



MFMA SECTION 71 REPORT MONTH ENDING 30 NOVEMBER 2024

- DISTRIBUTION:

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

- Acting Municipal Manager:

- Acting Chief Financial Officer: **Dr Jimmy Maswanganyi**

- 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 OCTOBER 2024

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 OCTOBER 2024

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 620 867 464, of which 90% of the debt is owed more than 90 days totalling R1 463 501 300. Included in the total debt, R109 005 325 is owed by Government, R186 466 332 by Business and R1 215 106 654 by Households. Included in the Households debt is RR 176 703 624 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 30 November 2024, the ten working day reporting limit expires on 13 December 2024.

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

Summary Statement of Financial Performance: YTD Budget						
Description	YTD Budget Nov 24		YTD Actual Nov 24	Variance Favourable (Unfavourable)	%YTD Actual vs YTD Budget	% Variance vs Actual Favourable (Unfavourable)
Total Revenue (Excluding Capital Transfers and Contributions)		563 899	453 186	110 713	80%	24%
Total Revenue including Capital Transfers and Contributions		1 345 628				
Total Operational Expenditure						

As indicated in Table 1 above, as of 30 November 2024, the billed revenue excluding capital grants amounted to R453 186 456 which resulted in a satisfactory variance of 24% when compared to YTD Budget of R563 899 133. The billed revenue does not include capital grants. Capital Grants are recognised in the Statement of Financial Performance, monthly as soon as the conditions of the grant have been met. Reason. The Total Operational Expenditure amounted to R46 252 versus the YTD Budget of R109 206, resulting in an unsatisfactory variance of -136%.

Please note that certain Revenue by source and Expenditure by type categories are showing excessive negative and/or positive variances. This is due to the fact that 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. As per table 1 above, overall operational revenue is performing satisfactorily. 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 577 873 536.11. 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 October 2024, a payment of R50 million was made towards the account. A cost containment policy has been implemented to control the administration of new orders, non-essential expenditure, pre-approve overtime and manage fuel consumption of municipal fleet.

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

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

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

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

Incentives for Businesses/Industrial

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

The municipality collects 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) - M05 November

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	553 019	35 569	151 959	230 424	(78 466)	-34%	553 019
Service charges - Water		173 153	195 587	195 587	14 764	70 840	81 495	(10 655)	-13%	195 587
Service charges - Waste Water Management		65 954	70 019	70 019	6 045	30 245	29 174	1 070	4%	70 019
Service charges - Waste management		46 961	48 564	48 564	4 230	21 480	20 235	1 245	6%	48 564
Sale of Goods and Rendering of Services		6 220	10 265	10 265	377	2 551	4 277	(1 726)	-40%	10 265
Agency services								-		
Interest								-		
Interest earned from Receivables		69 946	34 557	34 557	6 531	30 578	14 399	16 179	112%	34 557
Interest from Current and Non Current Assets		34	30	30	-	25	13	13	102%	30
Dividends		3 637	1 736	1 736	55	309	724	(414)	-57%	1 736
Rent on Land								-		
Rental from Fixed Assets		6 593	8 535	8 535	1 148	2 462	3 556	(1 094)	-31%	8 535
Licence and permits		-	-	-	-	-	-	-		-
Operational Revenue		4 027	12 324	12 324	(207)	4 881	5 135	(254)	-5%	12 324
Non-Exchange Revenue										
Property rates		88 207	90 509	90 509	7 848	38 994	37 712	1 281	3%	90 509
Surcharges and Taxes								-		
Fines, penalties and forfeits		6 569	5 309	5 309	178	421	2 212	(1 791)	-81%	5 309
Licence and permits		-	-	-	-	-	-	-		-
Transfers and subsidies - Operational		314 054	311 514	311 514	-	124 403	129 797	(5 394)	-4%	311 514
Interest		7 761	2 982	2 982	782	3 841	1 243	2 599	209%	2 982
Fuel Levy								-		
Operational Revenue		839	678	678	74	370	283	87	31%	678
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	1 345 628	77 394	483 358	560 678	(77 320)	-14%	1 345 628

Exchange and Non-Exchange Revenue

Revenue analysis for the month ending 30 November 2024

Revenue Types	Section 71 of 30 November 2024						Five Months Ending 30 November 2024				
	Annual Budget 2023/2024	Budget	Billing per GS 560	Billing vs Budget	(BS-566) Actual Income	Income vs Billing	Budget	Billing per GS 560	Billing vs Budget	(BM-310) Actual Income	Income vs Billing
Property rates	90 509 071	7 542 423	7 848 197	104%	6 459 795	82%	37 712 113	38 993 574	103%	28 401 730	73%
Electricity - conventional	343 217 833	28 601 486	22 901 554	80%	21 922 219	96%	143 007 430	84 858 870	59%	110 500 119	130%
Water	195 400 475	16 283 373	14 762 276	91%	3 923 935	27%	81 416 865	70 826 263	87%	22 251 003	31%
Sanitation	69 800 488	5 816 707	6 041 910	104%	2 326 522	39%	29 083 537	30 230 650	104%	12 983 495	43%
Refuse	48 564 221	4 047 018	4 230 034	105%	1 624 870	38%	20 235 092	21 479 836	106%	8 686 879	40%
Total Direct Services	747 492 088	62 291 007	55 783 971	90%	36 257 341	65%	311 455 037	246 389 193	79%	182 823 226	74%
Other revenue	92 497 269	7 708 106	5 245 550	68%	3 852 435	73%	38 540 529	14 761 262	38%	18 630 361	126%
Revenue from Billed services	839 989 357	69 999 113	61 029 521	87%	40 109 776	66%	349 995 565	261 150 455	75%	201 453 587	77%
Electricity - prepaid	204 011 643	17 000 970	13 088 869	77%	13 088 869	100%	85 004 851	67 633 001	80%	67 633 001	100%
grants	1 044 001 000	87 000 083	74 118 390	85%	53 198 644	72%	435 000 417	328 783 456	76%	269 086 588	82%
Operational grants and subsidies	3 059 000	-	-	-	-	-	4 495 716	-	0%	-	0%
Equitable share	298 568 000	-	-	-	-	-	124 403 000	124 403 000	100%	124 403 000	0%
Total Revenue	1 345 628 000	87 000 083	74 118 390	85%	53 198 644	72%	563 899 133	453 186 456	80%	393 489 588	87%

Comments on Section 71 Report.

Collection rate for waste water management is 39% for the month of November 2024 and 43% for the first five months of 2024-2025.

Collection rate for waste management is 38% for the month of November 2024 and 40% for the first five months of 2024-2025.

Collection rate for water is 27% for the month of November 2024 and 31% for the first five months of 2024-2025.

The collection rate on Property rates is 82% for the month of November 2024 and 73% for the first five months of 2024-2025.

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

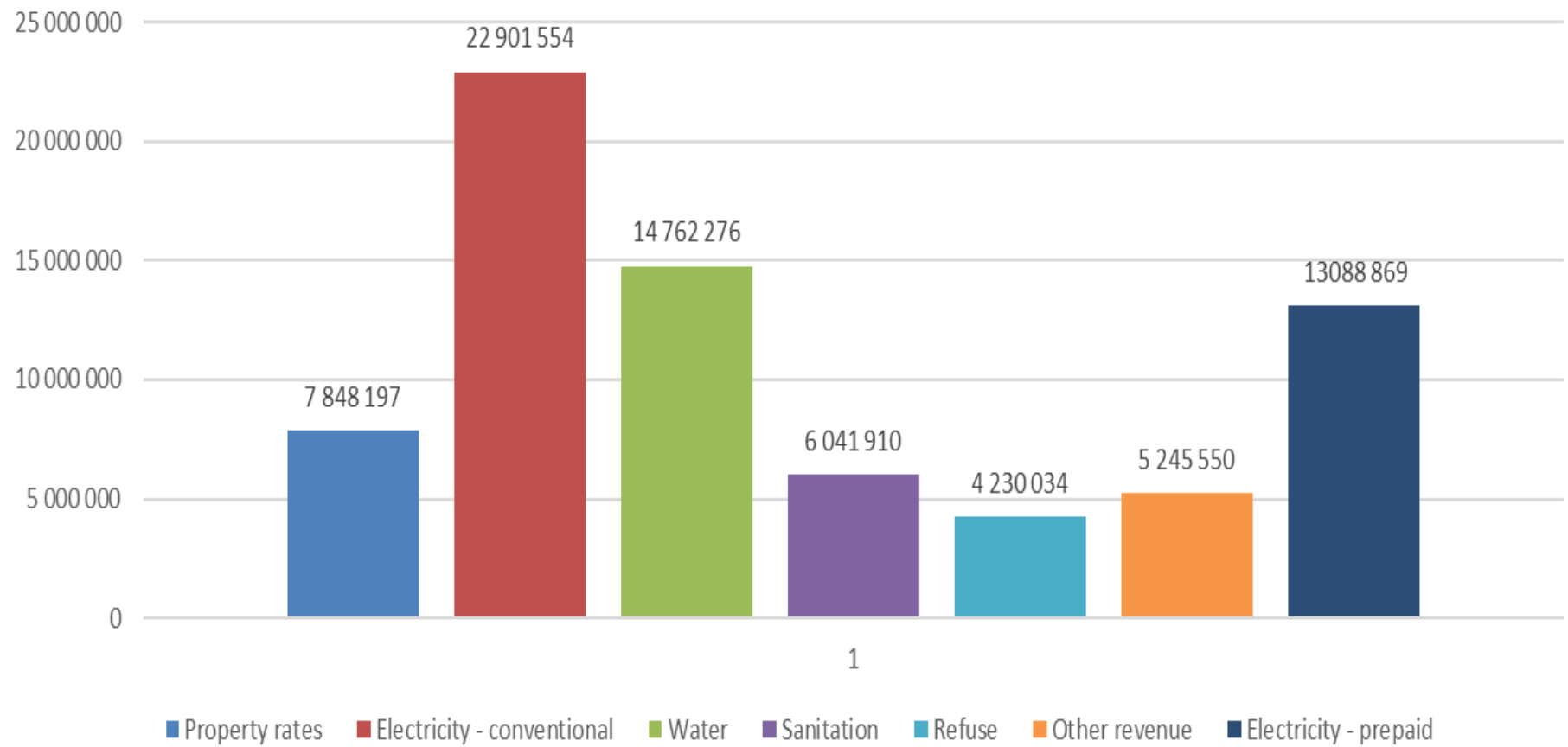
Conventional electricity revenue collection is 96% for the month of November 2024 and 130% for the first five months of 2024-2025.

Revenue before operational grants versus billing is 72% for the month of November 2024 and 82% for the first five months of 2024-2025.

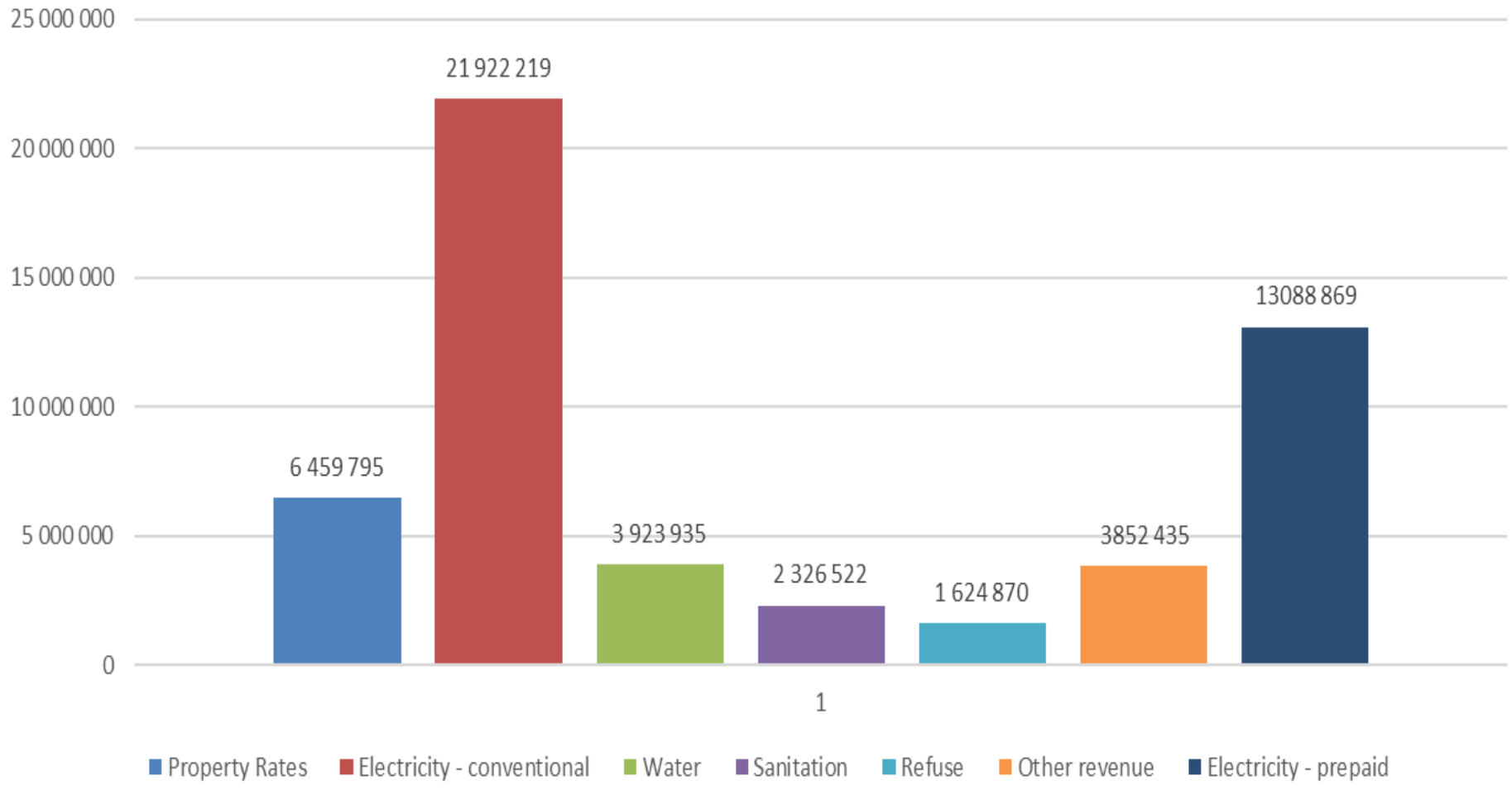
Total Revenue Collection Percentage with Zero Grant Funding received for the month October 2024 is also 72% and 87% for the first five months of 2024-2025.

Indigents Contribution for Prepaid Electricity in November 2024 is R919 841.00 + R189 348.21 (FBE in Eskom Supplied Areas) = R1 109 189.21

Billing Per Service



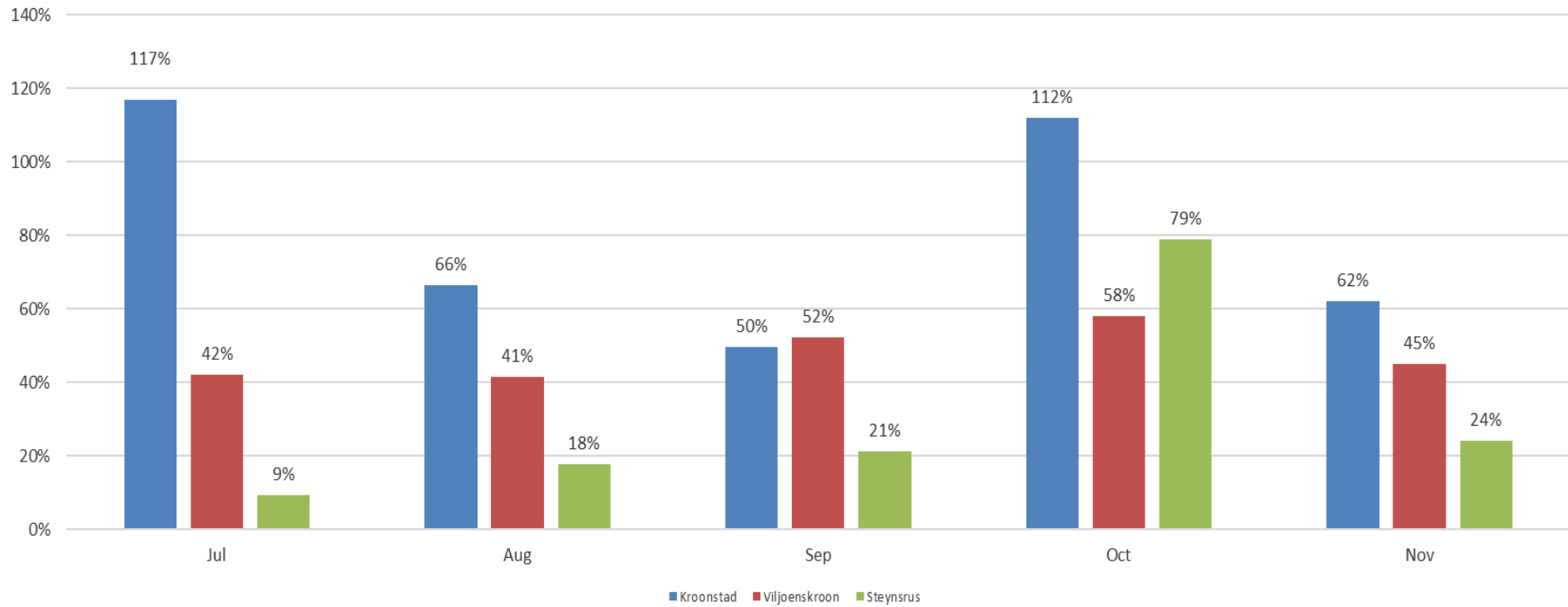
Collection Per Service









BILLING & REVENUE PER TOWN 01/07/2024 - 30/06/2025 (Excluding Pre-paid Electricity)

Month	Kroonstad			Viljoenskroon			Steynsrus		
	Billing (BP135)	Receipts (BP135)	Percentage	Billing (BP135)	Receipts (BP135)	Percentage	Billing (BP135)	Receipts (BP135)	Percentage
Jul	17 625 091	20 630 003	117%	14 546 604	6 129 030	42%	2 379 274	223 947	9%
Aug	50 026 530	33 212 880	66%	11 994 176	4 968 316	41%	1 802 829	317 936	18%
Sep	55 478 882	27 503 055	50%	13 663 931	7 138 552	52%	2 206 218	466 363	21%
Oct	53 594 744	60 235 132	112%	14 365 893	8 300 431	58%	935 561	738 550	79%
Nov	53 221 625	33 250 650	62%	15 733 255	7 113 794	45%	2 475 585	588 847	24%
Total	229 946 871	174 831 720	76%	70 303 858	33 650 123	48%	6 388 322	1 008 246	16%

Billing vs Collection



PRE-PAID ELECTRICITY SALES 2024-2025 FINANCIAL YEAR

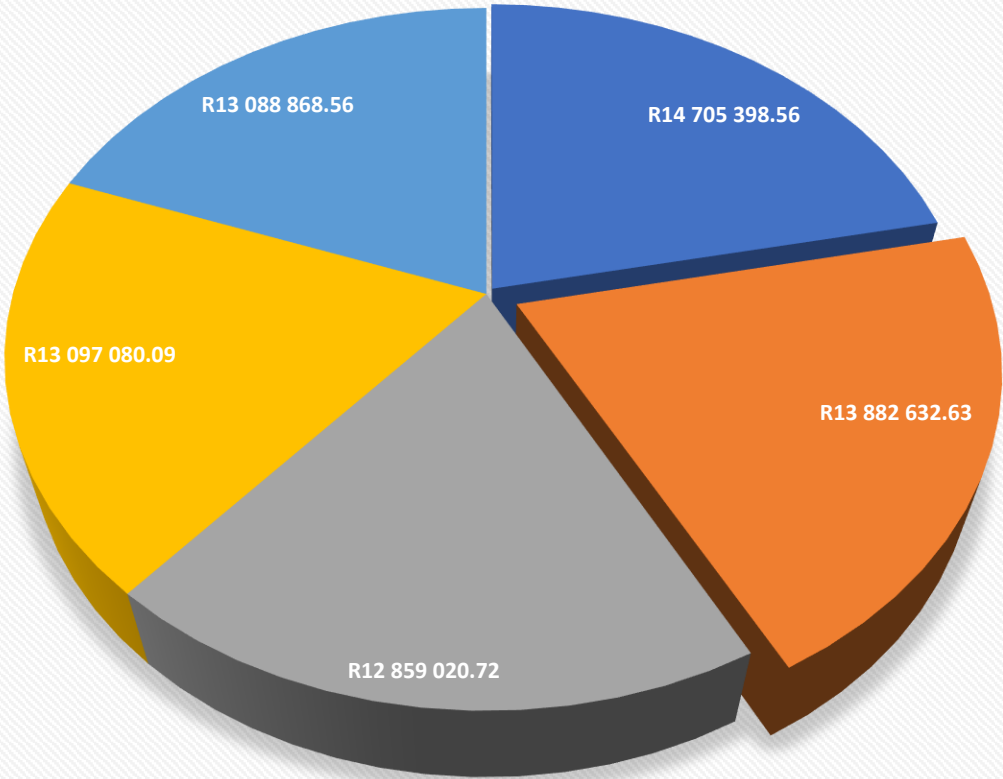
Month	Arrears	Cost of Units	Vat	Cash Tendered	Units Sold	FBE Value	% Movement
Jul	R0.00	R14 705 398.56	R2 205 583.77	R16 910 982.33	6 624 751.00	R896 486.00	 12%
Aug	R0.00	R13 882 632.63	R2 082 178.30	R15 964 810.93	6 310 561.70	R909 115.00	 -6%
Sep	R0.00	R12 859 020.72	R1 928 654.97	R14 787 675.69	5 914 137.10	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	 2%
Totals	R0.00	R67 633 000.56	R10 143 896.51	R77 776 897.07	R30 828 334.90	R4 534 503.00	 -6%

The average collection rate for Kroonstad/Maokeng for November 2024 is 62% , Viljoenskroon/Rammulutsi is 45 & Steynsrus/Matlwangtlwang is 24%.

Kroonstad/Maokeng generated a revenue of R33.3m for November 2024, Viljoenskroon/Rammolutsi generated R7.1m & Steynsrus/Matlwangtlwang generated R588 841.00.

The cost of revenue generated through prepaid electricity for the month of November 2024 is R13 088 868.56 The electricity vendors are contributing to these sales.

Prepaid Electricity Sales @ Cost



■ Jul ■ Aug ■ Sep ■ Oct ■ Nov

4.2 Operating expenditure by type

FS201 Moqhaka - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

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 By Type										
Employee related costs		409 580	451 339	451 339	36 878	178 186	188 059	(9 873)	-5%	451 339
Remuneration of councillors		22 251	29 578	29 578	2 558	9 519	12 324	(2 805)	-23%	29 578
Bulk purchases - electricity		418 560	427 440	427 440	927	4 339	178 100	(173 761)	-98%	427 440
Inventory consumed		14 879	21 223	21 228	3 113	15 130	8 844	6 287	71%	21 228
Debt impairment		–	58 783	58 783	78	78	24 493	(24 415)	-100%	58 783
Depreciation and amortisation		121 050	9 870	9 870	–	–	4 113	(4 113)	-100%	9 870
Interest		6 029	8 698	8 698	550	2 750	3 624	(874)	-24%	8 698
Contracted services		135 341	158 841	158 691	9 170	46 130	66 168	(20 037)	-30%	158 691
Transfers and subsidies		84	1 049	1 049	–	30	437	(407)	-93%	1 049
Irrecoverable debts written off		176 661	1 486	1 486	87	1 563	619	944	153%	1 486
Operational costs		117 817	142 099	142 184	13 296	52 439	59 211	(6 772)	-11%	142 184
Losses on Disposal of Assets		15 203	60	60	–	–	25	(25)	-100%	60
Other Losses		106	–	–	–	–	–	–	–	–
Total Expenditure		1 437 562	1 310 466	1 310 406	66 656	310 167	546 017	(235 851)	-43%	1 310 406

Comparison against YTD Budget

As indicated in the Table above, as at 30 November 2024, expenditure shows an unsatisfactory variance of minus 43%. The YTD actual amounted to R310 167 000 against the YTD budget of R546 017 000.

- Employee related costs show a satisfactory variance of minus 5.0%. 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 23%.
- Bulk purchases – Electricity is showing an unsatisfactory variance of minus 98%, since the July payment of R50 million went against the arrears and not the current account.
- The expenditure on Inventory consumed is showing an unsatisfactory variance of minus 71%. Expenditure for the first month of the year is normally low, due later re-opening of the financial year after year-end closure.
- The major backlog and deterioration of infrastructure is negatively influencing the Repairs & Maintenance expenditure line items. Deviations and re-directing of funds to manage crisis's is severely and rapidly depleting the R&M budget, impeding on the funds

required for day-to-day maintenance. Lack of maintenance plans and planned maintenance is impeding on the municipality's ability to maintain assets optimally.

There are limited resources available with severe budgetary constraints with the current cash flow position putting major strain on the municipality's finances to actually address service delivery challenges. The municipality is obligated to ensure that tariffs are cost-reflective whilst ensuring that tariff increases are inflationary related as prescribed by NT's annual MFMA Budget circulars. This is a major impediment for the municipality to increase the R&M budget to a desired level to actually address backlogs, whilst employee costs, provision for bad debts and other expenditure is putting further strain on the budgets each year.

- Depreciation was projected for on a straight-line basis, as part of year-end procedures. The municipality is currently engaging our service provider to make use of the available Asset module on the financial system for integration.
- Interest is showing an unsatisfactory variance of minus 24%, due to the Interest on External borrowing being paid monthly and the first instalment for the current financial year was paid during July 2024. All Interest paid on overdue accounts must be recognized as Fruitless and Wasteful expenditure in the Annual Financial Statements.
- Expenditure on Contracted services is showing an unsatisfactory variance of minus 30%.
- Transfers and subsidies showing negative variance of minus 93%, due to non-expenditure & no commitment to show movement.
- Operational cost is showing an unsatisfactory variance of minus 11% 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 R1 352 189 in the month of November 2024.

OPERATING EXPENSES

DESCRIPTION	Annual Budget 2024/2025	Actual 30-Nov-24	YTD 30-Nov-24	Variance	% Exp
EMPLOYEE RELATED COSTS	451 339 064.00	36 878 120.91	178 186 238.11	273 152 825.89	39.47
REMUNERATION OF COUNCILLORS	29 577 550.00	2 558 301.69	9 519 289.15	20 058 260.85	32.18
CONTRACTED SERVICES	158 691 262.00	9 169 736.32	46 130 409.61	112 560 852.39	29.06
INVENTORY	21 227 956.00	3 112 570.34	15 130 209.64	6 097 746.36	71.27
BULK PURCHASES	427 440 423.00	926 586.82	4 339 025.00	423 101 398.00	1.01

CONTRIBUTIONS TO BAD DEBTS	1 485 676.00	86 672.22	1 563 325.59	- 77 649.59	105.22
DEPRECIATION ON ASSETS	9 849 321	-	-	9 849 321	-
GENERAL EXPENSES	151 930 910	13 845 502	55 219 797	96 711 113	4
TOTAL EXPENDITURE (NETT)	1 251 542 162.00	66 577 490.20	310 088 293.92	941 453 868.08	24.77

DESCRIPTION	Annual Budget 2024/2025	Actual 30-Nov-24	YTD 30-Nov-24	Variance	% Exp
OUTSOURCE SERVICES					
OS: BURIAL SERVICES	389 091.00	2 608.70	57 347.88	331 743.12	14.73
OS: B&A HUMAN RESOURCES	-	-	-	-	-
OS: B&A OCCUPATIONAL HEALTH & SAFETY	-	-	-	-	-
OS: B&A ORGANISATIONAL	5 418.00	-	-	5 418.00	-
OS: B&A PROJECT MANAGEMENT	1 976 950.00	74 353.60	809 268.35	1 167 681.65	40.93
OS: B&A RESEARCH & ADVISORY	927 861.00	17 200.00	104 873.91	822 987.09	11.30
OS: B&A QUALIFICATION VERIFICATION	-	-	-	-	-
OS: B&A VALUER	3 147 000.00	27 826.09	111 304.36	3 035 695.64	3.53
OS: CATERING SERVICES	981 003.00	21 720.00	271 615.53	709 387.47	27.68
OS: CLEANING SERVICES	216 757.00	41 571.93	69 843.77	146 913.23	32.22
OS: ELECTRICAL	15 060 976.00	668 892.71	3 425 620.17	11 635 355.83	22.74
OS:ILLEGAL DUMPING	524 500.00	-	179 809.82	344 690.18	34.28
OS: MEDICAL SERVICES [HEALTH SERV &	552 299.00	-	-	552 299.00	-
OS: PERSONNEL & LABOUR	7 286 629.00	674 040.48	2 668 572.60	4 618 056.40	36.62
OS: CONNECT/DIS-CONNECTION: ELECTICI	9 279.00	-	-	9 279.00	-
OS: TRAFFIC FINES MANAGEMENT	167 622.00	21 840.00	43 680.00	123 942.00	26.05
OS: TRANSPORT SERVICES	-	-	-	-	-
SUB TOTAL : OUTSOURCE SERVICES	31 245 385	1 550 054	7 741 936	23 503 449	25
CONSULTANTS AND PROFESSIONAL SERVICES					
C&PS: B&A AIR POLLUTION	157 350.00	-	-	157 350.00	-
C&PS: B&A AUDIT COMMITTEE	201 225.00	3 872.00	12 340.00	188 885.00	6.13
C&PS: B&A BUSINESS & FIN MANAGEMENT	524 500.00	-	-	524 500.00	-
C&PS: B&A HUMAN RESOURCES	1 994 410.00	126 466.97	545 688.98	1 448 721.02	27.36
C&PS: B&A MEDICAL EXAMINATIONS	906 336.00	42 205.00	42 205.00	864 131.00	4.65

C&PS: B&A OCCUPATIONAL HEALTH & SAFE	464 500.00	96 587.43	143 493.43	321 006.57	30.89
C&PS: B&A PROJECT MANAGEMENT	7 958 271.00	-	3 430 644.47	4 527 626.53	43.10
C&PS: B&A PROJ MAN(COMM CRISIS)	-	-	-	-	-
C&PS: B&A PROJ MAN(TRAI & AWARE)	-	-	-	-	-
C&PS: B&A PROJ MAN(EMERG RESPOND)	1 049 000.00	-	8 600.00	1 040 400.00	0.81
C&PS: B&A RESEARCH & ADVISORY	209 800.00	-	-	209 800.00	-
C&PS: B&A SYSTEM SUPPORT	62 904.00	-	-	62 904.00	-
C&PS: I&P ENGINEERING CIVIL	1 468 600.00	-	287 023.20	1 181 576.80	19.54
C&PS: I&P LAND & QUANTITY SURVEYORS	335 680.00	-	-	335 680.00	-
C&PS: I&P LAND SCAPE DESIGNER	959 000.00	-	-	959 000.00	-
C&PS: I&P TOWN PLANNER	122 733.00	-	-	122 733.00	-
C&PS: LAB SERV WATER	8 077 300.00	129 121.25	2 504 299.96	5 573 000.04	31.00
C&PS: LEGAL COST ADVICE & LITIGATION	4 418 388.00	341 323.00	1 107 271.69	3 311 116.31	25.06
C&PS: LEGAL COST ISSUE OF SUMMONS	215 360.00	-	-	215 360.00	-
C&PS: LEGAL COST COLLECTION	1 771 135.00	97 677.94	484 478.66	1 286 656.34	27.35
SUB TOTAL : CONSULTANT AND PROF SERV	30 896 492	837 254	8 566 045	22 330 447	28
CONTRACTORS					
CONTR: ARTISTS & PERFORMERS	55 230.00	-	-	55 230.00	-
CONTR: BUILDING CONTRACTORS	1 524 197.00	-	1 112 871.98	411 325.02	73.01
CONTR: CATERING SERVICES	157 350.00	-	-	157 350.00	-
CONTR: EMPLOYEE WELLNESS	629 400.00	7 386.70	57 630.93	571 769.07	9.15
CONTR: FIRE SERVICES	31 470.00	-	-	31 470.00	-
CONTR: GARDENING SERVICES	287 422.00	-	19 704.40	267 717.60	6.85
CONTR: INTERIOR DECORATOR	209 800.00	-	-	209 800.00	-
CONTR: INSPECTION FEES	1 800 146.00	133 798.64	533 456.48	1 266 689.52	29.63
CONTR: MAINT OF BUILDINGS & FACILIT	13 429 434.00	676 580.68	1 355 414.64	12 074 019.36	10.09
CONTR: MAINTENANCE OF EQUIPMENT	7 481 224.00	213 724.64	1 384 607.99	6 096 616.01	18.50
CONTR: MAINTENANCE OF EQUIPMENT (FLE	4 546 182.00	21 722.05	65 247.98	4 480 934.02	1.43
CONTR: MAINTENANCE FLEET	12 408 673.00	1 012 022.18	3 272 791.22	9 135 881.78	26.37
CONTR: PEST CONTROL & FUMIGATION	157 350.00	-	-	157 350.00	-

CONTR: PLANTS FLOWERS & OTH DECORATI	45 177.00	-	-	45 177.00	-
CONTR: PREPAID ELECTRICITY VENDORS	9 700 000.00	769 708.19	3 968 922.87	5 731 077.13	40.91
CONTR: SAFEGUARD & SECURITY	38 894 724.00	3 816 426.94	16 368 834.62	22 525 889.38	42.08
CONTR: TRAFFIC & STREET LIGHTS	5 191 606.00	131 059.20	1 682 944.72	3 508 661.28	32.41
SUB TOTAL : CONTRACTORS	96 549 385	6 782 429	29 822 428	66 726 957	31
CONTRACTED SERVICES	158 691 262	9 169 736	46 130 410	112 560 852	29
OPERATIONAL COST					
OC: ADV/PUB/MARK - CORP & MUN ACTIVI	2 029 298.00	30 250.00	306 043.48	1 723 254.52	15.08
OC: ADV/PUB/MARK - MUNICIPAL NEWSLET	1 200 000.00	-	-	1 200 000.00	-
OC: ADV/PUB/MARK - SIGNS	357 250.00	-	-	357 250.00	-
OC: ADV/PUB/MARK - STAFF RECRUITMENT	314 700.00	-	37 173.92	277 526.08	11.81
OC: ADV/PUB/MARK - TENDERS	220 919.00	-	26 496.00	194 423.00	11.99
OC: AUDIT COST: EXTERNAL	9 441 000.00	787 109.96	1 929 453.32	7 511 546.68	20.43
OC: BC/FAC/C FEES - BANK ACCOUNTS	1 273 379.00	167 515.80	642 965.26	630 413.74	50.49
OC: COMMISSION - THIRD PARTY VENDORS	14 462 785.00	34 523.80	3 634 497.19	10 828 287.81	25.12
OC: COMM - CELL CONTRACT (SUBS & CAL	-	-	-	-	-
OC: COMM - LICENCES (RADIO & TELEVIS	92 537.00	35 947.83	35 947.83	56 589.17	38.84
OC: COMM - POSTAGE/STAMPS/FRANKING M	2 058 884.00	79 373.91	261 699.25	1 797 184.75	12.71
OC: COMM - RADIO & TV TRANSMISSIONS	-	-	-	-	-
OC: COMM - SMS BULK MESSAGE SERVICE	-	-	-	-	-
OC: COMM - PHONE FAX TELEGRAPH & TEL	2 098 000.00	177 118.94	772 624.42	1 325 375.58	36.82
OC: CONTR TO PROV - REHAB LANDFILL S	89 325.00	-	-	89 325.00	-
OC: DEEDS	279 402.00	5 331.67	26 064.29	253 337.71	9.32
OC: DRIVERS LICENCES & PERMITS	15 565.00	-	-	15 565.00	-
OC: ENTERTAINMENT - EXEC MAYOR	31 470.00	1 647.36	5 637.06	25 832.94	17.91
OC: ENTERTAINMENT - COUNCILLORS	31 470.00	-	-	31 470.00	-
OC: ENTERTAINMENT - SENIOR MANAGEMENT	220 780.00	11 196.38	60 594.07	160 185.93	27.44
OC: ENTERTAINMENT - SPEAKER	31 470.00	-	3 797.66	27 672.34	12.06
OC: ENTERTAINMENT - CHIEF WHIP	31 470.00	-	17 839.69	13 630.31	56.68
OC: EXT COM SERV PROV - GPS LICENCE	3 096 763.00	150 000.00	169 742.78	2 927 020.22	5.48
OC: EXT COM SERV PROV - S/WARE LICEN	2 622 774.00	-	-	2 622 774.00	-
OC: EXT COM SERV PROV - SYSTEM ADVIS	-	-	-	-	-
OC: HIRE CHARGES	42 775 059.00	7 703 669.27	27 827 374.37	14 947 684.63	65.05

OC: INSUR UNDER - CLAIM PAID 3RD PAR	-	-	-	-	-
OC: INSUR UNDER - EXCESS PAYMENTS	200 000.00	-	24 895.88	175 104.12	12.44
OC: INSUR UNDER - PREMIUMS	5 050 000.00	2 095.09	1 849 950.91	3 200 049.09	36.63
OC: LEARNERSHIPS & INTERNSHIPS	-	-	-	-	-
OC: LIC - VEHICLE LIC & REGISTRATION	1 680 766.00	99 400.90	506 741.90	1 174 024.10	30.14
OC: LIC - VEHICLE LIC & REGISTR FLEE	14 059.00	353.60	1 745.60	12 313.40	12.41
OC: PERSONNEL AGENCY FEES (PERS RECR	-	-	-	-	-
OC: PRINTING & PUBLICATIONS	748 519.00	-	37 410.00	711 109.00	4.99
OC: PROFESSIONAL BODIES M/SHIP & SUB	183 931.00	23 101.74	46 284.79	137 646.21	25.16
OC: REMUNERATION TO WARD COMMITTEES	2 937 200.00	-	360 000.00	2 577 200.00	12.25
OC: ROAD WORTHY TEST FLEET	18 059.00	-	-	18 059.00	-
OC: SKILLS DEVELOPMENT FUND LEVY	3 278 444.00	862 112.52	2 085 082.55	1 193 361.45	63.59
OC: SEARCH FEES	16 469.00	-	-	16 469.00	-
OC: SERVITUDES & LAND SURVEYS	52 450.00	-	-	52 450.00	-
OC: SIGNAGE	599 746.00	79 586.69	182 020.55	417 725.45	30.34
OC: SMALL DIFFERENCES TOLERANCES	-	-	-	-	-
OC: TOLL GATE FEES	-	-	-	-	-
OC: TOLL GATE FEES FLEET	4 214.00	-	-	4 214.00	-
OC: TRANSPORT - EVENTS	146 370.00	-	2 500.00	143 870.00	1.70
OC: TRANSPORT - FUNERALS	-	-	-	-	-
OC: T&S DOM - ACCOMMODATION	2 566 575.00	212 264.67	640 279.63	1 926 295.37	24.94
OC: T&S DOM - DAILY ALLOWANCE	1 799 974.00	128 082.04	429 209.87	1 370 764.13	23.84
OC: T&S DOM - FOOD & BEVERAGE (SERVE	600 710.00	-	43 550.00	557 160.00	7.24
OC: T&S DOM TRP - W/OUT OPR OWN TRAN	2 158 747.00	178 418.46	586 452.81	1 572 294.19	27.16
OC: T&S DOM PUB TRP - ROAD TRANSPORT	368 262.00	5 983.48	19 441.12	348 820.88	5.27
OC: T&S - NON-EMPLOYEES	209 800.00	3 239.00	17 118.05	192 681.95	8.15
OC: TRANSPORT - MUNICIPAL ACTIVITIES	55 230.00	-	37 840.00	17 390.00	68.51
OC: UNIFORM & PROTECTIVE CLOTHING	5 799 737.00	492 651.93	2 467 443.60	3 332 293.40	42.54
OC: VEHICLE TRACKING FLEET	353 327.00	-	-	353 327.00	-
OC: WET FUEL	12 670 199.00	704 158.81	2 814 492.02	9 855 706.98	22.21

