VICTOR KHANYE

LOCAL MUNICIPALITY – PLAASLIKE MUNISIPALITEIT

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BUDGET & TREASURY OFFICE

QUALITY CERTIFICATE

I, **T.M MASHABELA,** Municipal Manager of Victor Kanye Local Municipality, hereby certify that the Budget Statement for June 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........................

DATE 2026/07/18

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 : 13 JULY 2026

RE : SECTION 71 REPORT

PURPOSE

To provide the Executive Mayor/Council with the budget and financial performance report for 30 JUNE 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 June 2009 for implementation with effect from 1 June 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 June 2009 for implementation with effect from 1 June 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 expenditure and revenue on standard classification of votes.

1. EXECUTIVE SUMMARY

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

Description	Budget	Adjustment budget	June Actual	YTD Actual	YTD Budget
Revenue	- 948 495 000	- 973 500 000	- 70 125 000	- 1 572 464 000	- 973 500 000
Expenditure	994 017 000	1 002 079 000	143 083 000	1 006 972 000	1 008 079 000
Operating Deficit	45 522 000	28 579 000	72 958 000	565 492 000	
Capital expenditure	65 245 000	64 495 000	4 274 000	37 123 000	64 495 000
Debtors			2 131 243 099		
Creditors			1 889 607 000		
Average payment rate	85%		54%		

The actual revenue billed for June amounted to **R70 million.** When comparing the year-to-date actual of **R1.5 billion** with the year-to-date budget of **R973.5 million,** there is a variance of **R598 million (62%).**

The expenditure amounted to **R143 million** with a year-to-date actual of **R1.006 billion** . In comparison with the year-to-date budget of **R1.008 billion**, there is a negative variance of **R1.1million (0%).**

The net operating surplus for June amounts to **R72 million** and the year-to-date surplus amounts to **R565 million.**

MIG , FMG and EPWP is fully spent. WSIG is 90% spent while holding back 10% for retention, and the MDRG is sitting at 47% and allowed by the condition of the grant.

Capital expenditure incurred in June amounted to **R 4.8 million**

Capital expenditure incurred amounted to **R 4.2 million.**

Ageing debtors amounted to **R2 billion** and on Creditors **R1.8 billion** in which the highest is an amount of **R1.3 billion** owed to Eskom and **R483million** owed to Rand Water.

Low collection rate of **54%**is affected by the unresolved enquiry between the municipality and Kusile Power Station over the valuation.

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	20 361 000	216 230 000	250 631 000	- 34 401 000	-14%
Service charges - water revenue	78 691 000	78 691 000	5 876 000	68 650 000	78 691 000	- 10 041 000	-13%
Service charges - sanitation revenue	14 392 000	14 392 000	1 103 000	12 232 000	14 392 000	- 2 160 000	-15%
Service charges - refuse revenue	15 318 000	18 318 000	2 212 000	15 718 000	18 318 000	- 2 600 000	-14%
Sale of Goods and rendering of services	7 231 000	9 086 000	223 000	3 592 000	9 086 000	- 5 494 000	-60%
Interest earned - outstanding debtors	165 255 000	165 255 000	102 000	792 000	165 255 000	- 164 463 000	-100%
Rental of facilities and equipment	1 641 000	1 641 000	182 000	2 118 000	1 641 000	477 000	29%
Operational revenue	806 000	431 000	20 000	1 065 000	431 000	634 000	147%
Interest from non_current Assets	-	-	-	-	-	-	
Non-exchange revenue						-	
Property rates	128 920 000	138 920 000	18 506 000	915 081 000	138 920 000	776 161 000	559%
Fines, penalties and forfeits	2 235 000	2 235 000	239 000	1 852 000	2 235 000	- 383 000	-17%
Surcharges and Taxes	73 281 000	73 281 000	11 039 000	66 144 000	73 281 000	- 7 137 000	-10%
interest	53 090 000	59 612 000	10 085 000	108 273 000	59 612 000	48 661 000	82%
other Gains		-	-	4 000	-	4 000	
Transfers and Subsidies - Operational	161 007 000	161 007 000	177 000	160 714 000	161 007 000	- 293 000	0%
Total revenue (excluding capital transf	948 495 000	973 500 000	70 125 000	1 572 465 000	973 500 000	598 965 000	62%

EXCHANGE AND NON-EXCHANGE REVENUE

Service Charges – Electricity

The billing for June amounted to **R20.3 million** and a year to date of **R216.2 million**, which shows a negative variance when in comparison with the year to date budget **R250.6 million (-14%).** As part of the revenue enhancement strategy, there will be a disconnection of water and electricity services for non-paying businesses, focusing on the top 50.

Service Charges – Water

The billing for June amounted to **R5.8 million.** When the year-to-date actual **68.6 million** is compared with the year to date budget **R78.6 million**, there is a slight variance of **(-13)**There is a data-cleansing programme done in-house by the revenue section, which aims to make billing more accurate.

Service Charge – Sanitation

The billed for June amounted to **R1 million,** the year to date was **R12.2 million** and compared with the year to date budget of **R14.3 million,** the variance is **(-15%).** This is the low performing service charge; however, it remains within the acceptable norm.

Service Charge – Refuse removal

The billed revenue amounted to **R2.2 million** the year to date was **R15.7 million** and compared to the year to date budget of **R18.3 million**, there is a negative variance of **-14%.**

Rental of facilities and equipment

Billing for rental of facilities amounted to **R182 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 **R20 thousand,** with the year to date of **R1 million** and the year to date budget of **R431 thousand**, there is a positive variance of **147%.** Operational revenue comprise of grave fees, connection/disconnection of water and electricity fees, building plans.

Property Rates

Billing for property rates for June amounted to **R18.5 million** and the year to date amounted to **R951 million** as compared to the year-to-date budget of **R138.9 million**, there is huge negative variance of **(559%).** After the supplementary valuation of Kusile Power station which has put the billing at **R7 milllion** instead of **R82 million** as was previously calculated.However,the submitted results of the supplementary valuation done by the municipality showed the same market value but in different categories the payment rate is sitting at **54%.**

Surcharges and Taxes – Surcharges billed amounted to **R11 million (-10%).** 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 R10 million** for both the exchange and non-exchange revenue respectively.

Actual year-to-date in 2025_26 financial year amounted to **R1.3 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) – June 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	18 021 000	214 956 000	219 640 000	- 4 684 000	-2%
Remuneration of councillors	12 146 000	12 146 000	853 000	10 166 000	12 146 000	- 1 980 000	-16%
Bulk purchases - Electricity	228 174 000	226 174 000	32 388 000	260 201 000	226 174 000	34 027 000	15%
Inventory consumed and Bulk pur	124 623 000	117 918 000	6 302 000	82 844 000	117 798 000	- 34 954 000	-30%
Debt impairment	89 408 000	61 908 000	-	-	61 908 000	- 61 908 000	-100%
Depreciation and asset impairme	53 279 000	56 591 000	-	53 424 000	56 591 000	- 3 167 000	-6%
Finance charges	50 000 000	60 000 000	6 951 000	118 183 000	60 000 000	58 183 000	97%
Contracted services	128 878 000	144 932 000	57 557 000	166 873 000	149 932 000	16 941 000	11%
Transfers and subsidies	-	-	-	-	-	-	0%
Irrecoverable debts written off	31 594 000	31 383 000	17 782 000	50 559 000	31 383 000	19 176 000	61%
Operationsl Costs	64 224 000	71 387 000	3 228 000	49 445 000	72 507 000	- 23 062 000	-32%
Losses on Disposal of Asset		-	-	-	-	-	0%
Other Losses	-	-	-	322 000	-	322 000	0%
Total Expenditure	994 017 000	1 002 079 000	143 082 000	1 006 973 000	1 008 079 000	- 1 428 000	0%

Employee related cost – For June 2025_26 total salaries, allowances and benefits including remuneration of councillors amounted to **R12.1 million.**

Bulk Purchases - Electricity – Eskom invoices for June amounted to **R32.3 million.** A payment of **R500 thousand** was made for sub-account. The municipality remains non-compliant regarding circular 124 of the Eskom debt relief.

Inventory consumed – The inventory consumed amounted to **R6.3 million**. The invoice for Rand Water was not captured due to lateness. A payment of **R5.7 million** was made to Rand Water. To minimise reliance on Rand Water, there's a project for installation of water package plants/boreholes which is aimed at producing 2 mega-litres of water per day.

Finance charges – Interest is charged on the bulk purchases(Eskom and Rand water) account and amounted to **R6.9 million**.

Contracted services – Expenditure on contracted services amounted to **R57.5 million** in June. Contracted services consist of legal fees, general maintenance of infrastructure, insurance, financial and non-financial systems, telephones, etc.

Operational costs – For June, general expenditure also amounted to **R3.2 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**	**41 453 000**	**88 505 000**	**37 374 000**	**51 131 000**	**210%**
Roads Infrastructure	**4 000 000**	**3 000 000**	**1 040 000**	**3 367 000**	**3 000 000**	**367 000**	**12%**
Capital Spares	4 000 000	3 000 000	1 040 000	3 367 000	3 000 000	367 000	12%
Electrical Infrastructure	**6 000 000**	**24 162 000**	**39 851 000**	**81 241 000**	**24 162 000**	**57 079 000**	**236%**
Capital Spares	6 000 000	24 162 000	39 851 000	81 241 000	24 162 000	57 079 000	236%
Water Supply Infrastructure	**2 000 000**	**1 000 000**	**59 000**	**628 000**	**1 000 000**	**- 372 000**	**-37%**
Capital Spares	2 000 000	1 000 000	59 000	628 000	1 000 000	372 000	37%
Sanitation Infrastructure	**2 000 000**	**2 500 000**	**229 000**	**2 462 000**	**2 500 000**	**- 38 000**	**-2%**
Capital Spares	2 000 000	2 500 000	229 000	2 462 000	2 500 000	- 38 000	-2%
Solid Waste Infrastructure	**3 778 000**	**712 000**	**274 000**	**807 000**	**6 712 000**	**- 5 905 000**	**21%**
Capital Spares	3 778 000	712 000	274 000	807 000	6 712 000	5 905 000	88%
Information and communication infrastructure	**10 950 000**	**8 200 000**	**121 000**	**2 716 000**	**8 200 000**	**- 5 484 000**	**-67%**
Data centres	10 950 000	8 200 000	121 000	**2 716 000**	**8 200 000**	- 5 484 000	**-67%**
Capital Spares	10 950 000	8 200 000	121 000	2 716 000	8 200 000	- 5 484 000	-67%
Total Repairs and Maintenance Expenditure	**28 728 000**	**39 574 000**	**41 574 000**	**91 221 000**	**45 574 000**	**45 647 000**	**100%**

Repairs and maintenance analysis Supporting table SC13c measures the extent to which Council's assets are maintained per asset class. Expenditure incurred for June amounts to **R41.5 million.** Due to the damage of the electricity infrastructure more expenditure was incurred to ensure that the infrastructure is maintained and be able to provide the service to community.

NORMS AND RATIOS

Current ratio (0:63)

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		0.63
				Current Assets	1 485 050
				Current Liabilities	2 348 911

Collection Rate (54%)

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 x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS	95%		54%
				Gross Debtors closing balance	2 131 243 099
				Gross Debtors opening balance	2 113 016 326
				Bad debts written Off	
				Billed Revenue	64 185 558

Cash/Cost coverage ratio (0 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		0 Month
				Cash and cash equivalents	5 754 042
				Unspent Conditional Grants	-
				Overdraft	-
				Short Term Investments	-
				Total Annual Operational Expenditure	143 083 000

Capital expenditure to operating expenditure (3%)

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%		3%
				Total Operating Expenditure	143 083 000
				Taxation Expense	-
				Total Capital Expenditure	4 274 000

Contracted services (40%)

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%		40%
				Contracted Services	57 557 000
				Total Operating Expenditure	143 083 000
				Taxation Expense	-

Creditor's payment period (76Days)

The number of days it takes the municipality to pay its suppliers after receiving goods or services a period of longer than 30 days to settle creditors is normally an indication that the Municipality might be experiencing cash flow problems.

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		76 days
				Trade Creditors	38 542 291
				Contracted Services	57 557 000
				Repairs and Maintenance	41 574 000
				General expenses	53 137 000
				Bulk Purchases	32 388 000
				Capital Credit Purchases (*Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment*)	-

4. BUDGET PERFOMANCE OVERVIEW

4.1 CAPITAL EXPENDITURE

Grants	Gazetted Amnt	Total Received to date	June Actual	YTD spending	% spent on received amt
MIG	29 618 000	29 618 000	3 923 635	29 618 000	100%
MDRG	6 000 000	6 000 000	2 800 000	2 800 000	47%
WSIG (ROLL-OVER)	2 910 894	-	1 408 808	2 616 830	90%

Total allocation for capital grants from the National Treasury for the 2025_26 financial year amounted to and R35 million. MIG is 100% spent while WSIG is 90% spent, with retention of 10% withheld. The MDRG is at 47% spent, however, the condition for this grant allows a cross over to 2026/27 as the period is April - September 2026

4.2 CASH FLOW STATEMENT

Net Cash from operating activities

The net cash from operating activities for June amounted to a favourable **R1.3 million** 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 for June amounted to **R4.8 million** of capital projects.

Net Increase/ Decrease in cash held

The municipality recorded a decrease in net cash held of **R5.3 million** as at 30 June 2026.

Description R thousands	June 2025_26 Actual
CASH FLOW FROM OPERATING ACTIVITIES	
Receipts	
Property rates, penalties & collection charges	9 725
Service charges	19 813
Other revenue	18 978
Government - operating	–
Government - capital	–
Interest	321
Dividends	–
Total receipts	**48 838**
Payments	
Suppliers and employees	(34 981)
Finance charges	(6 951)
Transfers and Grants	(5 565)
Total payments	**(47 497)**
NET CASH FROM/(USED) OPERATING ACTIVITIES	**1 341**
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipts	
Received from arrangements	–
Disposal of assets	–
(Increase) / Decrease in non-current investments	–
Payments	(4 829)
Capital assets	(4 829)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(4 829)**
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts	
Increase in consumer deposits	4
Borrowing long term/refinancing	–
Payments	
Repayment of borrowing	–
Finance lease payments	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**4**
NET INCREASE/ (DECREASE) IN CASH HELD	**(5 356)**
Cash/cash equivalents at beginning of the month:	11 110
Cash/cash equivalents at month end:	5 754

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 June resulted in a favourable balance of **R70 million** and total expenditure amounted to **R142 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 **62%** and deviation of **0%** 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 June, the expenditure amounted to **R4.2 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 June2025_26, the community wealth amounts to a favourable **R114.2 million**, Total liabilities amounts to **R2.4 billion,** whilst total assets amount to **R2.5 billion** which resulted in a favourable net-assets of **R114.8 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 **R188.7 million,** the Net cash from investing activities amounted to an unfavourable **R42.4 million.** The net cash from financing activities amounts to **R0.** The Bank balance at the end of the month amounted to **R5.7 million**.

BANK NAME	TYPE OF ACCOUNT	BALANCE
STD BANK	MAIN ACCOUNT	1 340 664
STD BANK	CALL ACCOUNT ELEC	3 577 545
STD BANK	CALL ACCOUNT	11
STD BANK	TRAFFIC	66 864
STD BANK	MONEY MARKET	163 413
ABSA BANK	CALL ACCOUNT	605 545
BALANCE		**5 754 042**

SUPPORTING DOCUMENTATION

3.1 PERFOMANCE 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 **54%**showing an increase from Previous month of **49%** .The overall increase in payment rate is largely attributes to the billing changes relating to Kusile power station and the corrections made on agricultural property owners that moved from the agricultural category to residential.

Payment rate inclusive of Kusile Power Station:

TypeOfService	TotalSettlements	TotalMovement	Billing	CreditNotes	DebitNotes	OtherAdjustments	PaymentRate(Movement)	PaymentRate (Billing)
DEPOSIT	-18 959.43	19 928.26	-	-	-	19 928.26	95%	0%
ADVANCE PAYMENT	173 082.52	-	-	-	-	-	0%	0%
INTEREST	-320 722.56	10 133 923.39	10 275 487.17	-288 921.46	147 357.68	-	3%	3%
VAT	-3 116 251.73	4 329 903.50	4 261 998.71	-65 881.85	143 557.92	-9 771.28	72%	73%
WATER	-2 315 475.06	5 042 992.09	5 028 882.96	-26 237.09	84 706.26	-44 360.04	46%	46%
ELECTRICITY	-15 639 881.22	15 953 436.21	15 404 206.20	-220 780.98	790 859.56	-20 848.57	98%	102%
RATES	-9 725 470.27	-54 689 751.13	21 142 171.36	-75 832 173.85	-	251.36	0%	46%
REFUSE	-931 030.31	1 347 534.60	1 374 289.40	-26 754.80	-	-	69%	68%
SEWERAGE	-926 991.73	966 097.42	1 062 608.18	-165 439.50	68 928.74	-	96%	87%
SUNDRIES VAT	-36 533.22	-	-	-	-	-	-	-
SUNDRY NON VAT	-54 600.95	2 146.80	2 146.80	-	-	-	2543%	2543%
HIRE	-952 093.62	5 646 317.89	5 633 767.37	-	12 550.52	-	17%	17%
OTHER SERVICES	-	17 038.21	-	-	-	17 038.21	-	-
PAYMENT ADVANCED	-1 010 541.83	-	-	-	-	-	100%	100.00
Total	-34 875 469.41	-11 230 432.76	64 185 558.16	-76 626 189.53	1 247 960.68	-37 762.06	100%	54%

3.2 DEBTORS/RECEIVABLES ANALYSIS:

- 3.3.1 Supporting table SC3 provides details on consumer debtors. Currently outstanding debtors amounts to **R2.1 billion** 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	JUNE
Organs of state	15 823 872.04
Commercial	92 678 104.53
Households	1 070 202 821.00
Mines	25 774 795.94
Farms	875 576 869.50
Indigent	11 150 584.47
Municipal Props	76 680.71
Other	5 768 884.40
Top 200	34 190 486.52
	2 131 243 099.11

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 June 2025_26, creditors amounted to **R 1.8 billion** and the bulk of the creditors relates to Eskom account with an amount **R1.3 billion** and Rand Water with an amount of **R493 million.**

3.4 COUNCILLORS ALLOWANCES AND EMPLOYEE BENEFITS ANALYSIS:

The table SC8 provides details for councillor and employee benefits. For June 2025_26, total salaries, allowances and benefits amounted to **R 853 thousand** .

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 June 2026 amounted to **R37.1 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 February 2026 is attached as Annexure "D"
- Government debt Annexure É"

6. DEBTORS

Debtors' Age Analysis for the month ended 30 June 2025_26, outstanding debtors comprise of consumer and sundry debtors. The total outstanding debtors amounts to **R2 billion** the consumer debtors amount to **R1.8 billion** and sundry debtors amount to **R140 million** . Creditors to the amount **R1.8 billion** were not paid during the month.

Description		Budget Year 2025/26											
R thousands	NT Code	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	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	5 853	3 443	3 315	3 324	3 072	3 484	2 613	255 752	280 856	271 560	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	19 515	1 609	1 112	577	593	357	438	22 914	47 115	25 992	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	20 016	14 999	90 413	94 695	87 627	87 037	86 807	493 835	975 430	940 415	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	958	543	433	431	389	373	306	22 146	25 579	24 077	–	–
Receivables from Exchange Transactions - Waste Management	1600	1 237	737	633	2 397	651	505	485	27 081	33 726	31 752	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	5 763	5 189	5 213	5 295	5 160	5 137	5 071	249 922	286 749	275 798	–	–
Interest on Arrear Debtor Accounts	1810	11 180	10 184	9 986	9 641	9 480	9 234	9 028	267 932	336 666	315 302	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	3 265	1 109	941	1 241	949	1 366	857	135 394	145 121	140 748	–	–
Total By Income Source	2000	67 787	37 814	112 046	117 600	107 921	107 494	105 605	1 474 977	2 131 243	2 025 643	–	–
2019/20 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 157	1 234	568	1 026	437	834	249	9 320	15 824	12 433	–	–
Commercial	2300	5 231	2 963	2 535	2 312	2 014	1 857	1 791	73 976	92 678	84 485	–	–
Households	2400	23 618	19 139	18 962	21 346	18 338	18 154	17 261	933 384	1 070 203	1 027 446	–	–
Other	2500	36 781	14 478	89 981	92 916	87 132	86 649	86 304	458 297	952 538	901 278	–	–
Total By Customer Group	2600	67 787	37 814	112 046	117 600	107 921	107 493	105 605	1 474 977	2 131 243	2 025 642	–	–

7. CREDITORS AGE ANALYSIS

Description	NT Code	Budget Year 2025/26								
R thousands		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	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	44 155	13 941	31 221	15 237	1 249 304	–		–	1 353 858
Bulk Water	0200	5 181	10 166	10 055	9 324	458 963	–		–	493 688
PAYE deductions	0300	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	32 482	4 416	311	488	926	–	–	–	38 542
Auditor General	0800	11	77	12	36	35	1 257	–	–	1 428
Financial Systems	0900	–	900	497	693	–	–	–	–	2 090
Total By Customer Type	**1000**	81 749	29 501	42 095	25 778	1 709 227	1 257	–	–	1 889 607

8. Allocation and grant receipts and expenditure

Grants	Gazetted Amnt	Total Received to date	June Actual	YTD Actual	% spent on received amount
FMG	1 900 000	1 900 000	277 180	1 900 000	100%
EPWP	1 976 000	2 153 000	-	2 153 000	100%
MIG	29 618 000	29 618 000	3 923 635	29 618 000	100%
MDRG	6 000 000	6 000 000	2 800 000	2 800 000	47%
WSIG (ROLL-OVER)	2 910 894	-	1 408 808	2 616 830	90%

- 10% withheld for retention under WSIG.
- Grant period for MDRG (1 April – 30 September 2026.

An amount of **R641 thousand** funded the EPWP through the internally generated funds.

Internal Generated funds	Budget	June Actual	YTD Actual	% spent on budgeted amount
EPWP	1 976 000	459 423	1 999 684	101%

9. Councillors and employee benefits

9. Councillors and employee benefits

Number of months--------->	12					
	Pro-rata Budget	**Adjustment Budget**	**June Actual**	**YTD Actual**	**% Actual**	**Reason for Variance**
Councillors:						
Allowances	12 146 000	12 146 000	853 000	10 166 000	83.7%	None
Employees:						
Basic salary	117 012 000	128 262 000	10 832 000	128 994 000	100.6%	Variance is due to new appointments
Travelling allowance	13 815 000	13 480 000	1 114 000	12 001 000	89.0%	None
Overtime	20 701 000	18 578 000	1 087 000	15 353 000	82.6%	None
Employee social contributions	60 173 000	59 342 000	4 989 000	58 608 000	98.8%	None
TOTAL	**223 847 000**	**231 808 000**	**18 875 000**	**225 122 000**	**97.1%**	

13. Conclusion

14. Annexure A: C Schedules

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

16. Municipal Manager's quality certificate

Choose name from list - Table C1 Monthly Budget Statement Summary - M12 - June

Description R thousands	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	108 696	128 920	138 920	18 506	915 081	138 920	776 162	559%	138 920
Service charges	315 713	355 029	362 032	29 552	312 829	362 032	(49 203)	-14%	362 032
Investment revenue	1 265	–	–	–	–	–	–		–
Transfers and subsidies - Operational	153 285	161 007	161 007	177	160 714	161 007	(293)	0%	161 007
Other own revenue	171 201	303 539	311 542	21 890	183 840	311 542	(127 702)	-41%	311 542
Total Revenue (excluding capital transfers and contributions)	**750 159**	**948 495**	**973 500**	**70 125**	**1 572 464**	**973 500**	**598 964**	**62%**	**973 500**
Employee costs	207 328	211 691	219 640	18 021	214 956	219 640	(4 684)	-2%	219 640
Remuneration of Councillors	9 790	12 146	12 146	853	10 166	12 146	(1 980)	-16%	12 146
Depreciation and amortisation	60 323	53 279	56 591	–	53 424	56 591	(3 167)	-6%	56 591
Interest	97 555	50 000	60 000	6 951	118 183	60 000	58 183	97%	60 000
Inventory consumed and bulk purchases	297 491	352 797	343 972	38 690	343 045	343 972	(927)	0%	343 972
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	434 350	314 105	315 730	78 587	267 199	315 730	(48 531)	-15%	315 730
Total Expenditure	**1 106 836**	**994 017**	**1 008 079**	**143 083**	**1 006 972**	**1 008 079**	**(1 107)**	**0%**	**1 008 079**
Surplus/(Deficit)	**(356 679)**	**(45 522)**	**(34 579)**	**(72 958)**	**565 492**	**(34 579)**	**600 071**	**-1735%**	**(34 579)**
Transfers and subsidies - capital (monetary allocations)	44 337	46 618	52 618	–	20 523	52 618	(32 095)	-61%	52 618
Transfers and subsidies - capital (in-kind)	16 063	30 500	30 500	–	–	30 500	(30 500)	-100%	30 500
Surplus/(Deficit) after capital transfers &	**(296 279)**	**31 596**	**48 539**	**(72 958)**	**586 015**	**48 539**	**537 476**	**1107%**	**48 539**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(296 279)**	**31 596**	**48 539**	**(72 958)**	**586 015**	**48 539**	**537 476**	**1107%**	**48 539**
Capital expenditure & funds sources									
Capital expenditure	**86 343**	**65 245**	**64 495**	**4 274**	**37 123**	**64 495**	**(27 372)**	**-42%**	**64 495**
Capital transfers recognised	77 304	46 645	46 645	3 633	26 029	46 645	(20 616)	-44%	46 645
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**7 924**	**18 600**	**17 850**	**641**	**10 586**	**17 850**	**(7 264)**	**-41%**	**17 850**
Total sources of capital funds	**85 229**	**65 245**	**64 495**	**4 274**	**36 614**	**64 495**	**(27 881)**	**-43%**	**64 495**
Financial position									
Total current assets	538 342	202 468	773 842		1 465 050				773 842
Total non current assets	1 056 892	1 030 231	1 060 872		1 040 592				1 060 872
Total current liabilities	2 005 203	932	2 192 895		2 348 911				2 192 895
Total non current liabilities	61 841	686 628	64 841		61 841				64 841
Community wealth/Equity	**(471 639)**	545 239	**(423 022)**		**114 205**				**(423 022)**
Cash flows									
Net cash from (used) operating	–	119 775	78 486	21 202	188 710	78 486	(110 225)	-140%	78 486
Net cash from (used) investing	64 037	(65 245)	(64 495)	(4 889)	(42 476)	(64 495)	(22 019)	34%	(64 495)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**67 762**	**76 659**	**26 352**	–	**158 596**	**26 352**	**(132 244)**	**-502%**	**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	–	–	–	–	–	–	–	–	–

Choose name from list - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 - June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
<u>Revenue - Functional</u>										
Governance and administration		**388 614**	**311 972**	**328 275**	**40 623**	**1 209 837**	**328 275**	881 562	269%	**328 275**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		388 614	311 972	328 275	40 623	1 209 837	328 275	881 562	269%	328 275
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**13 829**	**7 760**	**7 760**	**779**	**7 168**	**7 760**	(592)	-8%	**7 760**
Community and social services		2 208	2 608	2 608	216	1 422	2 608	(1 187)	-45%	2 608
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		7 471	3 511	3 611	381	3 566	3 511	55	2%	3 511
Housing		4 150	1 641	1 641	182	2 181	1 641	539	33%	1 641
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**(2 290)**	**4 356**	**6 056**	–	**19 468**	**6 056**	13 413	221%	**6 056**
Planning and development		–	4 356	6 056	–	62	6 056	(5 993)	-99%	6 056
Road transport		(2 290)	–	–	–	19 406	–	19 406	#DIV/0!	–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**410 407**	**701 525**	**714 528**	**28 723**	**356 514**	**714 528**	**(358 014)**	-50%	**714 528**
Energy sources		174 972	329 394	333 397	19 531	181 803	333 397	(151 594)	-45%	333 397
Water management		117 454	208 373	211 173	5 876	69 767	211 173	(141 406)	-67%	211 173
Waste water management		29 237	113 471	116 671	1 103	12 232	116 671	(104 439)	-90%	116 671
Waste management		68 744	50 286	53 286	2 213	92 712	53 286	39 426	74%	53 286
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**810 569**	**1 025 613**	**1 056 618**	**70 125**	**1 592 987**	**1 056 618**	**536 369**	**51%**	**1 056 618**
<u>Expenditure - Functional</u>										
Governance and administration		**508 764**	**347 625**	**361 388**	**30 677**	**330 735**	**361 388**	(30 653)	-8%	**361 388**
Executive and council		47 972	45 242	55 715	4 652	41 965	55 715	(13 751)	-25%	55 715
Finance and administration		460 792	302 383	305 672	26 024	288 770	305 672	(16 902)	-6%	305 672
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**77 188**	**103 623**	**102 636**	**11 207**	**96 115**	**102 636**	(6 520)	-6%	**102 636**
Community and social services		30 918	34 792	38 007	3 041	37 929	38 007	(78)	0%	38 007
Sport and recreation		4 019	2 493	3 989	594	3 738	3 989	(251)	-6%	3 989
Public safety		40 485	64 699	58 760	7 380	52 714	58 760	(6 047)	-10%	58 760
Housing		1 766	1 639	1 879	191	1 734	1 879	(144)	-8%	1 879
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**44 710**	**68 810**	**58 180**	**3 408**	**43 993**	**58 180**	(14 187)	-24%	**58 180**
Planning and development		6 151	19 956	17 355	692	3 653	17 355	(13 702)	-79%	17 355
Road transport		41 150	47 093	39 565	2 715	39 943	39 565	379	1%	39 565
Environmental protection		(2 591)	1 760	1 260	1	396	1 260	(864)	-69%	1 260
Trading services		**476 178**	**473 960**	**485 875**	**97 792**	**536 129**	**485 875**	**50 253**	10%	**485 875**
Energy sources		310 681	275 709	292 336	79 019	372 951	292 336	80 614	28%	292 336
Water management		117 349	130 169	124 141	12 631	109 075	124 141	(15 065)	-12%	124 141
Waste water management		42 458	53 845	55 598	4 215	46 775	55 598	(8 823)	-16%	55 598
Waste management		5 690	14 237	13 801	1 926	7 328	13 801	(6 473)	-47%	13 801
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**1 106 838**	**994 017**	**1 008 079**	**143 083**	**1 006 972**	**1 008 079**	**(1 107)**	**0%**	**1 008 079**
Surplus/ (Deficit) for the year		**(286 279)**	**31 596**	**48 539**	**(72 958)**	**586 015**	**48 539**	**537 476**	**1107%**	**48 539**

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Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 - June

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		–	–	–	–	–	–	–		–
Vote 2 - Budget and Treasury		368 614	311 972	328 275	40 623	1 209 837	328 275	881 562	268.5%	328 275
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Community and Social Services		2 208	2 608	2 608	216	1 422	2 608	(1 187)	-45.5%	2 608
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		7 471	3 511	3 511	381	3 566	3 511	55	1.6%	3 511
Vote 7 - Housing		4 150	1 641	1 641	182	2 181	1 641	539	32.9%	1 641
Vote 8 - Health Services		–	–	–	–	–	–	–		–
Vote 9 - Planning and Development		–	4 356	6 056	–	62	6 056	(5 993)	-99.0%	6 056
Vote 10 - Roads Transport		(2 290)	–	–	–	19 406	–	19 406	#DIV/0!	–
Vote 11 - Electricity Services		174 972	329 394	333 397	19 531	181 803	333 397	(151 594)	-45.5%	333 397
Vote 12 - Water Services		117 454	208 373	211 173	5 876	69 767	211 173	(141 406)	-67.0%	211 173
Vote 13 - Waste Water Management		29 237	113 471	116 671	1 103	12 232	116 671	(104 439)	-89.5%	116 671
Vote 14 - Solid Waste Management		88 744	50 286	53 286	2 213	92 712	53 286	39 426	74.0%	53 286
Vote 15 -		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**810 559**	**1 025 613**	**1 058 618**	**70 125**	**1 592 987**	**1 056 618**	**536 369**	**50.8%**	**1 056 618**
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		59 529	66 115	82 334	5 883	56 057	82 334	(26 277)	-31.9%	82 334
Vote 2 - Budget and Treasury		430 662	270 388	258 529	22 634	248 743	258 529	(9 787)	-3.8%	258 529
Vote 3 - Corporate Services		6 273	186	13 856	1 044	13 651	13 856	(205)	-1.5%	13 856
Vote 4 - Community and Social Services		30 918	34 792	38 007	3 041	37 929	38 007	(78)	-0.2%	38 007
Vote 5 - Sport and Recreation		4 019	2 493	3 989	594	3 738	3 989	(251)	-6.3%	3 989
Vote 6 - Public Safety		40 485	64 699	58 760	7 380	52 714	58 760	(6 047)	-10.3%	58 760
Vote 7 - Housing		1 766	1 639	1 879	191	1 734	1 879	(144)	-7.7%	1 879
Vote 8 - Health Services		(2 591)	1 760	1 260	1	396	1 260	(864)	-68.5%	1 260
Vote 9 - Planning and Development		4 113	14 622	6 380	636	1 423	6 380	(4 957)	-77.7%	6 380
Vote 10 - Roads Transport		50 128	62 244	44 902	2 980	42 935	44 902	(1 967)	-4.4%	44 902
Vote 11 - Electricity Services		310 681	275 709	292 336	79 019	372 951	292 336	80 614	27.6%	292 336
Vote 12 - Water Services		117 349	130 169	124 141	12 631	109 076	124 141	(15 065)	-12.1%	124 141
Vote 13 - Waste Water Management		42 458	53 845	55 598	4 215	46 775	55 598	(8 823)	-15.9%	55 598
Vote 14 - Solid Waste Management		5 690	14 237	13 801	1 926	7 328	13 801	(6 473)	-46.9%	13 801
Vote 15 -		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1 101 479**	**992 897**	**995 773**	**142 177**	**995 450**	**995 773**	**(323)**	**0.0%**	**995 773**
Surplus/ (Deficit) for the year	2	**(290 919)**	**32 716**	**60 845**	**(72 052)**	**597 537**	**60 845**	**536 692**	**882.1%**	**60 845**

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Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 - June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		213 908	246 628	250 631	20 361	216 230	250 631	(34 401)	-14%	250 631
Service charges - Water		72 969	78 691	78 691	5 876	68 650	78 691	(10 041)	-13%	78 691
Service charges - Waste Water Management		13 174	14 392	14 392	1 103	12 232	14 392	(2 160)	-15%	14 392
Service charges - Waste management		15 661	15 318	18 318	2 212	15 718	18 318	(2 600)	-14%	18 318
Sale of Goods and Rendering of Services		2 228	7 231	9 086	223	3 592	9 086	(5 494)	-60%	9 086
Agency services		–	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		68 849	165 255	165 255	102	792	165 255	(164 463)	-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	182	2 118	1 641	477	29%	1 641
Licence and permits		–	–	–	–	–	–	–		–
Special Rating Levies		–	–	–	–	–	–	–		–
Operational Revenue		1 533	806	431	20	1 065	431	634	147%	431
Non-Exchange Revenue								–		
Property rates		108 696	128 920	138 920	18 506	915 081	138 920	776 162	559%	138 920
Surcharges and Taxes		69 951	73 281	73 281	11 039	66 144	73 281	(7 138)	-10%	73 281
Fines, penalties and forfeits		6 801	2 235	2 235	239	1 852	2 235	(383)	-17%	2 235
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		153 285	161 007	161 007	177	160 714	161 007	(293)	0%	161 007
Interest		13 718	53 090	59 612	10 085	108 273	59 612	48 661	82%	59 612
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		6 262	–	–	0	4	–	4	#DIV/0!	–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		750 159	948 495	973 500	70 125	1 572 464	973 500	598 964	62%	973 500
Expenditure By Type										
Employee related costs		207 328	211 691	219 640	18 021	214 956	219 640	(4 684)	-2%	219 640
Remuneration of councillors		9 790	12 146	12 146	853	10 166	12 146	(1 980)	-16%	12 146
Bulk purchases - electricity		227 563	228 174	226 174	32 388	260 201	226 174	34 027	15%	226 174
Inventory consumed		69 928	124 623	117 798	6 302	82 844	117 798	(34 955)	-30%	117 798
Debt impairment		149 695	89 408	61 908	–	–	61 908	(61 908)	-100%	61 908
Depreciation and amortisation		60 323	53 279	56 591	–	53 424	56 591	(3 167)	-6%	56 591
Interest		97 555	50 000	60 000	6 951	118 183	60 000	58 183	97%	60 000
Contracted services		110 395	128 878	149 932	57 557	166 873	149 932	16 941	11%	149 932
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		73 709	31 594	31 383	17 782	50 559	31 383	19 176	61%	31 383
Operational costs		51 150	64 224	72 507	3 228	49 445	72 507	(23 062)	-32%	72 507
Losses on Disposal of Assets		9 065	–	–	–	–	–	–		–
Other Losses		40 336	–	–	–	322	–	322	#DIV/0!	–
Total Expenditure		1 106 838	994 017	1 008 079	143 083	1 006 972	1 008 079	(1 107)	0%	1 008 079
Surplus/(Deficit)		(356 679)	(45 522)	(34 579)	(72 958)	565 492	(34 579)	600 071	-1735%	(34 579)
Transfers and subsidies - capital (monetary allocations)		44 337	46 618	52 618	–	20 523	52 618	(32 095)	-61%	52 618
Transfers and subsidies - capital (in-kind)		16 063	30 500	30 500	–	–	30 500	(30 500)	-100%	30 500
Surplus/(Deficit) after capital transfers & contributions		(296 279)	31 596	48 539	(72 958)	586 015	48 539			48 539
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		(296 279)	31 596	48 539	(72 958)	586 015	48 539			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	(72 958)	586 015	48 539			48 539
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		(296 279)	31 596	48 539	(72 958)	586 015	48 539			48 539

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 - June

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
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	–	1 077	2 850	(1 773)	-62%	2 850
Vote 2 - Budget and Treasury		40 449	950	950	102	17 876	950	16 926	1782%	950
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Community and Social Services		(393)	200	200	2	557	200	357	179%	200
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		–	300	300	15	15	300	(285)	-95%	300
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Health Services		–	–	–	–	–	–	–		–
Vote 9 - Planning and Development		29	550	550	–	30	550	(520)	-95%	550
Vote 10 - Roads Transport		22 212	23 700	23 700	160	5 160	23 700	(18 540)	-78%	23 700
Vote 11 - Electricity Services		38 198	5 000	5 000	523	1 831	5 000	(3 169)	-63%	5 000
Vote 12 - Water Services		(20 390)	20 500	20 500	1 781	2 449	20 500	(18 051)	-88%	20 500
Vote 13 - Waste Water Management		528	6 445	6 445	1 143	4 785	6 445	(1 660)	-26%	6 445
Vote 14 - Solid Waste Management		2 083	4 000	4 000	549	3 343	4 000	(657)	-16%	4 000
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	86 343	65 245	64 495	4 274	37 123	64 495	(27 372)	-42%	64 495
Total Capital Expenditure		**86 343**	**65 245**	**64 495**	**4 274**	**37 123**	**64 495**	**(27 372)**	**-42%**	**64 495**
Capital Expenditure - Functional Classification										
Governance and administration		**50 310**	**10 550**	9 800	102	**26 816**	9 800	17 016	174%	9 800
Executive and council		185	350	350	–	–	350	(350)	-100%	350
Finance and administration		50 125	10 200	9 450	102	26 816	9 450	17 366	184%	9 450
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**(393)**	**500**	500	17	572	500	72	14%	500
Community and social services		(393)	200	200	2	557	200	357	179%	200
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	300	300	15	15	300	(285)	-95%	300
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**16 007**	**18 250**	18 250	160	(2 674)	18 250	(20 924)	-115%	18 250
Planning and development		29	550	550	–	30	550	(520)	-95%	550
Road transport		15 978	17 700	17 700	160	(2 704)	17 700	(20 403)	-115%	17 700
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**20 420**	35 945	35 945	**3 996**	12 409	35 945	(23 536)	-65%	35 945
Energy sources		38 198	5 000	5 000	523	1 831	5 000	(3 169)	-63%	5 000
Water management		(20 390)	20 500	20 500	1 781	2 449	20 500	(18 051)	-88%	20 500
Waste water management		528	6 445	6 445	1 143	4 785	6 445	(1 660)	-26%	6 445
Waste management		2 083	4 000	4 000	549	3 343	4 000	(657)	-16%	4 000
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**86 343**	65 245	64 495	4 274	37 123	64 495	(27 372)	-42%	64 495
Funded by:										
National Government		77 304	46 645	46 645	3 633	26 029	46 645	(20 616)	-44%	46 645
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–	–		–
Transfers recognised - capital		77 304	46 645	46 645	3 633	26 029	46 645	(20 616)	-44%	46 645
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		7 924	18 600	17 850	641	10 586	17 850	(7 264)	-41%	17 850
Total Capital Funding		85 229	65 245	64 495	4 274	36 614	64 495	(27 881)	-43%	64 495

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M12 - June

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		12 361	76 659	(13 186)	21 843	(13 186)
Trade and other receivables from exchange transactions		59 341	(7 735)	(3 511)	210 028	(3 511)
Receivables from non-exchange transactions		16 333	146 472	107 936	826 172	107 936
Current portion of non-current receivables		–	–	–	–	–
Inventory		2 418	(35 945)	128 534	2 266	128 534
VAT		447 888	23 017	554 069	425 757	554 069
Other current assets		0	–	0	(1 016)	0
Total current assets		**538 342**	**202 468**	**773 842**	**1 485 050**	**773 842**
Non current assets						
Investments		–	–	(4 173)	–	(4 173)
Investment property		97 136	66 580	95 874	95 993	95 874
Property, plant and equipment		958 618	964 328	969 940	943 461	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**	**1 040 592**	**1 060 872**
TOTAL ASSETS		**1 595 234**	**1 232 699**	**1 834 714**	**2 525 642**	**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	1 922	1 710
Trade and other payables from exchange transactions		1 681 168	113 075	1 802 147	2 028 464	1 802 147
Trade and other payables from non-exchange transactions		2 911	(117 122)	(27 589)	18 476	(27 589)
Provision		8 701	11 546	8 701	8 701	8 701
VAT		306 022	2 298	403 235	286 656	403 235
Other current liabilities		–	–	–	–	–
Total current liabilities		**2 005 203**	**932**	**2 192 895**	**2 348 911**	**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		**2 067 044**	**687 460**	**2 257 736**	**2 410 752**	**2 257 736**
NET ASSETS	2	**(471 810)**	**545 239**	**(423 022)**	**114 890**	**(423 022)**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(471 639)	545 239	(423 022)	114 205	(423 022)
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**(471 639)**	**545 239**	**(423 022)**	**114 205**	**(423 022)**

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M12 - June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		–	236 078	230 652	8 062	121 528	230 652	(109 123)	-47%	230 652
Service charges		–	450 169	314 129	24 554	302 586	314 129	(11 543)	-4%	314 129
Other revenue		–	23 809	79 316	6 053	112 889	79 316	33 573	42%	79 316
Transfers and Subsidies - Operational		–	161 007	167 007	177	90 086	167 007	(76 921)	-46%	167 007
Transfers and Subsidies - Capital		–	46 618	46 618	–	1	46 618	(46 617)	-100%	46 618
Interest		–	–	224 867	–	–	224 867	(224 867)	-100%	224 867
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		–	(797 906)	(984 103)	(17 645)	(438 380)	(984 103)	545 723	-55%	(984 103)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	**119 775**	**78 486**	**21 202**	**188 710**	78 486	**(110 225)**	-140%	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)	(4 889)	(42 476)	(64 495)	22 019	-34%	(64 495)
NET CASH FROM/(USED) INVESTING ACTIVITIES		64 037	(65 245)	(64 495)	(4 889)	(42 476)	(64 495)	(22 019)	34%	(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		64 037	54 530	13 991	16 313	146 235	13 991			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:		67 762	76 659	26 352		158 596	26 352			26 352

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Choose name from list - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 - June

Summary of Employee and Councillor remuneration	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		5 764	6 985	6 985	471	5 757	6 985	(1 227)	-18%	6 985
Pension and UIF Contributions		1 022	1 230	1 230	95	1 089	1 230	(141)	-11%	1 230
Medical Aid Contributions		379	448	448	33	385	448	(63)	-14%	448
Motor Vehicle Allowance		186	428	428	32	379	428	(49)	-11%	428
Cellphone Allowance		799	985	985	67	805	985	(180)	-18%	985
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		1 640	2 070	2 070	155	1 751	2 070	(320)	-15%	2 070
Sub Total - Councillors		**9 790**	**12 146**	**12 146**	**853**	**10 166**	**12 146**	**(1 980)**	**-16%**	**12 146**
% increase	4		24.1%	24.1%						24.1%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4 185	5 336	4 306	280	3 856	4 306	(450)	-10%	4 306
Pension and UIF Contributions		352	106	200	16	186	200	(14)	-7%	200
Medical Aid Contributions		271	73	73	8	79	73	6	8%	73
Overtime		–	9	9	1	9	9	(1)	-9%	9
Performance Bonus		218	–	186	–	187	186	1	1%	186
Motor Vehicle Allowance		687	632	1 022	57	739	1 022	(282)	-28%	1 022
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		360	146	146	10	120	146	(26)	-18%	146
Other benefits and allowances		1	5	1	0	1	1	0	1%	1
Payments in lieu of leave		–	–	20	2	22	20	2	10%	20
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		35	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**6 109**	**6 307**	**5 963**	**374**	**5 200**	**5 963**	**(764)**	**-13%**	**5 963**
% increase	4		3.2%	-2.4%						-2.4%
Other Municipal Staff										
Basic Salaries and Wages		116 828	111 676	123 956	10 552	125 138	123 956	1 182	1%	123 956
Pension and UIF Contributions		26 869	30 052	28 766	2 381	28 624	28 766	(143)	0%	28 766
Medical Aid Contributions		11 135	12 797	12 516	1 173	13 366	12 516	850	7%	12 516
Overtime		13 120	20 692	18 569	1 086	15 344	18 569	(3 226)	-17%	18 569
Performance Bonus		8 591	10 172	10 812	896	10 524	10 812	(288)	-3%	10 812
Motor Vehicle Allowance		10 158	13 183	12 436	1 057	11 262	12 436	(1 174)	-9%	12 436
Cellphone Allowance		42	143	143	11	134	143	(9)	-6%	143
Housing Allowances		1 292	830	825	47	436	825	(389)	-47%	825
Other benefits and allowances		6 570	4 008	4 086	330	3 936	4 086	(150)	-4%	4 086
Payments in lieu of leave		1 215	–	–	–	–	–	–		–
Long service awards		0	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	3 250	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		300	157	467	29	316	467	(151)	-32%	467
Acting and post related allowance		1 849	1 675	1 101	85	678	1 101	(423)	-38%	1 101
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		**201 220**	**205 385**	**213 677**	**17 648**	**209 757**	**213 677**	**(3 920)**	**-2%**	**213 677**
% increase	4		2.1%	6.2%						6.2%
Total Parent Municipality		**217 119**	**223 837**	**231 786**	**18 875**	**225 122**	**231 786**	**(6 664)**	**-3%**	**231 786**
Unpaid salary, allowances & benefits in arrears:										
Board Members 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		–	–	–	–	–	–	–		–
Board Fees	5	–	–	–	–	–	–	–		–
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations		–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–

Choose name from list - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M12 - June

Month	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July	4 364	5 437	5 437	787	787	5 437	4 650	85.5%	1%
August	8 730	5 437	5 437	(264)		10 874	–		
September	1 762	5 437	5 437	5 360	#VALUE!	16 311	#VALUE!	#VALUE!	#VALUE!
October	4 992	5 437	5 437	7 072	#VALUE!	21 748	#VALUE!	#VALUE!	#VALUE!
November	2 807	5 437	5 437	1 547	#VALUE!	27 185	#VALUE!	#VALUE!	#VALUE!
December	5 679	5 437	5 437	1 729	#VALUE!	32 623	#VALUE!	#VALUE!	#VALUE!
January	1 356	5 437	5 437	2 516	#VALUE!	38 060	#VALUE!	#VALUE!	#VALUE!
February	3 230	5 437	5 287	2 898	#VALUE!	43 347	#VALUE!	#VALUE!	#VALUE!
March	5 859	5 437	5 287	3 359	#VALUE!	48 634	#VALUE!	#VALUE!	#VALUE!
April	1 587	5 437	5 287	3 167	#VALUE!	53 921	#VALUE!	#VALUE!	#VALUE!
May	5 874	5 437	5 287	4 680	#VALUE!	59 208	#VALUE!	#VALUE!	#VALUE!
June	40 102	5 437	5 287	4 274	#VALUE!	64 495	#VALUE!	#VALUE!	#VALUE!
Total Capital expenditure	**86 343**	**65 245**	**64 495**	**37 123**					

Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 - June

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	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		48 524	28 728	45 574	41 574	91 220	45 574	(45 646)	-100.2%	45 574
Roads Infrastructure		2 399	4 000	3 000	1 040	3 367	3 000	(367)	-12.2%	3 000
Roads		–	–	–	–	–	–	–		–
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		2 399	4 000	3 000	1 040	3 367	3 000	367	0	3 000
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		37 487	6 000	24 162	39 851	81 241	24 162	(57 079)	-236.2%	24 162
Power Plants		–	–	–	–	–	–	–		–
HV Substations		–	–	–	–	–	–	–		–
HV Switching Station		–	–	–	–	–	–	–		–
HV Transmission Conductors		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		–	–	–	–	–	–	–		–
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		37 487	6 000	24 162	39 851	81 241	24 162	57 079	0	24 162
Water Supply Infrastructure		2 096	2 000	1 000	59	628	1 000	372	37.2%	1 000
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	–	–	–	–	–	–		–
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		2 096	2 000	1 000	59	628	1 000	(372)	(0)	1 000
Sanitation Infrastructure		5 298	2 000	2 500	229	2 462	2 500	38	1.5%	2 500
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Works		–	–	–	–	–	–	–		–
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		5 298	2 000	2 500	229	2 462	2 500	(38)	(0)	2 500
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Landfill Sites		–	–	–	–	–	–	–		–
Waste Transfer Stations		–	–	–	–	–	–	–		–
Waste Processing Facilities		–	–	–	–	–	–	–		–
Waste Drop-off Points		–	–	–	–	–	–	–		–
Waste Separation Facilities		–	–	–	–	–	–	–		–
Electricity Generation Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Rail Lines		–	–	–	–	–	–	–		–
Rail Structures		–	–	–	–	–	–	–		–
Rail Furniture		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Coastal Infrastructure		1 093	3 778	6 712	274	807	6 712	5 905	88.0%	6 712
Sand Pumps		–	–	–	–	–	–	–		–
Piers		–	–	–	–	–	–	–		–
Revetments		–	–	–	–	–	–	–		–
Promenades		–	–	–	–	–	–	–		–
Capital Spares		1 093	3 778	6 712	274	807	6 712	(5 905)	(0)	6 712
Information and Communication Infrastructure		150	10 950	8 200	121	2 716	8 200	5 484	66.9%	8 200
Data Centres		–	–	–	–	–	–	–		–
Core Layers		–	–	–	–	–	–	–		–
Distribution Layers		–	–	–	–	–	–	–		–
Capital Spares		150	10 950	8 200	121	2 716	8 200	(5 484)	(0)	8 200
Community Assets		–	–	–	–	–	–	–		–
Community Facilities		–	–	–	–	–	–	–		–
Halls		–	–	–	–	–	–	–		–

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Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 - June

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	1									
Centres		–	–	–	–	–	–	–		–
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		–	–	–	–	–	–	–		–
Testing Stations		–	–	–	–	–	–	–		–
Museums		–	–	–	–	–	–	–		–
Galleries		–	–	–	–	–	–	–		–
Theatres		–	–	–	–	–	–	–		–
Libraries		–	–	–	–	–	–	–		–
Cemeteries/Crematoria		–	–	–	–	–	–	–		–
Police		–	–	–	–	–	–	–		–
Purls		–	–	–	–	–	–	–		–
Public Open Space		–	–	–	–	–	–	–		–
Nature Reserves		–	–	–	–	–	–	–		–
Public Ablution Facilities		–	–	–	–	–	–	–		–
Markets		–	–	–	–	–	–	–		–
Stalls		–	–	–	–	–	–	–		–
Abattoirs		–	–	–	–	–	–	–		–
Airports		–	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Monuments		–	–	–	–	–	–	–		–
Historic Buildings		–	–	–	–	–	–	–		–
Works of Art		–	–	–	–	–	–	–		–
Conservation Areas		–	–	–	–	–	–	–		–
Other Heritage		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Other assets		–	–	–	–	–	–	–		–
Operational Buildings		–	–	–	–	–	–	–		–
Municipal Offices		–	–	–	–	–	–	–		–
Pay/Enquiry Points		–	–	–	–	–	–	–		–
Building Plan Offices		–	–	–	–	–	–	–		–
Workshops		–	–	–	–	–	–	–		–
Yards		–	–	–	–	–	–	–		–
Stores		–	–	–	–	–	–	–		–
Laboratories		–	–	–	–	–	–	–		–
Training Centres		–	–	–	–	–	–	–		–
Manufacturing Plant		–	–	–	–	–	–	–		–
Depots		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Water Rights		–	–	–	–	–	–	–		–
Effluent Licenses		–	–	–	–	–	–	–		–
Solid Waste Licenses		–	–	–	–	–	–	–		–
Computer Software and Applications		–	–	–	–	–	–	–		–
Load Settlement Software Applications		–	–	–	–	–	–	–		–
Unspecified		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–

Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 - June

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	1									
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Total Repairs and Maintenance Expenditure	1	48 524	28 728	45 574	41 574	91 220	45 574	(45 646)	-100.2%	45 574

provincial treasury
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

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Enquiries MR. I.D.P. STRAUSS Ext 8682
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Municipal Manager
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DELMAS
2210

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

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

1. PURPOSE

To provide feedback on Victor Khanye LM's debt relief compliance report for May 2026

2. BACKGROUND

The National Treasury approved the debt relief application of Victor Khanye LM with effect 01 September 2023. May 2026 constitutes the 33rd 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 May 2026.

3. DISCUSSION

The municipality submitted the April 2026 self-assessment, signed by the Municipal Manager and it was uploaded on the Go-Muni with the narrative Section 71 report for May 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 68% compliance with the MFMA Circular 124 conditions during May 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 decreased slightly if compared to the April 2026 average compliance of 71%. 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 – April 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 May 2026 are discussed in more detail below.

Condition 6.3 Maintain Current Bulk Account.

The municipality's Eskom account for April 2026 was R22,273,548.70 according to the Eskom Section 41 report. The Municipality only paid R2 million in May 2026. The data strings of the Municipality correctly show R2,000,000 payments made to Eskom in May 2026. The electricity income for May 2026 was R18,677,605 according to schedule SC30.

