



MFMA SECTION 71 REPORT MONTH ENDING

31 MARCH 2025

- DISTRIBUTION:

- Executive Mayor: **Mr. Motloheloa Ellis Mokatsane**

- Acting Municipal Manager: **Mrs. Mamaliso Lizzy Ntsepe**

- Acting Chief Financial Officer: **N/A**

- Sector Departments: **National and Provincial Departments**

- **Upload to the National Treasury GoMuni Portal**

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List of Abbreviations and Acronyms used in the Monthly Budget Statement

AFS – Annual Financial Statements
AGSA - Auditor-General of South Africa
BTO - Budget and Treasury Office
CAPEX – Capital Expenditure
CFO - Chief Financial Officer

PART 1: IN-YEAR REPORT FOR THE PERIOD ENDING 30 APRIL 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 31 MARCH 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 733 848 931, of which 91% of the debt is owed more than 90 days totalling R 1 573 433 664. Included in the total debt, R 108 280 516 is owed by Government, R 198 935 512 by Business and R 1 304 492 918 by Households. Included in the Households debt is RR 196 686 962 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 Monday the 14th of April 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 Mar 25	YTD Actual Mar 25	Variance Favourable (Unfavourable)	% YTD Budget vs YTD Actual	% Variance vs Actual Favourable (Unfavourable)
Total Revenue (Excluding Capital Transfers and Contributions)	R 1 060 387 750	R 907 419 338	(R152 968 412)	86%	(14%)
Total Revenue including Capital Transfers and Contributions	R1 066 536 750	R913 568 338	(R152 968 412)	86%	(14%)
Total Operational Expenditure	R978 368 000	R566 721 000	(R411 647 000)	60%	(42%)

As indicated in Table 1 above, as of 31 March 2025, the billed revenue including operational transfers, but excluding capital grants amounted to R907 419 338, which resulted in a unsatisfactory variance of 14% when compared to YTD Budget of R1 060 387 750. 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 99% against monthly billing and inclusive of operational grants recognized, considering the threats to restrict the electricity supply for consumers. 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 March, a payment of R30 000 000 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) - M09 March

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										
Exchange Revenue										
Service charges - Electricity		394,583	553,019	489,803	30,624	295,475	389,478	(94,003)	-24%	489,803
Service charges - Water		173,153	195,587	195,438	15,312	129,710	146,631	(16,920)	-12%	195,438
Service charges - Waste Water Management		65,954	70,019	70,231	6,030	54,538	52,599	1,939	4%	70,231
Service charges - Waste management		46,961	48,564	48,564	4,256	38,495	36,423	2,072	6%	48,564
Sale of Goods and Rendering of Services		6,220	10,265	10,484	618	4,159	7,786	(3,627)	-47%	10,484
Agency services								-		
Interest								-		
Interest earned from Receivables		69,946	34,557	75,370	8,567	62,874	42,243	20,631	49%	75,370
Interest from Current and Non Current Assets		34	30	61	-	39	35	4	12%	61
Dividends		3,637	1,736	4,544	25	3,282	2,425	857	35%	4,544
Rent on Land								-		
Rental from Fixed Assets		6,593	8,535	8,641	271	4,697	6,443	(1,747)	-27%	8,641
Licence and permits		-	-	-	-	-	-	-		-
Operational Revenue		4,027	12,324	14,364	(307)	4,146	10,059	(5,913)	-59%	14,364
Non-Exchange Revenue										
Property rates		88,207	90,509	90,811	7,847	70,377	68,002	2,374	3%	90,811
Surcharges and Taxes								-		
Fines, penalties and forfeits		6,569	5,309	5,540	202	1,013	4,074	(3,061)	-75%	5,540
Licence and permits		-	-	-	-	-	-	-		-
Transfers and subsidies - Operational		314,054	311,514	305,248	74,747	276,871	231,129	45,742	20%	305,248
Interest		7,761	2,982	7,979	888	7,294	4,235	3,059	72%	7,979
Fuel Levy								-		
Operational Revenue		839	678	(208)	74	666	154	511	332%	(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	149,156	953,635	1,001,717	(48,082)	-5%	1,326,870

Expenditure By Type										
Employee related costs	409,580	451,339	424,010	34,378	320,305	327,584	(7,279)	-2%	424,010	
Remuneration of councillors	22,251	29,578	28,040	1,764	16,962	21,568	(4,606)	-21%	28,040	
Bulk purchases - electricity	418,560	427,440	392,840	933	8,331	306,140	(297,809)	-97%	392,840	
Inventory consumed	14,879	21,223	29,380	2,786	23,524	19,216	4,308	22%	29,380	
Debt impairment	-	58,783	45,915	-	78	38,940	(38,862)	-100%	45,915	
Depreciation and amortisation	121,050	9,870	9,870	-	-	7,403	(7,403)	-100%	9,870	
Interest	6,029	8,698	8,698	550	4,950	6,524	(1,574)	-24%	8,698	
Contracted services	135,341	158,841	187,869	11,487	89,109	130,616	(41,507)	-32%	187,869	
Transfers and subsidies	84	1,049	1,049	2	55	787	(732)	-93%	1,049	
Irrecoverable debts written off	176,661	1,486	3,899	150	2,923	2,080	844	41%	3,899	
Operational costs	117,817	142,099	167,637	12,433	100,483	117,465	(16,982)	-14%	167,637	
Losses on Disposal of Assets	15,203	60	60	-	-	45	(45)	-100%	60	
Other Losses	106	-	-	-	-	-	-		-	
Total Expenditure	1,437,562	1,310,466	1,299,269	64,482	566,721	978,368	(411,647)	-42%	1,299,269	
Surplus/(Deficit)	(222,968)	35,162	27,601	84,673	386,914	23,350	363,565	0	27,601	

Exchange and Non-Exchange Revenue

Revenue analysis for the month ending 31 March 2025

Revenue Types	Section 71 of 31 March 2025						Nine Months Ending 31 March 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	7 847 195	104%	3 523 011	45%	67 881 803	70 376 579	104%	44 888 014	64%
Electricity - conventional	343 217 833	28 601 486	20 272 023	71%	25 952 759	128%	257 413 375	177 666 933	69%	204 157 950	115%
Water	195 400 475	16 283 373	15 312 208	94%	13 402 563	88%	146 550 356	129 690 557	88%	48 461 276	37%
Sanitation	69 800 488	5 816 707	6 029 787	104%	6 669 443	111%	52 350 366	54 336 446	104%	27 685 197	51%
Refuse	48 564 221	4 047 018	4 256 228	105%	3 937 403	93%	36 423 166	38 494 969	106%	18 196 096	47%
Total Direct Services	747 492 088	62 291 007	53 717 441	86%	53 485 179	100%	560 619 066	470 565 484	84%	343 388 533	73%
Other revenue	92 497 269	7 708 106	5 097 917	66%	4 425 636	87%	69 372 952	40 031 058	58%	32 484 339	81%
Revenue from Billed services	839 989 357	69 999 113	58 815 358	84%	57 910 816	98%	629 992 018	510 596 542	81%	375 872 872	74%
Electricity - prepaid	204 011 643	17 000 970	13 109 761	77%	13 109 761	100%	153 008 732	120 671 544	79%	120 671 544	100%
grants	1 044 001 000	87 000 083	71 925 119	83%	71 020 577	99%	783 000 750	631 268 086	81%	496 544 416	79%
Operational grants and subsidies	3 059 000	105 216	105 216	-	105 216	100%	3 059 000	1 823 252	60%	1 823 252	100%
Equitable share	298 568 000	74 642 000	74 642 000	-	74 642 000	100%	274 328 000	274 328 000	100%	274 328 000	100%
Total Revenue	1 345 628 000	161 747 300	146 672 335	91%	145 767 793	99%	1 060 387 750	907 419 338	86%	772 695 668	85%

Deducted Dec 24 R24 240 000

Comments on Section 71 Report.

Collection rate for waste water management is 111% for the month of March 2025 and 51% for the nine months.

Collection rate for waste management is 93% for the month of March 2025 and 47% for the nine months.

Collection rate for water is 88% for the month of March 2025 and 37% for the nine months.

The collection rate on Property rates is 45% for the month of March 2025 and 64% for the nine months.

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

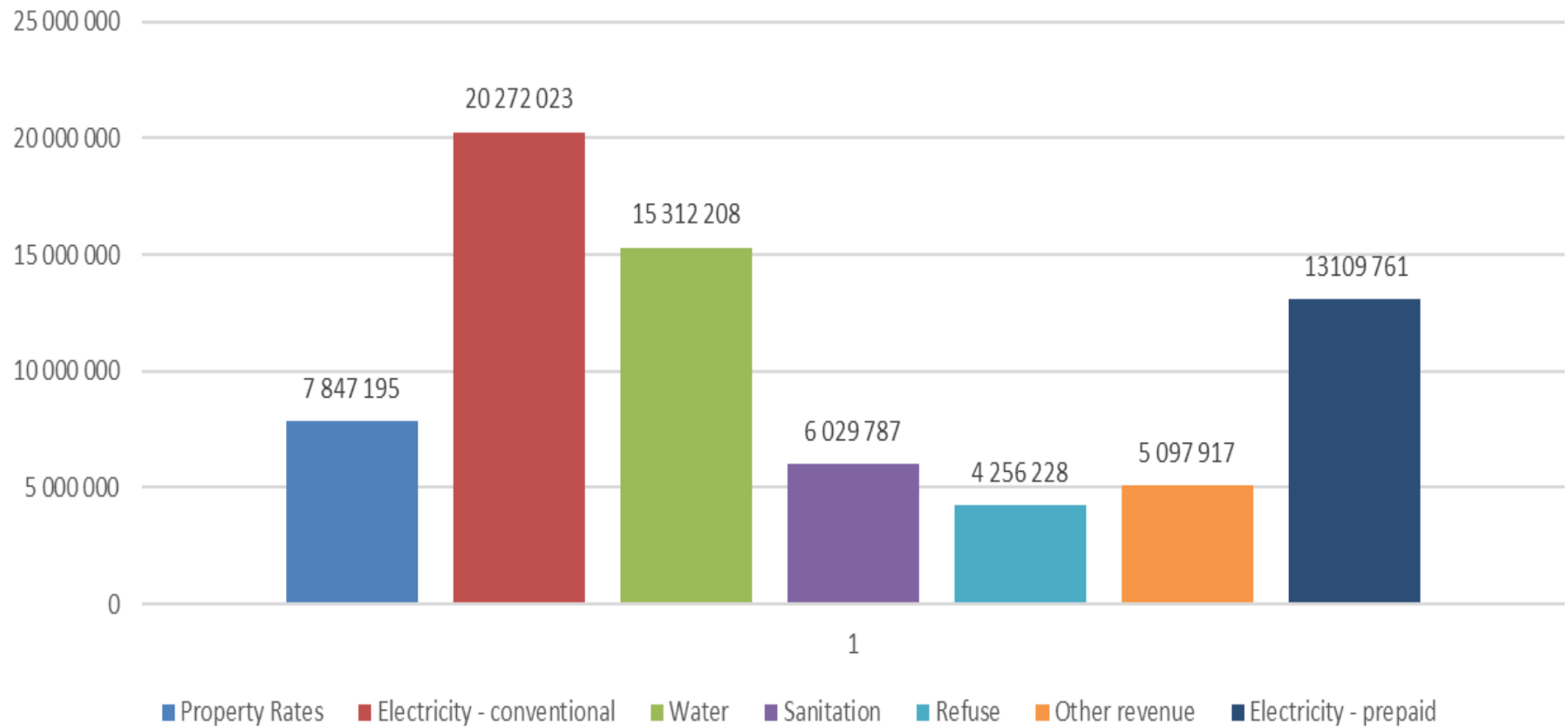
Conventional electricity revenue collection is 128% for the month of March 2025 and 115% for the nine months.

Revenue before operational grants versus billing is 99% for the month of March 2025 and 79% for the nine months.

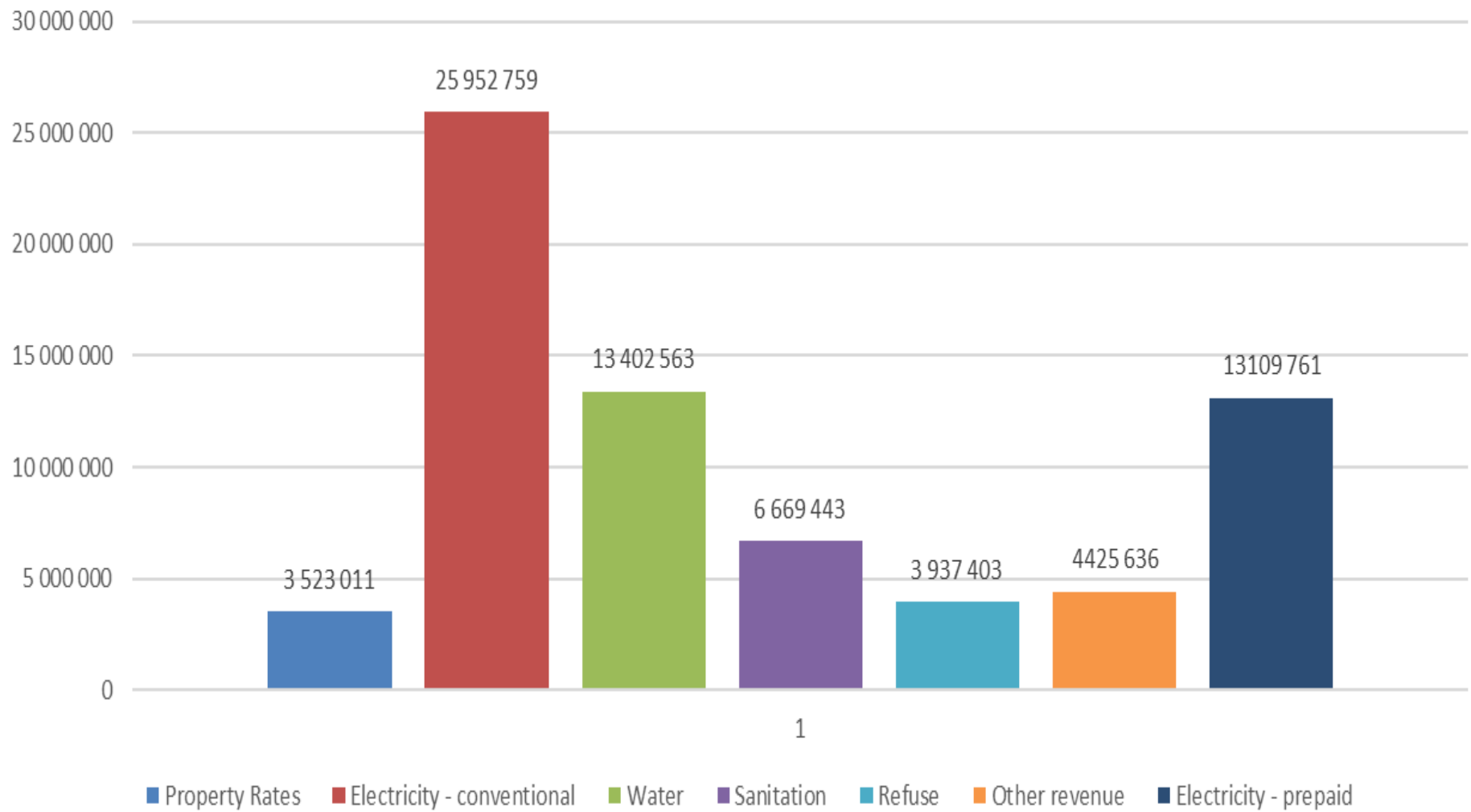
Total Revenue Collection Percentage with Zero Grant Funding received for the month March 2025 is also 99% and 85% for the nine months.