OC: WORKMEN'S COMPENSATION FUND	1 753 823.00	-	-	1 753 823.00	-
SUB TOTAL : OPERATIONAL COST	126 040 911	11 975 134	47 910 410	78 130 501	38
INTEREST DIVIDENDS AND RENT ON LAND					
INT PAID BOR: ANNUITY LOANS	6 600 000.00	550 000.00	2 750 000.00	3 850 000.00	41.66
INT PAID: OVERDUE ACCOUNTS	2 098 000			2 098 000	-
SUB TOTAL - INTEREST DIVID & RENT -	8 698 000	550 000	2 750 000	5 948 000	32
OPERATING LEASES					
OPR LEASES: FURNITURE & OFFICE EQUIP	2 186 140.00	3 992.50	19 962.50	2 166 177.50	0.91
OPR LEASES: INFRA - TRANSPORTATION	-	-	-	-	-
OPR LEASES: MACHINERY & EQUIPMENT	22 092.00	-	-	22 092.00	-
OPR LEASES: TRANSPORT ASSETS	13 934 767.00	1 316 375.55	4 508 964.45	9 425 802.55	32.35
SUB TOTAL : OPERATING LEASES	16 142 999	1 320 368	4 528 927	11 614 072	28
TRANSFERS AND SUBSIDIES					
HH SSP SOC ASS: SOCIAL RELIEF	1 049 000.00	-	30 460.00	1 018 540.00	2.90
SUB TOTAL : OPERATIONAL : ALLOC IN K	1 049 000	-	30 460	1 049 000	3
OPERATIONAL : MONETARY					
SUB TOTAL : OPERATIONAL : MONETARY					
SUB TOTAL : TRANSFERS & SUBSIDIES	1 049 000	30 460	30 460	1 049 000	3
GENERAL EXPENSES	151 930 910	13 845 502	55 219 797	96 741 573	36

4.3 Capital Expenditure

FS201 Moqhaka - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 November

Vote Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		107	-	-	-	15	-	15	#DIV/0!	-
Vote 02 - Municipal Manager		61	400	650	-	-	198	(198)	-100%	650
Vote 03 - Corporate Services		727	2 500	3 060	1	575	1 142	(567)	-50%	3 060
Vote 04 - Finance		804	2 077	1 063	-	134	655	(521)	-80%	1 063
Vote 05 - Technical Services		668	78 142	77 881	6 241	28 942	32 526	(3 584)	-11%	77 881
Vote 06 - Community Services		3 023	14 600	14 600	27	2 230	6 083	(3 854)	-63%	14 600
Vote 07 - Local Economic Development		241	872	1 122	19	309	454	(145)	-32%	1 122
Total Capital single-year expenditure	4	5 630	98 591	98 377	6 289	32 205	41 059	(8 854)	-22%	98 377
Total Capital Expenditure		5 630	98 591	98 377	6 289	32 205	41 059	(8 854)	-22%	98 377
Capital Expenditure - Functional Classification										
Governance and administration		1 833	5 750	5 560	14	735	2 318	(1 583)	-68%	5 560
Executive and council		147	-	-	-	15	-	15	#DIV/0!	-
Finance and administration		1 686	5 750	5 560	14	721	2 318	(1 597)	-69%	5 560
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		2 483	13 122	13 372	60	357	5 558	(5 201)	-94%	13 372
Community and social services		955	5 197	5 197	-	-	2 166	(2 166)	-100%	5 197
Sport and recreation		233	4 081	4 331	47	268	1 791	(1 524)	-85%	4 331
Public safety		1 237	3 843	3 843	13	90	1 601	(1 512)	-94%	3 843
Housing		58	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		55	31 596	31 596	1 791	17 032	13 165	3 867	29%	31 596
Planning and development		-	205	205	-	69	85	(16)	-19%	205
Road transport		55	31 234	31 234	1 791	16 963	13 014	3 948	30%	31 234
Environmental protection		-	157	157	-	-	66	(66)	-100%	157
Trading services		1 259	48 071	47 796	4 424	14 080	19 995	(5 915)	-30%	47 796
Energy sources		20	3 348	2 824	-	149	1 329	(1 180)	-89%	2 824
Water management		354	25 011	25 011	4 424	11 728	10 421	1 307	13%	25 011
Waste water management		208	15 890	16 140	-	-	6 652	(6 652)	-100%	16 140
Waste management		677	3 822	3 822	-	2 202	1 592	610	38%	3 822
Other		-	52	52	-	-	22	(22)	-100%	52
Total Capital Expenditure - Functional Classification	3	5 630	98 591	98 377	6 289	32 205	41 059	(8 854)	-22%	98 377
Funded by:										
National Government		26	64 627	64 627	6 201	28 467	26 928	1 539	6%	64 627
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		26	64 627	64 627	6 201	28 467	26 928	1 539	6%	64 627
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		5 604	33 964	33 750	87	3 738	14 131	(10 393)	-74%	33 750
Total Capital Funding		5 630	98 591	98 377	6 289	32 205	41 059	(8 854)	-22%	98 377

As indicated in the Table above, the YTD Actual on capital expenditure as at end of November 2024 amounted to R32 205 000 000. The total YTD capex is funded from Capital grants R28 467 000 and Internally generated funds R3 738 000. Capex is extremely low and major intervention is required for the financial year. Planning of project managers also needs to improve going forward. One of the major challenges that the municipality is experiencing is in respect of tendering processes.

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

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

4.4 Cash flows

CASH FLOW ANALYSIS FOR THE MONTH ENDING	
Detail	Nov-24
Cash Receipts by Source	
Property rates	7 848 197
Service charges - electricity revenue	17 793 533
Service charges - water revenue	3 963 227
Service charges - sanitation revenue	1 917 894
Service charges - refuse revenue	1 584 882
Service charges - other	-
Interest earned - external investments	534 604
Interest earned - outstanding debtors	267 077
Fines	-
Transfer receipts - operational	-
Other revenue	22 608 227
Cash Receipts by Source	56 517 641
Other Cash Flows/Receipts by Source	
Transfer receipts - capital	19 637 000
Borrowing long term/refinancing	-
Total Cash Receipts by Source	76 154 641
Cash Payments by Type	
Employee related costs	37 883 306
Remuneration of councillors	1 732 975
Bulk purchases - Electricity	6 218 014
Contracted services	13 330 886
General expenses	13 371 314
Cash Payments by Type	72 536 495
Other Cash Flows/Payments by Type	
Capital assets	6 156 784
Repayment of borrowing	-
Total Cash Payments by Type	78 693 279
Net Increase/(Decrease) in Cash Held	-2 538 638
Cash/cash equivalents at the month/year begin:	95 337 251
Cash/cash equivalents at the month/year end:	92 798 613
Cash Book Balance (GL)	-

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

Moqhaka Local Municipality (FS201): Monthly Budget Statement: S71 Monthly Report: November 2024

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

Highlights	30-Sep	31-Oct	% Change	30-Nov	% Change	Reference
Services						
Councillors' debt (>90 days)	R 1 397 900	R 1 428 746	2%	R 1 457 829	2%	BP136-r
Officials debt (>90 days)	R 2 762 090	R 2 787 425	1%	R 2 903 059	4%	BP136-a
Sundry debtors						
Telephones (Officials & Councillors)	R651 153.34	R709 083.28	9%	R669 116.04	-6%	BP136-rt
Indigents	R 169 112 526	R 172 184 527	2%	R 176 703 624	3%	BP136-ia
Total Debt 90 Days +	R 173 923 669	R 177 109 781	2%	R 181 733 627	3%	

The municipality implemented full credit control processes to improve our cashflow and collection rate. This included 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.

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 Revenue Management we are currently trying to formulate a new strategy with the resources at our disposal, to deal with this behaviour that poses a serious threat to the sustainability of our Municipality.

As of 30 November 2024, the Government Debt was as follows:

	WATER	ELEC	RATES	SE & RF	OTHER	TOTAL	PAYMENT	OUTST
PROVINCIAL DEPARTMENTS								
OFFICE OF THE PREMIER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FREE STATE LEGISATURE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEPARTMENT OF TOURISM, ETC.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FREE STATE PROVINCIAL TREASURY	11 000.00	0.00	0.00	10 202.00	0.00	21 202.00	0.00	21 202.00
DEPARTMENT OF HEALTH (PH)	12 349 687.00	7 708 669.00	0.00	8 831 157.00	26 462.00	28 915 975.00	0.00	28 915 975.00
DEPARTMENT OF EDUCATION (PE)	183102.00	1 075 159.00	90 525.00	15 541 690.00	0.00	16 890 476.00	0.00	16 890 476.00
DEPARTM OF SOCIAL DEV(PS)	0.00	0.00	0.00	240 384.00	0.00	240 384.00	0.00	240 384.00
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)	975 737.00	15 444 221.00	785.00	749 329.00	3 373.00	17 173 445.00	0.00	17 173 445.00
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	13 519 526.00	24 228 289.00	91 310.00	25 372 762.00	29 835.00	63 241 722.00	0.00	63 241 722.00
				0.00				
SCHOOLS (SECTION 21)	9 868 201.00	17 368 472.00	4 220.00	5 262.00	86 928.00	27 333 083.00	0.00	27 333 083.00
NATIONAL DEPARTMENTS	WATER	ELEC	RATES	SE & RF	OTHER	TOTAL	PAYMENT	OUTST
CORRECTIONAL SERVICES (NC)	4 629 411.00	302 187.00	0.00	284 914.00	0.00	5 216 512.00	0.00	5 216 512.00
DEFENCE (ND)	2 926 081.00	6 036 838.00	0.00	580 454.00	13 830.00	9 557 203.00	0.00	9 557 203.00
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	23 335.00	124 505.00	113 103.00	52 069.00	69 003.00	382 015.00	0.00	382 015.00
PUBLIC WORKS (NW)	18 345.00	262 199.00	885.00	59 969.00	0.00	341 398.00	0.00	341 398.00
SA POLICE(NP)	1 084 051.00	659 711.00	435.00	846 269.00	1 338.00	2 591 804.00	0.00	2 591 804.00
WATER AFFAIRS (WA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JUSTICE (GJ)	124 815.00	107 246.00	0.00	32 898.00	1 074.00	266 033.00	0.00	266 033.00
TOTAL	8 806 038.00	7 492 686.00	114 423.00	1 856 573.00	85 245.00	18 354 965.00		18 354 965.00
TOTAL	32 193 765.00	49 089 447.00	209 953.00	27 234 597.00	202 008.00	108 929 770.00	-	108 929 770.00
						TOTAL		108 929 770.00
						LESS CREDIT		0.00
						GRAND TOTAL		108 929 770.00

v5
MUNICIPAL DEBT RETURN FORM - Provincial & National Departments



Municipality: FS201 Mqophaka

Financial Year: 2023/24 2024/25
Reporting Month: M05 November

	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	91			114	206
0-30 Days	19			16	34
31-60 Days	19			15	33
61-90 Days	18			15	32
Over 90 Days	36			70	106
Water	13 520	-	9 866	8 806	32 192
0-30 Days	360	-	573	1 842	2 775
31-60 Days	961	-	588	1 491	3 040
61-90 Days	845	-	496	1 518	2 860
Over 90 Days	11 353	-	8 208	3 955	23 517
Electricity	24 228	-	17 370	7 493	49 091
0-30 Days	973	-	1 662	1 000	3 635
31-60 Days	1 051	-	1 028	693	2 772
61-90 Days	1 235	-	1 322	714	3 272
Over 90 Days	20 969	-	13 357	5 086	39 412
Sanitation	16 790			1 141	17 931
0-30 Days	1 035			173	1 208
31-60 Days	1 035			169	1 204
61-90 Days	1 035			159	1 194
Over 90 Days	13 684			641	14 325
Refuse Removal	8 583			715	9 298
0-30 Days	719			92	811
31-60 Days	529			89	618
61-90 Days	529			83	612
Over 90 Days	6 807			451	7 258
Other	30	-	96	85	211
0-30 Days	0	-	2	2	4
31-60 Days	0	-	2	2	4
61-90 Days	0	-	2	3	4
Over 90 Days	29	-	91	78	199
TOTAL	63 242	-	27 333	18 355	108 929
0-30 Days	3 106	-	2 237	3 124	8 467
31-60 Days	3 595	-	1 618	2 459	7 671
61-90 Days	3 663	-	1 821	2 491	7 975
Over 90 Days	52 879	-	21 657	10 281	84 816

Payments received during reporting month (whole amount) - 3 495 811,16 3 495 811,16

Complied By TD Dhlamini:

Approved By:

Reviewed by LG Motaung:

Rank: AGFO

Reviewed by KS Theletsane:

Date: 12/12/2024

- The total age analysis should correspond to the total Organs of State reported on the monthly aged debtors (AD) return.
- Education (Schools) is only responsible for the payment of water & electricity. Property rates, sanitation & refuse removal for schools remain the responsibility of Provincial Public Works.
- Provide the detail per school on the separate sheets provided.
- Parastatals (Transnet, TELKOM, etc.) is responsible for the payment of their own municipal accounts.

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 and 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

YearEnd	MonthEnd	Mun	Item	Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Total-
2025	M05 Nov	FS201	1100	Debtors Age Analysis By Income Source					
			1200	Trade and Other Receivables from Exchange Transactions - Water	22113195	18290131	18874503	767679685	826957514
			1300	Trade and Other Receivables from Exchange Transactions - Electricity	26197150	10788823	8798958	130363265	176148196
			1400	Receivables from Non-exchange Transactions - Property Rates	5543295	3616941	3184325	101775530	114120091
			1500	Receivables from Exchange Transactions - Waste Water Management	7872969	6640847	6337308	231530875	252381999
			1600	Receivables from Exchange Transactions - Waste Management	5716128	4668472	4475758	167481525	182341883
			1700	Receivables from Exchange Transactions - Property Rental Debtors	0	0	0	0	0
			1810	Interest on Arrear Debtor Accounts	0	0	0	0	0
			1820	Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	0	0	0	0	0
			1900	Other	2409885	1033668	803808	64670420	68917781
			2000	Total By Income Source	69852622	45038882	42474660	1463501300	1620867464
			2100	Debtors Age Analysis By Customer Group					
			2200	Organs of State	16187455	7981907	7704080	77131883	109005325
			2300	Commercial	25155742	9961178	6774783	144574629	186466332
			2400	Households	32050939	25299978	25928227	1131827510	1215106654
			2500	Other	-3541514	1795819	2067570	109967278	110289153
			2600	Total By Customer Group	69852622	45038882	42474660	1463501300	1620867464

Comments:

Total outstanding debt has increased from R1 590 390 291 in October 2024 to R1 620 867 464 in November 2024.

The increase is a result of minimum or no payments by the account holders and the defaulters.

Water debt was R810 524 028 in October 2024 and has increased to R826 957 514 in November 2024 & accounts for 51% of the outstanding debt due to non-payment, burst pipes, leaking water meters and consumption by unmetered stands.

Electricity outstanding debt was R172 176 161 in October 2024 and has increased to R176 148 196 in November 2024 & is 11% of the total debt and this is mainly from the conventional meters consumption for both industrial, commercial and households, as well as availability/basic charges for infrastructure maintenance.

Property Rates outstanding debt was R114 850 390 in October 2024 and has decreased to R114 120 091 in November 2024 & against total debt is 7% and relates to payment of accounts.

Sanitation/Sewerage accounts for 16% of the total outstanding debt with R252 381 999 in November 2024 from R246 838 486 in October 2024 & and also emanates from non-payment of accounts.

Refuse Removal was R178 476 562 in October 2024 and has increased to R182 341 883 in November 2024 & accounts for 11% of the total outstanding debt.

Total for Other Debt or Sundries was R67 524 664 in October 2024 and has increased to R68 917 781 in November 2024, which accounts for 4% for total outstanding debt. It represents the debt from indirect services on sundry accounts like rental, telephone, advertising & signs, and more.

Government debt was R104 826 619 in October 2024 and has increased to R109 005 325 in November 2024. This represents 7% of the total outstanding debt and is gradually being addressed.

Business/Commercial debt was R185 863 665 in October 2024 and has increased to R186 466 332 in November 2024. 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 192 658 611 in October 2024 and has increased to R1 215 106 654 in November 2024. That accounts for 75% of the total debt. This is inclusive of R176 703 624 owed by indigent households.

The remaining Other Income debt by many other various categories of debtors was R107 041 396 in October 2024 and has increased to be R110 289 153 in November 2024 & that is 7% of the total outstanding debt.

On 30 October 2024, Councillors owed R1 428 746 and R1 457 829 in November 2024, Officials owed R2 787 425 in October 2024 and R2 903 059 in November 2024.

Telephone accounts had a balance of R709 083.28 in October 2024 and has decreased to R669 116.04 in November 2024.

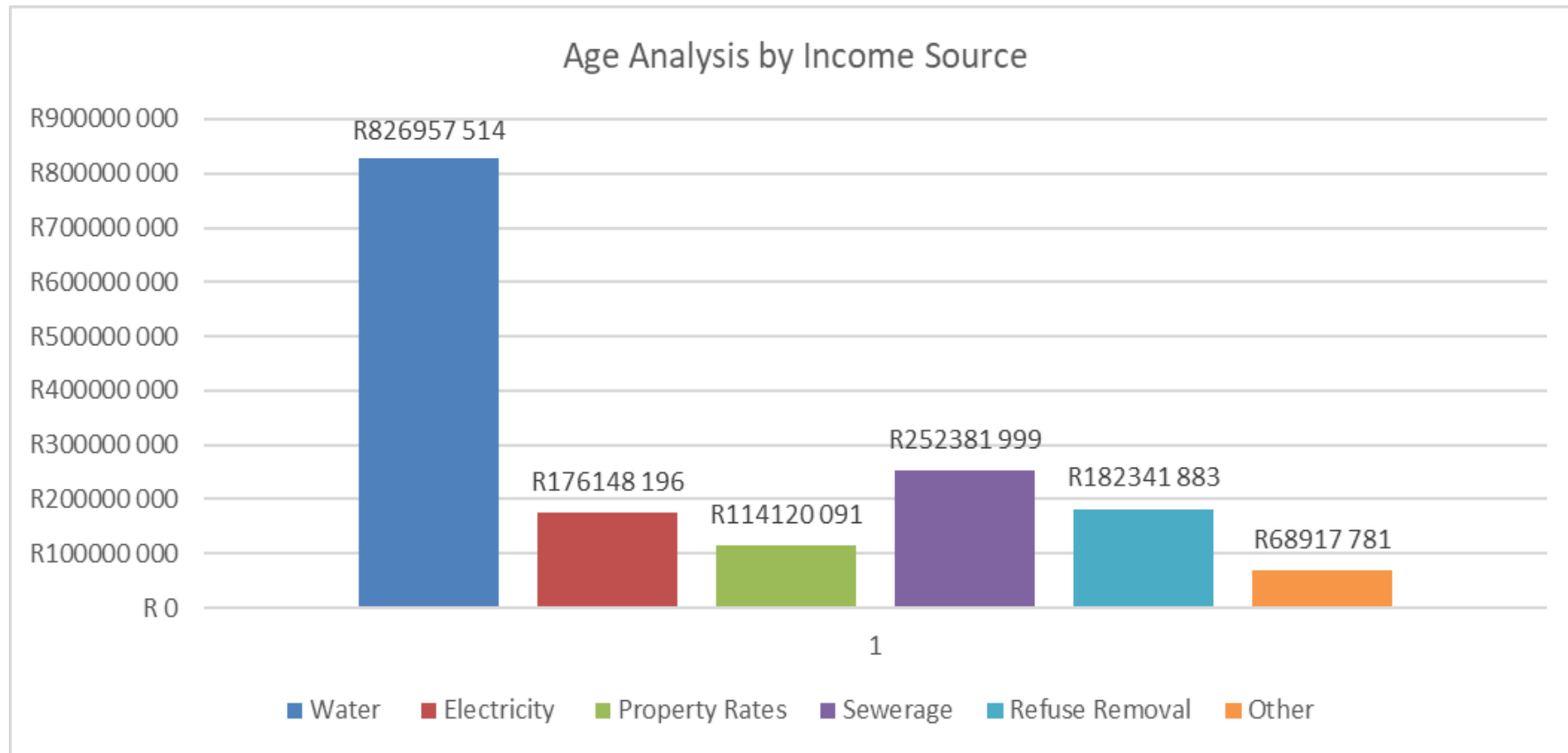
The Municipality urgently needs to resolve on proper implementation of the Debt Collection & Credit Control Policy and other policies for debt collection purposes.

There are currently 4 debt collection companies appointed until June 2025, but their performance was hampered by the cyber-attack on the

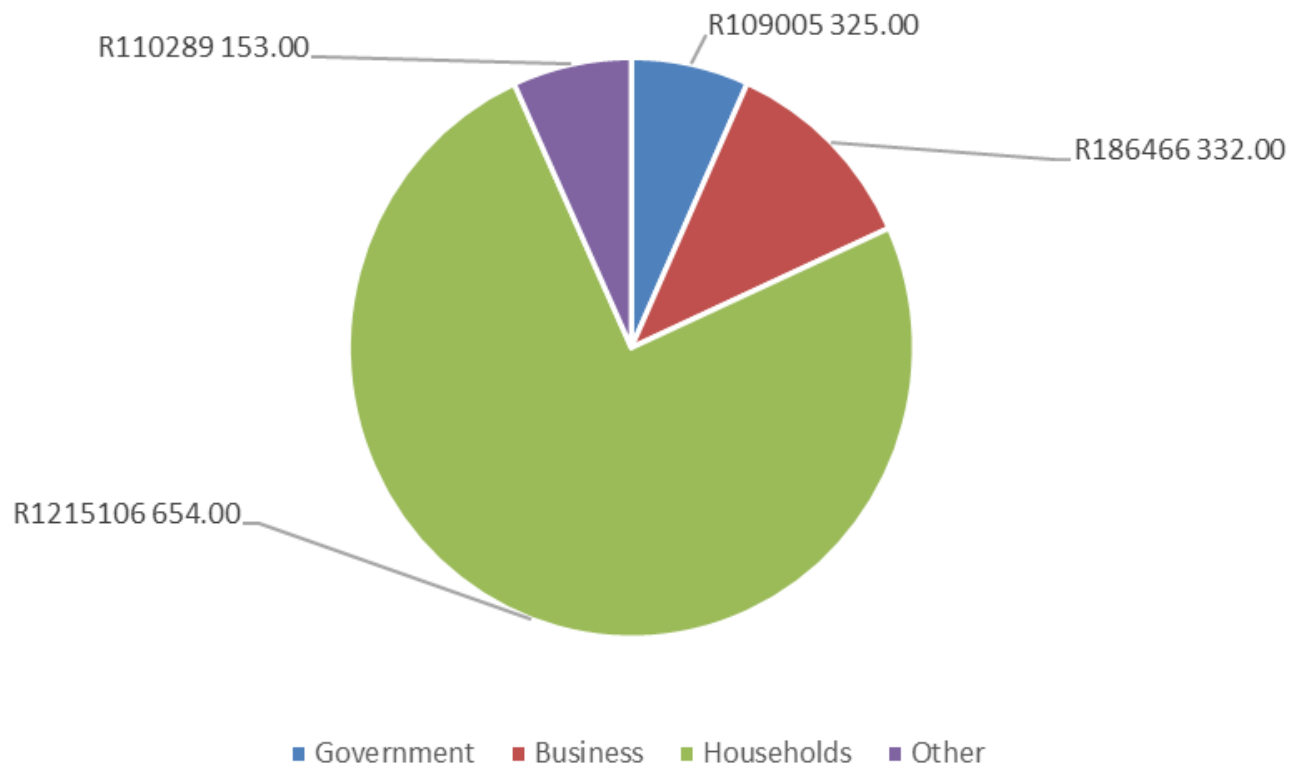
financial system between 05 June 2023 and 30 April 2024.

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 has recently appointed an acting Municipality Manager and that will assist in addressing some of the concerns. The process of appointing Directors is also unfolding.



Age Analysis By Customer Group



An analysis revealed that the catalysts for this condition are the volume of accountholders in arrears, the poor economic circumstances of a large number of our accountholders, and the increasing cost of services beyond the Municipality's control. There is a substantial portion of irrecoverable, stagnant debt that attracts interest every month. The municipality will process this debt and submit it to Council for approval for write off. We have revised our policies to make our processes more effective. This will allow us to focus on preventing debt from ageing where possible in tracing and updating our debtors' information and of course recovering outstanding amounts.

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

Cycle	Opening Balance	Charges Raised	Adjustments	Repayments	Deposits	Nett Movement	Receipts	Closing Balance	Collection	Billing vs Receipts
1	122 814 762.42	15 578 979.01	-592 018.32	56 441.68	43 481.00	15 086 883.37	-11 640 760.38	126 260 885.41	-77%	3 446 122.99
2	560 470 603.27	18 731 325.58	-5 420 231.68	23 817.84	5 319.00	13 340 230.74	-1 544 871.44	572 265 962.57	-12%	11 795 359.30
3	2 612 579.27	3 518 145.69	-118 930.35	0.00	0.00	3 399 215.34	-2 492 759.72	3 519 034.89	-73%	906 455.62
4	54 145 094.90	1 377 240.77	86 649.81	33 680.00	0.00	1 497 570.58	-131 527.43	55 511 138.05	-9%	1 366 043.15
6	16 947 875.97	1 373 478.81	-813.89	0.00	0.00	1 372 664.92	-496 361.05	17 824 179.84	-36%	876 303.87
7	22 629 318.31	959 601.67	-215 839.24	0.00	0.00	743 762.43	-196 323.33	23 176 757.41	-26%	547 439.10
8	9 563 093.30	577 546.72	-5 301.91	2 614.17	857.00	575 715.98	-196 216.12	9 942 593.16	-34%	379 499.86
9	2 347 904.02	16 153.89	-2 563.51	0.00	0.00	13 590.38	-18 600.00	2 342 894.40	-137%	-5 009.62
10	59 551 115.92	11 265 239.00	-1 242 582.54	13 861.65	0.00	10 036 518.11	-11 086 855.30	58 500 778.73	-110%	-1 050 337.19
11	79 190 093.46	2 932 180.86	-465 792.03	7 482.01	1 714.00	2 475 584.84	-588 847.29	81 076 831.01	-24%	1 886 737.55
13	554 734 608.05	12 148 983.25	-1 450 278.28	14 154.38	12 622.00	10 725 481.35	-2 387 677.35	563 072 412.05	-22%	8 337 804.00
14	6 684 435.48	4 907 712.94	0.00	0.00	0.00	4 907 712.94	-4 626 116.86	6 966 031.56	-94%	281 596.08
15	6 571.03	60.31	100 000.00	0.00	0.00	100 060.31	-100 000.00	6 631.34	0%	60.31
16	98 691 752.98	7 426 367.01	-275 779.52	4 885.45	0.00	7 155 472.94	-5 446 375.45	100 400 850.47	-76%	1 709 097.49
	1 590 389 808.38	80 813 015.51	-9 603 481.46	156 937.18	63 993.00	71 430 464.23	-40 953 291.72	1 620 866 980.89	-57%	30 477 172.51

The November 2024 total billing was R71 430 464.23 from R68 896 197.39 in October 2024. There were complaints by some business customers regarding the CT- Ratio on their meters that are corrected and that lead to corrections. Cycle 3 is for a specific maize producing company that runs on its own cycle for control purposes. The account is always up to date or paid in advance. Cycle 15 relates to Viljoenskroon maximum demand meters and normally lacks activity due to the challenges experienced by the account holders that side of town/municipality. Cycle 9 relates to sundry debtors and is improved by purchase of vacant stands most of the time.

7. Creditors' Analysis

Creditors									
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	46 583 041	47 824 907	43 556 949	69 198 511	76 950 771	67 288 087	68 556 948	1 187 914 321	1 607 873 535
Loan repayments	996 458	591 182	1 704 416	-	-	-	-	1 145 365	4 437 421
Trade Creditors	5 018 251	2 888 852	419 612	5 019 795	-	-	-	-	13 346 510
Auditor General	1 352 189	-	-	-	-	-	-	-	1 352 189
DWS	1 115 675	1 563 260	7 015 323	-	-	-	-	5 168 944	14 863 202
WORKMENS COMPENSATION	-	-	-	-	-	-	-	1 014 024	1 014 024
GOVERNMENT GARAGE	371 550	-	-	-	-	-	-	3 575 379	3 946 929
Total	55 437 164	52 868 201	52 696 300	74 218 306	76 950 771	67 288 087	68 556 948	1 198 818 033	1 646 833 810

Bulk Electricity – As at the 30 November 2024, the outstanding debt owed to ESKOM amounted to R1 607 873 535. 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 R1 352 189. Other creditors – includes Sundry creditors which were unpaid as at 30 November 2024 amount to R19 824 154,57.

8. Investment portfolio analysis

Moghaka Municipality



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

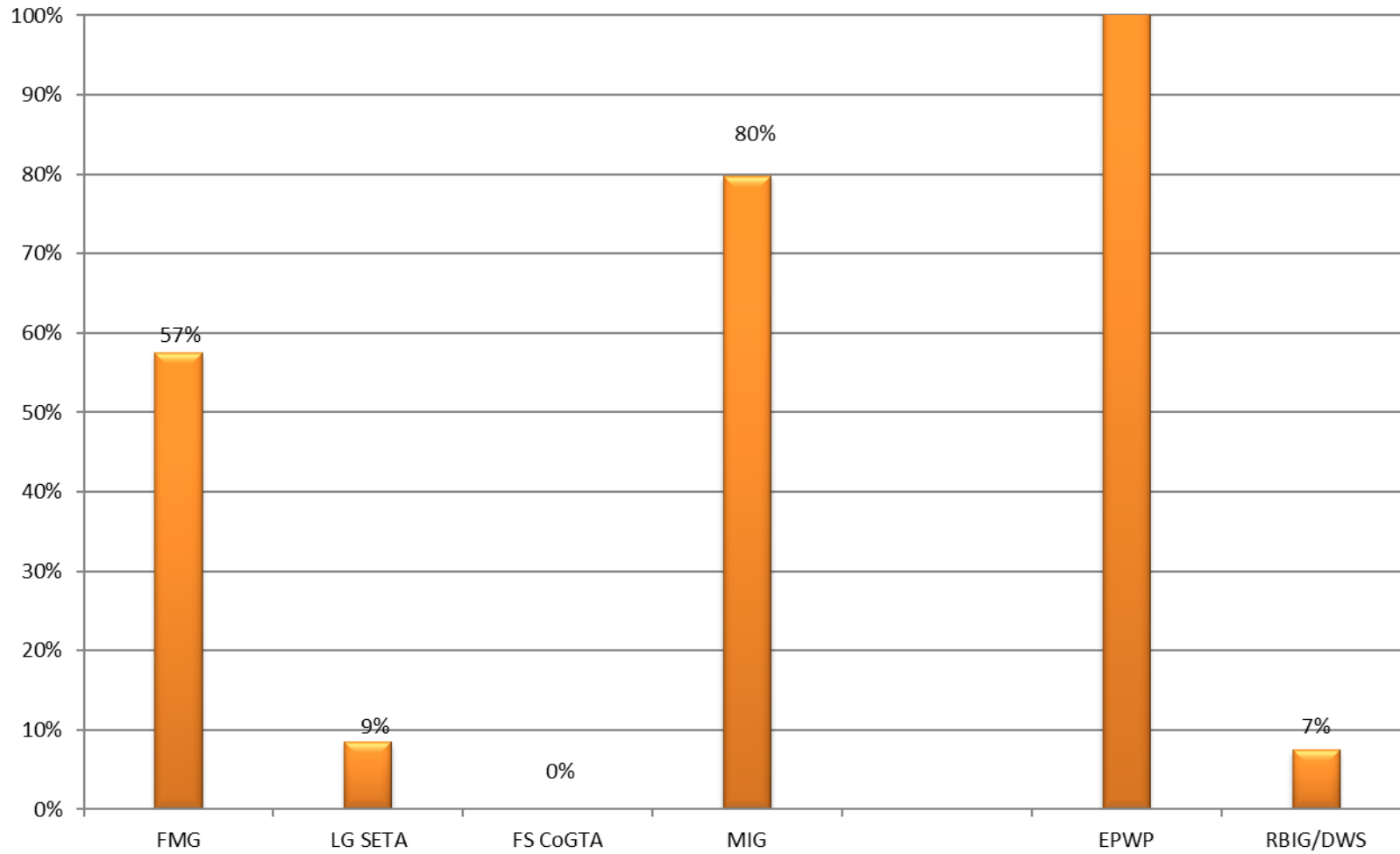
The municipality holds the following investments with ABSA Bank.

Detail	Bank Acc num	Type of investment	Vote num	
ABSA - 1	20-7531-4898	Fixed Deposit	34055053140ZZZZZZWWM	
ABSA - 2	20-5824-7882	Fixed Deposit	34055053040ZZZZZZWWM	
ABSA - 3	91-3190-1443	Call Account	34055053240ZZZZZZWWM	
	20-7531-4898	20-5824-7882	91-3190-1443	
	ABSA - 1	ABSA - 2	ABSA - 3	Total
Balance 01-Jul- 2024	5 608.89	118 622.25	40 795 171.52	40 919 402.66
Prior period error	-	-	-	-
Adjusted Balance	5 608.89	118 622.25	40 787 125.85	40 911 356.99
Invested	-	-	49 977 242.08	49 977 242.08
Withdrawn	-	-	67 497 000.00	67 497 000.00
Interest earned	-	-	-18 000 000.00	-18 000 000.00
			480 242.08	480 242.08
Balance at 31-Jul-2024	5 608.89	118 622.25	90 764 367.93	90 888 599.07
	52.02		1 799 349.35	
Invested	-	-	50 181 646.00	50 181 646.00
Withdrawn	-	-	-49 000 000.00	-49 000 000.00
Interest earned	52.02	-	617 703.35	617 755.37
Balance at 31-Aug-2024	5 660.91	118 622.25	92 563 717.28	92 688 000.44
	54.01		-6 641 111.88	-6 641 057.87
Invested	-	-	31 637 000.00	31 637 000.00
Withdrawn	-	-	-38 812 716.43	-38 812 716.43
Interest earned	54.01	-	534 604.55	534 658.56
Balance at 30-Sep-2024	5 714.92	118 622.25	85 922 605.40	86 046 942.57
			-9 984 209.17	-21 000 000.00
Invested	-	-	7 500 000.00	7 500 000.00
Withdrawn	-	-	-18 000 000.00	-18 000 000.00
Interest earned	-	-	515 790.83	-10 500 000.00
Balance at 31-Oct-2024	5 714.92	118 622.25	75 938 396.23	65 046 942.57
	108.04	10 984.97	-21 593 518.24	-21 582 425.23
Invested			10 000 000.00	10 000 000.00
Withdrawn			-32 014 613.34	-32 014 613.34
Interest earned	108.04	10 984.97	421 095.10	432 188.11
Balance at 30-Nov-2024	5 822.96	129 607.22	54 344 877.99	54 480 308.17

9. Allocation and grant receipts and expenditure

Report on conditional grants at	30-Nov-24					
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		2 791 897				-
Received Prior Months	2 300 000	289 362	32 134 000	325 000	11 721 445	44 180 445
Received This Month	-	-	-		3 714 613	3 714 613
Total Funds Received	2 300 000	3 081 259	32 134 000	325 000	15 436 058	47 895 058
Spent Prior Months	1 128 433	217 025	21 764 264	137 548	1 151 740	23 053 552
Spent This Month	193 247	21 269	3 866 480	216 790	-	4 083 270
Grants refunded					-	-
Total Funds Spent	1 321 680	238 294	25 630 744	354 338	1 151 740	27 136 822
Total funds Received and Not Spent	978 320	2 842 965	6 503 256	-29 338	14 284 318	20 758 236
Percentage of Funds Spent	57%	9%	80%	109%	7%	57%
Funds Currently Committed but Not Spent	-	-	-	-	-	-
Scheduled Transfers Withheld	-	-	-	-	-	-

GRANTS SPENDING 2024/25



FS201 Moqhaka - Table C6 Monthly Budget Statement - Financial Position - M05 November

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	(30 770)	2 783
Trade and other receivables from exchange transactions		525 811	236 799	236 799	621 911	236 799
Receivables from non-exchange transactions		53 531	41 960	41 960	61 651	41 960
Current portion of non-current receivables						
Inventory		87 485	100 984	100 984	87 970	100 984
VAT		904	34 445	34 445	8 192	34 445
Other current assets		30 115	31 215	31 215	55 787	31 215
Total current assets		687 941	448 185	448 185	804 741	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	2 780 336	1 901 068	2 780 336
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	4 674	2 365	4 674
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	2 983 511	2 034 019	2 983 511
TOTAL ASSETS		2 688 634	3 431 910	3 431 695	2 838 760	3 431 695
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	(2 032)	(2 032)	(1 349)	(2 032)
Consumer deposits		13 550	13 734	13 734	14 831	13 734
Trade and other payables from exchange transactions		1 304 802	485 809	485 809	1 209 681	485 809
Trade and other payables from non-exchange transactions		27 032	–	–	67 919	–
Provision		162 036	68 424	68 424	162 036	68 424
VAT		(2 444)	(49 705)	(49 705)	21 749	(49 705)
Other current liabilities		–	–	–	–	–
Total current liabilities		1 504 976	516 230	516 230	1 474 868	516 230
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	586 599	1 622 136	586 599
NET ASSETS	2	1 036 390	2 845 311	2 845 096	1 216 624	2 845 096
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 716 181	2 848 351	2 848 351	1 217 594	2 848 351
Reserves and funds		–	1 294	1 294	–	1 294
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	1 716 181	2 849 645	2 849 645	1 217 594	2 849 645

FS201 Moqhaka - Table C7 Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		59 293	115 114	115 114	6 378	27 750	47 964	(20 214)	-42%	115 114
Service charges		430 886	881 165	881 165	43 502	226 426	367 152	(140 726)	-38%	881 165
Other revenue		116 019	(487 853)	(487 853)	(3 659)	69 315	(203 272)	272 587	-134%	(487 853)
Transfers and Subsidies - Operational		281 769	311 029	311 029	-	127 028	129 595	(2 567)	-2%	311 029
Transfers and Subsidies - Capital		108 185	65 353	65 353	-	45 306	27 230	18 075	66%	65 353
Interest		3 293	-	-	310	2 230	-	2 230	#DIV/0!	-
Dividends		3 637	1 736	1 736	55	309	724	(414)	-57%	1 736
Payments										
Suppliers and employees		(1 012 349)	(1 560 767)	(1 560 767)	(73 107)	(538 773)	(650 319)	(111 547)	17%	(1 560 767)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(9 267)	(674 222)	(674 222)	(26 519)	(40 408)	(280 926)	(240 518)	86%	(674 222)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		25 992	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables										
Decrease (increase) in non-current investments		(390)	(277)	(277)	-	(390)	(115)	(275)	238%	(277)
Payments										
Capital assets		(5 630)	(98 591)	(98 591)	(6 289)	(32 205)	(41 080)	(8 875)	22%	(98 591)
NET CASH FROM/(USED) INVESTING ACTIVITIES		19 972	(98 868)	(98 868)	(6 289)	(32 595)	(41 195)	(8 600)	21%	(98 868)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		(137)	(346 331)	(346 331)	-	-	(144 305)	144 305	-100%	(346 331)
Payments										
Repayment of borrowing		-	(2 032)	(2 032)	(286)	(1 349)	(847)	502	-59%	(2 032)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(137)	(348 363)	(348 363)	(286)	(1 349)	(145 151)	(143 802)	99%	(348 363)
NET INCREASE/ (DECREASE) IN CASH HELD		10 567	(1 121 453)	(1 121 453)	(33 094)	(74 352)	(467 272)			(1 121 453)
Cash/cash equivalents at beginning:		(21 364)	(23 720)	(23 720)	(50 772)	(9 905)	(23 720)			(9 905)
Cash/cash equivalents at month/year end:		(10 797)	(1 145 173)	(1 145 173)	(83 867)	(84 257)	(490 992)			(1 131 358)

- There was no Operational grant monies received for the month under review.
- Capital grant money received for the month under review was R3714613.34
- Correcting journals are processed monthly to recognize capital grant receipts in the Statement of Financial Performance, once all conditions of the grant have been met.

10. Councillor and board member allowances and employee benefits

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

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

DESCRIPTION	Budget 2024/2025	Actual	YTD	% Exp
		30-Nov-24	30-Nov-24	
EMPLOYEE RELATED COST				
SENIOR MANAGEMENT				
SM - SALARIES ALLOW AND SERV BENEFITS				
MM - SALARIES ALLOW AND SERV BENEFITS				
SM MM: SAL & ALL - BASIC SALARY	1 040 930.00	60 680.35	303 401.75	29.14
SM MM: SAL & ALL - PERFORM BASED BONUS	149 275.00	-	-	-
SM MM: ALLOW - CELLULAR & TELEPHONE	33 201.00	3 000.00	15 000.00	45.17
SM MM: ALLOW - HOUSING BENEFITS	-	-	-	-
SM MM: ALLOW - TRAVEL OR MOTOR VEHICLE	265 810.00	19 507.75	97 538.75	36.69
SM MM: SRB - LONG SERVICE	-	-	-	-
SUB TOTAL: MM - SAL ALLOW & SERV BENEF	1 489 216.00	83 188.10	415 940.50	27.93
CFO - SALARIES ALLOW AND SERV BENEFITS				
SM CFO: SAL & ALL - BASIC SALARY	900 793.00	0.00	0.00	0.00
SM CFO: SAL & ALL - PERFORM BASED BONUS	54 908.00			
SM CFO: ALLOW - CELLULAR & TELEPHONE	6 640.00	0.00	0.00	0.00
SM CFO: ALLOW - HOUSING BENEFITS				
SM CFO: ALLOW - TRAVEL OR MOTOR VEHICLE	55 335.00	0.00	0.00	0.00
SM CFO: SRB - ENTERTAINMENT	15 735.00	0.00	0.00	0.00
SM CFO: SRB - ACTING & POST RELATE ALLOW				
SUB TOTAL: CFO - SAL ALLOW & SERV BENEF	1 033 411.00	0.00	0.00	0.00
D01 - SALARIES ALLOW AND SERV BENEFITS				
SM D01: SAL & ALL - BASIC SALARY	947 376.00	39 343.88	39 343.88	4.15
SM D01: SAL & ALL - PERFORM BASED BONUS	55 013.00	-	-	-

SM D01: ALLOW - CELLULAR & TELEPHONE	9 960.00	-	-	-
SM D01: ALLOW - HOUSING BENEFITS	-	-	-	-
SM D01: ALLOW - TRAVEL OR MOTOR VEHICLE	159 473.00	24 566.36	24 566.36	15.40
SM D01: SRB - ENTERTAINMENT	5 245.00	0.00	0.00	0.00
SM D01: SRB - ACTING & POST RELATE ALLOW				
SUB TOTAL: DTS - SAL ALLOW & SERV BENEF	1 177 067.00	63 910.24	63 910.24	5.43
DO2 - SALARIES ALLOW AND SERV BENEFITS				
SM D02: SAL & ALL - BASIC SALARY	818 367.00	65 753.25	328 766.25	40.17
SM D02: SAL & ALL - PERFORM BASED BONUS	220 485.00	-	-	-
SM D02: ALLOW - CELLULAR & TELEPHONE	18 528.00	1 000.00	5 000.00	26.98
SM D02: ALLOW - HOUSING BENEFITS	103 811.00	-	-	-
SM D02: ALLOW - TRAVEL OR MOTOR VEHICLE	555 884.00	43 658.38	218 291.90	39.26
SM D02: ALLOW - ACCOM TRAVEL & INCIDENT.	0.00	0.00	0.00	
SM D02: SRB - ENTERTAINMENT	10 490.00	0.00		0.00
SM D02: SRB - ACTING & POST RELATE ALLOW				
SUB TOTAL: DPS - SAL ALLOW & SERV BENEF	1 727 565.00	110 411.63	552 058.15	31.96
DO3 - SALARIES ALLOW AND SERV BENEFITS				
SM D03: SAL & ALL - BASIC SALARY	895 759.00	0.00	0.00	0.00
SM D03: SAL & ALL - PERFORM BASED BONUS	53 714.00			
SM D03: ALLOW - CELLULAR & TELEPHONE	5 412.00	0.00	0.00	0.00
SM D03: ALLOW - HOUSING BENEFITS	175 238.00	0.00	0.00	0.00
SM D03: ALLOW - TRAVEL OR MOTOR VEHICLE	99 517.00	0.00	0.00	0.00
SM D03: SRB - ENTERTAINMENT	0.00			
SM D03: SRB - ACTING & POST RELATE ALLOW				
SUB TOTAL: DCH - SAL ALLOW & SERV BENEF	1 229 640.00	0.00	0.00	0.00
DO4 - SALARIES ALLOW AND SERV BENEFITS				
SM D04: SAL & ALL - BASIC SALARY	892 060.00			
SM D04: SAL & ALL - PERFORM BASED BONUS	8 178.00			
SM D04: ALLOW - CELLULAR & TELEPHONE	8 559.00			
SM D04: ALLOW - HOUSING BENEFITS	81 852.00			

SM D04: ALLOW - TRAVEL OR MOTOR VEHICLE	60 816.00			
SM D04: SRB - ENTERTAINMENT				
SUB TOTAL: DCS - SAL ALLOW & SERV BENEF	1 051 465.00			
SUB TOTAL: SM - SAL ALLOW & SERV BENEF	7 708 364.00	257 509.97	1 031 908.89	13.39
SM - SOCIAL CONTRIBUTIONS				
MM - SOCIAL CONTRIBUTIONS				
SM MM: SOC CONTR: MEDICAL	68 736.00	-	-	-
SM MM: SOC CONTR: PENSION FUNDS	116 203.00	10 922.46	54 612.30	46.99
SM MM: SOC CONTR: UIF	2 422.00	177.12	885.60	36.56
SUB TOTAL: MM - SOCIAL CONTRIBUTIONS	187 361.00	11 099.58	55 497.90	29.62
CFO - SOCIAL CONTRIBUTIONS				
SM CFO: SOC CONTR: GROUP LIFE INSURANCE				
SM CFO: SOC CONTR: MEDICAL	66 431.00			0.00
SM CFO: SOC CONTR: PENSION FUNDS	132 807.00			0.00
SM CFO: SOC CONTR: UIF	2 459.00			0.00
SM CFO: SOC CONTR: BARGAINING COUNCIL				
SUB TOTAL: CFO - SOCIAL CONTRIBUTIONS	201 697.00	0.00	0.00	0.00
D01 - SOCIAL CONTRIBUTIONS				
SM D01: SOC CONTR: GROUP LIFE INSURANCE				
SM D01: SOC CONTR: MEDICAL	69 820.00			0.00
SM D01: SOC CONTR: PENSION FUNDS	144 119.00	9 151.70	9 151.70	6.35
SM D01: SOC CONTR: UIF	2 461.00	177.12	177.12	7.19
SM D01: SOC CONTR: BARGAINING COUNCIL	0.00	-	-	-
SUB TOTAL: DTS - SOCIAL CONTRIBUTIONS	216 400.00	9 328.82	9 328.82	4.31
D02 - SOCIAL CONTRIBUTIONS				
SM D02: SOC CONTR: GROUP LIFE INSURANCE				
SM D02: SOC CONTR: MEDICAL	37 057.00	-	-	-
SM D02: SOC CONTR: PENSION FUNDS	55 936.00	-	35 506.77	63.47
SM D02: SOC CONTR: UIF	2 459.00	177.12	885.60	36.01
SM D02: SOC CONTR: BARGAINING COUNCIL				
SUB TOTAL: DPS - SOCIAL CONTRIBUTIONS	95 452.00	177.12	36 392.37	38.13
D03 - SOCIAL CONTRIBUTIONS				

SM D03: SOC CONTR: GROUP LIFE INSURANCE				
SM D03: SOC CONTR: MEDICAL	42 022.00			0.00
SM D03: SOC CONTR: PENSION FUNDS				
SM D03: SOC CONTR: UIF	2 434.00			0.00
SM D03: SOC CONTR: BARGAINING COUNCIL				
SUB TOTAL: DCH - SOCIAL CONTRIBUTIONS	44 456.00	0.00	0.00	0.00
SUB TOTAL: SM - SOCIAL CONTRIBUTIONS	745 366.00	20 605.52	101 219.09	13.58
SM - POST RETIREMENT BENEFITS				
SM: PRB - MED: CURRENT SERVICE COST				
SM: PRB - MED: INTEREST COST	5 751 703.00	0.00	412 798.82	7.18
SM: PRB - PENS: INTEREST COST	742 998.00	0.00	0.00	0.00
SUB TOTAL : SM - POST RETIREMENT BENEFIT	6 494 701.00	0.00	412 798.82	6.36
SM: PST RET BEN OBL CST CAP PPE				
SUB TOTAL : SM - COST CAPITALISED TO PPE				
SUB TOTAL : SENIOR MANAGEMENT	14 948 431.00	278 115.49	1 545 926.80	10.34
MUNICIPAL STAFF				
MS - SALARIES ALLOW AND SERV BENEFITS				
MS: SAL & ALL: BASIC SALARY & WAGES	271 059 050.00	20 807 128.62	104 600 300.16	38.58
MS: SAL & ALL: PERFORMANCE BASED BONUSES	28 646.00	-	-	-
MS: ALL - CELLULAR & TELEPHONE	872 036.00	37 950.00	187 655.22	21.51
MS: HB & INC: HOUSING BENEFITS	2 013 195.00	147 545.93	726 018.03	36.06
MS: ALL - LEAVE PAY	3 075 518.00	678 364.46	1 670 311.40	54.30
MS: ALL - TRAVEL OR MOTOR VEHICLE	24 606 437.00	1 835 236.84	9 094 676.72	36.96
MS: OVERTIME - NON STRUCTURED	33 870 731.00	3 171 507.11	15 522 504.15	45.82
MS: OVERTIME - STRUCTURED	61 717.00	3 834.01	12 546.27	20.32
MS: PAYMENTS - SHIFT ADD REMUNERATIO	-	-	-	-
MS: SRB - ANNUAL BONUS	21 273 371.00	2 407 391.69	9 663 635.18	45.42
MS: SRB - LONG SERVICE AWARD	2 117 536.00	396 611.24	821 179.46	38.77
MS: SRB - STANDBY ALLOWANCE	4 137 422.00	395 478.31	1 985 111.09	47.97
MS: IN-KIND BENEFITS	3 371.00	0.00	0.00	0.00

MS: SRB - NON PENSIONABLE	1 750.00	0.00	0.00	0.00
SUB TOTAL : MS - SAL ALLOW & SERV BENEF	363 120 780.00	29 881 048.21	144 283 937.68	39.73
MS - SOCIAL CONTRIBUTIONS				
MS: SOC CONTR - BARGAINING COUNCIL	145 297.00	11 692.15	60 059.87	41.33
MS: SOC CONTR - GROUP LIFE INSURANCE	1 416 399.00	84 180.22	421 435.33	29.75
MS: SOC CONTR - MEDICAL	25 515 593.00	2 300 756.86	11 607 359.52	45.49
MS: SOC CONTR - PENSION	41 812 794.00	3 701 923.43	18 042 657.92	43.15
MS: SOC CONTR - UNEMPLOYMENT INSUR FUND	2 276 431.00	170 240.68	851 459.98	37.40
SUB TOTAL : MS - SOCIAL CONTRIBUTIONS	71 166 514.00	6 268 793.34	30 982 972.62	43.53
MS: PRB - MED: CURRENT SERVICE COST	2 092 015.00	436 583.22	1 305 445.26	62.40
MS: PRB - MED: INTEREST COST				
MS: PRB - PENS: INTEREST COST				
MS: PRB - OTHER: LEAVE GRATUITY				
SUB TOTAL : MS - POST RETIREMENT BEN	2 092 015.00	436 583.22	1 305 445.26	62.40
MS - COST CAPITALISED TO PPE				
MS: IN-KIND BENEFITS CST CAP PPE	11 324.00	13 580.65	67 955.75	600.10
SUB TOTAL : MS - COST CAPITALISED TO PPE	11 324.00	13 580.65	67 955.75	600.10
SUB TOTAL : MUNICIPAL STAFF	436 390 633.00	36 600 005.42	176 640 311.31	40.47
SUB TOTAL : EMPLOYEE RELATED COST	451 339 064.00	36 878 120.91	178 186 238.11	39.47
DESCRIPTION	Budget 2024/2025	Actual	YTD	% Exp

30 November 2024

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

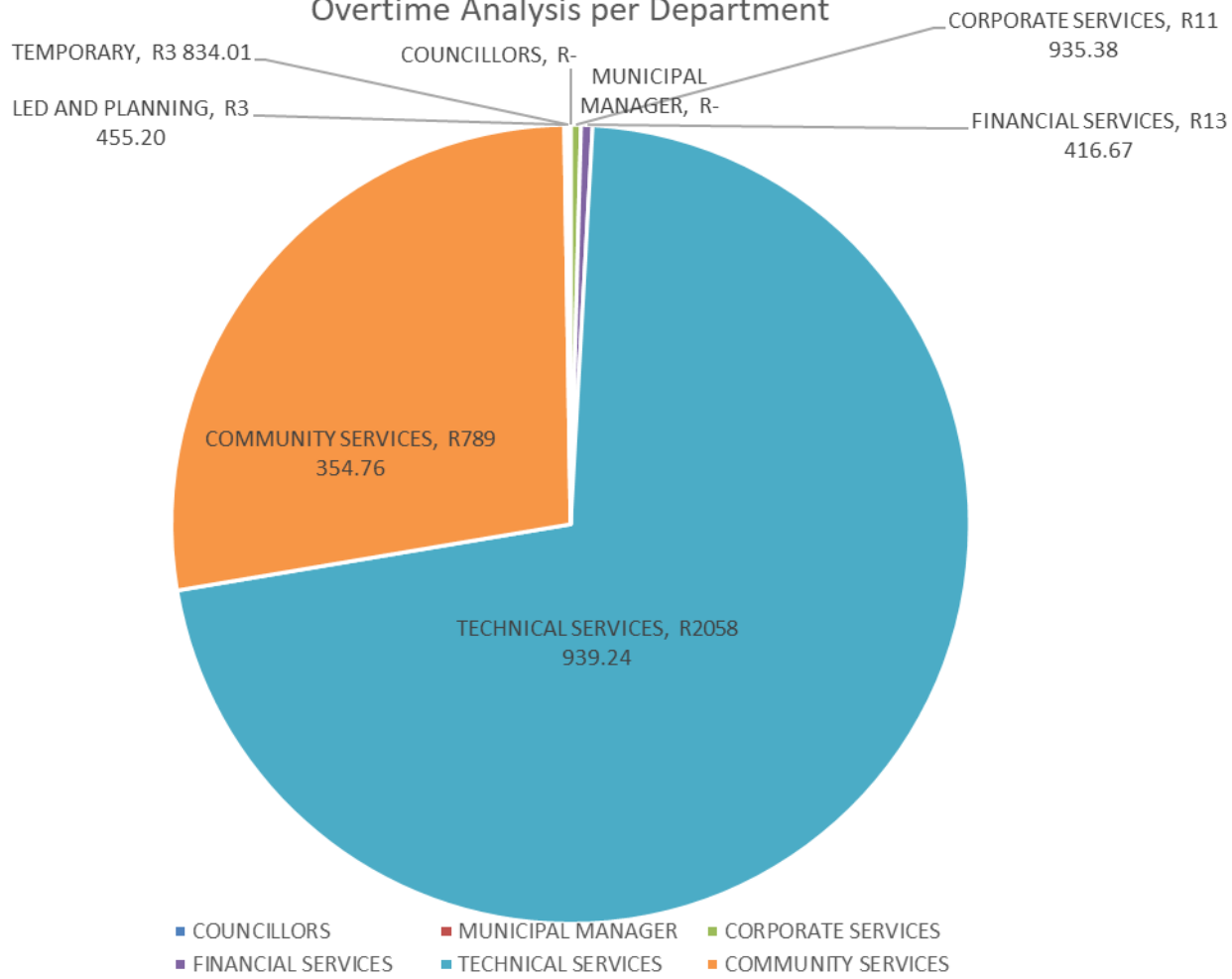
Summary of Section 66 of the MFMA - Salaries and Wages (Staff Benefits)

Analysis of overtime per department

Description	30-Nov-24	
	Hours	Cost
Municipal Manager		
Corporate Services	-	-
Financial Services	38	11 935
Technical Services	85	13 417
Community Services	11 792	2 058 939
LED & Planning	4 425	789 355
Temporary	17	3 455
Total	20	3 834
	16 377	2 880 935

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.