The municipality only paid their Eskom account in full twice (March 2024 and December 2024) in the 33 months that the municipality is on the debt relief programme. Only R225,9 million of the R704,5 million electricity income was paid to Eskom. The municipality's average payment percentage is 32%. The total short payments from September 2023 to May 2026 are R478,6 million.

The municipality emailed the April 2026 Rand Water invoice. The amount to be paid by the municipality was R5,784,770,21. The municipality paid the exact amount to Rand Water in May 2026. The water data strings for Month 11 in May 2026 was not uploaded on LG Portal.

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. It decreased to R1,380 billion unfunded with the 2026/27 final budget.

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. It reduced to R14,4 million deficit with the 2026/27 final 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 with the 2026/27 budget.

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 May 2026 was 49%. 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 May 2026 was uploaded on the Go-Muni portal and it was emailed to MPT. The mSCOA data strings for May 2026 was uploaded to the Go-Muni portal. The MFMA S71 Statement for May 2026 was also 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 S71 Statement component	Compliance (Yes / No)
1.	***The Budget Performance Overview (paragraph 4) of the MFMA S71 statement*** 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.	***The conclusion (paragraph 14) of the MFMA S71 statement*** 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 – April 2026) were compiled and issued to the National Treasury and the municipality as part of the PT's May 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

GMilazi

MS. G.M. MILAZI
GENERAL MANAGER: SUSTAINABLE RESOURCE MANAGEMENT
DATE: 26-06-2026

Annexure A2 - Monthly

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

Mpumalanga Provincial Treasury

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period	May'26
National Financial Year	2025/26
Demarcation Code of Municipality being assessed	MP311
District	Nkangala
Demarcation Description	Victor Khanye

I, Ms Gugu Mashitena , 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	Answer
6,3 + 6,12	**Maintaining the Eskom and bulk water current account –** (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)? *Note - refer condition 6.12 .2*	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://lguploadportal.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)? ***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.*	No
6.3.2 6.3.3	- 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://lguploadportal.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)*	2026/27 Adopted 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/Guidelines/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
	Note - [illegible]	
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 [illegible] the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the [illegible] for such with the state of assets/asset 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 PT / NT must assesses whether the existing FRP incorporates / will give effect to a funded MTREF. If not, the FRP requires strengthening.	
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)? *Note – only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.*	N/a
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? *Note – the municipality's monthly MFMA s.71 statement must include as part of the narratives the indigent information in the required NT format.*	No
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	Maintain a minimum average quarterly collection of property rates and service charges	
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 – [illegible]	
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 <u>and</u> 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 <u>and</u> 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 <u>and</u> 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
6.8	**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? *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 s.71 statement*	No
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://lguploadportal.treasury.gov.za?	Yes
6.9	**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? *Note – condition 6.9.2 has a typing error and must refer to 6.9.1*	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://lguploadportal.treasury.gov.za?	No FRP
	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	
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://lguploadportal.treasury.gov.za? *Note – in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.*	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?	No
	Note – [illegible]	
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?	No
	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. NT confirms that MFMA Circular No. 124: condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term debt entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short term borrowing, including making use of an overdraft for in-year bridging purposes are not considered within the ambit of this condition	
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?	No
	Note – [illegible]	

	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? *Note - to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA*	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. 124, 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 aligning 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: **22/06/2026**

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

Monthly Performance Report

Municipal Details			Part A: Eskom And Bulk water current account					
Month	Code Donor	Code	C1	C2	C3	C4	C5	C6
25.July25	Victor Khanye	MP311	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
26.August25	Victor Khanye	MP311	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
27.September25	Victor Khanye	MP311	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
28.October25	Victor Khanye	MP311	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
29.November25	Victor Khanye	MP311	Yes	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
30.December25	Victor Khanye	MP311	Yes	Yes	[illegible]	[illegible]	[illegible]	[illegible]
31.January26	Victor Khanye	MP311	Yes	Yes	[illegible]	[illegible]	[illegible]	[illegible]
32.February26	Victor Khanye	MP311	Yes	Yes	[illegible]	[illegible]	[illegible]	[illegible]
33.March26	Victor Khanye	MP311	Yes	Yes	[illegible]	[illegible]	[illegible]	[illegible]
34.April26	Victor Khanye	MP311	Yes	Yes	[illegible]	[illegible]	[illegible]	[illegible]
35.May26	Victor Khanye	MP311	Yes	Yes	[illegible]	[illegible]	[illegible]	[illegible]
36.June26	Victor Khanye	MP311						
37.July26	Victor Khanye	MP311						
38.August26	Victor Khanye	MP311						
39.September26	Victor Khanye	MP311						
40.October26	Victor Khanye	MP311						
41.November26	Victor Khanye	MP311						

	Part B: Compliance with a funded MTREF					Part C: FRP/BFP & Tariff Assessment			Part D: Electricity and water as collection tools			
Month	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18
25.July25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
26.August25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
27.September25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
28.October25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
29.November25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
30.December25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
31.January26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
32.February26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
33.March26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
34.April26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
35.May26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
36.June26												
37.July26												
38.August26												
39.September26												
40.October26												
41.November26												

	Part C: Quarterly collection of property rates and services charges							Maximization of Revenue Base		
Month	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28
25.July25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
26.August25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
27.September25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
28.October25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
29.November25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
30.December25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
31.January26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
32.February26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
33.March26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
34.April26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
35.May26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
36.June26										
37.July26										
38.August26										
39.September26										
40.October26										
41.November26										

	Part E: Oversight													Scoring and Rating	
Month	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41	Score	Rating
25.July25	[illegible]	[illegible]	[illegible]	[illegible]	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	68%	[illegible]
26.August25	[illegible]	[illegible]	[illegible]	[illegible]	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	63%	[illegible]
27.September25	[illegible]	[illegible]	[illegible]	[illegible]	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	68%	[illegible]
28.October25	[illegible]	[illegible]	[illegible]	[illegible]	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	66%	[illegible]
29.November25	[illegible]	[illegible]	[illegible]	[illegible]	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	63%	[illegible]
30.December25	[illegible]	[illegible]	[illegible]	[illegible]	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	66%	[illegible]
31.January26	[illegible]	[illegible]	[illegible]	[illegible]	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	66%	[illegible]
32.February26	[illegible]	[illegible]	[illegible]	[illegible]	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	66%	[illegible]
33.March26	[illegible]	[illegible]	[illegible]	[illegible]	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	71%	[illegible]
34.April26	[illegible]	[illegible]	[illegible]	[illegible]	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	71%	[illegible]
35.May26	[illegible]	[illegible]	[illegible]	[illegible]	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	68%	[illegible]
36.June26														0%	Not completed
37.July26														0%	Not completed
38.August26														0%	Not completed
39.September26														0%	Not completed
40.October26														0%	Not completed
41.November26														0%	Not completed

		Comments/Motivation
HOD Name:	Ms G Mashiteng	
Signature of HOD:	pp	
Date:	22/06/2026	

** Note – if the official is signing on behalf of the Head of the Provincial Treasury (HOD), the written procuration of the HOD must be attached as an Annexure to this Certificate of Compliance.

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 June 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	564083108251	R 1 046 205 096.42	R 11 326 842.35	R 1 699 026.35	R 4 340 078.46	R 17 365 947.16	R 2 500 000.00	R 1 061 071 043.58
Jun-26	564362549787	R 1 061 071 043.58	R 16 955 921.29	R 2 543 388.19	R 4 884 827.90	R 24 384 137.38	R -	R 1 085 455 180.96
			R 132 322 923.53	R 19 848 438.52	R 48 761 972.28			

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	889192808589	R 237 690 703.94	R 10 257 200.26	R 1 538 580.04	R 2 144 949.12	R 13 940 729.42	R 2 500 000.00	R 249 131 433.36
Jun-26	889035393667	R 249 131 433.36	R 15 431 936.17	R 2 314 790.43	R 2 024 293.27	R 19 771 019.87	R 500 000.00	R 268 402 453.23
			127 646 432.28	19 146 964.86	21 343 728.95			

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 June 2025_26 amounts to **R 1.3 billion** and **R483 million** respectively;
4. That the Municipal Council consider that the debt book amounts to **R2 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