



MFMA SECTION 71 REPORT MONTH ENDING

31 MAY 2025

- DISTRIBUTION:

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

- Municipal Manager: **Mrs. P. TshabalalaR1**

- Acting Chief Financial Officer: **Dr Roy Lucyiano Visagie**

- 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 31 MAY 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 MAY 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 809 043 957, of which 91% of the debt is owed more than 90 days totalling R1 640 326 076. Included in the total debt, R121 997 418 is owed by Government, R213 615 940 by Business and R1 348 463 291 by Households. Included in the Households debt is R221 974 400 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 31 May 2025, the ten working day reporting limit expires on Friday the 13th of June 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 May 25	YTD Actual May 25	Variance Favourable (Unfavourable)	% YTD Budget vs YTD Actual	% Variance vs Actual Favourable (Unfavourable)
Total Revenue (Excluding Capital Transfers and Contributions)	R1 234 664 467	R 1 050 760 310	(R183 904 157)	85%	(15%)
Total Revenue including Capital Transfers and Contributions	R1 156 857 664	R985 960 207	(R170 897 457)	85%	(15%)
Total Operational Expenditure	R1 192 292	R684 799	(R507 493)	57%	(43)

As indicated in Table 1 above, as of 31 May 2025, the actual billed revenue including operational transfers, but excluding capital grants amounted to R1 050 760 310, which resulted in an unsatisfactory variance of 15% when compared to YTD Budget of R1 234 664 467. 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. Actual billed revenue inclusive of Capital Grants was R985 960 207 from the budget of R1 156 857 664. The Total Operational Expenditure amounted to R46 252 versus the YTD Budget of R109 206, resulting in an unsatisfactory variance of -136%.

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

4. Budget Performance Overview

The municipality is implementing the approved budget for 2024/25 financial year. The budget for 2024/25 is not funded, but the budget funding plan will accompany this report as it encapsulates the recommendations for the improvement of the collection rate. Overall, operational revenue collection is not performing satisfactorily at 64% against monthly billing 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 May 2025, a payment of R10 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) - M11 May

Budget Year 2024/25										
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	38 599	372 531	456 361	(83 830)	-18%	489 803
Service charges - Water		173 153	195 587	195 438	14 532	157 090	179 169	(22 079)	-12%	195 438
Service charges - Waste Water Management		65 954	70 019	70 231	6 010	66 559	64 353	2 206	3%	70 231
Service charges - Waste management		46 961	48 564	48 564	4 231	46 968	44 517	2 451	6%	48 564
Sale of Goods and Rendering of Services		6 220	10 265	10 484	481	4 974	9 585	(4 610)	-48%	10 484
Agency services								-		
Interest								-		
Interest earned from Receivables		69 946	34 557	75 370	8 719	80 236	64 328	15 908	25%	75 370
Interest from Current and Non Current Assets		34	30	61	-	39	52	(13)	-25%	61
Dividends		3 637	1 736	4 544	477	4 948	3 838	1 110	29%	4 544
Rent on Land								-		
Rental from Fixed Assets		6 593	8 535	8 641	209	5 221	7 908	(2 688)	-34%	8 641
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		4 027	12 324	14 364	2 107	8 738	12 929	(4 190)	-32%	14 364
Non-Exchange Revenue										
Property rates		88 207	90 509	90 811	7 849	86 074	83 208	2 866	3%	90 811
Surcharges and Taxes								-		
Fines, penalties and forfeits		6 569	5 309	5 540	323	1 423	5 052	(3 629)	-72%	5 540
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		314 054	311 514	305 248	162	277 033	280 542	(3 509)	-1%	305 248
Interest		7 761	2 982	7 979	907	9 104	6 731	2 373	35%	7 979
Fuel Levy								-		
Operational Revenue		839	678	(208)	74	814	(87)	901	-1033%	(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	84 679	1 121 752	1 218 485	(96 733)	-8%	1 326 870
Expenditure By Type										
Employee related costs		409 580	451 339	424 010	34 989	390 530	391 871	(1 341)	0%	424 010
Remuneration of councillors		22 251	29 578	28 040	1 799	20 644	25 883	(5 239)	-20%	28 040
Bulk purchases - electricity		418 560	427 440	392 350	458	9 534	363 614	(354 079)	-97%	392 350
Inventory consumed		14 879	21 223	29 380	3 199	27 884	25 993	1 891	7%	29 380
Debt impairment		-	58 783	45 915	-	78	43 590	(43 511)	-100%	45 915
Depreciation and amortisation		121 050	9 870	9 870	-	-	9 048	(9 048)	-100%	9 870
Interest		6 029	8 698	8 698	550	6 050	7 973	(1 923)	-24%	8 698
Contracted services		135 341	158 841	184 479	13 974	111 247	166 447	(55 200)	-33%	184 479
Transfers and subsidies		84	1 049	1 049	-	78	962	(884)	-92%	1 049
Irrecoverable debts written off		176 661	1 486	3 899	594	3 823	3 293	530	16%	3 899
Operational costs		117 817	142 099	171 487	9 481	114 931	153 564	(38 632)	-25%	171 487
Losses on Disposal of Assets		15 203	60	60	-	-	55	(55)	-100%	60
Other Losses		106	-	-	-	-	-	-	-	-
Total Expenditure		1 437 562	1 310 466	1 299 239	65 044	684 799	1 192 292	(507 492)	-43%	1 299 239
Surplus/(Deficit)		(222 968)	35 162	27 631	19 635	436 953	26 193	410 759	0	27 631
Transfers and subsidies - capital (monetary allocations)		51 220	64 627	64 546	-	31 255	59 177	(27 922)	(0)	64 546
Transfers and subsidies - capital (in-kind)		7	1 237	-	-	8	144	(136)	(0)	-
Surplus/(Deficit) after capital transfers & contributions		(171 741)	101 026	92 177	19 635	468 216	85 514	382 701	0	92 177
Income Tax								-		
Surplus/(Deficit) after income tax		(171 741)	101 026	92 177	19 635	468 216	85 514	382 701	0	92 177
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		(171 741)	101 026	92 177	19 635	468 216	85 514	382 701	0	92 177
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		(171 741)	101 026	92 177	19 635	468 216	85 514	382 701	0	92 177

Exchange and Non-Exchange Revenue

Revenue analysis for the month ending 31 May 2025

Revenue Types	Section 71 of 31 May 2025						Eleven Months Ending 31 May 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	90 810 762	7 567 564	7 848 519	104%	4 129 168	53%	83 243 199	86 073 617	103%	52 816 946	61%
Electricity - conventional	343 217 833	28 601 486	25 669 578	90%	20 163 475	79%	314 616 347	226 333 576	72%	244 342 022	108%
Water	195 400 475	16 283 373	14 531 504	89%	4 039 186	28%	179 117 102	157 069 522	88%	58 688 251	37%
Sanitation	69 800 488	5 816 707	5 996 086	103%	2 418 757	40%	63 983 781	66 343 686	104%	32 866 548	50%
Refuse	48 564 221	4 047 018	4 231 085	105%	1 680 931	40%	44 517 203	46 968 265	106%	21 768 254	46%
Total Direct Services	747 793 779	62 316 148	58 276 772	94%	32 431 517	56%	685 477 631	582 788 666	85%	410 482 021	70%
Other revenue	92 497 269	7 708 106	2 352 299	31%	1 385 497	59%	84 789 163	44 941 193	53%	35 274 202	78%
Revenue from Billed services	840 291 048	70 024 254	60 629 071	87%	33 817 014	56%	770 266 794	627 729 859	81%	445 756 223	71%
Electricity - prepaid	204 011 643	17 000 970	13 478 923	79%	13 478 923	100%	187 010 673	146 717 261	78%	146 717 261	100%
grants	1 044 302 691	87 025 224	74 107 993	85%	47 295 937	64%	957 277 467	774 447 120	81%	592 473 484	77%
Operational grants and subsidies	3 059 000	161 938	161 938	-	161 938	-	3 059 000	1 985 190	65%	1 985 190	100%
Equitable share	298 568 000	-	-	-	-	-	274 328 000	274 328 000	100%	274 328 000	100%
Total Revenue	1 345 929 691	87 187 162	74 269 931	85%	47 457 874	64%	1 234 664 467	1 050 760 310	85%	868 786 674	83%

Comments on Section 71 Report.

Collection rate for waste water management is 40% for the month of May 2025 and 50% for the eleven months.

Collection rate for waste management is 40% for the month of May 2025 and 46% for the eleven months.

Collection rate for water is 28% for the month of May 2025 and 37% for the eleven months.

The collection rate on Property rates is 53% for the month of May 2025 and 61% for the eleven months.

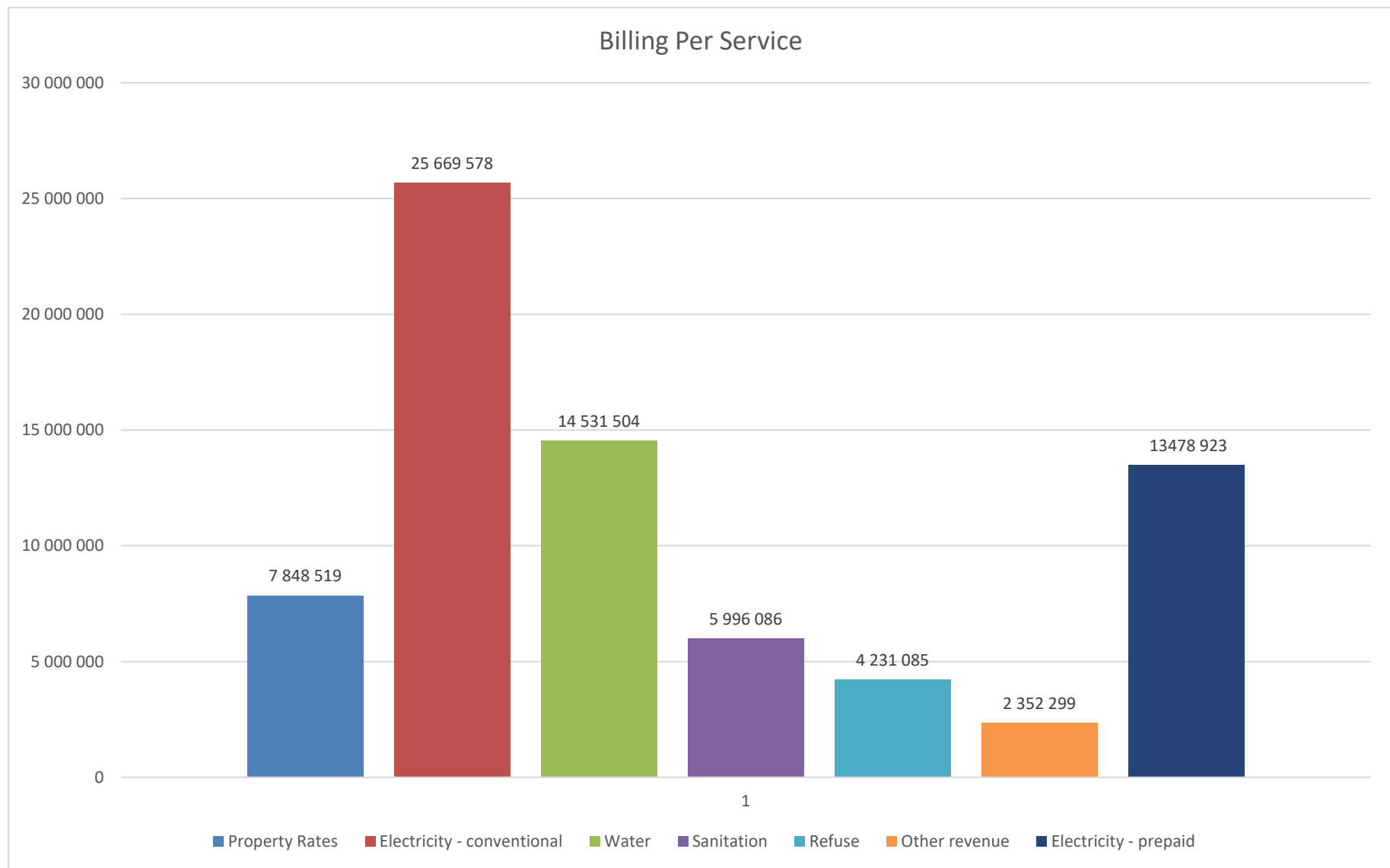
Vat is not considered as part of income in this report since it will be paid over to SARS.

Conventional electricity revenue collection is 79% for the month of May 2025 and 108% for the eleven months.

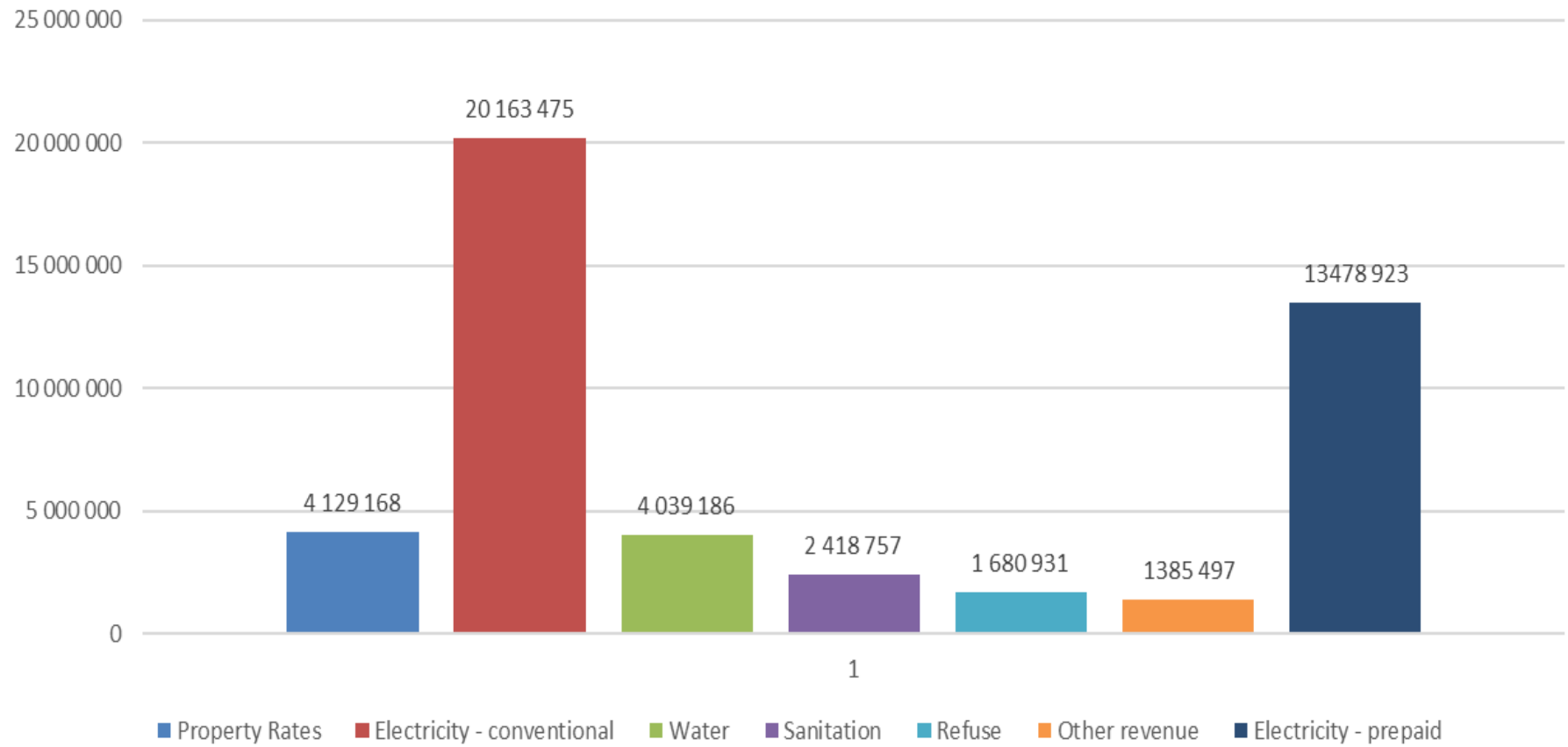
Revenue before operational grants versus billing is 64% for the month of May 2025 and 77% for the eleven months.

Total Revenue Collection Percentage with Zero Grant Funding received for the month May 2025 is also 64% and 83% for the eleven months.

Indigents Contribution for Prepaid Electricity in May 2025 is R926 069.00 + R189 348.21 (FBE in ESKOM Supplied Areas) = R1 115 417.21



Collection Per Service



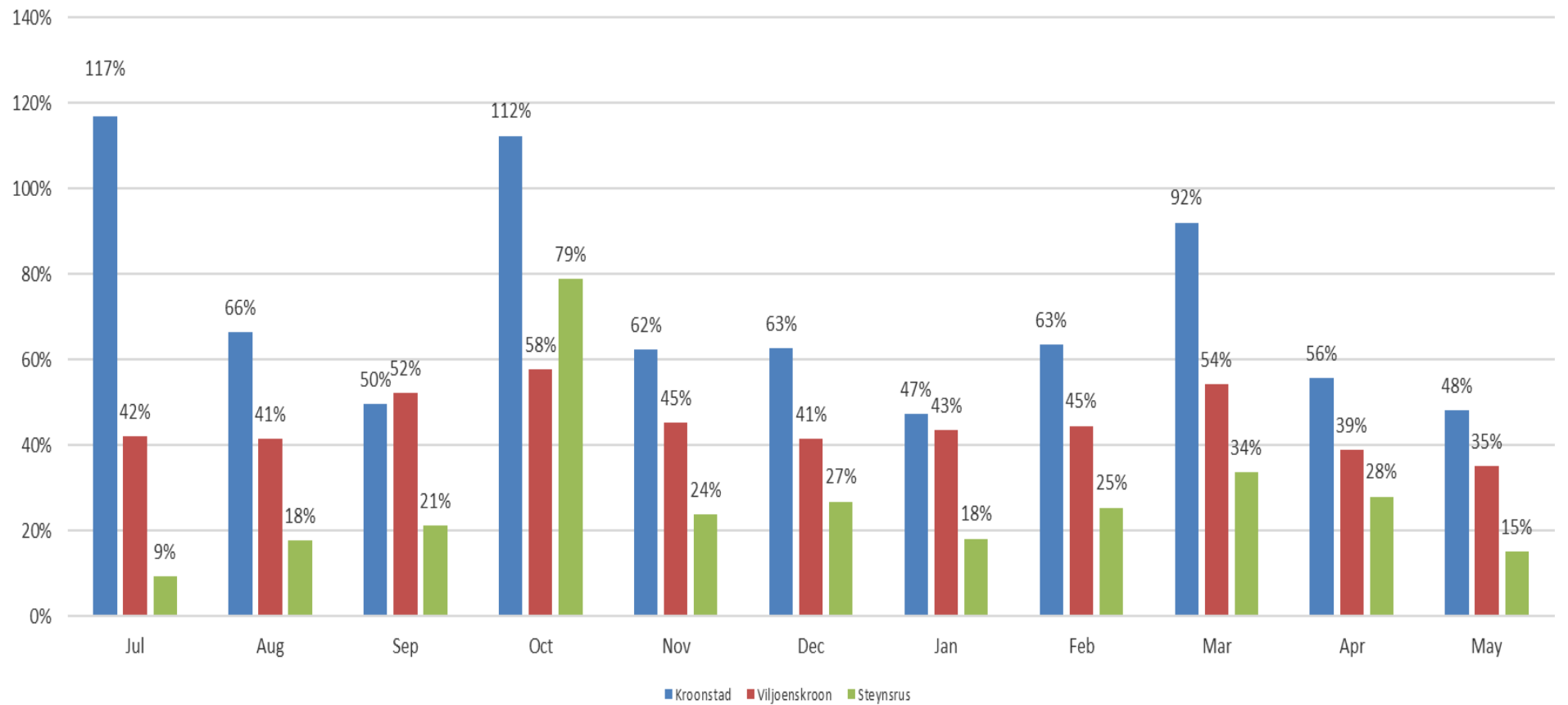
Cycle	Opening Balance	Charges Raised	Adjustments	Repayments	Deposits	Nett Movement	Receipts	Closing Balance	Collection	Billing vs Receipts
1	146 626 273.49	20 119 276.90	-283 970.07	68 100.72	42 907.00	19 946 314.55	-11 449 670.34	155 122 917.70	-57%	8 496 644.21
2	631 467 066.20	19 475 037.13	-5 567 683.46	3 143.72	4 671.00	13 915 168.39	-1 965 884.56	643 416 350.03	-14%	11 949 283.83
3	3 567 257.59	3 333 444.23	0.00	0.00	0.00	3 333 444.23	-3 566 363.00	3 334 338.82	-107%	-232 918.77
4	58 123 711.61	574 620.39	-17 295.65	2 017.24	0.00	559 341.98	-88 336.31	58 594 717.28	-16%	471 005.67
6	18 978 825.07	1 325 635.39	-813.89	0.00	0.00	1 324 821.50	-335 426.49	19 968 220.08	-25%	989 395.01
7	25 922 612.94	1 012 478.07	-244 056.44	0.00	0.00	768 421.63	-272 725.73	26 418 308.84	-35%	495 695.90
8	9 845 842.02	418 009.55	-45 791.65	0.00	6 863.00	379 080.90	-125 639.81	10 099 283.11	-33%	253 441.09
9	2 405 986.55	14 469.28	-400.00	0.00	0.00	14 069.28	0.00	2 420 055.83	0%	14 069.28
10	64 754 794.68	10 778 468.05	-375 426.00	0.00	0.00	10 403 042.05	-7 073 359.43	68 084 477.30	-68%	3 329 682.62
11	88 375 749.22	2 698 583.63	-371 050.15	0.00	4 285.00	2 331 818.48	-351 031.38	90 356 536.32	-15%	1 980 787.10
13	605 281 637.06	12 197 322.57	-1 160 676.47	11 275.50	4 285.00	11 052 206.60	-1 339 834.40	614 994 009.26	-12%	9 712 372.20
14	6 982 148.33	4 481 931.59	0.00	0.00	0.00	4 481 931.59	-4 125 462.27	7 338 617.65	-92%	356 469.32
15	6 986.33	73.67	0.00	0.00	0.00	73.67	0.00	7 060.00	0%	73.67
16	105 577 262.01	8 057 002.49	-456 044.34	0.00	0.00	7 600 958.15	-3 207 817.39	109 970 402.77	-42%	4 393 140.76
	1 767 916 153.10	84 486 352.94	-8 523 208.12	84 537.18	63 011.00	76 110 693.00	-33 901 551.11	1 810 125 294.99	-45%	42 209 141.89

The April 2025 billing was R70 210 870,57.

