MFMA SECTION 71 REPORT MONTH ENDING

28 FEBRUARY 2025

DISTRIBUTION:

Executive Mayor:	**Mr. Motloheloa Ellis Mokatsane**
Acting Municipal Manager:	**Mrs. Mamaliso Lizzy Ntsepe**
Acting Chief Financial Officer:	**Mrs Mmatlabakwe Irene Mokheseng**
Sector Departments:	**National and Provincial Departments**
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PART 1: IN-YEAR REPORT FOR THE PERIOD ENDING 28 FEBRUARY 2025

TO: THE EXECUTIVE MAYOR

1. Purpose

DIRECTORATE: FINANCIAL SERVICES: BUDGET & TREASURY OFFICE: MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): SECTION 71: IN-YEAR MONTHLY BUDGET STATEMENT: S71 MONTHLY REPORT FOR THE PERIOD ENDING 28 FEBRUARY 2025

The purpose of this report is to comply with section 71 of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 May 2009 by the submission of a monthly budget statement to the Executive Mayor, National and Provincial Treasury containing prescribed financial performance particulars for that reporting month and for the financial year up to the end of that month, as legislated.

The municipality realises, the critical importance of having a minimum 3 month's cash coverage which is a sound directive and required norm from National Treasury. This has been the focus of the municipality for the past few months to ensure that Moqhaka Local Municipality recovers fully to ensure its sustainability and financial viability. Serious actions will have to be taken to realise this target and Council's buy-in be secured, to the turn the municipality around is critically important. The municipality's main goal is to remain positive and committed in stabilising the municipality, improving its cash position and improving on quality service being rendered.

Currently, the total debtor's book is standing at R1 721 605 132, of which 91% of the debt is owed more than 90 days totalling R1 563 111 670. Included in the total debt, R122 863 055 is owed by Government, R196 524 361 by Business and R1 281 793 135 by Households. Included in the Households debt is R 188 210 080 by Indigent Households. The municipality continues to urge its debtors to meet their obligation to the municipality or make payment arrangements. The cash collection is not at a desired level, and this does not bode well for the municipality's financial position. There needs to be a major paradigm shift in the payment culture across all customer groups.

This can only be achieved when the Debt Collection and Credit Control Policy is strictly, consistently and fairly applied to all customer groups. Consumers that are not paying for services are reminded that no municipality will remain sustainable and functional, if it expects to provide "services for free". And in the same breath, the municipality must employ all measures to ensure that customers receive quality and reliable services. The value of providing these services, should never be underestimated by the municipality, as there is a direct correlation between providing quality services and consumers' willingness to pay.

Tough decisions must be taken with support from the political leadership to have a meaningful impact and produce positive results. This action is long overdue, especially considering the municipality's financial crisis and major threat to its financial viability and sustainability. For the municipality to thrive, overall performance must improve, the quality of services rendered must improve, accountability must be enforced which

must be complimented by strict consequence management. Serious consideration should be given to the service delivery and financial implications of all decisions taken.

Ensure that legislations/acts, regulations, circulars, by-laws and policies are adhered to diligently, consistently and fairly. Enhance revenue collection and ensure that operational and capital funds are spent effectively with good value for money. Improving on preventative maintenance and spending funds cost-effectively and efficiently to address service delivery challenges can no longer be delayed, we have noted an increase in emergency maintenance which seems excessive, as no competitive bidding is taking place, because of the impact of asset failure on service delivery.

We are striving to ensure assets are maintained at desired levels and are being utilised optimally. The spending of funds will have to be prioritised, wastage be curbed, and overall personnel performance and productivity be monitored and improved. Municipal officials should also take all reasonable steps to prevent unauthorised, irregular and fruitless and wasteful expenditure and to refrain from committing acts of financial misconduct and/or criminal offences as per Chapter 15 of the MFMA.

It is imperative that all municipal officials must have the inherent desire to do their job to the best of their ability, ensure the full payment of services accounts, take pride and ownership in their work, take accountability for their job functions, doing the right thing consistently and work as a collective, cohesive team to achieve the municipality's strategic objectives. Foremost to all of these, have the community's best interest at heart.

2. Background

Section 71 of the MFMA and in terms of Government Notice 32141 dated 17 May 2009, regarding the "Local Government: Municipal Finance Management Act 2003 and the Municipal Budget and Reporting Regulations" necessitates those specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance. "The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required Tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act." Further, Section 71 of the MFMA requires that, "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 national and provincial treasury, a statement in the prescribed format on the state of the municipality's budget reflecting certain particulars for that month and for the financial year up to the end of that month." For the reporting period ending 28 February 2025, the ten working day reporting limit expires on Friday the 14th of March 2025.

3. Executive summary

The Statement of Financial Performance is prepared on the prescribed monthly C-schedules, detailing Revenue by source and Expenditure by type. The consolidated summary of the financial performance is indicated in Table 1 below:

Table 1. Consolidated summary: Statement of Financial Performance: YTD Budget

Description	YTD Budget Feb 25	YTD Actual Feb 25	Variance Favourable (Unfavourable)	% YTD Budget vs YTD Actual	% Variance vs Actual Favourable (Unfavourable)
Total Revenue (Excluding Capital Transfers and Contributions)	R893 333 000	R804 479 000	(R88 854 000)	90%	(10%)
Total Operational Expenditure	R871 398 000	R502 239 000	(369 160 000)	58%	42%

As indicated in Table 1 above, as of 28 February 2025, the billed revenue including operational transfers, but excluding capital grants amounted to R760 603 370, which resulted in a unsatisfactory variance of 18% when compared to YTD Budget of R898 745 667. The billed revenue does not include capital grants. Capital Grants are recognised in the Statement of Financial Performance, monthly as soon as the conditions of the grant have been met. Reason. The Total Operational Expenditure amounted to R46 252 versus the YTD Budget of R109 206, resulting in an unsatisfactory variance of -136%.

Please note that certain Revenue by source and Expenditure by type categories are showing excessive negative and/or positive variances. This is because the YTD budgets were all systematically determined on a straight-line basis by dividing the total budget per category per line item by 100%. The capital projections were also done in the same fashion. Please note that variances within a 5 to 10 percent range, as prescribed by National Treasury are acceptable and need not necessarily be explained.

4. Budget Performance Overview

The municipality is implementing the approved budget for 2024/25 financial year. The budget for 2024/25 is not funded, but the budget funding plan will accompany this report as it encapsulates the recommendations for the improvement of the collection rate. Overall, operational revenue collection is not performing satisfactorily at 64% against monthly billing, considering the prevailing circumstances. Operational expenditure is 89.6% spent which is slightly under-spent with the contributing factors being depreciation, which is not provided for, the capturing of the 2024-2025 Eskom account and post-retirement health benefits which is not yet accounted for.

The municipality's Debt Relief application to National Treasury was approved, effective 1 December 2023. The municipality had engagement with ESKOM to arrange for the outstanding debt amounting to R1 590 825 288.66. A repayment proposal will be submitted to ESKOM for approval when the municipal council has resolved. The municipality has not made significant strides to settle the monthly current accounts to Eskom, but smaller payments towards the account are being made consistently made whenever financially possible. During the month of February 2025, a payment of R5 million was made towards the account. A cost containment policy has been implemented to control the administration of new orders, non-essential expenditure, pre-approve overtime and manage fuel consumption of municipal fleet.

The municipality is in the process of engaging with the seven approved service providers by National Treasury on the RT29 transversal contract relating to the installation of smart water & electricity meters. Smart water meters are specifically earmarked for the areas where ESKOM distributes electricity to improve collection in those areas.

The municipality has an incentive policy to assist account holders to settle their outstanding accounts. The policy is implementable as follows:

Incentives for Households, Churches, NPOs, Farmers, Government, Schools, etc. (Excluding Business/Industrial)

- Discount of 10% for settlement of debt between R 3 000 to R 15 000
- Discount of 20% for settlement of debt between R 15 001 and R 30 000
- Discount of 30% for settlement of debt between R 30 001 and R 50 000
- Discount of 40% for settlement of debt between R 50 001 and R 150 000
- Discount of 50% for settlement of debt between R 150 001 and more

Incentives for Businesses/Industrial

- Discount of 10% for settlement of debt between R 30 000 to R 60 000
- Discount of 20% for settlement of debt between R 60 001 and R 100 000
- Discount of 30% for settlement of debt between R 100 001 and R 150 000
- Discount of 40% for settlement of debt between R 150 001 and R 250 000
- Discount of 50% for settlement of debt between R 250 001 and more

The municipality used to collect 60% from each electricity purchase for all accounts in arrears longer than the approved period, to improve collection as per the Debt Collection & Credit Control policy. Departments are engaged on a regularly basis to recoup outstanding debt owed by Organs of State. The non-buying prepaid consumers must be urgently addressed, and the municipality is confident that the smart prepaid metering solution will assist the municipality tremendously in improving on its billing accuracy and ensuring cash inflows from prepaid sales. There are four debt collection companies that are appointed to assist with the debt collection challenges.

The municipality is meeting with the top different categories of Debtors to deal with their disputes, negotiating settlement amounts, encourage them to enter in payment arrangements and recommend possible solutions that will address their outstanding accounts.

FS201 Moqhaka - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

Description	Ref	2023/24	Budget Year 2024/25							
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		394 583	553 019	489 803	40 540	264 850	356 036	(91 186)	-26%	489 803
Service charges - Water		173 153	195 587	195 438	16 078	114 398	130 362	(15 964)	-12%	195 438
Service charges - Waste Water Management		65 954	70 019	70 231	6 042	48 508	46 721	1 786	4%	70 231
Service charges - Waste management		46 961	48 564	48 564	4 265	34 239	32 376	1 863	6%	48 564
Sale of Goods and Rendering of Services		6 220	10 265	10 484	347	3 541	6 887	(3 346)	-49%	10 484
Agency services								–		
Interest								–		
Interest earned from Receivables		69 946	34 557	75 370	8 597	54 306	31 200	23 106	74%	75 370
Interest from Current and Non Current Assets		34	30	61	–	39	26	13	49%	61
Dividends		3 637	1 736	4 544	926	3 257	1 719	1 538	89%	4 544
Rent on Land								–		
Rental from Fixed Assets		6 593	8 535	8 641	368	4 426	5 711	(1 285)	-23%	8 641
Licence and permits		–	–	–	–	–	–	–		–
Operational Revenue		4 027	12 324	14 364	(131)	4 453	8 624	(4 171)	-48%	14 364
Non-Exchange Revenue								–		
Property rates		88 207	90 509	90 811	7 846	62 529	60 400	2 130	4%	90 811
Surcharges and Taxes								–		
Fines, penalties and forfeits		6 569	5 309	5 540	102	812	3 585	(2 774)	-77%	5 540
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		314 054	311 514	305 248	219	202 124	206 423	(4 299)	-2%	305 248
Interest		7 761	2 982	7 979	893	6 407	2 988	3 419	114%	7 979
Fuel Levy								–		
Operational Revenue		839	678	(208)	74	591	275	316	115%	(208)
Gains on disposal of Assets		25 992	–	–	–	–	–	–		–
Other Gains		65	–	–	–	–	–	–		–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**1 214 593**	**1 345 628**	**1 326 870**	**86 167**	**804 479**	**893 333**	**(88 854)**	**-10%**	**1 326 870**

Exchange and Non-Exchange Revenue

Revenue analysis for the month ending 28 February 2025

Revenue Types		Section 71 of 28 February 2025					Eight Months Ending 28 February 2025				
	Annual Budget 2023/2024	Budget	Billing per GS 560	Billing vs Budget	(BS-566) Actual Income	Income vs Billing	Budget	Billing per GS 560	Billing vs Budget	(BM-310) Actual Income	Income vs Billing
Property rates	90 509 071	7 542 423	7 845 863	104%	5 794 164	74%	60 339 381	62 529 384	104%	41 365 003	66%
Electricity - conventional	343 217 833	28 601 486	27 338 824	96%	26 380 134	96%	228 811 889	157 251 277	69%	178 205 191	113%
Water	195 400 475	16 283 373	16 078 116	99%	4 442 955	28%	130 266 983	114 378 349	88%	35 058 713	31%
Sanitation	69 800 488	5 816 707	6 039 611	104%	2 932 641	49%	46 533 659	48 306 659	104%	21 015 754	44%
Refuse	48 564 221	4 047 018	4 264 987	105%	2 037 932	48%	32 376 147	34 238 741	106%	14 258 693	42%
Total Direct Services	**747 492 088**	**62 291 007**	**61 567 401**	**99%**	**41 587 827**	**68%**	**498 328 059**	**416 704 410**	**84%**	**289 903 354**	**70%**
Other revenue	92 497 269	7 708 106	10 941 412	142%	3 764 263	34%	61 664 846	34 933 141	57%	28 058 703	80%
Revenue from Billed services	**839 989 357**	**69 999 113**	**72 508 813**	**104%**	**45 352 090**	**63%**	**559 992 905**	**451 637 551**	**81%**	**317 962 057**	**70%**
Electricity - prepaid	204 011 643	17 000 970	12 359 148	73%	12 359 148	100%	136 007 762	107 561 783	**79%**	107 561 783	100%
grants	**1 044 001 000**	**87 000 083**	**84 867 961**	**98%**	**57 711 238**	**68%**	**696 000 667**	**559 199 334**	**80%**	**425 523 840**	**76%**
Operational grants and subsidies	3 059 000	110 066	110 066	**100%**	110 066	**100%**	3 059 000	1 718 036	**56%**	1 718 036	**100%**
Equitable share	298 568 000	-	-	**-**	-	**-**	199 686 000	199 686 000	**100%**	199 686 000	**100%**
Total Revenue	**1 345 628 000**	**87 110 150**	**84 978 027**	**98%**	**57 821 305**	**68%**	**898 745 667**	**760 603 370**	**85%**	**626 927 876**	**82%**

Comments on Section 71 Report.

Collection rate for waste water management is 49% for the month of February 2025 and 44% for the eight months.

Collection rate for waste management is 48% for the month of February 2025 and 42% for the eight months.

Collection rate for water is 28% for the month of February 20225 and 31% for the eight months.

The collection rate on Property rates is 74% for the month of February 2025 and 66% for the eight months.

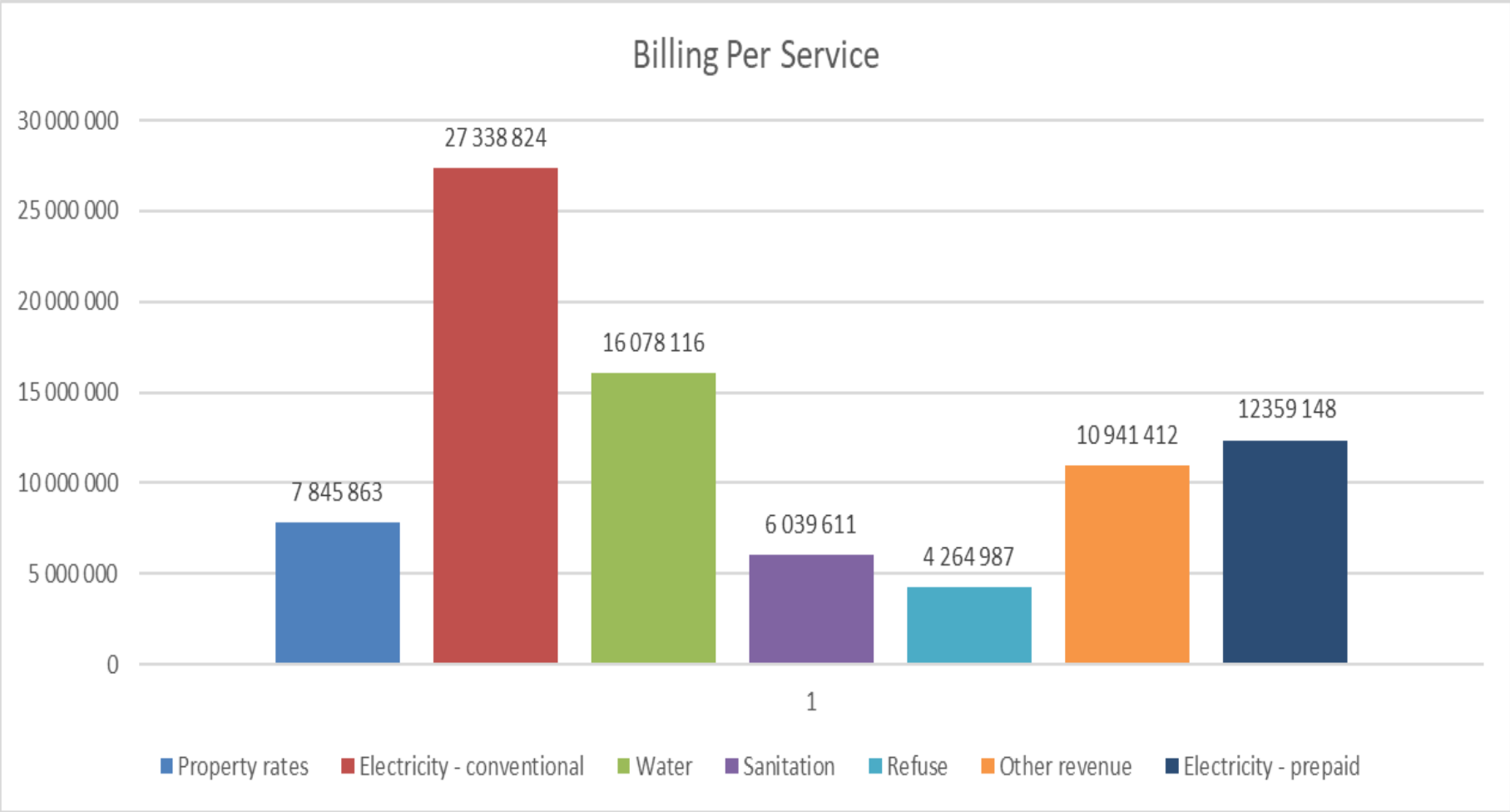
Vat is not considered as part of income in this report since it will be paid over to SARS.

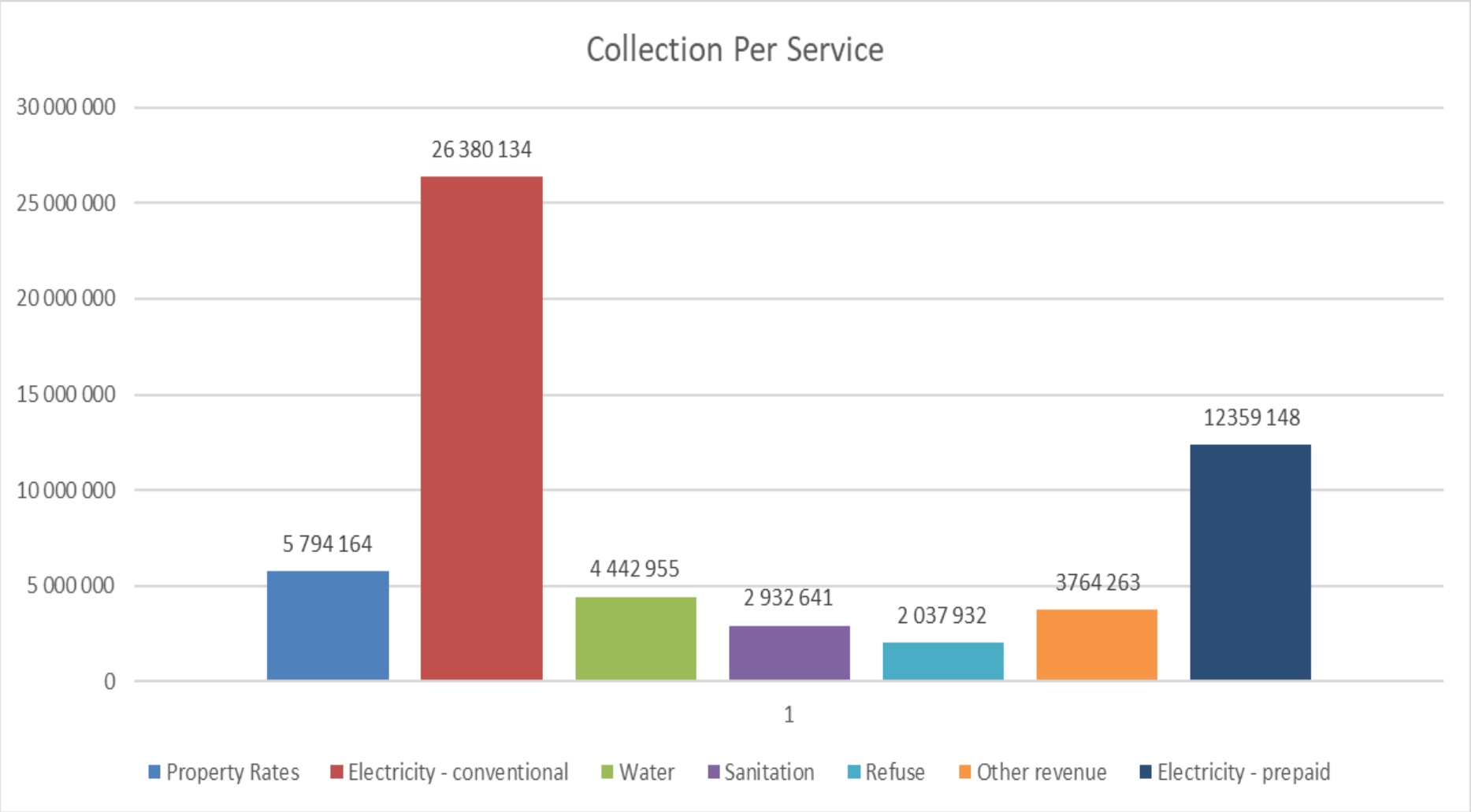
Conventional electricity revenue collection is 96% for the month of February 2025 and 113% for the eight months.

Revenue before operational grants versus billing is 68% for the month of February 2025 and 68% for the eight months.

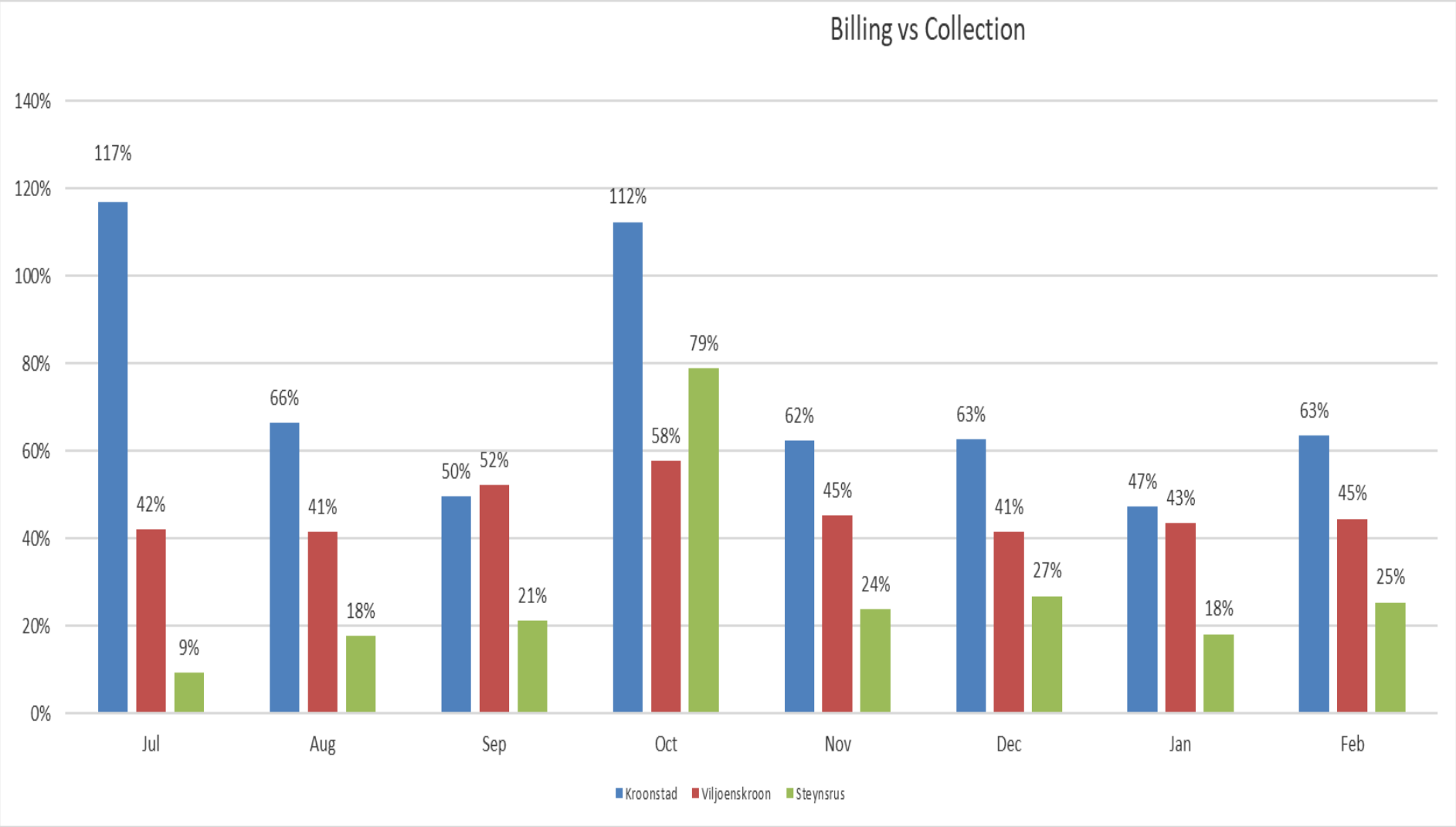
Total Revenue Collection Percentage with Zero Grant Funding received for the month February 2025 is 68% and 82% for the eight months.

Indigents Contribution for Prepaid Electricity in February 2025 is R910 326.00 + R189 348.21 (FBE in ESKOM Supplied Areas) = R1 099 674.21


Billing Per Service
30 000 000
25 000 000
20 000 000
15 000 000
10 000 000
5 000 000
0
7 845 863
27 338 824
16 078 116
6 039 611
4 264 987
10 941 412
12359 148
1
Property rates
Electricity - conventional
Water
Sanitation
Refuse
Other revenue
Electricity - prepaid


Collection Per Service
30 000 000
25 000 000
20 000 000
15 000 000
10 000 000
5 000 000
0
5 794 164
26 380 134
4 442 955
2 932 641
2 037 932
3764 263
12359 148
1
Property Rates
Electricity - conventional
Water
Sanitation
Refuse
Other revenue
Electricity - prepaid

BILLING & REVENUE PER TOWN 01/07/2024 - 30/06/2025 (Excluding Pre-paid Electricity)									
Month	Kroonstad			Viljoenskroon				Steynsrus	
	Billing (BP135)	Receipts (BP135)	Percentage	Billing (BP135)	Receipts (BP135)	Percentage	Billing (BP135)	Receipts (BP135)	Percentage
Jul	17 625 091	20 630 003	117%	14 546 604	6 129 030	42%	2 379 274	223 947	9%
Aug	50 026 530	33 212 880	66%	11 994 176	4 968 316	41%	1 802 829	317 936	18%
Sep	55 478 882	27 503 055	50%	13 663 931	7 138 552	52%	2 206 218	466 363	21%
Oct	53 594 744	60 235 132	112%	14 365 893	8 300 431	58%	935 561	738 550	79%
Nov	53 221 625	33 250 650	62%	15 733 255	7 113 794	45%	2 475 585	588 847	24%
Dec	51 740 275	32 455 121	63%	15 449 619	6 397 987	41%	1 638 856	440 064	27%
Jan	54 377 760	25 727 517	47%	15 142 981	6 583 656	43%	2 114 038	384 216	18%
Feb	59 445 689	37 723 813	63%	16 068 390	7 161 761	45%	2 190 899	556 222	25%
Total	**395 510 596**	**270 738 172**	**68%**	**116 964 848**	**53 793 527**	**46%**	**15 743 261**	**3 716 146**	**24%**


Billing vs Collection
140%
120%
100%
80%
60%
40%
20%
0%
117%
42%
9%
66%
41%
18%
50%
52%
21%
112%
58%
79%
62%
45%
24%
63%
41%
27%
47%
43%
18%
63%
45%
25%
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Kroonstad
Viljoenskroon
Steynsrus

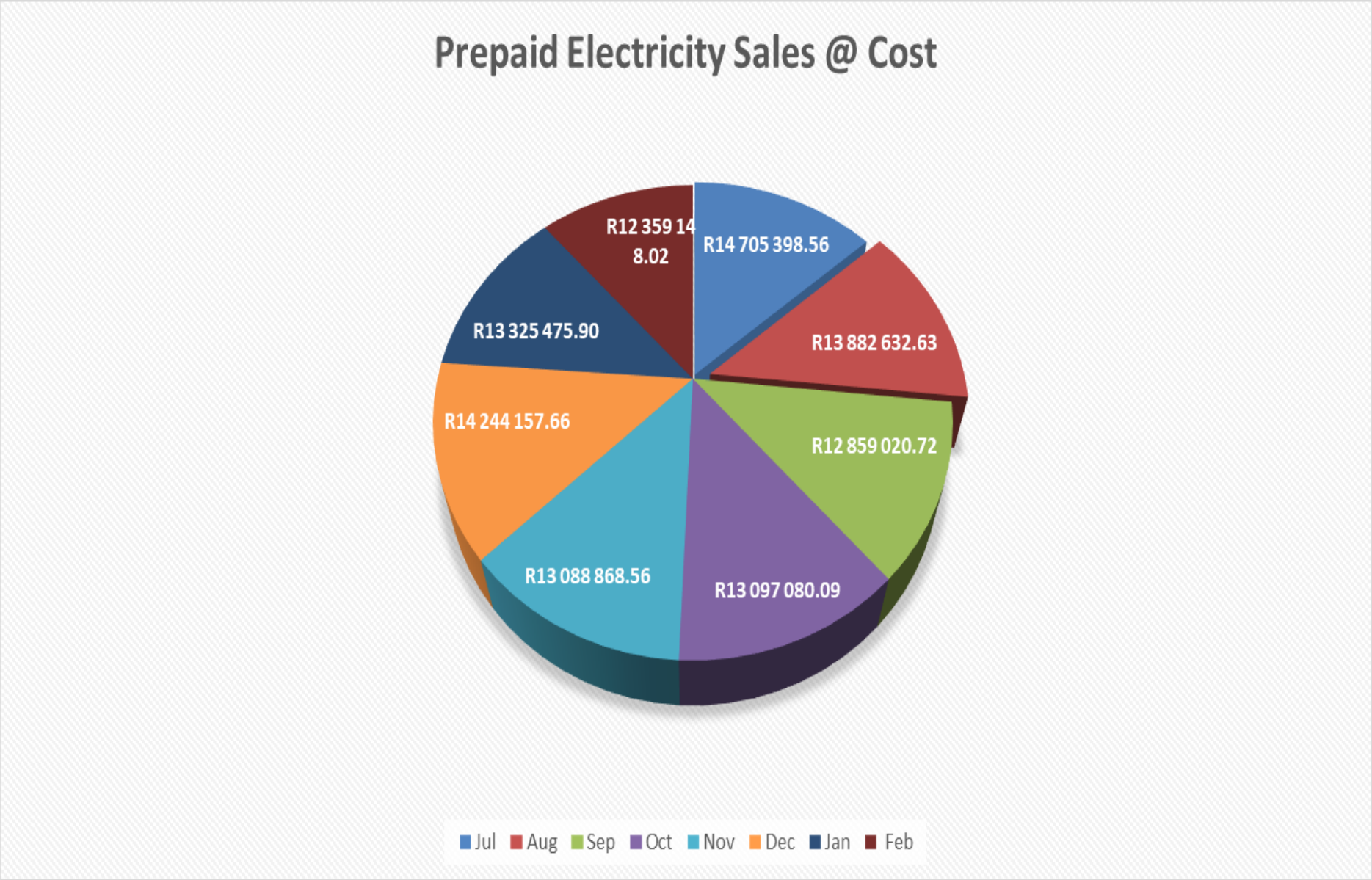
PRE-PAID ELECTRICITY SALES 2024-2025 FINANCIAL YEAR

Month	Arrears	Cost of Units	Vat	Cash Tendered	Units Sold	FBE Value	% Movement
Jul	R0.00	R14 705 398.56	R2 205 583.77	R16 910 982.33	6 624 751.00	R896 486.00	12%
Aug	R0.00	R13 882 632.63	R2 082 178.30	R15 964 810.93	6 310 561.70	R909 115.00	-6%
Sep	R0.00	R12 859 020.72	R1 928 654.97	R14 787 675.69	5 914 137.10	R903 146.50	-7%
Oct	R0.00	R13 097 080.09	R1 964 357.35	R15 061 437.44	5 990 322.40	R905 914.50	2%
Nov	R0.00	R13 088 868.56	R1 963 122.12	R15 051 990.68	5 988 562.70	R919 841.00	-6%
Dec	R0.00	R14 244 157.66	R2 136 430.50	R16 380 588.16	6 408 484.10	R905 828.00	9%
Jan	R0.00	R13 325 475.90	R1 998 610.23	R15 324 086.13	6 083 221.30	R911 623.50	-7%
Feb	R0.00	R12 359 148.02	R1 853 689.94	R14 212 837.96	5 683 625.30	R910 326.00	-7%
Totals	**R0.00**	**R107 561 782.14**	**R16 132 627.18**	**R123 694 409.32**	**R49 003 665.60**	**R7 262 280.50**	

The average collection rate for Kroonstad/Maokeng for February 2025 is 63% , Viljoenskroon/Rammulutsi is 45 & Steynsrus/Matlwangtlwang is 25%.

Kroonstad/Maokeng generated a revenue of R37.7m for February 2025, Viljoenskroon/Rammolutsi generated R7.1m & Steynsrus/Matlwangtlwang generated R556 222.

The cost of revenue generated through prepaid electricity for the month of February 2025 is R12 359 148,02. The electricity vendors are contributing to these sales.


Prepaid Electricity Sales @ Cost
R14 705 398.56
R13 882 632.63
R12 859 020.72
R13 097 080.09
R13 088 868.56
R14 244 157.66
R13 325 475.90
R12 359 148.02
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb

4.2 Operating expenditure by type

FS201 Moqhaka - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February										
Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure By Type										
Employee related costs		409 580	451 339	424 010	34 764	285 928	295 441	(9 513)	-3%	424 010
Remuneration of councillors		22 251	29 578	28 040	1 859	15 198	19 411	(4 213)	-22%	28 040
Bulk purchases - electricity		418 560	427 440	392 840	939	7 398	277 240	(269 842)	-97%	392 840
Inventory consumed		14 879	21 223	29 430	1 697	20 738	15 828	4 910	31%	29 430
Debt impairment		–	58 783	45 915	–	78	36 615	(36 537)	-100%	45 915
Depreciation and amortisation		121 050	9 870	9 870	–	–	6 581	(6 581)	-100%	9 870
Interest		6 029	8 698	8 698	550	4 400	5 799	(1 399)	-24%	8 698
Contracted services		135 341	158 841	187 869	9 037	77 622	111 531	(33 909)	-30%	187 869
Transfers and subsidies		84	1 049	1 049	–	53	699	(646)	-92%	1 049
Irrecoverable debts written off		176 661	1 486	3 899	699	2 773	1 473	1 300	88%	3 899
Operational costs		117 817	142 099	167 637	7 495	88 050	100 740	(12 690)	-13%	167 637
Losses on Disposal of Assets		15 203	60	60	–	–	40	(40)	-100%	60
Other Losses		106	–	–	–	–	–	–		–
Total Expenditure		**1 437 562**	**1 310 466**	**1 299 319**	**57 041**	**502 239**	**871 398**	**(369 160)**	**-42%**	**1 299 319**

Comparison against YTD Budget

As indicated in the Table above, as at 28 February 2025, expenditure shows an unsatisfactory variance of minus 42%. The YTD actual amounted to R502 239 000 against the YTD budget of R871 398 000.

- Employee related costs show a satisfactory variance of minus 3.0%. Post-retirement benefit obligations are not factored in and will only be finalised as part of year-end procedures.
- Remuneration of councillors is showing an unsatisfactory variance of minus 22%.
- Bulk purchases – Electricity is showing an unsatisfactory variance of minus 97%, since the February payment of R5 million went against the arrears and not the current account.

- The expenditure on Inventory consumed is showing an improvement from an unsatisfactory variance of minus 53% in the previous month to a satisfactory variance of 31%.
- The major backlog and deterioration of infrastructure is negatively influencing the Repairs & Maintenance expenditure line items. Deviations and re-directing of funds to manage crisis's is severely and rapidly depleting the R&M budget, impeding on the funds required for day-to-day maintenance. Lack of maintenance plans and planned maintenance is impeding on the municipality's ability to maintain assets optimally.
- There are limited resources available with severe budgetary constraints with the current cash flow position putting major strain on the municipality's finances to actually address service delivery challenges. The municipality is obligated to ensure that tariffs are cost-reflective whilst ensuring that tariff increases are inflationary related as prescribed by NT's annual MFMA Budget circulars. This is a major impediment for the municipality to increase the R&M budget to a desired level to actually address backlogs, whilst employee costs, provision for bad debts and other expenditure is putting further strain on the budgets each year.
- Depreciation was projected for on a straight-line basis, as part of year-end procedures. The municipality is currently engaging our service provider to make use of the available Asset module on the financial system for integration.
- Interest is showing an unsatisfactory variance of minus 24%, due to the Interest on External borrowing being paid monthly and the first instalment for the current financial year was paid during July 2024. All Interest paid on overdue accounts must be recognized as Fruitless and Wasteful expenditure in the Annual Financial Statements.
- Expenditure on Contracted services is showing an unsatisfactory variance of minus 30%.
- Transfers and subsidies showing negative variance of minus 92%, due to non-expenditure & no commitment to show movement.
- Operational cost is showing an unsatisfactory variance of minus 13% as a result of the following line items under Operational Cost (OC)

OPERATING EXPENSES					
DESCRIPTION	**Annual Budget 2024/2025**	**Actual 28-Feb-25**	**YTD 28-Feb-25**	**Variance (Unspent Budget)**	**% Exp**
EMPLOYEE RELATED COSTS	424 010 431	34 764 006	285 927 810	138 082 621	**67.43**
REMUNERATION OF COUNCILLORS	28 040 349	1 858 799	15 198 344	12 842 005	**54.20**
BULK PURCHASES	392 840 423	939 491	7 398 326	385 442 097	**1.88**
INVENTORY	29 430 287	1 697 026	20 737 658	8 692 629	**70.46**
DEBT IMPAIRMENT	45 914 500	0	78 220	45 836 280	**0.17**
DEPRECIATION ON ASSETS	9 870 301	0	0	9 870 301	**-**
INTEREST	8 698 000	550 000	4 400 000	4 298 000	**50.59**
CONTRACTED SERVICES	187 869 196	9 037 165	77 622 050	110 247 146	**41.32**
TRANSFERS AND SUBSIDIES	1 049 000	0	53 460	995 540	**5.10**
CONTRIBUTIONS TO BAD DEBTS	3 899 123	698 614	2 773 238	1 125 885	**71.12**
OPERATIONAL EXPENDITURE	167 636 501	7 495 489	88 049 576	79 586 925	**52.52**
LOSS ON DISPOSAL OF ASSETS	60 389	0	0	60 389	
TOTAL EXPENDITURE (NETT)	1 299 318 500	57 040 590	502 238 682	797 079 818	**38.65**

DESCRIPTION	Annual Budget 2024/2025	Actual 28-Feb-25	YTD 28-Feb-25	Variance	
OUTSOURCE SERVICES					**-**
OS: BURIAL SERVICES	389 091.00	0.00	70 071.79	319 019.21	**18.01**
OS: B&A HUMAN RESOURCES	0.00	0.00	0.00	0.00	**-**
OS: B&A OCCUPATIONAL HEALTH & SAFETY	0.00	0.00	0.00	0.00	**-**
OS: B&A ORGANISATIONAL	5 418.00	0.00	0.00	5 418.00	**-**
OS: B&A PROJECT MANAGEMENT	1 817 150.00	63 210.54	1 047 380.51	942 780.03	**57.64**
OS: B&A RESEARCH & ADVISORY	887 861.00	4 415.40	202 889.31	684 971.69	**22.85**
OS: B&A QUALIFICATION VERIFICATION	0.00	0.00	0.00	0.00	**-**
OS: B&A VALUER	3 147 000.00	27 826.09	194 782.63	2 952 217.37	**6.19**
OS: CATERING SERVICES	1 068 084.00	16 050.00	418 905.70	649 178.30	**39.22**
OS: CLEANING SERVICES	216 757.00	47 674.85	118 518.87	98 238.13	**54.68**
OS: ELECTRICAL	17 668 976.00	84 530.11	3 877 438.11	13 791 537.89	**21.94**
OS:ILLEGAL DUMPING	524 500.00	0.00	333 984.82	190 515.18	**63.68**
OS: MEDICAL SERVICES [HEALTH SERV &	552 299.00	0.00	0.00	552 299.00	**-**
OS: PERSONNEL & LABOUR	11 990 976.00	1 587 275.41	5 367 491.66	6 623 484.34	**44.76**
OS: CONNECT/DIS-CONNECTION: ELECTICI	9 279.00	0.00	0.00	9 279.00	**-**
OS: TRAFFIC FINES MANAGEMENT	167 622.00	0.00	65 520.00	102 102.00	**39.09**
OS: TRANSPORT SERVICES	0.00	0.00	0.00	0.00	**-**
SUB TOTAL : OUTSOURCE SERVICES	**38 445 013.00**	**1 830 982.40**	**11 696 983.40**	**26 921 040.14**	**30.43**

CONSULTANTS AND PROFESSIONAL SERVICES					**-**
C&PS: B&A AIR POLLUTION	100 000.00	0.00	0.00	100 000.00	**-**
C&PS: B&A AUDIT COMMITTEE	201 225.00	0.00	17 710.00	183 515.00	**8.80**
C&PS: B&A BUSINESS & FIN MANAGEMENT	3 000 000.00	0.00	119 678.00	2 880 322.00	**3.99**
C&PS: B&A HUMAN RESOURCES	4 075 669.00	17 114.70	936 892.55	3 138 776.45	**22.99**
C&PS: B&A MEDICAL EXAMINATIONS	906 336.00	0.00	383 515.00	522 821.00	**42.31**
C&PS: B&A OCCUPATIONAL HEALTH & SAFE	464 500.00	0.00	236 593.43	227 906.57	**50.94**
C&PS: B&A PROJECT MANAGEMENT	11 055 121.00	0.00	4 098 744.47	6 956 376.53	**37.08**
C&PS: B&A PROJ MAN(COMM CRISIS)	0.00	0.00	0.00	0.00	**-**
C&PS: B&A PROJ MAN(TRAI & AWARE)	0.00	0.00	0.00	0.00	**-**
C&PS: B&A PROJ MAN(EMERG RESPOND)	800 000.00	0.00	8 600.00	791 400.00	**1.08**
C&PS: B&A RESEARCH & ADVISORY	5 245.00	0.00	0.00	5 245.00	**-**
C&PS: B&A SYSTEM SUPPORT	20 000.00	0.00	0.00	20 000.00	**-**
C&PS: I&P ENGINEERING CIVIL	1 549 000.00	0.00	560 143.20	988 856.80	**36.16**
C&PS: I&P LAND & QUANTITY SURVEYORS	150 000.00	0.00	0.00	150 000.00	**-**
C&PS: I&P LAND SCAPE DESIGNER	359 000.00	0.00	0.00	359 000.00	**-**
C&PS: I&P TOWN PLANNER	122 733.00	0.00	0.00	122 733.00	**-**
C&PS: LAB SERV WATER	8 077 300.00	822 254.75	4 717 564.16	3 359 735.84	**58.41**
C&PS: LEGAL COST ADVICE & LITIGATION	7 500 000.00	0.00	2 680 165.79	4 819 834.21	**35.74**
C&PS: LEGAL COST ISSUE OF SUMMONS	190 460.00	0.00	0.00	190 460.00	**-**
C&PS: LEGAL COST COLLECTION	1 771 135.00	77 738.22	699 951.01	1 071 183.99	**39.52**
SUB TOTAL : CONSULTANT AND PROF SERV	**40 347 724.00**	**917 107.67**	**14 459 557.61**	**25 888 166.39**	**35.84**

CONTRACTORS					**-**
CONTR: ARTISTS & PERFORMERS	55 230.00	0.00	0.00	55 230.00	**-**
CONTR: BUILDING CONTRACTORS	2 419 600.00	161 179.13	1 546 311.10	873 288.90	**63.91**
CONTR: CATERING SERVICES	157 350.00	0.00	0.00	157 350.00	**-**
CONTR: EMPLOYEE WELLNESS	629 400.00	8 680.80	135 740.56	493 659.44	**21.57**
CONTR: FIRE SERVICES	31 470.00	0.00	0.00	31 470.00	**-**
CONTR: GARDENING SERVICES	287 422.00	0.00	19 704.40	267 717.60	**6.86**
CONTR: INTERIOR DECORATOR	209 800.00	0.00	0.00	209 800.00	**-**
CONTR: INSPECTION FEES	1 800 146.00	132 792.62	932 936.46	867 209.54	**51.83**
CONTR: MAINT OF BUILDINGS & FACILIT	11 916 453.00	220 907.58	2 731 396.91	9 185 056.09	**22.92**
CONTR: MAINTENANCE OF EQUIPMENT	8 083 607.00	22 129.06	1 798 690.53	6 284 916.47	**22.25**
CONTR: MAINTENANCE OF EQUIPMENT (FLE	4 524 145.00	111 846.66	407 594.15	4 116 550.85	**9.01**
CONTR: MAINTENANCE FLEET	12 391 367.00	574 200.92	5 371 681.02	7 019 685.98	**43.35**
CONTR: PEST CONTROL & FUMIGATION	157 350.00	0.00	0.00	157 350.00	**-**
CONTR: PLANTS FLOWERS & OTH DECORATI	45 177.00	0.00	0.00	45 177.00	**-**
CONTR: PREPAID ELECTRICITY VENDORS	9 700 000.00	1 338 979.45	7 589 966.36	2 110 033.64	**78.25**
CONTR: SAFEGUARD & SECURITY	50 894 724.00	3 718 358.28	27 617 487.46	23 277 236.54	**54.26**
CONTR: TRAFFIC & STREET LIGHTS	5 773 218.00	0.00	3 314 000.43	2 459 217.57	**57.40**
SUB TOTAL : CONTRACTORS	**109 076 459.00**	**6 289 074.50**	**51 465 509.38**	**57 610 949.62**	**47.18**
CONTRACTED SERVICES	**187 869 196.00**	**9 037 164.57**	**77 622 050.39**	**110 420 156.15**	**41.32**

OPERATIONAL COST					
OC: ADV/PUB/MARK - CORP & MUN ACTIVI	2 029 298.00	105 200.00	523 864.78	1 505 433.22	**25.82**
OC: ADV/PUB/MARK - MUNICIPAL NEWSLET	900 000.00	0.00	229 500.00	670 500.00	**25.50**
OC: ADV/PUB/MARK - SIGNS	200 000.00	0.00	0.00	200 000.00	**-**
OC: ADV/PUB/MARK - STAFF RECRUITMENT	314 700.00	0.88	37 174.80	277 525.20	**11.81**
OC: ADV/PUB/MARK - TENDERS	220 919.00	0.00	26 496.00	194 423.00	**11.99**
OC: AUDIT COST: EXTERNAL	10 773 450.00	869 565.22	6 256 290.25	4 517 159.75	**58.07**
OC: BC/FAC/C FEES - BANK ACCOUNTS	1 273 379.00	177 643.45	1 176 626.04	96 752.96	**92.40**
OC: COMMISSION - THIRD PARTY VENDORS	17 317 019.00	910 330.43	6 344 603.85	10 972 415.15	**36.64**
OC: COMM - CELL CONTRACT (SUBS & CAL	0.00	0.00	0.00	0.00	**-**
OC: COMM - LICENCES (RADIO & TELEVIS	125 445.00	1 621.00	37 568.83	87 876.17	**29.95**
OC: COMM - POSTAGE/STAMPS/FRANKING M	1 997 916.00	47 770.45	386 313.25	1 611 602.75	**19.34**
OC: COMM - RADIO & TV TRANSMISSIONS		0.00	0.00	0.00	**-**
OC: COMM - SMS BULK MESSAGE SERVICE	0.00	0.00	0.00	0.00	**-**
OC: COMM - PHONE FAX TELEGRAPH & TEL	2 098 000.00	179 187.57	1 307 320.15	790 679.85	**62.31**
OC: CONTR TO PROV - REHAB LANDFILL S	89 325.00	0.00	0.00	89 325.00	**-**
OC: DEEDS	279 402.00	7 635.35	41 496.75	237 905.25	**14.85**
OC: DRIVERS LICENCES & PERMITS	15 565.00	0.00	0.00	15 565.00	**-**
OC: ENTERTAINMENT - EXEC MAYOR	31 470.00	1 647.36	7 284.42	24 185.58	**23.15**
OC: ENTERTAINMENT - COUNCILLORS	31 470.00	0.00	0.00	31 470.00	**-**
OC: ENTERTAINMENT - SENIOR MANAGEMENT	220 780.00	15 733.51	90 489.89	130 290.11	**40.99**
OC: ENTERTAINMENT - SPEAKER	10 000.00	0.00	3 797.66	6 202.34	**37.98**
OC: ENTERTAINMENT - CHIEF WHIP	35 000.00	1 560.00	23 058.96	11 941.04	**65.88**
OC: EXT COM SERV PROV - GPS LICENCE	3 081 763.00	0.00	212 283.49	2 869 479.51	**6.89**
OC: EXT COM SERV PROV - S/WARE LICEN	2 408 074.00	0.00	583 372.00	1 824 702.00	**24.23**
OC: EXT COM SERV PROV - SYSTEM ADVIS	0.00	0.00	0.00	0.00	**-**
OC: HIRE CHARGES	59 293 358.00	1 733 992.81	42 557 103.06	16 736 254.94	**71.77**
OC: INSUR UNDER - CLAIM PAID 3RD PAR		0.00	0.00	0.00	**-**

OC: INSUR UNDER - EXCESS PAYMENTS	500 000.00	2 500.00	69 829.42	430 170.58	**13.97**
OC: INSUR UNDER - PREMIUMS	5 050 000.00	886.54	4 621 071.52	428 928.48	**91.51**
OC: LEARNERSHIPS & INTERNSHIPS		0.00	0.00	0.00	**-**
OC: LIC - VEHICLE LIC & REGISTRATION	1 682 072.00	37 052.50	678 170.00	1 003 902.00	**40.32**
OC: LIC - VEHICLE LIC & REGISTR FLEE	14 059.00	0.00	1 745.60	12 313.40	**12.42**
OC: PERSONNEL AGENCY FEES (PERS RECR		0.00	0.00	0.00	**-**
OC: PRINTING & PUBLICATIONS	748 519.00	0.00	55 882.63	692 636.37	**7.47**
OC: PROFESSIONAL BODIES M/SHIP & SUB	196 510.00	2 406.96	56 791.38	139 718.62	**28.90**
OC: REMUNERATION TO WARD COMMITTEES	2 937 200.00	91 000.00	633 000.00	2 304 200.00	**21.55**
OC: ROAD WORTHY TEST FLEET	18 059.00	0.00	0.00	18 059.00	**-**
OC: SKILLS DEVELOPMENT FUND LEVY	4 278 444.00	295 450.53	3 008 364.02	1 270 079.98	**70.31**
OC: SEARCH FEES	16 469.00	0.00	0.00	16 469.00	**-**
OC: SERVITUDES & LAND SURVEYS	52 450.00	0.00	0.00	52 450.00	**-**
OC: SIGNAGE	499 746.00	0.00	229 129.91	270 616.09	**45.85**
OC: SMALL DIFFERENCES TOLERANCES		0.00	0.00	0.00	**-**
OC: TOLL GATE FEES	0.00	0.00	0.00	0.00	**-**
OC: TOLL GATE FEES FLEET	4 214.00	0.00	0.00	4 214.00	**-**
OC: TRANSPORT - EVENTS	106 370.00	0.00	2 500.00	103 870.00	**2.35**
OC: TRANSPORT - FUNERALS		0.00	0.00	0.00	**-**
OC: T&S DOM - ACCOMMODATION	2 841 347.00	313 532.98	1 214 515.08	1 626 831.92	**42.74**
OC: T&S DOM - DAILY ALLOWANCE	2 006 114.00	167 366.71	648 887.96	1 357 226.04	**32.35**
OC: T&S DOM - FOOD & BEVERAGE (SERVE	283 170.00	0.00	43 961.20	239 208.80	**15.52**
OC: T&S DOM TRP - W/OUT OPR OWN TRAN	2 549 160.00	216 838.50	881 743.76	1 667 416.24	**34.59**
OC: T&S DOM PUB TRP - ROAD TRANSPORT	330 792.00	2 856.92	24 442.44	306 349.56	**7.39**
OC: T&S - NON-EMPLOYEES	209 800.00	5 964.08	24 893.47	184 906.53	**11.87**
OC: TRANSPORT - MUNICIPAL ACTIVITIES	55 230.00	0.00	37 840.00	17 390.00	**68.51**
OC: UNIFORM & PROTECTIVE CLOTHING	6 659 072.00	0.00	3 264 549.59	3 394 522.41	**49.02**
OC: VEHICLE TRACKING FLEET	312 017.00	0.00	0.00	312 017.00	**-**
OC: WET FUEL	11 437 961.00	329 823.99	4 337 504.34	7 100 456.66	**37.92**
OC: WORKMEN'S COMPENSATION FUND	1 753 823.00	0.00	0.00	1 753 823.00	**-**
SUB TOTAL : OPERATIONAL COST	**147 288 931.00**	**5 517 567.74**	**79 679 466.50**	**67 609 464.50**	**54.10**

4.3 Capital Expenditure

FS201 Moqhaka - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 February										
Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		107	–	1 650	–	15	330	(315)	-96%	1 650
Vote 02 - Municipal Manager		61	400	750	14	14	412	(397)	-96%	750
Vote 03 - Corporate Services		727	2 500	3 490	31	2 155	2 050	105	5%	3 490
Vote 04 - Finance		804	2 077	1 068	–	134	831	(697)	-84%	1 068
Vote 05 - Technical Services		668	78 142	81 826	1 133	38 279	52 753	(14 475)	-27%	81 826
Vote 06 - Community Services		3 023	14 600	26 706	–	2 892	12 155	(9 263)	-76%	26 706
Vote 07 - Local Economic Development		241	872	745	–	349	665	(316)	-47%	745
Vote 08 - .		–	–	–	–	–	–	–		–
Vote 09 - .		–	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	5 630	98 591	116 235	1 178	43 838	69 195	**(25 358)**	**-37%**	116 235
Total Capital Expenditure		**5 630**	**98 591**	**116 235**	**1 178**	**43 838**	**69 195**	**(25 358)**	**-37%**	**116 235**

Capital Expenditure - Functional Classification										
Governance and administration		**1 833**	**5 750**	**8 187**	**45**	**2 330**	**4 233**	(1 903)	-45%	**8 187**
Executive and council		147	–	1 650	–	15	330	(315)	-96%	1 650
Finance and administration		1 686	5 750	6 487	45	2 316	3 893	(1 577)	-41%	6 487
Internal audit		–	–	50	–	–	10	(10)	-100%	50
Community and public safety		**2 483**	**13 122**	**20 429**	**21**	**438**	**10 318**	(9 880)	-96%	**20 429**
Community and social services		955	5 197	4 333	–	–	3 292	(3 292)	-100%	4 333
Sport and recreation		233	4 081	4 331	–	298	2 880	(2 581)	-90%	4 331
Public safety		1 237	3 843	11 765	21	140	4 147	(4 007)	-97%	11 765
Housing		58	–	–	–	–	–	–		–
Health								–		
Economic and environmental services		**55**	**31 596**	**33 997**	**608**	**19 421**	**21 544**	(2 124)	-10%	**33 997**
Planning and development		–	205	80	–	80	111	(32)	-29%	80
Road transport		55	31 234	33 760	608	19 341	21 328	(1 987)	-9%	33 760
Environmental protection		–	157	157	–	–	105	(105)	-100%	157
Trading services		**1 259**	**48 071**	**53 622**	**504**	**21 649**	**33 075**	(11 426)	-35%	**53 622**
Energy sources		20	3 348	4 824	1	151	2 370	(2 219)	-94%	4 824
Water management		354	25 011	25 011	334	16 289	16 674	(385)	-2%	25 011
Waste water management		208	15 890	15 640	169	2 346	10 619	(8 273)	-78%	15 640
Waste management		677	3 822	8 147	–	2 863	3 413	(550)	-16%	8 147
Other		–	52	–	–	–	24	(24)	-100%	–
Total Capital Expenditure - Functional Classification	3	**5 630**	**98 591**	**116 235**	**1 178**	**43 838**	**69 195**	**(25 358)**	**-37%**	**116 235**

Funded by:										
National Government		26	64 627	64 546	1 109	36 345	43 068	(6 724)	-16%	64 546
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–		–
Transfers recognised - capital		**26**	**64 627**	**64 546**	**1 109**	**36 345**	**43 068**	**(6 724)**	**-16%**	**64 546**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		5 604	33 964	51 689	69	7 493	26 127	(18 634)	-71%	51 689
Total Capital Funding		**5 630**	**98 591**	**116 235**	**1 178**	**43 838**	**69 195**	**(25 358)**	**-37%**	**116 235**

As indicated in the Table above, the YTD Actual on capital expenditure as at end of February 2025 amounted to R43 838 000. The total YTD capex is funded from Capital grants R43 068 000 and Internally generated funds R26 127 000. Capex is extremely low and major intervention is required for the financial year. Planning of project managers also needs to improve going forward. One of the major challenges that the municipality is experiencing is in respect of tendering processes.

The majority of capital projects are based on a functionality criterion. Bidders either do not meet the functionality criteria or submit incomplete tender documents resulting in bidders being non-responsive. And due to the non-responsiveness of bidders, these bids unfortunately must be re-advertised. The municipality has been implementing more compulsory site meetings to sensitise service providers on the compliance issues pertaining to bid documents. Secondly, project managers need to realistically anticipate challenges and immediately address delays to ensure that projects are completed within the specified timeframe. Contract management also needs to be monitored more closely, placing emphasis on the performance of appointed service providers and addressing issues of non-performance immediately.

It should be noted that capital expenditure excludes VAT and commitments. The capital expenditure report, Table C5 has been prepared on the prescribed monthly C-schedule and is categorised by municipal vote and functional classification.

4.4 Cash flows

CASH FLOW ANALYSIS FOR THE MONTH ENDING	
Detail	**Feb-25**
Cash Receipts by Source	
Property rates	5 671 131
Service charges - electricity revenue	26 190 537
Service charges - water revenue	4 234 928
Service charges - sanitation revenue	2 431 593
Service charges - refuse revenue	1 849 041
Service charges - other	-
Interest earned - external investments	298 454
Interest earned - outstanding debtors	386 104
Fines	-
Transfer receipts - operational	-
Other revenue	14 768 567
Cash Receipts by Source	**55 830 355**
Other Cash Flows/Receipts by Source	
Transfer receipts - capital	-
Borrowing long term/refinancing	-
Total Cash Receipts by Source	**55 830 355**
Cash Payments by Type	
Employee related costs	34 764 006
Remuneration of councillors	1 858 799
Bulk purchases - Electricity	5 939 490
Contracted services	10 392 738
General expenses	17 057 192
Cash Payments by Type	**70 012 225**
Other Cash Flows/Payments by Type	
Capital assets	1 965 443
Repayment of borrowing	-
Total Cash Payments by Type	**71 977 668**
Net Increase/(Decrease) in Cash Held	**-16 147 313**
Cash/cash equivalents at the month/year begin	**68 814 814**
Cash/cash equivalents at the month/year end:	**52 667 501**

Cash is monitored on a daily basis. The municipality is in a severe cash flow crisis and not in the conducive position to settle short-term commitments. This is a critical threat to the municipality's ability to pay salaries, bulk accounts and day-to-day operations which can have a detrimental effect on service delivery and irrevocably damage the municipality's relationship with its service providers and further tarnishing the municipality's reputation. This is also evident by the escalation in debt owed to ESKOM.

Highlights	31-Dec	31-Jan	% Change	28-Feb	% Change	Reference
Services						
Councillors' debt (>90 days)	R 1 486 499	R 1 514 016	2%	R 1 604 760	6%	BP136-r
Officials debt (>90 days)	R 2 976 139	R 3 052 394	3%	R 3 115 742	2%	BP136-a
Sundry debtors						
Telephones (Officials & Councillors)	R645 638.46	R647 559.22	0%	R675 495.51	4%	BP136-rt
Indigents	R 180 568 501	R 185 434 718	**3%**	R 188 210 080	1%	BP136-ia
Total Debt 90 Days +	**R 185 676 778**	**R 190 648 687**	**3%**	**R 193 606 078**	**2%**	

The municipality usually conducts a mass blocking of all prepaid meters of Customers that are owing the Municipality. Our collection efforts are also exacerbated by the tampering crisis we are currently facing as a municipality. The community does not see the importance of paying for municipal services; and that ultimately this is a key part required for effective service delivery. There is a poor payment culture within the jurisdiction of our Municipality and drastic measures need to be taken to get people back to the culture of paying their municipal accounts monthly without fail. The municipality is not implementing full credit control processes to improve its cashflow and collection rate. This includes not restricting power to payment defaulters, serving of disconnection notices through the SMSs, emails, and other social media platforms, communicating to Customers that are in arrears, that their electricity will be disconnected due to non-payment of accounts.

As of 28 February 2025, the Government Debt was as follows:

MOQHAKA MUNICIPALITY	MONTH END		Feb-25					
FINANCIAL YEAR		2024/25						
	WATER	ELEC	RATES	SE & RF	OTHER	TOTAL	PAYMENT	OUTST
PROVINCIAL DEPARTMENTS								
OFFICE OF THE PREMIER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FREE STATE LEGISATURE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEPARTMENT OF TOURISM, ETC.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FREE STATE PROVINCIAL TREASURY	12 078.00	0.00	0.00	11 182.00	398.00	23 658.00	0.00	23 658.00
DEPARTMENT OF HEALTH (PH)	14 629 710.00	8 955 442.00	0.00	10 416 240.00	26 462.00	34 027 854.00	0.00	34 027 854.00
DEPARTMENT OF EDUCATION (PE)	96390.00	1 153 146.00	122 363.00	18 519 925.00	0.00	19 891 824.00	0.00	19 891 824.00
DEPARTM OF SOCIAL DEV(PS)	0.00	0.00	0.00	250 654.00	0.00	250 654.00	0.00	250 654.00
LOCAL GOVERNMENT & HOUSING(LG)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PUBLIC WORKS, ROADS, TRANSP(PW)	977 597.00	16 640 384.00	1 153.00	825 950.00	3 933.00	18 449 017.00	0.00	18 449 017.00
PUBLIC SAFETY, ETC.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AGRICULTURE (PA)	0.00	240.00	0.00	0.00	0.00	240.00	0.00	240.00
SPORTS, ARTS & CULTURE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	**15 715 775.00**	**26 749 212.00**	**123 516.00**	**30 023 951.00**	**30 793.00**	**72 643 247.00**	**0.00**	**72 643 247.00**
				0.00				
SCHOOLS (SECTION 21)	10 254 993.00	18 092 460.00	5 608.00	7 136.00	86 928.00	**28 447 125.00**	0.00	**28 447 125.00**
NATIONAL DEPARTMENTS	**WATER**	**ELEC**	**RATES**	**SE & RF**	**OTHER**	**TOTAL**	**PAYMENT**	**OUTST**
CORRECTIONAL SERVICES (NC)	7 787 252.00	513 843.00	0.00	455 734.00	0.00	8 756 829.00	0.00	8 756 829.00
DEFENCE (ND)	2 911 445.00	5 919 457.00	0.00	444 802.00	13 830.00	9 289 534.00	0.00	9 289 534.00
HOUSING (NH)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LABOUR (NL)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LAND AFFAIRS (NA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MINERALS & ENERGY	24 213.00	129 000.00	156 803.00	53 715.00	75 932.00	439 663.00	0.00	439 663.00
PUBLIC WORKS (NW)	19 022.00	317 969.00	1 415.00	62 364.00	0.00	400 770.00	0.00	400 770.00
SA POLICE(NP)	912 112.00	486 718.00	435.00	892 100.00	1 338.00	2 292 703.00	0.00	2 292 703.00
WATER AFFAIRS (WA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JUSTICE (GJ)	422 984.00	102 236.00	0.00	32 898.00	837.00	558 955.00	0.00	558 955.00
TOTAL	**12 077 028.00**	**7 469 223.00**	**158 653.00**	**1 941 613.00**	**91 937.00**	**21 738 454.00**		**21 738 454.00**
TOTAL	**38 047 796.00**	**52 310 895.00**	**287 777.00**	**31 972 700.00**	**209 658.00**	**122 828 826.00**	**-**	**122 828 826.00**
						TOTAL		**122 828 826.00**
						LESS CREDIT		**0.00**
						GRAND TOTAL		**122 828 826.00**

v5

MUNICIPAL DEBT RETURN FORM - Provincial & National Departments

treasury
Department of Treasury
FREE STATE PROVINCE

Municipality: ***FS201 Moqhaka***

Financial Year: ***2023/24*** 2024/25
Reporting Month: ***M08 February***

R'000	Provincial Public Works & Infrastructure	Education: Section 20 Schools *(Payable by Department of Education)*	Education: Section 21 Schools *(Payable by Schools)*	National Public Works	TOTAL
Property Rates	**124**			**159**	**282**
0-30 Days	19			15	33
31-60 Days	19			15	33
61-90 Days	19			16	34
Over 90 Days	68			114	182
Water	**15 716**	**–**	**10 255**	**12 077**	**38 048**
0-30 Days	1 672	–	292	1 550	3 514
31-60 Days	798	–	337	2 006	3 141
61-90 Days	689	–	369	926	1 984
Over 90 Days	12 556	–	9 257	7 595	29 408
Electricity	**26 749**	**–**	**18 092**	**7 469**	**52 311**
0-30 Days	682	–	889	904	2 475
31-60 Days	879	–	685	433	1 998
61-90 Days	1 111	–	741	431	2 283
Over 90 Days	24 077	–	15 777	5 701	45 556
Sanitation	**19 872**			**1 193**	**21 064**
0-30 Days	1 035			172	1 207
31-60 Days	1 035			159	1 195
61-90 Days	1 035			62	1 097
Over 90 Days	16 766			799	17 565
Refuse Removal	**10 152**			**749**	**10 901**
0-30 Days	529			91	620
31-60 Days	529			84	613
61-90 Days	529			35	564
Over 90 Days	8 566			539	9 105
Other	**31**	**–**	**100**	**92**	**222**
0-30 Days	0	–	2	2	5
31-60 Days	0	–	2	3	5
61-90 Days	0	–	2	3	4
Over 90 Days	30	–	95	84	209
TOTAL	**72 643**	**–**	**28 447**	**21 738**	**122 829**
0-30 Days	3 937	–	1 183	2 734	7 854
31-60 Days	3 260	–	1 024	2 700	6 984
61-90 Days	3 383	–	1 112	1 472	5 967
Over 90 Days	62 063	–	25 129	14 832	102 024
Payments received during reporting month *(whole amount)*	*3 328 051.60*			*2 932 544.95*	*6 260 596.55*

0

Revenue enhancement strategies that can be implemented to ensure the completeness of Revenue, improve the collection rate, enhance customer relations and reduce losses

- Disconnection of consumers to be applied consistently and fairly in line with the Credit Control Policy
- Engagements with provincial government to collect outstanding debt.
- Data cleansing of the entire debtor's book, and data cleansing to positively influence the reachability of consumers and assist tremendously in the electronic distribution of municipal accounts via short messaging services (sms) and e-mail.
- Improve in the accuracy of monthly billing.
- Ensure meters are read consistently, timeously and significantly reduce interim readings and ultimately eliminate interim readings.
- Reduce material billing errors by thoroughly interrogating billing exception reports prior to final billing run.
- Enhance customer relations and consumer satisfaction by improving on the turnaround time when dealing with billing queries.
- Introduce electronic complaints management system/register for account queries.
- Ensure faulty and bypassed electricity meters are replaced.
- Ensure that stuck, leaking, faulty or damaged water meters are replaced.
- Do regular follow-ups on meter replacements.
- Accurately update the system with latest information
- Reduce the turnaround time for installation of replacement or new meters.
- Ensure improved synergy and improved communication between internal department like Town Planning, Infrastructure, GIS and Billing.
- Interrogate billing and prepaid electricity reports monthly and take immediate remedial action to address anomalies or discrepancies.
- Ensure that all billable properties are billed for Property rates and services.
- Ensure that customers are billed at the correct approved tariff by linking each customer to the correct tariff code loaded on the system.
- Reduce Electricity and Water losses.
- Introduce automated metering for bulk consumers.
- Electricity Cost of Supply Study was finalised
- Ensure qualifying indigents are registered on the system, immediately upon verification.
- Improve on indigent management in terms of consumption and ensure prepaid electricity meters are installed/replaced immediately for all approved indigents.
- Improve on service delivery and personnel performance, to enhance customer's willingness to pay.
- Reduce or curb unnecessary expenditure by diligently applying cost containment measures.
- Improve on routine maintenance on particularly revenue generating assets.

- Spend funds effectively with good value for money.

6. Debtors' Analysis

Year End	Month End	Mun	Item	Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Total -
2025	M08	FS201	1100	Debtors Age Analysis By Income Source					
			1200	Trade and Other Receivables from Exchange Transactions - Water	26 143 697	20 548 452	17 914 968	810 811 612	875 418 729
			1300	Trade and Other Receivables from Exchange Transactions - Electricity	25 368 510	8 644 113	7 623 949	141 802 281	183 438 853
			1400	Receivables from Non-exchange Transactions - Property Rates	5 677 206	3 781 750	3 245 695	107 756 807	120 461 458
			1500	Receivables from Exchange Transactions - Waste Water Management	8 196 129	6 905 161	6 214 871	247 372 210	268 688 371
			1600	Receivables from Exchange Transactions - Waste Management	5 783 047	4 877 321	4 406 353	178 869 682	193 936 403
			1700	Receivables from Exchange Transactions - Property Rental Debtors	0	0	0	0	0
			1810	Interest on Arrear Debtor Accounts	0	0	0	0	0
			1820	Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	0	0	0	0	0
			1900	Other	1 210 502	885 611	1 066 127	76 499 078	79 661 318
			2000	Total By Income Source	72 379 091	45 642 408	40 471 963	1 563 111 670	1 721 605 132
			2100	Debtors Age Analysis By Customer Group					
			2200	Organs of State	14 845 608	5 967 657	7 173 412	94 876 378	122 863 055
			2300	Commercial	25 778 723	8 992 182	6 967 686	154 785 770	196 524 361
			2400	Households	36 141 771	27 656 985	25 447 299	1 192 547 080	1 281 793 135
			2500	Other	-4 387 011	3 025 584	883 566	120 902 442	120 424 581
			2600	Total By Customer Group	72 379 091	45 642 408	40 471 963	1 563 111 670	1 721 605 132

Comments:

Total outstanding debt has increased from R1 689 341 950 in January 2025 to R1 721 605 132 in February 2025. The 2% increase amounting to R32 263 182 is a result of minimum/non-payments of accounts.

Water debt was R857 304 317 in January 2025 & has increased to R875 418 729 in February 2025, and that accounts for 51% of the outstanding debt due to non-payment, burst pipes, leaking water meters.

Electricity outstanding debt was R185 655 272 in January 2025 & and has decreased to R183 438 583 in February 2025. This is 11% of the total debt, mainly due to unpaid conventional electricity bills
from different categories of debtors, as well as availability/basic charges for infrastructure maintenance.

Property Rates outstanding debt was R120 344 247 in January 2025 & has increased to R120 461 458 in February 2025. This account for 7% against total debt.
Sanitation/Sewerage accounts for 16% of the total outstanding debt with R263 381 323 in January 2025 that has increased to R268 688 371 in February 2025, and emanates from non-payment of accounts.

Total outstanding debt for Refuse Removal or Solid Waste was R190 172 621 in January 2025 & has increased to R193 936 403 in February 2025. This accounts for 11% of the total outstanding debt.
Total for Other Debt or Sundries was R72 484 170 in January 2025 and increased to R79 661 318 in February 2025, which accounts for 5% for total outstanding debt. It represents the debt from indirect services on sundry accounts like rental, telephone, advertising & signs, and more.

Government debt was R120 961 670 in January 2025 and has increased to R122 863 055 in February 2025. This represents 7% of the total outstanding debt that Public Works is in the process of addressing.

Business/Commercial debt was R196 701 722 in January 2025 and has decreased to R196 524 361 in February 2025. This represents 11% of the total outstanding debt and is impacted by small business establishments in the townships

that are either rented out to non-South Africans and where owners passed on.

Debt by Households was R1 258 840 162 in January 2025 and has increased to R1 281 793 135 in February 2025. That accounts for 74% of the total debt. This is inclusive of R188 210 080 owed by indigent households.

The remaining Other Income debt by many other various categories of debtors was R112 838 396 in January 2025 & has increased to R120 424 581 that is 7% of the total outstanding debt.

On 31 January 2025, Councillors owed R1 514 016 and now R1 604 760 in February 2025. (6% increase), Officials owed R3 052 394 in January 2025 and now R3 115 742 in February 2025 (2% increase).

Telephone accounts had a balance of R647 559.22 in January 2025 and now R675 495.51 in February 2025 (4% Increase).

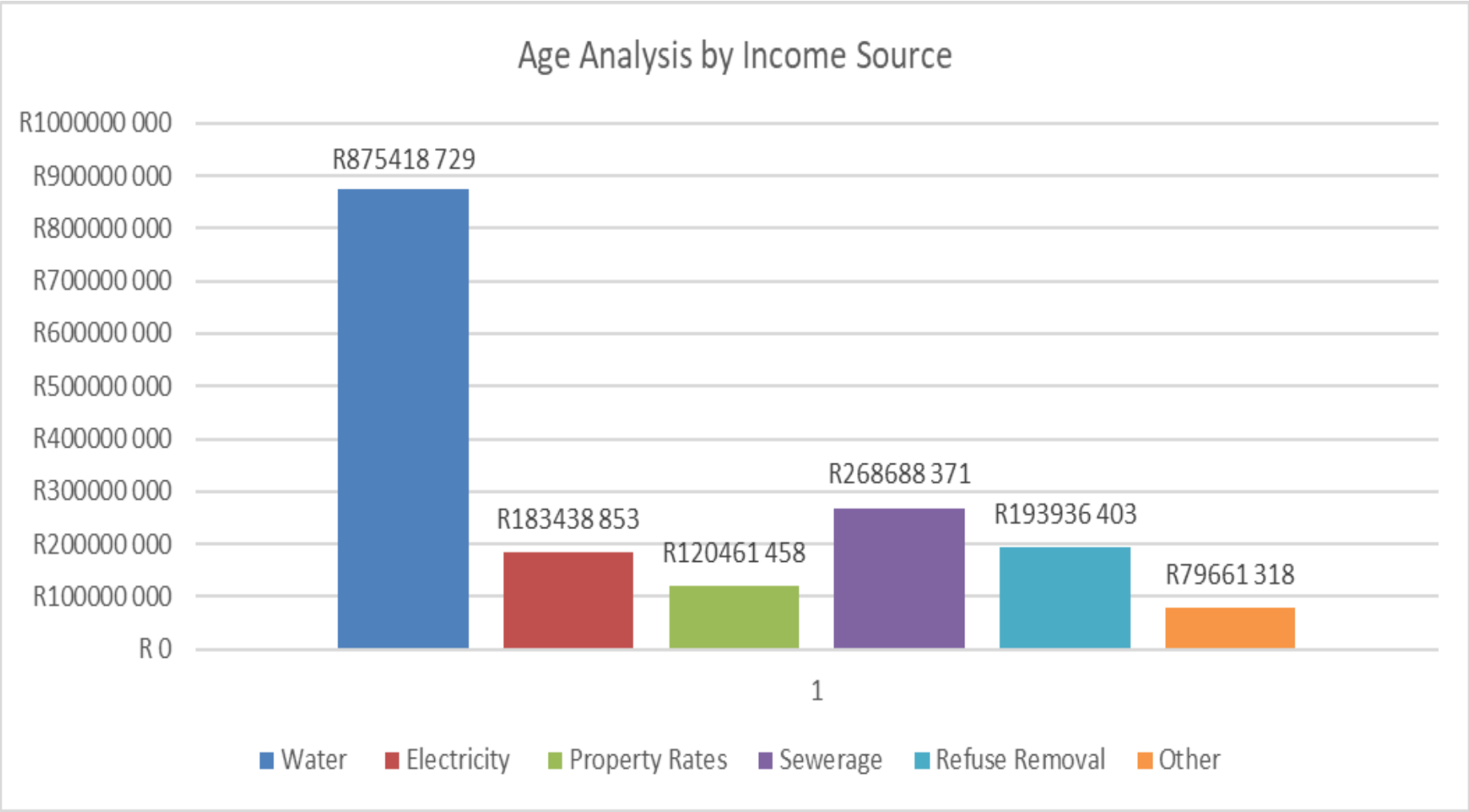
The Municipality urgently needs to resolve on approving the Revenue Enhancement Strategy that was compiled with the assistance of Treasury, CoGTA & SALGA & implement the Debt Collection & Credit Control Policy and other policies for debt collection purposes in October 2023 as the same issues remain.

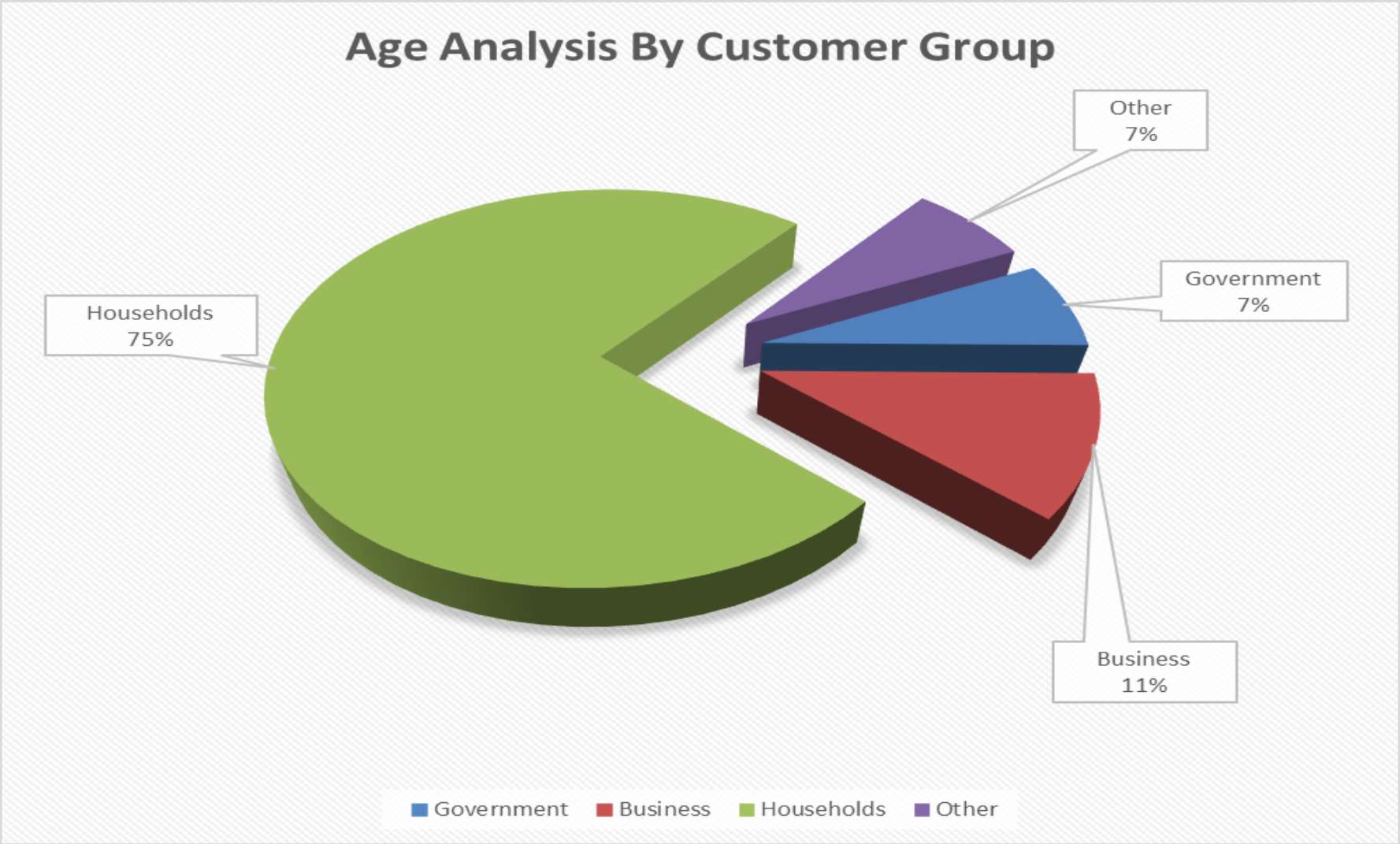
There are currently 4 debt collection companies appointed until June 2025, but their performance was hampered by the cyber-attack on the financial system between 05 June 2023 and 30 April 2024.

Non implementation of the prepaid electricity meters for categories of payment defaulters plays a major role in the poor collection rate & the performance of the debt Collectors.

The suspension of the Municipal Manager & the delay in appointing the Directors, including the Chief Financial officer plays a very critical role in the financial distress facing the municipality.

The Municipality operates with administrative leadership that mostly is in acting capacity. The process of appointing Directors should unfold without more delays.


Age Analysis by Income Source
R1000000 000
R900000 000
R800000 000
R700000 000
R600000 000
R500000 000
R400000 000
R300000 000
R200000 000
R100000 000
R 0
R875418 729
R183438 853
R120461 458
R268688 371
R193936 403
R79661 318
1
Water
Electricity
Property Rates
Sewerage
Refuse Removal
Other


Age Analysis By Customer Group
Other
7%
Government
7%
Households
75%
Business
11%
Government
Business
Households
Other

An analysis revealed that the catalysts for this condition are the:

- High volume of account holders in arrears,
- The poor economic circumstances of many of the accountholders,
- and the increasing cost of services beyond the Municipality's control.

There is a substantial portion of irrecoverable, stagnant debt that attracts interest every month. The municipality will process this debt and submit it to Council for approval for write off. We have revised our policies to make our processes more effective. This will allow us to focus on preventing debt from ageing where possible in tracing and updating our debtors' information and of course recovering outstanding amounts.

The municipality held a strategic planning session between 17 and 19 October 2023 to address its financial challenges and come up with resolutions in improving/enhancing the revenue collection. We anticipate a marked turnaround of this trend and in conjunction with a concerted effort to retard the escalation of ageing debt, we are focusing on improving the accuracy and regularity of our billing as well as our communication with our accountholders. Indigent verification is a continuous process, and we are encouraging accountholders whose households qualify, to approach the Municipality for an assessment and possible registration as an Indigent Household. The benefits of this are the provision of free basic services and assistance with arrear debt owed to the Municipality. The payment culture of consumers needs to improve across all areas. - Articulated in the paragraph below under "Revenue Management" is a detailed plan with interventions and improvements.

Cycle	Opening Balance	Charges Raised	Adjustments	Repayments	Deposits	Nett Movement	Receipts	Closing Balance	Collection	Billing vs Receipts
1	134 587 926.14	17 699 515.42	3 567 541.11	46 771.25	33 671.00	21 347 498.78	-16 045 102.83	139 890 322.09	-75%	5 302 395.95
2	594 800 449.26	19 594 336.84	-4 490 070.32	21 174.98	3 428.00	15 128 869.50	-2 238 881.61	607 690 437.15	-15%	12 889 987.89
3	3 360 448.32	2 726 823.64	0.00	0.00	0.00	2 726 823.64	-3 359 553.00	2 727 718.96	-123%	-632 729.36
4	56 295 679.91	571 774.01	86 715.62	0.00	0.00	658 489.63	-84 124.71	56 870 044.83	-13%	574 364.92
6	18 995 802.36	1 245 696.00	-2 313.89	0.00	0.00	1 243 382.11	-1 368 195.37	18 870 989.10	-110%	-124 813.26
7	24 500 408.80	971 406.95	-203 162.15	2 336.77	0.00	770 581.57	-262 246.65	25 008 743.72	-34%	508 334.92
8	10 252 776.84	600 424.40	-1 193 598.34	0.00	0.00	-593 173.94	-237 521.75	9 422 081.15	40%	-830 695.69
9	2 348 104.76	16 484.90	249.08	0.00	0.00	16 733.98	-550.00	2 364 288.74	-3%	16 183.98
10	64 113 835.51	11 454 494.90	-899 038.56	0.00	0.00	10 555 456.34	-10 342 397.67	64 326 894.18	-98%	213 058.67
11	84 005 445.11	2 245 600.59	-54 701.28	0.00	0.00	2 190 899.31	-556 222.29	85 640 122.13	-25%	1 634 677.02
13	580 710 959.64	12 710 103.53	-1 434 737.55	19 027.92	20 766.00	11 315 159.90	-2 787 961.80	589 238 157.74	-25%	8 527 198.10
14	6 938 307.23	4 753 156.85	0.00	0.00	0.00	4 753 156.85	-4 373 799.49	7 317 664.59	-92%	379 357.36
15	6 765.32	73.67	0.00	0.00	0.00	73.67	0.00	6 838.99	0%	73.67
16	108 425 040.78	7 621 354.62	-30 723.11	395.89	0.00	7 591 027.40	-3 785 239.90	112 230 828.28	-50%	3 805 787.50
	1 689 341 949.98	82 211 246.32	-4 653 839.39	89 706.81	57 865.00	77 704 978.74	-45 441 797.07	1 721 605 131.65	-58%	32 263 181.67

The February 2025 total billing was R77 704 978,74 from R 71 634 778.90 in January 2025.

7. Creditors' Analysis

Creditors Age Analysis For The Month Ending 28 February 2025

Detail	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 -
Bulk Electricity	42 219 312	42 951 753	46 583 041	-				1 540 165 907	**1 671 920 013**
Loan repayments	632 446	618 418	1 200 632					1181881	**3 633 377**
Trade Creditors	3 945 299	4 399 815	292 805	3 885 680					**12 523 599**
Auditor General	118 109	275 994	161 533	3 113 359					**3 668 995**
DWS	1 115 675	1 563 260	7 015 323					5 168 944	**14 863 202**
WORKMENS COMPENSATION								1 014 024	**1 014 024**
GOVERNMENT GARAGE	371 550							3 575 378	**3 946 928**
Total	**48 402 391**	**49 809 240**	**55 253 334**	**6 999 039**	**-**	**-**	**-**	**1 551 106 135**	**1 711 570 139**

Bulk Electricity – As at the 28 February 2025, the outstanding debt owed to ESKOM amounted to R1 671 920 013. As per the Debt Relief approval, the municipality must honour the payment of the monthly current account and only the outstanding balance of R365 000 000 after approval of the debt relief application. The municipality is yet to enter into a payment arrangement. Trade creditors are all suppliers registered on the municipality's database and it is a prerequisite for these suppliers to be registered on the Central Supplier Database (CSD). Auditor General – the current account due to the AGSA is R3 668 995. Other creditors – includes Sundry creditors which were unpaid as of 28 February 2024 amount to R19 824 154,57.

8. Investment portfolio analysis

Moqhaka Municipality

Year End	30-Jun-25
Section	Finance
Compiled by	ID Mphosi
Purpose	Investment Register

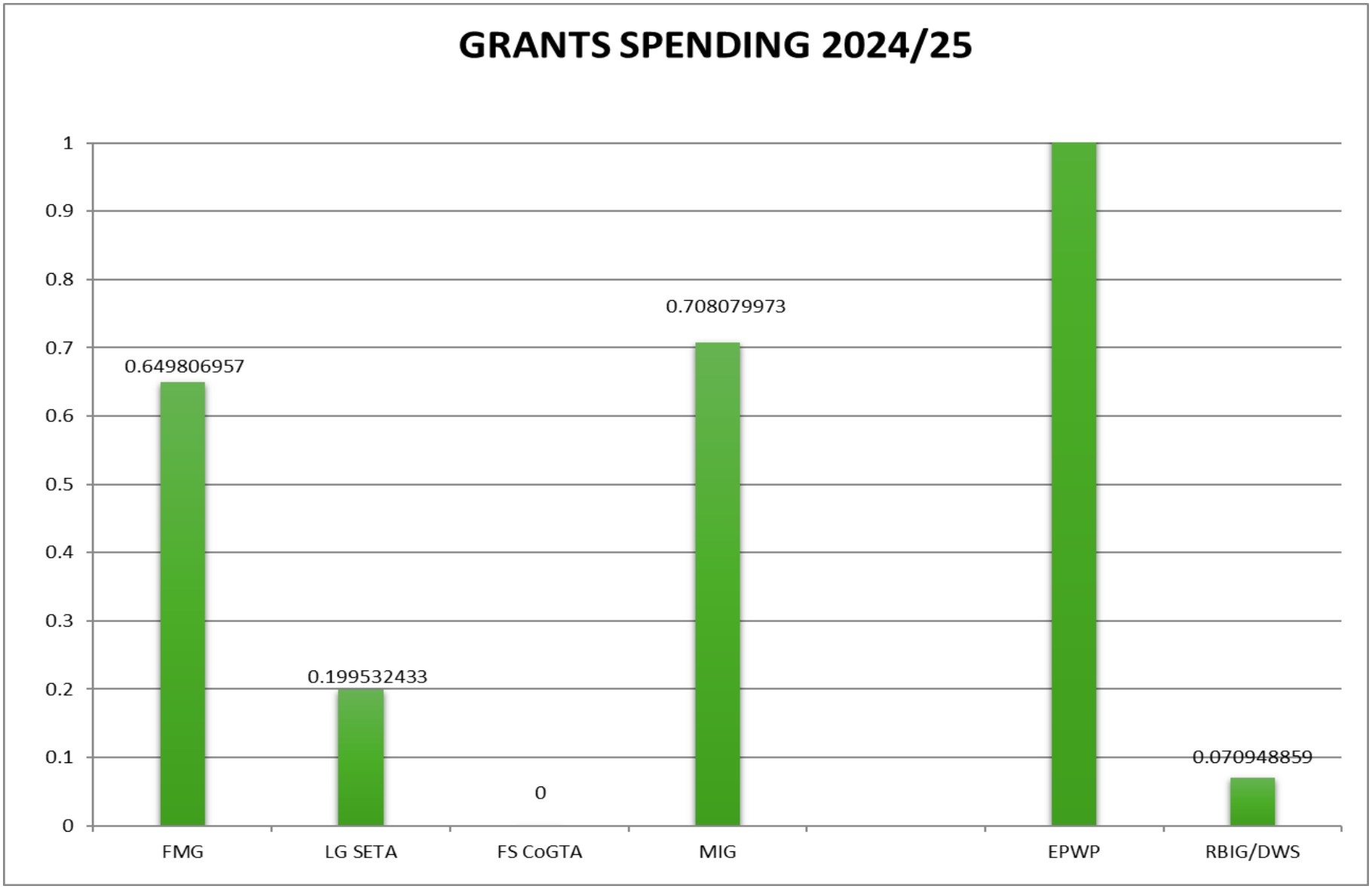
The municipality holds the following investments with ABSA Bank.

Detail	Bank Acc num	Type of investment	Vote num
ABSA - 1	20-7531-4898	Fixed Deposit	3405505314OZZZZZZZWM
ABSA - 2	20-5824-7882	Fixed Deposit	3405505304OZZZZZZZWM
ABSA - 3	91-3190-1443	Call Account	3405505324OZZZZZZZWM

	20-7531-4898	20-5824-7882	91-3190-1443	
	ABSA - 1	**ABSA - 2**	**ABSA - 3**	**Total**
Balance 01-Jul- 2024	**5 608.89**	**118 622.25**	**40 795 171.52**	**40 919 402.66**
Prior period error	-	-	-	-
Adjusted Balance	**5 608.89**	**118 622.25**	**40 787 125.85**	**40 911 356.99**
	-	-	49 977 242.08	49 977 242.08
Invested	-	-	67 497 000.00	**67 497 000.00**
Withdrawn	-	-	-18 000 000.00	**-18 000 000.00**
Interest earned	-		**480 242.08**	**480 242.08**
Balance at 31-Jul-2024	**5 608.89**	**118 622.25**	**90 764 367.93**	**90 888 599.07**
	52.02		1 799 349.35	
Invested	-	-	50 181 646.00	50 181 646.00
Withdrawn	-	-	-49 000 000.00	**-49 000 000.00**
Interest earned	52.02	-	**617 703.35**	**617 755.37**
Balance at 31-Aug-2024	**5 660.91**	**118 622.25**	**92 563 717.28**	**92 688 000.44**
	54.01		-6 641 111.88	-6 641 057.87
Invested	-	-	31 637 000.00	31 637 000.00
Withdrawn	-		-38 812 716.43	-38 812 716.43
Interest earned	54.01	-	534 604.55	534 658.56
Balance at 30-Sep-2024	**5 714.92**	**118 622.25**	**85 922 605.40**	**86 046 942.57**
			-9 984 209.17	-21 000 000.00
Invested	-	-	7 500 000.00	7 500 000.00
Withdrawn	-	-	-18 000 000.00	-18 000 000.00
Interest earned	-	-	515 790.83	-10 500 000.00
Balance at 31-Oct-2024	**5 714.92**	**118 622.25**	**75 938 396.23**	**65 046 942.57**
	108.04	10 984.97	-21 593 518.24	-21 582 425.23
Invested			10 000 000.00	10 000 000.00
Withdrawn			-32 014 613.34	-32 014 613.34
Interest earned	108.04	10 984.97	421 095.10	432 188.11
Balance at 30-Nov-2024	**5 822.96**	**129 607.22**	**54 344 877.99**	**54 480 308.17**
			27 570 030.17	27 570 030.17
Invested	-	-	87 792 000	87 792 000.00
Withdrawn	-	-	-60 700 000	-60 700 000.00
Interest earned	-	-	478 030.17	478 030.17
Balance at 31-Dec-2024	**5 822.96**	**129 607.22**	**81 914 908.16**	**82 050 338.34**
			-18 069 414.23	-18 069 414.23
Invested			12 500 000.00	12 500 000.00
Withdrawn			-31 000 000.00	-31 000 000.00
Interest earned			430 585.77	430 585.77
Balance at 31-Jan-2024	**5 822.96**	**129 607.22**	**63 845 493.93**	**63 980 924.11**
	110.08		-13 701 546.01	-13 701 435.93
Invested			10 000 000.00	10 000 000.00
Withdrawn			-24 000 000.00	-24 000 000.00
Interest earned	110.08		298 453.99	298 564.07
Balance at 28-Feb-2024	**5 933.04**	**129 607.22**	**50 143 947.92**	**50 279 488.18**

9. Allocation and grant receipts and expenditure

Report on conditional grants at	28-Feb-25					
Municipality:	FS201 Moqhaka					
Financial Accounting for Grant Funds Received and Expended						
	OPERATIONAL GRANTS		CAPITAL GRANTS			
	Management Grant (FMG)	LG SETA (Mandatory)	Infrastructure Grant (MIG)	Works Programme	Infrastructure Grant (WSIG)	Total Capital Grants
DORA Allocation for the 2024/25	**2 300 000**					**-**
Unspent grants at beginning of the financial year		**2 791 897**				**-**
Received Prior Months	2 300 000	289 362	32 134 000	325 000	16 233 383	**48 692 383**
Received This Month	-	-	8 292 000			**8 292 000**
Total Funds Received	**2 300 000**	**3 081 259**	**40 426 000**	**325 000**	**16 233 383**	**56 984 383**
Spent Prior Months	1 607 970	638 742	30 130 988	609 910	1 151 740	**31 892 638**
Spent This Month	110 066	4 200	1 688 150	109 200	-	**1 797 350**
Grants refunded					-	**-**
Total Funds Spent	1 718 036	642 942	31 819 138	719 110	1 151 740	**33 689 988**
Total funds Received and Not Spent	**581 964**	**2 438 317**	**8 606 862**	**-394 110**	**15 081 643**	**23 294 395**
Percentage of Funds Spent	75%	23%	79%	221%	7%	59%
Funds Currently Committed but Not Spent	-	-	-	-	-	**-**
Scheduled Transfers Withheld	-	-	-	-	-	**-**


GRANTS SPENDING 2024/25
1
0.9
0.8
0.7
0.6
0.5
0.4
0.3
0.2
0.1
0
0.649806957
0.199532433
0
0.708079973
0.070948859
FMG
LG SETA
FS CoGTA
MIG
EPWP
RBIG/DWS

FS201 Moqhaka - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 February

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		**100 324**	**137 896**	**134 882**	**8 566**	**77 069**	**91 336**	**(14 267)**	**-15.6%**	**134 882**
Equitable Share		97 207	125 676	131 283	8 353	74 889	84 914	– (10 025)	-11.8%	131 283
Expanded Public Works Programme Integrated Grant		1 359	9 920	1 299	111	689	4 889	(4 200)	-85.9%	1 299
Local Government Financial Management Grant		2 012	2 300	2 300	102	1 504	1 533	(29)	-1.9%	2 300
Municipal Disaster Relief Grant		(253)	–	–	–	(13)	–	(13)		–
Water Services Infrastructure Grant		–	–	–	–	–	–	–		–
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Infrastructure Grant		–	–	–	–	–	–	– –		–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
								–		
Other grant providers:		**184**	**1 000**	**3 081**	**4**	**577**	**1 083**	(505)	-46.7%	**3 081**
Education Training and Development Practices SETA		184	1 000	3 081	4	577	1 083	(505)	-46.7%	3 081
Total operating expenditure of Transfers and Grants:		**100 508**	**138 896**	**137 963**	**8 571**	**77 647**	**92 419**	**(14 773)**	**-16.0%**	**137 963**
Capital expenditure of Transfers and Grants										
National Government:		26	64 627	64 546	1 109	36 345	43 068	(6 724)	**-15.6%**	64 546
Integrated National Electrification Programme Grant		–	–	–	–	–	–	– –		–
Local Government Financial Management Grant		–	–	–	–	–	–	–		–
Municipal Disaster Relief Grant		26	–	–	–	–	–	–		–
Municipal Infrastructure Grant		0	46 656	46 575	1 109	24 351	31 088	(6 737)	-21.7%	46 575
Water Services Infrastructure Grant		–	17 971	17 971	–	11 994	11 981	13	0.1%	17 971
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
								–		
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Capacity Building and Other Grants		–	–	–	–	–	–	–		–
Infrastructure Grant		–	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	–	–	–	–	–		–
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Unspecified		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		**26**	**64 627**	**64 546**	**1 109**	**36 345**	**43 068**	**(6 724)**	**-15.6%**	**64 546**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**100 535**	**203 523**	**202 509**	**9 680**	**113 992**	**135 488**	**(21 496)**	**-15.9%**	**202 509**

- No Operational grant monies was received for the month under review.
- There was no Capital grant money received for the month under review.
- Correcting journals are processed monthly to recognize capital grant receipts in the Statement of Financial Performance, once all conditions of the grant have been met.

10. Councillor and board member allowances and employee benefits

28 February 2025

REPORT ON STAFF BENEFITS: Staff costs analysis for the month (MFMA Section 66)

Summary of Section 66 of the MFMA - Salaries and Wages (Staff Benefits)

DESCRIPTION	Budget 2024/2025	Actual 28-Feb-25	YTD 28-Feb-25	% Exp
EMPLOYEE RELATED COST				
SENIOR MANAGEMENT				
SM - SALARIES ALLOW AND SERV BENEFITS				
MM - SALARIES ALLOW AND SERV BENEFITS				
SM MM: SAL & ALL - BASIC SALARY	1 040 930.00	72 887.15	522 063.20	**50.15**
SM MM: SAL & ALL - PERFORM BASED BONUS	149 275.00	0.00	0.00	**0.00**
SM MM: ALLOW - CELLULAR & TELEPHONE	33 201.00	3 000.00	24 000.00	**72.29**
SM MM: ALLOW - HOUSING BENEFITS	0.00	0.00	0.00	**#DIV/0!**
SM MM: ALLOW - TRAVEL OR MOTOR VEHICLE	265 810.00	20 833.33	160 038.74	**60.21**
SM MM: SRB - LONG SERVICE	0.00	0.00	0.00	**#DIV/0!**
SUB TOTAL: MM - SAL ALLOW & SERV BENEF	1 489 216.00	96 720.48	706 101.94	**47.41**
CFO - SALARIES ALLOW AND SERV BENEFITS				
SM CFO: SAL & ALL - BASIC SALARY	450 397.00	-	-	-
SM CFO: SAL & ALL - PERFORM BASED BONUS	27 454.00	-	-	-
SM CFO: ALLOW - CELLULAR & TELEPHONE	3 320.00	-	-	-
SM CFO: ALLOW - HOUSING BENEFITS	-	-	-	-

SM CFO: ALLOW - TRAVEL OR MOTOR VEHICLE	27 668.00	-	-	-
SM CFO: SRB - ENTERTAINMENT	7 868.00	-	-	-
SM CFO: SRB - ACTING & POST RELATE ALLOW				
SUB TOTAL: CFO - SAL ALLOW & SERV BENEF	**516 707.00**	**0.00**	**0.00**	**0.00**
D01 - SALARIES ALLOW AND SERV BENEFITS				
SM D01: SAL & ALL - BASIC SALARY	947 376.00	0.00	39 343.88	**4.15**
SM D01: SAL & ALL - PERFORM BASED BONUS	55 013.00	0.00	0.00	**0.00**
SM D01: ALLOW - CELLULAR & TELEPHONE	9 960.00	1 000.00	4 565.21	**45.84**
SM D01: ALLOW - HOUSING BENEFITS	0.00	0.00	0.00	**#DIV/0!**
SM D01: ALLOW - TRAVEL OR MOTOR VEHICLE	159 473.00	21 145.98	83 767.40	**52.53**
SM D01: SRB - ENTERTAINMENT	5 245.00	-	-	-
SM D01: SRB - ACTING & POST RELATE ALLOW				
SUB TOTAL: DTS - SAL ALLOW & SERV BENEF	**1 177 067.00**	**22 145.98**	**127 676.49**	**10.85**
DO2 - SALARIES ALLOW AND SERV BENEFITS				
SM D02: SAL & ALL - BASIC SALARY	818 367.00	67 923.00	532 535.25	**65.07**
SM D02: SAL & ALL - PERFORM BASED BONUS	0.00	0.00	0.00	**#DIV/0!**
SM D02: ALLOW - CELLULAR & TELEPHONE	18 528.00	1 000.00	8 000.00	**43.18**
SM D02: ALLOW - HOUSING BENEFITS	103 811.00	0.00	0.00	**0.00**
SM D02: ALLOW - TRAVEL OR MOTOR VEHICLE	555 884.00	45 104.95	353 606.75	**63.61**
SM D02: ALLOW - ACCOM TRAVEL & INCIDENT.	-	-	-	**#DIV/0!**
SM D02: SRB - ENTERTAINMENT	10 490.00	-		**0.00**
SM D02: SRB - ACTING & POST RELATE ALLOW				**#DIV/0!**
SUB TOTAL: DPS - SAL ALLOW & SERV BENEF	**1 507 080.00**	**114 027.95**	**894 142.00**	**59.33**
DO3 - SALARIES ALLOW AND SERV BENEFITS				
SM D03: SAL & ALL - BASIC SALARY	447 880.00	-	-	**0.00**
SM D03: SAL & ALL - PERFORM BASED BONUS	26 857.00	-	-	**0.00**
SM D03: ALLOW - CELLULAR & TELEPHONE	2 706.00	-	-	**0.00**
SM D03: ALLOW - HOUSING BENEFITS	87 619.00	-	-	**0.00**

SM D03: ALLOW - TRAVEL OR MOTOR VEHICLE	49 759.00	-	-	**0.00**
SM D03: SRB - ENTERTAINMENT	-	-	-	**#DIV/0!**
SM D03: SRB - ACTING & POST RELATE ALLOW	-	-	-	**#DIV/0!**
SUB TOTAL: DCH - SAL ALLOW & SERV BENEF	**614 821.00**	**0.00**	**0.00**	**0.00**
DO4 - SALARIES ALLOW AND SERV BENEFITS				
SM D04: SAL & ALL - BASIC SALARY	446 030.00	-	-	**0.00**
SM D04: SAL & ALL - PERFORM BASED BONUS	4 089.00	-	-	**0.00**
SM D04: ALLOW - CELLULAR & TELEPHONE	4 280.00	-	-	**0.00**
SM D04: ALLOW - HOUSING BENEFITS	40 926.00	-	-	**0.00**
SM D04: ALLOW - TRAVEL OR MOTOR VEHICLE	30 408.00	-	-	**0.00**
SM D04: SRB - ENTERTAINMENT	-	-	-	**#DIV/0!**
SUB TOTAL: DCS - SAL ALLOW & SERV BENEF	**525 733.00**			**0.00**
SUB TOTAL: SM - SAL ALLOW & SERV BENEF	**5 830 624.00**	**232 894.41**	**1 727 920.43**	**29.64**
SM - SOCIAL CONTRIBUTIONS				
MM - SOCIAL CONTRIBUTIONS				
SM MM: SOC CONTR: MEDICAL	68 736.00	0.00	0.00	**0.00**
SM MM: SOC CONTR: PENSION FUNDS	116 203.00	13 119.69	93 971.37	**80.87**
SM MM: SOC CONTR: UIF	2 422.00	177.12	1 416.96	**58.50**
SUB TOTAL: MM - SOCIAL CONTRIBUTIONS	**187 361.00**	**13 296.81**	**95 388.33**	**50.91**
CFO - SOCIAL CONTRIBUTIONS				
SM CFO: SOC CONTR: GROUP LIFE INSURANCE	-	-	-	-
SM CFO: SOC CONTR: MEDICAL	3 326.00	-	-	-
SM CFO: SOC CONTR: PENSION FUNDS	66 404.00	-	-	-
SM CFO: SOC CONTR: UIF	1 225.00	-	-	-
SM CFO: SOC CONTR: BARGAINING COUNCIL	-	-	-	-
SUB TOTAL: CFO - SOCIAL CONTRIBUTIONS	**70 955.00**	**0.00**	**0.00**	**0.00**
D01 - SOCIAL CONTRIBUTIONS				
SM D01: SOC CONTR: GROUP LIFE INSURANCE	0.00	0.00	0.00	0.00
SM D01: SOC CONTR: MEDICAL	69 820.00	0.00	0.00	0.00
SM D01: SOC CONTR: PENSION FUNDS	144 119.00	9 453.70	37 512.80	19.46

SM D01: SOC CONTR: UIF	2 461.00	177.12	708.48	21.59
SM D01: SOC CONTR: BARGAINING COUNCIL	0.00	0.00	0.00	0.00
SUB TOTAL: DTS - SOCIAL CONTRIBUTIONS	**216 400.00**	**9 630.82**	**38 221.28**	**17.66**
D02 - SOCIAL CONTRIBUTIONS				
SM D02: SOC CONTR: GROUP LIFE INSURANCE	0.00	0.00	0.00	0.00
SM D02: SOC CONTR: MEDICAL	37 057.00	0.00	0.00	0.00
SM D02: SOC CONTR: PENSION FUNDS	71 014.00	0.00	35 506.77	63.47
SM D02: SOC CONTR: UIF	2 459.00	177.12	1 416.96	50.42
SM D02: SOC CONTR: BARGAINING COUNCIL	0.00	0.00	0.00	0.00
SUB TOTAL: DPS - SOCIAL CONTRIBUTIONS	**110 530.00**	**177.12**	**36 923.73**	**33.41**
D03 - SOCIAL CONTRIBUTIONS				
SM D03: SOC CONTR: GROUP LIFE INSURANCE				
SM D03: SOC CONTR: MEDICAL	21 011.00	-	-	-
SM D03: SOC CONTR: PENSION FUNDS	-	-	-	-
SM D03: SOC CONTR: UIF	1 217.00	-	-	-
SM D03: SOC CONTR: BARGAINING COUNCIL	-	-	-	-
SUB TOTAL: DCH - SOCIAL CONTRIBUTIONS	**22 228.00**	**0.00**	**0.00**	**0.00**
SUB TOTAL: SM - SOCIAL CONTRIBUTIONS	**607 474.00**	**23 104.75**	**170 533.34**	**28.07**
SM - POST RETIREMENT BENEFITS				
SM: PRB - MED: CURRENT SERVICE COST				
SM: PRB - MED: INTEREST COST	5 023 669.00	465 980.26	887 758.68	**17.67**
SM: PRB - PENS: INTEREST COST	742 998.00	-	-	-
SUB TOTAL : SM - POST RETIREMENT BENEFIT	**5 766 667.00**	**465 980.26**	**887 758.68**	**15.39**
SM: PST RET BEN OBL CST CAP PPE				
SUB TOTAL : SM - COST CAPITALISED TO PPE				
SUB TOTAL : SENIOR MANAGEMENT	**12 204 765.00**	**721 979.42**	**2 786 212.45**	**22.83**
MUNICIPAL STAFF				
MS - SALARIES ALLOW AND SERV BENEFITS				

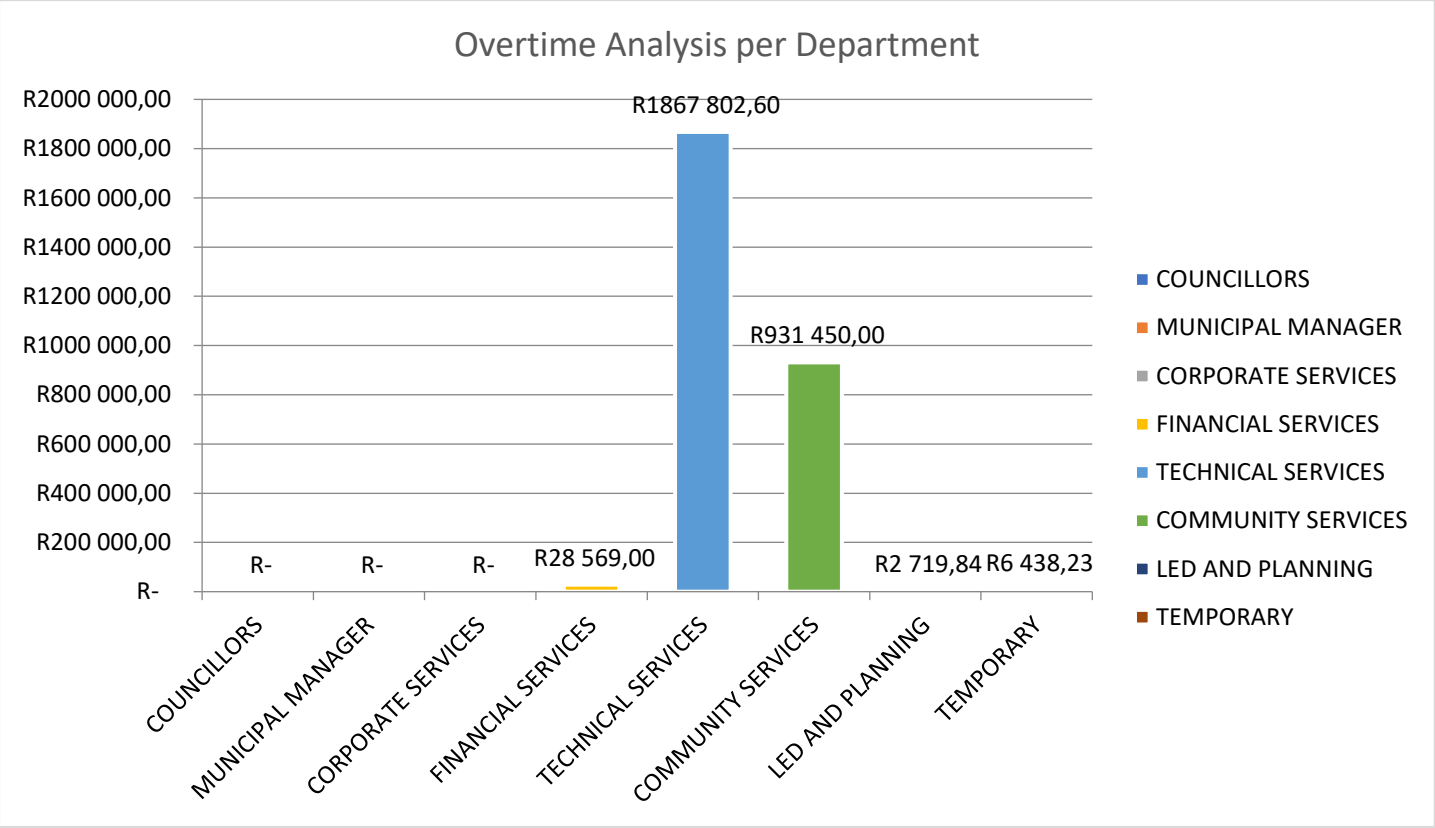
MS: SAL & ALL: BASIC SALARY & WAGES	242 681 472.00	20 609 406.56	166 951 682.72	**68.79**
MS: SAL & ALL: PERFORMANCE BASED BONUSES	28 646.00	0.00	0.00	**0.00**
MS: ALL - CELLULAR & TELEPHONE	745 830.00	39 253.20	300 196.42	**40.25**
MS: HB & INC: HOUSING BENEFITS	1 998 886.00	150 517.20	1 173 926.43	**58.73**
MS: ALL - LEAVE PAY	3 979 298.00	144 236.24	2 866 878.81	**72.04**
MS: ALL - TRAVEL OR MOTOR VEHICLE	24 406 682.00	1 783 077.10	14 513 354.23	**59.46**
MS: OVERTIME - NON STRUCTURED	32 479 847.00	3 252 537.72	25 751 299.26	**79.28**
MS: OVERTIME - STRUCTURED	61 717.00	5 603.55	31 568.86	**51.15**
MS: PAYMENTS - SHIFT ADD REMUNERATIO	-	-	-	**#DIV/0!**
MS: SRB - ANNUAL BONUS	21 311 491.00	1 109 067.10	14 491 382.91	**68.00**
MS: SRB - LONG SERVICE AWARD	1 621 564.00	113 477.31	1 510 604.61	**93.16**
MS: SRB - STANDBY ALLOWANCE	4 166 600.00	361 452.89	3 139 099.48	**75.34**
MS: IN-KIND BENEFITS	3 371.00	-	-	**0.00**
MS: SRB - NON PENSIONABLE	1 750.00	-	-	**0.00**
SUB TOTAL : MS - SAL ALLOW & SERV BENEF	**333 487 154.00**	**27 568 628.87**	**230 729 993.73**	**69.19**
MS - SOCIAL CONTRIBUTIONS				**#DIV/0!**
MS: SOC CONTR - BARGAINING COUNCIL	157 845.00	11 596.55	94 969.02	**60.17**
MS: SOC CONTR - GROUP LIFE INSURANCE	1 416 399.00	84 180.22	673 975.99	**47.58**
MS: SOC CONTR - MEDICAL	26 625 620.00	2 491 501.48	18 913 457.22	**71.03**
MS: SOC CONTR - PENSION	43 153 476.00	3 708 106.10	29 137 198.22	**67.52**
MS: SOC CONTR - UNEMPLOYMENT INSUR FUND	2 365 194.00	168 653.88	1 360 184.53	**57.51**
SUB TOTAL : MS - SOCIAL CONTRIBUTIONS	**73 718 534.00**	**6 464 038.23**	**50 179 784.98**	**68.07**
MS: PRB - MED: CURRENT SERVICE COST				**#DIV/0!**
MS: PRB - MED: INTEREST COST	4 460 042.00	-4 213.60	2 123 136.50	**47.60**
MS: PRB - PENS: INTEREST COST				**#DIV/0!**
MS: PRB - OTHER: LEAVE GRATUITY				**#DIV/0!**
SUB TOTAL : MS - POST RETIREMENT BEN	**4 460 042.00**	**-4 213.60**	**2 123 136.50**	**47.60**
MS - COST CAPITALISED TO PPE				**#DIV/0!**
MS: IN-KIND BENEFITS CST CAP PPE	139 936.00	13 573.15	108 682.70	**77.67**
SUB TOTAL : MS - COST CAPITALISED TO PPE	**139 936.00**	**13 573.15**	**108 682.70**	**77.67**
SUB TOTAL : MUNICIPAL STAFF	**411 805 666.00**	**34 042 026.65**	**283 141 597.91**	**68.76**

SUB TOTAL : EMPLOYEE RELATED COST	**424 010 431.00**	**34 764 006.07**	**285 927 810.36**	**67.43**

FS201 Moqhaka - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 February

Summary of Employee and Councillor remuneration R thousands	Ref	2023/24 Audited Outcome	Budget Year 2024/25 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		4 831	7 394	7 394	250	2 959	4 929	(1 970)	-40%	7 394
Pension and UIF Contributions		1 708	1 839	1 839	144	1 172	1 226	(53)	-4%	1 839
Medical Aid Contributions		737	1 194	1 194	62	509	796	(287)	-36%	1 194
Motor Vehicle Allowance		12 926	14 071	14 071	1 135	9 122	9 381	(259)	-3%	14 071
Cellphone Allowance		1 956	2 882	2 882	265	1 418	1 922	(503)	-26%	2 882
Housing Allowances								–		
Other benefits and allowances		93	2 198	661	2	18	1 158	(1 140)	-98%	661
Sub Total - Councillors		**22 251**	**29 578**	**28 040**	**1 859**	**15 198**	**19 411**	**(4 213)**	**-22%**	**28 040**
% increase	4		**32.9%**	**26.0%**						**26.0%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		1 333	5 495	4 151	141	1 094	3 395	(2 301)	-68%	4 151
Pension and UIF Contributions		125	461	408	23	171	297	(126)	-43%	408
Medical Aid Contributions		–	284	200	–	–	173	(173)	-100%	200
Overtime								–		
Performance Bonus		92	542	263	–	–	305	(305)	-100%	263
Motor Vehicle Allowance		718	1 197	1 089	87	597	776	(179)	-23%	1 089
Cellphone Allowance		48	82	72	5	37	53	(16)	-31%	72
Housing Allowances		–	361	232	–	–	215	(215)	-100%	232
Other benefits and allowances		–	–	–	–	–	–	–		–
Payments in lieu of leave								–		
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	15 702	6 495	5 767	466	888	4 184	(3 296)	-79%	5 767
Entertainment		36	31	24	–	–	19	(19)	-100%	24
Scarcity								–		
Acting and post related allowance								–		
In kind benefits								–		
Sub Total - Senior Managers of Municipality		**18 052**	**14 948**	**12 205**	**722**	**2 786**	**9 417**	**(6 631)**	**-70%**	**12 205**
% increase	4		**-17.2%**	**-32.4%**						**-32.4%**
Other Municipal Staff										
Basic Salaries and Wages		229 995	271 059	242 681	20 609	166 952	175 031	(8 079)	-5%	242 681
Pension and UIF Contributions		42 300	45 506	46 935	3 961	31 171	30 623	548	2%	46 935
Medical Aid Contributions		25 041	25 516	26 626	2 492	18 913	17 233	1 681	10%	26 626
Overtime		40 338	33 932	32 542	3 258	25 783	22 355	3 428	15%	32 542
Performance Bonus		18 206	21 302	21 340	1 109	14 491	14 209	282	2%	21 340
Motor Vehicle Allowance		21 518	24 606	24 407	1 783	14 513	16 365	(1 851)	-11%	24 407
Cellphone Allowance		496	872	746	39	300	556	(256)	-46%	746
Housing Allowances		1 560	2 013	1 999	151	1 174	1 339	(165)	-12%	1 999
Other benefits and allowances		3 971	4 284	4 326	373	3 234	2 865	369	13%	4 326
Payments in lieu of leave		7 051	3 076	3 979	144	2 867	2 231	636	28%	3 979
Long service awards		924	2 118	1 622	113	1 511	1 313	198	15%	1 622
Post-retirement benefit obligations	2	–	2 092	4 460	(4)	2 123	1 868	255	14%	4 460
Entertainment								–		
Scarcity								–		
Acting and post related allowance								–		
In kind benefits		–	3	3	–	–	2	(2)	-100%	3
Sub Total - Other Municipal Staff		**391 400**	**436 379**	**411 666**	**34 028**	**283 033**	**285 990**	**(2 957)**	**-1%**	**411 666**
% increase	4		**11.5%**	**5.2%**						**5.2%**
Total Parent Municipality		**431 704**	**480 905**	**451 911**	**36 609**	**301 017**	**314 818**	**(13 801)**	**-4%**	**451 911**

The overtime needs to be administered and only real emergencies be attended to after hours, on weekends and on holidays. Each department needs to do proper planning to manage their own budget in order to avoid unnecessary expenditure, thus ensuring that they stay within the budget for the year, to avoid overspending.



The BTO office recommended the following precautionary measures.

- The monitoring of daily tasks/assignments. This means that work that can be done during normal working hours should be monitored closely. Ideally, put emphasis on performance and especially the quality of work done.
- Finding means to actually verify work performed, even if this means that for the first few questionable overtime work that managers/supervisors actually go out to the site, if possible. Using the vehicle tracking reports to ascertain the timespan at a particular site.
- Making sure that the hours claimed are legitimate and is consistent and correlates to the normal estimated time to complete a job of a similar nature.
- Request a detailed description of the nature of work done and insist on the exact site where work was performed being specified.
- Ensure that managers remain vigilant, and question hours claimed and not just sign Overtime forms. We believe that this will make workers more aware that they cannot just claim hours like they did in the past.
- Stopping planned Overtime, unless it is to avoid major shutdowns or service interruptions.
- The adherence to the Overtime Policy stipulations, is imperative to address the issues on overtime.

Listed below are the challenges with regard to Overtime which was identified during the 2024/25 MTREF.

- Ensuring accountability across all directorates and ensuring that Executive directors, Line Managers and Supervisors take full responsibility.
- Identify and investigate possible abuse and alleged fraudulent allegations and taking disciplinary action, where applicable.
- Ensuring the compliance and adherence to applicable laws and regulations and internal policies.
- Approval of Overtime prior to it being incurred.
- Inability to manage overtime proactively.
- Curbing / Limiting / Curtailing expenditure on Overtime.
- Monitoring expenditure on Overtime.
- Utilizing the available workforce optimally.
- Implementing an alternative method of compensation.
- Addressing the immediate infrastructure maintenance requirements, specifically addressing preventative maintenance.
- Improve both the personal productivity of individual employees and the overall productivity of departments and the entire municipal system.

11. Material Variances to the Service Delivery and Budget Implementation Plan

Material variances pertaining to financial performance are primarily addressed in the Executive summary under Sections 4.1 to 4.3 or emphasised elsewhere in this Monthly Budget Statement. Any other material variances to the SDBIP will be included in the quarterly Section 52 (d) report for the period ending 31 March 2025.

12. Capital programme performance

FS 201					
MOQHAKA LOCAL MUNICIPALITY					
MIG GRANT REGISTER					
			Receipts	**Expenditure**	
Name of grant: MIG					
Details	Projects Descriptions	Invoice Date	Funds Received	Expenditure (incl Vat)	Balance
Feb-25					
Opening Balance					-
Funds Received			-		
Expenditure					
R/FS/19942/23/25	Maokeng/Constantia: Construction of 0.51km paved road and storm water at Messi Street (MIS:458272)	28-02-2025		845 522.44	
W/FS19851/23/25	Maokeng/Brentpark: Construction of 1.5ml steel Reservoir, 0.5ml Elevated Steel Tank and Pumpstation (MIS:458610)	18-12-2024		215 973.53	
W/FS19851/23/25	Maokeng/Brentpark: Construction of 1.5ml steel Reservoir, 0.5ml Elevated Steel Tank and Pumpstation (MIS:458610)	14-02-2025		223 929.42	
W/FS19851/23/25	Maokeng/Brentpark: Construction of 1.5ml steel Reservoir, 0.5ml Elevated Steel Tank and Pumpstation (MIS:458610)	28-02-2025		184 363.96	
PMU	Loch Logan Hotel - MIG Training - O Garegae - 26-31/1/2025 Bloemfontein	27-01-2025		7 391.50	
PMU	CP Botha - MIG Training - 26-31/1/2025 - Bloemfontein	27-01-2025		6 733.92	
PMU	O Garegae - MIG Training - 26-31/1/2025 - Bloemfontein	27-01-2025		4 456.42	
PMU	SJ Modise - MIG Training - 26-31/1/2025 - Bloemfontein	27-01-2025		4 441.92	
PMU	Splendid Inn - SJ Modise - MIG Training - 26-31/01/2025 - Bloemfontein	27-01-2025		6 550.00	
PMU	CP Botha - EPWP Meeting - Bloemfontein	11-02-2025		3 032.92	
PMU	Loch Logan Hotel - O Garegae - MISA Training 24-25/2/2025	27-01-2025		2 715.60	
PMU	City Lodge - SJ Modise - MISA Training 24-25/2/2025	27-01-2025		2 970.00	
PMU	SJ Modise - MISA Training - 24-25/2/2025 - Bloemfontein	27-01-2025		3 578.52	
PMU	O Garegae - MISA Training - 24-25/2/2025 - Bloemfontein	27-01-2025		3 316.42	
PMU	O Garegae - MIG Quarterly 21/2/2025 - Bloemfontein	27-01-2025		2 556.42	
PMU	CP Botha - Quarterly 21/2/25 - Bloemfontein	11-02-2025		2 541.92	
PMU	CP Botha - Salary - February 2025	28-02-2025		104 927.42	
PMU	O Garegae - salary - February 2025	25-02-2025		6 765.09	
PMU	SJ Modise - Salary - February 2025	28-02-2025		51 928.56	
PMU	K Mbele - Salary - February -2025	28-02-2025		4 454.00	
Closing balance			-	**1 688 149.98**	**(1 688 149.98)**

Implementation of projects is normally delayed due to the finalization of procurement processes. Payment certificates are settled once work is completed. Capex for the first quarter is normally slow for this reason, in that commencement of procurement processes is not aligned to the budget approval and specifications are not done early so that it can be advertised timeously.

13. Other Supporting Documentation

Audit Trail

Batch Transfer

Tue, Feb 25, 2025 at 12:57:55 PM

Group	19058 - MOQHAKA LOCAL MUNICIPALITY
Operator	010 - PAULA DARINA DU PLESSIS
Batch Name & Description	90044123 90044123
Status	Finally Approved

Batch Status

	Captured	First Approver	Second Approver	Third Approver	Final Approver
Operator	10	21			31
Operator Name	PAULA DARINA DU PLESSIS	IRENE MOKHESENG			RYAN D BUYS
Approval Level					
Date	2025/02/25	2025/02/25			2025/02/25
Time	11:22:25	11:25:11			12:52:38
Roll-over Date					

Batch Details

Batch Entry Number 1

From Account	334536 MOQHAKA LOCAL MUNICIPALITY - 0000004053274876		
Description	9345061750 90044123	Frequency	Adhoc
Beneficiary Code			
To Account	223626 ESKOM 9345061750 - 0000055070067316		
Description	MOQHAKA MUNICIPALITY	Mandate	
Date	2025/02/25	Amount	5,000,000.00
Roll-over date			
Transaction Number	253032	Transaction Status	S
Immediate Interbank Payment	No		

14. Conclusion

This report meets the MFMA requirement for the Executive Mayor to receive the Section 71 'Monthly Budget Statement' within 10 working days after the end of the month.

Communication

In compliance to legislative requirements (Section 71 of the MFMA), this document is provided to all stakeholders by placing it on the municipal website: www.moqhaka.gov.za

MFMA S71 statement hereby explicitly advise as part of the MFMA Circular 124: Condition 6.9 reporting, risk associated and mitigating factors with the implementation of the municipality's Budget Funding Plan and / or Funded Budget

1. These are the risks associated with the implementation of the municipality's Budget Funding Plan and / or Funded Budget

The following are the budget and other financial issues:

- Water and Electricity losses
- Collection on arrear debtors and liquidity of the Municipality
- The municipality not meeting the average daily cash collection target
- Defaulting on the high months and partial payments to ESKOM
- Non-compliance to MFMA Circular 124 Municipal Debt Relief and prescribed conditions
- Notice of disconnection from ESKOM
- Risk of forfeiting our NERSA license and the serious implications this will have on the operations of the municipality
- Insufficient cash to pay salaries and creditors for goods and services rendered
- Stopping of conditional capital grants.
- Disapproval of rollover requests
- The billed income of electricity and water is in rand values are below the budgeted amounts which puts additional pressure on the budget and cash flow.
- The municipality is facing a huge financial crisis. If drastic measures are not taken immediately because the cash flow is on the verge of collapsing.

- Issues pertaining to Employee related costs, Overtime expenditure, Contract appointments and EPWP Expenditure

15. Annexure A: C-schedules

FS201 Moqhaka - Table C1 Monthly Budget Statement Summary - M08 February

Description	2023/24	Budget Year 2024/25							
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	88 207	90 509	90 811	7 846	62 529	60 400	2 130	4%	90 811
Service charges	680 651	867 189	804 036	66 926	461 995	565 495	(103 500)	-18%	804 036
Investment revenue	34	30	61	–	39	26	13	49%	61
Transfers and subsidies - Operational	314 054	311 514	305 248	219	202 124	206 423	(4 299)	(0)	305 248
Other own revenue	131 648	76 386	126 714	11 176	77 792	60 990	16 802	28%	–
Total Revenue (excluding capital transfers and contributions)	**1 214 593**	**1 345 628**	**1 326 870**	**86 167**	**804 479**	**893 333**	**(88 854)**	**-10%**	**1 326 870**
Employee costs	409 580	451 339	424 010	34 764	285 928	295 441	(9 513)	-3%	424 010
Remuneration of Councillors	22 251	29 578	28 040	1 859	15 198	19 411	(4 213)	-22%	28 040
Depreciation and amortisation	121 050	9 870	9 870	–	–	6 581	(6 581)	-100%	9 870
Interest	6 029	8 698	8 698	550	4 400	5 799	(1 399)	-24%	8 698
Inventory consumed and bulk purchases	433 439	448 663	422 271	2 637	28 136	293 068	(264 932)	-90%	422 271
Transfers and subsidies	84	1 049	1 049	–	53	699	(646)	-92%	1 049
Other expenditure	445 128	361 269	405 380	17 231	168 523	250 399	(81 876)	-33%	405 380
Total Expenditure	**1 437 562**	**1 310 466**	**1 299 319**	**57 041**	**502 239**	**871 398**	**(369 160)**	**-42%**	**1 299 319**
Surplus/(Deficit)	**(222 968)**	**35 162**	**27 551**	**29 126**	**302 241**	**21 935**	**280 306**	**1278%**	**27 551**
Transfers and subsidies - capital (monetary allocations)	51 220	64 627	64 546	–	31 255	43 068	###	-27%	64 546
Transfers and subsidies - capital (in-kind)	7	1 237	–	–	–	577	(577)	-100%	–
Surplus/(Deficit) after capital transfers & contributions	**(171 741)**	**101 026**	**92 097**	**29 126**	**333 496**	**65 581**	**267 915**	**409%**	**92 097**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(171 741)**	**101 026**	**92 097**	**29 126**	**333 496**	**65 581**	**267 915**	**409%**	**92 097**
Capital expenditure & funds sources									
Capital expenditure	**5 630**	**98 591**	**116 235**	**1 178**	**43 838**	**69 195**	**(25 358)**	**-37%**	**116 235**
Capital transfers recognised	26	64 627	64 546	1 109	36 345	43 068	(6 724)	-16%	64 546
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**5 604**	**33 964**	**51 689**	**69**	**7 493**	**26 127**	**(18 634)**	**-71%**	**51 689**
Total sources of capital funds	**5 630**	**98 591**	**116 235**	**1 178**	**43 838**	**69 195**	**(25 358)**	**-37%**	**116 235**
Financial position									
Total current assets	687 941	448 185	448 185		906 414				448 185
Total non current assets	2 000 694	2 983 725	3 001 369		2 003 199				3 001 369
Total current liabilities	1 504 976	516 230	532 083		1 446 638				532 083
Total non current liabilities	147 268	70 369	70 369		147 268				70 369
Community wealth/Equity	**1 716 181**	**2 849 645**	**2 859 864**		**1 317 221**				**2 859 864**
Cash flows									
Net cash from (used) operating	(9 267)	(674 222)	(674 222)	(7 587)	(39 189)	(449 481)	(410 292)	91%	(674 222)
Net cash from (used) investing	19 972	(98 868)	(98 868)	(1 178)	(44 228)	(65 912)	(21 684)	33%	(98 868)
Net cash from (used) financing	(137)	(348 363)	(348 363)	(255)	(2 094)	(232 242)	(230 148)	99%	(348 363)
Cash/cash equivalents at the month/year end	**(10 797)**	**(1 145 173)**	**(1 145 173)**	**(95 026)**	**(95 416)**	**(771 355)**	**(675 940)**	**88%**	**(1 131 358)**
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	72 379	45 642	40 472	1 563 112	–	–	–	–	1 721 605
Creditors Age Analysis									
Total Creditors	48 402	49 809	55 253	6 999	–	–	–	1 551 106	1 711 570

FS201 Moqhaka - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M08 February

Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		**421 969**	**307 563**	**321 038**	**10 292**	**280 053**	**207 737**	72 316	35%	**321 038**
Executive and council		307 242	204 456	206 199	158	204 828	136 652	68 176	50%	206 199
Finance and administration		114 726	103 108	114 839	10 134	75 224	71 085	4 140	6%	114 839
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**13 971**	**26 947**	**26 949**	**546**	**8 133**	**17 965**	(9 832)	-55%	**26 949**
Community and social services		1 850	3 573	3 573	147	1 173	2 382	(1 209)	-51%	3 573
Sport and recreation		2 893	5 232	5 232	211	1 927	3 488	(1 561)	-45%	5 232
Public safety		2 849	4 905	4 907	18	777	3 270	(2 494)	-76%	4 907
Housing		6 379	13 237	13 237	170	4 256	8 825	(4 569)	-52%	13 237
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**48 147**	**48 603**	**48 784**	**279**	**32 208**	**32 438**	(229)	-1%	**48 784**
Planning and development		2 269	1 729	1 881	170	1 276	1 183	93	8%	1 881
Road transport		45 878	46 763	46 792	109	30 932	31 181	(249)	-1%	46 792
Environmental protection		–	110	110	–	–	74	(74)	-100%	110
Trading services		**781 733**	**1 028 379**	**994 645**	**75 050**	**515 340**	**678 839**	**(163 499)**	-24%	**994 645**
Energy sources		404 111	584 727	515 763	41 356	269 594	376 025	(106 431)	-28%	515 763
Water management		212 197	265 446	285 953	20 534	144 065	181 065	(37 000)	-20%	285 953
Waste water management		108 812	103 334	111 956	7 696	59 529	70 614	(11 085)	-16%	111 956
Waste management		56 613	74 873	80 973	5 464	42 151	51 135	(8 984)	-18%	80 973
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1 265 820**	**1 411 492**	**1 391 416**	**86 167**	**835 734**	**936 979**	**(101 245)**	**-11%**	**1 391 416**
Expenditure - Functional										
Governance and administration		**365 531**	**327 192**	**357 056**	**22 037**	**197 169**	**224 063**	(26 894)	-12%	**357 056**
Executive and council		130 579	107 648	112 181	6 920	63 427	72 673	(9 245)	-13%	112 181
Finance and administration		231 006	214 976	240 307	14 702	131 033	148 345	(17 312)	-12%	240 307
Internal audit		3 945	4 568	4 568	415	2 708	3 046	(337)	-11%	4 568
Community and public safety		**103 864**	**125 520**	**124 799**	**3 483**	**66 069**	**83 537**	(17 468)	-21%	**124 799**
Community and social services		16 137	18 759	19 785	853	8 033	12 792	(4 759)	-37%	19 785
Sport and recreation		40 542	48 127	52 002	(1 225)	25 261	32 780	(7 519)	-23%	52 002
Public safety		39 276	49 422	43 234	3 061	27 029	31 711	(4 682)	-15%	43 234
Housing		7 910	9 212	9 778	793	5 746	6 254	(508)	-8%	9 778
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**87 217**	**72 713**	**70 107**	**3 172**	**42 366**	**48 755**	(6 389)	-13%	**70 107**
Planning and development		8 862	13 818	12 178	873	6 239	8 884	(2 646)	-30%	12 178
Road transport		75 133	54 826	53 797	2 098	34 209	37 145	(2 936)	-8%	53 797
Environmental protection		3 222	4 069	4 133	201	1 918	2 725	(807)	-30%	4 133
Trading services		**879 852**	**781 911**	**744 826**	**28 237**	**195 773**	**513 077**	**(317 304)**	-62%	**744 826**
Energy sources		539 525	517 289	475 468	10 513	41 832	335 696	(293 863)	-88%	475 468
Water management		171 920	116 593	111 200	6 357	57 879	76 523	(18 644)	-24%	111 200
Waste water management		100 230	73 954	78 576	4 475	51 987	50 354	1 632	3%	78 576
Waste management		68 176	74 075	79 582	6 892	44 074	50 504	(6 430)	-13%	79 582
Other		**1 098**	**3 130**	**2 529**	**113**	**863**	**1 967**	**(1 104)**	**-56%**	**2 529**
Total Expenditure - Functional	3	**1 437 562**	**1 310 466**	**1 299 319**	**57 041**	**502 239**	**871 399**	**(369 160)**	**-42%**	**1 299 319**
Surplus/ (Deficit) for the year		**(171 741)**	**101 026**	**92 097**	**29 126**	**333 496**	**65 580**	**267 915**	**4.0852968**	**92 097**

FS201 Moqhaka - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue by Vote	1									
Vote 01 - Executive & Council		307 242	204 456	206 199	158	204 828	136 652	68 176	49.9%	206 199
Vote 02 - Municipal Manager		2 840	–	–	–	–	–	–		–
Vote 03 - Corporate Services		196	2 301	4 656	(206)	(950)	2 005	(2 955)	-147.4%	4 656
Vote 04 - Finance		111 091	100 441	109 452	10 280	75 877	68 763	7 114	10.3%	109 452
Vote 05 - Technical Services		770 998	1 000 269	960 464	69 695	504 121	658 885	(154 764)	-23.5%	960 464
Vote 06 - Community Services		61 430	83 843	89 945	5 637	44 136	57 116	(12 980)	-22.7%	89 945
Vote 07 - Local Economic Development		12 023	20 183	20 700	601	7 722	13 558	(5 837)	-43.0%	20 700
Total Revenue by Vote	2	**1 265 820**	**1 411 492**	**1 391 416**	**86 167**	**835 734**	**936 979**	**(101 245)**	**-10.8%**	**1 391 416**
Expenditure by Vote	1									
Vote 01 - Executive & Council		102 817	99 504	104 875	6 401	59 062	67 411	(8 349)	-12.4%	104 875
Vote 02 - Municipal Manager		22 600	28 093	27 584	1 957	15 819	18 628	(2 809)	-15.1%	27 584
Vote 03 - Corporate Services		61 986	60 329	68 993	3 008	31 919	41 931	(10 012)	-23.9%	68 993
Vote 04 - Finance		72 264	69 950	77 836	5 835	44 560	48 192	(3 633)	-7.5%	77 836
Vote 05 - Technical Services		902 783	773 445	729 665	18 489	190 292	506 875	(316 583)	-62.5%	729 665
Vote 06 - Community Services		243 247	233 399	247 054	18 243	137 446	158 351	(20 904)	-13.2%	247 054
Vote 07 - Local Economic Development		31 864	45 745	43 312	3 107	23 141	30 011	(6 870)	-22.9%	43 312
Total Expenditure by Vote	2	**1 437 562**	**1 310 466**	**1 299 319**	**57 041**	**502 239**	**871 398**	**(369 160)**	**-42.4%**	**1 299 319**
Surplus/ (Deficit) for the year	2	**(171 741)**	**101 026**	**92 097**	**29 126**	**333 496**	**65 581**	**267 915**	**408.5%**	**92 097**

FS201 Moqhaka - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

Description	Ref	2023/24	Budget Year 2024/25							
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		394 583	553 019	489 803	40 540	264 850	356 036	(91 186)	-26%	489 803
Service charges - Water		173 153	195 587	195 438	16 078	114 398	130 362	(15 964)	-12%	195 438
Service charges - Waste Water Management		65 954	70 019	70 231	6 042	48 508	46 721	1 786	4%	70 231
Service charges - Waste management		46 961	48 564	48 564	4 265	34 239	32 376	1 863	6%	48 564
Sale of Goods and Rendering of Services		6 220	10 265	10 484	347	3 541	6 887	(3 346)	-49%	10 484
Agency services								–		
Interest								–		
Interest earned from Receivables		69 946	34 557	75 370	8 597	54 306	31 200	23 106	74%	75 370
Interest from Current and Non Current Assets		34	30	61	–	39	26	13	49%	61
Dividends		3 637	1 736	4 544	926	3 257	1 719	1 538	89%	4 544
Rent on Land								–		
Rental from Fixed Assets		6 593	8 535	8 641	368	4 426	5 711	(1 285)	-23%	8 641
Licence and permits		–	–	–	–	–	–	–		–
Operational Revenue		4 027	12 324	14 364	(131)	4 453	8 624	(4 171)	-48%	14 364
Non-Exchange Revenue								–		
Property rates		88 207	90 509	90 811	7 846	62 529	60 400	2 130	4%	90 811
Surcharges and Taxes								–		
Fines, penalties and forfeits		6 569	5 309	5 540	102	812	3 585	(2 774)	-77%	5 540
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		314 054	311 514	305 248	219	202 124	206 423	(4 299)	-2%	305 248
Interest		7 761	2 982	7 979	893	6 407	2 988	3 419	114%	7 979
Fuel Levy								–		
Operational Revenue		839	678	(208)	74	591	275	316	115%	(208)
Gains on disposal of Assets		25 992	–	–	–	–	–	–		–
Other Gains		65	–	–	–	–	–	–		–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**1 214 593**	**1 345 628**	**1 326 870**	**86 167**	**804 479**	**893 333**	**(88 854)**	**-10%**	**1 326 870**
Expenditure By Type										
Employee related costs		409 580	451 339	424 010	34 764	285 928	295 441	(9 513)	-3%	424 010
Remuneration of councillors		22 251	29 578	28 040	1 859	15 198	19 411	(4 213)	-22%	28 040
Bulk purchases - electricity		418 560	427 440	392 840	939	7 398	277 240	(269 842)	-97%	392 840
Inventory consumed		14 879	21 223	29 430	1 697	20 738	15 828	4 910	31%	29 430
Debt impairment		–	58 783	45 915	–	78	36 615	(36 537)	-100%	45 915
Depreciation and amortisation		121 050	9 870	9 870	–	–	6 581	(6 581)	-100%	9 870
Interest		6 029	8 698	8 698	550	4 400	5 799	(1 399)	-24%	8 698
Contracted services		135 341	158 841	187 869	9 037	77 622	111 531	(33 909)	-30%	187 869
Transfers and subsidies		84	1 049	1 049	–	53	699	(646)	-92%	1 049
Irrecoverable debts written off		176 661	1 486	3 899	699	2 773	1 473	1 300	88%	3 899
Operational costs		117 817	142 099	167 637	7 495	88 050	100 740	(12 690)	-13%	167 637
Losses on Disposal of Assets		15 203	60	60	–	–	40	(40)	-100%	60
Other Losses		106	–	–	–	–	–	–		–
Total Expenditure		**1 437 562**	**1 310 466**	**1 299 319**	**57 041**	**502 239**	**871 398**	**(369 160)**	**-42%**	**1 299 319**
Surplus/(Deficit)		**(222 968)**	**35 162**	**27 551**	**29 126**	**302 241**	**21 935**	**280 306**	**0**	**27 551**
Transfers and subsidies - capital (monetary allocations)		51 220	64 627	64 546	–	31 255	43 068	(11 814)	**(0)**	64 546
Transfers and subsidies - capital (in-kind)		7	1 237	–	–	–	577	(577)	**(0)**	–
Surplus/(Deficit) after capital transfers & contributions		**(171 741)**	**101 026**	**92 097**	**29 126**	**333 496**	**65 581**	**267 915**	**0**	**92 097**
Income Tax								–		
Surplus/(Deficit) after income tax		**(171 741)**	**101 026**	**92 097**	**29 126**	**333 496**	**65 581**	**267 915**	**0**	**92 097**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**(171 741)**	**101 026**	**92 097**	**29 126**	**333 496**	**65 581**	267 915	0	**92 097**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		**(171 741)**	**101 026**	**92 097**	**29 126**	**333 496**	**65 581**	**267 915**	**0**	**92 097**

FS201 Moqhaka - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 February

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		107	–	1 650	–	15	330	(315)	-96%	1 650
Vote 02 - Municipal Manager		61	400	750	14	14	412	(397)	-96%	750
Vote 03 - Corporate Services		727	2 500	3 490	31	2 155	2 050	105	5%	3 490
Vote 04 - Finance		804	2 077	1 068	–	134	831	(697)	-84%	1 068
Vote 05 - Technical Services		668	78 142	81 826	1 133	38 279	52 753	(14 475)	-27%	81 826
Vote 06 - Community Services		3 023	14 600	26 706	–	2 892	12 155	(9 263)	-76%	26 706
Vote 07 - Local Economic Development		241	872	745	–	349	665	(316)	-47%	745
Total Capital single-year expenditure	4	5 630	98 591	116 235	1 178	43 838	69 195	**(25 358)**	**-37%**	116 235
Total Capital Expenditure		**5 630**	**98 591**	**116 235**	**1 178**	**43 838**	**69 195**	**(25 358)**	**-37%**	**116 235**
Capital Expenditure - Functional Classification										
Governance and administration		**1 833**	**5 750**	**8 187**	**45**	**2 330**	**4 233**	(1 903)	-45%	**8 187**
Executive and council		147	–	1 650	–	15	330	(315)	-96%	1 650
Finance and administration		1 686	5 750	6 487	45	2 316	3 893	(1 577)	-41%	6 487
Internal audit		–	–	50	–	–	10	(10)	-100%	50
Community and public safety		**2 483**	**13 122**	**20 429**	**21**	**438**	**10 318**	(9 880)	-96%	**20 429**
Community and social services		955	5 197	4 333	–	–	3 292	(3 292)	-100%	4 333
Sport and recreation		233	4 081	4 331	–	298	2 880	(2 581)	-90%	4 331
Public safety		1 237	3 843	11 765	21	140	4 147	(4 007)	-97%	11 765
Housing		58	–	–	–	–	–	–		–
Health								–		
Economic and environmental services		**55**	**31 596**	**33 997**	**608**	**19 421**	**21 544**	(2 124)	-10%	**33 997**
Planning and development		–	205	80	–	80	111	(32)	-29%	80
Road transport		55	31 234	33 760	608	19 341	21 328	(1 987)	-9%	33 760
Environmental protection		–	157	157	–	–	105	(105)	-100%	157
Trading services		**1 259**	**48 071**	**53 622**	**504**	**21 649**	**33 075**	(11 426)	-35%	**53 622**
Energy sources		20	3 348	4 824	1	151	2 370	(2 219)	-94%	4 824
Water management		354	25 011	25 011	334	16 289	16 674	(385)	-2%	25 011
Waste water management		208	15 890	15 640	169	2 346	10 619	(8 273)	-78%	15 640
Waste management		677	3 822	8 147	–	2 863	3 413	(550)	-16%	8 147
Other		–	52	–	–	–	24	(24)	-100%	–
Total Capital Expenditure - Functional Classification	3	**5 630**	**98 591**	**116 235**	**1 178**	**43 838**	**69 195**	**(25 358)**	**-37%**	**116 235**
Funded by:										
National Government		26	64 627	64 546	1 109	36 345	43 068	(6 724)	-16%	64 546
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–		–
Transfers recognised - capital		**26**	**64 627**	**64 546**	**1 109**	**36 345**	**43 068**	**(6 724)**	**-16%**	**64 546**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		5 604	33 964	51 689	69	7 493	26 127	(18 634)	-71%	51 689
Total Capital Funding		**5 630**	**98 591**	**116 235**	**1 178**	**43 838**	**69 195**	**(25 358)**	**-37%**	**116 235**

FS201 Moqhaka - Table C6 Monthly Budget Statement - Financial Position - M08 February

Description	Ref	2023/24	Budget Year 2024/25			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		(9 905)	2 783	2 783	(31 788)	2 783
Trade and other receivables from exchange transactions		525 811	236 799	236 799	707 705	236 799
Receivables from non-exchange transactions		53 531	41 960	41 960	68 281	41 960
Current portion of non-current receivables						
Inventory		87 485	100 984	100 984	79 891	100 984
VAT		904	34 445	34 445	26 474	34 445
Other current assets		30 115	31 215	31 215	55 852	31 215
Total current assets		**687 941**	**448 185**	**448 185**	**906 414**	**448 185**
Non current assets						
Investments		390	277	277	390	277
Investment property		122 442	195 597	195 597	122 442	195 597
Property, plant and equipment		1 867 742	2 780 550	2 798 534	1 869 867	2 798 534
Biological assets						
Living and non-living resources						
Heritage assets		7 754	2 627	2 627	7 754	2 627
Intangible assets		2 365	4 674	4 334	2 746	4 334
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions						
Other non-current assets						
Total non current assets		**2 000 694**	**2 983 725**	**3 001 369**	**2 003 199**	**3 001 369**
TOTAL ASSETS		**2 688 634**	**3 431 910**	**3 449 553**	**2 909 613**	**3 449 553**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	(2 032)	(2 032)	(2 094)	(2 032)
Consumer deposits		13 550	13 734	13 734	14 989	13 734
Trade and other payables from exchange transactions		1 304 802	485 809	501 663	1 164 729	501 663
Trade and other payables from non-exchange transactions		27 032	–	–	57 737	–
Provision		162 036	68 424	68 424	162 036	68 424
VAT		(2 444)	(49 705)	(49 705)	49 241	(49 705)
Other current liabilities		–	–	–	–	–
Total current liabilities		**1 504 976**	**516 230**	**532 083**	**1 446 638**	**532 083**
Non current liabilities						
Financial liabilities		16 202	27 823	27 823	16 202	27 823
Provision		131 066	42 547	42 547	131 066	42 547
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		**147 268**	**70 369**	**70 369**	**147 268**	**70 369**
TOTAL LIABILITIES		**1 652 244**	**586 599**	**602 453**	**1 593 906**	**602 453**
NET ASSETS	2	**1 036 390**	**2 845 311**	**2 847 101**	**1 315 707**	**2 847 101**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 716 181	2 848 351	2 858 571	1 317 221	2 858 571
Reserves and funds		–	1 294	1 294	–	1 294
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**1 716 181**	**2 849 645**	**2 859 864**	**1 317 221**	**2 859 864**

FS201 Moqhaka - Table C7 Monthly Budget Statement - Cash Flow - M08 February

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		59 293	115 114	115 114	5 703	40 524	76 743	(36 219)	-47%	115 114
Service charges		430 886	881 165	881 165	49 952	364 122	587 443	(223 321)	-38%	881 165
Other revenue		116 019	(487 853)	(487 853)	(40 622)	56 587	(325 235)	381 822	-117%	(487 853)
Transfers and Subsidies - Operational		281 769	311 029	311 029	–	202 311	207 352	(5 041)	-2%	311 029
Transfers and Subsidies - Capital		108 185	65 353	65 353	–	61 774	43 569	18 205	42%	65 353
Interest		3 293	–	–	1 298	6 027	–	6 027	#DIV/0!	–
Dividends		3 637	1 736	1 736	926	3 257	1 158	2 099	181%	1 736
Payments										
Suppliers and employees		(1 012 349)	(1 560 767)	(1 560 767)	(24 844)	(773 792)	(1 040 511)	(266 719)	26%	(1 560 767)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(9 267)**	**(674 222)**	**(674 222)**	**(7 587)**	**(39 189)**	**(449 481)**	**(410 292)**	**91%**	**(674 222)**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		25 992	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables								–		
Decrease (increase) in non-current investments		(390)	(277)	(277)	–	(390)	(185)	(205)	111%	(277)
Payments										
Capital assets		(5 630)	(98 591)	(98 591)	(1 178)	(43 838)	(65 727)	(21 890)	33%	(98 591)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**19 972**	**(98 868)**	**(98 868)**	**(1 178)**	**(44 228)**	**(65 912)**	**(21 684)**	**33%**	**(98 868)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		(137)	(346 331)	(346 331)	–	–	(230 887)	230 887	-100%	(346 331)
Payments										
Repayment of borrowing		–	(2 032)	(2 032)	(255)	(2 094)	(1 355)	739	-55%	(2 032)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(137)**	**(348 363)**	**(348 363)**	**(255)**	**(2 094)**	**(232 242)**	**(230 148)**	**99%**	**(348 363)**
NET INCREASE/ (DECREASE) IN CASH HELD		**10 567**	**(1 121 453)**	**(1 121 453)**	**(9 020)**	**(85 511)**	**(747 636)**			**(1 121 453)**
Cash/cash equivalents at beginning:		(21 364)	(23 720)	(23 720)	(86 005)	(9 905)	(23 720)			(9 905)
Cash/cash equivalents at month/year end:		(10 797)	(1 145 173)	(1 145 173)	(95 026)	(95 416)	(771 355)			(1 131 358)

Annexure A2 - Monthly

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Free State Provincial Treasury

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period	Feb'25
National Financial Year	2024/25
Demarcation Code of Municipality being assessed	FS201
District	**Fezile Dabi**
Demarcation Description	**Moqhaka**

I, _____, 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):	
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*	Does not have function
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?	Does not have function
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?	Does not have function
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 Main Adjustment 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.*	Yes
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. No	
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** : Yes	
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; Yes	
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)?	
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? No	

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 Quarte**r -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?	Yes
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?	Yes
		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?	Yes
		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.	No
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.*	No
41	6.14	'NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	No
		Note: *By applying for Municipal Debt Relief as set-out in paragraph 3. of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 17 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 8 of the Municipal Systems Act, 2000, including the necessary service delivery agreement aligning with the Municipal Systems Act, 2000 and Electricity Regulation Act, 2006. In terms of the conditions of government's wider support to Eskom, Eskom will once again have to enforce its credit control and debt collection policies also in relation to the municipality's arrears that are the subject of municipal debt relief, etc.*	

PT: HOD/ NT / MM Name: **Ms L Ntsepe (Acting MM)**

Signature of HOD/ NT/ MM:

Date: **14/03/2025**

*****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.*

16.2 Municipal Debt Relief Performance across the period of debt relief participation

The municipality reported using the new section 71 template for the first in July 2024 without intervention or guidance from the allocated National Treasury Advisor. There are therefore no comments nor tables or charts to attach.

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

Municipal Details			
Free State			
Code	District	Municipality	Period Monitored
FS201		Moqhaka	

Collection Rate Assessment

Aggregate Collection	Summary - Quarter 1				Q1	Summary - Quarter 2				Q2	Summary - Quarter 3				Q1
	Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation	155 867 651	106 322 748	49 544 903	68%	68%	212 776 807	152 491 692	60 285 114	72%	72%	215 966 837	98 468 359	117 498 478	46%	46%
2.Collection excl Eskom supplied areas	97 761 174	81 508 449	16 252 725	83%	83%	155 660 734	114 104 085	41 556 649	73%	73%	156 354 677	65 745 528	90 609 149	42%	42%
3.Collection: **Property Rates**	22 645 506	14 711 118	7 934 387	65%	65%	23 344 552	16 083 522	7 261 030	69%	69%	23 254 407	9 522 297	13 732 110	41%	41%
4.Total average collection: **Electricity** (Municipal supplied areas)	31 391 686	66 298 816	(34 907 130)	211%	211%	86 843 267	83 292 121	3 551 147	96%	96%	81 721 208	48 026 565	33 694 643	59%	59%
5.Total average collection: **Water**	48 841 936	11 796 765	37 045 171	24%	24%	46 368 822	21 661 428	24 707 395	47%	47%	50 306 425	15 002 322	35 304 102	30%	30%
6.Total average collection: **Wastewater**	20 326 410	7 309 020	13 017 390	36%	36%	21 108 340	16 086 840	5 021 501	76%	76%	21 081 903	14 837 412	6 244 492	70%	70%
7.Total average collection: **Refuse**	14 421 011	5 072 006	9 349 005	35%	35%	15 021 796	13 605 369	1 416 427	91%	91%	14 878 815	9 843 651	5 035 164	66%	66%
8.Total average collection: **Interest**	18 241 102	1 135 022	17 106 080	6%	0%	20 090 030	1 762 414	18 327 616	9%	9%	24 724 079	1 236 111	23 487 968	5%	5%

Collection Rate Assessment

Notes	Total Aggregate Collection	8.February - Reporting for January in February				9.March - Reporting for Feberuary in March				Summary - Quarter 3				Q1
		Billing For January	Collection in February	R - Billing not collected	% Collection	Billing For February	Collection in March	R - Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection	
1	1.Collection for whole demarcation	72 762 160	57 009 113	17 837 935	78%	73 756 819	-	73 756 819	0%	215 966 837	98 468 359	117 498 478	46%	46%
2	2.Collection excl Eskom supplied areas	53 044 905	40 013 368	18 435 738	75%	53 419 096	-	53 746 237	0%	156 354 677	65 745 528	90 609 149	42%	42%
3	3.Collection: **Property Rates**	7 587 309	5 894 074	1 693 235	78%	7 822 741	-	7 822 741	0%	23 254 407	9 522 297	13 732 110	41%	41%
4	4.Total average collection: **Electricity** (Municipal supplied areas)	27 703 363	27 423 950	279 414	99%	26 703 038	-	26 703 038	0%	81 721 208	48 026 565	33 694 643	59%	59%
5	5.Total average collection: **Water**	16 397 350	8 786 903	7 610 447	54%	18 621 963	-	18 621 963	0%	50 306 425	15 002 322	35 304 102	30%	30%
6	6.Total average collection: **Wastewater**	7 022 498	8 385 548	0	119%	7 053 927	-	7 053 927	0%	21 081 903	14 837 412	6 244 492	70%	70%
7	7.Total average collection: **Refuse**	5 011 261	5 733 099	0	114%	4 953 622	-	4 953 622	0%	14 878 815	9 843 651	5 035 164	66%	66%
8	8. 7.Total average collection: **Interest**	9 040 379	785 540	8 254 838	9%	8 601 529	-	8 601 529	0%	24 724 079	1 236 111	23 487 968	5%	5%

Click to view/close months

Services	Electricity Supplier	Ward Name & Number	Billing For January	Collection for January in February	Rand Value of Billing not collected	% Collection	Billing For February
Property Rates Tax	Eskom supplied	1	49 512	41 871	7 640	85%	49 512
Electricity			100 317	116 336	0	116%	257 255
Water			235 369	29 819	205 550	13%	216 509
Refuse			174 070	6 450	167 620	4%	175 566
Waste Water			228 237	7 974	220 263	3%	228 443
Interest			356 187	150 355	205 831	42%	903
Property Rates Tax	Partial Eskom & Mun Supplied	2	411 943	180 880	231 063	44%	413 238
Electricity			773 640	509 280	264 360	66%	632 386
Water			197 590	51 630	145 960	26%	44 775
Refuse			151 323	41 730	109 593	28%	151 936
Waste Water			214 513	70 993	143 520	33%	214 221
Interest			339 210	8 749	330 461	3%	339 010
Property Rates Tax	Mun Supplied	3	1 126 794	571 800	554 995	51%	1 122 406
Electricity			776 461	541 669	234 792	70%	783 850
Water			2 468 556	430 432	2 038 124	17%	1 603 847
Refuse			400 883	210 542	190 341	53%	398 919
Waste Water			547 571	238 503	309 068	44%	545 576
Interest			167 354	16 316	151 038	10%	174 288

Property Rates Tax	Mun Supplied	4	3 863	1 331	2 532	34%	3 863
Electricity			86 962	74 872	12 090	86%	85 798
Water			427 812	58 807	369 004	14%	(327 141)
Refuse			66 355	57 180	9 175	86%	66 355
Waste Water			86 387	25 065	61 322	29%	86 387
Interest			205 587	1 266	204 321	1%	209 881
Property Rates Tax	Mun Supplied	5	3 541	81	3 459	2%	3 541
Electricity			42 657	48 408	0	113%	42 235
Water			(83 216)	58 251	0	-70%	484 715
Refuse			63 722	58 332	5 390	92%	63 173
Waste Water			81 569	26 802	54 768	33%	80 803
Interest			171 113	1 037	170 076	1%	171 292
Property Rates Tax	Mun Supplied	6	57 788	57 416	372	99%	58 022
Electricity			102 695	23 735	78 959	23%	105 653
Water			552 413	41 951	510 461	8%	555 551
Refuse			110 657	35 688	74 969	32%	111 157
Waste Water			148 969	79 347	69 621	53%	149 505
Interest			273 318	886	272 431	0%	278 807
Property Rates Tax	Mun Supplied	7	207 801	117 480	90 321	57%	229 747
Electricity			314 872	472 833	0	150%	368 791
Water			373 027	92 812	280 214	25%	716 363
Refuse			115 348	72 346	43 002	63%	116 105
Waste Water			150 372	47 081	103 291	31%	151 299
Interest			322 906	22 104	300 802	7%	315 234

Property Rates Tax	Mun Supplied	8	30 781	12 703	18 078	41%	30 781
Electricity			78 257	36 277	41 980	46%	80 276
Water			414 369	68 184	346 185	16%	481 806
Refuse			92 556	78 631	13 925	85%	93 516
Waste Water			119 289	84 142	35 147	71%	120 513
Interest			191 171	2 242	188 929	1%	198 826
Property Rates Tax	Mun Supplied	9	162 946	93 302	69 645	57%	162 946
Electricity			154 512	132 509	22 003	86%	177 424
Water			506 002	78 051	427 951	15%	729 705
Refuse			176 208	91 763	84 445	52%	175 951
Waste Water			256 317	108 469	147 848	42%	255 941
Interest			372 378	7 358	365 020	2%	304 184
Property Rates Tax	Mun Supplied	10	44 164	30 128	14 035	68%	40 444
Electricity			115 179	33 095	82 084	29%	114 814
Water			341 049	140 856	200 193	41%	478 366
Refuse			118 642	61 222	57 419	52%	118 779
Waste Water			153 869	96 546	57 323	63%	154 043
Interest			239 172	6 621	232 551	3%	246 009
Property Rates Tax	Mun Supplied	11	351 227	337 872	13 355	96%	351 227
Electricity			660 094	129 088	531 006	20%	644 007
Water			1 231 352	62 853	1 168 500	5%	1 543 472
Refuse			285 707	97 150	188 557	34%	285 981
Waste Water			486 935	58 813	428 122	12%	487 284
Interest			407 654	2 525	405 129	1%	415 196

Property Rates Tax	Mun Supplied	12	90 885	81 750	9 135	90%	90 885
Electricity			138 971	67 139	71 832	48%	116 100
Water			471 291	94 057	377 234	20%	665 690
Refuse			138 447	54 380	84 067	39%	138 310
Waste Water			191 498	102 625	88 872	54%	191 323
Interest			334 109	5 032	329 077	2%	343 786
Property Rates Tax	Mun Supplied	13	422 838	387 487	35 352	92%	436 021
Electricity			9 285 438	11 574 700	0	125%	8 928 732
Water			1 406 267	609 783	796 484	43%	1 320 369
Refuse			363 856	251 959	111 897	69%	368 881
Waste Water			560 214	356 899	203 315	64%	569 647
Interest			795 146	60 603	734 543	8%	785 628
Property Rates Tax	Mun Supplied	14	59 637	239 772	0	402%	59 820
Electricity			84 442	51 110	33 333	61%	90 128
Water			320 799	1 529 684	0	477%	498 050
Refuse			122 787	77 443	45 344	63%	122 925
Waste Water			165 279	142 972	22 307	87%	166 538
Interest			268 226	4 433	263 793	2%	274 072
Property Rates Tax	Mun Supplied	15	65 528	47 256	18 272	72%	65 528
Electricity			197 789	113 301	84 488	57%	209 362
Water			441 689	1 543 023	0	349%	442 665
Refuse			140 618	95 422	45 196	68%	141 464
Waste Water			187 935	143 898	44 037	77%	188 882
Interest			246 080	255 512	0	104%	255 512

Property Rates Tax	Mun Supplied	16	1 481 941	1 470 812	11 129	99%	1 600 061
Electricity			6 923 823	5 102 771	1 821 053	74%	6 091 217
Water			1 908 594	1 222 862	685 733	64%	1 673 483
Refuse			756 252	685 083	71 169	91%	759 821
Waste Water			1 191 287	1 075 993	115 295	90%	1 200 913
Interest			450 524	110 488	340 035	25%	475 457
Property Rates Tax	Mun Supplied	17	1 487 541	1 286 604	200 936	86%	1 482 963
Electricity			2 645 978	2 706 608	0	102%	2 515 991
Water			1 462 535	1 217 929	244 606	83%	2 813 527
Refuse			655 657	756 082	0	115%	655 482
Waste Water			929 763	1 078 683	0	116%	931 065
Interest			287 277	74 440	212 837	26%	301 283
Property Rates Tax	Partial Eskom & Mun Supplied	18	505 600	494 996	10 604	98%	597 479
Electricity			5 115 759	5 241 315	0	102%	5 367 696
Water			1 512 576	534 229	978 347	35%	1 825 275
Refuse			390 670	221 743	168 926	57%	391 747
Waste Water			530 939	881 567	0	166%	532 296
Interest			911 533	47 098	864 436	5%	752 443
Property Rates Tax	Eskom supplied	19	26 744	17 640	9 104	66%	26 744
Electricity			88	12 233	0	13883%	88
Water			625 384	251 957	373 427	40%	1 063 418
Refuse			208 832	318 116	0	152%	131 639
Waste Water			171 874	638 943	0	372%	172 573
Interest			786 703	939	785 764	0%	797 006

Property Rates Tax	Partial Eskom & Mun Supplied	20	56 515	42 283	14 232	75%	56 936
Electricity			14 682	1 313	13 369	9%	14 682
Water			723 490	92 559	630 931	13%	571 125
Refuse			154 563	791 899	0	512%	163 118
Waste Water			195 951	1 497 532	0	764%	204 867
Interest			591 657	1 570	590 087	0%	620 650
Property Rates Tax	Eskom supplied	21	238 187	138 068	100 119	58%	239 042
Electricity			1 159	-	1 159	0%	1 159
Water			815 803	233 786	582 017	29%	1 083 604
Refuse			316 208	314 894	1 314	100%	314 894
Waste Water			410 739	162 375	248 364	40%	409 061
Interest			1 166 791	4 345	1 162 446	0%	1 188 887
Property Rates Tax	Eskom supplied	22	701 534	242 544	458 990	35%	701 534
Electricity			89 588	435 359	0	486%	75 392
Water			44 599	343 386	0	770%	136 788
Refuse			7 902	1 355 045	0	17148%	7 902
Waste Water			12 992	1 460 324	0	11240%	12 748
Interest			156 284	1 620	154 664	1%	153 175

16.4.2 Monthly - Restriction of Free Basic Services to Indigent Household

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

Municipal Debt Relief - Monthly Reporting - Indigent Households Information (MFMA Circular 124 (Condition 6.6))

Instruction - *complete only with information of the current households registered as indigent with the municipality (Do NOT include the information of all households unless explicitly stated otherwise)*

Description	Ref	As Per Debt Relief Application	Current Year - 2024/2025			2024/2025 - Monthly Monitoring							
		Baseline	Adopted Budget	Adjusted Budget	Full Year Forecast	M01	M02	M03	M04	M05	M06	M07	M08
Indigent Household service targets	1												
Water : *(Include All Indigent households also in Eskom supplied areas)*													
Indigent HH's with piped water inside dwelling		12 711	12 711	–	12 711	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822
Indigent HH's with piped water inside yard (but not in dwelling)		–	–	–	–	–	–	–	–	–	–	–	–
Indigent HH's using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–	–	–	–
Indigent HH's with other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–	–	–	–
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total		**12 711**	**12 711**	–	**12 711**	**12 757**	**12 670**	**12 696**	**12 733**	**12 764**	**12 798**	**12 864**	**12 822**
Indigent HH's using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–	–	–	–
Indigent HH's with other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–	–	–	–
Indigent HH's with No water supply		–	–	–	–	–	–	–	–	–	–	–	–
Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	5	**12 711**	**12 711**	–	**12 711**	**12 757**	**12 670**	**12 696**	**12 733**	**12 764**	**12 798**	**12 864**	**12 822**
Status of Water meters :													
Number of Indigent HH's with prepaid Water		–	–	–	–	–	–	–	–	–	–	–	
Number of Indigent HH's with conventional metered Water		10 204	10 204	–	10 204	10 231	10 259	10 194	10 245	10 212	10 222	10 270	10 176
Number of Indigent HH's NOT metered currently - Water		1 538	1 538	–	1 538	1 607	1 606	1 633	1 637	1 629	1 661	1 676	1 676

Number of Indigent HH's with NO Water supply - No metering		–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	10	**11 742**	**11 742**	**–**	**11 742**	**11 838**	**11 865**	**11 827**	**11 882**	**11 841**	**11 883**	**11 946**	**11 852**
Status of unlimited supply of Water :													
Number of Indigent HH's with conventional metered Water - where the municipality is *NOT physcally restricting Water to the national free basic limit of 6 kilolitres per \household per month*		12 711	12 711	–	12 711	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822
Number of Indigent HH's NOT metered currently receiving unlimited supply - Water		1 538	1 538	–	1 538	1 607	1 606	1 633	1 637	1 629	1 661	1 676	1 676
Total number of registered indigent households receiving unlimited supply - Water		**14 249**	**14 249**	**–**	**14 249**	**14 364**	**14 276**	**14 329**	**14 370**	**14 393**	**14 459**	**14 540**	**14 498**
Of the Total Number of registered indigent households receiving unlimited supply - State the Number of HH's **billed for consumption above the 6 kilolitres**	11	12 711	12 711	–	13 000	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822
Energy : *(Include All Indigent households also in Eskom supplied areas)*													
Indigent HH's with Electricity (at least min.service level)		–	–	–	–	–	–	–	–	–	–	–	–
Indigent HH's with Electricity - prepaid (min.service level)		12 711	12 711	–	13 000	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total		**12 711**	**12 711**	**–**	**13 000**	**12 757**	**12 670**	**12 696**	**12 733**	**12 764**	**12 798**	**12 864**	**12 822**
Indigent HH's with Electricity (< min.service level)		–	–	–	–	–	–	–	–	–	–	–	–
Indigent HH's with Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–	–	–	–
Indigent HH's with other energy sources		–	–	–	–	–	–	–	–	–	–	–	–
Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	5	**12 711**	**12 711**	**–**	**13 000**	**12 757**	**12 670**	**12 696**	**12 733**	**12 764**	**12 798**	**12 864**	**12 822**
Status of Electricity meters :													
Number of Indigent HH's with prepaid Electricity		12 711	12 711	–	13 000	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822
Number of Indigent HH's with conventional metered Electricity		–	–	–	–	–	–	–	–	–	–	–	–
Number of Indigent HH's NOT metered currently - Electricity		–	–	–	–	–	–	–	–	–	–	–	–
Number of indigent HH's with other energy sources - No metering		–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	12	**12 711**	**12 711**	**–**	**13 000**	**12 757**	**12 670**	**12 696**	**12 733**	**12 764**	**12 798**	**12 864**	**12 822**

Status of Electricity meters :													
Number of Indigent HH's with prepaid Electricity		12 711	12 711	–	13 000	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822
Number of Indigent HH's with conventional metered Electricity		–	–	–	–	–	–	–	–	–	–	–	–
Number of Indigent HH's NOT metered currently - Electricity		–	–	–	–	–	–	–	–	–	–	–	–
Number of indigent HH's with other energy sources - No metering		–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	12	**12 711**	**12 711**	**–**	**13 000**	**12 757**	**12 670**	**12 696**	**12 733**	**12 764**	**12 798**	**12 864**	**12 822**
Status of unlimited supply of Electricity :													
Number of Indigent HH's with conventional metered Electricity - where the municipality is *NOT physically restricting Electricity to the national free basic limit of 50kwh per \household per month*		–	–	–	–	–	–	–	–	–	–	–	–
Number of Indigent HH's NOT metered currently receiving unlimited supply - Electricity		–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households receiving unlimited supply - Electricity		–	–	–	–	–	–	–	–	–	–	–	–
Of the Total Number of registered indigent households receiving unlimited supply of Electricity - State the Number of HH's **billed for consumption above the 50 kwh**	13	–	–	–	–	–	–	–	–	–	–	–	–
Number of ALL Households receiving Free Basic Service *(including registered Indigent Households)*	7												
Water (6 kilolitres per household per month)		12 711	12 711	–	13 000	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822
Electricity/other energy (50kwh per household per month)		12 711	12 711	–	13 000	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822
Cost of Free Basic Services provided to ALLHousehols in - Formal Settlements (R'000)													
Water (6 kilolitres per household per month)		182	200	–	200	196	185	225	184	187	179	227	222
Electricity/other energy (50kwh per household per month)		114	124	–	124	136	135	135	137	187	186	185	184

Cost of Free Basic Services provided to ALLHousehols in - Formal Settlements (R'000)													
Water (6 kilolitres per household per month)		182	200	–	200	196	185	225	184	187	179	227	222
Electricity/other energy (50kwh per household per month)		114	124	–	124	136	135	135	137	187	186	185	184
Cost of Free Basic Services provided to ALL Households in - Informal Formal Settlements (R'000)													
Water (6 kilolitres per household per month)		–	–	–	–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–	–	–	–	–	–	–
Total cost of FBS Water and Electricity provided to ALL Households	8	**296**	**324**	**–**	**324**	**332**	**320**	**360**	**320**	**374**	**366**	**411**	**406**
Highest level of free service provided per household (ALL Households)													
Property rates (R value threshold)		–	–	–	–	–	–	–	–	–	–	–	–
Water (kilolitres per household per month)		10	10	–	10	10	10	10	10	10	10	10	10
Sanitation (kilolitres per household per month)		10	10	–	10	10	10	10	10	10	10	10	10
Sanitation (Rand per household per month)		145	170	–	170	153	154	154	154	154	154	154	154
Electricity (kwh per household per month)		50	50	–	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		5	5	–	5	5	5	5	5	5	5	5	5
Revenue cost of subsidised services provided for ALL Households (R'000)	9												
Residential Category : Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)	14(a)	–	–	–	–	–	–	–	–	–	–	–	–
PSI Category : Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)	14(b)	–	–	–	–	–	–	–	–	–	–	–	–
Additional Subsidies: Property rates exemptions, reductions and rebates **in excess of section 17 of MPRA)**		–	–	–	–	–	–	–	–	–	–	–	–
Water **(in excess of 6 kilolitres per indigent household per month)**	15	4	4	4	4	4	4	4	4	4	4	4	4
Sanitation **(in excess of free sanitation service to indigent households)**	16	4	4	4	4	4	4	4	4	4	4	4	4
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		–	–	–	–	–	–	–	–	–	–	–	–
Refuse **(in excess of one removal a week for indigent households)**		–	–	–	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–	–	–	–
Housing - top structure subsidies	6	–	–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		**8**	**8**	**8**	**8**	**8**	**8**	**8**	**8**	**8**	**8**	**8**	**8**

References

1. Include services provided by another entity; e.g. Eskom

2. Stand distance <= 200m from dwelling

3. Stand distance > 200m from dwelling

4. Borehole, spring, rain-water tank etc.

5. Must agree to total number of ***registered indigent households*** *in municipal area (formal and informal settlements receiving services must be included)*

6. Include value of subsidy provided by municipality above provincial subsidy level

7. Show number of households receiving at least these levels of services completely free (formal and informal settlements must be included)

8. Must reflect the cost to the municipality of providing the Free Basic Service (Water and Electricity) to ***ALL Households***

9. Reflect the cost of free or subsidised services in excess to the National policy that are not funded from the Free Basic Services component of the Equitable Share

10.The total number of registered HH's reported on rows 19 & 24 must be the same

11. Of the Total number of registered indigents HH's receiving unlimited supply of Water reported on row 27, provide number of these Indigent HH's that are issued with a monthly bill for the consumption above the 6 kilolitres FBS water

12. The total number of registered HH's reported on rows 39 & 44 must be the same

13. Of the Total number of registered indigents HH's receiving unlimited supply of Electricity reported on row 51, provide number of these Indigent HH's that are issued with a monthly bill for consumption above 50 kwh FBS electricity

*14.(a) Impermissibles on Residential Properties - (15000 * Number of Residential properties) - Provide the actual rand value not to be billed*

*14.(b) Impermissibles on Public Service Infrastructure (PSI) - (30% * Property Market Value * Number of PSI Properties) - Provide the actual rand value not to be billed*

15.(a) Free Water to Indigent HH's exceeding the 6 killolitres FBS water

15.(b) Free Water to any HH's that is not Indigent

16.If the Municipality provides unlimited free basic water to any indigent and / or any other household , it must also account for the related unlimited sanitation

16.5 -MFMA Circular 124 – Condition 6.8 Valuation Roll Reconciliation (Completeness of the revenue base)

Property Rates Reconciliation	
Province	Free State
District	Fezile Dabi
Type	
Municipal Name	Moqhaka Local Municipality
GV Period	01/07/2024 - 30/06/2028
Financial Year	2024/2025
econciliation Peri	Quarter 3

Reconciliation Overview

High Level Reconciliation

Propety Categorie	Number of Properties			Market Values		
	GV	MFS	Variance	GV Market Values	MFS Market Values	Variance
Residential	44 917	45 548	- 631	7 594 841653	7 624 064 759	- 29 223 106.00
Industrial	352	347	5	362 374 000	360 295 000	2 079 000.00
Business and Co	1195	1210	- 15	1030 907 110	1084 719 610	- 53 812 500.00
Agricultural	3628	3616	12	5 954 268 749	5 905 136 749	49 132 000.00
Mining	31	31	0	55 374 000	55 374 000	-
State Owned for	160	160	0	1168 197 013	1168 197 013	-
PSI	492	493	- 1	39 327 901	38 431901	896 000.00
PBO	280	280	0	253 141003	253 231003	- 90 000.00
Multi Use			0			-
Vacant	508	28	480	49 139 106	4 260 000	44 879 106.00
POW	5	7	- 2	1440 000	1950 000	- 510 000.00
Municipal	139	139	0	186 489 100	186 489 100	-
Other (PT,PSP)	620	466	154	207 608 501	181677 501	25 931000.00
	52327	52325	2	16 903 108 136 00	16 863 826 636 00	39 281500 00

Property Rates Reconciliation

Province	Free State
District	Fezile Dabi
Type	
Municipal Name	Moqhaka Local Municipality
GV Period	01/07/2024 - 30/06/2028
Financial Year	2024/2025
Reconciliation Period	Quarter 3

Reconciliation Overview

High Level Reconciliation

Property Categories	Number of Properties			Market Values		
	GV	MFS	Variance	GV Market Values	MFS Market Values	Variance
Residential	44 917	45 548	-631	7 584 841 653	7 624 064 759	- 39 223 106,00
Industrial	352	347	5	382 374 000	380 295 000	2 079 000,00
Business and Commer	1195	1210	-15	1 030 907 110	1 084 719 610	- 53 812 500,00
Agricultural	3628	3616	12	5 954 268 749	5 905 136 749	49 132 000,00
Mining	31	31	0	55 374 000	55 374 000	-
State Owned for Public	160	160	0	1 168 197 013	1 168 197 013	-
PSI	492	493	-1	39 327 901	38 431 901	896 000,00
PBO	280	280	0	253 141 003	253 231 003	- 90 000,00
Multi Use			0			-
Vacant	508	28	480	49 139 106	4 260 000	44 879 106,00
POW	5	7	-2	1 440 000	1 950 000	- 510 000,00
Municipal	139	139	0	166 489 100	166 489 100	-
Other (PT,PSP)	620	466	154	207 606 501	181 677 501	25 931 000,00
	52327	52325	2	16 903 168 136,00	16 863 826 636,00	39 281 500,00

Detailed Reconciliation

Property Categories	Monthly Billing			Quarterly		
Property Categories	GV	MFS	Variance	GV	MFS	Variance
Residential	1 995 858	2 014 443	- 18 585	5 987 572,59	6 043 327,85	- 55 755,06
Industrial	530 093	499 329	30 764	1 590 278,78	1 497 986,16	92 292,60
Business and Commer	1 575 614	1 616 380	- 40 766	4 726 841,91	4 849 140,24	- 122 298,33
Agricultural	972 426	963 321	9 105	2 917 278,12	2 889 962,10	27 316,02
Mining	179 504	179 504	-	538 512,06	538 512,06	-
State Owned for Public	2 372 428	2 370 625	1 804	7 117 285,32	7 111 874,07	5 411,25
PSI			-	-	-	-
PBO			-	-	-	-
Multi Use			-	-	-	-
Vacant	43 890	124 911	- 81 021	131 669,10	374 733,18	- 243 064,08
POW			-	-	-	-
Municipal			-	-	-	-
Other	85 760	77 351	8 408	257 276,58	232 053,42	25 225,26
Total	R7 755 572,18	R7 845 862,96	-R90 290,78	23 266 715,54	23 537 588,88	- 270 872,34

Prepared By	DINEO MOKOENA	Date	28/02/2025
Contact Details	056-216-9300		
Signature			
Reviewed By	SAMMY THELETSANE	Date	04/03/2025
Contact Details	056-216-9158		
Signature			

16.6 MFMA Circular 124 – Condition 6.3 (Maintaining the Eskom bulk current account) and Condition 6.12 (Proper Management of Resources)

i) The bulk current account of Eskom for February 2025 amounted to R48 155 462, a partial payment of R5 million was made towards the account.

Audit Trail

Batch Transfer

Tue, Feb 25, 2025 at 12:57:55 PM

Group **19058 - MOQHAKA LOCAL MUNICIPALITY**
Operator **010 - PAULA DARINA DU PLESSIS**
Batch Name & Description **90044123 90044123**
Status **Finally Approved**

Batch Status

	Captured	First Approver	Second Approver	Third Approver	Final Approver
Operator	10	21			31
Operator Name	PAULA DARINA DU PLESSIS	IRENE MOKHESENG			RYAN D BUYS
Approval Level					
Date	2025/02/25	2025/02/25			2025/02/25
Time	11:22:25	11:25:11			12:52:38
Roll-over Date					

Batch Details

Batch Entry Number 1

From Account	334536 MOQHAKA LOCAL MUNICIPALITY - 0000004053274876		
Description	9345061750 90044123	Frequency	Adhoc
Beneficiary Code			
To Account	223626 ESKOM 9345061750 - 0000055070067316		
Description	MOQHAKA MUNICIPALITY	Mandate	
Date	2025/02/25	Amount	$,000,000.00
Roll-over date			
Transaction Number	253032	Transaction Status	S
Immediate Interbank Payment	No		

KROONSTAD
302, 9500 - Hill Str/St, 9499
(056) 21-69140 (056) 21-69122

STEYNSRUS
6, 9515 - Van Riebeeck Str/St
(056) 471-0006 (056) 471-0428

VILJOENSKROON
X 02, 9520- Deneyssen Str/St
(056) 343-9400 (056) 343-2505

TEL: 056 2169140

irenem@moqhaka.gov.za

MOQHAKA MUNICIPALITY
"People's power in action"

OUR REFERENCE: IRENE MOKHESENG/wm **Ref Nr:**

Quality Certificate

I, LM Ntsepe the Acting Municipal Manager of Moqhaka Local Municipality hereby certify that: -

[X] The monthly budget statement

[ ] Quarterly report on the implementation of the budget and financial affairs of the

[ ] Mid-year budget and performance assessment

For the month of February 2025, it has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Municipal Manager of Moqhaka Local Municipality (FS201)

Signature: .....

Date: 14/03/2025