

**2024-25**



# **2024-25      ANNUAL REPORT**

***BOJANALA PLATINUM DISTRICT  
MUNICIPALITY***



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# Preface

## ACRONYMS AND ABBREVIATIONS

BPDM	Bojanala Platinum District Municipality
IDP	Integrated Development Plan
FY	Financial Year
SDBIP	Service Delivery and Budget Implementation Plan
KPA	Key Performance Area
KPI	Key Performance Indicator
AC	Audit Committee
IA	Internal Audit
PMS	Performance Management System
SANS	South African National Standards
SO <sub>2</sub>	Sulphur Dioxide
PM <sub>10</sub>	Particulates of Matter the size of 10 micro meters
AGSA	Auditor-General of South Africa
MPAC	Municipal Public Accounts Committee
AMM	Acting Municipal Manager
ACFO	Acting Chief Financial Officer
MFMA	Municipal Finance Management Act
LG	Local Government
RSA	Republic of South Africa
MSA	Municipal Systems Act
CLLR	Councillor
BTO	Budget and Treasury Office
CDS	Community Development Services
HES	Health and Environmental Services
CSS	Corporate Support Services
LED	Local Economic Development
EPWP	Extended Public Works Programme
DDM	District Development Model

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## CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

### EXECUTIVE MAYOR’S FOREWORD



It is once again my pleasure and privilege to present the Annual Report for the 2024/2025 financial year, to the august Council, subsequently to all our stakeholders in the Bojanala district and beyond, subject to approval and ratification by Council.

I am elated of what we have achieved in terms of delivering on our mandate, particularly in the context of the Integrated Development Plan (IDP) which ultimately contributes to the vision of our district and inspired priorities as outlined in the National Development Plan (IDP) 2030.

Let me hasten to state that, as the district we are proud of the resilience we have displayed during challenging times of our two-year tenure in respect of financial, administrative and human capital constraints. We did not only displayed resilience as an institution but sheer determination and innovation to ensure that we consistently provide much needed services to our constituent district communities as mandated by the constitution of the Republic.

I state unequivocally that the municipality did well in the achievement of its objectives for the year under review despite many challenges it faced, as alluded to above. Modestly, as we in two consecutive years had achieved unqualified audit outcome, steadfastly working towards achieving clean audit, we continuously monitor our performance and implement measures to ensure a high standard of basic service provision, good governance and stringent fiscal control.

#### **Some of the key highlights of the year include but not limited to:**

- Implementation of consequence management to any employee found on the wrong side of the law.
- Filling of all management posts, both senior and middle.
- Appointment of the substantive Municipal Manager with effect from 1 October 2025.
- Launching poverty alleviation programmes in all our five constituent local municipalities.
- Reviving the District IDP Forum, District Development Model (DDM) and Intergovernmental Relations Forum.
- Reviewing and strengthening most municipal policies through Council adoption and implementation, thus further ensuring ethical and good governance.

# Preface

In conclusion, I would like to express a special word of gratitude to our communities for the resilience and support, the relatively new Municipal Manager, the rest of management and staff for their hard work during the year under review.

Lastly, I thank my fellow Councillors for robust and constant debates in Council in ensuring that the municipality achieves its objectives as mandated by the different constituencies.

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**Cllr Dikeledi Suzan Nthangeni**  
**Executive Mayor**

# Preface

## EXECUTIVE SUMMARY

### MUNICIPAL MANAGER'S OVERVIEW

We are submitting this annual report in compliance to Section 121 of Municipal Finance Management Act No. 56 of 2003 which requires the municipality to prepare an annual report for each financial year and the Council of the municipality must, within nine months after the end of the financial year, deal with the annual report of the Municipality.

The purpose of the annual report is to:

- (a) Provide a record of the activities of the Municipality or Municipal entity during the financial year to which the report relates;
- (b) Provide a report on performance against the budget of the Municipality or Municipal entity for the financial year; and
- (c) Promote accountability to the local community for the decisions made throughout the year by the Municipality or Municipal entity

Bojanala Platinum District Municipality (BPDM) as a Category C Municipality has a constitutional mandate to support its Local Municipalities. In the 2024/25 financial year Council took a decision to assist Local Municipalities with implementation of projects to advance service delivery using own funds.

As we present the 2024/25 Annual Report, it is important to emphasize that we are aware of legislative mandate, powers, functions and duties entrusted in management in terms of legislative prescripts. This greatly helped us to deal with issues of discipline and consequence management within the municipality which led to a number of investigations being undertaken and disciplinary actions being taken against relevant or implicated or implicated officials. It is important to further acknowledge the bold steps taken by Council to deal with malfeasance within the institution and changing the culture of non-accountability.

Legislation gives effect to the local government systems that place greater service delivery responsibilities on managers and also hold them accountable for their performance and for the management of public funds. Hence implementation of consequence management

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based on reports of Audit Committee and the financial disciplinary board as independent quality assurance structures that report directly to Council.

The municipality is mainly dependent on government grants with equitable share as the main source of income, complemented by EPWP, FMG and RRAMS as conditional grants.

## **FINANCIAL OVERVIEW**

### **Financial sustainability**

The municipality continues to monitor its financial status and as such is showing improved financial results on an annual basis. During the financial year under review, various initiatives were embarked upon to improve the financial management. These include:

#### **Cost containment:**

Implementation of MFMA Circular 82 dealing with cost containment. The municipality has adopted its own cost containment policy and has now further strengthened policies in support of cost containment in line with the amended regulations. Cost containment continues to be entrenched as a principle and is no longer seen as a short-term intervention, but rather part of the organizational culture and sustainability.

#### **Ongoing cash management:**

Cash balance at financial year end has decreased from R355 077 932 as at 30 June 2023 to R314 115 223 at 30 June 2024. Management remains committed in improving financial discipline and ensuring that available cash resources are utilised efficiently and transparently. The Municipality will continue to review and refine its cash management strategies to mitigate financial risks, maintain solvency, and support uninterrupted service delivery to communities.

## **IMPROVED AUDIT OUTCOMES**

The Municipality recognises that improving the audit outcome is critical to strengthening governance, accountability, and public confidence. Management is committed to addressing the root causes of audit findings through the implementation of sustainable corrective measures, strengthened internal controls, and enhanced oversight.

## **GOOD GOVERNANCE**

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The municipality has strengthened internal controls and ensured functionality of oversight structures to strengthen accountability, enhance organizational performance and promote good governance through provision of administrative support. I am pleased to conclude the year 2024/25 with completion of the skills audit through assistance of COGTA.

## **Reduction of Irregular expenditure**

The Municipality acknowledges that irregular expenditure undermines sound financial management, governance, and public confidence.

As part of implementing the UIF&W reduction strategy, the municipality has investigated historical irregular expenditure (from 2011/12 to 2023/24 FY) amounting to R425 069 954.43 out of the total balance of R717 156 975.62 and plans to investigate the remaining balance of R295 007 763.90 before the end of Q3 of 2025/26 financial year.

Furthermore, the municipality has terminated 48 irregular contracts that contributed towards increasing irregular expenditure.

The Municipality will continue to investigate the UIF& W expenditures and report to Council on a quarterly basis in line with the approved revised reduction strategy and implementation plan.

## **MPAT IMPROVEMENT PLAN**

The Municipal Performance Assessment Tool (MPAT) is a tool or system used by COGTA to assess performance of municipalities on below six pillars linked to the Key Performance Areas of Local Government aimed at ensuring accountability and improved performance by municipalities. They are putting people first, delivering basic services, good governance, sound financial management, building capable local government institutions & local economic development. The progress above translates into a great improvement in terms of our reporting, which stands at 83.8%

## **ANALYSIS OF FINANCIAL RESULTS**

The analysis of financial results provides an assessment of the Municipality's financial performance and position for the reporting period under review. It focuses on revenue collection, expenditure trends, cash flow, and overall budget performance, in line with the approved budget and the requirements of the Municipal Finance Management Act (MFMA).

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## **Statement of Financial Position as at 30 June 2025:**

The municipality recorded a growth of R486 191 211 in total assets in the year under review, largely due to an increase in property plant and equipment. Total liabilities have increased to an amount of R165 261 269 for the year under review, leaving a Total in Net Assets of R320 929 942. The overall analysis indicates that the municipality continues to operate as a going concern.

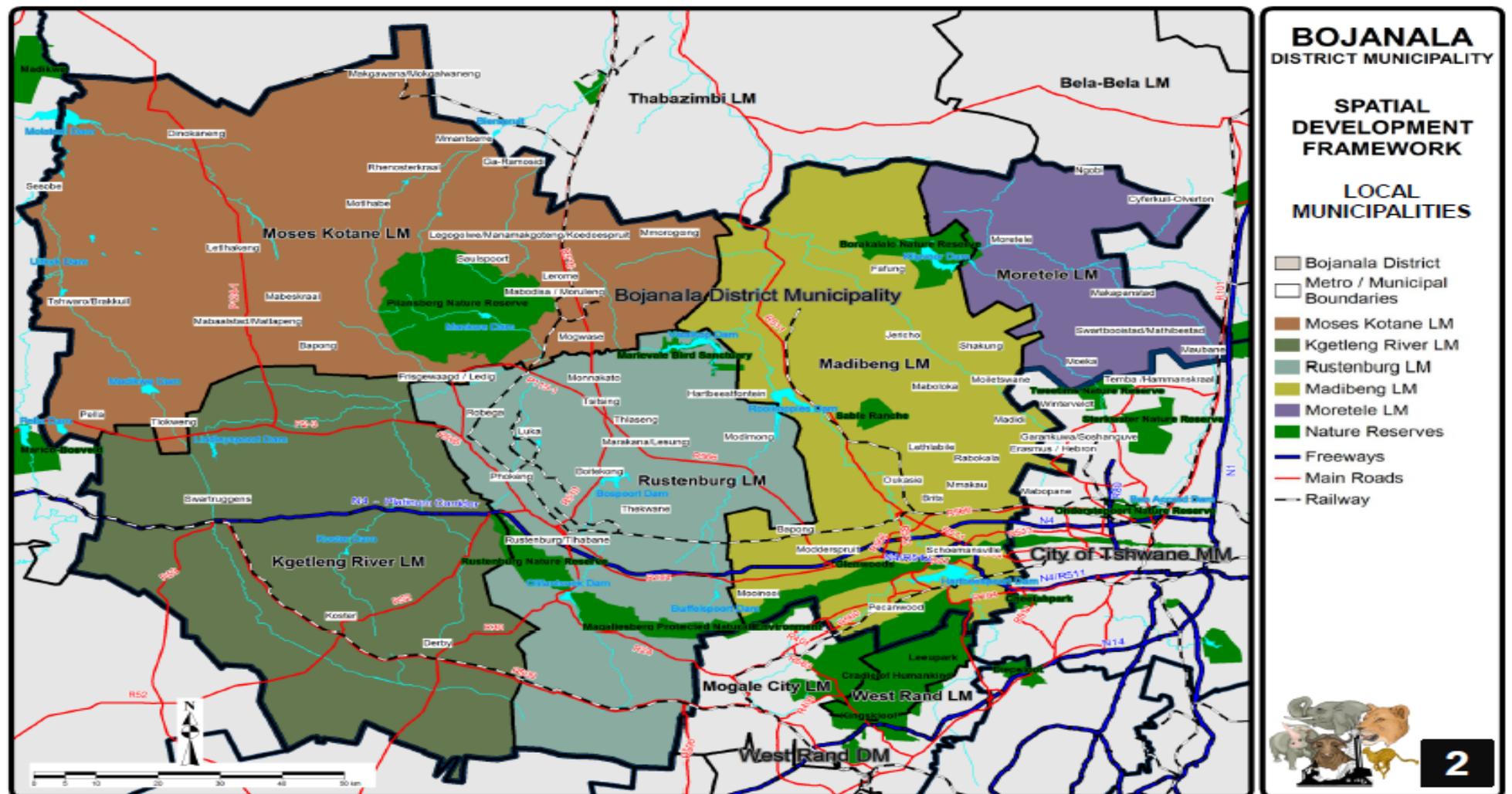
In closing, I wish to extend my sincere appreciation to the Executive Mayor, Members of mayoral Committee, the Council, our local municipalities, municipal officials and stakeholders for their support and commitment to the Bojanala Platinum District Municipality. We remain committed to attainment of our vision which states: BPDM – a model of cooperative governance for effective and efficient service delivery in partnership with Local Municipalities and stakeholders.

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**Ms EM TUKAKGOMO  
MUNICIPAL MANAGER**

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THE MAP BELOW DEMONSTRATES THE GEOGRAPHICAL LOCATION OF THE FIVE LOCAL MUNICIPALITIES WITHIN THE DISTRICT



# Preface

## 1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### MUNICIPAL OVERVIEW

The Bojanala Platinum District Municipality an Executive Mayoral type, is a Category C municipality situated in the North West Province. It is bordered by the Waterberg District Municipality to the north, Dr Kenneth Kaunda District Municipality to the south, City of Tshwane Metro to the east, West Rand District Municipality to the south - east, and Ngaka Modiri Molema District Municipality to the west. It is one of four district municipalities in the province and comprises five local municipalities of Kgetleng Rivier, Madibeng, Moses Kotane, Moretele and Rustenburg and has a total of 139 wards.

The Bojanala Platinum District Municipality (BPDM) is the home of the cradle of humankind and is strategically located on the 'platinum belt' of the north-eastern side of the North West province. To the north, the BPDM is surrounded by Waterberg District Municipality (Limpopo Province), Tshwane Metropolitan Municipality (Gauteng Province), West Rand District Municipality (Gauteng Province) to the Southeast. To its south is Dr Kenneth Kaunda District Municipality and the Ngaka Modiri Molema District Municipality to the west.

The more formal urban areas are located in the southern side of the district, these include Rustenburg and Brits which are vibrant economic nodes. There are other small noticeable nodes in the southern area located in Kgetlengrivier Local Municipality namely: Koster and Swartruggens; Moses Kotane Local Municipality with Sun Village and Mogwase.

### MUNICIPAL FUNCTIONS

The mandate of the municipality, as espoused in Section 152 of the Constitution, is:

- To provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner;
- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organisations in the matters of Local Government.

### POWERS AND FUNCTIONS

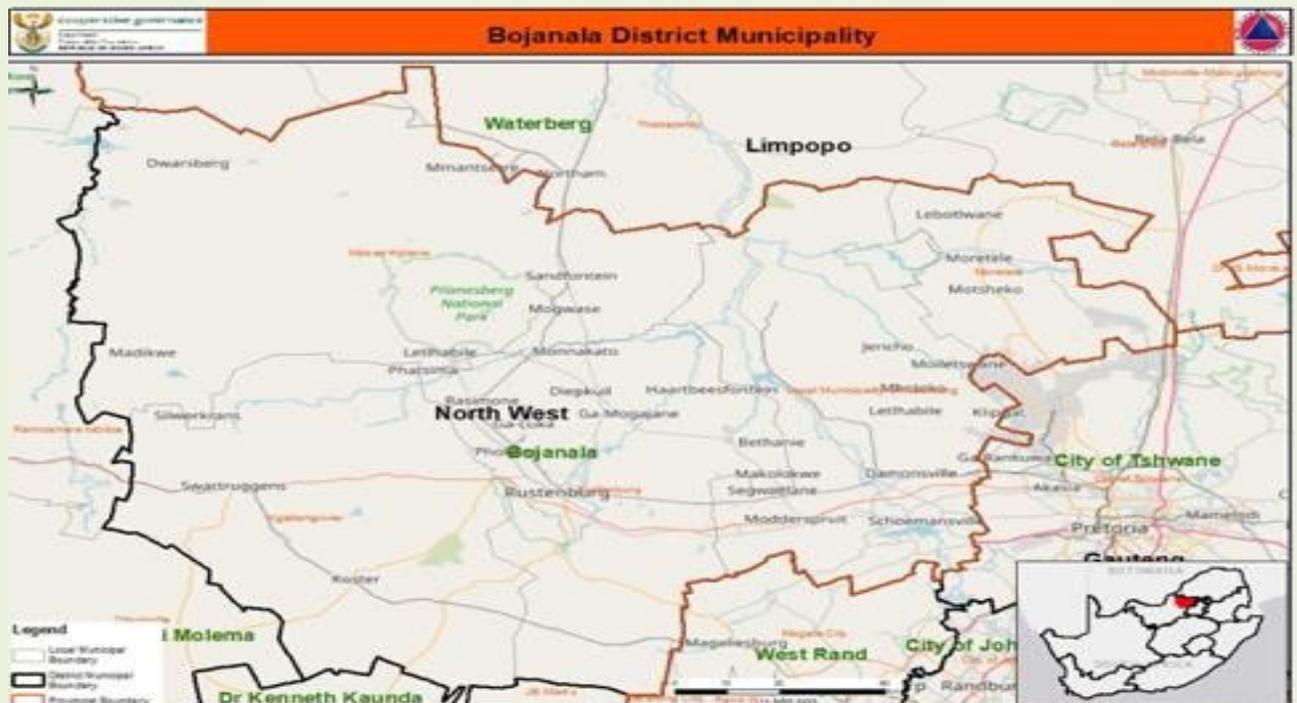
#### 84. Division of functions and powers between district and local municipalities-

(1) A district municipality has the following functions and powers:-

- (a) Integrated Development Planning for the district municipality as a whole, including framework for integrated development plans for all municipalities in the area of the district municipality.
- (b) Potable water supply systems.
- (c) Bulk supply of electricity, which includes for the purposes of such supply, the transmission, distribution and, where applicable, the generation of electricity.
- (d) Domestic waste-water and sewage disposal systems.
- (e) Solid waste disposal sites, in so far as it relates to-
  - (i) The determination of a waste disposal strategy;

# Preface

- (ii) The regulation of waste disposal;
- (iii) The establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district
- (f) Municipal roads which form an integral part of a road transport system for the area of the district municipality as a whole.
- (g) Regulation of passenger transport services.
- (h) Municipal airports serving the area of the district municipality as a whole.
- (i) Municipal health services.
- (j) Fire fighting services serving the area of the district municipality as a whole, which includes:-
  - (i) Planning, co-ordination and regulation of fire services;
  - (ii) Specialised fire fighting services such as mountain, veld and chemical fire services;
  - (iii) Co-ordination of the standardisation of infrastructure, vehicles, equipment and procedures;
  - (iv) Training of fire officers.
- (k) The establishment, conduct and control of fresh produce markets and abattoirs serving the area of a major proportion of the municipalities in the district.
- (l) The establishment, conduct and control of cemeteries and crematoria serving the area of a major proportion of municipalities in the district.
- (m) Promotion of local tourism for the area of the district municipality
- (n) Municipal public works relating to any of the above functions or any other functions assigned to the district municipality.
- (o) The receipt, allocation and, if applicable, the distribution of grants made to the district municipality.
- (p) The imposition and collection of taxes, levies and duties as related to the above functions or as may be assigned to the district municipality in terms of national legislation.



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## DEMOGRAPHY

### Background

The Bojanala Platinum District Municipality (BPDM) is located within one of South Africa's 9 provinces of the North West Province. The North West Province is in the North of South Africa on the side of the Botswana border along the Kalahari Desert in the West with Gauteng Province to the East and the Free State Province to the South. Because of the metal it has underground, the North West province is known as the Platinum Province. The key economic sectors in the district are:

**Mining** and quarrying industry in the province and certainly in the district remains the backbone of the district's economic output. It is said 94% of the country's platinum is found in the Rustenburg and Brits areas which areas are also said to produce more platinum than any other single area in the world.

**Agricultural:** activities account for 19% of the district's land area and are mainly geared towards commercial dry-land farming, commercially irrigated farming and subsistence dry-land activities. Mixed-crop farming and in the areas of Rustenburg and Brits, maize and sunflower are in abundance in the District.

**Manufacturing:** This sector contributed an estimated R2.5bn to the GVA of the district by 2001 and has grown by about 6.6% between 1996 and 2001.

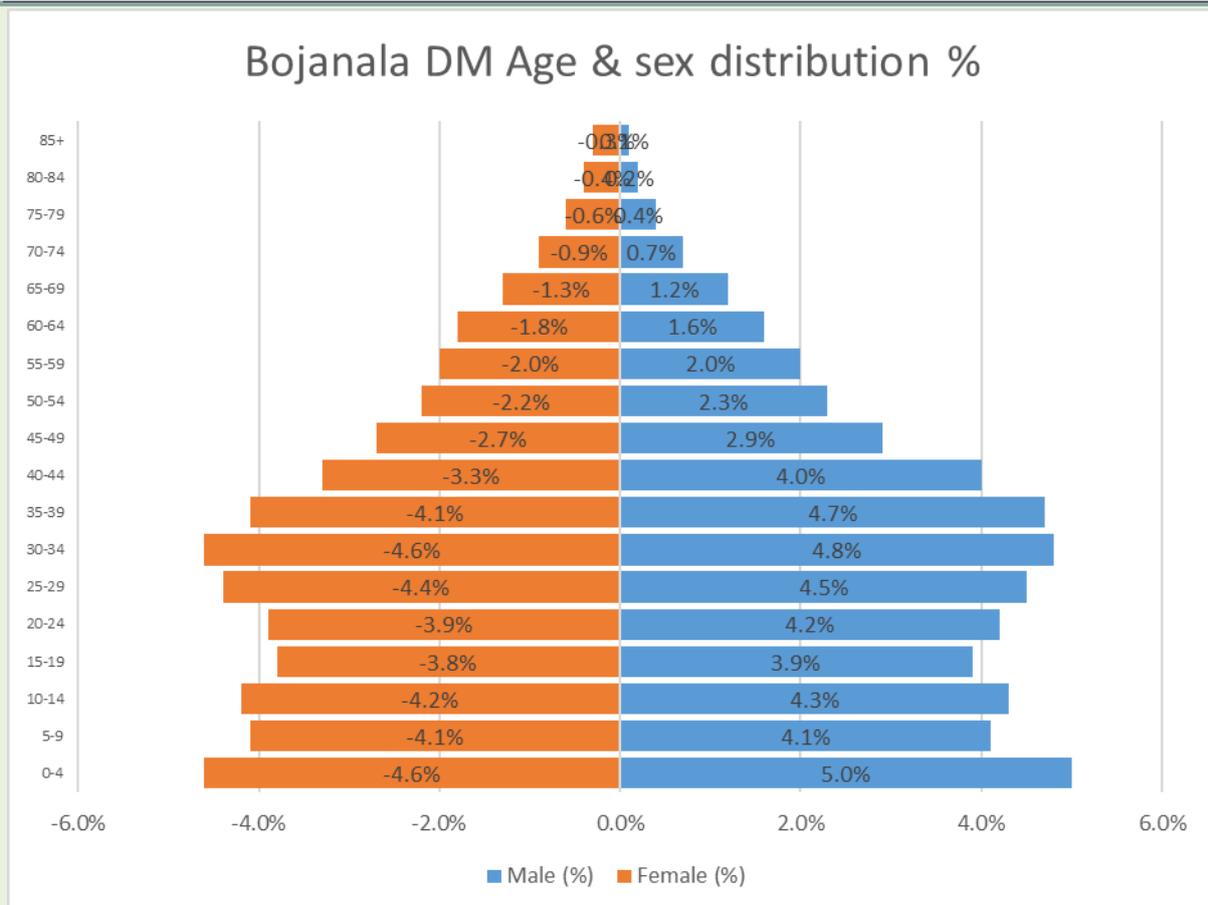
**Tourism:** 45% of all tourism establishments in the North West Province are located within the BPDM. The District is home to the world-famous Sun City Complex and Pilanesburg National Game Park.

**Local municipalities:** List: [Moretele](#); [Madibeng](#); [Rustenburg](#); [Kgetleng Rivier](#); [Moses Kotane](#)

**Area:** 18,333 km<sup>2</sup>

**Graph 1: Population Pyramid of Bojanala platinum district**

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## Stat SA: Census 2022

The pyramid above shows Bojanala district population distribution by sex/ gender and age. The bottom of this pyramid is wide, as it shows that male children are slightly more than female children aged (0 – 4), but it also shows inner deep on the age of (5 – 9) which can mean there is high mortality rate of children or migration as most people in the district are economically active and they turn to leave their children back home where they originate. It then shows a little push out when coming to age (10 – 14) this can be suggested that children rejoin their parents or there are better education facilities in the Bojanala District. It also shows an inner deep from ages (15-24) which can also be the result of migration to higher educational facilities.

From age (25 – 39) it shows an increase; this can be in-migration as this age group is expected to be more mobile and can migrate more than any other age groups, as they are economically active and most are not yet settled. Then from age 50 onwards there is a decline which can be caused by age and also migration back to areas of their origin.

Therefore this means the district should have more educational, recreational facilities and more housing should be built.

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**Table 1: Total Population of Bojanala District by Sex/ Gender**

Age	Male	Female	Age	Male (%)	Female (%)
0-4	81 077	75 098	0-4	5,0%	-4,6%
5-9	66 762	66 177	5-9	4,1%	-4,1%
10-14	70 066	68 458	10-14	4,3%	-4,2%
15-19	62 805	61 578	15-19	3,9%	-3,8%
20-24	68 314	63 128	20-24	4,2%	-3,9%
25-29	73 318	72 242	25-29	4,5%	-4,4%
30-34	77 493	74 689	30-34	4,8%	-4,6%
35-39	76 431	67 300	35-39	4,7%	-4,1%
40-44	65 086	53 489	40-44	4,0%	-3,3%
45-49	47 774	43 315	45-49	2,9%	-2,7%
50-54	37 066	36 230	50-54	2,3%	-2,2%
55-59	32 594	33 048	55-59	2,0%	-2,0%
60-64	25 363	28 785	60-64	1,6%	-1,8%
65-69	18 693	20 940	65-69	1,2%	-1,3%
70-74	10 850	13 895	70-74	0,7%	-0,9%
75-79	6 383	9 489	75-79	0,4%	-0,6%
80-84	3 109	5 805	80-84	0,2%	-0,4%
85+	2 130	5 130	85+	0,1%	-0,3%
<b>Total</b>	<b>677 475</b>	<b>657 521</b>			

**Total = 1 334 996**

## **Stats SA: Census 2022**

The table provided above offers a comprehensive view of the total population within the Bojanala district, segmented by sex/gender, with a total population of 1,334,996 residents. A notable observation is that the district's demographic profile is predominantly youthful, with a significant majority falling within the age range of 0 to 54, and males comprising the majority within this bracket. Subsequently, there is a discernible decline in the male population and a concurrent rise in the female population beyond the age of 54. Several factors may contribute to this shift. It's conceivable that

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lifestyle choices and exposure to hazardous environments, more common among males, could be influencing their population decline. Additionally, the well-documented trend of males having a shorter life expectancy than females could also be a contributing factor.

Furthermore, the data suggests a pattern of male migration to areas offering employment opportunities, leaving females primarily responsible for childcare and household responsibilities. As a result, it becomes imperative for the district municipality to address the multifaceted needs of its population, encompassing educational, medical, housing, and recreational facilities, with a particular focus on the evolving needs of both male and female residents. This holistic approach is essential for the district's sustainable development and the well-being of its diverse population.

**Table 2: Total Population by District and Local Municipality in Bojanala District**

<b>District/Local municipality name</b>	<b>Total population</b>
Moretele	219120
Local Municipality of Madibeng	522566
Rustenburg	562315
Kgetlengrivier	54759
Moses Kotane	265668
<b>Bojanala</b>	<b>1624428</b>

**Stats SA: Census 2022**

The table presented above offers a comprehensive overview of the total population within Bojanala district, along with its constituent local municipalities. The collective population of Bojanala district amounts to 1,624,428 residents. A detailed examination of the data reveals that Rustenburg local municipality stands out with the highest population, recording a total of 562,315 individuals. Following closely is Madibeng with 522,566 residents, Moses Kotane with 265,668, Moretele with 219,120, and lastly, Kgetlengriver with a total population of 54,759.

This data underscores the prominence of Rustenburg local municipality as the most populous within the district, attributed to the economic opportunities it offers, which in turn attract a substantial influx of migrants. This demographic trend highlights the need for ongoing planning and development efforts to accommodate and address the needs of a growing population in Rustenburg and the district as a whole.

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**Table 3: Population by Functional Age Groups in Bojanala District and its Local Municipalities**

District/Local municipality name	Young children (0-14)	Working age (15-64 years)	Elderly (65+ years)	Dependency ratio	Sex ratio
Moretele	28,7	62,8	8,5	59,3	97,8
Local Municipality of Madibeng	26,3	67,9	5,8	47,2	102,8
Rustenburg	24,7	71,3	4,0	40,3	108,4
Kgetlengrivier	28,6	65,7	5,6	52,1	97,8
Moses Kotane	27,5	64,3	8,2	55,5	99,9
<b>Bojanala</b>	<b>26,3</b>	<b>67,7</b>	<b>5,9</b>	<b>47,6</b>	<b>103,3</b>

**Stats SA: Census 2022**

The table provided above offers a comprehensive breakdown of the population within Bojanala district and its local municipalities, categorized into functional age groups. Additionally, it provides valuable insights into the dependency ratio and sex ratio. Bojanala district's demographic composition reveals a substantial proportion of individuals falling within the working-age bracket (15 – 54 years), constituting 67.7% of the population. Following closely are young children aged (0 – 14), representing 26.3% of the population, and the elderly population (65+ years) at 5.9% of the Bojanala district's total population.

This demographic distribution underscores the need for proactive planning and development initiatives, particularly in the realm of housing, as the district continues to attract a significant number of economically active individuals. These individuals will require not only housing but also access to essential services such as medical facilities, educational institutions, and recreational amenities. As such, accommodating the evolving needs of the district's diverse population is crucial for its continued growth and prosperity.

**Table 4: Number of Households, Average Household Size and Formal Dwellings in Bojanala District**

District/Local municipality name	Number of households	Average household size	Formal dwellings
Moretele	531492	3,1	84,2
Madibeng	60058	3,6	91,6
Rustenburg	173188	3,0	76,4
Kgetlengrivier	203658	2,8	85,9
Moses Kotane	15183	3,6	89,5
<b>Bojanala</b>	<b>983579</b>	<b>3,3</b>	<b>90,0</b>

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## **ENVIRONMENTAL OVERVIEW**

### **LAND USE**

The most significant land uses in the BPDM are the mining, agriculture and tourism industries, resulting in much of the land being anthropogenically influenced. Large percentages of the world's chrome and platinum reserves are located in the BPDM, and the mining industry thus dominates the economy of the BPDM. Another key sector in the BPDM's economy is the agricultural industry. The tourism industry has growth potential, with many natural and cultural resources located within the BPDM's area of jurisdiction.

### **AIR QUALITY**

PM10 and SO<sub>2</sub> levels are consistently high in urban areas. Low air quality levels are especially experienced around the mines and other industrial areas in the BPDM. Low-income residential areas use coal and/or wood for fuel, further contributing to low air quality in these areas. The protected areas and nature reserves are areas of low anthropogenic influence on the air quality in these regions. Levels of hexavalent chrome (a pollutant) in the BPDM require monitoring (via the emission licence process).

### **WATER**

The main river in the BPDM is the **Crocodile River**, with several of its tributaries and dams contributing to the availability of water for use. Rand Water also imports water from the Upper Vaal Water Management Area for urban and mining use. A project for the export of water to Modimolle in Limpopo Province is scheduled in the near future and must be considered in the available water quantity in the BPDM area. Groundwater resources, the quality of which are good-moderate, are used by the agricultural and rural communities. However, the salinity of groundwater resources is high due to the agricultural activities. Return flows from Gauteng that contain sewage pollution and acid mine

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drainage water have a major negative effect on the water quality in the BPDM's area. Eutrophication also adds to the issues surrounding water quality, resulting in further impacts on the recreational potential of the water resources within the BPDM's area.

**Klipvoor Dam** is located 55km north of Brits, North West. The main purpose of the dam is to serve for irrigation and its hazard potential has been ranked as high.

**Hartbeespoort Dam** is situated in the North West Province, it lies in a valley to the south of the Magaliesberg mountain range and north of the Witwatersberg mountain range, about 35km west of Pretoria. The dam has suffered from a hypertrophic state since the early 1970s resulting from high concentrations of phosphates and nitrates in the Crocodile River, the major inflow. The extreme level of eutrophication is evident in excessive growth of microscopic algae. Mismanagement of waste water treatment from urban zones within the Hartbeespoort Dam catchment area are largely to blame. The dam also supplies irrigation water to farmlands.

## **BIODIVERSITY**

The BPDM is dominated by the savannah biome (74% of the BPDM is still in a natural condition), but a small section of the grassland biome is represented. Of the 23 vegetation types, five are vulnerable, two are endangered, three are wetland types and 13 are least concerned. Six nature reserves form the majority of the 6.3% of officially protected areas in the BPDM. There are 3,731 wetlands, which cover 23,960 hectares. Of the 78 red data listed species, 14 are plants, six are mammals, 41 are birds, nine are invertebrates, five are herpetofauna and three are fish species.

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## 1.3 ORGANISATIONAL DEVELOPMENT OVERVIEW

### ORGANISATIONAL DEVELOPMENT PERFORMANCE

In terms of the South African Local Government Bargaining Council's collective agreement, employees are entitled to Medical Aid, Pension Fund/Gratuity Fund, Housing Subsidy/Rental Subsidy, Bursary Fund and Travelling and Allowance. Though some benefits accrue on the basis of the collective agreement referred to above, some benefits e.g. bursaries are benefits accorded to employees by virtue of Council's own discretion.

The Municipality for the 2024/25 financial year employed 32 employees.

The filled positions of Middle Managers are 19 in total. There are 11 females and 08 males.

In terms of the Employment Equity Act, 1998, the Municipality has in its employ 160 males and 153 females. Out of 313 workforce (employees), 10 are males and 14 females were at the management echelon, 08 are males in middle management, 10 females in middle management, 4 males professionals, 19 females professionals, 114 males skilled, 120 females skilled, 01 males clerks/interns, 16 females clerks/interns, 4 males semi-skilled, 0 females semi-skilled and 0 males unskilled, 14 females unskilled.

**Currently there are no Actings in the Senior Managers positions**

#### Personnel

During the year under review 2024/25, Bojanala Platinum District Municipality had vacant positions. The municipality is in the process of aligning its organisational structure to comply with the Staff Regulations and other critical vacant positions have been advertised.

**The following BPDM employee was appointed in 2024/25 financial year:**

No.	NAME & SURNAME	DESIGNATION	GENDER	EMPLOYMENT DATE
1	Mr Kabelo Molao	Manager Disaster	M	01 July 2024
2	Mr Obakeng Matshego	Manager Tourism and Marketing	M	01 July 2024
3	Mr Stone Magakwe	Manager Transport Planning	M	01 July 2024
4	Mr Thapelo Matebesi	Manager Communication	M	01 July 2024
5	Mr Themba Hlaba	Manager ICT	M	01 August 2024
6	Ms Linda Khoza	Manager Records	F	01 August 2024
7	Tshegofatso Melamu	Manager HR	F	01 August 2024
8	Ms Mosima Malungane	Climate Change Cleaner Production	F	01 December 2024
9	Ms Maria Monyeki	Senior Specialist Air Quality	F	01 December 2024
10	Mr Thakaje Matloa	Fire station Officer – Moretele	M	01 December 2024
11	Mr Azwifarwi Sadiki	Fire station Officer – Moretele	M	01 December 2024
12	Mr Sello Gregory Khunou	Fire Station Officer – Kgetleng	M	01 December 2024

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No.	NAME & SURNAME	DESIGNATION	GENDER	EMPLOYMENT DATE
13	Mr Charles Madiba	Assistant Chief Fire	M	01 January 2025
14	Mr Frederick Modibane	Fire Manager	M	01 January 2025
15	Mr Thabo Maimela	Logistics Officer	M	01 January 2025
16	Ms Selina Ramasia	HRD & OD Officer	F	01 January 2025
17	Ms Selina Msibi	Receptionist	F	01 January 2025
18	Ms Joyce Sedumedi	Receptionist	F	01 January 2025
19	Ms Fransinah Temba	Coordinator Office of the Speaker	F	01 January 2025
20	Mr Tsholofelo Molete	Secretary Office of the Speaker	M	01 January 2025
21	Ms Tebogo Molekoa	Senior EHP - Kgetlengrivier	F	01 March 2025
22	Ms Innocentia Magome	Senior EHP: Moses Kotane	F	01 March 2025
23	Ms Busisiwe Zitha	Administration Support Officer: Madibeng	F	01 March 2025
24	Ms Onicca Molefi	Administration Support Officer: Moretele	F	01 March 2025
25	Mr Chaane Tabane	EHP: Rustenburg	M	01 April 2025
26	Mr Samuel Maseke	EHP: Kgetlengrivier	M	01 April 2025
27	Ms Beauty Makganye	Director: CSS	F	01 February 2025
28	Ms Kgomotso Monamodi	Director: Technical Services	F	01 February 2025
29	Ms Dumi Lehari	Director: CDS	F	01 February 2025
30	Ms Motlalekgomo Mmope	Director: HES	F	01 March 2025
31	Mr Onkokame Romeo Moremi	Director: EDTAR	M	01 March 2025
32	Mr Maranatha Khunou	Chief Financial Officer	M	01 March 2025

The following BPDM employees resigned in 2024/25 financial year

No.	NAME & SURNAME	DESIGNATION	GENDER	RESIGNATION DATE
1	Mr Neo Mokone	Social Facilitator	M	26 July 2024
2	Ms Letta Songwane	Secretary to the MMC: CDS	F	01 September 2024
3	Mr Masukwane Ngwasheng	Legal Services Manager	M	30 September 2024
4	Ms Mpolai Maape	Manager Administration	F	31 October 2024
5	Ms Kgomotso Monamodi	Manager Roads and Stormwater	F	31 January 2025

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The following BPDM employee passed on in 2024/25 financial year:

No.	NAME & SURNAME	DESIGNATION	GENDER	DATE OF DEATH
	NONE			

The following BPDM employees were promoted in 2024/25 financial year

No.	NAME & SURNAME	DESIGNATION	GENDER	DATE OF DEATH
1	Mr Kabelo Molao	Manager Disaster	M	01 July 2024
2	Mr Obakeng Matshego	Manager Tourism and Marketing	M	01 July 2024
3	Mr Stone Magakwe	Manager Transport Planning	M	01 July 2024
4	Ms Mosima Malungane	Climate Change Cleaner Production	F	01 December 2024
5	Mr Thakaje Matloa	Fire station Officer – Moretele	M	01 December 2024
6	Mr Azwifarwi Sadiki	Fire station Officer – Moretele	M	01 December 2024
7	Mr Sello Gregory Khunou	Fire Station Officer – Kgetlengrivier	M	01 December 2024
8	Mr Charles Madiba	Assistant Chief Fire	M	01 January 2025
9	Mr Frederick Modibane	Fire Manager	M	01 January 2025
10	Mr Thabo Maimela	Logistics Officer	M	01 January 2025
11	Ms Selina Ramasia	HRD & OD Officer	F	01 January 2025
12	Ms Selina Msibi	Receptionist	F	01 January 2025
13	Ms Tebogo Molekoa	Senior EHP: Kgetlengrivier	F	01 March 2025
14	Ms Innocentia Magome	Senior EHP: Moses Kotane	F	01 March 2025
15	Ms Busisiwe Zitha	Administration Support Officer: Madibeng	F	01 March 2025
16	Ms Onicca Molefi	Administration Support Officer: Moretele	F	01 March 2025
17	Ms Kgomotso Monamodi	Director: Technical Services	F	01 February 2025

The following BPDM employees retired in 2024/25 financial year:

No.	NAME & SURNAME	DESIGNATION	GENDER	RETIREMENT DATE
1.	Mr Guyking Mkengu	Driver	M	30 April 2025
2	Ms Elise Pretorius	Assets Officer	F	15 April 2025
3	Ms Sinah Tolo	Snr Manager Financial Management	F	30 June 2025
4	Ms Dolly Madikela	Supply Chain Manager	F	30 June 2025

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## Skills Development

In line with the Skills Development of the institution. It is also a legislative requirement that Workplace Skills Plans and Annual Training Reports be submitted to LGSETA by 30 April each year. The municipality has duly complied with the submission of Workplace Skills Plans and the Annual Training Reports.

In order to comply with the Skills Development Act, 1998 the BPDM conducted training for personnel in the following areas:

NO	TRAINING/COURSE NAME	NUMBER OF ATTENDANTS
1	Advanced Computer Training	07
2	Fleet Management	01
3	practical training on Pest Control, Health and Hygiene	01
4	MFMP	04
5	Pump Driver Operator	12
6	SHE Rep Course	23
7	Monitoring & Evaluation Programme	02

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Skills matrix														
Management level	Gender	Employees in post as at 30 June	Number of skilled employees required and actual as at 30 June											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			No	Actual: end of year 22/23	Actual end of year 23/24	Year 23/24 Target	Actual: end of year 22/23	Actual end of year 23/24	Year 23/24 Target	Actual: end of year 22/23	Actual end of year 23/24	Year 23/24 Target	Actual: end of year 22/23	Actual end of year 23/24
MM and S57	Female	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Male	0												
Councillors	Female	0												
	Male	0												
Senior officials	Female	4	N/A	N/A	N/A		Applied Principles of Ethics in a Municipal Environment	4	N/A	N/A	N/A	N/A	4	4
	Male	2	N/A	N/A	N/A		Applied Principles of Ethics in a Municipal Environment	2	N/A	N/A	N/A	N/A	2	2
Managers	Female	10	N/A	N/A	N/A		Applied Principles of Ethics in a Municipal Environment	10	N/A	N/A	N/A	N/A	10	10
	Male	7	N/A	N/A	N/A		Applied Principles of Ethics in a Municipal Environment	7	N/A	N/A	N/A	N/A	7	7
Technicians and associate professionals	Female													
	Male	0												
Professionals	Female	0												

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	Male	0												
<b>Subtotal</b>	Female	14												
	Male	9												
<b><i>Associate professionals are those professions registered with Associate Body e.g. CA (SA)</i></b>														

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## 1.4 AUDITOR GENERAL REPORT

### AUDITOR GENERAL REPORT: YEAR 2024/25

# Preface

## 1.5 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	August
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	July
3	Finalise the 4th quarter Report for previous financial year	July
4	Submit draft Annual Report to Internal Audit and Auditor-General	August
5	Municipal entities submit draft annual reports to MM	N/A
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
7	Mayor tables the unaudited Annual Report	
8	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
9	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
10	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - November
11	Municipalities receive and start to address the Auditor General's comments	January
12	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
13	Audited Annual Report is made public and representation is invited	
14	Oversight Committee assesses Annual Report	February - March
15	Council adopts Oversight report	March
16	Oversight report is made public	April
17	Oversight report is submitted to relevant provincial councils	April
18	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	March

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## CHAPTER 2 – GOVERNANCE

### COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

#### 2.1 POLITICAL GOVERNANCE

POLITICAL STRUCTURE	
NAME AND SURNAME	POSITION
Cllr Magdaline Matlakala Nondzaba	Executive Mayor
Cllr Tumelo Lucky Madiba	Speaker
Cllr Mpho Ditebogo Moeketsana	Single Whip
MAYORAL COMMITTEE/EXECUTIVE COMMITTEE	
Cllr Annetjie Ephenia Selebogo	MMC: Technical Services
Cllr Kutlwano Kegomoditswe Cyril Ramokgadi	Acting MMC: Environmental Health Services
Cllr Winnie Masalang Sono	MMC: Special Projects
Cllr Vincent Kamogelo Phusoane	MMC: Budget and Treasury
Cllr Mohammed Karani	MMC: Local Economic Development
Cllr Kutlwano Kegomoditswe Cyril Ramokgadi	MMC: Community Development Services
Cllr Frida Matshidiso Mangoathe	MMC: Agriculture and Rural Development
Cllr Rabatswadi Ignatius Msoki	MMC: IDP/PMS, Monitoring & Evaluation
Cllr Susan Dikeledi Ntipa Nthangeni	MMC: Corporate Support Services
Cllr Lucky Malope	MMC: Sports, Arts and Culture
Cllr Thabo Mashomo	MPAC Chairperson

#### COUNCILLORS

BPDM has 79 Councillors - has 29 full time Councillors and 50 part-time Councillors

**Appendix A** is a full list of Councilors

**Appendix B** sets out committees and committee purposes.

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## POLITICAL DECISION-MAKING

Political decisions are made through the Department tabling an item to the Portfolio Committee which is chaired by the Member of Mayoral Committee responsible for that Portfolio. The item is then recommended to the Mayoral Committee which is chaired by the Executive Mayor which then recommends the item to the Council meeting which is chaired by the Speaker. The Council then takes a resolution on the items. Section 79 Council Committees like MPAC, Audit Committee, their items are tabled through Council Committee and presented by the respective Chairperson.

During 2024/25 financial year Council took Resolutions and all resolutions were implemented 100%

## 2.2 ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

*Note: MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.*

#### **Roles of Municipal Manager**

The Municipal Manager must advise the political structures and office-bearers. Particular issues where the municipal manager must render advice are:

- financial matters (e.g. financial considerations to proposed policies);
- issues related to the internal administration, such as human resources matters;
- policy matters; and
- legal and technical matters;

The administration and implementation of the municipality's by-laws as well as the implementation of national and provincial legislation or assigned legislation is the responsibility of the municipal manager. When the council has passed a by-law, the Municipal Manager must ensure that:

- any structures, processes or mechanisms, provided for in the by-law are established; and
- the by-law is enforced through the sectoral functionaries of the municipality or, if necessary, the applicable courts of law

The Municipal Manager must manage the communication between the political structures and office-bearers and the administration (s 55(1)(j)). Instructions, queries and other communications from council, committees, the (executive) mayor or the speaker to the administration cannot bypass the municipal manager' office because the municipal manager is accountable for the entire municipal administration.

Section 6(2) specifies these further and instructs the administration, for example, to take measures to prevent corruption, to give members of the community full and accurate information about the level and standard of service they are entitled to receive and about the (persons in charge of) municipal management. The Municipal Manager must see to the implementation of these principles in his or her administration. As head of the administration, the Municipal Manager is responsible, *subject to the policy directions of the council*, for the formation and development of an economical, effective, efficient and accountable administration that is equipped to implement the IDP, operates within the municipality's performance management system and is responsive to the needs of the local community to participate in municipal affairs (s 55(1)). Section 51 further states that the municipality must hold the Municipal Manager accountable for the overall performance of the administration (s

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51(i)). When the Systems Act says that the municipality holds the Municipal Manager accountable, the onus is firstly on the council to hold the Municipal Manager accountable. Section 55(1) makes the Municipal Manager's responsibility subject to the policy directions of the council: the Municipal Manager is not responsible for the policy, but for its implementation.

## **Roles of Directors**

The Directors must advise the Municipal Manager and the Political Head of their Department. Particular issues where the Director must render advice are:

- financial matters (e.g. financial considerations to proposed policies);
- issues related to the internal administration, such as human resources matters;
- policy matters; and
- legal and technical matters;

Directors are also responsible for implementing the Service Delivery and Budget Implementation Plan of the organization. They are also responsible for the following:

- Reporting regularly to the Accounting Officer on the performance of their respective departments;
- Reporting to the Portfolio Committee on the performance and activities of their respective departments;
- Responsible for managing the budget of their respective departments;
- Responsible for managing the performance of their departmental staff;
- Responsible for the implementation of the organisation's policies in their respective departments.
- Responsible for signing a performance agreement with the Accounting Officer.

TOP ADMINISTRATIVE STRUCTURE	
TIER 1	
NAME AND SURNAME	POSITION
Ms Beauty Makganye	Acting Municipal Manager
TIER 2	
Mr Maranatha Khunou	Chief Financial Officer
Ms Linda Khoza	Acting Director: Corporate Support Services
Ms Kgomotso Monamodi	Director: Technical Services
Ms Dumi Lehari	Director: Community Development Services
Ms Mmotlalekgomo Mmope	Director: Health and Environmental Services
Mr Onkokame Romeo Moremi	Director: Economic Development, Tourism, Agriculture, Mining and Rural Development

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## INTERGOVERNMENTAL RELATIONS

### INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

#### 2.3 INTERGOVERNMENTAL RELATIONS

##### PROVINCIAL INTERGOVERNMENTAL STRUCTURE

STRUCTURE	COMPOSITION
Home Affairs Forum	This structure is constituted by all the Chief Whips from the various municipalities in the District area, Local Home Affairs stakeholders, Home Affairs Managers from the District service points and IEC. It is a political structure chaired by the District Chief Whip and can be attended by any stakeholder per invitation of the Chairperson.
Roads Infrastructure Forum	This is a technical structure constituted by all the Technical Services Directors and/or Roads and Stormwater Managers from all local municipalities in the District area. It is chaired by the Public Works Department and issues of roads infrastructure and management are discussed and any stakeholders attend per invitation.
MIG Forum	This is a technical structure constituted by all the Technical Services Directors and/or Managers from all local municipalities in the District area. It is chaired by the COGTA and issues of bulk services, backlogs and usage of MIG are discussed and any stakeholders attend per invitation.
Electrification Forum	This is a technical structure constituted by all the Technical Services Directors and/or Electricity Managers from all local municipalities in the District area. It is chaired by COGTA and issues of bulk services and backlogs are discussed and any stakeholders like ESKOM attend per invitation.
North West Department of Rural, Environment and Agricultural Development Forum	This is a technical structure constituted by all the Mining Houses and District Municipalities within the province. It is chaired by the Provincial Department, mostly air quality related matters within the province are discussed and any other stakeholders attend per invitation.

##### DISTRICT INTERGOVERNMENTAL STRUCTURES

STRUCTURE	COMPOSITION
Intergovernmental Relations Forum	This is a Political Structure attended by all the Executive Mayors in the District area. It is chaired by the District Executive Mayor and is convened quarterly. Municipal Managers or Senior Managers are likely to be invited to present reports to this Forum. Any other stakeholders may be part of the session per invitation by the Chairperson.
IDP Representative Forum	The IDP Rep Forum is a consultative structure aimed at ensuring integration of government programmes in the District. It is chaired by the District Executive Mayor and is attended by all Local Municipalities, Sector Departments and social partners of the District Municipality. The sittings of the IDP Rep Forum are in line with the adopted IDP Process Plan.

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STRUCTURE	COMPOSITION
Municipal Manager's Forum	This is a technical structure aimed at giving support to the District Intergovernmental Relations Forum. It is attended by all the Municipal Managers in the District area and chaired by the District Municipal Manager. Any other Senior Manager or relevant stakeholder may be invited to the meetings depending on the agenda of the day. COGTA, SALGA, DWA, ESKOM, etc are some of the key stakeholders in the functionality of the structure.
IDP & PMS Manager's Forum	To ensure the credibility of our IDPs, it calls for our IDP managers, PMS managers and all planners in our District to meet regularly. These meetings are co-ordinated and chaired by the District IDP Manager.
CFO's Forum	This is also a technical structure aimed at ensuring prudent financial management among our municipalities. Issues of common interest like the operation clean audit and any other best practices are shared in this forum. The structure is chaired by the District Chief Financial Officer and is attended by all the CFO's in the District area and Sector Departments like COGTA, Provincial and National Treasury.
District Whippery Forum	This structure is constituted by all the Portfolio Whips (Chairpersons) from the various municipalities in the District area. It is a political structure chaired by the District Whip and can be attended by any stakeholder per invitation of the Chairperson like Home Affairs, Demarcation Board, IEC etc.
District Chief Whip's Forum	This structure is constituted by all the Chief Whips from the various municipalities in the District area. It is a political structure chaired by the District Chief Whip and can be attended by any stakeholder per invitation of the Chairperson.
Councilors Caucus Forum	This structure is constituted by all the Councillors from the District Municipality. It is a political structure chaired by the District Chief Whip and can be attended by any stakeholder per invitation of the Chairperson.
District Speakers Forum	This structure is constituted by all the Speakers from all the local municipalities and the district municipality. It is a political structure chaired by the District Speaker and can be attended by any stakeholder per invitation of the Chairperson.
Technical Task Team	This is a technical structure constituted by all the Technical Services Directors from all local municipalities in the District area. It is chaired by the District Technical Services Director and issues of bulk services are discussed and any stakeholders attend per invitation.
District Water and Sanitation Forum	This is a technical structure constituted by all the Technical Services Directors or Water & Sanitation Managers from all local municipalities in the District area. It is chaired by the District Technical Services Director and issues of bulk services are discussed and any stakeholders attend per invitation.
District ICT Forum	This is a technical structure constituted by all the IT Managers, GIS personnel and Communication Managers from all local municipalities in the District area. It is chaired by the District IT Manager and issues of ICT are discussed and any stakeholders attend per invitation.

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STRUCTURE	COMPOSITION
District Communications Forum	This is a technical structure constituted by all the Communication Managers from all local municipalities in the District area. It is chaired by the District Communications Manager and issues of Communications and media related issues are discussed and any stakeholders attend per invitation
Disaster Management Advisory Forum	This structure is constituted by the District Senior Managers, Local Disaster Management Heads of Centres, Researchers, Business Forums, Faith Based Organisations, NGOs, Traditional Leaders, Private Sectors and Parastatals. It is chaired by the District Management Head of Centre and any stakeholders attend per invitation.
District Transport Forum	This structure is constituted by taxi operators, meter taxi operators, bus operators, local traffic department, transport officials from the District and Local Municipalities and Provincial Department. It is chaired by the MMC for Community Development Services and can be attended by any stakeholders per invitation by the Chairperson.

Key to the success of the municipality is the manner in which it relates with a myriad of stakeholders particularly in the private sector as well as its relations with other government institutions.

One of the most critical issues underpinning government's success to implement service delivery programmes is a strong inter-governmental relations system which has to be supported by a sound stakeholder relations programme across all spheres. It is a requirement that all the spheres of government execute their work in an integrated way that benefits the people of the country. The purpose of this programme is therefore to ensure that there is synergy, alignment and harmonisation in the planning processes as well as in the delivery of services across the three spheres of government (National, Provincial and Local). There are a number a structures established in the District that play a very critical role in ensuring that government programmes and service delivery priorities are achieved in an integrated way.

## PUBLIC ACCOUNTABILITY AND PARTICIPATION

### OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

*Note: MSA section 17 (2): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16 (1): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management and development.*

The District Municipality has a structured public participation's programme. The public participation interface happens in the following ways:

- **Council Meetings**

The District Council held Nineteen (19) Council meetings for the year 2024/25, Seven (7) Ordinary Council and Twelve (12) Special Council meetings where council reports were debated and concluded.

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Council meeting	Date	Venue
Special Council Meeting	15 July 2024	Madibeng Council Chamber
Special Council Meeting	31 July 2024	Virtual
Special Council Meeting	26 August 2024	Virtual
Ordinary Council Meeting	30 August 2024	Rustenburg Civic Centre
Special Council Meeting	02 October 2024	Virtual
Special Council Meeting	09 October 2024	Virtual
Special Council Meeting	16 October 2024	Virtual
Ordinary Council Meeting	30 October 2024	Rustenburg Civic Centre
Special Council Meeting	11 November 2024	Virtual
Special Council Meeting	02 December 2024	Madibeng Council Chamber
Ordinary Council Meeting	29 January 2025	Rustenburg Civic Centre
Special Council Meeting	07 February 2025	Virtual
Special Council Meeting	14 February 2025	Virtual
Ordinary Council Meeting	26 February 2025	Virtual
Ordinary Council Meeting	28 March 2025	Rustenburg Civic Centre
Ordinary Council Meeting	29 April 2025	Madibeng Council Chamber
Special Council Meeting	14 May 2025	Virtual Meeting
Ordinary Council Meeting	28 May 2025	Madibeng Council Chamber
Special Council Meeting	27 June 2025	Virtual Meeting

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## 2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

## CORPORATE GOVERNANCE

## 2.6 RISK MANAGEMENT

### RISK MANAGEMENT

Risk management is the identification, evaluation, and prioritization of [risks](#) followed by coordinated and economical application of resources to minimize, monitor, and control the probability or impact of unfortunate events or to maximize the realization of opportunities.

Risks can come from various sources including threats from project failures (at any phase in design, development, production, or sustaining of life-cycles), legal liabilities, credit risk, accidents, natural causes and disasters, deliberate attack from an adversary, or events of uncertain or unpredictable root-cause.

Risk management is an important process because it empowers an organisation with the necessary tools so that it can adequately identify and deal with potential risks. Moreover, the management will have the necessary information that they can use to make informed decisions and ensure that the business remains profitable.

For the year under review, the municipality identified the following risks that needs to be addressed in order to ensure that the municipality achieves its planned objectives.

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## 2024-2025 TOP 10 + STRATEGIC RISK REGISTER

NO	RISK IDENTIFIED	RESIDUAL RISK %	RATING
1.	Delays in procurement of goods and services.	25%	High
2.	Non- Compliance with SCM regulations.	25%	High
3.	Inadequate Contract Management	25%	High
4.	Unauthorized, Irregular, Fruitless and Wasteful Expenditures.	25%	High
5.	Ineffective coordination of EPWP.	25%	High
6.	Inability to provide proper Municipal health Services.	25%	High
7.	Inadequate management of IT and Information System.	25%	High
8.	Ineffective IT- Disaster Recovery.	25%	High
9.	Inability to provide reliable, consistent and updated information through the municipal website.	25%	High
10.	Non-compliance with OHS legislation and framework.	25%	High
11.	Medical surveillance not conducted on employees.	25%	High
12.	Failure to fill the critical prioritized posts by the targeted date.	25%	High

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## 2.7 ANTI-CORRUPTION AND FRAUD

### FRAUD AND ANTI-CORRUPTION STRATEGY

BPDM subscribes to the principles of good corporate governance, which require the conducting of business in an honest and transparent manner. Consequently, Bojanala Platinum District Municipality is committed to fighting fraudulent behavior at all levels within the organization.

The Fraud and Anti-corruption Strategy is premised on the organisation's core ethical values driving the business of BPDM, the development of its systems, policies and procedures, interactions with the public and other stakeholders, and even decision-making by individual managers representing the organization.

This means that in practice all municipalities, departments and other business units of BPDM and every external stakeholders have used the Strategy as the point of reference for their conduct in relation to Bojanala Platinum District Municipality.

The policy of BPDM is zero tolerance to fraud and corruption. In addition, all fraud and corruption cases are investigated and followed up by the application of all remedies available within the full extent of the law and the implementation of appropriate prevention and detection controls. These prevention controls include the existing financial and other controls and checking mechanisms as prescribed in various legislation, policies and procedures of BPDM. It is the responsibility of all employees to immediately report all allegations or incidents of fraud and corruption to their immediate manager. All managers are responsible for the detection, prevention and investigation of fraud and corruption and report all incidents and allegations of fraud and corruption to the Municipal Manager. The Municipal Manager initiates an investigation into the matter.

When employees wish to report allegations of fraud and corruption anonymously, they contact the Municipal Manager and/or the Internal Audit Unit directly. Any fraud and corruption committed by an employee or any other person is pursued through investigation and to the full extent of the law, including (where appropriate) consideration of:

- In case of employees, taking disciplinary action within a reasonable period of time after the incident;
- Instituting civil action to recover losses;
- Initiating criminal prosecution by reporting the matter to the SAPS or any other relevant law enforcement agency; and
- Any other appropriate and legal remedy available.

Managers are required to ensure that losses or damages suffered by BPDM as a result of all reported acts committed or omitted by an employee, or any other person are recovered from such an employee or other person if he or she was found to be liable for such losses. Fraudulent and corruption awareness campaigns were done by means of newsletters, information notices and presentations by guest/specialist speakers. Policies, processes and systems were implemented and the Municipality has direct control and is held to account with the trend towards greater corporate responsibility and the conduct of business within acceptable ethical standards. Transparency, accountability and openness are embedded in reporting and disclosure of information, both operational and financial to all stakeholders.

Councilor's and employee's work was governed by the municipality's rules, regulations and procedures and the Codes of Conduct for employees and Councillors to which they were expected to

# Preface

abide by, which included guidelines on gifts, professional and personal behavior and conflicts of interest. Segregation of duties exists within the procurement function and politicians are excluded from procurement and tender processes.

## **INTERNAL AUDIT**

The internal audit unit of a municipality or municipal entity must subject

- (a) prepare a risk-based audit plan and an internal audit program for each financial year;
- (b) advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to:
  - Internal audit;
  - Internal controls;
  - Accounting procedures and practices;
  - Risk and risk management;
  - Performance; and
  - Loss control;

Compliance with the MFMA, the annual Division of Revenue Act and any other applicable legislation; and perform such other duties as may be assigned to it by the accounting officer.

### **Composition of the Internal Audit function:**

The Internal Audit organisational structure consists of 3 employees:

1 x Manager: Internal Audit,  
2 x Internal Auditors with one of them transferred to SCM Unit.

As at 30 June 2025, IA has been functioning with only 2 employees.

In 2024/25 financial year, Internal Audit presented 4 quarterly Internal Audit progress reports and issued the following 13 final audit reports to the Audit Committee:

1. 2023/24 Q4 Audit of Performance Information
2. 2024/25 Q1 Audit of Performance Information
3. 2024/25 Q1 Supply Chain Management audit
4. Review of 2023/24 Annual Financial Statements
5. Review of 2023/24 Annual Performance report
6. 2024/25 Q2 Audit of Performance Information
7. 2024/25 Q2 Supply Chain Management audit
8. Report on review of 2024/25 Midterm assessment report
9. 2024/25 Q3 Audit of Performance Information
10. 2024/25 Q3 Supply Chain Management audit
11. 2024/25 Q4 Audit of Performance Information
12. Compliance review of 2025/26 draft and final IDP
13. 2024/25 Full scope SCM audit

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## 2.8 SUPPLY CHAIN MANAGEMENT

### OVERVIEW OF SUPPLY CHAIN MANAGEMENT

BPDM adopted and approved a Supply Chain Management Policy outlining the process and procedures for the acquisition of goods and services by way of quotations or competitive bidding process, often referred to as the Procedure Manual for Supply Chain Management.

The Procedure Manual also provides the process followed when appointing members of Bid Committees and provides for the delegation of authority by the Accounting Officer only under certain circumstances and accountability and reporting is highly emphasized, the oversight role played by Council, it also forms part of the policy.

The Procedure Manual also provides certain requirements for the procurement of goods and/or services from other organs of state or through transversal contracts, the appointment of consultants, including banking services.

It outlines on how deviations from the normal procurement processes, including how the consideration of unsolicited bids must be handled and further provides for ways to combat the abuse of the Supply Chain Management system.

The policy further provides for a system on demand management, acquisition management, logistics and disposal management as well as risk and performance management.

The Procedure Manual or policy further prohibits the awarding of contracts to certain categories of persons in line with the MFMA and Municipal Supply Chain Regulations.

Ethical standards are part of the policy and detail how Supply Chain Practitioners, role players and officials must conduct themselves when dealing with supply chain issues which are not limited to procurement alone, but include other issues of competition, fair dealing, value of money, effectiveness as well as cost effectiveness as is required by the Constitution of the Republic.

The declaration of interest is emphasized and awarding to persons whose tax matters are not in order is not permissible.

The Supply Chain Management Policy is reviewed when there are policy changes as its implementation as Supply Chain is a highly regulated environment.

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## 2.9 WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's website	Yes/No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	No	Not Applicable
All current budget-related policies	Yes	June 2024
The previous annual report (Year-2023/24)	Yes	January 2025
The annual report (Year – 2024/25) to be published	Yes	January 2025
All current performance agreements required in terms of Section 57(1)(b) of the Municipal Systems Act (Year 2024/25)	Yes	July 2024
All service delivery agreements	No	Not Applicable
All long-term borrowing contracts	No	Not Applicable
All supply chain management contracts above a prescribed value (give value)	Yes	July 2024 – June 2025
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)	No	Not Applicable
Contracts agreed in Year 0 to which subsection (1) of Section 33 apply, subject to subsection (3) of that Section	No	Not Applicable
Public-private partnership agreements referred to in Section 120 made in	No	Not Applicable
All quarterly reports tabled in the Council in terms of Section 52(d) during Year 2024/25	Yes	Quarterly (2024/25)

### COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

BPDM has an active website that was developed within the government framework. It is a communication tool that seeks to attract people from different races and cultures. It is an electronic strategic tool that portrays to the world who we really are and where are we situated in the continent. In our website we also feature the links to the websites of our 5 local municipalities which are in our jurisdiction.

It is against this background that we are treating the website with the significance it deserves. The information that is uploaded on the website is obtained from BPDM's different departments and is posted to the relevant positions on the site.

The website is managed by the IT and Communications units and is normally updated as and when there is information and service delivery related programmes that have unfolded. The municipal website is [www.bojanala.gov.za](http://www.bojanala.gov.za)

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## CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

### INTRODUCTION

This report reflects on the performance of BPDM for the 2024/25 Financial Year in terms of the implementation of its strategies and objectives.

The first section, i.e Introduction, gives an overview of the Vision and Mission of the District Municipality and a brief reference to the legislative and policy framework in terms of which this report is compiled.

Section 2 reflects on the performance highlights of the Municipality for the specific year.

An overview of the processes which lead to the compilation of the strategy (IDP), the allocation of financial resources for the implementation thereof, the alignment of the organisation with the strategy, as well as the implementation plan (SDBIP) is provided in Section 3

Section 4 presents the contents of the strategy – the goals of the institution, the strategic objectives and organisational programmes in terms of each of these strategic objectives, indicators set for the measurement of the performance on each programme and targets set in terms of these indicators. It further reflects on the Key Performance Areas of Local Government and the outcome indicators identified for evaluation of the impact of the organisational programmes.

The detailed information on the performance of the Municipality on the organisational programmes is provided in Section 5, structured in tabular format in terms of each indicator.

Section 6 concludes the report with recommendations for improvement of performance of the Municipality in terms of the implementation of the strategy.

A concise summary of the information is reflected in logical reporting framework which is attached as an Annexure to the report.

### BACKGROUND

In Local Government context, service delivery can be defined as the implementation of the strategy of the organisation in an efficient and effective way. The monitoring of the implementation of the strategy becomes imperative to keep the focus of all employees of the organisation, as well as that of the stakeholders of the organisation, on the strategy and specifically the implementation thereof.

This report is prepared in compliance with Section 46 of the Municipal Systems Act, 2000 (Act 32 of 2000) herein referred to as “the MSA” as well as Section 121 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) herein referred to as “the MFMA” in terms of the requirements of an Annual Performance Report. Although the report is known as the Annual Performance Report, it also forms an integral part of the Annual Report of the Municipality in terms of Section 121(2)(b) and (c) of the MFMA.

### VISION

Bojanala Platinum District Municipality, a model of cooperative governance for effective and efficient service delivery in partnership with local municipalities and all stakeholders.

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## **MISSION**

Bojanala Platinum District Municipality, through shared services, will coordinate, facilitate and support local municipalities by equitable sharing of resources and maximising community benefit of natural resources in safe and healthy environment.

## **LEGISLATIVE AND POLICY FRAMEWORK**

### **Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)**

Section 46 of the MSA stipulates that:

1. A municipality must prepare for each financial year a performance report reflecting:-
  - (a) The performance of the municipality and of each external service provider during the financial year;
  - (b) A comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and
  - (c) Measures taken to improve performance.
2. An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act

The Annual Performance Report forms the basis for the formulation of the strategy of the next planning cycle. Information contained in this report will become the baseline for planning and measuring improvement for the next financial year.

### **Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)**

This report forms part of the Annual Report, which is compiled in compliance with Section 121 of the MFMA. Section 121(2) states that the purpose of an annual report is to provide a record of the activities of the municipality for the financial year to which it relates. It also provides a report on the performance against the budget of the municipality or municipal entity for that financial year, in order to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

### **Performance Management System Policy Framework**

The policy framework of Bojanala Platinum District Municipality on Performance Management was adopted by Council under resolution **B93/24/25** and implementation is ongoing.

### **Integrated Planning, Budgeting and Performance Management for 2024/25 Financial Year**

The strategic plan in Local Government is called the municipal Integrated Development Plan (IDP). The budgetary process is the provision of resources for the implementation of strategy (IDP), whilst the Service Delivery and Budget Implementation Plan (SDBIP) is the implementation plan of the IDP. The alignment between the municipal Integrated Development Plan, Budget, SDBIP and Performance Management System is critical to ensure the strategic alignment within the municipality. The signing of Performance Agreements by the Municipal Manager and the Section 56 Managers constitutes a process of linking reward(s) to the achievement of the strategy (IDP).

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## **Integrated Development Planning (IDP)**

The Integrated Development Planning (IDP) process unfolded as per the District Framework and Process Plan, coordinating all processes and structures on District level. Council approved the IDP for 2023/24 financial year under resolution no. **B123/23/24** in a Council sitting of the 23<sup>rd</sup> May 2024.

## **Budgeting process**

The budget process unfolded simultaneously with the IDP process. The budget was approved by Council under resolution no **B124/23/24** in a Council sitting of the 23<sup>rd</sup> May 2024.

## **Alignment of the organisation with the Strategy**

After the approval of the IDP, the Performance Management Unit focused on the alignment of the objectives of the departments with the strategy of the organisation. This was followed by a process of alignment of the programmes and projects of the business units within the departments with the departmental objectives. Scorecards were drafted for the organisation as well as for each department, which have informed the SDBIP and the Performance Agreements, creating a situation where all the activities and energy in the organisation were focused on achieving the organisational strategy.

## **Service Delivery and Budget Implementation Plan (SDBIP)**

The Service Delivery and Budget Implementation Plant (SDBIP) is a key element in the process of service delivery, as it provides for the cascading of the strategic level (Integrated Development Plan and the Budget) to a level of implementation. It therefore provides the basis for measuring performance in service delivery and spending of the budget against specific targets. An SDBIP for 2024/25 financial year for the district municipality was compiled to guide the implementation of projects and the spending of funds and was signed off by the Executive Mayor on the 7<sup>th</sup> June 2024.

## **Budget Adjustment 2024/25 Financial Year**

Based on the resolution taken at the Mid Term Performance Assessment, an adjustment of the budget was done as provided by MFMA 24(3) and approved by Council under resolution no **B67/24/25** in a Council sitting of the 26<sup>th</sup> February 2025.

## **Review of the Service Delivery and Budget Implementation Plan**

The Service Delivery and Budget Implementation Plan was reviewed to reflect the adjustment as per the budget adjustment and other minor changes were made to improve the key performance indicators and targets in terms of the SMART principles, to bring more focus on the key performance areas of the business units and departments, as well as adding plans for new business units to the SDBIP of the municipality. The 2024/25 Reviewed Service Delivery and Budget Implementation Plan was approved and signed by the Executive Mayor on the 4<sup>th</sup> March 2025.

## **District Key Performance Areas**

The five Key Performance Areas of Local Government applicable to Bojanala Platinum District Municipality are as follows:-

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## **Basic Service Delivery and Infrastructure**

This focuses on the provision of and access to basic services by communities living in the district. The district has a mandate to facilitate and promote bulk services with regard to Municipal Health Services, Basic Services which includes water, sanitation, electricity, roads and storm-water, waste management and disaster management.

## **Financial Viability and Management**

This is focused on ensuring that all municipalities in the district use financial resources prudently and according to the priorities and needs of its constituencies in order to assure all stakeholders and role players of the 'value for money' when rendering services. The main focus of this performance area is for all municipalities to improve on their audit findings. Municipalities must have sound and effective systems in revenue enhancement, debt management, supply chain management, financial risk management and cash flow management.

## **Local Economic Development**

This performance area entails the district strategic approach to LED by exploiting its economic comparative advantage in order to contribute to the growth and development of the region, province and national economy. Economic sectors which offer the district the comparative advantage provide opportunities for economic growth of which, if explored through forms of direct and/or fixed investment can result in job creation and poverty alleviation in the region. Facilitation, support and capacity building programmes to businesses is one of the most critical factors of this performance area.

## **Institutional Transformation and Development**

This focuses on priority needs of the municipality in order to effectively render its services. It covers a range of issues which includes operational efficiency, skills development and training, performance management, risk management, communication, information technology, support and employee wellness and motivation.

## **Good Governance and Public Participation**

This focuses on strengthening relationships between the municipality, communities around the district, other governmental departments and all relevant stakeholders. It gives support to programmes dealing with social issues and poverty.

## **Performance Results for 2024/25 Financial Year**

A summary of the performance of the municipality in terms of the targets set for the 2024/25 financial year is attached as an Appendix.

The following legends are used to reflect the results or trends

**Green** A green colour is used when the performance of the municipality has been achieved or exceeded the target

**Red** A red colour is used when the performance of municipality was not achieved or far below standard.

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## PLANNING AND DEVELOPMENT

### 3.10 PLANNING

#### INTRODUCTION TO PLANNING

##### BPDM'S PLANNING STRATEGIES:

As part of the legislated and assigned functions to the District Municipality, the Bojanala Platinum District Municipality has over the previous financial year executed a number of processes that are beginning to gel into a planning strategy that will be codified in 2024/25.

The Integrated Development Planning processes are also managed in a very tight manner so that the critical dates and tenets of the Process Plan as approved by Council every August are adhered to. The development of the IDP document itself is managed and executed internally albeit with a limited capacity on the Geographic Information Systems as well as Economic Research fronts.

The Strategies therefore seek to be simple while effectively addressing the systemic issues to fragmented and unfocused planning.

#### DELIVERY PRIORITIES

The consultation processes with Local Municipalities have assisted in the determination of what ought to be priorities for the Financial Year. These being:

- Water & Sanitation
- Roads and stormwater
- Economic Development

While the impact has not been the best it could have been, a number of strides especially in the rural areas for the provision of portable water have been made. Further, the struggling Local Municipalities of Kgetleng-Rivier and Moretele have all benefited from the concerted effort to improve the sanitation systems in those areas.

In terms of economic development the manner that the districts' economy is structured limits the extent to which the District Municipality is able to make any meaningful impact. Further, the IGR arrangements also add to these challenges. However, there have been a number of projects that have been designed in a manner that allows for labour absorption albeit at an elementary scale.

#### **THE PROCESSES AMONGST OTHERS INCLUDES BUT ARE NOT LIMITED TO THE FOLLOWING:**

- The coordination of decisions by Local Municipalities' Council on the responses to the Spatial Planning & Land Use Management Act & Regulations
- The comments on the various issues related to township establishment applications; Applications for sub-divisions, rezoning and other such planning requirements.

#### ACHIEVEMENTS

- The Councils of Moretele, Madibeng, Moses Kotane, Rustenburg & KgetlengRivier Local Municipalities have all been assisted in establishing their Planning Tribunals;
- Bojanala Platinum District Municipality is in the process of establishing a credible database for recording of all planning applications received and responded to.

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## 3.11 LOCAL ECONOMIC DEVELOPMENT

### STATUS OVERVIEW

#### 1. Introduction

The documenting socio-economic analysis highlight baseline conditions and movements in economic and social indicators for Bojanala Platinum District Municipality. That creates the perspective for measuring possible impacts and areas that need attention within the socio-economic space. Economic positioning has the potential to identify new investment opportunities and gauge the desirability of an area for relocation or sector expansion in the district. This chapter offers important and valuable socio-economic narrative and inform economic development policy. Improving growth in the economy and provision of basic services to the district's community involves identifying sectors in the private and public space within the region that has ability to accelerate growth that will create more jobs. Analysis of selected variables of the economic industries to provides an overview of the economic landscape of the Bojanala Platinum District Municipality.

Bojanala Platinum District Municipality has land mass of about 18 333km<sup>2</sup> and the land is well endowed with mining minerals more so the platinum metal groups and also have a comparative advantage in the agriculture industry including tourism industry. Budgets coming from all spheres of government earmarked for Bojanala Platinum District Municipality caters for about 1.8 million population of the district in 2021 with Rustenburg and followed by Ketleng Rivier local municipalities contributing the largest number of people in the district municipality. The district is not immune to the triple challenges faced by the South Africa and North West Province included.

Bojanala Platinum District Municipality is share boarders with Waterberg District Municipality in the Limpopo Province, Tshwane Metropolitan Municipality in the and West Rand District Municipality both in the Gauteng Province. Within the North West province, the district shares boarder with Dr Kenneth Kaunda District Municipality and the Ngaka Modiri Molema District Municipality. It is worth noting that the district should take advantage of the strategic corridors that connects them with other regions within and outside the province. Studies should be done to establish investment opportunities that will attract clients from outside the boarders of the district to come consume our locally produced products and services there after leave the region. That will have a multiplier effect and create more jobs opportunities.

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## Economics Summary Statistics

### BOJANALA PLATINUM DISTRICT MUNICIPALITY

North-West Province

2020

#### ECONOMICS

##### Gross Domestic Product

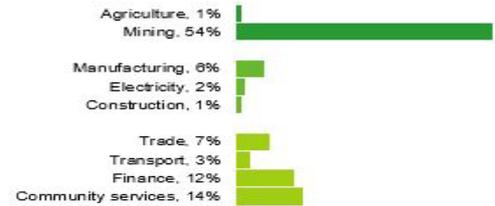
**157 bn**

Current prices

**2.8%**

of national GDP

##### Sector composition



##### Economic growth: 2010-2020



##### Economic growth annual % change

	2019-2020	10 year avg.
Bojanala Platinum	-13.1%	-1.5%
National Total	-6.4%	0.7%

##### Top 10 sectors (GVA) - R billions

Sector	2020
Mining of metal ores	76.87
Real estate activities	8.35
Education	6.56
Health and social work	5.81
Public administration and defense activities	4.56
Other business activities	4.49
Finance and Insurance	4.19
Wholesale and commission trade	3.36
Retail trade and repairs of goods	3.27
Land and Water transport	2.97
All other smaller sectors	23.07

## Key Drivers of economy

It is evident that Bojanala has a comparative advantage in the Mining sector but it has a disadvantage in all of the other Sectors. Besides the Mining activities, all the other Sectors in the District are seen as underdeveloped and not competitive at the Provincial level.

### Gross Value Added by Broad Economic Sector – Bojanala Platinum, North West and National, 2022

Sector	Bojanala Platinum	North-West	National Total
Agriculture	0,8%	9,4%	8,8%
Mining	18,5%	20,2%	12,0%
Manufacturing	7,6%	10,7%	6,5%
Electricity	-2,1%	2,5%	2,2%
Construction	-7,8%	-1,7%	-2,2%
Trade	1,6%	7,3%	6,4%
Transport	-1,2%	6,0%	4,7%
Finance	-1,1%	3,9%	3,3%
Community services	-2,6%	4,3%	3,6%
Total Industries	7,4%	8,2%	4,7%

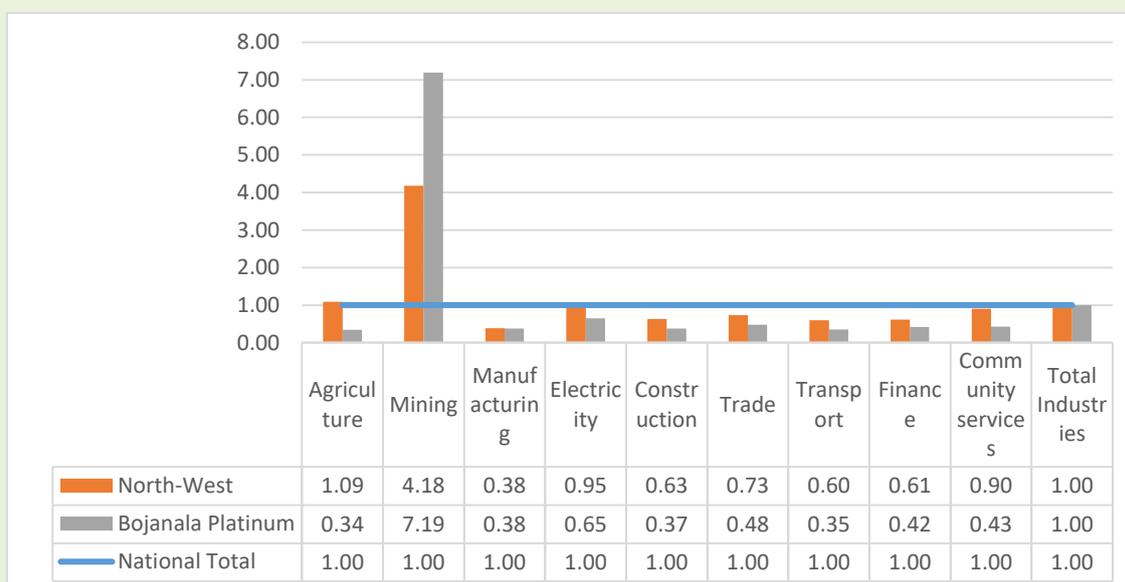
Source: IHS Markit – S&P Global, (2022)

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## Location Quotient

Location quotient is when specific regional economy has a comparative advantage over other regional economies if it can more efficiently produce the same good. The location quotient is one way of measuring this comparative advantage. If the location quotient is larger than one for a specified sector within a region, then that region has a comparative advantage in that sector. This is because the share of that sector of the specified regional economy is greater than the same sector in the national economy. The location quotient is usually computed by taking the percentage share of the sector in the regional economy divided by the percentage share of that same sector in the national economy.

### Location quotient by broad economic sectors for Bojanala Platinum District Municipality and South Africa, 2021



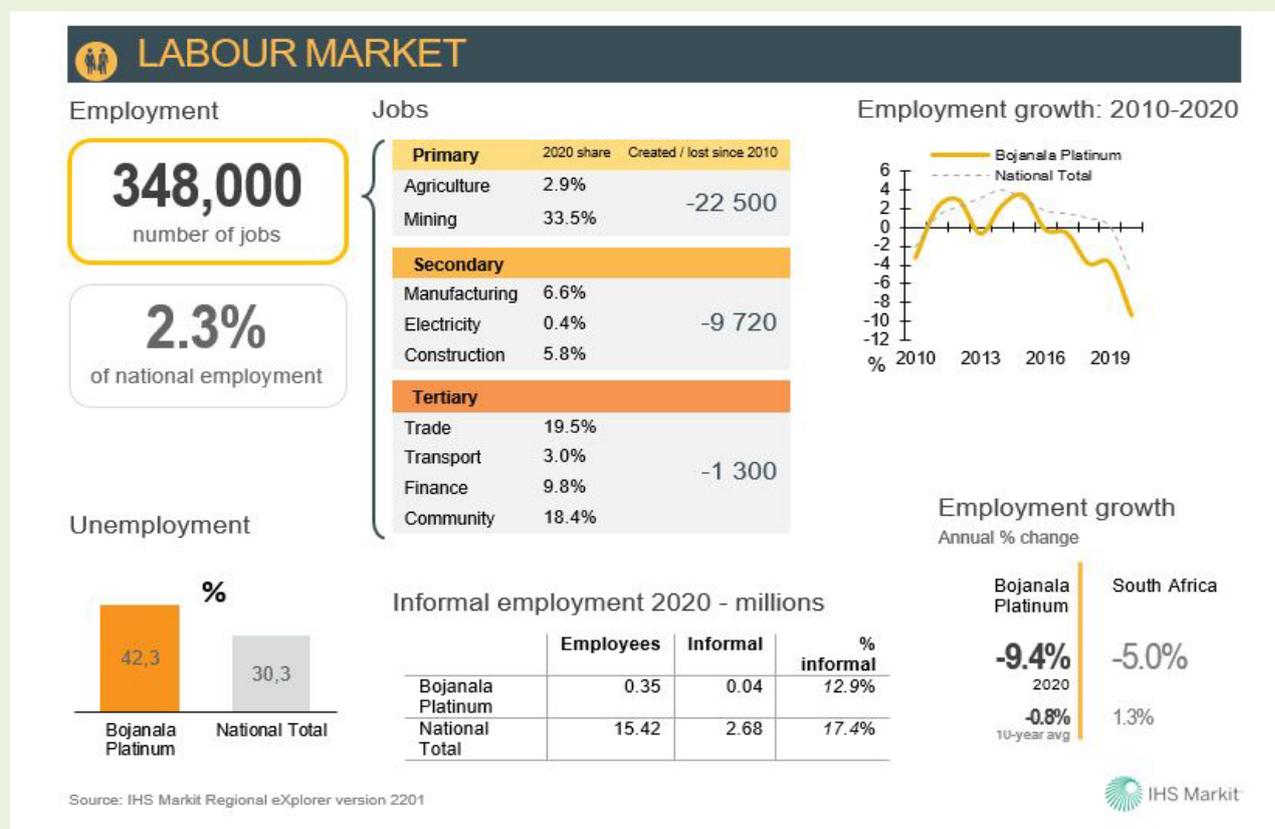
**Source:** IHS Markit – S&P Global, (2022)

Bojanala Platinum District Municipality had a very large comparative advantage in the mining sector in 2021. The electricity sector also had a comparative advantage in the district. The trade was the third sector with comparative advantage when comparing it to the district economy as a whole. The Bojanala Platinum District Municipality had a comparative disadvantage when it comes to the manufacturing and agriculture sector in 2021.

The district need to focus on mining development since the region is mostly known for mining. Location quotient indicate that the district enjoy the comparative advantage in the mining sector. That advantage place the Bojanala Platinum District Municipality in a better position to grow the economy and creating jobs using the sector that mainly focus on mining. It is worth noting that is important to exhaust all avenues that has the potential.

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## Labour Summary Statistics



### Unique advantages

- BPDM is a mining area which provide a platform for partnership to support our SMME's
- Production of platinum creates opportunities for beneficiation
- The District is a horticultural hub
- The District has 8 Provincial Dams which can support irrigation, fishing, and tourism activities

### Key issues/ challenges

- The need to finalize development of the District Economic Recovery Plan
- Lack of a shared conceptual understanding of LED and impact of delayed implementation of infrastructure development projects on economic development and investment drive
- Lack of integration of sector plans as part of LED planning and implementation;
- Limited funding and financing for municipal LED projects and programmes;
- Uncoordinated project approach to developing local economies;

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## **Key economic Opportunities and Potentials**

- Construction of luxurious Medical Facility and shopping mall at Moses Kotane LM
- Provide rural areas with increased levels of economic activity at Moses Kotane, Kgetleng Rivier and Moretele Local Municipalities.
- Revitalization of CBD's in the District because they are dilapidated and negatively affect investment
- Construction of physical Markets and Service Facilities such as abattoirs, tanneries etc. to support rural development.
- Development of Mining supply park to establish a one-stop shop for all the mines around the Bojanala PDM
- To establish markets in rural areas in order to ensure that produce within rural finds consumers. The specifications of the market will be informed by the unique characteristics of the various rural areas
- Establishment of a dry Logistics hub - One-stop site catering for all logistical requirements that includes a truck stop/inn
- Ensure excellent telecommunications network to resolve any challenges identified to ensure that proposed BPO (see services section) can be implemented.

## **DISTRICT DEVELOPMENT MODEL (DDM)**

### **INTRODUCTION**

### **LEGISLATIVE MANDATE**

Section 41 (1) of the Constitution of the RSA (Act 108 of 1996) indicates that the national, provincial and local spheres of government are distinctive, interdependent and interrelated.

IGR Act section 47 (1) (b) gazetted regulations provide for an intergovernmental framework and operational model that frame the coordination and institutionalisation of DDM, through a set of existing intergovernmental structures and the District One Plans.

DDM must be implemented through the interrelated processes of spatialisation and reprioritization that form part of the development and implementation of One Plans within the requirements of the Spatial Planning and Land Use Management Act, 2023 (Act No. 16 of 2013).

### **BACKGROUND**

The District Development Model (DDM) was launched by the President of the RSA. It seeks to address silo operations and lack of coherence of planning and implementation across all spheres of governance. The DDM is rolled-out for implementation in all the 52 district spaces across the country.

The District Development Model (DDM) is an operational model for improving Cooperative Governance aimed at building a capable and ethical Developmental State. It embodies an approach by which the three spheres of government and state entities work in unison in an impact-oriented way, and where there is higher performance and accountability for coherent service delivery and development outcomes. It is a method of government operating in unison focusing on the municipal district and metropolitan spaces as the impact areas of joint planning, budgeting and implementation.

One of the main objectives of the DDM is to foster a practical intergovernmental relations mechanism to plan, budget and implement jointly in order to provide a coherent government for the people in the Republic by solving silo's, duplication and fragmentation through maximising impact and aligning

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plans and resources at our disposal through the development of “One District, One Plan and One Budget”

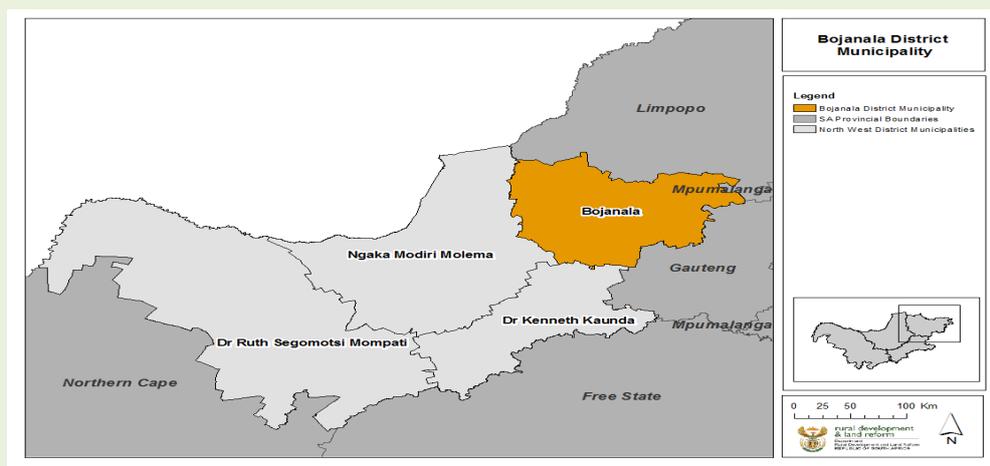
Development of the District One Plan seeks to ensure that integration of government plans and implements in unison with other stakeholders over the short, medium and long terms. The plan also deals with the current challenges of poor intergovernmental coordination, planning, budgeting and implementation.

The DDM calls for collaborative planning at district and metropolitan level together by all of government, on the basis of a detailed, technically driven consultative process within government and with communities and stakeholders; resulting in a single strategically focussed One Plan.

The municipality has developed and reviewed the District One Plan to provide all spheres of government, stakeholders, communities and investors with a strategic direction unique to the district in moving from the current outlook to the desired vision

It was developed through a collaborative effort aimed at:

- adhering to the Cabinet call to implement DDM with effort to improve service provision and maximise impact in Bojanala Platinum District through integrated planning, budgeting and delivery across all the three spheres of government: One District One Plan; and
- serving as a critical tool for performance framework geared towards effective monitoring and evaluation of implementation commitments on the One Plan enroute to realisation of the shared vision and maximising resources.



## Locality District Context

### District One Plan Outline

The framework for development of the district one plan unfolded taking into cognisance the following steps:

- **Diagnostic assessment** – which zoomed into the current reality as it related to the overall capacity, resources and challenges facing the district in terms of service delivery
- **Vision setting**- taking stock of what DDM requires in line with the six transformation areas of which must have strategic objectives, the vision setting serves to therefore describe the desired future (long term) goal with practical outline of what needs to be achieved through this one plan with clear goals and milestones

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- **Strategy formulation** – this part outlines the desired outcome and consist of strategies, programmes and projects through which the One Plan will achieve the vision set out for each of the critical transformation areas
- **Implementation Framework** – is more about a detailed action plan that is time bound, with budget, resources for implementation in order to achieve the overall vision of the one plan. It is inclusive of a baseline, description and interpretation of existing implementation commitments and planned initiatives by all role players and the newly developed one plan

## DIAGNOSTIC SUMMARY

Below are ongoing working sessions hosted throughout the development of the draft district one plan enroute to finalisation thereof:

- Weekly DDM Technical Committee Meetings chaired by the Acting Municipal Manager of the District (attended by Municipal Managers & Senior Managers of all Local Municipalities, Chairpersons of DDM work streams, Office of the District Champion (DMRE), COGTA, MISA, NWDC and some sector departments)
- Stakeholder briefings
- Working session of the identification of high impact projects
- District Champion's engagements and oversight
- Working session on the review of Draft One Plan
- Working session on finalisation of One Plan
- DDM Work Stream meetings

## STRUCTURAL AND SYSTEMIC CHALLENGES

Below are systemic challenges (in no specific order) facing the Bojanala Platinum District Municipality:

- Inadequate water provision
- Data uncertainty/ Limited broadband connectivity (poor ICT Infrastructure)
- Poor road infrastructure & maintenance / Limited mobility and accessibility infrastructure
- Little beneficiation of primary economies
- Little opportunity for functional literacy and re-training (few tertiary institutions in the district)
- Unstandardized policies on urban design and management (Insufficient town planners)
- poor river network maintenance
- Settlement growth around existing and historic settlement nodes/ Existing settlement-based growth pattern concertation
- Bad functional linkages between settlements and industry decline in fixed capital investment
- Unaccounted for water provisions in settlements & water loss
- Under- utilisation of proximity-based tourism potential
- Underdeveloped alternative energy options
- Lack of SMME activation in localised sectors
- Uncertainty on land ownership (great portion of land owned by traditional authorities)
- Inability to explore the agriculture sector to increasingly contribute to Gross Value Add
- Limited lifespan of mining-based economy
- Unexplored rail network to ensure multi-modal transport options
- Lack of bulk waste disposal services
- Unsuccessful cost recovery strategies for services
- In-efficient administrative functional linkages
- Inadequate systems of internal control and institutional capacity
- Reliance on grant funding
- Revenue enhancement strategies
- Continuous deteriorating financial institutional situations

# Preface

## VISION SETTING & STRATEGIC OBJECTIVES

Vision: *advancing the livelihoods through integrated planning and collaborations for a better live by 2050*

### Strategic objectives

- To build on the progress achieved thus far in improving the quality of life of people in Bojanala Platinum District Municipality, and to address many remaining challenges including planning adequately for the future, the One Plan focusses on six strategic goals.
- To address all the challenges facing the Bojanala District Municipality, One plan should clearly signify a turnaround strategy to give practical context direction of six transformation area strategies, as based on joint vision, all incorporating the required resources and frameworks that the vision.

### District development model work streams



There is interdependency and interrelatedness of this six DDM transformation themes which form the basis of the One Plan strategies that respond to a multiplicity of the structural and systematic challenges:

# Preface

DDM FOCAL AREA	STRATEGIC GOAL
People Development & Demographics	To maximise the impact of people development inclusive of business support on skills development for caring and self-reliant society
Economic Positioning	<ul style="list-style-type: none"> <li>To finalise establishment of Bojanala SEZ to ensure growth, revenue generation, job creation, attract Foreign Direct Investment (FDI) and foster international competitiveness</li> <li>To enhance and promote socio-economic stakeholder engagements and participation</li> <li>To enhance sectoral support for agriculture, rural development, tourism, manufacturing and re-industrialisation</li> <li>To introduce development guidelines that reduces red-tape and improves ease of doing business</li> <li>To promote sustainable development of industrial hubs, economic hubs and auto/digital hubs</li> <li>Focusing on access for youth and vulnerable communities</li> <li>To enhance and promote socio-economic stakeholder engagements and participation</li> </ul>
Governance and Financial Management	<ul style="list-style-type: none"> <li>To ensure good financial management inclusive of stakeholder's partnership</li> <li>To promote ethical, accountable governance with integrity</li> <li>To implement a rigorous system of consequence management</li> </ul>
Integrated Service Provisioning	<ul style="list-style-type: none"> <li>To promote effective and integrated services that addresses the socio- economic &amp; environmental development imperatives of the district</li> <li>To introduce the concept of Smart City to optimise district's functions and promote economic growth while also improving the quality of life for citizens by using innovation and science to analyse data</li> </ul>
Infrastructure Engineering	<ul style="list-style-type: none"> <li>To provide stable and sustainable infrastructure as catalyst for economic growth and investment attraction</li> <li>To develop sustainable regional bulk infrastructure capacity.</li> <li>To conduct research in innovative and alternative infrastructure delivery mechanism</li> <li>To encourage partnership with private sector in the infrastructure provision</li> </ul>
Spatial Restructuring and Environmental	<ul style="list-style-type: none"> <li>To create a sustainable, interlinked urban and rural region through sustainable and well-located developments</li> </ul>

## PROJECTS TO DIVERSIFY AND GROW PEOPLE AND THE ECONOMY (high impact projects as identified within the reports of various work streams)

- BPDM has been prioritizing roads, water, sanitation, community facilities, high mast lights and Sports facilities as infrastructure projects linked to community needs

## IMPLEMENTATION COMMITMENTS

There is buy in from all the three spheres of government with the confirmed support implementation of the Bojanala District One Plan. The identification and confirmation of all programmes and projects are guided by the level of involvement and integration of all role players. It is common knowledge that improved planning, budgeting and implementation is mandatory for attainment of the future vision of the district one plan. Prioritisation of the projects, initiatives and programmes emanates from the extensive stakeholder engagements with renewed sense of commitment to make DDM work

# Preface

## **PROGRESS TO DATE:**

- The municipality undertook and led collaborative process to solicit inputs from key stakeholders inclusive of sector departments, local municipalities and the private sector.
- The District One Plan was submitted to National COGTA and quality assurance process was undertaken to identify gaps within the plan that guided the review and updating of the One Plan following engagement with key stakeholders.
- The attached District One Plan took into cognizance of the quality assurance report and is inclusive of the implementation progress of DDM
- Development of the first generation of One Plan focused on the following key focus areas:
  - ✓ Key economic infrastructure projects that require unblocking actions are categorized as high impact projects
  - ✓ Key catalytic infrastructure projects in the context of the One Plan refers large scale spatial transformation projects of greater investment value and are projected make substantial contribution towards economic growth, job creation and skills revolution
  - ✓ Key projects that are aimed at stimulating and diversifying the economy
  - ✓ Short term service delivery improvement actions.
  - ✓ Immediate Local Government stabilization and institutional strengthening actions.
- It is also important for Council to note that progress has been made with the process to prioritize high impact projects for DDM that are geared towards accelerating implementation of district development model.
- The Technical Team comprising Municipal Managers and District Directors of Sector Departments and State Owned Entities regularly sit to reflect on progress for implementation of DDM
- DDM Workstreams address operational issues relating to their workstream competencies.
- Implementation of the prioritized high impact project is ongoing

## **PROCESS PLAN FOR FINALISATION OF THE DISTRICT ONE PLAN REVIEW PROCESS**

- Review of the District One Plan to incorporate the DDM regulations and alignment with the IDP
- Reviewed District One Plan to be submitted to Council for noting/ endorsement
- Workshops to be convened to familiarise stakeholders and communities with the DDM One Plan
- The municipality to institutionalise DDM into their budget and organizational structures
- Quarterly reports on implementation of DDM to be submitted to Council for noting
- District One Plan to be reviewed annually

## SECURITY AND SAFETY

### 3.21 FIRE AND EMERGENCY SERVICES

#### 1. Fire Services

The Fire services has a primary mission, of saving the lives of people and properties. To achieve this, the fire fighters will need some equipment to assist in executing their duty. The Fire and Rescue Services has the responsibility to keep the residence, tourists and the passers-by of the Bojanala Platinum District Municipality safe by rendering the service. The unit also provide fire safety trainings / awareness programs to the members of the community. Fire safety inspections are also conducted by safety officers in business premises, schools, and buildings.

The Fire services has a primary mission, of saving the lives of people and properties, and also to serve our community by providing effective emergency response services and quality prevention and education programmes that will minimise the loss of life and property resulting from fires and other emergency situations.

The Fire Management Services is regulated by Fire Brigade Services Act 99 of 1987. The ACT provide for the establishment, maintenance, employment, coordination and standardization of fire brigade services; and for matters connected therewith.

The Fire and Rescue Services has the responsibility to keep the residence, tourists and the passers-by of the Bojanala Platinum District Municipality safe by rendering the service. The unit also provide fire safety trainings / awareness programs to the members of the community. Safety officers in business premises, schools, and buildings also conduct fire safety inspections.

There are four key responsibilities for fire management services is that they must ensure that they make provision for including:

- Extinguishing fires in their area;
- Protecting life and property in the event of fires in their area;
- Rescuing and protecting people in the event of a road traffic collision, and
- Rescuing and protecting people in the event of other emergencies.

The Fire management services also need to collect information to assess risk in their areas as well as protect the health and safety of their workers.

The Bojanala Platinum District Municipality has three (3) fire stations namely:

1. **Mogwase fire station (Moses Kotane Local Municipality).**  
**Stand No. 125 Second Street**  
**Bodirelo Industrial Area**  
**Mogwase**  
**0314**
  
2. **Moretele Fire station (Moretele Local Municipality)**  
**Stand No.1**  
**Moretele Office Park**  
**Makapanstad**  
**0404**
  
3. **Kgetleng Fire station (Kgetlengrivier Local Municipality)**  
**04 Patent Street**  
**Industrial Area**  
**Koster**  
**0348**

### **3.22 DISASTER MANAGEMENT**

#### **Disaster Management**

The Disaster Management service is regulated by the Disaster Management Act, 2002 (Act No. 57 of 2002). The Disaster Management Act provides a platform from which all spheres of government work together to prevent or reduce the risk of disasters. The centre is established to serve the area of the Municipality as a whole and must exercise its powers and performs its duties in terms of Section 44(1) of the Act.

The key responsibilities required of the centre in terms of the Act are to coordinate and facilitate the following:

- Implement measures to conduct comprehensive and progressive assessments which will contribute to the development of disaster risk profiles which are current and relevant, and which will inform planning and the implementation of risk reduction strategies;
- Develop, implement and maintain disaster management plans, programs and practices for disaster risk reduction which will ensure that individuals, households, communities, infrastructure and the environment in the region are resilient to disaster risk;
- Facilitate the development and implementation of contingency plans to ensure rapid, appropriate and effective disaster response and recovery to disasters which occur or are threatening to occur within the Bojanala region;
- Develop, establish and maintain a comprehensive information management system, an effective communication system and an accessible public awareness and information service;
- Make provision for accessible training, education and research opportunities for disaster management stakeholders in the district;

- Make recommendations regarding the funding for disaster management in the district and initiate and facilitate efforts to make such funding available;
- Develop, implement and maintain dynamic mechanisms for monitoring, evaluating and continuously improving disaster management practice, projects and programs.

The communities are vulnerable to all emergencies and disasters. The Disaster Management Act sections 20, 33 and 47 requirements for priority setting with respect to disasters likely to affect South Africa. These sections underscore the importance of disaster risk assessment to guide National, Provincial and Municipal Disaster risk reduction efforts, including Disaster risk management planning.

National Disaster Management Framework, “Enabler 2”, addresses disaster risk management priorities in education, training, public awareness and research. It addresses requirements to promote and support a broad-based culture of risk avoidance through strengthened public awareness and responsibility. In line with the legislative mandates, BPDM has in 2024/2025 financial year conducted risk assessments programs and public awareness campaigns to the community members. The Disaster Advisory Forums meetings are normally been held with various stakeholders.

### **Sport, Arts and Culture**

#### **STATUS QUO OVERVIEW**

The Sport, Arts and Culture unit is guided by the White Paper on Sport and Recreation and the White Paper on Arts, Culture and Heritage and also the National Sport and Recreation Plan. The National Sport and Recreation Plan is an implementation plan for the sport and recreation policy framework as captured in the White Paper. The Unit’s role is also support the local municipalities as their roles differ from the districts. The Sport Arts and Culture Unit is partnering with the Provincial Department of Sport Arts and Culture in all their programs, this is assisting in terms of financial resources. The partnership is also done with all Arts and Culture Associations, federations and other institutions.

BPDM Sport and Recreation Policy and the BPDM Arts, Culture and Heritage Policy were developed and it gives guidance on how the unit is expected to work. The policies clearly specify the role of BPDM in terms of Sport Arts and Culture issues. The district is continuing to support Sport development programs through the federations.

BPDM also developed a report on the audit of sport and recreation facilities. The audit’s purpose is to provide an audit report on sport and recreation facilities within 5 Bojanala constituent municipalities and indicates the level of utilisation. The audit assists in terms of local municipalities needs for sports equipment, and it has showed that soccer, netball and volleyball are the mostly played sporting codes. It also showed the sporting codes which needs more attention in terms of sport development.

Some of the most critical issues in the district as identified through the IDP processes of the various local municipalities relating to Sport, Arts and Culture is:

- The need for improved maintenance of existing facilities;
- The implementation and support of Arts and Culture programmes;
- The extension of organized sports to a wider range of communities;
- The need for fencing of existing sports facilities;
- The need for basic sports equipment.

The District will support all efforts to harness the proudly South African spirit and to build the strongest possible partnership between all sections of our population to accelerate our advances towards the achievement of the national transformation project. Sport is an important element of this exercise. The district will continue to support Sport development through sport federations; capacity building through clubs will be done.

The district will continue supporting the local municipalities through Arts and Culture programs and projects, as most of the locals do not have that type of function and they depend on the district for support. The Provincial Department looks forward to partner with both the District and Local Municipalities in these projects.

