VICTOR KHANYE

LOCAL MUNICIPALITY – PLAASLIKE MUNISIPALITEIT

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BUDGET & TREASURY OFFICE

QUALITY CERTIFICATE

I, **N.B. Mokoena,** Acting Municipal Manager of Victor Khanye Local Municipality, hereby certify that the Budget Statement for the fourth quarter (1 Apr – 30 June 2024/25) has been prepared in accordance with the Municipal Finance Management Act and regulation made under that Act.

INITIALS AND SURNAME N.B. MOKOENA.

MUNICIPAL MANAGER OF VICTOR KHANYE LOCAL MUNICIPALITY MP311

SIGNATURE

DATE 2025/08/07

VICTOR KHANYE

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FINANCIAL SERVICES

Enquires: S Maphanga **Ref: 8/2/1/2**

TO : MUNICIPAL MANAGER
T.M MASHABELA

FROM : CHIEF FINANCIAL OFFICER
T.P MAHLANGU

DATE : 05 AUGUST 2025

RE : SECTION 52(d) REPORT`

REASON FOR REPORT

To provide the Executive mayor/Council with the budget and financial performance report for fourth quarter period ended (1 Apr - 30 June 2024_25).

STRATEGIC THRUST

Improve compliance to MFMA and VKLM policy Framework

PRIORITY ISSUE

Number of quarterly section 52(d) MFMA reports submitted to Mayoral committee within legislative timeframes

LEGISLATIVE CONTEXT

In terms of section 52(d) of the Municipal Finance Management Act (MFMA) No. 56 of 2003, the accounting officer of a municipality must by no later than 30 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

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 –
  i. Its share of the local government equitable share; and
  ii. Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph and;
g) When necessary, an explanation of –
  iii. Any material variance from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
  iv. Any material variance from the service delivery and budget implementation plan; and

v. Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remains within the municipality's approved budget

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

Table C1 s71 actual quarterly Budget Statement Summary;

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

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

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

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

Table C6 actual quarterly budget statement – financial position.

Table C7 actual quarterly statement - Cash flow.

REASON FOR REPORT

Apart from the legislative requirement to report, it is of utmost importance that directorates have sufficient and correct management information available to take informed decisions when policies, the IDP and SDBIP are implemented.

DISCUSSION

To ensure legally sound financial management on the activities performed by the Municipality and financial viability, also to provide a quarterly report on the implementation of the Annual Report and the actual quarterly expenditure and revenue on standard classification of vote.

MOTIVATIONS AND OPTIONS:

- **EXECUTIVE SUMMARY**

- Table C1: **Quarterly Budget Statement Summary – Q4 (Apr - June 2024_25)**

Description	Budget	Adj budget	Q4 Actual	YTD Actual	YTD Budget
Revenue	- 773 201 000	- 877 815 000	- 234 427 000	- 728 246 000	- 877 815 000
Expenditure	878 574 000	999 340 000	231 699 000	884 360 000	999 340 000
Surplus/Deficit	105 373 000	121 525 000	- 2 728 000	- 31 703 000	

	Original budget 2024/2025	Adjustment Budget	Q4 Actual	YTD Actual	YTD Budget	Variance	Variance %
R Thousands							
Revenue by source							
Exchange revenue							
Service charges-electricity revenue	225 890 000	225 960 000	58 565 000	211 728 000	225 960 000	- 14 232 000	-6%
Service charges-water revenue	74 236 000	74 237 000	20 401 000	68 131 000	74 237 000	- 6 106 000	-8%
Service charges-sanitation revenue	13 785 000	13 785 000	3 189 000	13 174 000	13 785 000	- 611 000	-4%
Service charge_refuse revenue	14 672 000	14 672 000	3 851 000	15 661 000	14 672 000	989 000	7%
Sale of Goods and rendering of services	6 926 000	6 926 500	560 000	2 228 000	6 926 500	- 4 698 500	-68%
interest earned-outsanding debtors	90 454 000	158 290 000	62 736 000	63 684 000	158 290 000	- 94 606 000	-60%
interest from current assets and non cur	-	1 572 000	1 095 000	1 095 000	-	1 095 000	0%
Rental facillities and equipment	1 572 000	772 000	- 1 232 000	- 16 000	1 572 000	- 1 588 000	-101%
Operational revenue	772 000	-	464 000	1 016 000	772 000	244 000	32%
						-	
Non-exchange revenue						-	
property rates	123 486 000	123 486 000	29 107 000	108 696 000	123 486 000	- 14 790 000	-12%
Fines,penalties and forteits	2 141 000	2 141 000	- 1 026 000	559 000	2 141 000	- 1 582 000	-74%
Surcharges and Taxes	33 486 000	70 193 000	17 216 000	69 951 000	70 193 000	- 242 000	0%
Transfers and Subsidies-Operational	152 985 000	152 985 500	88 957 000	153 285 000	152 985 500	299 500	0%
interest	32 795 000	32 795 000	- 49 456 000	19 052 000	32 795 000	- 13 743 000	-42%
other Gains	-	-	-	2 000	-		
Total Revenue (excluding capital transf	**773 200 000**	**877 815 000**	**234 427 000**	**728 246 000**	**877 815 000**	**- 149 571 000**	**-17%**

EXCHANGE REVENUE

Service Charges – Electricity - The billing for the fourth quarter amounted to R58.5 million (-6%) compared with the third quarter R48.8 million (-10%). Electricity remains the highest performing service.

Service Charges – Water – Billing for the fourth quarter amounted to **R20 million (-8%)** and is more than the billing for third quarter **R16.9 million**. Corrections on the billing for water remains a challenge as there is no harmony when comparing what Rand Water bills the municipality versus what the municipality bills the community where average consumption is used as a result unmetered households and the ageing infrastructure.

The project of installing prepaid water meters has started and currently in ward 8 as part of the water conservation project.

Sale of goods and rendering of service - Billing for the fourth quarter amounted to **R560 thousands** and has decreased compared to the last quarter **R721 thousand**. This line item comprises of grave fees, reconnection and disconnection fees and other miscellaneous services.

Interest earned on outstanding debtors – Billed revenue for the quarter amounted to **R62.7 million** which is lower than what was billed in quarter three **R79 million** due to upward adjustment on the budget.

Operational revenue – Billed revenue amounted to **R464 thousand** and is more than revenue billed than previous quarter **R307 thousand**. This line item comprise of revenue such as sale of building plans and clearance certificates etc.

NON-EXCHANGE REVENUE

Property Rates – Billing for property rates for the fourth quarter amounted to R29 million and is more than the previous quarter **(-12%)** variance because of the rezoning and subdivision of properties.

Surcharges and Taxes – Billing for The fourth quarter amounted to R17 million as in the last quarter. Surcharges comprise of the flat rates for households in Botleng.

Transfers and subsidies – Transfers received from National Treasury for grants in the fourth quarter amounted to **R88.9 million.** All monies received for grants were receipted on the system.

Rental of facilities and equipment

Billing for rental of facilities, operational revenue and fines amounted to unfavourable balances which were affected by a journal processed for **R6 million** for debt incentives as well as the credit note of **R10 million** for interest on historical debt write-off and incorrect billing for Department of Health since 2017 **(-101%).**

Actual receipts to-date in 2024_25 financial year amounted to **R728 million** included in the actual revenue are the grant monies received for equitable share, municipal infrastructure grant, Financial Management Grant, Extended Public Works Programme and Water Service Infrastructure Grant.

