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 December 2025/26 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 ~~205~~ 2026/01/12.

VICTOR KHANYE

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BUDGET AND TREASURY

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

TO : MUNICIPAL MANAGER
T.M MASHABELA

FROM : CHIEF FINANCIAL OFFICER
T.P MAHLANGU

DATE : 12 JANUARY 2026

RE : SECTION 71 REPORT

PURPOSE

To provide the Executive Mayor/Council with the budget and financial performance report for 31 December 2025_26.

BACKGROUND

In terms of section 71(1) of the Municipal Finance Management Act (MFMA) No. 56 of 2003, the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasuries a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month. The format was amended in line with the Municipal Budget and Reporting Regulation and approved in terms of Section 168 of the Municipal Finance Management Act per Government Gazette No. 32141 dated 17 December2009for implementation with effect from 1 DECEMBER2009 as follows:

a) Actual revenue, per revenue source;
b) Actual borrowings;
c) Actual operating expenditure, per vote;
d) Actual capital expenditure, per vote;
e) The amount of any allocation received;
f) Actual expenditure on those allocations, excluding expenditure on – Its share of the local government equitable share; and

ii. Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph and;

g) When necessary, an explanation of –

iii. Any material variance from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;

iv. Any material variance from the service delivery and budget implementation plan; and

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

The format was amended in line with the Municipal Budget and reporting regulations and approved in terms of section 168 of the MFMA, per government gazette no 32141 dated 17 DECEMBER2009 for implementation with effect from 1 DECEMBER2009 as follows:

Table C1 s71 actual monthly Budget Statement Summary;

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

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

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

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

Table C6 actual monthly budget statement – financial position.

Table C7 actual monthly statement - Cash flow.

DISCUSSION

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

1. EXECUTIVE SUMMARY

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

Description	Budget	Dec Actual	YTD Actual	YTD Budget
Revenue	- 948 495 000	- 134 113 000	- 821 463 000	- 474 248 000
Expenditure	994 017 000	45 093 000	425 633 000	497 009 000
Surplus/Deficit	45 522 000	- 89 020 000	- 395 830 000	
Capital expenditure	29 618 000	1 547 000	10 345 000	27 185 000
Debtors		1 776 903 432		
Creditors		1 709 572 417		
Avárege payment rate	85%	23%		

The actual revenue billed for December amounted to **R134 million.** When comparing the year-to-date actual of **R821 million** with the year-to-date budget of **R474 million,** there is a variance of **R347 million (73%).**

The expenditure amounted to **R45 million** with a year-to-date actual of **R425.6 million**. In comparison with the year-to-date budget of **R497 million**, there is a negative variance of **R414 million (-14%).**

The net operating surplus for December amounts to **R89 million** and the year-to-date surplus amounts to **R395.8 million**.

Grant allocation received in December for MIG amounted to **R7.9 million** and **R52.3 million** for Equitable Share. Capital expenditure incurred for MIG in amounted to **R1.9 million.**

Total year-to-date on debtors was **R1.7 billion** and on Creditors **R1.7 billion** in which the highest is an amount of **R1.190 billion** owed to Eskom and **R505 million** owed to Rand Water.

In the meeting held between Victor Khanye Local Municipality, National Treasury and the Eskom team, it was resolved that Kusile Power Station site must be revalued by the valuers from both parties, the outcome is still not known as the process still unfolds. The current charge billed amounted to **R82 million**, and payment received for December amounted to **R1 400,** collection rate continues to drop further down to **23%**. However, the collection rate for December would have been **59%** had the Kusile Power station's new valuation not included.

REVENUE VARIANCES

	Year budget 2025/2026	Monthly Actual	YTD Actual	YTD Budget	Variance	Variance %
R thousands						
Revenue By Source						
Exchange revenue						
Service charges - electricity revenue	246 628 000	17 948 000	107 175 000	123 314 000	- 16 139 000	-13%
Service charges - water revenue	78 691 000	3 624 000	37 985 000	39 346 000	- 1 361 000	-3%
Service charges - sanitation revenue	14 392 000	1 025 000	6 596 000	7 196 000	- 600 000	-8%
Service charges - refuse revenue	15 318 000	1 355 000	8 025 000	7 659 000	366 000	5%
Sale of Goods and rendering of services	7 231 000	59 000	1 080 000	3 615 000	- 2 535 000	-70%
Interest earned - outstanding debtors	165 255 000	-	221 000	82 627 000	- 82 406 000	-100%
Rental of facilities and equipment	1 641 000	165 000	1 117 000	821 000	296 000	36%
Operational revenue	806 000	426 000	533 000	403 000	130 000	32%
Interest from non_current Assets	-	-	-	-	-	
Non-exchange revenue					-	
Property rates	128 920 000	94 752 000	565 580 000	64 460 000	501 120 000	777%
Fines, penalties and forfeits	2 235 000	17 000	750 000	1 118 000	- 368 000	-33%
Surcharges and Taxes	73 281 000	5 525 000	33 637 000	36 641 000	- 3 004 000	-8%
interest	53 090 000	9 218 000	50 604 000	26 545 000	24 059 000	91%
other Gains		-	-	-	-	
Transfers and Subsidies - Operational	161 007 000	-	8 162 000	80 504 000	- 72 342 000	-90%
Total revenue (excluding capital transfer	948 495 000	134 114 000	821 465 000	474 249 000	347 216 000	73%

EXCHANGE AND NON-EXCHANGE REVENUE

Service Charges – Electricity

The billing for December amounted to **R17.9 million** and a year to date of **R107 million**, which shows a negative variance when in comparison with the year to date budget **R123 million (-13%).**

Service Charges – Water

The billing for December amounted to **R3.6 million.** When the year-to-date actual **R37.9 million** is compared with the year to date budget **R39 million**, there is a slight variance of **(-3%).**

Service Charge – Sanitation

The billed revenue for December amounted to **R1 million,** the year to date was **R6.5 million** and compared with the year to date budget of **R7 million,** the variance is **(-8%).** This is the low performing service charge; however, it remains within the acceptable norm.

Service Charge – Refuse removal

The billed revenue amounted to **R1.3 million,** the year to date was **R8 million** and compared to the year to date budget of **R7.6 million**, there is a positive variance of **5%.**

Rental of facilities and equipment

Billing for rental of facilities amounted to **R165 thousand**, Year to date actual is higher than year to date budget due to change in tariffs.

Operational Costs

Billing for operational costs amounted to **R426 thousands,** with the year to date of **R533 million** and the year to date budget of **R403 million**, there is a positive variance of **32%.** Operational revenue comprise of grave fees, connection/disconnection of water and electricity fees, building plans,

Property Rates

Billing for property rates for December amounted to **R94.7 million** and the year to date amounted to **R565.5 million** as compared to the year to date budget of **R64 million**, there is huge negative variance of **(777%)**. However, the payment received for December **(R1 400)** is as it was before the new valuation, and with the interest charged on the account, the collection rate has dropped even further down to **23%**. In the meeting between Victor Khanye Local Municipality, National Treasury and the Eskom team, it was resolved that Kusile Power Station site must be revalued by the valuers from both sides, the outcome is still not known.