#### Programs

- Capacity building
- Sports development programs
- Assistance to federations
- Assistance to clubs through local municipalities
- Provision of basic sports equipment
- Film development
- Artists and music development workshop
- Support to Arts and culture program
- Heritage project

#### **KEY ISSUES / CHALLENGES**

Some of the most critical issues in the district as identified through the IDP processes of the various local municipalities relating to Sport, Arts and Culture is:

- Limited budget to roll out or implement sport, recreation, arts and culture programmes;
- Lack of Sport facilities especially in rural areas;
- The need for improved maintenance of existing facilities;
- The facilitation of organized sports structures in the district;
- The need for sport equipment in various sports facilities;
- Capacity Building for athletes, coaches and administration;
- Funding of arts and culture programs; and
- Lack of Heritage programs in the district;

## **Social Development**

The Bojanala volunteers day is organised to honour recognize and reward efforts done by volunteers from different Non-Government Organisation's (NGO'S) who have dedicated their lives to contribute in bringing a better life for their communities. The NGO's provides for the sick, orphaned and vulnerable children, needy and disabled people. Bojanala Platinum District Municipality, Directorate of Community Development Services: Social Development Unit has an annual mandate as per the SDBIP to support the NGO/NPOs. The funding for these organizations is determined by the submission of applications that are informed by an advertisement on newspapers on a yearly basis that goes out from August to September to invite them. The unit also supports EPWP programs through the grants from COGTA, to support different volunteers as well.

### **Provision of Food Parcels**

Social Development Unit's poverty alleviation programme was planned and budgeted for as one of the Key Performance Indicators (KPI) for the Community Development Services Department. This aims to provide temporary assistance in alleviating poverty in our communities with food parcels as circumstances vary. This programme forms part of the Government's commitment towards poverty alleviation.

## TRANSPORT AND COMMUNITY SAFETY

### PUBLIC TRANSPORT

#### INTRODUCTION

The National Land Transport Act (NLTA) Chapter 4 Section 36(1) requires all planning authorities to prepare Integrated Transport Plans (ITP's) for their respective areas for the period of five years and submit to the Member of the Executive Council (MEC) by the date determined by the Minister. The Bojanala Platinum District Municipality completed the review of its Integrated Transport plan covering all the plans specified in the NLTA for all its five (5) local municipalities.

The review considered the various and relevant information and plans including amongst others the Integrated Development Plans (IDP) of the local municipalities, the Spatial Development Framework (SDF), Operating License Strategy (OLS), Rustenburg Rapid Transit (RRT) information, etc.

The transport vision, mission and objectives of BPDM were reconfirmed and form the basis for transforming the district through improving access and mobility. The objectives include goals for:

- Financial and economic development
- Public Transport
  - Land-use and public transport integration
  - Public transport safety and security
  - Mini-bus
  - Bus
  - Rail
- Travel Demand Management
- Modal Integration
- Special needs – universal access
- Freight
- Road network

The approved DITP document consists of the following chapters:

- Chapter 1: Introduction;
- Chapter 2: Land transport vision, goals and objectives;
- Chapter 3: Transport Register;
- Chapter 4: Operating Licence Strategy;
- Chapter 5: Rationalisation Plan;
- Chapter 6: Rural Transport and Non-Motorised Transport
- Chapter 7: The Spatial development Framework;
- Chapter 8: Funding Strategy and Summary of Proposals and Programmes

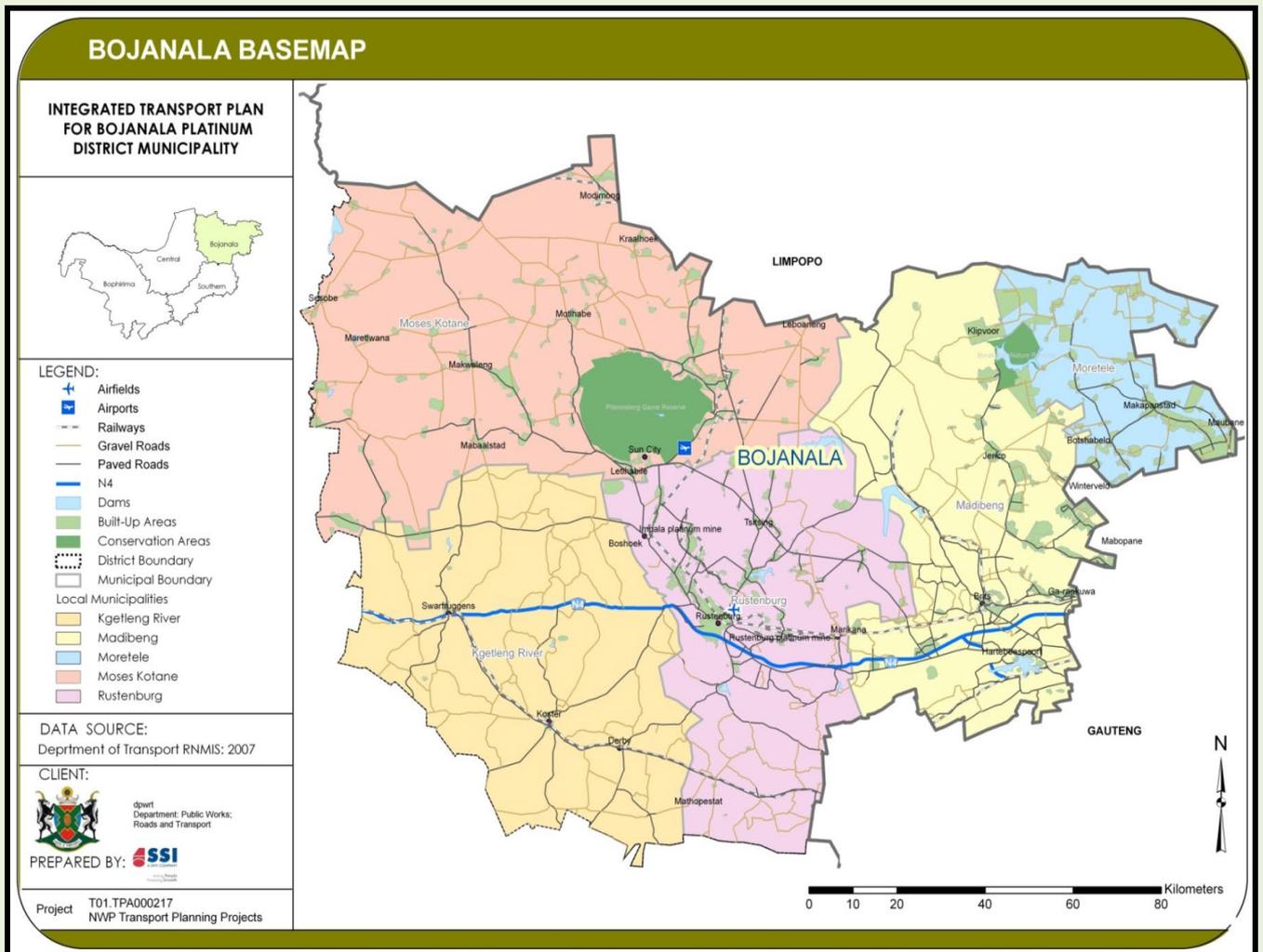
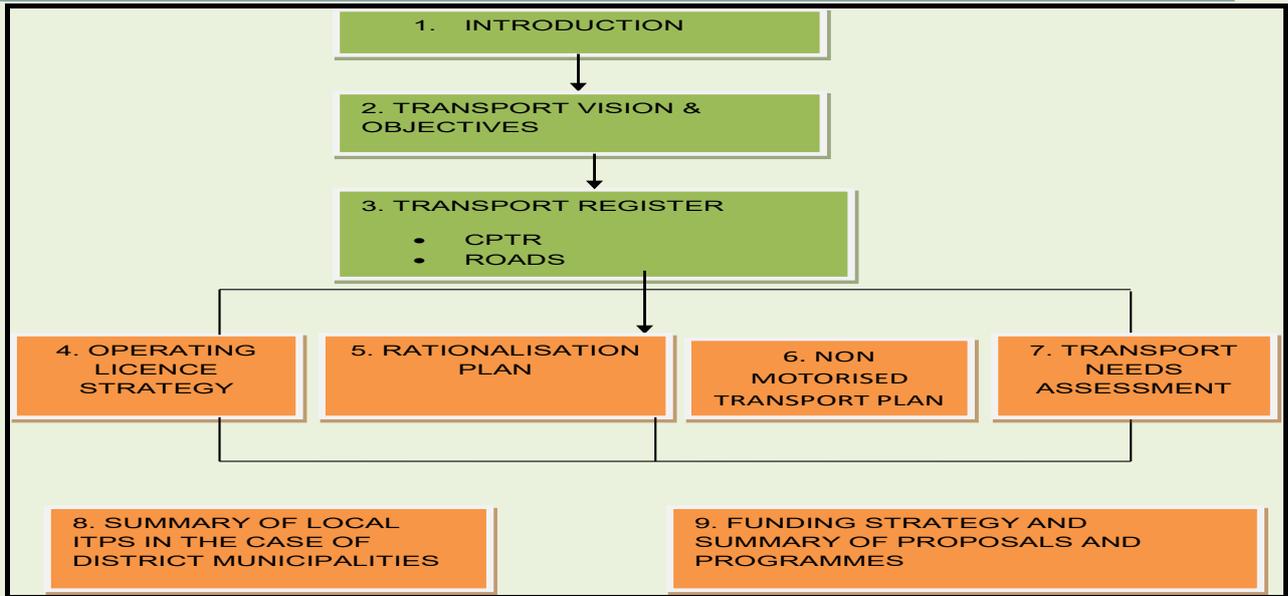


Figure 1: Bojanala Platinum District Municipality (Integrated Transport Plan)

# STRATEGIC PUBLIC TRANSPORT NETWORK

INTEGRATED TRANSPORT PLAN  
FOR BOJANALA PLATINUM  
DISTRICT MUNICIPALITY



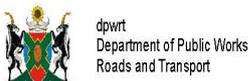
**LEGEND:**

- Primary Urban Dev Node
- Secondary Urban Dev Node
- Emerging Soc Urban Dev Node
- Local Dev Node
- Local Service Centre
- Rural Service Centre
- Bus and Taxi Route
- Road Network**
- Primary
- Secondary
- N4
- Class
- Built-Up Areas
- Conservation Areas
- Provincial Boundary
- Municipal Boundaries

**DATA SOURCE:**

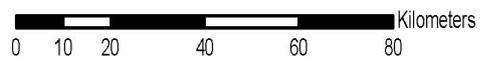
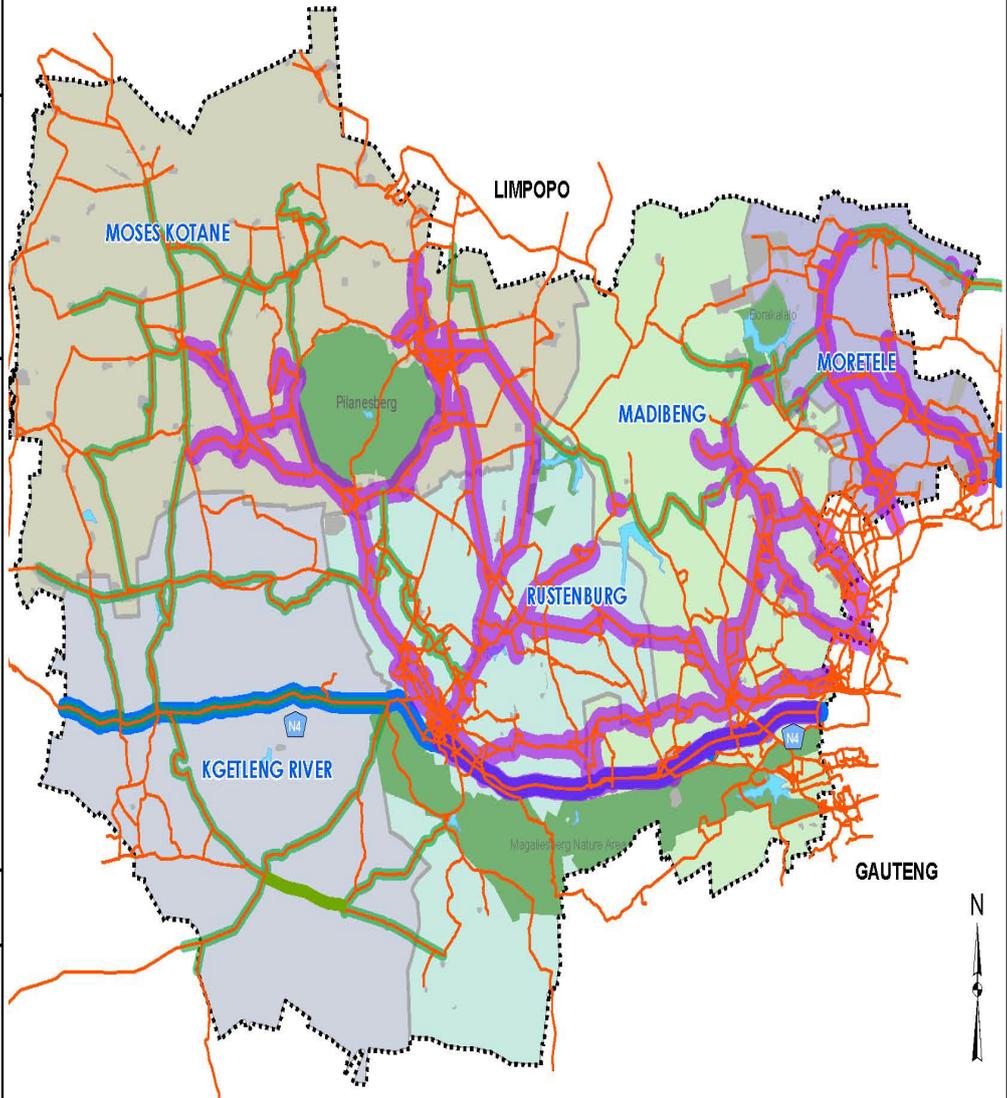
NW Province  
Department of Transport CPTR 2008 - 2010

**CLIENT:**



PREPARED BY: **SSI**

Project T01.TPA.000217  
NWP Transport Planning Projects



**Figure 1: The Strategic Public Transport Network**

# PUBLIC TRANSPORT NETWORK IN THE BOJANALA PLATINUM DISTRICT MUNICIPALITY

## STATUS QUO OVERVIEW

### The Bojanala Platinum District Municipality vision is:

“To provide a safe, reliable, effective, efficient and integrated transport system (including operations and infrastructure) that best meets the needs of the people of Bojanala Platinum District Municipality at acceptable and affordable levels of service and cost in support of the municipality strategies for economic and social development whilst being environmentally sustainable”.

### Public Transport Network in The Bojanala Platinum District Municipality

Public Transport in the district is provided by commuter buses and taxis. Taxi transport is provided by private individuals organized into local taxi associations, regional, district as well as the provincial council. The provincial councils are affiliated to the national taxi bodies.

## TRANSPORT PROGRAMMES

Bojanala Platinum District Municipality supports different road safety initiatives to promote road safety in the District. The following initiatives were supported:

- Provision of scholar Transport Equipment and Uniform
- Schools Debate Road Safety District and Provincial Competition
- Transport Forum

In the 2024/25 financial year the district supported Moitshoki -Mofenyi Public Primary School and Kgalatsane Primary School, both schools are situated at Kgetleng Rivier Local Municipality, Kgabalatsane Primary School in Madibeng Local Municipality.



The School Debate Road Safety District and Provincial Competition the School Debate Competition that was held on the 23 August 2024 in the Bojanala Platinum District Council Chambers. The purpose of the debate was to empower learners legislatively, including research skills, presentation skills, teamwork and critical thinking.

Five schools from the Local Municipalities around Bojanala participated in the competition. The topic for the debate was **“THE ENFORCEMENT OF RAIL FREIGHT CAN REDUCE FATALITIES ON SOUTH AFRICAN ROADS”**





## COMPONENT I - CORPORATE POLICY OFFICES AND OTHER SERVICES

### 3.24 COUNCIL

BPDM has a total of 70 Councillors

The following table depicts the political structure of the Municipality:

OFFICE BEARERS	COUNCIL COMMITTEES
Speaker	Municipal Public Accounts Committee
Single Whip	Rules Committee
Executive Mayor	Audit and Performance Committee

TROIKA	
Cllr Susan Dikeledi Ntipa Nthangeni	Acting Executive Mayor
Cllr TL Madiba	Speaker of Council
Cllr MD Moeketsane	Single Whip of Council

MAYORAL COMMITTEE	
Cllr Susan Dikeledi Ntipa Nthangeni	Executive Mayor
Cllr Annetjie Ephenia Selebogo	MMC: Local Economic Development
Cllr Rabatswadi Ignatius Msoki	MMC: IDP,PMS Monitoring and Evaluation
Cllr Winnie Masalang Sono	MMC: Budget & Treasury
Cllr Victoria Ntombodumo Makhaula (Tsienyane)	MMC: Technical Support Services
Cllr Mohammed Karani	MMC: Special Projects
Cllr Kagiso Moleko	MMC: Community Development Services
Cllr Frida Matshidiso Mangoathe	MMC: Agriculture and Rural Development
Cllr Ofentse Molusi	MMC: Sports, Arts and Culture
Cllr Thapelo Petrus Thobokoe	MMC: Corporate Support Services
Cllr Matshwane Elizabeth Kibini	MMC: Health and Environment

## SECTION 79 COUNCIL COMMITTEES 2024/25

RULES COMMITTEE		
NAME	MUNICIPALITY	POLITICAL PARTY
<b>Cllr Lucky Madiba</b>	<b><i>BPDM (Chairperson)</i></b>	<b>ANC</b>
Cllr Moeletsi Shikwane	BPDM	SAVE
Cllr Cate Mosidi Moatshe	MLM	ANC
Cllr Kelebogile Motheng	RLM	DA
Cllr Tebogo Hlongwane	BPDM	EFF
Cllr John Makhubela	Madibeng	ANC

MPAC		
NAME	MUNICIPALITY	POLITICAL PARTY
<b>Cllr. Thadise Macdonald Mashomo</b>	<b><i>BPDM (Chairperson)</i></b>	<b>ANC</b>
Cllr Sanah Mmule Motshegwe	RLM	ANC
Cllr Abraham Petrus Rootman	RLM	VF+
Cllr Ratselane Ezekiel Mashimo	MKLM	ANC
Cllr Nkateko Stephina Mabunda	MAD	DA
Cllr Jeannette Komane	BPDM	EFF
Cllr Oliver Mawayi	BPDM	EFF
Cllr Vincent Phusoane	BPDM	ANC
Cllr Raymond Motsepe	BDPM	ANC
Cllr Alfred Norman Motsi	BPDM	EFF
Cllr Shadrack Shanti Moreki	Madibeng	EFF

## SECTION 80 PORTFOLIO COMMITTEES 2024/25

BUDGET AND TREASURY		
NAME	MUNICIPALITY	POLITICAL PARTY
<b><i>Cllr Winnie Masalang Sono</i></b>	<b><i>BPDM - Chairperson</i></b>	<b><i>ANC</i></b>
Cllr Cate Mosidi Moatshe	MLM	ANC
Cllr Mapogo Mosete	BPDM	ANC
Cllr Isabel Sibongile Macone	RLM	ANC
Cllr Makinta Andries Monaheng	MLM	ANC
Cllr Eugene Van Der Schyff	MAD	DA
Cllr Tshepang Machewane	BPDM	EFF
Cllr Elsa Lourens	Madibeng	VF+

IDP, PMS AND PUBLIC PARTICIPATION		
NAME	MUNICIPALITY	POLITICAL PARTY
<b><i>Cllr Rabatswadi Ignatius Msoki</i></b>	<b><i>BPDM - Chairperson</i></b>	<b><i>ANC</i></b>
Cllr Lebogang Frans Modise	MLM	ANC
Cllr Leah Mmakubu Ntobong	Madibeng	ANC
Cllr Ella Dorothea Fredrika Lourens	MAD	VF+
Cllr Tshepo Kwele	MAD	EFF
Cllr Ronelle Gous	BPDM	DA
Cllr Luck Malope	BPDM	AIC

SPECIAL PROJECTS		
NAME	MUNICIPALITY	POLITICAL PARTY
<b><i>Cllr. Mohammed Karani</i></b>	<b><i>BPDM- Chairperson</i></b>	<b><i>ANC</i></b>
Cllr Peter Letlhabii	MLM	ANC
Cllr Nomawisile Deliki	MKLM	ANC
Cllr Cate Mosidi Moatshe	MLM	ANC
Cllr Thimotheus Francois Potgieter	BPDM	VF+
Cllr Israel Monaisa	Rustenburg	Tsogang
Cllr Ditiragalo Rakgatlha	BPDM	DA

<b>LOCAL ECONOMIC DEVELOPMENT &amp; TOURISM</b>		
<b>NAME</b>	<b>MUNICIPALITY</b>	<b>POLITICAL PARTY</b>
<b><i>Cllr. Annetjie Selebogo</i></b>	<b><i>BPDM - Chairperson</i></b>	<b><i>ANC</i></b>
Cllr Rose Lukhele	MKLM	ANC
Cllr Isabel Sibongile Macone	RLM	ANC
Cllr Johana Potgieter	KRLM	VF+
Cllr Tebogo Hlongwane	BPDM	EFF
Cllr Kelebogile Chaka	MKLM	Tsogang
Cllr Elias Elek Mapogo Mosete	RLM	ANC
Cllr Kutlwano Ramokgadi	BDPM	ANC
Cllr Ronelle Gous	BPDM	DA

<b>AGRICULTURE AND RURAL DEVELOPMENT</b>		
<b>NAME</b>	<b>MUNICIPALITY</b>	<b>POLITICAL PARTY</b>
<b><i>Cllr. Frida Matshidiso Mangoathe</i></b>	<b><i>BPDM - Chairperson</i></b>	<b><i>ANC</i></b>
Cllr Nomvula Seanokeng Grace Sekao	MKLM	ANC
Cllr Nkeko Anastasia Letlape	MKLM	ANC
Cllr Thimotheus Francois Potgieter	BPDM	VF+
Cllr Stephens Abram Kutumela	MLM	DA
Cllr Louisah Nkele Tau	BPDM	EFF
Cllr Leah Mmakubu Ntobong	Madibeng	ANC

<b>TECHNICAL SUPPORT SERVICES</b>		
<b>NAME</b>	<b>MUNICIPALITY</b>	<b>POLITICAL PARTY</b>
<b><i>Cllr. Victoria Makhuala</i></b>	<b><i>BPDM - Chairperson</i></b>	<b><i>ANC</i></b>
Cllr Nakiwe Faith Mokwena	MAD	ANC
Cllr Letlhogonolo Peter Sedio	MAD	ANC
Cllr Francios Potigier	BPDM	VFP
Cllr Morgen Thuthugang Molefe	MKLM	EFF
Cllr Martin Coetzee	RLM	DA
Cllr Lebogang Modise	MLM	ANC

### CORPORATE SUPPORT SERVICES

NAME	MUNICIPALITY	POLITICAL PARTY
<b><i>Cllr. Thapelo Thoboke</i></b>	<b><i>BPDM - Chairperson</i></b>	<b><i>ANC</i></b>
Cllr Eric Langeni	RLM	ANC
Cllr Ezekiel Mashimo	MKLM	ANC
Cllr Dinah Phalole	RLM	EFF
Cllr Joseph Qobeka	RLM	ANC
Cllr Chris Kelebogile Chaka	MKLM	TSOGANG
Cllr Kelebogile Patience Motheng	BPDM	DA

### SPORT, ARTS AND CULTURE

NAME	MUNICIPALITY	POLITICAL PARTY
<b><i>Cllr Ofentse Molusi</i></b>	<b><i>BPDM - Chairperson</i></b>	<b><i>ANC</i></b>
Cllr Moeletsi Shikwane	BPDM	SAVE MADIBENG
Cllr Thobi-John Makhubela	MAD	ANC
Cllr Johana Potgieter	KRLM	VP+
Cllr Ramasela Mmoti Elizabeth Kutumela	MLM	EFF
Cllr Kelebogile Patience Motheng	BPDM	DA
Cllr Kutlwano Ramokgadi	BDPM	ANC
Cllr Gert Malebogo	BPDM	F4SD

### COMMUNITY DEVELOPMENT SERVICES

NAME	MUNICIPALITY	POLITICAL PARTY
<b><i>Cllr. Kagiso Moleko</i></b>	<b><i>BPDM - Chairperson</i></b>	<b><i>ANC</i></b>
Cllr Caroline Ramasela Lekalakala	MRLM	ANC
Cllr Tshegofatso Eliphus Matjene	RLM	TSOGANG
Cllr Eric Langeni	Rustenburg	ANC
Cllr Thimotheus Francois Potgieter	BPDM	VF+
Cllr Sarah Mohale	MAD	EFF
Cllr Vivian Nomphele Myoli	RLM	DA
Cllr Levy Ramathhape	MAD	ANC

## HEALTH AND ENVIRONMENTAL SERVICES

NAME	MUNICIPALITY	POLITICAL PARTY
<b><i>Cllr. Tebogo Kibini</i></b>	<b><i>BPDM - Chairperson</i></b>	<b><i>ANC</i></b>
Cllr Kleinbooï Motaung	BPDM	ANC
Cllr Mapogo Mosete	Rustenburg	ANC
Cllr Ella Dorothea Fredrika Lourens	MAD	VF+
Cllr Ditiragalo Mmakgameo Rakgatlha	BPDM	DA
Cllr Senkgane Brunny Marakalala	MKLM	EFF
Cllr Masego John Mongane	BPDM	Tsogang

## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE)

The following legends are used to reflect the results or trends:

- Green** A green colour is used when the performance of the municipality has been achieved or exceeded the annual target that was set.
- Red** A red colour is used when the performance of the municipality was not achieved or far below standard.

**CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE  
(PERFORMANCE REPORT PART II)**

**ANNUAL PERFORMANCE REPORT 2024/25  
GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

Outcome 9	OUTPUT 1	Implement a differentiated approach to municipal financing, planning and support									
	OUTPUT 3	Implementation of the community work programme									
	OUTPUT 5	Deepen democracy through a refined ward committee model									
	OUTPUT 7	Single window of coordination									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To promote good governance through provision of administrative support	Number of Council meetings coordinated	16 Council Meetings coordinated in 2023/24FY	8 Council meetings coordinated by 30 June 2025	R500 000	R794 575	Office of the Speaker	<b>Achieved 18 Council meetings coordinated</b>	The 18 Council meetings includes special council meetings (9) to deal with urgent matters affecting the Municipality and the other 1 council meeting for the tabling of adjustment budget. The over expenditure was due to the special council meetings that were not envisaged and budgeted for by the municipality.	Not Applicable	16 Council meetings coordinated	Agenda, minutes and attendance register

Outcome 9	OUTPUT 1	Implement a differentiated approach to municipal financing, planning and support									
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Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To ensure good governance and effective public participation	Number of Public Participation conducted	2 Public Participation conducted in 23/24FY	2 Public Participation conducted by 30 June 2025	R1 867 000	R1 863 008	Office of the Speaker	<b>Achieved 2 public participation conducted</b>	Not Applicable	Not Applicable	2 public participation programmes conducted	Reports and attendance registers
	Number of ward committee capacity building programmes coordinated	4 ward committee capacity building programmes in 23/24FY	4 ward committee capacity building programmes coordinated by 30 June 2025	R689 000	R863 370	Office of the Speaker	<b>Achieved 4 ward committee capacity building programmes coordinated</b>	An invoice of R191 000 for 2023/24 financial year was only paid during 2024/25 financial year which made the budget to be over spent.	Not Applicable	4 ward committee capacity programmes coordinated	Reports, attendance registers and agenda
	Number of training and development programmes coordinated for Municipal Councillors	4 training and development programmes in 23/24FY	4 training and development programmes coordinated for Municipal Councillors by 30 June 2025	R1 111 420	R1 110 020	Office of the Speaker	<b>Achieved 4 training and development programmes coordinated for Municipal Councillors</b>	Not Applicable	Not Applicable	4 training and development programmes coordinated	Reports
	Number of Anti-Fraud and corruption awareness campaigns	New	1 Anti-Fraud and corruption awareness campaign by 30 June 2025	R 350 000	R345 870	Office of the speaker	<b>Achieved 1 Anti-Fraud and corruption awareness campaign</b>	Not Applicable	Not Applicable	New KPI	Reports

Outcome 9	OUTPUT 1	Implement a differentiated approach to municipal financing, planning and support									
	OUTPUT 3	Implementation of the community work programme									
	OUTPUT 5	Deepen democracy through a refined ward committee model									
	OUTPUT 7	Single window of coordination									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To support and coordinate for various advocacy groups	Number of special project programmes held	4 Campaigns held in 23/24FY	4 special project programmes held by 30 June 2025	700 000	R2 303 611.00	Office of the Executive Mayor	<b>Achieved 4 special project programmes held</b>	The quotations received from the service providers were above the budgeted amount.	The municipality will ensure that there is more budget for 2025/26 financial year for these programmes.	4 campaigns held	Reports
To support and mobilize different organisation within the community	Number of outreach programmes coordinated	4 outreach programmes coordinated in 23/24FY	4 outreach programmes coordinated by 30 June 2025	R1 050 000	R1 440 168.00	Office of the Executive Mayor	<b>Achieved 4 outreach programmes coordinated</b>	The quotations received from the service providers were above the budgeted amount.	The municipality will ensure that there is more budget for 2025/26 financial year for these programmes.	4 outreach programmes coordinated	Reports
	Number of Moral Regeneration programmes supported	4 moral regeneration programmes supported in 23/24FY	4 moral regeneration programmes supported by 30 June 2025	R929 000	R1 168 237.49	Office of the Executive Mayor	<b>Achieved 4 moral regeneration programmes supported</b>	The quotations received from the service providers were above the budgeted amount.	The municipality will ensure that there is more budget for 2025/26 financial year for these programmes.	4 moral regeneration programmes supported	Reports
To promote the needs and interests of special focus groupings	Number of reports on the implementation of poverty alleviation projects	New	4 reports on the implementation of poverty alleviation projects by 30 June 2025	R 21 000 000	R14 480.00 544	Office of the Executive Mayor	<b>Achieved 4 reports on the implementation of poverty alleviation projects</b>	The municipality realised a saving as the remuneration for the poverty alleviation projects was less than the projections.	Not Applicable	New KPI	Reports

Outcome 9	OUTPUT 1	Implement a differentiated approach to municipal financing, planning and support									
	OUTPUT 3	Implementation of the community work programme									
	OUTPUT 5	Deepen democracy through a refined ward committee model									
	OUTPUT 7	Single window of coordination									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To promote the needs and interests of special focus groupings	Number of Community Bursaries awarded	5 Community Bursaries awarded in 23/24FY	10 Community Bursaries awarded by 30 June 2025	R 1 500 000	R1 154 288.66	Office of the Executive Mayor	<b>Achieved 10 Community bursaries awarded</b>	The municipality realised a saving as the tuition fees were less than the budgeted amount.	Not Applicable	5 community bursaries awarded	Reports
To promote good governance through provision of administrative support	Number of Whippery programmes conducted	New	2 Whippery programmes conducted by 30 June 2025	R500 000	R499 983	Office of the Single Whip	<b>Achieved 2 whippery programmes conducted</b>	Not Applicable	Not Applicable	New KPI	Reports
To ensure good governance and effective public participation	Number of Whippery Forum meetings coordinated	New	4 Whippery Forum meetings coordinated by 30 June 2025	R0	R0	Office of the Single Whip	<b>Achieved 4 whippery forum meetings coordinated</b>	Not Applicable	Not Applicable	New KPI	Reports
To strengthen accountability within the municipality	Number of BPDM Audit Committee Reports adopted by Council	4 Audit Committee Reports adopted by Council in 23/24FY	4 Audit Committee Reports adopted by Council by 30 June 2025	R1 300 000	R786 834	Office of the Municipal Manager	<b>Achieved 4 Audit Committee reports adopted by Council</b>	The municipality realised a saving as the Audit Committee meetings were sitting virtually.	Not Applicable	4 Audit Committee Reports adopted	Reports and Council resolutions
	Number of Audit Committee Charter reviewed and adopted by Council	1 Audit Committee Charter adopted by 2023/24FY	1 Audit Committee Charter reviewed and adopted by Council by 30 June 2025	Operational	Operational	Office of the Municipal Manager	<b>Achieved 1 Audit Committee Charter reviewed and adopted by Council</b>	Not Applicable	Not Applicable	1 Audit Committee Charter adopted	AC Charter and council resolution

Outcome 9	OUTPUT 1	Implement a differentiated approach to municipal financing, planning and support									
	OUTPUT 3	Implementation of the community work programme									
	OUTPUT 5	Deepen democracy through a refined ward committee model									
	OUTPUT 7	Single window of coordination									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To strengthen accountability within the municipality	Number of Disciplinary Board Reports submitted to Council	2 Disciplinary Board Reports adopted in 23/24FY	2 Disciplinary Board Reports submitted to Council by 30 June 2025	Operational	Operational	Office of the Municipal Manager	<b>Achieved 2 Disciplinary Board reports submitted to Council</b>	Not Applicable	Not Applicable	2 disciplinary board reports	Reports and Council resolutions
To protect the Municipality from potential risk	Number of institutional risk registers reviewed and tabled to Council	1 institutional risk registers developed in 23/24FY	1 institutional risk registers reviewed and tabled to Council by June 2025	Operational	Operational	Office of the Municipal Manager	<b>Achieved 1 Institutional risk register reviewed and tabled to Council</b>	Not Applicable	Not Applicable	1 Institutional risk register reviewed	Reviewed Institutional Risk Register and Council resolution

## MUNICIPAL TRANSFORMATION AND DEVELOPMENT

Outcome 9	OUTPUT 1	Implement a differentiated approach to municipal financing, planning and support									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
Develop and strengthen a politically and administratively stable system of a municipality	Number of IDP reviewed/amended	IDP developed in 23/24FY	1 IDP reviewed/amended and submitted to Council for approval by 30 June 2025	Operational	Operational	Office of the Municipal Manager	<b>Achieved 1 2025/26 Reviewed IDP approved by Council</b>	Not Applicable	Not Applicable	2024/25 IDP developed and approved	2025/26 Final IDP & Council Resolution
	Number of IDP Framework and Process Plan developed	24/25 IDP Framework and Process plan approved	1 IDP Framework and Process Plan developed and submitted to Council for approval by 31 August 2024	Operational	Operational	Office of the Municipal Manager	<b>Achieved 1 IDP Framework and process plan</b>	Not Applicable	Not Applicable	IDP Framework and Process plan approved	IDP Framework and process plan and Council resolution
To enhance organizational performance	Number of Institutional SDBIP developed and reviewed	1 Institutional SDBIP in 23/24 FY	1 Institutional SDBIP developed and reviewed by 30 June 2025	Operational	Operational	Office of the Municipal Manager	<b>Achieved 1 Institutional SDBIP developed and reviewed</b>	Not Applicable	Not Applicable	1 Institutional SDBIP signed and reviewed	Institutional SDBIP
	Number of quarterly institutional performance reports developed and submitted to the Council	4 Quarterly institutional performance reports adopted in 23//24FY	4 quarterly institutional performance reports developed and submitted to the Council by 30 June 2025	Operational	Operational	Office of the Municipal Manager	<b>Achieved 4 quarterly institutional performance reports developed and submitted to Council</b>	Not Applicable	Not Applicable	4 Quarterly institutional performance reports adopted	Quarterly Performance reports & Council resolutions
	Number of mid-term performance reports developed and submitted to council	1 mid-term performance report adopted in 23/24FY	1 mid-term performance reports developed and submitted to council by 30 June 2025	Operational	Operational	Office of the Municipal Manager	<b>Achieved 1 mid-term performance report approved by Council</b>	Not Applicable	Not Applicable	1 mid-term performance report adopted	Midterm performance report and Council resolution
	Number of Annual Reports developed and submitted to council	1 Annual Report developed & submitted in 23/24FY	1 Annual Report developed and submitted to council by 30 June 2025	Operational	Operational	Office of the Municipal Manager	<b>Achieved 1 Annual Report developed &amp; approved</b>	Not Applicable	Not Applicable	1 Annual Report developed and approved	Annual Report & Council resolution

Outcome 9	OUTPUT 1	Implement a differentiated approach to municipal financing, planning and support									
	OUTPUT 6	Administrative and financial capability									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To enhance organizational performance	Number of performance agreements developed and signed	7 performance agreements developed and signed	7 performance agreements developed and signed by 30 June 2025	Operational	Operational	Office of the Municipal Manager	<b>Achieved 7 performance agreements signed</b>	Not Applicable	Not Applicable	7 performance agreements	Performance agreements
To ensure effective and efficient ICT services within BPDM	Number of reports on maintenance and repairs of ICT Equipment submitted to the Accounting Officer	4 reports on maintenance and repairs in 23/24FY	4 Reports on maintenance and repairs of ICT Equipment submitted to the Accounting Officer 30 June 2025	R50 000	R5 310	Office of Municipal Manager	<b>Achieved 4 reports on maintenance and repairs of ICT equipment submitted to the Accounting Officer</b>	The municipality did not experience any major repairs on ICT equipment	Not Applicable	4 reports on maintenance and repairs of ICT equipment	Reports
	Number of reports on the ICT infrastructure development for BPDM	New	4 reports on the ICT infrastructure development for BPDM by 30 June 2025	R23 000 000	R30 552 403	Office of Municipal Manager	<b>Achieved 4 reports on the ICT infrastructure development</b>	The over expenditure was due to overhaul of the network infrastructure revamp on the municipality's 3 buildings and 7 satellite offices. The server room had to be urgently repair due to the servers being damaged.	Not Applicable	New KPI	Reports

Outcome 9	OUTPUT 1	Implement a differentiated approach to municipal financing, planning and support									
	OUTPUT 6	Administrative and financial capability									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To achieve sound labour and positive employee climate	Appointment of a service provider for medical surveillance services	New	Appointment of a service provider for medical surveillance services by 30 June 2025	R 800 000	R 0	Corporate Support Services	<b>Achieved Service provider for Medical surveillance appointed</b>	The budget has not been spent as the tender had to be readvertised due to non-responsiveness from bidders. The service provider was subsequently appointed in June 2025.	The expenditure will be realised during 2025/26 financial year.	New KPI	Report and appointment letter
	Number of reports on awarding of employee bursaries submitted to the Accounting Officer	2 reports in 23/24FY	2 reports on awarding of employee bursaries submitted to the Accounting Officer by 30 June 2025	R 1 000 000	R1 166 408.63	Corporate Support Services	<b>Achieved 2 reports on awarding of employee bursaries</b>	The over expenditure was due to the invoices for 2025/26 tuition being paid in 2024/25 financial year.	Not Applicable	2 reports	Reports
	Number of reports on the implementation of skills programmes submitted to the Accounting Officer	4 reports on the implementation of skills programmes in 23/24FY	4 reports on the implementation of skills programmes submitted to the Accounting Officer by 30 June 2025	R 750 000	R864 440.89	Corporate Support Services	<b>Achieved 4 reports on the implementation of skills programmes</b>	The budget was over spent due to the quotations from service providers being more than the budgeted amount.	Not Applicable	4 reports	Reports

Outcome 9	OUTPUT 1	Implement a differentiated approach to municipal financing, planning and support									
	OUTPUT 6	Administrative and financial capability									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To promote good governance through provision of administrative support	Number of vehicles procured and delivered	2 vehicles procured in 23/24FY	1 vehicle procured and delivered by 30 June 2025	R 800 000	R701 340.87	Corporate Support Services	<b>Achieved 1 vehicle procured and delivered</b>	The municipality procured the vehicle through transversal tender and realised a saving.	Not Applicable	2 vehicles procured	Reports

## MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Outcome 9	OUTPUT 1	Implement a differentiated approach to municipal financing, planning and support									
	OUTPUT 6	Administrative and financial capability									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
Manage financial information	Number of quarterly financial reports submitted to Council	4 reports submitted to Council 23/24FY	4 quarterly financial reports submitted to Council by 30 June 2025	Operational	Operational	Budget and Treasury Office	<b>Achieved 4 quarterly financial reports submitted to Council</b>	Not Applicable	Not Applicable	4 quarterly financial reports submitted to Council	Quarterly reports and Council resolutions
	Number of annual financial statements submitted to Auditor General by 31st August	1 set of AFSs submitted in 23/24FY	1 set of annual financial statements submitted to Auditor General by 31st August 2024	R9 000 000	R14 339 199	Budget and Treasury Office	<b>Achieved 1 set of AFSs submitted to AGSA</b>	The budget was over spent due to the municipality experiencing skeletal personnel as 6 officials are on suspension in the Budget and Treasury Office and the service provider had to do day to day hand holding.	Not Applicable	1 set of annual financial statements submitted to AG	AFSs and acknowledgement
	Number of monthly budget statements (Section 71) submitted to the Executive Mayor	12 Budget statements submitted in 23/24FY	12 Budget Statements (Section 71) reports submitted to the Executive Mayor by 30 June 2025	Operational	Operational	Budget and Treasury Office	<b>Achieved 12 Section 71 reports signed and submitted</b>	Not Applicable	Not Applicable	12 Section 71 reports, signed and submitted	S71 reports and acknowledgements
	Number annual budgets submitted to Council for approval	1 annual budget submitted in 23/24FY	1 annual budget submitted to Council for approval by 30 June 2025	Operational	Operational	Budget and Treasury Office	<b>Achieved 1 Annual budget submitted to Council</b>	Not Applicable	Not Applicable	1 Annual budget submitted to Council	Final budget and Council Resolution

Outcome 9	OUTPUT 1	Implement a differentiated approach to municipal financing, planning and support									
	OUTPUT 6	Administrative and financial capability									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
Manage financial information	Number of adjustment budgets submitted to Council approval for	1 adjustment budget submitted in 23/24FY	1 adjustment budget submitted to Council for approval by 30 June 2025	Operational	Operational	Budget and Treasury Office	<b>Achieved 1 adjustment budget submitted to Council</b>	Not Applicable	Not Applicable	1 adjustment budget submitted to Council	Adjustment budget and Council resolution
	Number of quarterly supply chain management reports submitted to Council	4 reports submitted to Council 23/24FY	4 quarterly supply chain management reports submitted to Council by 30 June 2025	Operational	Operational	Budget and Treasury Office	<b>Achieved 4 quarterly supply chain management reports submitted to Council approval</b>	Not Applicable	Not Applicable	4 quarterly supply chain management reports submitted to Council	Quarterly reports and Council resolutions

## BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Outcome 9	OUTPUT 2	Improving access to basic services									
	OUTPUT 4	Actions supportive of the human settlement outcome									
	10 POINT PLAN NUMBER 1	Improve the quantity and quality of municipal basic services to the people in the area of access to water, sanitation, electricity, waste management, roads and disaster management									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To promote and coordinate integrated transport planning	Number of reports on the development of rural roads assets management system (RRAMS)	4 reports on the development of RRAMS	4 Reports on the development of RRAMS by the 30 June 2025	R2 653 000	R2 646 999.00	Technical Services	<b>Achieved 4 reports on RRAMS development</b>	Not Applicable	Not Applicable	4 reports on the development of RRAMS	Reports
To promote bulk planning	Number of reports on drilling and equipping of boreholes in Reagile Ext 8	New	4 reports on drilling and equipping of boreholes in Reagile Ext 8 by 30 June 2025	R4 000 000	R971 258.90	Technical Services	<b>Achieved 4 reports on drilling and equipping boreholes in Reagile Ext 8</b>	The service provider was appointed late in the financial year	The project has been converted into a multi year project and it will be completed in 2025/26FY. An accelerated expenditure plan has been developed to address the under expenditure	New KPI	Reports
	Number of reports on bulk water supply project in Moretele LM (Kgomo Kgomo and Kontant)	New	4 reports on bulk water supply project in Moretele LM (Kgomo Kgomo and Kontant) by 30 June 2025	R 6 000 000	R3 770 470.27	Technical Services	<b>Achieved 4 reports on bulk water supply project in Moretele LM (Kgomo Kgomo and Kontant)</b>	The service provider was appointed late in the financial year	The project has been converted into a multi year project and it will be completed in 2025/26FY. An accelerated expenditure plan has been developed to address the under	New KPI	Reports

Outcome 9	OUTPUT 2	Improving access to basic services									
	OUTPUT 4	Actions supportive of the human settlement outcome									
	10 POINT PLAN NUMBER 1	Improve the quantity and quality of municipal basic services to the people in the area of access to water, sanitation, electricity, waste management, roads and disaster management									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
									expenditure		
To promote bulk planning	Number of reports on refurbishment of boreholes project in Moretele LM (Tshwene and Kromkuil)	New	4 reports on refurbishment of boreholes project in Moretele LM (Tshwene and Kromkuil) by 30 June 2025	R 5 000 000	R3 088 605.88	Technical Services	<b>Achieved 4 reports on refurbishment of boreholes project in Moretele LM (Tshwene and Kromkuil)</b>	The service provider was appointed late in the financial year	The project has been converted into a multi year project and it will be completed in 2025/26FY. An accelerated expenditure plan has been developed to address the under expenditure	New KPI	Reports
	Number of reports on refurbishment of Mazista Sewer Plant Project ( Kgetleng River LM )	New	4 reports on refurbishment of Mazista Sewer Plant Project ( Kgetleng River LM )by 30 June 2025	R 10 000 000	R5 367 724.36	Technical Services	<b>Achieved 4 reports on refurbishment of Mazista Sewer Plant (Kgetlengriver LM)</b>	The service provider was appointed late in the financial year	The project has been converted into a multi year project and it will be completed in 2025/26FY. An accelerated expenditure plan has been developed to address the under expenditure	New KPI	Reports
	Number of reports on the development of water and sanitation master plans	New	4 reports on the development of water and sanitation master plans by 30 June 2025	R 4 000 000	R3 215 400.60	Technical Services	<b>Achieved 4 reports on the development of water and sanitation master plans</b>	The service provider was appointed for R3.3million	Not Applicable	New KPI	Reports

Outcome 9	OUTPUT 2	Improving access to basic services									
	OUTPUT 4	Actions supportive of the human settlement outcome									
	10 POINT PLAN NUMBER 1	Improve the quantity and quality of municipal basic services to the people in the area of access to water, sanitation, electricity, waste management, roads and disaster management									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To promote bulk planning	Number of reports on the refurbishment of Sewer Treatment Plant project in Swartdam (Moretele LM)	New	4 reports on the refurbishment of Sewer Treatment Plant project in Swartdam (Moretele LM) by the 30 June 2025	R15 000 000	R5 346 233.66	Technical Services	<b>Achieved 4 reports on the refurbishment of Sewer Treatment Plant project in Swartdam (Moretele LM)</b>	The service provider was appointed late in the financial year	The project has been converted into a multi year project and it will be completed in 2025/26FY. An accelerated expenditure plan has been developed to address the under expenditure	New KPI	Report
	Number of reports on the upgrading of Mothutlung internal roads project (Madibeng LM)	New	4 reports on the upgrading of Mothutlung internal roads project (Madibeng LM) by 30 June 2025	R 18 000 000	R9 916 082.00	Technical Services	<b>Achieved 4 reports on the upgrading of Mothutlung internal roads project (Madibeng LM)</b>	The service provider was appointed late in the financial year	The project has been converted into a multi year project and it will be completed in 2025/26FY. An accelerated expenditure plan has been developed to address the under expenditure	New KPI	Reports
	Number of reports on the rehabilitation of internal roads in Mokgalwaneng project in Moses Kotane LM	New	4 reports on the rehabilitation of internal roads in Mokgalwaneng project in Moses Kotane LM by 30 June 2025	R 11 000 000	R4 907 973.30	Technical Services	<b>Achieved 4 reports on the rehabilitation of internal roads in Mokgalwaneng project (Moses Kotane LM)</b>	The service provider was appointed late in the financial year	The project has been converted into a multi year project and it will be completed in 2025/26FY. An accelerated expenditure plan has been developed to address the	New KPI	Reports

Outcome 9	OUTPUT 2	Improving access to basic services									
	OUTPUT 4	Actions supportive of the human settlement outcome									
	10 POINT PLAN NUMBER 1	Improve the quantity and quality of municipal basic services to the people in the area of access to water, sanitation, electricity, waste management, roads and disaster management									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
									under expenditure		
To promote bulk planning	Number of reports on the procurement of protective clothing	New	2 reports on the procurement of protective clothing	R1 060 000	R1 047 000.00	Technical Services	<b>Achieved 2 reports on the procurement of protective clothing</b>	Not Applicable	Not Applicable	New KPI	Reports
To ensure provision of effective Municipal Health Services in the District	Number of Municipal health programmes implemented	4 health awareness programmes conducted in 23/24FY	20 Municipal Health programmes implemented by June 2025	R 200 000	R 0	Health & Environmental Services	<b>Achieved 23 municipal health programmes implemented</b>	There were 3 urgent investigations that had to be conducted for agricultural or stock remedy poisoning and 1 urgent request for relocation of 170 graves. The non-expenditure on this budget is due to the fact that programmes did not require the services of a service provider.	Not Applicable	4 reports on municipal health programmes implemented	Reports
	Number of reports on water monitoring conducted	New	20 reports on water monitoring conducted by 30 June 2025	R700 000	R441 090	Health & Environmental Services	<b>Not Achieved 14 reports on water monitoring conducted</b>	Due to the national call on inspections of spaza shops compliance to food safety, the municipality was unable to continue conducting the required water monitoring	The municipality will conduct more water monitoring services in the next financial year	New KPI	Reports

Outcome 9	OUTPUT 2	Improving access to basic services									
	OUTPUT 4	Actions supportive of the human settlement outcome									
	10 POINT PLAN NUMBER 1	Improve the quantity and quality of municipal basic services to the people in the area of access to water, sanitation, electricity, waste management, roads and disaster management									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
								services as the Municipal Health Services had to adhere to the urgent inspections.			
To ensure provision of effective Municipal Health Services in the District	Number of reports on food safety control conducted	New	20 reports on food safety control conducted by 30 June 2025	R0	R0	Health & Environmental Services	<b>Achieved 25 reports on food safety control conducted</b>	5 other operations were conducted in collaboration with other stakeholders due to the poisoning outbreak being experienced in the country and the national directive on prevention of foodborne illnesses and illicit trade.	Not Applicable	New KPI	Reports
To ensure the improvement of air quality and compliance with relevant regulations	Number of reports on air quality programmes coordinated	4 reports on air quality programmes submitted in 23/24FY	4 reports on air quality programmes coordinated by 30 June 2025	R 300 000	R81 500.00	Health & Environmental Services	<b>Achieved 5 reports on air quality programmes coordinated</b>	1 more air quality program were conducted due to complaints received telephonically. The municipality had an under expenditure as the programmes did not require the services of a service provider	Not Applicable	4 reports on air quality programmes conducted	Reports

Outcome 9	OUTPUT 2	Improving access to basic services									
	OUTPUT 4	Actions supportive of the human settlement outcome									
	10 POINT PLAN NUMBER 1	Improve the quantity and quality of municipal basic services to the people in the area of access to water, sanitation, electricity, waste management, roads and disaster management									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To ensure the improvement of air quality and compliance with relevant regulations	Number of reports on environmental awareness programmes coordinated	4 reports submitted in 23/24FY	4 reports on environmental awareness programmes coordinated by 30 June 2025	R200 000	R192 855.00	Health & Environmental Services	<b>Achieved 5 environmental awareness programmes coordinated</b>	1 more environmental awareness programme was done in collaboration with other stakeholders. The quotations from service providers were competitive and therefore the municipality realised a saving.	Not Applicable	4 reports	Reports
	Number of waste management programmes implemented	4 reports submitted in 23/24FY	4 waste management programmes implemented by 30 June 2025	R 1 000 000	R626 190.00	Health & Environmental Services	<b>Achieved 7 waste management programmes implemented</b>	3 more waste management programmes were implemented in collaboration with the Local Municipalities and Province. The municipality realised a saving due to competitive quotations from service providers & the collaboration with other stakeholders.	Not Applicable	4 waste management programmes implemented	Reports

Outcome 9	OUTPUT 2	Improving access to basic services									
	OUTPUT 4	Actions supportive of the human settlement outcome									
	10 POINT PLAN NUMBER 1	Improve the quantity and quality of municipal basic services to the people in the area of access to water, sanitation, electricity, waste management, roads and disaster management									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To ensure the improvement of air quality and compliance with relevant regulations	Number of climate change awareness programmes implemented	4 climate change awareness programmes	4 climate change awareness programmes coordinated by 30 June 2025	R200 000	R264 590.00	Health & Environmental Services	<b>Achieved 4 climate change awareness programmes coordinated</b>	The quotations from service providers were more than the budgeted amount.	not Applicable	4 climate change awareness programmes coordinated	Reports
	Number of Biodiversity programmes implemented	New	4 Biodiversity programmes implemented by 30 June 2025	R 314 000	R280 000.00	Health & Environmental Services	<b>Achieved 4 biodiversity programmes implemented</b>	The municipality realised a saving as the service providers quoted less than the budgeted amount and the collaboration with other stakeholders	Not Applicable	4 biodiversity programmes implemented	Reports
To support local municipalities to improve the quantity and quality of municipal disaster management	Number of Disaster Risk Assessments completed	20 Disaster Risk Assessments completed 23/24FY	20 Disaster Risk Assessments completed 30 June 2025	Operational	Operational	Community Development Services	<b>Achieved 20 Disaster Risk Assessments completed</b>	Not Applicable	Not Applicable	20 Disaster Risk Assessments completed	Reports
	Number of public awareness campaigns conducted	20 Public Awareness campaigns conducted in 23/24FY	20 Public Awareness campaigns conducted in BPDM region by 30 June 2025	R255 300	R543	Community Development Services	<b>Achieved 20 public awareness campaigns conducted</b>	Not Applicable	Not Applicable	20 public awareness campaigns conducted	Reports
To ensure provision of effective firefighting and rescue services in the district	Procurement of firefighting equipment	1 set of firefighting equipment procured in 23/24FY	Procurement of firefighting equipment by 30 June 2025	R1 200 000	R1 201 602	Community Development Services	<b>Achieved 120 x 25L of firefighting foam and 3 portable pump equipment procured and delivered</b>	The municipality exceeded the budgeted amount as the quotations received were more than the budget	Not Applicable	1 set of firefighting equipment procured	Reports

Outcome 9	OUTPUT 2	Improving access to basic services									
	OUTPUT 4	Actions supportive of the human settlement outcome									
	10 POINT PLAN NUMBER 1	Improve the quantity and quality of municipal basic services to the people in the area of access to water, sanitation, electricity, waste management, roads and disaster management									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To ensure provision of effective firefighting and rescue services in the district	Procurement of uniform/protective clothing procured for BPDM fire personnel	424 standard uniform/protective clothing procured during 23/24FY	Procurement of uniform/protective clothing for BPDM fire personnel by 30 June 2025	R1 029 000	R595 456	Community Development Services	<b>Achieved 924 Uniform/protective clothing procured for BPDM fire personnel</b>	The quotations from service providers were more than the budgeted amount.	not Applicable	4 climate change awareness programmes coordinated	Reports
	Procurement of solar power systems	New	2 solar power systems procured by 30 June 2025	R 600 000	R519 350	Community Development Services	<b>Achieved 2 solar power systems procured</b>	The municipality realised a saving as the service provider quoted less than the budgeted amount	Not Applicable	New KPI	Reports
	Number of vehicles procured and delivered	1 vehicle procured during 23/24 FY	1 vehicle procured and delivered by 30 June 2025	R 0	R 0	Community Development Services	<b>Achieved 1 vehicle procured and delivered</b>	The vehicle was budgeted under the water carriers budget.	Not Applicable	1 vehicle procured	Reports
	Procurement of boreholes	New	2 boreholes procured and delivered by 30 June 2025	R400 000	R333 500.00	Community Development Services	<b>Achieved 2 boreholes procured and delivered</b>	The municipality realised a saving as the service provider quoted less than the budgeted amount	Not Applicable	New KPI	Reports
	Number of firefighting water carriers procured and delivered	1 firefighting water tanker procured during 23/24 FY	2 x firefighting water carriers procured and delivered by 30 June 2025	R 11 500 000	R8 073 243	Community Development Services	<b>Achieved 2 firefighting water carriers procured and delivered</b>	The municipality procured on the transversal tender and realised a saving.	Not Applicable	1 firefighting water tanker procured	Reports

## LOCAL ECONOMIC DEVELOPMENT

Implementation of the community work programme											
Outcome 9	OUTPUT	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To promote district tourism development	Number of reports on District Marketing programmes	4 reports on District Marketing & promotions in 23/24FY	2 Reports on District Marketing programmes by 30 June 2025	R200 000	R172 688	Economic Development, tourism, mining and rural development	<b>Achieved 2 reports on District marketing programmes</b>	The appointed service providers quoted less than the budgeted amount and the municipality realised a saving.	Not Applicable	4 reports	Reports
	Number of reports on District Tourism Support	4 reports on District Tourism support in 23/24FY	3 Reports on District Tourism Support developed by 30 June 2025	R350 000	R316 972	Economic Development, tourism, mining and rural development	<b>Achieved 3 reports on District Tourism support</b>	The appointed service providers quoted less than the budgeted amount and the municipality realised a saving.	Not Applicable	4 reports	Reports
To provide and promote enterprise development initiatives	Number of reports on the SMME & Cooperative Support	4 reports on the SMME & Cooperative Support in 23/24FY	4 reports on the SMME & Cooperative Support by 30 June 2025	R 700 000	R700 072	Economic Development, tourism, mining and rural development	<b>Achieved 4 reports on the SMME &amp; Cooperative support</b>	Not Applicable	Not Applicable	4 reports	Reports
To promote Agriculture and Rural development	Number of reports on the Agricultural Farmers support	New	4 reports on the Agricultural Farmers support by 30 June 2025	R1 000 000	R653 735	Economic Development, tourism, mining and rural development	<b>Achieved 4 reports on Agricultural Farmers support</b>	The appointed service providers quoted less than the budgeted amount z& the municipality realised a saving.	Not Applicable	New KPI	Reports

Outcome 9	OUTPUT	Implementation of the community work programme									
Strategic Objective	Key performance indicator	Baseline	Annual Target	Operating Budget	Annual Expenditure	Responsible Department	Annual Performance	Reason for variance	Corrective measures	2023/24 Performance	Portfolio of Evidence
To promote Agriculture and Rural development	Number of reports on Farmers market initiatives	New	4 reports on Farmers market initiatives by 30 June 2025	R500 000	R347 250	Economic Development, tourism, mining and rural development	<b>Achieved 4 reports on Farmers' market initiatives</b>	The appointed service providers quoted less than the budgeted amount and the municipality realised a saving.	Not Applicable	New KPI	Reports

## ASSESSMENT OF SERVICE PROVIDERS – 2024/25

The performance weighting score refers to the level of satisfaction in the delivery of the services requested by the municipality from the service provider. The assessment of the scoring is as follows:

- 0-3 = Bad
- 4-6 = Fair
- 7-8 = Good
- 9-10 = Excellent

Name of Service Provider Evaluated	Type of Service	Pricing and Billing	Engagement and Consultation	Core Service Provision	Attitude and Behaviour	Business Ethics	Performance Weighting Score	Performance accomplishment
TOBC Integrations Pty Ltd	Professional engineering services – Rehabilitation of Mothotlung internal roads	R1 999 654.56	-Monthly consultants meeting  -Site progress meeting	Engineering	Good work attitude and professional behaviour	Fully participating in the project and accountable	8	Multiyear project -all engineering stages completed up to documentation stage  -Project monitoring is ongoing
Baitsenape Consulting Engineers	Professional engineering services – Rehabilitation of Mokgalwaneng internal roads	R1 309 936.00	-Monthly consultants meeting  -Site progress meeting	Engineering	Positive work attitude and professional behaviour	Fully participating in the project and accountable	8	Multiyear project -all engineering stages completed up to documentation stage

Name of Service Provider Evaluated	Type of Service	Pricing and Billing	Engagement and Consultation	Core Service Provision	Attitude and Behaviour	Business Ethics	Performance Weighting Score	Performance accomplishment
								-Project monitoring is ongoing
Mamadi & Company SA Pty Ltd	Professional engineering services – Refurbishment of Sewer treatment plant in Swartdam	R2 360 600.00	-Monthly consultants meeting  -Site progress meeting	Engineering	Positive work attitude and professional behaviour	Fully participating in the project and accountable	6	Multiyear project -all engineering stages completed up to documentation stage  -Project monitoring is ongoing
Serodime Consulting Engineers	Professional engineering services – Refurbishment of Mazista Sewer Treatment plant	R1 717 200.00	-Monthly consultants meeting  -Site progress meeting	Engineering	Positive work attitude and professional behaviour	Fully participating in the project and accountable	8	Multiyear project -all engineering stages completed up to documentation stage  -Project monitoring is ongoing
Buchule Consulting Engineers	Professional engineering services – Bulk water supply in Kgomo kgomo	R1 033 500.00	-Monthly consultants	Engineering	Positive work attitude and professional	Fully participating in the project and	8	Multiyear project -all engineering stages completed

Name of Service Provider Evaluated	Type of Service	Pricing and Billing	Engagement and Consultation	Core Service Provision	Attitude and Behaviour	Business Ethics	Performance Weighting Score	Performance accomplishment
			meeting -Site progress meeting		behaviour	accountable		up to documentation stage -Project monitoring is ongoing
Takuza Consulting	Professional engineering services – Refurbishment of boreholes in Tshwene	R906 711.00	-Monthly consultants meeting -Site progress meeting	Engineering	Positive work attitude and professional behaviour	Fully participating in the project and accountable	6	Multiyear project -all engineering stages completed up to documentation stage -Project monitoring is ongoing
Kutlo Consulting Engineers	Professional engineering services – Drilling and equipping of boreholes in Reagile Ext 8	R1 081 804.35	-Monthly consultants meeting -Site progress meeting	Engineering	Positive work attitude and professional behaviour	Fully participating in the project and accountable	7	Multiyear project -all engineering stages completed up to documentation stage -Project monitoring to resume after

Name of Service Provider Evaluated	Type of Service	Pricing and Billing	Engagement and Consultation	Core Service Provision	Attitude and Behaviour	Business Ethics	Performance Weighting Score	Performance accomplishment
								contractor starts with onsite work
Fubu Africa	Professional engineering services – Development of the BPDM Water & Sanitation Master plan	R3 350 000.00	-Progress meetings -stakeholder engagements	Engineering	Positive work attitude and professional behaviour	Fully participating in the project and accountable	8	Project completed – compilation of the final BPDM Water & Sanitation Master plan
Lidwala Consulting Engineers	Professional services – Update and assessments of paved and unpaved road network, Traffic counts (RRAMS programme) – through a deed of cession	R2 653 000.00 24/25 FY	Steering Committee Meetings, Provincial and National Meetings	Engineering	Work attitude and professional behaviour can be improved	More Participation on the project required	5	Visual assessments of the unpaved road network and training
Dot Africa	Construction services – Rehabilitation of Mothotlung internal roads	R20 803 778.57	-Site progress meetings	Construction works	Good work attitude and professional behaviour to be improved and adherence to required standards	Fully participating in the project and accountable	6	Multiyear project -Project implementation is ongoing
White Leopard	Construction services – Rehabilitation of Mokgalwaneng internal roads	R10 929 208.00	-Site progress meetings	Construction works	Poor work attitude and professional behaviour to	Full commitment and accountability	4	Multiyear project -Project

Name of Service Provider Evaluated	Type of Service	Pricing and Billing	Engagement and Consultation	Core Service Provision	Attitude and Behaviour	Business Ethics	Performance Weighting Score	Performance accomplishment
					be vastly improved on and adherence to required standards	required		implementation is ongoing
Kings Group1	Construction services – Refurbishment of Sewer treatment plant in Swartdam	R10 814 482.30	-Site progress meetings	Construction works	Positive work attitude however professional behaviour to be improved on and adherence to required standards	Commitment without compromising and accountability	5	Multiyear project -Project implementation is ongoing
LTP Projects	Construction services - refurbishment of Mazista Sewer Treatment plant	R9 492 597.35	-Site progress meetings	Construction works	Positive work attitude and good professional behaviour	Committed and accountable	7	Multiyear project -Project implementation is ongoing
Legends at work	Construction services - Bulk water supply in Kgomo kgomo	R 5 891 534.98	-Site progress meetings	Construction works	Positive work attitude and good professional behaviour	Committed and accountable	8	Multiyear project -Project implementation is ongoing
Chamasoga	Construction services - Refurbishment of boreholes in Tshwene	R4 714 636.03	-Site progress meetings	-Site progress meetings	Construction works	Positive work attitude however	4	Multiyear project

Name of Service Provider Evaluated	Type of Service	Pricing and Billing	Engagement and Consultation	Core Service Provision	Attitude and Behaviour	Business Ethics	Performance Weighting Score	Performance accomplishment
			meetings			professional behaviour to be improved on and adherence to required standards		-Project implementation is ongoing
BAV Consulting	Construction services – Drilling & equipping of boreholes in Reagile Ext 8	R3 324 126.75	New appointment - Introductory meeting	Future progress meetings	Site Construction works	N/A – new appointment	N/A – new appointment	Multiyear project -Project implementation is ongoing
<i>Pay Day System</i>	Consulting services	R 2 215559,858	8	Payroll	Good	Professional	8	80%
<i>Max proof</i>	Vat Recovery Consultant	R 2 562 556.08	8	Vat Recovery	Good	professional	8	80%
<i>OS HOLDINGS</i>	Financial System Consultant	R15 284 577.92	4	Sage Management	Fair	Sketchy	4	40%
<i>TJ RASIMENI</i>	AFS preparation Consultant	R 21 725 210	8	AFS Preparation	Good	Professional	8	<b>80%</b>
<i>I DISCOVERY</i>	UIF and W investigations	R10 886 992.50	6	Investigation of UIFW	Good	Professional	6	60%
<i>BITSWARE</i>	Document Management System	R 3 008 281.06	8	Document management and recording of Activities at BTO unit	Good	Professional	8	80%

Name of Service Provider Evaluated	Type of Service	Pricing and Billing	Engagement and Consultation	Core Service Provision	Attitude and Behaviour	Business Ethics	Performance Weighting Score	Performance accomplishment
<i>Royal Chain Trading and Projects</i>	Youth in Mining Event	R80 000	10	Event	Excellent	Excellent	10	<b>100%</b>
<i>Royal Chain and Projects</i>	SMME Day Event	R241 000	10	Event	Excellent	Excellent	10	100%
<i>True Africa Civils (PTY) Ltd</i>	Supply and deliver 5000L water tank, connections and stand	R29 750, 00	10	Supply and delivery of water tank	Excellent	Excellent	10	100%
<i>K9 Aviator Trading Enterprisescc</i>	Supply of Thuntsa Lerole garden production inputs and equipment	R29 840, 00	9	Supply of garden production inputs and equipment	Excellent	Excellent	9	90%
<i>Todays Destiny Trading and Projects</i>	Supply of Thuntsa Lerole garden production inputs and equipment	R26 300, 00	10	Supply of garden production inputs and equipment	Excellent	Excellent	10	100%

## INTRODUCTION TO THE MUNICIPAL PERSONNEL

### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

EMPLOYEES				
Directorate/Department	No. of employees	No. of approved posts	No. of vacancies	Percentage of vacancies
Office of the Executive Mayor	07	21	14	66.6
Office of the Speaker	4	4	0	0
Office of the Single Whip	1	3	2	66.6
Office of the Municipal Manager	16	26	10	61.5
Budget and Treasury Office	13	20	07	38.4
Corporate Support Service	38	52	14	73
Health and Environmental Services	51	64	13	20.3
Technical Services	05	13	08	61.5
Community Development Services	83	95	20	21
Economic Development, Tourism, Agriculture and Rural Development	06	08	02	25

TURN-OVER RATE			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate
2024/25	32	5	

## MANAGING THE MUNICIPAL WORKFORCE

### 4.2 POLICIES

HR POLICIES AND PLANS				
No.	Name of Policy	Completed %	Reviewed %	Date adopted by Council or comment on failure to adopt
1	Acting Allowance Policy	100		29 February 2024 B65/23/24
2	Overtime Allowance Policy	100		29 February 2024 B69/23/24
3	Occupational Health and Safety Policy	100		29 February 2024 B66/23/24
4	Leave Policy	100		29 February 2024 B67/23/24
5	Employee Bursary Policy		90	Awaiting Council Adoption
6	Skills Development Policy		90	Awaiting Council Adoption
7	Recruitment and Selection Policy	100		B142/24/25
8	Smoking Policy		90	Awaiting Council Adoption
9	Equity Policy		New	Awaiting Council Adoption
10	EAP & Wellness Policy		90	Awaiting Council Adoption

### 4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of Injury	Injury leave Taken Days	Employees using injury leave	Proportion employees using sick leave	Average injury leave per employee Days	Total Estimated Cost R' 000
Required basic medical attention only	0	0	0	0	0
Temporary total disablement	10	4	2	5	R7000
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
<b>Total</b>	<b>10</b>	<b>4</b>	<b>2</b>	<b>5</b>	<b>R7000</b>

Number of days and Cost of Sick Leave due to injuries on duty						
Salary band	Total sick leave Days	Proportion of sick leave without medical certification (%)	Employees using sick leave No.	Total employees in post No.	*Average sick leave per Employees Days	Estimated cost R' 000
Lower skilled (Levels 1-2)	12	00	03	19	04	R7962
Skilled (Levels 3-5)	76	00	02	02	39	R171000
Highly skilled production (Levels 6-8)	01	00	02	13	03	R9020
Highly skilled supervision (Levels 9-12)	0	00	00	00	00	00
<b>TOTAL</b>	<b>89</b>	<b>00</b>	<b>07</b>	<b>34</b>	<b>46</b>	<b>R187982</b>

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
Manager – Social Development	Community Dev. Services	22 January 2024	Disciplinary action ongoing	Not yet finalized
Supply Chain Management Officer	Budget and Treasury	09 February 2024	Disciplinary action ongoing	Not yet finalized
Procurement Clerk	Budget and Treasury	09 February 2024	Disciplinary action ongoing	Not yet finalized
2 x Senior Salary Officers	Budget and Treasury	09 February 2024	Disciplinary action ongoing	Not yet finalized
Expenditure Clerk	Budget and Treasury	09 February 2024	Disciplinary action ongoing	Not yet finalized
Senior Manager – Financial Management	Budget and Treasury	21 May 2024	Went on early retirement	30 June 2025
HR Admin. Officer	Corporate Support Services	25 November 2024	Disciplinary action ongoing	Not yet finalized
Supply Chain Management Officer	Budget and Treasury	09 February 2024	6 Months	Still on suspension

#### 4.4 PERFORMANCE REWARDS

Performance Rewards by Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards: Year 2023/24	Proportion of beneficiaries within group %
MM and s56	Female	4	None	None	0%
	Male	3	None	None	0%
Total		7			
<i>Has the statutory municipal calculator been used as part of the evaluation process?</i>					Yes

## CHAPTER 5 – FINANCIAL PERFORMANCE

### COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

<i>Financial Performance of Operational Services</i>						
<i>Description</i>	<i>Year-1</i>	<i>Year 0</i>			<i>Year 0 Variance</i>	
	<i>Actual</i>	<i>Original Budget</i>	<i>Adjustments Budget</i>	<i>Actual</i>	<i>Original Budget</i>	<i>Adjustments Budgets</i>
<b>Operating Cost</b>						
Water						
Waste water (Sanitation)	0		0			0
Electricity	0	0	0	0	0	0
Waste Management						
Housing						
<b>Component A: sub-total</b>						
Waste Water (stormwater Drainage)						
Roads						
Transport						
<b>Component B: sub-total</b>						
Planning						
Local Economic Development						
<b>Component B: sub-total</b>						
Planning (Strategic & Regulatory)		2 850 000	3 851 950	2 327 397		1 524 553
Local Economic Development						
<b>Component C: sub-total</b>						
Community & Social Services		2 900 300	4 506 000	2 033 648		2 472 352
Environmental Protection						
Health		6 414 000	4 828 557	1 081 463		3 747 094
Security and Safety						
Sport and Recreation						
Corporate Policy Offices and Other		12 720 000	38 940 007	35 756 086		-3 183 921
<b>Component D: sub-total</b>						
<b>Total Expenditure</b>		<b>24 884 300</b>	<b>52 126 514</b>	<b>41 198 594</b>		<b>4 560 078</b>

*In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in Chapter 3. Variances are calculated by dividing the difference between actual and original/adjustment budgets by the actual*

<b>Grants Performance</b>						
						<b>R'000</b>
<b>Description</b>	<b>Year-1</b>	<b>Year 0</b>			<b>Year 0 Variance</b>	
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustments Budget</b>	<b>Actual</b>	<b>Original Budget (%)</b>	<b>Adjustments Budgets (%)</b>
<b>Operating Transfers and Grants</b>						
<b>National Government:</b>						
Equitable share	396 790	407 135	407 135	407 135	-	-
Municipal Systems Improvement						
Department of Water Affairs						
Levy replacement						
Other transfers/grants (FMG, EPWP, FIRE and RAMS)	5 969	5 384	5 975 646	5 975	10.97	1
<b>Provincial Government:</b>						
Health subsidy						
Housing						
Ambulance subsidy						
Sports and Recreation						
Other transfers/grants (SETA)						
<b>Other grant providers</b>						
(insert description)						
<b>Total Operating Transfers and Grants</b>	<b>402 759</b>	<b>412 519</b>	<b>413 110</b>	<b>413 110</b>		

Variances are calculated by dividing the difference between the actual and original/adjustments budget by the actual. A full list of provincial and national grants is available from published gazettes.

<b>Repair and Maintenance Expenditure: Year 0</b>				
				<b>R'000</b>
	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Budget variance</b>
Repairs and Maintenance Expenditure	1 400	787	0	613

**COMPONENT B: SPENDING AGAINST CAPITAL BUDGET**

Capital Expenditure – Funding Sources: Year -1 to Year 0						
						R ' 000
Details	Year -1	Year 0				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
<b>Source of finance</b>						
External loans	0	0	0	0	0	0
Public contributions and donations	0	0	0	0	0	0
Grants and subsidies						
Other		0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Percentage of finance</b>						
External loans	0	0	0	0	0	0
Public contributions and donations	0	0	0	0	0	0
Grants and subsidies						
Other	0	0	0	0	0	0
<b>Capital expenditure</b>						
Water and sanitation		40 000	40 000	18 268		45.67
Electricity	0	0	0	0	0	0
Housing	0	0	0	0	0	0
Roads and stormwater		29 150	29 150	10 774	0	36.96
Other						
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Percentage of expenditure</b>						
Water and sanitation	0	45	45	0	0	40
Electricity	0	0	0	0	0	0
Housing	0	0	0	0	0	0
Roads and stormwater	0	36	36	0	0	36
Other	0	0	0	0	0	0

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

CASHFLOW OUTCOMES					R'000
Description	Year -1	Current Year 0			
	Audited outcome	Original Budget	Adjustment Budget	Actual	
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>					
<b>Receipts</b>					
Ratepayers and others (Sale of goods and services)	3 377	3 000	3 000	6 167	
Government – operating	412 949	412 949	412 519	412 519	
Government – capital					
Interest	30 764	12 000		30 277	
Dividends					
<b>Payments</b>					
Suppliers and employees	436 296	420 026	420 026	431 014	
Finance charges				5 815	
Transfers and Grants				0	
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>				12 668	
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>					
<b>Receipts</b>					
Proceeds from disposal of PPE				45 159	
Decrease (increase) in non-current debtors					
Decrease (increase) other non-current receivables					
Decrease (increase) in non-current investments					
<b>Payments</b>					
Capital assets	32 000	81 250	82 250	45 159	
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>					
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>					
<b>Receipts</b>					
Short-term loans					
Borrowing long-term/refinancing					
Increase (decrease) in consumer deposits					
<b>Payments</b>					
Repayments of borrowing					
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>					
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>					
Cash/cash equivalents at the year begin:	258 421	180 724	258 421	355 077	
Cash/cash equivalents at the year end:	355 077	680 447	680 447	314 115	

<b>Municipal and Entity Investments</b>			
			<b>R'000</b>
<b>Investment type</b>	<b>Year -2</b>	<b>Year -1</b>	<b>Year 0</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
<b>Municipality</b>			
Securities – National Government	N/A	N/A	N/A
Listed Corporate Bonds	N/A	N/A	N/A
Deposits – Bank			
Deposits – Public Investment Commissioners	N/A	N/A	N/A
Deposits – Corporation for Public Deposits	N/A	N/A	N/A
Bankers Acceptance Certificates	N/A	N/A	N/A
Negotiable Certificates of Deposits – Banks	N/A	N/A	N/A
Guaranteed Endowment Policies (sinking)	N/A	N/A	N/A
Repurchase Agreements - Banks	N/A	N/A	N/A
Municipal Bonds	N/A	N/A	N/A
Other	N/A	N/A	N/A
<b>Municipality sub-total</b>			

## COMPONENT D: OTHER FINANCIAL MATTERS

### SUPPLY CHAIN MANAGEMENT

The Municipality developed and adopted the below mentioned policies and these are reviewed annually, taking into consideration National Treasury regulations and circulars:

1. Supply Chain Management policy
2. Cost Containment policy
3. Unauthorised, Irregular Fruitless & Wasteful expenditure policy

All supply chain management personnel have successfully completed their MFMP in accordance to the MFMA Competency Regulation. The SCM office is structured as follows:

<b>SCM Manager</b>	-	<b>Ms. Dolly Madikela</b>
<b>SCM Officer</b>	-	<b>Ms. Lerato Ramonnye</b>
<b>SCM Officer</b>	-	<b>Ms. Brenda Pule</b>
<b>SCM Officer</b>	-	<b>Ms. Nancy Nthompe</b>
<b>SCM Clerk</b>	-	<b>Ms. Portia Sibinda</b>
<b>SCM Clerk</b>	-	<b>Ms. Oratile Ntsimane</b>

Only one position on SCM officer is vacant.

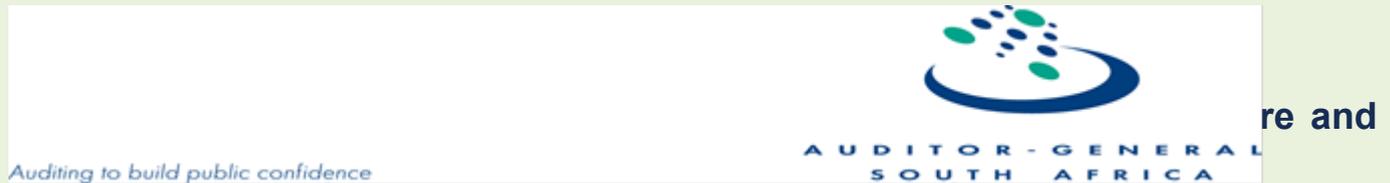
### GRAP COMPLIANCE

The Municipality compiles the annual financial statements in generally recognized accounting practices. There are no instances of deviation from GRAP prescripts in the presentation of Annual Financial Statements.

## CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

### COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR - 2024/25

#### 6.1 AUDITOR GENERAL REPORTS YEAR – 2024/25



#### Report on the audit of the financial statements

##### Opinion

1. I have audited the financial statements of Bojanala Platinum District Municipality set out on pages 179 to 274, which comprise the statement of financial position as at 30 June 2025, statement of financial performance and separate statements of changes in net assets and the cash flow statement and 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 Bojanala Platinum District Municipality as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (Dora).

##### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International Code of ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Emphasis of matters**

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.
7. As disclosed in note 41 to the financial statements, unauthorised expenditure of R77 395 481 was incurred in the current year and the unauthorised expenditure of R305 306 174 in respect of prior years have not yet been dealt with in accordance with section 32 of the MFMA.
8. As disclosed in note 43 to the financial statements, irregular expenditure of R181 317 339 was incurred in the current year and irregular expenditure of R718 342 644 from prior years have not yet been dealt with in accordance with section 32 of the MFMA.
9. As disclosed in note 42 to the financial statements, fruitless and wasteful expenditure of R196 173 was incurred in the current year and fruitless and wasteful expenditure of R7 733 977 from prior years have not yet been dealt with in accordance with section 32 of the MFMA.
10. As disclosed in note 37 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of an error in the financial statement of the District Municipality at, and for the year ended, 30 June 2025.
11. We draw attention to note 40 in the financial statements, which deals with events after the reporting date and specifically the possible effects of funds held in a trust account to be paid over to a plaintiff as the municipality had lost the court case. Our opinion is not modified in respect of this matter.

### **Other matter**

12. I draw attention to the matter below. My opinion is not modified in respect of this matter.
13. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the annual 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**

14. 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.

15. 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**

16. 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.
17. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 125, forms part of my auditor's report.

### **Report on the annual performance report**

18. 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.
19. 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 municipal health programmes implemented
  - Number of reports on water monitoring conducted
  - Number of reports on food safety and control conducted
  - Number of reports on air quality programmes coordinated
  - Number of reports on environmental awareness programmes coordinated
  - Number of waste management programmes implemented
  - Number of Biodiversity programmes implemented
  - Number of climate change awareness programmes coordinated
  - Number of disaster risk assessments completed

- Procurement of firefighting equipment
- Procurement of uniform/protective clothing for BPDM fire personnel
- Procurement of boreholes
- Number of firefighting water carriers procured and delivered
- Number of reports on the development of rural roads assets management system (RRAMS)
- Number of reports on drilling and equipping of boreholes in Reagile Ext 8
- Number of reports on bulk water supply projects in Moretele LM (Kgomo Kgomo and Kontant)
- Number of reports on refurbishment of boreholes project in Moretele LM (Tshwene and Kromkuil)
- Number of reports on refurbishment of Mazista Sewer plant project (Kgetleng River LM)
- Number of reports on the development of water and sanitation master plans
- Number of reports on the refurbishment of sewer treatment plant project in Swartdam (Moretele LM)
- Number of reports on the upgrading of Mothutlung internal roads projects (Madibeng LM)
- Number of reports on the rehabilitation of internal roads in Mokgalwaneng project in Moses Kotane LM

20. 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.

21. 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.

22. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

23. The material findings on the reported performance information for the selected material indicators are as follows:

#### Various indicators

24. The reported achievements in the annual performance report were inconsistent with the commitments made in the approved planning documents. These discrepancies highlight misalignment between approved plans and operations, while the incorrect reporting undermines transparency and accountability.

Indicator	Target	Reported achievement
Procurement of firefighting equipment	Procurement of firefighting equipment by 30 June 2025	120 x 25l of firefighting foam and 3 portable pump equipment procured and delivered
Procurement of uniform/protective clothing for BPDM fire personnel	Procurement of uniform / protective clothing for BPDM fire personnel by 30 June 2025	924 uniform / protective clothing procured and delivered for BPDM fire personnel

#### Various indicators

25. Various indicators and their targets were not clearly defined during the planning process. Consequently, the indicators and their targets are not useful for measuring and reporting on progress against the municipality's planned objectives.

Indicator	Target	Detail
Procurement of firefighting equipment	Procurement of firefighting equipment by 30 June 2025	The indicator and target are not well defined, as they fail to specify both the type of firefighting equipment and the quantity intended for procurement.
Procurement of uniform/protective clothing for BPDM fire personnel	Procurement of uniform/protective clothing for BPDM fire personnel by 30 June 2025	The indicator and target are not clearly defined, as they do not specify the type of uniform and protective clothing the municipality intends to procure, nor do they indicate the number of firefighting equipment to be acquired.

### Various indicators

26. Various indicators measure reports instead of the progress of projects, which does not relate to the mandate of the municipality. Consequently, the indicators are not relevant for planning and reporting on performance.

Indicator	Target	Detail
Number of reports on drilling and equipping of boreholes in Reagile Ext 8	4 reports on drilling and equipping of boreholes in Reagile Ext 8 by 30 June 2025	The indicator solely measures the number of reports produced, representing an administrative output. It does not reflect the number of boreholes to be drilled and equipped, it fails to capture the critical activities or outputs that contribute to service delivery.
Number of reports on bulk water supply project in Moretele LM (Kgomo Kgomo and Kontant)	4 reports on bulk water supply project in Moretele LM (Kgomo Kgomo and Kontant) by 30 June 2025	The indicator solely measures the number of reports produced, representing an administrative output. It does not reflect the number of bulk water projects undertaken. It fails to capture the critical activities or outputs that contribute to service delivery.

Number of reports on refurbishment of boreholes project in Moretele LM (Tshwene and Kromkuil)	4 reports on refurbishment of boreholes project in Moretele LM (Tshwene and Kromkuil) by 30 June 2025	The indicator solely measures the number of reports produced, representing an administrative output. It does not reflect the progress on the refurbishment of the boreholes project conducted by the municipality. Therefore, it fails to capture the critical activities or outputs that contribute to service delivery.
Number of reports on refurbishment of Mazista Sewer Plant project (Kgetleng River LM)	4 reports on refurbishment of Mazista Sewer Plant project (Kgetleng River LM) by 30 June 2025	The indicator solely measures the number of reports produced, representing an administrative output. It does not reflect the progress on the refurbishment of the sewer plant project conducted by the municipality. Therefore, it fails to capture the critical activities or outputs that contribute to service delivery.
Number of reports on the refurbishment of Sewer Treatment Plant project in Swartdam (Moretele LM)	4 reports on the refurbishment of Sewer Treatment Plant project in Swartdam (Moretele LM) by 30 June 2025	The indicator solely measures the number of reports produced, representing an administrative output. It does not reflect the progress of sewer plant project conducted by the municipality. Therefore, it fails to capture the critical activities or outputs that contribute to service delivery.
Number of reports on the upgrading of Mothutlung internal roads project (Madibeng LM)	4 reports on the upgrading of Mothutlung internal roads project (Madibeng LM) by 30 June 2025	The indicator solely measures the number of reports produced, representing an administrative output. It does not reflect the actual upgrading of Mothutlung internal roads. Therefore, it fails to capture the critical activities or outputs that contribute to service delivery.
Number of reports on the rehabilitation of internal roads Mokgalwaneng project in Moses Kotane LM	4 reports on the rehabilitation of internal roads Mokgalwaneng project in Moses Kotane LM by 30 June 2025	The indicator solely measures the number of reports produced, representing an administrative output. It does not reflect the actual rehabilitation of internal roads in Mokgalwaneng project in Moses Kotane LM. Therefore, it fails to capture the critical activities or outputs that contribute to service delivery.

## Other matters

27. I draw attention to the matters below.

### Achievement of planned targets

28. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

29. The table that follows provide information on the achievement of planned targets and list the key indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 86 to 93.

### Basic service delivery and infrastructure development

<i>Targets achieved: 96%</i> <i>Budget spent: 56%</i>		
Key indicator not achieved	Planned target	Reported achievement
Number of reports on water monitoring conducted	20	14

### Material misstatements

30. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic service delivery and infrastructure development. Management did not correct all of the misstatements, and I reported material findings in this regard.

### Report on compliance with legislation

31. 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.

32. 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.

33. Through an established AGSA process, I selected requirements in key legislation for

compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

34. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

### **Annual financial statement, performance report and annual reports**

35. The financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current assets, liabilities, expenditure and disclosure items identified by the auditors in the submitted financial statement were subsequently corrected resulting in the financial statements receiving an unqualified audit opinion.

### **Expenditure management**

36. Reasonable steps were not taken to ensure that money owed by the municipality was always paid within 30 days, as required by section 65(2)(e) of the MFMA.
37. Reasonable steps were not taken to prevent irregular expenditure amounting to R181 317 339 as disclosed in note 43 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.
38. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R196 173, as disclosed in note 42 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest and penalties on the late payment to suppliers.

### **Consequence management**

39. Some of the unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.
40. Some of the irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.
41. Some of the fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

## Strategic planning and performance management

42. Performance targets were not set for each of the KPIs for the financial year, as required by section 41(1)(b) of the MSA and municipal planning and performance management regulation 12(1).
43. The SDBIP was revised during the year without approval of the council following approval of an adjustments budget, as required by section 54(1)(c) of the MFMA.
44. A performance management system was not established, as required by section 38(a) of the MSA
45. The performance management system and related controls were inadequate as they did not enable useful and reliable performance measurement and reporting processes should be managed, as required by municipal planning and performance management regulation 7(1).

## Procurement and contract management

46. Some of the contracts were awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of Preferential Procurement Policy Framework Act and 2022 Preferential Procurement Regulation 4(4) and 5(4).
47. The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA. Similar non-compliance was also reported in the prior year.
48. The contract performance and monitoring measures were not in place to ensure effective contract management, as required by section 116(2)(c)(ii) of the MFMA. Similar non-compliance was also reported in the prior year.

## Human Resource Management

49. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA and regulation 31 of Municipal Staff Regulations.

## Other information in the annual report

50. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in development priority presented in the annual performance report that have been specifically reported on in this auditor's report.
51. 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.

52. 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 material indicators in the scoped-in development priority presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
53. 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

54. 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.
55. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion, the findings on the selected material indicators included in the annual performance report and the material findings on compliance with legislation included in this report.
56. Management did not exercise oversight in monitoring the preparation, reporting and review process of the financial statements prior to their submission for audit.
57. Management did not ensure that the action plans address internal control deficiencies and the real root causes or that corrective actions are taken in a timely manner to prevent recurring audit findings, particularly in the area of performance reporting and procurement management.
58. Management did not ensure that non-compliance with legislation was prevented and compliance with laws and regulations properly reviewed and monitored by a designated compliance officer as well as by the supply chain management unit prior to the procurement being done.

### Other reports

59. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

### Investigations

60. The HAWKS are investigating various cases of corruption and fraud where unauthorised debit orders were deducted from the municipality's primary bank account, and this case was still on going.
61. The HAWKS is investigating payments of fraudulent invoices to a fraudulent bank account made and the case is still ongoing.

62. SAPS is in the process of investigating a case of breaking into the Acting MM's office.
63. The HAWKS are investigating theft of devices procured through contract but not in the municipality's records.
64. The HAWKS is investigating a case of threats and intimidations made against the municipal officials.

Auditor-General

Pretoria

30 November 2025



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## **Annexure to the auditor's report**

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

### **Auditor-general's responsibility for the audit**

#### **Professional judgement and professional scepticism**

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators 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 a 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.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. I am responsible for the direction, supervision and review of audit work performed for purposes of the group audit. I remain solely responsible for my audit opinion.

### **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 Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 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)
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)

Legislation	Sections or regulations
MSA: Municipal Staff Regulations	Regulations: 7(1), 19, 31, 35(1)
MSA: Municipal Systems Regulations, 2001	Regulation: 43
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer)..... Dated

## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	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.
<b>Activities</b>	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> ”.
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	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.
<b>Approved Budget</b>	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
<b>Baseline</b>	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.
<b>Basic municipal service</b>	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.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	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.
<b>General Key performance indicators</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are “ <i>what we use to do the work</i> ”. They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National Key performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>	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 “ <i>what we wish to achieve</i> ”.
<b>Outputs</b>	The final products, or goods and services produced for delivery. Outputs may be defined as “ <i>what we produce or deliver</i> ”. 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

# GLOSSARY

	Key Result Area.
<b>Performance Indicator</b>	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)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	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.
<b>Performance Targets:</b>	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.
<b>Service Delivery Budget Implementation Plan</b>	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.
<b>Vote:</b>	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: <i>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</i> <i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>

## APPENDICES

### APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
Cllr Susan Dikeledi Ntipa Nthageni	FT		ANC	100%	0%
Cllr. Tumelo Lucky Madiba	FT	Rules Committee	ANC	100%	0%
Cllr. Mpho Ditebogo Moeketsane	FT		AIC	100%	0%
Cllr. Rabatswadi Ignatius Msoki	FT	Portfolio: IDP &PMS	ANC	100%	0%
Cllr. Annetjie Ephenia Selebogo	FT	Portfolio: LED & TOURISM	ANC	94%	6%
Cllr Frida Matshidiso Mangoathe	FT	Portfolio: ARD	ANC	100%	0%
Cllr. Victoria Ntombodumo Makhaula (Tsienyane)	FT	Portfolio: TSS	ANC	78%	22%
Cllr. Mohammed Karani	FT	Portfolio: Special Projects	ANC	89%	11%
Cllr Ofentse Molusi	FT	Portfolio: Sports, Arts and Culture	ANC	94%	6%
Cllr. Tlhadise Mcdonald Mashomo	FT	Portfolio: MPAC	ANC	89%	11%
Cllr. Winnie Masalang Sono	FT	Portfolio: Special Budget & Treasury	ANC	94%	6%
Cllr Thapelo Petrus Thoboke (replaced Cllr Lucky Moate)	FT	Portfolio: CSS	ANC	72%	28%
Cllr. Kagiso Moleko (replaced Cllr Magdeline Nondzaba)	FT	Portfolio: Community Development	ANC	67%	33%
Cllr. Matshwane Elizabeth Kibini (replaced Esther Selebaleng Tebogo Pule)	FT	Portfolio: HES	ANC	67%	33%
Cllr Raymond Lobang Motsepe		MPAC	ANC	62%%	38%
Cllr. Kutlwano Cyril Kegomoditswe Ramokgadi	FT	SAC; LED&TOURISM	ANC	94%	6%
Cllr. Vincent Kamogelo Phusoane	FT	MPAC	ANC	94%	6%
Cllr. Beatrix Petronella Gous	FT	LED; IDP	DA	62%	38%
Cllr Kelebogile Patience Motheng	FT	Rules Committee; CSS; SAC	ANC	83%	17%
Cllr. Ditiragalo Mmakgamelo Rakgatlha	FT	HES; Special Projects	DA	72%%	28%

Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
Cllr. Lydia Tshepang Machewane (replaced Cllr Calvin Ofentse Moema)	FT	BTO	EFF	50%	50%
Cllr. Tebogo Elias Hlongwane	FT	Rules Committee; LED & Tourism	EFF	62%	28%
Cllr. Louisah Nkele Tau	FT	ARD	EFF	22%	78%
Cllr. Tinyiko Mawayi (replaced Cllr Gloria Lesedi Magadane)	FT	MPAC	EFF	22%	78%
Cllr. Rosina Ntshetsana Komane (replaced Cllr Alfred Norman Motsi)	FT	MPAC	EFF	22%	78%
Cllr. Gert Malebogo Motsomisi	FT	BTO; SAC	F4SD	0%	100%
Cllr. Shikwane Andrew Moeletsi (replaced Cllr Obed Pitso David)	FT	Rules of Committee; SAC	SAVE M	68%	32%
Cllr. Lucky Malope	FT	IDP & PMS	AIC	28%	72%
Cllr. Masego John Monagane (replaced Cllr Annabel Phemelo Pitsoe)	FT	HES	TSOGANG	67%	33%
Cllr. Thimotheus Francois Potgieter	FT	CDS; ARD; TSS; Special Projects	VF+	89%	11%
Cllr. Johana Potgieter	PT	SAC; LED & Tourism	VF+	94%	6%
Cllr. Eric Langeni	PT	CSS	ANC	83%	17%
Cllr. Isabel Sibongile Macone	PT	BTO; LED & Tourism	ANC	17%	83%
Cllr. Alpheus Moalosi Mosito (replaced Cllr Poppy Maria Morapedi)	PT	MPAC	ANC	17%	83%
Cllr. Elias Elek Mapogo Mosete	PT	HES; LED & Tourism	ANC	78	22%
Cllr. Sanah Mmule Motshegwe	PT	MPAC	ANC	94%	6%
Cllr. Joseph Qobeka	PT	CSS	ANC	22%	78%
Cllr. Martin Coetzee	PT	TSS	DA	100%	0%
Cllr. Vivian Nomphele Myoli	PT	CDS	DA	89%	11%
Cllr Meriam Dina Phalole	PT	CSS	EFF	50%	50%
Cllr. Kedumetse Israel Monaise (replaced Cllr Poppy Obakeng Lillian Lebethe)	PT	Special Projects	EFF	17%	83%
Cllr. Tshegofatso Eliphus Matjene	PT	CDS	TSOGANG	56%	44%
Cllr. Abrahm Petrus Rootman	PT	MPAC	VFP	89%	11%
Cllr. Nomawisile Deleki	PT	Special Projects	ANC	39%	61%
Cllr. Nkeko Anastatia Letlape	PT	ARD	ANC	34%	66%
Cllr Rose Mapula Lukhele	PT	LED & Tourism	ANC	22%	78%
Cllr. Ratselana Ezekiel Mashimo	PT	MPAC; CSS	ANC	72%	28%

Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
Cllr. Nomvula Seanokeng Grace Sekao	PT	ARD	ANC	89%	11%
Cllr. Morgen Thuthugang Molefe	PT	TSS	EFF	56%	44%
Cllr. Senkgane Brunny Marakalala	PT	HES	EFF	89%	11%
Cllr Chris Kelebogile Chaka	PT	CSS;LED & TOURISM	Tsogang	94%	6%
Cllr. Caroline Ramasela Lekalakala	PT	CDS	ANC	72%	28%
Cllr. Semetsa Peter Letlhabi	PT	Special Projects	ANC	50%	50%
Cllr. Mosidi Cate Moatshe (replaced Cllr Onnicah Mokgadi Mamabolo)	PT	Rules Committee; BTO; Special Projects	ANC	39%	61%
Cllr. Lebogang Frans Modise	PT	IDP & PMS;TSS	ANC	78%	22%
Cllr Makinta Andries Monaheng	PT	BTO	ANC	56%	44%
Cllr. Stephens Abram Kutumela	PT	ARD	DA	62%	28%
Cllr. Ramasela Mmoti Elizabeth Kutumela	PT	SAC	EEF	28%	72%
Cllr. Shadrack Shanti Moreki (replaced Cllr Isaac Bongani Bhebhe)	PT	MPAC	ANC	50%	50%
Cllr. Thobi John Makhubela	PT	Rules Committee; SAC	ANC	78%	22%
Cllr. Levy Ramatlhape (replaces Cllr Lindiwe Gerty Mhlambi)	PT	CDS	ANC	56 %	44%
Cllr. Nakiwe Faith Mokwena	PT	TSS	ANC	67%	33%
Cllr Leah Mmakubu Ntobong (replaced Cllr Raymond Nchane Moraile)	PT	IDP&PMS	ANC	62%	28%
Cllr. Letlhogonolo Peter Sedio	PT	TSS	DA	56%	44%
Cllr. Nkateko Stephina Mabunda	PT	MPAC	DA	67%	33%
Cllr. Eugene VAN der Schyff	PT	BTO	DA	94%	6%
Cllr Sarah Mohale (replaces Cllr Tebogo Josephine Mohlabane)	PT	CDS	EFF	28%	72%
Cllr Tshepo Kwele	PT	IDP&PMS	EFF	62%	38%
Cllr Elsa Lourens	PT	BTO; IDP&PMS; HES	VFP	72%	28%
Cllr. Thukulala Kleinboo Motaung	PT	HES	ANC	67%	33%

## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

<b>Committees (other than Mayoral/Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committee</b>	<b>Purpose of Committee</b>
<b>Rules Committee</b>	To develop Rules of Order and amendments and recommend the them to Council for adoption. To summon any Councillor/s and/or official/s to appear before the committee to assist the committee in the performance of its functions.
<b>Audit Committee</b>	To review annual financial statements and provide assurance and advice on risk management, internal controls, compliance with laws and regulations.
<b>Municipal Public Accounts Committee</b>	To exercise political oversight on behalf of Council on public accounts and over the executive functionaries of the Council and to ensure good governance in the municipality.
<b>Portfolio Committees:</b> <b>Corporate Support Services</b> <b>Sports, Arts and Culture</b> <b>Community Development Services</b> <b>Local Economic Development &amp; Tourism</b> <b>Agriculture and Rural Development</b> <b>Technical Services</b> <b>Budget and Treasury</b> <b>IDP, PMS, Monitoring and Evaluation</b> <b>Special projects</b> <b>Health &amp; Environmental Services</b>	Section 80 committees, also known as Portfolio Committees, assist the Executive Mayor. These committees report to the Executive Mayor in accordance with the directions of the Executive Mayor.

**APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE**

<b>Third Tier Structure</b>	
<b>Directorate</b>	<b>Director/Manager (State title and name)</b>
<b>Office of the Municipal Manager</b>	<b>Dr. Auchalie Mothupi (Acting Municipal Manager)- Appointed on 9<sup>th</sup> October 2024</b>
	<b>Ms Beauty Makganye (Acting Municipal Manager) – Appointed on 14<sup>th</sup> February 2025</b>
	<b>Ms. Nelisiwe Cikizwa Qayiso (Manager)</b>
	<b>Mr. Themba Hlaba (Manager)</b>
	<b>Ms. Rebaone Mokotjo (Manager)</b>
	<b>Mr. Masukwane Ngwasheng (Manager)</b>
<b>Office of the Executive Mayor</b>	<b>Mr. Andrew Modise (Chief of Staff)</b>
<b>Office of the Speaker</b>	<b>Mr. Benneth Matlala (Manager)</b>
<b>Budget and Treasury Office</b>	<b>Mr Maranatha Khonou (Chief Financial Officer)- Appointed on the 29 January 2025</b>
	<b>Ms Dikeledi Motloung (Acting Chief Financial Officer) Appointed on the 16 October 2024</b>
	<b>Ms. Abueng Tolo (Senior Manager)</b>
	<b>Ms. Dolly Madikela (Manager)</b>
	<b>Ms. Dikeledi Dikolomela (Manager)</b>
<b>Technical Services</b>	<b>Ms. Kgomotso Monamodi (Acting Director), subsequently appointed as a Director on the 29<sup>th</sup> January 2024</b>
	<b>Setone Magakwe (Manager)</b>
	<b>Ms Phindile Makhanye (Acting Manager)</b>
<b>Community Development Services</b>	<b>Ms Dumilehari (Director) appointed on the 29<sup>th</sup> January 2025</b>
	<b>Ms. Mpho Raditladi (Acting Director) appointed on the 30<sup>th</sup> August 2024</b>
	<b>Mr. Koloba Frederick Modibane (Manager)</b>
	<b>Ms. Gati Malete(Acting Manager)</b>
	<b>Mr. Kabelo Molao (Manager)</b>
<b>Health and Environmental Services</b>	<b>Ms Motlalekgomo Mmope (Director)appointed on the 29<sup>th</sup> January 2025</b>
	<b>Mr. Kgabo James Masebe (Acting Director) appointed 30 August 2024</b>
	<b>Ms. Amanda Bubu (Manager)</b>
	<b>Ms. Nozizwe Masekwane (Manager)</b>
<b>Economic Development, Tourism, Agriculture and Rural Development</b>	<b>Mr Onkokame Romeo Moremi (Director) appointed on the 29 January 2025</b>
	<b>Mr Mike Mokgatsi (Acting Director) appointed 2<sup>nd</sup> October 2024</b>
	<b>Ms. Keitumetse Masemola (Manager)</b>
	<b>Mr. Obakeng Matshego (Manager)</b>
<b>Corporate Support Services</b>	<b>Ms Beauty Makganye (Director) appointed on the 29<sup>th</sup> January 2025</b>
	<b>Ms. Minky Mpolai Maape (Acting Director) appointed 30<sup>th</sup> August 2024</b>

<b>Third Tier Structure</b>	
<b>Directorate</b>	<b>Director/Manager (State title and name)</b>
<b>Corporate Support Services</b>	<b>Ms Linda Khoza (Acting Director) appointed 11<sup>th</sup> November 2024</b>
	<b>Ms Tshegofatso Melamu (Manager)</b>
	<b>Mr Frank Masilo (Acting Manager)</b>

## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal/Entity Functions		
MUNICIPAL FUNCTIONS	Function applicable to the Municipality (Yes/No)	Function applicable to the Entity (Yes/No)
<b>Constitution Schedule 4, Part B functions:</b>		
Air pollution	Yes	Not Applicable
Building regulations	No	Not Applicable
Child care facilities	No	Not Applicable
Electricity and gas reticulation	No	Not Applicable
Firefighting services	Yes	Not Applicable
Local tourism	Yes	Not Applicable
Municipal airports	No	Not Applicable
Municipal planning	No	Not Applicable
Municipal health services	Yes	Not Applicable
Municipal public transport	No	Not Applicable
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	No	Not Applicable
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	Not Applicable
Stormwater management systems in built-up areas	No	Not Applicable
Trading regulations	No	Not Applicable
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	No	Not Applicable
Beaches and amusement facilities	No	Not Applicable
Billboards and the display of advertisements in public places	No	Not Applicable
Cemeteries, funeral parlours and crematoria	No	Not Applicable
Cleansing	No	Not Applicable
Control of public nuisances	No	Not Applicable
Control of undertakings that sell liquor to the public	No	Not Applicable
Facilities for the accommodation, care and burial of animals	No	Not Applicable
Fencing and fences	No	Not Applicable
Licensing of dogs	No	Not Applicable
Licensing and control of undertakings that sell food to the public	No	Not Applicable
Local amenities	No	Not Applicable
Local sport facilities	No	Not Applicable
Markets	No	Not Applicable
Municipal abattoirs	No	Not Applicable
Municipal parks and recreation	No	Not Applicable
Municipal roads	No	Not Applicable
Noise pollution	No	Not Applicable
Pounds	No	Not Applicable
Public places	No	Not Applicable
Refuse removal, refuse dumps and solid waste disposal	No	Not Applicable

MUNICIPAL FUNCTIONS	Function applicable to the Municipality (Yes/No)	Function applicable to the Entity (Yes/No)
<b>Constitution Schedule 4, Part B functions:</b>		
Street trading	No	Not Applicable
Street lighting	No	Not Applicable
Traffic and parking	No	Not Applicable

**APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2024/25**

<b>Municipal Audit Committee Recommendations</b>		
<b>Date of Committee meeting</b>	<b>Committee recommendations during Year 2024/25</b>	<b>Recommendations adopted (enter Yes) If not adopted (provide explanation)</b>
<b>22 August 2024</b>	The updated 2023/24 AFS to be submitted to the audit committee on Monday the 26 <sup>th</sup> of August 2024.	Yes
	Detailed progress on submission of AG RFI's and COF's to be provided to the Committee	Yes
	The final AFS to be submitted to the AG on the 31st of August 2024.	Yes
	Management to revisit the whole population for irregular expenditure and deviations to ensure completeness and accuracy.	Yes
	Quarterly SCM reports, UIF&W registers, contract registers and deviations register should be standard agenda items at all quarterly AC meetings.	Yes
	Section 71 reports must be submitted to the EM as legislated and planned for the approved SDBIP.	Yes
	Management with the assistance of PT should develop a revenue enhancement strategy in order to generate revenue to enhance the operations of the municipality and fulfill the financial obligations.	Yes
	A progress report on capital spending should be presented at the next AC meeting.	Yes
	A-CFO should ensure that depreciation is run on a monthly basis as required.	Yes
	Progress on resolving the dispute with Telkom to be reported at the AC meeting.	Yes
	AC meeting to be held in the week of the 26 <sup>th</sup> of August for review of the final AFS before submission to the AG on the 31 <sup>st</sup> of August 2024.	Yes
	Recommendations of the AC as stated above to incorporate in the Annual Performance Report before submission to the AG	Yes
	The finalized report on review of the APR to be submitted at the next audit committee meeting.	Yes
	Physical meeting to be arranged between TROIKA & AC	Yes
Recommendations of the AC to be incorporate in the Annual Performance Report before submission to the AG.	Yes	
<b>28 August 2024</b>	The APR to be submitted to the AG on the 31st of August 2024.	Yes
<b>17 September 2024</b>	Changes and corrections to be made to certain aspects of the audit engagement letter i.e. " <i>payment of audit fees being due within 30 days of the date of the invoice instead of the date of receipt</i> ".	Yes
	AG to audit IT application controls instead of general controls	Yes
	Quarterly IA progress report should include the staff complement in the unit, trainings planned and attended etc.	Yes
	2024/25 risk based plan, IA Charter and AC Charter which were approved by the previous AC on 28 June 2024 should be circulated to the new AC.	Yes
	RFI register and COF registers to be submitted to the AC on weekly basis for perusal and intervention where needed.	Yes
<b>21 October 2024</b>	Section 71 reports must be submitted to the EM as legislated and planned for the approved SDBIP.	Yes
	A findings register should be developed in order for the AC to track implementation of IA findings by management.	Yes
	ICT Governance Committee and Risk Management Committee should convene meetings in Q2 of 2024/25 and reports thereof should be	Yes

<b>Municipal Audit Committee Recommendations</b>		
<b>Date of Committee meeting</b>	<b>Committee recommendations during Year 2024/25</b>	<b>Recommendations adopted (enter Yes) If not adopted (provide explanation)</b>
	presented at the next AC meeting	
	A report indicating composition of the DDM forum and current progress in terms of implementation of projects should be submitted to the AC.	Yes
	Management should ensure that the process of appointing section 56 Managers is finalised within the legislated timeframes as failure to do will result in fruitless & wasteful expenditure.	Yes
	The 4 targets that were not achieved should be achieved in Q2 of 2024/25 financial year.	Yes
<b>22 January 2025</b>	Detailed progress on revenue enhancement strategy should be reported at the next ordinary meeting	Yes
	Irregular expenditure should be submitted to Council and referred to MPAC for investigation	Yes
	The Municipality should fast track the process of appointing a travel agency to curb unnecessary deviations and irregular expenditure that is caused by late submissions of requests to SCM	Yes
	The format in which the investment portfolio analysis is reported should be amended to include the opening balance and show the movement i.e. investment amount, withdrawal and ultimately the closing balance for ease of reference.	Yes
	Management should ensure that the 16 outstanding findings are on track as a matter of urgency to ensure that they are addressed by the end of the financial year.	Yes
	IA to revise the 2024/25 risk based audit plan and align it to the current staff complement of 2 employees.	Yes
	Findings that are reported to be completed should be verified by IA.	Yes
	The Committee advised that the anti-fraud and corruption KPI should not be in the political office and should be moved to the office of the Municipal Manager as it is an administrative function	Yes
	Management should utilize a compliance checklist to ensure that the annual report consists of all the legislated components and attachments	Yes
	Fraud high risk areas such as Human Resources Management, Budget & Treasury and Information Communication technology Divisions be engaged to conduct proper risk assessment to improve Fraud Risk Register for 2025/2026 Financial Year.	Yes
	MPAC should commence with the oversight process on the annual report to ensure that the oversight report is timeously tabled to Council	Yes
	Q1& Q2 Litigations report to be tabled at the ordinary AC meeting to be held in April 2025.	Yes
	Management should develop a comprehensive Occupational Health and Safety Register for monitoring by the Risk Management Committee	Yes
<b>27 March 2025</b>	Add percentage calculations for revenue increases in the MTREF document	Yes
	Include Circular 130 in the MTREF reference documents	Yes
	Clarify the support provided to local municipalities in the budget	Yes
	Prepare a checklist on Circular 71 norms and ratios compliance for the final budget	Yes
	Provide explanation for budget policy changes in the final MTREF document	Yes
	Finalize the budget to address the R61.4 million deficit before submission to Council	Yes

<b>Municipal Audit Committee Recommendations</b>		
<b>Date of Committee meeting</b>	<b>Committee recommendations during Year 2024/25</b>	<b>Recommendations adopted (enter Yes) If not adopted (provide explanation)</b>
	IA to consider budget provision for outsourcing critical audits like IT audit before finalization of the 2025/26 budget	Yes
	IA to ensure that the revised audit plan is linked to the municipality's risk profile	Yes
	IA to correct the available working hours for the month of May from 164 to 168	Yes
	Internal Audit to submit a report on the outcome of the high-level IDP review at the next audit committee meeting	Yes
	Management to submit the draft reviewed IDP to Council for consideration on March 28, 2025.	Yes
	Management to clean up typographical and numbering errors in the IDP document before final submission	Yes
	Management to include a paragraph on how the municipality supports local municipalities in the final IDP	Yes
	Management to invite inputs from the public and provide them with 21 days to comment	Yes
	Management to submit copies of the IDP to the MEC for Cooperative Governance within 20 days of Council adoption.	Yes
<b>22 April 2025</b>	Management to revise the due dates for implementation of corrective measures in the post audit action plan to reflect realistic and specific deadlines.	Yes
	Implementation dates on PAAP to be revised to reflect realistic timelines for addressing findings.	Yes
	Management to provide expenditure figures for KPIs that overachieved to determine if there was over-expenditure against budget.	Yes
	Management to develop a litigation policy and framework to guide the investigation and settlement of claims against the municipality.	Yes
	The AMM to provide a status update on the legal cases being handled by the appointed law firms, including any new developments and expenditures.	Yes
	Management to incorporate review notes from all assurance providers and make necessary corrections to the draft IDP before finalization in May 2025.	Yes
	The AMM to complete the recruitment process for the legal manager position by the end of quarter four	Yes
	Management to address the eight components that were found to be non-compliant before the finalization of the IDP	Yes
	Management to establish the contract management committee and provide a timeline for its operationalization to address contract-related issues.	Yes
	Review the lease agreement with Rustenburg Local Municipality to clarify responsibilities for building maintenance and repairs.	Yes
	Management to develop and submit a capital expenditure acceleration plan to ensure that the budgeted funds are spent effectively before the end of the financial year.	Yes
<b>23 May 2025</b>	All review notes/inputs provided by the AC on the 2025/26 - 2027/28 MTREF to be incorporated in the final budget prior tabling to Council.	Yes
	All review notes/inputs provided by the AC on the 2025/26 IDP to be incorporated in the final IDP prior tabling to Council.	Yes
<b>19 June 2025</b>	Management to incorporate the role of the Chairperson of the Risk Management Committee in the risk management policy during the next review.	Yes

<b>Municipal Audit Committee Recommendations</b>		
<b>Date of Committee meeting</b>	<b>Committee recommendations during Year 2024/25</b>	<b>Recommendations adopted (enter Yes) If not adopted (provide explanation)</b>
	Management to provide a detailed explanation of the process undertaken to develop the strategic risk register, including who was involved and what was considered	Yes
	Management to clarify the alignment of the strategic risks with the district's strategies, national risks, and international risks.	Yes
	Management to ensure that the budget for mitigating actions, such as building maintenance and recruitment of personnel, is confirmed and available	Yes

## APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 2024/25 (Current Year)		
Position	Name	Description of Financial Interests* (Nil / or details)
Executive Mayor	Cllr. Susan Dikeledi Ntipa Nthangeni	Nil
Speaker	Cllr. Tumelo Lucky Madiba	Nil
Single Whip	Cllr. Mpho Moeketsane	Nil
Members of Mayco/Exco	Cllr. Rabatswadi Ignatius Msoki	Nil
	Cllr. Annetjie Ephenia Selebogo	Nil
	Cllr. Frida Matshidiso Mangoathe	Nil
	Cllr Victoria Ntombodumo Makhaula (Tsienyane)	Nil
	Cllr. Mohammed Karani	Nil
	Cllr Ofentse Molusi	Nil
	Cllr. Thapelo Thoboke	Nil
	Cllr. Winnie Masalang Sono	Nil
	Cllr Kagiso Moleko	Nil
	Cllr Matshwane Elizabeth Kibini	Nil
	Cllr. Tihadise Mcdonald Mashomo	Nil
	Cllr Raymond Lobang Motsepe	Nil
	Cllr. Kutlwano K Cyril Ramokgadi	Nil
Councillors	Cllr Vincent Kamogelo Phusoane	Nil
	Cllr. Beatrix Petronella Gous	Nil
	Cllr. Kelebogile Patience Motheng	Nil
	Cllr. Ditiragalo Mmakgamele Rakgatlha	Nil
	Cllr. Lydia Tshepang Machewane	Nil
	Cllr. Hlongwane Tebogo Elias	Nil
	Cllr. Louisah Nkele Tau	Nil
	Cllr. Oliver Tinyiko Mawayi	Nil
	Cllr. Rosina Ntshetsana Komane	Nil
	Cllr. Gert Malebogo Motsomisi	Nil
	Cllr. Shikwane Andrew Moeletsi	Nil
	Cllr. Lucky Malope	Nil
	Cllr. Masego John Monagane	Nil
	Cllr. Thimotheus Francois Potgieter	Nil
	Cllr. Johanna Potgieter	Nil
	Cllr. Eric Langeni	Nil
	Cllr. Isabel Sibongile Macone	Nil
	Cllr. Alpheus Moalosi Mosito	Nil
	Cllr. Elias Elek Mapogo Mosete	Nil
	Cllr. Sanah Mmule Motshegwe	Nil
	Cllr. Elias Elek Mapogo Mosete	Nil
	Cllr. Sanah Mmule Motshegwe	Nil
	Cllr. Joseph Qobeka	Nil
Cllr. Martin Coetzee	Nil	
Cllr. Vivian Nomphele Myoli	Nil	
Cllr. Mirriam Dina Phalole		

<b>Disclosures of Financial Interests</b>		
<b>Period 1 July to 30 June of Year 2024/25 (Current Year)</b>		
<b>Position</b>	<b>Name</b>	<b>Description of Financial Interests* (Nil / or details)</b>
<b>Councillors contd.</b>	<b>Cllr. Kedumetse Israel Monaisa</b>	<b>Nil</b>
	<b>Cllr. Tshogofatso Eliphus Matjene</b>	<b>Nil</b>
	<b>Cllr. Abrahm Petrus Rootman</b>	<b>Nil</b>
	<b>Cllr. Nomawisile Deliki</b>	<b>Nil</b>
	<b>Cllr. Nkeko Anastatia Letlape</b>	<b>Nil</b>
	<b>Cllr. Rose Mapula Lukhele</b>	<b>Nil</b>
	<b>Cllr. Rasetlana Ezekiel Mashimo</b>	<b>Nil</b>
	<b>Cllr. Nomvula Seanokeng Grace Sekao</b>	<b>Nil</b>
	<b>Cllr. Morgen Thuthugang Molefe</b>	<b>Nil</b>
	<b>Cllr. Senkgane Brunny Marakalala</b>	<b>Nil</b>
	<b>Cllr. Chris Kelebogile Chaka</b>	<b>Nil</b>
	<b>Cllr. Caroline Ramasela Lekalakala</b>	<b>Nil</b>
	<b>Cllr. Semetsa Peter Letlhabi</b>	<b>Nil</b>
	<b>Cllr. Mosidi Cate Moatshe</b>	<b>Nil</b>
	<b>Cllr. Lebogang Frans Modise</b>	<b>Nil</b>
	<b>Cllr. Makinta Andries Monaheng</b>	<b>Nil</b>
	<b>Cllr. Stephens Abram Kutumela</b>	<b>Nil</b>
	<b>Cllr. Ramasela Mmoti Elizabeth Kutumela</b>	<b>Nil</b>
	<b>Cllr. Shadrack Shanti Moreki</b>	<b>Nil</b>
	<b>Cllr. John Makhubela</b>	<b>Nil</b>
	<b>Cllr. Levy Ramathhape</b>	<b>Nil</b>
	<b>Cllr. Nakiwe Faith Mokwena</b>	<b>Nil</b>
	<b>Cllr. Leah Mmakubu Ntobong</b>	<b>Nil</b>
	<b>Cllr. Letlhogonolo Peter Sedio</b>	<b>Nil</b>
	<b>Cllr. Nkateko Stephina Mabunda</b>	<b>Nil</b>
	<b>Cllr. Eugene VAN DER Schyff</b>	<b>Nil</b>
<b>Cllr. Sarah Mohale</b>	<b>Nil</b>	
<b>Cllr Tshepo Mokwele</b>	<b>Nil</b>	
<b>Cllr. Elsa Lourens</b>	<b>Nil</b>	
<b>Cllr. Thukulala Kleinbooi Motaung</b>	<b>Nil</b>	
<b>Acting Municipal Manager</b>	<b>Dr. Auchalie Mothupi</b>	<b>Nil</b>
<b>Chief Financial Officer</b>	<b>Mr Maranatha Khuno</b>	<b>Nil</b>
<b>Acting Chief Financial Officer</b>	<b>Ms Dikeledi Motaung</b>	<b>Nil</b>
<b>Directors / Acting Directors</b>	<b>Ms Beauty Makganye</b>	<b>Nil</b>
	<b>Ms. Mpolai Maape</b>	<b>Nil</b>
	<b>Ms Linda Khoza</b>	<b>Nil</b>
	<b>Ms Motlalekgomo Mmope</b>	<b>Nil</b>
	<b>Mr. James Masebe</b>	<b>Nil</b>
	<b>Ms Kgomotso Monamodi</b>	<b>Nil</b>
	<b>Ms Dumi Lehari</b>	<b>Nil</b>
	<b>Ms. Mpho Raditladi</b>	<b>Nil</b>
	<b>Mr. Onkokame Romeo Moremi</b>	<b>Nil</b>

**APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG**

Conditional Grants: excluding MIG						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant	N/A	N/A	N/A	N/A	N/A	N/A
Public Transport Infrastructure and Systems Grant	N/A	N/A	N/A	N/A	N/A	N/A
Other: Specify	N/A	N/A	N/A	N/A	N/A	N/A
FMG Grant						
RRAMS						
EPWP						
<b>Total</b>						

## APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services	Projects for infrastructure development were not implemented during 2023/2024 financial year in terms of water, sanitation, electricity, roads and stormwater due to budget constraints. The District does not receive MIG funding.	N/A
Output: Implementation of the Community Work Programme	The District only implemented EPWP programmes and has not participated in the CWP. See Annual Reports of Local Municipalities	N/A
Output: Deepen democracy through a refined Ward Committee model	Only applicable to Local Municipalities. See Annual Reports of Local Municipalities	N/A
Output: Administrative and financial capability	Continuous improvement of administrative and financial capabilities and systems have been implemented	Not measured or quantified

## CHAPTER 9:

### REPORT OF THE AUDIT AND PERFORMANCE COMMITTEE FOR THE PERIOD

#### ENDED 30 JUNE 2025

##### 1. Introduction

The Audit & Performance committee (hereafter referred to as Audit committee) submits its annual report for the financial year ended 30 June 2024 in terms of provision of section 121 (3) (j), and 166 (2)(b) and (c) of the Local Government: Municipal Finance Management Act of 2003 and covers the financial year period 01 July 2024 to 30 June 2025.

##### 2. Audit and Performance committee members

The Audit committee comprises of five (5) independent, external members appointed by Council, and required to meet at least four (4) times per annum, or as often as required to perform its functions as per Audit Committee Charter and the MFMA section 166 (4)(b).

The following are members of the Audit committee also indicating number of meetings attended in 2024/25 financial year:

Name	Role in Audit Committee	Role in Sub-Committees	Meetings held	Meetings attended
Mr P Rambuda	Chairperson	N/A	10	10
Mr R Tshimomola	Member	Risk Management Committee	10	10
Ms L Moyo	Member	ICT Governance Committee	10	10
Ms F Mudau	Member	Financial Misconduct Disciplinary Board	10	10
Mr O Thenga	Member	N/A	10	10

All members of the Audit Committee are independent non-executive members and all meetings of the committee were held in accordance with the Charter of the Committee as approved by Council.

We confirm that the Committee has executed its responsibilities in accordance with section 166 of the Local Government: Municipal Finance Management Act, 2003 (Act nr 56 of 2003 as amended.)

##### 3. Functions and responsibilities

Section 166(2) of the MFMA states that the AC is an independent advisory body which must advise the municipal Council, the political office-bearers, the Accounting officer and the management staff of the municipality, on the following matters amongst others :

- To advise Council on all matters related to compliance and effective governance.
- To review the annual financial statements and to provide Council with an authoritative and credible view of the financial position of the municipality.

- To respond to Council on any issues raised by the Auditor-General in the Management and Audit report.
- To evaluate the IA audit reports pertaining to financial, administrative and technical systems of the municipality.
- To review the performance management system and make recommendations in this regard to Council
- To identify major risks to which the municipality is exposed and determine the extent to which risks have been minimised.
- To review the Annual report of the municipality.
- To review the audit plans of the Internal audit function to ensure it addresses the high-risk areas.
- To compile and present quarterly reports to Council.
- To provide support and ensure that no restrictions or limitations are placed on the Internal audit unit.

Section 166(2)(b), (c),(d) and (e) requires the Committee to review the Annual Financial Statements, respond to Council on any issues raised by the Auditor-General of South Africa (AGSA) in the audit report, and to carry out such investigations into the financial affairs of the municipality, and to perform such other functions as may be prescribed by Council.

Regulation 14(2)(a) of the Planning and Performance Management Regulations require the municipality to appoint and budget for a Performance Audit Committee consisting of at least three members, the majority of which may not be involved in the municipality as a councillor or an employee.

#### **4. Effectiveness of internal controls**

The Audit Committee is responsible for overseeing processes and systems that are in place within the municipality, and to give reasonable assurance that the municipality complies with applicable laws and regulations.

After careful considerations and reviews, and based on the information provided by management, Internal audit and external audit, the Committee is of the opinion that internal controls within the municipality are partially adequate and partially effective.

This assessment is based on the audits performed by Internal and external audit which reported deficiencies in the internal control systems. Corrective measures to address the deficiencies have been recommended and implementation of these recommendations will be monitored throughout the financial year.

The Committee would like to commend the Accounting Officer and Council for implementing consequence management where there have been overriding of internal controls and serious transgressions.

#### **5. Financial management and reporting**

The AC is also required to advise Council on the adequacy, reliability of the financial statements (quarterly and annually) submitted to it by management.

The AC reviewed these reports and the Committee is satisfied with the content and quality of quarterly financial reports prepared and submitted by the Accounting officer of the municipality during the year under review and confirms that the reports were in compliance with statutory reporting framework.

The AC recommends that Council and management must continue to strengthen controls and monitor its efforts to prevent Unauthorised, Irregular, Fruitless and wasteful (UIFW) expenditure.

The AC applauds management on investigating historical UIFW expenditures and therefore encourages management to fast track the process of investigating the remaining balance in line with Section 32 of the MFMA.

## **6. Review of the Annual Financial Statements**

The Committee confirms that it has:

1. Reviewed and discussed the first and second set of Annual Financial Statements to be included in the Annual Report with the AGSA and management.
2. Reviewed both the AGSA Management and Audit reports including management's response to it.
3. Reviewed and noted the significant adjustments resulting from the audit.

The Audit committee has noted the AGSA's Audit report for the 2024/2025 financial year and the AC would like to commend Council and management for maintaining an unqualified audit opinion with findings and encourages management to establish a comprehensive audit action plan to address all the findings raised to ensure that the municipality obtains a clean audit opinion in 2025/26 financial year.

## **7. Compliance with Laws and Regulations**

The AC noted several instances of non-compliance with Laws and Regulations, particularly those in contravention of the SCM Regulations and Performance Management Systems.

The AC also noted UIFW expenditure disclosed from prior years and additional transactions were identified by both internal and external audits, the Committee therefore recommends that stricter internal controls be implemented in respect of overall non-compliance with Laws and Regulations and particularly Circular 68 of the MFMA, 2003, and appropriate steps be conducted to address this matter.

## **8. Risk Management**

The AC is satisfied that Risk management within the municipality has improved and is successfully monitored and mitigated in accordance with prescribed legislation and corporate governance principles, since the establishment of the Risk Management Committee chaired by an independent person.

From the various reports received, the Committee is satisfied that risk management processes were adequately designed although not effectively and efficiently implemented in some instances i.e. approval and implementation of the business continuity plan.

The AC can confirm that all the RM strategic documents have been reviewed and approved by the Committee, and those that needed to be approved by the Accounting Officer i.e. Risk Management Strategy have been approved accordingly.

Although the Risk Management unit continues to contribute effectively to identifying high-risk areas, the unit remains under-capacitated with only one (1) official. Therefore the AC

recommends that additional resources be employed to ensure that all key risks are adequately identified and monitored.

## **9. Performance Management**

The AC reviewed quarterly performance reports and has taken note of the significant improvement in the overall achievement of performance targets for the year under review being reported to be at 98.5%.

The AC would however like to raise a concern regarding performance management system not being in place for staff other than senior managers.

Therefore the AC recommended that the Accounting officer should implement the annual and quarterly performance assessments of section 56/57 managers and implement consequence management, where negligence or dereliction of duties is identified.

## **10. IT governance**

The AC reviewed the overall IT governance environment within the Municipality and noted that serious attention and intervention is needed to improve IT operations and key IT policies i.e. change management policy need to be developed, adopted and implemented.

## **11. Legal and Policy compliance.**

The AC would like to raise a concern on the excessive costs that have been noted in outsourcing legal services and most of which has resulted in irregular expenditure. The Committee however takes cognisance of the number of internal disciplinary cases that were in progress as a result implementing consequence management.

## **12. Internal Audit**

The Audit committee has noted a great improvement in the communication between senior management, Executive Mayor and Internal audit, which has strengthened the co-operative governance initiatives within the municipality.

The AC is satisfied that the Internal audit activity conforms to the Internal Standards for Professional Practice of Internal auditing, despite the capacity challenges within the unit.

All strategic documents guiding the IA unit has been submitted to the AC for approval, including the Internal audit Charter, the Internal Audit strategic risk-based annual plan as well as the three-year rolling plan.

The Committee would like to raise a concern on the under-capacity of the IA unit and urges management to capacitate the unit to ensure that all high risk areas identified through risk assessments are audited on an annual basis.

## **13. External Audit**

The AC confirms that the municipality's Annual financial statements (AFS) and Annual Performance reports have been reviewed by the committee before submission to AGSA for annual audit.

The Committee has met with AGSA to consider the Auditors Engagement letter and audit strategy as required, and to ensure that there are no unresolved issues that may impede the annual audit.

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The Committee has also met with AGSA to discuss the Management Report and the Audit Report and can confirm that the municipality has maintained the unqualified audit opinion on the AFS and has regressed on the Audit of Predetermined Objectives.

#### **14. Conclusion**

The AC applauds Council and the management team for maintaining an unqualified audit opinion for 2024/25 financial year.

The Committee will continue to strive to strengthen the relationship between the Committee, Management and Council including Troika and sector departments to ensure that the municipality continues to provide quality services to the communities while maintaining a good audit opinion and gaining the public's confidence in local government.

Signed and submitted by the Chairperson on behalf of the Audit and Performance committee.

Mr. P. Rambuda

Chairperson: Audit & Performance committee

Date: \_\_\_\_\_

## POST AUDIT ACTION PLAN 2024/25

No	FINDING	RESPONSIBLE DEPARTMENT	DUE DATE	ACTION PLAN
1	Strategic planning and annual budgeting - Budgets not uploaded to the municipal website.	Budge and Treasury Office	10 Jun 2026	The budget will be published on our official website.
2	Strategic planning and annual budgeting - Budgets and supporting documents not made available within 10 days.	Budget and Treasury Office	Ongoing	Public notices will be dated.
3	Non-compliance with MFMA Section 54(1)(c): Council Approval Not Obtained for Revised SDBIP	Office of the Municipal Manager	31 March 2026	Submit the revised 2025/26 SDBIP to the council after the approval of the budget adjustment.
4	Changes in accounting estimates - Disclosure note relating to changes in accounting estimates not disclosed	Budget and Treasury Office	Ongoing	Inclusion of the omitted note on the AFS.
5	Employee Cost – Performance evaluation - Mid-year performance evaluations were not conducted	Corporate Support Services	30 June 2026	Develop a clear performance management calendar (process plan) to be able to adhere to Chapter 4 of Municipal Staff Regulations.
6	No Human Resource Plan in place	Corporate Support Services	31 May 2026	Submit the 2025/26 HR Plan for approval
7	Post not advertised within 14 days of approval	Corporate Support Services	Ongoing	Introduction of a formal tracking system to record council approval dates and ensure that all advertisements are placed within the prescribed 14-day period.
8	Use of internal audit - The Internal Audit (IA) function is not adequately resourced	Office of the Municipal Manager	31 May 2026	Review the current IA structure during the review of the organisational structure to ensure that the unit is aligned with the municipality's size and risk profile.
9	The requisition was processed without the required approval signature from the Head of Department.	Budget and Treasury Office	Ongoing	Signing of Budget verification by the HoD of the requesting department.
10	The 2024/2025 Performance Management Policy was reviewed and approved on 29 April 2025, which is after year-end (30 June 2024)	Office of the Municipal Manager	31 May 2025	The PMS policy has been approved for the 25/26FY before the start of the financial year.

No	FINDING	RESPONSIBLE DEPARTMENT	DUE DATE	ACTION PLAN
11	The bank reconciliation review date is not indicated on the bank reconciliations	Budget and Treasury Office	Ongoing	Develop a bank reconciliation template where a date will be inserted.
12	Organisational structure not updated and reviewed for the 2024/25 financial year	Corporate Support Services	30 June 2026	The organisational structure will be reviewed annually and approved in line with the HR plan and the BPDM strategy
13	Policies are not reviewed and updated annually	Corporate Support Services	28 February 2026	A policy register has been developed to assist in tracking the review of policies. The process to review the policies is underway and expected to be concluded in the current financial year.
14	Tariff policy not in place - Tariff Policy not in place for the 2024/25 financial year end	Budget and Treasury Office	31 May 2026	Tariff policy is in place for the 2025/26 financial year. Annual Review of the policy on any changes thereafter.
15	No credit and debt management policy in place - credit and debt management policy not in place for the 2024/25 financial year end.	Budget and Treasury Office	31 May 2026	The municipality has developed a tariff policy that clearly defines standardised fees for all municipal services.
16	External quality assessment has not been conducted within the last five (5) years	Office of the Municipal Manager	30 June 2026	Develop an Internal Audit quality assessment program to assist in planning for the external quality assessment.
17	Performance indicators not relevant	Office of the Municipal Manager	30 June 2026	The municipality will make sure that the KPIs are relevant when developing the SDBIP
18	Non-compliance Consequence management and Municipal Planning & Performance Management Regulations - Consequence management: investigations not concluded	Office of the Municipal Manager	30 June 2026	In case of write-offs approved by the council, the Accounting Officer and Chief Financial Officer will consult the AGSA on the appropriate treatment for disclosure in the annual financial statement.
19	Indicators are not well defined and target not measurable and specific	Office of the Municipal Manager	30 June 2026	Develop indicators that are specific and well defined during the planning stages, and that they are reviewed and measured according to the FMPPI
20	Inadequate contract performance monitoring and poor record keeping	Budget and Treasury Office	Ongoing	The municipality conducts monthly monitoring of service providers through formal progress reports with invoices. Performance meetings are

No	FINDING	RESPONSIBLE DEPARTMENT	DUE DATE	ACTION PLAN
				documented with minutes and outcome reports, which are filed in the contract file.
21	Lack of Documented Evidence to Support Disqualification of Bidders	Budget and Treasury Office	Ongoing	Develop a stand-alone market analysis and attach detailed disqualification criteria to all evaluation reports.
22	Bid Submitted but Not Evaluated – Quotation/Bid No. BPDM/EDTAR/SMME/TOOLS/30/2024/25	Budget and Treasury Office	Ongoing	Enhance access and document control in the strong room and investigate how the bid document reaches the SCM record without a proper record.
23	Various control deficiencies and non – compliances	Budget and Treasury Office	28 February 2026	Improve SCM internal controls to ensure compliance with regulations to prevent irregular expenditure.
24	Candidates appointed without personal credential verification	Corporate Support Services	Ongoing	To conduct personal credential verifications (qualifications, criminal records, identity documents, and security/credit checks if applicable) on the identified candidates. The Recruitment and Selection Policy will be updated to align with Regulation 19 of the Municipal Staff Regulations.
25	Candidate appointed without relevant qualifications and experience	Corporate Support Services	Ongoing	To adhere to the job requirements for future appointments.
26	Advertisements of the posts are not made available on the municipal website	Corporate Support Services	Ongoing	To ensure that advertisements of all advertised positions shall be made available on the municipal website in line with the policy. We commit to implementing a robust control mechanism to prevent recurrence.
27	Non-compliance in terms of the organisational structure	Corporate Support	31 March 2026	The structure will be resubmitted to the Council for consideration to ensure compliance.

No	FINDING	RESPONSIBLE DEPARTMENT	DUE DATE	ACTION PLAN
		Services		
28	The municipality did not develop and implement a structured annual intake plan for learnerships	Corporate Support Services	31 May 2026	The Human Resources Unit will create an Annual Intake Plan for learnerships and training programs, aligned with Municipal Staff Regulation 53, and submit it to MM for approval. Management will prioritise budget allocations for these programs during the annual budget preparation. The municipality aims to begin the first intake cycle under this plan, pending financial support from SETAs.
29	Performance agreements and evaluations are not in place for non-Section 57 employees	Corporate Support Services	30 June 2026	To ensure that performance agreements and evaluations for non-section 57 employees are performed.
30	Performance monitoring and reporting - Copy of the integrated development plan to be submitted to the MEC for local government	Office of the Municipal Manager	10 June 2026	Compliance with the requirements of paragraph 32(1)(a) and submit a copy of the IDP within 10 days after the council has adopted the IDP.
31	No Gap analysis was performed before appointing an AFS and VAT preparation consultant	Budget and Treasury Office	28 February 2026	A standard template for conducting gap analysis will be developed and approved before used by the departments when requesting consultancy services.
32	Difference between the amount as per the register and disclosure in AFS	Budget and Treasury Office	28 February 2026	Investigate the difference, make necessary adjustments, and review the irregular register
33	MEC of COGTA was not informed about the appointment of MEC within 14 days of the appointment	SPEAKER	Ongoing	The Municipality will assign an official who will be responsible for ensuring that all council resolutions and appointments are communicated within the prescribed timeframes.
34	Evaluation of the workplace skills plan and implementation of PDP's not done	Corporate Support Services	30 April 2026	Continue to adhere to the timelines of WSP approval, i.e. 30 April of each year.
35	Difference identified between the budget approved by the council and the B schedule budget	Budget and Treasury Office	Resolved	Management has submitted the correct B schedule in response to this finding.
36	Capital commitments misstatements.	Budget and	28 February	To review the commitment, register and make the

No	FINDING	RESPONSIBLE DEPARTMENT	DUE DATE	ACTION PLAN
		Treasury Office	2026	necessary adjustments
37	Insufficient explanations for budget variances	Budget and Treasury Office	Resolved	Management was allowed to adjust the AFS and include detailed reasons.
38	Reasons for differences not disclosed	Budget and Treasury Office	Resolved	Management was allowed an opportunity to adjust the AFS and include detailed reasons.
39	Incorrect Disclosure of Contingent Asset – BPDM // Former Employees (Rustenburg LM Payments)	Office of the Municipal Manager	Resolved	To remove the case disclosed as a contingent asset on the AFS
40	The number of achievements on APR is overstated	Office of the Municipal Manager	Ongoing	Continuously review all the reports submitted as a portfolio of evidence to make sure that they are relevant to the definition of the key performance indicator
41	Contracted Services - Invoices not paid within 30 days	Budget and Treasury Office	Ongoing	All invoices for work completed must be submitted to finance within 30 days. Additionally, all invoices to be signed must include a date.
42	Differences identified between G/L and invoice	Budget and Treasury Office	Ongoing	To strengthen preventative controls by enforcing three-way matching (invoice, order/contract, and proof of delivery) and segregation of duties.
43	The requisition was approved even though there was no budget in the vote to cover the expense	Budget and Treasury Office	31 January 2026	To discuss the matter with the system service provider to block any payments in future where insufficient funds are available to process any further payments.
44	Contracted Services, Cut-Off	Budget and Treasury Office	31 July 2026	To conduct a post-year-end review to align service invoices with actual periods and ensure proper financial recognition. Strengthen month-end and year-end cut-off controls with mandatory sign-off from line managers and finance.
45	Operating general expenses - Invoices not paid within 30 days	Budget and Treasury Office	Ongoing	All invoices for work completed must be submitted to finance within 30 days. Additionally, all invoices to be signed must include a date.
46	Internal Control Deficiency – Internal Audit Did Not Perform an Audit on The ICT Department for the	Office of the Municipal	30 June 2026	Execution of the IT general controls audit.

No	FINDING	RESPONSIBLE DEPARTMENT	DUE DATE	ACTION PLAN
	2024/25 Financial Year	Manager		
47	Internal Control Deficiency - Policies not reviewed and updated annually	Office of the Municipal Manager	30 June 2026	The ICT unit has since drafted the relevant policies (ICT Backup Policy, ICT Password Policy, ICT Security Policy, and ICT Disaster Recovery Plan) in alignment with the approved CGICT Policy Framework. These policies will be submitted for review and approval, and they will be implemented during the 2025/26 financial year.
48	Internal Control Deficiency – Lack/Absence of Policies	Office of the Municipal Manager	30 June 2026	The draft policies will be submitted for review and approval, and they will be implemented during the 2025/26 financial year.
49	Internal Control Deficiency – Duplicate or Dormant Accounts	Office of the Municipal Manager	30 June 2026	The draft policies and Standard operating procedures will be submitted for review and approval, and they will be implemented during the 2025/26 financial year.
50	Panel of Travel Agents	Budget and Treasury Office	Ongoing	A mandatory compliance checklist will be implemented for all bids, requiring evaluators to confirm the validity, completeness, and authenticity of all documents before scoring or recommending bidders.
51	Supplier incorrectly disqualified due to BBBEE certificate points not awarded	Budget and Treasury Office	Ongoing	A mandatory compliance checklist will be implemented for all bids, requiring evaluators to confirm the validity, completeness, and authenticity of all documents before scoring or recommending bidders.
52	The winning bidder submitted an incorrect BBBEE certificate and was incorrectly awarded points, which resulted in the incorrect awarding of a contract.	Budget and Treasury Office	Ongoing	Will strengthen the capability of both the Bid Evaluation Committee (BEC) and the Bid Adjudication Committee (BAC) through improved training.

No	FINDING	RESPONSIBLE DEPARTMENT	DUE DATE	ACTION PLAN
53	Appointment letters were incorrectly accepted as Reference letters	Budget and Treasury Office	Ongoing	A mandatory compliance checklist will be implemented for all bids, requiring evaluators to confirm the validity, completeness, and authenticity of all documents before scoring or recommending bidders.
54	Panel of bidders of events organisers who did not meet the pre-qualification criteria and minimum functionality score	Budget and Treasury Office	Ongoing	To enhance the Bid Evaluation Committee (BEC) and Bid Adjudication Committee (BAC) through better training, compliance checks, and closer oversight. A verification process will involve calling referenced entities, and evaluators will be trained to identify potential conflicts.
55	Bid no. BPDM/CDS/FIRE/SOLAR/07/2024/25 - Inconsistent Application of Functionality Evaluation Criteria	Budget and Treasury Office	Ongoing	To strengthen the capability of both the Bid Evaluation Committee (BEC) and the Bid Adjudication Committee (BAC) through improved training, enhanced compliance checks, and closer oversight of bid processes.
56	Non-submission of proof of up-to-date payments of municipal rates and taxes for Directors	Budget and Treasury Office	Ongoing	A mandatory compliance checklist will be implemented for all bids, requiring evaluators to confirm the validity, completeness, and authenticity of all documents before scoring or recommending bidders.
57	Bid no. BPDM/TS/SEWER/PLANT/MAZISTA/42/2024/25 – Compulsory briefing session held within a short period of time, and the bidder was incorrectly disqualified	Budget and Treasury Office	Ongoing	Include the expenditure in the register
58	Operational Cost - Software & ICT related expenses - Requisition with no budget	Budget and Treasury Office	31 January 2026	Management will discuss the matter with the system service provider to block any payments in future where insufficient funds are available to process any further payments.
59	Operational Cost - Software & ICT related expenses - Invoices not paid within 30 days	Budget and Treasury Office	31 January 2026	All Directorates will be informed that all invoices received for work done be submitted to finance within 30 days.

No	FINDING	RESPONSIBLE DEPARTMENT	DUE DATE	ACTION PLAN
60	Operational Cost - Software & ICT related expenses - Transactions recognised in an incorrect accounting period (Cut-off)/Occurrence	Budget and Treasury Office	Ongoing	Management will review invoices for cut-off testing.
61	Software & ICT related expenses - Differences identified between G/L and invoice (Accuracy)	Budget and Treasury Office	31 January 2026	Management will discuss the matter with the system service provider to block any payments in future where insufficient funds are available to process any further payments.
62	Incorrect classification of Repairs and Utilities expenditure into Lease Rentals on Operating Leases - Incorrect classification of repairs and utilities (water, electricity, property rates)	Budget and Treasury Office	Ongoing	Management will ensure that the expenditure for repair and maintenance, as well as for utilities, will be recorded in the correct ledger account
63	The requisition was approved even though there was no budget in the vote to cover the expense	Budget and Treasury Office	Ongoing	Management will ensure that requisitions indicate the budget amount. Management will discuss the matter with the system service provider to block any payments in future where insufficient funds are available to process any further payments.
64	TJ Rasimeni chartered accountants: Contract amount was R10 096 080; however, the amount paid to date is R 11 497 126.39	Budget and Treasury Office	Ongoing	To implement contract management and monitoring of budgets
65	The Service level agreement does not have a dispute resolution	Budget and Treasury Office	Ongoing	To implement contract management and ensure dispute resolutions are included in SLAs
66	The Service level agreement does not stipulate measures to monitor contract performance	Budget and Treasury Office	Ongoing	To implement contract management; performance measurement and monitoring are included
67	There are no measures in place for monitoring contract performance	Budget and Treasury Office	Ongoing	To implement contract management; performance measurement and monitoring are included
68	SCM quotations (Inconsistency between the specific goals stated in the RFQ and those applied during the evaluation process)	Budget and Treasury Office	Ongoing	Ensure quality assurance of the evaluation report before awarding.
69	Control Deficiency - All bidders, including those who failed the pre-requirements, were evaluated for the next	Budget and Treasury Office	Ongoing	To strengthen the capability of both the Bid Evaluation Committee (BEC) and the Bid

No	FINDING	RESPONSIBLE DEPARTMENT	DUE DATE	ACTION PLAN
	stage based on specific goals and price.			Adjudication Committee (BAC)
70	Incorrect Disqualification of Bidders Who Met Pre-Qualification Requirements	Budget and Treasury Office	Ongoing	To strengthen the capability of both the Bid Evaluation Committee (BEC) and the Bid Adjudication Committee (BAC)
71	Travel - Invoices not paid within 30 days	Budget and Treasury Office	Ongoing	To strengthen controls over the invoice payment process to ensure that all invoices are reviewed, approved, and paid within the established 30-day payment period.
72	Travel - Occurrence	Budget and Treasury Office	Ongoing	To ensure that all necessary and correct documentation is attached before payments are processed.
73	Travel - Internal Control Deficiency	Budget and Treasury Office	Ongoing	To enforce strict compliance with the approved Travel and Subsistence Policy, explicitly mandating pre-authorisation for all travel prior to any booking or expenditure being incurred. The policy will be re-circulated and embedded into operational procedures.
74	Travel - Limitation	Budget and Treasury Office	30 June 2026	To institute monthly compliance reviews by Human Resources and Finance to verify completeness, currency, and approval of attendance records. Exceptions will be documented and addressed promptly.
75	Differences between the casted and recalculated amounts as per the invoices and the amount as per the general ledger	Budget and Treasury Office	Ongoing	To ensure that invoices are properly reviewed before any invoice is processed for payment
76	Consumables - Cut-Off	Budget and Treasury Office	30 June 2026	To ensure that all payments be recorded in the correct financial year.
77	Differences were noted during the recalculations of VAT charged as per the invoice.	Budget and Treasury Office	Ongoing	To ensure VAT compliance, potentially by discussing corrected invoices with suppliers or exploring self-assessment options as per tax

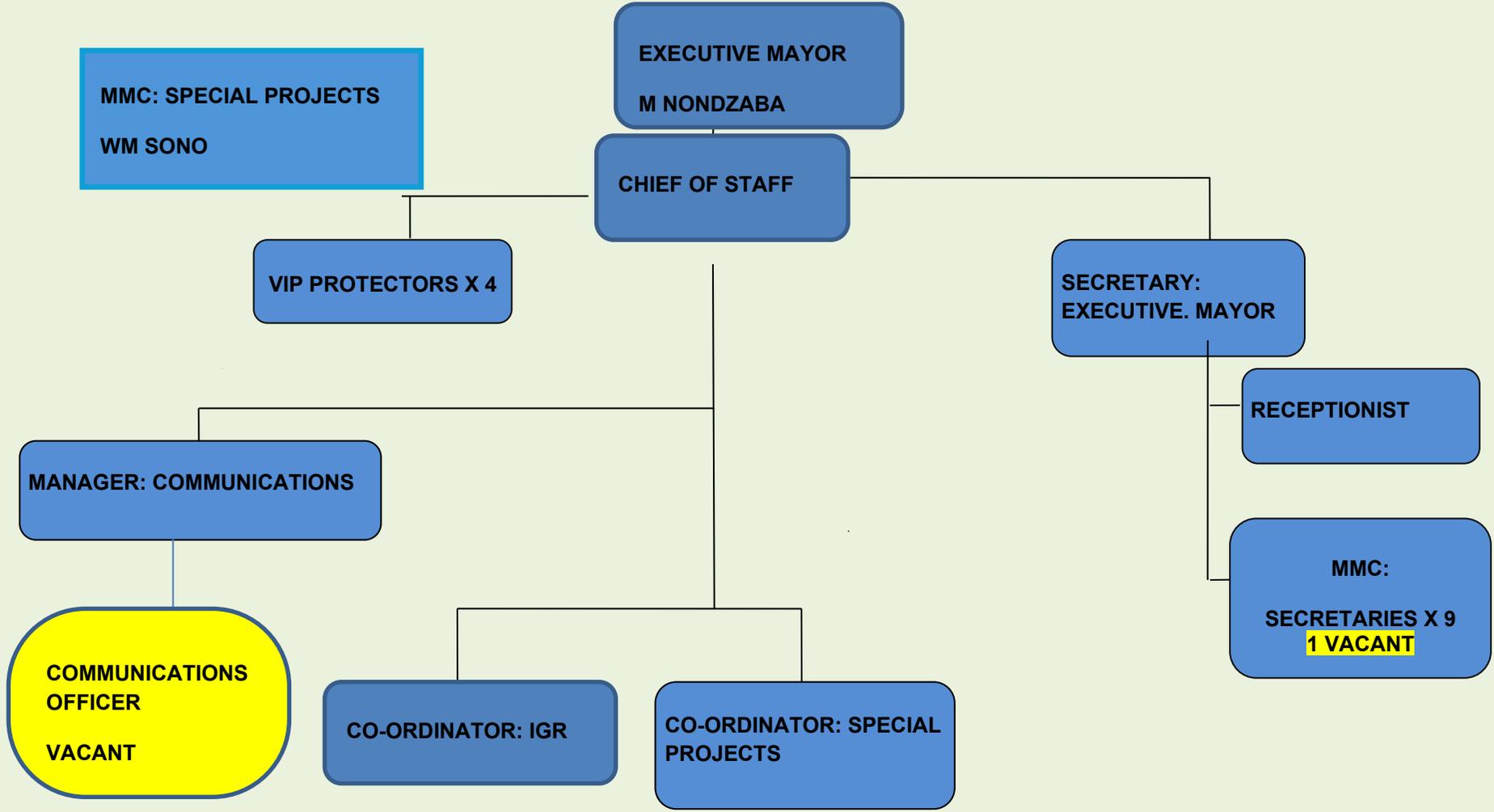
No	FINDING	RESPONSIBLE DEPARTMENT	DUE DATE	ACTION PLAN
				regulations.
78	The requisition was approved even though there was no budget in the vote to cover the expense	Budget and Treasury Office	31 January 2026	Management will discuss the matter with the system service provider to block any payments in future where insufficient funds are not available to process any further payments.
79	Consumables - Invoices not paid within 30 days	Budget and Treasury Office	Ongoing	Management will ensure that directorates submit all invoices for work done to finance within 30 days and ensure that invoices are signed and dated.
80	ICT service contract - Municipal resources not used economically	Budget and Treasury Office	28 February 2026	To establish a formal process to verify all contracts and invoices, ensuring services billed are necessary, supported, and reasonably priced. Also, to assess the necessity of services like social media management, discontinuing or renegotiating those that lack value. Senior management to review and approve all high-value or recurring payments, backed by proper justification and evidence of service delivery.
81	Irregular Expenditure – Register is not complete	Budget and Treasury Office	30 June 2026	To review the irregular expenditure register to ensure all instances are accounted for, making the financial statements' disclosures complete and accurate.
82	Irregular Expenditure – Disclosure does not include corrective measures for irregular expenditure	Budget and Treasury Office	30 June 2026	Management will disclose a narrative disclosure note in future
83	Property, Plant & Equipment: Asset Management Issues - The asset management process does not adequately address the completeness of Investigations.	Budget and Treasury Office	28 February 2026	Establish a standardised asset investigation framework defining procedures, required documentation, escalation protocols, and approval levels to ensure consistent treatment of assets. Transition from periodic asset verification to ongoing, risk-based monitoring. Conduct interim physical verifications and status reviews for assets under investigation to avoid delays.

No	FINDING	RESPONSIBLE DEPARTMENT	DUE DATE	ACTION PLAN
				Create an Asset Review Committee to oversee investigations, resolve issues, and approve recovery or write-off actions. Ensure alignment with GRAP-compliant impairment procedures, recommending write-offs only after investigations are complete and approved. Perform monthly reconciliations between the asset register, departmental records, and investigation logs for accuracy and visibility.
84	No accounting policy: Remuneration of Councillors.	Budget and Treasury Office	30 June 2026	To ensure disclosure of the accounting policy that has been applied in accounting for the remuneration of councillors in the financial statement.
85	Steps were not taken to prevent irregular and unauthorised expenditure	Budget and Treasury Office	28 February 2026	Implementation of controls to ensure no recurrence of UIFW
86	Difference between payroll and the government gazette	Budget and Treasury Office	30 June 2026	To establish a structured review process to confirm that councillor remuneration corresponds with the rates set out in the relevant Government Gazette.
87	Travel - Local Cut-Off	Budget and Treasury Office	31 January 2026	Directorates will be informed of a cutoff date for all S&T claims to be submitted, where no claims referring to year end 30 June will be processed at all.
88	Difference between bonus listing and recalculated auditors' amounts (Bonus Accrual)	Budget and Treasury Office	30 June 2026	Proper reviews of bonus accrual calculations by both HR and BTO to ensure accuracy

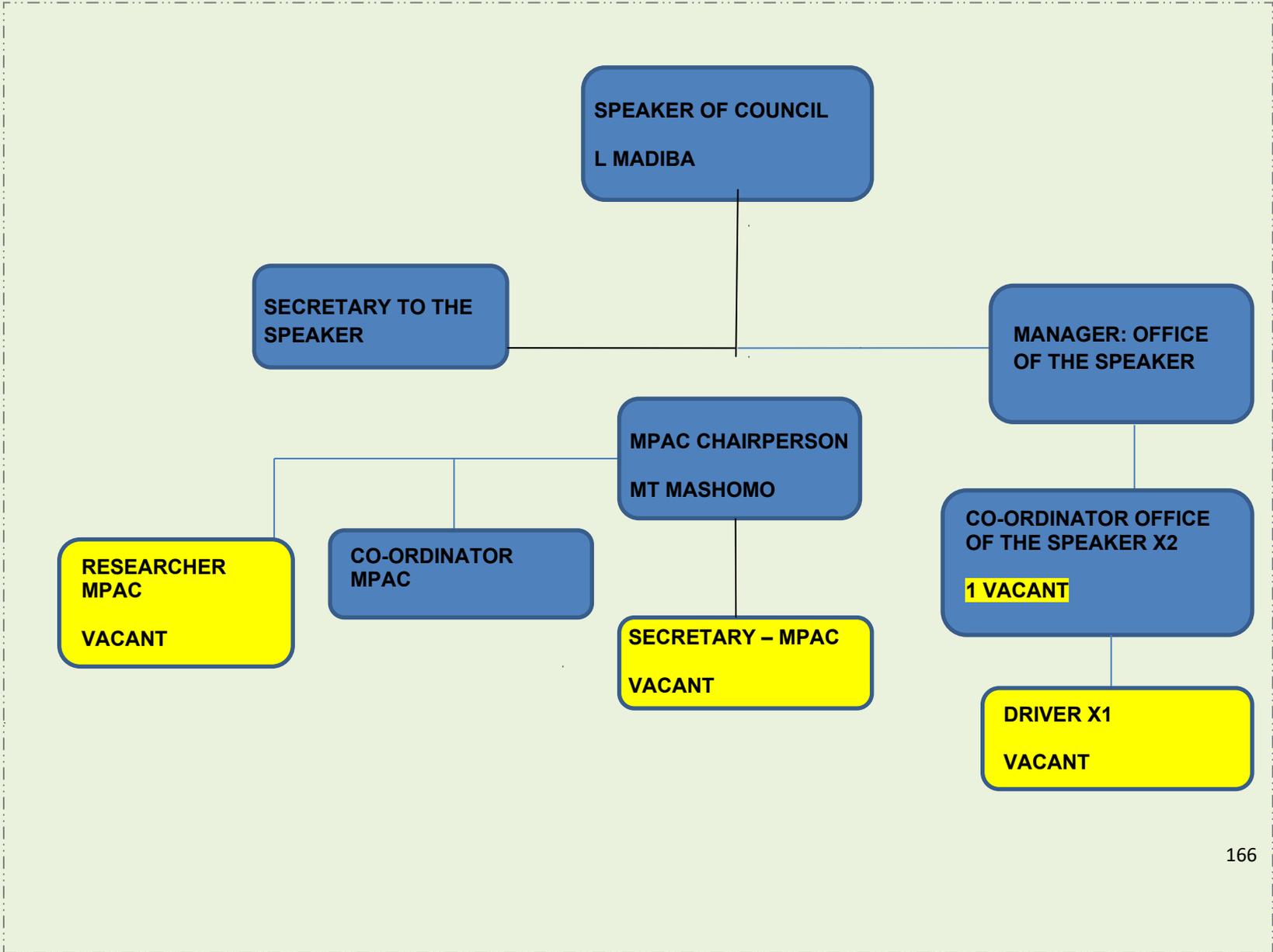
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## ORGANISATIONAL STRUCTURE

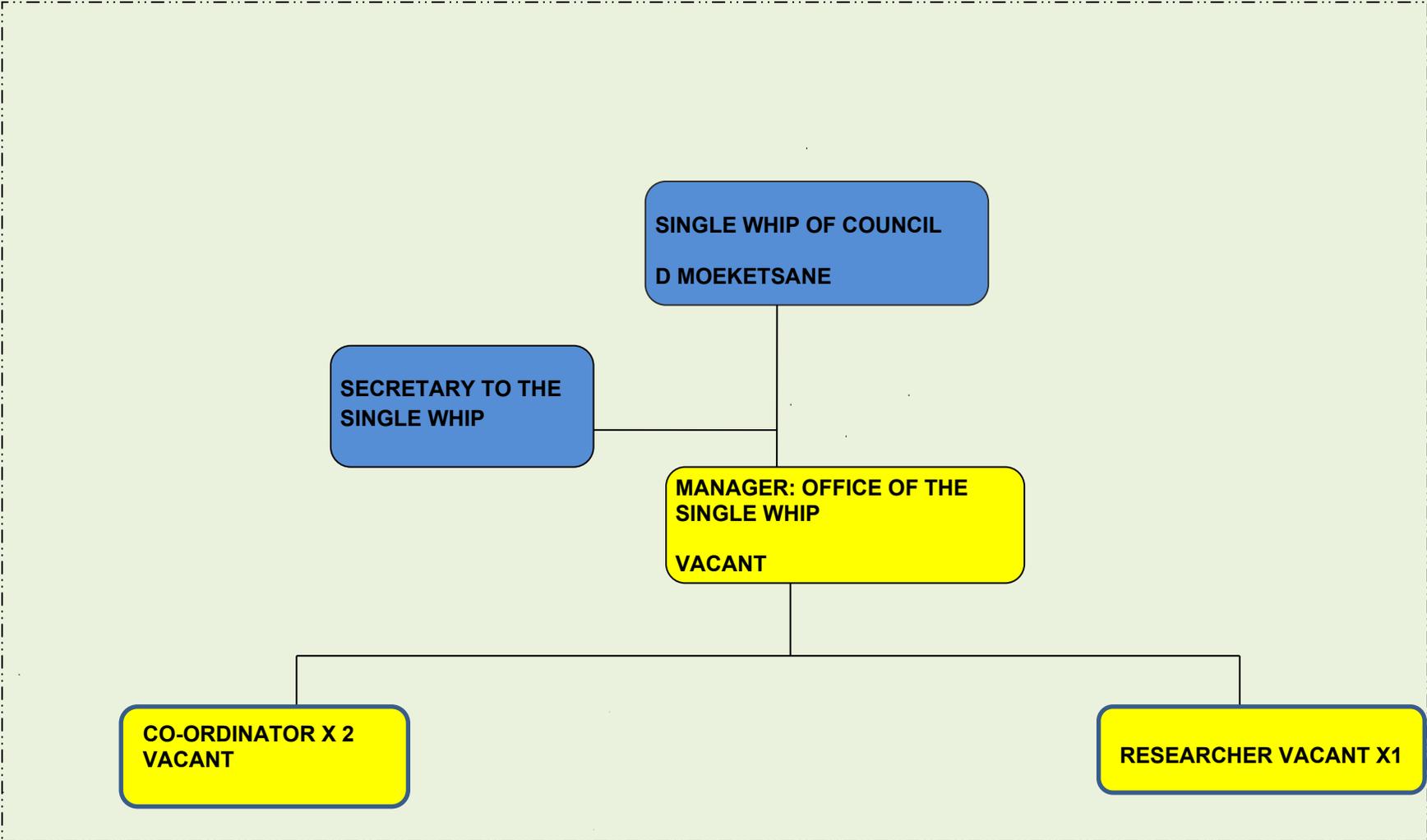
**OFFICE OF THE EXECUTIVE MAYOR**



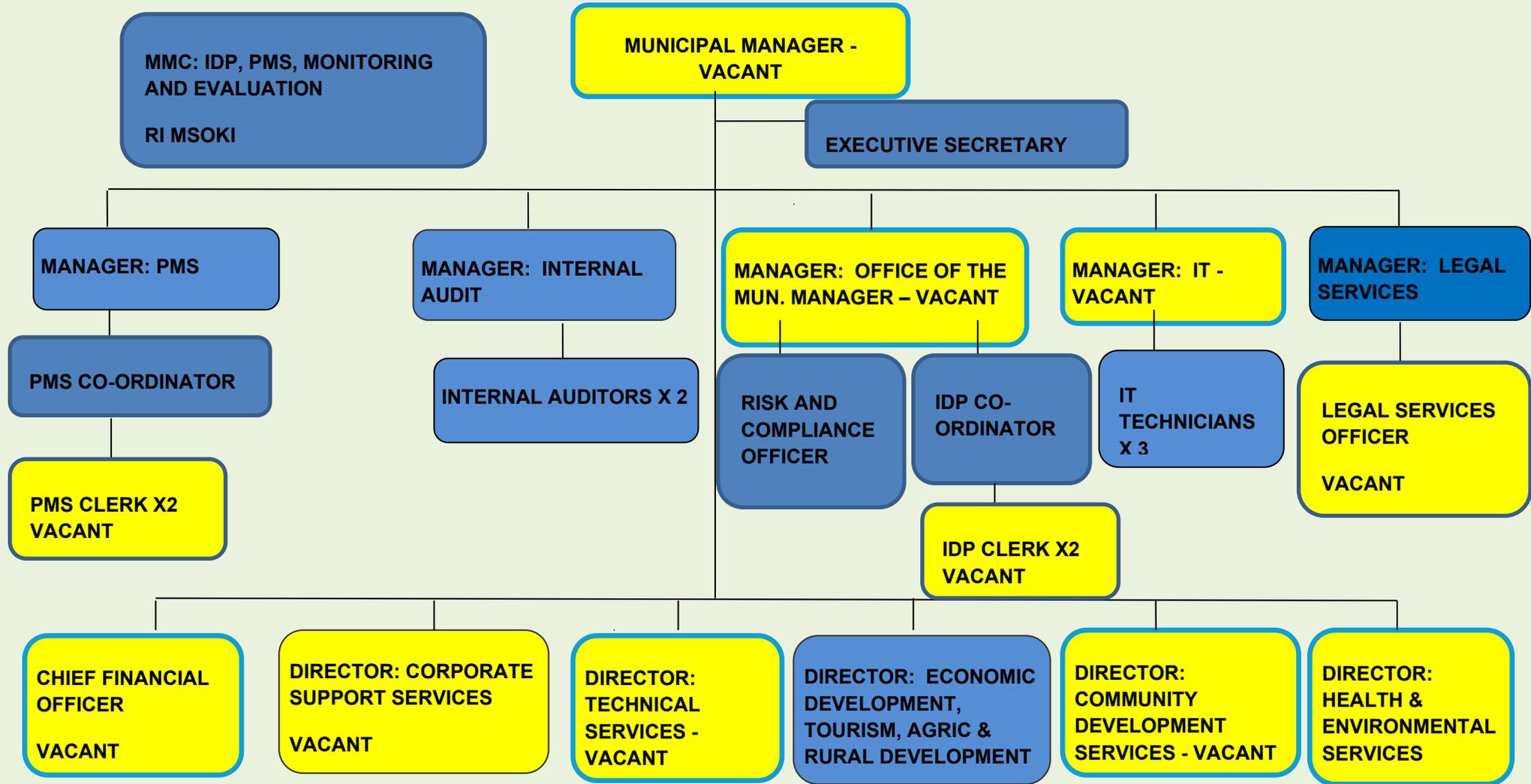
**OFFICE OF THE SPEAKER**



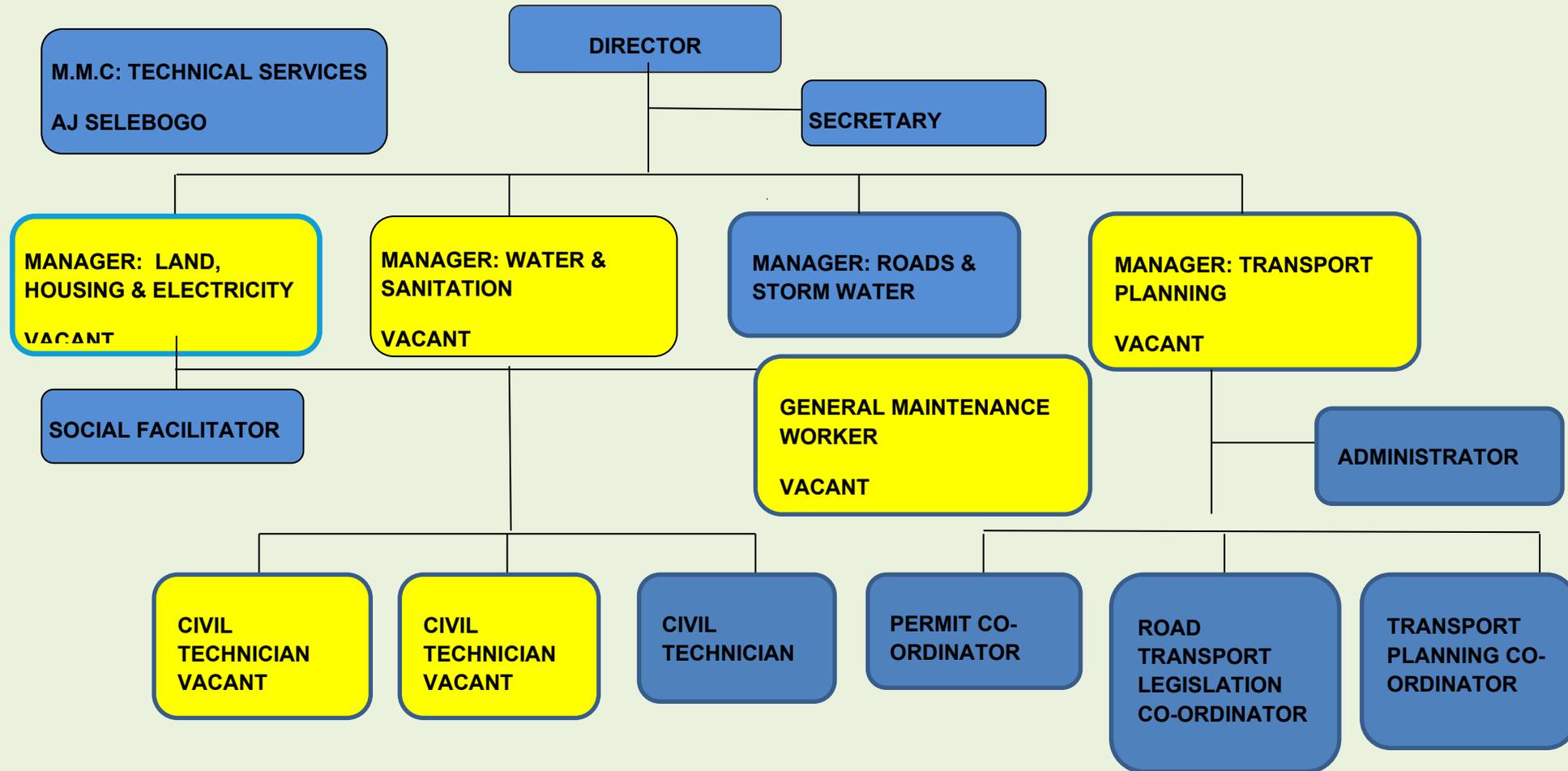
**OFFICE OF THE SINGLE WHIP**



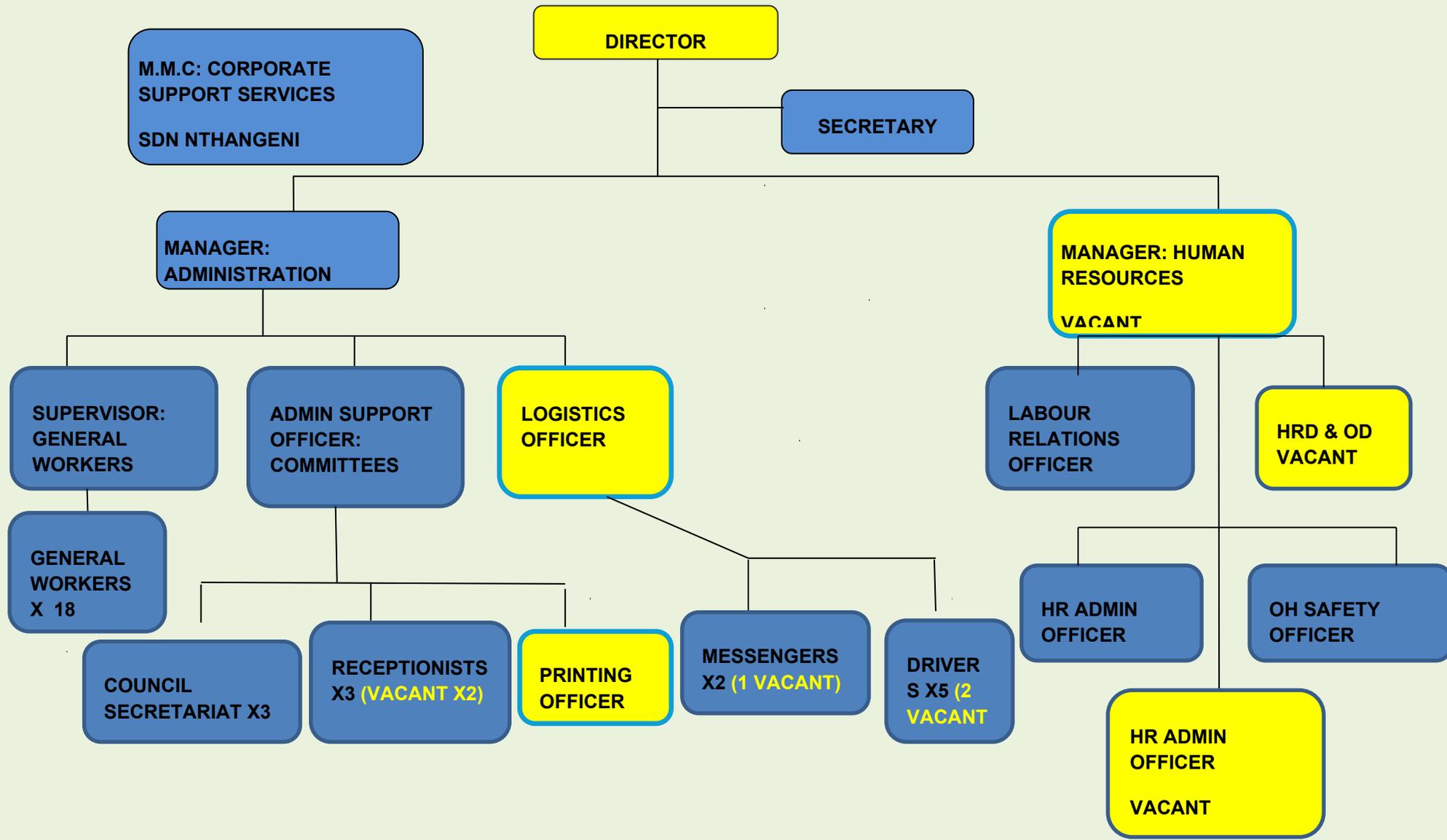
## OFFICE OF THE MUNICIPAL MANAGER



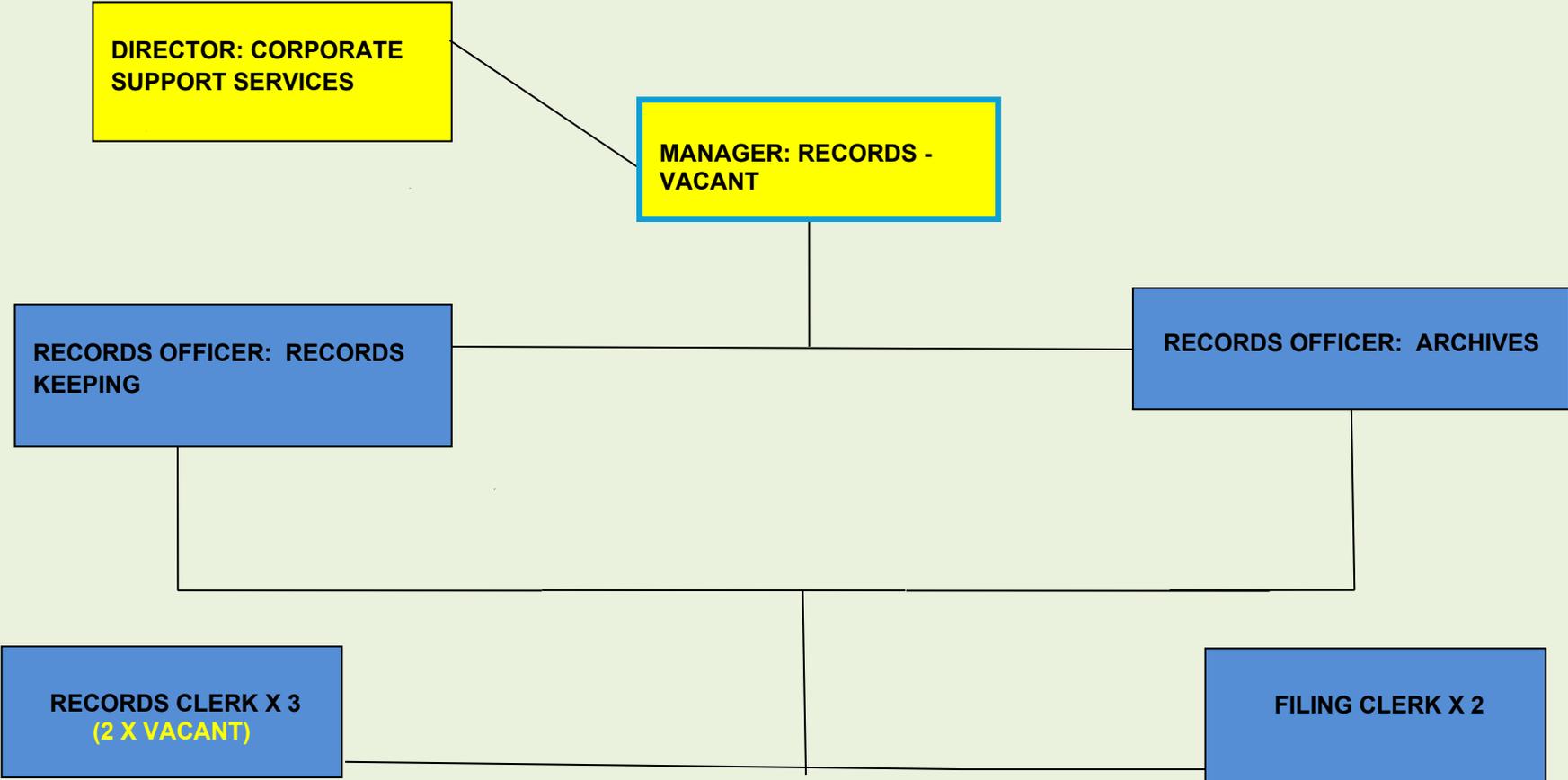
# TECHNICAL SERVICES



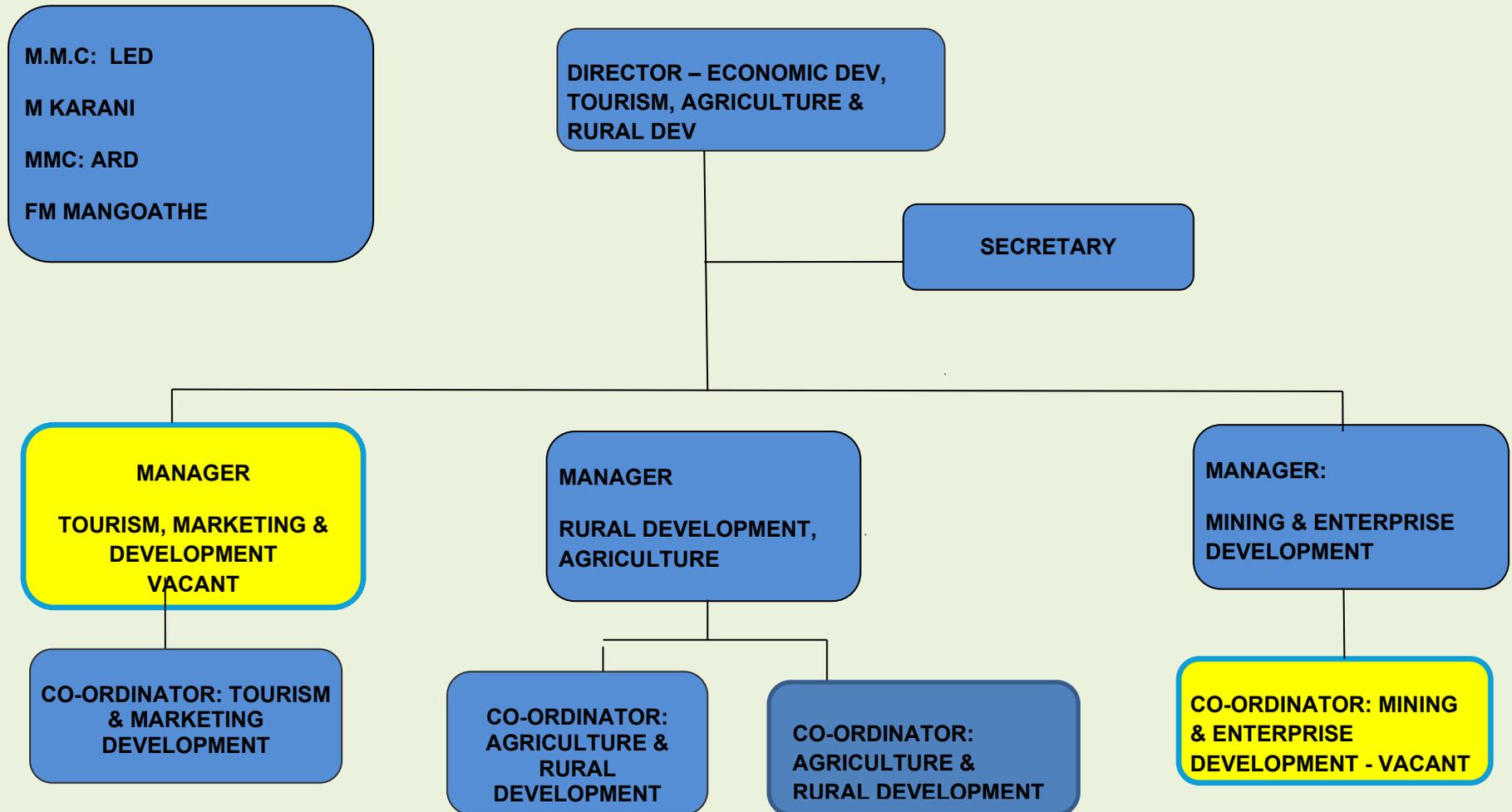
# CORPORATE SUPPORT SERVICES



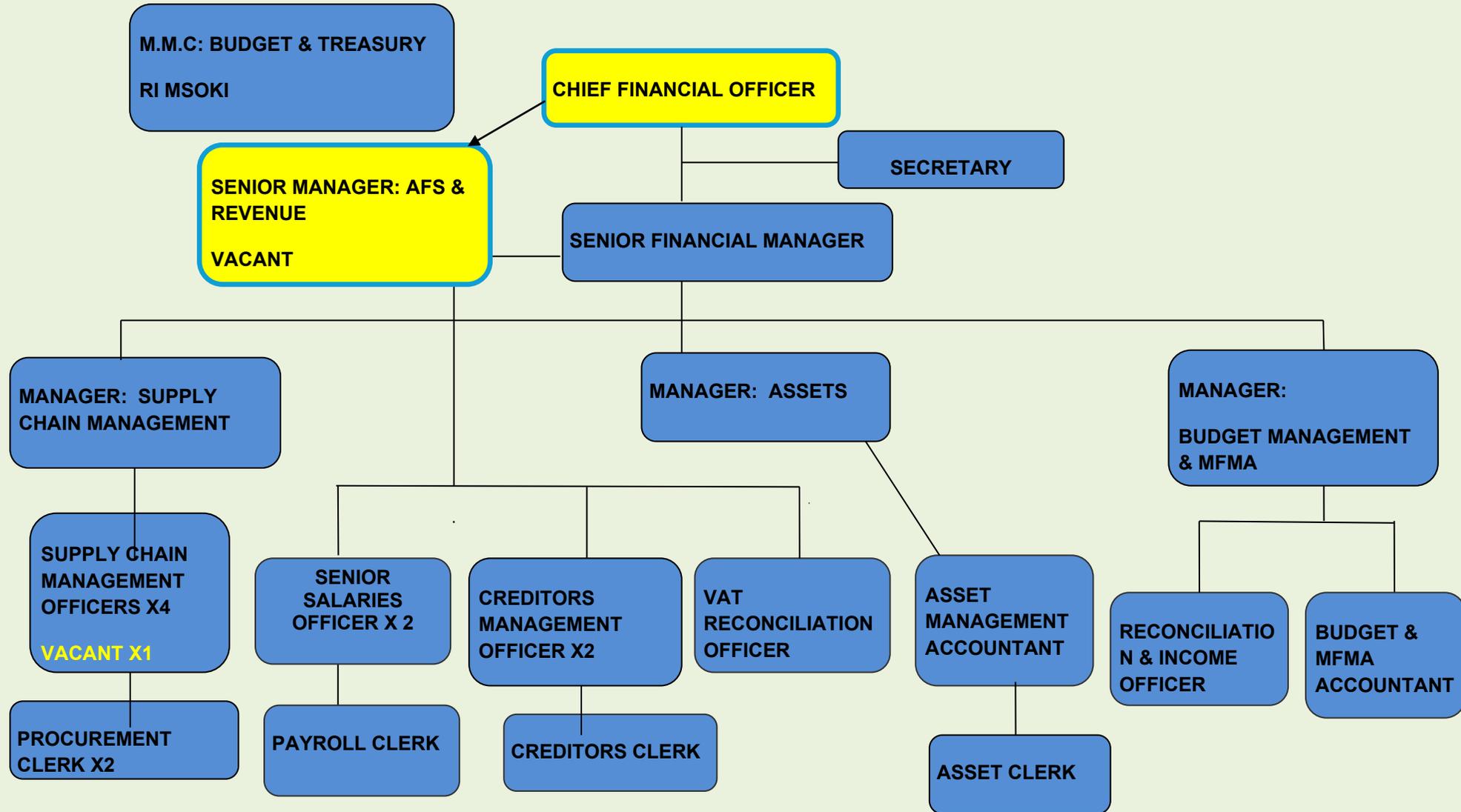
**CORPORATE SUPPORT SERVICES: "B" RECORDS UNIT**



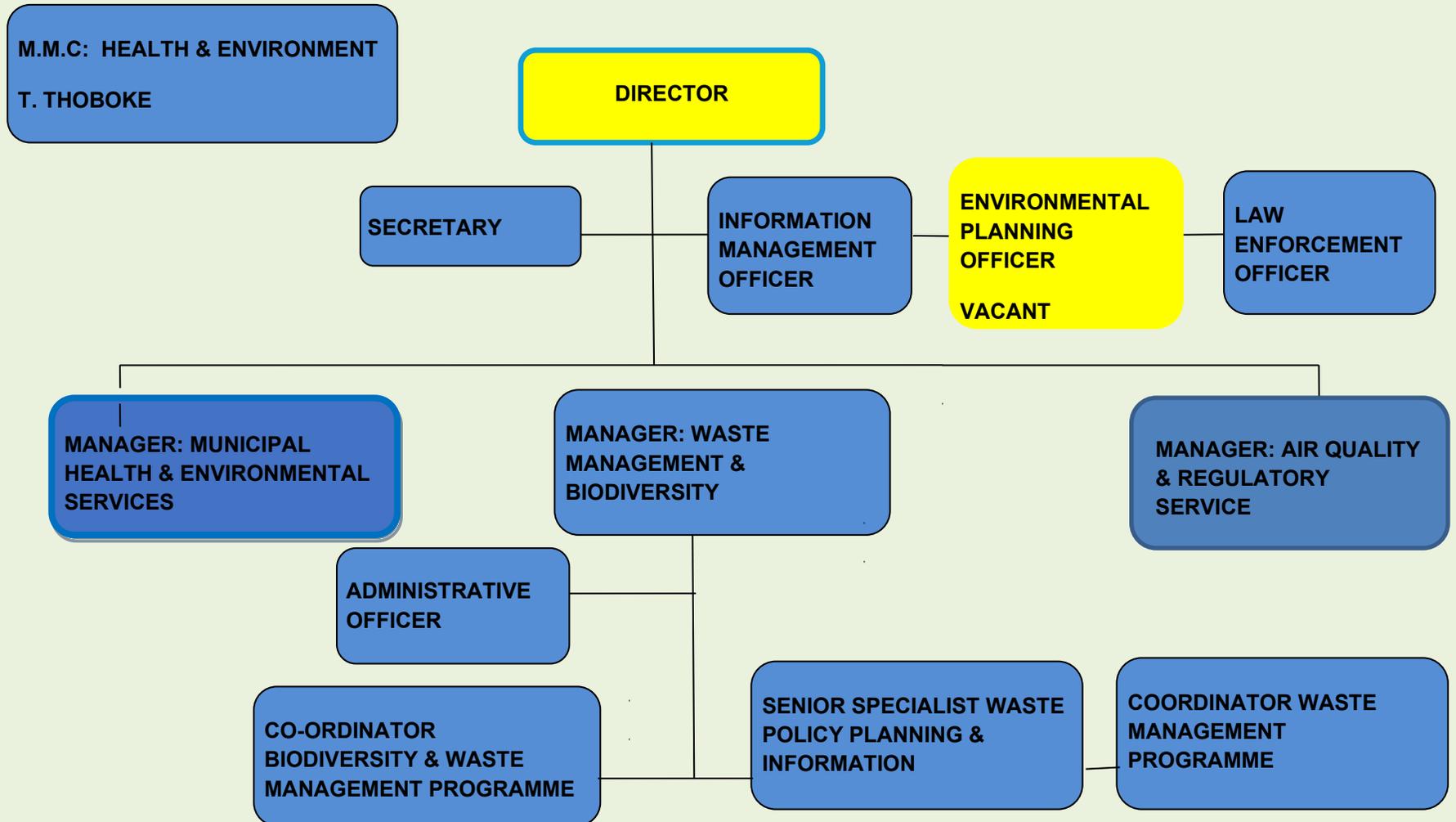
## DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM & AGRICULTURE DEVELOPMENT



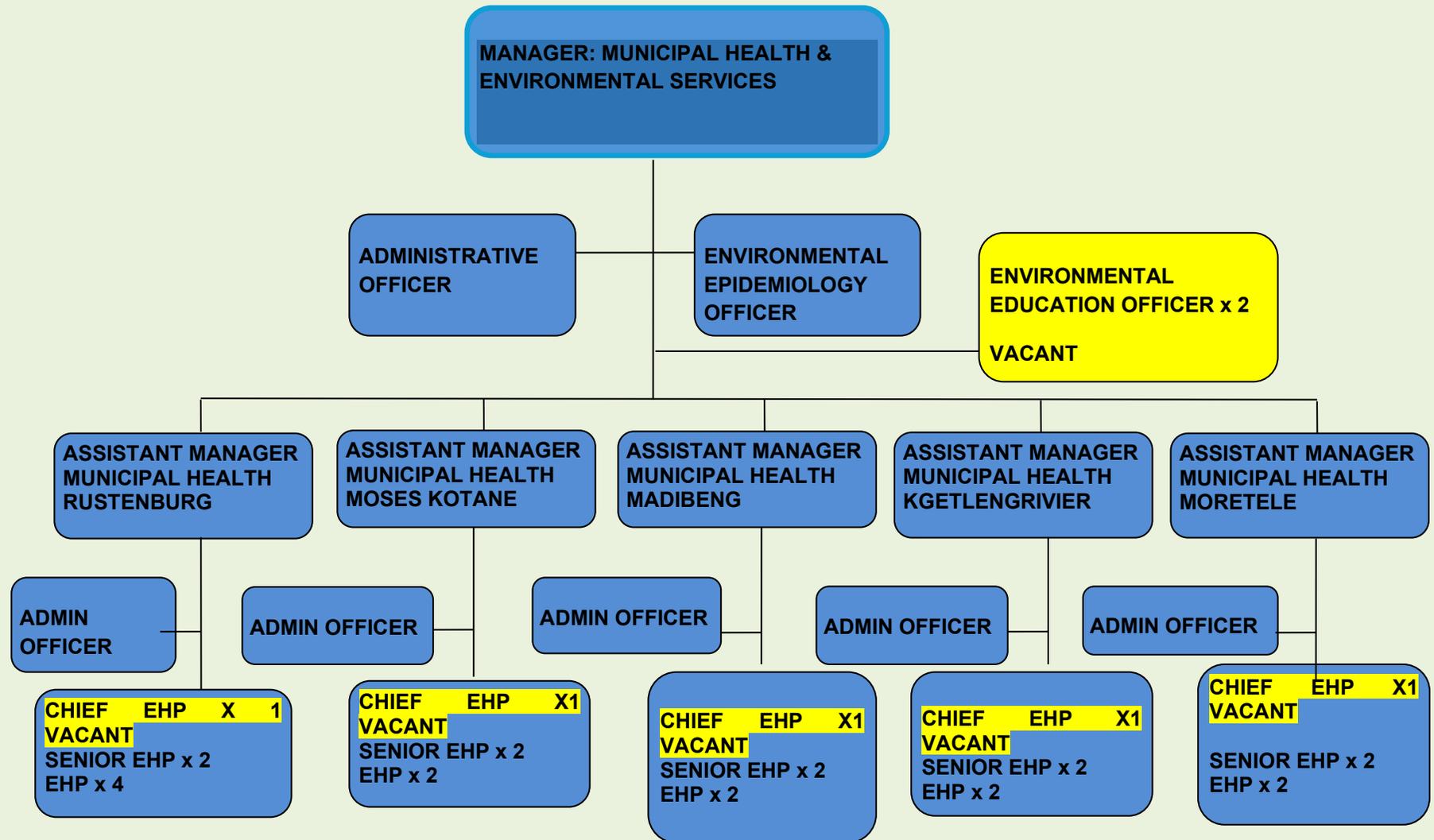
## BUDGET & TREASURY



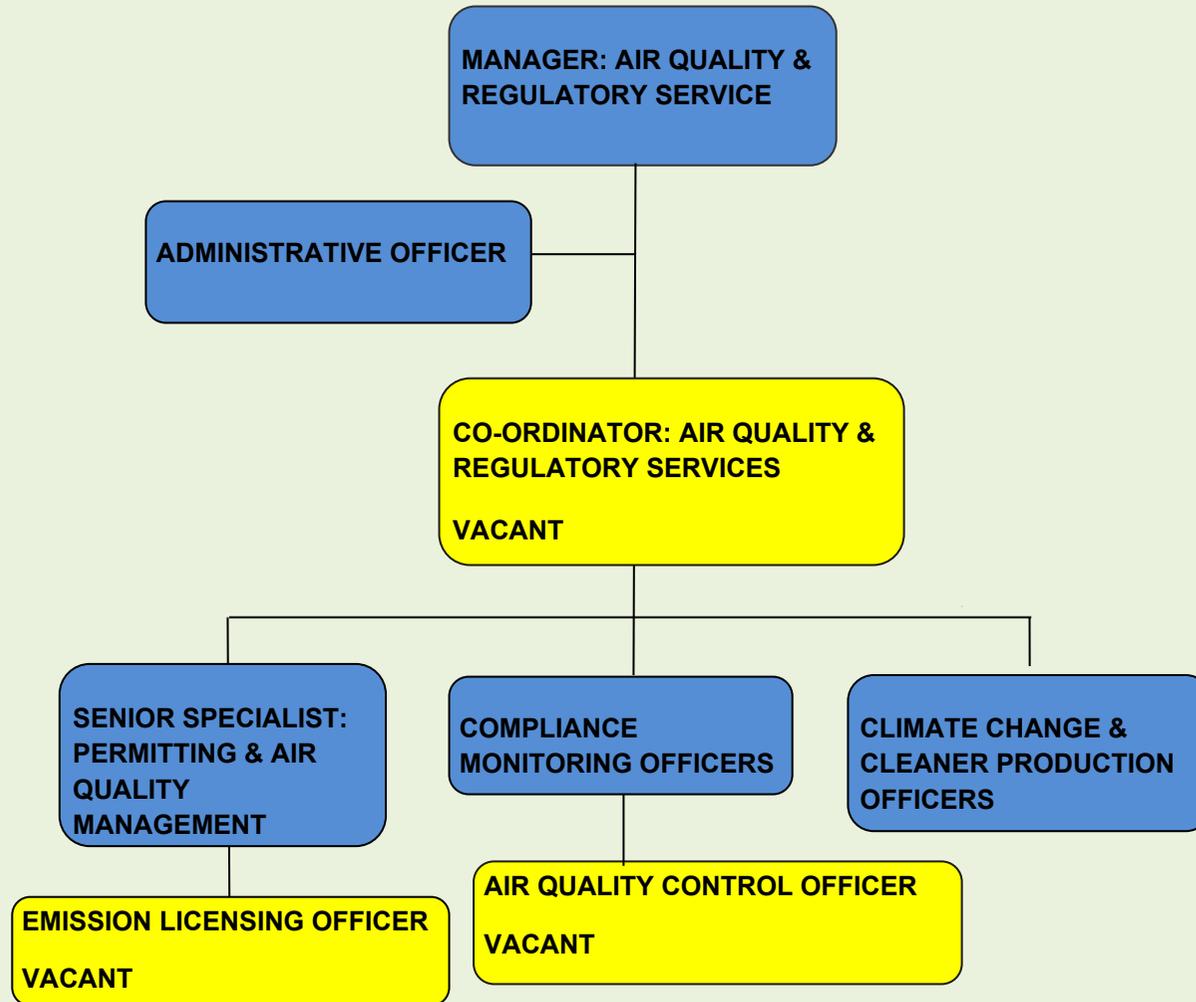
## DEPARTMENT OF MUNICIPAL HEALTH & ENVIROMENTAL SERVICES (A)



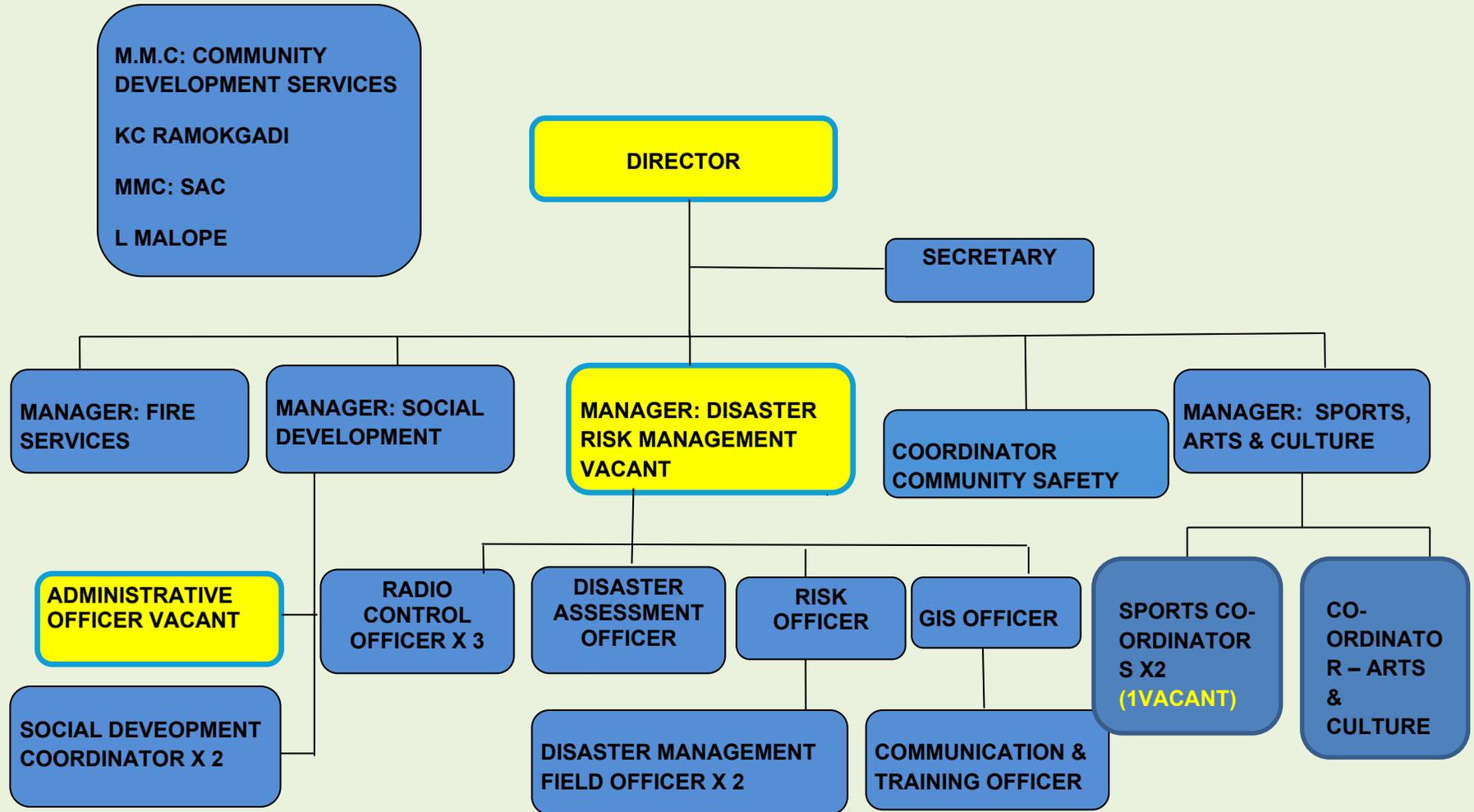
## DEPARTMENT OF MUNICIPAL HEALTH & ENVIROMENTAL SERVICES (B)



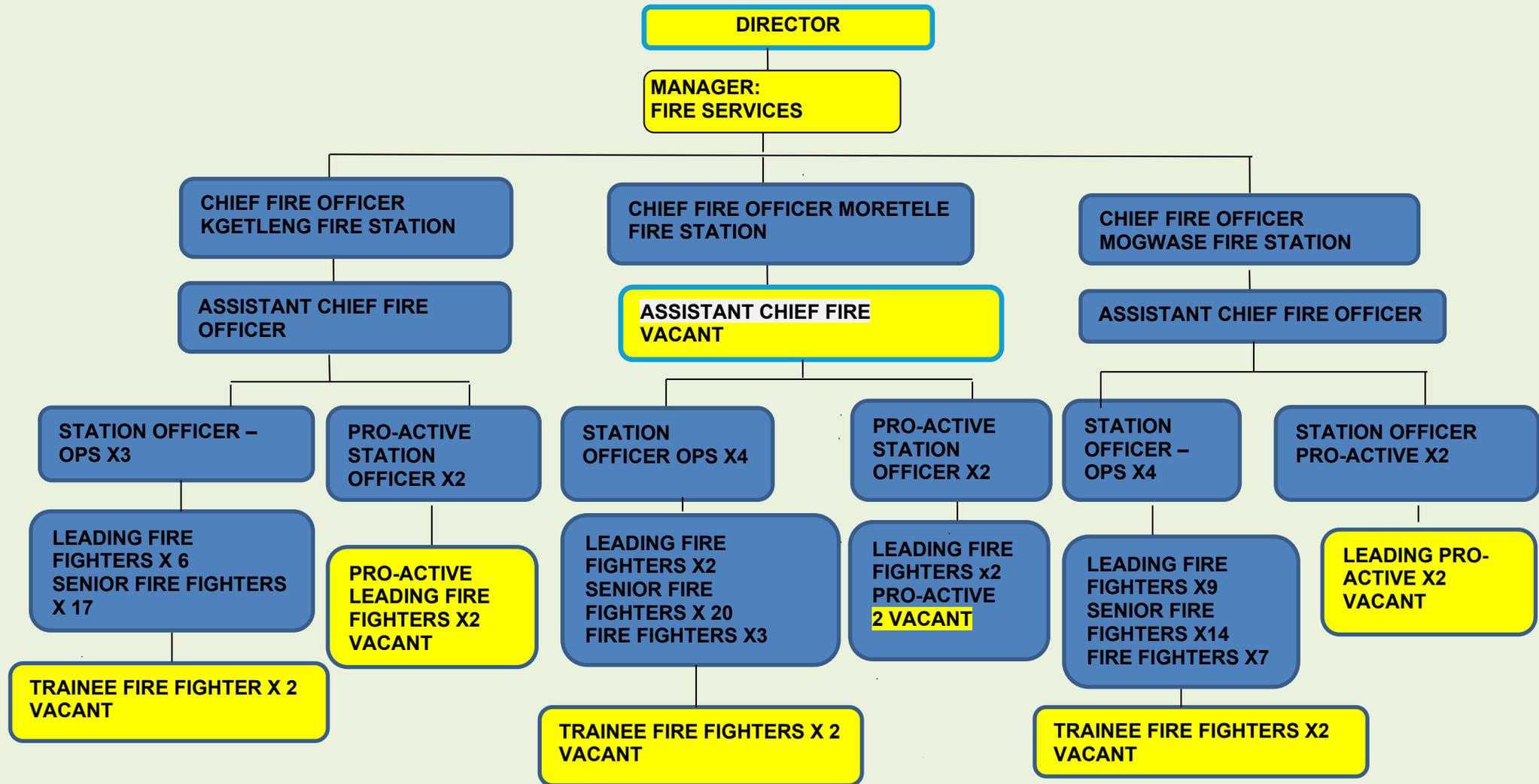
**DEPARTMENT OF MUNICIPAL HEALTH & ENVIROMENTAL SERVICES (C) AIR QUALITY & REGULATORY SERVICE**



## DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES (A)



## DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES (B)-FIRE SERVICES



**VOLUME II**  
**ANNUAL FINANCIAL STATEMENT**

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### General Information

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<b>Legal form of entity</b>	Bojanala Platinum District Municipality
<b>Nature of business and principal activities</b>	Provide democratic and accountable government for local authorities
<b>Mayoral committee</b>	
Executive Mayor	CLR. SD NTHANGENI (EXECUTIVE MAYOR) CLR. TL MADIBA (SPEAKER) CLR. DM MOEKETSANE (CHIEF WHIP)
Mayoral Committee Councillors	CLR. TM MASHOMO (MPAC Chairperson) CLR. RI MSOKI (MMC IDP, PMS Monitoring and Evaluation) CLR. AE SELEBOGO ( MMC Local Economic Development) CLR. FM MANGOATHE (MMC Rural Dev. and Agriculture) CLR. VN Makhaula (MMC Technical Support Services) CLR. M KARANI (MMC Special Projects) CLR. O Molusi (MMC Sports, Arts and Culture) CLR. WM SONO (MMC Budget and Treasury) CLR. TP THOBOKE (MMC Corporate Support Services) CLR. K Moleko (MMC Community Development) CLR. ME Kibini (MMC Health and Environment)

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### General Information

#### Councillors

CLR. JC POTGIETER  
CLR. TF POTGIETER  
CLR. MC MOATSHE  
CLR. MISS LN TAU  
CLR. MISS NA LETLAPE  
CLR. MISS SM MOTSHEGWE  
CLR. MR AM MOSITO  
CLR. MR AP ROOTMAN  
CLR. MR CK CHAKA  
CLR. MR E LANGENI  
CLR. MR E VAN DER SCHYFF  
CLR. MR J QOBEKA  
CLR. MR KI MONAISE  
CLR. MR KKC RAMOKGADI  
CLR. MR L RAMATLHAPE  
CLR. MR LB MALOPE  
CLR. MR LF MODISE  
CLR. MR LP SADIO  
CLR. MR M COETZEE  
CLR. MR MA MONAHENG  
CLR. MR MEE MOSETE  
CLR. MR MG MALEBOGO  
CLR. MR MJ MONAGANE  
CLR. MR MT MOLEFE  
CLR. MR OS MOLUSI  
CLR. MR PS LETLHABI  
CLR. MR RE MASHIMO  
CLR. MR RL MOTSEPE  
CLR. MR SA KUTUMELA  
CLR. MR SA MOELETSI  
CLR. MR SS MOREKI  
CLR. MR T KWELE  
CLR. MR TE HLONGWANE  
CLR. MR TE MATJENE  
CLR. MR TJ MAKHUBELA  
CLR. MR TK MOTAUNG  
CLR. MR VK PHUSOANE  
CLR. MRS BP GOUS  
CLR. MRS EDF LOURENS  
CLR. MRS SB MARAKALALA  
CLR. MRS TL MACHEWANE  
CLR. MS DM RAKGATLHA  
CLR. MS IS MACONE  
CLR. MS KP MOTHEG  
CLR. MS LM NTOBONG  
CLR. MS MP MORAPEDI  
CLR. MS MS PHALOLE  
CLR. MS N DELEKI  
CLR. MS NF MOKWENA  
CLR. MS NS MABUNDA  
CLR. MS NSG SEKAO  
CLR. MS OT MAWAYI  
CLR. MS RC LEKALAKALA  
CLR. MS RM KUTUMELA  
CLR. MS RM LUKHELE  
CLR. MS RN KOMANE  
CLR. MS SM MOHALE  
CLR. MS VN MYOLI  
CLR. MR IB BHEBE (Resigned Oct 24)  
CLR. MR RN MORAILE (Resigned Oct 24)  
CLR. MS TJ MOHLABANE (Resigned Dec 24)  
CLR. MS EST PULE (Resigned July 24)  
CLR. MS LG MHLAMBI (Resigned Oct 24)  
CLR. MS POL LEBETHE (Resigned Nov 2024)

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### General Information

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	CLR. MRS M NONDZABA (Former Mayor until July 24) CLR. MR AN MOTSI (Resigned Jan 25) CLR. MRS GL MAGADANE (Dismissed Feb 2025) CLR. DR AP PITSOE (Dismissed Nov 24) CLR. MR ODM PITSO (Dismissed Jan 25)
<b>Accounting Officer</b>	Mrs. E.M Tukakgomo (Municipal Manager) Mrs B. MAKGANYE (Acting Municipal Manager) Dr A.J. MOTHUPI (Acting Municipal Manager) (August 2023 to February 2025)
<b>Chief Finance Officer (CFO)</b>	Mr M. KHUNOU MS. D. MOTLOUNG (Acting) Mr A. JANSEN (Acting)
<b>Business address</b>	Cnr Beyers Naude and Fatima Bhayat Drive Rustenburg 0300
<b>Postal address</b>	P O Box 1993 Rustenburg 0300
<b>Bankers</b>	ABSA Bank Limited
<b>Auditors</b>	Auditor General of South Africa
<b>Contact Telephone Number:</b>	(014) 590 4500
<b>Email Address:</b>	admin@bojanala.gov.za
<b>Website Address:</b>	www.bojanala.gov.za

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Index

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

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Accounting Officer's Responsibilities and Approval	5
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Accounting Officer's Report	7 - 8
Statement of Financial Position	9
Statement of Financial Performance	10
Statement of Changes in Net Assets	11
Cash Flow Statement	12
Statement of Comparison of Budget and Actual Amounts	13 - 16
Accounting Policies	17 - 37
Notes to the Annual Financial Statements	38 - 96

The following supplementary information does not form part of the annual financial statements and is unaudited:

Appendixes:

Appendix G(1): Budgeted Financial Performance (revenue and expenditure by standard classification)

#### Abbreviations used:

COIDA	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of Southern Africa
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
MFMA	Municipal Finance Management Act
mSCOA	Municipal Standard Chart of Accounts
CIGFARO	Chartered Institute of Government Finance, Audit and Risk Officers
MEC	Member of the Executive Council

## **Bojanala Platinum District Municipality**

Annual Financial Statements for the year ended 30 June 2025

### **Accounting Officer's Responsibilities and Approval**

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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, he 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 wholly dependent on the municipality 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.

Although the management are primarily responsible for the financial affairs of the municipality, they are supported by the municipality's external auditors.

The external auditors are responsible for independently reviewing and reporting on the municipality's annual financial statements. The annual financial statements have been examined by the municipality's external auditors and their report is presented on page 7.

The annual financial statements set out on pages 7 to 96, which have been prepared on the going concern basis, were approved by the Accounting Officer on the 31 August 2025 and were signed by:



**Mrs. E.M Tshakgomo (Accounting Officer)**  
**Municipal Manager**

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Audit Committee Report

---

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

#### Audit committee members and attendance

The audit committee consists of the members listed hereunder and should meet 4 times per annum as per its approved terms of reference. During the current year, 10 meetings were held.

Name of member	Number of meetings attended
P. Rambuda (Chairperson)	10
F. Mudau	10
L. Moyo	10
R. Tshimomola	10
O. Thenga	10

#### Audit committee responsibility

The audit committee reports that it has complied with its responsibilities arising from section 166(2)(a) of the MFMA.

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

#### The effectiveness of internal control

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

#### Evaluation of annual financial statements

The audit committee has:

- reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the ;
- reviewed the Auditor-General of South Africa's management report and management's response thereto;
- reviewed changes in accounting policies and practices (delete if not applicable);
- reviewed the entities compliance with legal and regulatory provisions;
- reviewed significant adjustments resulting from the audit.

The audit committee concur with and accept the Auditor-General of South Africa's report the annual financial statements, and are of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor-General of South Africa.

#### Internal audit

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

#### Auditor-General of South Africa

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



\_\_\_\_\_  
Chairperson of the Audit Committee

Date: 30/11/2025

# Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

## Accounting Officer's Report

---

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

### 1. Review of activities

#### Main business and operations

Net deficit of the municipality was R 21 550 567 (2024: surplus R 101 171 786).

### 2. Going concern

We draw attention to the fact that at 30 June 2025, the municipality had an accumulated surplus of R 311 511 090 and that the municipality's total assets exceeded its liabilities by R 320 929 942.

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

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the accounting officer continue to procure funding for the ongoing operations for the municipality. The entity will continue to receive funding from government as evident from the equitable share allocation in terms of the Division of Revenue Act.

### 3. Subsequent events

The municipality received a court order in August 2025 for funds held in a trust account to be paid over to a plaintiff as the municipality had lost the court case.

The accounting officer is not aware of any other significant matters or circumstances arising since the end of the financial year.

### 4. Accounting policies

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

### 5. Corporate governance

#### General

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

The municipality confirms and acknowledges its responsibility to total compliance with the Code of Corporate Practices and Conduct ("the Code") laid out in the Municipal Systems Act as per Schedule A and Schedule B. The discusses the responsibilities of management in this respect, at council meetings and monitor the municipality's compliance with the code on a quarterly basis.

# Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

## Accounting Officer's Report

---

### Audit and risk committee

The audit committee consists of the following members that were appointed on the 1st of July 2024 for a period of 3 years;

Mr P. Rambuda (Chairperson)  
Ms F. Mudau  
Ms L. Moyo  
Mr R. Tshimomola  
Mr O. Thenga

The committee met 10 times during the financial year to review matters necessary to fulfil its role. This is not a non-compliance in terms of the Section 166, 4(b) of the Municipal Financial Management Act as it requires that the audit committee meets at least 4 times a year to perform its functions.

Details of the meetings held are as follows:

Date	Venue
24 August 2024	Virtual
28 August 2024	Virtual
17 September 2024	Virtual
21 October 2024	Virtual
27 November 2024	Virtual
12 January 2025	Virtual
27 March 2025	Virtual
22 April 2025	Virtual
23 May 2025	Virtual
19 June 2025	Virtual

In terms of Section 166 of the Municipal Finance Management Act, council must appoint members of the Audit Committee. Bojanala Platinum District Municipality was satisfied that the Audit Committee of the municipality, constituted by the non-executive directors was properly constituted to fulfil its role and advise the Council of its responsibilities as provided in Section 166 of the Municipal Finance Management Act.

### Internal audit

The municipality has an internal audit department that executes the function of the internal audit as provided in Section 165 of the Municipal Finance Management Act, however the internal audit department has been severely under-staffed for the reporting period.

## Bojanala Platinum 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
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	314 115 223	355 077 932
Receivables from exchange transactions	6	23 354 981	8 425 928
Receivables from non-exchange transactions	8	812 277	2 238 897
Other financial assets	9	-	5 526 649
		<b>338 282 481</b>	<b>371 269 406</b>
<b>Non-Current Assets</b>			
Investment property	2	250 000	210 000
Property, plant and equipment	3	145 730 040	74 209 755
Intangible assets	4	1 928 690	1 943 945
		<b>147 908 730</b>	<b>76 363 700</b>
<b>Total Assets</b>		<b>486 191 211</b>	<b>447 633 106</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Finance lease obligation	10	13 183 186	1 198 133
Employee benefit obligation	11	3 738 000	2 815 000
Payables from exchange transactions	12	84 064 302	65 247 861
		<b>100 985 488</b>	<b>69 260 994</b>
<b>Non-Current Liabilities</b>			
Finance lease obligation	10	24 586 781	2 119 606
Employee benefit obligation	11	39 689 000	33 772 000
		<b>64 275 781</b>	<b>35 891 606</b>
<b>Total Liabilities</b>		<b>165 261 269</b>	<b>105 152 600</b>
<b>Net Assets</b>		<b>320 929 942</b>	<b>342 480 506</b>
<b>Reserves</b>			
Revaluation reserve	13	9 418 849	9 418 849
Accumulated surplus		311 511 093	333 061 657
<b>Total Net Assets</b>		<b>320 929 942</b>	<b>342 480 506</b>

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Rental of facilities	15	132 000	114 783
Licences and permits	16	1 004 263	680 994
Other income	17	66 826	517 302
<b>Total revenue from exchange transactions</b>		<b>1 203 089</b>	<b>1 313 079</b>
<b>Revenue from non-exchange transactions</b>			
<b>Taxation revenue</b>			
Interest received	18	30 764 983	31 826 089
<b>Transfer revenue</b>			
Fines, Penalties and Forfeits	19	3 377 430	2 919 176
Government grants & subsidies	20	412 519 823	402 759 290
Insurance proceeds	21	11 999	574 180
<b>Total revenue from non-exchange transactions</b>		<b>446 674 235</b>	<b>438 078 715</b>
<b>Total revenue</b>	14	<b>447 877 324</b>	<b>439 391 794</b>
<b>Expenditure</b>			
Employee related costs	22	(230 692 938)	(218 642 803)
Remuneration of councillors	23	(21 813 803)	(21 227 536)
Depreciation and amortisation	24	(11 173 993)	(8 803 397)
Impairment	25	(1 605 816)	(786 347)
Finance costs	26	(5 470 110)	(784 911)
Lease rentals on operating lease	27	(11 914 389)	(13 487 354)
Consumables	28	(6 929 148)	(3 653 248)
Contracted services	29	(78 921 772)	(37 262 368)
Operational costs	30	(97 937 063)	(34 385 332)
<b>Total expenditure</b>		<b>(466 459 032)</b>	<b>(339 013 296)</b>
Loss on disposal of assets and liabilities		(19 554)	(770 494)
Gain or (loss) on foreign exchange		67 695	81 782
Fair value adjustments		40 000	-
Actuarial gains/losses	11	(3 057 000)	1 482 000
		<b>(2 968 859)</b>	<b>793 288</b>
<b>(Deficit) surplus for the year</b>		<b>(21 550 567)</b>	<b>101 171 786</b>

## Bojanala Platinum 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
Opening balance as previously reported	9 418 849	232 771 180	242 190 029
Adjustments			
Prior year adjustments 37	-	(881 309)	(881 309)
<b>Balance at 01 July 2023 *restated</b>	<b>9 418 849</b>	<b>231 889 871</b>	<b>241 308 720</b>
Changes in net assets			
Surplus for the year as previously reported	-	101 734 647	101 734 647
Prior year adjustments	-	(562 863)	(562 863)
Total changes	-	101 171 784	101 171 784
<b>Balance at 01 July 2024</b>	<b>9 418 849</b>	<b>333 061 657</b>	<b>342 480 506</b>
Changes in net assets			
Deficit for the year	-	(21 550 567)	(21 550 567)
Total changes	-	(21 550 567)	(21 550 567)
<b>Balance at 30 June 2025</b>	<b>9 418 849</b>	<b>311 511 090</b>	<b>320 929 939</b>
Note(s)	13		

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Cash Flow Statement

Figures in Rand	Note(s)	2025	2024
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Sale of goods and services		8 167 872	2 749 621
Grants		412 519 823	402 759 290
Interest income		30 277 846	31 765 818
		<u>448 965 541</u>	<u>437 274 729</u>
<b>Payments</b>			
Cash paid to suppliers and employees		(431 014 056)	(320 916 117)
Finance costs		(5 282 738)	(689 487)
		<u>(436 296 794)</u>	<u>(321 605 604)</u>
<b>Net cash flows from operating activities</b>	32	<u>12 668 747</u>	<u>115 669 125</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	3	(45 159 793)	(15 994 924)
Purchase of other intangible assets	4	(2 658 227)	(2 332 772)
<b>Net cash flows from investing activities</b>		<u>(47 816 020)</u>	<u>(18 327 696)</u>
<b>Cash flows from financing activities</b>			
Finance lease payments		<u>(5 815 436)</u>	<u>(684 651)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>(40 962 709)</u>	<u>96 656 778</u>
Cash and cash equivalents at the beginning of the year		355 077 932	258 421 154
<b>Cash and cash equivalents at the end of the year</b>	5	<u>314 115 223</u>	<u>355 077 932</u>

The accounting policies on pages 17 to 37 and the notes on pages 38 to 96 form an integral part of the annual financial statements.

## Bojanala Platinum 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						
<b>Statement of Financial Performance</b>						
<b>Revenue</b>						
<b>Revenue from exchange transactions</b>						
Rental of facilities and equipment	-	-	-	132 000	132 000	48.1
Licences and permits	-	-	-	1 004 263	1 004 263	48.2
Other income	-	-	-	66 826	66 826	48.3
<b>Total revenue from exchange transactions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 203 089</b>	<b>1 203 089</b>	
<b>Revenue from non-exchange transactions</b>						
<b>Taxation revenue</b>						
Interest received	12 000 000	-	12 000 000	30 764 983	18 764 983	48.4
<b>Transfer revenue</b>						
Government grants & subsidies	412 949 000	-	412 949 000	412 519 823	(429 177)	Variance below 10%
Insurance proceeds	-	-	-	11 999	11 999	48.3
Fines, Penalties and forfeits	3 000 000	-	3 000 000	3 377 430	377 430	48.5
<b>Total revenue from non-exchange transactions</b>	<b>427 949 000</b>	<b>-</b>	<b>427 949 000</b>	<b>446 674 235</b>	<b>18 725 235</b>	
<b>Total revenue</b>	<b>427 949 000</b>	<b>-</b>	<b>427 949 000</b>	<b>447 877 324</b>	<b>19 928 324</b>	
<b>Expenditure</b>						
Personnel	(260 393 000)	-	(260 393 000)	(230 692 938)	29 700 062	48.6
Remuneration of councillors	(23 100 000)	-	(23 100 000)	(21 813 803)	1 286 197	Variance below 10%
Depreciation and amortisation	(10 000 000)	-	(10 000 000)	(11 173 993)	(1 173 993)	Variance below 10%
Impairment loss/ Reversal of impairments	-	-	-	(1 605 816)	(1 605 816)	48.7
Finance costs	-	-	-	(5 470 110)	(5 470 110)	48.8
Lease rentals on operating lease	-	-	-	(11 914 389)	(11 914 389)	48.9
Consumables	-	-	-	(6 929 148)	(6 929 148)	48.10
Contracted Services	(82 993 000)	(40 776 000)	(123 769 000)	(78 921 772)	44 847 228	48.11
Operational costs	(53 540 000)	(11 967 000)	(65 507 000)	(97 937 063)	(32 430 063)	48.12
<b>Total expenditure</b>	<b>(430 026 000)</b>	<b>(52 743 000)</b>	<b>(482 769 000)</b>	<b>(466 459 032)</b>	<b>16 309 968</b>	
<b>Operating deficit</b>	<b>(2 077 000)</b>	<b>(52 743 000)</b>	<b>(54 820 000)</b>	<b>(18 581 708)</b>	<b>36 238 292</b>	
Loss on disposal of assets and liabilities	-	-	-	(19 554)	(19 554)	48.13
Gain on foreign exchange	-	-	-	67 695	67 695	48.13
Fair value adjustments	-	-	-	40 000	40 000	48.13
Actuarial gains/losses	-	-	-	(3 057 000)	(3 057 000)	48.13
	-	-	-	(2 968 859)	(2 968 859)	
<b>Deficit before taxation</b>	<b>(2 077 000)</b>	<b>(52 743 000)</b>	<b>(54 820 000)</b>	<b>(21 550 567)</b>	<b>33 269 433</b>	

**Bojanala Platinum 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						
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	(2 077 000)	(52 743 000)	(54 820 000)	(21 550 567)	33 269 433	

**Bojanala Platinum 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						
<b>Statement of Financial Position</b>						
<b>Assets</b>						
<b>Current Assets</b>						
Receivables from exchange transactions	(1 896 000)	5 541 000	3 645 000	23 354 981	19 709 981	48.14
Receivables from non-exchange transactions	-	-	-	812 277	812 277	48.15
Cash and cash equivalents	680 446 000	-	680 446 000	314 115 223	(366 330 777)	48.16
	<b>678 550 000</b>	<b>5 541 000</b>	<b>684 091 000</b>	<b>338 282 481</b>	<b>(345 808 519)</b>	
<b>Non-Current Assets</b>						
Investment property	-	-	-	250 000	250 000	48.17
Property, plant and equipment	136 677 000	5 850 000	142 527 000	145 730 040	3 203 040	Variance below 10%
Intangible assets	(58 000)	-	(58 000)	1 928 690	1 986 690	48.19
	<b>136 619 000</b>	<b>5 850 000</b>	<b>142 469 000</b>	<b>147 908 730</b>	<b>5 439 730</b>	
<b>Total Assets</b>	<b>815 169 000</b>	<b>11 391 000</b>	<b>826 560 000</b>	<b>486 191 211</b>	<b>(340 368 789)</b>	
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Finance lease obligation	-	-	-	13 183 186	13 183 186	48.20
Payables from exchange transactions	-	-	-	84 064 302	84 064 302	48.21
Payables from non-exchange transactions	(5 814 000)	-	(5 814 000)	-	5 814 000	48.22
Employee benefit obligation	-	-	-	3 738 000	3 738 000	48.23
Provisions	333 000	-	333 000	-	(333 000)	48.24
	<b>(5 481 000)</b>	<b>-</b>	<b>(5 481 000)</b>	<b>100 985 488</b>	<b>106 466 488</b>	
<b>Non-Current Liabilities</b>						
Finance lease obligation	-	-	-	24 586 781	24 586 781	48.20
Employee benefit obligation	-	-	-	39 689 000	39 689 000	48.23
	<b>-</b>	<b>-</b>	<b>-</b>	<b>64 275 781</b>	<b>64 275 781</b>	
<b>Total Liabilities</b>	<b>(5 481 000)</b>	<b>-</b>	<b>(5 481 000)</b>	<b>165 261 269</b>	<b>170 742 269</b>	
<b>Net Assets</b>	<b>820 650 000</b>	<b>11 391 000</b>	<b>832 041 000</b>	<b>320 929 942</b>	<b>(511 111 058)</b>	
<b>Net Assets</b>						
<b>Net Assets Attributable to Owners of Controlling Entity</b>						
<b>Reserves</b>						
Revaluation reserve	-	-	-	9 418 849	9 418 849	48.25
Accumulated surplus	(2 077 000)	-	(2 077 000)	311 511 093	313 588 093	48.26
<b>Total Net Assets</b>	<b>(2 077 000)</b>	<b>-</b>	<b>(2 077 000)</b>	<b>320 929 942</b>	<b>323 006 942</b>	

## Bojanala Platinum 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						
<b>Cash Flow Statement</b>						
<b>Cash flows from operating activities</b>						
<b>Receipts</b>						
Sale of goods and services	3 000 000	-	3 000 000	6 167 872	3 167 872	48.27
Grants	412 949 000	-	412 949 000	412 519 823	(429 177)	Variance below 10%
Interest income	12 000 000	-	12 000 000	30 277 846	18 277 846	48.28
	<b>427 949 000</b>	<b>-</b>	<b>427 949 000</b>	<b>448 965 541</b>	<b>21 016 541</b>	
<b>Payments</b>						
Cash paid to suppliers & employees	(420 026 000)	-	(420 026 000)	(431 014 056)	(10 988 056)	Variance below 10%
Finance costs	-	-	-	(5 282 738)	(5 282 738)	48.29
	<b>(420 026 000)</b>	<b>-</b>	<b>(420 026 000)</b>	<b>(436 296 794)</b>	<b>(16 270 794)</b>	
<b>Net cash flows from operating activities</b>	<b>7 923 000</b>	<b>-</b>	<b>7 923 000</b>	<b>12 668 747</b>	<b>4 745 747</b>	
<b>Cash flows from investing activities</b>						
Purchase of property, plant and equipment	(81 250 000)	-	(81 250 000)	(45 159 793)	36 090 207	48.30
Purchase of intangible assets	-	-	-	(2 656 227)	(2 656 227)	48.31
<b>Net cash flows from investing activities</b>	<b>(81 250 000)</b>	<b>-</b>	<b>(81 250 000)</b>	<b>(47 816 020)</b>	<b>33 433 980</b>	
<b>Cash flows from financing activities</b>						
Finance lease payments	-	-	-	(5 815 436)	(5 815 436)	48.32
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(73 327 000)</b>	<b>-</b>	<b>(73 327 000)</b>	<b>(40 962 709)</b>	<b>32 364 291</b>	
Cash and cash equivalents at the beginning of the year	753 774 000	-	753 774 000	355 077 932	(398 696 068)	
<b>Cash and cash equivalents at the end of the year</b>	<b>680 447 000</b>	<b>-</b>	<b>680 447 000</b>	<b>314 115 223</b>	<b>(366 331 777)</b>	
<b>Reconciliation</b>						

The approved budget was adjusted after mid-term assessments of the actual amounts to align the final budget to more accurate estimations of actual amounts.

The municipality considers variances between budget vs actual below 10% to be immaterial and therefore no reasons are provided.

Refer to Note 48 for reasons of variances between budget vs actual.

## **Bojanala Platinum District Municipality**

Annual Financial Statements for the year ended 30 June 2025

### **Accounting Policies**

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#### **1.4 Significant judgements and sources of estimation uncertainty (continued)**

##### **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 assumptions may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible 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. In addition, goodwill is tested on an annual basis for impairment. 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 goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors which are entity specific, together with other economic factors.

##### **Provisions**

Provisions were raised and management determined an estimate based on the information available. Provisions are measured using management best estimates of the expenditure required to settle the obligation at the reporting date and are discounted to the present value where the effects are material. Reliance was based on expert knowledge.

##### **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.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 11.

##### **Allowance for doubtful debts**

On debtors 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 Investment property**

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

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

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

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

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

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

**Bojanala Platinum District Municipality**  
Annual Financial Statements for the year ended 30 June 2025

**Accounting Policies**

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**1.5 Investment property (continued)**

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.

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

**Fair value**

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

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

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

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

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

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.

Property interests held under operating leases are classified and accounted for as investment property in the following circumstances:

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements (see note ).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements (see note ).

**1.6 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.

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Accounting Policies

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#### 1.6 Property, plant and equipment (continued)

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.

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 that is 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 restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

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.

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

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

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

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Item	Depreciation method	Average useful life
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## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Accounting Policies

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#### 1.6 Property, plant and equipment (continued)

Buildings	Straight-line	30
Plant and machinery	Straight-line	5
Furniture and fixtures	Straight-line	7
Motor vehicles	Straight-line	5-7
Office equipment	Straight-line	7
Computetr equipment	Straight-line	5

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

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

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

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

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

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

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

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

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

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note ).

#### 1.7 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.

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**1.7 Intangible assets (continued)**

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

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

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

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

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

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

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

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

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

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

Internally generated goodwill is not recognised as an intangible asset.

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

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

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<b>Item</b>	<b>Depreciation method</b>	<b>Average useful life</b>
Computer software	Straight-line	3

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The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements.

**1.8 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.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

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#### 1.8 Financial instruments (continued)

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

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#### 1.8 Financial instruments (continued)

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- contingent consideration of an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfer of Functions Between Entities Not Under Common Control (GRAP 106) applies
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

#### 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
Receivables from exchange transactions	Financial asset measured at amortised cost
Receivables from non exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalents	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
Trade and other payables	Financial liability measured at amortised cost

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#### 1.8 Financial instruments (continued)

Finance lease liabilities

Financial liability measured at amortised cost

#### 1.9 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 - 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 - 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.

#### 1.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

Some equity investments are included in cash equivalents when they are, in substance, cash equivalents.

#### 1.11 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.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

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#### 1.11 Impairment of cash-generating assets (continued)

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Judgements made by management in applying the criteria to designate assets as cash-generating assets or non-cash-generating assets, are as follows:

#### 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.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standard of GRAP.

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.

#### 1.12 Share capital / contributed capital

An equity instrument is any contract that evidences a residual interest in the assets of an municipality after deducting all of its liabilities.

#### 1.13 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

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#### 1.13 Employee benefits (continued)

##### Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

##### Post-employment benefits: Defined contribution plans

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 recognises 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 recognises 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.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects 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 obligation.

##### Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the entity recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Assets held by a long-term employee benefit fund are assets (other than non-transferable financial instruments issued by the reporting entity) that are held by an entity (a fund) that is legally separate from the reporting entity and exists solely to pay or fund employee benefits and are available to be used only to pay or fund employee benefits, are not available to the reporting entity's own creditors (even in liquidation), and cannot be returned to the reporting entity, unless either:

- the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting entity; or
- the assets are returned to the reporting entity to reimburse it for employee benefits already paid.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognises past service cost as an expense in the reporting period in which the plan is amended.

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#### 1.13 Employee benefits (continued)

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The entity account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices. Informal practices give rise to a constructive obligation where the entity has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the entity's informal practices would cause unacceptable damage to its relationship with employees.

The amount recognised as a defined benefit liability 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;
- plus any liability that may arise as a result of a minimum funding requirement

The amount determined as a defined benefit liability may be negative (an asset). The entity measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The entity determines the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The entity uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, an entity shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, an entity shall attribute benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

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#### 1.13 Employee benefits (continued)

The entity recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the entity re-measure the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is not presented as the net of the amount recognised for a reimbursement.

The entity offsets an asset relating to one plan against a liability relating to another plan when the entity has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

#### 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.

#### 1.14 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.

A provision is a liability of uncertain timing or amount.

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.

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#### 1.14 Provisions and contingencies (continued)

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.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of an activity/operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 33.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and

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#### 1.14 Provisions and contingencies (continued)

- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the municipality considers that an outflow of economic resources is probable, an municipality recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

#### 1.15 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
- 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.

#### 1.16 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

##### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

The amount of revenue arising on a transaction which is statutory (non-contractual) in nature is usually measured by reference to the relevant legislation, regulation or similar means. The fee structure, tariffs or calculation basis specified in legislation, regulation or similar means is used to determine the amount of revenue that should be recognised. This amount represents the fair value, on initial measurement, of the consideration received or receivable for revenue that arises from a statutory (non-contractual) arrangement (see the accounting policy on Statutory Receivables).

##### Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

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#### 1.16 Revenue from exchange transactions (continued)

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 services performed to date as a percentage of total services to be 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 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.

#### 1.17 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arises when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

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#### 1.17 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.

##### 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

Apart from Services in kind, which are not recognised, 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.

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.

#### 1.18 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

#### 1.19 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.

#### 1.20 Comparative figures

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

#### 1.21 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.

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

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#### 1.21 Unauthorised expenditure (continued)

Unauthorised expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Guidelines etc (as applicable).

#### 1.22 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Guidelines etc (as applicable).

#### 1.23 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 is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

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 municipality'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.

#### 1.24 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

#### Measurement

## Bojanala Platinum District Municipality

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#### 1.24 Segment information (continued)

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

#### 1.25 Revaluation reserve

The surplus arising from the revaluation of property, plant and equipment is credited to a non-distributable reserve. The revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/deficit. 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.

#### 1.26 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by programmes linked to performance outcome objectives.

The approved budget covers the fiscal period from 2024/07/01 to 2025/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The annual budget figures have been prepared in accordance with the Municipal Budget and Reporting Regulations, 2009. A comparative of actual to budgeted amounts are reported in a separate additional financial statement, called the Statement of Comparison of Budget and Actual amounts. Explanatory comment is provided in the notes to the Statement giving motivations for over or under spending on line items where it is found to be material. The budgeted figures are those approved by the Council at the beginning and during the year following a period of consultation with the public as part of the Integrated Development Plan. The budget is prepared and approved on an accrual basis by nature classification.

In general, a difference of 10% or more is considered material, although the surrounding circumstances are taken into account if it could influence the decisions or assessments of the users of the financial statements in determining whether a difference between the budgeted and actual amount is material.

#### 1.27 Related parties

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

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Accounting Policies

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#### 1.27 Related parties (continued)

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

#### 1.28 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.

#### 1.29 Value Added Tax

The municipality is registered with SARS for VAT on payment basis in accordance with section 15 (to) (a). of the Value Added Tax Act No. 89 of 1991.

## Bojanala Platinum 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 effective and adopted in the current year

There are no standards and interpretations that are effective for the current financial year.

##### 2.2 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:
• GRAP 103 (as revised): Heritage Assets	Future date	Unlikely there will be a material impact
• Guideline: Guideline on the Application of Materiality to Financial Statements	Future date	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	Future date	Unlikely there will be a material impact

**Bojanala Platinum District Municipality**  
Annual Financial Statements for the year ended 30 June 2025

**Notes to the Annual Financial Statements**

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**2. Investment property**

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	250 000	-	250 000	210 000	-	210 000

**Reconciliation of investment property - 2025**

	Opening balance	Fair value adjustments	Total
Investment property	210 000	40 000	250 000

**Reconciliation of investment property - 2024**

	Opening balance	Total
Investment property	210 000	210 000

**Pledged as security**

There was no investment property pledged as security during the year.

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.

**Details of valuation**

The effective date of the valuation was Tuesday, 26 August 2025. Revaluations were performed by an independent valuer, Corne Louw - Professional valuer, of DDP Property Valuation Experts . Corne Louw is not connected to the municipality and have recent experience in location and category of the investment property being valued.

The valuation was based on The Market Data Approach or Comparable Sales Method of Valuation.

These assumptions are based on current market conditions.

Amounts recognised in surplus and deficit for the year. Fair value adjustment gain of R40 000.

**Maintenance of investment property**

There were no maintenance costs incurred on the investment property during the current year.

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

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#### 3. 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	12 284 400	-	12 284 400	12 284 400	-	12 284 400
Buildings	5 527 437	(1 388 397)	4 159 040	5 527 437	(915 741)	4 611 696
Plant and machinery	7 073 254	(3 876 503)	3 306 751	6 088 619	(2 669 779)	3 418 840
Motor vehicles	67 265 359	(22 775 072)	44 490 287	58 385 573	(19 703 176)	38 682 397
Office equipment	14 947 980	(8 708 289)	6 241 691	9 722 660	(8 315 683)	1 406 977
Computer equipment	7 655 071	(5 687 426)	1 967 645	7 285 815	(4 786 465)	2 499 350
Infrastructure	31 655 603	(26 573)	31 629 030	182 227	(14 063)	168 164
Community	19 173 141	(12 956 649)	6 216 492	19 173 141	(10 997 954)	8 175 187
Leased assets	38 496 164	(3 151 460)	35 344 704	3 480 339	(517 595)	2 962 744
<b>Total</b>	<b>204 078 389</b>	<b>(58 348 349)</b>	<b>145 730 040</b>	<b>122 130 211</b>	<b>(47 920 456)</b>	<b>74 209 755</b>

## Bojanala Platinum District Municipality

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### Notes to the Annual Financial Statements

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#### 3. Property, plant and equipment (continued)

##### Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	WIP	Disposals	Change in estimate	Depreciation	Impairment loss	Total
Land	12 284 400	-	-	-	-	-	-	12 284 400
Buildings	4 611 696	-	-	-	-	(452 656)	-	4 159 040
Plant and machinery	3 418 840	984 634	-	-	(661)	(1 008 062)	-	3 396 751
Motor vehicles	38 682 397	8 879 786	-	-	(182 264)	(2 889 632)	-	44 490 287
Office equipment	1 406 977	855 261	4 372 722	-	14 799	(408 068)	-	6 241 691
Computer equipment	2 499 350	408 785	-	(19 554)	(11 311)	(909 625)	-	1 967 645
Infrastructure	168 164	852 844	30 620 531	-	-	(12 509)	-	31 629 030
Community	8 175 187	-	-	-	-	(352 879)	(1 605 816)	6 216 492
Leased assets	2 962 744	35 015 363	-	-	-	(2 633 403)	-	35 344 704
	<b>74 209 755</b>	<b>46 996 673</b>	<b>34 993 253</b>	<b>(19 554)</b>	<b>(179 437)</b>	<b>(8 664 834)</b>	<b>(1 605 816)</b>	<b>145 730 040</b>

##### Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Change in estimate	Depreciation	Impairment loss	Total
Land	12 284 400	-	-	-	-	-	12 284 400
Buildings	5 064 352	-	-	-	(452 656)	-	4 611 696
Plant and machinery	3 705 480	489 897	-	6 219	(782 756)	-	3 418 840
Motor vehicles	26 849 333	14 646 625	(540 797)	305 910	(2 578 674)	-	38 682 397
Office equipment	1 319 627	712 320	(35 074)	122 037	(711 933)	-	1 406 977
Computer equipment	3 619 795	146 080	(194 623)	9 164	(1 081 066)	-	2 499 350
Infrastructure	176 015	-	-	-	(7 851)	-	168 164
Community	9 348 358	-	-	-	(386 824)	(786 347)	8 175 187
Leased assets	-	3 480 339	-	-	(517 595)	-	2 962 744
	<b>62 367 360</b>	<b>19 475 261</b>	<b>(770 494)</b>	<b>443 330</b>	<b>(6 519 355)</b>	<b>(786 347)</b>	<b>74 209 755</b>

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 3. Property, plant and equipment (continued)

Assets with a carrying amount of R661 567 as at 30 June 2025 are still under investigation to confirm their existence, these were also under investigation in the previous financial year and will be written-off next year if still not verified.

Leased assets relates to photocopiers and printers leased in 2023-2024 financial year for 3 years with transfer of ownership to the municipality at the end of the lease-term. In the current year, the municipality also leased laptops and ICT equipment for a period of 3 years.

WIP represents infrastructure assets still under construction and Printers purchased but not ready for use at year-end as they were awaiting installations.

No infrastructure projects have been halted or are taking longer than expected to complete.

#### Pledged as security

The municipality's obligations under finance leases are secured by the lessor's charge over the leased assets.

No other property, plant and equipment assets are pledged as security other than the above-mentioned leased assets.

#### Reconciliation of Work-in-Progress 2025

	Included within Infrastructure	Total
Additions/capital expenditure	34 993 253	34 993 253
<b>Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance</b>		
Buildings	479 914	142 812
Computer equipment	4 650	14 118
Motor vehicles	898 837	574 133
Office equipment	589 018	28 800
Plant and machinery	29 000	127 240
	<b>2 001 419</b>	<b>887 101</b>

## Bojanala Platinum District Municipality

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#### 3. Property, plant and equipment (continued)

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.

## Bojanala Platinum District Municipality

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### Notes to the Annual Financial Statements

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#### 4. Intangible assets

	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	7 839 012	(5 910 322)	1 928 690	5 524 545	(3 580 600)	1 943 945

#### Reconciliation of intangible assets - 2025

	Opening balance	Additions	Amortisation	Total
Computer software	1 943 945	2 314 467	(2 329 722)	1 928 690

#### Reconciliation of intangible assets - 2024

	Opening balance	Additions	Amortisation	Total
Computer software	2 338 548	2 332 772	(2 727 375)	1 943 945

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 5. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	314 115 223	355 077 932
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The municipality holds short-term investment accounts with Absa Bank and Standard Bank. These accounts are used to invest and earn interest until maturity. As at 30 June 2025 the investment accounts had NIL balances (30 June 2024: NIL) - these accounts have been disclosed below.

#### The municipality had the following bank accounts

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
ABSA Call Account 11-3150-0277	122 839 829	354 943 875	258 311 499	122 839 829	354 943 875	258 311 499
ABSA Cheque Account 11-2000-0272 - Primary account	2 000	2 000	2 000	2 096	8 329	(11 348)
ABSA Investment Tracker 93-6584-4663	191 145 275	2 480	2 316	191 145 275	2 480	2 316
Housing Account 40-9603-8617	128 023	123 248	118 686	128 023	123 248	118 686
Absa Bank : 2081755563	-	-	-	-	-	-
Absa Bank : 2081755482	-	-	-	-	-	-
Absa Bank : 2081850565	-	-	-	-	-	-
Standard Bank : 038446537-027	-	-	-	-	-	-
<b>Total</b>	<b>314 115 127</b>	<b>355 071 603</b>	<b>258 434 501</b>	<b>314 115 223</b>	<b>355 077 932</b>	<b>258 421 153</b>

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>6. Receivables from exchange transactions</b>		
Prepayments	271 488	65 085
Other debtors	1 052 300	920 300
VAT input accrual	19 575 464	5 281 879
Statutory receivables from SARS	2 455 729	2 158 664
	<b>23 354 981</b>	<b>8 425 928</b>
<b>Statutory receivables included in receivables from exchange transactions above are as follows:</b>		
VAT receivable from SARS	2 455 729	2 158 664
<b>Financial asset receivables included in receivables from exchange transactions above</b>	<b>20 899 252</b>	<b>6 267 264</b>
<b>Total receivables from exchange transactions</b>	<b>23 354 981</b>	<b>8 425 928</b>
<b>Details of receivables from exchange transactions</b>		
Prepaid expenditure relates to payments made for board membership subscriptions.		
Other debtors relates to the Mayoral house that was auctioned in October 2020. The full debt has not yet been received per the sales agreement but however no impairment was provided on the debt as the property is held as security by the Municipality and the value of the property (valued at R3 300 000 as of 30 June 2025 by an independent valuer - Come Louw - Professional valuer) exceeds the value debt as at 30 June 2025.		
<b>Receivables aging</b>		
Current (0-30 days)	271 488	65 085
121 - 365 days	1 052 300	920 300
	<b>1 323 788</b>	<b>985 385</b>
<b>7. Statutory receivables</b>		
The Municipality claims VAT in terms of the VAT Act 89 of 1991.		
VAT output is charged on taxable services and VAT input is claimed for goods and services received from suppliers who are registered as VAT vendors. The VAT receivable or payable at the end of the financial year is based on the difference between input VAT charged on operational goods and services supplied to the Municipality, input VAT charged on capital goods and services and the output VAT charged for services rendered by the Municipality.		
The current VAT rate used, as determined by National Government is, 15% The municipality is registered for VAT on the Payment Basis.		
VAT Receivable from SARS	2 455 729	2 158 664
<b>8. Receivables from non-exchange transactions</b>		
Insurance proceeds receivables	-	511 157
Interest receivable	812 277	325 140
Fines issued receivables	1 225 000	2 627 600
Allowance for impairment	(1 225 000)	(1 225 000)
	<b>812 277</b>	<b>2 238 897</b>

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 8. Receivables from non-exchange transactions (continued)

##### Receivables aging - fines issued

0-30 days	-	1 402 600
Above 365 days	1 225 000	1 225 000
Allowance for impairment	(1 225 000)	(1 225 000)
	<u>-</u>	<u>1 402 600</u>

##### Receivables aging - Insurance proceeds and Interest receivable

0-30 days	812 277	836 297
-----------	---------	---------

##### Total receivables from non-exchange transactions

812 277	2 238 897
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#### Statutory receivables general information

##### Transaction(s) arising from statute

Fines issued receivables relates to fines issued for contravention of the National Environmental Act, 1998 (Act No. 107 of 1998).

##### Statutory receivables impaired

As of 30 June 2025, Statutory receivables of R1 225 000 (2024: R 1 225 000) were impaired and provided for.

The amount of the provision was R1 225 000 as of 30 June 2025 (2024: R1 225 000).

The ageing of these loans is as follows:

Over 6 months past due	1 225 000	1 225 000
------------------------	-----------	-----------

##### Factors the entity considered in assessing statutory receivables impaired

The municipality considered the fact that the mine that was issued with fine had closed down and it was uncertain that the amount will be received as at year end.

#### 9. Other financial assets

Funds held in a trust account	-	5 528 649
-------------------------------	---	-----------

The municipality paid an amount of R5 528 649 into a trust account on the 25th of August 2023 pursuant to a court order for claims against the municipality by Meme Ditshego Enterprise (Pty) LTD allegedly for goods or services delivered and rendered but not paid. The municipality has applied for the court ruling to be rescinded as the municipality argues that the mentioned goods or services were never received and/or the supplier overcharged for such services. the matter is still ongoing as of 30 June 2025 and the funds held in the trust account have been recorded as a receivable from non-exchange transactions and no impairment was considered.

During August 2025, a court judgement was received for the funds held in a trust account to be paid over to the plaintiff as the municipality had lost the case. This has been accounted for as an adjusting subsequent event as it was indicative of conditions that existed at year-end date.

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>10. Finance lease obligation</b>		
<b>Minimum lease payments due</b>		
- within one year	21 039 921	1 997 193
- in second to fifth year inclusive	29 613 260	2 557 449
	<u>50 653 181</u>	<u>4 554 642</u>
less: future finance charges	(12 883 214)	(1 236 903)
<b>Present value of minimum lease payments</b>	<u><b>37 769 967</b></u>	<u><b>3 317 739</b></u>
<b>Present value of minimum lease payments due</b>		
- within one year	13 183 186	1 198 133
- in second to fifth year inclusive	24 586 781	2 119 606
	<u><b>37 769 967</b></u>	<u><b>3 317 739</b></u>
Non-current liabilities	24 586 781	2 119 606
Current liabilities	13 183 186	1 198 133
	<u><b>37 769 967</b></u>	<u><b>3 317 739</b></u>

The average lease term was 3 years and the average effective borrowing rate was 26%.

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

The municipality's obligations under finance leases are secured by the lessor's charge over the leased assets.

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 11. Employee benefit obligations

##### Defined benefit plan

##### Post retirement medical aid plan

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post-retirement benefits are provided to these employees

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2025 by ZAQ Consultants and Actuaries. The valuers were Elmarie Swanepoel who has a B.Comm (Actuarial Science) and Julian van der Spuy who has a B.Comm (Actuarial Sciences). The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit funding method.

Discount rate - 12.97% p.a, Consumer price inflation 7.42%, Normal salary increase rate - 8.42%, Net discount rate - 4.20%. The basis on which the discount rate has been determined is as follow: GRAP 25 stipulates that the choice of this rate should be derived from high quality corporate bond yields. However, where the market in these bonds is not significant, the market yields on government bonds consistent with the estimated term of the post-employment liabilities should be used.

##### Other employee benefit - Long Service Awards

The municipality operates an unfunded defined benefit plan for all its employees. Under the plan, a Long-service Award is payable to employees after 10 years of continuous service, and every 5 years of continuous service from 10 years of service to 45 years of service. The provision is an estimate of the long service awards based on historical staff turnover. Additional cash/gifts are awarded to employees for levels of past service per the LSA policy.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2025 by ZAQ Consultants and Actuaries. The valuers were Elmarie Swanepoel who has a B.Comm (Actuarial Science) and Julian van der Spuy who has a B.Comm (Actuarial Sciences). The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit funding method.:

Discount rate - 9,22% p.a, Consumer price inflation 4.06%, Normal salary increase rate - 5.06%, Net discount rate - 3.96%. The basis on which the discount rate has been determined is as follow: GRAP 25 stipulates that the choice of this rate should be derived from high quality corporate bond yields. However, where the market in these bonds is not significant, the market yields on government bonds consistent with the estimated term of the post-employment liabilities should be used.

##### Carrying value

Present value of employee benefit obligation-wholly unfunded - LSA	(14 424 000)	(12 379 000)
Present value of the defined benefit obligation-wholly unfunded - PEMA	(29 003 000)	(24 208 000)
	<b>(43 427 000)</b>	<b>(36 587 000)</b>

##### Non-current liabilities

Employee benefit obligation-wholly unfunded - LSA	(11 804 000)	(10 381 000)
Defined benefit obligation-wholly unfunded - PEMA	(28 085 000)	(23 391 000)
	<b>(39 689 000)</b>	<b>(33 772 000)</b>

##### Current liabilities

Employee benefit obligation-wholly unfunded - LSA	(2 820 000)	(1 998 000)
Defined benefit obligation-wholly unfunded - PEMA	(918 000)	(817 000)
	<b>(3 738 000)</b>	<b>(2 815 000)</b>

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024			
<b>11. Employee benefit obligations (continued)</b>					
<b>Net expense recognised in the statement of financial performance</b>					
Current service cost	1 926 000	1 936 000			
Past service cost	(2 675 000)	(1 279 000)			
Interest cost	4 532 000	4 316 000			
	<b>3 783 000</b>	<b>4 973 000</b>			
<b>Calculation of actuarial gains and losses</b>					
Actuarial (gains) losses – Obligation	3 057 000	(1 482 000)			
<b>Key assumptions used</b>					
Assumptions used at the reporting date:					
The basis on which the discount rate has been determined is as follows: GRAP 25 stipulates that the choice of this rate should be derived from high quality corporate bond yields. However, where the market in these bonds is not significant, the market yields on government bonds consistent with the estimated term of the postemployment liabilities should be used.					
We used the nominal and real zero curves as at 30 June 2025 supplied by the JSE to determine our discount rates and CPI assumptions at each relevant time period. In the event that the valuation is performed prior to the effective valuation date, we use the prevailing yield at the time of performing our calculations.					
<b>Other assumptions</b>					
Amounts for the current and previous four years are as follows:					
	2025	2024	2023	2022	2021
	R	R	R	R	R
Defined benefit obligation	29 003 000	24 208 000	20 348 000	23 858 000	17 791 000
<b>12. Payables from exchange transactions</b>					
Trade payables				42 042 266	24 379 229
Provision for leave				34 529 442	35 947 524
Bonus accrual				5 182 710	4 764 863
Retentions				1 971 015	156 245
Other accruals				338 869	-
				<b>84 064 302</b>	<b>65 247 861</b>
<b>13. Revaluation reserve</b>					
Opening balance				9 418 849	9 418 849
<b>14. Revenue</b>					
Rental of facilities				132 000	114 783
Licence and permits				1 004 263	680 994
Other income				66 826	517 302
Interest received				30 764 983	31 826 089
Government grants & subsidies				412 519 823	402 759 290
Insurance proceeds				11 999	574 160
Fines, Penalties and Forfeits				3 377 430	2 919 176
				<b>447 877 324</b>	<b>439 391 794</b>

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>14. Revenue (continued)</b>		
<b>The amount included in revenue arising from exchanges of goods or services are as follows:</b>		
Rental of facilities	132 000	114 783
Licence and permits	1 004 263	680 994
Other income	66 826	517 302
	<b>1 203 089</b>	<b>1 313 079</b>
<b>The amount included in revenue arising from non-exchange transactions is as follows:</b>		
Interest received	30 764 983	31 826 089
Government grants & subsidies	412 519 823	402 759 290
Insurance proceeds	11 999	574 160
Fines, Penalties and Forfeits	3 377 430	2 919 176
	<b>446 674 235</b>	<b>438 078 715</b>
<b>15. Rental of facilities</b>		
<b>Premises</b>		
Rental of facilities	132 000	114 783
<b>16. Licences and permits</b>		
Health certificates	818 399	478 030
Licences and permits	185 864	202 964
	<b>1 004 263</b>	<b>680 994</b>
The municipality issues certificate of acceptability to trading stores that complies with the Health regulations after inspecting the premises for compliance. Revenue from health certificate is recognised after inspection.		
Licences and permits from fire services relates to permits issued to trucks transporting flammable goods. Revenue is recognised when the permit has been issued.		
<b>17. Other income</b>		
Commissions received	-	17 279
Recoveries	-	115 761
Sale of tender documents	66 826	384 262
	<b>66 826</b>	<b>517 302</b>
<b>18. Interest, dividends and Rent on Land</b>		
Interest - bank	30 764 983	31 826 089
Interest earned on bank balances and investments held by the municipality during the year.		
<b>19. Fines, Penalties and Forfeits</b>		
Fines, Penalties and Forfeits	3 377 430	2 919 176
Fines relates to penalty issued by the municipality for contravention of the National Environmental Act,1998 (Act No.107 of 1998).		

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>20. Government grants and subsidies</b>		
<b>Operating grants</b>		
Equitable share	407 135 000	396 790 000
Financial Management Grant	1 800 000	1 850 000
EPWP	341 000	1 256 000
SETA Skills Development Grant	306 543	325 290
Disaster Grant	284 280	-
Rural Asset Management Grant	2 653 000	2 538 000
	<b>412 519 823</b>	<b>402 759 290</b>
<b>Conditional and Unconditional</b>		
Included in above are the following grants and subsidies received:		
Unconditional grants received	407 135 000	396 790 000
<b>Expanded Public Works Programme</b>		
Current-year receipts	341 000	1 256 000
Conditions met - transferred to revenue	(341 000)	(1 256 000)
	-	-
<b>Financial Management Grant</b>		
Current-year receipts	1 800 000	1 850 000
Conditions met - transferred to revenue	(1 800 000)	(1 850 000)
	-	-
<b>Rural Asset Management Grant</b>		
Current-year receipts	2 653 000	2 538 000
Conditions met - transferred to revenue	(2 653 000)	(2 538 000)
	-	-
<b>SETA Grant</b>		
Current-year receipts	306 543	325 290
Conditions met - transferred to revenue	(306 543)	(325 290)
	-	-
Conditions still to be met - remain liabilities (see note ).		
<b>Disaster Grant</b>		
Current-year receipts	284 280	-
Conditions met - transferred to revenue	(284 280)	-
	-	-
Conditions still to be met - remain liabilities (see note ).		
Provide explanations of conditions still to be met and other relevant information.		

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>21. Insurance proceeds</b>		
Insurance proceeds	11 999	574 160

Relates to insurance proceeds on damaged and derecognised assets insured by the municipality.

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>22. Employee related costs</b>		
Basic	128 084 787	121 418 750
Leave Pay	524 442	2 976 537
Bonus	9 338 557	9 117 540
Contribution to pension and provident	23 044 581	21 893 528
Medical aid - company contributions	10 271 982	9 895 403
Contributions	40 212	37 260
UIF	753 492	708 288
Cellphone allowance	644 700	634 714
Skills Development Levy	1 710 647	1 650 882
Leave gratuity	2 449 000	2 681 000
Standby allowance	3 181 219	2 982 184
Overtime payments	9 559 582	9 306 175
Shift allowance	2 695 247	2 583 686
Acting allowances	4 502 034	4 141 821
Car allowance	12 710 674	12 475 306
Housing benefits and allowances	1 243 382	1 327 109
Post employment medical aid benefit	4 009 000	3 571 000
Non pensionable basic salary	-	100 005
Stipends for EPWP workers	15 929 400	11 143 635
	<b>230 692 938</b>	<b>218 642 803</b>
<b>Remuneration of Municipal Manager</b>		
Annual Remuneration	351 932	1 299 209
Car Allowance	51 722	310 329
Cellphone Allowance	4 000	24 000
Housing Allowance	28 734	172 405
Contributions to UIF, Medical and Pension Funds	377	14 025
Acting Allowance - Dr. A.J. Mothupi	865 300	490 821
Acting Allowance - B. Makganye	55 519	-
	<b>1 357 584</b>	<b>2 310 789</b>
<b>Remuneration of Chief Finance Officer</b>		
Annual Remuneration	335 509	-
Car Allowance	103 331	-
Acting Allowance - A.S Tolo	8 000	-
Contributions to UIF, Medical and Pension Funds	756	-
Acting Allowance - A.S Tolo	-	55 985
Acting Allowance - D.G Motloung	64 840	27 398
Acting Allowance - A.L Jansen	59 969	58 392
	<b>572 405</b>	<b>141 775</b>
<b>Remuneration of Director Corporate Services</b>		
Annual Remuneration	421 480	-
Car Allowance	127 069	58 392
Cellphone Allowance	10 000	116 028
Contributions to UIF, Medical and Pension Funds	945	-
Acting Allowance - L. Khoza	72 538	-
Acting Allowance - M.P. Maape	65 524	58 392
Acting Allowance - B. Makganye	-	116 028
	<b>697 556</b>	<b>348 840</b>
<b>Remuneration of Director Local Economic development</b>		

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 22. Employee related costs (continued)

Annual Remuneration	707 621	1 462 303
Car Allowance	118 331	60 000
Cellphone Allowance	14 000	24 000
Contributions to UIF, Medical and Pension Funds	1 322	22 500
Leave payout	-	271 535
Acting Allowance - L.M Mkgatsi	70 395	-
	<b>911 669</b>	<b>1 840 338</b>

#### Remuneration of Director : Community Development Services

Annual Remuneration	498 691	-
Car Allowance	55 855	-
Cellphone Allowance	4 000	-
Contributions to UIF, Medical and Pension Funds	945	-
Acting Allowance - M.M Raditladi	122 790	164 959
	<b>682 281</b>	<b>164 959</b>

#### Remuneration of Director -Technical Services

Annual Remuneration	371 211	-
Car Allowance	127 089	-
Cellphone Allowance	10 000	-
Contributions to UIF, Medical and Pension Funds	945	-
Acting Allowance - M.K Monamodi	108 438	164 959
	<b>617 663</b>	<b>164 959</b>

#### Remuneration of Director - Health and Environment Services

Annual Remuneration	335 509	638 735
Car Allowance	103 331	150 000
Cellphone Allowance	8 000	11 400
Contributions to UIF, Medical and Pension Funds	756	21 403
Leave payout	-	289 381
Acting Allowance - K.J Masebe	114 660	102 186
	<b>562 256</b>	<b>1 213 105</b>

#### 23. Remuneration of councillors

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>23. Remuneration of councillors (continued)</b>		
Mayor	1 268 918	1 205 966
Single Whip	933 111	922 678
Speaker	992 434	973 893
Councillors	8 462 104	7 882 516
MPAC	907 007	891 457
MMC's	9 250 229	9 351 026
	<b>21 813 803</b>	<b>21 227 536</b>
<b>In-kind benefits</b>		
The Executive Mayor, Single WHIP, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.		
The Executive Mayor, Single whip and the Speaker have use of a Council owned vehicle for official duties.		
The Executive Mayor has two full-time bodyguards and two drivers.		
Councillors were paid in accordance with the Government Gazette, Remuneration of Councillors.		
<b>24. Depreciation and amortisation</b>		
Property, plant and equipment	8 844 271	6 076 022
Intangible assets	2 329 722	2 727 375
	<b>11 173 993</b>	<b>8 803 397</b>
See Note 3 and 4 for details per asset category.		
<b>25. Impairment</b>		
<b>Impairments</b>		
Property, plant and equipment	1 605 816	786 347
Impairment of Makau sports stadium to its recoverable service amount.		
<b>26. Finance costs</b>		
Finance leases	5 282 738	689 487
Interest on late payments of supplier accounts	187 372	95 424
	<b>5 470 110</b>	<b>784 911</b>
<b>27. Lease rentals on operating lease</b>		
<b>Building and Machinery</b>		
Contractual amounts	11 914 389	13 467 354
<b>28. Consumables</b>		
Consumables	6 929 148	3 653 248

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>29. Contracted services</b>		
<b>Outsourced Services</b>		
Security Services	12 046 756	7 305 229
<b>Consultants and Professional Services</b>		
Business and Advisory	29 508 344	9 169 340
Legal Cost	29 295 637	12 571 094
<b>Contractors</b>		
Maintenance of Buildings and Facilities	2 001 316	286 205
Transportation	4 501 386	1 162 160
Other Contractors	1 569 333	6 768 340
	<b>78 921 772</b>	<b>37 262 368</b>
<b>30. Operational cost</b>		
Auditors remuneration	5 427 337	4 556 606
Bank charges	428 237	221 610
Accommodation, flights and meals	16 438 423	5 852 272
Membership fees	2 598 613	2 611 776
Donations	3 158 600	-
Promotional Material	5 491 550	2 283 930
Insurance	2 194 013	2 180 953
Community development	3 226 512	1 033 111
Registration and training	3 534 861	3 443 214
Repairs and Maintenance	-	787 450
Fuel and oil	2 014 521	1 827 334
Water & Electricity	1 974 374	1 319 616
Software & ICT related expenses	33 533 328	14 251
Staff welfare	-	136 707
Subscriptions fees	171 344	227 894
Travel - local	5 595 547	4 288 029
Uniforms	1 865 945	328 417
Operational costs - Other	10 283 858	3 272 162
	<b>97 937 063</b>	<b>34 385 332</b>
<b>31. Auditors' remuneration</b>		
Fees	5 427 337	4 556 606

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>32. Cash generated from operations</b>		
(Deficit) surplus	(21 550 567)	101 734 648
<b>Adjustments for:</b>		
Depreciation and amortisation	11 173 993	8 803 397
Loss on disposal of assets and liabilities	19 554	770 494
Gain on foreign exchange	(67 695)	(81 782)
Fair value adjustments	(40 000)	-
Impairment	1 605 816	788 347
Movements in operating lease liability	-	(58 537)
Movements in employee benefit obligations	6 840 000	3 491 000
<b>Changes in working capital:</b>		
Receivables from exchange transactions	(338 403)	(143 037)
Other receivables from non-exchange transactions	1 426 620	(1 974 027)
Other financial assets	5 526 649	(5 526 649)
Payables from exchange transactions	17 411 126	8 258 409
Movement in VAT	(9 338 346)	(391 138)
	<b>12 668 747</b>	<b>115 669 125</b>

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 33. Contingencies

##### Contingent liabilities

Case Number	NAME OF THE CASE AND PARTIES INVOLVED	STATUS OF THE MATTER	NAME OF THE ATTORNEY REPRESENTING THE MUNICIPALITY AND DESCRIPTION OF MATTER	2025	2024
CIV 8033	BPDM//Nobhola Siyamthanda	Claim for damages resulting from injuries suffered as a high last light fell on a plaintiff.  Pleadings have been exchanged and consultation with technical director is imminent.	Setshedi Makgale & Matlhapeng Attorneys	14 000 000	-
11735/2020	Stephen M.Madiro/Local Municipality Madibeng//BPDM	Claim for various damages suffered pursuant to the spillage of sewer at the property known as the remaining extent of Portion 217 (a portion of portion 173) of the Farm Roodekopjes 427 JQ, Brits in the amount of R16 842 500-00.  This matter was previously on the opposed roll for the rescission of judgement pertaining to a warrant of arrest against a municipal official. The first defendant is appealing the refusal and the appeal is set down for 21 July 2025.	Setshedi Makgale & Matlhapeng Attorneys	16 842 500	16 842 500

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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33. Contingencies (continued)					
958/2020	Ubane Salome Melabo// Madibeng Local Municipality and BPDM	Claim for injuries sustained pursuant to falling into an unmarked construction hole near intersection between the M20 and Lucas Mangope road, Hebron in the amount of R850 000-00.  Both legal representative do not actively participate, matter remains pending and a new application for trial date made.	Setshedi Makgale & Matlhapeng Attorneys	850 000	-
1170/2022	BPDM// Meme Ditshego Enterprise (PTY) LTD	The claim of R8 000 000.00 is based on goods and services delivered and rendered to the municipality. Pursuant to a court ruling, the municipality paid R5 528 649.00 into a trust account of the applicant's Attorneys Morebodi-Paul Inc on the 25th of August 2023 to be held in the trust account. The municipality's Attorneys applied for the above mentioned court's ruling to be rescinded. The municipality is claiming that the supplier did not deliver the goods or services in question and/or alleges the supplier of overcharging for such services rendered.  Amounts paid by the BPDM to the trust account has been ordered to be paid over to the plaintiff in August 2025, the matter has been finalised and removed in the current year contingencies.	Setshedi Makgale & Matlhapeng Attorneys	-	- 8 000 000

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand

#### 33. Contingencies (continued)

J M Van Der Westhuizen & 3 others // KLM, BPDM & 2 others	The plaintiff institutes civil proceedings in the High court Mahikeng seeking relief for the following: Claimed amount of R10 030 945 plus VAT; Claimed amount of R5 416 543 for first Plaintiff; and Claimed amount of R5 416 543 for second Plaintiff; Total: R 20 863 941 Pleadings have been closed. In the process of exchanging pre-trial notices. Matter not set down yet. In the process of exchanging Pre-trial documents in order to obtain a trial date. The matter will most probably only be heard sometime late next year.	Tlou Attorneys & Associates	20 863 941	-
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## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand

#### 33. Contingencies (continued)

	Public Protector Muofhe & Shmani Projects (Pty) Ltd // BPDM	The municipality received a letter of demand for sum R31 601 173.7 in relation to unpaid invoices for service rendered.	Tlou Attorneys & Associates	31 601 174	-
		Have considered the claim together with the complaint received from the office of the Public Protector and found that although the SLA concluded between the Municipality and the claimant was not properly concluded, there was no evidence to support the claimant's claim that services were in some form or the other rendered. The claimant and the office of the Public Protector have been informed that no evidence received for services rendered. Awaiting their reply.			
NWD022403	Lebogang Makgale //BPDM	Unfair dismissal - The dismissal arbitration was set for the 14th and 15th August 2024. On the 12 August 2024, the Employee representative (IMATU) requested a postponement to a future date due to unforeseen circumstances. We await new dates from the commissioner of the arbitration as per the IMATU representative and request.	Tlou Attorneys & Associates - Labour Matter	-	-
		Matter no longer active as of 30 June 2025.			

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 33. Contingencies (continued)

BPDM/P. Sithole & 4  
others

Unfair Labour Practice relating to the unfair suspension hearing on the 6th of August 2024 - The employees are challenging their suspension which has lapsed over 3 months. Employees raised preliminary points and arguments were presented. The Presiding officer reserved the judgment. The matter is to proceed on 29 and 30 August 2024 for a hearing. Due to the ongoing investigation and disciplinary hearing, and as per the rules of the Bargaining Council, the five (5) employees are placed on a further suspension pending the conclusion of the disciplinary hearing.

Disciplinary hearings for the alleged has now been included as a contingent asset in the current year as the former employees have testified.

Tlou Attorneys & Associates - Labour  
Matter

-

-

## Bojanala Platinum District Municipality

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### Notes to the Annual Financial Statements

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#### 33. Contingencies (continued)

NWD022416	Ngwasheng Masukwane// BPDM	Unfair Labour Practice relating to the issuing of written warning - The matter was scheduled for hearing on 24 July 2024. Legal representation on behalf of the Employer was challenged during the hearing and the matter postponed for employer to submit an application for legal representation. The application for legal representation was submitted on the 24th of July 2024 and the employee submitted his answering affidavit on the 31st of August 2024. The ruling on the application is yet to be delivered by the Chairperson. Matter is scheduled for hearing on the 1st to 3rd October 2024.	Tlou Attorneys & Associates - Labour Matter	-	-
		Case no longer active as of 30 June 2025.			

## Bojanala Platinum District Municipality

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33. Contingencies (continued) Mr G.T Lenake	Mr Lenake instituted a tow-part court application to interdict the Municipality from appointing candidates in the positions Director: Health and Environmental Services and Director: Community services - The interim interdict was granted on 5 April 2024, and the rule nisi return date was 7 February 2025. On 07 February 2025, due to non-compliance with the court's directive, the rule nisi was extended to 01 August 2025. Filed the Municipality's record of proceedings/decision for part B of the application in July 2025. Attended to court on 01 August 2025, where the rule nisi was extended in order to afford the Applicant an opportunity to file a Replying Affidavit and Heads of Argument.	Tlou Attorneys & Associates and De Swardt Myambo Hlahla Attorneys - Labour Matter	-	-
Moatshe & 43 others // BPDm	Unfair Labour Practice relating to salaries - This is a labour matter before the SA Review Application before the labour court. The review relates to the award delivered on the 24 July 2024 against the municipality for unpaid salaries of EPWP workers.	Tlou Attorneys & Associates - Labour Matter	-	-

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 33. Contingencies (continued)

Ms Magdaline Nondzaba  
// BPDM

This matter pertains to a review application instituted by the former Mayor of Bojanala Platinum District Municipality to review and set aside the decisions to remove her as a PR Councillor, to declare a vacancy and to subsequently appoint Ms Nthangeni as the Executive Mayor.

Tlou Attorneys & Associates - Labour  
Matter

-

-

Part A of the application was struck off the roll with costs due to lack of urgency.

We have proceeded with the execution process in relation to the costs for Part A of the application. The Municipality has filed its answering affidavit to the review application.

The parties are currently awaiting Ms Nondzaba to apply for a set down date for the hearing of the review application.

84 157 615    24 852 500

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 33. Contingencies (continued)

##### Contingent assets

Case Number	NAME OF THE CASE AND PARTIES INVOLVED	STATUS OF THE MATTER	NAME OF THE ATTORNEY REPRESENTING THE MUNICIPALITY AND DESCRIPTION OF MATTER	2025	2024
	BPDM // Lethogonolo Fourie	Disciplinary enquiry launched against municipal official on 7 December 2023. The enquiry has been concluded and all parties have filled their closing submissions. Parties submitted aggravating and mitigating circumstances by August 2024. Matter went to CCMA in May 2025, were a two labour court application process was submitted (stay and review application). The application to stay was rejected and the matter is postponed pending the outcome of the application to compel discovery.	De Swardt Myambo Hlahla Attorneys and Mthombeni M&R Inc - Labour Matter for unfair dismissal	-	-

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 33. Contingencies (continued)

288/7/2022	BPDM//P. Sithole & 4 others	<p>Claims for allegations of financial loss due to fraud and money laundering by 2 former employees of the municipality. A loss in the region of R4 400 000 was suffered by the municipality relating to MTN payments between 2017 and 2020 which were being paid into fraudulent accounts.</p> <p>The hearing concluded on 17-19 June 2025. The officials testified, awaiting the ruling of the chairperson.</p> <p>Labour matter finalised with dismissal.</p>	SAPS - Investigated by the HAWKS and the NPA - now being handled by Tlou Attorneys & Associates - Labour matter	-	-
	BPDM //Mashego Projects	<p>The municipality has issued summons against the Defendant on 29 September 2023 in the amount of R589 500.00 pursuant to the council resolution for the recovery of the funds that were overcharged the municipality as per the findings of the forensic report conducted by Nexia SAB&amp;T.</p> <p>Matter has been finalised and no longer active as of 30 June 2025.</p>	Majang Inc. Attorneys	-	589 500

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 33. Contingencies (continued)

BPDM //Johanna Mosete	Disciplinary hearing on the allegations of Financial Misconduct - The matter has effectively come to an end, the ruling was issued in favour of the municipality in concluding that the employee had no locus standu to bring an arbitration proceedings.	Tlou Attorneys & Associates - Labour Matter	-	-
BPDM//Abeyeng Tolo	Disciplinary hearing on the allegations of conflict of interest and/or none disclosure of interest - The Employee indicated that she would like to enter into a settlement with the Employer. The employee tendered an early retirement and submitted letter of resignation during the course of the disciplinary proceedings.  The matter has effectively come to an end.	Tlou Attorneys & Associates - Labour Matter	-	-

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 33. Contingencies (continued)

3041/23	BPDM/Ramokatane Joseph Mogale	The municipality has instituted a legal claim in the amount of R1 087 743.21 against the defendant for defaults on payments to the municipality, claim for the purchase price of mayoral house + rates + agreed monthly rental income until full settlement. Currently awaiting external confirmations to finalise the matter and the defendant Attorneys has requested a round-table to discuss settlement. A receivable of R1 052 000 has been recorded on the annual financial statements as of 30 June 2025 regarding this matter.	SENNE ATTORNEYS & TSHOLOFELO MOGAPAESI ATTORNEYS	-	-
					<u>589 500</u>

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>34. Financial instruments disclosure</b>		
<b>Categories of financial instruments</b>		
<b>2025</b>		
<b>Financial assets</b>		
	At amortised cost	Total
Cash and cash equivalents	314 115 223	314 115 223
Receivables from exchange transactions	1 052 300	1 052 300
Receivables from non-exchange transactions	812 277	812 277
	<b>315 979 800</b>	<b>315 979 800</b>
<b>Financial liabilities</b>		
	At amortised cost	Total
Payables from exchange transactions	42 042 266	42 042 266
Finance lease liability	37 769 967	37 769 967
	<b>79 812 233</b>	<b>79 812 233</b>
<b>2024</b>		
<b>Financial assets</b>		
	At amortised cost	Total
Cash and cash equivalents	355 077 932	355 077 932
Receivables from exchange transactions	920 300	920 300
Other financial assets	5 526 649	5 526 649
Receivables from non-exchange transactions	2 238 897	2 238 897
	<b>363 763 778</b>	<b>363 763 778</b>
<b>Financial liabilities</b>		
	At amortised cost	Total
Trade and other payables from exchange transactions	24 379 229	24 379 229
Finance lease liability	3 317 739	3 317 739
	<b>27 696 968</b>	<b>27 696 968</b>

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>35. Commitments</b>		
<b>Authorised capital expenditure</b>		
<b>Already contracted for but not provided for</b>		
• Property, plant and equipment	89 061 496	-
<b>Total capital commitments</b>		
Already contracted for but not provided for	89 061 496	-
<b>Total commitments</b>		
<b>Total commitments</b>		
Authorised capital expenditure	89 061 496	-

This committed expenditure relates to infrastructure projects and ICT equipment. These will be financed by grants from the National and Provincial Treasury and finance lease arrangements.

#### 36. Related parties

For a detailed breakdown of the remuneration paid to s57 managers and executive councillors refer to note 22 of the financial statements.

**Bojanala Platinum District Municipality**

Annual Financial Statements for the year ended 30 June 2025

**Notes to the Annual Financial Statements**

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**36. Related parties (continued)****Remuneration of councillors**

2025

Name	Basic salary	Travel	Cell phone	Sitting	Pension	Medical	Total
CLLR JC POTGIETER	280 558	51 600	43 200	-	42 084	-	417 442
DR AP PITSOE	115 710	21 500	18 000	-	17 357	7 200	179 767
MISS LN TAU	280 558	51 600	43 200	-	42 084	-	417 442
MR AN MOTSI	121 971	21 500	18 000	-	18 296	-	179 767
MR DM MOEKETSANE	664 271	126 000	43 200	-	99 641	-	933 112
MR KJ MOLEKO	713 647	-	41 342	-	82 816	11 520	849 325
MR KKC RAMOKGADI	358 162	19 006	43 269	-	53 724	17 280	491 441
MR LB MALOPE	357 264	20 039	43 269	-	53 590	17 280	491 442
MR M KARANI	664 271	126 000	43 200	-	99 641	-	933 112
MR MG MALEBOGO	322 642	51 600	43 200	-	-	-	417 442
MR MJ MONAGANE	222 454	-	26 384	-	-	-	248 838
MR ODM PITSO	166 320	25 800	21 600	-	-	-	213 720
MR OS MOLUSI	811 949	5 996	43 269	-	-	-	861 214
MR RI MSOKI	606 796	174 816	43 200	-	91 019	17 280	933 111
MR RL MOTSEPE	322 642	51 600	43 200	-	-	-	417 442
MR RL MOTSEPE	130 268	21 500	18 000	-	-	-	169 768
MR TE HLONGWANE	280 558	51 600	43 200	-	42 084	-	417 442
MR TL MADIBA	715 856	126 000	43 200	-	107 378	-	992 434
MR TM MASHOMO	685 877	160 650	43 200	-	-	17 280	907 007
MR TP THOBOKE	761 812	126 000	43 200	-	-	-	931 012
MR VK PHUSOANE	266 906	51 600	43 200	-	39 721	17 280	418 707
MRS AE SELEBOGO	610 072	171 048	43 200	-	91 511	17 280	933 111
MRS BP GOUS	280 558	51 600	43 200	-	42 084	-	417 442
MRS GL MAGADANE	232 828	20 000	28 800	-	-	-	281 628
MRS M NONDZABA	53 445	-	1 974	-	2 945	-	58 364
MRS TL MACHEWANE	307 162	47 300	42 039	-	-	-	396 501
MRS WM SONO	610 072	171 048	43 200	-	91 511	17 280	933 111
MS DM RAKGATLHA	280 558	51 600	43 200	-	42 084	-	417 442
MS FM MANGOATHE	610 072	171 048	43 200	-	91 511	17 280	933 111
MS KP MOTHENG	280 558	51 600	43 200	-	42 084	-	417 442

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 36. Related parties (continued)

MS ME KIBINI	765 617	-	38 249	-	-	-	803 866
MS RN KOMANE	130 268	21 500	18 000	-	-	-	169 768
MS SD NTHANGENI	828 545	207 087	43 200	-	125 962	5 760	1 210 554
MS VN MAKHAULA	580 751	209 880	43 200	-	87 113	12 168	933 112
OT MAWAYI	83 561	7 500	10 800	-	-	-	101 861
MISS SM MOTSHEG	-	-	-	25 442	-	-	25 442
MR AM MOSITO	-	-	-	6 074	-	-	6 074
MR AP ROOTMAN	-	-	-	26 692	-	-	26 692
MR E LANGENI	-	-	-	20 830	-	-	20 830
MR J QOBEKA	-	-	-	2 465	-	-	2 465
MR KI MONAISE	-	-	-	4 860	-	-	4 860
MR M COETZEE	-	-	-	23 153	-	-	23 153
MR MEE MOSETE	-	-	-	14 720	-	-	14 720
MR TE MATJENE	-	-	-	14 614	-	-	14 614
MS EST PULE	-	-	-	106	-	-	106
MS IS MACONE	-	-	-	1 321	-	-	1 321
MS MP MORAPEDI	-	-	-	35	-	-	35
MS MS PHALOLE	-	-	-	16 796	-	-	16 796
MS POL LEBETHE	-	-	-	5 898	-	-	5 898
MS VN MYOLI	-	-	-	22 009	-	-	22 009
CLLR JC POTGIETER	114 850	-	-	-	-	-	114 850
MC MC MOATSHE	42 330	-	-	-	-	-	42 330
MISS NA LETLAPE	76 682	-	-	-	-	-	76 682
MR CK CHAKA	76 682	-	-	-	-	-	76 682
MR E VAN DER SCHYFF	53 668	-	-	-	-	-	53 668
MR IB BHEBE	8 636	-	-	-	-	-	8 636
MR L RAMATLHAPE	35 112	-	-	-	-	-	35 112
MR LF MODISE	65 520	-	-	-	-	-	65 520
MR LP SEDIO	53 668	-	-	-	-	-	53 668
MR MA MONAHENG	65 520	-	-	-	-	-	65 520
MR MT MOLEFE	72 046	-	-	-	-	-	72 046
MR PS LETLHABI	65 520	-	-	-	-	-	65 520
MR RE MASHIMO	76 682	-	-	-	-	-	76 682
MR RN MORAILE	9 716	-	-	-	-	-	9 716
MR SA KUTUMELA	65 520	-	-	-	-	-	65 520
MR SS MOREKI	35 112	-	-	-	-	-	35 112
MR T KWELE	53 668	-	-	-	-	-	53 668

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 36. Related parties (continued)

MR TJ MAKHUBELA	53 888	-	-	-	-	-	53 888
MR TK MOTAUNG	114 850	-	-	-	-	-	114 850
MRS EDF LOURENS	53 888	-	-	-	-	-	53 888
MRS SB MARAKALALA	39 907	-	-	-	-	-	39 907
MS LG MHLAMBI	8 636	-	-	-	-	-	8 636
MS LM NTOBONG	34 828	-	-	-	-	-	34 828
MS N DELEKI	76 882	-	-	-	-	-	76 882
MS NF MOKWENA	53 888	-	-	-	-	-	53 888
MS NS MABUNDA	49 273	-	-	-	-	-	49 273
MS NSG SEKAO	76 882	-	-	-	-	-	76 882
MS RC LEKALAKALA	76 882	-	-	-	-	-	76 882
MS RM KUTUMELA	85 520	-	-	-	-	-	85 520
MS RM LUKHELE	76 882	-	-	-	-	-	76 882
MS SM MOHALE	25 908	-	-	-	-	-	25 908
MS TJ MOHLABANE	22 902	-	-	-	-	-	22 902
	-	-	-	-	-	-	-
	<b>16 305 047</b>	<b>2 465 618</b>	<b>1 276 995</b>	<b>185 015</b>	<b>1 406 240</b>	<b>174 888</b>	<b>21 813 803</b>

#### 2024

Name	Basic salary	Travel	Cell phone	Sitting	Pension	Medical	Total
KKC RAMOKGADI	595 083	171 048	43 200	-	89 263	17 280	915 874
M NONDZABA	808 427	233 078	43 200	-	121 263	-	1 205 968
FM MANGOATHE	595 083	171 048	43 200	-	89 263	17 280	915 874
VK PHUSOANE	78 096	14 255	3 400	-	6 744	1 440	103 935
KP MOTHENG	278 531	51 600	43 200	-	41 482	-	412 813
TF POTGIETER	278 531	51 600	43 200	-	41 482	-	412 813
M KARANI	649 282	128 000	43 200	-	97 392	-	915 874
SD NTHANGENI	649 282	128 000	43 200	-	97 392	-	915 874
TM MASHOMO	869 216	160 650	43 200	-	-	17 280	890 346
BP GOUS	278 531	51 600	43 200	-	41 482	-	412 813
WM SONO	595 083	171 048	43 200	-	89 263	17 280	915 874
LN TAU	278 531	51 600	43 200	-	41 482	-	412 813
AN MOTSI	278 533	51 600	43 200	-	41 480	-	412 813
AE SELEBOGO	595 083	171 048	43 200	-	89 263	17 280	915 874

## Bojanala Platinum District Municipality

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#### 36. Related parties (continued)

TE HLONGWANE	276 533	51 600	43 200	-	41 480	-	412 813
TL MADIBA	699 734	126 000	43 200	-	104 958	-	973 892
GL MAGADANE	339 613	30 000	43 200	-	-	-	412 813
RI MSOKI	591 801	174 816	43 200	-	88 777	17 280	915 874
DM MOEKETSANE	638 386	126 000	43 200	-	95 763	-	903 349
DR AP PITSOE	261 507	51 600	43 200	-	39 226	17 280	412 813
DM RAKGATLHA	276 533	51 600	43 200	-	41 480	-	412 813
LB MALOPE	589 346	179 940	43 200	-	88 404	12 960	913 850
ODM PITSO	318 013	51 600	43 200	-	-	-	412 813
OS MOLUSI	318 013	51 600	43 200	-	-	-	412 813
VN MAKHAULA	874 261	161 740	43 200	-	13 402	1 013	1 093 616
RL MOTSEPE	307 767	51 600	43 200	-	-	-	402 567
MG MALEBOGO	303 925	51 600	43 200	-	-	-	398 725
CO MOEMA	303 755	51 600	43 200	-	-	-	398 555
TP THOBOKE	656 639	115 500	39 800	-	-	-	811 939
VK PHUSOANE	228 402	47 300	39 800	-	34 262	15 840	365 604
TP MAREMO	16 568	-	-	-	-	-	16 568
LJR DIREMELO	19 329	-	-	-	-	-	19 329
RP MOLATLHEG	12 808	-	-	-	-	-	12 808
L MOATE	15 369	-	-	-	-	-	15 369
TM MGUNI	14 088	-	-	-	-	-	14 088
RR MOHULATS	1 739	-	-	-	-	-	1 739
PA TAU	1 897	-	-	-	-	-	1 897
M COETZEE	-	-	-	16 340	-	-	16 340
VN MYOLI	-	-	-	17 563	-	-	17 563
EST PULE	1 180	-	-	7 034	-	-	8 214
MEE MOSETE	-	-	-	10 486	-	-	10 486
SM MOTSHGWE	-	-	-	27 962	-	-	27 962
MP MORAPEDI	-	-	-	9 350	-	-	9 350
MS LETLAPE	-	-	-	1 136	-	-	1 136
IS MACONE	-	-	-	10 486	-	-	10 486
AP ROOTMAN	-	-	-	22 238	-	-	22 238
E LANGENI	-	-	-	12 802	-	-	12 802
J QOBEKA	-	-	-	2 359	-	-	2 359
PHALOPE	-	-	-	5 854	-	-	5 854
TE MATJENE	-	-	-	13 981	-	-	13 981
POL LEBETHE	-	-	-	2 359	-	-	2 359

## Bojanala Platinum District Municipality

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### Notes to the Annual Financial Statements

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#### 36. Related parties (continued)

TK MOTAUNG	53 713	-	-	-	-	-	53 713
OM MAMABOLO	65 284	-	-	-	-	-	65 284
LF MODISE	65 284	-	-	-	-	-	65 284
IB BHEBE	53 710	-	-	-	-	-	53 710
PS LETLHABI	65 284	-	-	-	-	-	65 284
RM KUTUMELA	65 284	-	-	-	-	-	65 284
SA KUTUMELA	65 284	-	-	-	-	-	65 284
NS MABUNDA	53 713	-	-	-	-	-	53 713
TJ MAKHUBEL	53 713	-	-	-	-	-	53 713
E VAN DER S	53 713	-	-	-	-	-	53 713
RN MORAILE	53 713	-	-	-	-	-	53 713
TJ MOHLABANE	53 713	-	-	-	-	-	53 713
RC LEKALAKA	53 713	-	-	-	-	-	53 713
RM LUKHELE	53 713	-	-	-	-	-	53 713
GI APHIRI	27 805	-	-	-	-	-	27 805
SB MARAKALALA	53 713	-	-	-	-	-	53 713
RE MASHIMO	53 713	-	-	-	-	-	53 713
NSG SEKAO	53 713	-	-	-	-	-	53 713
NF MOKWENA	53 713	-	-	-	-	-	53 713
LP SADIO	53 713	-	-	-	-	-	53 713
LG MHLAMBI	53 713	-	-	-	-	-	53 713
EDF LOURENS	53 713	-	-	-	-	-	53 713
N DELEKI	53 713	-	-	-	-	-	53 713
MA MONAHENG	65 284	-	-	-	-	-	65 284
NA LETLAPE	53 713	-	-	-	-	-	53 713
CLLR JC POTGIETER	53 713	-	-	-	-	-	53 713
CK CHAKA	53 713	-	-	-	-	-	53 713
T KWELE	53 711	-	-	-	-	-	53 711
MT MOLEFE	22 726	-	-	-	-	-	22 726
	<b>15 254 701</b>	<b>2 976 269</b>	<b>1 249 400</b>	<b>159 950</b>	<b>1 435 003</b>	<b>152 213</b>	<b>21 227 536</b>

Refer to note 23 "Remuneration of councillors"

## Bojanala Platinum District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 37. Prior-year adjustments

The following prior period errors adjustments occurred:

##### 1. Employee benefits obligation disclosure note

The employee benefits obligation disclosure note on the prior year annual financial didn't split the amounts of employee benefit obligation between LSA and PEMA liabilities correctly for the current and non-current portions.

##### 2. Lease rentals on operating lease

The operating lease expenditure was understated by R701 235 due to invoice differences on Rustenburg Local Municipality account, Payables from exchange was understated by the same amount.

##### 3. Finance costs

Interest expense was overstated in the prior year by R138 373 due to invoice differences on Rustenburg Local Municipality account, payables from exchange transactions were overstated by the same amount.

##### 4. Trade payables from exchange

Trade payables from exchange transactions were understated by R881 309 due to invoice differences on Rustenburg Local Municipality account from years prior to 2024 FY. Accumulated surplus was therefore overstated by the same amount.

##### 5. VAT receivable

VAT receivable of R7 440 543 was incorrectly classified on the face of the financial statement instead of being included as part of receivables from exchange transactions. Receivables from exchange transactions were therefore understated by the same amount.

##### 6. Employee related costs note

Stipends for EPWP workers was incorrectly included as part of basic salaries on the employee related costs note, these have been reclassified to show them separately on the note.

##### 7. Other financial assets

Other financial assets of R5 526 649 relating to Funds held in a trust account were incorrectly classified under receivables from non-exchange transactions in the prior year. Receivables from non-exchange was overstated by the same amount.

##### 8. Irregular expenditure

The amount disclosed as irregular expenditure in the prior year was understated by R1 006 973 due to an accrual ceded to another supplier which was not included on the register.

##### 9. Contingent assets

The prior year contingent assets note included cases which didn't meet the definition of contingent assets. These are labour matters and have been referenced as such on the disclosure note.

#### Statement of financial position

2023

	Note	As previously reported	Correction of error	Restated
Accumulated surplus		(232 771 180)	881 309	(231 889 871)

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#### 37. Prior-year adjustments (continued)

##### 2024

	Note	As previously reported	Correction of error	Re-classification	Restated
Trade and other payables from exchange transactions		(63 803 690)	(1 444 171)	-	(65 247 861)
Receivables exchange transactions		985 385	-	7 440 543	8 425 928
VAT receivable		7 440 543	-	(7 440 543)	-
Receivables from non-exchange transactions		7 765 546	-	(5 526 649)	2 238 897
Other financial assets		-	-	5 526 649	5 526 649
		<b>(47 612 216)</b>	<b>(1 444 171)</b>	<b>-</b>	<b>(49 056 387)</b>

#### Statement of financial performance

##### 2024

	Note	As previously reported	Correction of error	Restated
Lease rentals on operating leases		12 766 119	701 235	13 467 354
Finance costs		923 284	(138 373)	784 911
<b>Surplus for the year</b>		<b>13 689 403</b>	<b>562 862</b>	<b>14 252 265</b>

#### 38. Risk management

##### Financial risk management

The municipality's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The municipality's Treasury function provides services to the business, co-ordinates access to domestic markets, monitors and manages the financial risks relating to the operations of the municipality through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including interest rate risk and price risk), credit risk and liquidity risk.

The municipality seeks to minimise the effects of these risks in accordance with its policies approved by the Council. The policies provide written principles on interest rate risk, credit risk and in the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Director Financial Services on a continuous basis. The municipality does not enter into or trade in financial instruments, including derivative financial instruments, for speculative purposes.

The Treasury function reports periodically to the municipality's finance committee, that monitors risks and policies implemented to mitigate risk exposures.

## Bojanala Platinum District Municipality

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#### 38. Risk management (continued)

##### Liquidity risk

Liquidity risk is the risk that the municipality will encounter difficulty in raising funds to meet commitments associated with financial liabilities.

Ultimate responsibility for liquidity risk management rests with the Council, which has built an appropriate liquidity risk management framework for the management of the municipality's short, medium and long-term funding and liquidity management requirements. The municipality manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity risk is managed by ensuring that all assets are reinvested at maturity at competitive interest rates in relation to cash flow requirements. Liabilities are managed by ensuring that all contractual payments are met on a timely basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

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.

At 30 June 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables from exchange transactions	42 042 266	-	-	-
Finance lease obligation	13 183 186	24 586 781	-	-

At 30 June 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables from exchange transactions	24 379 229	-	-	-
Finance lease obligation	1 198 133	2 119 606	-	-

## Bojanala Platinum District Municipality

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#### 38. Risk management (continued)

##### Credit risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the municipality to incur financial loss.

Potential concentrations of credit risk consist mainly of investments, loans and receivables, trade receivables, other receivables, short-term investment deposits and cash and cash equivalents.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with well-established financial institutions of high credit standing. The credit exposure to any single counterparty is managed by setting transaction/ exposure limits, which are included in the municipality's Investment Policy.

Trade receivables comprise of a large number of ratepayers, dispersed across different industries and geographical areas. Ongoing credit evaluations are performed on the financial condition of these customers. Trade receivables are presented net of an allowance for impairment and where appropriate, credit limits are adjusted.

Credit risk pertaining to trade and other receivables is considered to be moderate due the diversified nature of debtors and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply.

In the case of customers whose accounts become in arrears, it is endeavoured to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Non-current Receivables and Other Receivables are collectively evaluated annually at reporting date for impairment or discounting. A report on the various categories of customers is drafted to substantiate such evaluation and subsequent impairment / discount, where applicable.

The municipality only deposits with major banks with high quality credit standing.

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
Receivables from exchange transactions	1 052 300	920 300
Receivables from non-exchange transactions	812 277	2 238 897
Other financial assets	-	5 526 649
Cash and bank	314 115 223	355 077 932

Details of the credit quality of financial assets in terms of, whether they are due yet or not and if they have been impaired or not has been disclosed on the respective notes to the annual financial statements for each financial asset above.

The municipality doesn't have any financial assets with renegotiated terms.

##### Market risk

## Bojanala Platinum District Municipality

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#### 38. Risk management (continued)

##### Interest rate risk

The municipality is exposed to interest rate risk due to the movements in long-term and short term interest rates.

Interest rate risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

The municipality's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings and finance leases are therefore usually at fixed rates.

This risk is managed on an ongoing basis.

##### Foreign exchange risk

The municipality does not hedge foreign exchange fluctuations.

The municipality reviews its foreign currency exposure, including commitments on an ongoing basis. The municipality expects its foreign exchange contracts to hedge foreign exchange exposure.

##### Price risk

The effect of any price risk in the foreseeable future is regarded as minimal given the fact that amounts receivable from the municipality's customers are levied in terms of the relevant statutes. It is not anticipated that given the nature of the municipality's business that changes in market prices will have a material impact on the trading results of the municipality. There has been no change, since the previous financial year, to the municipality's exposure to market risks or the manner in which it manages and measures the risk.

#### 39. Going concern

We draw attention to the fact that at 30 June 2025, the municipality had an accumulated surplus of R 311 511 090 and that the municipality's total asset exceed its liabilities by R 320 929 942.

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

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

#### 40. Events after the reporting date

The municipality received a court order in August 2025 for funds held in a trust account to be paid over to a plaintiff as the municipality had lost the court case. The effects of the event have been adjusted in the accounting records as it was indicative of conditions that existed at year-end.

No other material events after the reporting date were noted.

#### 41. Unauthorised expenditure

Opening balance as previously reported	394 249 671	394 691 079
<b>Opening balance as restated</b>	<b>394 249 671</b>	<b>394 691 079</b>
Add: Expenditure identified - current	77 395 481	-
Less: Approved/condoned/authorised by council	(88 943 497)	(441 408)
<b>Closing balance</b>	<b>382 701 655</b>	<b>394 249 671</b>

## Bojanala Platinum District Municipality

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### Notes to the Annual Financial Statements

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<b>41. Unauthorised expenditure (continued)</b>		
<b>The over expenditure incurred by municipal departments during the year is attributable to the following categories:</b>		
Non-cash	47 565 599	-
Cash	29 829 882	-
	<b>77 395 481</b>	-
<b>Unauthorised expenditure: Budget overspending – per municipal department:</b>		
Municipal Manager	48 885 763	-
Finance	24 622 513	-
Corporate services	3 887 205	-
	<b>77 395 481</b>	-
<b>42. Fruitless and wasteful expenditure</b>		
Opening balance as previously reported	7 733 977	7 423 266
Correction of prior period error	-	33 924
<b>Opening balance as restated</b>	<b>7 733 977</b>	<b>7 457 190</b>
Add: Expenditure identified - current	196 173	276 787
<b>Closing balance</b>	<b>7 930 150</b>	<b>7 733 977</b>

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#### 42. Fruitless and wasteful expenditure (continued)

Expenditure identified in the current year include those listed below:

	Details of fruitless and wasteful expenditure	
Interest	195 742	233 797
Penalties	431	33 690
Accommodation expenditure in vain	-	9 300
	<u>196 173</u>	<u>276 787</u>

#### 43. Irregular expenditure

Opening balance as previously reported	717 335 671	643 429 142
Opening balance as restated	<b>717 335 671</b>	<b>643 429 142</b>
Add: Irregular Expenditure - current	181 317 339	80 984 828
Add: Irregular expenditure - prior year identified in the current year	1 006 973	12 921 701
Closing balance	<u><b>899 659 983</b></u>	<u><b>717 335 671</b></u>

Incidents/cases identified/reported in the current year include those listed below:

	Details of irregular expenditure	
Contract has expired. The contract is currently continuing on month to month basis in contravention of MFMA Section 116 (3) SCM regulations not followed	9 889 631	22 127 431
	<u>171 427 708</u>	<u>38 357 397</u>
	<u><b>181 317 339</b></u>	<u><b>60 484 828</b></u>

#### 44. UIFW investigation

The municipality has embarked on investigating UIFW balances in the 2024/25 financial year. Unauthorised expenditure of amount R88 943 497 has been written-off by council and the MPAC has tabled additional UIFW to council for further write-offs in the 2025/26 financial year.

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<b>45. Additional disclosure in terms of Municipal Finance Management Act</b>		
<b>Contributions to organised local government ( SALGA)</b>		
Current year subscription / fee	2 610 928	2 491 604
Amount paid - current year	(2 610 928)	(2 491 604)
	-	-
<b>Audit fees</b>		
Current year subscription / fee	5 363 697	4 556 606
Amount paid - current year	(5 363 697)	(4 556 606)
	-	-
<b>PAYE and UIF</b>		
Current year subscription / fee	44 825 441	42 344 309
Amount paid - current year	(44 825 441)	(38 572 949)
	-	3 771 360
<b>Pension and Medical Aid Deductions</b>		
Current year subscription / fee	52 238 619	50 986 250
Amount paid - current year	(52 238 619)	(46 770 210)
	-	4 216 040
<b>VAT</b>		
VAT output payables and VAT input receivables are shown in note 6.		
All VAT returns have been submitted by the due date throughout the year.		
<b>Supply chain management regulations</b>		
In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/condoned by the Municipal Manager and noted by Council. The expenses incurred as listed hereunder have been condoned.		
<b>Incident</b>		
Emergency - MSCM 36(1)(a)(i)	-	27 012
It was impractical or impossible to follow the official procurement process as per MCMR 36(1)(v)	-	13 719
It was impractical or impossible to follow the official procurement process as per MCMR 36(1)(v), due to the sensitivity of the matter	-	-
SCM policy 9.2.28 Professional services below R200 000	-	129 600
Single provider/Accredited professional bodies - MSCM 36(1)(a)(ii)	3 378 439	654 770
	-	-
	-	-
	3 378 439	825 101

## Bojanala Platinum District Municipality

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#### 46. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the Council and includes a note to the annual financial statements.

Please refer to the detail listing above for deviations and reasons for deviation (Supply Chain Management Regulations) with a total balance of R3 378 439 (2024: R825 101).

## Bojanala Platinum District Municipality

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#### 47. Segment information

##### General information

##### Identification of segments

The municipality is organised and reports to management on the basis of three major functional areas: primary, secondary and tertiary educational services. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

##### Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

##### Reportable segment

COMMUNITY AND SOCIAL SERVICES  
HEALTH SERVICES  
BUDGET AND TREASURY

##### Goods and/or services

Community and Social Services, Public Safety;  
Health Services;  
Finance and administrative services

## Bojanala Platinum District Municipality

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#### 47. Segment information (continued)

##### Segment surplus or deficit, assets and liabilities

2025

	COMMUNITY AND SOCIAL SERVICES	HEALTH SERVICES	FINANCE	Unallocated	Total
<b>Revenue</b>					
Government grants & subsidies	-	-	412 519 823	-	412 519 823
License and permits	185 864	818 399	-	-	1 004 263
Interest received	-	-	30 764 983	-	30 764 983
Other income	-	-	66 826	-	66 826
Rental of facilities	-	-	132 000	-	132 000
Fines, penalties & forfeits	-	3 377 430	-	-	3 377 430
Insurance proceeds	-	-	11 999	-	11 999
<b>Total segment revenue</b>	<b>185 864</b>	<b>4 195 829</b>	<b>443 495 631</b>	<b>-</b>	<b>447 877 324</b>
<b>Entity's revenue</b>					<b>447 877 324</b>
<b>Expenditure</b>					
Employee related costs	91 449 558	36 572 795	16 768 111	85 902 474	230 692 938
Remuneration of councillors	-	-	-	21 813 803	21 813 803
Depreciation and amortisation	-	-	9 665 564	1 508 428	11 173 992
Lease rentals on operating lease	-	-	-	11 914 389	11 914 389
Impairment loss	-	-	-	1 605 816	1 605 816
Consumables	128 661	214 271	165 274	6 420 942	6 929 148
Contracted services	1 226 448	503 757	24 485 200	52 706 368	78 921 773
Finance costs	-	-	5 470 110	-	5 470 110
Operational costs	1 801 287	1 883 551	11 046 727	83 205 498	97 937 063
Gain on foreign exchange	-	-	(67 695)	-	(67 695)
Actuarial loss	-	-	3 057 000	-	3 057 000
Fair value adjustments	-	-	(40 000)	-	(40 000)
Loss on disposal of assets	-	-	19 554	-	19 554
<b>Total segment expenditure</b>	<b>94 605 954</b>	<b>39 174 374</b>	<b>70 569 845</b>	<b>265 077 718</b>	<b>469 427 891</b>

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	COMMUNITY AND SOCIAL SERVICES	HEALTH SERVICES	FINANCE	Unallocated	Total
<b>47. Segment information (continued)</b>					
<b>Total segmental surplus/(deficit)</b>	<b>(94 420 090)</b>	<b>(34 978 545)</b>	<b>372 925 786</b>	<b>(265 077 718)</b>	<b>(21 550 567)</b>
<b>Assets</b>					
Receivable from exchange transactions	-	-	23 354 082	-	23 354 082
Receivables from non-exchange transactions	-	-	812 277	-	812 277
Cash and cash equivalent	-	-	314 115 223	-	314 115 223
Property, plant & equipment	14 287 988	648 390	(3 161 741)	133 955 402	145 730 039
Intangible assets	-	-	1 928 690	-	1 928 690
Investment property	-	-	250 000	-	250 000
<b>Total segment assets</b>	<b>14 287 988</b>	<b>648 390</b>	<b>337 299 431</b>	<b>133 955 402</b>	<b>486 191 211</b>
<b>Total assets as per Statement of financial Position</b>					<b>486 191 211</b>
<b>Liabilities</b>					
Finance lease liability	-	-	(37 769 967)	-	(37 769 967)
Payables from exchange transactions	(151 249)	-	(83 913 054)	-	(84 064 303)
Employee benefit obligation	-	-	(43 427 000)	-	(43 427 000)
<b>Total segment liabilities</b>	<b>(151 249)</b>	<b>-</b>	<b>(165 110 021)</b>	<b>-</b>	<b>(165 261 270)</b>
<b>Total liabilities as per Statement of financial Position</b>					<b>(165 261 270)</b>

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

## Bojanala Platinum District Municipality

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#### 47. Segment information (continued)

2024

	COMMUNITY AND SOCIAL SERVICES	HEALTH SERVICES	FINANCE	Unallocated	Total
<b>Revenue</b>					
Government grants & subsidies	-	-	402 759 290	-	402 759 290
Licence and permits	202 964	478 030	-	-	680 994
Interest received	-	-	31 826 088	-	31 826 088
Other Income	-	-	517 301	-	517 301
Rental of facilities	-	-	114 783	-	114 783
Fines, penalties and forfeits	-	2 919 176	-	-	2 919 176
Gain on foreign exchange	-	-	81 782	-	81 782
Insurance proceeds	-	-	574 160	-	574 160
<b>Total segment revenue</b>	<b>202 964</b>	<b>3 397 206</b>	<b>435 873 404</b>	<b>-</b>	<b>439 473 574</b>
<b>Entity's revenue</b>					<b>439 473 574</b>
<b>Expenditure</b>					
Employee related costs	102 549 122	33 454 507	16 799 641	65 839 533	218 642 803
Remuneration of councillors	-	-	-	21 227 536	21 227 536
Depreciation and amortisation	-	-	7 833 146	970 251	8 803 397
Lease rentals on operating lease	-	-	-	13 467 354	13 467 354
Impairment loss	-	-	-	786 347	786 347
Consumables	119 959	45 734	234 166	3 253 389	3 653 248
Contracted services	-	326 160	11 581 309	25 354 899	37 262 368
Finance costs	-	-	784 911	-	784 911
Operational costs	1 693 496	718 446	9 310 500	22 662 830	34 385 332
Loss on disposal of assets	-	-	770 494	-	770 494
Actuarial gains/losses	-	-	(1 482 000)	-	(1 482 000)
<b>Total segment expenditure</b>	<b>104 362 577</b>	<b>34 544 847</b>	<b>45 832 227</b>	<b>153 562 139</b>	<b>338 301 790</b>
<b>Total segmental surplus/(deficit)</b>	<b>(104 159 613)</b>	<b>(31 147 641)</b>	<b>390 041 177</b>	<b>(153 562 139)</b>	<b>101 171 784</b>



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	COMMUNITY AND SOCIAL SERVICES	HEALTH SERVICES	FINANCE	Unallocated	Total
<b>47. Segment information (continued)</b>					
<b>Assets</b>					
Receivables from exchange transactions	-	-	8 425 928	-	8 425 928
Other financial assets	-	-	5 526 649	-	5 526 649
Receivables from non-exchange transactions	-	-	2 238 897	-	2 238 897
Cash and cash equivalents	-	-	355 077 932	-	355 077 932
Property, plant and equipment	3 940 234	505 890	4 314 994	65 448 637	74 209 755
Intangible assets	-	-	1 943 945	-	1 943 945
Investment property	-	-	210 000	-	210 000
<b>Total segment assets</b>	<b>3 940 234</b>	<b>505 890</b>	<b>377 738 345</b>	<b>65 448 637</b>	<b>447 633 106</b>
<b>Total assets as per Statement of financial Position</b>					<b>447 633 106</b>
<b>Liabilities</b>					
Finance lease liability	-	-	(3 317 739)	-	(3 317 739)
Payables from exchange transactions	(83 144)	-	(65 164 717)	-	(65 247 861)
Employee benefit obligation	-	-	(36 587 000)	-	(36 587 000)
<b>Total segment liabilities</b>	<b>(83 144)</b>	<b>-</b>	<b>(105 069 456)</b>	<b>-</b>	<b>(105 152 600)</b>
<b>Total liabilities as per Statement of financial Position</b>					<b>(105 152 600)</b>

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

#### Information about geographical areas

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#### 47. Segment information (continued)

The Bojanala Platinum District Municipality covers an area of approximately 18,300km<sup>2</sup> and comprises 17% of the total size of the North West Province.

The district includes the local municipalities namely: Rustenburg (Marikana, Mooiooi, Phatsima and Tlhabane) Madibeng ( Brits and Hartebeespoort), Moses Kotane (Mogwase and Madikwe) Kgetleng Rivier (Derby Koster and Swartruggens) and Moretele.

The municipalities, apart from Rustenburg, are all rural. The necessary information per geographical area is not available and the cost to develop it will be too excessive.

Rustenburg is the head office of the District Municipality from where all operations are controlled from, all geographical information are indicated under Rustenburg.

The table below indicates the relevant geographical information after eliminating inter segmental transfers:

#### 2025

	External revenues from non-exchange transactions	External revenues from exchange transactions	Total expenditure	Non-current assets*
Rustenburg	1 203 089	446 674 235	(466 459 032)	147 908 730

#### 2024

	External revenues from exchange transactions	External revenues from non-exchange transactions	Total expenditure	Non-current assets*
Rustenburg	1 313 079	438 078 714	(339 013 296)	76 363 700

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#### 48. Budget differences

**Material differences between budget and actual amounts**

## Bojanala Platinum District Municipality

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#### 48. Budget differences (continued)

##### 48.1 Rental of facilities

There was no budget raised for rental of facilities revenue.

##### 48.2 Licences and permits

There was no budget raised for licence and permits revenue.

##### 48.3 Other income and Insurance proceeds

There was no budget raised for other income and insurance proceeds.

##### 48.4 Interest received

The municipality has invested with Financial Institutions and received high favourable Interest rate percentages due to available cash flow, hence the actual is above budget.

##### 48.5 Fines, penalties and forfeits

The municipality under budgeted for fines, penalties and forfeits based on prior year's fines which were relatively lower.

##### 48.6 Employee related costs

The reason for the underspending is due to positions that have been budgeted which have not been appointed, some employees have resigned, retirements and employment contracts that have ended.

##### 48.7 Impairment loss

There was no budget provided for impairment losses.

##### 48.8 Finance costs

There was no budget provided for finance costs.

##### 48.9 Lease rentals on operating lease.

There was no budget for lease rentals on operating leases due to misalignment of the budget relative to the operational plans of the entity.

##### 48.10 Consumables

There was no budget raised for consumables.

##### 48.11 Contracted services

The reason for the under expenditure is mainly due to cost containment initiatives and misalignment of the budget relative to the operational plans of the entity and misalignment of the budget relative to the operational plans of the entity as contracted services was over budgeted. A significant budget amount was allocated to contracted services but however some of the actual expenditure items didn't meet the definition of contracted services and were classified as general expenditure.

##### 48.12 Operational costs

The reason for the over expenditure is mainly due to critical operational activities incurred in the current year and misalignment of the budget relative to the operational plans of the entity as contracted services was over budgeted. A significant budget amount was allocated to contracted services but however some of the actual expenditure items didn't meet the definition of contracted services and were classified as general expenditure.

##### 48.13 Loss on disposal of assets, gain on foreign exchange, fair value adjustments, actuarial gains/loss

There was no budget provided for the loss on disposal of assets, gain on foreign exchange, fair value adjustments and actuarial gains/losses.

##### 48.14 Receivables from exchange transactions

The budget didn't include VAT receivables being classified under receivables from exchange transactions. The municipality made a lot of payments to suppliers in June 2025 which hadn't been claimed from SARS by 30 June 2025 hence a higher VAT receivable compared to prior years which the budget is based on.

##### 48.15 Receivables from non-exchange transactions

There was no budget raised for receivables from non-exchange transactions.

##### 48.16 Cash and cash equivalents

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#### 48. Budget differences (continued)

The municipality didn't correctly budget for cash and cash equivalents as the opening amount on the budget didn't agree to the audited cash and cash equivalents from 2024 financial year.

#### 48.17 Investment property

There was no budget raised for Investment property.

#### 48.18 Property, Plant and Equipment

Variance below 10%.

#### 48.19 Intangible assets

The budget was not done correctly as intangible assets had a negative amount.

#### 48.20 Finance lease obligation

There was no budget raised for finance lease obligations.

#### 48.21 Payables from exchange transactions

There was no budget raised for payables from exchange transactions, the municipality didn't correctly budget for trade payables which are payable 30 days after year-end and other employee related payables.

#### 48.22 Payables from non-exchange transactions

The municipality doesn't have any payables from non-exchange transactions hence the budget was not properly aligned to the operations of the municipality.

#### 48.23 Employee benefit obligations

There was no budget raised for employee benefit obligations.

#### 48.24 Provisions

The municipality doesn't have any provisions hence the budget was not properly aligned to the operations of the municipality.

#### 48.25 Revaluation reserve

There was no budget raised for revaluation reserves.

#### 48.26 Accumulated surplus

The budget was not done properly as the reserves budget should have been equal to the net assets budget.

#### 48.27 Cash flow from - Sale of goods and services

The municipality received more cash from sale of goods and services than anticipated as the receivables balances (excluding VAT) went down, meaning more customers paid the municipality.

#### 48.28 Cash flow from - Interest Income

The municipality received higher interest rates this year from the ABSA investment tracker account than other external investments hence external investments were very few in the current compared to prior years.

#### 48.29 Cash paid for - Finance costs

There was no budget raised for finance costs.

#### 48.30 Purchase of property, plant and equipment

The municipality incurred extensive capital projects (held as WIP) in the current year in a bid to assist local municipalities and these were under budgeted for.

#### 48.31 Purchase of Intangible assets

There was no budget raised for purchase of intangible assets.

#### 48.32 Finance lease payments

There was no budget raised for finance lease payments.

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**49. Change in estimate**

**Property, plant and equipment**

The useful life of certain items of Property, plant and equipment was revised. The effect of this revision on depreciation charges for the current period is as follows.

Effect of change in current periods

Depreciation on property plant and equipment

	Effect of the change in estimate - 2025	Effect of the change in estimate - 2024
Motor vehicles	182 264	305 910
Computer equipment	11 311	9 164
Office equipment	(14 799)	122 037
Plant and machinery	661	6 219
	<b>179 437</b>	<b>443 330</b>