



VICTOR KHANYE

LOCAL MUNICIPALITY – PLAASLIKE MUNISIPALITEIT

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BUDGET & TREASURY OFFICE

QUALITY CERTIFICATE

I, **T.M MASHABELA**, Municipal Manager of Victor Khanye Local Municipality, hereby certify that the budget statement for April 2025/26 has been prepared in accordance with the Municipal Finance Management Act and regulation made under that Act

INITIALS AND SURNAME *T.M MASHABELA*

MUNICIPAL MANAGER OF VICTOR KHANYE LOCAL MUNICIPALITY MP311

SIGNATURE *T.M Mashabela*

DATE *12 May 2026*



VICTOR KHANYE

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BUDGET AND TREASURY

Enquires: S Maphanga

Ref: 8/2/1/2

TO : MUNICIPAL MANAGER
T.M MASHABELA

FROM : CHIEF FINANCIAL OFFICER
T.P MAHLANGU

DATE : 11 MAY 2026

RE : SECTION 71 REPORT

PURPOSE

To provide the Executive Mayor/Council with the budget and financial performance report for 30 April 2025_26.

BACKGROUND

In terms of section 71(1) of the Municipal Finance Management Act (MFMA) No. 56 of 2003, the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasuries a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month. The format was amended in line with the Municipal Budget and Reporting Regulation and approved in terms of Section 168 of the Municipal Finance Management Act per Government Gazette No. 32141 dated 17 April 2009 for implementation with effect from 1 April 2009 as follows:

- a) Actual revenue, per revenue source;
- b) Actual borrowings;
- c) Actual operating expenditure, per vote;
- d) Actual capital expenditure, per vote;
- e) The amount of any allocation received;
- f) Actual expenditure on those allocations, excluding expenditure on – Its share of the local government equitable share; and
 - ii. Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph and;

- g) When necessary, an explanation of –
- iii. Any material variance from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
 - iv. Any material variance from the service delivery and budget implementation plan; and
 - v. Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remains within the municipality's approved budget

The format was amended in line with the Municipal Budget and reporting regulations and approved in terms of section 168 of the MFMA, per government gazette no 32141 dated 17 April 2009 for implementation with effect from 1 April 2009 as follows:

Table C1 s71 actual monthly Budget Statement Summary;

Table C2 actual monthly Budget Statement- Financial Performance (standard classification);

Table C3 actual monthly Budget Statement – Financial Performance (per vote);

Table C4 actual monthly Budget Statement – Financial Performance (revenue and expenditure);

Table C5 actual monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding);

Table C6 actual monthly budget statement – financial position.

Table C7 actual monthly statement - Cash flow.

DISCUSSION

To ensure legally sound financial management on the activities performed by the municipality and financial viability, also to provide monthly report on the implementation of the Annual Budget and the actual monthly revenue and expenditure on standard classification of votes.

1. EXECUTIVE SUMMARY

- **Table C1: Monthly Budget Statement Summary April 2025_26**

Description	Budget	Adjustment budget	Apr Actual	YTD Actual	YTD Budget
Revenue	- 948 495 000	- 973 500 000	- 126 497 000	- 1 515 743 000	- 805 416 000
Expenditure	994 017 000	1 002 079 000	117 924 000	781 804 000	832 485 000
Surplus/Deficit	45 522 000	28 579 000	- 8 573 000	- 733 939 000	
Capital expenditure	65 245 000	64 495 000	3 167 000	27 667 000	53 921 000
Debtors			2 157 570 000		
Creditors			1 808 650 000		
Average payment rate	85%		23%		

The actual revenue billed for April amounted to **R126 million**. When comparing the year-to-date actual of **R1.5 billion** with the year-to-date budget of **R805 million**, there is a variance of **R567 million (88%)**.

The expenditure amounted to **R117 million** with a year-to-date actual of **R781 million**. In comparison with the year-to-date budget of **R832 million**, there is a negative variance of **R50 million (-6%)**.

The net operating surplus for April amounts to **R8.5 million** and the year-to-date surplus amounts to **R733 million**.

All grants allocations are 100% received. Expenditure incurred for MIG amounted to **R1.3 million**, EPWP expenditure amounted to **R457 thousand** and FMG expenditure amounted to **R107 thousand**. There is no recorded expenditure for the Municipal Disaster Response Grant to date.

Ageing debtors amounted to **R2.1 billion** and on Creditors **R1.8 billion** in which the highest is an amount of **R1.2 billion** owed to Eskom and **R515 million** owed to Rand Water.

The payment rate for the month ending April 2026 is **23%**, reflecting a decrease of 3% from the previous month. The overall decline in the payment rate is largely attributable to the billing challenges related to Kusile and the corrections made on agricultural property owners that moved from the agricultural category to residential. The billing has increased, however the payments for the property rate service has declined, causing a negative impact on the payment rate.

REVENUE VARIANCES

	Original budget	Adjustment Budget	Monthly Actual	YTD Actual	YTD Budget	Variance	Variance %
R thousands							
Revenue By Source							
Exchange revenue							
Service charges - electricity revenue	246 628 000	250 631 000	17 990 000	179 068 000	207 925 000	- 28 857 000	-14%
Service charges - water revenue	78 691 000	78 691 000	4 261 000	57 711 000	65 576 000	- 7 865 000	-12%
Service charges - sanitation revenue	14 392 000	14 392 000	396 000	10 182 000	11 993 000	- 1 811 000	-15%
Service charges - refuse revenue	15 318 000	18 318 000	356 000	12 158 000	14 565 000	- 2 407 000	-17%
Sale of Goods and rendering of services	7 231 000	9 086 000	275 000	3 111 000	7 139 000	- 4 028 000	-56%
Interest earned - outstanding debtors	165 255 000	165 255 000	-	440 000	137 712 000	- 137 272 000	-100%
Rental of facilities and equipment	1 641 000	1 641 000	178 000	1 748 000	1 368 000	380 000	28%
Operational revenue	806 000	431 000	65 000	656 000	447 000	209 000	47%
Interest from non-current Assets	-	-	-	-	-	-	-
Non-exchange revenue							
Property rates	128 920 000	138 920 000	89 947 000	951 257 000	113 433 000	837 824 000	739%
Fines, penalties and forfeits	2 235 000	2 235 000	-	1 174 000	1 863 000	- 689 000	-37%
Surcharges and Taxes	73 281 000	73 281 000	- 155 000	49 643 000	61 068 000	- 11 425 000	-19%
Interest	53 090 000	59 612 000	9 777 000	88 055 000	48 155 000	39 900 000	83%
Other Gains							
Transfers and Subsidies - Operational	161 007 000	161 007 000	3 405 000	160 541 000	134 173 000	26 368 000	20%
Total revenue (excluding capital transf	948 495 000	973 500 000	126 495 000	1 515 744 000	805 417 000	710 327 000	88%

EXCHANGE AND NON-EXCHANGE REVENUE

Service Charges – Electricity

The billing for April amounted to **R17.9 million** and a year to date of **R179 million**, which shows a negative variance when in comparison with the year to date budget **R207 million (-14%)**. The municipality currently has 337 direct connections installed by the electricians in response to exceptions flagged by the Conlog DCU system, representing an increase of 13 from the previous total of 324. These interventions generated revenue amounting to R52,009 for the month of April 2026.

Service Charges – Water

The billing for April amounted to **R4 million**. When the year-to-date actual **57 million** is compared with the year to date budget **R65 million**, there is a variance of **(-12%)**. There is a data-cleansing programme done in-house by the revenue section, which aims to make billing more accurate, it is anticipated that the billing in the fourth quarter and going forward will increase in services where a service charge is billed.

Service Charge – Sanitation

The billed revenue for April amounted to **R1 million**, the year to date was **R9.7 million** and compared with the year to date budget of **R10.7 million**, the variance is **(-9%)**. This is the low performing service charge; however, it remains within the acceptable norm.

Service Charge – Refuse removal

The billed revenue amounted to **R1 million**, the year to date was **R11.8 million** and compared to the year to date budget of **R12.6 million**, there is a negative variance of **-7%**.

Rental of facilities and equipment

Billing for rental of facilities amounted to **R178 thousand**, Year to date actual is higher than year to date budget due to change in tariffs.

Operational Costs

Billing for operational costs amounted to **R65 thousands**, with the year to date of **R656 million** and the year to date budget of **R447 million**, there is a positive variance of **47%**. Operational revenue comprise of grave fees, connection/disconnection of water and electricity fees, building plans.

Property Rates

Billing for property rates for April amounted to **R89 million** and the year to date amounted to **R951 million** as compared to the year to date budget of **R113 million**, there is huge negative variance of **(739%)**. The unresolved enquiry between the municipality and Kusile Power Station over the valuation is negatively affecting the payment rate, which is sitting at **23%**. However, the submitted results of the supplementary valuation done by the municipality showed the same market value but in different categories. The municipality continues

Surcharges and Taxes – Surcharges billed amounted to **R5.5 million (-9%)**. Surcharges are additional fees, charges, or taxes added to the base price of a good or service. Comprise of items such as flat rate, trading licenses, waste disposal from private clients, printing of consumers statement, printing of clearance/valuation certificates, fire and rescue services etc.

Transfers and subsidies

Capital and in-kind (-100%) are only acknowledged at the end of the financial year when they are recognised as revenue.

Interest

Billing for interest on consumers debtors amounted to **R9.7 million** for both the exchange and non-exchange revenue respectively.

Actual year-to-date in 2025_26 financial year amounted to **R1.5 billion**, included in that revenue are the grant monies received for equitable share, municipal infrastructure grant, Financial Management Grant, Extended Public Works Programme and Municipal Disaster Response Grant.

EXPENDITURE

Monthly Budget Statement - Financial Performance (Expenditure) – April 2025_26.

	Original Budget 2024/25	Adjustment Budget	Monthly Actual	YTD Actual	YTD budget	Variance	Variance %
R thousands							
Expenditure By Type							
Employee related costs	211 691 000	219 640 000	17 646 000	178 852 000	181 179 000	- 2 327 000	-1%
Remuneration of councillors	12 146 000	12 146 000	836 000	8 472 000	10 122 000	- 1 650 000	-16%
Bulk purchases - Electricity	228 174 000	226 174 000	18 360 000	206 229 000	188 945 000	17 284 000	9%
Inventory consumed and Bulk purchase	124 623 000	117 918 000	5 607 000	69 179 000	100 510 000	- 31 331 000	-31%
Debt impairment	89 408 000	61 908 000	-	-	57 007 000	- 57 007 000	-100%
Depreciation and asset impairment	53 279 000	56 591 000	13 832 000	43 182 000	46 386 000	- 3 204 000	-7%
Finance charges	50 000 000	60 000 000	11 104 000	100 221 000	47 667 000	52 554 000	110%
Contracted services	128 878 000	144 932 000	15 688 000	97 508 000	114 531 000	- 17 023 000	-15%
Transfers and subsidies	-	-	-	-	-	-	0%
Irrecoverable debts written off	31 594 000	31 383 000	29 952 000	32 746 000	26 202 000	6 544 000	25%
Operational Costs	64 224 000	71 387 000	4 899 000	45 415 000	59 938 000	- 14 523 000	-24%
Losses on Disposal of Asset	-	-	-	-	-	-	0%
Other Losses	-	-	-	-	-	-	0%
Total Expenditure	994 017 000	1 002 079 000	117 924 000	781 804 000	832 487 000	- 50 683 000	-6%

Employee related cost – For April 2025_26 total salaries, including allowances and benefits including remuneration of councillors amounted to **R18.4 million**.

Bulk Purchases - Electricity – Eskom invoices for April amounted to **R18.3 million**.

An amount of **R5 million** was paid to Eskom in the third quarter, covering both the bulk supply and North Substation accounts. However, the municipality remains non-compliant with the requirements of Debt Relief as outlined in Circular 124.

Inventory consumed – The inventory consumed amounted to **R5.6 million**. The invoice for Rand Water was not captured due to lateness. A payment of **R2 million** was made to Rand Water.

The project for installation of water package plants/boreholes is at 40% towards completion, which is aimed at producing (2) mega-litres of water per day.

Finance charges – Interest is charged on the bulk purchases and amounted to **R11 million**.

Contracted services – Expenditure on contracted services amounted to **R15.6 million(-15%)** in April. The increase is mainly attributable to the unplanned maintenance of water and electricity infrastructure. Contracted services consist of legal fees, general maintenance of infrastructure, insurance, financial and non-financial systems, telephones, etc.

Depreciation continues to have a material impact on the Municipality's financial performance, as it represents the consumption of infrastructure and other fixed assets over time. While it does not directly affect cash flow, it highlights the need for adequate budgeting for asset maintenance, renewal, and replacement. Depreciated was calculated at **R13 million** for April.

Operational costs – For April, general expenditure also amounted to **R4.8 million**. General expenses are, but not limited to PPE, audit fees, skills development, operating lease, material and supplies, etc.

Repairs and Maintenance

Description R thousands	Original Budget 2025/26	Adjustment Budget	Monthly Actual	Year to Date Actual	Year to date Budget	Variance	Variance %
Infrastructure	17 778 000	31 374 000	8 602 000	42 073 000	21 423 000	20 650 000	90%
Roads Infrastructure	4 000 000	3 000 000	135 000	1 595 000	2 733 000	1 138 000	-42%
Capital Spares	4 000 000	3 000 000	135 000	1 595 000	2 733 000	1 138 000	-42%
Electrical Infrastructure	6 000 000	24 162 000	7 744 000	37 282 000	15 547 000	21 735 000	140%
Capital Spares	6 000 000	24 162 000	7 744 000	37 282 000	15 547 000	21 735 000	140%
Water Supply Infrastructure	2 000 000	1 000 000	29 000	541 000	667 000	126 000	-19%
Capital Spares	2 000 000	1 000 000	29 000	541 000	667 000	126 000	19%
Sanitation Infrastructure	2 000 000	2 500 000	468 000	2 178 000	1 967 000	211 000	11%
Capital Spares	2 000 000	2 500 000	468 000	2 178 000	1 967 000	211 000	11%
Solid Waste Infrastructure	3 778 000	712 000	226 000	477 000	509 000	32 000	272%
Capital Spares	3 778 000	712 000	226 000	477 000	509 000	32 000	6%
Information and communication infrastructure	10 950 000	8 200 000	61 000	2 554 000	7 625 000	5 071 000	-67%
Data centres	10 950 000	8 200 000	61 000	2 554 000	7 625 000	5 071 000	-67%
Capital Spares	10 950 000	8 200 000	61 000	2 554 000	7 625 000	5 071 000	-67%
Total Repairs and Maintenance Expenditure	28 728 000	39 574 000	8 663 000	44 627 000	29 048 000	15 579 000	54%

Repairs and maintenance analysis Supporting table SC13c measures the extent to which Council's assets are maintained per asset class. Expenditure incurred for April amounts to **R8.6 million**. Maintenance of assets should have a limit for repairs and routine upkeep (operational expenditure or OpEx) to ensure cost control. While routine maintenance is expensed immediately, expenditures that improve an asset or extend its useful life beyond the original estimate may be capitalized.

NORMS AND RATIOS

Current ratio (0:68)

The ratio shows that the municipality is having financial challenges and insufficient cash to pay off its short-term liabilities using its short-term assets. The reduction of Rand Water bill shows a positive impact on our liabilities.

Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		0.68
				Current Assets	1 557 935
				Current Liabilities	2 294 656

Collection Rate (23%)

A low collection rate signal problems with billing, credit policies, or customer payment habits, potentially impacting revenue.

Collection Rate	(Gross Debtors Closing Balance + Billed revenue - Gross Debtors Opening Balance - Bad debts written off) Billed revenue x100	Statement of Financial Position, Statement of financial performance, Notes to the AFS, Budget in-year reports, IDP and AR	95%		23%
				Gross Debtors closing balance	2 157 570 442
				Gross Debtors opening balance	2 099 667 853
				Bad debts written Off	-
				Billed Revenue	136 963 207

Cash/Cost coverage ratio (1 Month)

The ratio shows the municipality will be vulnerable and at a higher risk in the event of financial “shocks/set-backs” and its ability to meet its obligations to provide basic services or its financial commitment is compromised.

Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year Reports and AR	1 - 3 Months		1 Month
				Cash and cash equivalents	39 477 930
				Unspent Conditional Grants	-
				Overdraft	-
				Short Term Investments	-
Total Annual Operational Expenditure				663 880 000	

Capital expenditure to operating expenditure (5%)

The ratio shows that the low spending by the municipality in infrastructure holds potential risks to service delivery and that the existing infrastructure may deteriorate, requiring more costly repairs and maintenance in the future.

Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		5%
				Total Operating Expenditure	60 918 000
				Taxation Expense	-
				Total Capital Expenditure	3 359 000

Contracted services (18%)

This ratio is alarming, outsourcing decisions will have to be weighed against the ability to attract skills; however, increases in this ratio can further expose the municipality to other risks, such as its inability to build capacity and ongoing reliance on Contractors.

Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%		18%
				Contracted Services	10 992 000
				Total Operating Expenditure	60 918 000
				Taxation Expense	-

Creditor's payment period (346 Days)

Whilst the number of days it takes the municipality to pay its suppliers after receiving goods or services indicates cash flow problems, it is also a direct violation of Section 65(2)(e) of the Municipal Finance Management Act (MFMA) No. 56 of 2003. This severely affect the SMMES, and attracts high interest charges that are classified as fruitless and wasteful expenditure.

Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days		346 days
				Trade Creditors	1 808 650 000
				Contracted Services	15 688 000
				Repairs and Maintenance	8 661 000
				General expenses	109 228 952
				Bulk Purchases	1 775 581 548
				Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)	

4. BUDGET PERFORMANCE OVERVIEW

4.1 CAPITAL EXPENDITURE

Grants	Gazetted Amnt	Total Received to date	Apr Actual	YTD spending	% spent on received amt
MIG	29 618 000	29 618 000	1 373 163	22 499 085	76%

Total allocation for capital grants from the National Treasury for the **2025_26** financial year amounted to **and R29.6 million** for MIG as per the gazette. No allocation made in April as the MIG is 100% received. However, the capital expenditure incurred amounted to **R3.1 million, R1.3 million** from MIG and the rest is from the internally generated funds.

4.2 CASH FLOW STATEMENT

Net Cash from operating activities

The net cash from operating activities as at 30 April amounted to a favourable **R186 thousand** which is supported by grants received from operational and capital project. As part of the budget-funding plan the municipality is busy with the data cleansing, review of tariffs to be cost reflecting and meter audit to ensure that municipality is not grant depended.

Net Cash from investing activities

The net cash from investing activities as at 30 April amounted to **R3 million** of capital projects.

Net Increase/ Decrease in cash held

The municipality recorded an increase in net cash held of **R17 million** as at 30 April 2025.

Description	Apr 2025_26 Actual
R thousands	
CASH FLOW FROM OPERATING ACTIVITIES	
Receipts	
Property rates, penalties & collection charges	10 084
Service charges	17 239
Other revenue	25 004
Government - operating	3 405
Government - capital	-
Interest	215
Dividends	-
Total receipts	55 948
Payments	
Suppliers and employees	(39 992)
Finance charges	(13 832)
Transfers and Grants	(1 937)
Total payments	(55 762)
NET CASH FROM/(USED) OPERATING ACTIVITIES	186
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipts	
Received from arrangements	-
Disposal of assets	-
(Increase) / Decrease in non-current investments	-
Payments	(3 167)
Capital assets	(3 167)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(3 167)
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts	
Increase in consumer deposits	3
Borrowing long term/refinancing	-
Payments	
Repayment of borrowing	-
Finance lease payments	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	3
NET INCREASE/ (DECREASE) IN CASH HELD	(17 949)
Cash/cash equivalents at beginning of the month:	39 478
Cash/cash equivalents at month end:	21 529

5. IN-YEAR BUDGET STATEMENT TABLES

Table C2: **Monthly Financial Performance by Vote** realized by vote for revenue and expenditure. The deviations by vote are reflected in the year-to-date (YTD) variance column.

The difference in revenue variations between Table C2 and Table C1 is the result of capital grants received, which are included in Table C2.

Table C3: **Monthly Financial Performance (Revenue and Expenditure by Vote):**

Table C3 measures the actual year to date against the year to date SDBIP figures, which have been realised by vote for the revenue and expenditure. The deviations by vote are reflected in the year-to-date (YTD) variance column. Total revenue by vote for April resulted in a favourable balance of **R147 million** and total expenditure amounted to **R117 million**.

Table C4: **Monthly Financial Performance by Revenue Source and Expenditure Type**

Table C4 provides details of the service delivery targets for revenue by source and expenditure by type. For revenue, the main deviations are service charges: water, rental of facilities, interest on investments and outstanding debtors, fines, licenses and permits and agency services and other revenue. In the case of expenditure finance charges, contracted services, bulk purchases, other materials, transfer & subsidies and other expenditure. The total deficit in revenue is **88%** and deviation of **-6%** for expenditure for the month compared to the budget.

Table C5: **Monthly Capital Expenditure by Vote**

Table C5 indicates the monthly actuals on capital expenditure for all votes and measures the year-to-date actuals against the year to date planning (SDBIP) figures. For April, the expenditure amounted to **R3 million**.

All municipal departments have been sensitise on the urgency of spending on capital projects that are grant funded and the spending have been linked to the performance of each Executive Directorate.

Table C6: **Monthly Budget Statement Financial Position**

The table provides an overview of the financial position of the municipality's assets and liabilities. As at 30 April 2025_26, the community wealth amounts to a favourable **R283 million**, Total liabilities amounts to **R2.3 billion**, whilst total assets amount to **R2.6 billion** which resulted in a favourable net-assets of **R283 million**, all figures are accumulative.

Table C7: **Monthly Budget Statement Cash Flow**

Table C7 provides detail of the actual year to date in-flow and out-flow. For October, the net cash from operating activities is a favourable **R163.9 million**, the Net cash from investing activities amounted to an unfavourable **R32.2 million**. The net cash from financing activities amounts to **R0**. The Bank balance at the end of the month amounted to **R21 million**.

BANK NAME	TYPE OF ACCOUNT	BALANCE
STD BANK	MAIN ACCOUNT	821 638
STD BANK	CALL ACCOUNT ELEC	16 542 901
STD BANK	CALL ACCOUNT	1 885
STD BANK	TRAFFIC	61 092
STD BANK	MONEY MARKET	960 226
ABSA BANK	CALL ACCOUNT	3 140 892
BALANCE		21 528 635

SUPPORTING DOCUMENTATION

3.1 PERFORMANCE INDICATORS:

- Supporting table SC2 provides detail on performance indicators in particular to revenue management.
- The measurement of the payment rate is based on the circular 71 methods as prescribed by National Treasury. The formula is based on the gross debtor opening balance and billed revenue less gross debtor closing balance less bad debts written off divide by billed revenue. The payment rate is sitting at **23%**

Payment rate inclusive of Kusile Power Station:

Type Of Service	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjust	PaymentRate (Movement)	PaymentRate (Billing)
DEPOSIT	- 20 828	16 290	-	-	-	16 290	128%	0%
ADVANCE PAYMENT	84 874	-	-	-	-	-	0%	0%
INTEREST	- 215 005	9 626 129	9 793 277	- 193 251	26 103	-	2%	2%
VAT	- 2 696 734	4 125 742	4 120 553	- 143 002	144 463	3 729	65%	65%
WATER	- 1 698 490	4 458 702	4 476 262	- 300 745	299 095	- 15 909	38%	38%
ELECTRICITY	- 13 900 926	15 320 393	14 982 019	- 258 010	555 620	40 764	91%	93%
RATES	- 10 084 056	104 917 503	95 487 062	- 167 585	9 536 932	61 094	10%	11%
REFUSE	- 867 019	1 114 622	1 375 425	- 275 843	15 040	-	78%	63%
SEWERAGE	- 772 691	1 000 142	1 067 564	- 111 758	44 336	-	77%	72%
SUNDRIES VAT	- 11 531	-	-	-	-	-	0%	0%
SUNDRY NON VAT	- 50 540	2 147	2 147	-	-	-	2354%	2354%
HIRE	- 888 269	5 700 896	5 658 899	- 6 993	48 990	-	16%	16%
OTHER SERVICES	- 1 864	17 830	-	-	-	17 830	10%	0%
PAYMENT ADVANCED	- 629 445	-	-	-	-	-	100%	100%
Total	- 31 752 523	146 300 396	136 963 207	- 1 457 188	10 670 579	123 798	22%	23%

Payment rate exclusive of Kusile Power Station:

Type Of Service	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	PaymentRate (Movement)	PaymentRate (Billing)
DEPOSIT	- 20 828	16 290	-	-	-	16 290	128%	0%
ADVANCE PAYMENT	84 874	-	-	-	-	-	0%	0%
INTEREST	- 215 005	9 626 129	9 793 277	- 193 251	26 103	-	2%	2%
VAT	- 2 696 734	4 125 742	4 120 553	- 143 002	144 463	3 729	65%	65%
WATER	- 1 698 490	4 458 702	4 476 262	- 300 745	299 095	- 15 909	38%	38%
ELECTRICITY	- 13 900 926	15 320 393	14 982 019	- 258 010	555 620	40 764	91%	93%
RATES	- 10 084 056	104 917 503	12 596 522	- 167 585	9 536 932	61 094	10%	11%
REFUSE	- 867 019	1 114 622	1 375 425	- 275 843	15 040	-	78%	63%
SEWERAGE	- 772 691	1 000 142	1 067 564	- 111 758	44 336	-	77%	72%
SUNDRIES VAT	- 11 531	-	-	-	-	-	0%	0%
SUNDRY NON VAT	- 50 540	2 147	2 147	-	-	-	2354%	2354%
HIRE	- 888 269	5 700 896	5 658 899	- 6 993	48 990	-	15%	16%
OTHER SERVICES	- 1 864	17 830	-	-	-	17 830	10%	0%
PAYMENT ADVANCED	- 629 445	-	-	-	-	-	100%	100%
Total	- 31 752 523	146 300 396	54 072 667	- 1 457 188	10 670 579	123 798	22%	58%

3.2 DEBTORS/RECEIVABLES ANALYSIS:

- 3.3.1 Supporting table SC3 provides details on consumer debtors. Currently outstanding debtors amounts to **R2 .1billion** including interest on arrears. Outstanding debtors over 90days amounts to **R1.8 billion**. The table below reflects the debtor's age analysis by customer group.

CUSTOMER GROUP	APRIL
Organs of state	13 850 164.89
Commercial	91 682 273.39
Households	1 045 060 606.00
Mines	24 727 519.35
Farms	938 623 113.00
Indigent	8 683 978.95
Other	5 296 537.32
Top 200	29 585 791.69
Municipal Prop	60 457.52
	2 157 570 442.11

- The top owing consumer group is that of residential. These includes conventional residents, staff, councillors, pensioners. In this group is the eskom licenced area and constitutes 48% of the debt book. Following is the farms with 44%.

3.3 CREDITORS ANALYSIS:

Supporting table SC4 provides details on aged creditors. In terms of the Municipal Finance Management Act, all creditors must be paid within 30 days of receiving the invoice or statement.

For the month ended in April 2025_26, creditors amounted to **R 1.8 billion** and the bulk of the creditors relates to Eskom account with an amount **R1.2 billion** and Rand Water with an amount of **R515 million**.

3.4 COUNCILLORS ALLOWANCES AND EMPLOYEE BENEFITS ANALYSIS:

The table SC8 provides details for councillor and employee benefits. For April 2025_26, total salaries, allowances and benefits amounted to **R 18.4 million**.

3.5 CAPITAL EXPENDITURE TREND

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table, capital expenditure incurred for April 2026 amounted to **R3.1 million**.

Attached as Annexure are the following:

- The actual monthly Budget Statement Annexure "A"
- An analysis of top 20 creditors for the month Annexure "B"
- Actual year to date of consumer debtors – Age analysis Annexure "C"
- Non-compliance letter from Provincial Treasury and self-assessment for March 2026 is attached as Annexure "D"
- Government debt Annexure "E"

6. DEBTORS

Debtors' Age Analysis for the month ended 30 April 2025_26, outstanding debtors comprise of consumer and sundry debtors. The total outstanding debtors amounts to **R2 billion** the consumer debtors amount to **R1.9 billion** and sundry debtors amount to **R147 million**. Creditors to the amount **R1.8 billion** were not paid during the month.

Description	NT Code	Budget Year 2025/26										Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dye-1 Yr	Over 1Yr							
R thousands																
Debtors Age Analysis By Income Source																
Trade and Other Receivables from Exchange Transactions - Water	1200	4 768	3 571	3 225	3 597	2 688	3 166	3 911	2 518 13	276 749	268 410	-	-			
Trade and Other Receivables from Exchange Transactions - Electricity	1300	14 887	1 675	1 257	854	468	353	430	24 009	43 932	27 370	-	-			
Receivables from Non-exchange Transactions - Property Rates	1400	96 648	97 176	88 850	87 968	87 220	86 980	86 930	406 362	1 038 134	844 310	-	-			
Receivables from Exchange Transactions - Waste Water Management	1500	982	540	456	468	377	362	314	22 559	26 057	24 535	-	-			
Receivables from Exchange Transactions - Waste Management	1600	1 212	2 515	717	547	518	472	523	26 963	33 467	29 740	-	-			
Receivables from Exchange Transactions - Property Rental Debtors	1700	5 480	5 402	5 220	5 235	5 113	5 185	5 131	242 063	278 829	267 947	-	-			
Interest on Arrear Debtor Accounts	1810	9 948	9 718	9 566	9 304	9 091	8 881	8 719	252 391	317 617	297 952	-	-			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-			
Other	1900	2 965	696	945	1 454	829	634	1 022	134 241	142 786	139 125	-	-			
Total By Income Source	2000	136 890	121 292	110 234	109 426	106 313	106 032	106 981	1 360 401	2 157 570	1 899 388	-	-			
2019/20 - totals only																
Debtors Age Analysis By Customer Group																
Organs of State	2200	1 072	1 232	399	889	277	(36)	89	9 928	13 850	11 546	-	-			
Commercial	2300	5 223	3 036	2 724	2 482	1 977	1 805	1 775	72 660	91 682	83 423	-	-			
Households	2400	21 808	22 013	18 835	18 581	17 615	17 791	18 471	909 947	1 045 061	1 001 240	-	-			
Other	2500	108 787	95 011	88 276	87 474	86 444	86 473	86 646	367 867	1 006 977	803 179	-	-			
Total By Customer Group	2600	136 890	121 292	110 234	109 426	106 313	106 032	106 981	1 360 401	2 157 570	1 899 388	-	-			

7. CREDITORS AGE ANALYSIS

Description	NT Code	Budget Year 2025/26						Total		
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days		181 Days - 1 Year	Over 1 Year
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	29 092	54 384	-	1 200 420	-	-	-	-	1 283 896
Bulk Water	0200	10 055	9 324	7 424	8 986	479 988	-	-	-	515 778
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	232	2 792	1 306	-	1 340	-	-	-	5 670
Auditor General	0800	12	36	35	109	409	739	-	-	1 340
Financial Systems	0900	474	815	678	-	-	-	-	-	1 967
Total By Customer Type	1000	39 865	67 392	9 442	1 209 515	481 737	739	-	-	1 808 650

8. Allocation and grant receipts and expenditure

Grants	Gazetted Amnt	Total Received to date	Apr Actual	YTD Actual	% spent on received amount
FMG	1 900 000	1 900 000	107 062	1 536 551	81%
EPWP	1 976 000	2 153 000	-	2 153 000	100%
MIG	29 618 000	29 618 000	1 373 163	22 499 085	76%

- The municipality funded the EPWP with R1.1 million over the grant amount. This adds to the unauthorised expenditure as it was not budget for.

Grants	Gazetted Amnt	Total Received to date	YTD spending	% spent on received amt
MDRG	6 000 000	6 000 000	-	0%

9. Councillors and employee benefits

Number of months----->	10									
	Pro-rata Budget	Adjustment Budget	Apr Actual	YTD Actual	% Actual	Reason for Variance				
Councillors:										
Allowances	10 121 667	10 121 667	836 000	8 472 000	83.7%	None				
Employees:										
Basic salary	97 510 000	106 885 000	10 870 000	107 342 000	100.4%	Variance is due to new appointments				
Travelling allowance	11 512 500	11 233 333	697 000	9 303 000	82.8%	None				
Overtime	17 250 833	15 481 667	1 162 000	13 214 000	85.4%	None				
Employee social contributions	50 144 167	49 451 667	4 863 000	48 993 000	99.1%	None				
TOTAL	186 539 167	193 173 333	18 428 000	187 324 000	97.0%					

MP311 Victor Khanye - Table C1 Monthly Budget Statement Summary - M10 - April

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	108 696	128 920	138 920	89 947	951 257	113 433	837 824	739%	138 920
Service charges	315 713	355 029	362 032	23 003	259 119	300 059	(40 940)	-14%	362 032
Investment revenue	1 265	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	153 285	161 007	161 007	3 405	160 541	134 173	26 369	20%	161 007
Other own revenue	171 201	303 539	311 542	10 141	144 826	257 751	(112 925)	-44%	311 542
Total Revenue (excluding capital transfers and contributions)	750 159	948 495	973 500	126 497	1 515 743	805 416	710 328	88%	973 500
Employee costs	207 328	211 691	219 640	17 646	178 852	181 179	(2 327)	-1%	219 640
Remuneration of Councillors	9 790	12 146	12 146	836	8 472	10 122	(1 650)	-16%	12 146
Depreciation and amortisation	60 323	53 279	56 591	13 832	43 182	46 386	(3 204)	-7%	56 591
Interest	97 555	50 000	60 000	11 104	100 221	47 667	52 555	110%	60 000
Inventory consumed and bulk purchases	297 491	352 797	343 972	23 967	275 408	289 454	(14 047)	-5%	343 972
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	434 350	314 105	309 730	50 539	175 669	257 677	(82 008)	-32%	309 730
Total Expenditure	1 106 838	994 017	1 002 079	117 924	781 804	832 485	(50 680)	-6%	1 002 079
Surplus/(Deficit)	(356 679)	(45 522)	(28 579)	8 572	733 939	(27 069)	761 008	-2811%	(28 579)
Transfers and subsidies - capital (monetary allocations)	44 337	46 618	46 618	20 523	20 523	38 848	(18 325)	-47%	46 618
Transfers and subsidies - capital (in-kind)	16 063	30 500	30 500	-	-	25 417	(25 417)	-100%	30 500
contributions	(296 279)	31 596	48 539	29 096	754 462	37 196	717 266	1928%	48 539
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(296 279)	31 596	48 539	29 096	754 462	37 196	717 266	1928%	48 539
Capital expenditure & funds sources									
Capital expenditure	86 343	65 245	64 495	3 167	28 169	53 921	(25 752)	-48%	64 495
Capital transfers recognised	77 304	46 645	46 645	2 707	19 589	38 871	(19 282)	-50%	46 645
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	7 924	18 600	17 850	460	8 078	15 050	(6 972)	-46%	17 850
Total sources of capital funds	85 229	65 245	64 495	3 167	27 667	53 921	(26 254)	-49%	64 495
Financial position									
Total current assets	577 142	202 468	773 842		1 618 827				773 842
Total non current assets	1 056 892	1 030 231	1 060 872		1 041 879				1 060 872
Total current liabilities	2 044 004	932	2 192 895		2 315 786				2 192 895
Total non current liabilities	61 841	686 528	64 841		61 841				64 841
Community wealth/Equity	(471 639)	545 239	(423 022)		283 079				(423 022)
Cash flows									
Net cash from (used) operating	93 120	119 775	78 486	1 232	163 938	75 039	(88 899)	-118%	78 486
Net cash from (used) investing	64 037	(65 245)	(64 495)	(1 859)	(32 276)	(53 921)	(21 645)	40%	(64 495)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	160 882	76 659	26 352	-	144 024	33 479	(110 544)	-330%	26 352
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

MP311 Victor Khanye - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M10 - April

Description	Ref	2024/25	Budget Year 2025/26							Full Year
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	
R thousands	1									
Revenue - Functional										
Governance and administration		388 614	311 972	328 275	105 889	1 207 021	269 758	937 263	347%	328 275
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		388 614	311 972	328 275	105 889	1 207 021	269 758	937 263	347%	328 275
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		13 829	7 760	7 760	430	5 580	6 467	(906)	-14%	7 760
Community and social services		2 208	2 608	2 608	42	1 170	2 174	(1 033)	-48%	2 608
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		7 471	3 511	3 511	210	2 580	2 925	(348)	-12%	3 511
Housing		4 150	1 641	1 641	178	1 810	1 368	443	32%	1 641
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		(2 290)	4 356	6 356	19 406	19 468	4 660	14 819	318%	6 056
Planning and development		-	4 356	6 356	-	62	4 660	(4 587)	-99%	6 056
Road transport		(2 290)	-	-	19 406	19 406	-	19 406	#DIV/0!	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		410 407	701 525	708 528	21 284	304 216	588 806	(284 589)	-48%	708 528
Energy sources		174 972	329 394	333 397	15 165	146 049	276 897	(130 649)	-47%	333 397
Water management		117 454	208 373	208 373	5 378	58 828	173 644	(114 616)	-66%	208 373
Waste water management		29 237	113 471	113 471	396	10 182	54 559	(84 377)	-89%	113 471
Waste management		88 744	50 286	53 286	356	89 157	43 705	45 452	104%	53 286
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	810 559	1 025 813	1 050 618	147 020	1 536 266	869 681	656 586	77%	1 050 618
Expenditure - Functional										
Governance and administration		508 764	347 625	360 188	50 162	277 008	296 175	(19 167)	-6%	360 188
Executive and council		47 972	45 242	55 715	4 032	33 326	44 001	(10 675)	-24%	55 715
Finance and administration		460 792	302 383	304 472	46 129	243 682	252 175	(8 492)	-3%	304 472
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		77 188	103 623	102 636	10 631	77 726	85 700	(7 974)	-9%	102 636
Community and social services		30 918	34 792	38 007	3 671	31 525	30 923	603	2%	38 007
Sport and recreation		4 019	2 493	3 989	395	2 472	2 975	(503)	-17%	3 989
Public safety		40 485	64 699	58 760	6 423	42 321	50 293	(7 972)	-16%	58 760
Housing		1 766	1 639	1 879	142	1 408	1 510	(102)	-7%	1 879
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		44 710	68 810	59 380	7 884	34 176	51 234	(17 058)	-33%	59 380
Planning and development		6 151	19 956	18 555	360	2 657	15 939	(13 282)	-83%	18 555
Road transport		41 150	47 093	39 565	7 279	31 132	34 127	(2 996)	-9%	39 565
Environmental protection		(2 591)	1 760	1 260	25	387	1 187	(780)	-87%	1 260
Trading services		476 178	473 960	479 875	48 468	392 895	399 375	(6 481)	-2%	479 875
Energy sources		310 581	275 709	292 336	29 412	265 193	239 444	25 749	11%	292 336
Water management		117 346	130 169	121 341	15 595	85 424	103 277	(17 853)	-17%	121 341
Waste water management		42 458	53 845	52 398	4 545	37 944	45 052	(7 109)	-16%	52 398
Waste management		5 690	14 237	13 801	(85)	4 334	11 603	(7 268)	-63%	13 801
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	1 108 838	994 017	1 002 079	117 924	781 804	832 485	(50 680)	-6%	1 002 079
Surplus/ (Deficit) for the year		(298 279)	31 586	48 539	29 096	754 462	37 196	717 266	1828%	48 539

MP311 Victor Khanye - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10 - April

Vote Description	Ref	Budget Year 2025/26								
		2024/25 Approved Outcomes	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD Budget	YTD Variance	YTD %	Final Balance
R thousands										
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		388 674	311 972	328 275	105 889	1 207 021	289 758	937 253	347.4%	328 275
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		2 208	2 608	2 608	42	1 170	2 174	(1 003)	-46.2%	2 608
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		7 471	3 511	3 511	210	2 580	2 925	(346)	-11.9%	3 511
Vote 7 - Housing		4 150	1 641	1 641	173	1 810	1 368	443	32.4%	1 641
Vote 8 - Health Services		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	4 356	6 056	-	62	4 650	(4 587)	-98.7%	6 056
Vote 10 - Roads Transport		(2 290)	-	-	19 405	19 406	-	19 406	#DIV/0!	-
Vote 11 - Electricity Services		174 972	329 394	333 397	15 165	146 049	276 897	(130 848)	-47.3%	333 397
Vote 12 - Water Services		117 454	208 373	208 373	5 378	58 828	173 544	(114 816)	-66.1%	208 373
Vote 13 - Waste Water Management		29 237	113 471	113 471	395	10 182	54 559	(84 377)	-69.2%	113 471
Vote 14 - Solid Waste Management		88 744	53 286	53 286	356	89 157	43 706	45 452	104.0%	53 286
Vote 15		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	810 589	1 025 513	1 050 618	147 020	1 535 266	869 581	566 586	78.8%	1 050 618
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		59 529	66 115	82 334	4 969	44 663	64 842	(20 179)	-31.1%	82 334
Vote 2 - Budget and Treasury		430 662	270 388	257 329	42 413	210 404	218 423	(6 019)	-2.8%	257 329
Vote 3 - Corporate Services		6 273	186	13 856	960	11 233	8 357	2 876	34.4%	13 856
Vote 4 - Community and Social Services		30 916	34 792	38 007	3 671	31 525	30 926	603	1.9%	38 007
Vote 5 - Sport and Recreation		4 019	2 493	3 989	395	2 472	2 975	(503)	-15.9%	3 989
Vote 6 - Public Safety		40 485	64 589	58 760	6 423	42 321	50 253	(7 972)	-15.9%	58 760
Vote 7 - Housing		1 766	1 539	1 879	142	1 408	1 510	(102)	-6.8%	1 879
Vote 8 - Health Services		(2 591)	1 760	1 250	25	387	1 167	(780)	-66.8%	1 250
Vote 9 - Planning and Development		4 113	14 622	7 580	307	787	8 110	(7 323)	-90.3%	7 580
Vote 10 - Roads Transport		50 128	67 244	44 902	8 298	34 057	40 865	(6 806)	-15.7%	44 902
Vote 11 - Electricity Services		310 681	275 709	292 336	29 412	265 193	239 444	25 749	10.6%	292 336
Vote 12 - Water Services		117 349	130 169	121 341	15 536	85 424	103 277	(17 853)	-17.3%	121 341
Vote 13 - Waste Water Management		42 458	53 845	52 398	4 545	37 944	45 052	(7 109)	-15.8%	52 398
Vote 14 - Solid Waste Management		5 690	14 237	13 801	(85)	4 334	11 603	(7 268)	-62.6%	13 801
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 101 479	992 897	989 773	117 061	772 151	824 840	(52 689)	-6.4%	989 773
Surplus/ (Deficit) for the year	2	(290 919)	32 716	60 845	29 959	764 115	44 841	719 274	1604.1%	60 845

MP311 Victor Khanye - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 - April

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		213 908	246 628	250 631	17 990	179 068	207 925	(28 857)	-14%	250 631
Service charges - Water		72 969	78 691	78 691	4 261	57 711	65 576	(7 865)	-12%	78 691
Service charges - Waste Water Management		13 174	14 392	14 392	396	10 182	11 993	(1 811)	-15%	14 392
Service charges - Waste management		15 661	15 318	18 318	356	12 158	14 565	(2 407)	-17%	18 318
Sale of Goods and Rendering of Services		2 228	7 231	9 086	275	3 111	7 139	(4 027)	-56%	9 086
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		68 849	165 255	165 255	-	440	137 712	(137 273)	-100%	165 255
Interest from Current and Non Current Assets		1 265	-	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1 860	1 641	1 641	178	1 748	1 368	380	28%	1 641
Licence and permits		-	-	-	-	-	-	-	-	-
Special Rating Levies		-	-	-	-	-	-	-	-	-
Operational Revenue		1 533	806	431	65	656	447	209	47%	431
Non-Exchange Revenue										
Property rates		108 696	128 920	138 920	89 947	951 257	113 433	837 824	739%	138 920
Surcharges and Taxes		69 951	73 281	73 281	(155)	49 643	61 068	(11 424)	-19%	73 281
Fines, penalties and forfeits		6 801	2 235	2 235	-	1 174	1 863	(689)	-37%	2 235
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		153 285	161 007	161 007	3 405	160 541	134 173	26 369	20%	161 007
Interest		13 718	53 090	59 612	9 777	88 055	48 155	39 900	83%	59 612
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		6 262	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		750 159	948 495	973 500	126 497	1 515 743	805 416	710 328	88%	973 500
Expenditure By Type										
Employee related costs		207 328	211 691	219 640	17 646	178 852	181 179	(2 327)	-1%	219 640
Remuneration of councillors		9 790	12 146	12 146	836	8 472	10 122	(1 650)	-16%	12 146
Bulk purchases - electricity		227 563	228 174	226 174	18 360	206 229	188 945	17 284	9%	226 174
Inventory consumed		69 928	124 623	117 798	5 607	69 179	100 510	(31 331)	-31%	117 798
Debt impairment		149 695	89 408	61 908	-	-	57 007	(57 007)	-100%	61 908
Depreciation and amortisation		60 323	53 279	56 591	13 832	43 182	46 386	(3 204)	-7%	56 591
Interest		97 555	50 000	60 000	11 104	100 221	47 667	52 555	110%	60 000
Contracted services		110 395	128 878	143 932	15 688	97 508	114 531	(17 023)	-15%	143 932
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		73 709	31 594	31 383	29 952	32 746	26 202	6 545	25%	31 383
Operational costs		51 150	64 224	72 507	4 899	45 415	59 938	(14 523)	-24%	72 507
Losses on Disposal of Assets		9 065	-	-	-	-	-	-	-	-
Other Losses		40 336	-	-	-	-	-	-	-	-
Total Expenditure		1 106 838	994 017	1 002 079	117 924	781 804	832 485	(50 680)	-6%	1 002 079
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)		44 337	46 618	46 618	20 523	20 523	38 848	(18 325)	-47%	46 618
Transfers and subsidies - capital (in-kind)		16 063	30 500	30 500	-	-	25 417	(25 417)	-100%	30 500
Surplus/(Deficit) after capital transfers & contributions		(296 279)	31 596	48 539	29 096	754 462	37 196			48 539
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(296 279)	31 596	48 539	29 096	754 462	37 196			48 539
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(296 279)	31 596	48 539	29 096	754 462	37 196			48 539
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(296 279)	31 596	48 539	29 096	754 462	37 196			48 539

MP311 Victor Khanye - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M10 - April

Vote Description	Ref	Budget Year 2025/26								
		2024/25 Actuals	Original Budget	Revised Budget	Monthly actual	YearTD actual	YearTD Budget	TD Budget	TD %	Full Year Budget
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health Services		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Electricity Services		-	-	-	-	-	-	-	-	-
Vote 12 - Water Services		-	-	-	-	-	-	-	-	-
Vote 13 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 14 - Solid Waste Management		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		3 627	3 600	2 850	-	1 089	2 550	(1 461)	-57%	2 850
Vote 2 - Budget and Treasury		40 449	950	950	15 152	17 711	792	16 919	2137%	950
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		(393)	200	200	-	555	167	389	233%	200
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	300	300	-	-	250	(250)	-100%	300
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health Services		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		29	550	550	-	30	458	(429)	-94%	550
Vote 10 - Roads Transport		22 212	23 700	23 700	(11 203)	217	19 750	(19 533)	-99%	23 700
Vote 11 - Electricity Services		38 198	5 000	5 000	-	1 831	4 167	(2 336)	-56%	5 000
Vote 12 - Water Services		(20 390)	20 500	20 500	(900)	299	17 083	(16 785)	-98%	20 500
Vote 13 - Waste Water Management		528	6 445	6 445	-	3 642	5 371	(1 729)	-32%	6 445
Vote 14 - Solid Waste Management		2 083	4 000	4 000	117	2 795	3 333	(539)	-16%	4 000
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	86 343	65 245	64 495	3 167	28 169	53 921	(25 752)	-48%	64 495
Total Capital Expenditure		86 343	65 245	64 495	3 167	28 169	53 921	(25 752)	-48%	64 495
Capital Expenditure - Functional Classification										
Governance and administration		50 310	10 550	9 800	15 612	22 487	8 342	14 145	170%	9 800
Executive and council		185	350	350	-	-	292	(292)	-100%	350
Finance and administration		50 125	10 200	9 450	15 612	22 487	8 050	14 437	179%	9 450
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		(393)	500	500	-	555	417	139	33%	500
Community and social services		(393)	200	200	-	555	167	389	233%	200
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	300	300	-	-	250	(250)	-100%	300
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		16 007	18 250	18 250	(11 663)	(3 440)	15 208	(18 649)	-123%	18 250
Planning and development		29	550	550	-	30	458	(429)	-94%	550
Road transport		15 978	17 700	17 700	(11 663)	(3 470)	14 750	(18 220)	-124%	17 700
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		20 420	35 945	35 945	(783)	8 567	29 954	(21 387)	-71%	35 945
Energy sources		38 198	5 000	5 000	-	1 831	4 167	(2 336)	-56%	5 000
Water management		(20 390)	20 500	20 500	(900)	299	17 083	(16 785)	-98%	20 500
Waste water management		528	6 445	6 445	-	3 642	5 371	(1 729)	-32%	6 445
Waste management		2 083	4 000	4 000	117	2 795	3 333	(539)	-16%	4 000
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	86 343	65 245	64 495	3 167	28 169	53 921	(25 752)	-48%	64 495
Funded by:										
National Government		77 304	46 645	46 645	2 707	19 589	38 871	(19 282)	-50%	46 645
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		-	-	-	-	-	-	-	-	-
Transfers recognised - capital	6	77 304	46 645	46 645	2 707	19 589	38 871	(19 282)	-50%	46 645
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds		7 924	18 600	17 850	460	8 078	15 050	(6 972)	-46%	17 850
Total Capital Funding		85 229	65 245	64 495	3 167	27 667	53 921	(26 254)	-49%	64 495

MP311 Victor Khanye - Table C6 Monthly Budget Statement - Financial Position - M10 - April

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		12 361	76 659	(13 186)	23 611	(13 186)
Trade and other receivables from exchange transactions		59 341	(7 735)	(3 511)	175 182	(3 511)
Receivables from non-exchange transactions		16 333	146 472	107 936	884 680	107 936
Current portion of non-current receivables		-	-	-	-	-
Inventory		2 418	(35 945)	128 534	3 706	128 534
VAT		486 689	23 017	554 069	532 663	554 069
Other current assets		0	-	0	(1 016)	0
Total current assets		577 142	202 468	773 842	1 618 827	773 842
Non current assets						
Investments		-	-	(4 173)	-	(4 173)
Investment property		97 136	66 580	95 874	96 201	95 874
Property, plant and equipment		958 618	964 328	969 940	944 540	969 940
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		1 075	1 075	1 075	1 075	1 075
Intangible assets		64	(1 752)	(1 843)	64	(1 843)
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		1 056 892	1 030 231	1 060 872	1 041 879	1 060 872
TOTAL ASSETS		1 634 034	1 232 699	1 834 714	2 660 706	1 834 714
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		4 692	-	4 692	4 692	4 692
Consumer deposits		1 710	(8 865)	1 710	1 880	1 710
Trade and other payables from exchange transactions		1 681 168	113 075	1 802 147	1 892 985	1 802 147
Trade and other payables from non-exchange transactions		2 911	(117 122)	(27 589)	18 477	(27 589)
Provision		8 701	11 546	8 701	8 701	8 701
VAT		344 822	2 298	403 235	389 051	403 235
Other current liabilities		-	-	-	-	-
Total current liabilities		2 044 004	932	2 192 895	2 315 786	2 192 895
Non current liabilities						
Financial liabilities		(3 419)	7 528	(3 419)	(3 419)	(3 419)
Provision		21 276	679 000	24 276	21 276	24 276
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		43 984	-	43 984	43 984	43 984
Total non current liabilities		61 841	686 528	64 841	61 841	64 841
TOTAL LIABILITIES		2 105 845	687 460	2 257 736	2 377 627	2 257 736
NET ASSETS	2	(471 810)	545 239	(423 022)	283 079	(423 022)
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(471 639)	545 239	(423 022)	283 079	(423 022)
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	(471 639)	545 239	(423 022)	283 079	(423 022)

MP311 Victor Khanye - Table C7 Monthly Budget Statement - Cash Flow - M10 - April

Description	Ref	2024/25	Budget Year 2025/26					YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget			
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		108 019	236 078	230 652	10 742	103 646	193 476	(89 830)	-46%	230 652
Service charges		308 925	450 169	314 129	23 476	255 151	293 517	(38 366)	-13%	314 129
Other revenue		58 809	23 809	79 316	807	102 427	53 145	49 282	93%	79 316
Transfers and Subsidies - Operational		33 912	161 007	161 007	6 000	89 909	134 173	(44 263)	-33%	161 007
Transfers and Subsidies - Capital		18 911	46 618	46 618	-	1	38 848	(38 847)	-100%	46 618
Interest		1 265	-	224 867	-	-	134 920	(134 920)	-100%	224 867
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(436 721)	(797 906)	(978 103)	(39 794)	(387 196)	(773 040)	385 845	-50%	(978 103)
Interest		-	-	-	-	-	-	-		-
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		93 120	119 775	78 486	1 232	163 938	75 039	(88 899)	-118%	78 486
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		64 037	(65 245)	(64 495)	(1 859)	(32 276)	(53 921)	21 645	-40%	(64 495)
NET CASH FROM/(USED) INVESTING ACTIVITIES		64 037	(65 245)	(64 495)	(1 859)	(32 276)	(53 921)	(21 645)	40%	(64 495)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-		-
NET INCREASE/ (DECREASE) IN CASH HELD		157 156	54 530	13 991	(627)	131 662	21 118			13 991
Cash/cash equivalents at beginning:		3 725	22 130	12 361		12 361	12 361			12 361
Cash/cash equivalents at month/year end:		160 882	76 659	26 352		144 024	33 479			26 352

MP311 Victor Khanye - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 - April

Summary of Employee and Councillor remuneration	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Executive members Board	2	-	-	-	-	-	-	-	-	-
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4									
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		217 119	223 837	231 786	18 482	187 324	191 300	(3 977)	-2%	231 786
% increase	4		3.1%	6.8%						6.8%
TOTAL MANAGERS AND STAFF		207 328	211 691	219 640	17 646	178 852	181 179	(2 327)	-1%	219 640

13. Conclusion

14. Annexure A: C Schedules

15. Annexure B: Compliance with the conditions for Municipal Debt Relief

16. Municipal Manager's quality certificate

1. HUMAN RESOURCE IMPLICATIONS

None

2. LEGAL IMPLICATIONS

The non-payment of Eskom, Rand Water and Auditor general will lead to legal implications for the municipality.

3. FINANCIAL IMPLICATIONS

It is important for the municipality avoid incurring any additional costs, which could result in unauthorised and irregular expenditure.

4. RISK IMPLICATIONS

Removal from the Debt relief program due to non-compliance.

5. STRATEGIC IMPLICATIONS

Non-compliance to MFMA and VKLM policy Framework.

6. OTHER IMPLICATIONS

None

Circular 124, for debt relief program - Eskom reconciliation as at 30 April 2026.

Kindly note the payments are made on an accrual basis.

ESKOM MAIN ACCOUNT

Segment in ledger =====>			Bulk Purchases	VAT	Interest expense				
MONTH	INVOICE NO	BALANCE BROUGHT FORWARD	TOTAL EXC	VAT	INTEREST	TOTAL INC	AMOUNT PAID	BALANCE + INVOICE - PAID	
Jul-25	564731882911	R 919 521 846.63	R 16 793 909.51	R 2 519 086.43	R 3 150 642.01	R 22 463 637.95	R -	R 941 985 484.58	
Aug-25	564495502814	R 941 985 484.58	R 16 040 229.23	R 2 406 034.38	R 3 222 585.81	R 21 668 849.42	R 1 500 000.00	R 962 154 334.00	
Sept-25	564769460259	R 962 154 334.00	R 10 529 243.80	R 1 579 386.57	R 3 738 308.67	R 15 846 939.04	R 9 500 000.00	R 968 501 273.04	
Oct-25	564542747192	R 968 501 273.04	R 9 265 125.12	R 1 389 768.77	R 4 539 163.61	R 15 194 057.50	R 4 500 000.00	R 979 195 330.54	
Nov-25	564014852493	R 979 195 330.54	R 8 059 499.90	R 1 208 924.99	R 3 597 262.60	R 12 865 687.49	R 2 000 000.00	R 990 061 018.03	
Dec-25	564251375141	R 990 061 018.03	R 8 144 199.48	R 1 221 629.92	R 4 290 905.33	R 13 656 734.73	R 7 500 000.00	R 996 217 752.76	
Jan-26	564271715756	R 996 217 752.76	R 8 267 748.56	R 1 240 162.28	R 3 868 306.75	R 13 376 217.59	R 2 000 000.00	R 1 007 593 970.35	
Feb-26	564671385939	R 1 007 593 970.35	R 8 819 286.56	R 1 322 892.98	R 4 933 397.92	R 15 075 577.46	R 1 500 000.00	R 1 021 169 547.81	
Mar-26	564071782489	R 1 021 169 547.81	R 8 666 909.03	R 1 300 036.35	R 3 831 462.49	R 13 798 407.87	R 3 000 000.00	R 1 031 967 955.68	
Apr-26	564757668803	R 1 031 967 955.68	R 9 454 008.70	R 1 418 101.31	R 4 365 030.73	R 15 237 140.74	R 1 000 000.00	R 1 046 205 096.42	
May-26									
Jun-26									
			R 104 040 159.89	R 15 606 023.98	R 39 537 065.92				

ESKOM SUB ACCOUNT

Segment in ledger =====>			Bulk Purchases	VAT	Interest expense				
MONTH	INVOICE NO	BALANCE BROUGHT FORWARD	TOTAL EXC	VAT	INTEREST	TOTAL INC	AMOUNT PAID	BALANCE + INVOICE - PAID = TOTAL DUE	
Jul-25	889781822327	R 134 765 327.14	R 15 617 398.99	R 2 342 609.85	R 1 183 867.66	R 19 143 876.50	R -	R 153 909 203.64	
Aug-25	889497857686	R 153 909 203.64	R 14 253 554.22	R 2 138 033.13	R 1 252 752.71	R 17 644 340.06	R 2 000 000.00	R 169 553 543.70	
Sept-25	889378192530	R 169 553 543.70	R 8 987 025.14	R 1 348 053.77	R 1 464 013.65	R 11 799 092.56	R 9 500 000.00	R 171 852 636.26	
Oct-25	889763053264	R 171 852 636.26	R 7 897 298.06	R 1 184 594.71	R 2 018 272.63	R 11 100 165.40	R 4 500 000.00	R 178 452 801.66	
Nov-25	889280628311	R 178 452 801.66	R 7 788 570.39	R 1 168 285.56	R 1 464 878.67	R 10 421 734.62	R 1 000 000.00	R 187 874 536.28	
Dec-25	889250184604	R 187 874 536.28	R 9 664 108.25	R 1 449 616.24	R 1 872 550.92	R 12 986 275.41	R 7 000 000.00	R 193 860 811.69	
Jan-26	889204764776	R 193 860 811.69	R 8 984 617.64	R 1 347 692.65	R 1 633 224.98	R 11 965 535.27	R 2 000 000.00	R 203 826 346.96	
Feb-26	889929345408	R 203 826 346.96	R 9 665 296.11	R 1 449 794.42	R 2 350 713.62	R 13 465 804.15	R 1 500 000.00	R 215 792 151.11	
Mar-26	889570809146	R 215 792 151.11	R 9 230 991.14	R 1 384 648.67	R 1 428 237.60	R 12 043 877.41	R -	R 227 836 028.52	
Apr-26	889468008154	R 227 836 028.52	R 9 868 435.91	R 1 480 265.39	R 2 505 974.12	R 13 854 675.42	R 4 000 000.00	R 237 690 703.94	
May-26									
Jun-26									
			101 957 295.85	15 293 594.39	17 174 486.56				



Annexure A2 - Monthly

National Treasury
Municipal Debt Relief
MFMA Circular No. 124
Municipal Finance Management Act No. 68 of 2003

Municipality Self-Assessment

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period: Mar '20

National Financial Year: 2026/26

Demarcation Code of Municipality being assessed: MF0311

District: Nkangala

Demarcation Description: Victor Khanye

Notes/Comments

I, Carol Coetzee, hereby certify that the provincial treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in MFMA Circular No. 124 and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below.

Municipal Debt Relief Conditions (Monthly reporting)

Condition	6.1.1 - Maintaining the Eskom and bulk water current account -	6.1.2 - Being funded for the purpose of this assistance means the account is at least monthly over-funded	Choose from drop down list
6.1.1	Has the municipality paid its bulk water current account within 10 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - refer condition 6.1.2.</i>	Yes	Yes
6.1.2	Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the eGovernment Upload Portal https://egovernment.treasury.gov.za ?	Yes	Yes
6.1.3	Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	Yes	Yes
6.1.4	Has the municipality paid its Eskom bulk current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any other charges that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current accounts) up to the date of approval of the application.</i>	Yes	Yes
6.1.5	Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the eGovernment Upload Portal https://egovernment.treasury.gov.za ?	Yes	Yes
6.1.6	Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	Yes	Yes
6.1.7	Compliance with a funded MTRF - (choose from drop down list the MTRF assessed)	2025/26 Assessed MTRF	Yes
6.1.8	Is the municipality's MTRF funded and aligned to the National Treasury's Budget Funding Guidelines - https://mfma.treasury.gov.za/Guidelines/Paper/FundingList.pdf ?	Yes	Yes
6.1.9	Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes	Yes
6.1.10	Has the municipality made adequate provision for debt impairment (considering the actual collection of revenue and accrual errors across the 12 month anniversary preceding the raising of the budget) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes	Yes

16	6.4.1	<p>Note: For example, if the municipality during the preceding 12 months only changed to collect 60 per cent of its revenue (due property taxes), the process for debt repayment aligning with the service, which then third-party data to 60 per cent of the 2024/25 MTREF revenue projection from general taxes. If the municipality already used the debt repayment to reduce the budget and there is no revenue shortfall between the previous fiscal year with the current year, the revenue for the previous fiscal year must respond to the revenue for the current year.</p> <p>- Has the municipality made adequate provision for deferral and asset impairment (contingency) to register any adverse state of assets on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget and Reporting Regulations?</p>	Yes
17	6.4.2	<p>Note: If the municipality merely used the departmental asset impairment to reduce the budget and there is no revenue shortfall between the previous fiscal year with the current year, the revenue for the previous fiscal year must respond to the revenue for the current year.</p> <p>- If the municipality's MTREF is not funded, has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 3.1 of MFMA Budget Circular no. 122, 09 December 2022)?</p> <p>Note: If the municipality does not have an FRP, "N/A" be selected from the dropdown list.</p>	Yes
18	6.4.2	<p>- If the municipality's MTREF is not funded and it has an FRP per the legislative framework, does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?</p> <p>Note: only if the municipality does not have an FRP, "N/A" be selected from the dropdown list.</p>	No
19	6.4.2	<p>- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA.30 - Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations align with and give effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends (for example higher winter water tariffs, lower January collection rates, etc.)?</p>	Yes
20	6.5	<p>Cost reflective tariffs - (excluding metro) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect to the tabling of the 2023/24 MTREF?</p>	Yes
21	6.6	<p>Electricity and water as collection tools - has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies, that:</p>	
22	6.6.1	<p>- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, then either to water, wastewater, refuse removal and lastly to electricity?</p>	Yes
23	6.6.2	<p>- the municipality disconnects electricity services and/or block the purchasing of pre paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?</p>	Yes
24	6.6.3	<p>- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality? Note: in terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineers) to ensure a minimum supply of water.</p>	Yes
25	6.6.4	<p>- if the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity and water limits of 50 kilowatt electricity and 6 kilolitres water, respectively?</p> <p>Note: - the municipality's monthly MFMA 5.7 statement must include as part of the narrative the budget information as the required 47 format.</p>	Yes
26	6.6	<p>Supporting policies: The National Treasury only for financial transparency's related budget and financial compliance the municipality's annual MTREF's revised budget policies and by-law regulatory provisions with paragraph 6.1.</p>	
27	6.7	<p>Maintain a minimum average quarterly collection of property rates and service charges.</p>	
28	6.7.1	<p>Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter - demonstrated in the MFMA 5.71 monthly and quarterly statement(s) and mSCDA data strings uploaded via the Gobun Upload Portal?</p>	No
29	6.7.2	<p>Note: - Check the minimum collection for service (MFMA Circular No. 77) at 85 per cent reported municipalities enter the debt repayment to be included in the bill for the year, then entering in the system.</p> <p>- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of National Treasury the following:</p>	

6.7.2.1	<ul style="list-style-type: none"> the underperformance directly relates to Ekom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Ekom supplied areas) equals the required quarterly average collection set out in paragraph 6.7.1; the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Ekom supplied area(s)? the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Ekom for purposes of municipal revenue collection in the Ekom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure? 	<input type="checkbox"/> No <input type="checkbox"/> Yes
6.7.3	<ul style="list-style-type: none"> the municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process? Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTRF with a smart pre-paid meter? 	<input type="checkbox"/> No <input type="checkbox"/> Yes
6.7.4	<ul style="list-style-type: none"> Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4? 	<input type="checkbox"/> Yes
6.8	Municipality's Compliance of the revenue base -	
6.8.1	<ul style="list-style-type: none"> Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer? - If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? 	<input type="checkbox"/> Yes <input type="checkbox"/> N/A
6.8.2	<ul style="list-style-type: none"> - For the latest ending Quarter: Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circular no. 93, 98, 107 and 108) to the upload portal on https://pubaccount.treasury.gov.za? 	<input type="checkbox"/> Yes
6.9	Monitor and report on implementation -	
6.9.1	<ul style="list-style-type: none"> - MFMA section 71 reporting - has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant? 	<input type="checkbox"/> Yes
6.9.2	<ul style="list-style-type: none"> - If progress is slow in terms of paragraph 6.9.1, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the MSCA data string? 	<input type="checkbox"/> Yes
6.9.3	<ul style="list-style-type: none"> - <i>Note - condition 6.9.2 has to be met and must refer to 6.9.1.</i> - Municipalities with financial recovery plans (FRP) - If the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive? 	<input type="checkbox"/> No FRP? <input type="checkbox"/> No FRP?
6.9.4	<ul style="list-style-type: none"> - If the municipality has an FRP with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury Municipal Financial Recovery Service (MFRS) in-house via the GoMun Upload Portal https://uploadportal.mfrs.gov.za? 	<input type="checkbox"/> No FRP? <input type="checkbox"/> No FRP?
6.10	<p><i>Note: If municipality does a FRP may only update from the Municipal Debt Collector component of the FRP, update must reference to both the Provincial Executive and National Treasury satisfaction of municipal compliance - In terms of section 3 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless:</i></p>	
6.10.1	<ul style="list-style-type: none"> - has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions? 	<input type="checkbox"/> Yes
6.10.2	<ul style="list-style-type: none"> - has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timely uploaded the compliance certificate via the GoMun Upload Portal https://uploadportal.mfrs.gov.za? <i>Note - in the case of a non-delegated municipality the National Treasury to issue the compliance certificate</i> 	<input type="checkbox"/> Yes
6.10.3	<ul style="list-style-type: none"> - has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) within one month of the non-compliance occurring? 	<input type="checkbox"/> No

6.1.1	<p>Limitation on municipality borrowing powers - has the municipality borrowed since its intake or any subsequent renewal in terms of this municipal debt support programme?</p> <p><i>Note: There is prohibition on municipal borrowing for debt-financed municipal projects from the date of the municipality's intake or any subsequent renewal in terms of this municipal debt support programme. It includes that debt, on the 1st anniversary (1/1) following the municipality's intake or any subsequent renewal, which is subject to the following conditions: (a) the municipality has not borrowed in terms of this municipal debt support programme, including renewals, since its intake or any subsequent renewal in terms of this municipal debt support programme; and (b) the municipality has not borrowed in terms of this municipal debt support programme, including renewals, since its intake or any subsequent renewal in terms of this municipal debt support programme.</i></p>	No
6.1.2	<p>For the duration of the Municipal Debt Relief (to ensure proper management of resources):</p> <p>6.1.2.1 - has the municipality apportioned and ring-fenced in a sub-account to its primary bank account - (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?</p> <p>6.1.2.2 - has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.1.2.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?</p> <p><i>Note: Only if allowed by the utility companies, who request for funds to the Minister of Finance upon the municipality's request to ensure the municipality's credit rating.</i></p>	No
6.1.3	<p>Supporting evidence - Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MIMA s.71 statement collected revenue.</p> <p>Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrears debt (both existing as on 31 March 2023) as per any written instruction of the National Treasury, Office of the Accountant General issued for Municipal Debt Relief to date?</p> <p><i>Note - to include accounting for any related benefit (e.g. interest suppression, etc.) in line alignment with mSCDA</i></p>	Yes
6.1.4	<p>MERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?</p> <p><i>Note: By meeting the Municipal Debt Relief as set out in paragraph 3 of MIMA Order No. 121, the condition of municipality debt relief during the duration of the Municipal Debt Relief programme shall be met, with any condition of the debt relief to apply to 30/04/24 to ensure the municipality's license in terms of the 27 of the 2015 (municipal Debt Relief Act, 2015) (m. 4 of 2015) debt relief programme may be provided for the relevant period for supporting its primary municipalities as provided in section 9 of the Municipal Finance Act, 2003. In doing so, the municipality's license to borrow shall be maintained. The condition of the license shall be maintained for the duration of the debt relief programme. It remains valid for the duration of the debt relief programme.</i></p>	Yes

PT: HOD/ NT/ MM Name: ISWAZOZI Mac DONALD NASHABELO

Signature of HOD/ NT/ MM: 

DATE: 15 April 2026

Note: If the official is signing on behalf of the Head of the Provincial Treasury (HOD) / Municipal Manager, the written declaration of the HOD / MM must be attached as an Annexure to this Certificate of Compliance.



Mr. TM Mashabela
Municipal Manager
Victor Khanye Local Municipality
PO Box 6
DELMAS
2210

Mr. Sadesh Ramjathan
Director: Revenue Management
National Treasury
Private Bag X 115
PRETORIA
0001

Dear Mr. Mashabela and Mr. Ramjathan

**MFMA CIRCULAR 124 - MUNICIPAL DEBT RELIEF NON-COMPLIANCE OF MP311
VICTOR KHANYE LM DURING MARCH 2026**

1. PURPOSE

To provide feedback on Victor Khanye LM 's debt relief compliance for March 2026.

2. BACKGROUND

The National Treasury approved the debt relief application of Victor Khanye LM with effect 01 September 2023. March 2026 constitutes the 31st month of the municipality's debt relief compliance cycle. The Mpumalanga Provincial Treasury monitored and assessed the municipality's compliance with all the debt relief conditions during March 2026.

3. DISCUSSION

The municipality submitted the March 2026 self-assessment, signed by the Municipal Manager and it was uploaded on the Go-Muni with the narrative Section 71 report for March 2026. The Municipality also needs to comply with the following conditions in future:

Condition 6.1 – Municipality non-compliance

In terms of the National Treasury (NT) approval, the municipality must comply with conditions 6.1 – 6.14 of MFMA Circular 124 read together with the additional conditions specific to the municipality set-out in its National Treasury debt relief approval letter. From the Provincial Treasury's assessment, the municipality achieved a 71% compliance with the MFMA Circular 124 conditions during March 2026 – refer to the performance

sheet attached that shows the municipality's overall relief compliance performance across the months of its debt relief cycle. It improved if compared to the February 2026 average compliance of 68%. Considering the municipality's overall debt relief performance since 01 September 2023 and that the conditions carry equal weighting, the municipality do not qualify for the one third (1/3) debt write-off at the end of its first debt relief compliance cycle on 31 August 2024 unless the outstanding non-compliance issues are urgently addressed.

The National Treasury will only request Eskom to write-off a municipality's arrear debt, if the municipality demonstrates to the National Treasury's satisfaction that the municipality complied with the aforementioned conditions for a consecutive period of 12 months. During the previous months of the debt relief cycle (September 2023 – February 2026), the municipality did not fully adhere to all the conditions of MFMA Circular 124 and / or the additional conditions required in terms of the NT approval letter. The specific condition(s) to which Victor Khanye LM did not comply with during March 2026 are discussed in more detail below.

Condition 6.3 Maintain Current Bulk Account.

The municipality's Eskom account for February 2026 was R21,308,584.80 according to the Eskom Section 41 report. The Municipality only paid R6 million in March 2026. The data strings of the Municipality correctly show R6,000,000 payments made to Eskom in March 2026. The electricity income for March 2026 was R20,616,265 according to schedule SC30.

The municipality only paid their Eskom account in full twice (March 2024 and December 2024) in the 31 months that the municipality is on the debt relief programme. Only R218,9 million of the R661,6 million electricity income was paid to Eskom. The municipality's average payment percentage is 33%. The total short payments from September 2023 to March 2026 are R442,7 million.

The municipality emailed and uploaded the February 2026 Rand Water invoice. The amount to be paid by the municipality was R3,439,243,61. The municipality paid R11,887,840.60 million to Rand Water in March 2026. The data strings of the Municipality incorrectly show R3,887,841 payments made to Rand Water in March 2026.

Condition 6.4 Compliance with a funded MTREF budget

The Municipality adopted an unfunded budget amounting to R900 million with the 2023/24 budget. It increased to R1,064 billion unfunded with the 2024/25 budget. It further increased to R1,507 billion unfunded with the 2024/25 adjustment budget. It increased further with the 2025/26 adjustment budget to R1,642 billion unfunded.

The Municipality projected an operating deficit amounting to R2 million on the operating budget with the 2023/24 budget. It improved to an operating surplus of R25 million with the 2024/25 budget. It improved again with a surplus of R67,6 million with the 2024/25 adjustment budget. It changed to a deficit of R28,6 million with the 2025/26 adjustment budget.

Condition 6.5 Cost Reflective Tariffs

The Municipality tabled the municipal tariffs for service charges, without testing the tariffs against the tariff tool as per the MFMA Circular no. 98 and item 5.2 of MFMA Budget

Circular no. 122 as part of the municipality's annual budget tabling process. The municipality have completed the tariff tool for 2023/24 and it was uploaded on the Go-Muni under the final budget documents. MPT did the 2025/26 tariff tool for the municipality. The municipality tabled it with the final budget for 2025/2026. MPT also provided training to all the municipalities on the use of the NT developed tariff tool.

Condition 6.6 Electricity and water as a collection tool

The municipality do issue a consolidated monthly bill to all consumer's/property owners. Provincial Treasury did verify the allocation of partial payments by obtaining the "Settlement Order" from the Munsoft system. It is in the order prescribed by MFMA circular no 124.

The municipality is in the process of installing smart meters. MPT supported the municipality with a R10,268,235 smart meter grant for the installation of smart meters. The municipality is restricting the water flow to those whose accounts are in arrears in the Eskom supplied areas.

Condition 6.7 Average quarterly collection rate

The Municipality has submitted the quarterly collection rate per ward as required during the application process. It is below the 85% as required by condition 6.7. The municipality have submitted and uploaded the quarterly collection rates per ward for the third quarter of 2025/26. The quarterly collection rate at 26.3% is also well below the circular 124 requirement of 85%. The collection rate for March 2026 was 25.5%. This is mainly due to an inflated property rates of R84 million per month charged to Eskom for the power station.

The municipality developed a smart pre-paid meter policy and it was adopted in Council.

Condition 6.8 Completeness of revenue base

It should be noted that the municipality populated the National valuation roll and billing system reconciliation tool and submitted to National Treasury together with the application during August 2023. The municipality also submitted and uploaded the valuation roll reconciliation for the 4th quarter (April 2024 to June 2024). The 4th quarter valuation roll is reconciling with the financial system. The development of an action plan was therefore not necessary. The municipality have emailed the valuation roll reconciliation for the 3rd quarter of 2025/26. The valuation roll is not reconciling with the financial system and the municipality must develop an action plan for it to reconcile.

Condition 6.9 - Monitor and Report on compliance

The MFMA S71 narrative statement for March 2026 was uploaded on the Go-Muni portal and it was emailed to MPT. The mSCOA data strings for March 2026 was uploaded to the Go-Muni portal. The MFMA S71 Statement for March 2026 was not published on the municipality's website. The MFMA S71 Statement was also assessed against the Municipal Budget-and Reporting Regulations, 2009 (MBRR) and the National Treasury MFMA S71 reporting guidance issued to debt relief municipalities on 10 May 2024 read in conjunction with paragraphs 9(i) to 9(ix) of the NT debt relief approval letter. The assessment confirmed that the MFMA S71 narrative statement included the following information:

MFMA CIRCULAR 124 - MUNICIPAL DEBT RELIEF NON-COMPLIANCE OF MP311 VICTOR KHANYE LM DURING MARCH 2026

MFMA S71 Statement component		Compliance (Yes / No)
1.	<i>The Budget Performance Overview (paragraph 4) of the MFMA S71 statement</i> explicitly advised on the municipality's progress in implementing the municipality's budget and (where relevant also the budget funding plan) – where implementation is slow, the statement advised explicitly on progress, challenges and corrective actions.	Yes
2.	<i>The conclusion (paragraph 14) of the MFMA S71 statement</i> explicitly advised as part of the MFMA Circular 124: Condition 6.9 reporting - i. Any risk associated; and ii. The mitigating factors with the implementation of the municipality's Budget Funding Plan and / or Funded Budget.	No
3.	Annexure B of the MFMA S71 statement included the following debt relief reporting components-	
3.1.1	The municipality's MFMA Circular 124 self-assessment	Yes
3.1.2	The self-assessment (refer 3.1.1 above) was included in the format of MFMA Budget Circular 128 (Annexure B)	Yes
3.2	The municipality's overall relief compliance across the months of its debt relief participation since its National Treasury debt relief approval effective date	Yes
3.3	The latest Provincial Treasury debt relief compliance certificate and report issued to the municipality	Yes
3.4.1	The municipality's revenue collection performance i. the overall performance graph; ii. Summary worksheet; and iii. Collection per ward indicating who supplies electricity in the ward	Yes
3.4.2	The revenue collection performance information (refer 3.4.2) was included in the format of MFMA Budget Circular 128 (Annexure D) .	No
3.5.1	The indigent management information	Yes
3.5.2	The indigent management information was included in the format of MFMA Budget Circular 128 (Annexure C) .	No
3.6.1	The summary of the municipality's property rates reconciliation undertaken in the National Treasury format.	No
3.6.2	The municipality's progress during the month against its planned corrective action to address any variances evident from the property rates reconciliation.	No
3.7.1	Any Eskom and Water (if the municipality has the Water function) Bulk current account invoice(s) due and payable during the month of reporting.	No
3.7.2	The municipality's proof of payment of any such Eskom and / or Water Bulk current account invoice(s) during the month of reporting.	Yes
3.7.3	The municipality's reconciliation statement for electricity and water (if it has the function) aligning to the MFMA S71 mSCOA data strings upload.	No
3.8	Recommendations noting explicitly the aforementioned debt relief reporting to the Mayor and / or Mayoral Committee meeting	No

The municipality was not implementing the budget funding plan initiatives as there are no real improvement on the billing and the collection. There are also no remedial actions undertaken to achieve compliance and the timeframes thereof outlined.

PT developed a standard BFP format for all municipalities in July 2025. The municipality used this format to populate their BFP with the support of the resident MFIP advisor and it was approved by Council in a Special Council meeting held on 13 October 2025. The municipality is now reporting on the progress with the implementation of the BFP every month as part of the debt relief compliance.

Condition 6.10 - Provincial Treasury certification of municipal compliance

All the PT's outstanding compliance assessments and reports for Victor Khanye LM (September 2023 – February 2026) were compiled and issued to the National Treasury and the municipality as part of the PT's March 2026 debt relief submission. The PT also designated Ms. Theko going forward to facilitate timely and quality debt relief submissions to the HOD and that such are issued by the Mpumalanga PT to Victor Khanye LM and the National Treasury before the 20 working days after month-end deadline on a monthly basis going forward.

Condition 6.11 - Limitation on Municipal borrowing powers

The limitation on municipality borrowing powers and the prohibition of borrowing during debt relief periods form a dual regulatory framework aimed at ensuring fiscal responsibility. Compliance necessitates meticulous scrutiny of borrowing activities to ascertain adherence to authorized limits and program guidelines. These measures, while promoting sustainable debt management, also stabilize the municipality's financial standing, prevent over-leveraging, and mitigate immediate financial strain. Adhering to these regulations is paramount for maintaining creditworthiness, mitigating financial risks, and safeguarding the municipality's long-term financial health. Thus, robust oversight and adherence to regulatory frameworks are imperative for prudent financial governance and sustained fiscal resilience.

The municipality complied with this condition since its debt relief effective date of 01 September 2023 to date.

Condition 6.12 – 6.13 For the duration of the Municipal Debt Relief (to ensure proper management of resources)

It is noted that during February 2024, the National Treasury: Office of the Accountant General (OAG) issued the Supplementary Guide to MFMA Circular 124 on 21 February 2024. In terms of the guidance, the municipality no longer have to maintain a separate bank account for debt relief purposes as envisaged in MFMA Circular 124 (Condition 6.12). However, irrespective of whether a municipality decides to discontinue a separate bank account, ring-fencing for debt relief purposes must be enabled and demonstrated through the municipality's monthly mSCOA data string submissions.

Condition 6.14 - NERSA Licence

By having applied for Municipal Debt Relief, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agreed to make an application to NERSA to voluntarily revoke the municipality's license in terms of section 17 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). It is noted that this condition will only come into effect if the municipality's participation in the debt relief programme is terminated.

4. RECOMMENDATIONS

It is recommended that:

- The Municipality ring fence all service charges revenue to honour the current bulk accounts in full on a monthly basis;
- The Municipality to intensify credit control and debt collection;
- The Municipality should update the budget funding plan with the initiatives as agreed with MPT and monthly progress must be reported on all the items;
- The Municipality must institutionalise the implementation of the Budget Funding Plan and send monthly progress reports to MPT;
- The Council to support the implementation of credit control and revenue improvement initiatives;
- The Municipality should use the example of the Section 71 report provided to them to do their monthly Section 71 reports and include all the annexures as per MFMA Circular 128;
- The Municipality must upload the narrative Section 71 report under the relevant month;
- The municipality must upload the monthly Section 71 data strings for the financial and non-financial data; and
- The Municipality pay their full current Eskom and Rand Water accounts going forward.

Regards



**MS. GUGU MASHITENG
HEAD OF DEPARTMENT
DATE: 28-04-2026**

Annexure A2 - Monthly



National Treasury
 Municipal Debt Relief
 MFMA Circular No. 124
 Municipal Finance Management Act No. 56 of 2003

Mphumalanga Provincial Treasury

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period

Mar'26

National Financial Year

2025/26

Demarcation Code of Municipality being assessed

MP311

District

Nkangala

Demarcation Description

Victor Khanye

I, Ms Guju Mashitso, hereby certify that the Provincial Treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in MFMA Circular No. 124 and that the Provincial Treasury is satisfied and certifies that the said municipality do not fully comply with the conditions as set-out in the table below:

Municipal Debt Relief Conditions (Monthly reporting)

Choose from drop down list

Condition	Description	Response
6.3+	Maintaining the Eskom and bulk water current account –	
6.12	(current account for the purpose of this exercise means the account for a single month's consumption)	
6.12.2	- Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - refer condition 6.12.2</i>	Yes
6.12.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://guploadportal.treasury.gov.za/	Yes
6.12.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	No
6.3.1	- Has the municipality paid its Eskom bulk current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.</i>	No
6.3.2	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://guploadportal.treasury.gov.za/	Yes
6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	Yes
6.4	Compliance with a funded MTREF – (choose from drop down list the MTREF assessed)	2025/26 Main Adjustment MTREF
6.4.1	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/GuideFees/Pages/Funding.aspx?	No
6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	No
6.4.1	- Has the municipality made adequate provision for debt impairment (considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes
<p><i>Notes - For compliance, if the municipality during the preceding 12 months immediately preceding the collect 60 per cent of its revenue (also property rates), the provision for debt impairment against the historic collection fund should align to 40 per cent of the 2023/24 MTREF revenue projection (also property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as 'No'.</i></p>		
6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment (considering its asset register and physical state of assets) on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes

Note - if the municipality merely used the depreciation and asset impairment to "balance" the budget and there is no real alignment between the provision for such with the state of asset/liability register, the Provincial Treasury must respond to this item as "No"

6.4.2 - If the municipality's MTREF is not funded, has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? Yes

Note - if the municipality has an FRP, a separate budget funding plan is not necessary. However, the PF/NI must assess whether the existing FRP incorporates / will give effect to a funded MTREF, that, the FRP requires straightening.

6.4.2 - If the municipality's MTREF is not funded and it has an FRP per the legislative framework, does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? N/a
 Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list

6.4.2 - Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 - Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends (For example higher winter Eskom tariffs, lower January collection rates, etc.?) Yes

6.5 Cost reflective tariffs - (excluding metros) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF? Yes

6.6 Electricity and water as collection tools - has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies, that:

6.6.1 - the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity? Yes

6.6.2 - the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality? Yes

6.6.3 - the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? Note in terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water. Yes

6.6.4 - If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? No
 Note - the municipality must ensure that the supply of electricity and water to the defaulting consumer is not restricted to the monthly national basic free electricity and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively.

6.6 Supporting evidence - The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.

6.7 Municipalities must ensure they progressively collect water as a priority, either water or carbon energy.

6.7.1 - Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and MSCOA data strings uploaded via the GoMuni Upload Portal? No

Note - although the minimum standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm

6.7.2 - If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of National Treasury the following :

6.7.2.1 * the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1; No

6.7.2.2 * the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)? No

6.7.2.3 * the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure? Yes

6.7.3 - The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process? Yes

6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Yes
6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	Yes
Municipality's Completeness of the revenue base –		
6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer?	No
6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? <i>Note - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA: 71 statement</i>	Yes
6.8.2	- For the latest ending Quarter -Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://guploadportal.treasury.gov.za ?	No
Monitor and report on implementation –		
6.9.1	- MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	No
6.9.2	- If progress is slow in terms of paragraph 6.9.1, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? <i>Note - condition 6.9.2 has a typing error and must refer to 6.9.1</i>	No
6.9.3	- Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	No FRP
6.9.4	- If the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal https://guploadportal.treasury.gov.za ? <i>Note - a municipality with a FRP may only benefit from the Municipal Debt Support programme, if the FRP progress report was submitted to both the Provincial Executive and MFRS.</i>	No FRP
6.10 Provincial Treasury Note - Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless:		
6.10.1	- Has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	Yes
6.10.2	- has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://guploadportal.treasury.gov.za ? <i>Note - in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.</i>	Yes
6.10.3	- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring? <i>Note - if the FRP condition was not satisfied, municipalities may still be considered as non-compliant by the municipality in terms of paragraph 4.1.1.</i>	No
6.11	Limitation on municipality borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme? <i>Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. It confirms that MFMA Circular No. 124 condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans entered into after the effective date of debt relief approval as envisaged in MFMA section 76. Short term borrowing, including making use of an overdraft for in-year budgetary purposes are not considered within the ambit of this condition.</i>	No
6.12 For the duration of the Municipal Debt Relief (to ensure proper management of resources):		
6.12.1	- has the municipality apportioned and ring-fenced in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	Yes
6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose? <i>Note - All the municipalities' specific commitments will be made to the Minister of Finance upon the municipality's request to extend the existing public debt relief (PSD).</i>	No

	Supporting evidence: Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	Yes
6.13	Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury, Office of the Accountant General issued for Municipal Debt Relief to date? <i>Note - to include accounting for any related benefits (e.g. interest suppression, etc.) and alignment with nSCEA</i>	Yes
6.14	NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	Yes

Note: By applying for Municipal Debt Relief as set-out in paragraph 3. of MFMA Circular no. 123, the council of a municipality that, during the duration of the Municipal Debt Relief programme fails to comply with any condition of the relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 17 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 8 of the Municipal Systems Act, 2000, including the necessary service delivery agreement (in line with the Municipal Systems Act, 2000) and Electricity Regulation Act, 2006. In terms of the conditions of government's wider support to Eskom, Eskom will once again have to enforce its credit control and debt collection policies also in relation to the municipality's arrears that are the subject of municipal debt relief, etc.

PT: HOD/ NT / MM Name:

Ms G Mashiteng

Signature of HOD/ NT / MM.

pp

Date:

23/04/2026

Note If the official is signing on behalf of the Head of the Provincial Treasury (HOD) / Municipal Manager, the written procurement of the HOD / MM must be attached as an Annexure to this Certificate of Compliance

VICTOR KHANYE

LOCAL MUNICIPALITY – PLAASLIKE MUNISIPALITEIT



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OFFICE OF THE MUNICIPAL MANAGER

Enquiries: ME Mnguni

Ref:12/2/1

Date: 14 April 2026

The Head of Department: Ms G Mashiteng
Mpumalanga Provincial Treasury
Building no 4
Government Boulevard
Riverside Park
Mbombela
1200

Dear HOD

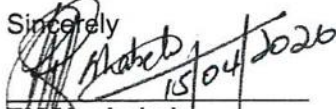
DEBT OWED TO THE MUNICIPALITY BY VARIOUS PROVINCIAL DEPARTMENTS

The above matters bears reference:

1. The Victor Khanye Local Municipality is submitting the report on the Provincial and National Government Departments that owe the municipality. This report is submitted in accordance with the provision of the Local Government Municipal Finance Management Act 56 of 2003; Sec 64(3) read together with the Provincial Treasury Circular no 55 of 2015.
2. Enclosed here to as an annexure A is the copy of the spreadsheet of the various Government Debts per Department as at the end of March 2026.
3. We are certain that Provincial Treasury will assist in the revenue collection of the said debt within their powers.

I hope that the above is in order and I thank you in anticipation of a positive response.

Sincerely


15/04/2026
TM Mashabela
Municipal Manager

Victor Khanye
Local Municipality

15-04-2026

Revenue Section

Victor Khanye Local Municipality Government Debt report as at 31 MARCH 2026

Name of Department	Total amount outstanding	0-30 Days	30 + 60 Days	60 + 90 Days	90 Days and over	Payments received by the municipality in Feb. 2026	Current Collectible in Rate (%)	Rates	Services	Interest	Rental Fees
Provincial Departments:											
Office of Premier											
Finance											
Cooperative Governance and Traditional Affairs	14 652.11	6 602.39	6 083.88	1 965.74		(8 220.12)			14 652.11		
Agriculture, Rural Development Land and Environmental Affairs											
Economic Development and Tourism											
Education	19 050.47				19 050.47						18 485.24
Education: Schools	5 824 957.67	65 857.57	310 718.37	369 150.63	5 079 231.10	(69 293.82)			565.23		
Public Works, Roads and Transport	571 375.17	343 988.14	40 438.44	411 684.96	(224 736.37)	(5 932.50)		571 375.17	5 824 957.67		
Community Safety Security and Liaison											
Health (Clinics)	1 305 504.10	179 883.55	27 689.87	26 921.74	1 071 008.94	(114 998.85)			132 346.74		1 175 157.36
Health (Hospitals)	256 960.29	255 060.06	1 900.23			(233 484.27)			256 960.29		
Culture Sport and Recreation											
Social Development	978 675.76	13 473.34	(38 987.69)	47 736.20	956 454.11	(29 150.66)			978 675.76		
Human Settlements											
Sub Total: Provincial Departments	8 971 175.67	864 865.05	347 643.90	857 439.27	6 901 008.25	(461 000.22)		571 375.17	7 208 157.80		1 191 642.60
National Departments:											
National Department of Public Works	3 473 360.63	51 235.89	30 397.24	9 800.48	3 381 947.02	(154 607.11)			192 460.24		3 289 920.39
National Department of Rural Development and Land Reform	378 530.45	26 793.48	25 901.32	25 864.54	299 971.11			378 530.45			
South African Social Security Agency - SASSA	7 501.58					(6 857.97)					7 501.58
South African Police Services - SAPS	(190 267.27)	51 759.96	48 332.20		290 359.43	(51 346.35)			(190 267.27)		
Justice Department		48 085.13				(79 427.95)			48 085.13		
Labour Department	5 018.76	2 460.05	2 588.71			(3 189.92)			5 018.76		
Sub Total: National Departments	3 722 249.28	187 836.09	107 189.47	30 845.02	3 391 068.70	(295 429.30)		570 990.69	(137 163.38)		3 288 421.97
Total Debt owed by Sector Departments	12 693 424.95	1 052 701.14	455 032.47	893 124.29	10 292 566.95	(756 509.52)		1 142 365.86	7 070 994.42		4 480 064.57
Other Organs of State:											
SANPARKS(Kruger National Park)											
Mpumalanga Economic Growth Agency - MEGA											
Mpumalanga Tourism and Parks Agency											
Water Board/ affairs											
ADD											
ADD											
ADD											
Sub Total: Other Organs of State											
GRAND TOTAL (This Should balance to SECTION 71 Report Totals)	12 693 424.95	1 052 701.14	455 032.47	893 124.29	10 292 566.95	(756 509.52)		1 142 365.86	7 070 994.42		4 480 064.57

Compiled By CFO : Signature *[Signature]*

Certified as correct by Municipal Manager : Signature *[Signature]*

NB: These amounts include Rates and services charges

Victor Khanye
Local Municipality

15 -04- 2026

Revenue Section

17. Recommendations

1. That the Municipal Council consider the report in terms of Section 71 of MFMA.
2. That the Municipal Council consider that Table c1 – Table C7 is obtained in terms guided by the National Treasury.
3. That the Municipality consider that both Eskom and Rand Water debt as at 30 April 2025_26 amounts to **R 1.2 billion** and **R515 million** respectively;
4. That the Municipal Council consider that the debt book amounts to **R2.1 billion**;
5. That non-compliance letter from Provincial treasury and the self-assessment for the month ended February be noted;
6. That circular 124 debt be noted;
7. That government debt be noted;


T.P MAHLANGU
CHIEF FINANCIAL OFFICER