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

Billing Per Service



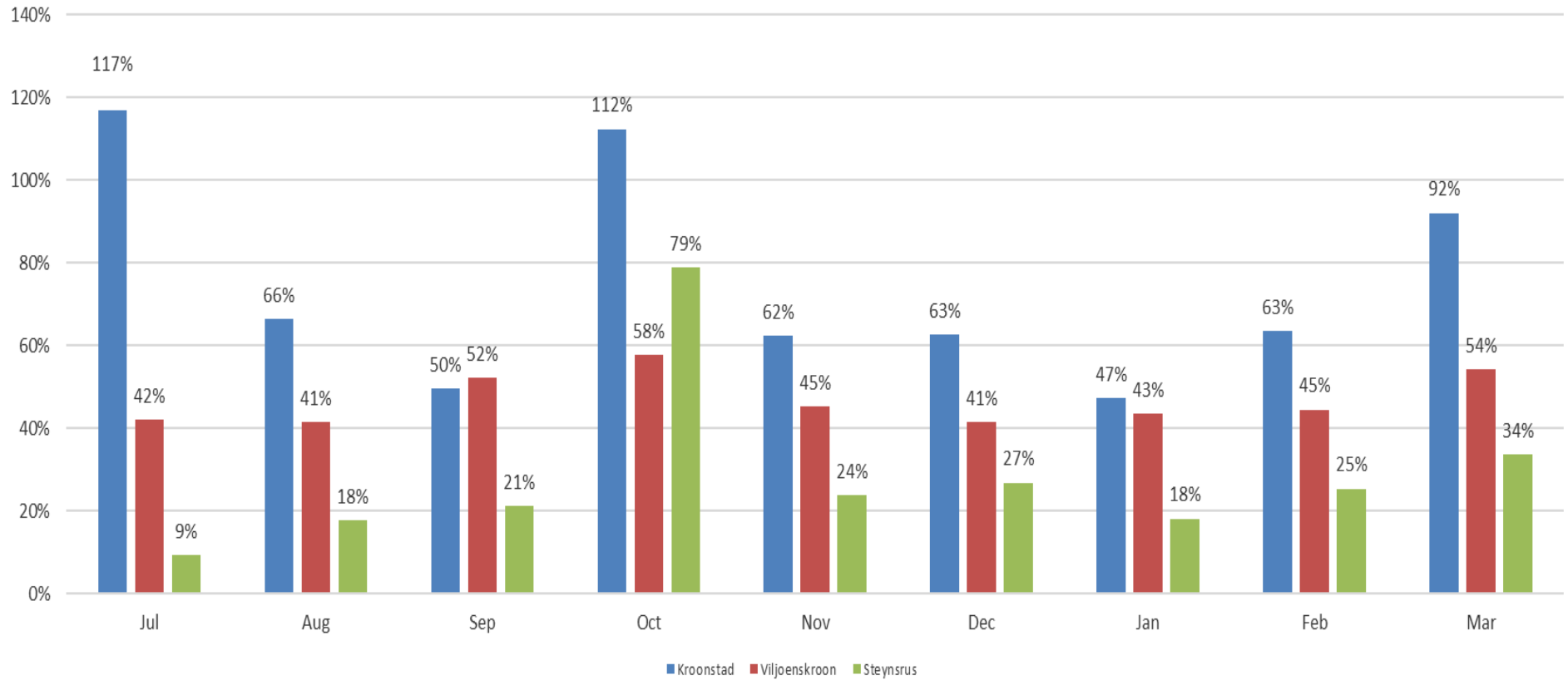
Collection Per Service












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%
Mar	53 599 932	49 376 001	92%	14 585 118	7 912 318	54%	2 028 143	681 074	34%
Total	449 110 528	320 114 173	71%	131 549 966	61 705 845	47%	17 771 404	4 397 219	25%

Billing vs Collection



PRE-PAID ELECTRICITY SALES 2024-2025 FINANCIAL YEAR

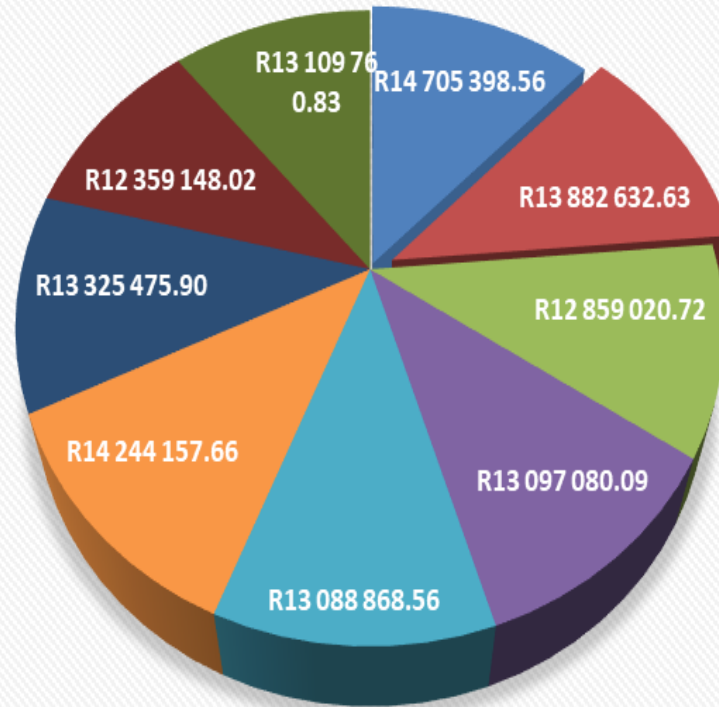
Month	Arrears	Cost of Units	Vat	Cash Tendered	Units Sold	FBE Value	% Movement
Jul	R0.00	R14 705 398.56	R2 205 583.77	R16 910 982.33	6 624 751.00	R896 486.00	 12%
Aug	R0.00	R13 882 632.63	R2 082 178.30	R15 964 810.93	6 310 561.70	R909 115.00	 -6%
Sep	R0.00	R12 859 020.72	R1 928 654.97	R14 787 675.69	5 914 137.10	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%
Mar	R0.00	R13 109 760.83	R1 966 272.27	R15 076 033.10	5 993 320.80	R910 326.00	 6%
Totals	R0.00	R120 671 542.97	R18 098 899.45	R138 770 442.42	R54 996 986.40	R8 172 606.50	

The average collection rate for Kroonstad/Maokeng for March 2025 is 92% , Viljoenskroon/Rammulutsi is 54% & Steynsrus/Matlwangtlwang is 34%.

Kroonstad/Maokeng generated a revenue of R49.4m for March 2025, Viljoenskroon/Rammolutsi generated R7.9m & Steynsrus/Matlwangtlwang generated R681 074.

The cost of revenue generated through prepaid electricity for the month of March 2025 is R13 109 760,83. The electricity vendors are contributing to these sales.

Prepaid Electricity Sales @ Cost



Jul Aug Sep Oct Nov Dec Jan Feb Mar

4.2 Operating expenditure by type

FS201 Moqhaka - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description	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									
Expenditure By Type									
Employee related costs	409 580	451 339	424 010	34 378	320 305	327 584	-7 279	-2%	424 010
Remuneration of councillors	22 251	29 578	28 040	1 764	16 962	21 568	-4 606	-21%	28 040
Bulk purchases - electricity	418 560	427 440	392 840	933	8 331	306 140	-297 809	-97%	392 840
Inventory consumed	14 879	21 223	29 380	2 786	23 524	19 216	4 308	22%	29 380
Debt impairment	-	58 783	45 915	-	78	38 940	-38 862	-100%	45 915
Depreciation and amortisation	121 050	9 870	9 870	-	-	7 403	-7 403	-100%	9 870
Interest	6 029	8 698	8 698	550	4 950	6 524	-1 574	-24%	8 698
Contracted services	135 341	158 841	187 869	11 487	89 109	130 616	-41 507	-32%	187 869
Transfers and subsidies	84	1 049	1 049	2	55	787	-732	-93%	1 049
Irrecoverable debts written off	176 661	1 486	3 899	150	2 923	2 080	844	41%	3 899
Operational costs	117 817	142 099	167 637	12 433	100 483	117 465	-16 982	-14%	167 637
Losses on Disposal of Assets	15 203	60	60	-	-	45	-45	-100%	60
Other Losses	106	-	-	-	-	-	-	-	-
Total Expenditure	1 437 562	1 310 466	1 299 269	64 482	566 721	978 368	-411 647	-42%	1 299 269

Comparison against YTD Budget

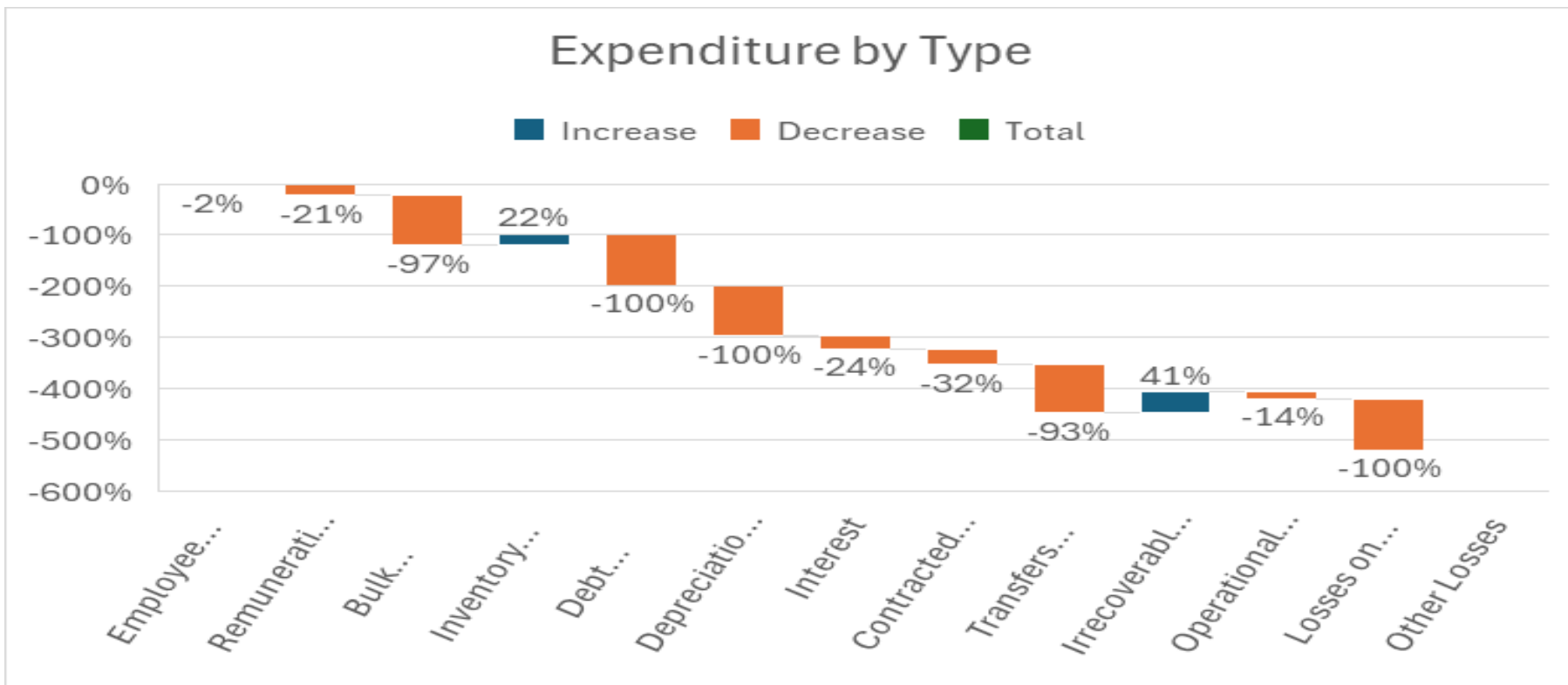
As indicated in the Table above, as at 31 March 2025, expenditure shows an unsatisfactory variance of minus 42%. The YTD actual amounted to R566 721 000 against the YTD budget of R978 368 000.

- Employee related costs show a satisfactory variance of minus 2.0%. 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 21%.
- Bulk purchases – Electricity is showing an unsatisfactory variance of minus 97%, since the July payment of **R149 million** went against the arrears and not the current account.

- The expenditure on Inventory consumed is showing an satisfactory variance of 22%. Expenditure for the first month of the year is normally low, due later re-opening of the financial year after year-end closure.
- 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 22%.
- Transfers and subsidies showing negative variance of minus 93%, due to non-expenditure & no commitment to show movement.
- Operational cost is showing an unsatisfactory variance of minus 14% as a result of the following line items under Operational Cost (OC)
- Costs are incurred for Professional Bodies membership & Subscriptions, for predominantly annual SALGA membership fees.
- Audit Cost for external auditors incurred are paid in full.



4.3 Capital Expenditure

FS201 Moqhaka - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March

Vote Description	Ref	Budget Year 2024/25								
		2023/24 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	660	-645	-98%	1 650
Vote 02 - Municipal Manager		61	400	750	–	14	496	-482	-97%	750
Vote 03 - Corporate Services		727	2 500	3 540	130	2 285	2 422	-138	-6%	3 540
Vote 04 - Finance		804	2 077	1 068	5	139	890	-751	-84%	1 068
Vote 05 - Technical Services		668	78 142	81 826	402	38 680	60 021	-21 341	-36%	81 826
Vote 06 - Community Services		3 023	14 600	26 706	-2 202	689	15 793	-15 103	-96%	26 706
Vote 07 - Local Economic Development		241	872	745	50	399	685	-286	-42%	745
Total Capital single-year expenditure	4	5 630	98 591	116 285	-1 616	42 222	80 968	-38 746	-48%	116 285
Total Capital Expenditure		5 630	98 591	116 285	-1 616	42 222	80 968	-38 746	-48%	116 285
Capital Expenditure - Functional Classification										
Governance and administration		1 833	5 750	8 237	135	2 465	5 234	-2 769	-53%	8 237
Executive and council		147	–	1 650	–	15	660	-645	-98%	1 650
Finance and administration		1 686	5 750	6 537	135	2 451	4 554	-2 103	-46%	6 537
Internal audit		–	–	50	–	–	20	-20	-100%	50
Community and public safety		2 483	13 122	20 429	59	497	12 846	-12 349	-96%	20 429
Community and social services		955	5 197	4 333	–	–	3 552	-3 552	-100%	4 333
Sport and recreation		233	4 081	4 331	50	348	3 243	-2 895	-89%	4 331
Public safety		1 237	3 843	11 765	9	149	6 051	-5 902	-98%	11 765
Housing		58	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		55	31 596	33 997	53	19 473	24 658	-5 184	-21%	33 997
Planning and development		–	205	80	–	80	104	-24	-23%	80
Road transport		55	31 234	33 760	53	19 394	24 436	-5 042	-21%	33 760
Environmental protection		–	157	157	–	–	118	-118	-100%	157
Trading services		1 259	48 071	53 622	-1 862	19 786	38 212	-18 425	-48%	53 622
Energy sources		20	3 348	4 824	–	151	2 983	-2 832	-95%	4 824
Water management		354	25 011	25 011	314	16 603	18 758	-2 155	-11%	25 011
Waste water management		208	15 890	15 640	26	2 372	11 874	-9 502	-80%	15 640
Waste management		677	3 822	8 147	-2 202	661	4 596	-3 936	-86%	8 147
Other		–	52	–	–	–	18	-18	-100%	–
Total Capital Expenditure - Functional Classification	3	5 630	98 591	116 285	-1 616	42 222	80 968	-38 746	-48%	116 285
Funded by:										
National Government		26	64 627	64 546	319	36 664	48 438	-11 774	-24%	64 546
Transfers recognised - capital		26	64 627	64 546	319	36 664	48 438	-11 774	-24%	64 546
Borrowing	6	–	–	–	–	–	–	–	–	–
Internally generated funds		5 604	33 964	51 739	-1 935	5 557	32 530	-26 972	-83%	51 739
Total Capital Funding		5 630	98 591	116 285	-1 616	42 222	80 968	-38 746	-48%	116 285

As indicated in the Table above, the YTD Actual on capital expenditure as at end of March 2025 amounted to R42 222 000. The total YTD capex is funded from Capital grants R36 664 000 and Internally generated funds R5 557 000. 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

Detail	Month 9 Mar
Cash Receipts by Source	
Property rates	3 342 356
Property rates - penalties & collection charges	0
Service charges - electricity revenue	25 850 952
Service charges - water revenue	12 229 328
Service charges - sanitation revenue	5 990 655
Service charges - refuse revenue	3 715 315
Service charges - other	0
Rental of facilities and equipment	0
Interest earned - external investments	337 438
Interest earned - outstanding debtors	248 673
Dividends received	0
Fines	0
Licences and permits	0
Agency services	0
Transfer receipts - operational	75 421 000
Other revenue	18 652 633
Cash Receipts by Source	145 788 350
Other Cash Flows/Receipts by Source	
Transfer receipts - capital	6 149 000
Contributions recognised - capital & Contributed assets	0
Proceeds on disposal of PPE	0
Short term loans	0
Borrowing long term/refinancing	0
Increase (decrease) in consumer deposits	0
Decrease (Increase) in non-current debtors	0
Decrease (increase) other non-current receivables	0
Decrease (increase) in non-current investments	0
Total Cash Receipts by Source	151 937 350
Cash Payments by Type	
Employee related costs	34 377 567
Remuneration of councillors	1 763 759
Collection costs	0
Interest paid	0
Bulk purchases - Electricity	30 932 832
Bulk purchases - Water & Sewer	0
Other materials	0
Contracted services	13 209 575
Grants and subsidies paid - other municipalities	0
Grants and subsidies paid - other	0
General expenses	25 620 436
Cash Payments by Type	105 904 169
Other Cash Flows/Payments by Type	
Capital assets	2 075 153
Repayment of borrowing	0
Other Cash Flows/Payments	0
Total Cash Payments by Type	107 979 322
Net Increase/(Decrease) in Cash Held	43 958 028
Cash/cash equivalents at the month/year begin:	52 667 501
Cash/cash equivalents at the month/year end:	96 625 529

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.

Moqhaka Local Municipality (FS201): Monthly Budget Statement: S71 Monthly Report: February 2025
5. In-year Budget Statement Tables

The financial results for the period under review are consisting of the following C-Schedule tables:

- (a) Table C1: Summary
- (b) Table C2: Financial Performance (Functional Classification)
- (c) Table C3: Financial Performance (Revenue and Expenditure by Municipal vote)
- (d) Table C4: Financial Performance (Revenue and Expenditure)
- (e) Table C5: Capital Expenditure by vote, functional classification and funding
- (f) Table C6: Statement of Financial Position
- (g) Table C7: Cash Flow

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.

Highlights**Services**

Councillors' debt (>90 days)

Officials debt (>90 days)

Sundry debtors

Telephones (Officials & Councillors)

Indigents**Total Debt 90 Days +**

	31-Jan	28-Feb	% Change	31-Mar	% Change	Reference
Councillors' debt (>90 days)	R 1 514 016	R 1 604 760	6%	R 1 612 175	0%	BP136-r
Officials debt (>90 days)	R 3 052 394	R 3 115 742	2%	R 2 988 222	-4%	BP136-a
Telephones (Officials & Councillors)	R647 559.22	R675 495.51	4%	R679 780.80	1%	BP136-rt
Indigents	R 185 434 718	R 188 210 080	1%	R 196 686 962	5%	BP136-ia
Total Debt 90 Days +	R 190 648 687	R 193 606 078	2%	R 201 967 141	4%	

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.

As of 31 March 2025, the Government Debt was as follows:

MOQHAKA MUNICIPALITY	FINANCIAL YEAR	March	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.	12 436.00	0.00	0.00	11 508.00	606.00	24 550.00	0.00	24 550.00
FREE STATE PROVINCIAL TREASURY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEPARTMENT OF HEALTH (PH)	10 198 282.00	6 296 048.00	0.00	9 747 405.00	26 462.00	26 268 197.00	0.00	26 268 197.00
DEPARTMENT OF EDUCATION (PE)	81070.00	1 112 759.00	131 678.00	14 713 480.00	0.00	16 038 987.00	0.00	16 038 987.00
DEPARTM OF SOCIAL DEV(PS)	0.00	0.00	0.00	254 076.00	0.00	254 076.00	0.00	254 076.00
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)	862 952.00	14 369 350.00	1 276.00	792 355.00	4 147.00	16 030 080.00	0.00	16 030 080.00
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	11 154 740.00	21 778 397.00	132 954.00	25 518 824.00	31 215.00	58 616 130.00	0.00	58 616 130.00
				0.00				
SCHOOLS (SECTION 21)	10 545 329.00	18 732 429.00	5 608.00	6 972.00	86 928.00	29 377 266.00	0.00	29 377 266.00
NATIONAL DEPARTMENTS	WATER	ELEC	RATES	SE & RF	OTHER	TOTAL	PAYMENT	OUTST
CORRECTIONAL SERVICES (NC)	5 439 412.00	276 782.00	0.00	341 840.00	0.00	6 058 034.00	0.00	6 058 034.00
DEFENCE (ND)	3 218 695.00	6 309 938.00	0.00	592 736.00	13 830.00	10 135 199.00	0.00	10 135 199.00
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	24 503.00	130 500.00	171 366.00	54 261.00	78 298.00	458 928.00	0.00	458 928.00
PUBLIC WORKS (NW)	31 702.00	337 599.00	1 592.00	65 437.00	0.00	436 330.00	0.00	436 330.00
SA POLICE(NP)	936 848.00	574 649.00	435.00	907 958.00	1 338.00	2 421 228.00	0.00	2 421 228.00
WATER AFFAIRS (WA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JUSTICE (GJ)	549 429.00	136 831.00	0.00	43 864.00	616.00	730 740.00	0.00	730 740.00
TOTAL	10 200 589.00	7 766 299.00	173 393.00	2 006 096.00	94 082.00	20 240 459.00		20 240 459.00
TOTAL	31 900 658.00	48 277 125.00	311 955.00	27 531 892.00	212 225.00	108 233 855.00	-	108 233 855.00
						TOTAL		108 233 855.00
						LESS CREDIT		0.00
						GRAND TOTAL		108 233 855.00

MUNICIPAL DEBT RETURN FORM - Provincial & National Departments


Municipality: FS201 Moqhaka

Financial Year: 2023/24 2024/25

Reporting Month: M09 March

R'000	Provincial Public Works & Infrastructure	Education		National Public Works	TOTAL
		Section 20 Schools <i>(Payable by Department of Education)</i>	Section 21 Schools <i>(Payable by Schools)</i>		
Property Rates	133			173	306
0-30 Days	19			15	33
31-60 Days	19			15	33
61-90 Days	19			15	33
Over 90 Days	77			129	207
Water	11 155	–	10 545	10 201	31 901
0-30 Days	662	–	405	1 906	2 973
31-60 Days	1 671	–	279	1 480	3 430
61-90 Days	797	–	332	2 004	3 133
Over 90 Days	8 024	–	9 529	4 810	22 364
Electricity	21 778	–	18 732	7 766	48 277
0-30 Days	662	–	1 010	814	2 486
31-60 Days	670	–	769	718	2 157
61-90 Days	859	–	662	421	1 942
Over 90 Days	19 587	–	16 292	5 813	41 692
Sanitation	16 891			1 235	18 126
0-30 Days	1 035			172	1 207
31-60 Days	1 035			160	1 196
61-90 Days	1 035			159	1 194
Over 90 Days	13 785			744	14 529
Refuse Removal	8 628			771	9 399
0-30 Days	529			91	620
31-60 Days	529			85	613
61-90 Days	529			84	612
Over 90 Days	7 042			511	7 553
Other	31	–	100	94	225
0-30 Days	0	–	2	3	5
31-60 Days	0	–	2	2	5
61-90 Days	0	–	2	3	5
Over 90 Days	30	–	94	86	211
TOTAL	58 616	–	29 377	20 240	108 234
0-30 Days	2 907	–	1 417	3 001	7 325
31-60 Days	3 925	–	1 049	2 460	7 434
61-90 Days	3 239	–	995	2 685	6 919
Over 90 Days	48 545	–	25 915	12 095	86 556

Payments received during reporting month (whole amount)	#####			4 872 917.63	#####
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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	M09	FS201	1100	Debtors Age Analysis By Income Source					
			1200	Trade and Other Receivables from Exchange Transactions - Water	22 671 430	24 327 760	19 944 918	816 728 694	883 672 802
			1300	Trade and Other Receivables from Exchange Transactions - Electricity	23 168 943	9 645 712	7 245 847	140 769 132	180 829 634
			1400	Receivables from Non-exchange Transactions - Property Rates	5 852 009	3 744 168	3 364 641	109 985 654	122 946 472
			1500	Receivables from Exchange Transactions - Waste Water Management	8 262 905	6 910 300	6 621 718	248 471 159	270 266 082
			1600	Receivables from Exchange Transactions - Waste Management	5 813 983	4 885 338	4 681 401	180 419 620	195 800 342
			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	1 220 986	1 171 128	882 080	77 059 405	80 333 599
			2000	Total By Income Source	66 990 256	50 684 406	42 740 605	1 573 433 664	1 733 848 931
			2100	Debtors Age Analysis By Customer Group					
			2200	Organs of State	14 777 911	6 920 547	5 826 684	80 755 374	108 280 516
			2300	Commercial	23 888 164	9 369 841	7 377 712	158 299 795	198 935 512
			2400	Households	32 784 340	31 848 985	26 604 696	1 213 254 897	1 304 492 918
			2500	Other	-4 460 159	2 545 033	2 931 513	121 123 598	122 139 985
			2600	Total By Customer Group	66 990 256	50 684 406	42 740 605	1 573 433 664	1 733 848 931

Comments:

Total outstanding debt has increased from R1 721 605 132 in February 2025 to R1 733 848 931 in March 2025. The 1% increase amounting to R12 243 799 is a result of minimum/non-payments of accounts.

Water outstanding debt was R875 418 729 in February 2025 and has increased to R883 672 802 in March 2025, and that accounts for 51% of the outstanding debt due to non-payment, burst pipes, leaking water meters.

Electricity outstanding debt was R183 438 583 in February 2025 and has decreased to R180 829 634 in March 2025. This is 1.4% of the total February debt, mainly due to arrangements made when a disconnection notice was issued.

There were also payments from different categories of debtors for service and availability/basic charges for infrastructure maintenance.

Property Rates outstanding debt was R120 461 458 and has increased to R122 946 472 in March 2025. This account for 7% against total debt.

Sanitation/Sewerage accounts for 16% of the total outstanding debt with R268 688 371 in February 2025 and has increased to R270 266 082 in March 2025, and also emanates from non-payment of accounts.

Total outstanding debt for Refuse Removal or Solid Waste was R193 936 403 in February 2025 and has increased to R195 800 342 in March 2025. This accounts for 11% of the total outstanding debt.

Total for Other Debt or Sundries was R79 661 318 in February 2025 and has increased to R80 333 599 in March 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 R122 863 055 in February 2025 and has decreased to R108 280 516 in March 2025. This represents 7% of the total outstanding debt that Public Works is in the process of addressing.

Business/Commercial debt was R196 524 361 in February 2025 and has increased to R198 935 512 in March 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 281 793 135 in February 2025 and has increased to R1 304 492 918 in March 2025. That accounts for 75% of the total debt. This is inclusive of R196 686 962 owed by indigent households.

The remaining Other Income debt by many other various categories of debtors was R120 424 581 in February 2025 and has increased to R122 139 985 in March 2025 that is 7% of the total outstanding debt.

At the end of February 2025, the total debt by Councillors was R1 604 760 and R1 612 175 in March 2025, Officials owed R3 115 742 in February 2025 and R2 988 222 in March 2025 (4% decrease).

Telephone accounts had a balance of R675 495.51 in February 2025 and has increased to R679 780.80 in March 2025 (1% 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.

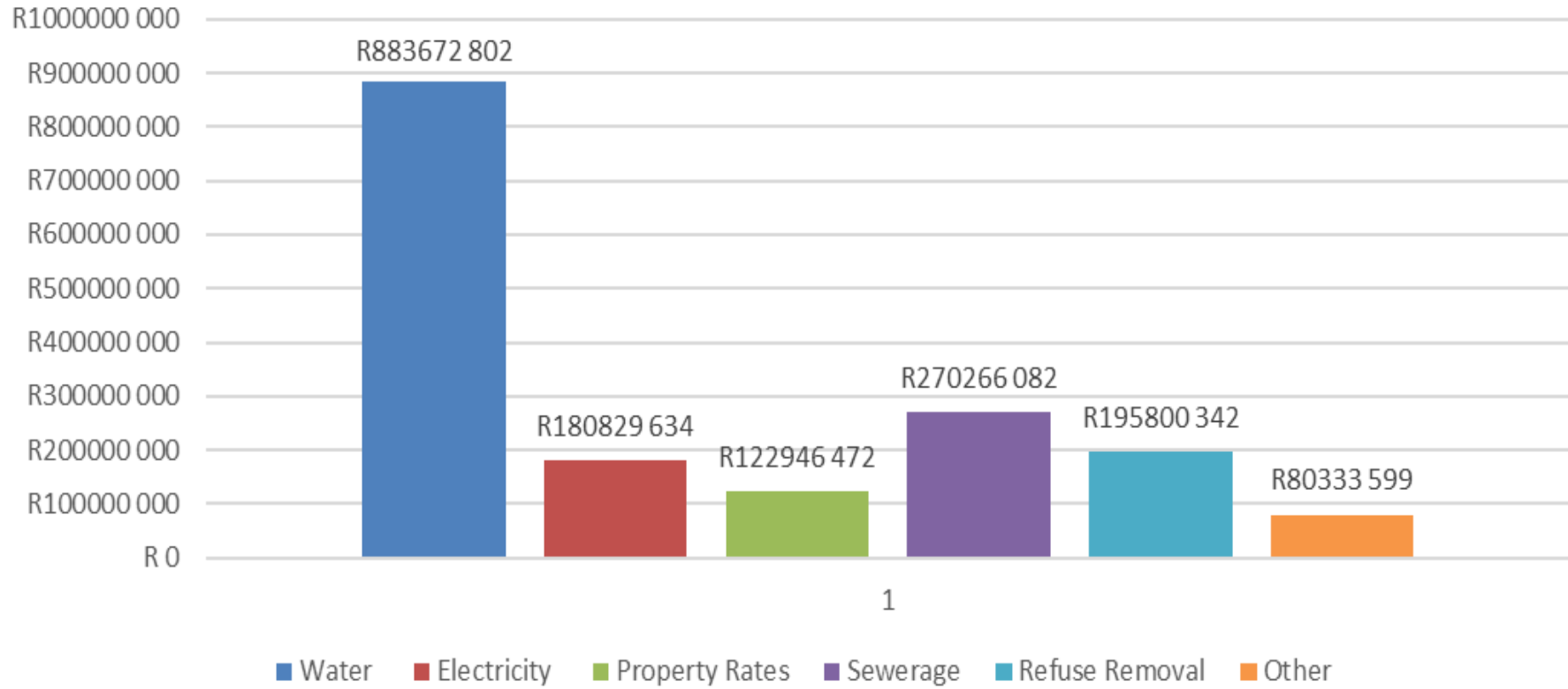
There are currently 4 debt collection companies appointed until June 2025, but their performance was hampered by the cyber-attack on the financial system between 05 June 2023 and 30 April 2024.

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.

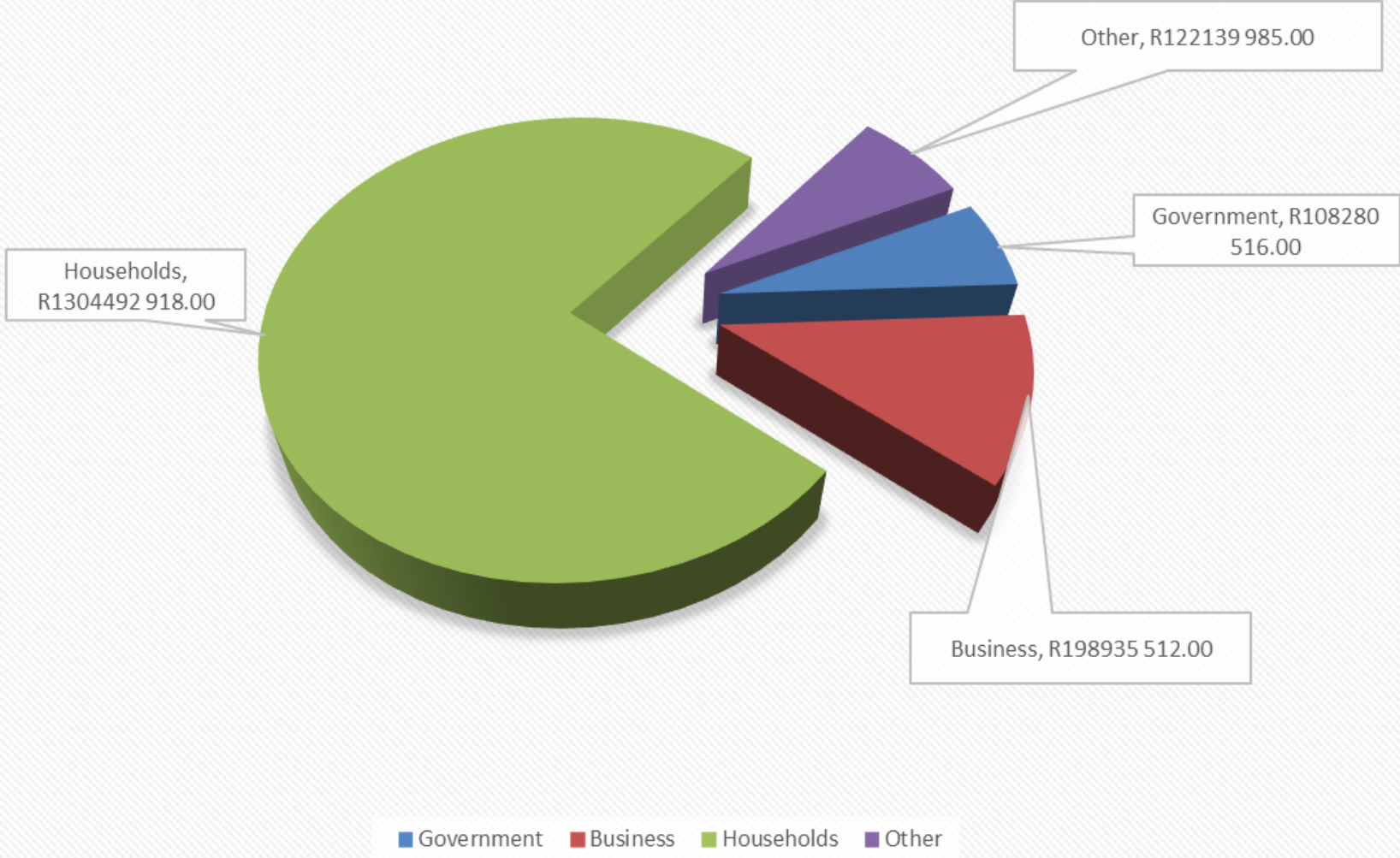
The suspension of the Municipal Manager & the delay in appointing the Directors, including the Chief Financial officer plays a very critical role in the financial distress facing the municipality.

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



Age Analysis By Customer Group



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	139 890 322.09	15 389 582.26	-672 739.74	22 605.12	57 390.00	14 796 837.64	-12 908 896.02	141 778 263.71	-87%	1 887 941.62
2	607 690 437.15	19 700 288.98	-5 393 522.31	5 662.85	3 235.00	14 315 664.52	-2 844 208.26	619 161 893.41	-20%	11 471 456.26
3	2 727 718.96	2 982 184.06	0.00	0.00	0.00	2 982 184.06	-2 726 824.00	2 983 079.02	-91%	255 360.06
4	56 870 044.83	572 615.32	220 632.11	0.00	0.00	793 247.43	-92 579.47	57 570 712.79	-12%	700 667.96
6	18 870 989.10	1 284 879.73	-813.89	0.00	0.00	1 284 065.84	-2 385 697.83	17 769 357.11	-186%	-1 101 631.99
7	25 008 743.72	1 019 805.78	-222 462.11	3 652.09	0.00	800 995.76	-354 371.45	25 455 368.03	-44%	446 624.31
8	9 422 081.15	443 138.80	-346.91	0.00	0.00	442 791.89	-175 859.20	9 689 013.84	-40%	266 932.69
9	2 364 288.74	14 601.50	1 686.62	17 679.92	0.00	33 968.04	-820.00	2 397 436.78	-2%	33 148.04
10	64 326 894.18	11 666 503.09	-1 149 547.66	0.00	0.00	10 516 955.43	-11 489 309.64	63 354 539.97	-109%	-972 354.21
11	85 640 122.13	2 509 015.07	-480 872.34	0.00	0.00	2 028 142.73	-681 073.53	86 987 191.33	-34%	1 347 069.20
13	589 238 157.74	11 838 998.03	-1 208 514.54	0.00	11 532.00	10 642 015.49	-3 094 722.17	596 785 451.06	-29%	7 547 293.32
14	7 317 664.59	3 943 028.89	0.00	0.00	0.00	3 943 028.89	-4 817 595.88	6 443 097.60	-122%	-874 566.99
15	6 838.99	73.67	0.00	0.00	0.00	73.67	0.00	6 912.66	0%	73.67
16	112 230 828.28	7 653 034.14	-20 790.50	977.34	0.00	7 633 220.98	-16 397 435.58	103 466 613.68	-215%	-8 764 214.60
	1 721 605 131.65	79 017 749.32	-8 927 291.27	50 577.32	72 157.00	70 213 192.37	-57 969 393.03	1 733 848 930.99	-83%	12 243 799.34


The March 2025 total billing was R70 213 192,37 from R77 704 978.74 in February 2025.

7. Creditors' Analysis

Creditors						
Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 1 Year	Total -
Bulk Electricity	48 041 158	91 094 724			1 550 825 288	1 689 961 170
Loan repayments	632 446	618 418	1 200 632		631 881	3 083 377
Trade Creditors	9 380 208	9 380 208	332 963	3 744 630		22 838 009
Auditor General						-
DWS	1 487 225	1 563 260	7 015 323		9 758 347	19 824 155
						-
GOVERNMENT GARAGE						-
Total	59 541 037	102 656 610	8 548 918	3 744 630	1 561 215 516	1 735 706 711

Bulk Electricity – As at the 31 March 2025, the outstanding debt owed to Eskom amounted to R1 550 825 288. 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 – has been paid in full. Other creditors – includes Sundry creditors which were unpaid as at 31 March 2025 amount to R19 824 155.

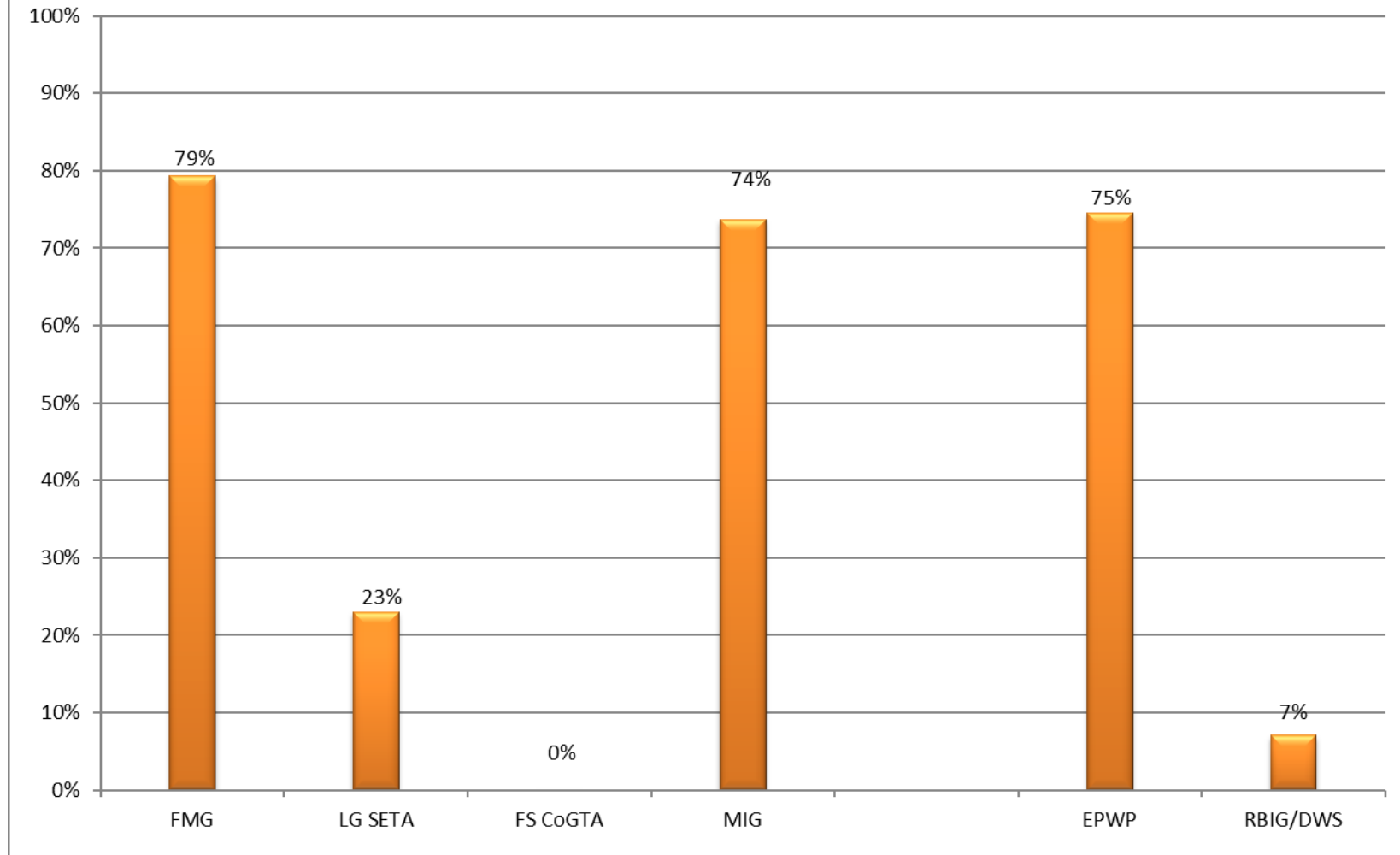
8. Investment portfolio analysis

Moghaka Municipality				
Year End	30-Jun-25			
Section	Finance			
Compiled by	ID Mphosi			
Purpose	Investment Register			
				
<i>The municipality holds the following investments with ABSA Bank.</i>				
Detail	Bank Acc num	Type of investment	Vote num	
ABSA - 1	20-7531-4898	Fixed Deposit	34055053140ZZZZZZWWM	
ABSA - 2	20-5824-7882	Fixed Deposit	34055053040ZZZZZZWWM	
ABSA - 3	91-3190-1443	Call Account	34055053240ZZZZZZWWM	
	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
Invested	-	-	49 977 242,08	49 977 242,08
Withdrawn	-	-	67 497 000,00	67 497 000,00
Interest earned	-	-	-18 000 000,00	-18 000 000,00
			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
Invested	52,02	-	1 799 349,35	-
Withdrawn	-	-	50 181 646,00	50 181 646,00
Interest earned	-	-	-49 000 000,00	-49 000 000,00
	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
Invested	54,01	-	-6 641 111,88	-6 641 057,87
Withdrawn	-	-	31 637 000,00	31 637 000,00
Interest earned	-	-	-38 812 716,43	-38 812 716,43
	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
Invested	-	-	-9 984 209,17	-21 000 000,00
Withdrawn	-	-	7 500 000,00	7 500 000,00
Interest earned	-	-	-18 000 000,00	-18 000 000,00
	-	-	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
Invested	108,04	10 984,97	-21 593 518,24	-21 582 425,23
Withdrawn	-	-	10 000 000,00	10 000 000,00
Interest earned	108,04	10 984,97	-32 014 613,34	-32 014 613,34
			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
Invested	-	-	27 570 030,17	27 570 030,17
Withdrawn	-	-	87 792 000	87 792 000,00
Interest earned	-	-	-60 700 000	-60 700 000,00
	-	-	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
Invested	-	-	-18 069 414,23	-18 069 414,23
Withdrawn	-	-	12 500 000,00	12 500 000,00
Interest earned	-	-	-31 000 000,00	-31 000 000,00
	-	-	430 585,77	430 585,77
Balance at 31-Jan-2025	5 822,96	129 607,22	63 845 493,93	63 980 924,11
Invested	110,08	-	-13 701 546,01	-13 701 435,93
Withdrawn	-	-	10 000 000,00	10 000 000,00
Interest earned	110,08	-	-24 000 000,00	-24 000 000,00
			298 453,99	298 564,07
Balance at 28-Feb-2025	5 933,04	129 607,22	50 143 947,92	50 279 488,18
Invested	-	-	37 265 438,20	37 265 438,20
Withdrawn	-	-	62 928 000,00	62 928 000,00
Interest earned	-	-	26 000 000,00	26 000 000,00
Interest accrued	-	-	337 438,20	337 438,20
Balance at 31-Mar-2025	5 933,04	129 607,22	87 409 386,12	139 544 926,38

9. Allocation and grant receipts and expenditure

Report on conditional grants at	March 2025					
Municipality:	FS201 Moqhaka					
Financial Accounting for Grant Funds Received and Expended						
	OPERATIONAL GRANTS		CAPITAL GRANTS			
	Finance Management Grant (FMG)	LG SETA (Mandatory)	Municipal Infrastructure Grant (MIG)	Extended Public Works Programme (EPWP)	Water Services Infrastructure Grant (WSIG)	Total Capital Grants
DORA Allocation for the 2019/20	2 300 000					-
Unspent grants at beginning of the financial year		2 791 897				-
Received Prior Months	2 300 000	289 362	40 426 000	1 104 000	16 233 383	57 763 383
Received This Month	-	-	6 149 000	-	-	6 149 000
Total Funds Received	2 300 000	3 081 259	46 575 000	1 104 000	16 233 383	63 912 383
Spent Prior Months	1 718 036	642 942	31 819 138	719 110	1 151 740	33 689 988
Spent This Month	105 216	-	2 498 721	103 740	-	2 602 461
Grants refunded					-	-
Total Funds Spent	1 823 252	642 942	34 317 859	822 850	1 151 740	36 292 449
Total funds Received and Not Spent	476 748	2 438 317	12 257 141	281 150	15 081 643	27 619 934
Percentage of Funds Spent	79%	23%	74%	75%	7%	57%
Funds Currently Committed but Not Spent	-	-	-	-	-	-
Scheduled Transfers Withheld	-	-	-	-	-	-

GRANTS SPENDING 2024/25



FS201 Moqhaka - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M09 March

Description	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									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	283 146	310 788	302 167	74 747	276 151	229 643	46 509	20,30%	302 167
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	278 006	298 568	298 568	74 642	274 328	223 926	50 402	22,50%	298 568
Expanded Public Works Programme Integrated Grant	-	9 920	1 299	-	-	3 992	-3 992	-100,00%	1 299
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant	2 300	2 300	2 300	105	1 823	1 725	98	5,70%	2 300
Municipal Disaster Relief Grant	2 840	-	-	-	-	-	-	-	-
Provincial Government:	29 247	-	-	-	-	-	-	-	-
Infrastructure Grant	29 247	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
[insert description]	-	-	-	-	-	-	-	-	-
Other grant providers:	1 661	726	3 081	-	720	1 487	-766	-51,60%	3 081
ESKOM	-	-	-	-	-	-	-	-	-
National Economical Development and Labour Council	1 463	-	-	-	720	-	720	-	-
National Skills Fund	198	726	3 081	-	-	1 487	-1 487	-100,00%	3 081
Total Operating Transfers and Grants	314 054	311 514	305 248	74 747	276 871	231 129	45 742	19,80%	305 248
Capital Transfers and Grants									
National Government:	51 222	64 627	64 546	-	31 256	48 438	-17 182	-35,50%	64 546
Integrated National Electrification Programme Grant	2 050	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	44 352	46 656	46 575	-	30 104	34 960	-4 856	-13,90%	46 575
Water Services Infrastructure Grant	4 820	17 971	17 971	-	1 152	13 478	-12 327	-91,50%	17 971
Provincial Government:	-	1 237	-	-	-	433	-433	-100,00%	-
Capacity Building and Other Grants	-	-	-	-	-	-	-	-	-
Infrastructure Grant	-	1 237	-	-	-	433	-433	-100,00%	-
District Municipality:	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
Other grant providers:	5	-	-	-	-1	-	-1	-	-
Office of the Pension Fund Adjudicator	-2	-	-	-	-1	-	-1	-	-
Unspecified	7	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	51 227	65 864	64 546	-	31 255	48 871	-17 616	-36,00%	64 546

FS201 Moqhaka - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

Description	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								%	
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	100 324	137 896	134 882	11 045	88 114	102 223	-14 109	-13,80%	134 882
Equitable Share	97 207	125 676	131 283	10 835	85 724	96 506	-10 783	-11,20%	131 283
Expanded Public Works Programme Integrated Grant	1 359	9 920	1 299	113	801	3 992	-3 190	-79,90%	1 299
Local Government Financial Management Grant	2 012	2 300	2 300	97	1 602	1 725	-123	-7,20%	2 300
Municipal Disaster Relief Grant	-253	-	-	-	-13	-	-13		-
Water Services Infrastructure Grant	-	-	-	-	-	-	-		-
Provincial Government:	-	-	-	-	-	-	-		-
Other grant providers:	184	1 000	3 081	-	577	1 583	-1 005	-63,50%	3 081
Education Training and Development Practices SETA	184	1 000	3 081	-	577	1 583	-1 005	-63,50%	3 081
Total operating expenditure of Transfers and Grants:	100 508	138 896	137 963	11 045	88 692	103 806	-15 114	-14,60%	137 963
Capital expenditure of Transfers and Grants									
National Government:	26	64 627	64 546	319	36 664	48 438	-11 774	-24,30%	64 546
Municipal Disaster Relief Grant	26	-	-	-	-	-	-		-
Municipal Infrastructure Grant	0	46 656	46 575	319	24 670	34 960	-10 289	-29,40%	46 575
Water Services Infrastructure Grant	-	17 971	17 971	-	11 994	13 478	-1 484	-11,00%	17 971
Provincial Government:	-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants	26	64 627	64 546	319	36 664	48 438	-11 774	-24,30%	64 546
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	100 535	203 523	202 509	11 364	125 356	152 243	-26 888	-17,70%	202 509

- R74 747 000 of Operational grant monies was received for the month under review.
- There was no Capital grant money received for the month under review.

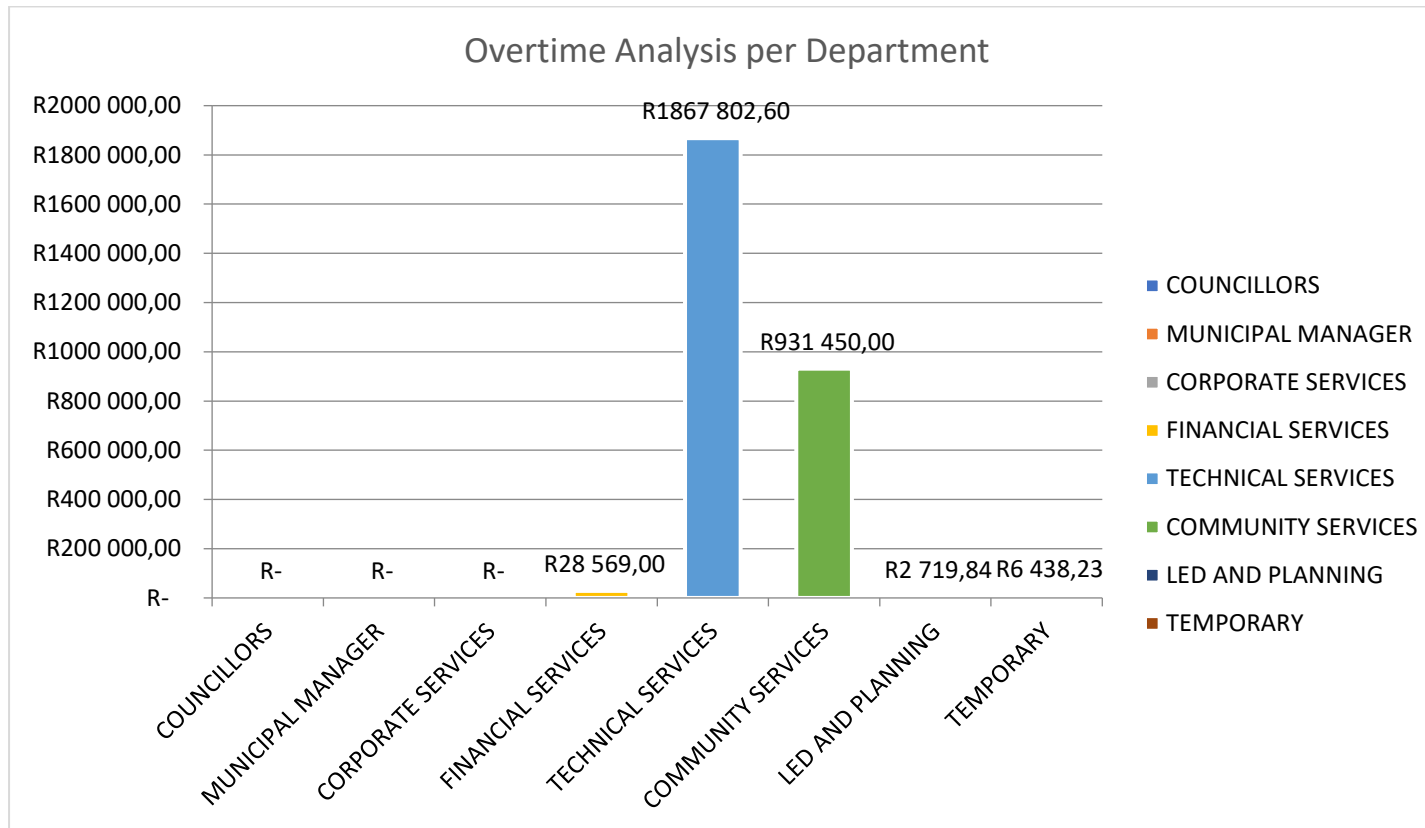
- Correcting journals are processed monthly to recognize capital grant receipts in the Statement of Financial Performance, once all conditions of the grant have been met.

10. Councillor and board member allowances and employee benefits

FS201 Moqhaka - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 March

Summary of Employee and Councillor remuneration	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	A	B	C					%	D
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	4 831	7 394	7 394	250	3 209	5 545	-2 336	-42%	7 394
Pension and UIF Contributions	1 708	1 839	1 839	144	1 316	1 379	-63	-5%	1 839
Medical Aid Contributions	737	1 194	1 194	61	569	895	-326	-36%	1 194
Motor Vehicle Allowance	12 926	14 071	14 071	1 135	10 257	10 553	-296	-3%	14 071
Cellphone Allowance	1 956	2 882	2 882	172	1 590	2 162	-572	-26%	2 882
Housing Allowances							-		
Other benefits and allowances	93	2 198	661	2	21	1 034	-1 013	-98%	661
Sub Total - Councillors	22 251	29 578	28 040	1 764	16 962	21 568	-4 606	-21%	28 040
% increase		32,90%	26,00%						26,00%
Senior Managers of the Municipality									
Basic Salaries and Wages	1 333	5 495	4 151	161	1 255	3 584	-2 329	-65%	4 151
Pension and UIF Contributions	125	461	408	23	194	324	-131	-40%	408
Medical Aid Contributions	-	284	200	-	-	179	-179	-100%	200
Overtime							-		
Performance Bonus	92	542	263	-	-	295	-295	-100%	263
Motor Vehicle Allowance	718	1 197	1 089	87	684	855	-170	-20%	1 089
Cellphone Allowance	48	82	72	7	44	58	-14	-24%	72
Housing Allowances	-	361	232	-	-	219	-219	-100%	232
Other benefits and allowances	-	-	-	-	-	-	-		-
Payments in lieu of leave	-	-	-	-	-	-	-		-
Long service awards	-	-	-	-	-	-	-		-
Post-retirement benefit obligations	15 702	6 495	5 767	463	1 351	4 580	-3 229	-71%	5 767
Entertainment	36	31	24	-	-	20	-20	-100%	24
Scarcity							-		
Acting and post related allowance							-		
In kind benefits							-		
Sub Total - Senior Managers of Municipality	18 052	14 948	12 205	741	3 527	10 114	-6 587	-65%	12 205
% increase		-17,20%	-32,40%						-32,40%
Other Municipal Staff									
Basic Salaries and Wages	229 995	271 059	242 681	20 764	187 716	191 943	-4 227	-2%	242 681
Pension and UIF Contributions	42 300	45 506	46 935	4 053	35 224	34 702	522	2%	46 935
Medical Aid Contributions	25 041	25 516	26 626	2 501	21 415	19 581	1 834	9%	26 626
Overtime	40 338	33 932	32 542	2 741	28 524	24 902	3 622	15%	32 542
Performance Bonus	18 206	21 302	21 340	734	15 226	15 992	-766	-5%	21 340
Motor Vehicle Allowance	21 518	24 606	24 407	1 726	16 239	18 375	-2 136	-12%	24 407
Cellphone Allowance	496	872	746	38	339	604	-265	-44%	746
Housing Allowances	1 560	2 013	1 999	164	1 338	1 504	-167	-11%	1 999
Other benefits and allowances	3 971	4 284	4 326	385	3 619	3 230	389	12%	4 326
Payments in lieu of leave	7 051	3 076	3 979	414	3 281	2 668	613	23%	3 979
Long service awards	224	2 112	1 622	23	1 622	1 222	400	15%	1 622

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.

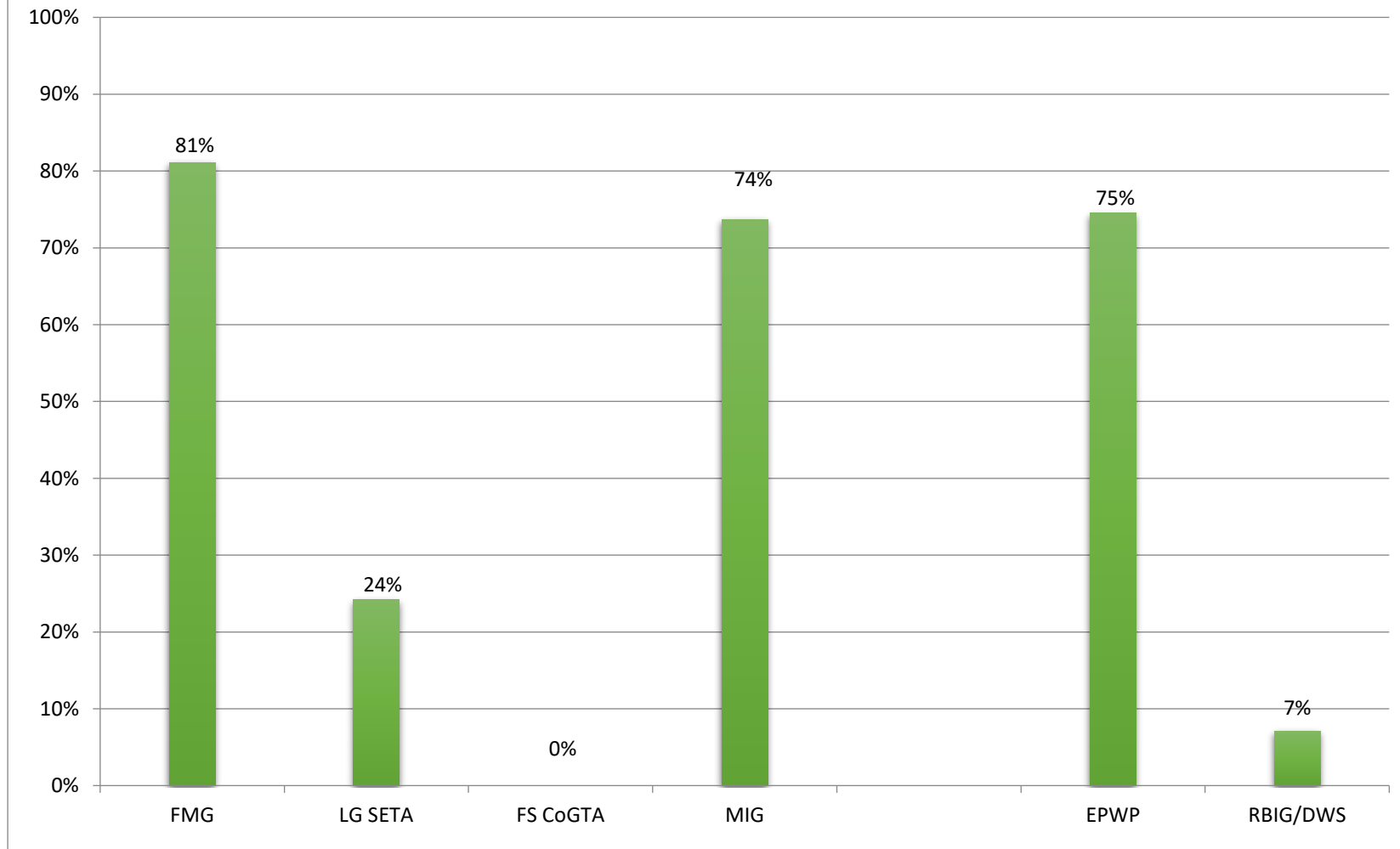
11. Material Variances to the Service Delivery and Budget Implementation Plan

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 30 September 2024.

12. Capital programme performance

Report on conditional grants at	30 April 2025					
Municipality:	FS201 Moqhaka					
Financial Accounting for Grant Funds Received and Expended						
	OPERATIONAL GRANTS		CAPITAL GRANTS			
	Finance Management Grant (FMG)	LG SETA (Mandatory)	Municipal Infrastructure Grant (MIG)	Extended Public Works Programme (EPWP)	Water Services Infrastructure Grant (WSIG)	Total Capital Grants
DORA Allocation for the 2019/20	2 300 000					-
Unspent grants at beginning of the financial year		2 791 897				-
Received Prior Months	230 000	289 362				-
Received This Month	-	125 566	-	-	-	-
Total Funds Received	230 000	3 206 825	46 575 000	1 104 000	16 233 383	63 912 383
Spent Prior Months	1 823 252	642 942	34 317 859	822 850	1 151 740	36 292 449
Spent This Month	41 666	32 852			-	-
Grants refunded					-	-
Total Funds Spent	1 864 918	675 794	34 317 859	822 850	1 151 740	36 292 449
Total funds Received and Not Spent	-1 634 918	2 531 031	12 257 141	281 150	15 081 643	27 619 934
Percentage of Funds Spent	81%	24%	74%	75%	7%	57%
Funds Currently Committed but Not Spent	-	-	-	-	-	-
Scheduled Transfers Withheld	-	-	-	-	-	-

GRANTS SPENDING 30 April 2025



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



ESKOM
APRIL 25

Audit Trail

Batch Transfer

Wed, Apr 30, 2025 at 02:45:23 PM

Group **19058 - MOQHAKA LOCAL MUNICIPALITY**
Operator **010 - PAULA DARINA DU PLESSIS**
Batch Name & Description **90044805 90044805**
Status **Finally Approved**

	Captured	First Approver	Second Approver	Third Approver	Final Approver
Operator	10	31			22
Operator Name	PAULA DARINA DU PLESSIS	RYAN D BUYS			SAMUEL THELETSANE
Approval Level					
Date	2025/04/30	2025/04/30			2025/04/30
Time	12:16:30	14:01:56			14:33:35
Roll-over Date					

Batch Status

Batch Details

Batch Entry Number 1

From Account	334536	MOQHAKA LOCAL MUNICIPALITY - 000004053274876		
Description	9345061750 90044805		Frequency	Adhec
Beneficiary Code				
To Account	223626	ESKOM 9345061750 - 0000055070067316		
Description	MOQHAKA MUNICIPALITY		Mandate	
Date	2025/04/30		Amount	1,000,000.00
Roll-over date				
Transaction Number	258431		Transaction Status	\$
Immediate Interbank Payment	No			

To View Payment Confirmation Details [click here](#).

Important Notice for Payments: To view cut-off times [click here](#). No reversals can be done on payments.

To View Payment Confirmation Cost Analysis [click here](#).



Audit Trail

Batch Transfer

Fri, Apr 11, 2025 at 01:17:05 PM

Group **19058 - MOQHAKA LOCAL MUNICIPALITY**

Operator **010 - PAULA DARINA DU PLESSIS**

Batch Name & Description **90044674 90044674**

Status **Finally Approved**

Batch Status

Operator	Captured	First Approver	Second Approver	Third Approver	Final Approver
	10	21			22
Operator Name	PAULA DARINA DU PLESSIS	IRENE MOKHESENG			SAMUEL THELETSANE
Approval Level					
Date	2025/04/11	2025/04/11			2025/04/11
Time	11:20:59	12:42:06			13:09:06
Roll-over Date					

Batch Details

Batch Entry Number 1

From Account	334536	MOQHAKA LOCAL MUNICIPALITY - 000004053274876		
Description	9345061750 90044674		Frequency	Adhoc
Beneficiary Code				
To Account	223626	ESKOM 9345061750 - 0000055070067316		
Description	MOQHAKA MUNICIPALITY		Mandate	
Date	2025/04/11		Amount	500,000.00
Roll-over date				
Transaction Number	257009		Transaction Status	S
Immediate Interbank Payment	No			

To View Payment Confirmation Details [click here](#).

Important Notice for Payments: To view cut-off times [click here](#). No reversals can be done on payments.

To View Payment Confirmation Cost Analysis [click here](#).

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.moghaka.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 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 Expenditur

15. Annexure A: C-schedules

FS201 Moqhaka - Table C1 Monthly Budget Statement Summary - M10 April

Description	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									
Financial Performance									
Property rates	88 207	90 509	90 811	7 849	78 225	75 605	2 620	3%	90 811
Service charges	680 651	867 189	804 036	61 558	579 776	684 766	(104 989)	-15%	804 036
Investment revenue	34	30	61	–	39	43	(5)	-11%	61
Transfers and subsidies - Operational	314 054	311 514	305 248	–	276 871	255 836	21 036	0	305 248
Other own revenue	131 648	76 386	126 714	14 031	102 161	93 852	8 310	9%	–
Total Revenue (excluding capital transfers and contributions)	1 214 593	1 345 628	1 326 870	83 438	1 037 073	1 110 101	(73 028)	-7%	1 326 870
Employee costs	409 580	451 339	424 010	35 236	355 541	359 727	(4 186)	-1%	424 010
Remuneration of Councillors	22 251	29 578	28 040	1 883	18 845	23 726	(4 881)	-21%	28 040
Depreciation and amortisation	121 050	9 870	9 870	–	–	8 226	(8 226)	-100%	9 870
Interest	6 029	8 698	8 698	550	5 500	7 248	(1 748)	-24%	8 698
Inventory consumed and bulk purchases	433 439	448 663	421 731	1 906	33 761	357 481	(323 720)	-91%	421 731
Transfers and subsidies	84	1 049	1 049	22	78	874	(797)	-91%	1 049
Other expenditure	445 128	361 269	405 870	13 437	206 030	328 054	(122 024)	-37%	405 870
Total Expenditure	1 437 562	1 310 466	1 299 269	53 034	619 755	1 085 337	(465 582)	-43%	1 299 269
Surplus/(Deficit)	(222 968)	35 162	27 601	30 404	417 318	24 764	392 554	1585%	27 601
Transfers and subsidies - capital (monetary allocations)	51 220	64 627	64 546	–	31 255	53 807	###	-42%	64 546
Transfers and subsidies - capital (in-kind)	7	1 237	–	8	8	289	(280)	-97%	–
Surplus/(Deficit) after capital transfers & contributions	(171 741)	101 026	92 147	30 412	448 581	78 860	369 721	469%	92 147
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(171 741)	101 026	92 147	30 412	448 581	78 860	369 721	469%	92 147
Capital expenditure & funds sources									
Capital expenditure	5 630	98 591	116 285	6 483	48 705	92 740	(44 035)	-47%	116 285
Capital transfers recognised	26	64 627	64 546	6 283	42 948	53 807	(10 860)	-20%	64 546
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	5 604	33 964	51 739	200	5 757	38 933	(33 175)	-85%	51 739
Total sources of capital funds	5 630	98 591	116 285	6 483	48 705	92 740	(44 035)	-47%	116 285
Financial position									
Total current assets	687 941	448 185	448 185		982 601				448 185
Total non current assets	2 000 694	2 983 725	3 001 419		2 009 554				3 001 419
Total current liabilities	1 504 976	516 230	532 083		1 414 135				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		1 432 668				2 859 864

FS201 Moqhaka - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M10 April

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		421 969	307 563	321 038	13 051	376 898	264 387	112 510	43%	321 038
Executive and council		307 242	204 456	206 199	2 309	281 933	171 425	110 508	64%	206 199
Finance and administration		114 726	103 108	114 839	10 743	94 964	92 962	2 002	2%	114 839
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		13 971	26 947	26 949	520	9 434	22 457	(13 023)	-58%	26 949
Community and social services		1 850	3 573	3 573	152	1 452	2 977	(1 525)	-51%	3 573
Sport and recreation		2 893	5 232	5 232	156	2 224	4 360	(2 136)	-49%	5 232
Public safety		2 849	4 905	4 907	42	1 163	4 089	(2 926)	-72%	4 907
Housing		6 379	13 237	13 237	170	4 595	11 031	(6 436)	-58%	13 237
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		48 147	48 603	48 784	129	32 578	40 611	(8 033)	-20%	48 784
Planning and development		2 269	1 729	1 881	129	1 645	1 532	113	7%	1 881
Road transport		45 878	46 763	46 792	-	30 932	38 987	(8 054)	-21%	46 792
Environmental protection		-	110	110	-	-	92	(92)	-100%	110
Trading services		781 733	1 028 379	994 645	69 746	649 427	836 742	(187 315)	-22%	994 645
Energy sources		404 111	584 727	515 763	39 296	340 337	445 894	(105 557)	-24%	515 763
Water management		212 197	265 446	285 953	17 343	181 182	233 509	(52 327)	-22%	285 953
Waste water management		108 812	103 334	111 956	7 666	74 869	91 285	(16 416)	-18%	111 956
Waste management		56 613	74 873	80 973	5 441	53 039	66 054	(13 015)	-20%	80 973
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 265 820	1 411 492	1 391 416	83 446	1 068 336	1 164 197	(95 861)	-8%	1 391 416
Expenditure - Functional										
Governance and administration		365 531	327 192	357 006	19 509	244 544	290 537	(45 992)	-16%	357 006
Executive and council		130 579	107 648	112 181	2 714	75 595	92 427	(16 833)	-18%	112 181
Finance and administration		231 006	214 976	240 257	16 409	165 541	194 302	(28 761)	-15%	240 257
Internal audit		3 945	4 568	4 568	386	3 409	3 807	(398)	-10%	4 568
Community and public safety		103 864	125 520	124 799	8 631	82 966	104 169	(21 204)	-20%	124 799
Community and social services		16 137	18 759	19 785	984	9 921	16 288	(6 367)	-39%	19 785
Sport and recreation		40 542	48 127	52 002	3 832	32 649	42 391	(9 742)	-23%	52 002
Public safety		39 276	49 422	43 234	3 140	33 285	37 473	(4 188)	-11%	43 234
Housing		7 910	9 212	9 778	675	7 110	8 016	(907)	-11%	9 778
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		87 217	72 713	70 107	3 425	51 196	59 431	(8 236)	-14%	70 107
Planning and development		8 862	13 818	12 178	834	8 021	10 531	(2 510)	-24%	12 178
Road transport		75 133	54 826	53 797	2 387	40 814	45 471	(4 657)	-10%	53 797
Environmental protection		3 222	4 069	4 133	204	2 360	3 429	(1 069)	-31%	4 133
Trading services		879 852	781 911	744 826	21 344	239 950	628 952	(389 003)	-62%	744 826
Energy sources		539 525	517 289	475 468	5 092	50 580	405 582	(355 003)	-88%	475 468
Water management		171 920	116 593	108 600	4 857	69 823	92 995	(23 172)	-25%	108 600
Waste water management		100 230	73 954	81 176	6 334	64 646	65 332	(686)	-1%	81 176
Waste management		68 176	74 075	79 582	5 061	54 901	65 043	(10 143)	-16%	79 582
Other		1 098	3 130	2 529	124	1 100	2 248	(1 148)	-51%	2 529
Total Expenditure - Functional	3	1 437 562	1 310 466	1 299 269	53 034	619 755	1 085 338	(465 583)	-43%	1 299 269
Surplus/ (Deficit) for the year		(171 741)	101 026	92 147	30 412	448 581	78 859	369 722	4,6883696	92 147

FS201 Moqhaka - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10 April

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	2 309	281 933	171 425	110 508	64,5%	206 199
Vote 02 - Municipal Manager		2 840	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		196	2 301	4 656	148	(1 187)	3 330	(4 518)	-135,6%	4 656
Vote 04 - Finance		111 091	100 441	109 452	10 550	95 792	89 107	6 685	7,5%	109 452
Vote 05 - Technical Services		770 998	1 000 269	960 464	64 305	627 320	809 674	(182 355)	-22,5%	960 464
Vote 06 - Community Services		61 430	83 843	89 945	5 625	55 710	73 531	(17 820)	-24,2%	89 945
Vote 07 - Local Economic Development		12 023	20 183	20 700	510	8 768	17 129	(8 361)	-48,8%	20 700
Vote 08 - .		-	-	-	-	-	-	-	-	-
Vote 09 - .		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 265 820	1 411 492	1 391 416	83 446	1 068 336	1 164 197	(95 861)	-8,2%	1 391 416
Expenditure by Vote										
	1									
Vote 01 - Executive & Council		102 817	99 504	104 875	2 131	70 168	86 143	(15 975)	-18,5%	104 875
Vote 02 - Municipal Manager		22 600	28 093	27 584	2 063	19 963	23 106	(3 143)	-13,6%	27 584
Vote 03 - Corporate Services		61 986	60 329	68 943	3 184	40 241	55 437	(15 196)	-27,4%	68 943
Vote 04 - Finance		72 264	69 950	77 836	6 644	56 901	63 014	(6 113)	-9,7%	77 836
Vote 05 - Technical Services		902 783	773 445	729 665	19 946	232 670	618 271	(385 601)	-62,4%	729 665
Vote 06 - Community Services		243 247	233 399	247 054	16 057	170 745	202 704	(31 959)	-15,8%	247 054
Vote 07 - Local Economic Development		31 864	45 745	43 312	3 008	29 067	36 662	(7 594)	-20,7%	43 312
Vote 08 - .		-	-	-	-	-	-	-	-	-
Vote 09 - .		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 437 562	1 310 466	1 299 269	53 034	619 755	1 085 337	(465 582)	-42,9%	1 299 269
Surplus/ (Deficit) for the year	2	(171 741)	101 026	92 147	30 412	448 581	78 860	369 721	468,8%	92 147

FS201 Moqhaka - Table C6 Monthly Budget Statement - Financial Position - M10 April

Description	Ref	Budget Year 2024/25				
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		(9 905)	2 783	2 783	9 157	2 783
Trade and other receivables from exchange transactions		525 811	236 799	236 799	746 985	236 799
Receivables from non-exchange transactions		53 531	41 960	41 960	75 388	41 960
Current portion of non-current receivables						
Inventory		87 485	100 984	100 984	82 747	100 984
VAT		904	34 445	34 445	12 490	34 445
Other current assets		30 115	31 215	31 215	55 833	31 215
Total current assets		687 941	448 185	448 185	982 601	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	2 798 584	1 876 222	2 798 584
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	3 001 419	2 009 554	3 001 419
TOTAL ASSETS		2 688 634	3 431 910	3 449 603	2 992 155	3 449 603
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	(2 032)	(2 032)	(2 585)	(2 032)
Consumer deposits		13 550	13 734	13 734	15 032	13 734
Trade and other payables from exchange transactions		1 304 802	485 809	501 663	1 135 154	501 663
Trade and other payables from non-exchange transactions		27 032	–	–	64 994	–
Provision		162 036	68 424	68 424	162 036	68 424
VAT		(2 444)	(49 705)	(49 705)	39 503	(49 705)
Other current liabilities		–	–	–	–	–
Total current liabilities		1 504 976	516 230	532 083	1 414 135	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	1 561 403	602 453
NET ASSETS		1 036 390	2 845 311	2 847 151	1 430 752	2 847 151
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 716 181	2 848 351	2 858 571	1 432 668	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	1 432 668	2 859 864

FS201 Moqhaka - Table C7 Monthly Budget Statement - Cash Flow - M10 April

Description	Ref	Budget Year 2024/25								
		2023/24 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	3 745	47 736	95 928	(48 192)	-50%	115 114
Service charges		430 886	881 165	881 165	47 352	472 808	734 304	(261 497)	-36%	881 165
Other revenue		116 019	(487 853)	(487 853)	(556)	97 144	(406 544)	503 688	-124%	(487 853)
Transfers and Subsidies - Operational		281 769	311 029	311 029	-	277 732	259 190	18 542	7%	311 029
Transfers and Subsidies - Capital		108 185	65 353	65 353	435	68 358	54 461	13 897	26%	65 353
Interest		3 293	-	-	1 444	7 773	-	7 773	#DIV/0!	-
Dividends		3 637	1 736	1 736	1 189	4 471	1 447	3 024	209%	1 736
Payments										
Suppliers and employees		(1 012 349)	(1 560 767)	(1 560 767)	(56 989)	(973 144)	(1 300 639)	(327 495)	25%	(1 560 767)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(9 267)	(674 222)	(674 222)	(3 381)	2 878	(561 852)	(564 730)	101%	(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)	(231)	(159)	69%	(277)
Payments										
Capital assets		(5 630)	(98 591)	(98 591)	(6 483)	(48 705)	(82 159)	(33 454)	41%	(98 591)
NET CASH FROM/(USED) INVESTING ACTIVITIES		19 972	(98 868)	(98 868)	(6 483)	(49 095)	(82 390)	(33 295)	40%	(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)	-	-	(288 609)	288 609	-100%	(346 331)
Payments										
Repayment of borrowing		-	(2 032)	(2 032)	(241)	(2 585)	(1 693)	892	-53%	(2 032)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(137)	(348 363)	(348 363)	(241)	(2 585)	(290 303)	(287 718)	99%	(348 363)
NET INCREASE/ (DECREASE) IN CASH HELD		10 567	(1 121 453)	(1 121 453)	(10 105)	(48 802)	(934 544)			(1 121 453)
Cash/cash equivalents at beginning:		(21 364)	(23 720)	(23 720)	(48 211)	(9 905)	(23 720)			(9 905)
Cash/cash equivalents at month/year end:		(10 797)	(1 145 173)	(1 145 173)	(58 317)	(58 707)	(958 264)			(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

Mar'25

Period

2024/25

National Financial Year

FS201

Demarcation Code of Municipality being assessed

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)? <i>Note - refer condition 6.12.2</i>	<input type="text" value="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 ?	<input type="text" value="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?	<input type="text" value="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)? <i>Note - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.</i>	<input type="text" value="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 ?	<input type="text" value="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
		<i>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 property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".</i>	
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

		<i>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".</i>	
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
		<i>Note - if the municipality has an FRP, a separate budget funding plan is not necessary. However, the PT / NT must assesses whether the existing FRP incorporates / will give effect to a funded MTREF. If not, the FRP requires strengthening.</i>	
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)? <i>Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.</i>	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 (<i>For example higher winter Eskom tariffs, lower January collection rates, etc.?</i>)	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, <i>demonstrated, through its by-laws and budget related policies</i> 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? <i>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.</i>	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? <i>Note – the municipality’s monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.</i>	Yes
	6.6	Supporting evidence: <i>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.</i>	
	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 <i>80 per cent average quarterly collection</i> of property rates and service charges with effect from 01 April 2023 and <i>85 per cent average quarterly collection</i> 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

		<i>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.</i>	
	6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of National Treasury the following :	
20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool <u>and</u> that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1;	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)?	Yes
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed <u>and</u> 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 <u>and</u> only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	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? <i>Note - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement</i>	Na
28	6.8.2	- For the latest ending Quarter -Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://lguploadportal.treasury.gov.za ?	Yes
6.9 Monitor and report on implementation –			
29	6.9.1	- MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes
30	6.9.2	- If progress is slow in terms of paragraph 6.9.1, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? <i>Note - condition 6.9.2 has a typing error and must refer to 6.9.1.</i>	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
		<i>Note - a municipality with a FRP may only benefit from the Municipal Debt Support programme if the FRP progress report was submitted to both the Provincial Executive and MFRS.</i>	
	6.10	<i>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:</i>	
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? <i>Note - in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.</i>	Yes

35	6.10.3	<p>- 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?</p>	<input type="text" value="Yes"/>
		<p><i>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.</i></p>	
36	6.11	<p>Limitation on municipality borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?</p>	<input type="text" value="No"/>
		<p><i>Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. 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.</i></p>	
		<p>6.12 For the duration of the Municipal Debt Relief (to ensure proper management of resources):</p>	
37	6.12.1	<p>- has the municipality apportioned and ring-fenced in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?</p>	<input type="text" value="No"/>
38	6.12.2	<p>- 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?</p>	<input type="text" value="No"/>
		<p><i>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).</i></p>	

39		<p>Supporting evidence: Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.</p>	No
40	6.13	<p>Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? <i>Note - to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.</i></p>	No
41	6.14	<p>'NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?</p>	No
		<p><i>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.</i></p>	

6.2 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.

-16.3 The National Treasury Debt Relief Compliance Assessment

The latest National Treasury debt relief compliance certificate and non-compliance report issued to the municipality for the month of October 2024 is attached to this S71 report.

Here are the specific conditions that were not fully met in July 2024 according to the monitoring tool:

Condition 17: Restricting the water supply.

Condition 18: Restricting indigent for water and electricity.

Condition 23: No installation of smart prepaid meters.

Condition 24: Smart Meter Policy not yet adopted; and

Condition 26: National Treasury's rates reconciliation

16.4 MFMA Circular 124 – Condition 6.6 (Electricity and Water as Collection Tools) & Condition 6.7

(Maintain a minimum average quarterly collection of property rates and services charges)

16.4.1 Monthly / Quarterly collection per ward

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	No.Of Wards
FS201		Moqhaka		22

Collection Rate Assessment																				
Aggregate Collection	Summary - Quarter 1					Summary - Quarter 2					Summary - Quarter 3					Summary - Quarter 4				
	Billing	Collection	R - Billing not collected	% Collection	Q1	Billing	Collection	R - Billing not collected	% Collection	Q2	Billing	Collection	R - Billing not collected	% Collection	Q1	Billing	Collection	R - Billing not collected	% Collection	Q1
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	175 860 499	40 106 338	81%	81%	69 237 523	-	69 237 523	0%	0%
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	123 102 703	33 251 975	79%	79%	51 477 947	-	51 477 947	0%	0%
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	12 895 914	10 358 493	55%	55%	7 774 281	-	7 774 281	0%	0%
4.T 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	76 811 008	4 910 200	94%	94%	23 224 245	-	23 224 245	0%	0%
5.T 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	33 307 515	16 998 909	66%	66%	17 507 320	-	17 507 320	0%	0%
6.T 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	29 928 266	(8 846 363)	142%	142%	6 965 382	-	6 965 382	0%	0%
7.T 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	21 387 208	(6 508 394)	144%	144%	4 897 538	-	4 897 538	0%	0%
8.T 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	1 530 587	23 193 493	6%	6%	8 868 757	-	8 868 757	0%	0%

Collection Rate Assessment

Total Aggregate Collection		9.March - Reporting for February in March				Click to view/close months	Summary - Quarter 3				Q1
		Billing For February	Collection in March	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation	Summary	73 756 819	77 392 140	13 072 948	105%	215 966 837	175 860 499	40 106 338	81%	81%	
2.Collection <u>excl Eskom supplied areas</u>		53 419 096	57 357 174	15 701 077	107%	156 354 677	123 102 703	33 251 975	79%	79%	
3.Collection: Property Rates		7 822 741	3 373 617	4 449 124	43%	23 254 407	12 895 914	10 358 493	55%	55%	
4.Total average collection: Electricity (Municipal supplied areas)		26 703 038	28 784 443	0	108%	81 721 208	76 811 008	4 910 200	94%	94%	
5.Total average collection: Water		18 621 963	18 305 193	316 770	98%	50 306 425	33 307 515	16 998 909	66%	66%	
6.Total average collection: Wastewater		7 053 927	15 090 855	0	214%	21 081 903	29 928 266	(8 846 363)	142%	142%	
7.Total average collection: Refuse		4 953 622	11 543 557	0	233%	14 878 815	21 387 208	(6 508 394)	144%	144%	
8. 7.Total average collection: Interest		8 601 529	294 476	8 307 053	3%	24 724 079	1 530 587	23 193 493	6%	6%	

Complete This Section			Quarter 3 Performance Per Ward												
Services	Electricity Supplier	Ward Name & Number	9.March				Billing For February	Collection for February in March	Rand Value of Billing not collected	% Collection	9.March				Billing For March
			Billing For February	Collection for February in March	Rand Value of Billing not collected	% Collection					Billing	Collection	R - Billing not collected	% Collection	
Property Rates Tax	Eskom supplied	1	49 512	1 233	48 279	2%	148 535	46 075	102 460	31%	31%	49 237			
Electricity			257 255	30 750	226 504	12%	572 383	181 008	391 375	32%	32%	(1 068 677)			
Water			216 509	8 713	207 797	4%	637 731	54 364	583 368	9%	9%	223 133			
Refuse			175 566	48 337	127 228	28%	523 706	58 139	465 566	11%	11%	176 540			
Waste Water			228 443	89 888	138 555	39%	684 916	101 033	583 883	15%	15%	228 856			
Interest			903	859	44	95%	649 103	151 686	497 416	23%	23%	321 207			
Property Rates Tax	Partial Eskom & Mun Supplied	2	413 238	157 865	255 373	38%	1 234 896	462 410	772 486	37%	37%	412 546			
Electricity			632 386	425 971	206 416	67%	1 931 929	1 652 975	278 954	86%	86%	697 318			
Water			44 775	41 678	3 097	93%	450 776	145 356	305 420	32%	32%	240 780			
Refuse			151 936	78 687	73 249	52%	432 018	168 282	263 735	39%	39%	150 504			
Waste Water			214 221	132 520	81 701	62%	606 589	255 514	351 075	42%	42%	212 537			
Interest			339 010	10 195	328 815	3%	948 296	34 312	913 984	4%	4%	345 582			
Property Rates Tax	Mun Supplied	3	1 122 406	266 839	855 567	24%	3 374 503	1 092 634	2 281 869	32%	32%	1 124 540			
Electricity			783 850	767 932	15 918	98%	2 369 278	1 832 373	536 905	77%	77%	815 869			
Water			1 603 847	4 016 319	0	250%	4 963 012	4 808 112	154 900	97%	97%	2 435 592			
Refuse			398 919	689 763	0	173%	1 193 930	1 093 940	99 990	92%	92%	397 788			
Waste Water			545 576	1 162 519	0	213%	1 631 597	1 621 317	10 279	99%	99%	544 240			
Interest			174 288	19 086	155 201	11%	478 132	48 706	429 426	10%	10%	161 127			

Property Rates Tax	Mun Supplied	4	3 863	837	3 026	22%
Electricity			85 798	551 248	0	642%
Water			(327 141)	133 935	0	-41%
Refuse			66 355	97 458	0	147%
Waste Water			86 387	46 327	40 059	54%
Interest			209 881	3 453	206 429	2%
Property Rates Tax	Mun Supplied	5	3 541	192	3 349	5%
Electricity			42 235	526 031	0	1245%
Water			484 715	130 664	354 051	27%
Refuse			63 173	98 864	0	156%
Waste Water			80 803	46 978	33 825	58%
Interest			171 292	1 269	170 024	1%
Property Rates Tax	Mun Supplied	6	58 022	1 361	56 661	2%
Electricity			105 653	22 766	82 887	22%
Water			555 551	101 673	453 878	18%
Refuse			111 157	219 942	0	198%
Waste Water			149 505	155 027	0	104%
Interest			278 807	3 125	275 682	1%
Property Rates Tax	Mun Supplied	7	229 747	67 621	162 126	29%
Electricity			368 791	757 050	0	205%
Water			716 363	172 878	543 486	24%
Refuse			116 105	163 840	0	141%
Waste Water			151 299	154 796	0	102%
Interest			315 234	13 635	301 598	4%

11 589	2 473	9 116	21%	21%	3 863
257 500	714 555	(457 055)	277%	277%	86 769
581 696	255 839	325 857	44%	44%	431 534
199 066	184 754	14 311	93%	93%	65 944
259 160	131 289	127 871	51%	51%	85 782
553 618	6 306	547 312	1%	1%	202 937
10 622	470	10 152	4%	4%	(4 026)
127 725	637 254	(509 529)	499%	499%	36 602
714 103	248 844	465 260	35%	35%	422 803
190 891	187 042	3 849	98%	98%	55 112
244 291	133 394	110 897	55%	55%	68 885
439 653	2 689	436 963	1%	1%	165 728
173 599	59 129	114 469	34%	34%	57 555
316 043	52 862	263 181	17%	17%	102 552
1 661 685	169 956	1 491 729	10%	10%	495 931
332 608	265 875	66 733	80%	80%	110 108
447 617	254 822	192 795	57%	57%	148 270
657 835	5 024	652 811	1%	1%	273 805
697 296	236 082	461 214	34%	34%	242 338
1 001 536	1 528 631	(527 095)	153%	153%	302 005
1 404 406	350 089	1 054 316	25%	25%	592 970
346 938	282 107	64 831	81%	81%	115 474
452 219	277 357	174 861	61%	61%	150 306
860 628	43 040	817 588	5%	5%	330 196

Property Rates Tax	Mun Supplied	8	30 781	1 158	29 623	4%
Electricity			80 276	22 336	57 941	28%
Water			481 806	210 980	270 826	44%
Refuse			93 516	78 917	14 599	84%
Waste Water			120 513	63 844	56 668	53%
Interest			198 826	2 182	196 644	1%
Property Rates Tax	Mun Supplied	9	162 946	1 842	161 104	1%
Electricity			177 424	120 592	56 833	68%
Water			729 705	88 828	640 877	12%
Refuse			175 951	199 863	0	114%
Waste Water			255 941	298 809	0	117%
Interest			304 184	5 524	298 660	2%
Property Rates Tax	Mun Supplied	10	40 444	8 757	31 687	22%
Electricity			114 814	37 974	76 841	33%
Water			478 366	172 109	306 257	36%
Refuse			118 779	68 286	50 493	57%
Waste Water			154 043	588 500	0	382%
Interest			246 009	4 363	241 646	2%
Property Rates Tax	Mun Supplied	11	351 227	4 029	347 198	1%
Electricity			644 007	3 489 119	0	542%
Water			1 543 472	5 123 747	0	332%
Refuse			285 981	619 237	0	217%
Waste Water			487 284	1 033 685	0	212%
Interest			415 196	5 460	409 737	1%

92 344	14 763	77 581	16%	16%	30 781
240 436	70 530	169 906	29%	29%	77 303
1 308 897	318 559	990 338	24%	24%	456 115
279 040	208 206	70 833	75%	75%	93 654
359 615	248 362	111 253	69%	69%	120 687
512 480	5 702	506 778	1%	1%	198 201
488 839	96 613	392 226	20%	20%	162 946
527 702	355 892	171 810	67%	67%	187 408
1 774 009	223 749	1 550 261	13%	13%	568 255
528 383	353 720	174 663	67%	67%	176 774
768 549	524 623	243 927	68%	68%	256 990
950 482	15 863	934 619	2%	2%	376 585
125 007	44 581	80 425	36%	36%	40 399
338 856	87 243	251 612	26%	26%	102 487
1 390 165	374 731	1 015 434	27%	27%	585 095
355 788	159 060	196 728	45%	45%	118 093
461 431	752 374	(290 943)	163%	163%	153 169
644 485	15 048	629 437	2%	2%	239 224
1 053 457	346 716	706 741	33%	33%	351 227
1 981 726	3 843 161	(1 861 435)	194%	194%	589 690
3 979 556	5 277 167	(1 297 611)	133%	133%	1 289 878
857 539	759 277	98 263	89%	89%	285 432
1 461 338	1 169 881	291 457	80%	80%	486 585
1 076 465	13 767	1 062 698	1%	1%	414 919

Property Rates Tax	Mun Supplied	12	90 885	4 157	86 727	5%
Electricity			116 100	122 109	0	105%
Water			665 690	879 641	0	132%
Refuse			138 310	160 322	0	116%
Waste Water			191 323	274 374	0	143%
Interest			343 786	4 146	339 641	1%
Property Rates Tax	Mun Supplied	13	436 021	302 226	133 794	69%
Electricity			8 928 732	8 281 853	646 879	93%
Water			1 320 369	813 776	506 592	62%
Refuse			368 881	389 599	0	106%
Waste Water			569 647	1 329 986	0	233%
Interest			785 628	47 806	737 822	6%
Property Rates Tax	Mun Supplied	14	59 820	4 600	55 220	8%
Electricity			90 128	80 044	10 084	89%
Water			498 050	1 076 233	0	216%
Refuse			122 925	291 060	0	237%
Waste Water			166 538	483 871	0	291%
Interest			274 072	11 435	262 637	4%
Property Rates Tax	Mun Supplied	15	65 528	2 312	63 216	4%
Electricity			209 362	155 571	53 792	74%
Water			442 665	232 057	210 609	52%
Refuse			141 464	196 165	0	139%
Waste Water			188 882	1 701 239	0	901%
Interest			255 512	6 046	249 466	2%

272 655	89 061	183 594	33%	33%	98 451
394 443	244 410	150 034	62%	62%	127 030
1 715 874	1 047 949	667 925	61%	61%	697 702
416 303	259 631	156 671	62%	62%	143 979
575 716	475 802	99 914	83%	83%	201 659
833 423	12 536	820 887	2%	2%	342 081
1 296 338	968 396	327 942	75%	75%	435 664
28 455 430	24 798 889	3 656 541	87%	87%	8 211 203
4 038 741	1 700 526	2 338 215	42%	42%	1 293 415
1 191 837	828 738	363 100	70%	70%	366 744
1 698 396	1 961 963	(263 568)	116%	116%	569 472
2 233 339	160 432	2 072 907	7%	7%	801 950
179 277	247 860	(68 583)	138%	138%	59 820
262 694	850 458	(587 764)	324%	324%	96 446
1 266 492	2 667 351	(1 400 859)	211%	211%	424 875
368 499	418 808	(50 308)	114%	114%	122 787
498 421	690 045	(191 624)	138%	138%	166 441
734 881	20 667	714 213	3%	3%	269 067
196 585	51 403	145 182	26%	26%	65 528
613 828	1 044 607	(430 779)	170%	170%	204 193
1 347 836	1 891 768	(543 932)	140%	140%	548 493
423 797	346 202	77 595	82%	82%	141 738
566 231	1 909 674	(1 343 443)	337%	337%	189 232
644 601	264 298	380 303	41%	41%	257 018

Property Rates Tax	Mun Supplied	16	1 600 061	882 519	717 542	55%
Electricity			6 091 217	4 309 523	1 781 693	71%
Water			1 673 483	1 599 469	74 014	96%
Refuse			759 821	1 354 350	0	178%
Waste Water			1 200 913	1 485 583	0	124%
Interest			475 457	55 358	420 099	12%
Property Rates Tax	Mun Supplied	17	1 482 963	1 049 701	433 262	71%
Electricity			2 515 991	3 327 188	0	132%
Water			2 813 527	1 096 432	1 717 095	39%
Refuse			655 482	1 332 214	0	203%
Waste Water			931 065	1 308 850	0	141%
Interest			301 283	61 792	239 491	21%
Property Rates Tax	Partial Eskom & Mun Supplied	18	597 479	298 548	298 931	50%
Electricity			5 367 696	5 284 286	83 409	98%
Water			1 825 275	759 918	1 065 357	42%
Refuse			391 747	868 691	0	222%
Waste Water			532 296	1 151 851	0	216%
Interest			752 443	24 904	727 539	3%
Property Rates Tax	Eskom supplied	19	26 744	86	26 658	0%
Electricity			88	22 871	0	25954%
Water			1 063 418	254 133	809 285	24%
Refuse			131 639	841 103	0	639%
Waste Water			172 573	908 559	0	526%
Interest			797 006	1 645	795 360	0%

4 665 107	3 251 114	1 413 992	70%	70%	1 546 792
18 615 642	12 777 807	5 837 835	69%	69%	5 520 814
5 027 690	4 157 482	870 208	83%	83%	1 700 192
2 274 949	2 638 375	(363 426)	116%	116%	722 745
3 591 881	3 401 819	190 062	95%	95%	1 132 733
1 278 252	271 965	1 006 287	21%	21%	387 632
4 458 756	3 314 104	1 144 652	74%	74%	1 475 889
7 568 967	8 862 112	(1 293 145)	117%	117%	2 537 602
5 555 541	3 324 143	2 231 398	60%	60%	1 401 441
1 961 297	2 802 995	(841 698)	143%	143%	644 335
2 786 813	3 350 776	(563 963)	120%	120%	917 007
834 781	191 983	642 798	23%	23%	271 284
1 702 919	1 051 061	651 858	62%	62%	595 877
15 855 121	15 720 142	134 979	99%	99%	4 512 306
4 594 657	2 563 272	2 031 384	56%	56%	1 235 584
1 084 085	1 635 456	(551 371)	151%	151%	389 870
1 597 354	2 313 687	(716 333)	145%	145%	530 379
2 373 493	230 035	2 143 458	10%	10%	722 496
80 232	17 871	62 361	22%	22%	26 744
264	45 659	(45 395)	17272%	17272%	88
2 675 774	714 921	1 960 853	27%	27%	859 472
472 110	1 460 479	(988 368)	309%	309%	131 776
517 019	2 211 309	(1 694 289)	428%	428%	172 748
2 304 112	3 086	2 301 027	0%	0%	803 978

Property Rates Tax	Partial Eskom & Mun Supplied	20	56 936	611	56 326	1%
Electricity			14 682	937	13 746	6%
Water			571 125	46 602	524 523	8%
Refuse			163 118	785 020	0	481%
Waste Water			204 867	1 248 022	0	609%
Interest			620 650	1 895	618 755	0%
Property Rates Tax	Eskom supplied	21	239 042	61 817	177 226	26%
Electricity			1 159	345	814	30%
Water			1 083 604	467 913	615 690	43%
Refuse			314 894	1 226 287	0	389%
Waste Water			409 061	296 636	112 425	73%
Interest			1 188 887	4 809	1 184 078	0%
Property Rates Tax	Eskom supplied	22	701 534	255 306	446 228	36%
Electricity			75 392	447 949	0	594%
Water			136 788	877 495	0	642%
Refuse			7 902	1 735 553	0	21963%
Waste Water			12 748	1 128 990	0	8856%
Interest			153 175	5 491	147 684	4%

169 966	45 853	124 113	27%	27%	56 936
44 047	3 546	40 501	8%	8%	14 682
2 107 981	172 986	1 934 995	8%	8%	597 706
474 170	1 760 000	(1 285 830)	371%	371%	162 981
602 459	3 539 390	(2 936 931)	587%	587%	204 693
1 775 893	4 621	1 771 272	0%	0%	622 159
717 286	297 542	419 744	41%	41%	239 042
3 477	345	3 133	10%	10%	1 159
2 877 634	805 606	2 072 029	28%	28%	971 604
948 155	1 695 997	(747 843)	179%	179%	317 259
1 233 415	1 266 409	(32 993)	103%	103%	411 721
3 476 995	13 355	3 463 640	0%	0%	1 200 308
2 104 601	1 159 704	944 897	55%	55%	702 131
242 179	1 506 548	(1 264 369)	622%	622%	69 396
232 168	2 034 749	(1 802 581)	876%	876%	34 752
23 707	3 820 125	(3 796 418)	16114%	16114%	7 902
36 875	3 337 425	(3 300 549)	9051%	9051%	12 992
463 133	15 464	447 668	3%	3%	161 272

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		2024/2025 - Monthly Monitoring												
		Current Year - 2024/2025		Baseline	Adopted Budget	Adjusted Budget	Full Year Forecast	M01	M02	M03	M04	M05	M06	M07	M08	M09
		Indigent Household service targets														
<i>Water: (Include All Indigent households also in Eskom supplied areas)</i>																
Indigent HH's with piped water inside dwelling	1	12 711	12 711	-	12 711	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822	12 893		
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	12 893		
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	12 893		

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	10 166
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	1 671
Number of Indigent HH's with NO Water supply - No metering	-	-	-	-	-	-	-	-	-	-	-	-	-
Total number of registered indigent households	11 742	11 742	-	11 742	11 838	11 865	11 827	11 882	11 841	11 883	11 946	11 852	11 837
Status of unlimited supply of Water :													
Number of Indigent HH's with <i>conventional metered Water</i> - where the municipality is <i>NOT physically restricting Water to the national free basic limit of 6 kilolitres per household per month</i>	12 711	12 711	-	12 711	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822	12 893
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	1 671
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	14 564
Of the Total Number of registered indigent households receiving unlimited supply - State the Number of HH's billed for consumption above the 6 kilolitres	12 711	12 711	-	13 000	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822	12 893
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	12 893
<i>Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total</i>	12 711	12 711	-	13 000	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822	12 893
Indigent HH's with Electricity (< min.service level)	-	-	-	-	-	-	-	-	-	-	-	-	-
Indigent HH's with Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-	-	-	-	-
Indigent HH's with other energy sources	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Total number of registered indigent households	12 711	12 711	-	13 000	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822	12 893
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	12 893
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	12 711	12 711	-	13 000	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822	12 893

Status of unlimited supply of Electricity :														
Number of indigent HH's with <i>conventional metered Electricity</i> - where the municipality is <i>NOT</i> <i>physically restricting Electricity to the national free basic limit of 50kwh per household per month</i>		-	-	-	-	-	-	-	-	-	-	-	-	-
Number of indigent HH's <i>NOT metered</i> 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	12 893
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	12 893
Cost of Free Basic Services provided to ALL Households in - Formal Settlements (R'000)														
Water (6 kilolitres per household per month)		182	200	-	200	196	185	225	184	187	179	227	222	180
Electricity/other energy (50kwh per household per month)		114	124	-	124	136	135	135	137	187	186	185	184	188
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	10
Sanitation (kilolitres per household per month)		10	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	154
Electricity (kwh per household per month)		50	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	5

References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance \leq 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 kilolitres 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

Votenumbr	Description	Curr Mth Exp	Curr Mth Exp	Curr Mth Exp
		Jul	Aug	Sep
31251178950FBZZZZHO	TS_O_M_NG_LOCAL GOV FIN MNG GRANT	-		
31252260380FBP83ZZHO	OS: B&A PROJECT MANAGEMENT	-		
31252260600FBP83ZZHO	OS: CATERING SERVICES	-		
31252270370FBP83ZZHO	C&PS: B&A HUMAN RESOURCES	21 454.68		
31252303300FBP83ZZHO	OC: LEARNERSHIPS & INTERNSHIPS	-		
34052110010FBP83ZZHO	MS: SAL & ALL: BASIC SALARY & WAGES	-		
34052303300FBQ83ZZHO	OC: LEARNERSHIPS & INTERNSHIPS	-		
34056470020FBD70ZZHO	COMPUTERS	-		
34056470020FBD70ZZWM	COMPUTERS	-		
34301025100F6FB5ZZHO	RESIDENTIAL PROPERTIES: DEVELOPED	-		
34301321170F6FB1ZZHO	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	-		
35321321170F1FB1ZZWM	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	-		
35321321170F2FB1ZZWM	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	-		
35321321190F1FB1ZZWM	ELEC SALES: DOMESTIC LOW: PREPAID	-		
35321321200F1FB1ZZWM	ELEC SALES: DOMESTIC HIGH HOME POWER 1	1 095.93		
35321321380F1FB1ZZWM	ELEC: AVAILABILITY CHARGES	754 018.97		
35411324020F1FB4ZZWM	WATER: SALE - CONVENTIONAL	895 724.37		
35411324070F1FB4ZZWM	WATER: AVAILABILITY CHARGES	1 602 948.85		
35441324020F5FB2ZZWM	WATER: SALE - CONVENTIONAL	-		
35511323020F1FB2ZZWM	WASTE WATER MANG: SANITATION CHARGES	1 070 961.51		
35511323060F1FB2ZZWM	WASTE WATER MANG: AVAILABILITY CHARGES	879 520.61		
36621322030F1FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	-		
36621322030F3FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	1 397 508.50		
36621322050F1FB3ZZWM	WASTE MANGEMENT: AVAILABILITY CHARGES	126 217.59		

6 749 451.01	-	-
--------------	---	---

7.14%	0.00%	0.00%
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BUDGET 2023-2024 FBS BUDGET	DESCRIPTION	BUDGET	YTD	% USED
31251178950FBZZZZHO	TS_O_M_NG_LOCAL GOV FIN MNG GRANT	-R2 300 000.00	-	0.00%
31252260380FBP83ZZHO	OS: B&A PROJECT MANAGEMENT	R1 400 000.00	-	0.00%
31252260600FBP83ZZHO	OS: CATERING SERVICES	R0.00	-	-
31252270370FBP83ZZHO	C&PS: B&A HUMAN RESOURCES	R400 000.00	21 454.68	-
31252303300FBP83ZZHO	OC: LEARNERSHIPS & INTERNSHIPS	R0.00	-	-
34052110010FBP83ZZHO	MS: SAL & ALL: BASIC SALARY & WAGES	R500 000.00	-	0.00%
34052303300FBQ83ZZHO	OC: LEARNERSHIPS & INTERNSHIPS	R0.00	-	-
34056470020FBD70ZZHO	COMPUTERS	R0.00	-	-
34056470020FBD70ZZWM	COMPUTERS	R0.00	-	-
34301025100F6FB5ZZHO	RESIDENTIAL PROPERTIES: DEVELOPED	R0.00	-	-
34301321170F6FB1ZZHO	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	R0.00	-	-

35321321170F1FB1ZZWM	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	-R359 928.00	-	-
35321321170F2FB1ZZWM	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	R0.00	-	
35321321190F1FB1ZZWM	ELEC SALES: DOMESTIC LOW: PREPAID	R9 931 769.00	-	-
35321321200F1FB1ZZWM	ELEC SALES: DOMESTIC HIGH HOME POWER 1	R43 295.00	095.93	2.53%
35321321380F1FB1ZZWM	ELEC: AVAILABILITY CHARGES	R9 299 258.00	018.97	8.11%
35411324020F1FB4ZZWM	WATER: SALE - CONVENTIONAL	R11 155 234.00	724.37	8.03%
35411324070F1FB4ZZWM	WATER: AVAILABILITY CHARGES	R19 319 248.00	948.85	8.30%
35441324020F5FB2ZZWM	WATER: SALE - CONVENTIONAL	R0.00	-	-
35511323020F1FB2ZZWM	WASTE WATER MANG: SANITATION CHARGES	R14 318 301.00	961.51	7.48%
35511323060F1FB2ZZWM	WASTE WATER MANG: AVAILABILITY CHARGES	R11 564 525.00	520.61	7.61%
36621322030F1FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	R17 620 181.00	-	-
36621322030F3FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	R0.00	508.50	#DIV/0!
36621322050F1FB3ZZWM	WASTE MANGEMENT: AVAILABILITY CHARGES	R1 670 151.00	217.59	7.56%
		R94 562 034.00	R6 749 451.01	7.14%

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

Province	Free State					
District	Fezile Dabi					
Type						
Municipal Name	Moghaka 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	45 572	-655	7 594 841 653	7 629 070 759	34 229 106.00
Industrial	352	347	5	362 374 000	360 295 000	2 079 000.00
Business and Co	1195	1212	-17	1 030 907 110	1 085 070 110	54 163 000.00
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	24	136	1 168 197 013	2 720 000	1 165 477 013.00
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	3	505	49 139 106	150 000	48 989 106.00
POW	5	7	-2	1 440 000	1 950 000	510 000.00
Municipal	139	140	-1	186 489 100	187 490 100	1 001 000.00
Other (PT,PSP)	620	600	20	207 608 501	1 346 364 514	1 138 756 013.00
	<u>52327</u>	<u>52325</u>	<u>2</u>	<u>16 903 108 136 00</u>	<u>16 865 284 136 00</u>	<u>37 824 000 00</u>

Propety Categories	Monthly Billing			Quarterly		
	GV	MFS	Variance	GV	MFS	Variance
Residential	1995 858	2 015 117	- 19 259	5 987 572.59	6 045 349.95	- 57 777.36
Industrial	530 093	499 329	30 764	1590 278.76	1497 986.16	92 292.60
Business and Commercial	1575 614	1616 630	- 41016	4 726 841.91	4 849 890.57	- 123 048.66
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 Purpose	2 372 428	2 370 625	1804	7 117 285.32	7 111874.07	5 411.25
PSI			12	-	-	-
PBO			-	-	-	-
Multi Use			-	-	-	-
Vacant	43 890	125 319	- 81429	131669.10	375 957.18	- 244 288.08
POW			-	-	-	-
Municipal			-	-	-	-
Other	85 760	77 351	8 408	257 278.68	232 053.42	25 225.26
Total	<u>R7 755 572.18</u>	<u>R7 847 195.17</u>	<u>- R91610.99</u>	<u>23 266 716.54</u>	<u>23 541 585.51</u>	<u>- 274 868.97</u>

Prepared By DINEO MOKOENA Date 11/04/2025

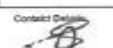

Contact Details 056-216-9300

Signature

Reviewed By SAMMY THELETSANE Date 11/04/2025

Contact Details 056-216-9158

Signature

Province	Free State						
District	Ficks Dst						
Type							
Municipal Name	Mopela Local Municipality						
GV Period	01/01/2024 - 30/06/2024						
Financial Year	2024/2025						
Reconciliation Period	Quarter 2						
Reconciliation Overview							
High Level Reconciliation							
Property Categories	Number of Properties			Market Values			
	GV	MPF	Variance	GV Market Values	MPF Market Values	Variance	
Residential	44 977	45 572	-595	7 504 841 453	7 620 073 176	-115 231 723	
Industrial	363	347	16	302 374 000	369 266 080	-66 892 080	
Quarries and Common	1186	1212	-26	1 038 987 110	1 044 073 410	-5 086 300	
Agricultural	3620	3618	2	5 954 288 749	5 905 138 749	49 150 000	
Mining	31	31	0	56 374 900	56 374 900	-	
State Owned to Fict	180	24	156	1 198 187 810	2 728 080	1 195 459 730	
For	442	493	-51	38 327 901	38 431 981	-104 080	
FDI	286	280	6	253 141 800	253 221 083	-79 283	
Not Use			0			-	
Vacant	866	3	863	48 136 186	139 080	47 997 106	
POW	3	7	-4	1 442 300	1 958 080	-515 780	
Municipal	130	140	-10	188 486 100	187 486 100	1 000 000	
Other (FFI) (FFI)	530	492	38	207 588 901	1 348 384 514	-1 140 795 613	
	52 217	52 525	-308	19 963 368 136.00	19 863 286 136.00	100 082 000.00	
Detailed Reconciliation							
Property Categories	Monthly B.O.B			Quarterly			
	GV	MPF	Variance	GV	MPF	Variance	
Residential	1 898 866	2 015 117	-116 251	5 987 872.00	6 048 340.00	-60 468.00	
Industrial	520 860	489 220	31 640	1 580 278.75	1 457 088.16	123 190.59	
Quarries and Common	1 575 014	1 610 630	-35 616	4 725 841.01	4 849 860.57	-124 019.56	
Agricultural	572 425	563 320	9 105	2 817 278.12	2 889 982.18	-72 704.06	
Mining	178 604	179 904	-1 300	530 512.00	530 512.00	-	
State Owned to Fict	2 372 428	2 373 828	-1 400	7 117 285.32	7 111 874.87	5 410.45	
For			12			-	
FDI						-	
Not Use						-	
Vacant	43 860	125 318	-81 458	127 688.16	375 907.18	-248 219.02	
POW						-	
Municipal						-	
Other	88 780	77 351	11 429	257 278.98	232 983.42	24 295.56	
Total	87 735 272.46	87 847 195.17	-111 922.71	23 228 736.34	23 541 585.51	-312 849.17	
Prepared By	MARISENA THABENIS			Date	11/04/2025		
Signature				Contact Details: 056-216-0300			
Reviewed By	GANNY THELISGANE			Date	11/04/2025		
Signature				Contact Details: 056-216-0150			

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

i) Indicated below is the Eskom Bulk current account invoice for October 2024 due and payable during the month of reporting, on or before 3 November 2024.



ESKOM
APRIL 25

Audit Trail

Batch Transfer

Wed, Apr 30, 2025 at 02:45:23 PM

Group 19058 - MOQHAKA LOCAL MUNICIPALITY
Operator 010 - PAULA DARINA DU PLESSIS
Batch Name & Description 90044805 90044805
Status Finally Approved

	Captured	First Approver	Second Approver	Third Approver	Final Approver
Operator	10	31			22
Operator Name	PAULA DARINA DU PLESSIS	RYAN D BUYS			SAMUEL THELETSANE
Approval Level					
Date	2025/04/30	2025/04/30			2025/04/30
Time	12:16:30	14:01:56			14:33:35
Roll-over Date					

Batch Status

Batch Details

Batch Entry Number 1

From Account	334536	MOQHAKA LOCAL MUNICIPALITY - 0000004053274876		
Description	9345061750 90044805		Frequency	Adhoc
Beneficiary Code				
To Account	223626	ESKOM 9345061750 - 0000055070067316		
Description		MOQHAKA MUNICIPALITY	Mandate	
Date	2025/04/30		Amount	1,000,000.00
Roll-over date				
Transaction Number	258431		Transaction Status	S
Immediate Interbank Payment	No			

To View Payment Confirmation Details [click here](#).

Important Notice for Payments: To view cut-off times [click here](#). No reversals can be done on payments.

To View Payment Confirmation Cost Analysis [click here](#).



Audit Trail

Batch Transfer

Fri, Apr 11, 2025 at 01:17:05 PM

Group **19058 - MOQHAKA LOCAL MUNICIPALITY**
 Operator **010 - PAULA DARINA DU PLESSIS**
 Batch Name & Description **90044674 90044674**
 Status **Finally Approved**

	Captured	First Approver	Second Approver	Third Approver	Final Approver
Operator	10	21			22
Operator Name	PAULA DARINA DU PLESSIS	IRENE MOKHESENG			SAMUEL THELETSANE
Approval Level					
Date	2025/04/11	2025/04/11			2025/04/11
Time	11:20:59	12:42:06			13:09:06
Roll-over Date					

Batch Status

Batch Details

Batch Entry Number 1

From Account	334536	MOQHAKA LOCAL MUNICIPALITY - 0000004053274876	
Description	9345061750	90044674	Frequency Adhoc
Beneficiary Code			
To Account	223626	ESKOM 9345061750 - 0000055070067316	
Description		MOQHAKA MUNICIPALITY	Mandate
Date	2025/04/11		Amount 500,000.00
Roll-over date			
Transaction Number	257009		Transaction Status 5
Immediate Interbank Payment	No		

To View Payment Confirmation Details [click here](#).

Important Notice for Payments: To view cut-off times [click here](#). No reversals can be done on payments.

To View Payment Confirmation Cost Analysis [click here](#).

16.7 Municipal Debt Relief Monitoring Plan – Progress report

Indicated in the table below is the monthly progress in terms of the municipal debt relief monitoring.

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - June 2024 Comments
<p>6.3 Maintaining the Eskom and Water bulk current account – (current account for the purpose of this exercise means the account for a single month’s consumption)</p>	<p>6.3.1 The municipality must monthly pay and maintain its Eskom bulk current account and bulk water current account - Department of Water and Sanitation (DWS), within 30 days of receiving the relevant invoice</p>	<p>Monthly, within 30 days of receiving invoice on or before due date as per the monthly invoice</p>	<p>Proof of payment (which includes, remittance advice, invoice and extract of corresponding bank statement)</p>	<p>Compliant - ESKOM The municipality settled R63,149m excl interest of R3,178m on 25 June 2024 on the current ESKOM account for May 2024 amounting to R66,327m. Compliant - DWS No billing was raised for May 2024, due to the servitude (free water quota) allocated to the municipality</p>
	<p>6.3.1 (a) At a minimum, pay the monthly debt instalment on 5th of each month as per signed debt agreement with DWS. (b) Pay the monthly debt instalment of R6,700m to Eskom on 15th of each month</p>	<p>Monthly, 5th of each month</p>		<p>Non-compliant The municipality had insufficient cash available from operations to settle the debt repayment instalment to DWS of R6m on or before 5th of July 2024, but settled R18,758m on the o/s balance of Dec 2023 acc (R5,108m) and R13,000m on the Feb 2024 acc. And paid R650k, on WRM levies. The municipality settled R6.7m on the payment arrangement of ESKOM on 21 June 2024. The due is the 15th of each month.</p>

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - June 2024 Comments
	<p>6.3.2 Submit the supporting evidence of the bulk Eskom current account payment to the National Treasury, Eskom and DWS, within 1 day of making any such payment</p>	<p>Within 1 day after making payment</p>	<p>Proof of payment and proof of email submission</p>	<p>Compliant Email was sent within one day of payment to ESKOM and DWS.</p>
	<p>6.3.3 Submit the proof of payment to the National Treasury in PDF format via the GoMuni Upload Portal to substantiate that payment was made.</p>	<p>Monthly, within 10 working days after month end</p>	<p>GoMuni Status of Schedule of Revenue Documents Submissions Report</p>	<p>Compliant Proof of Payments made in May 2024 was uploaded onto GoMuni on 6 June 2024. Due date is 14 June 2024.</p>
	<p>6.3.4 - The amount as per the proof of payment must reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom and DWS</p>	<p>Monthly, within 10 working days after month end</p>	<p>Monthly financial data strings</p>	<p>Compliant Transactions as per the ledger reconciles with the monthly datastrings. However minor account payments for Eskom and DWS are posted to the same bulk control votes. Erroneous transactions will be journalised, where applicable. Disclosure issue - the capturing of the current invoice on the system is problematic because it is only received in the new month and captured after month-end closure, resulting in a misalignment between the YTD actual and outstanding creditor amount.</p>

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - June 2024 Comments
6.6 Electricity and Water Collection (Demonstration through by-laws and budget related policies)	<p>6.6.1 Issue monthly billing and allocate payment received from customers in the following priority order:</p> <ul style="list-style-type: none"> (1) Property Rates (2) Water (3) Waste Water (4) Refuse Removal and (5) Electricity 	Monthly	Monthly billing reconciliation / Financial system generated hierachy allocation report	<p>Compliant Priority of order of allocations was correct on the system. This is a once-off correction that the system will apply when payments are made.</p>
	<p>6.6.2 The municipality is disconnecting electricity services and/or blocking the purchasing of pre-paid electricity of any defaulting consumer/property owner</p>	Monthly	Number of disconnected / blocked meters	<p>Prepaid disconnections = 32 351 Conventional disconnections = 338 Total = 32 689</p>
	<p>6.6.3 The municipality is restricting and/or interrupting the supply of water of any defaulting consumer/property owner</p>	Monthly	Number of restricted / interrupted supply	<p>Non-compliant. Transversal Contract for smart meters has been awarded by National Treasury. Supply Chain is in the process of applying to access the transversal tender.</p>
	<p>6.6.4 If the defaulting consumer/ property owner is registered as an indigent consumer with the municipality, the monthly supply of electricity and water to that consumer/property owner must be physically restricted to the monthly national basic free electricity and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively.</p>	Monthly	No of indigent consumers	<p>Non-compliant Due to the financial constraints currently faced by many of our Indigent Customers (inability to afford services) we have not implemented the limitation of services in this manner.</p>

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - June 2024 Comments
<p>6.7 Maintain a minimum average quarterly collection of property rates and services charges</p>	<p>6.7.1 The municipality must strictly enforce its credit control and debt management related policies and achieve 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. Although the norm and standard for collection rate according to MFMA Circular No. 71 indicates a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm</p>	<p>Monthly (Internal) and Quarterly (Debt Relief)</p>	<p>Collect R10,000 million daily over 22-day period, to achieve an average quarterly collection of 80% (Monthly S71 Revenue Collection Ward Template)</p>	<p>Non-Compliant Monthly S71 Revenue Collection rate per Ward for Property rates and Services only = 62% Quarterly collection rate per ward = 79% Municipality's average collection rate = 80% Not achieved Average daily cash collection for May 2024, was R5,889m.</p>
	<p>6.7.2 If the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality must demonstrate to the satisfaction of the National Treasury the reasons or that – 6.7.2.1 Underperformance directly relates to Eskom Supplied areas 6.7.2.2 Physical restriction and/or limit of supply of water is due to Technical Engineering reason(s) 6.7.2.3 The municipality has attempted to <u>enter into</u> SLA with Eskom for Eskom Supplied Areas and document reason(s) for failure</p>	<p>Quarterly</p>	<p>Monthly S71 Revenue Collection Ward Template</p>	<p>Non-Compliant Quarterly S71 Revenue Collection rate per Ward = 79% Compliant Average collection rate = 80%</p>

	6.7.3 Install progressively smart prepaid meters in municipal supplied areas (Electricity)	Quarterly	Report on the number of meters installed Annual Target: 8,000 Q1: 1,000 Q2: 2,000 Q3: 3,000 Q4: 2,000 (As per SDBIP)	The municipality applied to National Treasury to partake in the RT29 transversal tender for smart prepaid meters. The municipality also applied for smart meter grant, administered by National Treasury
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MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - June 2024 Comments
6.7 Maintain a minimum average quarterly collection of property rates and services charges	6.7.3 Install progressively smart prepaid meters in municipal supplied areas (Water)	Quarterly	Report on the number of meters installed Annual Target: 8,000 Q1: 500 Q2: 3,000 Q3: 2,500 Q4: 2,000 (As per SDBIP)	The municipality applied to National Treasury to partake in the RT29 transversal tender for smart prepaid meters.

	6.7.4 All new electricity connections from 2023/24 MTREF must be smart-pre-paid meters	Quarterly	Report on the number of new connections installed with smart prepaid electricity meters	The municipality applied to National Treasury to partake in the RT29 transversal tender for smart prepaid meters.

6.8 Completeness of the revenue base	6.8.1 The municipality must demonstrate by completing 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 and demonstrate the steps taken to correct the variances identified; and	Quarterly	GVR Reconciliation & GoMuni Status of Schedule of Revenue Documents Submissions Report	Compliant GVR reconciliation for the 4th quarter was completed Monday,08 July 2024.
	6.8.2 The municipality must submit its completed billing system, GVR and/ or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury			Compliant GVR reconciliation submitted Tuesday, 9 July 2024

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - June 2024 Comments
6.9 Monitor and report on implementation	6.9.1 MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Monthly, within 10 working days after month end	Progress report to be included in Monthly S71 Report	Compliant Report included in the monthly S71 report for May 2024
	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?			
	6.9.3 Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, it must monthly report its progress in implementing its FRP to the Provincial Executive			

6.10 Provincial Treasury's Certification of municipal compliance	6.10 Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA to performed by the relevant PT			
	Executive Management Team (EMT) to review the National Treasury: Local Government Budget Analysis (NT: LGBA) compliance certification for the prior month and take immediate remedial action	Monthly, within 1 days after issue	NT: LGBA Compliance Certification	The municipality received the compliance certificates for May 2024. Management must take remedial actions as per the recommendations made by National Treasury

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - June 2024 Comments
6.12 The municipality for the duration of the Municipal Debt Relief (to ensure proper management of resources)	6.12.1 Open a separate investment account to serve as a sub-account	Once-off	Investment account confirmation	Compliant A call deposit account to serve as a sub-account was opened on 13 November 2023 with our primary banker. Sub-account account no longer required in terms of Municipal Debt Relief Supplementary Guide to MFMA Circular No.124

	<p>6.12.1 must apportion and ring-fence in a sub-account to its primary bank account –</p> <p>(a) all electricity, water and sanitation revenue the municipality collects in any month; and</p> <p>(b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation</p>	<p>Funds to be invested weekly and withdrawn monthly</p>	<p>Investment account and primary bank statement</p>	<p>Finalised Daily process developed to identify amounts received per service. EQS portion to be considered on a monthly basis, once subsidies have been allocated on the system.</p> <p>Compliant The ESKOM and DWS current accounts were paid directly from the Primary bank account. Investment account statement no longer required in terms of Municipal Debt Relief Supplementary Guide to MFMA Circular No. 124</p>
<p>MFMA Circular Reference and Focus Areas</p>	<p>Eskom Debt Relief Conditions</p>	<p>Reporting Frequency / Target Dates</p>	<p>Target / Portfolio of Evidence</p>	<p>Reporting period - June 2024 Comments</p>
	<p>6.12.2 must monthly first apply 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 may apply the revenue in the sub-account for any other purpose</p>	<p>Monthly</p>	<p>Investment account and bank statement and proof of payment aligned to actual amounts</p>	<p>Compliant The ESKOM and DWS accounts were paid directly from the Primary bank account. Municipality has a backlog in terms of built-up reserves. Salaries and thirdparty salary payments</p>

				requirement difficult to maintain.
	The municipality monthly submit a copy of the bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue	Monthly, within 10 working days after month end	Bank statement and proof of payment aligned to actual receipts	Compliant Investment account statement no longer required in terms of Municipal Debt Relief Supplementary Guide to MFMA Circular No. 124. Primary bank account statement is uploaded on <u>GoMuni</u> . Revenue received to be aligned to actual payments. Payments made directly from Primary bank account.

KROONSTAD

☎ 302, 9500 - 📠 Hill Str/St, 9499

STEYNSRUS

☎ 6, 9515 - 📠 Van Riebeeck Str/St

VILJOENSKROON

☎ X 02, 9520- 📠 Deneysen Str/St



TEL: 056 2169140

jimmy@moqhaka.gov.za

OUR REFERENCE: JIMMY MASWANGANYI /wm Ref Nr:

Quality Certificate

I, _____ the Acting Municipal Manager of Moghaka Local Municipality hereby certify that: -

The monthly budget statement

Monthly report on the implementation of the budget and financial affairs of the

Mid-year budget and performance assessment

For the month of April 2025 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: