonexchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Nonexchange 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 entity 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.

Significant Accounting Policies

1.11 Statutory receivables (continued)

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 entity 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.

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 entity 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 other 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.

Significant Accounting Policies

1.11 Statutory receivables (continued)

In estimating the future cash flows, a 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 entity 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 entity:
 - derecognise 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 entity 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.

1.12 Value added taxation

The Municipality is registered with the South African Revenue Services (SARS) for VAT on the invoice basis, in accordance with Section 15(1) of the VAT Act No.89 of 1991.

1.13 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.

Significant Accounting Policies

1.13 Leases (continued)

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 of 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.

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.

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

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

1.14 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.

Subsequently inventories are measured at the lower of cost and net realisable value.

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.

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 of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories 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.

Significant Accounting Policies

1.14 Inventories (continued)

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.

1.15 Construction contracts and receivables

The municipality received a level two accreditation in terms of the National Housing Code during March 2022 for its participation in the National Housing Programme. It is a project developer in terms of arrangements related to the construction and transfer houses to the beneficiaries of the National Housing Programme.

Grants received to implement the National Housing Programme are recognised as contract revenue.

Contract revenue comprises:

- a) the initial amount of revenue agreed in the contract; and
- b) variations in contract work, claims and incentive payments to the extent that:
- c) it is probable that they will result in revenue; and
- d) they are capable of being reliably measured.

Contract revenue is measured at the fair value of the consideration received or receivable.

When the outcome of a construction contract can be estimated reliably, contract revenue is recognised as revenue by reference to the stage of completion of the contract activity at the reporting date. The stage of completion is assessed with reference to a review of work performed. Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

The outcome of a construction contract can be estimated reliably when all the following conditions are satisfied:

- a) total contract revenue, if any, can be measured reliably;
- b) it is probable that the economic benefits or service potential associated with the contract will flow to the entity
- c) such other costs as are specifically chargeable to the customer under the terms of the contract.

Contract costs include the costs attributable to a contract for the period from the date of securing the contract to the final completion of the contract. Costs that cannot be attributed to contract activity or cannot be allocated to a contract are excluded from the costs of a construction contract.

Such costs include:

- a) general administration costs for which reimbursement is not specified in the contract;
- b) selling costs;
- c) research and development costs for which reimbursement is not specified in the contract; and
- d) depreciation of idle plant and equipment that is not used on a particular contract.

As with contract revenue, contract costs are recognised as expenses when the outcome of a construction contract can be estimated reliably, by reference to the stage of completion of the contract activity at the reporting date.

1.16 Impairment of 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.

Criteria developed by the Municipality to distinguish cash-generating assets from non-cash-generating assets are as follows: as the Municipality is a district Municipality, it does not hold assets which are specifically used to generate revenue (e.g. infrastructure relating to utilities), other than the farm used to hold biological assets. Other revenue generated by the Municipality is in exchange for services provided, for which the related assets (furniture, office equipment, etc.) are interchangeable with the assets used for non-cash generating activities.

Significant Accounting Policies

1.16 Impairment of cash-generating assets (continued)

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable 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.

Value in use

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Significant Accounting Policies

1.16 Impairment of cash-generating assets (continued)

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the assets or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

Significant Accounting Policies

1.16 Impairment of cash-generating assets (continued)

Reversal of impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable 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 cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.17 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

Criteria developed by the Municipality to distinguish non-cash-generating assets from cash-generating assets are as follow: as the municipality is a district Municipality, it does not hold assets which are specifically used to generate revenue (e.g. infrastructure relating to utilities), other than the farm used to hold biological assets. Revenue generated by the Municipality is in exchange for services provided, for which the related assets (furniture, office equipment, etc.) are interchangeable with the assets used for non-cash generating activities; all such interchangeable assets are deemed to be non-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.

Significant Accounting Policies

1.17 Impairment of non-cash-generating assets (continued)

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 overdesigned or overcapacity asset. Overdesigned 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.

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.

Significant Accounting Policies

1.17 Impairment of non-cash-generating assets (continued)

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.18 Employee benefits

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

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 entity 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 entity 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 entity 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.

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.

John Taolo Gaetsewe District Municipality

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Significant Accounting Policies

1.18 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (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 entity during a reporting period, the entity 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 entity 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

The Municipality has an obligation to provide other long-term service allowance benefits to the majority of its employees.

The Municipality's liability is based on an actuarial valuation. The Projected Unit Credit Method to determine the present value of the obligations.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts: the present value of the defined benefit obligation at the reporting date; minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The entity shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset: current service cost; interest cost; actuarial gains and losses, which shall all be recognised immediately;

Significant Accounting Policies

1.19 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 entity 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. Contingencies are disclosed in note 35.

A contingent liability is:

a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality; or
a present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Municipality.

The amounts disclosed as contingent liabilities or assets shall be the best estimate of the expenditure required to settle the obligation, or benefits to be obtained at the reporting date. The estimate may be based on guidance from experts, such as attorneys. Where it is not practicable to engage an expert, and it is not practicable to determine expected values with any certainty, the gross amount of a claim or dispute will be disclosed.

1.20 Commitments

Items are classified as commitments when an entity 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, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and

Significant Accounting Policies

1.20 Commitments (continued)

- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.21 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.

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;
- 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 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 revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by surveys of work performed.

Interest

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- 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.

1.22 Revenue from non-exchange transactions

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.

Significant Accounting Policies

1.22 Revenue from non-exchange transactions (continued)

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.

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.

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.

Receivables that arise from statutory (non-contractual) arrangements are initially measured in accordance with this accounting policy, as well as the accounting policy on Statutory Receivables. The entity applies the accounting policy on Statutory Receivables for the subsequent measurement, derecognition, presentation and disclosure of statutory receivables.

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.

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.

Debt forgiveness and assumption of liabilities

The municipality recognise revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

Gifts and donations, including goods in-kind

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.

John Taolo Gaetsewe District Municipality

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Significant Accounting Policies

1.22 Revenue from non-exchange transactions (continued)

Services in-kind

Except for financial guarantee contracts, the municipality recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related 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.

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality disclose the nature and type of services in-kind received during the reporting period.

1.23 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.24 Accounting by principals and agents

Identification

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

Significant Accounting Policies

1.25 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.26 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised 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 Fruitless and wasteful expenditure

Fruitless expenditure means 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.

1.28 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy.

Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.29 Revaluation reserve

The surplus arising from the revaluation of property, plant and equipment is credited to a non-distributable reserve.

On disposal, the net revaluation surplus is transferred to the accumulated surplus/deficit while gains or losses on disposal, based on revalued amounts, are credited or charged to the statement of financial performance.

1.30 Budget information

The approved budget is prepared on an 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 Statement of comparative and actual information has been included in the annual financial statements as the recommended disclosure when the annual financial statements and the budget are on the same basis of accounting as determined by National Treasury.

1.31 Related parties

A related party is a person or a municipality with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or a municipality that is subject to common control, or joint control.

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.

Significant Accounting Policies

1.31 Related parties (continued)

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.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.32 Events after 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.

1.33 Accumulated surplus

The accumulated surplus represents the net difference between the total assets and the total liabilities of the municipality. Any surpluses and deficits realised during a specific financial year are credited / debited against accumulated surplus / deficit. Prior year adjustments, relating to income and expenditure, are credited / debited against accumulated surplus when retrospective adjustments are made.

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2025

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2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• iGRAP 22 Foreign Currency Transactions and Advance Consideration	01 April 2025	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact
• Guideline (The application of materiality to financial statements)	To be determined	Unlikely there will be a material impact
• GRAP 107 Mergers	To be determined	Unlikely there will be a material impact
• GRAP 106 Transfer of Functions Between Entities Not Under Common Control	To be determined	Unlikely there will be a material impact
• GRAP 105 Transfer of Functions Between Entities Under Common Control	To be determined	Unlikely there will be a material impact
• GRAP 2023 Improvements to the Standards of GRAP 2023	To be determined	Unlikely there will be a material impact
• GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	To be determined	Unlikely there will be a material impact
• GRAP 103 (as revised): Heritage Assets	To be determined	Unlikely there will be a material impact

3. Inventories

Paving bricks	58 729	1 556
Crusher dust and cement	229 834	259 279
Consumable stores	42 289	42 086
Properties to be transferred	5 918 046	5 918 046
Equipment stock	132 606	-
	6 381 504	6 220 967

Inventory pledged as security

Inventory was not pledged as security.

4. Receivables from exchange transactions

Trade debtors	3 425 825	4 681 170
Accrued Interest	10 848	288
Prepaid expenses	109 745	-
Bursary repayment	-	1 280
Other debtors	-	437 950
Overpayment of councillors	938	35 786
Overpayment: Study assistance	1 040	-
	3 548 396	5 156 474

Trade and other receivables were not pledged as security.

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Current (0 - 30 days)	933 407	1 283 086
31 - 60 Days	67 617	91 937
61 - 90 Days	592 223	588 191
+ 90 Days	2 969 530	3 848 619
Allowance for impairment	(1 014 381)	(655 355)
	3 548 396	5 156 478

Summary of receivables by customer classification

30 June 2025

	Other	Organs of State	Total
Current (0 - 30 days)	194 637	738 770	933 407
31 - 60 Days	36 243	31 374	67 617
61 - 90 Days	28 967	563 256	592 223
+ 90 Days	1 044 502	1 925 028	2 969 530
Allowance for impairment	(1 014 381)	-	(1 014 381)
	289 968	3 258 428	3 548 396

Summary of receivables by customer classification

30 June

	Other	Organs of State	Total
Current (0 - 30 days)	467 833	815 253	1 283 086
31 - 60 Days	32 430	59 507	91 937
61 - 90 Days	22 668	565 523	588 191
+ 90 Days	1 095 017	2 753 602	3 848 619
Allowance for impairment	(655 355)	-	(655 355)
	962 593	4 193 885	5 156 478

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Trade and other receivables past due but not impaired

Impairment is provided for on all individual accounts which are more than one month past due. The full amount is not impaired and variable rates are used on each individual account depending on the risk profile of the account. National and Provincial Government accounts and other receivables are not impaired.

The ageing of amounts past due but not impaired is as follows:

1 month past due	31 374	59 507
2 months past due	563 256	565 523
3 months past due	1 925 028	2 753 602

5. Statutory receivable

VAT	1 552 522	1 076 802
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6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand/Petty cash	4 372	970
Short-term deposits	923 302	39 343
Bank balance	105 756	656 619
	1 033 430	696 932

John Taolo Gaetsewe District Municipality
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The municipality had the following bank accounts and cash on hand:

Account number / description	Bank statement balances			Cash book balances		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
STD BANK - Main Account - 240923804	-	656 619	6 373 018	-	656 619	6 373 018
ABSA - Main Account - 4114302716	(155 175)	-	-	105 756	-	-
Cash on Hand	-	970	1 411	-	970	1 141
ABSA - Petty cash - 4114302724	4 750	-	-	4 372	-	-
ABSA BANK - Fixed Account - 9370194405	-	39 342	22 387 095	-	39 342	22 387 095
ABSA BANK - Fixed Account - 9372758744	-	-	345 426	-	-	345 426
NEDBANK - Call Account - 037881102918/000064	-	-	112 325	-	-	112 325
African Bank - Call Account - 81000142615	682 416	-	-	682 416	-	-
African Bank - Call Account - 81000159047	240 885	-	-	240 886	-	-
Total	772 876	696 931	29 219 275	1 033 430	696 931	29 219 005

The following investment accounts matured during the financial period (i.e. the opening and closing balances at the respective reporting dates were nil)

ABSA	Call account	9370194405
ABSA	Call account	2081676466
ABSA	Call account	9390732704
ABSA	Call account	9394842216
ABSA	Call account	9394845565
Standard Bank	Call account	048463353-055
Standard Bank	Call account	048463353-056
Standard Bank	Call account	048463353-057
Standard Bank	Call account	048463353-058
Standard Bank	Call account	048463353-059
Standard Bank	Fixed deposit	048463353-060
Standard Bank	Fixed deposit	048463353-061
Nedbank	Call account	037881102918/000045
Nedbank	Call account	037881102918/000046

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7. Biological assets

2025		2024	
Cost / Valuation	Carrying value	Cost / Valuation	Carrying value
2 264 910	-	2 081 632	-
	2 264 910		2 081 632

Biological assets - game

Reconciliation of biological assets - 2025

	Opening balance	Additions	Disposals	Gains or losses arising from changes in fair value	Total
Biological assets - game	2 081 632	386 930	(579 416)	375 764	2 264 910

Reconciliation of biological assets - 2024

	Opening balance	Additions	Disposals	Gains or losses arising from changes in fair value	Total
Biological assets - game	4 817 749	42 573	(2 685 227)	(93 463)	2 081 632

John Taolo Gaetsewe District Municipality

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Non-financial information

Quantities of each biological asset

Blesbok	4	2
Blue wildebeest	117	70
Eland	1	1
Gemsbok	44	61
Greater Kudu	-	4
Ostrich	48	41
Red hartebeest	13	8
Springbuck	77	204
Zebra	15	15
	319	406

The biological assets for the 2025 financial year were valued by EMS Solutions (PTY) Ltd an independent professional valuer.

Game is valued using officially listed and publicised game auction and numbers. An active market exists for game but some species have no commercial value and are counted but not valued for trading. These are reflected in the listing below.

Non-Biological assets with no commercial value

Bat-eared fox	4	-
Black backed jackal	1	3
Vultures	3	5
Domestic sheep	13	-
Domestic cattle	80	42
Domestic horses	9	9
Domestic goat	103	-
Warthog	3	2
Steenbok (Ibex)	2	11
Duiker	13	23
	231	95

Domestic animals on the farm are known to belong to members of the community, and are not considered to be assets of the municipality.

The key assumption in the valuation method used is that genetic variation in species are excluded from the valuation. This means that rare species sales values are excluded as their pricing is not a fair reflection of the game populations value.

The increase could be due to changes in environment factors such as rainfall, which resulted in an incline in population numbers.

A register containing the information required by section 63 of MFMA is available for inspection at the registered office of the municipality.

Pledged as security

The biological assets have not been pledged as security:

Methods and assumptions used in determining fair value

The fair value represents the market values for biological assets that are traded on active markets in the Northern Cape, Free State and North West.

John Taolo Gaetsewe District Municipality

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8. Investment property

2025		2024	
Cost / Valuation	Carrying value	Cost / Valuation	Carrying value
Investment property			
12 000 000	-	8 420 000	-
	12 000 000		8 420 000

Reconciliation of investment property - 2025

	Opening balance	Fair value adjustments	Total
Investment property	8 420 000	3 580 000	12 000 000

Reconciliation of investment property - 2024

	Opening balance	Fair value adjustments	Total
Investment property	8 230 000	190 000	8 420 000

Pledged as security

Investment properties are not pledged as security.

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Details of property

Erf 2617 - Kuruman - Campus

Freehold ownership property in the Kuruman registration division.

Site area is 1190 m square.

Title deed No. T1049/1993, previously T610/1978.

Registration date is 15 June 1978 with conditions and servitudes in accordance with Erf 2617 which is a consolidation of erven 1105 and 1106

- Valuation

3 100 000	3 080 000
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Erf 938 Kuruman - Offices let to the John Taolo Gaetsewe Development Trust

Property in the Northern Cape province with title deed number T416/1996.

Site area is 1190m²

- Valuation

2 600 000	2 610 000
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Erf 4439 Kuruman - Vacant stand

Property in the Northern Cape province with title deed number T26/2011 previously T25/2011. Site area is 17052m

- Valuation

6 300 000	2 730 000
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The last date of the revaluations of investment property was 30 June 2025. Revaluations were performed by independent valuers, DDP Property Evaluation Experts. DDP Property Evaluation Experts are not connected to the municipality.

Method of valuation - Properties

Income Approach: The net normalised income of the property is determined based on the assumption that the property is fully let at open market rentals; market escalation applies and incurs market-related operating costs. The net normalised income is then capitalised into perpetuity using a market related capitalisation rate to reflect the open market value.

Method of valuation - Vacant land

The market approach is based on comparing the subject asset with identical or similar assets (or liabilities) for which price information is available, such as a comparison with market transactions in the same, or closely similar, type of asset (or liability) within an appropriate time horizon.

The International Valuation Standards 2020 defines the sales comparison method as: "The comparable transactions method, also known as the guideline transactions method, utilises information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value."

These assumptions were based on current market conditions.

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.

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9. 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	48 290 000	-	48 290 000	48 290 000	-	48 290 000
Buildings	20 790 000	(1 480 553)	19 309 447	26 057 608	(5 267 588)	20 790 020
Furniture and office equipment	5 863 816	(4 881 739)	982 077	5 943 167	(4 736 149)	1 207 018
Transport assets	16 652 136	(9 834 870)	6 817 266	17 226 668	(8 024 749)	9 201 919
Computer equipment	8 105 729	(6 225 607)	1 880 122	7 983 077	(6 433 075)	1 550 002
Community assets	338 400	(22 434)	315 966	552 663	(131 157)	421 506
Other property, plant and equipment	4 504 923	(2 579 175)	1 925 748	3 788 143	(1 713 263)	2 074 880
Total	104 545 004	(25 024 378)	79 520 626	109 841 326	(26 305 981)	83 535 345

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Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Land	48 290 000	-	-	-	48 290 000
Buildings	20 790 020	-	-	(1 480 573)	19 309 447
Furniture and office equipment	1 207 018	61 400	(1 916)	(284 425)	982 077
Transport assets	9 201 919	306 639	(428)	(2 690 864)	6 817 266
Computer equipment	1 550 002	966 824	(17 233)	(619 471)	1 880 122
Community assets	421 506	-	(79 024)	(26 516)	315 966
Other property, plant and equipment	2 074 880	789 713	(15 769)	(923 076)	1 925 748
	83 535 345	2 124 576	(114 370)	(6 024 925)	79 520 626

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Transfers received	Revaluations	Depreciation	Total
Land	45 560 000	-	-	-	2 730 000	-	48 290 000
Buildings	19 510 739	-	-	-	2 663 355	(1 297 135)	20 790 020
Furniture and office equipment	1 660 128	8 730	(16 307)	-	-	(446 469)	1 207 018
Transport assets	8 081 120	504 659	(625 775)	4 167 949	-	(2 926 035)	9 201 919
Computer equipment	2 038 129	465 632	(320 554)	-	-	(633 205)	1 550 002
Community assets	523 490	-	-	-	(152 297)	(36 755)	421 506
Other property, plant and equipment	2 647 903	-	-	-	-	(572 878)	2 074 880
	80 021 509	979 021	(962 636)	4 167 949	5 241 058	(5 912 477)	83 535 345

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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Revaluations

The effective date of the revaluations of land and buildings was 30 June 2024. Revaluations were performed by independent valuers, DDP Property Evaluation Experts. DDP Property Evaluation Experts are not connected to the entity.

The method of valuation entailed the comparison of recent sales of land and buildings with similar value forming attributes in comparison to the subject property, situated in the surrounding area of the subject property. The market value was determined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

These assumptions were based on current market conditions.

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Maintenance of equipment	421 242	682 664
Maintenance of buildings and facilities	171 900	49 500
	593 142	732 164

None of the Property, Plant and Equipment has been pledged as security.

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.

John Taolo Gaetsewe District Municipality

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10. Intangible assets

	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	3 421 020	(3 139 519)	281 501	3 432 940	(3 113 197)	319 743

Reconciliation of intangible assets - 2025

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software, other	319 743	75 860	(42)	(114 060)	281 501

Reconciliation of intangible assets - 2024

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software, other	881 743	67 238	(67 469)	(561 769)	319 743

Pledged as security

Intangible assets are not pledged as security.

John Taolo Gaetsewe District Municipality

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11. Heritage assets

	2025			2024		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Mayoral chain	19 750	-	19 750	19 750	-	19 750

Reconciliation of heritage assets 2025

	Opening balance	Total
Mayoral chain	19 750	19 750

Reconciliation of heritage assets 2024

	Opening balance	Total
Mayoral chain	19 750	19 750

Assessment for Impairment of Heritage assets

The Mayoral chain was assessed for impairment and there were no indications of impairment noted.

Pledged as security

The heritage assets are not pledged as security.

Expenditure incurred to repair/maintain heritage assets

No such expenditure was incurred in relation to heritage assets.

Other information

A register containing the information required by section 63 of the MFMA is available for inspection at the registered office of the municipality.

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12. Finance lease obligation		
Minimum lease payments due		
- within one year	440 638	14 400
- in second to fifth year inclusive	560 555	4 800
	1 001 193	19 200
less: future finance charges	(508 996)	(646)
Present value of minimum lease payments	492 197	18 554
Present value of minimum lease payments due		
- within one year	121 715	13 802
- in second to fifth year inclusive	370 482	4 752
	492 197	18 554
Non-current liabilities	370 482	4 752
Current liabilities	121 715	13 802
	492 197	18 554
13. Payables from exchange transactions		
Trade payables	908 307	2 101 320
Payroll related liabilities	4 704 029	54 853
Leave accrual	9 048 748	8 733 454
Bonus accrual	2 449 312	2 254 823
Retentions	-	345 440
Debtors with credit balances	41 255	50 840
	17 151 651	13 540 730
14. Employee benefit obligations		
The amounts recognised in the statement of financial position are as follows:		
The employee benefit obligation relate to post-retirement medical aid benefits provided and long service awards.		
Post-retirement Medical Aid Benefit and Long Service Award		
The municipality provides post-employment medical aid benefits upon retirement to some retirees. The entitlement to post-employment medical aid benefits is based on special resolution by the council. The municipality operates an unfunded defined benefit plan for these qualifying individuals. No other post-retirement benefit are provided to these individuals.		
The actuarial valuation of the present value of the obligation at 30 June 2025 was carried out by Arch Actuarial Consulting. The present value of the obligation, the related current service cost and past service cost, were measured using the projected unit credit method.		
Carrying value		
Present value of unfunded obligation at the beginning of the year	7 008 000	6 738 000
Net actuarial (gains)/ losses	22 000	183 000
Difference between expected and actual current service costs	(281 000)	(601 000)
Interest cost	724 000	688 000
	7 473 000	7 008 000
Non-current liabilities	(6 590 000)	6 191 000
Current liabilities	(883 000)	817 000
	(7 473 000)	7 008 000

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Medical Aid Benefit-Key assumptions used

The Municipality provides post-employment medical aid benefits upon retirement to some retirees. The entitlement to post-employment medical aid benefits is based on special resolution by the council, or the terms of employment prevailing at the time the employees retired. The Municipality operates an unfunded defined benefit plan for these qualifying individuals. No other post-retirement benefit are provided to these individuals. The actuarial valuation of the present value of the obligation at 30 June 2025 was carried out by Arch Actuarial Consulting. The present value of the obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

Assumptions used at the reporting date for Medical Aid Benefit:

Discount rates used	9,30 %	10,60 %
CPI inflation rate	3,50 %	4,86 %
Health care cost inflation rate	5,30 %	6,36 %
Net effective discount rate	3,80 %	3,99 %
Present value of unfunded obligation at the beginning of the year	2 853 000	2 696 000
Actuarial gains/losses	136 000	194 000
Difference between expected and actual current service costs	(348 000)	(313 000)
Interest cost	284 000	276 000
	2 925 000	2 853 000
Non-current liabilities	2 593 000	2 505 000
Current liabilities	332 000	348 000
	2 925 000	2 853 000

Long Service Awards- Key Assumptions

Discount rates used	9,80 %	11,21 %
CPI inflation rate	3,80 %	5,35 %
General earnings inflation rate	4,80 %	6,35 %
Net effective discount rate	4,80 %	4,57 %

Long service awards

The municipality has an obligation to provide long service awards benefits to all its permanent employees. In terms of the municipalities policies and practice, permanent employees other than section 57 managers are entitled to a cash allowance, calculated in terms of the rules of the scheme, after 5, 10, 15, 20, 25, 30, 40 and 45 years of continued service. The municipality operates an unfunded defined benefit plan for these qualifying employees.

The actuarial valuation of the present value of the obligation at 30 June 2025 was carried out by Arch Actuarial Consulting CC. The present value of the obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

Present value of unfunded obligation at the beginning of the year	4 155 000	4 042 000
Actuarial gains/losses	(114 000)	(11 000)
Difference between expected and actual current service costs	67 000	(288 000)
Interest cost	440 000	412 000
	4 548 000	4 155 000
Non-current liabilities	3 997 000	3 686 000
Current liabilities	551 000	469 000
	4 548 000	4 155 000

Sensitivity Analysis - Medical Aid

Introduction

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The results presented in Section 6 of the report are based on a number of assumptions. The extent to which the actual DBO faced in the future by the Municipality differs from these results will depend on the extent to which actual experience differs from the assumptions made.

The assumption which tends to have the greatest impact on the results is the medical aid contribution inflation rate relative to the discount rate.

Sensitivity Analysis Results

The DBO at this valuation was recalculated to show the effect of:

- (i) a one percentage point increase and decrease in the assumed medical aid contribution inflation rate;
- (ii) a one percentage point increase and decrease in the discount rate; and
- (iii) a one-year age increase and decrease in the assumed rates of post-employment mortality.

Sensitivity analysis on the defined benefit obligation (R Millions)	Change	Total DBO	% Change
Central assumptions		2.925	
Medical aid contribution inflation	+1%	3.122	7%
	+1%	2.746	-6%
Discount rate	+1%	2.754	-6%
	-1%	3.116	7%
Post-employment mortality	+1 yr	2.805	-4%
	-1 yr	3.046	4%
		-	

Note to the table above: The post-employment mortality adjustment “-1 yr”, for example, assumes that someone aged 70 will experience the mortality of someone aged 69. The DBO is expected to increase under this scenario because members are expected to live longer.

The table above indicates, for example, that if the medical inflation rate is one percentage point greater than the long-term assumption made, the DBO will be 7% higher than that shown.

Sensitivity analysis on interest cost for year ending 30/06/2025	Change	Interest Cost	% Change
Central assumptions		284 000	
Medical aid contribution inflation rate	+1%	304 000	7%
	-1%	266 000	-6%
Discount rate	+1%	292 000	3%
	-1%	275 000	-3%
Post-employment mortality	+1 yr	272 000	-4%
	-1 yr	297 000	5%
		-	

Sensitivity analysis on interest cost for year ending 30/06/2026	Change	Interest Cost	% Change
Central assumptions		256 000	
Medical aid contribution inflation rate	+1%	274 000	7%
	-1%	240 000	-6%
Discount rate	+1%	266 000	4%
	-1%	245 000	-4%
Post-employment mortality	+1 yr	245 000	-4%
	-1 yr	267 000	4%
		-	

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Sensitivity Analysis - Long Service

Introduction

The results presented in Section 6 are based on a number of assumptions. The extent to which the actual DBO faced in the future by the Municipality differs from these results will depend on the extent to which actual experience differs from the assumptions made.

The assumptions which tend to have the greatest impact on the results are:

- (i) the general earnings inflation rate assumption;
- (ii) the discount rate assumption;
- (iii) the average retirement age of employees; and
- (iv) assumed service termination rates.

Sensitivity Analysis Results

The DBO at this valuation was recalculated to show the effect of:

- (i) a one percentage point increase and decrease in the assumed general earnings inflation rate;
- (ii) a one percentage point increase and decrease in the assumed discount rate;
- (iii) a two-year increase and decrease in the assumed average retirement age of eligible employees; and
- (iv) a two-fold increase and a 50% decrease in the assumed rates of termination of service.

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Sensitivity analysis on the DBO	Change	DBO	% Change
Central assumptions		4 548 000	
General earnings inflation rate	+1%	4 804 000	6%
	-1%	4 314 000	-5%
Discount rate	+1%	4 316 000	-5%
	-1%	4 805 000	6%
Average retirement age	+2 yrs	4 942 000	9%
	-2 yrs	4 179 000	-8%
Rates of termination of service	x2	3 699 000	-19%
	x0.5	5 107 000	12%
		-	

The table above indicates, for example, that if the earnings inflation rate is one percentage point greater than the long-term assumption made, the DBO will be 6% higher than the results shown in Section 6.

Sensitivity analysis on current service and interest costs for year ending 30/06/2025	Change	Current Svc. Cost	Interest Cost	Total	% Change
Central assumptions		536 000	440 000	976 000	
General earnings inflation rate	+1%	574 000	467 000	1 041 000	7%
	-1%	501 000	415 000	916 000	-6%
Discount rate	+1%	506 000	453 000	959 000	-2%
	-1%	569 000	426 000	995 000	2%
Average retirement age	+2 yrs	564 000	477 000	1 041 000	7%
	-2 yrs	503 000	404 000	907 000	-7%
Rates of termination of service	x2	394 000	347 000	741 000	-24%
	x0.5	637 000	502 000	1 139 000	17%
		-	-	-	

Sensitivity analysis on current service and interest costs for year ending 30/06/2026	Change	Current Svc. Cos	Interest Cost	Total	% Change
Central assumptions		507 000	418 000	925 000	
General earnings inflation rate	+1%	542 000	443 000	985 000	6%
	-1%	475 000	395 000	870 000	-6%
Discount rate	+1%	480 000	436 000	916 000	-1%
	-1%	538 000	398 000	936 000	1%
Average retirement age	+2 yrs	537 000	457 000	994 000	7%
	-2 yrs	473 000	382 000	855 000	-8%
Rates of termination of service	x2	381 000	335 000	716 000	-23%
	x0.5 v	595 000	473 000	1 068 000	15%
		-	-	-	

Past and Future Changes in the Net Defined Benefit Liability - Medical Aid

As there is no plan asset, the net defined benefit liability is equal to the defined benefit obligation.

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Figures in Rand	2025	2024	
Past year and future projected defined benefit obligation	Year Ending	Year Ending	Year Ending
	30/06/2024	30/06/2025	30/06/2026
Opening DBO	2 696 000	2 853 000	2 789 000
Interest cost	276 000	284 000	278 000
Expected subsidy (benefit) payments	(313 000)	(348 000)	(350 000)
Projected closing DBO	2 659 000	2 789 000	2 717 000
Actuarial loss / (gain)	194 000	-	-
Actual closing DBO	2 853 000	2 789 000	2 717 000
Current portion (due in next 12 months)	348 000	350 000	352 000
Non-current portion	2 505 000	2 439 000	2 365 000
	-	-	-

15. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

Khotso Pula Nala Grant	30 197	30 197
LG Seta	205 500	205 500
Housing Accreditation	-	142 033
HIV & AIDS	129 521	129 521
CoGHSTA Housing Grant	382 296	659 155
	747 514	1 166 406

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited

16. Construction contracts and receivables

At 30 June 2025, retention of contracts in progress are - (2024: 345 440).

Agreements that meet all the criteria in paragraph .29 of GRAP9

The entity determines which agreements meet all the criteria in paragraph .29 of the Standard of GRAP on Revenue from Exchange Transactions continuously as construction progresses in the following manner:

The methods used to determine the stage of completion of agreements in progress is as follows:

Amount of advances received for agreements in progress	30 182	30 182
--	--------	--------

17. Revaluation reserve

Opening balance	67 265 761	62 024 719
Change during the year	-	5 241 042
	67 265 761	67 265 761

The revaluation reserve is created by surplus arising from the revaluation of property, plant and equipment. The fair value assessment of land and buildings was performed by DDP Valuers as at 30 June 2024.

18. Rental of facilities and equipment

Premises

Premises	290 725	449 178
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Figures in Rand	2025	2024
19. Other income		
Insurance claims	45 878	136 548
Discount received	-	56 174
Recoveries	14 904	-
	60 782	192 722
20. Administration and management fees		
Product related services	2 693 806	2 689 186
Training (LGSETA)	144 851	150 410
	2 838 657	2 839 596
21. Interest received		
Interest revenue		
Interest charged on receivables from exchange transaction	445 261	439 334
Bank	1 667 047	2 303 239
	2 112 308	2 742 573

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Figures in Rand	2025	2024
22. Government grants and subsidies		
Operating grants		
Equitable share	109 352 000	106 128 000
LG SETA	534 899	2 749 973
Financial management grant	1 000 000	1 000 000
Expanded public works program	1 235 000	950 000
Rural roads asset management grant	2 845 000	2 559 000
HIV/AIDS grant	-	250 000
Infrastructure skills development grant	5 000 000	5 000 001
Housing accreditation grant	252 033	157 967
CoGHSTA - Housing development project	276 858	203 590
	120 495 790	118 998 531

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Figures in Rand	2025	2024
Equitable share		
The equitable share is a financial allocation from National Treasury in the form of an unconditional grant that enables municipalities to provide basic services to poor households, and to enable municipalities with limited own resources to afford basic administrative and governance capacity and perform core municipal functions.		
Current-year receipts	109 352 000	106 128 000
Conditions met - transferred to revenue	(109 352 000)	(106 128 000)
Net grant receivable	-	-
Financial management grant		
Current-year receipts	1 000 000	1 000 000
Conditions met - transferred to revenue	(1 000 000)	(1 000 000)
Net of unspent grants	-	-
The Financial management grant is paid by National Treasury to municipalities to help implement the financial reforms required by the MFMA.		
Housing accreditation grant		
Balance unspent at beginning of year	142 033	-
Current-year receipts	110 000	300 000
Conditions met - transferred to revenue	(252 033)	(157 967)
Net of unspent grants	-	142 033
The housing grant was utilised for the development of erven and the erection of top structures.		
Khotso Pula Nala		
Balance unspent at beginning of year	30 197	30 197
The grant related to disaster relief projects at the local municipalities in the district.		
Expanded public works programme - incentive grant		
Current-year receipts	1 235 000	950 000
Conditions met - transferred to revenue	(1 235 000)	(950 000)
Net of unspent grants	-	-
The grant was used for debushing, fencing of graveyards as well as to address issues of unemployment as it is labour intensive.		
HIV and AIDS council		
Balance unspent at beginning of year	129 521	129 521
Current-year receipts	-	250 000
Conditions met - transferred to revenue	-	(250 000)
Net of unspent grants	129 521	129 521
The grant was used for HIV and AIDS awareness programmes		
Infrastructure skill development grant		
Current-year receipts	5 000 000	5 000 000
Conditions met - transferred to revenue	(5 000 000)	(5 000 000)

John Taolo Gaetsewe District Municipality
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Figures in Rand	2025	2024
Net of unspent grants	-	-

The grant was used to employ interns for training in civil engineering, building inspections and town planning.

Rural road asset management grant

Current-year receipts	2 845 000	2 559 000
Conditions met - transferred to revenue	(2 845 000)	(2 559 000)
Net of unspent grants	-	-

This grant is gazetted in the DORA to establish a road asset management system. The municipality uses these funds to employ interns to analyse and report on road usage.

LG SETA

Balance unspent at beginning of year	205 500	204 000
Current-year receipts	534 899	2 751 473
Conditions met - transferred to revenue	(534 899)	(2 749 973)
	205 500	205 500

The grant is used for learning interventions within the district

CoGHSTA - Housing development project

Balance unspent at beginning of year	659 155	862 744
Conditions met - transferred to revenue	(276 858)	(203 589)
	382 297	659 155

Changes in level of government grants

Based on the allocations set out in the Division of Revenue Act, no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years.

23. Donations in kind

Assmang Black Rock Mine	60 000	4 227 949
Department of Economic Development and Tourism	31 080	500 000
CCG Systems	60 000	-
Ga-segonyana Local Municipality	126 838	-
Kgalagadi Manganese	816 186	-
	1 094 104	4 727 949

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Figures in Rand	2025	2024
24. Employee related costs		
Basic salary	59 933 559	57 466 855
Bonus	4 627 287	4 047 374
Medical aid - company contributions	4 990 800	4 572 720
Unemployment insurance fund	300 066	294 989
Skills development levy	714 413	704 030
Leave	1 131 067	3 432 236
Remote allowance	394 449	356 687
Non-Pension allowance	61 020	101 700
Nightshift allowance	734 785	745 029
Long-service awards	238 897	318 082
Acting and inconvenience allowances	759 687	1 591 817
Travel allowance	2 776 167	2 545 325
Housing benefits and allowances	2 065 354	2 053 178
Contribution provident fund	1 233 691	1 030 788
Contribution pension fund	9 089 208	8 372 548
Contribution industrial council	15 597	14 851
Change in valuation of employee benefit obligations	(281 000)	(601 000)
Cellular phone allowance	399 375	193 681
	89 184 422	87 240 890

The senior manager remuneration is in line with the upper limits as per the Government Gazette.

Remuneration of Municipal Manager: K.K Teise

Annual Remuneration	1 271 118	1 218 069
Travel Allowance	140 964	140 964
Additional transport allowance	28 800	28 800
Cellular phone allowance	19 200	19 200
Remote Allowance	98 846	94 984
Normal leave payout	874	31 561
Acting Allowance	-	9 416
Non-pensionable Gratuity allowance	20 340	20 340
Performance Bonus	89 100	-
Skills Development Levy	16 353	15 271
Unemployment Insurance Fund	2 125	2 125
	1 687 720	1 580 730

Remuneration of Director of Infrastructure: MW Molusi

Annual Remuneration	1 039 392	1 001 413
Travel Allowance	120 000	120 000
Additional transport allowance	28 800	28 800
Cellular phone allowance	19 200	19 200
Remote Allowance	81 158	78 351
Leave Payout	718	21 752
Acting Allowance	-	6 277
Non-pensionable Gratuity allowance	20 340	20 340
Performance Bonus	81 152	-
Skills Development Levy	13 610	12 643
Unemployment Insurance Fund	2 125	2 125
	1 406 495	1 310 901

Remuneration of the Chief Financial Officer: CC Sibanyoni

Annual Remuneration	808 740	-
Travel Allowance	56 000	-
Cellular phone allowance	19 200	-
Remote Allowance	63 978	-

John Taolo Gaetsewe District Municipality

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Figures in Rand	2025	2024
Retirement Fund	49 070	-
Skills Development Levy	9 122	-
Unemployment Insurance Fund	2 125	-
	1 008 235	-

Ms CC Sibanyoni was appointed on 01 July 2024.

Remuneration of Director Corporate Services: SP Mereyotlhe

Annual Remuneration	463 149	-
Travel Allowance	70 000	-
Cellular phone allowance	11 200	-
Remote Allowance	37 320	-
Skills Development Levy	5 677	-
Unemployment Insurance Fund	1 240	-
	588 586	-

Ms SP Mereyotlhe was appointed on 01 December 2024.

Remuneration of Director Community Service: TH Matlhare

Annual Remuneration	1 058 592	1 018 571
Travel allowance	100 800	100 800
Additional Transport allowance	28 800	28 800
Remote Allowance	81 158	78 207
Cellular phone allowance	19 200	19 200
Leave Payout	718	22 789
Non-pensionable Gratuity allowance	20 340	20 340
Performance Bonus	65 257	-
Skills Development Levy	13 489	12 606
Unemployment Insurance Fund	2 125	2 125
	1 390 479	1 303 438

Remuneration of Director LED: LM Gaetsewe

Annual Remuneration	374 727	-
Retirement Fund	82 257	-
Remote Allowance	31 989	-
Cellular phone allowance	9 600	-
Unemployment Insurance Fund	1 063	-
Skills Development Levy	3 752	-
	503 388	-

Ms LM Gaetsewe was appointed on 01 January 2025.

Remuneration of Director Corporate Services: EM Tshabaemang

Annual Remuneration	-	435 734
Travel Allowance	-	50 000
Additional Transport allowance	-	12 000
Remote Allowance	-	33 940
Cellular phone allowance	-	8 000
Leave payout	-	469 848
Settlement Out Of Court Order	-	1 025 904
Non-pensionable Gratuity allowance	-	20 340
	-	2 055 766

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EM Tshabaemang's contract expired on 30 November 2023.

Remuneration of the Former Chief Financial Officer: GP Moroane

Annual Remuneration	-	115 666
Travel Allowance	-	7 000
Additional Transport allowance	-	2 400
Remote Allowance	-	8 563
Cellular phone allowance	-	1 600
Leave Payout	-	35 818
Non-pensionable Gratuity allowance	-	20 340
	-	191 387

GP Moroane resigned on the 31 July 2023.

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Figures in Rand	2025	2024
Acting allowances of Director LED: TS Motlhanke		
Annual Remuneration	91 397	-
Acting allowances of CFO: LL Shupu		
Annual Remuneration	-	442 386
Travel Allowance	-	16 000
Additional Transport Allowance	-	24 000
	-	482 386
Acting allowances of CFO: TS Motlhanke		
Annual Remuneration	-	44 238
Acting allowances of Director LED: BG Segoje		
Annual Remuneration	190 916	485 336
Additional Transport Allowance	-	24 000
	190 916	509 336
Acting allowances of Director LED: G van der Westhuizen		
Annual Remuneration	-	44 238
Acting allowances of Director Corporate Services: SP Mereyotlhe		
Annual Remuneration	-	265 432
Cellphone Allowance	-	9 600
Additional Transport Allowance	-	14 400
	-	289 432
Acting allowances of Director Corporate Services: LAN Morris		
Annual Remuneration	239 015	44 238
Additional Transport Allowance	-	2 400
	239 015	46 638

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Figures in Rand	2025	2024
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25. Remuneration of councillors

Mayor, Speaker and Councillors	6 836 419	6 626 785
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In-kind benefits

The Executive 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 remuneration of councillors is in line with the 2025 upper limits as per the Government Gazette.

Executive Mayor: PQ Mogatle-Thoane

Annual remuneration	816 523	886 533
Pension fund contributions	71 274	67 540
Transport Allowance	100 000	-
Skills development levy	8 487	8 438
Cell phone allowance	43 200	45 600
Mobile data	3 804	4 008
	1 043 288	1 012 119

Speaker: IE Aiseng

Annual remuneration	790 238	763 259
Skills development levy	8 138	7 881
Cell phone allowance	43 200	45 600
Mobile data	3 804	4 008
	845 380	820 748

Member of mayoral committee: KF Masilabele

Annual remuneration	687 238	664 903
Pension fund contributions	53 613	50 655
Skills development levy	6 571	6 391
Cell phone allowance	43 200	45 600
Mobile data	3 804	4 008
	794 426	771 557

Member of Mayoral Committee: OH Kgotlithata

Annual remuneration	687 238	664 903
Pension fund contributions	53 613	50 655
Skills development levy	6 571	6 391
Cell phone allowance	43 200	45 600
Mobile data	3 804	4 008
	794 426	771 557

Member of Mayoral Committee: I Matebese

Annual remuneration	386 958	362 352
Transport allowance	72 000	72 000
Skills development levy	4 573	4 334
Cell phone allowance	21 600	22 800
Mobile data	3 804	4 008
	488 935	465 494

Member of Mayoral Committee: PM Kgosiengewang

Annual remuneration	641 098	640 744
Transport allowance	99 752	99 752
Skills development levy	7 444	7 453
Cell phone allowance	43 200	45 600

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Figures in Rand	2025	2024
Mobile data	3 804	4 008
	795 298	797 557
MPAC Chairperson: TM Motsoare		
Annual remuneration	88 586	85 546
Skills development levy	1 013	990
Cell phone allowance	21 600	22 800
Mobile data	3 804	4 008
	115 003	113 344
Councillor: NG Ngesi		
Annual remuneration	290 422	280 555
Pension fund contributions	22 163	21 374
Skills development levy	2 918	2 840
Cell phone allowance	43 200	45 600
Mobile data	3 804	4 008
	362 507	354 377
Councillor: KR Paul		
Annual remuneration	271 721	271 281
Pension fund contributions	-	40 865
Transport Allowance	40 865	-
Skills development levy	3 279	3 288
Cell phone allowance	43 200	45 600
Mobile data	3 804	4 008
	362 869	365 042
Councillor: TC Moilwe/Kegakilwe		
Annual remuneration	290 422	280 555
Pension fund contributions	22 163	21 374
Skills development levy	2 918	2 840
Cell phone allowance	43 200	45 600
Mobile data	3 804	4 008
	362 507	354 377
Councillor: AI Eilerd		
Annual remuneration	312 585	301 929
Skills development levy	3 361	3 267
Cell phone allowance	43 200	45 600
Mobile data	3 804	4 008
	362 950	354 804
Chief Whip: TG Mosegedi		
Annual remuneration	119 598	116 482
Skills development levy	1 323	1 299
Cell phone allowance	21 600	22 800
Mobile data	3 804	4 008
	146 325	144 589
Councillor (MPAC committee member): PJ Ohentswe		
Annual remuneration	290 422	280 555
Pension fund contributions	22 163	21 374
Skills development levy	2 918	2 840
Cell phone allowance	43 200	45 600
Mobile data	3 804	4 008
	362 507	354 377

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26. Depreciation and amortisation		
Property, plant and equipment	6 024 925	5 912 477
Intangible assets	114 060	561 769
	6 138 985	6 474 246
27. Finance costs		
Interest on overdue accounts	3 110	225 445
Finance leases	304 075	764
Interest on employee benefit obligations	724 000	688 000
	1 031 185	914 209
28. Debt impairment		
Debt impairment	359 026	216 237

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Figures in Rand	2025	2024
29. Bad debts written-off		
Gross balances		
Bad debts written off	-	2 234 314
During 2024 financial year the council approved write-off of local municipality old debt owed of trade receivables. The R 2 234 314 that had been long standing and included interest was written off to this regard.		
30. Operational costs		
Advertising	168 949	341 429
Auditors remuneration	3 209 833	3 024 467
Bank charges	101 324	251 862
Business Advisory Services	2 179 586	2 826 939
Maintenance of Equipment	421 242	682 664
Donations	-	203 176
Catering	270 182	691 679
Hire	353 581	1 021 216
Insurance premiums	1 245 504	1 101 984
Community development and training	549 683	2 749 973
Conferences and seminars	1 369 288	649 905
Maintenance of buildings and facilities	171 900	49 500
IT expenses	1 881 650	1 939 197
Legal fees	1 647 023	1 462 494
Call centre - disaster management	12 880	18 620
Municipal services	2 269 355	2 061 279
Postage and courier	265	145
Printing and stationery	106 674	166 557
Inventory Consumed	176 717	399 568
Repairs of community owned properties	1 085 023	630 622
Security services	3 070 320	3 011 009
Staff welfare	130 363	60 667
Membership fees	1 057 684	1 015 901
Telephone	551 526	651 031
Travel, subsistence and accommodation	5 240 982	6 661 820
Water quality monitoring	1 490	70 250
Uniforms	119 903	88 414
Study assistance	30 793	93 941
Training and Professional fees	2 561 953	2 523 126
Imbizo events	3 236	1 890
Recruitment	70 310	-
Cleaning Services	2 282 004	2 175 357
Communication	4 477	2 156
	32 345 700	36 628 838
31. Gain/(Loss) on disposal of assets and liability		
Gain or loss on disposal of assets and liabilities	116 564	(139 412)
32. Fair value adjustments		
Investment property (Fair value model)	3 580 000	190 000
Biological assets - (Fair value model)	375 764	(93 463)
	3 955 764	96 537
33. Gain/(Loss) on biological assets		
Gains or losses arising from a change in fair value less point of sale costs	(192 486)	(2 230 254)

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Figures in Rand	2025	2024
34. Gain on assets previously not on register		
Property, plant and equipment	89 348	-
35. Cash generated from (used in) operations		
Deficit	(5 055 679)	(12 841 099)
Adjustments for:		
Depreciation and amortisation	6 138 985	6 474 246
Gain on discontinued operations	-	-
Loss on foreign exchange	-	-
Gain on assets previously not on register	(89 850)	-
Fair value adjustments	(3 955 764)	(96 537)
Gain/(Loss) on biological assets	192 486	(2 230 254)
Actuarial gains/losses	22 000	183 000
Asset write offs & disposals	(116 564)	67 469
Finance costs	724 000	688 000
Debt impairment	359 026	216 237
Bad debts written off	-	2 234 314
Movements in retirement benefit assets and liabilities	(281 000)	(601 000)
Non-cash donations and other in-kind benefits	(847 266)	(4 167 949)
Gains/losses on disposal of assets	-	139 412
Changes in working capital:		
Inventories	(27 931)	24 629
Receivables from exchange transactions	1 249 052	60 106
Payables from exchange transactions	3 610 922	(23 314 769)
VAT	(475 720)	(40 878)
Unspent conditional grants and receipts	(418 891)	(60 057)
	1 027 806	(28 804 621)

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36. Contingencies

Figures in Rand

Zitshunele Trading & contracting CC VS John Taolo Gaetsewe District Municipality litigation claim.

The dispute is based on the Municipality's alleged breach of service provide agreement which was duly entered into by the parties around 2016. This matter has become non-litigious meaning that the matter is now handled out of Court in that parties may begin the process of entering into settlement agreement negotiations which may lessen the amount sued for.

John Taolo Gaetswe District Municipality VS T Mathabethe litigation claim.

The parties have now filed its heads of arguments, chronology of events, practice note and list of authorities. The parties are awaiting the hearing date which may be available from anytime.

John Taolo Gaetsewe District Municipality VS Public protector litigation claim.

The Public Protectors filed complaint against the Municipality's alleged improper misconduct in the appointment of the driver/messenger at the Municipality, and as such office of the Public Protector would like to know the steps/ remedial action the Municipality has taken to remedy the alleged misconduct.

IMATU obo Rossouw and Van der westhuizen VS John Taolo Gaetswe District Municipality litigation claim.

The Applicants (employees of JTG) instituted proceedings at the Labour Court to determine whether it was a term and condition of employment that the Applicants were entitled to vehicle allowance prior to 1 July 2014? If the answer is "yes", did the Respondent (the Municipality) breach such contract by unilaterally amending the terms and conditions. The matter has been referred to trial court where facts are presented before the Court to resolve the dispute between the parties.

John Taolo district Municipality and Growthink Investments (Pty) Ltd.
File closed

JTG V Tshabaemang - Ms. Tshabaemang has initiated proceedings at the High Court in Kimberly to declare certain appointments of senior managers unlawful. The matters have been opposed by the municipality. The pleadings have been closed, and no further affidavits can be filed unless by leave of Court.

Matters disclosed	
2025	2024
R1 500 000 + R200 000 legal costs	2 000 000 + 200 000 legal costs
R 3 500 000 + R500 000 legal costs	3 500 000 + 500 000 legal costs
R10 000 to R150 000	50 000.00 to 150 000
R1 720 000 + R700 000 legal costs	1 500 000 + 700 000 legal costs
R 500 000 legal costs	50 000 to 100 000 legal costs 3 000 000 + 1 000 000 legal costs
-	-

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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37. Related parties

Relationships

Subject to significant degree of control by a member of key management	John Taolo Gaetsewe Development Trust
Members of key management	Refer to note 24
Councillors	Refer to note 25

Compensation of key management personnel.

The compensation of key management personnel is set out in note 24 to the Annual Financial statements.

Related party balances

Amounts included in Trade receivable (Trade Payable) regarding related parties

John Taolo Gaetsewe Developmental Trust	35 936	32 350
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Irregular expenditure, interest and other amounts recoverable from councillors

Kgosienewang PM	938	16 625
Matebese I	-	12 000
Paul KR	-	6 811

All councillors and senior managers are required to declare their business interest annually. Such business interest are listed below.

John Taolo Gaetsewe District Municipality

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Councillors:

PQ Mogatle-Thoane

Bomme-Sejo Services and Supply Co-Operative Limited

Blesbok Coal Mine

Queen Mogatle Foundation

Kalahari Beach Island

NG Ngesi

Bokone Mining Primary C-Operative Limited

Ditukus Projects

PJ Ohentswe

Letso Investment

JTG Trucking Group

Kgalagadi Freights

TC Moilwe

Ashelwang Trading Enterprise

OH Kgopodithata

Faraway Agricultural

Refemele Multi Purpose Primary Co-Operative Limited

Senior Management:

CC Sibanyoni

MRCP (Pty) Ltd

SP Mereotlhe

Sey Mining and Projects

TH Matlhare

Maremane Mining and Projects

BG Segoje

Northern Cape Bikers Tour

LM Gaetsewe

Bothojwaone Trading

Sebilo Resources

Seconded from local municipalities

Joe Morolong Local Municipality

N Tswere

Batho Phuthanang Sand Mining

Tsela Kgopo Primary Co-Operative Limited

Other councillors and senior managers (including those who acted for the period) not disclosed, do not have any active business interest.

38. Risk management

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, municipality treasury maintains flexibility in funding by maintaining availability under committed credit lines.

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.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 2 years
At 30 June 2025		
Trade and other payables	949 563	-
At 30 June 2024		
Trade and other payables	2 497 600	-
	3 447 163	-

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

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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 comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

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

Financial instrument	2025	2024
Trade Receivables from exchange transactions	3 548 396	5 156 474

Market risk

Interest rate risk

The entity's interest rate risk arises from long-term borrowings. Borrowings arises at fixed rates, which expose the Municipality to cash flow interest rate risk. Borrowings issued at fixed rates expose the entity to fair value interest rate risk. During 2025 and 2024, the entity's borrowings at variable rate were denominated in the Rand.

The entity analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing. Based on these scenarios, the entity calculates the impact on surplus and deficit of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies.

	At Fair Value through Surplus/Deficit 2025	At Amortised Cost 2025	At Fair Value Through Surplus/deficit 2024	At Amortised Cost 2024
Financial Assets				
2025/2024				
Receivables from exchange transactions	-	3 425 825	-	4 681 170
Cash and Cash Equivalents	-	1 033 430	-	696 932
Financial Liabilities				
2025/2024				
Contract advance	30 182	-	30 182	-
Payables from exchange transactions	-	949 563	-	2 497 600
Unspent conditional grants	747 514	-	1 166 405	-
Finance lease obligations	-	492 197	-	18 554
	-	-	-	-

Price risk

The municipality is exposed to equity securities price risk because of investments held by the municipality and classified on the consolidated statement of financial position either as available-for-sale or at fair value through surplus or deficit. The municipality is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the municipality diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the municipality.

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

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39. 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 realised deficits in the current and prior years (2025: R5 055 679; 2024: R12 841 099) and the net current liability (liquidity) ratio is 0,66 (2024: 0,8). The municipality also has a low cash to cost coverage ratio of 0,03, with remuneration making up 71% of the total expenditures.

Despite the above negative indicator, the municipality is a going concern because of the following:

It is a state entity set up by the Constitution of the Republic of South Africa to provide basic services to the community and is also funded by the state for that purpose. Failure to provide these services will prompt National Government intervention to ensure it stays functional and able to deliver basic services and consequently comply with the Constitution.

Management is currently looking into ways to reduce costs, with the main focus on reducing the use of consultants, as well as increasing its revenue base via municipal health services & brickmaking project.

Equitable share is the largest grant the municipality receives and the following has already been received for the 2025/26 financial year:

Government Grants	2026
Equitable Share	46 827 000

The following grants have been allocated in the DORA for the 2025/26 financial year:

Government Grants	2026
Equitable Share	112 384 000
Infrastructure Skills Development Grant	4 700 000
Rural Roads Asset Management Systems Grant	2 325 000
Local Government Financial Management Grant	1 000 000
	120 409 000

40. Unauthorised expenditure

Opening balance as previously reported	-	-
Add: Unauthorised expenditure - current	-	11 228 515
Less: Amount authorised - current	-	(11 228 515)
Closing balance	-	-

Analysed as follows (per vote)

Vote 2 - Finance & Administration	-	10 723 823
Vote 3 - Internal Audit	-	263 259
Vote 6 - Community & Social Services	-	41 041
Vote 7 - Housing	-	200 392
	-	11 228 515

41. Fruitless and wasteful expenditure

Opening balance as previously reported	-	-
Add: Fruitless and wasteful expenditure identified - current	3 114	225 508
Less: Amount written off - current	(3 114)	(225 508)
Closing balance	-	-

The amounts disclosed for fruitless and wasteful expenditure are exclusive of VAT.

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025

2024

Details of fruitless and wasteful expenditure

Interest and penalties

3 114

225 508

42. Irregular expenditure

Opening balance as previously reported

349 485

1 203 573

Add: Irregular expenditure - current

3 286 416

349 485

Add: Irregular expenditure - prior periods

4 944 522

-

Less: Amount recovered - prior period

(52 216)

-

Less: Amount written off - prior period

(296 331)

(1 203 573)

Closing balance

8 231 876

349 485

Incidents/cases identified in the current year include those listed below

The incident below related to non-compliance with procurement process requirements. The amounts below are inclusive of VAT.

Non Compliance with SCM requirements

8 230 938

349 485

43. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Current year subscription / fee

918 966

931 372

Amount paid - current year

(918 966)

(931 372)

-

-

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
Audit fees		
Opening balance	-	40 197
Current year subscription / fee	3 209 833	3 024 550
Amount paid - current year	(3 205 537)	(3 024 550)
Amount paid - previous years	-	(40 197)
	4 296	-
SDL and UIF		
Current year subscription / fee	1 005 364	995 424
Amount paid - current year	(924 902)	(995 424)
	80 462	-
Pension and Medical Aid Deductions		
Current year subscription / fee	13 671 119	12 625 589
Amount paid - current year	(12 495 817)	(12 625 589)
	1 175 302	-
VAT		
VAT receivable	1 552 522	1 076 802

All VAT returns have been submitted by the due date throughout the year.

44. 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 and section 36 of the Supply Chain Management regulations state that a supply management policy may allow the accounting officer -.

To dispense with the official procurement process established by the policy and to procure any required goods or services through any convenient process which may include direct negotiations, but only-.

- i. In an emergency
- ii. If such goods or services are produced or available from a single provider only
- iii. For acquisition of animals for zoos or
- iv. In any other exceptional case where it is impractical or impossible to follow the official procurement process

The accounting Officer may dispense with the official procurement process in the above circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the council and includes a note to the annual financial statements.

The following tables shows the amounts of deviation and reasons for deviation:

Reason for deviation		
Sole supplier	-	292 295
Impractical or impossible to follow procurement process/exceptional case	647 091	675 510
	647 091	967 805

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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45. Segment information

General information

Identification of segments

For management purposes the municipality is broadly organised into business units based on the nature of operations and the services they provide. The municipality has seven primary reportable segments:

- Finance and Administration: consist of finance, and administration
- Planning and Development: consist of project and advisory services and, planning and development services
- Community and Social Services: consist of the fire-fighting and disaster services
- Housing: consist of housing services
- Executive and Council: consist of mayor and council, and the department of the municipal manager.
- Health: consist of health and safety services.
- Internal Audit: consist of internal audit services

No individually material operating segments have been aggregated to form the above reportable operating segments.

The Municipality operates within the following local geographical area:

Ga-segonyane Local Municipality
Joe Morolong Local Municipality
Gamagara Local Municipality

The municipality does however not monitor operating results for these geographical segments, and operational results are only monitored within the business units as previously disclosed.

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

Segment surplus or deficit, assets and liabilities

2025

	Finance and Administration	Planning and Development	Community and Social Services	Housing	Executive and Council	Health	Internal Audit	Total
Revenue								
Rental of facilities and equipment	290 725	-	-	-	-	-	-	290 725
Other income	60 782	-	-	-	-	-	-	60 782
Administration and management fees	144 851	-	-	-	-	-	2 693 806	2 838 657
Interest income	2 112 308	-	-	-	-	-	-	2 112 308
Government grants & subsidies	48 161 362	24 371 670	7 811 031	6 543 146	20 095 187	10 194 196	3 319 198	120 495 790
Donations received	1 094 104	-	-	-	-	-	-	1 094 104
Gain (loss) on disposal of assets and liabilities	116 564	-	-	-	-	-	-	116 564
Fair value adjustments	3 955 764	-	-	-	-	-	-	3 955 764
Gain on assets previously not on register	89 850	-	-	-	-	-	-	89 850
Total segment revenue	56 026 310	24 371 670	7 811 031	6 543 146	20 095 187	10 194 196	6 013 004	131 054 544
Entity's revenue								131 054 544
Expenditure								
Employee related costs	34 033 247	17 234 662	6 960 081	6 150 818	12 075 521	8 657 645	4 332 582	89 444 556
Remuneration of councillors	-	-	-	-	6 836 419	-	-	6 836 419
Depreciation and amortisation	6 138 985	-	-	-	-	-	-	6 138 985
Finance costs	1 031 185	-	-	-	-	-	-	1 031 185
Debt Impairment	359 026	-	-	-	-	-	-	359 026
Operational cost	22 363 570	5 739 541	55 397	220 662	2 906 561	290 431	769 538	32 345 700
Actuarial gains/losses	22 000	-	-	-	-	-	-	22 000
Loss on biological assets	192 486	-	-	-	-	-	-	192 486
Total segment expenditure	64 140 499	22 974 203	7 015 478	6 371 480	21 818 501	8 948 076	5 102 120	136 370 357
Total segmental surplus/(deficit)	(8 114 189)	1 397 467	795 553	171 666	(1 723 314)	1 246 120	910 884	(5 315 813)

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

	Finance and Administration	Planning and Development	Community and Social Services	Housing	Executive and Council	Health	Internal Audit	Total
Assets								
Inventories	5 960 335	421 169	-	-	-	-	-	6 381 504
Receivables from exchange transactions	3 548 396	-	-	-	-	-	-	3 548 396
Statutory receivables	1 552 522	-	-	-	-	-	-	1 552 522
Cash and cash equivalents	1 033 430	-	-	-	-	-	-	1 033 430
Biological assets	2 264 910	-	-	-	-	-	-	2 264 910
Investment property	12 000 000	-	-	-	-	-	-	12 000 000
Property, plant and equipment	79 520 627	-	-	-	-	-	-	79 520 627
Intangible assets	281 501	-	-	-	-	-	-	281 501
Heritage assets	19 750	-	-	-	-	-	-	19 750
Total segment assets	106 181 471	421 169	-	-	-	-	-	106 602 640
Total assets as per Statement of financial Position								106 602 640
Liabilities								
Finance lease obligation	492 197	-	-	-	-	-	-	492 197
Payables from exchange transactions	17 411 786	-	-	-	-	-	-	17 411 786
Employee benefit obligation	7 473 000	-	-	-	-	-	-	7 473 000
Unspent conditional grants and receipts	205 500	-	-	412 493	-	129 521	-	747 514
Construction contracts	-	-	-	30 182	-	-	-	30 182
Total segment liabilities	25 582 483	-	-	442 675	-	129 521	-	26 154 679
Total liabilities as per Statement of financial Position								26 154 679

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2024

	Finance and Administration	Planning and Development	Community and Social Services	Housing	Executive and Council	Health	Internal Audit	Total
Revenue								
Rental of facilities and equipment	449 178	-	-	-	-	-	-	449 178
Other income	192 722	-	-	-	-	-	-	192 722
Administration and management fees	150 410	-	-	-	-	-	2 689 186	2 839 596
Interest income	2 742 573	-	-	-	-	-	-	2 742 573
Government grants & subsidies	48 126 680	24 914 386	8 386 886	6 796 667	17 987 626	9 544 725	3 241 560	118 998 530
Donations received	4 727 949	-	-	-	-	-	-	4 727 949
Fair value adjustments	96 537	-	-	-	-	-	-	96 537
Total segment revenue	56 486 049	24 914 386	8 386 886	6 796 667	17 987 626	9 544 725	5 930 746	130 047 085
Entity's revenue								130 047 085
Expenditure								
Employee related costs	35 312 118	16 240 733	7 038 605	6 343 878	9 959 826	7 940 561	4 405 169	87 240 890
Remuneration of councillors	-	-	-	-	6 626 785	-	-	6 626 785
Depreciation and amortisation	6 474 246	-	-	-	-	-	-	6 474 246
Finance costs	914 209	-	-	-	-	-	-	914 209
Debt Impairment	216 237	-	-	-	-	-	-	216 237
Bad debts written off	2 234 314	-	-	-	-	-	-	2 234 314
Operational cost	26 205 860	4 895 495	55 315	828 040	3 479 799	353 915	810 414	36 628 838
Gain (loss) on disposal of assets and liabilities	139 412	-	-	-	-	-	-	139 412
Actuarial gains/losses	183 000	-	-	-	-	-	-	183 000
Loss on biological assets	2 230 254	-	-	-	-	-	-	2 230 254
Total segment expenditure	73 909 650	21 136 228	7 093 920	7 171 918	20 066 410	8 294 476	5 215 583	142 888 185
Total segmental surplus/(deficit)	(17 423 601)	3 778 158	1 292 966	(375 251)	(2 078 784)	1 250 249	715 163	(12 841 100)

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

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Figures in Rand

	Finance and Administration	Planning and Development	Community and Social Services	Housing	Executive and Council	Health	Internal Audit	Total
Assets								
Inventories	5 960 132	260 835	-	-	-	-	-	6 220 967
Receivables from exchange transactions	5 156 474	-	-	-	-	-	-	5 156 474
Statutory receivables	1 076 802	-	-	-	-	-	-	1 076 802
Cash and cash equivalents	696 932	-	-	-	-	-	-	696 932
Biological assets	2 081 632	-	-	-	-	-	-	2 081 632
Investment property	8 420 000	-	-	-	-	-	-	8 420 000
Property, plant and equipment	83 535 345	-	-	-	-	-	-	83 535 345
Intangible assets	(401 325)	671 880	4 188	45 000	-	-	-	319 743
Heritage assets	19 750	-	-	-	-	-	-	19 750
Total segment assets	106 545 742	932 715	4 188	45 000	-	-	-	107 527 645
Total assets as per Statement of financial Position								107 527 645
Liabilities								
Finance lease obligation	18 553	-	-	-	-	-	-	18 553
Payables from exchange transactions	13 540 730	-	-	-	-	-	-	13 540 730
Employee benefit obligation	7 008 000	-	-	-	-	-	-	7 008 000
Unspent conditional grants and receipts	205 500	-	-	831 385	-	129 521	-	1 166 406
Construction contracts	-	-	-	30 182	-	-	-	30 182
Total segment liabilities	20 772 783	-	-	861 567	-	129 521	-	21 763 871
Total liabilities as per Statement of financial Position								21 763 871

46. Prior-year adjustments

Presented below are those items contained in the statement of financial position and statement of financial performance that have been affected by prior-year adjustments:

Statement of financial position

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand		2025	2024	
2024				
	Note	As previously reported	Correction of error	Restated
Payables from exchange transactions		14 459 697	(918 967)	13 540 730
Accumulated surplus		17 579 046	918 967	18 498 013
		32 038 743	-	32 038 743

Statement of financial performance

2024

	Note	As previously reported	Correction of error	Restated
General expenditure		(37 547 805)	918 967	(36 628 838)

Errors

General expenditure decreased as a result of the 2024/25 SALGA membership fees that was incorrectly recorded in the 2023/24 financial year. This also resulted in a decrease of Trade payables and an increase in Accumulated surplus.

47. Budget differences

Material differences between budget and actual amounts

STATEMENT OF FINANCIAL PERFORMANCE

1. The variance is due to fewer insurance claims received compared to the previous year.
2. The municipality had less surplus of funds available for investment in the current year. Therefore interest is a consequential effect.
3. Donations are a function of gratitude by the donor. The budget was far less than anticipated.
4. The variance is due to the reassessment of useful lives.
5. The variance is due to the recognition of finance lease of photocopy machines.
6. Due to some of our debtors not settling their accounts in time, indicating that they may fall bad soon.
7. None of our debtors were written off in the current year as collection efforts were in effect.
8. No bursaries were paid in the current year due to cash constraints.
9. The municipality achieved profit from asset disposal, while a loss had been budgeted. The carrying value of the assets disposed was in most cases realised however the market portrayed that asset disposed still had a residual value.
10. The fair value increases were substantially more due to significant improvements or market-related changes in the value of investment property.
11. The variance is due to expert estimates from the benefit obligations and or liabilities, the movements in between etc. Refer to the note disclosure.
12. Due to the change in market values of the animals as per the count. Furthermore the count realised a specie that was not there before.
13. Due to assets recognised in the asset register discovered during asset count.

John Taolo Gaetsewe District Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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STATEMENT OF FINANCIAL POSITION

1. The variance is due to the fact that the projection of the brick making did not materialise as anticipated.
2. Significantly lower actual figures, attributable to the improved collection of some of the debtors.
3. Significantly lower actual figures, attributable to lower expenditure which means lower input vat claimable.
4. Due to the lower cash available for investments, there were less amounts invested. The cashflow effect is also affected by cash constraints.
5. The asset count revealed that there were less animals than anticipated, although some of the market values were up, they did not match the anticipated budgeted amount.
6. This is due to the economic and or geographic market variables as determined by expert report.
7. Due to the classification of photocopy machines acquired in the current year.
8. Due to cash constraints in the current year, at year end there were third parties not yet settled.
9. This is due to the movements in the defined asset and obligation as stated in the expert report.
10. Due to cash constraints and the majority of the unspent portion is in relation to the legacy grants.
11. Due to cash constraints and the majority of the unspent portion is in relation to the legacy grants.
12. Due to the classification of photocopy machines acquired in the current year.

48. Change in estimate

Property, plant and equipment

The useful lives of assets were reviewed in the current year, resulting in a change in the depreciation for the current year. This resulted in a decrease of the current year depreciation amounting to R 587 252. There will thus be an increase in the future depreciation of these assets amounting to R 587 252 in the future periods.

Asset class	Depreciation before change in estimate	Depreciation after change in estimate	(Increase)/ Decrease in depreciation
Transport assets	2 911 780	(2 690 864)	220 916
Computer equipment	784 517	(620 032)	164 485
Furniture & Office Equipment	384 039	(284 425)	99 614
Other PPE	1 025 313	(923 076)	102 237
	5 105 649	(4 518 397)	587 252

Intangible assets

The useful lives of assets were reviewed in the current year, resulting in a change in the amortisation for the current year. This resulted in a decrease of the current year amortisation amounting to R 12 417. There will thus be an increase in the future amortisation of these assets amounting to R 12 417 in the future periods.

	Amortisation before change in estimate	Amortisation after change in estimate	(Increase)/ Decrease in amortisation
Intangible assets	126 477	(114 060)	12 417



Vol. 3 Audited Annual Performance Report

2024/2025

John Taolo Gaetsewe District Municipality

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Tel: 053-712-8700

4 Federale Mynbou, Kuruman, NC, 8460

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To mobilise, target, align and manage infrastructure investments sustainably	1	Development an alternative energy plan for the District submitted to the Municipal Manager by 30 June	Development an alternative energy plan for the District submitted to the Municipal Manager by 30 June	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Due to lack of resources to implement KPI target to be discontinued for the FY	Target Discontinued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To mobilise, target, align and manage infrastructure investments sustainably	2	Annual progress report on the implementation of the alternative energy plan submitted to the Municipal Manager by 30 June	Annual progress report on the implementation of the alternative energy plan submitted to the Municipal Manager by 30 June	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Due to lack of resources to implement KPI target to be discontinued for the FY	Target Discontinued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To improve the quality of life and over all well-being of the people	3	Number of quarterly progress reports on the eradication of mud houses submitted to the Municipal Manager by 30 June	4 quarterly progress reports on the eradication of mud houses submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To improve the quality of life and over all well-being of the people	4	Number of quarterly progress reports on the development of a Regional Hospital submitted to the Municipal Manager by 30 June	4 quarterly progress reports on the development of a Regional Hospital submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To build a resilient and transformed economy	5	Number of quarterly progress reports on the planning of the construction of a satellite university and mining college submitted to the Municipal Manager by 30 June	4 quarterly progress reports on the planning of the construction of a satellite university and mining college submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To build a resilient and transformed economy	6	Number of quarterly progress reports on the Extension of the Hotazel – Port Elizabeth railway line submitted to the Municipal Manager by 30 June	4 quarterly progress reports on the Extension of the Hotazel – Port Elizabeth railway line submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To build a resilient and transformed economy	7	Number of quarterly progress reports on the Improved school infrastructure submitted to the Municipal Manager by 30 June	4 quarterly progress reports on the Improved school infrastructure submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation	To mobilise, target, align and manage infrastructure investments sustainably	8	Number of quarterly progress reports on the water service authority Municipal Systems Act section 78 assessment submitted to the Municipal Manager by 30 June	4 quarterly progress reports on the water service authority Municipal Systems Act section 78 assessment submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To promote integrated human settlement planning	9	Number of quarterly human settlements accreditation implementation progress reports submitted to CoGHSTA by 30 June	4 quarterly human settlements accreditation implementation progress reports submitted to CoGHSTA by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	KPI description rephrased	From of quarterly human settlements accreditation implementation progress reports submitted to CoGHSTA by 30 June to quarterly progress reports on human settlements accreditation implementation submitted to CoGHSTA by June 30
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation	To provide bulk water and sanitation services	10	Number of biannual progress reports on the Vaal Gamagara water pipe outlet for neighbouring villages submitted to the Municipal Manager by 30 June	2 biannual progress reports on the Vaal Gamagara water pipe outlet for neighbouring villages submitted to the Municipal Manager by 30 June	Number	REPORT	Biannually	N/A	1	N/A	1	2	No adjustment motivated	No adjustment made	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	11	Number of monthly RRAMS expenditure reports submitted to Department of Transport by 30 June	12 monthly RRAMS expenditure reports submitted to Department of Transport by 30 June	Number	REPORT	Monthly	3	3	3	3	30-Jun	No adjustment motivated	No adjustment made	3	3	3	3	12	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	12	Annual RRAMS Business Plan submitted to Department of Transport by 31 May	Annual RRAMS Business Plan submitted to Department of Transport by 31 May	Date	BUSINESS PLAN	Annually	N/A	N/A	N/A	31-May	12	No adjustment motivated	No adjustment made	N/A	N/A	N/A	31-May	31-May	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	13	Service Provider appointed to provide support with the updating of the RRAMS by 30 June	Service Provider appointed to provide support with the updating of the RRAMS by 30 June	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30-Jun	New SLA to be signed by the end of June, target was initially not applicable	Adjust date from 15 December to 30 June and KPI is now applicable for 2023/24	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	14	Number of quarterly RRAMS progress reports submitted to Department of Transport by 30 June	4 quarterly RRAMS progress reports submitted to Department of Transport by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Sustainable Development Orientated Municipality	To enhance the skills capacity of young professionals in the built environment	15	Annual ISDG Business Plan submitted to National Treasury by 31 August	Annual ISDG Business Plan submitted to National Treasury by 31 August	Date	BUSINESS PLAN	Annually	31-Aug	N/A	N/A	N/A	31-Aug	No adjustment motivated	No adjustment made	31-Aug	N/A	N/A	N/A	30-Aug	1	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Sustainable Development Orientated Municipality	To enhance the skills capacity of young professionals in the built environment	16	Number of monthly ISDG Grant Implementation reports submitted to National Treasury by 30 June	12 monthly ISDG Grant Implementation reports submitted to National Treasury by 30 June	Number	REPORT	Monthly	3	3	3	3	12	No adjustment motivated	No adjustment made	3	3	3	3	12	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Sustainable Development Orientated Municipality	To enhance the skills capacity of young professionals in the built environment	17	Number of quarterly ISDG Grant Implementation reports submitted to National Treasury by 30 June	4 quarterly ISDG Grant Implementation reports submitted to National Treasury by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	18	Draft Updated Integrated Transport Plan annually submitted to the Municipal Manager by 31 May	Draft Updated Integrated Transport Plan annually submitted to the Municipal Manager by 31 May	Date	ITEM AND PLAN	Annually	N/A	N/A	N/A	31-May	31-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Duplication of KPI 20	Remove target
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	19	Integrated Transport Plan Stakeholder engagement annually completed by 31 March	Integrated Transport Plan Stakeholder engagement annually completed by 31 March	Date	REPORT	Annually	N/A	N/A	31-Mar	N/A	31-Mar	No adjustment motivated	No adjustment made	N/A	N/A	31-Mar	N/A	31-Mar	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	20	Final updated Integrated Transport Plan annually submitted to the Department of Transport, Safety and Liaison by 30 June	Final updated Integrated Transport Plan annually submitted to the Department of Transport, Safety and Liaison by 30 June	Date	PLAN	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	21	District Transport Authority established by 30 June	District Transport Authority established by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	30-Jun	30-Jun	Due to lack of resources to implement KPI target to be discontinued for the FY	Target Discontinued	N/A	N/A	N/A	0	0	0	NOT ACHIEVED	Due to the unavailability of funding, the implementation of Section 78 of the MSA cannot proceed at this stage.	Efforts to secure appropriate funding must be prioritised.	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	22	Number of quarterly Joe Morolong LM internal road monitoring reports submitted to the Municipal Manager by 30 June	4 quarterly Joe Morolong LM internal road monitoring reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	KPI description rephrased	From quarterly Joe Morolong LM internal road monitoring reports submitted to the Municipal Manager by 30 June to quarterly internal road monitoring reports for Joe Morolong Local Municipality submitted to the Municipal Manager by June 30

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	23	Number of quarterly Gamagara LM internal road monitoring reports submitted to the Municipal Manager by 30 June	4 quarterly Gamagara LM internal road monitoring reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	KPI description rephrased	From quarterly Gamagara LM internal road monitoring reports submitted to the Municipal Manager by 30 June to quarterly internal road monitoring reports for Gamagara Local Municipality submitted to the Municipal Manager by June 30
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	24	Number of quarterly Ga-Segonyana LM internal road monitoring reports submitted to the Municipal Manager by 30 June	4 quarterly Ga-Segonyana LM internal road monitoring reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	KPI description rephrased	From quarterly Ga-Segonyana LM internal road monitoring reports submitted to the Municipal Manager by 30 June to quarterly internal road monitoring reports for Ga-Segonyana Local Municipality submitted to the Municipal Manager by June 30
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	25	Number of quarterly progress reports regarding engagements with key stakeholders for the establishment of the Regional Airport be submitted to the Municipal Manager by 30 June	4 quarterly progress reports regarding engagements with key stakeholders for the establishment of the Regional Airport be submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	26	Brickmaking Business Plan annually submitted to potential funders to access funding by 31 October	Brickmaking Business Plan annually submitted to potential funders to access funding by 31 October	Date	PLAN	Annually	N/A	31-Oct	N/A	N/A	31-Oct	No adjustment motivated	No adjustment made	N/A	24-Oct	N/A	N/A	24-Oct	7	ACHIEVED	Target achieved on an earlier date	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	27	Number of quarterly progress reports on brickmaking submitted to Public Works by 30 June	4 quarterly progress reports on brickmaking to Public Works by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	New KPI introduced as a reporting requirement from Council	Add new KPI	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation	To provide bulk water and sanitation services	28	Water Services Development Plan (WSDP) developed by 30 June	Water Services Development Plan (WSDP) developed by 30 June	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Due to lack of resources to implement KPI target to be discontinued for the FY	Target Discontinued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment	No adjustment	

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Water and Sanitation	To provide bulk water and sanitation services	29	Water Resource Management Strategy developed by 30 June	Water Resource Management Strategy developed by 30 June	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Due to lack of resources to implement KPI target to be discontinued for the FY	Target Discontinued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated human settlements	To promote integrated human settlement planning	30	Integrated Infrastructure plan developed by 31 May	Integrated Infrastructure plan developed by 31 May	Date	PLAN	N/A	N/A	N/A	N/A	31-May	31-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	26-May	26-May	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Road and Transport	To provide roads and transport services	31	3 revised Internal Roads Paving EPWP Business Plans submitted to the Provincial Department by 31 October	3 revised Internal Roads Paving EPWP Business Plans submitted to the Provincial Department by 31 October	Date	BUSINESS PLANS	Annually	N/A	31-Oct	N/A	N/A	31-Oct	No adjustment motivated	No adjustment made	N/A	31-Oct	N/A	N/A	31-Oct	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	32	Number of monthly EPWP Integrated Grant expenditure reports submitted to the Department of Public Works by 30 June	12 monthly EPWP Integrated Grant expenditure reports submitted to the Department of Public Works by 30 June	Number	REPORT	Monthly	3	3	3	3	12	No adjustment motivated	No adjustment made	3	3	3	3	12	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	33	Number of quarterly Human Settlement Sector Plan update progress reports submitted to the Municipal Manager by 30 June	4 quarterly Human Settlement Sector Plan update progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	34	Human Settlements Sector Plan annually reviewed by 31 May	Human Settlements Sector Plan annually reviewed by 31 May	Date	PLAN	Annually	N/A	N/A	N/A	31-May	31-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	26-May	26-May	5	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	35	Final reviewed Human Settlements Accreditation Business Plan annually submitted to COGHSTA by 30 September	Final reviewed Human Settlements Accreditation Business Plan annually submitted to COGHSTA by 30 September	Date	PLAN	Annually	30-Sept	N/A	N/A	N/A	30-Sept	No adjustment motivated	No adjustment made	30-Sept	N/A	N/A	N/A	30-Sept	0	N/A	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	36	Number of monthly human settlement progress reports submitted to the COGHSTA by 30 June	12 monthly human settlement progress reports submitted to the COGHSTA by 30 June	Number	REPORT	Monthly	3	3	3	3	12	No adjustment motivated	No adjustment made	3	3	3	3	12	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	37	Number of quarterly human settlement progress reports submitted to the Municipal Manager by 30 June	4 quarterly human settlement progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

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									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	38	Draft reviewed Human Settlements Accreditation Business Plan annually submitted to Council by 31 May	Draft reviewed Human Settlements Accreditation Business Plan annually submitted to Council by 31 May	Date	ITEM AND PLAN	Annually	N/A	N/A	N/A	31-May	31-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	0	0	0	NOT ACHIEVED	The non-achievement of the target is attributed to a misalignment between the Business Plan and the approved 2025/26 budget, which affected implementation planning.	Ensure that the figures reflected in the Business Plan are aligned with the approved 2025/26 budget.	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	39	Human Settlements Register annually updated report by 30 June	Human Settlements Register annually updated report by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	30-Jun	4	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	40	Number of bi-annual Mandela House construction progress reports submitted to the Municipal Manager by 30 June	2 bi-annual Mandela House construction progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Biannually	N/A	1	N/A	1	4	No adjustment motivated	No adjustment made	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	41	Mandela Day House annually constructed by 30 June	Mandela Day House annually constructed by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	42	Business Plans annually submitted to the Provincial Department to access human settlement funding by 31 October	Business Plans annually submitted to the Provincial Department to access human settlement funding by 31 October	Date	PLAN	Annually	N/A	31-Oct	N/A	N/A	31-Oct	No adjustment motivated	No adjustment made	N/A	31-Oct	N/A	N/A	31-Oct	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	43	Number of bi-annual Special Interest Groups housing construction progress reports submitted to the Municipal Manager by 30 June	2 bi-annual Special Interest Groups housing construction progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Biannually	N/A	1	N/A	1	2	No adjustment motivated	No adjustment made	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	44	House for Special Interest Groups annually completed by 30 June	House for Special Interest Groups annually completed by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	30-Jun	N/A	Due to lack of resources to implement KPI target to be discontinued for the FY	Target Discontinued	N/A	N/A	N/A	0	0	0	NOT ACHIEVED	Implementation was delayed due to cash flow constraints.	The activity has been rescheduled for implementation in the 2025/26 financial year, subject to the availability of funds.	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To provide adequate housing to residents of the District	45	Number of quarterly human settlements projects monitoring reports submitted to COGHSTA by 30 June	4 quarterly human settlements projects monitoring reports submitted to COGHSTA by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Integrated Human Settlements	To develop community facilities	46	Number of quarterly human settlement job creation reports submitted to the Municipal Manager by 30 June	4 quarterly human settlement job creation reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Promotion of Health in the District	To provide municipal health services to the communities of the District	47	Municipal Health Services Strategy reviewed by 30 June	Municipal Health Services Strategy reviewed by 30 June	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Promotion of Health in the District	To provide municipal health services to the communities of the District	48	Municipal health policy annually reviewed as per amendments of National Environmental Health Policy by 30 June	Municipal health policy annually reviewed as per amendments of National Environmental Health Policy by 30 June	Date	ITEM AND POLICY	Quinquennial	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Promotion of Health in the District	To provide municipal health services to the communities of the District	49	Reviewed Municipal health tariffs annually submitted to BTO by 31 March	Reviewed Municipal health tariffs annually submitted to BTO by 31 March	Date	TARIFFS	Annually	N/A	N/A	31-Mar	N/A	31-Mar	No adjustment motivated	No adjustment made	N/A	N/A	31-Mar	N/A	31-Mar	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Promotion of Health in the District	To provide municipal health services to the communities of the District	50	Number of Municipal Health Services Actions performed by 30 June	528 Municipal Health Services Actions performed by 30 June	Number	REPORT	Annually	132	132	132	132	445	Corrected reporting cycle	From Annually to Quarterly	123	147	154	113	537	9	ACHIEVED	Achieved a higher target number	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Environmental Management, Conservation and Climate Change Management	To provide municipal health services to the communities of the District	51	Air Quality Management Plan reviewed by 30 June	Air Quality Management Plan reviewed by 30 June	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Environmental Management, Conservation and Climate Change Management	To provide municipal health services to the communities of the District	52	Number of quarterly Air Quality Management Plan implementation reports submitted to the Municipal Manager by 30 June	4 quarterly Air Quality Management Plan implementation reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Environmental Management, Conservation and Climate Change Management	To provide municipal health services to the communities of the District	53	Comprehensive Climate Change Strategy reviewed by 30 June	Comprehensive Climate Change Strategy reviewed by 30 June	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Environmental Management, Conservation and Climate Change Management	To provide municipal health services to the communities of the District	54	Number of quarterly Comprehensive Climate Change Strategy implementation reports submitted to the Municipal Manager by 30 June	4 quarterly Comprehensive Climate Change Strategy implementation reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Environmental Management, Conservation and Climate Change Management	To provide municipal health services to the communities of the District	55	Annual report on business plans submitted for funding of Environmental Management projects by 30 June	Annual report on business plans submitted for funding of Environmental Management projects by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	0	0	0	NOT ACHIEVED	Business plan could not be submitted to funders due to delays with approval	The crafted Business Plan will be finalised and sent to potential funders	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	56	Number of quarterly disaster statistical reports submitted to the Municipal Manager by 30 June	4 quarterly disaster statistical reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	57	Number of quarterly Disaster Management Advisory Forum meetings held by 30 June	4 quarterly Disaster Management Advisory Forum meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	58	Annual District Disaster Management Report submitted to Northern Cape Province by 30 June	Annual District Disaster Management Report submitted to Northern Cape Province by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	59	Number of Disaster Management Contingency Plans reviewed by 30 June	4 Disaster Management Contingency Plans reviewed by 30 June	Number	PLAN	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	60	Disaster Management Framework reviewed by 30 June	Disaster Management Framework reviewed by 30 June	Date	FRAMEWORK	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	0	0	0	NOT ACHIEVED	KPI did not meet IA assessment	Ensure POE meets IA assessment requirements	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	61	Disaster Management Plan reviewed by 30 June	Disaster Management Plan reviewed by 30 June	Date	PLAN	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	0	0	0	NOT ACHIEVED	KPI did not meet IA assessment	Ensure POE meets IA assessment requirements	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	62	Percentage of Disaster Management Volunteers trained by 30 June	100% of Disaster Management Volunteers trained by 30 June	Percentage	REPORT	Annually	N/A	N/A	N/A	100%	N/A	Due to difficulties securing funding target will be discontinued for the financial year	Target Discontinued	N/A	N/A	N/A	100%	100%	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	63	Number of quarterly disaster response and recovery inventory replenishment reports submitted to the Municipal Manager by 30 June	4 quarterly disaster response and recovery inventory replenishment reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	3	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Disaster Management	To provide Disaster Management Services	64	Annual progress report on the development of a fully-fledged Disaster Management Centre and functional satellite centre submitted to the Municipal Manager by 30 June	Annual progress report on the development of a fully-fledged Disaster Management Centre and functional satellite centre submitted to the Municipal Manager by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To provide resources for the daily operations and maintenance of the Municipality	65	Council approved budget for the daily operations and maintenance of the Municipality by 31 May	Council approved budget for the daily operations and maintenance of the Municipality by 31 May	Date	BUDGET	Annually	N/A	N/A	N/A	31-May	21-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	31-May	31-May	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To provide auxiliary services	66	Number of quarterly auxiliary services reports submitted to the Municipal Manager by 30 June	4 quarterly auxiliary services reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To provide auxiliary services	67	Building Alterations (Strongroom) completed by 30 June	Building Alterations (Strongroom) completed by 30 June	Date	REPORT	Quinquennially	N/A	N/A	N/A	30-Jun	0	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Due to asbestos health risks based on building materials used, no renovations can be undertaken	Remove target
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To provide auxiliary services	68	Building renovations completed (Phase 1) by 30 June	Building renovations completed (Phase 1) by 30 June	Date	REPORT	Quinquennially	N/A	N/A	N/A	30-Jun	0	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Due to asbestos health risks based on building materials used, no renovations can be undertaken	Remove target
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To provide auxiliary services	69	Building renovations completed (Phase 2, including of Tourism Office) by 30 June	Building renovations completed (Phase 2, including of Tourism Office) by 30 June	Date	REPORT	Quinquennially	N/A	N/A	N/A	30-Jun	0	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Due to asbestos health risks based on building materials used, no renovations can be undertaken	Remove target
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To govern municipal affairs	70	Number of quarterly ordinary Council meetings held by 30 June	4 quarterly ordinary Council meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To govern municipal affairs	71	Number of monthly Senior Management meetings held by 30 June	12 monthly Senior Management meetings held by 30 June	Number	MINUTES	Monthly	3	3	3	3	12	No adjustment motivated	No adjustment made	3	3	2	0	8	4	NOT ACHIEVED	No information and POE provided for Q4	To be resolved during performance information verification	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	72	Annual Audit Action Plan submitted to the Municipal Manager by 31 January	Annual Audit Action Plan submitted to the Municipal Manager by 31 January	Date	PLAN	Annually	N/A	N/A	31-Jan	N/A	31-Jan	No adjustment motivated	No adjustment made	N/A	N/A	31-Jan	N/A	31-Jan	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP Priority Area)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmenta l-relation in the District	73	Number of quarterly District IGR and DDM Forum meetings held by 30 June	4 quarterly District IGR and DDM Forum meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	3	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmenta l-relation in the District	74	Number of quarterly MM’s Forum meetings held by 30 June	4 quarterly MM’s Forum meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	0	3	1	NOT ACHIEVED	No information and POE provided for Q4	To be resolved during performance information verification	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmenta l-relation in the District	75	Number of quarterly District Financial Viability Forum meetings held by 30 June	4 quarterly District Financial Viability Forum meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmenta l-relation in the District	76	Number of quarterly District Planning and Performance Forum meetings held by 30 June	4 quarterly District Planning and Performance Forum meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmenta l-relation in the District	77	Number of quarterly District Health Council meetings held by 30 June	4 quarterly District Health Council meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	2	No adjustment motivated	No adjustment made	0	0	0	0	0	4	NOT ACHIEVED	No District Health Council meetings were convened during the period under review due to coordination challenges and the absence of scheduled engagements between key stakeholders.	To address this, a high-level consultations with the Speaker and Executive Mayor to unlock the matter politically and establish a sustainable mechanism for regular convening of the DHC will take place in Q1 of the new financial year.	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmenta l-relation in the District	78	Number of quarterly Integrated Infrastructure Forum meetings held by 30 June	4 quarterly Integrated Infrastructure Forum meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmenta l-relation in the District	79	Number of bi-annual Institutional Transformation and Development Forum meetings held by 30 June	2 bi-annual Institutional Transformation and Development Forum meetings held by 30 June	Number	MINUTES	Biannually	N/A	1	N/A	1	0	No adjustment motivated	No adjustment made	N/A	0	N/A	0	0	2	NOT ACHIEVED	Unavailability of key stakeholders	Non-attendance issue to be raised at the IGR for intervention	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women, children, youth, disabled, elderly	80	Number of bi-annual District AIDS Council meetings held by 30 June	2 bi-annual District AIDS Council meetings held by 30 June	Number	MINUTES	Quarterly	N/A	1	N/A	1	1	No adjustment motivated	No adjustment made	N/A	0	1	1	2	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure legal compliance	81	Number of monthly compliance monitoring reports submitted to the Municipal Manager by 30 June	12 monthly compliance monitoring reports submitted to the Municipal Manager by 30 June	Number	REPORT	Monthly	3	3	3	3	12	No adjustment motivated	No adjustment made	3	3	3	3	12	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote oversight and public accountability	82	Number of monthly consolidated Audit Action Plan progress updates submitted to the Municipal Manager by 30 June	12 monthly consolidated Audit Action Plan progress updates submitted to the Municipal Manager by 30 June	Number	REPORT	Monthly	3	3	3	3	12	No adjustment motivated	No adjustment made	3	3	3	3	12	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote oversight and public accountability	83	Number of quarterly MPAC meetings held by 30 June	4 quarterly MPAC meetings held by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	Achieved a higher target number	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	84	Number of quarterly internal audit reports issued by 30 June	4 quarterly internal audit reports issued by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	2	1	2	6	2	ACHIEVED	Achieved a higher target number	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	85	Annual Internal Audit Methodology approved by Council by 30 June	Annual Internal Audit Methodology approved by Council by 30 June	Date	METHODOLOGY	Annually	N/A	N/A	N/A	30-Jun	30-Jun	KPI description adjusted to align with POE submission	From Plan to Methodology	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	86	Annual Internal Audit Charter approved by Audit, Risk and Performance Committee by 30 June	Annual Internal Audit Charter approved by Audit, Risk and Performance Committee by 30 June	Date	CHARTER	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	87	One-year Internal Audit plan approved by Audit, Risk and Performance Committee by 30 June	One-year Internal Audit plan approved by Audit, Risk and Performance Committee by 30 June	Date	PLAN	Annually	N/A	N/A	N/A	30-Jun	30-Jun	KPI description adjusted to align with POE submission	From Plans to Plan	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	88	Three-year Internal Audit Strategy approved by Audit, Risk and Performance Committee by 30 June	Three-year Internal Audit Strategy approved by Audit, Risk and Performance Committee by 30 June	Date	ITEM AND STRATEGY	Annually	N/A	N/A	N/A	30-Jun	30-Jun	KPI description adjusted to align with POE submission	Remove the word Rolling	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	89	4 quarterly Audit, Risk and Performance Committee Oversight Reports submitted to Council by 30 June	4 quarterly Audit, Risk and Performance Committee Oversight Reports submitted to Council by 30 June	Number	ITEM AND REPORT	Quarterly	1	1	1	1	3	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP Priority Area)	Strategic Objective	KPI NR	Key Performance Indicator Title	Target (Output)	Unit of Measurement	Portfolio of Evidence	Reporting Cycle	Target Breakdown				Audited Annual Performance (2023/2024)	Motivation for Adjustment (2023/2024)	Proposed Performance Adjustment (2023/2024)	Actual Quarterly Performance				Actual Annual Performance (2024-2025)	Variance	Achieved / Not Achieved (2024-2025)	If Not Achieved, Reasons for Not Achieving and/or Variance (2024-2025)	Corrective Measures to be Taken (2024-2025)	Motivation for Adjustment (2024-2025)	Proposed Performance Adjustment (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	90	Annual Council Approved Audit, Risk and Performance Committee Charter by 30 June	Annual Council Approved Audit, Risk and Performance Committee Charter by 30 June	Date	ITEM AND CHARTER	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote achievement of a clean annual audit outcome for all the Municipalities in the District	91	Annual Internal Audit Awareness Campaign held by 31 May	Annual Internal Audit Awareness Campaign held by 31 May	Date	REPORT	Annually	N/A	N/A	N/A	31-May	31-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	31-May	31-May	-	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmenta l-relation in the District	92	Number of bi-annual Mayor’s Forum meetings held by 30 June	2 bi-annual Mayor’s Forum meetings held by 30 June	Number	MINUTES	Quarterly	N/A	1	N/A	1	2	No adjustment motivated	No adjustment made	1	1	1	0	3	1	ACHIEVED	Achieved a higher target number	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmenta l-relation in the District	93	Number of bi-annual Speaker’s Forum meetings held by 30 June	2 bi-annual Speaker’s Forum meetings held by 30 June	Number	MINUTES	Bi-annually	N/A	1	N/A	1	2	No adjustment motivated	No adjustment made	1	1	1	0	3	1	ACHIEVED	Achieved a higher target number	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote good intergovernmenta l-relation in the District	94	Number of bi-annual Traditional Leaders’ Forum meetings held by 30 June	2 bi-annual Traditional Leaders’ Forum meetings held by 30 June	Number	MINUTES	Biannually	N/A	1	N/A	1	2	No adjustment motivated	No adjustment made	N/A	0	N/A	0	0	1	NOT ACHIEVED	No Traditional Leaders’ Forum meetings were convened during the period under review due to coordination challenges and the absence of scheduled engagements between key stakeholders.	Speaker and Executive Mayor to unlock the matter politically and establish a sustainable mechanism for regular convening of the Traditional Leaders’ Forum will take place in Q1 of the new financial year.	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	95	Number of quarterly District Communications Forum meetings held by 30 June	4 quarterly District Communications Forum meetings held by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	96	Number of quarterly external newsletters published by 30 June	4 quarterly external newsletters published by 30 June	Number	NEWSLETTER	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	97	Number of bi-annually internal newsletters published on the intranet by 30 June	2 bi-annually internal newsletters published on the intranet by 30 June	Number	NEWSLETTER	Biannually	N/A	1	N/A	1	4	No adjustment motivated	No adjustment made	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)		
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4									
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	98	Stakeholder register annually updated by 31 July	Stakeholder register annually updated by 31 July	Date	REPORT	Annually	31-Jul	N/A	N/A	N/A	N/A	31-Jul	No adjustment motivated	No adjustment made	31-Jul	N/A	N/A	N/A	N/A	31-Jul	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	99	Local Municipalities supported to develop and/or review the respective LM Communication Strategies by 30 June	Local Municipalities supported to develop and/or review the respective LM Communication Strategies by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	N/A	30-Jun	0	No adjustment motivated	No adjustment made	N/A	N/A	N/A	6-May	6-May	56	ACHIEVED	Target achieved at an earlier date	N/A	No adjustment	No adjustment	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	100	Public Participation Strategy annually reviewed by 31 March	Public Participation Strategy annually reviewed by 31 March	Date	STRATEGY	Annually	N/A	N/A	N/A	31-Mar	N/A	0	KPI split for accountability and focus purposes	Split KPI	N/A	N/A	31-Mar	N/A	31-Mar	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	101	Communication Strategy annually reviewed by 31 March	Communication Strategy annually reviewed by 31 March	Date	STRATEGY	Annually	N/A	N/A	N/A	31-Mar	N/A	0	KPI split for accountability and focus purposes	Split KPI	N/A	N/A	0	0	0	92	NOT ACHIEVED	No date information provided for Q4	To be confirmed during verification	No adjustment	No adjustment	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	102	Number of triannual Mayoral engagements with key stakeholders by 30 June	3 triannual Mayoral engagements with key stakeholders by 30 June	Number	REPORT	Quarterly	N/A	1	1	1	1	4	No adjustment motivated	No adjustment made	N/A	1	1	1	3	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	103	Number of council p programmes to communities by 30 June	2 council outreach programmes to communities by 30 June	Number	REPORT	Quarterly	N/A	1	N/A	1	1	2	Corrected target breakdown	From 1 per quarter to 2 bi-annually	1	1	1	1	4	2	ACHIEVED	Achieved a higher target number	N/A	No adjustment	No adjustment	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	104	Community satisfaction survey concluded by 30 June	Community satisfaction survey concluded by 30 June	Date	SURVEY	Annually	N/A	N/A	N/A	30-Jun	0	No adjustment motivated	No adjustment made	N/A	N/A	N/A	0	0	0	NOT ACHIEVED	No date information provided for Q4	To be confirmed during verification. It should be noted target was not achieved in previous financial year and move to this financial year	No adjustment	No adjustment		
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To improve public participation	105	District Service Delivery Charter annually reviewed by 31 May	District Service Delivery Charter annually reviewed by 31 May	Date	CHARTER	Annually	N/A	N/A	N/A	31-May	31-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	0	0	30	NOT ACHIEVED	Official Emails were not working	The DSDC was reviewed without changes. To be confirmed with verification	No adjustment	No adjustment		
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women, children, youth, disabled, elderly	106	Number of quarterly targeted group forum meetings held by 30 June	4 quarterly targeted group forum meetings held by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment		

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women, children, youth, disabled, elderly	107	Number of quarterly targeted group campaigns conducted by 30 June	4 quarterly targeted group campaigns conducted by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote the interests and rights of targeted groups – women, children, youth, disabled, elderly	108	Number of bi-annual District Disability Council meetings held by 30 June	2 bi-annual District Disability Council meetings held by 30 June	Number	REPORT	Biannually	N/A	1	N/A	1	2	No adjustment motivated	No adjustment made	N/A	1	1	1	3	1	ACHIEVED	Achieved a higher target number	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To manage risks to the Municipality	109	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	4 quarterly Internal Risk Management Committee Meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	0	0	0	1	3	NOT ACHIEVED	Only one (1) Internal Risk Management Committee (IRMC) meeting was held during the period under review. This was primarily due to limited availability and competing priorities within senior management, which impacted the scheduling and quorum of risk governance structures.	To strengthen institutional risk oversight and address the gap in quarterly risk committee engagements, the Municipal Manager has approved the establishment of a Risk Management Steering Committee. This technical forum, comprising key directorates, will serve as a preparatory platform to address risk-related matters and formulate recommendations for tabling at the IRMC.	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To manage risks to the Municipality	110	Risk assessment annually completed by 30 June	Risk assessment annually completed by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	23-Jun	23-Jun	7	ACHIEVED	Target achieved on an earlier date	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To manage risks to the Municipality	111	Number of quarterly risk register progress reports submitted to the Municipal Manager by 30 June	4 quarterly risk register progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To manage risks to the Municipality	112	Number of quarterly risk strategy/implementation plan progress reports submitted to the Municipal Manager by 30 June	4 quarterly risk strategy/implementation plan progress reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To manage risks to the Municipality	113	Risk management policy annually reviewed by 31 May	Risk management policy annually reviewed by 31 May	Date	ITEM AND POLICY	Annually	N/A	N/A	N/A	31-May	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	28-May	28-May	3	ACHIEVED	Target achieved on an earlier date	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To promote ethical behaviour	114	Fraud Prevention Policy Annually reviewed by 31 May	Fraud Prevention Policy Annually reviewed by 31 May	Date	ITEM AND POLICY	Annually	N/A	N/A	N/A	31-May	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	28-May	28-May	3	ACHIEVED	Target achieved on an earlier date	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	115	Annual Council approved IDP Framework by 31 August	Annual Council approved IDP Framework by 31 August	Date	ITEM AND FRAMEWORK	Annually	31-Aug	N/A	N/A	N/A	22-Aug	No adjustment motivated	No adjustment made	28-Aug	N/A	N/A	N/A	28-Aug	3	ACHIEVED	Target achieved on an earlier date	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	116	Draft IDP annually adopted by Council by 31 March	Draft IDP annually adopted by Council by 31 March	Date	ITEM AND PLAN	Annually	N/A	N/A	31-Mar	N/A	15-Mar	No adjustment motivated	No adjustment made	N/A	N/A	28-Mar	N/A	28-Mar	3	ACHIEVED	Target achieved on an earlier date	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	117	Draft Top-layer SDBIP annually submitted to Council with Draft IDP by 31 March	Draft Top-layer SDBIP annually submitted to Council with Draft IDP by 31 March	Date	ITEM AND PLAN	Annually	N/A	N/A	31-Mar	N/A	15-Mar	No adjustment motivated	No adjustment made	N/A	N/A	25-Mar	N/A	25-Mar	6	ACHIEVED	Target achieved on an earlier date	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	118	IDP Lekgotla annually held by 30 June	IDP Lekgotla annually held by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	30-Jun	0	No adjustment motivated	No adjustment made	N/A	N/A	N/A	27-May	27-May	35	ACHIEVED	Target achieved on an earlier date	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	119	Number of IDP and Budget Roadshows annually held by 31 May	4 IDP and Budget Roadshows annually held by 31 May	Number	REPORT	Annually	N/A	N/A	N/A	4	26	No adjustment motivated	No adjustment made	N/A	N/A	N/A	4	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	120	Final IDP annually adopted by Council by 31 May	Final IDP annually adopted by Council by 31 May	Date	ITEM AND PLAN	Annually	N/A	N/A	N/A	31-May	7-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	28-May	28-May	3	ACHIEVED	Target achieved on an earlier date	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To ensure effective strategic integrated sustainable development planning in the District	121	Final Draft Top-layer SDBIP annually submitted to Council with Draft IDP by 31 May	Final Draft Top-layer SDBIP annually submitted to Council with Draft IDP by 31 May	Date	ITEM AND PLAN	Annually	N/A	N/A	N/A	31-May	7-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	20-May	20-May	11	ACHIEVED	Target achieved on an earlier date	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To review and report IDP Implementation progress against predetermined objectives	122	Annually reviewed Organizational Performance Management Framework approved by Council by 31 May	Annually reviewed Organizational Performance Management Framework approved by Council by 31 May	Date	ITEM AND FRAMEWORK	Annually	N/A	N/A	N/A	31-May	7-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	20-May	20-May	11	ACHIEVED	Target achieved on an earlier date	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To review and report IDP Implementation progress against predetermined objectives	123	1st Quarter Performance Review Report annually submitted to Council by 30 November	1st Quarter Performance Review Report annually submitted to Council by 30 November	Date	ITEM AND REPORT	Annually	N/A	30-Nov	N/A	N/A	27-Nov	No adjustment motivated	No adjustment made	N/A	26-Nov	N/A	N/A	26-Nov	4	ACHIEVED	Target achieved at an earlier date	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To review and report IDP Implementation progress against predetermined objectives	124	Mid-year performance review report annually submitted to Council by 31 January	Mid-year performance review report annually submitted to Council by 31 January	Date	ITEM AND REPORT	Annually	N/A	N/A	31-Jan	N/A	24-Jan	No adjustment motivated	No adjustment made	N/A	N/A	21-Jan	N/A	21-Jan	10	ACHIEVED	Target achieved at an earlier date	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To review and report IDP Implementation progress against predetermined objectives	125	3rd Quarter Performance Review Report annually submitted to Council by 31 May	3rd Quarter Performance Review Report annually submitted to Council by 31 May	Date	ITEM AND REPORT	Annually	N/A	N/A	N/A	31-May	0	No adjustment motivated	No adjustment made	N/A	N/A	N/A	27-May	27-May	4	ACHIEVED	Target achieved at an earlier date	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To review and report IDP Implementation progress against predetermined objectives	126	Annual report submitted to Auditor General by 31 August	Annual report submitted to Auditor General by 31 August	Date	REPORT	Annually	31-Aug	N/A	N/A	N/A	31-Aug	No adjustment motivated	No adjustment made	31-Aug	N/A	N/A	N/A	31-Aug	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Sustainable Development Orientated Municipality	To implement the Spatial Planning and Land Use Management Act (SPLUMA)	127	Spatial Development Framework reviewed by 30 June	Spatial Development Framework reviewed by 30 June	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	128	DGDS triennially reviewed by 30 June	DGDS triennially reviewed by 30 June	Date	STRATEGY	Triennially	N/A	N/A	N/A	30-Jun	N/A	Due to limited resources, target to be discontinued and achieved in a different FY	Target Discontinued	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	129	Number of quarterly DGDS Implementation monitoring reports submitted to the Municipal Manager by 30 June	Number of quarterly DGDS Implementation monitoring reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	0	3	1	NOT ACHIEVED	Target did not meet audit standards.	Action plan to correct future audit findings.	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	130	LED Strategy triennially reviewed by 31 May	LED Strategy triennially reviewed by 31 May	Date	STRATEGY	Triennially	N/A	N/A	N/A	31-May	N/A	Due to limited resources, target to be discontinued and achieved in a different FY	Target Discontinued	N/A	N/A	N/A	30-Jun	30-Jun	30	NOT ACHIEVED	The delay was due to the ongoing review process facilitated by COGTA, which had committed to supporting the municipality with the technical refinement and finalization of the strategy.	The LED Strategy was submitted to the Municipal Manager on 30 June 2025, a month later than the targeted deadline of 31 May.	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	131	SMME Strategy triennially reviewed by 30 June	SMME Strategy triennially reviewed by 30 June	Date	STRATEGY	Triennially	N/A	N/A	N/A	30-Jun	N/A	Due to limited resources, target to be discontinued and achieved in a different FY	Target Discontinued	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	132	SLP Strategy triennially reviewed by 30 June	SLP Strategy triennially reviewed by 30 June	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Due to limited resources, target to be discontinued and achieved in a different FY	Target Discontinued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	133	Manufacturing Strategy triennially reviewed by 31 May	Manufacturing Strategy triennially reviewed by 31 May	Date	STRATEGY	Triennially	N/A	N/A	N/A	31-May	N/A	Due to limited resources, target to be discontinued and achieved in a different FY	Target Discontinued	N/A	N/A	N/A	0	0	30	NOT ACHIEVED	LED Manufacturing Strategy sent to MM for inputs provided instead of a reviewed Manufacturing strategy	Target to be achieved in the new financial year	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	134	Number of quarterly LED Strategy Implementation monitoring reports submitted by 30 June	4 quarterly LED Strategy Implementation monitoring reports submitted by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	Corrected target breakdown	All quarterly target breakdown adjusted to 1	1	1	1	0	3	1	NOT ACHIEVED	Target did not meet audit standards.	Action plan to correct future audit findings.	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	135	Number of quarterly LED Forum meetings held by 30 June	4 quarterly LED Forum meetings held by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote local economic development	136	Regional Development Agency (multi-sectorial and multi-stakeholder) established by 30 June	Regional Development Agency (multi-sectorial and multi-stakeholder) established by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	30-Jun	0	No adjustment motivated	No adjustment made	N/A	N/A	N/A	0	0	0	NOT ACHIEVED	This was largely due to challenges in accessing the required baseline information from the LED and CRDP units, despite formal requests. The unavailability of key documents and institutional memory impacted progress toward meeting the target.	The process has since been escalated and will be prioritised in the 2025/26 financial year, with a renewed focus on interdepartmental collaboration and information flow.	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To promote employment opportunities in the District	137	Number of quarterly District SMME Database update reports submitted to the Municipal Manager by 30 June	4 quarterly District SMME Database update reports submitted to the Municipal Manager by 30 June	Number	REPORT AND SUBMISSION REGISTER	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	0	3	1	NOT ACHIEVED	The target was not achieved due to no budget for community / SMME Engagements	Funding allocation for target in new financial year	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To facilitate increased LED capacity in the District	138	Number of quarterly Local Municipalities LED support reports submitted to the Municipal Manager by 30 June	4 quarterly Local Municipalities LED support reports submitted to the Municipal Manager by 30 June	Number	REPORT AND SUBMISSION REGISTER	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	139	Tourism Marketing Strategy triennially reviewed by 31 May	Tourism Marketing Strategy triennially reviewed by 31 May	Date	STRATEGY	Triennially	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	0	0	0	NOT ACHIEVED	Delays in obtaining inputs from key stakeholders	Strictly adhere to review time frames, target to be concluded in new financial year	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	140	Number of quarterly Tourism Marketing Strategy Implementation Reports submitted to the Municipal Manager by 30 June	4 quarterly Tourism Marketing Strategy Implementation Reports submitted to the Municipal Manager by 30 June	Number	REPORT AND SUBMISSION REGISTER	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	141	2 tourism promotion events participated in by 30 June	2 tourism promotion events participated in by 30 June	Date	REPORT AND SUBMISSION REGISTER	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	21-May	21-May	41	ACHIEVED	Target achieved at an earlier date	N/A	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	142	District Tourism Festival Concept Document reviewed by 31 May	District Tourism Festival Concept Document reviewed by 31 May	Date	REPORT AND SUBMISSION REGISTER	Annually	N/A	N/A	N/A	31-May	31-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	0	0	30	NOT ACHIEVED	Department was requested to prioritize Flea Market Concept Document	Target to be achieved in the new financial year	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)		
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4									
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	143	District Tourism Festival held by 30 September	District Tourism Festival held by 30 September	Date	REPORT AND SUBMISSION REGISTER	Annually	30-Sept	N/A	N/A	N/A	N/A	21-Sept	No adjustment motivated	No adjustment made	21-Sept	N/A	N/A	N/A	N/A	21-Sept	9	ACHIEVED	Target achieved at an earlier date	N/A	KPI description changed to address current needs	From District Tourism Festival held by 30 September to Completion of a district tourism festival benchmarking analysis by 30 September
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	144	Conduct a feasibility study for the development of a special economic zone submitted to the Municipal Manager by 30 June	Conduct a feasibility study for the development of a special economic zone submitted to the Municipal Manager by 30 June	Date	REPORT AND SUBMISSION REGISTER	Annually	N/A	N/A	N/A	N/A	30-Jun	0	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Discontinue KPI is applicable due to slow progress in securing funding for study	Discontinue target	
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To enhance tourism development and Promote the District as a preferred Tourism Destination	145	Annual progress report on the implementation of the special economic zone feasibility study submitted to the Municipal Manager by 30 June	Annual progress report on the implementation of the special economic zone feasibility study submitted to the Municipal Manager by 30 June	Date	FEASIBILITY STUDY	Annually	N/A	N/A	N/A	N/A	30-Jun	0	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Discontinue KPI is applicable due to slow progress in securing funding for study	Discontinue target	
LOCAL ECONOMIC DEVELOPMENT	Land Development and Reform	To facilitate availability of land for Economic Development	146	Commonage farms refurbishment by 30 June	Commonage farms refurbishment by 30 June	Date	REPORT AND SUBMISSION REGISTER	Annually	N/A	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	27-Jun	27-Jun	3	ACHIEVED	N/A	N/A	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Land Development and Reform	To facilitate availability of land for Economic Development	147	Commonage Management policy annually reviewed by 31 May	Commonage Management policy annually reviewed by 31 May	Date	POLICY	Annually	N/A	N/A	N/A	N/A	31-May	31-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	28-May	28-May	3	ACHIEVED	Target achieved at an earlier date	N/A	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Land Development and Reform	To facilitate availability of land for Economic Development	148	Commonage tariff structure annually reviewed by 31 May	Commonage tariff structure annually reviewed by 31 May	Date	TARIFFS	Annually	N/A	N/A	N/A	N/A	31-May	31-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	28-May	28-May	3	ACHIEVED	Target achieved at an earlier date	N/A	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Land Development and Reform	To facilitate availability of land for Economic Development	149	Number of quarterly commonage management implementation reports submitted to the Municipal Manager by 30 June	4 quarterly commonage management implementation reports submitted to the Municipal Manager by 30 June	Date	REPORT AND SUBMISSION REGISTER	Quarterly	1	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
LOCAL ECONOMIC DEVELOPMENT	Local Economic Development	To facilitate the co-ordination of CRDP	150	Number of quarterly agricultural programme reports submitted to the Municipal Manager by 30 June	4 quarterly agricultural programme reports submitted to the Municipal Manager by 30 June	Date	REPORT AND SUBMISSION REGISTER	Quarterly	1	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	151	Number of quarterly Budget and IDP Steering Committee meetings held by 30 June	4 quarterly Budget and IDP Steering Committee meetings held by 30 June	Number	REPORT AND SUBMISSION REGISTER	Quarterly	1	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	0	1	3	1	NOT ACHIEVED	Unavailability of key stakeholders due to local by-elections	N/A	KPI breakdown adjusted to address scheduling arrangements	KPI breakdown from quarterly to annually and unit of measurement from number to date	

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	152	Number of monthly MFMA Section 71 data strings validation report in the LG Portal within the prescribed timeframe	12 monthly MFMA Section 71 data strings validation report in the LG Portal within the prescribed timeframe	Date	VALIDATION REPORT	Annually	3	3	3	3	12	Adjust POE to be aligned with actual submission	Item with plan to validation report	3	3	3	3	12	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	153	Number of monthly MFMA Section 71 reports submitted to the Mayor within the prescribe timeframe	12 monthly MFMA Section 71 reports submitted to the Mayor within the prescribe timeframe	Number	REPORT	Monthly	3	3	3	3	12	No adjustment motivated	No adjustment made	3	3	3	3	12	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	154	Number of quarterly Consolidated Municipal financial reports (MFMA Section 11, 52 and 66 reports) submitted by 30 June	4 quarterly Consolidated Municipal financial reports (MFMA Section 11, 52 and 66 reports) submitted by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	155	Number of quarterly borrowing and investment monitoring data strings uploaded on the LG Portal by 30 June	4 quarterly borrowing and investment monitoring data strings uploaded on the LG Portal by 30 June	Number	VALIDATION REPORT	Monthly	3	3	3	3	12	No adjustment motivated	No adjustment made	3	3	3	3	12	0	ACHIEVED	N/A	N/A	Reporting cycle to be adjusted in line with current submissions	Change reporting cycle from monthly to quarterly and number breakdown from 3 to 1
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	156	Annual Financial Statements submitted to Auditor General by 31 August	Annual Financial Statements submitted to Auditor General by 31 August	Date	AFS	Annually	31-Aug	N/A	N/A	N/A	31-Aug	No adjustment motivated	No adjustment made	31-Aug	N/A	N/A	N/A	31-Aug	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	157	Number of quarterly reports on internal audit findings responded to within the prescribed timeframe by 30 June	4 quarterly reports on internal audit findings responded to within the prescribed timeframe by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	158	Pre-audit data strings to the Annual Financial Statements uploaded to the LG Portal by 30 November	Pre-audit data strings to the Annual Financial Statements uploaded to the LG Portal by 30 November	Date	VALIDATION REPORT	Annually	N/A	30-Nov	N/A	N/A	30-Nov	No adjustment motivated	No adjustment made	N/A	30-Nov	N/A	N/A	30-Nov	0	ACHIEVED	N/A	N/A	KPI date adjusted to consider audit report submissions	Date from 30 November to 30 September
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	159	Number of bi-annual reports on external audit findings responded to within the prescribed timeframe by 30 June	2 bi-annual reports on external audit findings responded to within the prescribed timeframe by 30 June	Number	REPORT	Biannually	N/A	1	1	N/A	2	No adjustment motivated	No adjustment made	N/A	1	1	N/A	2	0	ACHIEVED	N/A	N/A	KPI description and breakdown adjusted in terms of current submissions	Breakdown from number to date and frequency from bi-annually to annually
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	160	Post-audit data strings to the Annual Financial Statements uploaded to the LG Portal by 30 November	Post-audit data strings to the Annual Financial Statements uploaded to the LG Portal by 30 November	Date	VALIDATION REPORT	Annually	N/A	30-Nov	N/A	N/A	30-Nov	Adjust date of target to align with actual submission, initial date was adjusted according to Treasury circular during COVID19	From 31 March to 30 November	N/A	30-Nov	N/A	N/A	30-Nov	0	ACHIEVED	N/A	N/A	KPI date adjusted to consider audit report submissions	Date from 30 November to 31 January

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	161	Annual Mid-year budget report submitted to the Executive Mayor by 25 January	Annual Mid-year budget report submitted to the Executive Mayor by 25 January	Date	REPORT	Annually	N/A	N/A	25-Jan	N/A	25-Jan	Correct quarterly breakdown to align with key deadlines	From 31 January to 25 January	N/A	N/A	25-Jan	N/A	25-Jan	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	162	Adjustment Budget submitted to Council by 28 February	Adjustment Budget submitted to Council by 28 February	Date	BUDGET	Annually	N/A	N/A	28-Feb	N/A	28-Feb	No adjustment motivated	No adjustment made	N/A	N/A	28-Feb	N/A	28-Feb	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	163	Adjustment Budget data strings uploaded to the LG Portal by 31 March	Adjustment Budget data strings uploaded to the LG Portal by 31 March	Date	VALIDATION REPORT	Annually	N/A	N/A	31-Mar	N/A	31-Mar	No adjustment motivated	No adjustment made	N/A	N/A	31-Mar	N/A	31-Mar	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	164	Medium Term Revenue and Expenditure Framework submitted to the Municipal Manager by 31 May	Medium Term Revenue and Expenditure Framework submitted to the Municipal Manager by 31 May	Date	A-SCHEDULE	Annually	N/A	N/A	N/A	31-May	31-May	Adjust POE to be aligned with actual submission	From framework to A-Schedule	N/A	N/A	N/A	31-May	31-May	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	165	3 procedure manuals annually reviewed by 31 May	3 procedure manuals annually reviewed by 31 May	Date	MANUALS	Annually	N/A	N/A	N/A	31-May	31-May	Adjust unit of measurement from number to date	From 3 to 31 May	N/A	N/A	N/A	31-May	31-May	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	166	Budget data strings uploaded to the LG Portal by 30 June	Budget data strings uploaded to the LG Portal by 30 June	Date	VALIDATION REPORT	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	167	Number of biannual financial statements submitted to Audit and Performance Committee by 30 June	2 biannual financial statements submitted to Audit and Performance Committee by 30 June	Number	FINANCIAL STATEMENTS	Biannually	N/A	1	N/A	1	1	No adjustment motivated	No adjustment made	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	168	Number of monthly financial performance reports submitted to Senior Management by 30 June	8 monthly financial performance reports submitted to Senior Management by 30 June	Number	REPORT	Monthly	2	2	2	2	2	No adjustment motivated	No adjustment made	2	2	2	2	8	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	169	Revenue enhancement strategy developed and annually reviewed by 30 June	Revenue enhancement strategy developed and annually reviewed by 30 June	Date	STRATEGY	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP Priority Area)	Strategic Objective	KPI NR	Key Performance Indicator Title	Target (Output)	Unit of Measurement	Portfolio of Evidence	Reporting Cycle	Target Breakdown				Audited Annual Performance (2023/2024)	Motivation for Adjustment (2023/2024)	Proposed Performance Adjustment (2023/2024)	Actual Quarterly Performance				Actual Annual Performance (2024-2025)	Variance	Achieved / Not Achieved (2024-2025)	If Not Achieved, Reasons for Not Achieving and/or Variance (2024-2025)	Corrective Measures to be Taken (2024-2025)	Motivation for Adjustment (2024-2025)	Proposed Performance Adjustment (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	170	Annual Procurement Plan reviewed and submitted to the Municipal Manager by 30 June	Annual Procurement Plan reviewed and submitted to the Municipal Manager by 30	Date	PLAN	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	171	Number of quarterly progress reports on implementation of the procurement plan submitted to Office of the Municipal Manager and Treasuries by 30 June	4 quarterly progress reports on implementation of the procurement plan submitted to Office of the Municipal Manager and Treasuries by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	172	Number of quarterly reports on implementation of the Supply Chain Management policy submitted to the Executive Mayor and Council by 30 June	4 quarterly reports on implementation of the Supply Chain Management policy submitted to the Executive Mayor and Council by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To promote and enhance the financial viability of the District Municipality	173	Contract management report submitted to the Municipal Manager by 30 June	Contract management report submitted to the Municipal Manager by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To ensure that the municipal assets are properly safeguarded	174	Percentage of assets insured by 30 June	Percentage of assets insured by 30 June	Percentage	REPORT	Quarterly	100%	100%	100%	100%	100%	No adjustment motivated	No adjustment made	100%	100%	100%	100%	100%	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To ensure that the municipal assets are properly safeguarded	175	Number of quarterly Asset Management Policy implementation reports submitted to the Municipal Manager by 30 June	4 quarterly Asset Management Policy implementation reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To ensure that the municipal assets are properly safeguarded	176	Number of quarterly Functional Assets Management Steering Committee meetings held by 30 June	4 quarterly Functional Assets Management Steering Committee meetings held by 30 June	Number	MINUTES	Quarterly	1	1	1	1	2	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	177	Comprehensive HR Strategy reviewed by 30 June	Comprehensive HR Strategy reviewed by 30 June	Date	STRATEGY	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	178	Number of bi-annual HR Strategy implementation monitoring reports submitted to Council by 30 June	2 bi-annual HR Strategy implementation monitoring reports submitted to Council by 30 June	Number	REPORT	Biannually	N/A	1	N/A	1	2	No adjustment motivated	No adjustment made	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	179	Council approved staff structure annually reviewed by 30 June	Council approved staff structure annually reviewed by 30 June	Date	ORGANOGRAM	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	28-May	28-May	33	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	180	Number of quarterly HR status reports submitted to the Municipal Manager by 30 June	4 quarterly HR status reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	3	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	Sustainable Development Orientated Municipality	To provide integrated human resource service	181	Quinquennially reviewed Employment Equity Plan by 31 May	Quinquennially reviewed Employment Equity Plan by 31 May	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment motivated	No adjustment made	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	182	20 HR policies annually reviewed by 30 June	20 HR policies annually reviewed by 30 June	Date	POLICIES	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	28-May	28-May	33	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	183	Senior Management annual performance assessment panel facilitated by 30 September	Senior Management annual performance assessment panel facilitated by 30 September	Date	REPORT	Annually	30-Sept	N/A	N/A	N/A	24-Jun	No adjustment motivated	No adjustment made	0	0	0	0	0	273	NOT ACHIEVED	Unavailability of key stakeholders	Assessments to be held in Q3	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	184	Number of bi-annual Individual Performance Committee meetings held by 30 June	2 bi-annual Individual Performance Committee meetings held by 30 June	Number	MINUTES	Biannually	N/A	1	N/A	1	2	No adjustment motivated	No adjustment made	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide integrated human resource service	185	Electronic Performance Management System implemented by 30 June	Electronic Performance Management System implemented by 30 June	Date	REPORT	Annually	N/A	N/A	N/A	30-Jun	0	No adjustment motivated	No adjustment made	N/A	N/A	N/A	0	0	0	NOT ACHIEVED	KPI did not meet IA assessment	Ensure POE meets IA assessment requirements	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide adequate opportunities for the development of employees and councillors	186	Annually reviewed WSP submitted to LGSETA by 30 April	Annually reviewed WSP submitted to LGSETA by 30 April	Date	ITEM AND PLAN	Annually	N/A	N/A	N/A	30-Apr	30-Apr	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Apr	30-Apr	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide adequate opportunities for the development of employees and councillors	187	Annual training report submitted to LGSETA by 30 April	Annual training report submitted to LGSETA by 30 April	Date	REPORT	Annually	N/A	N/A	N/A	30-Apr	30-Apr	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Apr	30-Apr	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide adequate opportunities for the development of employees and councillors	188	Number of bi-annual Training Committee meetings held by 30 June	2 bi-annual Training Committee meetings held by 30 June	Number	MINUTES	Biannually	N/A	1	N/A	1	2	No adjustment motivated	No adjustment made	N/A	1	N/A	1	2	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	189	IT Strategy biennially reviewed by 31 May	IT Strategy biennially reviewed by 31 May	Date	STRATEGY	Annually	N/A	N/A	N/A	31-May	21-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	28-May	28-May	3	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	190	IT Policy annually reviewed by 31 May	IT Policy annually reviewed by 31 May	Date	POLICY	Annually	N/A	N/A	N/A	31-May	21-May	No adjustment motivated	No adjustment made	N/A	N/A	N/A	28-May	28-May	3	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	191	Number of bi-annual internal IT Steering Committee meetings held by 30 June	2 bi-annual internal IT Steering Committee meetings held by 30 June	Number	MINUTES	Biannually	N/A	1	N/A	1	2	No adjustment motivated	No adjustment made	N/A	0	N/A	1	1	1	NOT ACHIEVED	Unavailability of key stakeholders	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	192	Number of monthly IT Support and IT Services Management reports submitted to the Municipal Manager by 30 June	12 monthly IT Support and IT Services Management reports submitted to the Municipal Manager by 30 June	Number	REPORT	Monthly	3	3	3	3	12	No adjustment motivated	No adjustment made	3	3	3	3	12	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	193	Disaster Recovery and Business Continuity Plan reviewed by 31 May	Disaster Recovery and Business Continuity Plan reviewed by 31 May	Date	PLAN	Annually	N/A	N/A	N/A	31-May	31-Mar	No adjustment motivated	No adjustment made	N/A	N/A	N/A	28-May	28-May	3	ACHIEVED	N/A	N/A	KPI to be completed with policies	Date from 31 March to 31 May
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	194	Number of quarterly Disaster Recovery and Business Continuity implementation reports submitted to the Municipal Manager by 30 June	4 quarterly Disaster Recovery and Business Continuity implementation reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide IT services	195	Number of monthly website maintenance reports submitted to the Municipal Manager by 30 June	12 monthly website maintenance reports submitted to the Municipal Manager by 30 June	Number	REPORT	Monthly	3	3	3	3	12	No adjustment motivated	No adjustment made	3	3	3	3	12	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide record management services	196	Record Management Policy annually reviewed by 30 June	Record Management Policy annually reviewed by 30 June	Date	POLICY	Annually	N/A	N/A	N/A	30-Jun	30-Jun	No adjustment motivated	No adjustment made	N/A	N/A	N/A	30-Jun	30-Jun	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment

KPA	IDP Programme (IDP PRIORITY AREA)	Strategic Objective	KPI NR	KEY PERFORMANCE INDICATOR TITLE	TARGET (OUTPUT)	UNIT OF MEASUREMENT	PORTFOLIO OF EVIDENCE	REPORTING CYCLE	TARGET BREAKDOWN				AUDITED ANNUAL PERFORMANCE (2023/2024)	MOTIVATION FOR ADJUSTMENT (2023/2024)	PROPOSED PERFORMANCE ADJUSTMENT (2023/2024)	ACTUAL QUARTERLY PERFORMANCE				ACTUAL ANNUAL PERFORMANCE (2024-2025)	VARIANCE	ACHIEVED / NOT ACHIEVED (2024-2025)	IF NOT ACHIEVED, REASONS FOR NOT ACHIEVING AND/OR VARIANCE (2024-2025)	CORRECTIVE MEASURES TO BE TAKEN (2024-2025)	MOTIVATION FOR ADJUSTMENT (2024-2025)	PROPOSED PERFORMANCE ADJUSTMENT (2024-2025)
									Q1	Q2	Q3	Q4				Q1	Q2	Q3	Q4							
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	Sustainable Development Orientated Municipality	To provide record management services	197	Number of quarterly record management reports submitted to the Municipal Manager by 30 June	4 quarterly record management reports submitted to the Municipal Manager by 30 June	Number	REPORT	Quarterly	1	1	1	1	4	No adjustment motivated	No adjustment made	1	1	1	1	4	0	ACHIEVED	N/A	N/A	No adjustment	No adjustment



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Report of the auditor-general to the Northern Cape Provincial Legislature and the council on John Taolo Gaetsewe District Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of John Taolo Gaetsewe District 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, cash flow statement, and the statement of comparison of budget and actual amounts 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 John Taolo Gaetsewe District 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 Practise (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 matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter:
7. The disclosure in note 39 in the financial statements, which deals with the possible effects of the future implications of deterioration in operational results on the municipality's prospects, performance, and cash flows. Management have also described how they plan to deal with these events and circumstances.

Other matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter:
9. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement 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

10. 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 the MFMA and the 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.
11. 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

12. 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.
13. 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 (xx) forms part of my auditor's report.

Report on the audit of the annual performance report

14. 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 information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
15. I selected the following material performance indicators related to Basic service delivery and infrastructure development presented in the annual performance report for the year ended 30

June 2025. I selected those indicators that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

- Number of quarterly progress reports on the eradication of mud houses submitted to the municipal manager by 30 June
- Number of quarterly progress reports on the water service authority Municipal Systems Act section 78 assessment submitted to the municipal manager by 30 June
- Number of biannual progress reports on the Vaal Gamagara water pipe outlet for neighbouring villages submitted to the municipal manager by 30 June
- Number of quarterly RRAMS progress reports submitted to Department of Transport by 30 June
- Number of quarterly Joe Morolong LM internal road monitoring reports submitted to the municipal manager by 30 June
- Number of quarterly Gamagara LM internal road monitoring reports submitted to the municipal manager by 30 June
- Number of quarterly Ga-Segonyana LM internal road monitoring reports submitted to the municipal manager by 30 June

16. I evaluated the reported performance information for the selected material performance indicators 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.

17. 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
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

18. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
19. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

20. I draw attention to the matter below.

Achievement of planned targets

21. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

Report on compliance with legislation

22. 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.
23. 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.
24. 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
25. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Expenditure management

26. Reasonable steps were not taken to prevent irregular expenditure amounting to R8 231 876 as disclosed in note 42 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by contravention of the supply chain management requirements.

Procurement and contract management

27. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of supply chain management (SCM) Regulation 17(1) (a) and (c).

28. Some of the quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM Regulation 13(c).
29. The preference point system was not applied some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.
30. Sufficient appropriate audit evidence could not be obtained that contract performance and monitoring measures were in place to ensure effective contract management as required by section 116(2)(c)(ii) of the MFMA.

Other information in the annual report

31. The accounting officer is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected material indicators in the scoped in Basic service delivery and infrastructure development presented in the annual performance report that have been specifically reported on in this auditor's report.
32. 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.
33. 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 indicators presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
34. 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

35. 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.
36. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.

37. Management did not implement effective internal controls to monitor compliance with laws and regulations.

Auditor General

Kimberley

29 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 material indicators in the scoped-in development priorities 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	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), 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)
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 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: 5(2), 5(3), 5(6), 8(4)
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)

Legislation	Sections or regulations
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 Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

Audit action plan - AR (2024/25)

Section	Finding	Paragraph in audit report	Responsibility	Department	Actions to be taken	Amount	Due date
Expenditure management	[COMAF 04 of 2025 - Annexure 02] Contract Management: Irregular expenditure identified (Payments not as per the original contract terms i.e. payment amount exceeds the agreement, or the amount was paid after the contract has expired).	Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by contravention of the supply chain management requirements (Telkom & All Diamonds)	Head of SCM	Budget and Treasury Office (BTO)	Telkom: Management will utilize a Transversal Contract (RT) to procure the services (and expenditure incurred under the current contract will be disclosed as Irregular Expenditure). All Diamonds: Management will obtain an addendum to the contract addressing the clause regarding additional insurance costs. These costs will also be table to council as and when it is incurred.	878,379	7/31/2026
Expenditure management	COMAF 04 of 2025 - Annexure 03] Contract management: Expenditure on Extended contracts is not as per the allowable threshold		Head of SCM	Budget and Treasury Office (BTO)	Telkom: Management will utilize a Transversal Contract (RT) to procure the services (and expenditure incurred under the current contract will be disclosed as Irregular Expenditure). Lefetho: Expenditure incurred in the current year will be disclosed as Irregular Expenditure.	10,042,965	7/31/2026
Procurement and contract management	[COMAF 05 of 2025 – Annexure 08] Quotation process: Quotation process not followed (3 quotes) and no CSD	Some of the goods and services within the prescribed transaction values for formal written price quotations were procured without obtaining the required price quotations, in contravention of by SCM Regulation 17(1)(a) and (c). Sufficient appropriate audit evidence could not be obtained that contracts were awarded only to bidders who submitted a declaration on whether they were employed by the state or connected to any person employed by the state, as required by SCM Regulation 13(c).	Head of SCM	Budget and Treasury Office (BTO)	Management to ensure that 3 quotations are obtained, and in a situation where less than 3 quotations are obtained, Regulation 17 (1) (a) and (c) will be utilized - CFO to approve the exceptional case arising from the situation at hand.	95,872	7/31/2026
Procurement and contract management					Management will ensure that MBD4 forms are fully completed on the day of the transaction		
Procurement and contract management	[COMAF 05 of 2025 – Annexure 04] PPR 2022: The preference point system was not followed	The preference point system was not applied some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.	Head of SCM	Budget and Treasury Office (BTO)	Management to ensure that all the RFQ sent to the service provider(s) have the MBD 6.1. (PPR)	98,920	7/31/2026
Procurement and contract management	[COMAF 04 of 2025 – Annexure 06] Contract Management: Internal control deficiencies and Non-compliance identified	Sufficient appropriate audit evidence could not be obtained that contract performance and monitoring measures were in place to ensure effective contract management as required by section 116(2)(c)(ii) of the MFMA.	Head of SCM	Budget and Treasury Office (BTO)	Management to ensure that all the meetings relating to contract performance with the service providers are recorded (in writing).	N/A	7/31/2026