Overtime Analysis per Department



FS201 Moqhaka - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 November

Summary of Employee and Councillor remuneration	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4 831	7 394	7 394	978	1 968	3 081	(1 113)	-36%	7 394
Pension and UIF Contributions		1 708	1 839	1 839	172	728	766	(38)	-5%	1 839
Medical Aid Contributions		737	1 194	1 194	74	322	497	(175)	-35%	1 194
Motor Vehicle Allowance		12 926	14 071	14 071	1 167	5 666	5 863	(197)	-3%	14 071
Cellphone Allowance		1 956	2 882	2 882	165	824	1 201	(377)	-31%	2 882
Housing Allowances								-		
Other benefits and allowances		93	2 198	2 198	2	11	916	(905)	-99%	2 198
Sub Total - Councillors		22 251	29 578	29 578	2 558	9 519	12 324	(2 805)	-23%	29 578
% increase	4		32.9%	32.9%						32.9%
Senior Managers of the Municipality										
Basic Salaries and Wages		1 333	5 495	5 495	166	672	2 290	(1 618)	-71%	5 495
Pension and UIF Contributions		125	461	461	21	101	192	(91)	-47%	461
Medical Aid Contributions		-	284	284	-	-	118	(118)	-100%	284
Overtime								-		
Performance Bonus		92	542	542	-	-	226	(226)	-100%	542
Motor Vehicle Allowance		718	1 197	1 197	88	340	499	(158)	-32%	1 197
Cellphone Allowance		48	82	82	4	20	34	(14)	-42%	82
Housing Allowances		-	361	361	-	-	150	(150)	-100%	361
Other benefits and allowances		-	-	-	-	-	-	-		-
Payments in lieu of leave		-	-	-	-	-	-	-		-
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations	2	15 702	6 495	6 495	-	413	2 706	(2 293)	-85%	6 495
Entertainment		36	31	31	-	-	13	(13)	-100%	31
Scarcity								-		
Acting and post related allowance								-		
In kind benefits								-		
Sub Total - Senior Managers of Municipality		18 052	14 948	14 948	278	1 546	6 229	(4 683)	-75%	14 948
% increase	4		-17.2%	-17.2%						-17.2%
Other Municipal Staff										
Basic Salaries and Wages		229 995	271 059	271 059	20 807	104 600	112 941	(8 341)	-7%	271 059
Pension and UIF Contributions		42 300	45 506	45 506	3 956	19 316	18 961	355	2%	45 506
Medical Aid Contributions		25 041	25 516	25 516	2 301	11 607	10 632	976	9%	25 516
Overtime		40 338	33 932	33 932	3 175	15 535	14 139	1 396	10%	33 932
Performance Bonus		18 206	21 302	21 302	2 407	9 664	8 876	788	9%	21 302
Motor Vehicle Allowance		21 518	24 606	24 606	1 835	9 095	10 253	(1 158)	-11%	24 606
Cellphone Allowance		496	872	872	38	188	363	(176)	-48%	872
Housing Allowances		1 560	2 013	2 013	148	726	839	(113)	-13%	2 013
Other benefits and allowances		3 971	4 284	4 284	407	2 045	1 785	260	15%	4 284
Payments in lieu of leave		7 051	3 076	3 076	678	1 670	1 282	389	30%	3 076
Long service awards		924	2 118	2 118	397	821	882	(61)	-7%	2 118
Post-retirement benefit obligations	2	-	2 092	2 092	437	1 305	872	434	50%	2 092
Entertainment								-		
Scarcity								-		
Acting and post related allowance								-		
In kind benefits		-	3	3	-	-	1	(1)	-100%	3
Sub Total - Other Municipal Staff		391 400	436 379	436 379	36 586	176 572	181 826	(5 254)	-3%	436 379
% increase	4		11.5%	11.5%						11.5%
Total Parent Municipality		431 704	480 905	480 905	39 423	187 638	200 379	(12 741)	-6%	480 905

The BTO office recommended the following precautionary measures.

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

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

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

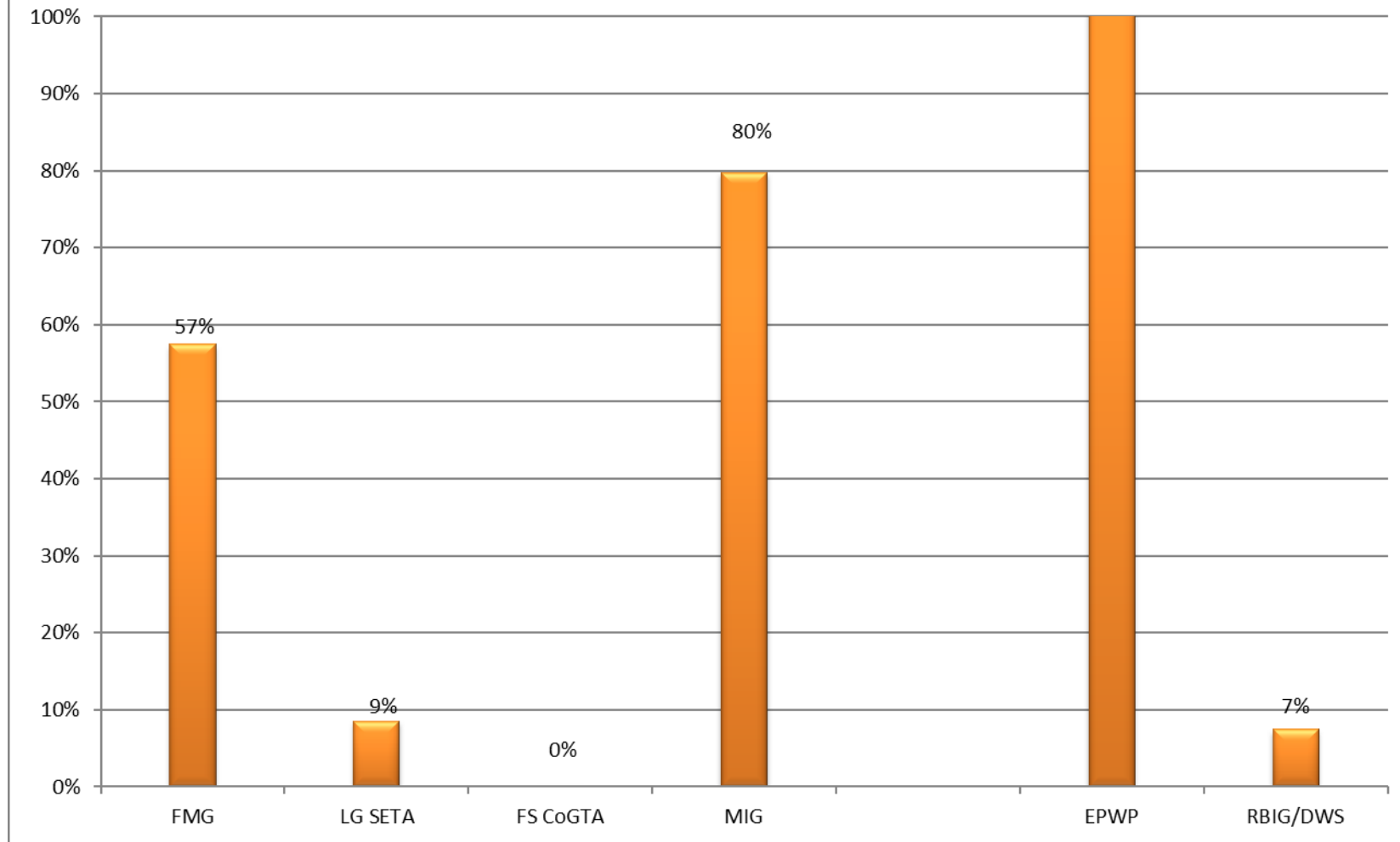
11. Material Variances to the Service Delivery and Budget Implementation Plan

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

12. Capital programme performance

Report on conditional grants at	30-Nov-24					
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		2 791 897				-
Received Prior Months	2 300 000	289 362	32 134 000	325 000	11 721 445	44 180 445
Received This Month	-	-	-		3 714 613	3 714 613
Total Funds Received	2 300 000	3 081 259	32 134 000	325 000	15 436 058	47 895 058
Spent Prior Months	1 128 433	217 025	21 764 264	137 548	1 151 740	23 053 552
Spent This Month	193 247	21 269	3 866 480	216 790	-	4 083 270
Grants refunded					-	-
Total Funds Spent	1 321 680	238 294	25 630 744	354 338	1 151 740	27 136 822
Total funds Received and Not Spent	978 320	2 842 965	6 503 256	-29 338	14 284 318	20 758 236
Percentage of Funds Spent	57%	9%	80%	109%	7%	57%
Funds Currently Committed but Not Spent	-	-	-	-	-	-
Scheduled Transfers Withheld	-	-	-	-	-	-

GRANTS SPENDING 2024/25



Name of grant: MIG							
Details	Projects Descriptions	Cheque Ref.	Invoice Date	Vote where expenditure is captured	Funds Received	Expenditure (incl Vat)	Balance
Nov-24							
Opening Balance							10 369 736.00
Funds Received		Deposit		35217610220ZZZZZW			
Expenditure							
W/FS19851/23/25	Maokeng/Brentpark: Construction of 1.5ml steel Reservoir, 0.5ml Elevated Steel Tank and Pumpstation (MIS:458610)	90043017	28-11-2024			190 303.71	
W/FS19851/23/25	Maokeng/Brentpark: Construction of 1.5ml steel Reservoir, 0.5ml Elevated Steel Tank and Pumpstation (MIS:458610)	90049057	29-11-2024			713 569.19	
R/FS/19922/23/25	Maokeng/Brentpark: Construction of 1.316km paved road and storm water at Canon Street (MIS:458296)	90043016	29-11-2024			183 333.97	
R/FS/19923/23/25	Maokeng/Seeisoville: Construction of 1.46km paved road and storm water at Mahabane Street (MIS:458604)	90042284	14-10-2024			1 168 763.22	
R/FS/19924/23/25	Maokeng: Gelukwaarts - Upgrading of Masiono and Stiloane Street (0.796km) to a paved road (MIS:478759)	90043010	28-11-2024			1 130 383.81	
R/FS/19442/23/25	Maokeng/Constantia: Construction of 0.51km paved road and storm water at Messi Street (MIS:4588272)	90043011	28-10-2024			304 341.75	
PMU	Purple Maroon - Stationery	90042840	22-11-2024			7 088.60	
PMU	CP Botha - Telephone - September/October 2024	Telephone	22-11-2024			857.13	
PMU	CP Botha - November 2024	Salary	29-11-2024			104 925.95	
PMU	O Garegae - Salary - November 2024	Salary	29-11-2024			6 765.09	
PMU	SJ Modise - Salary - November 2024	Salary	29-11-2024			51 693.96	
PMU	K Mbele - Salary - November 2024	Salary	29-11-2024			4 454.00	
Closing Balance					-	3 866 480.38	6 503 255.62

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

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 - M05 November

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	90 509	7 848	38 994	37 712	1 281	3%	90 509
Service charges	680 651	867 189	867 189	60 607	274 523	361 329	(86 806)	-24%	867 189
Investment revenue	34	30	30	-	25	13	13	102%	30
Transfers and subsidies - Operational	314 054	311 514	311 514	-	124 403	129 797	(5 394)	(0)	311 514
Other own revenue	131 648	76 386	76 386	8 938	45 414	31 828	13 586	43%	-
Total Revenue (excluding capital transfers and contributions)	1 214 593	1 345 628	1 345 628	77 394	483 358	560 678	(77 320)	-14%	1 345 628
Employee costs	409 580	451 339	451 339	36 878	178 186	188 059	(9 873)	-5%	451 339
Remuneration of Councillors	22 251	29 578	29 578	2 558	9 519	12 324	(2 805)	-23%	29 578
Depreciation and amortisation	121 050	9 870	9 870	-	-	4 113	(4 113)	-100%	9 870
Interest	6 029	8 698	8 698	550	2 750	3 624	(874)	-24%	8 698
Inventory consumed and bulk purchases	433 439	448 663	448 668	4 039	19 469	186 944	(167 475)	-90%	448 668
Transfers and subsidies	84	1 049	1 049	-	30	437	(407)	-93%	1 049
Other expenditure	445 128	361 269	361 204	22 630	100 211	150 516	(50 305)	-33%	361 204
Total Expenditure	1 437 562	1 310 466	1 310 406	66 656	310 167	546 017	(235 851)	-43%	1 310 406
Surplus/(Deficit)	(222 968)	35 162	35 222	10 738	173 192	14 661	158 531	1081%	35 222
Transfers and subsidies - capital (monetary allocations)	51 220	64 627	64 627	(0)	7 043	26 928	##	-74%	64 627
Transfers and subsidies - capital (in-kind)	7	1 237	1 237	-	-	515	(515)	-100%	1 237
Surplus/(Deficit) after capital transfers & contributions	(171 741)	101 026	101 086	10 738	180 234	42 104	138 130	328%	101 086
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(171 741)	101 026	101 086	10 738	180 234	42 104	138 130	328%	101 086
Capital expenditure & funds sources									
Capital expenditure	5 630	98 591	98 377	6 289	32 205	41 059	(8 854)	-22%	98 377
Capital transfers recognised	26	64 627	64 627	6 201	28 467	26 928	1 539	6%	64 627
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	5 604	33 964	33 750	87	3 738	14 131	(10 393)	-74%	33 750
Total sources of capital funds	5 630	98 591	98 377	6 289	32 205	41 059	(8 854)	-22%	98 377
Financial position									
Total current assets	687 941	448 185	448 185		804 741				448 185
Total non current assets	2 000 694	2 983 725	2 983 511		2 034 019				2 983 511
Total current liabilities	1 504 976	516 230	516 230		1 474 868				516 230
Total non current liabilities	147 268	70 369	70 369		147 268				70 369
Community wealth/Equity	1 716 181	2 849 645	2 849 645		1 217 594				2 849 645
Cash flows									
Net cash from (used) operating	(9 267)	(674 222)	(674 222)	(26 519)	(40 408)	(280 926)	(240 518)	86%	(674 222)
Net cash from (used) investing	19 972	(98 868)	(98 868)	(6 289)	(32 595)	(41 195)	(8 600)	21%	(98 868)
Net cash from (used) financing	(137)	(348 363)	(348 363)	(286)	(1 349)	(145 151)	(143 802)	99%	(348 363)
Cash/cash equivalents at the month/year end	(10 797)	(1 145 173)	(1 145 173)	(83 867)	(84 257)	(490 992)	(406 735)	83%	(1 131 358)
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	114 466	42 221	45 334	39 190	33 928	38 503	184 461	1 139 540	1 637 644
Creditors Age Analysis									
Total Creditors	55 437	52 868	52 696	74 218	76 951	67 288	68 557	1 189 060	1 637 075

FS201 Moqhaka - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 November

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		421 969	307 563	307 563	9 057	172 693	128 151	44 542	35%	307 563
Executive and council		307 242	204 456	204 456	51	127 454	85 190	42 265	50%	204 456
Finance and administration		114 726	103 108	103 108	9 006	45 239	42 961	2 277	5%	103 108
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		13 971	26 947	26 947	1 355	5 592	11 228	(5 636)	-50%	26 947
Community and social services		1 850	3 573	3 573	161	725	1 489	(764)	-51%	3 573
Sport and recreation		2 893	5 232	5 232	148	661	2 180	(1 519)	-70%	5 232
Public safety		2 849	4 905	4 905	34	714	2 044	(1 329)	-65%	4 905
Housing		6 379	13 237	13 237	1 013	3 492	5 516	(2 024)	-37%	13 237
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		48 147	48 603	48 603	171	7 957	20 251	(12 294)	-61%	48 603
Planning and development		2 269	1 729	1 729	171	806	720	85	12%	1 729
Road transport		45 878	46 763	46 763	0	7 151	19 485	(12 333)	-63%	46 763
Environmental protection		-	110	110	-	-	46	(46)	-100%	110
Trading services		781 733	1 028 379	1 028 379	66 811	304 159	428 491	(124 332)	-29%	1 028 379
Energy sources		404 111	584 727	584 727	36 161	154 316	243 636	(89 320)	-37%	584 727
Water management		212 197	265 446	265 446	18 116	87 119	110 602	(23 483)	-21%	265 446
Waste water management		108 812	103 334	103 334	7 361	36 657	43 056	(6 399)	-15%	103 334
Waste management		56 613	74 873	74 873	5 173	26 068	31 197	(5 129)	-16%	74 873
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 265 820	1 411 492	1 411 492	77 394	490 401	588 121	(97 721)	-17%	1 411 492
Expenditure - Functional										
Governance and administration		365 531	327 192	327 132	25 023	119 386	136 318	(16 932)	-12%	327 132
Executive and council		130 579	107 648	107 648	8 119	37 460	44 854	(7 394)	-16%	107 648
Finance and administration		231 006	214 976	214 916	16 540	80 256	89 561	(9 305)	-10%	214 916
Internal audit		3 945	4 568	4 568	364	1 670	1 904	(233)	-12%	4 568
Community and public safety		103 864	125 520	125 520	9 598	43 572	52 301	(8 728)	-17%	125 520
Community and social services		16 137	18 759	18 759	807	4 526	7 817	(3 291)	-42%	18 759
Sport and recreation		40 542	48 127	48 127	4 051	18 705	20 053	(1 348)	-7%	48 127
Public safety		39 276	49 422	49 422	4 033	16 755	20 593	(3 837)	-19%	49 422
Housing		7 910	9 212	9 212	707	3 586	3 838	(252)	-7%	9 212
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		87 217	72 713	72 713	7 625	30 097	30 297	(200)	-1%	72 713
Planning and development		8 862	13 818	13 818	864	3 791	5 758	(1 967)	-34%	13 818
Road transport		75 133	54 826	54 826	6 499	25 109	22 844	2 264	10%	54 826
Environmental protection		3 222	4 069	4 069	262	1 197	1 695	(498)	-29%	4 069
Trading services		879 852	781 911	781 911	24 322	116 533	325 797	(209 264)	-64%	781 911
Energy sources		539 525	517 289	517 289	4 395	21 294	215 537	(194 243)	-90%	517 289
Water management		171 920	116 593	116 093	6 696	35 942	48 518	(12 576)	-26%	116 093
Waste water management		100 230	73 954	74 454	7 309	33 465	30 877	2 588	8%	74 454
Waste management		68 176	74 075	74 075	5 923	25 831	30 865	(5 033)	-16%	74 075
Other		1 098	3 130	3 130	88	579	1 304	(726)	-56%	3 130
Total Expenditure - Functional	3	1 437 562	1 310 466	1 310 406	66 656	310 167	546 018	(235 851)	-43%	1 310 406
Surplus/ (Deficit) for the year		(171 741)	101 026	101 086	10 738	180 234	42 104	138 131	3.2807117	101 086

FS201 Moqhaka - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05 November

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	204 456	51	127 454	85 190	42 265	49.6%	204 456
Vote 02 - Municipal Manager		2 840	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		196	2 301	2 301	(282)	(42)	959	(1 001)	-104.4%	2 301
Vote 04 - Finance		111 091	100 441	100 441	9 223	45 068	41 850	3 217	7.7%	100 441
Vote 05 - Technical Services		770 998	1 000 269	1 000 269	61 638	285 242	416 779	(131 536)	-31.6%	1 000 269
Vote 06 - Community Services		61 430	83 843	83 843	5 364	27 537	34 935	(7 398)	-21.2%	83 843
Vote 07 - Local Economic Development		12 023	20 183	20 183	1 401	5 142	8 409	(3 267)	-38.9%	20 183
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	1 411 492	77 394	490 401	588 121	(97 721)	-16.6%	1 411 492
Expenditure by Vote	1									
Vote 01 - Executive & Council		102 817	99 504	99 504	7 500	35 022	41 460	(6 438)	-15.5%	99 504
Vote 02 - Municipal Manager		22 600	28 093	28 093	2 052	9 579	11 706	(2 127)	-18.2%	28 093
Vote 03 - Corporate Services		61 986	60 329	60 269	4 410	18 575	25 124	(6 549)	-26.1%	60 269
Vote 04 - Finance		72 264	69 950	69 950	4 905	27 541	29 146	(1 606)	-5.5%	69 950
Vote 05 - Technical Services		902 783	773 445	773 445	26 138	122 513	322 269	(199 756)	-62.0%	773 445
Vote 06 - Community Services		243 247	233 399	233 399	18 782	82 662	97 251	(14 588)	-15.0%	233 399
Vote 07 - Local Economic Development		31 864	45 745	45 745	2 867	14 274	19 061	(4 786)	-25.1%	45 745
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	1 310 406	66 656	310 167	546 017	(235 851)	-43.2%	1 310 406
Surplus/ (Deficit) for the year	2	(171 741)	101 026	101 086	10 738	180 234	42 104	138 130	328.1%	101 086

FS201 Moqhaka - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		394 583	553 019	553 019	35 569	151 959	230 424	(78 466)	-34%	553 019
Service charges - Water		173 153	195 587	195 587	14 764	70 840	81 495	(10 655)	-13%	195 587
Service charges - Waste Water Management		65 954	70 019	70 019	6 045	30 245	29 174	1 070	4%	70 019
Service charges - Waste management		46 961	48 564	48 564	4 230	21 480	20 235	1 245	6%	48 564
Sale of Goods and Rendering of Services		6 220	10 265	10 265	377	2 551	4 277	(1 726)	-40%	10 265
Agency services										
Interest										
Interest earned from Receivables		69 946	34 557	34 557	6 531	30 578	14 399	16 179	112%	34 557
Interest from Current and Non Current Assets		34	30	30	-	25	13	13	102%	30
Dividends		3 637	1 736	1 736	55	309	724	(414)	-57%	1 736
Rent on Land										
Rental from Fixed Assets		6 593	8 535	8 535	1 148	2 462	3 556	(1 094)	-31%	8 535
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		4 027	12 324	12 324	(207)	4 881	5 135	(254)	-5%	12 324
Non-Exchange Revenue										
Property rates		88 207	90 509	90 509	7 848	38 994	37 712	1 281	3%	90 509
Surcharges and Taxes										
Fines, penalties and forfeits		6 569	5 309	5 309	178	421	2 212	(1 791)	-81%	5 309
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		314 054	311 514	311 514	-	124 403	129 797	(5 394)	-4%	311 514
Interest		7 761	2 982	2 982	782	3 841	1 243	2 599	209%	2 982
Fuel Levy										
Operational Revenue		839	678	678	74	370	283	87	31%	678
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	1 345 628	77 394	483 358	560 678	(77 320)	-14%	1 345 628
Expenditure By Type										
Employee related costs		409 580	451 339	451 339	36 878	178 186	188 059	(9 873)	-5%	451 339
Remuneration of councillors		22 251	29 578	29 578	2 558	9 519	12 324	(2 805)	-23%	29 578
Bulk purchases - electricity		418 560	427 440	427 440	927	4 339	178 100	(173 761)	-98%	427 440
Inventory consumed		14 879	21 223	21 228	3 113	15 130	8 844	6 287	71%	21 228
Debt impairment		-	58 783	58 783	78	78	24 493	(24 415)	-100%	58 783
Depreciation and amortisation		121 050	9 870	9 870	-	-	4 113	(4 113)	-100%	9 870
Interest		6 029	8 698	8 698	550	2 750	3 624	(874)	-24%	8 698
Contracted services		135 341	158 841	158 691	9 170	46 130	66 168	(20 037)	-30%	158 691
Transfers and subsidies		84	1 049	1 049	-	30	437	(407)	-93%	1 049
Irrecoverable debts written off		176 661	1 486	1 486	87	1 563	619	944	153%	1 486
Operational costs		117 817	142 099	142 184	13 296	52 439	59 211	(6 772)	-11%	142 184
Losses on Disposal of Assets		15 203	60	60	-	-	25	(25)	-100%	60
Other Losses		106	-	-	-	-	-	-	-	-
Total Expenditure		1 437 562	1 310 466	1 310 406	66 656	310 167	546 017	(235 851)	-43%	1 310 406
Surplus/(Deficit)		(222 968)	35 162	35 222	10 738	173 192	14 661	158 531	0	35 222
Transfers and subsidies - capital (monetary allocations)		51 220	64 627	64 627	(0)	7 043	26 928	(19 885)	(0)	64 627
Transfers and subsidies - capital (in-kind)		7	1 237	1 237	-	-	515	(515)	(0)	1 237
Surplus/(Deficit) after capital transfers & contributions		(171 741)	101 026	101 086	10 738	180 234	42 104	138 130	0	101 086
Income Tax										
Surplus/(Deficit) after income tax		(171 741)	101 026	101 086	10 738	180 234	42 104	138 130	0	101 086
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		(171 741)	101 026	101 086	10 738	180 234	42 104	138 130	0	101 086
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		(171 741)	101 026	101 086	10 738	180 234	42 104	138 130	0	101 086

FS201 Moqhaka - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 November

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
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		107	-	-	-	15	-	15	#DIV/0!	-
Vote 02 - Municipal Manager		61	400	650	-	-	198	(198)	-100%	650
Vote 03 - Corporate Services		727	2 500	3 060	1	575	1 142	(567)	-50%	3 060
Vote 04 - Finance		804	2 077	1 063	-	134	655	(521)	-80%	1 063
Vote 05 - Technical Services		668	78 142	77 881	6 241	28 942	32 526	(3 584)	-11%	77 881
Vote 06 - Community Services		3 023	14 600	14 600	27	2 230	6 083	(3 854)	-63%	14 600
Vote 07 - Local Economic Development		241	872	1 122	19	309	454	(145)	-32%	1 122
Total Capital single-year expenditure	4	5 630	98 591	98 377	6 289	32 205	41 059	(8 854)	-22%	98 377
Total Capital Expenditure		5 630	98 591	98 377	6 289	32 205	41 059	(8 854)	-22%	98 377
Capital Expenditure - Functional Classification										
Governance and administration		1 833	5 750	5 560	14	735	2 318	(1 583)	-68%	5 560
Executive and council		147	-	-	-	15	-	15	#DIV/0!	-
Finance and administration		1 686	5 750	5 560	14	721	2 318	(1 597)	-69%	5 560
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		2 483	13 122	13 372	60	357	5 558	(5 201)	-94%	13 372
Community and social services		955	5 197	5 197	-	-	2 166	(2 166)	-100%	5 197
Sport and recreation		233	4 081	4 331	47	268	1 791	(1 524)	-85%	4 331
Public safety		1 237	3 843	3 843	13	90	1 601	(1 512)	-94%	3 843
Housing		58	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		55	31 596	31 596	1 791	17 032	13 165	3 867	29%	31 596
Planning and development		-	205	205	-	69	85	(16)	-19%	205
Road transport		55	31 234	31 234	1 791	16 963	13 014	3 948	30%	31 234
Environmental protection		-	157	157	-	-	66	(66)	-100%	157
Trading services		1 259	48 071	47 796	4 424	14 080	19 995	(5 915)	-30%	47 796
Energy sources		20	3 348	2 824	-	149	1 329	(1 180)	-89%	2 824
Water management		354	25 011	25 011	4 424	11 728	10 421	1 307	13%	25 011
Waste water management		208	15 890	16 140	-	-	6 652	(6 652)	-100%	16 140
Waste management		677	3 822	3 822	-	2 202	1 592	610	38%	3 822
Other		-	52	52	-	-	22	(22)	-100%	52
Total Capital Expenditure - Functional Classification	3	5 630	98 591	98 377	6 289	32 205	41 059	(8 854)	-22%	98 377
Funded by:										
National Government		26	64 627	64 627	6 201	28 467	26 928	1 539	6%	64 627
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		26	64 627	64 627	6 201	28 467	26 928	1 539	6%	64 627
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		5 604	33 964	33 750	87	3 738	14 131	(10 393)	-74%	33 750
Total Capital Funding		5 630	98 591	98 377	6 289	32 205	41 059	(8 854)	-22%	98 377

FS201 Moqhaka - Table C6 Monthly Budget Statement - Financial Position - M05 November

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	(30 770)	2 783
Trade and other receivables from exchange transactions		525 811	236 799	236 799	621 911	236 799
Receivables from non-exchange transactions		53 531	41 960	41 960	61 651	41 960
Current portion of non-current receivables						
Inventory		87 485	100 984	100 984	87 970	100 984
VAT		904	34 445	34 445	8 192	34 445
Other current assets		30 115	31 215	31 215	55 787	31 215
Total current assets		687 941	448 185	448 185	804 741	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	2 780 336	1 901 068	2 780 336
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	4 674	2 365	4 674
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	2 983 511	2 034 019	2 983 511
TOTAL ASSETS		2 688 634	3 431 910	3 431 695	2 838 760	3 431 695
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Financial liabilities		—	(2 032)	(2 032)	(1 349)	(2 032)
Consumer deposits		13 550	13 734	13 734	14 831	13 734
Trade and other payables from exchange transactions		1 304 802	485 809	485 809	1 209 681	485 809
Trade and other payables from non-exchange transactions		27 032	—	—	67 919	—
Provision		162 036	68 424	68 424	162 036	68 424
VAT		(2 444)	(49 705)	(49 705)	21 749	(49 705)
Other current liabilities		—	—	—	—	—
Total current liabilities		1 504 976	516 230	516 230	1 474 868	516 230
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	586 599	1 622 136	586 599
NET ASSETS	2	1 036 390	2 845 311	2 845 096	1 216 624	2 845 096
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 716 181	2 848 351	2 848 351	1 217 594	2 848 351
Reserves and funds		—	1 294	1 294	—	1 294
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	1 716 181	2 849 645	2 849 645	1 217 594	2 849 645

FS201 Moqhaka - Table C7 Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		59 293	115 114	115 114	6 378	27 750	47 964	(20 214)	-42%	115 114
Service charges		430 886	881 165	881 165	43 502	226 426	367 152	(140 726)	-38%	881 165
Other revenue		116 019	(487 853)	(487 853)	(3 659)	69 315	(203 272)	272 587	-134%	(487 853)
Transfers and Subsidies - Operational		281 769	311 029	311 029	-	127 028	129 595	(2 567)	-2%	311 029
Transfers and Subsidies - Capital		108 185	65 353	65 353	-	45 306	27 230	18 075	66%	65 353
Interest		3 293	-	-	310	2 230	-	2 230	#DIV/0!	-
Dividends		3 637	1 736	1 736	55	309	724	(414)	-57%	1 736
Payments										
Suppliers and employees		(1 012 349)	(1 560 767)	(1 560 767)	(73 107)	(538 773)	(650 319)	(111 547)	17%	(1 560 767)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(9 267)	(674 222)	(674 222)	(26 519)	(40 408)	(280 926)	(240 518)	86%	(674 222)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		25 992	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		(390)	(277)	(277)	-	(390)	(115)	(275)	238%	(277)
Payments										
Capital assets		(5 630)	(98 591)	(98 591)	(6 289)	(32 205)	(41 080)	(8 875)	22%	(98 591)
NET CASH FROM/(USED) INVESTING ACTIVITIES		19 972	(98 868)	(98 868)	(6 289)	(32 595)	(41 195)	(8 600)	21%	(98 868)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(137)	(346 331)	(346 331)	-	-	(144 305)	144 305	-100%	(346 331)
Payments										
Repayment of borrowing		-	(2 032)	(2 032)	(286)	(1 349)	(847)	502	-59%	(2 032)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(137)	(348 363)	(348 363)	(286)	(1 349)	(145 151)	(143 802)	99%	(348 363)
NET INCREASE/ (DECREASE) IN CASH HELD		10 567	(1 121 453)	(1 121 453)	(33 094)	(74 352)	(467 272)			(1 121 453)
Cash/cash equivalents at beginning:		(21 364)	(23 720)	(23 720)	(50 772)	(9 905)	(23 720)			(9 905)
Cash/cash equivalents at month/year end:		(10 797)	(1 145 173)	(1 145 173)	(83 867)	(84 257)	(490 992)			(1 131 358)

Annexure A2 - Monthly

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

Municipality Self-Assessment

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Nov'24

Period

2024/25

National Financial Year

FS201

Demarcation Code of Municipality being assessed

District

Fezile Dabi

Demarcation Description

Moqhaka

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

Municipal Debt Relief Conditions (Monthly reporting)

Choose from drop down list

Condition	6,3 + 6,12	Maintaining the Eskom and bulk water current account – (current account for the purpose of this exercise means the account for a single month's consumption):	
1	6.12.2	- Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? Note - refer condition 6.12.2	<input type="text" value="Does not have function"/>
2	6.12.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za ?	<input type="text" value="Does not have function"/>
3	6.12.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	<input type="text" value="Does not have function"/>
4	6.3.1	- Has the municipality paid its Eskom bulk current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? 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.	<input type="text" value="Yes"/>
5	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za ?	<input type="text" value="Yes"/>

6	6.3.4	<p>- 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?</p>	<input type="text" value="Yes"/>
6.4		<p>Compliance with a funded MTREF – (choose from drop down list the MTREF assessed)</p>	<input type="text" value="2024/25 Adopted MTREF"/>
7	6.4.1	<p>- 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?</p>	<input type="text" value="No"/>
8	6.4.1	<p>- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?</p>	<input type="text" value="Yes"/>
9	6.4.1	<p>- 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?</p>	<input type="text" value="Yes"/>
		<p><i>Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".</i></p>	
10	6.4.1	<p>- 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?</p>	<input type="text" value="No"/>

		<i>Note - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".</i>	
11	6.4.2	- If the municipality's MTREF is not funded , has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	Yes
		<i>Note - if the municipality has an FRP, a separate budget funding plan is not necessary. However, the PT/NT must assess whether the existing FRP incorporates / will give effect to a funded MTREF. If not, the FRP requires strengthening.</i>	
12	6.4.2	- If the municipality's MTREF is not funded and it has an FRP per the legislative framework , does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? <i>Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.</i>	N/a
13	6.4.2	- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 – Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends (<i>For example higher winter Eskom tariffs, lower January collection rates, etc.?</i>)	Yes
14	6.5	Cost reflective tariffs – (excluding metros) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?	Yes
	6.6	Electricity and water as collection tools – has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies that:	

15	6.6.1	<p>- 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?</p>
16	6.6.2	<p>- 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?</p>
17	6.6.3	<p>- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality? <i>Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.</i></p>
18	6.6.4	<p>- 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, <i>Note – the municipality’s monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.</i></p>
	6.6	<p><i>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.</i></p>
	6.7	<p>Maintain a minimum average quarterly collection of property rates and services charges –</p>
19	6.7.1	<p>- Has the municipality achieved a minimum of <i>80 per cent average quarterly collection</i> of property rates and service charges with effect from 01 April 2023 and <i>85 per cent average quarterly collection</i> with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?</p>

No

Yes

No

No

Not yet end of quarter

		<i>Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.</i>	
	6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of National Treasury the following :	
20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool <u>and</u> that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1;	not yet the end of a quarter
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)?	not yet the end of a quarter
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?	not yet the end of a quarter
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection <u>and</u> only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	No
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	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?	No
	6.8	Municipality's Completeness of the revenue base –	
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/or any subsequent supplementary GVR compiled by the registered municipal valuer?	Yes
27	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? <i>Note - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement</i>	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 ?	N/a
	6.9	Monitor and report on implementation –	
29	6.9.1	- MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes

30	6.9.2	<p>- 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?</p> <p><i>Note - condition 6.9.2 has a typing error and must refer to 6.9.1.</i></p>	6.9.1 = Yes
31	6.9.3	<p>- 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?</p>	No FRP
32	6.9.4	<p>- 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?</p>	No FRP
<p><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></p>			
<p>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:</p>			
33	6.10.1	<p>- has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?</p>	Yes
34	6.10.2	<p>- 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?</p> <p><i>Note - in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.</i></p>	Yes

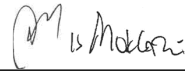
35	6.10.3	<p>- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?</p>	<input type="text" value="No"/>
<p><i>Note - if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.</i></p>			
36	6.11	<p>Limitation on municipality borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?</p>	<input type="text" value="No"/>
<p><i>Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. NT confirms that MFMA Circular No. 124: condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans (entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short term borrowing, including making use of an overdraft for in-year bridging purposes are not considered within the ambit of this condition.</i></p>			
<p>6.12 For the duration of the Municipal Debt Relief (to ensure proper management of resources):</p>			
37	6.12.1	<p>- has the municipality apportioned and ring-fenced in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?</p>	<input type="text" value="No"/>
38	6.12.2	<p>- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?</p>	<input type="text" value="No"/>

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

PT: HOD/ NT / MM Name:

Acting MM - I.S Mokgatle

Signature of HOD/ NT/ MM:



Date:

13/12/2024

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

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

16.3 The National Treasury Debt Relief Compliance Assessment

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

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

- Condition 17: Restricting the water supply.
- Condition 18: Restricting indigent for water and electricity.
- Condition 23: No installation of smart prepaid meters.
- Condition 24: Smart Meter Policy not yet adopted; and
- Condition 26: National Treasury's rates reconciliation

16.4 MFMA Circular 124 – Condition 6.6 (Electricity and Water as Collection Tools) & Condition 6.7 (Maintain a minimum average quarterly collection of property rates and services charges)

16.4.1 Monthly / Quarterly collection per ward

B	C	D	E	F	G	H	I	J	K	L	M	N
---	---	---	---	---	---	---	---	---	---	---	---	---

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

Free State			
Code		District	
FS201			

Collection Rate Assessment											
Aggregate Collection	Summary - Quarter 1					Q1	Summary - Quarter 2				Q2
	Billing	Collection	R - Billing not collected	% Collection			Billing	Collection	R - Billing not collected	% Collection	
1. Collection for whole demarcation	155 867 651	106 322 748	49 544 903	68%	68%	212 776 807	104 287 728	108 489 079	49%	49%	
2. Collection <u>excl Eskom supplied areas</u>	97 761 174	81 508 449	16 252 725	83%	83%	155 660 734	82 463 490	73 197 243	53%	53%	
3. Collection: Property Rates	22 645 506	14 711 118	7 934 387	65%	65%	23 344 552	12 845 810	10 498 742	55%	55%	
4. Total average collection: Electricity (Municipal supplied areas)	31 391 686	66 298 816	(34 907 130)	211%	211%	86 843 267	57 601 805	29 241 462	66%	66%	
5. Total average collection: Water	48 841 936	11 796 765	37 045 171	24%	24%	46 368 822	14 428 249	31 940 574	31%	31%	
6. Total average collection: Wastewater	20 326 410	7 309 020	13 017 390	36%	36%	21 108 340	9 397 826	11 710 514	45%	45%	
7. Total average collection: Refuse	14 421 011	5 072 006	9 349 005	35%	35%	15 021 796	8 466 755	6 555 040	56%	56%	
8. Total average collection: Interest	18 241 102	1 135 022	17 106 080	6%	0%	20 090 030	1 547 283	18 542 746	8%	8%	

Collection Rate Assessment											
Total Aggregate Collection	5. November - Reporting for October in November			November - Reporting for November in December			Summary - Quarter 2				
	Collection in November	R - Billing not collected	% Collection	Billing For November	R - Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection	Q2
1. Collection for whole demarcation	45 546 566	21 907 401	68%	71 228 026	71 228 026	0%	212 776 807	104 287 728	108 489 079	49%	49%
2. Collection <u>excl Eskom</u> supplied areas	33 296 556	18 442 863	67%	50 660 191	50 660 191	0%	155 660 734	82 463 490	73 197 243	53%	53%
3. Collection: Property Rates	6 379 345	1 424 903	82%	7 763 501	7 763 501	0%	23 344 552	12 845 810	10 498 742	55%	55%
4. Total average collection: Electricity (Municipal supplied areas)	22 773 508	4 040 794	85%	27 562 742	27 562 742	0%	86 843 267	57 601 805	29 241 462	66%	66%
5. Total average collection: Water	5 531 152	8 496 320	39%	16 866 720	16 866 720	0%	46 368 822	14 428 249	31 940 574	31%	31%
6. Total average collection: Wastewater	4 609 357	2 424 225	66%	7 067 433	7 067 433	0%	21 108 340	9 397 826	11 710 514	45%	45%
7. Total average collection: Refuse	5 503 445	0	111%	5 113 714	5 113 714	0%	15 021 796	8 466 755	6 555 040	56%	56%
8. 7. Total average collection: Interest	749 758	5 521 159	12%	6 853 916	6 853 916	0%	20 090 030	1 547 283	18 542 746	8%	8%

Click to view/close months

Complete This Section

Qu

5.November

Services	Electricity Supplier	Ward Name & Number	Collection for October in November	Rand Value of Billing not collected	% Collection	Billing For November
Property Rates Tax	Eskom supplied	1	5 066	44 445	10%	49 512
Electricity			58 003	16 154	78%	385 327
Water			87 814	145 798	38%	237 261
Refuse			10 620	157 840	6%	181 007
Waste Water			8 751	210 779	4%	231 406
Interest			1 281	243 783	1%	288 354
Property Rates Tax	Partial Eskom & Mun Supplied	2	221 478	186 661	54%	393 783
Electricity			689 753	0	-835%	939 956
Water			62 192	85 215	42%	280 823
Refuse			47 382	106 843	31%	152 551
Waste Water			66 286	137 506	33%	214 074
Interest			26 897	227 683	11%	297 228
Property Rates Tax	Mun Supplied	3	1 938 115	0	172%	1 125 988
Electricity			536 525	412 530	57%	702 333
Water			361 768	1 427 243	20%	1 921 138
Refuse			273 085	133 484	67%	452 564
Waste Water			215 934	339 623	39%	550 048
Interest			13 993	114 931	11%	133 997

Property Rates Tax	Mun Supplied	4	723	3 140	19%	3 863
Electricity			93 289	0	105%	72 716
Water			64 344	330 481	16%	474 922
Refuse			28 802	43 902	40%	49 231
Waste Water			68 647	18 692	79%	83 650
Interest			1 639	132 133	1%	135 818
Property Rates Tax	Mun Supplied	5	213	3 328	6%	3 541
Electricity			64 546	0	151%	44 025
Water			149 335	87 838	63%	437 506
Refuse			28 837	31 822	48%	66 103
Waste Water			68 627	13 118	84%	84 598
Interest			445	93 612	0%	95 644
Property Rates Tax	Mun Supplied	6	3 542	54 247	6%	56 959
Electricity			69 817	73 341	49%	143 501
Water			151 541	404 894	27%	588 242
Refuse			44 991	65 482	41%	119 141
Waste Water			77 338	70 915	52%	152 095
Interest			2 197	96 613	2%	103 271
Property Rates Tax	Mun Supplied	7	73 222	169 115	30%	164 069
Electricity			392 645	35 204	92%	389 493
Water			102 764	262 521	28%	452 775
Refuse			44 367	68 735	39%	121 206
Waste Water			85 434	64 133	57%	151 946
Interest			13 217	200 424	6%	177 291

Property Rates Tax	Mun Supplied	8	1 104	29 677	4%	30 781
Electricity			97 207	0	107%	86 755
Water			153 675	180 874	46%	416 288
Refuse			85 783	7 459	92%	97 655
Waste Water			105 068	15 095	87%	123 373
Interest			2 051	116 103	2%	120 456
Property Rates Tax	Mun Supplied	9	1 013	161 934	1%	162 946
Electricity			55 832	183 161	23%	228 855
Water			54 008	428 730	11%	605 812
Refuse			75 657	101 803	43%	193 052
Waste Water			38 765	219 099	15%	260 019
Interest			2 512	245 288	1%	270 735
Property Rates Tax	Mun Supplied	10	8 859	31 541	22%	40 399
Electricity			16 198	91 443	15%	121 633
Water			74 804	289 901	21%	634 516
Refuse			116 665	0	115%	119 749
Waste Water			80 985	51 057	61%	153 694
Interest			2 758	120 904	2%	143 080
Property Rates Tax	Mun Supplied	11	5 768	345 458	2%	351 227
Electricity			147 071	666 849	18%	796 676
Water			104 308	1 166 046	8%	707 256
Refuse			48 025	244 106	16%	285 506
Waste Water			119 344	373 030	24%	487 119
Interest			3 714	119 452	3%	251 534

Property Rates Tax	Mun Supplied	12	4 075	86 839	4%	90 914
Electricity			66 882	89 966	43%	150 734
Water			164 309	315 653	34%	615 756
Refuse			59 423	80 397	42%	157 079
Waste Water			96 231	97 096	50%	201 015
Interest			7 417	142 805	5%	152 807
Property Rates Tax	Mun Supplied	13	334 126	77 082	81%	447 844
Electricity			7 711 924	1 915 474	80%	9 533 990
Water			358 200	502 318	42%	1 621 721
Refuse			203 726	155 945	57%	376 913
Waste Water			402 475	155 383	72%	577 629
Interest			503 811	0	115%	499 013
Property Rates Tax	Mun Supplied	14	3 701	56 119	6%	59 749
Electricity			129 518	0	138%	95 993
Water			215 944	129 473	63%	453 315
Refuse			971 543	0	761%	134 715
Waste Water			150 556	17 109	90%	172 345
Interest			8 059	179 070	4%	190 159
Property Rates Tax	Mun Supplied	15	1 205	64 323	2%	65 528
Electricity			58 439	154 348	27%	216 157
Water			205 424	180 793	53%	469 001
Refuse			80 453	63 047	56%	151 790
Waste Water			131 858	59 829	69%	192 523
Interest			2 578	104 661	2%	140 096

Property Rates Tax	Mun Supplied	16	1 153 379	445 370	72%	1 596 938
Electricity			5 054 148	710 835	88%	5 507 283
Water			1 079 228	663 006	62%	1 127 045
Refuse			572 996	185 489	76%	777 770
Waste Water			889 127	310 209	74%	1 196 785
Interest			58 474	341 556	15%	406 349
Property Rates Tax	Mun Supplied	17	1 673 207	0	112%	1 494 157
Electricity			2 214 039	455 945	83%	2 591 228
Water			931 816	396 101	70%	1 619 112
Refuse			574 076	85 648	87%	658 392
Waste Water			802 693	131 091	86%	932 608
Interest			50 380	149 378	25%	238 950
Property Rates Tax	Partial Eskom & Mun Supplied	18	428 876	167 939	72%	599 071
Electricity			5 259 488	55 321	99%	5 456 238
Water			675 230	221 999	75%	1 624 617
Refuse			1 594 161	0	408%	416 151
Waste Water			286 882	245 074	54%	534 159
Interest			37 907	530 402	7%	703 512
Property Rates Tax	Eskom supplied	19	24	26 720	0%	26 744
Electricity			-	88	0%	88
Water			221 358	597 886	27%	833 023
Refuse			278 297	0	210%	134 725
Waste Water			524 905	0	303%	172 922
Interest			350	706 643	0%	713 953

Property Rates Tax	Partial Eskom & Mun Supplied	20	1 405	49 825	3%	56 515
Electricity			2 295	12 387	16%	14 682
Water			38 282	547 386	7%	514 900
Refuse			139 440	19 189	88%	161 028
Waste Water			222 562	0	110%	197 696
Interest			702	518 222	0%	544 765
Property Rates Tax	Eskom supplied	21	71 280	168 101	30%	239 528
Electricity			204	956	18%	1 159
Water			246 992	117 673	68%	1 183 562
Refuse			212 655	109 907	66%	299 485
Waste Water			149 733	270 742	36%	384 737
Interest			2 542	1 074 100	0%	1 095 662
Property Rates Tax	Eskom supplied	22	448 965	244 814	65%	703 446
Electricity			55 684	7 206	89%	83 919
Water			27 815	14 492	66%	48 127
Refuse			12 461	0	158%	7 902
Waste Water			17 157	0	132%	12 992
Interest			6 835	130 507	5%	151 243

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 explic

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
Indigent Household service targets	1									
<i>Water: (Include All Indigent households also in Eskom supplied areas)</i>										
Indigent HH's with piped water inside dwelling		12 711	12 711	-	12 711	12 757	12 670	12 696	12 733	12 764
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
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

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

Status of Electricity meters :									
Number of Indigent HH's with prepaid Electricity	12 711	12 711	-	13 000	12 757	12 670	12 696	12 733	12 764
Number of Indigent HH's with conventional metered Electricity	-	-	-	-	-	-	-	-	-
Number of Indigent HH's NOT metered currently - Electricity	-	-	-	-	-	-	-	-	-
Number of indigent HH's with other energy sources - No metering	-	-	-	-	-	-	-	-	-
Total number of registered indigent households	12 711	12 711	-	13 000	12 757	12 670	12 696	12 733	12 764
Status of unlimited supply of Electricity :									
Number of Indigent HH's with conventional metered Electricity - where the municipality is NOT physically restricting Electricity to the national free basic limit of 50kwh per household per month	-	-	-	-	-	-	-	-	-
Number of Indigent HH's NOT metered currently receiving unlimited supply - Electricity	-	-	-	-	-	-	-	-	-
Total number of registered indigent households receiving unlimited supply - Electricity	-	-	-	-	-	-	-	-	-
Of the Total Number of registered indigent households receiving unlimited supply of Electricity - State the Number of HH's billed for consumption above the 50 kwh	-	-	-	-	-	-	-	-	-
Number of ALL Households receiving Free Basic Service (including registered Indigent Households)									
Water (6 kilolitres per household per month)	12 711	12 711	-	13 000	12 757	12 670	12 696	12 733	12 764
Electricity/other energy (50kwh per household per month)	12 711	12 711	-	13 000	12 757	12 670	12 696	12 733	12 764
Cost of Free Basic Services provided to ALL Households in - Formal Settlements (R'000)									
Water (6 kilolitres per household per month)	182	200	-	200	196	185	225	184	187
Electricity/other energy (50kwh per household per month)	114	124	-	124	136	135	135	137	187
Cost of Free Basic Services provided to ALL Households in - Informal Formal Settlements (R'000)									
Water (6 kilolitres per household per month)	-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)	-	-	-	-	-	-	-	-	-
Total cost of FBS Water and Electricity provided to ALL Households	296	324	-	324	332	320	360	320	374

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

6 749 451.01	-	-
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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	095.93	2.53%
35321321380F1FB1ZZWM	ELEC: AVAILABILITY CHARGES	R9 299 258.00	018.97	8.11%
35411324020F1FB4ZZWM	WATER: SALE - CONVENTIONAL	R11 155 234.00	724.37	8.03%
35411324070F1FB4ZZWM	WATER: AVAILABILITY CHARGES	R19 319 248.00	948.85	8.30%
35441324020F5FB2ZZWM	WATER: SALE - CONVENTIONAL	R0.00	-	-
35511323020F1FB2ZZWM	WASTE WATER MANG: SANITATION CHARGES	R14 318 301.00	961.51	7.48%
35511323060F1FB2ZZWM	WASTE WATER MANG: AVAILABILITY CHARGES	R11 564 525.00	520.61	7.61%
36621322030F1FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	R17 620 181.00	-	-
36621322030F3FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	R0.00	508.50	#DIV/0!
36621322050F1FB3ZZWM	WASTE MANGEMENT: AVAILABILITY CHARGES	R1 670 151.00	217.59	7.56%
		R94 562 034.00	R6 749 451.01	7.14%

16.5 MFMA Circular 124 – Condition 6.8 (Completeness of the revenue base)

Property Rates Reconciliation							
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 2						
Reconciliation Overview							
High Level Reconciliation							
Property Category	Number of Properties				Market Values		
	GV	MFS	Variance		GV Market Values	MFS Market Values	Variance
Residential	44 917	45 310	- 393		7 594 841 653	7 621 809 759	- 26 968 106.00
Industrial	352	350	2		362 374 000	360 895 000	1 479 000.00
Business and Co	1195	1208	- 13		1 030 907 110	1 083 569 610	- 52 662 500.00
Agricultural	3628	3616	12		5 954 268 749	5 905 136 749	49 132 000.00
Mining	31	31	0		55 374 000	55 374 000	-
State Owned for	160	160	0		1 168 197 013	1 168 197 013	-
PSI	492	493	- 1		39 327 901	38 431 901	896 000.00
PBO	280	279	1		253 141 003	253 081 003	60 000.00
Multi Use			0				-
Vacant	508	25	483		49 139 106	4 110 000	45 029 106.00
POW	5	6	- 1		1 440 000	1 690 000	- 250 000.00
Municipal	139	379	- 240		186 489 100	190 089 100	- 3 600 000.00
Other (PT,PSP)	620	468	152		207 608 501	181 972 501	25 636 000.00
	<u>52327</u>	<u>52325</u>	<u>2</u>		<u>16 903 108 136 00</u>	<u>16 864 356 636 00</u>	<u>38 751 500 00</u>

Detailed Reconciliation							
Property Category	Monthly Billing				Quarterly		
Property Category	GV	MFS	Variance		GV	MFS	Variance
Residential	1995 858	2 014 608	- 18 750		5 987 572.59	6 043 822.56	- 56 249.97
Industrial	530 093	498 125	31968		1590 278.76	1494 375.15	95 903.61
Business and Co	1575 614	1614 900	- 39 286		4 726 841.91	4 844 699.01	- 117 857.10
Agricultural	972 426	963 321	9 105		2 917 278.12	2 889 962.10	27 316.02
Mining	179 504	179 504	-		538 512.06	538 512.06	-
State Owned for	2 372 428	2 372 428	-		7 117 285.32	7 117 285.32	-
PSI			-		-	-	-
PBO			-		-	-	-
Multi Use			-		-	-	-
Vacant	43 890	127 101	- 83 212		131669.10	381303.78	- 249 634.68
POW			-		-	-	-
Municipal			-		-	-	-
Other	85 760	77 351	8 408		257 278.68	232 053.42	25 225.26
Total	<u>R7 755 572.18</u>	<u>R7 847 337.80</u>	<u>- R91765.62</u>		<u>23 266 716.54</u>	<u>23 542 013.40</u>	<u>- 275 296.86</u>

Prepared By DINEO MOKOENA **Date** 29/11/2024

Contact Details 056-216-9300

Signature

Reviewed By SAMMY THELETSANE **Date** 02/12/2024

Contact Details 056-216-9158

Signature

Property Rates Reconciliation									
Province	Free State								
District	Ficksie District								
Town									
Municipal Name	Mophaka Local Municipality								
QV Period	01/07/2024 - 30/09/2024								
Financial Year	2024/2025								
Reconciliation Period	Quarter 2								
Reconciliation Overview									
High Level Reconciliation									
Property Categories	Number of Properties				Market Values				
	QV	MFS	Variance		QV Market Values	MFS Market Values	Variance		
Residential	44 917	45 310	-393		7 584 641 553	7 621 939 759	-37 298 206		
Industrial	352	350	2		362 274 300	360 895 000	1 379 300		
Business and Commerce	1195	1204	-13		1 030 907 115	1 083 969 610	-53 062 495		
Agricultural	3628	3618	10		5 934 268 749	5 905 136 740	29 132 009		
Mining	31	31	0		55 374 300	55 374 300	0		
State Owned for Public	190	190	0		1 168 197 513	1 168 197 513	0		
PSI	483	493	-10		39 227 861	38 431 901	795 960		
PRO	283	279	4		253 141 053	253 881 503	-44 050		
Multi Use									
Vacant	508	25	483		49 130 156	4 110 606	45 019 550		
PCW	5	6	-1		1 440 000	1 690 000	-250 000		
Municipal	139	379	-240		186 489 100	190 089 100	-3 600 000		
Other (PT/PS/P)	620	468	152		207 606 501	181 972 501	25 634 000		
	52322	52322	0		16 823 108 126,00	16 824 352 630,26	-1 234 524,26		
Detailed Reconciliation									
Property Categories	Monthly Billing				Quarterly				
	QV	MFS	Variance		QV	MFS	Variance		
Residential	1 886 858	2 014 808	-127 950		5 967 572,59	6 043 822,06	-76 249,47		
Industrial	530 093	496 125	33 968		1 560 278,76	1 484 375,10	75 903,66		
Business and Commerce	1 575 034	1 614 930	-39 896		4 726 841,91	4 844 099,01	-117 257,10		
Agricultural	872 426	863 321	9 105		2 617 278,12	2 889 062,10	-271 783,98		
Mining	176 504	179 594	-3 090		538 512,06	538 512,06	0		
State Owned for Public	2 372 428	2 372 428	0		7 117 285,32	7 117 285,32	0		
PSI									
PRO									
Multi Use									
Vacant	43 880	127 101	-83 221		131 669,10	361 363,78	-229 694,68		
PCW									
Municipal									
Other	85 780	77 351	8 429		257 278,88	232 053,42	25 225,46		
Total	87 735 572,18	87 847 337,82	-111 765,64		23 255 715,51	23 542 013,40	-286 297,89		
Prepared By	DINEO MOKGENA			Date	29/11/2024				
Signature				Contact Details	056-216-9300				
Reviewed By	SAMMY THELETSANE			Date	02/12/2024				
Signature				Contact Details	056-216-158				

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

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



ESKOM NOV 24

Audit Trail

Create Transfer

Mon, Nov 25, 2024 at 04:21:29 PM

Group **19058 - MQHAKA LOCAL MUNICIPALITY**
Operator **010 - PAULA DARINA DU PLESSIS**
Status **Finally Approved**

	Captured	First Approver	Second Approver	Third Approver	Final Approver
Operator Number	10	21			22
Operator Name	PAULA DARINA DU PLESSIS	IRENE MOKHESENG			SAMUEL THELETSANE
Approval Level		A			A
Date	2024/11/25	2024/11/25			2024/11/25
Time	11:01:55	12:52:09			14:32:58
Roll-over Date					

Transaction Status

From Account	334536 MQHAKA LOCAL MUNICIPALITY - 000004053274876	
Description	3 9345061750 90042904	Frequency
Beneficiary Code		
To Account	223626 ESKOM 9345061750 - 0000055070067316	
Description	3 MQHAKA MUNICIPALITY	Amount
Date	20241125	5,000,000.00
Roll-over date		
Transaction Number	246913	Immediate Interbank Payment

Transaction Detail

Adhoc

5,000,000.00

No

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

16.7 Municipal Debt Relief Monitoring Plan – Progress report

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

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

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

MFMA Circular Reference and Focus Areas	Eskom Debt Relief Conditions	Reporting Frequency / Target Dates	Target / Portfolio of Evidence	Reporting period - June 2024 Comments
<p>6.7 Maintain a minimum average quarterly collection of property rates and services charges</p>	<p>6.7.1 The municipality must strictly enforce its credit control and debt management related policies and achieve a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter. Although the norm and standard for collection rate according to MFMA Circular No. 71 indicates a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm</p>	<p>Monthly (Internal) and Quarterly (Debt Relief)</p>	<p>Collect R10,000 million daily over 22-day period, to achieve an average quarterly collection of 80% (Monthly S71 Revenue Collection Ward Template)</p>	<p>Non-Compliant Monthly S71 Revenue Collection rate per Ward for Property rates and Services only = 62% Quarterly collection rate per ward = 79% Municipality's average collection rate = 80% Not achieved Average daily cash collection for May 2024, was R5,889m.</p>
	<p>6.7.2 If the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality must demonstrate to the satisfaction of the National Treasury the reasons or that – 6.7.2.1 Underperformance directly relates to Eskom Supplied areas 6.7.2.2 Physical restriction and/or limit of supply of water is due to Technical Engineering reason(s) 6.7.2.3 The municipality has attempted to <u>enter into</u> SLA with Eskom for Eskom Supplied Areas and document reason(s) for failure</p>	<p>Quarterly</p>	<p>Monthly S71 Revenue Collection Ward Template</p>	<p>Non-Compliant Quarterly S71 Revenue Collection rate per Ward = 79% Compliant Average collection rate = 80%</p>

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

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

6.8 Completeness of the revenue base	6.8.1 The municipality must demonstrate by completing the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer and demonstrate the steps taken to correct the variances identified; and	Quarterly	GVR Reconciliation & GoMuni Status of Schedule of Revenue Documents Submissions Report	Compliant GVR reconciliation for the 4th quarter was completed Monday, 08 July 2024.
	6.8.2 The municipality must submit its completed billing system, GVR and/ or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury			Compliant GVR reconciliation submitted Tuesday, 9 July 2024

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

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

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

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

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

KROONSTAD

☎ 302, 9500 - 📠 Hill Str/St, 9499

STEYNSRUS

☎ 6, 9515 - 📠 Van Riebeeck Str/St

VILJOENSKROON

☎ X 02, 9520- 📠 Deneysen Str/St



TEL: 056 2169140

jimmy@moqhaka.gov.za

OUR REFERENCE: JIMMY MASWANGANYI /wm Ref Nr:

Quality Certificate

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

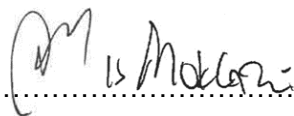
The monthly budget statement

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

Mid-year budget and performance assessment

For the month of November 2024 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: 13/12/2024