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%
Apr	53 474 751	29 830 914	56%	14 807 568	5 772 257	39%	1 928 552	539 994	28%
May	58 244 663	28 085 223	48%	15 534 212	5 465 297	35%	2 331 818	351 031	15%
Total	560 829 941	378 030 311	67%	161 891 746	72 943 399	45%	22 031 775	5 288 245	24%

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%
Apr	R0.00	R12 566 794.39	R1 884 828.25	R14 451 622.64	5 815 137.20	R919 581.50	↓	-4%
May	R0.00	R13 478 922.66	R2 021 630.97	R15 500 553.63	6 173 662.70	R926 069.00	↑	7%
Totals	R0.00	R146 717 260.02	R22 005 358.67	R168 722 618.69	R66 985 786.30	R10 018 257.00		

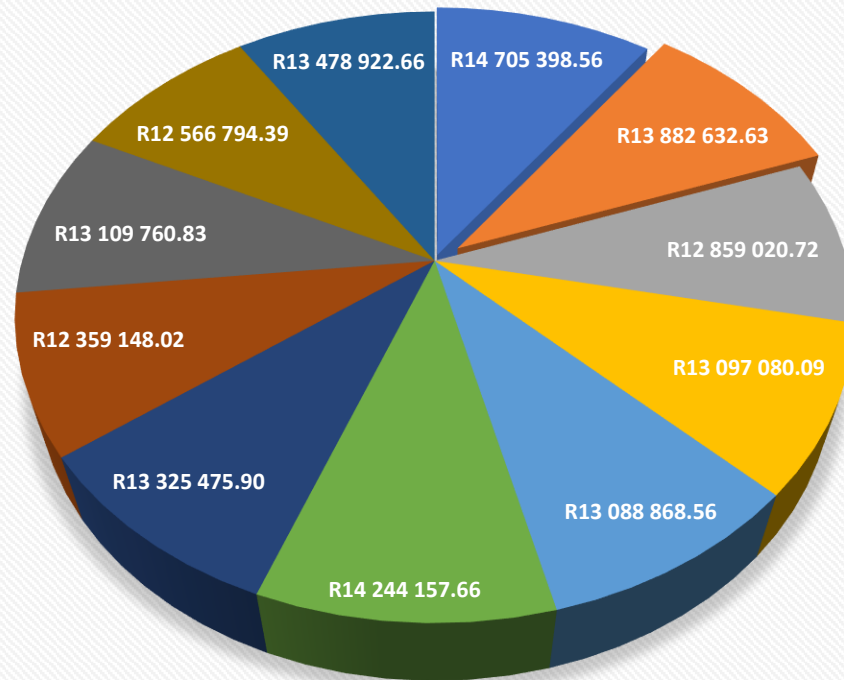
Billing for Kroonstad/Maokeng, Brentpark in May 2025 was R58.2m, Viljoenskroon/Rammolutsi was R15.5m and Steynsrus/Matlwangtlwang was R2 331 818

The average collection rate for Kroonstad/Maokeng/Brentpark for May 2025 is 48% , Viljoenskroon/Rammolutsi is 35% & Steynsrus/Matlwangtlwang is 15%.

Kroonstad/Maokeng/Brentpark generated a revenue of R28m for May 2025, Viljoenskroon/Rammolutsi generated R5.5m & Steynsrus/Matlwangtlwang generated R 031351.

The cost of revenue generated through prepaid electricity for the month of May 2025 is R13 478 922,66. The electricity vendors are contributing to these sales.

Prepaid Electricity Sales @ Cost



Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May

4.2 Operating expenditure by type

FS201 Moqhaka - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

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	34 989	390 530	391 871	(1 341)	0%	424 010
Remuneration of councillors	22 251	29 578	28 040	1 799	20 644	25 883	(5 239)	-20%	28 040
Bulk purchases - electricity	418 560	427 440	392 350	458	9 534	363 614	(354 079)	-97%	392 350
Inventory consumed	14 879	21 223	29 380	3 199	27 884	25 993	1 891	7%	29 380
Debt impairment	–	58 783	45 915	–	78	43 590	(43 511)	-100%	45 915
Depreciation and amortisation	121 050	9 870	9 870	–	–	9 048	(9 048)	-100%	9 870
Interest	6 029	8 698	8 698	550	6 050	7 973	(1 923)	-24%	8 698
Contracted services	135 341	158 841	184 479	13 974	111 247	166 447	(55 200)	-33%	184 479
Transfers and subsidies	84	1 049	1 049	–	78	962	(884)	-92%	1 049
Irrecoverable debts written off	176 661	1 486	3 899	594	3 823	3 293	530	16%	3 899
Operational costs	117 817	142 099	171 487	9 481	114 931	153 564	(38 632)	-25%	171 487
Losses on Disposal of Assets	15 203	60	60	–	–	55	(55)	-100%	60
Other Losses	106	–	–	–	–	–	–		–
Total Expenditure	1 437 562	1 310 466	1 299 239	65 044	684 799	1 192 292	(507 492)	-43%	1 299 239

Comparison against YTD Budget

As indicated in the Table above, as at 31 May 2025, expenditure shows an unsatisfactory variance of minus 43%. The YTD actual amounted to R684 799 against the YTD budget of R1 192 292.

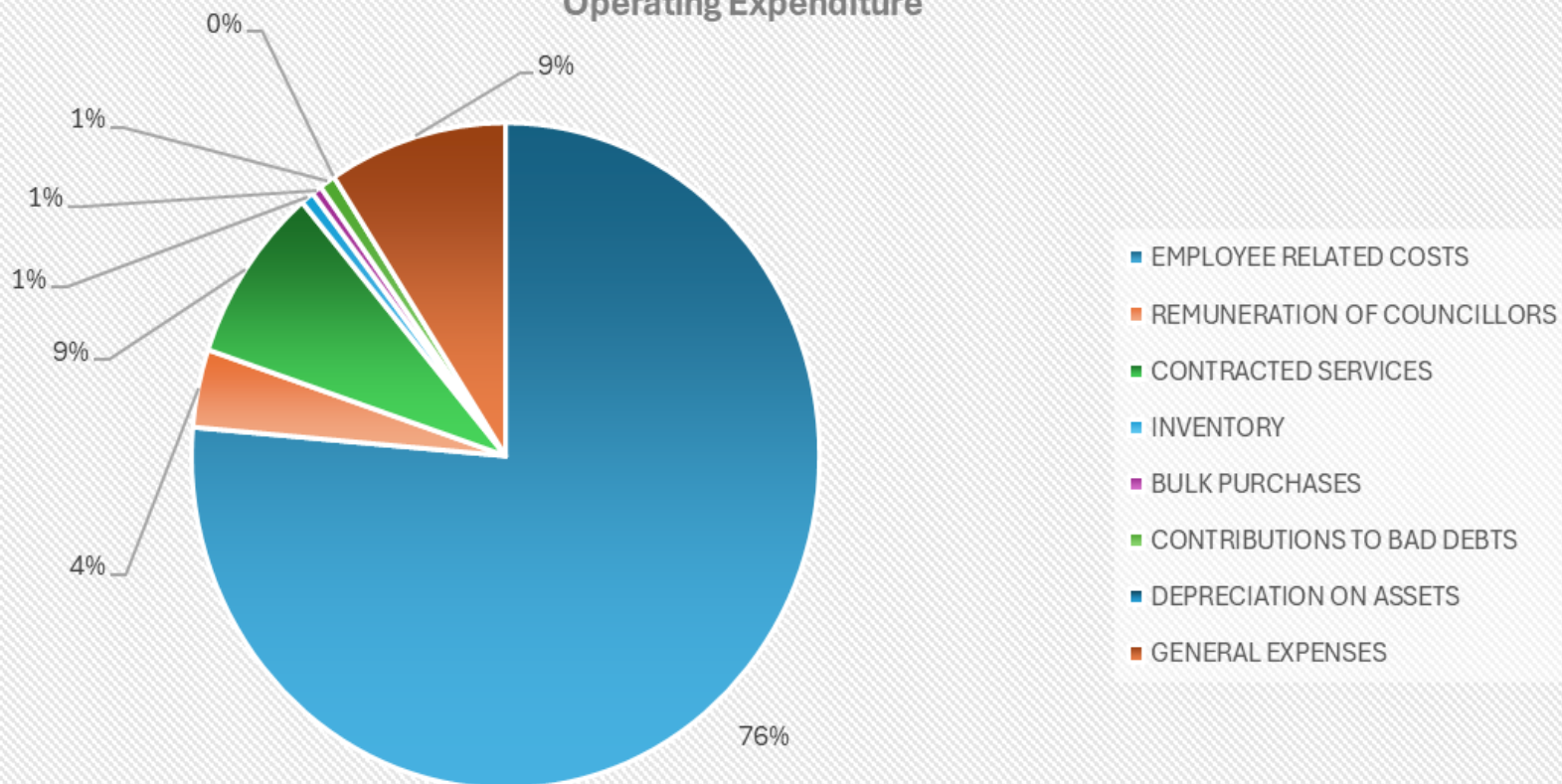
- Employee related costs show a satisfactory variance of minus 0.0%. Post-retirement benefit obligations are not factored in and will only be finalised as part of year-end procedures.
- Remuneration of councillors is showing an unsatisfactory variance of minus 20%.
- Bulk purchases – Electricity is showing an unsatisfactory variance of minus 97%, since the July payment of R110 million went against the arrears and not the current account.

- The expenditure on Inventory consumed is showing an unsatisfactory variance of minus 7%. 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 May 2025. 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 33%.
- Transfers and subsidies showing negative variance of minus 92%, due to non-expenditure & no commitment to show movement.
- Operational cost is showing an unsatisfactory variance of minus 25% 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 were R169 952.00 till end May 2025.

Operating Expenditure



OPERATING EXPENSES					
DESCRIPTION	Annual Budget 2024/2025	Actual 30-May-25	YTD 30-May-25	Variance (Unspent Budget)	% Exp
EMPLOYEE RELATED COSTS	424 010 431,00	34 988 649,76	390 529 679,10	33 480 751,90	92,10
REMUNERATION OF COUNCILLORS	28 040 349,00	1 799 348,17	20 644 296,93	7 396 052,07	73,62
BULK PURCHASES	392 350 423,00	458 155,09	9 534 410,00	382 816 013,00	2,43
INVENTORY	29 380 287,00	3 199 016,00	27 883 918,07	1 496 368,93	94,91
DEPRECIATION ON ASSETS	9 849 321,00	-	-	9 849 321,00	-
INTEREST	8 698 000,00	550 000,00	6 050 000,00	2 648 000,00	69,56
CONTRACTED SERVICES	184 479 196,00	13 974 145,00	111 247 080,85	73 232 115,15	60,30
TRANSFERS AND SUBSIDIES	1 049 000,00	-	77 510,00	971 490,00	7,39
CONTRIBUTIONS TO BAD DEBTS	3 899 123,00	593 794,94	3 822 798,25	76 324,75	98,04
OPERATIONAL EXPENDITURE	151 138 931,00	8 128 287,68	102 309 027,07	48 829 903,93	67,69
OPERATING LEASES	20 347 570,00	1 352 979,66	12 622 342,42	7 725 227,58	62,03
TOTAL EXPENDITURE (NETT)	1 253 242 631,00	65 044 376,30	684 721 062,69	568 521 568,31	54,64
DESCRIPTION	Annual Budget 2024/2025	Actual 30-May-25	YTD 30-May-25	Variance	
OUTSOURCE SERVICES					-
OS: BURIAL SERVICES	389 091,00	26 165,22	96 237,01	292 853,99	24,73
OS: B&A HUMAN RESOURCES	0,00	0,00	0,00	0,00	-
OS: B&A OCCUPATIONAL HEALTH & SAFETY	0,00	0,00	0,00	0,00	-
OS: B&A ORGANISATIONAL	5 418,00	0,00	0,00	5 418,00	-
OS: B&A PROJECT MANAGEMENT	1 817 150,00	0,00	1 117 791,05	699 358,95	61,51
OS: B&A RESEARCH & ADVISORY	887 861,00	77 262,85	308 782,59	579 078,41	34,78
OS: B&A QUALIFICATION VERIFICATION	0,00	0,00	0,00	0,00	-
OS: B&A VALUER	3 147 000,00	27 826,09	282 434,81	2 864 565,19	8,97
OS: CATERING SERVICES	1 068 084,00	14 822,00	576 394,43	491 689,57	53,97
OS: CLEANING SERVICES	216 757,00	23 014,55	154 720,42	62 036,58	71,38
OS: ELECTRICAL	17 668 976,00	1 633 006,01	7 506 797,09	10 162 178,91	42,49
OS: ILLEGAL DUMPING	524 500,00	0,00	333 984,82	190 515,18	63,68
OS: MEDICAL SERVICES [HEALTH SERV &	552 299,00	0,00	0,00	552 299,00	-
OS: PERSONNEL & LABOUR	11 990 976,00	1 342 540,94	7 457 531,97	4 533 444,03	62,19
OS: CONNECT/DIS-CONNECTION: ELECTICI	9 279,00	0,00	0,00	9 279,00	-
OS: TRAFFIC FINES MANAGEMENT	167 622,00	10 920,00	98 280,00	69 342,00	58,63
OS: TRANSPORT SERVICES	0,00	0,00	0,00	0,00	-
SUB TOTAL : OUTSOURCE SERVICES	38 445 013,00	3 155 557,66	17 932 954,19	20 512 058,81	46,65
CONSULTANTS AND PROFESSIONAL SERVICES					-
C&PS: B&A AIR POLLUTION	100 000,00	0,00	0,00	100 000,00	-
C&PS: B&A AUDIT COMMITTEE	201 225,00	0,00	24 578,00	176 647,00	12,21
C&PS: B&A BUSINESS & FIN MANAGEMENT	3 000 000,00	0,00	119 678,00	2 880 322,00	3,99
C&PS: B&A HUMAN RESOURCES	4 075 669,00	87 321,00	1 054 862,49	3 020 806,51	25,88
C&PS: B&A MEDICAL EXAMINATIONS	906 336,00	281 800,00	699 600,00	206 736,00	77,19
C&PS: B&A OCCUPATIONAL HEALTH & SAFE	464 500,00	0,00	236 593,43	227 906,57	50,94
C&PS: B&A PROJECT MANAGEMENT	11 025 121,00	0,00	5 862 421,82	5 162 699,18	53,17
C&PS: B&A PROJ MAN(COMM CRISIS)	0,00	0,00	0,00	0,00	-
C&PS: B&A PROJ MAN(TRAI & AWARE)	0,00	0,00	0,00	0,00	-
C&PS: B&A PROJ MAN(EMERG RESPOND)	800 000,00	0,00	17 100,00	782 900,00	2,14
C&PS: B&A RESEARCH & ADVISORY	5 245,00	0,00	0,00	5 245,00	-
C&PS: B&A SYSTEM SUPPORT	20 000,00	0,00	0,00	20 000,00	-
C&PS: I&P ENGINEERING CIVIL	1 049 000,00	0,00	750 087,07	298 912,93	71,50
C&PS: I&P LAND & QUANTITY SURVEYORS	150 000,00	0,00	0,00	150 000,00	-
C&PS: I&P LAND SCAP E DESIGNER	359 000,00	0,00	0,00	359 000,00	-
C&PS: I&P TOWN PLANNER	122 733,00	0,00	0,00	122 733,00	-
C&PS: LAB SERV WATER	6 577 300,00	651 402,81	6 429 880,78	147 419,22	97,76
C&PS: LEGAL COST ADVICE & LITIGATION	7 500 000,00	0,00	4 336 376,69	3 163 623,31	57,82
C&PS: LEGAL COST ISSUE OF SUMMONS	190 460,00	0,00	0,00	190 460,00	-
C&PS: LEGAL COST COLLECTION	1 771 135,00	59 104,01	886 010,79	885 124,21	50,03
SUB TOTAL : CONSULTANT AND PROF SERV	38 317 724,00	1 079 627,82	20 417 189,07	17 900 534,93	53,28

CONTRACTORS					-
CONTR: ARTISTS & PERFORMERS	55 230,00	0,00	0,00	55 230,00	-
CONTR: BUILDING CONTRACTORS	2 019 600,00	25 029,02	1 758 224,64	261 375,36	87,06
CONTR: CATERING SERVICES	157 350,00	0,00	0,00	157 350,00	-
CONTR: EMPLOYEE WELLNESS	629 400,00	0,00	135 740,56	493 659,44	21,57
CONTR: FIRE SERVICES	31 470,00	0,00	0,00	31 470,00	-
CONTR: GARDENING SERVICES	287 422,00	0,00	23 529,62	263 892,38	8,19
CONTR: INTERIOR DECORATOR	209 800,00	0,00	0,00	209 800,00	-
CONTR: INSPECTION FEES	1 800 146,00	139 510,70	1 343 060,98	457 085,02	74,61
CONTR: MAINT OF BUILDINGS & FACILIT	10 316 453,00	457 484,18	3 767 531,75	6 548 921,25	36,52
CONTR: MAINTENANCE OF EQUIPMENT	8 083 607,00	2 496 806,18	4 738 031,57	3 345 575,43	58,61
CONTR: MAINTENANCE OF EQUIPMENT (FLE	4 524 145,00	467 813,72	1 504 087,55	3 020 057,45	33,25
CONTR: MAINTENANCE FLEET	13 381 367,00	1 185 269,54	7 693 818,95	5 687 548,05	57,50
CONTR: PEST CONTROL & FUMIGATION	157 350,00	0,00	0,00	157 350,00	-
CONTR: PLANTS FLOWERS & OTH DECORATI	45 177,00	0,00	0,00	45 177,00	-
CONTR: PREPAID ELECTRICITY VENDORS	9 700 000,00	586 789,79	8 816 820,00	883 180,00	90,90
CONTR: SAFEGUARD & SECURITY	50 894 724,00	3 660 569,05	38 275 310,64	12 619 413,36	75,20
CONTR: TRAFFIC & STREET LIGHTS	5 773 218,00	719 687,87	4 840 781,33	932 436,67	83,85
SUB TOTAL : CONTRACTORS	108 066 459,00	9 738 960,05	72 896 937,59	35 169 521,41	67,46
CONTRACTED SERVICES	184 829 196,00	13 974 145,53	111 247 080,85	73 582 115,15	60,19
OPERATIONAL COST					
OC: ADV/PUB/MARK - CORP & MUN ACTIVI	1 949 298,00	29 920,00	757 904,78	1 191 393,22	38,88
OC: ADV/PUB/MARK - MUNICIPAL NEWSLET	600 000,00	0,00	359 934,78	240 065,22	59,99
OC: ADV/PUB/MARK - SIGNS	580 000,00	502 758,00	502 758,00	77 242,00	86,68
OC: ADV/PUB/MARK - STAFF RECRUITMENT	314 700,00	0,00	111 174,80	203 525,20	35,33
OC: ADV/PUB/MARK - TENDERS	220 919,00	21 600,00	63 696,00	157 223,00	28,83
OC: AUDIT COST: EXTERNAL	10 773 450,00	0,00	5 031 748,21	5 741 701,79	46,71
OC: BC/FAC/C FEES - BANK ACCOUNTS	1 273 379,00	154 147,22	1 678 080,97	404 701,97	131,78
OC: COMMISSION - THIRD PARTY VENDORS	17 317 019,00	958 520,10	10 044 143,01	7 272 875,99	58,00
OC: COMM - CELL CONTRACT (SUBS & CAL	0,00	0,00	0,00	0,00	-
OC: COMM - LICENCES (RADIO & TELEVIS	125 445,00	0,00	37 568,83	87 876,17	29,95
OC: COMM - POSTAGE/STAMPS/FRANKING M	1 997 916,00	85 842,40	547 322,35	1 450 593,65	27,39
OC: COMM - RADIO & TV TRANSMISSIONS	0,00	0,00	0,00	0,00	-
OC: COMM - SMS BULK MESSAGE SERVICE	0,00	0,00	0,00	0,00	-
OC: COMM - PHONE FAX TELEGRAPH & TEL	2 098 000,00	197 359,67	1 862 192,17	235 807,83	88,76
OC: CONTR TO PROV - REHAB LANDFILL S	89 325,00	0,00	0,00	89 325,00	-
OC: DEEDS	279 402,00	5 167,54	56 887,60	222 514,40	20,36
OC: DRIVERS LICENCES & PERMITS	15 565,00	0,00	0,00	15 565,00	-
OC: ENTERTAINMENT - EXEC MAYOR	31 470,00	0,00	9 220,63	22 249,37	29,30
OC: ENTERTAINMENT - COUNCILLORS	31 470,00	0,00	0,00	31 470,00	-
OC: ENTERTAINMENT - SENIOR MANAGEMENT	220 780,00	9 805,06	110 972,23	109 807,77	50,26
OC: ENTERTAINMENT - SPEAKER	10 000,00	0,00	7 712,33	2 287,67	77,12
OC: ENTERTAINMENT - CHIEF WHIP	35 000,00	0,00	23 058,96	11 941,04	65,88
OC: EXT COM SERV PROV - GPS LICENCE	3 081 763,00	0,00	221 418,49	2 860 344,51	7,18
OC: EXT COM SERV PROV - S/WARE LICEN	2 408 074,00	0,00	583 372,00	1 824 702,00	24,23
OC: EXT COM SERV PROV - SYSTEM ADVIS	0,00	0,00	0,00	0,00	-
OC: HIRE CHARGES	62 783 358,00	4 744 210,48	55 853 365,16	6 929 992,84	88,96
OC: INSUR UNDER - CLAIM PAID 3RD PAR	0,00	0,00	0,00	0,00	-
OC: INSUR UNDER - EXCESS PAYMENTS	500 000,00	5 000,00	80 919,42	419 080,58	16,18
OC: INSUR UNDER - PREMIUMS	5 050 000,00	1 208,65	4 625 306,86	424 693,14	91,59
OC: LEARNERSHIPS & INTERNSHIPS	0,00	0,00	0,00	0,00	-
OC: LIC - VEHICLE LIC & REGISTRATION	1 682 372,00	561,00	798 024,44	884 347,56	47,43
OC: LIC - VEHICLE LIC & REGISTR FLEE	14 059,00	0,00	2 945,60	11 113,40	20,95
OC: PERSONNEL AGENCY FEES (PERS RECR	0,00	0,00	0,00	0,00	-
OC: PRINTING & PUBLICATIONS	748 519,00	2 722,36	118 914,99	629 604,01	15,89
OC: PROFESSIONAL BODIES M/SHIP & SUB	196 510,00	25 982,88	109 122,09	87 387,91	55,53
OC: REMUNERATION TO WARD COMMITTEES	2 937 200,00	91 000,00	906 000,00	2 031 200,00	30,85
OC: ROAD WORTHY TEST FLEET	18 059,00	0,00	0,00	18 059,00	-
OC: SKILLS DEVELOPMENT FUND LEVY	4 278 444,00	300 562,25	3 897 636,24	380 807,76	91,10
OC: SEARCH FEES	16 469,00	0,00	0,00	16 469,00	-
OC: SERVITUDES & LAND SURVEYS	52 450,00	0,00	0,00	52 450,00	-
OC: SIGNAGE	499 746,00	22 447,83	379 576,24	120 169,76	75,95
OC: SMALL DIFFERENCES TOLERANCES	0,00	0,00	0,00	0,00	-
OC: TOLL GATE FEES	0,00	0,00	0,00	0,00	-
OC: TOLL GATE FEES FLEET	4 214,00	0,00	0,00	4 214,00	-
OC: TRANSPORT - EVENTS	106 370,00	0,00	2 500,00	103 870,00	2,35
OC: TRANSPORT - FUNERALS	0,00	0,00	0,00	0,00	-
OC: T&S DOM - ACCOMMODATION	2 861 347,00	50 454,89	1 402 631,40	1 458 715,60	49,02
OC: T&S DOM - DAILY ALLOWANCE	1 986 114,00	35 384,40	773 723,07	1 212 390,93	38,96
OC: T&S DOM - FOOD & BEVERAGE (SERVE	283 170,00	0,00	43 961,20	239 208,80	15,52
OC: T&S DOM TRP - W/OUT OPR OWN TRAN	2 549 160,00	73 915,55	1 131 428,67	1 417 731,33	44,38
OC: T&S DOM PUB TRP - ROAD TRANSPORT	330 792,00	11 663,30	44 957,98	285 834,02	13,59
OC: T&S - NON-EMPLOYEES	209 800,00	29 180,25	71 395,84	138 404,16	34,03
OC: TRANSPORT - MUNICIPAL ACTIVITIES	55 230,00	0,00	37 840,00	17 390,00	68,51
OC: UNIFORM & PROTECTIVE CLOTHING	7 009 072,00	0,00	3 597 596,21	3 411 475,79	51,33
OC: VEHICLE TRACKING FLEET	312 017,00	0,00	0,00	312 017,00	-
OC: WET FUEL	11 437 661,00	768 873,86	6 422 015,52	5 015 645,48	56,15
OC: WORKMEN'S COMPENSATION FUND	1 753 823,00	0,00	0,00	1 753 823,00	-
SUB TOTAL : OPERATIONAL COST	151 128 931,00	8 128 287,69	102 309 027,07	48 819 903,93	67,70

INVENTORY					
INV - CONSUMABLE STORES - STANDARD RATED	18 426 995,00	1 996 426,26	15 034 405,97	3 392 589,03	
INV - CONSUMABLE STORES - WATER METERS	0,00	0,00	0,00	0,00	
INV - CONSUMABLE STORES - CHEMICALS	0,00	0,00	0,00	0,00	
INV - CONSUMABLE STORES - STD RATED FLEET	7 051,00	0,00	0,00	7 051,00	
INV - CONSUMABL STORES - ZERO RATED FLEET	0,00	0,00	0,00	0,00	
INVENTORY - MATERIALS & SUPPLIES	944 032,00	5 669,96	491 075,47	452 956,53	
INVENTORY - MATERIALS & SUPPLIES FLEET	2 209,00	0,00	0,00	2 209,00	
INVENTORY - WATER	10 000 000,00	1 196 920,69	12 358 437,34	-2 358 437,34	
SUB TOTAL - INVENTORY	29 380 287,00	3 199 016,91	27 883 918,78	1 496 368,22	
INTEREST DIVIDENDS AND RENT ON LAND					-
INT PAID BOR: ANNUITY LOANS	6 600 000,00	550 000,00	6 050 000,00	550 000,00	91,67
INT PAID: OVERDUE ACCOUNTS	2 098 000,00	0,00	0,00	2 098 000,00	-
SUB TOTAL - INTEREST DIVID & RENT -	8 698 000,00	550 000,00	6 050 000,00	2 648 000,00	69,56
OPERATING LEASES					-
OPR LEASES: FURNITURE & OFFICE EQUIP	2 077 320,00	4 271,97	45 314,85	2 032 005,15	2,18
OPR LEASES: INFRA - TRANSPORTATION	0,00	0,00	0,00	0,00	-
OPR LEASES: MACHINERY & EQUIPMENT	22 092,00	0,00	0,00	22 092,00	-
OPR LEASES: TRANSPORT ASSETS	18 248 158,00	1 348 707,69	12 577 027,57	5 671 130,43	68,92
SUB TOTAL : OPERATING LEASES	20 347 570,00	1 352 979,66	12 622 342,42	7 725 227,58	62,03
BAD DEBTS WRITTEN OFF					
IRRECOVERABLE DEBTS WRITTEN OFF_EXCHANGE					
IRRECOV DEBTS W/OFF_EXCHG:ELECTRICITY	1 101 443,00	12 917,20	1 118 818,38	-17 375,38	101,58
IRRECOV DEBTS W/OFF_EXCHG:NON-SPECIFIC	100 000,00	0,00	0,00	100 000,00	-
IRRECOV DEBTS W/OFF_EXCHG:WASTE	170 215,00	15 753,15	204 670,22	-34 455,22	120,24
IRRECOV DEBTS W/OFF_EXCHG:WASTE WATER	218 969,00	20 460,36	299 926,92	-80 957,92	136,97
IRRECOV DEBTS W/OFF_EXCHG:WATER	1 208 496,00	58 774,19	733 509,89	474 986,11	60,70
SUB TOTAL : IRRECOV BAD DEBT W/OFF_EXCH	2 799 123,00	107 904,90	2 356 925,41	442 197,59	84,20
IRRECOVERABLE DEBTS W/OFF_NON-EXCHANGE					
IRRECOV DEBTS W/OFF_NON-EXCH:PROP RATES	1 100 000,00	485 890,04	1 465 872,84	-365 872,84	133,26
SUB TOTAL : IRREC BAD DEBT W/OFF_NON-EX	1 100 000,00	485 890,04	1 465 872,84	-365 872,84	133,26
SUB TOTAL : BAD DEBTS WRITTEN OFF	3 899 123,00	593 794,94	3 822 798,25	76 324,75	98,04
TRANSFERS AND SUBSIDIES					-
HH SSP SOC ASS: SOCIAL RELIEF	1 049 000,00	0,00	77 510,00	971 490,00	7,39
SUB TOTAL : OPERATIONAL : ALLOC IN K	1 049 000,00	0,00	77 510,00	971 490,00	7,39
OPERATIONAL : MONETARY					-
SUB TOTAL : OPERATIONAL : MONETARY	0,00	0,00	0,00	0,00	-
SUB TOTAL : TRANSFERS & SUBSIDIES	1 049 000,00	0,00	77 510,00	1 049 000,00	7,39
DEPRECIATION & AMORTISATION					
DEPRECIATION COMPUTER EQUIPMENT	377 994,00	0,00	0,00	0,00	-
DEPRECIATION WATER SUPPLY DISTRIBUTION	839 200,00	0,00	0,00	0,00	-
DEPRECIATION FURNITURE & OFFICE EQUIPM	786 710,00	0,00	0,00	0,00	-
DEPRECIATION ELEC MV NETWORKS	4 196 000,00	0,00	0,00	0,00	-
DEPRECIATION ELEC LV NETWORKS	839 200,00	0,00	0,00	0,00	-
DEPRECIATION MACHINERY & EQUIPMENT	1 246 965,00	0,00	0,00	0,00	-
DEPRECIATION TRANSPORT ASSETS	1 464 368,00	0,00	0,00	0,00	-
DEPRECIATION COMMUNITY CAPITAL SPARES	98 884,00	0,00	0,00	0,00	-
SUB TOTAL : DEPRECIATION & AMORTISATION	9 849 321,00	-	-	0,00	-

FS201 Moqhaka - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M11 May

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-		-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-		-
Vote 03 - Corporate Services		-	-	-	-	-	-	-		-
Vote 04 - Finance		-	-	-	-	-	-	-		-
Vote 05 - Technical Services		-	-	-	-	-	-	-		-
Vote 06 - Community Services		-	-	-	-	-	-	-		-
Vote 07 - Local Economic Development		-	-	-	-	-	-	-		-
Vote 08 - .		-	-	-	-	-	-	-		-
Vote 09 - .		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		107	-	1 650	-	15	1 320	(1 305)	-99%	1 650
Vote 02 - Municipal Manager		61	400	750	28	42	665	(623)	-94%	750
Vote 03 - Corporate Services		727	2 500	3 540	40	2 337	3 167	(830)	-26%	3 540
Vote 04 - Finance		804	2 077	958	26	169	954	(785)	-82%	958
Vote 05 - Technical Services		668	78 142	81 886	3 625	48 708	74 588	(25 880)	-35%	81 886
Vote 06 - Community Services		3 023	14 600	26 706	1 542	2 290	23 068	(20 778)	-90%	26 706
Vote 07 - Local Economic Development		241	872	825	164	568	765	(197)	-26%	825
Vote 08 - .		-	-	-	-	-	-	-		-
Vote 09 - .		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	5 630	98 591	116 315	5 425	54 130	104 528	(50 398)	-48%	116 315
Total Capital Expenditure		5 630	98 591	116 315	5 425	54 130	104 528	(50 398)	-48%	116 315

Capital Expenditure - Functional Classification										
Governance and administration		1 833	5 750	8 127	94	2 575	7 181	(4 606)	-64%	8 127
Executive and council		147	–	1 650	–	15	1 320	(1 305)	-99%	1 650
Finance and administration		1 686	5 750	6 427	94	2 561	5 821	(3 260)	-56%	6 427
Internal audit		–	–	50	–	–	40	(40)	-100%	50
Community and public safety		2 483	13 122	20 459	167	714	17 916	(17 203)	-96%	20 459
Community and social services		955	5 197	4 333	–	–	4 072	(4 072)	-100%	4 333
Sport and recreation		233	4 081	4 331	164	517	3 968	(3 451)	-87%	4 331
Public safety		1 237	3 843	11 765	3	196	9 860	(9 664)	-98%	11 765
Housing		58	–	30	–	–	15	(15)	-100%	30
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		55	31 596	34 047	25	20 200	30 909	(10 710)	-35%	34 047
Planning and development		–	205	130	–	80	113	(33)	-30%	130
Road transport		55	31 234	33 760	25	20 120	30 652	(10 532)	-34%	33 760
Environmental protection		–	157	157	–	–	144	(144)	-100%	157
Trading services		1 259	48 071	53 682	5 139	30 641	48 515	(17 874)	-37%	53 682
Energy sources		20	3 348	4 824	–	247	4 210	(3 963)	-94%	4 824
Water management		354	25 011	25 071	1 018	23 237	22 957	281	1%	25 071
Waste water management		208	15 890	15 640	2 579	4 951	14 385	(9 434)	-66%	15 640
Waste management		677	3 822	8 147	1 542	2 205	6 963	(4 758)	-68%	8 147
Other		–	52	–	–	–	6	(6)	-100%	–
Total Capital Expenditure - Functional Classification	3	5 630	98 591	116 315	5 425	54 130	104 528	(50 398)	-48%	116 315
Funded by:										
National Government		26	64 627	64 546	3 418	46 361	59 177	(12 815)	-22%	64 546
Provincial Government		–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	4	–	4	#DIV/0!	–
Transfers recognised - capital		26	64 627	64 546	3 418	46 366	59 177	(12 811)	-22%	64 546
Borrowing	6	–	–	–	–	–	–	–	–	–
Internally generated funds		5 604	33 964	51 769	2 006	7 764	45 351	(37 587)	-83%	51 769
Total Capital Funding		5 630	98 591	116 315	5 425	54 130	104 528	(50 398)	-48%	116 315

As indicated in the Table above, the YTD Actual on capital expenditure as at end of May 2025 amounted to R54 130 000. The total YTD capex is funded from Capital grants R46 361 000 and Internally generated funds R7 764 000. 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 1 July	Month 2 Aug	Month 3 Sept	Month 4 Oct	Month 5 Nov	Month 6 Dec	Month 7 Jan	Month 8 Feb	Month 9 Mar	Month 10 Apr	Month 11 May
Cash Receipts by Source											
Property rates	4 268 143	3 693 112	6 553 682	4 636 194	6 171 101	3 226 639	3 798 269	5 671 131	3 342 356	3 337 862	3 948 685
Property rates - penalties & collection charges	0	0	0	0	0	0	0	0	0	0	0
Service charges - electricity revenue	12 529 638	34 614 767	17 793 533	34 837 429	18 996 770	23 438 294	17 787 020	26 190 537	25 850 952	19 859 835	20 050 343
Service charges - water revenue	3 518 181	3 081 626	3 963 227	7 746 146	3 806 282	4 301 368	3 678 276	4 234 928	12 229 328	5 962 469	3 780 750
Service charges - sanitation revenue	1 767 304	2 085 244	1 917 894	4 104 822	1 856 803	1 948 901	2 072 333	2 431 593	5 990 655	2 178 492	1 863 279
Service charges - refuse revenue	1 469 874	1 618 135	1 584 882	2 775 588	1 523 719	1 553 005	1 674 628	1 849 041	3 715 315	1 725 155	1 522 116
Service charges - other	0	0	0	0	0	0	0	0	0	0	0
Rental of facilities and equipment	0	0	0	0	0	0	0	0	0	0	0
Interest earned - external investments	480 242	617 703	534 604	515 791	421 095	478 030	430 586	298 454	337 438	487 547	456 450
Interest earned - outstanding debtors	410 323	270 503	267 077	238 342	229 515	183 447	262 842	386 104	248 673	177 197	236 770
Dividends received	0	0	0	0	0	0	0	0	0	0	0
Fines	0	0	0	0	0	0	0	0	0	0	0
Licences and permits	0	0	0	0	0	0	0	0	0	0	0
Agency services	0	0	0	0	0	0	0	0	0	0	0
Transfer receipts - operational	124 403 000	3 949 501	0	0	0	75 283 000	0	0	75 421 000	0	0
Other revenue	23 085 574	34 245 702	22 608 227	15 151 657	42 784 392	57 784 820	18 843 990	14 768 567	18 652 633	22 105 295	30 744 741
Cash Receipts by Source	171 932 279	84 176 293	55 223 126	70 005 969	75 789 677	168 197 504	48 547 944	55 830 355	145 788 350	55 833 852	62 603 134
Other Cash Flows/Receipts by Source											
Transfer receipts - capital	17 717 138	0	19 637 000	4 542 662	3 714 613	9 089 325	3 664 391	0	6 149 000	9 469 831	0
Contributions recognised - capital & Contributed	0	0	0	0	0	0	0	0	0	0	0
Proceeds on disposal of PPE	0	0	0	0	0	0	0	0	0	0	0
Short term loans	0	0	0	0	0	0	0	0	0	0	0
Borrowing long term/refinancing	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in consumer deposits	0	0	0	0	0	0	0	0	0	0	0
Decrease (Increase) in non-current debtors	0	0	0	0	0	0	0	0	0	0	0
Decrease (increase) other non-current	0	0	0	0	0	0	0	0	0	0	0
Decrease (increase) in non-current investments	0	0	0	0	0	0	0	0	0	0	0
Total Cash Receipts by Source	189 649 417	84 176 293	74 860 126	74 548 631	79 504 290	177 286 829	52 212 335	55 830 355	151 937 350	65 303 683	62 603 134
Cash Payments by Type											
Employee related costs	35 324 794	33 199 005	37 883 306	34 901 013	36 878 122	36 925 665	36 051 901	34 764 006	34 377 567	35 235 652	34 988 650
Remuneration of councillors	1 750 839	1 732 975	1 732 975	1 744 197	2 558 301	2 042 622	1 777 633	1 858 799	1 763 759	1 882 845	1 799 348
Collection costs	0	0	0	0	0	0	0	0	0	0	0
Interest paid	0	0	0	0	0	0	0	0	0	0	0
Bulk purchases - Electricity	50 235 265	12 575 523	6 218 014	10 216 179	5 926 586	30 920 410	7 129 309	5 939 490	30 932 832	2 356 860	10 458 155
Bulk purchases - Water & Sewer	0	0	0	0	0	0	0	0	0	0	0
Other materials	0	0	0	0	0	0	0	0	0	0	0
Contracted services	3 983 453	11 004 062	13 330 886	11 938 244	10 545 196	11 228 069	14 594 577	10 392 738	13 209 575	9 388 942	9 738 960
Grants and subsidies paid - other municipalities	0	0	0	0	0	0	0	0	0	0	0
Grants and subsidies paid - other	0	0	0	0	0	0	0	0	0	0	0
General expenses	44 188 548	19 643 820	13 371 314	17 205 542	38 649 768	59 297 436	7 266 414	17 057 192	25 620 436	12 284 756	19 386 328
Cash Payments by Type	135 482 899	78 155 385	72 536 495	76 005 175	94 557 973	140 414 202	66 819 834	70 012 225	105 904 169	61 149 055	76 371 441
Other Cash Flows/Payments by Type											
Capital assets	5 746 789	3 949 501	6 156 784	10 226 512	7 391 574	7 981 612	2 844 487	1 965 443	2 075 153	6 483 371	5 424 551
Repayment of borrowing	0	0	0	0	0	0	0	0	0	0	0
Other Cash Flows/Payments	0	0	0	0	0	0	0	0	0	0	0
Total Cash Payments by Type	141 229 688	82 104 886	78 693 279	86 231 687	101 949 547	148 395 814	69 664 321	71 977 668	107 979 322	67 632 426	81 795 992
Net Increase/(Decrease) in Cash Held	48 419 729	2 071 407	-3 833 153	-11 683 056	-22 445 257	28 891 015	-17 451 986	-16 147 313	43 958 028	-2 328 743	-19 192 858
Cash/cash equivalents at the month/year begin:	44 846 115	93 265 844	95 337 251	91 504 098	79 821 042	57 375 785	86 266 800	68 814 814	52 667 501	96 625 529	94 296 786
Cash/cash equivalents at the month/year end:	93 265 844	95 337 251	91 504 098	79 821 042	57 375 785	86 266 800	68 814 814	52 667 501	96 625 529	94 296 786	75 103 928

Cash is monitored daily. 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.

Moghaka Local Municipality (FS201): Monthly Budget Statement: S71 Monthly Report: April 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	31-Mar	30-Apr	% Change	31-May	% Change	Reference
Services						
Councillors' debt (>90 days)	R 1 612 175	R 1 628 229	1%	R 1 592 770	-2%	BP136-r
Officials debt (>90 days)	R 2 988 222	R 2 930 864	-2%	R 3 004 058	2%	BP136-a
Sundry debtors						
Telephones (Officials & Councillors)	R679 780.80	R661 274.25	-3%	R699 657.63	6%	BP136-rt
Indigents	R 196 686 962	R 211 121 035	7%	R 221 974 400	5%	BP136-ia
Total Debt 90 Days +	R 201 967 141	R 216 341 403	7%	R 227 270 886	5%	

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 May 2025, the Government Debt was as follows:

MOQHAKA MUNICIPALITY	FINANCIAL YEAR		2024/25					
	MONTH END		May-25					
	0							
	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.	13 154.00	0.00	0.00	12 162.00	1 042.00	26 358.00	0.00	26 358.00
FREE STATE PROVINCIAL TREASURY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEPARTMENT OF HEALTH (PH)	11 776 630.00	7 437 335.00	0.00	10 804 131.00	26 462.00	30 044 558.00	0.00	30 044 558.00
DEPARTMENT OF EDUCATION (PE)	81799.00	1 231 832.00	3 492 692.00	16 719 299.00	0.00	21 525 622.00	0.00	21 525 622.00
DEPARTM OF SOCIAL DEV(PS)	0.00	0.00	0.00	260 920.00	0.00	260 920.00	0.00	260 920.00
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)	931 612.00	14 846 657.00	1 521.00	812 665.00	2 352.00	16 594 807.00	0.00	16 594 807.00
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	12 803 195.00	23 516 064.00	3 494 213.00	28 609 177.00	29 856.00	68 452 505.00	0.00	68 452 505.00
				0.00				
SCHOOLS (SECTION 21)	11 071 774.00	19 924 158.00	6 310.00	7 969.00	95 658.00	31 105 869.00	0.00	31 105 869.00
NATIONAL DEPARTMENTS	WATER	ELEC	RATES	SE & RF	OTHER	TOTAL	PAYMENT	OUTST
CORRECTIONAL SERVICES (NC)	4 236 603.00	377 414.00	0.00	398 699.00	0.00	5 012 716.00	0.00	5 012 716.00
DEFENCE (ND)	3 674 834.00	6 484 225.00	5 975.00	744 345.00	13 830.00	10 923 209.00	0.00	10 923 209.00
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	25 119.00	135 399.00	157 057.00	55 358.00	83 114.00	456 047.00	0.00	456 047.00
PUBLIC WORKS (NW)	42 864.00	544 290.00	1 273 090.00	76 141.00	0.00	1 936 385.00	0.00	1 936 385.00
SA POLICE(NP)	1 085 680.00	815 613.00	5 161.00	977 599.00	1 338.00	2 885 391.00	0.00	2 885 391.00
WATER AFFAIRS (WA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JUSTICE (GJ)	878 012.00	212 407.00	0.00	65 796.00	1 113.00	1 157 328.00	0.00	1 157 328.00
TOTAL	9 943 112.00	8 569 348.00	1 441 283.00	2 317 938.00	99 395.00	22 371 076.00		22 371 076.00
TOTAL	33 818 081.00	52 009 570.00	4 941 806.00	30 935 084.00	224 909.00	121 929 450.00	-	121 929 450.00
						TOTAL		121 929 450.00
						LESS CREDIT		0.00
						GRAND TOTAL		121 929 450.00

MUNICIPAL DEBT RETURN FORM - Provincial & National Departments


Municipality: FS201 Moqhaka

Financial Year: 2023/24
Reporting Month: M11 May

2024/25

	Provincial Public Works & Infrastructure	Education		National Public Works	TOTAL
		Section 20 Schools (Payable by Department of Education)	Section 21 Schools (Payable by Schools)		
<i>R'000</i>					
Property Rates	3 494			1 441	4 935
0-30 Days	1 686			703	2 389
31-60 Days	1 675			634	2 309
61-90 Days	19			15	33
Over 90 Days	114			90	204
Water	12 803	—	11 072	9 943	33 818
0-30 Days	1 011	—	361	1 599	2 971
31-60 Days	658	—	388	1 419	2 465
61-90 Days	662	—	391	1 895	2 948
Over 90 Days	10 473	—	9 932	5 031	25 435
Electricity	23 516	—	19 924	8 569	52 010
0-30 Days	843	—	1 045	975	2 862
31-60 Days	969	—	972	747	2 688
61-90 Days	646	—	835	758	2 239
Over 90 Days	21 059	—	17 072	6 089	44 221
Sanitation	18 942			1 438	20 380
0-30 Days	1 034			172	1 206
31-60 Days	1 034			172	1 206
61-90 Days	1 035			171	1 206
Over 90 Days	15 839			923	16 762
Refuse Removal	9 667			879	10 547
0-30 Days	528			91	619
31-60 Days	528			91	618
61-90 Days	528			91	619
Over 90 Days	8 084			607	8 691
Other	30	—	110	99	239
0-30 Days	0	—	10	3	13
31-60 Days	0	—	2	3	4
61-90 Days	0	—	2	3	5
Over 90 Days	29	—	96	91	217
TOTAL	68 453	—	31 106	22 371	121 929
0-30 Days	5 101	—	1 416	3 542	10 060
31-60 Days	4 864	—	1 362	3 064	9 290
61-90 Days	2 889	—	1 228	2 933	7 049
Over 90 Days	55 598	—	27 100	12 831	95 530

Payments received during reporting month (whole amount)	218 199.96			808 332.10	1 026 532.06
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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

Outstanding Debtor's by Customer Group	Current (0 to 30 days)	31 to 60 Days	61 to 90 Days	Over 90 days	Total
Households	R 32 940 439	R 28 402 358	R 26 844 589	R 1 260 275 905	R 1 348 463 291
Business / Commercial	R 30 298 571	R 8 789 192	R 8 012 331	R 166 515 846	R 213 615 940
Organs of State (Provincial & National Departments)	R 19 388 228	R 7 050 653	R 6 526 792	R 89 031 745	R 121 997 418
Other	-R 6 478 673	R 4 232 485	R 2 710 916	R 124 502 580	R 124 967 308
Total	R 76 148 565	R 48 474 688	R 44 094 628	R 1 640 326 076	R 1 809 043 957
Outstanding Debtor's by Income Source	Current (0 to 30 days)	31 to 60 Days	61 to 90 Days	Over 90 days	Total
Water	R 22 214 718	R 20 289 990	R 19 965 823	R 850 609 470	R 913 080 001
Electricity	R 30 208 037	R 9 503 456	R 8 294 957	R 149 028 763	R 197 035 213
Property Rates	R 8 436 251	R 5 943 015	R 3 275 547	R 113 461 453	R 131 116 266
Sanitation	R 8 365 592	R 6 898 159	R 6 653 907	R 259 639 871	R 281 557 529
Refuse removal	R 5 875 295	R 4 868 805	R 4 701 982	R 188 354 994	R 203 801 076
Other	R 1 048 672	R 971 263	R 1 202 412	R 79 231 525	R 82 453 872
Total	R 76 148 565	R 48 474 688	R 44 094 628	R 1 640 326 076	R 1 809 043 957

Comments:

Total outstanding debt has increased from R1 767 916 636 in April 2025 to R1 809 043 957 in May 2025. The 2% increase amounting to R41 127 321 is a result of minimum/non-payments of accounts.

Water outstanding debt was R896 284 139 in April 2025 and has increased to R913 080 001 in May 2025, and that accounts for 50% of the outstanding debt due to non-payment, burst pipes, leaking water meters.

Electricity outstanding debt was R187 377 748 in April 2025 and increased to R197 035 213 in May 2025. This is 11% of the total April debt, mainly due to non-implementation of the Debt Collection & Credit Control policy.

There were also payments from different categories of debtors for service and availability/basic charges for infrastructure maintenance. However, theft and illegal electricity connections remain a serious concern.

Property Rates outstanding debt was R127 367 675 in April 2025 and has increased to R131 116 266 in May 2025. This account for 7% against total debt.

Sanitation/Sewerage outstanding debt was R275 717 476 in April 2025 and has increased to R281 557 529 in May 2025, this accounts for 16% of the total debt and emanates from non-payment of accounts.

Total outstanding debt for Refuse Removal or Solid Waste was R199 682 529 in April 2025 and has increased to R203 801 076 in May 2025. This accounts for 11% of the total outstanding debt.

Total outstanding debt for Other or Sundries was R81 487 069 in April 2025 and has increased to R82 453 076 in May 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 R113 669 705 in April 2025 and has increased to R121 997 418 in May 2025. This represents 7% of the total outstanding debt that Public Works is in the process of addressing.

Business/Commercial debt was R204 799 737 in April 2025 and has increased to R213 615 940 in May 2025. This represents 12% 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 326 060 828 in April 2025 and has increased to R1 348 463 291 in May 2025. That accounts for 75% of the total debt. This is inclusive of R221 974 400 owed by indigent households.

The remaining Other Income debt by many other various categories of debtors was R123 386 366 in April 2025 and has increased to R124 967 309 in May 2025. That is 7% of the total outstanding debt.

The total debt by Councillors was R1 628 229 in April 2025 and has decreased to R1 592 770 in May 2025, Officials owed R2 930 864 in April 2025 and that balance increased to R3 004 058 in May 2025 (2% increase).

Telephone accounts had a balance of R661 274.25 in April 2025 and that balance increased to R699 657.63 in May 2025 (6% 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 still remain.

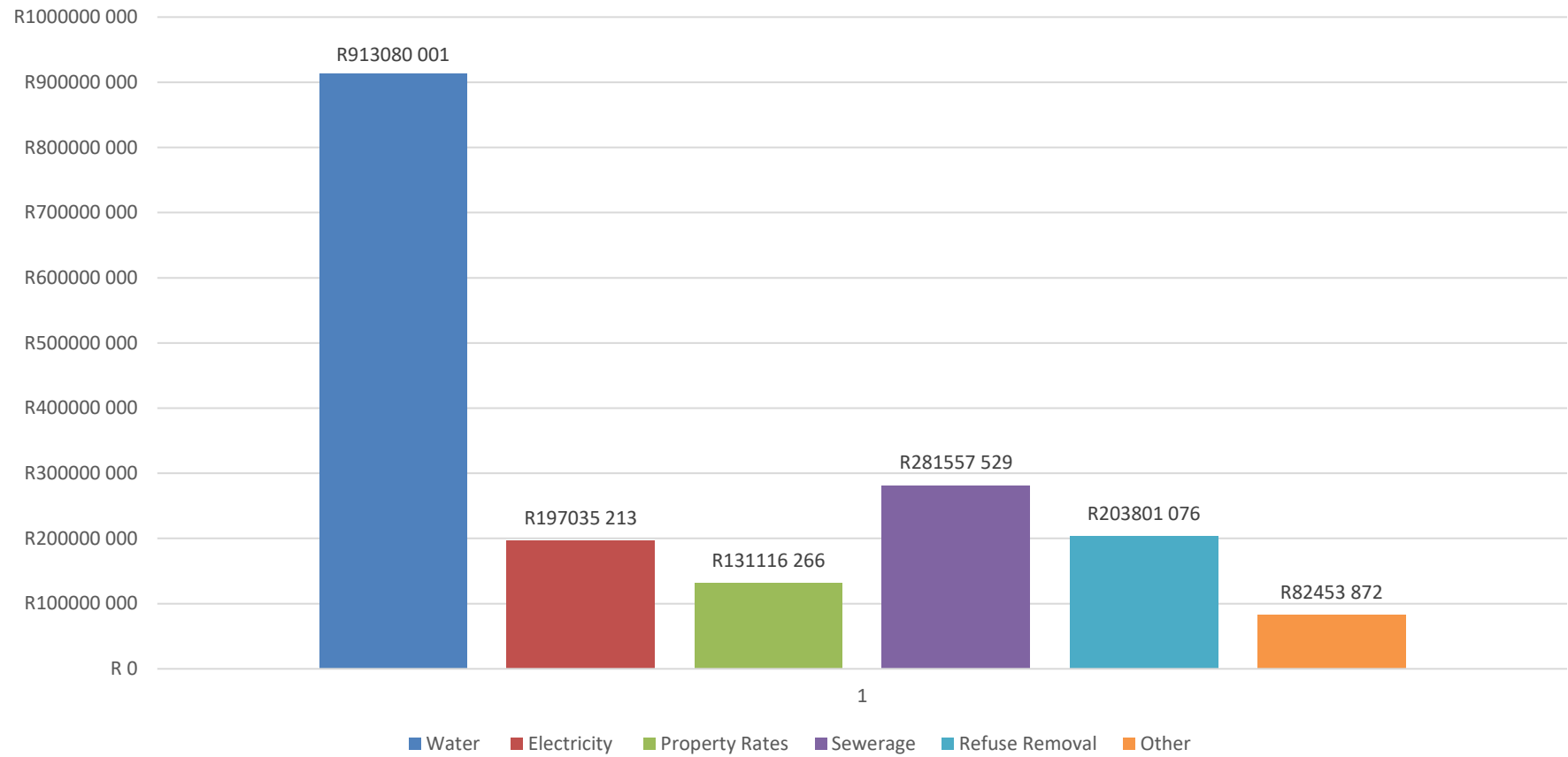
There are currently 4 debt collection companies appointed until June 2025, but their performance was hampered by the cyber attack on the financial system between 05 June 2023 and 30 April 2024.

No blockings 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.

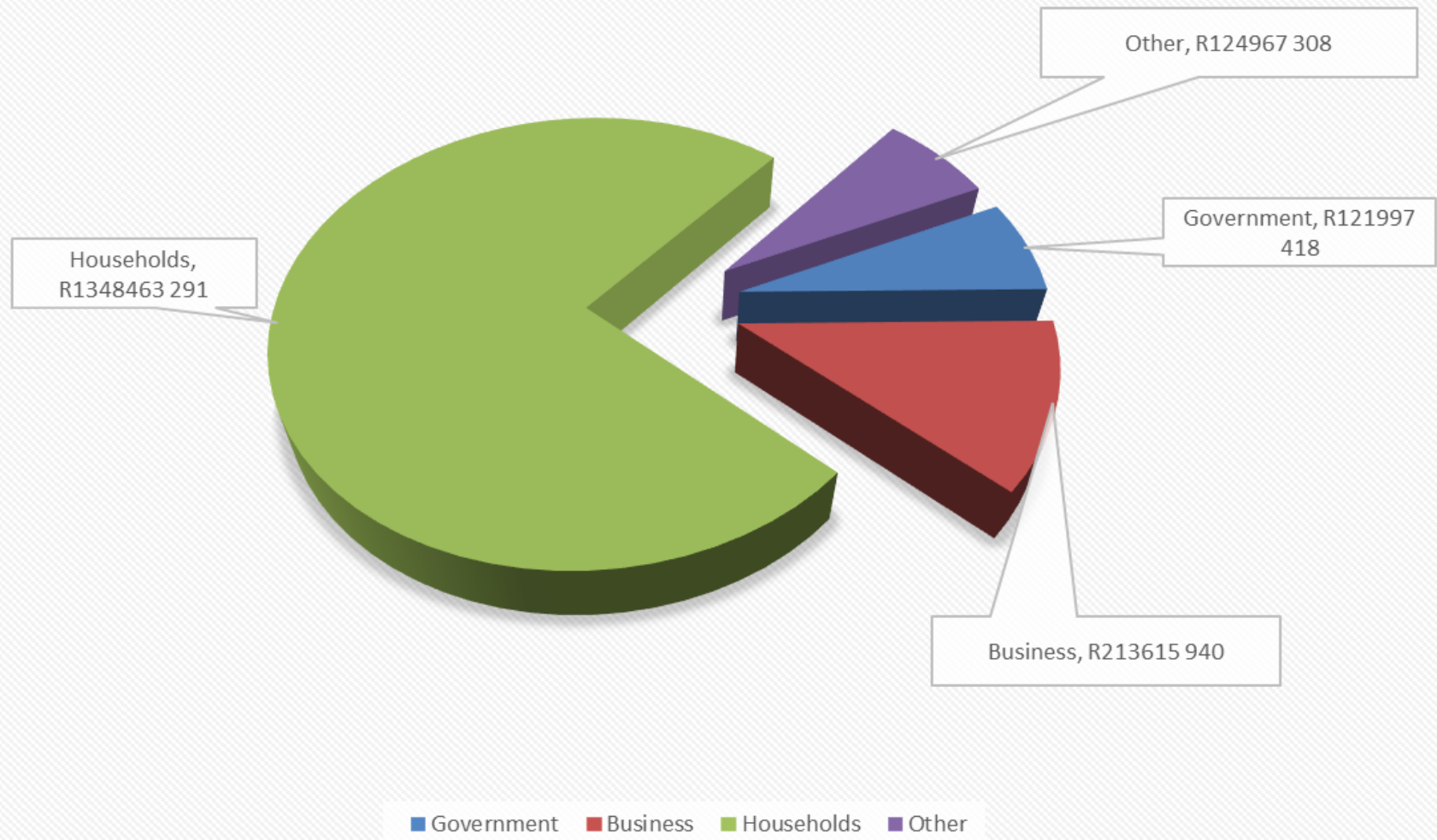
The suspension of the Municipal Manager & the delay in appointing the Directors, including the Chief Financial officer plays a very critical role in the financial distress facing the municipality.

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.

7. Creditors' Analysis

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total -
Bulk Electricity	58 683 483	45 064 560	48 014 673	0	0	0	0	1 630 420 013	1 782 182 729
Loan repayments	646 794	632 447	1 227 868	0	0	0	0	970 962	3 478 071
Trade Creditors	5 743 682	8 720 782	705 015	2 990 664	0	0	0	0	18 160 143
Auditor General	169 952	0	0	0	0	0	0	0	169 952
Other	2 816 915	1 217 303	6 677 433	0	0	0	0	3 094 264	13 805 915
Total	68 060 826	55 635 092	56 624 989	2 990 664	0	0	0	1 634 485 239	1 817 796 810

Bulk Electricity – As at the 31 May 2025, the outstanding debt owed to ESKOM amounted to R1 782 729. As per the Debt Relief approval, the municipality must honour the payment of the monthly current account and only the outstanding balance of R365 000 000 after approval of the debt relief application. The municipality is yet to enter into a payment arrangement. Trade creditors are all suppliers registered on the municipality's database and it is a prerequisite for these suppliers to be registered on the Central Supplier Database (CSD). Auditor General – the current account due to the AGSA is R169 952. Other creditors – includes Sundry creditors which were unpaid as at 31 May 2025 amount to R35 444 129.

8. Investment portfolio analysis

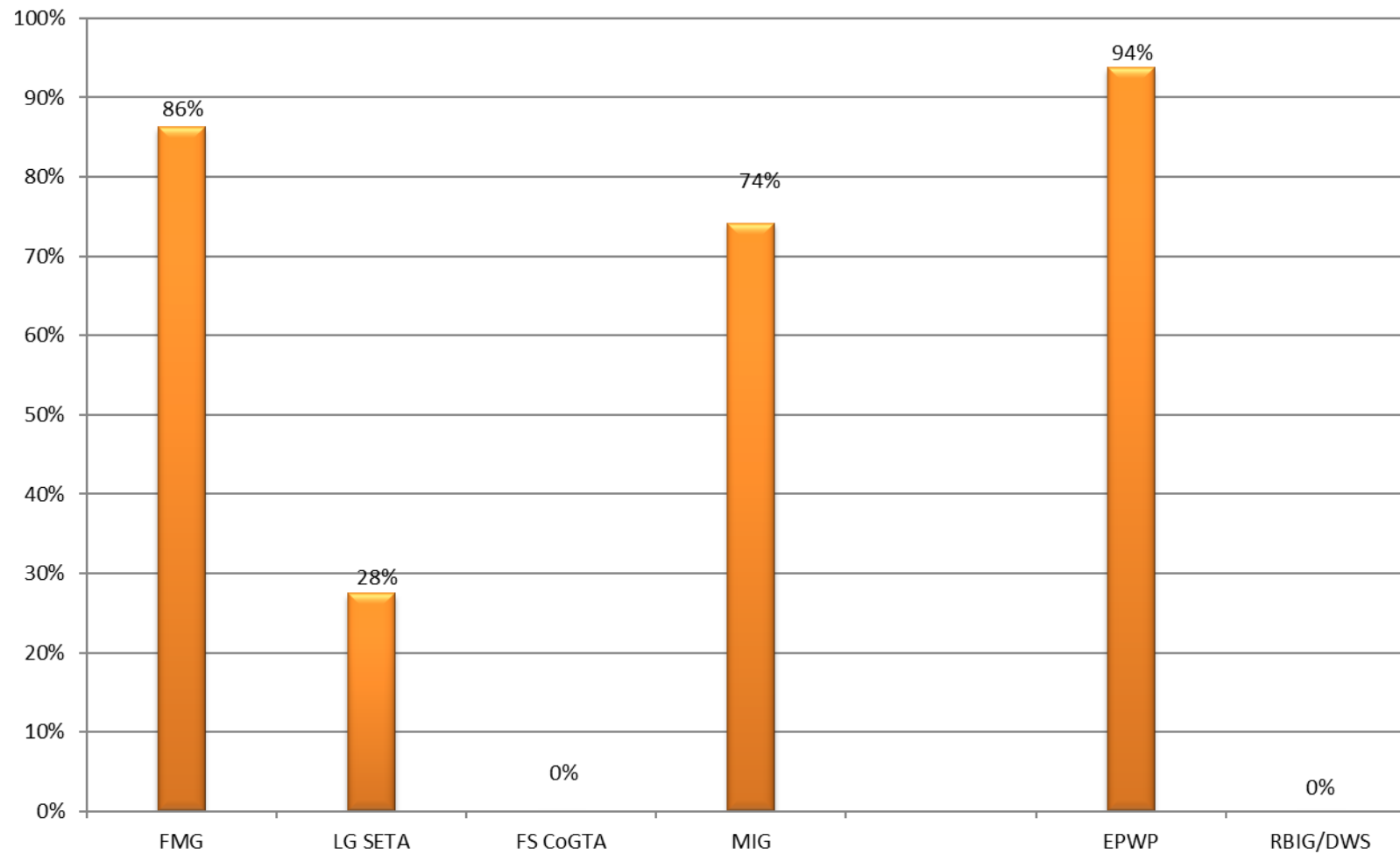
Moghaka Municipality					
Year End	30-Jun-25				
Section	Finance				
Compiled by	ID Mphosi				
Purpose	Investment Register				
<i>The municipality holds the following investments with ABSA Bank.</i>					
Detail	Bank Acc num	Type of investment	Vote num		
ABSA - 1	20-7531-4898	Fixed Deposit	34055053140ZZZZZZZWWM		
ABSA - 2	20-5824-7882	Fixed Deposit	34055053040ZZZZZZZWWM		
ABSA - 3	91-3190-1443	Call Account	34055053240ZZZZZZZWWM		
	20-7531-4898	20-5824-7882	91-3190-1443		
	ABSA - 1	ABSA - 2	ABSA - 3	Total	
Balance 01-Jul- 2024	5 608,89	118 622,25	40 795 171,52	40 919 402,66	
Prior period error	-	-	-	-	
Adjusted Balance	5 608,89	118 622,25	40 787 125,85	40 911 356,99	
	-	-	49 977 242,08	49 977 242,08	
Invested	-	-	67 497 000,00	67 497 000,00	
Withdrawn	-	-	-18 000 000,00	-18 000 000,00	
Interest earned	-		480 242,08	480 242,08	
Balance at 31-Jul-2024	5 608,89	118 622,25	90 764 367,93	90 888 599,07	
	52,02		1 799 349,35		
Invested	-	-	50 181 646,00	50 181 646,00	
Withdrawn	-	-	-49 000 000,00	-49 000 000,00	
Interest earned	52,02	-	617 703,35	617 755,37	
Balance at 31-Aug-2024	5 660,91	118 622,25	92 563 717,28	92 688 000,44	
	54,01		-6 641 111,88	-6 641 057,87	
Invested	-	-	31 637 000,00	31 637 000,00	
Withdrawn	-		-38 812 716,43	-38 812 716,43	
Interest earned	54,01	-	534 604,55	534 658,56	
Balance at 30-Sep-2024	5 714,92	118 622,25	85 922 605,40	86 046 942,57	
			-9 984 209,17	-9 984 209,17	
Invested	-	-	7 500 000,00	7 500 000,00	
Withdrawn	-	-	-18 000 000,00	-18 000 000,00	
Interest earned	-	-	515 790,83	515 790,83	
Balance at 31-Oct-2024	5 714,92	118 622,25	75 938 396,23	76 062 733,40	
	108,04	10 984,97	-21 593 518,24	-21 582 425,23	
Invested			10 000 000,00	10 000 000,00	
Withdrawn			-32 014 613,34	-32 014 613,34	
Interest earned	108,04	10 984,97	421 095,10	432 188,11	
Balance at 30-Nov-2024	5 822,96	129 607,22	54 344 877,99	54 480 308,17	
			27 570 030,17	27 570 030,17	
Invested	-	-	87 792 000	87 792 000,00	
Withdrawn	-	-	-60 700 000	-60 700 000,00	
Interest earned	-	-	478 030,17	478 030,17	

Balance at 31-Dec-2024	5 822,96	129 607,22	81 914 908,16	82 050 338,34
			-18 069 414,23	-18 069 414,23
Invested			12 500 000,00	12 500 000,00
Withdrawn			-31 000 000,00	-31 000 000,00
Interest earned			430 585,77	430 585,77
Balance at 31-Jan-2025	5 822,96	129 607,22	63 845 493,93	63 980 924,11
	110,08		-13 701 546,01	-13 701 435,93
Invested			10 000 000,00	10 000 000,00
Withdrawn			-24 000 000,00	-24 000 000,00
Interest earned	110,08		298 453,99	298 564,07
Balance at 28-Feb-2025	5 933,04	129 607,22	50 143 947,92	50 279 488,18
			37 265 438,20	37 265 438,20
Invested			62 928 000,00	62 928 000,00
Withdrawn			-26 000 000,00	-26 000 000,00
Interest earned			337 438,20	337 438,20
Interest accrued				
Balance at 31-Mar-2025	5 933,04	129 607,22	87 409 386,12	87 544 926,38
			-2 414 953,19	-2 414 953,19
Invested			10 597 500,00	10 597 500,00
Withdrawn			-13 500 000,00	-13 500 000,00
Interest earned			487 546,81	487 546,81
Balance at 30-April-2025	5 933,04	129 607,22	84 994 432,93	85 129 973,19
	107,52		-18 043 549,66	-18 043 442,14
Invested			3 500 000,00	3 500 000,00
Withdrawn			-22 000 000,00	-22 000 000,00
Interest earned	107,52		456 450,34	456 557,86
Interest accrued				
Balance at 31-May-2025	6 040,56	129 607,22	66 950 883,27	67 086 531,05

9. Allocation and grant receipts and expenditure

Report on conditional grants at	31 May 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 2024/25	2 300 000					-
Unspent grants at beginning of the financial year		2791897				-
Received Prior Months	2 300 000	322 214	46 575 000	1 104 000	16 233 383	63 912 383
Received This Month	-	-	-	-	-	-
Total Funds Received	2 300 000	3 114 111	46 575 000	1 104 000	16 233 383	63 912 383
Spent Prior Months	1 864 920	768 407	34 431 247	926 590	-	35 357 837
Spent This Month	120 271		109 819	108 500	-	218 319
Grants refunded					-	-
Total Funds Spent	1 985 191	768 407	34 541 066	1 035 090	-	35 576 156
Total funds Received and Not Spent	314 809	2 345 704	12 033 934	68 910	16 233 383	28 336 227
Percentage of Funds Spent	86%	28%	74%	94%	0%	56%
Funds Currently Committed but Not Spent	-	-	-	-	-	-
Scheduled Transfers Withheld	-	-	-	-	-	-

GRANTS SPENDING 2024/25 MAY



FS201 Moqhaka - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M11 May

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										
<u>RECEIPTS:</u>	1,2									
<u>Operating Transfers and Grants</u>										
National Government:		283 146	310 788	302 167	162	276 313	277 992	(1 679)	-0,6%	302 167
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		278 006	298 568	298 568	–	274 328	273 687	641	0,2%	298 568
Expanded Public Works Programme Integrated Grant		–	9 920	1 299	–	–	2 197	(2 197)	-100,0%	1 299
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–		–
Local Government Financial Management Grant		2 300	2 300	2 300	162	1 985	2 108	(123)	-5,8%	2 300
Municipal Disaster Relief Grant	3	2 840	–	–	–	–	–	–		–
Municipal Infrastructure Grant		–	–	–	–	–	–	–		–
Regional Bulk Infrastructure Grant		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]								–		
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	2 550	(1 830)	-71,8%	3 081
ESKOM		–	–	–	–	–	–	–		–
National Economical Development and Labour Council		1 463	–	–	–	720	–	720		–
National Skills Fund		198	726	3 081	–	–	2 550	(2 550)	-100,0%	3 081
Total Operating Transfers and Grants	5	314 054	311 514	305 248	162	277 033	280 542	(3 509)	-1,3%	305 248
<u>Capital Transfers and Grants</u>										
National Government:		51 222	64 627	64 546	–	31 256	59 177	(27 921)	-47,2%	64 546
Integrated National Electrification Programme Grant		2 050	–	–	–	–	–	–		–
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		44 352	46 656	46 575	–	30 104	42 703	(12 599)	-29,5%	46 575
Water Services Infrastructure Grant		4 820	17 971	17 971	–	1 152	16 473	(15 322)	-93,0%	17 971
Provincial Government:		–	1 237	–	–	–	144	(144)	-100,0%	–
Capacity Building and Other Grants		–	–	–	–	–	–	–		–
Infrastructure Grant		–	1 237	–	–	–	144	(144)	-100,0%	–
District Municipality:		–	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	–	–	–	–	–		–
Other grant providers:		5	–	–	–	7	–	7		–
[insert description]								–		
Developers Contribution		–	–	–	–	–	–	–		–
Office of the Pension Fund Adjudicator		(2)	–	–	–	(1)	–	(1)		–
Unspecified		7	–	–	–	8	–	8		–
Total Capital Transfers and Grants	5	51 227	65 864	64 546	–	31 263	59 321	(28 058)	-47,3%	64 546
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	365 281	377 378	369 794	162	308 296	339 863	(31 566)	-9,3%	369 794

FS201 Moqhaka - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May

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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		100 324	137 896	134 882	7 396	99 970	123 997	(24 026)	-19,4%	134 882
Equitable Share		97 207	125 676	131 283	7 162	97 185	119 692	-	-18,8%	131 283
Expanded Public Works Programme Integrated Grant		1 359	9 920	1 299	122	1 042	2 197	(1 155)	-52,6%	1 299
Local Government Financial Management Grant		2 012	2 300	2 300	112	1 756	2 108	(352)	-16,7%	2 300
Municipal Disaster Relief Grant		(253)	-	-	-	(13)	-	(13)		-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-		-
Water Services Infrastructure Grant		-	-	-	-	-	-	-		-
Provincial Government:		-	-	-	-	-	-	-		-
Infrastructure Grant		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		184	1 000	3 081	-	606	2 582	(1 976)	-76,5%	3 081
Education Training and Development Practices SETA		184	1 000	3 081	-	606	2 582	(1 976)	-76,5%	3 081
Total operating expenditure of Transfers and Grants:		100 508	138 896	137 963	7 396	100 576	126 578	(26 002)	-20,5%	137 963
Capital expenditure of Transfers and Grants										
National Government:		26	64 627	64 546	3 418	46 361	59 177	(12 815)	-21,7%	64 546
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-		-
Local Government Financial Management Grant		-	-	-	-	-	-	-		-
Municipal Disaster Relief Grant		26	-	-	-	-	-	-		-
Municipal Infrastructure Grant		0	46 656	46 575	3 418	29 090	42 703	(13 613)	-31,9%	46 575
Water Services Infrastructure Grant		-	17 971	17 971	-	17 271	16 473	798	4,8%	17 971
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Capacity Building and Other Grants		-	-	-	-	-	-	-		-
Infrastructure Grant		-	-	-	-	-	-	-		-
Specify (Add grant description)		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	4	-	4	#DIV/0!	-
Unspecified		-	-	-	-	4	-	4		-
Total capital expenditure of Transfers and Grants		26	64 627	64 546	3 418	46 366	59 177	(12 811)	-21,6%	64 546
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		100 535	203 523	202 509	10 814	146 942	185 755	(38 813)	-20,9%	202 509

10. Councillor and board member allowances and employee benefits

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

DO3 - SALARIES ALLOW AND SERV BENEFITS				
SM D03: SAL & ALL - BASIC SALARY	447 880,00	-	-	0,00
SM D03: SAL & ALL - PERFORM BASED BONUS	26 857,00	-	-	0,00
SM D03: ALLOW - CELLULAR & TELEPHONE	2 706,00	-	-	0,00
SM D03: ALLOW - HOUSING BENEFITS	87 619,00	-	-	0,00
SM D03: ALLOW - TRAVEL OR MOTOR VEHICLE	49 759,00	-	-	0,00
SM D03: SRB - ENTERTAINMENT	-	-	-	#DIV/0!
SM D03: SRB - ACTING & POST RELATE ALLOW	-	-	-	#DIV/0!
SUB TOTAL: DCH - SAL ALLOW & SERV BENEF	614 821,00	0,00	0,00	0,00
DO4 - SALARIES ALLOW AND SERV BENEFITS				
SM D04: SAL & ALL - BASIC SALARY	446 030,00	-	-	0,00
SM D04: SAL & ALL - PERFORM BASED BONUS	4 089,00	-	-	0,00
SM D04: ALLOW - CELLULAR & TELEPHONE	4 280,00	-	-	0,00
SM D04: ALLOW - HOUSING BENEFITS	40 926,00	-	-	0,00
SM D04: ALLOW - TRAVEL OR MOTOR VEHICLE	30 408,00	-	-	0,00

SM D04: SRB - ENTERTAINMENT	-	-	-	#DIV/0!
SUB TOTAL: DCS - SAL ALLOW & SERV BENEF	525 733,00			0,00
SUB TOTAL: SM - SAL ALLOW & SERV BENEF	5 830 624,00	253 063,04	2 555 437,87	43,83
SM - SOCIAL CONTRIBUTIONS				
MM - SOCIAL CONTRIBUTIONS				
SM MM: SOC CONTR: MEDICAL	68 736,00	0,00	0,00	0,00
SM MM: SOC CONTR: PENSION FUNDS	116 203,00	13 119,69	133 330,44	114,74
SM MM: SOC CONTR: UIF	2 422,00	177,12	1 948,32	80,44
SUB TOTAL: MM - SOCIAL CONTRIBUTIONS	187 361,00	13 296,81	135 278,76	72,20
CFO - SOCIAL CONTRIBUTIONS				
SM CFO: SOC CONTR: GROUP LIFE INSURANCE	-	-	-	-
SM CFO: SOC CONTR: MEDICAL	3 326,00	-	-	-
SM CFO: SOC CONTR: PENSION FUNDS	66 404,00	-	-	-
SM CFO: SOC CONTR: UIF	1 225,00	-	-	-
SM CFO: SOC CONTR: BARGAINING COUNCIL	-	-	-	-
SUB TOTAL: CFO - SOCIAL CONTRIBUTIONS	70 955,00	0,00	0,00	0,00
D01 - SOCIAL CONTRIBUTIONS				
SM D01: SOC CONTR: GROUP LIFE INSURANCE	0,00	0,00	0,00	0,00
SM D01: SOC CONTR: MEDICAL	69 820,00	0,00	0,00	0,00
SM D01: SOC CONTR: PENSION FUNDS	144 119,00	10 771,93	67 192,13	19,46
SM D01: SOC CONTR: UIF	2 461,00	177,12	1 239,84	21,59
SM D01: SOC CONTR: BARGAINING COUNCIL	0,00	0,00	0,00	0,00
SUB TOTAL: DTS - SOCIAL CONTRIBUTIONS	216 400,00	10 949,05	68 431,97	31,62

D02 - SOCIAL CONTRIBUTIONS				
SM D02: SOC CONTR: GROUP LIFE INSURANCE	0,00	0,00	0,00	0,00
SM D02: SOC CONTR: MEDICAL	37 057,00	0,00	0,00	0,00
SM D02: SOC CONTR: PENSION FUNDS	71 014,00	0,00	35 506,77	63,47
SM D02: SOC CONTR: UIF	2 459,00	177,12	1 948,32	50,42
SM D02: SOC CONTR: BARGAINING COUNCIL	0,00	0,00	0,00	0,00
SUB TOTAL: DPS - SOCIAL CONTRIBUTIONS	110 530,00	177,12	37 455,09	33,89
D03 - SOCIAL CONTRIBUTIONS				
SM D03: SOC CONTR: GROUP LIFE INSURANCE				
SM D03: SOC CONTR: MEDICAL	21 011,00	-	-	-
SM D03: SOC CONTR: PENSION FUNDS	-	-	-	-
SM D03: SOC CONTR: UIF	1 217,00	-	-	-
SM D03: SOC CONTR: BARGAINING COUNCIL	-	-	-	-
SUB TOTAL: DCH - SOCIAL CONTRIBUTIONS	22 228,00	0,00	0,00	0,00
SUB TOTAL: SM - SOCIAL CONTRIBUTIONS	607 474,00	24 422,98	241 165,82	39,70
SM - POST RETIREMENT BENEFITS				
SM: PRB - MED: CURRENT SERVICE COST				
SM: PRB - MED: INTEREST COST	5 023 669,00	460 810,88	2 261 139,88	45,01
SM: PRB - PENS: INTEREST COST	742 998,00	-	-	-
SUB TOTAL : SM - POST RETIREMENT BENEFIT	5 766 667,00	460 810,88	2 261 139,88	39,21
SM: PST RET BEN OBL CST CAP PPE				
SUB TOTAL : SM - COST CAPITALISED TO PPE				
SUB TOTAL : SENIOR MANAGEMENT	12 204 765,00	738 296,90	5 057 743,57	41,44
MUNICIPAL STAFF				
MS - SALARIES ALLOW AND SERV BENEFITS				
MS: SAL & ALL: BASIC SALARY & WAGES	242 681 472,00	20 378 445,41	229 142 018,10	94,42

MS: SAL & ALL: PERFORMANCE BASED BONUSES	28 646,00	0,00	107 940,42	376,81
MS: ALL - CELLULAR & TELEPHONE	745 830,00	36 950,00	414 036,89	55,51
MS: HB & INC: HOUSING BENEFITS	1 998 886,00	128 204,56	1 593 058,67	79,70
MS: ALL - LEAVE PAY	3 979 298,00	469 133,09	4 237 893,05	106,50
MS: ALL - TRAVEL OR MOTOR VEHICLE	24 406 682,00	1 748 518,23	19 768 329,07	81,00
MS: OVERTIME - NON STRUCTURED	32 479 847,00	3 613 089,44	35 348 418,31	108,83
MS: OVERTIME - STRUCTURED	61 717,00	8 381,75	51 862,60	84,03
MS: PAYMENTS - SHIFT ADD REMUNERATIO	-	-	-	#DIV/0!
MS: SRB - ANNUAL BONUS	21 311 491,00	863 248,16	16 722 504,55	78,47
MS: SRB - LONG SERVICE AWARD	1 621 564,00	152 430,14	1 859 043,12	114,65
MS: SRB - STANDBY ALLOWANCE	4 166 600,00	393 107,14	4 276 807,41	102,65
MS: IN-KIND BENEFITS	3 371,00	-	-	0,00
MS: SRB - NON PENSIONABLE	1 750,00	-	-	0,00
SUB TOTAL : MS - SAL ALLOW & SERV BENEF	333 487 154,00	27 791 507,92	313 521 912,19	94,01
MS - SOCIAL CONTRIBUTIONS				
MS: SOC CONTR - BARGAINING COUNCIL	157 845,00	11 536,80	129 707,42	82,17
MS: SOC CONTR - GROUP LIFE INSURANCE	1 416 399,00	85 442,86	930 304,57	65,68
MS: SOC CONTR - MEDICAL	26 625 620,00	2 424 905,74	26 279 260,26	98,70
MS: SOC CONTR - PENSION	43 153 476,00	3 759 497,59	40 469 937,01	93,78
MS: SOC CONTR - UNEMPLOYMENT INSUR FUND	2 365 194,00	168 322,40	1 867 261,02	78,95
SUB TOTAL : MS - SOCIAL CONTRIBUTIONS	73 718 534,00	6 449 705,39	69 676 470,28	94,52
MS: PRB - MED: CURRENT SERVICE COST				#DIV/0!
MS: PRB - MED: INTEREST COST	4 460 042,00	-4 433,00	2 109 630,30	47,30
MS: PRB - PENS: INTEREST COST				#DIV/0!
MS: PRB - OTHER: LEAVE GRATUITY		0,00	14 520,60	#DIV/0!
SUB TOTAL : MS - POST RETIREMENT BEN	4 460 042,00	-4 433,00	2 124 150,90	47,63

MS - COST CAPITALISED TO PPE				
MS: IN-KIND BENEFITS CST CAP PPE	139 936,00	13 573,15	149 402,15	106,76
SUB TOTAL : MS - COST CAPITALISED TO PPE	139 936,00	13 573,15	149 402,15	106,76
SUB TOTAL : MUNICIPAL STAFF	411 805 666,00	34 250 353,46	385 471 935,52	93,61
SUB TOTAL : EMPLOYEE RELATED COST	424 010 431,00	34 988 650,36	390 529 679,09	92,10

FS201 Moqhaka - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M11 May

Summary of Employee and Councillor remuneration	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
<u>Councillors (Political Office Bearers plus Other)</u>										
Basic Salaries and Wages		4 831	7 394	7 394	250	3 793	6 778	(2 985)	-44%	7 394
Pension and UIF Contributions		1 708	1 839	1 839	147	1 610	1 686	(76)	-5%	1 839
Medical Aid Contributions		737	1 194	1 194	61	691	1 094	(403)	-37%	1 194
Motor Vehicle Allowance		12 926	14 071	14 071	1 168	12 592	12 898	(306)	-2%	14 071
Cellphone Allowance		1 956	2 882	2 882	172	1 933	2 642	(709)	-27%	2 882
Housing Allowances								-		
Other benefits and allowances		93	2 198	661	2	25	786	(760)	-97%	661
Sub Total - Councillors		22 251	29 578	28 040	1 799	20 644	25 883	(5 239)	-20%	28 040
% increase	4		32,9%	26,0%						26,0%
<u>Senior Managers of the Municipality</u>	3									
Basic Salaries and Wages		1 333	5 495	4 151	156	1 562	3 962	(2 400)	-61%	4 151
Pension and UIF Contributions		125	461	408	24	241	380	(139)	-37%	408
Medical Aid Contributions		-	284	200	-	-	193	(193)	-100%	200
Overtime								-		
Performance Bonus		92	542	263	-	73	273	(200)	-73%	263
Motor Vehicle Allowance		718	1 197	1 089	91	862	1 011	(149)	-15%	1 089
Cellphone Allowance		48	82	72	7	57	67	(10)	-15%	72
Housing Allowances		-	361	232	-	-	228	(228)	-100%	232
Other benefits and allowances		-	-	-	-	-	-	-		-
Payments in lieu of leave		-	-	-	-	-	-	-		-
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations	2	15 702	6 495	5 767	461	2 261	5 371	(3 110)	-58%	5 767
Entertainment		36	31	24	-	1	23	(21)	-94%	24
Scarcity								-		
Acting and post related allowance								-		
In kind benefits								-		
Sub Total - Senior Managers of Municipality		18 052	14 948	12 205	738	5 058	11 508	(6 450)	-56%	12 205
% increase	4		-17,2%	-32,4%						-32,4%
<u>Other Municipal Staff</u>										
Basic Salaries and Wages		229 995	271 059	242 681	20 378	229 142	225 769	3 373	1%	242 681
Pension and UIF Contributions		42 300	45 506	46 935	4 013	43 268	42 858	410	1%	46 935
Medical Aid Contributions		25 041	25 516	26 626	2 425	26 279	24 278	2 002	8%	26 626
Overtime		40 338	33 932	32 542	3 621	35 400	29 995	5 405	18%	32 542
Performance Bonus		18 206	21 302	21 340	863	16 830	19 558	(2 727)	-14%	21 340
Motor Vehicle Allowance		21 518	24 606	24 407	1 749	19 768	22 396	(2 628)	-12%	24 407
Cellphone Allowance		496	872	746	37	414	699	(285)	-41%	746
Housing Allowances		1 560	2 013	1 999	128	1 593	1 834	(241)	-13%	1 999
Other benefits and allowances		3 971	4 284	4 326	405	4 407	3 961	445	11%	4 326
Payments in lieu of leave		7 051	3 076	3 979	469	4 238	3 542	695	20%	3 979
Long service awards		924	2 118	1 622	152	1 859	1 544	315	20%	1 622
Post-retirement benefit obligations	2	-	2 092	4 460	(4)	2 124	3 812	(1 688)	-44%	4 460
Entertainment								-		
Scarcity								-		
Acting and post related allowance								-		
In kind benefits		-	3	3	-	-	3	(3)	-100%	3
Sub Total - Other Municipal Staff		391 400	436 379	411 666	34 237	385 323	380 249	5 073	1%	411 666
% increase	4		11,5%	5,2%						5,2%
Total Parent Municipality		431 704	480 905	451 911	36 774	411 025	417 640	(6 616)	-2%	451 911

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

The BTO office recommended the following precautionary measures.

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

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

- Ensuring accountability across all directorates and ensuring that Executive directors, Line Managers and Supervisors take full responsibility.
- Identify and investigate possible abuse and alleged fraudulent allegations and taking disciplinary action, where applicable.
- Ensuring the compliance and adherence to applicable laws and regulations and internal policies.

- Approval of Overtime prior to it being incurred.
- Inability to manage overtime proactively.
- Curbing / Limiting / Curtailing expenditure on Overtime.
- Monitoring expenditure on Overtime.
- Utilizing the available workforce optimally.
- Implementing an alternative method of compensation.
- Addressing the immediate infrastructure maintenance requirements, specifically addressing preventative maintenance.
- Improve both the personal productivity of individual employees and the overall productivity of departments and the entire municipal system.

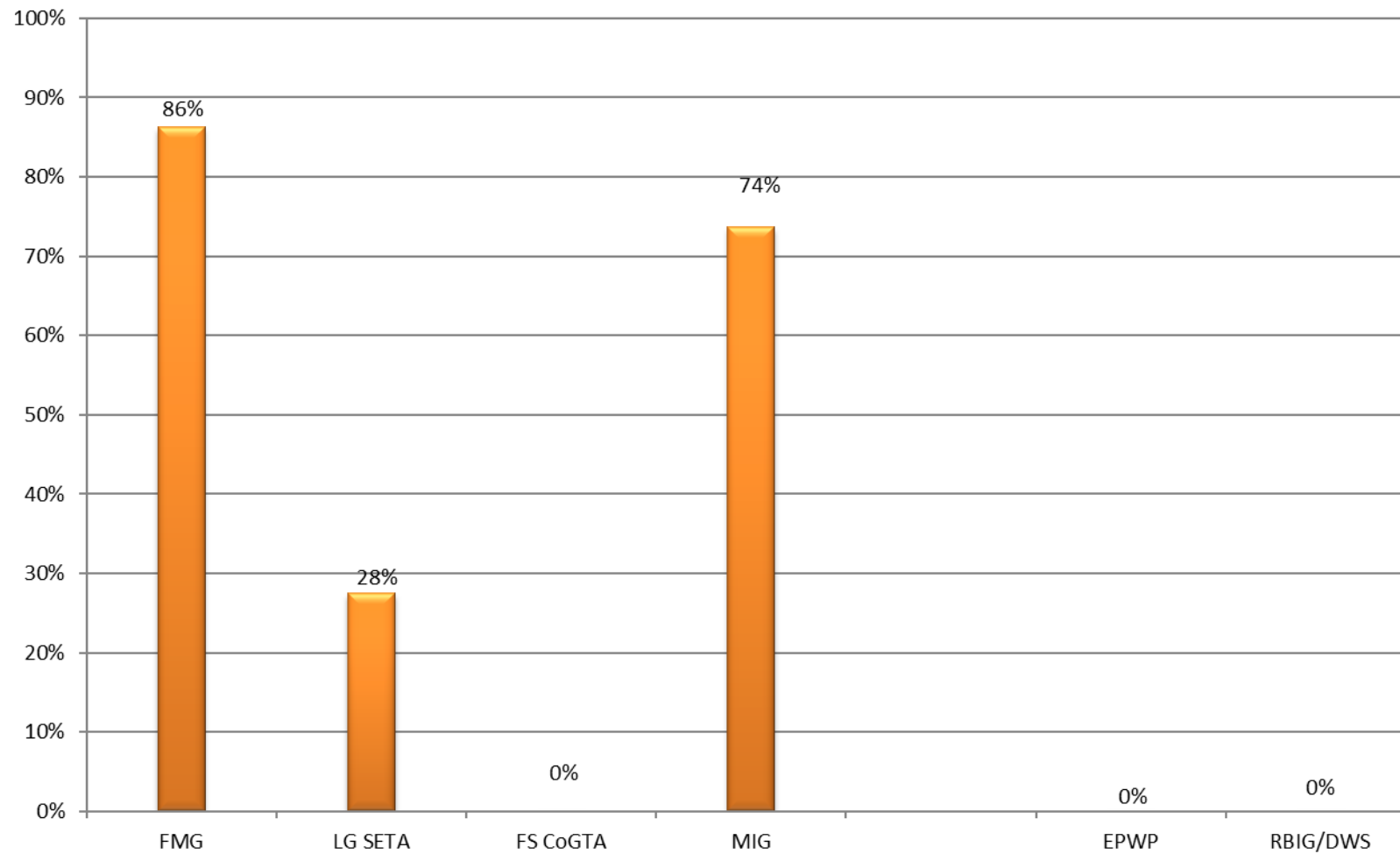
11. Material Variances to the Service Delivery and Budget Implementation Plan

Material variances pertaining to financial performance are primarily addressed in the Executive summary under Sections 4.1 to 4.3 or emphasised elsewhere in this Monthly Budget Statement. Any other material variances to the SDBIP will be included in the quarterly Section 52 (d) report for the period ending 30 September 2024.

12. Capital programme performance

Report on conditional grants at	31 May 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 2024/25	2 300 000					-
Unspent grants at beginning of the financial year		2791897				-
Received Prior Months	2 300 000	322 214	46 575 000	1 104 000	16 233 383	63 912 383
Received This Month	-	-	-	-	-	-
Total Funds Received	2 300 000	3 114 111	46 575 000	1 104 000	16 233 383	63 912 383
Spent Prior Months	1 864 920	768 407	34 317 859	822 850	-	35 140 709
Spent This Month	120 271				-	-
Grants refunded					-	-
Total Funds Spent	1 985 191	768 407	34 317 859	822 850	-	35 140 709
Total funds Received and Not Spent	314 809	2 345 704	12 257 141	281 150	16 233 383	28 771 674
Percentage of Funds Spent	86%	28%	74%	#DIV/0!	0%	55%
Funds Currently Committed but Not Spent	-	-	-	-	-	-
Scheduled Transfers Withheld	-	-	-	-	-	-

GRANTS SPENDING 2024/25 May



N.B. MIG Grant Register cannot be produced to due PMU not having staff

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

13. Other Supporting Documentation



Audit Trail

Batch Transfer

Group 19058 - MOQHAKA LOCAL MUNICIPALITY
Operator 010 - PAULA DARINA DU PLESSIS
Batch Name & Description 90044924 90044924
Status Finally Approved

Fri, May 9, 2025 at 01:26:31 PM

	Captured	First Approver	Second Approver	Third Approver	Final Approver
Operator	10	22			31
Operator Name	PAULA DARINA DU PLESSIS	SAMUEL THELETSANE			RYAN D BUYS
Approval Level					
Date	2025/05/09	2025/05/09			2025/05/09
Time	11:32:27	12:50:36			13:21:40
Hand-over Date					

Batch Status

Batch Details

Batch Entry Number 1

From Account	334536	MOQHAKA LOCAL MUNICIPALITY - 0000004053274876	
Description	9345061750 90044924	Frequency	Adhoc
Beneficiary Code			
Account	223626	ESKOM 9345061750 - 0000055070067316	
Description	MOQHAKA MUNICIPALITY	Mandate	
Date	2025/05/09	Amount	5,000,000.00
Hand-over date			
Transaction Number	258811	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.

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

DATA

Trail

Transfer

Fri, May 16, 2025 at 08:46:16 AM

Up 19058 - MOQHAKA LOCAL MUNICIPALITY
erator 010 - PAULA DARINA DU PLESSIS
ch Name & Description 90045003 90045003
us Finally Approved

	Captured	First Approver	Second Approver	Third Approver	Final Approver
erator	10	31			22
erator Name	PAULA DARINA DU PLESSIS	RYAN D BUYS			SAMUEL THELETSANE
roval Level					
e	2025/05/15	2025/05/15			2025/05/16
ie	10:23:44	10:40:48			08:33:28
l-over Date					2025/05/16

Batch Status

Batch Details

Batch Entry Number 1

om Account	334536	MOQHAKA LOCAL MUNICIPALITY - 0000004053274876	
scription	9345061750 90045003	Frequency	Adhoc
eneficiary Code			
Account	223626	ESKOM 9345061750 - 0000055070067316	
scription	MOQHAKA MUNICIPALITY	Mandate	
ite	2025/05/15	Amount	5,000,000.00
ill-over date	2025/05/16		
ansaction Number	258887	Transaction Status	S
mediate 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 - M11 May

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	86 074	83 208	2 866	3%	90 811
Service charges	680 651	867 189	804 036	63 372	643 148	744 401	(101 252)	-14%	804 036
Investment revenue	34	30	61	–	39	52	(13)	-25%	61
Transfers and subsidies - Operational	314 054	311 514	305 248	162	277 033	280 542	(3 509)	(0)	305 248
Other own revenue	131 648	76 386	126 714	13 296	115 458	110 283	5 175	5%	–
Total Revenue (excluding capital transfers and contributions)	1 214 593	1 345 628	1 326 870	84 679	1 121 752	1 218 485	(96 733)	-8%	1 326 870
Employee costs	409 580	451 339	424 010	34 989	390 530	391 871	(1 341)	-0%	424 010
Remuneration of Councillors	22 251	29 578	28 040	1 799	20 644	25 883	(5 239)	-20%	28 040
Depreciation and amortisation	121 050	9 870	9 870	–	–	9 048	(9 048)	-100%	9 870
Interest	6 029	8 698	8 698	550	6 050	7 973	(1 923)	-24%	8 698
Inventory consumed and bulk purchases	433 439	448 663	421 731	3 657	37 418	389 606	(352 188)	-90%	421 731
Transfers and subsidies	84	1 049	1 049	–	78	962	(884)	-92%	1 049
Other expenditure	445 128	361 269	405 840	24 049	230 079	366 948	(136 869)	-37%	405 840
Total Expenditure	1 437 562	1 310 466	1 299 239	65 044	684 799	1 192 292	(507 492)	-43%	1 299 239
Surplus/(Deficit)	(222 968)	35 162	27 631	19 635	436 953	26 193	410 759	1568%	27 631
Transfers and subsidies - capital (monetary allocations)	51 220	64 627	64 546	–	31 255	59 177	###	-47%	64 546
Transfers and subsidies - capital (in-kind)	7	1 237	–	–	8	144	(136)	-94%	–
Surplus/(Deficit) after capital transfers & contributions	(171 741)	101 026	92 177	19 635	468 216	85 514	382 701	448%	92 177
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(171 741)	101 026	92 177	19 635	468 216	85 514	382 701	448%	92 177
Capital expenditure & funds sources									
Capital expenditure	5 630	98 591	116 315	5 425	54 130	104 528	(50 398)	-48%	116 315
Capital transfers recognised	26	64 627	64 546	3 418	46 366	59 177	(12 811)	-22%	64 546
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	5 604	33 964	51 769	2 006	7 764	45 351	(37 587)	-83%	51 769
Total sources of capital funds	5 630	98 591	116 315	5 425	54 130	104 528	(50 398)	-48%	116 315

FS201 Moqhaka - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M11 May

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		421 969	307 563	321 038	12 248	389 146	292 713	96 433	33%	321 038
Executive and council		307 242	204 456	206 199	225	282 158	188 812	93 346	49%	206 199
Finance and administration		114 726	103 108	114 839	12 023	106 987	103 901	3 087	3%	114 839
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		13 971	26 947	26 949	612	10 046	24 703	(14 657)	-59%	26 949
Community and social services		1 850	3 573	3 573	181	1 633	3 275	(1 642)	-50%	3 573
Sport and recreation		2 893	5 232	5 232	32	2 255	4 796	(2 541)	-53%	5 232
Public safety		2 849	4 905	4 907	229	1 392	4 498	(3 106)	-69%	4 907
Housing		6 379	13 237	13 237	170	4 765	12 134	(7 369)	-61%	13 237
Health		—	—	—	—	—	—	—	—	—
Economic and environmental services		48 147	48 603	48 784	150	32 727	44 697	(11 970)	-27%	48 784
Planning and development		2 269	1 729	1 881	150	1 795	1 707	88	5%	1 881
Road transport		45 878	46 763	46 792	—	30 932	42 889	(11 957)	-28%	46 792
Environmental protection		—	110	110	—	—	101	(101)	-100%	110
Trading services		781 733	1 028 379	994 645	71 670	721 096	915 693	(194 597)	-21%	994 645
Energy sources		404 111	584 727	515 763	39 493	379 829	480 828	(100 999)	-21%	515 763
Water management		212 197	265 446	285 953	19 053	200 235	259 731	(59 496)	-23%	285 953
Waste water management		108 812	103 334	111 956	7 681	82 550	101 621	(19 071)	-19%	111 956
Waste management		56 613	74 873	80 973	5 443	58 482	73 513	(15 031)	-20%	80 973
Other	4	—	—	—	—	—	—	—	—	—
Total Revenue - Functional	2	1 265 820	1 411 492	1 391 416	84 679	1 153 015	1 277 806	(124 791)	-10%	1 391 416
Expenditure - Functional										
Governance and administration		365 531	327 192	357 006	25 686	270 231	323 773	(53 543)	-17%	357 006
Executive and council		130 579	107 648	112 181	5 608	81 203	102 305	(21 102)	-21%	112 181
Finance and administration		231 006	214 976	240 257	19 720	185 261	217 281	(32 020)	-15%	240 257
Internal audit		3 945	4 568	4 568	358	3 766	4 188	(421)	-10%	4 568
Community and public safety		103 864	125 520	124 769	8 456	91 422	114 470	(23 048)	-20%	124 769
Community and social services		16 137	18 759	19 785	753	10 674	18 037	(7 363)	-41%	19 785
Sport and recreation		40 542	48 127	52 002	3 805	36 454	47 197	(10 743)	-23%	52 002
Public safety		39 276	49 422	43 234	3 230	36 515	40 354	(3 839)	-10%	43 234
Housing		7 910	9 212	9 748	669	7 778	8 882	(1 104)	-12%	9 748
Health		—	—	—	—	—	—	—	—	—
Economic and environmental services		87 217	72 713	70 107	4 725	55 921	64 770	(8 849)	-14%	70 107
Planning and development		8 862	13 818	12 178	838	8 859	11 355	(2 496)	-22%	12 178
Road transport		75 133	54 826	53 797	3 713	44 527	49 634	(5 107)	-10%	53 797
Environmental protection		3 222	4 069	4 133	175	2 535	3 781	(1 246)	-33%	4 133
Trading services		879 852	781 911	744 826	26 062	266 012	686 890	(420 878)	-61%	744 826
Energy sources		539 525	517 289	475 468	5 657	56 237	440 525	(384 288)	-87%	475 468
Water management		171 920	116 593	108 600	7 016	76 839	100 798	(23 959)	-24%	108 600
Waste water management		100 230	73 954	81 176	7 080	71 726	73 254	(1 528)	-2%	81 176
Waste management		68 176	74 075	79 582	6 309	61 209	72 313	(11 104)	-15%	79 582
Other		1 098	3 130	2 529	114	1 214	2 389	(1 175)	-49%	2 529
Total Expenditure - Functional	3	1 437 562	1 310 466	1 299 239	65 044	684 799	1 192 292	(507 493)	-43%	1 299 239
Surplus/ (Deficit) for the year		(171 741)	101 026	92 177	19 635	468 216	85 514	382 702	4,4753248	92 177

FS201 Moqhaka - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May

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	225	282 158	188 812	93 346	49,4%	206 199
Vote 02 - Municipal Manager		2 840	-	-	-	-	-	-		-
Vote 03 - Corporate Services		196	2 301	4 656	1 999	812	3 993	(3 181)	-79,7%	4 656
Vote 04 - Finance		111 091	100 441	109 452	10 011	105 804	99 280	6 524	6,6%	109 452
Vote 05 - Technical Services		770 998	1 000 269	960 464	66 227	693 546	885 069	(191 523)	-21,6%	960 464
Vote 06 - Community Services		61 430	83 843	89 945	5 852	61 562	81 738	(20 176)	-24,7%	89 945
Vote 07 - Local Economic Development		12 023	20 183	20 700	365	9 133	18 914	(9 781)	-51,7%	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	84 679	1 153 015	1 277 806	(124 791)	-9,8%	1 391 416
Expenditure by Vote	1									
Vote 01 - Executive & Council		102 817	99 504	104 875	5 132	75 300	95 509	(20 210)	-21,2%	104 875
Vote 02 - Municipal Manager		22 600	28 093	27 584	2 313	22 276	25 346	(3 070)	-12,1%	27 584
Vote 03 - Corporate Services		61 986	60 329	68 943	6 027	46 268	62 190	(15 922)	-25,6%	68 943
Vote 04 - Finance		72 264	69 950	77 836	5 977	62 878	70 425	(7 547)	-10,7%	77 836
Vote 05 - Technical Services		902 783	773 445	729 665	24 678	257 348	673 969	(416 620)	-61,8%	729 665
Vote 06 - Community Services		243 247	233 399	247 054	17 578	188 322	224 880	(36 558)	-16,3%	247 054
Vote 07 - Local Economic Development		31 864	45 745	43 282	3 340	32 407	39 972	(7 565)	-18,9%	43 282
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	1 299 239	65 044	684 799	1 192 292	(507 492)	-42,6%	1 299 239
Surplus/ (Deficit) for the year	2	(171 741)	101 026	92 177	19 635	468 216	85 514	382 701	447,5%	92 177

FS201 Moqhaka - Table C6 Monthly Budget Statement - Financial Position - M11 May

Description	Ref	2023/24	Budget Year 2024/25			
		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	(21 092)	2 783
Trade and other receivables from exchange transactions		525 811	236 799	236 799	784 087	236 799
Receivables from non-exchange transactions		53 531	41 960	41 960	79 242	41 960
Current portion of non-current receivables						
Inventory		87 485	100 984	100 984	81 858	100 984
VAT		904	34 445	34 445	21 503	34 445
Other current assets		30 115	31 215	31 215	55 858	31 215
Total current assets		687 941	448 185	448 185	1 001 455	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	2 798 614	1 883 004	2 798 614
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	3 001 449	2 016 337	3 001 449
TOTAL ASSETS		2 688 634	3 431 910	3 449 633	3 017 792	3 449 633
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Financial liabilities		—	(2 032)	(2 032)	(2 881)	(2 032)
Consumer deposits		13 550	13 734	13 734	15 064	13 734
Trade and other payables from exchange transactions		1 304 802	485 809	501 663	1 121 159	501 663
Trade and other payables from non-exchange transactions		27 032	—	—	74 302	—
Provision		162 036	68 424	68 424	162 036	68 424
VAT		(2 444)	(49 705)	(49 705)	49 098	(49 705)
Other current liabilities		—	—	—	—	—
Total current liabilities		1 504 976	516 230	532 083	1 418 779	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	1 566 047	602 453
NET ASSETS	2	1 036 390	2 845 311	2 847 181	1 451 745	2 847 181
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 716 181	2 848 351	2 858 571	1 453 846	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	1 453 846	2 859 864

Annexure A2 - Monthly



National Treasury

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Free State Provincial Treasury

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period

May'24

National Financial Year

2024/25

Demarcation Code of Municipality being assessed

FS201

[illegible]

Fezile Dabi

Demarcation Description	
1	Demarcation 1: From the main line to the first branch point.
2	Demarcation 2: From the first branch point to the second branch point.
3	Demarcation 3: From the second branch point to the third branch point.
4	Demarcation 4: From the third branch point to the fourth branch point.
5	Demarcation 5: From the fourth branch point to the fifth branch point.
6	Demarcation 6: From the fifth branch point to the sixth branch point.
7	Demarcation 7: From the sixth branch point to the seventh branch point.
8	Demarcation 8: From the seventh branch point to the eighth branch point.
9	Demarcation 9: From the eighth branch point to the ninth branch point.
10	Demarcation 10: From the ninth branch point to the tenth branch point.
11	Demarcation 11: From the tenth branch point to the eleventh branch point.
12	Demarcation 12: From the eleventh branch point to the twelfth branch point.
13	Demarcation 13: From the twelfth branch point to the thirteenth branch point.
14	Demarcation 14: From the thirteenth branch point to the fourteenth branch point.
15	Demarcation 15: From the fourteenth branch point to the fifteenth branch point.
16	Demarcation 16: From the fifteenth branch point to the sixteenth branch point.
17	Demarcation 17: From the sixteenth branch point to the seventeenth branch point.
18	Demarcation 18: From the seventeenth branch point to the eighteenth branch point.
19	Demarcation 19: From the eighteenth branch point to the nineteenth branch point.
20	Demarcation 20: From the nineteenth branch point to the twentieth branch point.
21	Demarcation 21: From the twentieth branch point to the twenty-first branch point.
22	Demarcation 22: From the twenty-first branch point to the twenty-second branch point.
23	Demarcation 23: From the twenty-second branch point to the twenty-third branch point.
24	Demarcation 24: From the twenty-third branch point to the twenty-fourth branch point.
25	Demarcation 25: From the twenty-fourth branch point to the twenty-fifth branch point.
26	Demarcation 26: From the twenty-fifth branch point to the twenty-sixth branch point.
27	Demarcation 27: From the twenty-sixth branch point to the twenty-seventh branch point.
28	Demarcation 28: From the twenty-seventh branch point to the twenty-eighth branch point.
29	Demarcation 29: From the twenty-eighth branch point to the twenty-ninth branch point.
30	Demarcation 30: From the twenty-ninth branch point to the thirtieth branch point.
31	Demarcation 31: From the thirtieth branch point to the thirty-first branch point.
32	Demarcation 32: From the thirty-first branch point to the thirty-second branch point.
33	Demarcation 33: From the thirty-second branch point to the thirty-third branch point.
34	Demarcation 34: From the thirty-third branch point to the thirty-fourth branch point.
35	Demarcation 35: From the thirty-fourth branch point to the thirty-fifth branch point.
36	Demarcation 36: From the thirty-fifth branch point to the thirty-sixth branch point.
37	Demarcation 37: From the thirty-sixth branch point to the thirty-seventh branch point.
38	Demarcation 38: From the thirty-seventh branch point to the thirty-eighth branch point.
39	Demarcation 39: From the thirty-eighth branch point to the thirty-ninth branch point.
40	Demarcation 40: From the thirty-ninth branch point to the fortieth branch point.
41	Demarcation 41: From the fortieth branch point to the forty-first branch point.
42	Demarcation 42: From the forty-first branch point to the forty-second branch point.
43	Demarcation 43: From the forty-second branch point to the forty-third branch point.
44	Demarcation 44: From the forty-third branch point to the forty-fourth branch point.
45	Demarcation 45: From the forty-fourth branch point to the forty-fifth branch point.
46	Demarcation 46: From the forty-fifth branch point to the forty-sixth branch point.
47	Demarcation 47: From the forty-sixth branch point to the forty-seventh branch point.
48	Demarcation 48: From the forty-seventh branch point to the forty-eighth branch point.
49	Demarcation 49: From the forty-eighth branch point to the forty-ninth branch point.
50	Demarcation 50: From the forty-ninth branch point to the fiftieth branch point.
51	Demarcation 51: From the fiftieth branch point to the fifty-first branch point.
52	Demarcation 52: From the fifty-first branch point to the fifty-second branch point.
53	Demarcation 53: From the fifty-second branch point to the fifty-third branch point.
54	Demarcation 54: From the fifty-third branch point to the fifty-fourth branch point.
55	Demarcation 55: From the fifty-fourth branch point to the fifty-fifth branch point.
56	Demarcation 56: From the fifty-fifth branch point to the fifty-sixth branch point.
57	Demarcation 57: From the fifty-sixth branch point to the fifty-seventh branch point.
58	Demarcation 58: From the fifty-seventh branch point to the fifty-eighth branch point.
59	Demarcation 59: From the fifty-eighth branch point to the fifty-ninth branch point.
60	Demarcation 60: From the fifty-ninth branch point to the sixtieth branch point.
61	Demarcation 61: From the sixtieth branch point to the sixty-first branch point.
62	Demarcation 62: From the sixty-first branch point to the sixty-second branch point.
63	Demarcation 63: From the sixty-second branch point to the sixty-third branch point.
64	Demarcation 64: From the sixty-third branch point to the sixty-fourth branch point.
65	Demarcation 65: From the sixty-fourth branch point to the sixty-fifth branch point.
66	Demarcation 66: From the sixty-fifth branch point to the sixty-sixth branch point.
67	Demarcation 67: From the sixty-sixth branch point to the sixty-seventh branch point.
68	Demarcation 68: From the sixty-seventh branch point to the sixty-eighth branch point.
69	Demarcation 69: From the sixty-eighth branch point to the sixty-ninth branch point.
70	Demarcation 70: From the sixty-ninth branch point to the seventieth branch point.
71	Demarcation 71: From the seventieth branch point to the seventy-first branch point.
72	Demarcation 72: From the seventy-first branch point to the seventy-second branch point.
73	Demarcation 73: From the seventy-second branch point to the seventy-third branch point.
74	Demarcation 74: From the seventy-third branch point to the seventy-fourth branch point.
75	Demarcation 75: From the seventy-fourth branch point to the seventy-fifth branch point.
76	Demarcation 76: From the seventy-fifth branch point to the seventy-sixth branch point.
77	Demarcation 77: From the seventy-sixth branch point to the seventy-seventh branch point.
78	Demarcation 78: From the seventy-seventh branch point to the seventy-eighth branch point.
79	Demarcation 79: From the seventy-eighth branch point to the seventy-ninth branch point.
80	Demarcation 80: From the seventy-ninth branch point to the eightieth branch point.
81	Demarcation 81: From the eightieth branch point to the eighty-first branch point.
82	Demarcation 82: From the eighty-first branch point to the eighty-second branch point.
83	Demarcation 83: From the eighty-second branch point to the eighty-third branch point.
84	Demarcation 84: From the eighty-third branch point to the eighty-fourth branch point.
85	Demarcation 85: From the eighty-fourth branch point to the eighty-fifth branch point.
86	Demarcation 86: From the eighty-fifth branch point to the eighty-sixth branch point.
87	Demarcation 87: From the eighty-sixth branch point to the eighty-seventh branch point.
88	Demarcation 88: From the eighty-seventh branch point to the eighty-eighth branch point.
89	Demarcation 89: From the eighty-eighth branch point to the eighty-ninth branch point.
90	Demarcation 90: From the eighty-ninth branch point to the ninetieth branch point.
91	Demarcation 91: From the ninetieth branch point to the hundredth branch point.
92	Demarcation 92: From the hundredth branch point to the hundred and first branch point.
93	Demarcation 93: From the hundred and first branch point to the hundred and second branch point.
94	Demarcation 94: From the hundred and second branch point to the hundred and third branch point.
95	Demarcation 95: From the hundred and third branch point to the hundred and fourth branch point.
96	Demarcation 96: From the hundred and fourth branch point to the hundred and fifth branch point.
97	Demarcation 97: From the hundred and fifth branch point to the hundred and sixth branch point.
98	Demarcation 98: From the hundred and sixth branch point to the hundred and seventh branch point.
99	Demarcation 99: From the hundred and seventh branch point to the hundred and eighth branch point.
100	Demarcation 100: From the hundred and eighth branch point

Moghaka

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):			
		6.12.2		- Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? Note - refer condition 6.12.2		Does not have function Does not have function ▼
	1	6.12.2		- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za ?		Does not have function Does not have function ▼
	2	6.12.2		- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?		Does not have function Does not have function ▼
	3					

	4	6.3.1		- Has the municipality paid its Eskom bulk current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? Note - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.	No No
	5	6.3.2 6.3.3		- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za ?	Yes 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 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 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 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 Yes

				Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also 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".	
	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 Yes
				Note - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".	
	11	6.4.2		- If the municipality's MTREF is not funded , has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	Yes Yes
				Note - if the municipality has an FRP, a separate budget funding plan is not necessary. However, the PT / NT must assesses whether the existing FRP incorporates / will give effect to a funded MTREF. If not, the FRP requires strengthening.	
	12	6.4.2		- If the municipality's MTREF is not funded and it has an FRP per the legislative framework , does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.	Yes 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 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 Yes
		6.6		Electricity and water as collection tools – has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies that:	
	15	6.6.1		- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	Yes 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 Yes
	17	6.6.3		- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.	No No

18	6.6.4		- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? Note – the municipality’s monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.	Yes Yes
	6.6		Supporting evidence: The National Treasury and/ or provincial treasury’s related budget assessment confirms the municipality’s relevant MTREF’s related budget policies and by-laws demonstrate compliance with paragraph 6.6.	
	6.7		Maintain a minimum average quarterly collection of property rates and services charges –	
19	6.7.1		- Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	No No
			Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.	
	6.7.2		- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of National Treasury the following :	
20	6.7.2.1		* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool <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 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 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 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 Yes
	24	6.7.4		- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Yes No
	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 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 Yes
	27	6.8.1		- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? Note - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement	N/a N/a

	28	6.8.2		- For the latest ending Quarter -Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://lguploadportal.treasury.gov.za?	Yes 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 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 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 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 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		Provincial Treasury Note - Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless:	

	33	6.10.1		- has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	Yes Yes
	34	6.10.2		- has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za ? Note - in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.	Yes Yes
	35	6.10.3		- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?	Yes Yes
				Note - if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.	
	36	6.11		<u>Limitation on municipality borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?</u>	No No
				Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. NT confirms that MFMA Circular No. 124: condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans (entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short term borrowing, including making use of an overdraft for in-year bridging purposes are not considered within the ambit of this condition.	

		6.12	For the duration of the Municipal Debt Relief (to ensure proper management of resources):		
	37	6.12.1		- has the municipality apportioned and ring-fenced in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	No No
	38	6.12.2		- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	No No
				<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>	
	39			Supporting evidence: Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	No No
	40	6.13	Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? Note - to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.		No No
	41	6.14	'NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?		No No

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

Signature

Date:

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

The municipality reported using the new section 71.