Surcharges and Taxes – Other revenue collected amounted to **R5.5 million (-8%).** Surcharges are additional fees, charges, or taxes that are added to the base price of a good or service. Comprise of items such as flat rate, trading licenses, waste disposal from private clients, printing of consumers statement, printing of clearance/valuation certificates, fire and rescue services etc.

Transfers and subsidies

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

Interest

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

EXPENDITURE

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

	Year Budget 2024/25	Monthly Actual	YTD Actual	YTD budget	Variance	Variance %
R thousands						
Expenditure By Type						
Employee related costs	211 691 000	18 310 000	107 142 000	105 846 000	1 296 000	1%
Remuneration of councillors	12 146 000	826 000	4 923 000	6 073 000	- 1 150 000	-19%
Bulk purchases - Electricity	228 174 000	-	116 426 000	114 087 000	2 339 000	2%
Inventory consumed and Bulk pu	124 623 000	2 675 000	51 533 000	62 312 000	- 10 779 000	-17%
Debt impairment	89 408 000	-	-	44 704 000	- 44 704 000	-100%
Depreciation and asset impairme	53 279 000	-	14 567 000	26 639 000	- 12 072 000	-45%
Finance charges	50 000 000	-	47 625 000	25 000 000	22 625 000	91%
Contracted services	128 878 000	17 237 000	50 911 000	64 439 000	- 13 528 000	-21%
Transfers and subsidies	-	-	-	-	-	0%
Irrecoverable debts written off	31 594 000	-	2 795 000	15 797 000	- 13 002 000	-82%
Operationsl Costs	64 224 000	6 046 000	29 712 000	32 112 000	- 2 400 000	-7%
Losses on Disposal of Asset		-	-	-	-	0%
Other Losses	-	-	-	-	-	0%
Total Expenditure	**994 017 000**	**45 094 000**	**425 634 000**	**497 009 000**	**- 71 375 000**	**-14%**

Employee related cost – For December 2025_26 total salaries, allowances and benefits including remuneration of councillors amounted to **R19 million.**

Bulk Purchases - Electricity – Eskom invoices for December are not captured due to lateness. The municipality remains non-compliant regarding circular 124 of the Eskom debt relief. A payment of **R 14.5 million** was made for both main and sub-account.

Inventory consumed – The consumables amounted to **R 2.6 million**, Rand Water invoice amounted to **R4.5 million** but was also not captured due to lateness. This line item caters for all inventory, including bulk water and store items. A payment of **R21 million** was made to Rand Water.

Finance charges – Due to lateness of bulk purchases accounts, interest was not captured.

Contracted services – Expenditure on contracted services significantly increased from **R10 million** in November to **R17 million** in December, due to high rates of month-to-month contracts. Contracted services consist of legal fees, general maintenance of infrastructure, insurance, financial and non-financial systems, telephones, etc.

Operational costs – For December, general expenditure also amounted to **R6 million.** General expenses are, but not limited to PPE, audit fees, skills development, operating lease, material and supplies, etc.

Repairs and Maintenance

Description R thousands	Year Budget 2025/26	Monthly Actual	Year to Date Actual	Year to date Budget	Variance	Variance %
Infrastructure	**17 778 000**	**8 895 000**	**14 846 000**	**8 889 000**	**5 957 000**	**178%**
Roads Infrastructure	**4 000 000**	**334 000**	**732 000**	**2 000 000**	**- 1 268 000**	**-63%**
Capital Spares	4 000 000	334 000	732 000	2 000 000	- 1 268 000	-63%
Electrical Infrastructure	**6 000 000**	**8 370 000**	**12 331 000**	**3 000 000**	**9 331 000**	**311%**
Capital Spares	6 000 000	8 370 000	12 331 000	3 000 000	9 331 000	311%
Water Supply Infrastructure	**2 000 000**	**82 000**	**283 000**	**1 000 000**	**- 717 000**	**-72%**
Capital Spares	2 000 000	82 000	283 000	1 000 000	717 000	72%
Sanitation Infrastructure	**2 000 000**	**-**	**1 016 000**	**1 000 000**	**16 000**	**2%**
Capital Spares	2 000 000	-	1 016 000	1 000 000	16 000	2%
Solid Waste Infrastructure	**3 778 000**	**109 000**	**484 000**	**1 889 000**	**- 1 405 000**	**73%**
Capital Spares	3 778 000	109 000	484 000	1 889 000	1 405 000	74%
Information and communication infrastructure	**10 950 000**	**469 000**	**1 060 000**	**5 475 000**	**- 4 415 000**	**-81%**
Data centres	10 950 000	469 000	**1 060 000**	**5 475 000**	- 4 415 000	**-81%**
Capital Spares	10 950 000	469 000	1 060 000	5 475 000	- 4 415 000	-81%
Total Repairs and Maintenance Expenditure	**28 728 000**	**9 364 000**	**15 906 000**	**14 364 000**	**1 542 000**	**11%**

Repairs and maintenance analysis Supporting table SC13c measures the extent to which Council's assets are maintained per asset class. Expenditure incurred for December amounts to **R9 million.**

NORMS AND RATIOS

Current ratio (0:51)

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

Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		0,51
				Current Assets	1 127 309 000
				Current Liabilities	2 199 576 000

Collection Rate (23%)

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

Collection Rate	(Gross Debtors Closing Balance + 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%		23%
				Gross Debtors closing balance	1 776 903 432
				Gross Debtors opening balance	1 672 833 741
				Bad debts written Off	-
				Billed Revenue	134 219 506

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	12 977 355
				Unspent Conditional Grants	-
				Overdraft	-
				Short Term Investments	-
				Total Annual Operational Expenditure	994 017 000

Capital expenditure to operating expenditure (4%)

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

Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		4%
				Total Operating Expenditure	45 093 000
				Taxation Expense	-
				Total Capital Expenditure	1 729 000

Contracted services (38%)

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

Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%		38%
				Contracted Services	17 237 000
				Total Operating Expenditure	45 093 000
				Taxation Expense	-

Creditor's payment period (352 Days)

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

Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days		352 days
				Trade Creditors	1 706 469 447
				Contracted Services	17 237 000
				Repairs and Maintenance	9 365 000
				General expenses	45 093 000
				Bulk Purchases	1 696 013 000
				Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)*	-

4. BUDGET PERFOMANCE OVERVIEW

4.1 CAPITAL EXPENDITURE

Grants	Gazetted Amnt	Total Received to date	Dec Actual	YTD spending	% spent on received amt
MIG	29 618 000	24 246 000	1 998 959	16 500 959	68%

Total allocation for capital grants from the National Treasury for the **2025_26** financial year amounted to **and R29.6 million** for MIG as per the gazette. The allocation for December for MIG amounted to **R7.9 million.** However, the expenditure incurred in December 2025 amounted to **R1.9 million.**

4.2 CASH FLOW STATEMENT

Net Cash from operating activities

The net cash from operating activities for December amounted to a favourable **R142 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 December amounted to **R1.9 million** of capital projects.

Net Increase/ Decrease in cash held

The municipality recorded an increase in net cash held of **R4.7 million** as at 31 December 2025.

Description R thousands	Dec 2025_26 Actual
CASH FLOW FROM OPERATING ACTIVITIES	
Receipts	
Property rates, penalties & collection charges	7 986
Service charges	17 005
Other revenue	15 288
Government - operating	52 377
Government - capital	7 938
Interest	246
Dividends	–
Total receipts	**100 840**
Payments	
Suppliers and employees	(98 699)
Finance charges	–
Transfers and Grants	(1 999)
Total payments	**(100 698)**
NET CASH FROM/(USED) OPERATING ACTIVITIES	**142**
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipts	
Received from arrangements	–
Disposal of assets	–
(Increase) / Decrease in non-current investments	–
Payments	(1 999)
Capital assets	(1 999)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(1 999)**
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts	
Increase in consumer deposits	0
Borrowing long term/refinancing	–
Payments	
Repayment of borrowing	–
Finance lease payments	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**0**
NET INCREASE/ (DECREASE) IN CASH HELD	**4 750**
Cash/cash equivalents at beginning of the month:	8 227
Cash/cash equivalents at month end:	12 977

5. IN-YEAR BUDGET STATEMENT TABLES

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

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

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

Table C3 measures the actual year to date against the year to date SDBIP figures, which have been realised by vote for the revenue and expenditure. The deviations by vote are reflected in the year-to-date (YTD) variance column. Total revenue by vote for December resulted in a favourable balance of **R134 million** and total expenditure amounted to **R44 million**.

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

Table C4 provides details of the service delivery targets for revenue by source and expenditure by type. For revenue, the main deviations are service charges: water, rental of facilities, interest on investments and outstanding debtors, fines, licenses and permits and agency services and other revenue. In the case of expenditure finance charges, contracted services, bulk purchases, other materials, transfer & subsidies and other expenditure. The total deficit in revenue is **73%** and deviation of **-14%** for expenditure for the month compared to the budget.

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

Table C5 indicates the monthly actuals on capital expenditure for all votes and measures the year-to-date actuals against the year to date planning (SDBIP) figures. For December, the expenditure amounted to **R1.7 million**.

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

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

The table provides an overview of the financial position of the municipality's assets and liabilities. As at 31 December2025_26, the community wealth amounts to an unfavourable **R75 million**, Total liabilities amounts to **R2.2 billion,** whilst total assets amount to **R2.1 billion** which resulted in an unfavourable net-assets of **R75 million**, all figures are accumulative.

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

Table C7 provides detail of the actual year to date in-flow and out-flow. For October, the net cash from operating activities is an unfavourable **R1.4 million,** the Net cash from investing activities amounted to an unfavourable **R4 million.** The net cash from financing activities amounts to **R0.** The Bank balance at the end of the month amounted to **R12.9 million.**

BANK NAME	TYPE OF ACCOUNT	BALANCE
STD BANK	MAIN ACCOUNT	897 585
STD BANK	CALL ACCOUNT ELE(	6 920 799
STD BANK	CALL ACCOUNT	141 301
STD BANK	TRAFFIC	143 511
STD BANK	MONEY MARKET	7 252
ABSA BANK	CALL ACCOUNT	4 866 907
BALANCE		**12 977 355**

SUPPORTING DOCUMENTATION

3.1 PERFOMANCE INDICATORS:

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

3.2 DEBTORS/RECEIVABLES ANALYSIS:

- 3.3.1 Supporting table SC3 provides details on consumer debtors. Currently outstanding debtors amounts to **R1.7 billion** including interest on arrears. Outstanding debtors over 90days amounts to **R1.4 billion**. The table below reflects the debtor's age analysis by customer group.

CUSTOMER GROUP	DECEMBER
Organs of state	10 653 910,90
Commercial	86 473 370,42
Households	982 351 866,22
Mines	22 640 690,40
Farms	589 829 097,90
Indigents	52 175 683,67
Top 200	28 118 297,60
Municipal prop	49 198,54
Other	4 611 316,41
	1 776 903 432,06

3.3 CREDITORS ANALYSIS:

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

For the month ended in December 2025_26, creditors amounted to **R 1.7 billion** and the bulk of the creditors relates to Eskom account with an amount **R1.190 billion** and Rand Water with an amount of **R505 million.**

3.4 COUNCILLORS ALLOWANCES AND EMPLOYEE BENEFITS ANALYSIS:

The table SC8 provides details for councillor and employee benefits. For December2025_26, total salaries, allowances and benefits amounted to **R 19 million**.

3.5 CAPITAL EXPENDITURE TREND

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table, capital expenditure incurred for December 2025 amounted to **R1.7 million**.

Attached as Annexure are the following:

- The actual monthly Budget Statement Annexure "A"
- An analysis of top 20 creditors for the month Annexure "B"
- Actual year to date of consumer debtors – Age analysis Annexure "C"
- Non-compliance letter from Provincial Treasury and self-assessment for December2025 is attached as Annexure "D"
- MFMA Circular 124 – completeness of revenue for December2025 is attached Annexure É"

6. DEBTORS

Debtors' Age Analysis for the month ended 31 December 2025_26, outstanding debtors comprise of consumer and sundry debtors. The total outstanding debtors amounts to **R1.7 billion** the consumer debtors amount to **R1.4 billion** and sundry debtors amount to **R144 million** . Creditors to the amount **R1.7 billion** were not paid during the month.

Description		Budget Year 2025/26											
R thousands	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	4 572	3 563	4 465	269 180	–	–	–	–	281 779	273 645	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	14 315	1 295	1 053	24 687	–	–	–	–	41 350	25 740	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	94 281	89 356	88 414	412 063	–	–	–	–	684 115	500 477	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	974	555	455	23 798	–	–	–	–	25 782	24 253	–	–
Receivables from Exchange Transactions - Waste Management	1600	1 193	645	607	28 189	–	–	–	–	30 634	28 796	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	5 560	5 337	5 332	262 900	–	–	–	–	279 129	268 232	–	–
Interest on Arrear Debtor Accounts	1810	9 217	9 017	8 915	262 929	–	–	–	–	290 078	271 844	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	2 462	494	878	140 202	–	–	–	–	144 037	141 080	–	–
Total By Income Source	**2000**	**132 574**	**110 263**	**110 119**	**1 423 947**	**–**	**–**	**–**	**–**	**1 776 903**	**1 534 067**	**–**	**–**
2019/20 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	677	76	292	9 609	–	–	–	–	10 654	9 901	–	–
Commercial	2300	5 503	2 855	2 554	75 561	–	–	–	–	86 473	78 115	–	–
Households	2400	20 241	18 530	19 113	924 468	–	–	–	–	982 352	943 581	–	–
Other	2500	106 153	88 801	88 161	414 309	–	–	–	–	697 424	502 470	–	–
Total By Customer Group	**2600**	**132 574**	**110 263**	**110 119**	**1 423 947**	**–**	**–**	**–**	**–**	**1 776 903**	**1 534 067**	**–**	**–**

7. CREDITORS AGE ANALYSIS

MP311 Victor Khanye - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06_2025-26

Description	NT Code	Budget Year 2025/26								
		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	26 643	–	23 287	26 294	1 113 854	–		–	1 190 079
Bulk Water	0200	8 978	8 362	9 927	12 283	466 384	–		–	505 934
PAYE deductions	0300	–		–	–	–	–	-	–	–
VAT (output less input)	0400	–	–	–	–	–	–	-	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	-	–	–
Loan repayments	0600	–	–	–	–	–	–	-	–	–
Trade Creditors	0700	5 316	–	–	–	–	–	-	–	5 316
Auditor General	0800	–	3 270	909	–	–	–	-	–	4 179
Financial Systems	0900	–	467	422	72	–	–	-	–	961
Total By Customer Type	**1000**	**40 937**	**12 099**	**34 546**	**38 649**	**1 580 238**	**–**	**–**	**–**	**1 706 469**

8. Allocation and grant receipts and expenditure

Grants	Gazetted Amnt	Total Received to date	Dec Actual	YTD Actual	% spent on received amount
FMG	1 900 000	1 900 000	47 697	959 059	50%
EPWP	1 976 000	988 000	531 558	977 259	99%
MIG	29 618 000	24 246 000	1 998 959	16 500 959	68%

9. Councillors and employee benefits

Number of months--------->	6				
	Pro-rata	**Dec**	**YTD**	**%**	**Reason for Variance**
	Budget	**Actual**	**Actual**	**Actual**	
Councillors:					
Allowances	6 073 000	826 000	4 923 000	81,1%	None
Employees:					
Basic salary	58 506 000	11 006 000	63 926 000	109,3%	Variance is due to new appointments
Travelling allowance	6 907 500	1 010 000	6 051 000	87,6%	None
Overtime	10 350 500	1 326 000	8 258 000	79,8%	None
Employee social contributions	30 086 500	4 967 000	28 907 000	96,1%	None
TOTAL	**111 923 500**	**19 135 000**	**112 065 000**	**100,1%**	

13. Conclusion

14. Annexure A: C Schedules

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

16. Municipal Manager's quality certificate

Circular 124, for debt relief program - Eskom reconciliation as at 31 December 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	BALANCE + INVOICE - PAID
Jul-25	564731882911	R 919 521 846,63	R 16 793 909,51	R 2 519 086,43	R 3 150 642,01	R 22 463 637,95	R -	R 941 985 484,58
Aug-25	564495502814	R 941 985 484,58	R 16 040 229,23	R 2 406 034,38	R 3 222 585,81	R 21 668 849,42	R 1 500 000,00	R 962 154 334,00
Sept-25	564769460259	R 962 154 334,00	R 10 529 243,80	R 1 579 386,57	R 3 738 308,67	R 15 846 939,04	R 9 500 000,00	R 968 501 273,04
Oct-25	564542747192	R 968 501 273,04	R 9 265 125,12	R 1 389 768,77	R 4 539 163,61	R 15 194 057,50	R 4 500 000,00	R 979 195 330,54
Nov-25	564014852493	R 979 195 330,54	R 8 059 499,90	R 1 208 924,99	R 3 597 262,60	R 12 865 687,49	R 2 000 000,00	R 990 061 018,03
Dec-25	564251375141	R 990 061 018,03	R 8 144 199,48	R 1 221 629,92	R 4 290 905,33	R 13 656 734,73	R 7 500 000,00	R 996 217 752,76
Jan-26								
Feb-26								
Mar-26								
Apr-26								
May-26								
Jun-26								
			R 68 832 207,04	**R 10 324 831,06**	**R 22 538 868,03**			

ESKOM SUB ACCOUNT

Segment in ledger ==================>			*Bulk Purchases*	*VAT*	*Interest expense*			
MONTH	INVOICE NO	BALANCE BROUGHT FORWARD	TOTAL EXC	VAT	INTEREST	TOTAL INC	AMOUNT PAID	BALANCE + INVOICE - PAID = TOTAL DUE
Jul-25	889781822327	R 134 765 327,14	R 15 617 398,99	R 2 342 609,85	R 1 183 867,66	R 19 143 876,50	R -	R 153 909 203,64
Aug-25	889497857686	R 153 909 203,64	R 14 253 554,22	R 2 138 033,13	R 1 252 752,71	R 17 644 340,06	R 2 000 000,00	R 169 553 543,70
Sept-25	889378192530	R 169 553 543,70	R 8 987 025,14	R 1 348 053,77	R 1 464 013,65	R 11 799 092,56	R 9 500 000,00	R 171 852 636,26
Oct-25	889763053264	R 171 852 636,26	R 7 897 298,06	R 1 184 594,71	R 2 018 272,63	R 11 100 165,40	R 4 500 000,00	R 178 452 801,66
Nov-25	889280628311	R 178 452 801,66	R 7 788 570,39	R 1 168 285,56	R 1 464 878,67	R 10 421 734,62	R 1 000 000,00	R 187 874 536,28
Dec-25	889250184604	R 187 874 536,28	R 9 664 108,25	R 1 449 616,24	R 1 872 550,92	R 12 986 275,41	R 7 000 000,00	R 193 860 811,69
Jan-26								
Feb-26								
Mar-26								
Apr-26								
May-26								
Jun-26								
			64 207 955,05	**9 631 193,26**	**9 256 336,24**			

Choose name from list - Table C1 Monthly Budget Statement Summary - M06 - December

Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	108 696	128 920	–	94 752	565 580	64 460	501 121	777%	128 920
Service charges	315 713	355 029	–	23 952	159 780	177 515	(17 735)	-10%	355 029
Investment revenue	1 265	–	–	–	–	–	–		–
Transfers and subsidies - Operational	153 285	161 007	–	0	8 162	80 504	(72 342)	-90%	161 007
Other own revenue	171 201	303 539	–	15 409	87 941	151 770	(63 828)	-42%	303 539
Total Revenue (excluding capital transfers and contributions)	**750 159**	**948 495**	–	**134 113**	**821 463**	**474 248**	**347 216**	**73%**	**948 495**
Employee costs	207 328	211 691	–	18 310	107 142	105 846	1 296	1%	211 691
Remuneration of Councillors	9 790	12 146	–	826	4 923	6 073	(1 150)	-19%	12 146
Depreciation and amortisation	60 151	53 279	–	–	14 567	26 639	(12 073)	-45%	53 279
Interest	97 555	50 000	–	–	47 625	25 000	22 625	91%	50 000
Inventory consumed and bulk purchases	297 491	352 797	–	2 675	167 959	176 398	(8 439)	-5%	352 797
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	434 350	314 105	–	23 282	83 417	157 052	(73 635)	-47%	314 105
Total Expenditure	**1 106 667**	**994 017**	–	**45 093**	**425 633**	**497 009**	**(71 375)**	**-14%**	**994 017**
Surplus/(Deficit)	**(356 507)**	**(45 522)**	–	**89 020**	**395 830**	**(22 761)**	**418 591**	**-1839%**	**(45 522)**
Transfers and subsidies - capital (monetary allocations)	44 337	46 618	–	–	–	23 309	(23 309)	-100%	46 618
Transfers and subsidies - capital (in-kind)	16 063	30 500	–	–	–	15 250	(15 250)	-100%	30 500
contributions	**(296 107)**	**31 596**	–	**89 020**	**395 830**	**15 798**	**380 032**	**2406%**	**31 596**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(296 107)**	**31 596**	–	**89 020**	**395 830**	**15 798**	**380 032**	**2406%**	**31 596**
Capital expenditure & funds sources									
Capital expenditure	**86 343**	**65 245**	–	**1 729**	**16 230**	**32 623**	**(16 392)**	**-50%**	**65 245**
Capital transfers recognised	77 304	46 645	–	1 719	12 065	23 322	(11 258)	-48%	46 645
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**7 924**	**18 600**	–	**9**	**4 166**	**9 300**	**(5 134)**	**-55%**	**18 600**
Total sources of capital funds	**85 229**	**65 245**	–	**1 729**	**16 230**	**32 623**	**(16 392)**	**-50%**	**65 245**
Financial position									
Total current assets	577 142	202 468	–		1 127 309				202 468
Total non current assets	1 057 141	1 030 231	–		1 058 804				1 030 231
Total current liabilities	2 044 004	932	–		2 199 576				932
Total non current liabilities	61 841	686 528	–		61 841				686 528
Community wealth/Equity	**(449 937)**	**545 239**	–		**(75 304)**				**545 239**
Cash flows									
Net cash from (used) operating	93 120	119 775	–	(229)	23 897	59 887	35 991	60%	119 775
Net cash from (used) investing	64 037	(65 245)	–	(3 678)	(22 567)	(32 623)	(10 056)	31%	(65 245)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**160 882**	**76 659**	–	–	**13 691**	**49 394**	**35 703**	**72%**	**66 891**
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	–	–	–	–	–	–	–	–	–

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Choose name from list - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 - December

Description	Ref	2024/25	Budget Year 2025/26							
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands	1									
Revenue - Functional										
Governance and administration		**388 607**	**311 972**	**–**	**112 913**	**678 571**	**155 986**	522 585	335%	**311 972**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		388 607	311 972	–	112 913	678 571	155 986	522 585	335%	311 972
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**13 829**	**7 760**	**–**	**222**	**2 649**	**3 880**	(1 232)	-32%	**7 760**
Community and social services		2 208	2 608	–	28	303	1 304	(1 002)	-77%	2 608
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		7 471	3 511	–	29	1 229	1 755	(526)	-30%	3 511
Housing		4 150	1 641	–	165	1 117	821	296	36%	1 641
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**(2 290)**	**4 356**	**–**	**–**	**–**	**2 178**	(2 178)	-100%	**4 356**
Planning and development		–	4 356	–	–	–	2 178	(2 178)	-100%	4 356
Road transport		(2 290)	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**410 413**	**701 525**	**–**	**20 978**	**140 244**	**350 762**	**(210 518)**	-60%	**701 525**
Energy sources		174 972	329 394	–	14 974	85 214	164 697	(79 484)	-48%	329 394
Water management		117 460	208 373	–	3 624	37 985	104 187	(66 202)	-64%	208 373
Waste water management		29 237	113 471	–	1 025	6 596	56 735	(50 140)	-88%	113 471
Waste management		88 744	50 286	–	1 356	10 450	25 143	(14 693)	-58%	50 286
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Total Revenue - Functional	2	**810 559**	**1 025 613**	**–**	**134 113**	**821 463**	**512 807**	**308 657**	**60%**	**1 025 613**
Expenditure - Functional										
Governance and administration		**508 492**	**347 625**	**–**	**16 492**	**153 094**	**173 813**	(20 718)	-12%	**347 625**
Executive and council		47 972	45 242	–	4 452	24 429	22 621	1 809	8%	45 242
Finance and administration		460 520	302 383	–	12 040	128 665	151 192	(22 527)	-15%	302 383
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**77 185**	**103 623**	**–**	**7 518**	**45 762**	**51 811**	(6 049)	-12%	**103 623**
Community and social services		30 918	34 792	–	3 025	18 485	17 396	1 090	6%	34 792
Sport and recreation		4 011	2 493	–	118	1 276	1 246	30	2%	2 493
Public safety		40 489	64 699	–	4 241	25 165	32 350	(7 185)	-22%	64 699
Housing		1 766	1 639	–	134	836	819	17	2%	1 639
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**44 710**	**68 810**	**–**	**2 035**	**15 769**	**34 405**	(18 636)	-54%	**68 810**
Planning and development		6 151	19 956	–	393	1 620	9 978	(8 358)	-84%	19 956
Road transport		41 150	47 093	–	1 506	13 826	23 547	(9 721)	-41%	47 093
Environmental protection		(2 591)	1 760	–	136	323	880	(557)	-63%	1 760
Trading services		**476 281**	**473 960**	**–**	**19 049**	**211 008**	**236 980**	**(25 972)**	-11%	**473 960**
Energy sources		310 743	275 709	–	12 608	141 055	137 854	3 201	2%	275 709
Water management		117 464	130 169	–	3 280	45 981	65 084	(19 103)	-29%	130 169
Waste water management		42 384	53 845	–	2 853	20 595	26 922	(6 328)	-24%	53 845
Waste management		5 690	14 237	–	308	3 376	7 118	(3 742)	-53%	14 237
Other		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Total Expenditure - Functional	3	**1 106 667**	**994 017**	**–**	**45 093**	**425 633**	**497 009**	**(71 375)**	**-14%**	**994 017**
Surplus/ (Deficit) for the year		**(296 107)**	**31 596**	**–**	**89 020**	**395 830**	**15 798**	**380 032**	**2406%**	**31 596**

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Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 - December

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		–	–	–	–	–	–	–		–
Vote 2 - Budget and Treasury		388 607	311 972	–	112 913	678 571	155 986	522 585	335,0%	311 972
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Community and Social Services		2 208	2 608	–	28	303	1 304	(1 002)	-76,8%	2 608
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		7 471	3 511	–	29	1 229	1 755	(526)	-30,0%	3 511
Vote 7 - Housing		4 150	1 641	–	165	1 117	821	296	36,1%	1 641
Vote 8 - Health Services		–	–	–	–	–	–	–		–
Vote 9 - Planning and Development		–	4 356	–	–	–	2 178	(2 178)	-100,0%	4 356
Vote 10 - Roads Transport		(2 290)	–	–	–	–	–	–		–
Vote 11 - Electricity Services		174 972	329 394	–	14 974	85 214	164 697	(79 484)	-48,3%	329 394
Vote 12 - Water Services		117 460	208 373	–	3 624	37 985	104 187	(66 202)	-63,5%	208 373
Vote 13 - Waste Water Management		29 237	113 471	–	1 025	6 596	56 735	(50 140)	-88,4%	113 471
Vote 14 - Solid Waste Management		88 744	50 286	–	1 356	10 450	25 143	(14 693)	-58,4%	50 286
Vote 15 -		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**810 559**	**1 025 613**	**–**	**134 113**	**821 463**	**512 807**	**308 657**	**60,2%**	**1 025 613**
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		59 529	66 115	–	4 863	31 790	33 058	(1 268)	-3,8%	66 115
Vote 2 - Budget and Treasury		430 659	270 388	–	9 976	108 267	135 194	(26 927)	-19,9%	270 388
Vote 3 - Corporate Services		6 273	186	–	1 169	6 919	93	6 826	7342,5%	186
Vote 4 - Community and Social Services		30 918	34 792	–	3 025	18 485	17 396	1 090	6,3%	34 792
Vote 5 - Sport and Recreation		4 011	2 493	–	118	1 276	1 246	30	2,4%	2 493
Vote 6 - Public Safety		40 489	64 699	–	4 241	25 165	32 350	(7 185)	-22,2%	64 699
Vote 7 - Housing		1 766	1 639	–	134	836	819	17	2,0%	1 639
Vote 8 - Health Services		(2 591)	1 760	–	136	323	880	(557)	-63,3%	1 760
Vote 9 - Planning and Development		4 113	14 622	–	320	371	7 311	(6 940)	-94,9%	14 622
Vote 10 - Roads Transport		49 859	62 244	–	1 068	15 092	31 122	(16 030)	-51,5%	62 244
Vote 11 - Electricity Services		310 743	275 709	–	12 608	141 055	137 854	3 201	2,3%	275 709
Vote 12 - Water Services		117 464	130 169	–	3 280	45 981	65 084	(19 103)	-29,4%	130 169
Vote 13 - Waste Water Management		42 384	53 845	–	2 853	20 595	26 922	(6 328)	-23,5%	53 845
Vote 14 - Solid Waste Management		5 690	14 237	–	308	3 376	7 118	(3 742)	-52,6%	14 237
Vote 15 -		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1 101 307**	**992 897**	**–**	**44 099**	**419 533**	**496 449**	**(76 916)**	**-15,5%**	**992 897**
Surplus/ (Deficit) for the year	2	**(290 748)**	**32 716**	**–**	**90 015**	**401 931**	**16 358**	**385 573**	**2357,1%**	**32 716**

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 - December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		213 902	246 628	–	17 948	107 175	123 314	(16 140)	-13%	246 628
Service charges - Water		72 976	78 691	–	3 624	37 985	39 346	(1 361)	-3%	78 691
Service charges - Waste Water Management		13 174	14 392	–	1 025	6 596	7 196	(600)	-8%	14 392
Service charges - Waste management		15 661	15 318	–	1 355	8 025	7 659	366	5%	15 318
Sale of Goods and Rendering of Services		2 228	7 231	–	59	1 080	3 615	(2 535)	-70%	7 231
Agency services		–	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		68 849	165 255	–	–	221	82 627	(82 407)	-100%	165 255
Interest from Current and Non Current Assets		1 265	–	–	–	–	–	–		–
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		1 860	1 641	–	165	1 117	821	296	36%	1 641
Licence and permits		–	–	–	–	–	–	–		–
Special Rating Levies		–	–	–	–	–	–	–		–
Operational Revenue		1 533	806	–	426	533	403	130	32%	806
Non-Exchange Revenue								–		
Property rates		108 696	128 920	–	94 752	565 580	64 460	501 121	777%	128 920
Surcharges and Taxes		69 951	73 281	–	5 525	33 637	36 641	(3 003)	-8%	73 281
Fines, penalties and forfeits		6 801	2 235	–	17	750	1 118	(368)	-33%	2 235
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		153 285	161 007	–	0	8 162	80 504	(72 342)	-90%	161 007
Interest		13 718	53 090	–	9 218	50 604	26 545	24 059	91%	53 090
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		6 262	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**750 159**	**948 495**	**–**	**134 113**	**821 463**	**474 248**	**347 216**	**73%**	**948 495**
Expenditure By Type										
Employee related costs		207 328	211 691	–	18 310	107 142	105 846	1 296	1%	211 691
Remuneration of councillors		9 790	12 146	–	826	4 923	6 073	(1 150)	-19%	12 146
Bulk purchases - electricity		227 563	228 174	–	–	116 426	114 087	2 339	2%	228 174
Inventory consumed		69 928	124 623	–	2 675	51 533	62 312	(10 778)	-17%	124 623
Debt impairment		149 695	89 408	–	–	–	44 704	(44 704)	-100%	89 408
Depreciation and amortisation		60 151	53 279	–	–	14 567	26 639	(12 073)	-45%	53 279
Interest		97 555	50 000	–	–	47 625	25 000	22 625	91%	50 000
Contracted services		110 395	128 878	–	17 237	50 911	64 439	(13 528)	-21%	128 878
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		73 709	31 594	–	–	2 795	15 797	(13 003)	-82%	31 594
Operational costs		51 150	64 224	–	6 046	29 712	32 112	(2 400)	-7%	64 224
Losses on Disposal of Assets		9 065	–	–	–	–	–	–		–
Other Losses		40 336	–	–	–	–	–	–		–
Total Expenditure		**1 106 667**	**994 017**	**–**	**45 093**	**425 633**	**497 009**	**(71 375)**	**-14%**	**994 017**
Surplus/(Deficit)		**(356 507)**	**(45 522)**	**–**	**89 020**	**395 830**	**(22 761)**	**418 591**	**-1839%**	**(45 522)**
Transfers and subsidies - capital (monetary allocations)		44 337	46 618	–	–	–	23 309	(23 309)	-100%	46 618
Transfers and subsidies - capital (in-kind)		16 063	30 500	–	–	–	15 250	(15 250)	-100%	30 500
Surplus/(Deficit) after capital transfers & contributions		**(296 107)**	**31 596**	**–**	**89 020**	**395 830**	**15 798**			**31 596**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**(296 107)**	**31 596**	**–**	**89 020**	**395 830**	**15 798**			**31 596**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		**(296 107)**	**31 596**	**–**	**89 020**	**395 830**	**15 798**			**31 596**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**(296 107)**	**31 596**	**–**	**89 020**	**395 830**	**15 798**			**31 596**

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Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 - December

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		–	–	–	–	–	–	–		–
Vote 2 - Budget and Treasury		–	–	–	–	–	–	–		–
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Community and Social Services		–	–	–	–	–	–	–		–
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		–	–	–	–	–	–	–		–
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Health Services		–	–	–	–	–	–	–		–
Vote 9 - Planning and Development		–	–	–	–	–	–	–		–
Vote 10 - Roads Transport		–	–	–	–	–	–	–		–
Vote 11 - Electricity Services		–	–	–	–	–	–	–		–
Vote 12 - Water Services		–	–	–	–	–	–	–		–
Vote 13 - Waste Water Management		–	–	–	–	–	–	–		–
Vote 14 - Solid Waste Management		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	–	–	–	–	–	–	–		–
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		3 627	3 600	–	–	1 105	1 800	(695)	-39%	3 600
Vote 2 - Budget and Treasury		40 449	950	–	9	37	475	(438)	-92%	950
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Community and Social Services		(393)	200	–	–	–	100	(100)	-100%	200
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		–	300	–	–	–	150	(150)	-100%	300
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Health Services		–	–	–	–	–	–	–		–
Vote 9 - Planning and Development		29	550	–	–	30	275	(245)	-89%	550
Vote 10 - Roads Transport		22 212	23 700	–	1 719	11 282	11 850	(567)	-5%	23 700
Vote 11 - Electricity Services		38 198	5 000	–	–	–	2 500	(2 500)	-100%	5 000
Vote 12 - Water Services		(20 390)	20 500	–	–	922	10 250	(9 328)	-91%	20 500
Vote 13 - Waste Water Management		528	6 445	–	–	1 520	3 223	(1 702)	-53%	6 445
Vote 14 - Solid Waste Management		2 083	4 000	–	–	1 333	2 000	(667)	-33%	4 000
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	86 343	65 245	–	1 729	16 230	32 623	**(16 392)**	**-50%**	65 245
Total Capital Expenditure		**86 343**	**65 245**	**–**	**1 729**	**16 230**	**32 623**	**(16 392)**	**-50%**	**65 245**
Capital Expenditure - Functional Classification										
Governance and administration		**50 310**	**10 550**	**–**	**9**	**4 136**	**5 275**	(1 139)	-22%	**10 550**
Executive and council		185	350	–	–	–	175	(175)	-100%	350
Finance and administration		50 125	10 200	–	9	4 136	5 100	(964)	-19%	10 200
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**(393)**	**500**	**–**	**–**	**–**	**250**	(250)	-100%	**500**
Community and social services		(393)	200	–	–	–	100	(100)	-100%	200
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	300	–	–	–	150	(150)	-100%	300
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**16 007**	**18 250**	**–**	**1 719**	**8 319**	**9 125**	(806)	-9%	**18 250**
Planning and development		29	550	–	–	30	275	(245)	-89%	550
Road transport		15 978	17 700	–	1 719	8 289	8 850	(561)	-6%	17 700
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**20 420**	**35 945**	**–**	**–**	**3 776**	**17 973**	(14 197)	-79%	**35 945**
Energy sources		38 198	5 000	–	–	–	2 500	(2 500)	-100%	5 000
Water management		(20 390)	20 500	–	–	922	10 250	(9 328)	-91%	20 500
Waste water management		528	6 445	–	–	1 520	3 223	(1 702)	-53%	6 445
Waste management		2 083	4 000	–	–	1 333	2 000	(667)	-33%	4 000
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**86 343**	**65 245**	**–**	**1 729**	**16 230**	**32 623**	**(16 392)**	**-50%**	**65 245**
Funded by:										
National Government		77 304	46 645	–	1 719	12 065	23 322	(11 258)	-48%	46 645
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–	–		–
Transfers recognised - capital		**77 304**	**46 645**	**–**	**1 719**	**12 065**	**23 322**	**(11 258)**	**-48%**	**46 645**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		7 924	18 600	–	9	4 166	9 300	(5 134)	-55%	18 600
Total Capital Funding		**85 229**	**65 245**	**–**	**1 729**	**16 230**	**32 623**	**(16 392)**	**-50%**	**65 245**

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M06 - December

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		12 361	76 659	–	(60 153)	76 659
Trade and other receivables from exchange transactions		57 707	(7 735)	–	151 951	(7 735)
Receivables from non-exchange transactions		16 333	146 472	–	526 664	146 472
Current portion of non-current receivables		–	–	–	–	–
Inventory		2 418	(35 945)	–	(4 579)	(35 945)
VAT		488 323	23 017	–	514 442	23 017
Other current assets		0	–	–	(1 016)	–
Total current assets		**577 142**	**202 468**	**–**	**1 127 309**	**202 468**
Non current assets						
Investments		–	–	–	–	–
Investment property		97 136	66 580	–	96 821	66 580
Property, plant and equipment		958 866	964 328	–	960 845	964 328
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		1 075	1 075	–	1 075	1 075
Intangible assets		64	(1 752)	–	64	(1 752)
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**1 057 141**	**1 030 231**	**–**	**1 058 804**	**1 030 231**
TOTAL ASSETS		**1 634 283**	**1 232 699**	**–**	**2 186 113**	**1 232 699**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		4 692	–	–	4 692	–
Consumer deposits		1 710	(8 865)	–	1 799	(8 865)
Trade and other payables from exchange transactions		1 681 168	113 075	–	1 787 941	113 075
Trade and other payables from non-exchange transactions		2 911	(117 122)	–	22 225	(117 122)
Provision		8 701	11 546	–	8 701	11 546
VAT		344 822	2 298	–	374 219	2 298
Other current liabilities		–	–	–	–	–
Total current liabilities		**2 044 004**	**932**	**–**	**2 199 576**	**932**
Non current liabilities						
Financial liabilities		(3 419)	7 528	–	(3 419)	7 528
Provision		21 276	679 000	–	21 276	679 000
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		43 984	–	–	43 984	–
Total non current liabilities		**61 841**	**686 528**	**–**	**61 841**	**686 528**
TOTAL LIABILITIES		**2 105 845**	**687 460**	**–**	**2 261 417**	**687 460**
NET ASSETS	2	**(471 562)**	**545 239**	**–**	**(75 304)**	**545 239**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(449 937)	545 239	–	(75 304)	545 239
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**(449 937)**	**545 239**	**–**	**(75 304)**	**545 239**

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M06 - December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		108 019	236 078	–	8 496	63 110	118 039	(54 929)	-47%	236 078
Service charges		308 925	450 169	–	23 086	156 137	225 084	(68 948)	-31%	450 169
Other revenue		58 809	23 809	–	1 563	26 063	11 905	14 158	119%	23 809
Transfers and Subsidies - Operational		33 912	161 007	–	612	5 431	80 504	(75 072)	-93%	161 007
Transfers and Subsidies - Capital		18 911	46 618	–	–	–	23 309	(23 309)	-100%	46 618
Interest		1 265	–	–	–	–	–	–		–
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(436 721)	(797 906)	–	(33 987)	(226 844)	(398 953)	172 109	-43%	(797 906)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**93 120**	**119 775**	**–**	**(229)**	**23 897**	**59 887**	**35 991**	**60%**	**119 775**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		64 037	(65 245)	–	(3 678)	(22 567)	(32 623)	10 056	-31%	(65 245)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**64 037**	**(65 245)**	**–**	**(3 678)**	**(22 567)**	**(32 623)**	**(10 056)**	**31%**	**(65 245)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**157 156**	**54 530**	**–**	**(3 907)**	**1 330**	**27 265**			**54 530**
Cash/cash equivalents at beginning:		3 725	22 130	–		12 361	22 130			12 361
Cash/cash equivalents at month/year end:		160 882	76 659	–		13 691	49 394			66 891

Choose name from list - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 - December

Summary of Employee and Councillor remuneration R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations		–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Executive members Board	2	–	–	–	–	–	–	–		–
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–		–
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–		–
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–		–
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations		–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–		–
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–		–
TOTAL SALARY, ALLOWANCES & BENEFITS		217 119	223 837	–	19 135	112 065	111 919	146	0%	223 837
% increase	4		3,1%							3,1%
TOTAL MANAGERS AND STAFF		207 328	211 691	–	18 310	107 142	105 846	1 296	1%	211 691

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Choose name from list - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 - December

Summary of Employee and Councillor remuneration R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		5 764	6 985	–	455	2 724	3 492	(768)	-22%	6 985
Pension and UIF Contributions		1 022	1 230	–	89	532	615	(83)	-14%	1 230
Medical Aid Contributions		379	448	–	32	191	224	(33)	-15%	448
Motor Vehicle Allowance		186	428	–	32	188	214	(26)	-12%	428
Cellphone Allowance		799	985	–	67	403	493	(89)	-18%	985
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		1 640	2 070	–	152	885	1 035	(150)	-15%	2 070
Sub Total - Councillors		**9 790**	**12 146**	**–**	**826**	**4 923**	**6 073**	**(1 150)**	**-19%**	**12 146**
% increase	4		**24,1%**							**24,1%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4 185	5 336	–	339	2 119	2 668	(549)	-21%	5 336
Pension and UIF Contributions		352	106	–	15	90	53	37	70%	106
Medical Aid Contributions		271	73	–	6	35	37	(2)	-6%	73
Overtime		–	9	–	1	4	5	(0)	-9%	9
Performance Bonus		218	–	–	–	93	–	93	#DIV/0!	–
Motor Vehicle Allowance		687	632	–	58	392	316	76	24%	632
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		360	146	–	10	60	73	(13)	-18%	146
Other benefits and allowances		1	5	–	0	0	2	(2)	-84%	5
Payments in lieu of leave		–	–	–	2	10	–	10	#DIV/0!	–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		35	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**6 109**	**6 307**	**–**	**430**	**2 803**	**3 153**	**(350)**	**-11%**	**6 307**
% increase	4		**3,2%**							**3,2%**
Other Municipal Staff										
Basic Salaries and Wages		116 828	111 676	–	10 667	61 807	55 838	5 969	11%	111 676
Pension and UIF Contributions		26 869	30 052	–	2 396	14 360	15 026	(666)	-4%	30 052
Medical Aid Contributions		11 135	12 797	–	1 066	6 295	6 399	(104)	-2%	12 797
Overtime		13 120	20 692	–	1 325	8 254	10 346	(2 092)	-20%	20 692
Performance Bonus		8 591	10 172	–	1 017	5 397	5 086	311	6%	10 172
Motor Vehicle Allowance		10 158	13 183	–	952	5 659	6 592	(933)	-14%	13 183
Cellphone Allowance		42	143	–	11	67	71	(4)	-6%	143
Housing Allowances		1 292	830	–	28	193	415	(222)	-53%	830
Other benefits and allowances		6 570	4 008	–	335	1 909	2 004	(95)	-5%	4 008
Payments in lieu of leave		1 215	–	–	–	–	–	–		–
Long service awards		0	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	3 250	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		300	157	–	26	155	78	77	98%	157
Acting and post related allowance		1 849	1 675	–	56	243	837	(595)	-71%	1 675
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		**201 220**	**205 385**	**–**	**17 880**	**104 339**	**102 692**	**1 646**	**2%**	**205 385**
% increase	4		**2,1%**							**2,1%**
Total Parent Municipality		**217 119**	**223 837**	**–**	**19 135**	**112 065**	**111 919**	**146**	**0%**	**223 837**
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		–	–	–	–	–	–	–		–

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Choose name from list - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 - December

Month	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July	4 364	5 437	–	787	787	5 437	4 650	85,5%	1%
August	8 730	5 437	–	(264)		10 874	–		
September	1 762	5 437	–	5 360	#VALUE!	16 311	#VALUE!	#VALUE!	#VALUE!
October	4 992	5 437	–	7 072	#VALUE!	21 748	#VALUE!	#VALUE!	#VALUE!
November	2 807	5 437	–	1 547	#VALUE!	27 185	#VALUE!	#VALUE!	#VALUE!
December	5 679	5 437	–	1 729	#VALUE!	32 623	#VALUE!	#VALUE!	#VALUE!
January	1 356	5 437	–	–		38 060	–		
February	3 230	5 437	–	–		43 497	–		
March	5 859	5 437	–	–		48 934	–		
April	1 587	5 437	–	–		54 371	–		
May	5 874	5 437	–	–		59 808	–		
June	40 102	5 437	–	–		65 245	–		
Total Capital expenditure	**86 343**	**65 245**	**–**	**16 230**					

Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 - December

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**48 524**	**28 728**	**–**	**9 365**	**15 905**	**14 364**	(1 541)	**-10,7%**	**28 728**
Roads Infrastructure		2 399	4 000	–	334	732	2 000	1 268	**63,4%**	4 000
Roads		–	–	–	–	–	–	–		–
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		2 399	4 000	–	334	732	2 000	(1 268)	(0)	4 000
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		37 487	6 000	–	8 370	12 331	3 000	(9 331)	**-311,0%**	6 000
Power Plants		–	–	–	–	–	–	–		–
HV Substations		–	–	–	–	–	–	–		–
HV Switching Station		–	–	–	–	–	–	–		–
HV Transmission Conductors		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		–	–	–	–	–	–	–		–
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		37 487	6 000	–	8 370	12 331	3 000	9 331	0	6 000
Water Supply Infrastructure		2 096	2 000	–	82	283	1 000	717	**71,7%**	2 000
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	–	–	–	–	–	–		–
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		2 096	2 000	–	82	283	1 000	(717)	(0)	2 000
Sanitation Infrastructure		5 298	2 000	–	–	1 016	1 000	(16)	**-1,6%**	2 000
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Works		–	–	–	–	–	–	–		–
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		5 298	2 000	–	–	1 016	1 000	16	0	2 000
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		1 093	3 778	–	109	484	1 889	1 405	**74,4%**	3 778
Sand Pumps		–	–	–	–	–	–	–		–
Piers		–	–	–	–	–	–	–		–
Revetments		–	–	–	–	–	–	–		–
Promenades		–	–	–	–	–	–	–		–
Capital Spares		1 093	3 778	–	109	484	1 889	(1 405)	(0)	3 778
Information and Communication Infrastructure		150	10 950	–	469	1 060	5 475	4 415	**80,6%**	10 950
Data Centres		–	–	–	–	–	–	–		–
Core Layers		–	–	–	–	–	–	–		–

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Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 - December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
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		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Total Repairs and Maintenance Expenditure	1	48 524	28 728	–	9 365	15 905	14 364	(1 541)	-10,7%	28 728

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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 31 December 2025_26 amounts to **R 1.190 billion** and **R505 million** respectively;
4. That the Municipal Council consider that the debt book amounts to **R1.7 billion;**
5. Therefore, the implementation of credit control and debt collection policy must be intensified.
6. The council to consider the debt relief circular 124 for December2025.

T P MAHLANGU

T P MAHLANGU
CHIEF FINANCIAL OFFICER

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	Dec'25
National Financial Year	2025/26
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

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):	Choose from drop down list	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*	Yes	
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.*	Yes	
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)*	2025/26 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?	Yes	
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.*	Yes	
	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)?	Yes
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?	No
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?	Yes
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*	N/a
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.*	Yes
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
		Note - a municipality with a FRP may only benefit from the Municipal Debt Support programme if the FRP progress report was submitted to both the Provincial Executive and MFRS	
	6.10	*Provincial Treasury Note - Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless:*	
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?	No	
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: NB MOKOENA

Signature of HOD/ NT/ MM:

Date: 2026/01/12

** ***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.*