Budget Statement - Financial Performance (Expenditure) - Q4 2024-25

Description	Original Budget 2024/25	Adjustment Budget	Q4 Actual	YTD Actual	YTD budget	Variance	Variance %
R thousands							
Expenditure By Type							
Employee related costs	201 439 000	201 841 000	33 882 000	184 930 000	201 841 000	- 16 911 000	-8%
Remuneration of councillors	10 101 000	11 634 000	1 743 000	9 000 000	11 634 000	- 2 634 000	-23%
Bulk purchases - Electricity	203 854 000	233 854 000	61 288 000	227 891 000	233 854 000	- 5 963 000	-3%
Inventory consumed and Bulk pur	92 124 000	130 692 000	20 304 000	102 272 000	130 242 000	- 27 970 000	-21%
Debt impairment	108 336 000	88 336 000	-	-	88 336 000	- 88 336 000	-100%
Depreciation and asset impairme	52 446 000	51 033 000	-	-	51 033 000	- 51 033 000	-100%
Finance charges	30 000 000	50 005 000	24 899 000	89 215 000	50 005 000	39 210 000	78%
Contracted services	92 062 000	136 167 000	61 261 000	147 208 000	133 117 000	14 091 000	11%
Transfers and subsidies	-		-	-	-	-	0%
Irrecoverable debts written off	29 800 000	29 800 000	16 802 000	73 296 000	29 800 000	43 496 000	146%
Operationsl Costs	58 413 000	65 978 000	12 433 000	50 547 000	69 478 000	- 18 931 000	-27%
Losses on Disposal of Asset		-	-	-	-	-	0%
Other Losses	-	-	- 914 000	2 000	-	2 000	0%
Total Expenditure	**878 575 000**	**999 340 000**	**231 698 000**	**884 361 000**	**999 340 000**	**- 114 981 000**	**-12%**

Employee related cost – Expenditure for the fourth quarter amounted to **R33 million** and salaries are within the acceptable norm. However, the journal for June salaries was passed after the month-end and will appear in period 13.

Bulk Purchases-Electricity – Expenditure to the amount of **R61 million** was incurred for Electricity purchases for the fourth quarter.

A payment of **R4.5 million** was made to Eskom in the fourth quarter for both the bulk and north sub-station account. The municipality remains non-compliant for the debt relief as per circular 124.

Inventory consumed - Expenditure incurred for bulk water and the stores items amounted to **R20 million**. However, there was a stock and price adjustment made on this line item whose corrections will appear in period 13.

A payment of **R7 million** was made to the Rand Water.

Finance charges – Expenditure for the quarter amounted to **R24.8 million**. There was an interest adjustment on the Eskom account of **R377 thousand**, however the interest on bulk purchases remains high.

Contracted services – Expenditure on contracted services amounted to **R61 million**. The contacted services increased due to the unforeseen expenditure on maintenance on water and electricity. Contracted services consist of legal fees, general maintenance of infrastructure, financial and non-financial systems, telephones, maintenance of toilets in informal settlement etc.

Other expenditure – Expenditure for the fourth quarter amounted to **R12 million,** and cover general expenses not on contracted services (stationery, materials, consumables and PPE).

The operating expenditure for the fourth quarter amounts to **R231.6 million** and a year-to-date expenditure amount to **R884 million.**

Repairs and Maintenance

Description R thousands	Original Budget 2024/25	Adjustment Budget	Q4 Actual	Year to Date Actual	Year to Date Budget	Variance	Variance %
Infrastructure	11 260 000	42 076 000	37 080 000	74 347 000	42 076 000	32 271 000	57%
Roads Infrastructure	**1 000 000**	**4 300 000**	**2 494 000**	**3 230 000**	**4 300 000**	**- 1 070 000**	**-25%**
Capital Spares	5 000 000	4 300 000	2 494 000	3 230 000	4 300 000	- 1 070 000	-25%
Electrical Infrastructure	**6 000 000**	**26 000 000**	**32 773 000**	**62 659 000**	**26 000 000**	**36 659 000**	**141%**
Capital Spares	6 000 000	26 000 000	32 773 000	62 659 000	26 000 000	36 659 000	141%
Water Supply Infrastructure	**1 700 000**	**3 200 000**	**1 437 000**	**2 096 000**	**3 200 000**	**- 1 104 000**	**-35%**
Capital Spares	1 700 000	3 200 000	1 437 000	2 096 000	3 200 000	- 1 104 000	-35%
Sanitation Infrastructure	**500 000**	**7 000 000**	**-**	**5 298 000**	**7 000 000**	**- 1 702 000**	**24%**
solid waste infrastructure	500 000	7 000 000	-	5 298 000	7 000 000	- 1 702 000	24%
Costal Infrastructure	**2 060 000**	**1 576 000**	**376 000**	**1 064 000**	**1 576 000**	**- 512 000**	**-32%**
Capital Spares	2 060 000	1 576 000	376 000	1 064 000	1 576 000	- 512 000	-32%
Information and communicati	**10 792 000**	**8 182 000**	**2 083 000**	**4 004 000**	**8 182 000**	**- 4 178 000**	**51%**
Data centres	10 792 000	8 182 000	-	-	8 182 000	4 178 000	51%
Capital Spares	10 792 000	8 182 000	2 083 000	4 004 000	8 182 000	- 4 178 000	-51%
Total Repairs and Maintenance Expenditure	22 052 000	50 258 000	39 163 000	78 351 000	50 258 000	28 093 000	56%

Repairs and maintenance analysis Supporting table SC13c measures the extent to which Council's assets are maintained per asset class. Expenditure incurred for the fourth quarter amounts to **R39 million.**

Norms and Ratios

Current ratio (0:35)

The ratio shows that the municipality it is having financial challenges and insufficient cash to pay off its short-term liabilities using its short-term assets.

Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		0.35
				Current Assets	703 093 000
				Current Liabilities	2 034 304 000

Collection Rate (62%)

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

Collection Rate	(Gross Debtors Closing Balance + Bailled revenue - Gross Debtors Opening Balance - Bad debts written off) Billed revenue x100	Statement of Financial Position, Statement of financial performance, Notes to the AFS, Budget in-year reports, IDP and AR	95%		62%
				Gross Debtors closing balance	1 168 887 388
				Gross Debtors opening balance	1 165 311 289
				Bad debts written Off	-
				Billed Revenue	49 538 359

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	12 356 367
				Unspent Conditional Grants	-
				Overdraft	-
				Short Term Investments	-
				Total Annual Operational Expenditure	999 340 000

Capital expenditure to operating expenditure (6%)

The ratio shows that the low spending by the municipality in infrastructure holds potential risks to service delivery.

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%		6%
				Total Operating Expenditure	884 360 000
				Taxation Expense	-
				Total Capital Expenditure	55 020 000

Contracted services (17%)

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%		17%
				Contracted Services	147 208 000
				Total Operating Expenditure	884 360 000
				Taxation Expense	-

Creditor's payment period (317 Days)

The number of day 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 June 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		317 days
				Trade Creditors	1 582 951 000
				Contracted Services	147 208 000
				Repairs and Maintenance	78 352 000
				General expenses	50 547 000
				Bulk Purchases	1 545 514 000
				Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)*	-

4.1 CAPITAL EXPENDITURE

Grants	Gazetted Amnt	Total Received to date	June Actual	YTD spending	% spent on received amt
MIG	28 420 000	28 337 000	7 199 915	28 232 169	100%
WSIG	25 000 000	18 911 000	1 587 720	13 996 564	74%

Total allocation for capital grants from the National Treasury for the **2024-2025** financial year reduced from **R28.4 million (MIG) and R25 million (WSIG)** to **R28.3 million and R18.9 million** respectively for MIG and WSIG as per the amended gazette. However, WSIG was not fully spent at 30 June. Any grant payment made after year –end will appear in period 13.

4.2 CASH FLOW STATEMENT

Net Cash from operating activities

The net cash from operating activities for June amounted to an unfavourable **R13 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 shows a cash outflow of **R 8.7 million** that is a payment of capital projects.

Net Increase/ Decrease in cash held

The municipality recorded a decrease in net cash held of **R2.9 million** as at June 2025.

Description R thousands	June 2024_25 Actual
CASH FLOW FROM OPERATING ACTIVITIES	
Receipts	
Property rates, penalties & collection charges	6 978
Service charges	15 340
Other revenue	5 852
Government - operating	–
Government - capital	–
Interest	649
Dividends	–
Total receipts	**28 819**
Payments	
Suppliers and employees	(26 221)
Finance charges	(15 750)
Transfers and Grants	–
Total payments	**(41 971)**
NET CASH FROM/(USED) OPERATING ACTIVITIES	**(13 151)**
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipts	
Received from arrangements	–
Disposal of assets	–
(Increase) / Decrease in non-current investments	–
Payments	(8 796)
Capital assets	(8 796)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(8 796)**
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts	
Increase in consumer deposits	(741)
Borrowing long term/refinancing	–
Payments	
Repayment of borrowing	–
Finance lease payments	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(741)**
NET INCREASE/ (DECREASE) IN CASH HELD	**(2 973)**
Cash/cash equivalents at beginning of the month:	15 329
Cash/cash equivalents at month end:	12 356

5. IN-YEAR BUDGET STATEMENT TABLES

Table C2: **Quarterly Financial Performance by Vote**

Table C2 measures the quarterly actuals against the year-to-date SDBIP figures which 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: **Quarterly 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 billed revenue by vote for the Fourth quarter amounted to **R239 million** and total expenditure amounted to **R229 million.**

Table C4: **Quarterly 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 deviation in revenue is -17% and -12% for expenditure of the fourth quarter compared to the budget.

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

Table C5 indicates the quarterly actuals on capital expenditure for all votes and measures the year-to-date actuals against the year to date planning (SDBIP) figures. For the fourth quarter, there was capital expenditure amounting to **R16.2 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: **Quarterly Budget Statement Financial Position**

The table provides an overview of the financial position of the municipality's assets and liabilities. As at 30 June 2025, the community wealth amounts to an unfavourable **R300 million**. Total liabilities amounts to **R2 billion**, whilst total assets amounts to **R1.7 billion** which resulted in the unfavourable net-assets of **R300 million**, all figures are accumulative.

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

Table C7 provides detail of the actual year to date in-flow and out-flow. For the fourth quarter, the net cash from operating activities was a favourable **R21 million**, the net cash from investing activities amounted to an unfavourable **R18 million.** The net cash from financing activities amounts to **R0.**

The Bank balance as at 30 June 2025 amounted to a favourable balance of **R12 million**.

BANK NAME	TYPE OF ACCOUNT	BALANCE
STD BANK	MAIN ACCOUNT	1 242 651
STD BANK	CALL ACCOUNT ELEC	887 642
STD BANK	CALL ACCOUNT	8 586 586
STD BANK	TRAFFIC	116 667
STD BANK	MONEY MARKET	941 377
ABSA BANK	CALL ACCOUNT	581 445
BALANCE		**12 356 367**

3 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 method as prescribed by National Treasury. The formula is based on the gross debtor opening balance plus billed revenue less gross debtor closing balance less bad debts written off divide by billed revenue.

- **3.2 DEBTORS/RECEIVABLES ANALYSIS:**

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

- The measurement of the payment rate is based on the amount received up to the levy date in Fourth quarter, compared to the levy that was done in the previous quarter The payment rate of 60% did not reach the target of 85%.

period	Billing	Collection	Collection rate
April	60 906 642.16	- 31 879 226.83	-52%
May	53 946 781.43	- 34 982 953.70	-65%
June	49 538 358.66	- 30 592 101.74	-62%
Average	164 391 782.25	- 97 454 282.27	-60%

CUSTOMER GROUP	APRIL	MAY	JUNE
Organs of state	24 427 888.44	22 361 085	11 365 696
Commercial	85 272 611.14	82 705 521	86 895 048
Households	895 800 777.27	907 239 810	914 625 081
Mines	16 863 353.96	17 660 324	18 907 689
Farms	89 169 659.14	89 066 834	86 899 502
Indigents	24 289 224.95	27 561 211	29 084 671
Top 200	14 928 621.18	15 169 341	17 442 923
Municipal prop	178 447.70	187 264	196 182
Other	3 297 545.02	3 359 899	3 470 598
	1 154 228 128.80	**1 165 311 289**	**1 168 887 388**

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.

3.4 COUNCILLORS ALLOWANCES AND EMPLOYEE BENEFITS ANALYSIS:

The table SC8 provides details for councillor and employee benefits. For the fourth quarter 2025 total salaries, allowances and benefits amounted to **R35.6 Million**.

3.5 CAPITAL EXPENDITURE TREND

Supporting table SC12 provides information on the quarterly trends for capital expenditure. In terms of this table, the capital expenditure incurred for the fourth quarter amounted to **R16 million**.

Attached as Annexure are the following:

- The actual quarterly Budget Statement Annexure “A”
- Consumer Account Payment levels Annexure “B”
- Actual year to date of consumer debtors – Age analysis Annexure “C”
- A creditors age analysis Annexure “D”

DEBTORS

Debtors' Age Analysis as at 30 June 2025_25, outstanding debtors comprise of consumer and sundry debtors. The total outstanding debtors amounts to **R1 billion** of which consumer debtor's amount to **R928 million** and sundry debtors amount to **R131 million**.

Description		Budget Year 2024/25											
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	6 733	5 470	5 192	245 759	–	–	–	–	263 154	250 951	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	15 678	2 003	1 836	19 490	–	–	–	–	39 007	21 326	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	8 808	5 133	3 611	162 306	–	–	–	–	179 859	165 917	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	1 034	529	450	23 398	–	–	–	–	25 412	23 849	–	–
Receivables from Exchange Transactions - Waste Management	1600	1 206	661	579	26 695	–	–	–	–	29 140	27 274	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	6 064	5 412	5 338	236 003	–	–	–	–	252 818	241 342	–	–
Interest on Arrear Debtor Accounts	1810	7 878	8 869	8 691	214 522	–	–	–	–	239 959	223 213	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	3 840	922	1 792	132 984	–	–	–	–	139 539	134 776	–	–
Total By Income Source	**2000**	**51 241**	**28 999**	**27 490**	**1 061 158**	**–**	**–**	**–**	**–**	**1 168 887**	**1 088 648**	**–**	**–**
2019/20 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 994	252	775	8 344	–	–	–	–	11 366	9 119	–	–
Commercial	2300	12 853	2 487	2 084	69 471	–	–	–	–	86 895	71 555	–	–
Households	2400	21 438	19 543	19 326	854 318	–	–	–	–	914 625	873 644	–	–
Other	2500	14 955	6 717	5 306	129 024	–	–	–	–	156 002	134 330	–	–
Total By Customer Group	**2600**	**51 241**	**28 999**	**27 490**	**1 061 158**	**–**	**–**	**–**	**–**	**1 168 887**	**1 088 648**	**–**	**–**

CREDITORS

Creditors to the amount **R1.5 billion** were not paid.

MP311 Victor Khanye - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12- 2024_25

Description	NT Code	Budget Year 2024/25								
		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
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	36 272	–	46 074	–	971 941	–		–	1 054 287
Bulk Water	0200	11 120	13 371	12 341	13 428	440 967	–		–	491 227
PAYE deductions	0300	–	–	–	–	–	–	-	–	–
VAT (output less input)	0400	–	–	–	–	–	–	-	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	-	–	–
Loan repayments	0600	–	–	–	–	–	–	-	–	–
Trade Creditors	0700	31 247	–	–	–	–	–	-	–	31 247
Auditor General	0800	132	625	1 022	61	1 622		-	–	3 462
Financial Systems	0900	2 183	438	107	–	–	–	-	–	2 728
Total By Customer Type	**1000**	**80 954**	**14 434**	**59 544**	**13 490**	**1 414 530**	**–**	**–**	**–**	**1 582 951**

8. Allocation and grant receipts and expenditure

Grants	Gazetted Amnt	Total Received to date	June Actual	YTD Spending	% spent on received amount
Equitable share	149 824 000	149 824 000	25 660 753	149 824 000	100%
FMG	1 800 000	1 800 000	35 248	1 800 000	100%
EPWP	1 361 000	1 661 000	-	1 661 000	100%
MIG	28 420 000	28 337 000	7 199 915	28 337 000	100%
WSIG	25 000 000	18 911 000	1 587 720	15 282 284	81%

EPWP GRANT RECEIPT AND SPENDING			
2024/2025	RECEIPT	EXPENDITURE	OWN REVENUE
ALLOCATION	1 661 000	4 566 199	- 2 905 199

The overspending on EPWP is covered by the municipality's own generated revenue.

9. Councillors and employee benefits

Number of months--------->	12					
	Pro-rata	Adjustment	Q4	YTD	%	Reason for Variance
	Budget	budget	Actual	Actual	Actual	
Councillors:						
Allowances	10 101 000	11 634 000	1 743 000	9 000 000	77.4%	None
Employees:						
Basic salary	126 225 000	111 152 000	20 802 000	111 649 000	100.4%	None
Travelling allowance	10 572 000	13 252 000	1 834 000	9 928 000	74.9%	None
Overtime	9 053 000	19 828 000	1 832 000	12 024 000	60.6%	None
Employee social contributions	55 588 000	57 609 000	9 414 000	51 328 000	89.1%	None
TOTAL	**211 539 000**	**213 475 000**	**35 625 000**	**193 929 000**	**90.8%**	

13. Conclusion

14. Annexure A: C Schedules

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

16. Municipal Manager's quality certificate

Circular 124, for debt relief program - Eskom reconciliation as at 30 June 2025.

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	REBILLED ADJUST	BALANCE + INVOICE - PAID
Jul-24	564970455838	R 788 317 604.03	R 17 162 735.76	R 2 574 410.36	R 1 824 450.58	R 21 561 596.70	R 10 000 000.00		R 799 879 200.73
Aug-24	564900948545	R 799 879 200.73	R 12 738 610.06	R 1 910 791.51	R 2 051 138.83	R 16 700 540.40	R 4 000 000.00		R 812 579 741.13
Sep-24	564422207920	R 812 579 741.13	R 10 760 784.63	R 1 614 117.70	R 2 390 542.28	R 14 765 444.61	R 2 800 000.00		R 824 545 185.74
Oct-24	564768854268	R 824 545 185.74	R 8 687 767.27	R 1 303 165.09	R 2 996 569.42	R 12 987 501.78	R 2 150 000.00		R 835 382 687.52
Nov-24	564143391475	R 835 382 687.52	R 8 117 419.27	R 1 217 612.89	R 2 068 132.83	R 11 403 164.99	R 3 050 000.00		R 843 735 852.51
Dec-24	564514175441	R 843 735 852.51	R 7 621 901.93	R 1 143 285.29	R 3 013 503.18	R 11 778 690.40	R 9 500 000.00		R 846 014 542.91
Jan-25	564088945638	R 846 014 542.91	R 7 713 486.75	R 1 157 023.01	R 2 491 281.98	R 11 361 791.74	R 2 000 000.00		R 855 376 334.65
Feb-25	564015816898	R 855 376 334.65	R 8 139 315.57	R 1 220 897.34	R 2 499 976.94	R 11 860 189.85	R 1 000 000.00		R 866 236 524.50
Mar-25	564983950335	R 866 236 524.50	R 7 372 840.15	R 1 105 926.02	R 2 588 570.60	R 11 067 336.77	R 5 000 000.00		R 872 303 861.27
Apr-25	564441383012	R 872 303 861.27	R 9 436 212.08	R 1 415 431.81	R 3 822 788.56	R 14 674 432.45	R -		R 886 978 298.72
May-25	564434983725	R 886 978 293.72	R 8 823 313.43	R 1 323 497.01	R 2 679 716.51	R 12 826 526.95	R	R 54 153.43	899 750 667.24
Jun-25	56471783871	R 899 750 667.24	R 15 546 366.43	R 2 331 954.97	R 2 892 857.99	R 20 771 179.39	R 1 000 000.00		R 919 521 846.63
			R 122 120 753.33	R 18 318 113.00	R 31 319 529.70				

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	REBILLED ADJUST	BALANCE + INVOICE - PAID = TOTAL DUE
Jul-24	889668296263	R 50 012 521.37	R 12 890 775.60	R 1 933 616.34	R 198 410.58	R 15 022 802.52	R 10 000 000.00		R 55 035 323.89
Aug-24	889135332215	R 55 035 323.89	R 12 873 889.17	R 1 931 083.38	R 282 902.76	R 15 087 875.31	R 4 000 000.00		R 66 123 199.20
Sep-24	889612650615	R 66 123 199.20	R 8 623 201.00	R 1 293 480.15	R 464 334.26	R 10 381 015.41	R 3 200 000.00		R 73 304 214.61
Oct-24	889920803715	R 74 504 214.61	R 7 024 922.42	R 1 053 738.36	R 764 060.83	R 8 842 721.61	R 2 450 000.00		R 80 896 936.22
Nov-24	889330761790	R 80 896 936.22	R 7 613 828.85	R 1 142 074.33	R 484 468.05	R 9 240 371.23	R 550 000.00		R 89 587 307.45
Dec-24	889660984388	R 89 587 307.45	R 7 245 563.49	R 1 086 834.52	R 837 024.30	R 9 169 422.31	R 11 500 000.00		R 87 256 729.76
Jan-25	889565729430	R 87 256 729.76	R 6 776 278.76	R 1 016 441.82	R 604 958.53	R 8 397 679.11	R -		R 95 654 408.87
Feb-25	889286723150	R 95 654 408.87	R 8 063 341.56	R 1 209 501.24	R 709 602.58	R 9 982 445.38	R 3 500 000.00		R 102 136 854.25
Mar-25	889300129191	R 102 136 854.25	R 7 176 527.23	R 1 076 479.08	R 747 439.91	R 9 000 446.22	R 7 000 000.00		R 104 137 300.47
Apr-25	889687200691	R 104 137 300.47	R 7 163 199.78	R 1 074 479.97	R 1 201 759.13	R 9 439 438.88	R 2 500 000.00		R 111 076 739.35
May-25	889790080485	R 111 076 739.35	R 7 580 861.92	R 1 137 129.29	R 792 466.61	R 9 510 457.82	R 1 000 000.00	R 322 980.36	R 119 264 216.81
Jun-25	889281448937	R 119 264 216.81	R 12 738 274.67	R 1 910 741.20	R 852 094.46	R 15 501 110.33	R -		R 134 765 327.14
			105 770 664.45	15 865 599.68	7 939 522.00				

Choose name from list - Table C1 Monthly Budget Statement Summary - M12 - Quarter 4

Description	2023/24	Budget Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	109 834	123 486	123 486	29 107	108 696	123 486	(14 791)	-12%	123 486
Service charges	281 709	328 584	328 654	86 005	308 695	328 654	(19 960)	-6%	328 654
Investment revenue	1 637	–	–	1 095	1 095	–	1 095	#DIV/0!	–
Transfers and subsidies - Operational	143 890	152 985	152 985	88 957	153 285	152 985	300	0%	152 985
Other own revenue	154 409	168 146	272 689	29 263	156 476	272 689	(116 213)	-43%	–
Total Revenue (excluding capital transfers and contributions)	**691 478**	**773 201**	**877 815**	**234 427**	**728 246**	**877 815**	**(149 568)**	**-17%**	**877 815**
Employee costs	192 679	201 439	201 841	33 882	184 930	201 841	(16 911)	-8%	201 841
Remuneration of Councillors	9 364	10 101	11 634	1 743	9 000	11 634	(2 635)	-23%	11 634
Depreciation and amortisation	63 509	52 446	51 033	–	–	51 033	(51 033)	-100%	51 033
Interest	92 951	30 000	50 005	24 899	89 215	50 005	39 210	78%	50 005
Inventory consumed and bulk purchases	253 938	295 978	364 096	81 592	330 163	364 096	(33 933)	-9%	364 096
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	414 546	288 611	320 731	89 583	271 053	320 731	(49 678)	-15%	320 731
Total Expenditure	**1 026 986**	**878 574**	**999 340**	**231 699**	**884 360**	**999 340**	**(114 980)**	**-12%**	**999 340**
Surplus/(Deficit)	**(335 508)**	**(105 373)**	**(121 526)**	**2 729**	**(156 114)**	**(121 526)**	**(34 588)**	**28%**	**(121 526)**
Transfers and subsidies - capital (monetary allocations)	57 129	53 420	53 420	5 101	32 450	53 420	(20 970)	-39%	53 420
Transfers and subsidies - capital (in-kind)	15 779	119 417	119 417	–	–	119 417	(119 417)	-100%	119 417
Surplus/(Deficit) after capital transfers &	**(262 600)**	**67 465**	**51 312**	**7 829**	**(123 664)**	**51 312**	**(174 975)**	**-341%**	**51 312**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(262 600)**	**67 465**	**51 312**	**7 829**	**(123 664)**	**51 312**	**(174 975)**	**-341%**	**51 312**
Capital expenditure & funds sources									
Capital expenditure	**84 038**	**65 740**	**81 572**	**16 257**	**55 037**	**81 572**	**(26 536)**	**-33%**	**81 572**
Capital transfers recognised	85 039	53 420	53 472	11 362	41 495	53 472	(11 977)	-22%	53 472
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**(1 003)**	**12 320**	**28 100**	**4 896**	**13 525**	**28 100**	**(14 575)**	**-52%**	**28 100**
Total sources of capital funds	**84 037**	**65 740**	**81 572**	**16 257**	**55 020**	**81 572**	**(26 553)**	**-33%**	**81 572**
Financial position									
Total current assets	537 293	196 010	156 797		703 093				156 797
Total non current assets	1 033 600	996 847	1 014 092		1 088 636				1 014 092
Total current liabilities	1 689 804	(16 295)	(22 110)		2 034 304				(22 110)
Total non current liabilities	57 612	683 528	683 528		57 612				683 528
Community wealth/Equity	**(173 525)**	**525 624**	**509 471**		**(300 187)**				**509 471**
Cash flows									
Net cash from (used) operating	212 464	108 909	121 486	21 443	91 635	119 775	28 139	23%	121 486
Net cash from (used) investing	75 837	(62 740)	(78 572)	(18 560)	(64 078)	(65 245)	(1 167)	2%	(78 572)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**293 170**	**76 169**	**72 914**	**–**	**31 283**	**84 530**	**53 247**	**63%**	**46 639**
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 - Quarter 4

Description	Ref	2023/24	Budget Year 2024/25							
		Audited	Original	Adjusted	Quarter 4	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands	1									
Revenue - Functional										
Governance and administration		**339 652**	**345 621**	**354 015**	**123 761**	**379 482**	**354 015**	25 467	7%	**354 015**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		339 652	345 621	354 015	123 761	379 482	354 015	25 467	7%	354 015
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**15 523**	**6 572**	**6 902**	**(1 472)**	**3 422**	**6 902**	(3 480)	-50%	**6 902**
Community and social services		1 789	1 967	1 967	427	2 208	1 967	241	12%	1 967
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		12 095	3 363	3 363	(667)	1 230	3 363	(2 133)	-63%	3 363
Housing		1 640	1 242	1 572	(1 232)	(16)	1 572	(1 588)	-101%	1 572
Health		–	–	–	–	–	–	–		–
Economic and environmental services		–	**4 772**	**4 172**	–	–	**4 172**	(4 172)	-100%	**4 172**
Planning and development		–	4 772	4 172	–	–	4 172	(4 172)	-100%	4 172
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**409 210**	**589 074**	**685 564**	**117 239**	**377 793**	**685 564**	**(307 770)**	-45%	**685 564**
Energy sources		166 207	210 547	239 199	42 067	175 294	239 199	(63 905)	-27%	239 199
Water management		117 780	170 770	195 011	25 502	100 581	195 011	(94 430)	-48%	195 011
Waste water management		27 728	170 772	199 289	3 189	13 174	199 289	(186 115)	-93%	199 289
Waste management		97 496	36 986	52 064	46 482	88 744	52 064	36 680	70%	52 064
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**764 386**	**946 039**	**1 050 652**	**239 528**	**760 697**	**1 050 652**	**(289 955)**	**-28%**	**1 050 652**
Expenditure - Functional										
Governance and administration		**482 719**	**332 800**	**365 102**	**74 873**	**325 936**	**365 102**	(39 166)	-11%	**365 102**
Executive and council		35 251	45 646	54 551	2 373	43 164	54 551	(11 387)	-21%	54 551
Finance and administration		447 462	287 154	310 551	72 500	282 772	310 551	(27 779)	-9%	310 551
Internal audit		5	–	–	–	–	–	–		–
Community and public safety		**74 279**	**65 962**	**89 386**	**18 677**	**75 024**	**89 386**	(14 362)	-16%	**89 386**
Community and social services		33 010	9 424	32 945	5 530	28 853	32 945	(4 092)	-12%	32 945
Sport and recreation		1 443	3 037	3 041	476	1 693	3 041	(1 348)	-44%	3 041
Public safety		38 566	53 102	51 359	12 431	42 951	51 359	(8 408)	-16%	51 359
Housing		1 260	400	2 041	240	1 528	2 041	(513)	-25%	2 041
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**56 941**	**52 238**	**50 901**	**3 077**	**18 801**	**50 901**	(32 100)	-63%	**50 901**
Planning and development		15 239	15 074	12 607	1 026	3 559	12 607	(9 048)	-72%	12 607
Road transport		41 166	36 374	37 503	1 918	15 007	37 503	(22 495)	-60%	37 503
Environmental protection		535	791	791	134	235	791	(556)	-70%	791
Trading services		**413 048**	**427 574**	**493 952**	**135 072**	**464 599**	**493 952**	**(29 353)**	-6%	**493 952**
Energy sources		244 632	242 182	308 752	96 412	319 047	308 752	10 295	3%	308 752
Water management		109 301	114 299	126 842	28 432	103 893	126 842	(22 948)	-18%	126 842
Waste water management		36 824	40 620	50 122	7 126	35 835	50 122	(14 286)	-29%	50 122
Waste management		22 291	30 473	8 237	3 103	5 824	8 237	(2 413)	-29%	8 237
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**1 026 986**	**878 574**	**999 340**	**231 699**	**884 360**	**999 340**	**(114 980)**	**-12%**	**999 340**
Surplus/ (Deficit) for the year		**(262 600)**	**67 465**	**51 312**	**7 829**	**(123 664)**	**51 312**	**(174 975)**	**-341%**	**51 312**

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Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 - Quarter 4

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited	Original	Adjusted	Quarter 4	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		–	–	–	–	–	–	–		–
Vote 2 - Budget and Treasury		339 652	345 621	354 015	123 761	379 482	354 015	25 467	7.2%	354 015
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Community and Social Services		1 789	1 967	1 967	427	2 208	1 967	241	12.3%	1 967
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		12 095	3 363	3 363	(667)	1 230	3 363	(2 133)	-63.4%	3 363
Vote 7 - Housing		1 640	1 242	1 572	(1 232)	(16)	1 572	(1 588)	-101.0%	1 572
Vote 8 - Health Services		–	–	–	–	–	–	–		–
Vote 9 - Planning and Development		–	4 772	4 172	–	–	4 172	(4 172)	-100.0%	4 172
Vote 10 - Roads Transport		–	–	–	–	–	–	–		–
Vote 11 - Electricity Services		166 207	210 547	239 199	42 067	175 294	239 199	(63 905)	-26.7%	239 199
Vote 12 - Water Services		117 780	170 770	195 011	25 502	100 581	195 011	(94 430)	-48.4%	195 011
Vote 13 - Waste Water Management		27 728	170 772	199 289	3 189	13 174	199 289	(186 115)	-93.4%	199 289
Vote 14 - Solid Waste Management		97 496	36 986	52 064	46 482	88 744	52 064	36 680	70.5%	52 064
Vote 15 -		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**764 386**	**946 039**	**1 050 652**	**239 528**	**760 697**	**1 050 652**	**(289 955)**	**-27.6%**	**1 050 652**
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		47 820	58 090	68 922	5 814	52 265	68 922	(16 657)	-24.2%	68 922
Vote 2 - Budget and Treasury		420 163	263 576	281 980	64 897	258 131	281 980	(23 849)	-8.5%	281 980
Vote 3 - Corporate Services		9 436	137	268	2 257	5 138	268	4 869	1816.3%	268
Vote 4 - Community and Social Services		33 010	9 424	32 945	5 530	28 853	32 945	(4 092)	-12.4%	32 945
Vote 5 - Sport and Recreation		1 443	3 037	3 041	476	1 693	3 041	(1 348)	-44.3%	3 041
Vote 6 - Public Safety		38 566	53 102	51 359	12 431	42 951	51 359	(8 408)	-16.4%	51 359
Vote 7 - Housing		1 260	400	2 041	240	1 528	2 041	(513)	-25.1%	2 041
Vote 8 - Health Services		535	791	791	134	235	791	(556)	-70.3%	791
Vote 9 - Planning and Development		11 430	7 317	7 717	583	1 607	7 717	(6 111)	-79.2%	7 717
Vote 10 - Roads Transport		41 480	50 077	52 702	2 544	22 890	52 702	(29 812)	-56.6%	52 702
Vote 11 - Electricity Services		244 632	242 182	308 752	96 412	319 047	308 752	10 295	3.3%	308 752
Vote 12 - Water Services		109 301	114 299	126 842	28 432	103 893	126 842	(22 948)	-18.1%	126 842
Vote 13 - Waste Water Management		36 824	40 620	50 122	7 126	35 835	50 122	(14 286)	-28.5%	50 122
Vote 14 - Solid Waste Management		22 291	30 473	8 237	3 103	5 824	8 237	(2 413)	-29.3%	8 237
Vote 15 -		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1 018 191**	**873 524**	**995 718**	**229 978**	**879 889**	**995 718**	**(115 830)**	**-11.6%**	**995 718**
Surplus/ (Deficit) for the year	2	**(253 805)**	**72 515**	**54 934**	**9 550**	**(119 192)**	**54 934**	**(174 126)**	**-317.0%**	**54 934**

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Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 - Quarter 4

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		196 063	225 890	225 960	58 565	211 728	225 960	(14 232)	-6%	225 960
Service charges - Water		61 144	74 236	74 237	20 401	68 131	74 237	(6 106)	-8%	74 237
Service charges - Waste Water Management		11 949	13 785	13 785	3 189	13 174	13 785	(611)	-4%	13 785
Service charges - Waste management		12 552	14 672	14 672	3 851	15 661	14 672	989	7%	14 672
Sale of Goods and Rendering of Services		2 266	6 926	6 926	560	2 228	6 926	(4 698)	-68%	6 926
Agency services		–	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		50 776	90 454	158 290	62 736	63 684	158 290	(94 606)	-60%	158 290
Interest from Current and Non Current Assets		1 637	–	–	1 095	1 095	–	1 095	#DIV/0!	–
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		1 640	1 572	1 572	(1 232)	(16)	1 572	(1 588)	-101%	1 572
Licence and permits		–	–	–	–	–	–	–		–
Operational Revenue		337	772	772	464	1 016	772	244	32%	772
Non-Exchange Revenue								–		
Property rates		109 834	123 486	123 486	29 107	108 696	123 486	(14 791)	-12%	123 486
Surcharges and Taxes		50 758	33 486	70 193	17 216	69 951	70 193	(242)	0%	70 193
Fines, penalties and forfeits		11 239	2 141	2 141	(1 026)	559	2 141	(1 582)	-74%	2 141
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		143 890	152 985	152 985	88 957	153 285	152 985	300	0%	152 985
Interest		34 213	32 795	32 795	(49 456)	19 052	32 795	(13 743)	-42%	32 795
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		3 179	–	–	0	2	–	2	#DIV/0!	–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**691 478**	**773 201**	**877 815**	**234 427**	**728 246**	**877 815**	**(149 568)**	**-17%**	**877 815**
Expenditure By Type										
Employee related costs		192 679	201 439	201 841	33 882	184 930	201 841	(16 911)	-8%	201 841
Remuneration of councillors		9 364	10 101	11 634	1 743	9 000	11 634	(2 635)	-23%	11 634
Bulk purchases - electricity		202 461	203 854	233 854	61 288	227 891	233 854	(5 963)	-3%	233 854
Inventory consumed		51 477	92 124	130 242	20 304	102 272	130 242	(27 970)	-21%	130 242
Debt impairment		225 277	108 336	88 336	–	–	88 336	(88 336)	-100%	88 336
Depreciation and amortisation		63 509	52 446	51 033	–	–	51 033	(51 033)	-100%	51 033
Interest		92 951	30 000	50 005	24 899	89 215	50 005	39 210	78%	50 005
Contracted services		123 329	92 062	133 117	61 261	147 208	133 117	14 090	11%	133 117
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		8 885	29 800	29 800	16 802	73 296	29 800	43 496	146%	29 800
Operational costs		64 641	58 413	69 478	12 433	50 547	69 478	(18 931)	-27%	69 478
Losses on Disposal of Assets		1 247	–	–	–	–	–	–		–
Other Losses		(8 834)	–	–	(914)	2	–	2	#DIV/0!	–
Total Expenditure		**1 026 986**	**878 574**	**999 340**	**231 699**	**884 360**	**999 340**	**(114 980)**	**-12%**	**999 340**
Surplus/(Deficit)		**(335 508)**	**(105 373)**	**(121 526)**	**2 729**	**(156 114)**	**(121 526)**	**(34 588)**	**28%**	**(121 526)**
Transfers and subsidies - capital (monetary allocations)		57 129	53 420	53 420	5 101	32 450	53 420	(20 970)	-39%	53 420
Transfers and subsidies - capital (in-kind)		15 779	119 417	119 417	–	–	119 417	(119 417)	-100%	119 417
Surplus/(Deficit) after capital transfers & contributions		**(262 600)**	**67 465**	**51 312**	**7 829**	**(123 664)**	**51 312**			**51 312**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**(262 600)**	**67 465**	**51 312**	**7 829**	**(123 664)**	**51 312**			**51 312**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		**(262 600)**	**67 465**	**51 312**	**7 829**	**(123 664)**	**51 312**			**51 312**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**(262 600)**	**67 465**	**51 312**	**7 829**	**(123 664)**	**51 312**			**51 312**

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Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 - Quarter 4

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited	Original	Adjusted	Quarter 4	YearTD actual	YearTD	YTD	YTD %	Full Year
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		1 123	2 700	5 250	535	4 071	5 250	(1 179)	-22%	5 250
Vote 2 - Budget and Treasury		5 351	500	650	86	409	650	(241)	-37%	650
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Community and Social Services		–	20	20	1	18	20	(2)	-10%	20
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		–	–	80	–	–	80	(80)	-100%	80
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Health Services		–	–	–	–	–	–	–		–
Vote 9 - Planning and Development		–	100	100	(21)	29	100	(71)	-71%	100
Vote 10 - Roads Transport		11 041	19 421	28 864	7 462	22 212	28 864	(6 652)	-23%	28 864
Vote 11 - Electricity Services		25 696	6 500	18 409	3 565	15 795	18 409	(2 614)	-14%	18 409
Vote 12 - Water Services		41 449	31 499	26 200	3 363	10 384	26 200	(15 816)	-60%	26 200
Vote 13 - Waste Water Management		–	3 000	–	–	–	–	–		–
Vote 14 - Solid Waste Management		(622)	2 000	1 999	1 267	2 119	1 999	120	6%	1 999
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	84 038	65 740	81 572	16 257	55 037	81 572	**(26 536)**	**-33%**	81 572
Total Capital Expenditure		**84 038**	**65 740**	**81 572**	**16 257**	**55 037**	**81 572**	**(26 536)**	**-33%**	**81 572**
Capital Expenditure - Functional Classification										
Governance and administration		**6 634**	**8 200**	**13 900**	**2 428**	**10 714**	**13 900**	(3 186)	-23%	**13 900**
Executive and council		–	200	200	28	185	200	(15)	-8%	200
Finance and administration		6 634	8 000	13 700	2 400	10 529	13 700	(3 171)	-23%	13 700
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**–**	**20**	**100**	**1**	**18**	**100**	(82)	-82%	**100**
Community and social services		–	20	20	1	18	20	(2)	-10%	20
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	80	–	–	80	(80)	-100%	80
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**10 881**	**14 521**	**20 964**	**5 634**	**16 007**	**20 964**	(4 957)	-24%	**20 964**
Planning and development		–	100	100	(21)	29	100	(71)	-71%	100
Road transport		10 881	14 421	20 864	5 655	15 978	20 864	(4 886)	-23%	20 864
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**66 523**	**42 999**	**46 608**	**8 195**	**28 298**	**46 608**	(18 310)	-39%	**46 608**
Energy sources		25 696	6 500	18 409	3 565	15 795	18 409	(2 614)	-14%	18 409
Water management		41 449	31 499	26 200	3 363	10 384	26 200	(15 816)	-60%	26 200
Waste water management		–	3 000	–	–	–	–	–		–
Waste management		(622)	2 000	1 999	1 267	2 119	1 999	120	6%	1 999
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**84 038**	**65 740**	**81 572**	**16 257**	**55 037**	**81 572**	**(26 536)**	**-33%**	**81 572**
Funded by:										
National Government		85 039	53 420	53 472	11 362	41 495	53 472	(11 977)	-22%	53 472
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–	–		–
Transfers recognised - capital		**85 039**	**53 420**	**53 472**	**11 362**	**41 495**	**53 472**	**(11 977)**	**-22%**	**53 472**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		(1 003)	12 320	28 100	4 896	13 525	28 100	(14 575)	-52%	28 100
Total Capital Funding		**84 037**	**65 740**	**81 572**	**16 257**	**55 020**	**81 572**	**(26 553)**	**-33%**	**81 572**

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Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M12 - Quarter 4

Description R thousands	Ref 1	2023/24 Audited Outcome	Budget Year 2024/25 Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		6 397	76 041	22 130	2 002	22 130
Trade and other receivables from exchange transactions		97 172	66 959	118 092	200 190	118 092
Receivables from non-exchange transactions		23 529	84 982	53 853	32 642	53 853
Current portion of non-current receivables		–	–	–	–	–
Inventory		2 754	(31 972)	(37 278)	10 287	(37 278)
VAT		407 442	–	–	464 459	–
Other current assets		0	–	–	(6 486)	–
Total current assets		**537 293**	**196 010**	**156 797**	**703 093**	**156 797**
Non current assets						
Investments		–	–	–	–	–
Investment property		88 303	68 123	68 123	88 303	68 123
Property, plant and equipment		944 159	927 495	944 740	999 195	944 740
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		1 075	1 075	1 075	1 075	1 075
Intangible assets		64	155	155	64	155
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**1 033 600**	**996 847**	**1 014 092**	**1 088 636**	**1 014 092**
TOTAL ASSETS		**1 570 893**	**1 192 857**	**1 170 889**	**1 791 730**	**1 170 889**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		7 224	–	–	7 224	–
Consumer deposits		1 688	1 781	(8 865)	1 743	(8 865)
Trade and other payables from exchange transactions		1 389 959	57 000	61 831	1 656 554	61 831
Trade and other payables from non-exchange transactions		0	(86 622)	(86 622)	14 798	(86 622)
Provision		8 204	11 546	11 546	9 577	11 546
VAT		281 357	–	–	344 409	–
Other current liabilities		1 373	–	–	–	–
Total current liabilities		**1 689 804**	**(16 295)**	**(22 110)**	**2 034 304**	**(22 110)**
Non current liabilities						
Financial liabilities		(2 301)	7 528	7 528	(2 301)	7 528
Provision		18 905	676 000	676 000	18 905	676 000
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		41 008	–	–	41 008	–
Total non current liabilities		**57 612**	**683 528**	**683 528**	**57 612**	**683 528**
TOTAL LIABILITIES		**1 747 416**	**667 233**	**661 418**	**2 091 916**	**661 418**
NET ASSETS	2	**(176 523)**	**525 624**	**509 471**	**(300 187)**	**509 471**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(173 525)	525 624	509 471	(300 187)	509 471
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**(173 525)**	**525 624**	**509 471**	**(300 187)**	**509 471**

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M12 - Quarter 4

Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		89 893	137 878	208 071	28 532	108 019	236 078	(128 059)	-54%	208 071
Service charges		286 837	337 393	405 230	79 065	309 084	450 169	(141 085)	-31%	405 230
Other revenue		71 954	48 503	56 066	9 813	58 803	23 809	34 994	147%	56 066
Transfers and Subsidies - Operational		88 228	152 985	112 002	–	33 912	161 007	(127 095)	-79%	112 002
Transfers and Subsidies - Capital		30 000	53 420	53 420	–	18 911	46 618	(27 707)	-59%	53 420
Interest		1 423	–	–	316	1 265	–	1 265	#DIV/0!	–
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(355 872)	(621 270)	(733 308)	(96 283)	(438 358)	(797 906)	359 548	-45%	(733 308)
Interest		–	–	20 005	–	–	–	–		20 005
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**212 464**	**108 909**	**121 486**	**21 443**	**91 635**	**119 775**	**28 139**	**23%**	**121 486**
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		75 837	(62 740)	(78 572)	(18 560)	(64 078)	(65 245)	1 167	-2%	(78 572)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**75 837**	**(62 740)**	**(78 572)**	**(18 560)**	**(64 078)**	**(65 245)**	**(1 167)**	**2%**	**(78 572)**
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		**288 301**	**46 169**	**42 914**	**2 884**	**27 558**	**54 530**			**42 914**
Cash/cash equivalents at beginning:		4 870	30 000	30 000		3 725	30 000			3 725
Cash/cash equivalents at month/year end:		293 170	76 169	72 914		31 283	84 530			46 639

Choose name from list - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 - Quarter 4

Summary of Employee and Councillor remuneration R thousands	Ref	2023/24 Audited Outcome	Budget Year 2024/25 Original Budget	Adjusted Budget	Quarter 4	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		5 543	10 101	6 690	1 097	5 315	6 690	(1 376)	-21%	6 690
Pension and UIF Contributions		987	–	1 179	174	934	1 179	(244)	-21%	1 179
Medical Aid Contributions		336	–	429	66	347	429	(82)	-19%	429
Motor Vehicle Allowance		261	–	410	26	156	410	(254)	-62%	410
Cellphone Allowance		773	–	944	133	732	944	(211)	-22%	944
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		1 464	–	1 983	248	1 515	1 983	(468)	-24%	1 983
Sub Total - Councillors		**9 364**	**10 101**	**11 634**	**1 743**	**9 000**	**11 634**	**(2 635)**	**-23%**	**11 634**
% increase	4		**7.9%**	**24.2%**						**24.2%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3 891	5 759	5 111	659	3 851	5 111	(1 260)	-25%	5 111
Pension and UIF Contributions		332	237	101	75	322	101	220	218%	101
Medical Aid Contributions		237	–	70	72	245	70	175	250%	70
Overtime		–	–	9	(1)	–	9	(9)	-100%	9
Performance Bonus		158	–	–	93	218	–	218	#DIV/0!	–
Motor Vehicle Allowance		703	–	605	99	626	605	21	4%	605
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		306	–	140	80	330	140	190	136%	140
Other benefits and allowances		1	4	5	0	1	5	(4)	-86%	5
Payments in lieu of leave		32	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		67	–	–	–	35	–	35	#DIV/0!	–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**5 727**	**6 001**	**6 041**	**1 076**	**5 628**	**6 041**	**(413)**	**-7%**	**6 041**
% increase	4		**4.8%**	**5.5%**						**5.5%**
Other Municipal Staff										
Basic Salaries and Wages		111 298	120 466	106 041	20 143	107 798	106 041	1 757	2%	106 041
Pension and UIF Contributions		24 496	25 881	28 786	4 473	23 047	28 786	(5 739)	-20%	28 786
Medical Aid Contributions		9 728	9 960	12 258	1 885	10 165	12 258	(2 093)	-17%	12 258
Overtime		8 751	9 053	19 819	1 833	12 024	19 819	(7 796)	-39%	19 819
Performance Bonus		8 327	9 945	9 743	1 197	7 863	9 743	(1 880)	-19%	9 743
Motor Vehicle Allowance		8 978	10 572	12 627	1 735	9 302	12 627	(3 325)	-26%	12 627
Cellphone Allowance		42	–	137	(1)	38	137	(99)	-72%	137
Housing Allowances		1 053	1 101	795	329	1 249	795	454	57%	795
Other benefits and allowances		8 265	5 105	3 839	626	4 301	3 839	462	12%	3 839
Payments in lieu of leave		1 160	–	–	245	1 472	–	1 472	#DIV/0!	–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	2 933	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		141	–	150	50	275	150	125	83%	150
Acting and post related allowance		1 782	3 355	1 604	289	1 768	1 604	164	10%	1 604
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		**186 952**	**195 438**	**195 800**	**32 805**	**179 302**	**195 800**	**(16 499)**	**-8%**	**195 800**
% increase	4		**4.5%**	**4.7%**						**4.7%**
Total Parent Municipality		**202 042**	**211 539**	**213 475**	**35 625**	**193 929**	**213 475**	**(19 546)**	**-9%**	**213 475**
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 SC8 Monthly Budget Statement - councillor and staff benefits - M12 - Quarter 4

Summary of Employee and Councillor remuneration	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Executive members Board	2	–	–	–	–	–	–	–		–
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–		–
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–		–
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–		–
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations		–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–		–
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–		–
TOTAL SALARY, ALLOWANCES & BENEFITS		202 042	211 539	213 475	35 625	193 929	213 475	(19 546)	-9%	213 475
% increase	4		4.7%	5.7%						5.7%
TOTAL MANAGERS AND STAFF		192 679	201 439	201 841	33 882	184 930	201 841	(16 911)	-8%	201 841

Choose name from list - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M12 - Quarter 4

Month	2023/24	Budget Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July	3 453	5 478	5 478	4 364	4 364	5 478	1 114	20.3%	7%
August	2 022	5 478	5 478	8 730	13 094	10 957	(2 138)	-19.5%	20%
September	4 071	5 478	5 478	1 762	14 856	16 435	1 578	9.6%	23%
October	2 302	5 478	5 478	4 992	19 848	21 913	2 065	9.4%	30%
November	6 708	5 478	5 478	2 807	22 655	27 392	4 737	17.3%	34%
December	3 994	5 478	5 478	5 679	28 334	32 870	4 536	13.8%	43%
January	4 071	5 478	5 478	1 356	29 690	38 348	8 658	22.6%	45%
February	335	5 478	8 645	3 230	32 920	46 993	14 073	29.9%	50%
March	10 544	5 478	8 645	5 859	38 779	55 638	16 859	30.3%	59%
April	13 195	5 478	8 645	1 587	40 366	64 283	23 916	37.2%	0
May	9 385	5 478	8 645	5 874	46 241	72 928	26 687	36.6%	0
June	23 958	5 478	8 645	8 796	55 037	81 572	26 536	32.5%	0
Total Capital expenditure	**84 038**	**65 740**	**81 572**	**55 037**					

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Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 - Quarter 4

Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**41 186**	**26 052**	**50 258**	**39 162**	**78 352**	**50 258**	(28 094)	**-55.9%**	**50 258**
Roads Infrastructure		693	5 000	4 300	2 494	3 230	4 300	1 070	**24.9%**	4 300
Roads		–	–	–	–	–	–	–		–
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		693	5 000	4 300	2 494	3 230	4 300	(1 070)	(0)	4 300
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		29 069	6 000	26 000	32 773	62 659	26 000	(36 659)	**-141.0%**	26 000
Power Plants		–	–	–	–	–	–	–		–
HV Substations		–	–	–	–	–	–	–		–
HV Switching Station		–	–	–	–	–	–	–		–
HV Transmission Conductors		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		–	–	–	–	–	–	–		–
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		29 069	6 000	26 000	32 773	62 659	26 000	36 659	0	26 000
Water Supply Infrastructure		2 332	1 700	3 200	1 437	2 096	3 200	1 104	**34.5%**	3 200
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	–	–	–	–	–	–		–
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		2 332	1 700	3 200	1 437	2 096	3 200	(1 104)	(0)	3 200
Sanitation Infrastructure		2 791	500	7 000	–	5 298	7 000	1 702	**24.3%**	7 000
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Works		–	–	–	–	–	–	–		–
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		2 791	500	7 000	–	5 298	7 000	(1 702)	(0)	7 000
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		449	2 060	1 576	376	1 064	1 576	512	**32.5%**	1 576
Sand Pumps		–	–	–	–	–	–	–		–
Piers		–	–	–	–	–	–	–		–
Revetments		–	–	–	–	–	–	–		–
Promenades		–	–	–	–	–	–	–		–
Capital Spares		449	2 060	1 576	376	1 064	1 576	(512)	(0)	1 576
Information and Communication Infrastructure		5 852	10 792	8 182	2 083	4 004	8 182	4 178	**51.1%**	8 182
Data Centres		–	–	–	–	–	–	–		–
Core Layers		–	–	–	–	–	–	–		–
Distribution Layers		–	–	–	–	–	–	–		–
Capital Spares		5 852	10 792	8 182	2 083	4 004	8 182	(4 178)	(0)	8 182
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 - Quarter 4

Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
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		–	–	–	–	–	–	–		–

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Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 - Quarter 4

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	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	41 186	26 052	50 258	39 162	78 352	50 258	(28 094)	-55.9%	50 258

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Annexure A2 - Monthly

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

Municipality Self-Assessment

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period	Jun'25
National Financial Year	2024/25
Demarcation Code of Municipality being assessed	MP311
District	Nkangala
Demarcation Description	Victor Khanye

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

Municipal Debt Relief Conditions (Monthly reporting)

Choose from drop down list

Notes/Comments

Condition	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)		Notes/Comments
1	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*	No	
2	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	
3	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?	Yes	
4	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	
5	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	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)*	2024/25 Adopted MTREF	
7	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	
8	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?	Yes	

9	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** - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also propert rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".*		
10	6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment *(considering its asset register and physical state of assets)* on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes	
		***Note** - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".*		
11	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 necesary. However, the PT / NT must assesses whether the existing FRP incorporates / will give effect to a funded MTREF. If not, the FRP requires strenghtening*		
12	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	
13	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	
14	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:		
15	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	
16	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	
17	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	
18	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 services charges –**		
19	6.7.1	- Has the municipality achieved a minimum of *80 per cent average quarterly collection* of property rates and service charges **with effect from 01 April 2023** and *85 per cent average quarterly collection* **with effect from 01 April 2024** during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	No	

		Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.	
	6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, **has the municipality demonstrated to the satisfaction of National Treasury the following** :	
20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1;	No
21	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
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	Yes
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	Yes
24	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
25	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 –**	
26	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
27	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
28	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 –**	
29	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?	Yes
30	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
31	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
32	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
	6.10	*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.* *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:*	
33	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

34	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
35	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** - if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.*	
36	**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 loans (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):**	
37	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
38	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:** Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.8(3).*	
39		***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
40	**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
41	**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: Tswaledi MacDonald Mashabela

Signature of HOD/ NT/ MM: [signature]

Date: 15 July 2025

** ***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.*

ENVISAGED IMPACT

The reason for the reporting is to enhance sound financial management and promote transparency and accountability of officials and councillors and if the grey areas are not addressed, they could lead to serious implication on service delivery to the community of Victor Khanye.

STAKEHOLDERS CONSULTED

This report is used by National Treasury, Provincial Treasury and Cogta to access the municipality's financial viability, grants allocations and the expenditure to date.

LEGAL IMPLICATIONS

The none payment of Eskom, Rand Water and the Auditor General accounts will lead to legal implication to the municipality.

FINANCIAL IMPLICATIONS

They are no financial implication to the budget, IDP and SDBIP

OTHER IMPLICATIONS

All deviations report should follow the correct process and clear detail report should be prepared as the Auditor General may declare the deviations as irregular expenditure.

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_25 amounts to **R 1 billion** and **R491 million** respectively;
4. That the Municipal Council consider that the debt book amounts to **R1.1 billion;**
5. That the Municipal Council consider the payments made in the fourth quarter to Eskom and Rand Water amounts to **R4.5 million** and **R7 million** respectively;
6. Therefore, the implementation of credit control and debt collection policy must be intensified.
7. The council should consider the debt relief circular 124 for the month of June.

Mahlangu.

T.P Mahlangu
CHIEF FINANCIAL OFFICER