-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 Details		
Municipal Debt Relief MFMA Circular No. 124 Municipal Finance Management Act No. 56 of 2003	Free State			
	Municipality	Period Monitored		No.Of Wards
	Moqhaka			22

Collection Rate Assessment										
Aggregate Collection	Summary - Quarter 3				Q1	Summary - Quarter 4				Q1
	Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation	215 966 837	175 860 499	40 106 338	81%	81%	214 784 276	112 797 972	101 986 305	53%	53%
2.Collection ~~excl Eskom supplied areas~~	156 354 677	123 102 703	33 251 975	79%	79%	158 248 084	68 409 853	89 838 231	43%	43%
3.Collection: Property Rates	23 254 407	12 895 914	10 358 493	55%	55%	22 861 430	12 282 539	10 578 891	54%	54%
4.Total average collection: Electricity (Municipal supplied areas)	81 721 208	76 811 008	4 910 200	94%	94%	80 728 412	44 110 745	36 617 667	55%	55%
5.Total average collection: Water	50 306 425	33 307 515	16 998 909	66%	66%	49 136 873	17 722 211	31 414 662	36%	36%
6.Total average collection: Wastewater	21 081 903	29 928 266	(8 846 363)	142%	142%	20 840 592	14 369 687	6 470 905	69%	69%
7.Total average collection: Refuse	14 878 815	21 387 208	(6 508 394)	144%	144%	14 719 089	10 833 584	3 885 505	74%	74%
8.Total average collection: Interest	24 724 079	1 530 587	23 193 493	6%	6%	26 497 880	13 479 206	13 018 674	51%	51%

Collection Rate Assessment								
Total Aggregate Collection	11.May - Reporting for April in May				12.June - Reporting for May in June			
	Billing For April	Collection in May	R - Billing not collected	% Collection	Billing For May	Collection in June	R - Billing not collected	% Collection
1.Collection for whole demarcation	70 466 035	46 321 500	25 591 001	66%	75 080 719	-	75 080 719	0%
2.Collection <u>excl Eskom supplied areas</u>	51 593 765	30 233 558	22 869 319	59%	55 176 373	-	55 176 373	0%
3.Collection: Property Rates	7 652 357	3 883 516	3 768 842	51%	7 434 792	-	7 434 792	0%
4.Total average collection: Electricity (Municipal supplied areas)	27 111 674	21 011 382	6 100 292	77%	30 392 492	-	30 392 492	0%
5.Total average collection: Water	14 897 808	7 825 189	7 072 619	53%	16 731 745	-	16 731 745	0%
6.Total average collection: Wastewater	6 827 020	7 687 509	0	113%	7 048 190	-	7 048 190	0%
7.Total average collection: Refuse	4 910 743	5 496 721	0	112%	4 910 808	-	4 910 808	0%
8. 7.Total average collection: Interest	9 066 432	417 184	8 649 248	5%	8 562 691	-	8 562 691	0%

Collection Rate Assessment

Total Aggregate Collection	Summary - Quarter 4			
	Billing	Collection	R - Billing not collected	% Collection
1.Collection for whole demarcation	214 784 276	112 797 972	101 986 305	53%
2.Collection <u>excl Eskom supplied areas</u>	158 248 084	68 409 853	89 838 231	43%
3.Collection: Property Rates	22 861 430	12 282 539	10 578 891	54%
4.Total average collection: Electricity (Municipal supplied areas)	80 728 412	44 110 745	36 617 667	55%
5.Total average collection: Water	49 136 873	17 722 211	31 414 662	36%
6.Total average collection: Wastewater	20 840 592	14 369 687	6 470 905	69%
7.Total average collection: Refuse	14 719 089	10 833 584	3 885 505	74%
8. 7.Total average collection: Interest	26 497 880	13 479 206	13 018 674	51%

Complete This Section			Quarter 4 Performance								
			10. April				11. May				
			Billing For March	Collection in April	Rand Value of Billing not collected	% Collection	Billing For April	Collection in May	Rand Value of Billing not collected	% Collection	Billing For May
Services	Electricity Supplier	Ward Name & Number									
Property Rates Tax	Eskom supplied	1	49 237	10 504	38 733	21%	49 512	4 453	45 059	9%	49 512
Electricity			(1 068 677)	95 395	0	-9%	73 522	77 990	0	106%	65 552
Water			223 133	22 137	200 996	10%	232 689	11 455	221 234	5%	302 267
Refuse			176 540	6 414	170 126	4%	174 403	8 593	165 810	5%	173 991
Waste Water			228 856	7 123	221 733	3%	228 650	8 219	220 430	4%	228 030
Interest			321 207	3 261	317 946	1%	358 530	950	357 580	0%	362 204
Property Rates Tax	Partial Eskom & Mun Supplied	2	412 546	190 499	222 048	46%	418 488	164 025	254 463	39%	412 721
Electricity			697 318	354 983	342 335	51%	632 804	439 156	193 648	69%	737 360
Water			240 780	69 886	170 894	29%	165 664	55 221	110 443	33%	324 996
Refuse			150 504	45 367	105 137	30%	150 367	43 419	106 948	29%	149 141
Waste Water			212 537	60 804	151 733	29%	45 367	59 229	0	131%	210 678
Interest			345 582	43 946	301 636	13%	350 337	42 619	307 718	12%	356 118
Property Rates Tax	Mun Supplied	3	1 124 540	266 023	858 518	24%	1 120 705	236 441	884 264	21%	1 126 625
Electricity			815 869	635 156	180 713	78%	869 269	484 703	384 566	56%	1 064 123
Water			2 435 592	2 755 783	0	113%	947 966	1 002 884	0	106%	1 573 744
Refuse			397 788	229 464	168 324	58%	394 583	189 554	205 028	48%	400 679
Waste Water			544 240	291 369	252 871	54%	540 939	230 435	310 504	43%	547 401
Interest			161 127	16 976	144 152	11%	165 591	24 169	141 422	15%	168 304

Property Rates Tax	Mun Supplied	4	3 863	492	3 371	13%	3 863	514	3 349	13%	3 863
Electricity			86 769	106 542	0	123%	87 307	103 533	0	119%	42 125
Water			431 534	85 442	346 093	20%	954 020	70 510	883 510	7%	489 940
Refuse			65 944	33 214	32 729	50%	65 954	30 841	35 113	47%	64 983
Waste Water			85 782	375 044	0	437%	85 701	147 111	0	172%	84 478
Interest			202 937	2 051	200 886	1%	206 580	1 721	204 860	1%	200 299
Property Rates Tax	Mun Supplied	5	(4 026)	439	0	-11%	3 541	130	3 410	4%	3 541
Electricity			36 602	79 503	0	217%	41 335	57 276	0	139%	40 719
Water			422 803	84 911	337 892	20%	402 175	63 934	338 241	16%	416 290
Refuse			55 112	34 335	20 776	62%	61 468	29 147	32 321	47%	60 645
Waste Water			68 885	375 168	0	545%	78 720	146 235	0	186%	77 671
Interest			165 728	950	164 779	1%	164 539	1 269	163 270	1%	165 213
Property Rates Tax	Mun Supplied	6	57 555	496	57 059	1%	57 555	530	57 025	1%	57 555
Electricity			102 552	8 368	94 184	8%	115 013	13 567	101 446	12%	114 992
Water			495 931	73 862	422 068	15%	224 379	50 212	174 167	22%	559 162
Refuse			110 108	19 667	90 441	18%	107 638	17 684	89 954	16%	102 463
Waste Water			148 270	32 516	115 754	22%	145 123	90 817	54 306	63%	138 442
Interest			273 805	1 853	271 952	1%	271 506	7 685	263 821	3%	253 488
Property Rates Tax	Mun Supplied	7	242 338	83 219	159 119	34%	242 338	52 218	190 120	22%	242 871
Electricity			302 005	401 695	0	133%	278 714	273 436	5 278	98%	396 419
Water			592 970	109 546	483 424	18%	442 628	94 466	348 162	21%	444 017
Refuse			115 474	46 952	68 522	41%	112 362	41 304	71 058	37%	113 278
Waste Water			150 306	392 270	0	261%	146 509	174 149	0	119%	195 083
Interest			330 196	9 403	320 793	3%	330 632	14 436	316 197	4%	212 604

Property Rates Tax	Mun Supplied	8	30 781	7 319	23 462	24%	30 781	1 257	29 525	4%	30 971
Electricity			77 303	26 673	50 629	35%	79 810	14 762	65 048	18%	80 308
Water			456 115	88 824	367 291	19%	464 286	79 068	385 218	17%	414 110
Refuse			93 654	73 029	20 625	78%	92 830	60 936	31 895	66%	93 844
Waste Water			120 687	19 527	101 160	16%	119 639	83 720	35 918	70%	120 649
Interest			198 201	2 421	195 780	1%	195 439	8 907	186 533	5%	201 577
Property Rates Tax	Mun Supplied	9	162 946	1 693	161 254	1%	162 946	2 133	160 814	1%	162 946
Electricity			187 408	24 547	162 861	13%	460 188	115 147	345 041	25%	206 867
Water			568 255	96 449	471 806	17%	518 790	79 614	439 177	15%	634 489
Refuse			176 774	84 847	91 927	48%	176 774	122 426	54 348	69%	176 774
Waste Water			256 990	35 864	221 126	14%	256 990	203 289	53 701	79%	256 990
Interest			376 585	2 759	373 826	1%	382 050	25 848	356 202	7%	387 980
Property Rates Tax	Mun Supplied	10	40 399	52 127	0	129%	37 074	8 298	28 776	22%	40 399
Electricity			102 487	26 469	76 018	26%	97 527	25 382	72 145	26%	114 934
Water			585 095	128 799	456 296	22%	570 601	207 664	362 937	36%	521 040
Refuse			118 093	380 712	0	322%	116 308	148 373	0	128%	115 496
Waste Water			153 169	114 478	38 691	75%	150 976	139 383	11 594	92%	149 860
Interest			239 224	3 874	235 350	2%	239 452	2 737	236 715	1%	248 323
Property Rates Tax	Mun Supplied	11	351 227	1 538	349 689	0%	351 227	3 009	348 218	1%	351 227
Electricity			589 690	189 207	400 483	32%	652 593	126 295	526 298	19%	670 464
Water			1 289 878	55 787	1 234 090	4%	1 164 652	46 016	1 118 636	4%	1 451 753
Refuse			285 432	53 369	232 064	19%	282 695	97 750	184 945	35%	283 237
Waste Water			486 585	34 327	452 258	7%	483 018	60 575	422 444	13%	483 708
Interest			414 919	2 630	412 289	1%	412 906	5 027	407 880	1%	418 846

Property Rates Tax	Mun Supplied	12	98 451	90 055	8 397	91%	91 414	3 916	87 498	4%	90 885
Electricity			127 030	46 373	80 658	37%	125 301	65 347	59 954	52%	127 521
Water			697 702	106 165	591 537	15%	629 229	92 376	536 853	15%	584 999
Refuse			143 979	50 432	93 547	35%	133 370	57 588	75 782	43%	132 958
Waste Water			201 659	415 647	0	206%	185 110	191 784	0	104%	184 586
Interest			342 081	6 620	335 461	2%	326 130	5 755	320 375	2%	332 078
Property Rates Tax	Mun Supplied	13	435 664	284 232	151 432	65%	435 664	304 412	131 252	70%	435 664
Electricity			8 211 203	7 270 685	940 518	89%	10 604 263	9 581 775	1 022 488	90%	13 226 045
Water			1 293 415	267 108	1 026 306	21%	754 412	276 960	477 453	37%	1 204 549
Refuse			366 744	185 932	180 812	51%	367 097	189 761	177 336	52%	365 313
Waste Water			569 472	286 876	282 596	50%	567 374	303 337	264 038	53%	565 102
Interest			801 950	68 778	733 173	9%	823 641	36 619	787 023	4%	835 964
Property Rates Tax	Mun Supplied	14	59 820	967 637	0	1618%	59 677	3 148	56 529	5%	59 820
Electricity			96 446	25 956	70 490	27%	98 866	105 667	0	107%	101 893
Water			424 875	86 803	338 072	20%	287 267	170 027	117 241	59%	503 198
Refuse			122 787	61 485	61 302	50%	119 097	1 228 781	0	1032%	121 219
Waste Water			166 441	52 267	114 174	31%	161 766	46 294	115 472	29%	164 465
Interest			269 067	5 443	263 625	2%	259 868	4 141	255 727	2%	269 186
Property Rates Tax	Mun Supplied	15	65 528	40 423	25 105	62%	65 528	2 746	62 782	4%	65 528
Electricity			204 193	106 984	97 209	52%	195 576	84 030	111 546	43%	178 482
Water			548 493	203 123	345 370	37%	462 658	168 486	294 172	36%	428 689
Refuse			141 738	392 550	0	277%	139 705	249 944	0	179%	137 072
Waste Water			189 232	99 622	89 610	53%	186 931	103 182	83 749	55%	183 288
Interest			257 018	1 211 006	0	471%	259 196	3 223	255 973	1%	250 267

Property Rates Tax	Mun Supplied	16	1 546 792	1 117 087	429 705	72%	1 603 467	833 946	769 522	52%	1 490 839
Electricity			5 520 814	4 008 213	1 512 600	73%	5 290 640	3 486 808	1 803 833	66%	5 265 233
Water			1 700 192	1 508 016	192 176	89%	1 750 582	1 130 628	619 954	65%	1 732 266
Refuse			722 745	676 334	46 411	94%	757 834	566 741	191 093	75%	761 469
Waste Water			1 132 733	946 329	186 404	84%	1 195 380	798 110	397 270	67%	1 205 101
Interest			387 632	1 262 149	0	326%	487 039	80 579	406 460	17%	485 258
Property Rates Tax	Mun Supplied	17	1 475 889	1 042 327	433 561	71%	1 469 928	1 261 570	208 358	86%	1 183 293
Electricity			2 537 602	3 192 100	0	126%	2 415 904	1 434 998	980 906	59%	2 667 280
Water			1 401 441	897 447	503 995	64%	1 281 155	714 778	566 377	56%	1 164 675
Refuse			644 335	687 816	0	107%	648 921	535 636	113 285	83%	650 349
Waste Water			917 007	889 238	27 769	97%	917 240	675 077	242 163	74%	923 476
Interest			271 284	1 557 063	0	574%	268 325	116 865	151 460	44%	120 556
Property Rates Tax	Partial Eskom & Mun Supplied	18	595 877	390 862	205 015	66%	597 805	256 306	341 499	43%	597 805
Electricity			4 512 306	5 298 582	0	117%	4 903 926	4 381 287	522 640	89%	5 185 913
Water			1 235 584	526 819	708 764	43%	1 355 978	1 631 629	0	120%	1 315 946
Refuse			389 870	192 146	197 724	49%	390 944	158 053	232 891	40%	391 081
Waste Water			530 379	805 588	0	152%	531 320	294 077	237 244	55%	531 495
Interest			722 496	20 664	701 832	3%	754 124	24 424	729 699	3%	766 745
Property Rates Tax	Eskom supplied	19	26 744	54 718	0	205%	26 744	-	26 744	0%	26 744
Electricity			88	27 396	0	31089%	88	17 160	0	19473%	88
Water			859 472	227 274	632 198	26%	1 067 883	207 124	860 759	19%	1 056 265
Refuse			131 776	308 156	0	234%	131 502	241 730	0	184%	131 228
Waste Water			172 748	977 639	0	566%	172 398	494 357	0	287%	172 048
Interest			803 978	2 353 518	0	293%	811 638	748	810 890	0%	819 003

Property Rates Tax	Partial Eskom & Mun Supplied	20	56 936	577 723	0	1015%	56 936	1 005	55 931	2%	56 936
Electricity			14 682	2 150	12 532	15%	14 594	5 948	8 646	41%	14 418
Water			597 706	72 486	525 220	12%	315 204	92 800	222 405	29%	551 293
Refuse			162 981	593 896	0	364%	162 067	241 186	0	149%	161 906
Waste Water			204 693	76 844	127 848	38%	203 805	1 631 517	0	801%	203 294
Interest			622 159	2 650 974	0	426%	626 982	957	626 026	0%	328 262
Property Rates Tax	Eskom supplied	21	239 042	587 104	0	246%	239 789	53 077	186 711	22%	229 689
Electricity			1 159	-	1 159	0%	1 159	-	1 159	0%	1 159
Water			971 604	984 097	0	101%	858 383	91 637	766 746	11%	1 026 072
Refuse			317 259	132 463	184 797	42%	316 924	525 070	0	166%	315 780
Waste Water			411 721	111 080	300 641	27%	411 071	1 306 498	0	318%	409 351
Interest			1 200 308	9 726	1 190 582	1%	1 204 872	3 650	1 201 222	0%	1 216 995
Property Rates Tax	Eskom supplied	22	702 131	2 632 506	0	375%	527 375	690 382	0	131%	715 358
Electricity			69 396	1 172 385	0	1689%	73 272	117 115	0	160%	90 597
Water			34 752	1 446 257	0	4162%	47 205	1 487 701	0	3152%	31 986
Refuse			7 902	1 048 285	0	13266%	7 902	712 205	0	9013%	7 902
Waste Water			12 992	282 558	0	2175%	12 992	500 115	0	3849%	12 994
Interest			161 272	3 825 961	0	2372%	167 053	4 856	162 197	3%	163 421

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	M10	M11
Indigent Household service targets	1															
Water : (Include All Indigent households also in Eskom supplied areas)																
Indigent HH's with piped water inside dwelling		12 711	12 711	–	12 711	12 757	12 670	12 696	12 733	12 764	12 798	12 864	12 822	12 893	13 052	13 184
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	13 052	13 184
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	13 052	13 184
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	10 167	10 429
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	1 644	1 691

[illegible]

References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance $\leq 200\text{m}$ from dwelling
3. Stand distance $> 200\text{m}$ 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

Votenummer	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	-	-
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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	1 095.93	2.53%
35321321380F1FB1ZZWM	ELEC: AVAILABILITY CHARGES	R9 299 258.00	754 018.97	8.11%
35411324020F1FB4ZZWM	WATER: SALE - CONVENTIONAL	R11 155 234.00	895 724.37	8.03%
35411324070F1FB4ZZWM	WATER: AVAILABILITY CHARGES	R19 319 248.00	1 602 948.85	8.30%
35441324020F5FB2ZZWM	WATER: SALE - CONVENTIONAL	R0.00	-	-
35511323020F1FB2ZZWM	WASTE WATER MANG: SANITATION CHARGES	R14 318 301.00	1 070 961.51	7.48%
35511323060F1FB2ZZWM	WASTE WATER MANG: AVAILABILITY CHARGES	R11 564 525.00	879 520.61	7.61%
36621322030F1FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	R17 620 181.00	-	-
36621322030F3FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	R0.00	1 397 508.50	#DIV/0!
36621322050F1FB3ZZWM	WASTE MANGEMENT: AVAILABILITY CHARGES	R1 670 151.00	126 217.59	7.56%
		R94 562 034.00	R6 749 451.01	7.14%

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 4					
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	45 504	- 587	7 594 841 653	7 622 063 759	- 27 222 106.00
Industrial	352	347	5	362 374 000	359 495 001	2 878 999.00
Business and Co	1195	1211	- 16	1030 907 110	1085 069 110	- 54 162 000.00
Agricultural	3628	3612	16	5 954 268 749	5 897 983 750	56 284 999.00
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	1440 000	1950 000	- 510 000.00
Municipal	139	218	- 79	186 489 100	201 796 100	- 15 307 000.00
Other (PT,PSP)	620	597	23	207 608 501	1345 564 514	- 1 137 956 013.00
	52327	52327	0	16 903 108 136.00	16 863 829 138.00	39 278 998.00

Detailed Reconciliation						
Property Category	Monthly Billing			Quarterly		
Property Category	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	527 093	3 000	1590 278.76	1581278.76	9 000.00
Business and Co	1575 614	1669 835	- 94 221	4 726 841.91	5 009 503.89	- 282 661.98
Agricultural	972 426	963 288	9 138	2 917 278.12	2 889 863.13	27 414.99
Mining	179 504	179 504	-	538 512.06	538 512.06	-
State Owned for	2 372 428	2 372 428	-	7 117 285.32	7 117 285.32	-
PSI			12	-	-	77 351.14
PBO			-	-	-	-
Multi Use			-	-	-	-
Vacant	43 890	43 903	- 14	131669.10	131710.05	- 40.95
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 848 518.86</u>	<u>- R92 934.68</u>	<u>23 266 716.54</u>	23 545 556.58	- 201488.90
Prepared By	MAPASEKA THATENG			Date	10/06/2025	
	Contact Details	056-216-9300				
Signature						
Reviewed By	SAMMY THELETSANE			Date	10/06/2025	
	Contact Details	056-216-9158				
Signature						

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

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.

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
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)	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	Monthly, within 30 days of receiving invoice on or before due date as per the monthly invoice	Proof of payment (which includes, remittance advice, invoice and extract of corresponding bank statement)	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
	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	Monthly, 5th of each month		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.

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - June 2024 Comments
	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	Within 1 day after making payment	Proof of payment and proof of email submission	Compliant Email was sent within one day of payment to ESKOM and DWS.
	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.	Monthly, within 10 working days after month end	GoMuni Status of Schedule of Revenue Documents Submissions Report	Compliant Proof of Payments made in May 2024 was uploaded onto GoMuni on 6 June 2024. Due date is 14 June 2024.
	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	Monthly, within 10 working days after month end	Monthly financial data strings	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.

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)	6.6.1 Issue monthly billing and allocate payment received from customers in the following priority order: (1) Property Rates (2) Water (3) Waste Water (4) Refuse Removal and (5) Electricity	Monthly	Monthly billing reconciliation / Financial system generated hierarchy allocation report	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.
	6.6.2 The municipality is disconnecting electricity services and/or blocking the purchasing of pre-paid electricity of any defaulting consumer/property owner	Monthly	Number of disconnected / blocked meters	Prepaid disconnections = 32 351 Conventional disconnections = 338 Total = 32 689
	6.6.3 The municipality is restricting and/or interrupting the supply of water of any defaulting consumer/property owner	Monthly	Number of restricted / interrupted supply	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.
	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.	Monthly	No of indigent consumers	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.

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	6.7.1 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	Monthly (Internal) and Quarterly (Debt Relief)	Collect R10,000 million daily over 22-day period, to achieve an average quarterly collection of 80% (Monthly S71 Revenue Collection Ward Template)	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.
	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	Quarterly	Monthly S71 Revenue Collection Ward Template	Non-Compliant Quarterly S71 Revenue Collection rate per Ward = 79% Compliant Average collection rate = 80%

	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

	6.12.1 must apportion and ring-fence 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	Funds to be invested weekly and withdrawn monthly	Investment account and primary bank statement	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. 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
MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - June 2024 Comments
	6.12.2 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	Monthly	Investment account and bank statement and proof of payment aligned to actual payments	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 third-party salary payments

				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



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OUR REFERENCE: JIMMY MASWANGANYI /wm Ref Nr:

Quality Certificate

I, **P Tshabalala** the Municipal Manager of Moqhaka Local Municipality hereby certify that: -

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The monthly budget statement

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Quarterly report on the implementation of the budget and financial affairs of the Municipality

☐

Mid-year budget and performance assessment

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

Municipal Manager of Moghaka Local Municipality (FS201)

Signature:

Date: