MFMA SECTION 71 REPORT MONTH ENDING

31 MARCH 2026

- DISTRIBUTION:
- Executive Mayor: **Mr. Motloheloa Ellis Mokatsane**
- Municipal Manager (Acting) **Mr Thembekile Maxwell Ngesi**
- Chief Financial Officer (Acting) **Dr Jimmy Maswanganyi**
- Sector Departments: **National and Provincial Departments**
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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 MARCH 2026

TO: THE EXECUTIVE MAYOR

1. Purpose

DIRECTORATE: FINANCIAL SERVICES: BUDGET & TREASURY OFFICE: MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): SECTION 71: IN-YEAR MONTHLY BUDGET STATEMENT: S71 MONTHLY REPORT FOR THE PERIOD ENDING 31 MARCH 2026

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 R2 051 598 658, of which 91% of the debt is owed more than 90 days totalling R1 875 790 762. Included in the total debt, R139 915 259 is owed by Government or Organs of State, R229 443 433 by Business and R1 542 795 062 by Households. Included in the Households debt is R310 773 051 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 improving to a desired level, and this does 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 is only achieved when the Debt Collection and Credit Control Policy are 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 were taken with support from the political leadership to have a meaningful impact and produce positive results. This action was long overdue, especially considering the municipality's financial crisis and major threat to its financial viability and sustainability. For the municipality to thrive, overall performance must improve, the quality of services rendered must improve, accountability must be enforced which must be complimented by strict consequence management. Serious consideration should be given to the service delivery and financial implications of all decisions taken.

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

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

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

2. Background

Section 71 of the MFMA and in terms of Government Notice 32141 dated 17 May 2009, regarding the "Local Government: Municipal Finance Management Act 2003 and the Municipal Budget and Reporting Regulations" necessitates those specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance. "The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required Tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act." Further, Section 71 of the MFMA requires that, "the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality, and the relevant national and provincial treasury, a statement in the prescribed format on the state of the municipality's budget reflecting certain particulars for that month and for the financial year up to the end of that month." For the reporting period ending 31 March 2026, the ten-working day reporting limit expires on Thursday the 16th of April 2026.

3. Executive summary

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

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

Description	YTD Budget to Mar 26	YTD Actual to Mar 26	Variance Favourable (Unfavourable)	% YTD Budget vs YTD Actual	% Variance vs Actual Favourable (Unfavourable)
Total Revenue (Excluding Capital Transfers and Contributions)	R1 141 916 643	R1 010 737 056	(R131 179 587)	89%	(11%)
Total Revenue including Capital Transfers and Contributions	R1 169 718 828.11	R1 038 539 241.11	(R131 179 587)	89%	(11%)
Total Operational Expenditure	R1 069 650 000	R671 770 000	R397 880 000	62%	(38%)

As indicated in Table 1 above, as of 31 March 2026, the actual billed revenue including operational transfers, but excluding capital grants amounted to R1 010 737 056, which resulted in an unsatisfactory variance of 11% when compared to YTD Budget of R1 141 916 643. The billed revenue does not include capital grants. Capital Grants are recognised in the Statement of Financial Performance, monthly as soon as the conditions of the grant have been met. Reason. Actual revenue inclusive of Capital Grants was R1 038 539 241.11 from the budget of R1 169 718 828.11. The Total Operational Expenditure amounted to R1 069 650 000 versus the YTD Budget of R671 770 000, resulting in a unsatisfactory variance of 38%.

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

4. Budget Performance Overview

The municipality is implementing the approved budget for 2025/26 financial year. The budget for 2025/26 is not funded, but the budget funding plan was approved by council, as it encapsulates the recommendations for the improvement of the collection rate. Overall, operational revenue collection is satisfactorily at 126% against monthly billing inclusive of arrears, and inclusive of operational grants recognized is 113%, considering the warnings to restrict the electricity supply for consumers. Operational expenditure is 89.6% spent which is slightly under-spent with the contributing factors being depreciation, which is not provided for, the capturing of the 2025-2026 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 R2 308 598 207. A repayment proposal will be submitted to ESKOM for approval when the municipal council has resolved. The municipality is now making significant strides to settle the monthly current accounts to Eskom, as small payments towards the account are being made consistently made whenever financially possible. During the month of March 2026, no payment 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 was not successful in engaging 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 were specifically earmarked for the areas where ESKOM distributes electricity to improve collection in those areas. However, the Municipality has made an application to National Treasury to be included in the RT27-2024 Debt Collection Transversal Contract.

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

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

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

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		435 252	548 139	548 139	39 200	380 875	411 104	(30 230)	-7%	548 139
Service charges - Water		164 103	204 038	204 038	14 562	120 957	153 028	(32 071)	-21%	204 038
Service charges - Waste Water Management		72 624	73 321	75 216	6 157	55 689	55 748	(59)	0%	75 216
Service charges - Waste management		51 188	50 701	50 701	4 311	39 059	38 026	1 033	3%	50 701
Sale of Goods and Rendering of Services		5 678	8 764	8 675	477	3 924	6 537	(2 614)	-40%	8 675
Agency services								–		
Interest								–		
Interest earned from Receivables		86 303	78 687	83 128	8 451	72 851	60 792	12 060	20%	83 128
Interest from Current and Non Current Assets		39	63	63	–	–	47	(47)	-100%	63
Dividends		5 822	4 744	4 744	15	2 923	3 558	(636)	-18%	4 744
Rent on Land								–		
Rental from Fixed Assets		5 339	9 256	9 883	530	5 427	7 193	(1 766)	-25%	9 883
Licence and permits		–	–	–	–	–	–	–		–
Special rating levies								–		
Operational Revenue								–		
Non-Exchange Revenue								–		
Property rates		93 605	94 806	98 716	8 234	74 027	72 669	1 358	2%	98 716
Surcharges and Taxes								–		
Fines, penalties and forfeits		4 755	5 784	5 603	84	799	4 265	(3 466)	-81%	5 603
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		331 012	328 582	363 896	78 243	311 331	260 562	50 769	19%	363 896
Interest		10 024	8 373	9 755	872	7 565	6 832	733	11%	9 755
Fuel Levy								–		
Operational Revenue		888	(267)	(267)	78	699	(200)	899	-449%	(267)
Gains on disposal of Assets		(2 284)	–	–	–	–	–	–		–
Other Gains		7 254	–	–	–	–	–	–		–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**1 271 602**	**1 414 991**	**1 462 290**	**161 213**	**1 076 124**	**1 080 162**	**(4 038)**	**0%**	**1 462 290**
Expenditure By Type										
Employee related costs		452 951	449 410	524 882	36 228	347 878	367 249	(19 371)	-5%	524 882
Remuneration of councillors		22 444	29 484	28 381	2 468	17 448	21 672	(4 224)	-19%	28 381
Bulk purchases - electricity		486 867	428 185	325 349	830	62 233	278 880	(216 647)	-78%	325 349
Inventory consumed		17 948	26 574	41 196	5 363	25 853	25 883	(29)	0%	41 196
Debt impairment		78	61 096	38 496	–	–	36 782	(36 782)	-100%	38 496
Depreciation and amortisation		112 242	10 305	10 305	–	–	7 729	(7 729)	-100%	10 305
Interest		99 037	8 790	8 790	550	4 950	6 593	(1 643)	-25%	8 790
Contracted services		148 907	197 383	271 169	20 670	110 013	181 898	(71 884)	-40%	271 169
Transfers and subsidies		244	1 095	1 095	–	35	821	(786)	-96%	1 095
Irrecoverable debts written off		170 915	3 966	10 002	817	6 457	5 389	1 068	20%	10 002
Operational costs		179 769	170 482	192 857	8 168	96 859	136 705	(39 845)	-29%	192 857
Losses on Disposal of Assets		1 796	63	63	48	48	47	1	2%	63
Other Losses		4 869	–	6	–	(6)	2	(8)	-350%	6
Total Expenditure		**1 698 065**	**1 386 834**	**1 452 592**	**75 143**	**671 770**	**1 069 650**	**(397 879)**	**-37%**	**1 452 592**

Exchange and Non-Exchange Revenue

Revenue analysis for the month ending 31 March 2026

Revenue Types		Section 71 of 31 March 2026					Nine Months Ending 31 March 2026				
	Annual Budget 2025/2026	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	98 715 836	8 226 320	8 233 572	100%	5 742 775	70%	74 036 877	74 026 535	100%	62 553 670	85%
Electricity - conventional	384 403 973	32 033 664	26 416 132	82%	47 427 985	180%	288 302 980	255 590 323	89%	263 060 383	103%
Water	203 998 096	16 999 841	14 555 625	86%	11 240 132	77%	152 998 572	120 928 295	79%	57 144 046	47%
Sanitation	74 766 665	6 230 555	6 144 772	99%	9 861 057	160%	56 074 999	55 613 502	99%	38 376 037	69%
Refuse	50 701 046	4 225 087	4 311 444	102%	6 021 654	140%	38 025 785	39 058 634	103%	25 407 115	65%
Total Direct Services	**812 585 616**	**67 715 468**	**59 661 544**	**88%**	**80 293 603**	**135%**	**609 439 212**	**545 217 289**	**89%**	**446 541 251**	**82%**
Other revenue	130 937 000	10 911 417	4 251 744	39%	4 263 476	100%	98 202 750	27 175 229	28%	23 610 813	87%
Revenue from Billed services	**943 522 616**	**78 626 885**	**63 913 287**	**81%**	**84 557 079**	**132%**	**707 641 962**	**572 392 518**	**81%**	**470 152 064**	**82%**
Electricity - prepaid	164 223 384	13 685 282	14 012 580	102%	14 012 580	100%	123 167 538	127 237 395	**103%**	127 237 395	100%
grants	**1 107 746 000**	**92 312 167**	**77 925 867**	**84%**	**98 569 659**	**126%**	**830 809 500**	**699 629 913**	**84%**	**597 389 459**	**85%**
Operational grants and subsidies	6 877 000	236 398	236 398	**100%**	236 398	**100%**	1 905 143	1 905 143	**0%**	1 905 143	**100%**
Equitable share	353 516 000	78 176 000	78 176 000	**100%**	78 176 000	**100%**	309 202 000	309 202 000	**100%**	309 202 000	**100%**
Total Revenue	**1 468 139 000**	**170 724 565**	**156 338 265**	**92%**	**176 982 057**	**113%**	**1 141 916 643**	**1 010 737 056**	**89%**	**908 496 602**	**90%**
								131 179 587			

Comments on Section 71 Report.

Collection rate for waste water management is 160% for the month of March 2026 and 69% for the year to date.

Collection rate for waste management is 140% for the month of March 2026 and 65% for the year to date.

Collection rate for water is 77% for the month of March 2026 and 47% for the year to date.

The collection rate on Property Rates is 70% for the month of March 2026 and 85% for the year to date.

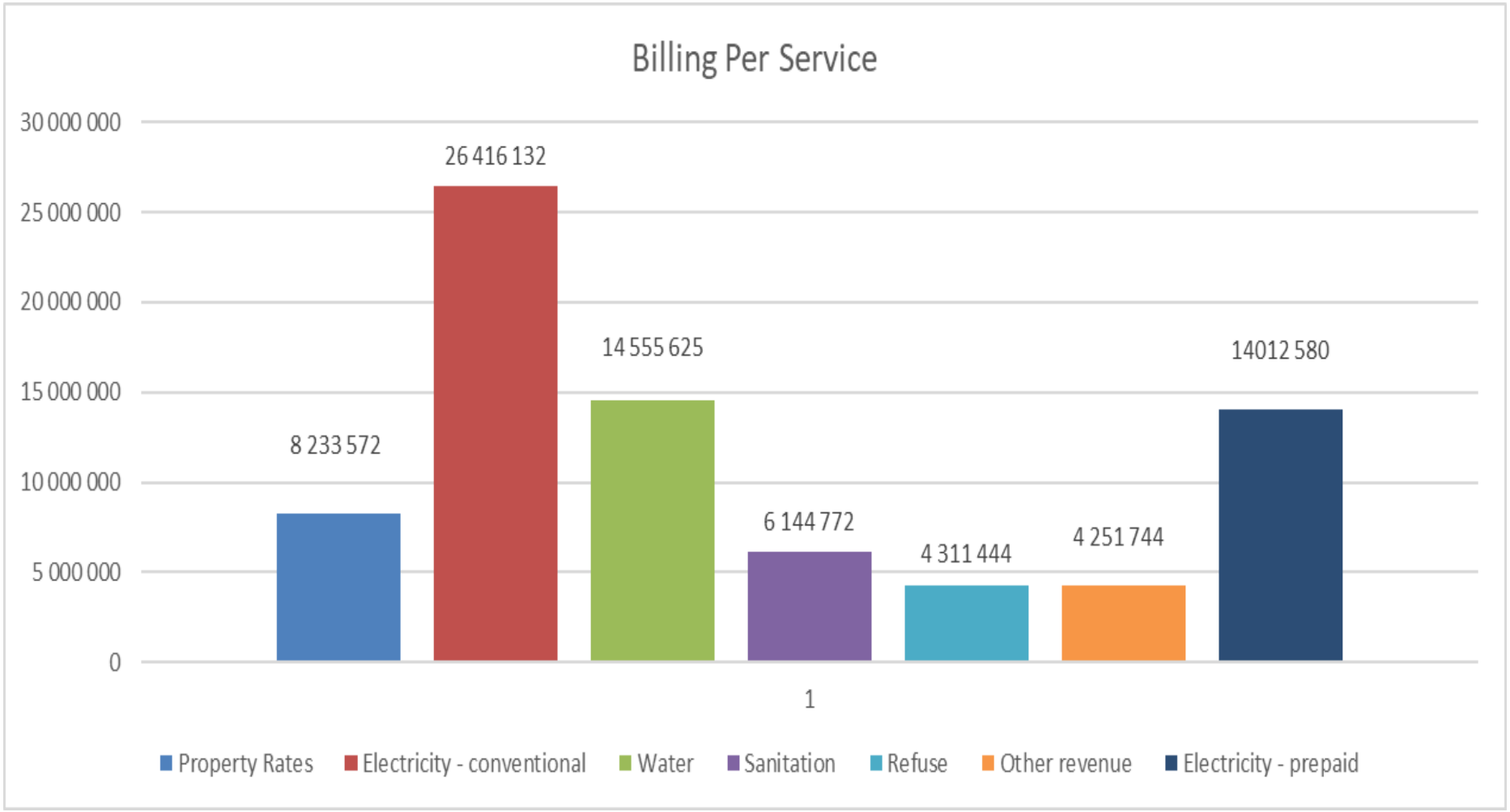
Vat is not considered as part of income in this report since it will be paid over to SARS.

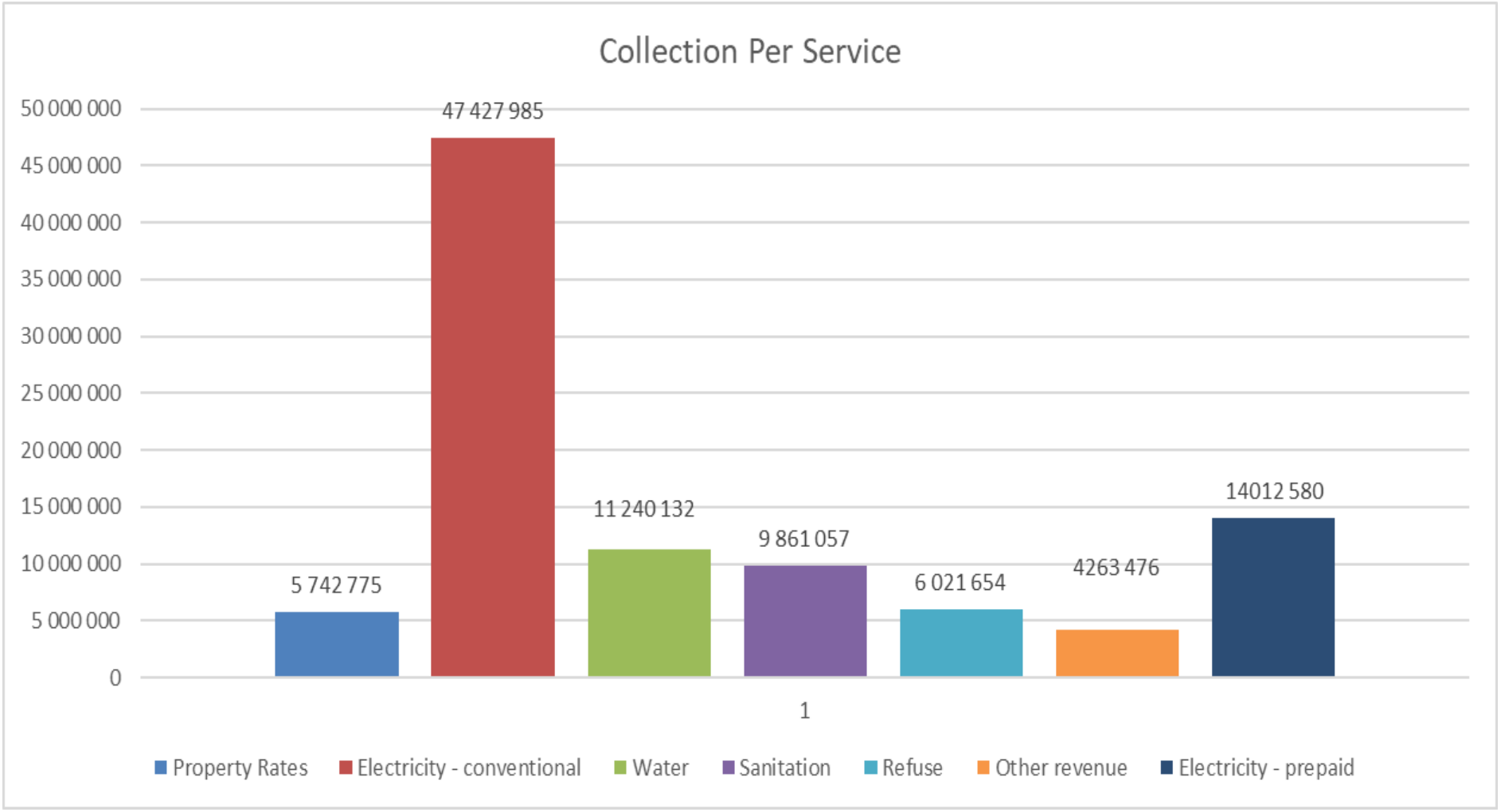
Conventional electricity revenue collection is 180% for the month of March 2026 and 103% for the year to date.

Revenue before operational grants versus billing is 126% for the month of March 2026 and 85% for the year to date.

Total Revenue Collection Percentage with Zero or No Grant Funding received for the month of March 2026 is 113% and 90% for the period under review.

Indigents Contribution for Prepaid Electricity in March 2026 is R1 044 709.50 + R189 348.21 (FBE in ESKOM Supplied Areas) = R1 234 057.21


Billing Per Service
30 000 000
25 000 000
20 000 000
15 000 000
10 000 000
5 000 000
0
8 233 572
26 416 132
14 555 625
6 144 772
4 311 444
4 251 744
14012 580
1
Property Rates
Electricity - conventional
Water
Sanitation
Refuse
Other revenue
Electricity - prepaid

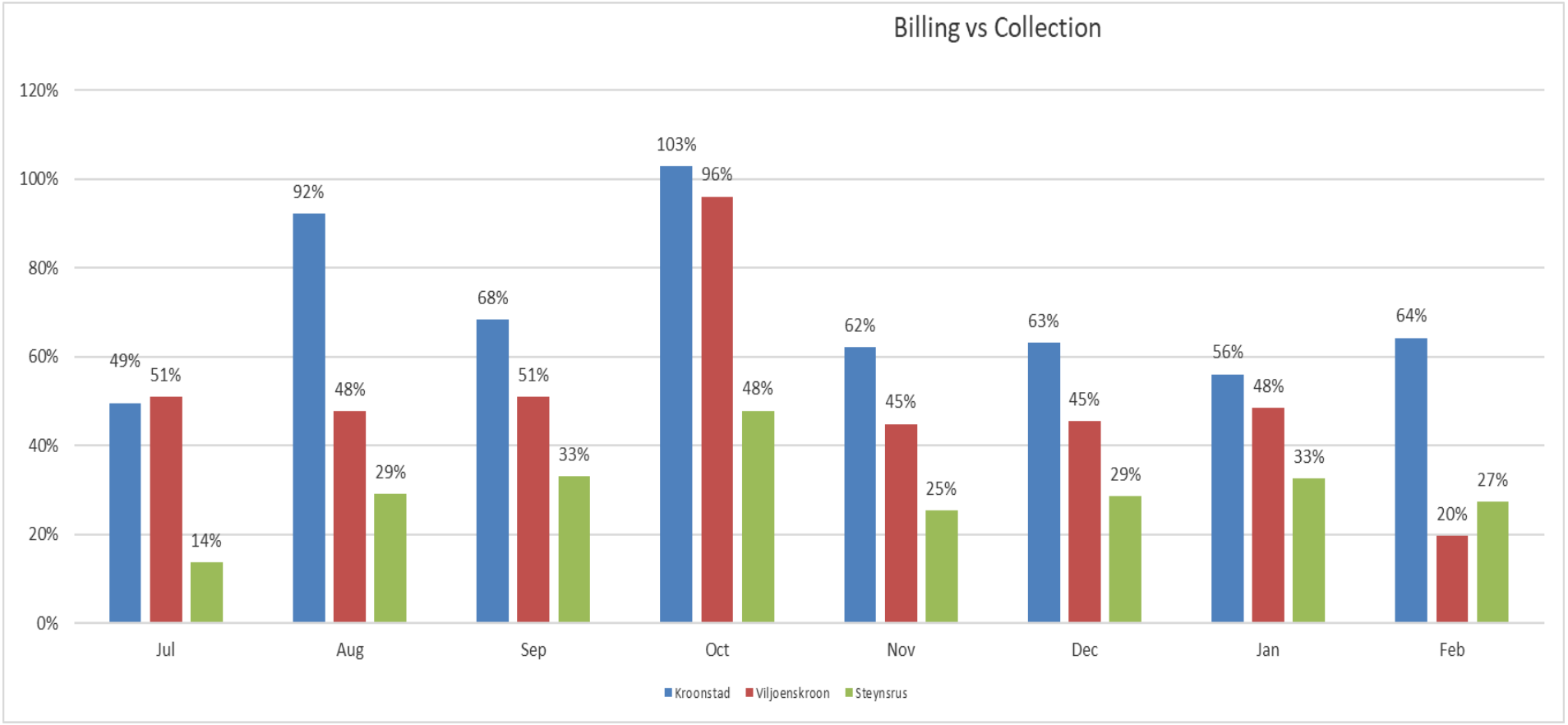


The March 2026 receipts amounted to R84 607 600.22 against billing of R76 263 095.72. That translates to 111% collection rate.

Cycle	Opening Balance	Charges Raised	Adjustments	Repayments	Deposits	Nett Movement	Receipts	Closing Balance	Collection	Billing vs Receipts
1	171 533 248.47	18 667 612.20	-1 303 369.94	19 332.10	304 619.00	17 688 193.36	-19 951 621.86	169 269 819.97	-113%	-2 263 428.50
2	734 367 694.48	20 985 718.94	-6 266 893.26	5 900.00	21 037.00	14 745 762.68	-7 763 730.69	741 349 726.47	-53%	6 982 031.99
3	3 362 188.86	3 077 691.04	-18 812.00	0.00	0.00	3 058 879.04	-3 358 832.00	3 062 235.90	-110%	-299 952.96
4	63 336 917.02	557 092.70	-49 247.00	0.00	0.00	507 845.70	-75 090.79	63 769 671.93	-15%	432 754.91
6	21 894 732.95	1 119 314.85	-854.82	0.00	0.00	1 118 460.03	-3 833 269.64	19 179 923.34	-343%	-2 714 809.61
7	30 496 633.09	1 020 057.27	-260 026.57	0.00	875.00	760 905.70	-464 417.74	30 793 121.05	-61%	296 487.96
8	11 431 339.74	446 911.58	-8 893.91	0.00	2 972.00	440 989.67	-434 899.55	11 437 429.86	-99%	6 090.12
9	2 439 192.32	11 838.08	-1 000.00	0.00	0.00	10 838.08	-15 295.00	2 434 735.40	-141%	-4 456.92
10	82 991 301.16	12 597 418.01	-1 904 579.19	0.00	0.00	10 692 838.82	-18 197 078.36	75 487 061.62	-170%	-7 504 239.54
11	103 801 752.73	2 750 430.85	-559 692.31	2 599.65	5 657.00	2 198 995.19	-1 008 645.78	104 992 102.14	-46%	1 190 349.41
13	682 017 398.20	12 245 861.04	-1 667 896.05	14 060.36	11 027.00	10 603 052.35	-5 018 285.47	687 602 165.08	-47%	5 584 766.88
14	12 119 173.83	5 028 944.30	-3 400.00	0.00	0.00	5 025 544.30	-9 401 788.52	7 742 929.61	-187%	-4 376 244.22
15	7 676.79	67.89	0.00	0.00	0.00	67.89	0.00	7 744.68	0%	67.89
16	140 143 913.31	9 405 059.68	-149.69	5 812.92	0.00	9 410 722.91	-15 084 644.82	134 469 991.40	-160%	-5 673 921.91
	2 059 943 162.95	87 914 018.43	-12 044 814.74	47 705.03	346 187.00	76 263 095.72	-84 607 600.22	2 051 598 658.45	-111%	-8 344 504.50

BILLING & REVENUE PER TOWN 01/07/2025 - 30/06/2026 (Excluding Pre-paid Electricity)

Month	Kroonstad			Viljoenskroon			Steynsrus		
	Billing (BP135)	Receipts (BP135)	Percentage	Billing (BP135)	Receipts (BP135)	Percentage	Billing (BP135)	Receipts (BP135)	Percentage
Jul	74 098 465	36 626 043	49%	15 053 559	7 667 408	51%	2 316 015	315 862	14%
Aug	47 645 075	43 905 751	92%	16 459 051	7 853 509	48%	2 295 992	667 535	29%
Sep	61 980 876	42 320 998	68%	16 477 737	8 401 744	51%	2 239 267	738 884	33%
Oct	50 234 011	51 675 723	103%	9 743 048	9 359 808	96%	2 039 852	976 346	48%
Nov	60 263 238	37 509 520	62%	16 082 201	7 218 506	45%	2 277 994	578 838	25%
Dec	62 117 743	39 239 441	63%	16 663 008	7 580 042	45%	2 079 692	595 110	29%
Jan	62 870 020	35 235 270	56%	16 297 434	7 891 837	48%	2 141 437	697 684	33%
Feb	58 604 930	37 670 081	64%	15 723 121	3 086 075	20%	1 548 981	424 885	27%
Mar	58 435 436	69 178 880	118%	15 628 665	14 420 074	92%	2 198 995	1 008 646	46%
Total	**536 249 794**	**393 361 707**	**73%**	**138 127 823**	**73 479 003**	**53%**	**19 138 224**	**6 003 789**	**31%**


Billing vs Collection
120%
100%
80%
60%
40%
20%
0%
49%
51%
14%
92%
48%
29%
68%
51%
33%
103%
96%
48%
62%
45%
25%
63%
45%
29%
56%
48%
33%
64%
20%
27%
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Kroonstad
Viljoenskroon
Steynsrus

PRE-PAID ELECTRICITY SALES 2025-2026 FINANCIAL YEAR

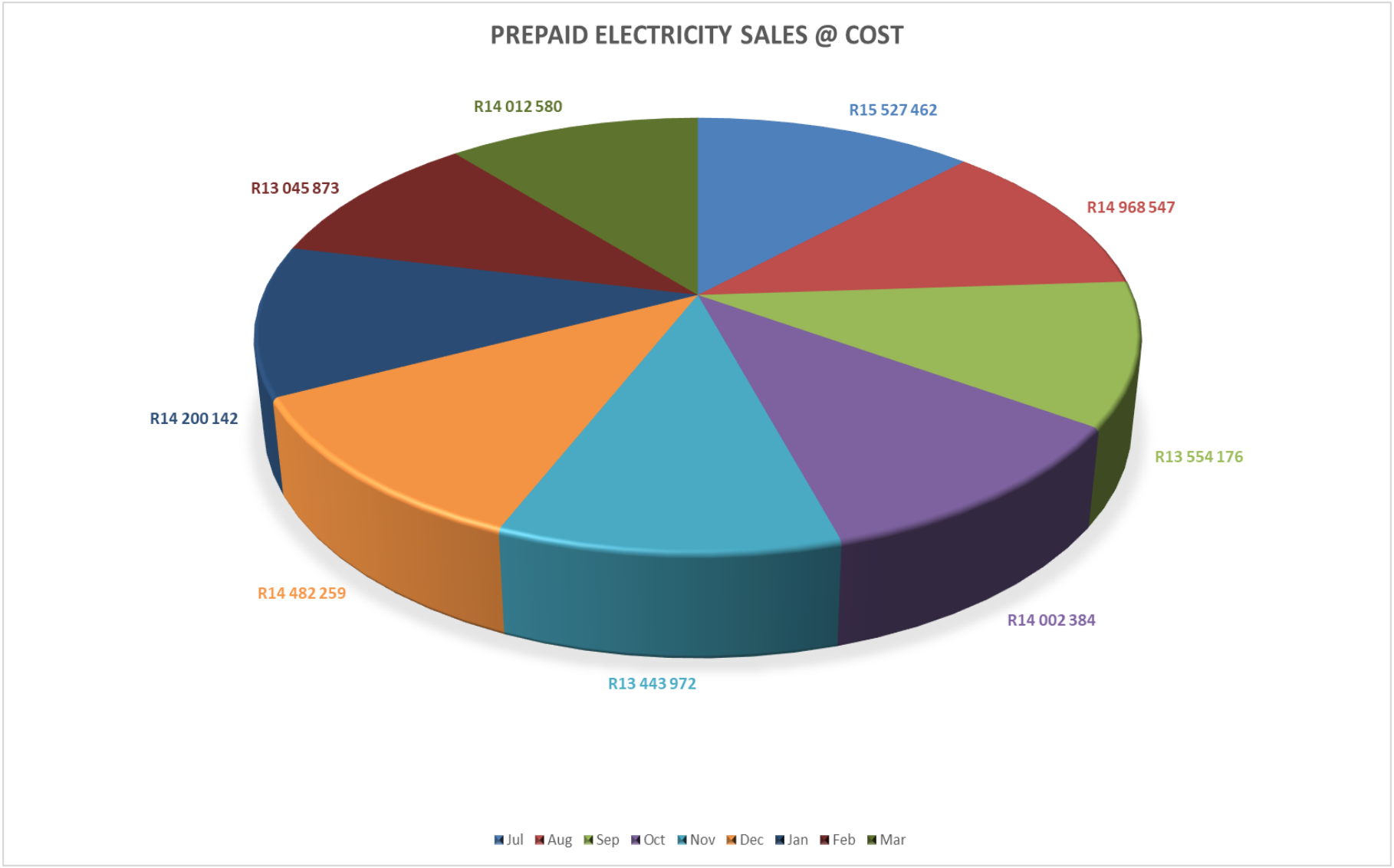
Month	Arrears	Cost of Units	Vat	Cash Tendered	Units Sold	FBE Value	% Movement
Jul	R0	R15 527 462	R2 328 890	R17 856 352	R6 351 290	R1 046 253	9%
Aug	R0	R14 968 547	R2 245 078	R17 213 625	R6 162 357	R1 051 657	-4%
Sep	R0	R13 554 176	R2 032 933	R15 587 109	R5 651 698	R1 039 402	-9%
Oct	R0	R14 002 384	R2 100 151	R16 102 535	R5 797 385	R1 039 498	3%
Nov	R0	R13 443 972	R2 016 410	R15 460 382	R5 610 387	R1 048 376	-4%
Dec	R0	R14 482 259	R2 172 162	R16 654 421	R5 951 521	R1 032 357	8%
Jan	R0	R14 200 142	R2 129 818	R16 329 961	R5 851 316	R1 029 848	-2%
Feb	R0	R13 045 873	R1 956 699	R15 002 572	R5 445 783	R1 036 507	-8%
Mar	R0	R14 012 580	R2 101 697	R16 114 276	R5 803 408	R1 044 709	7%
Totals	**R0**	**R127 237 395**	**R19 083 838**	**R146 321 233**	**R52 625 144**	**R9 368 606**	

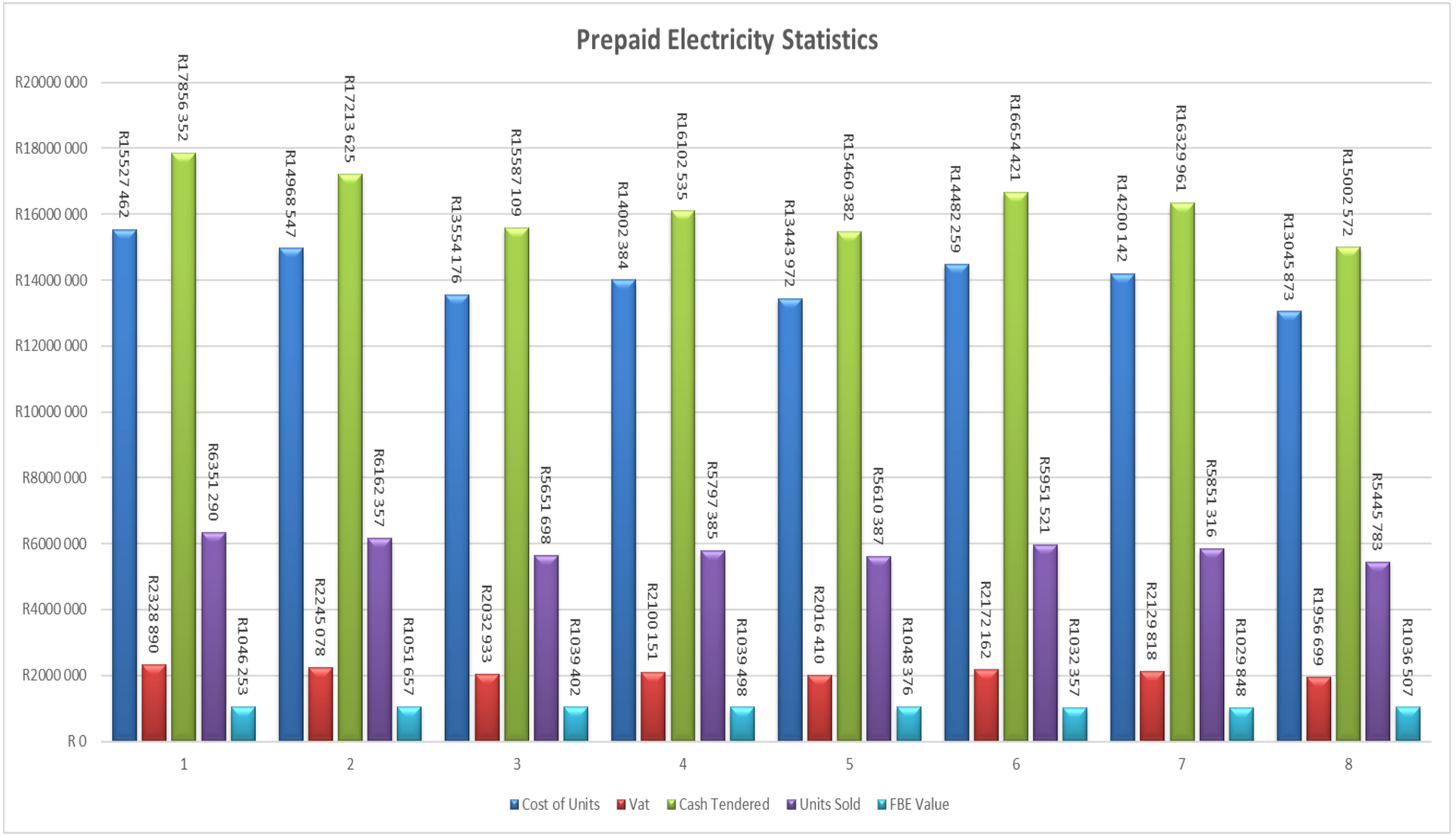
Billing for Kroonstad/Maokeng, Brentpark in March 2026 was R58.4m, Viljoenskroon/Rammolutsi was R15.6m and Steynsrus/Matlwangtlwang was R2 198 995.

The average Collection Rate for Kroonstad/Maokeng/Brentpark for March 2026 is 118% , Viljoenskroon/Rammulutsi is 92% & Steynsrus/Matlwangtlwang is 46%.

Kroonstad/Maokeng/Brentpark generated a revenue of R69.2m for March 2026, Viljoenskroon/Rammolutsi generated R14.4m & Steynsrus/Matlwangtlwang generated R1 008 646.

The cost of revenue generated through prepaid electricity for the month of March 2026 is R14 012 580. The electricity vendors are contributing to these sales.


PREPAID ELECTRICITY SALES @ COST
R14 012 580
R15 527 462
R13 045 873
R14 968 547
R14 200 142
R13 554 176
R14 482 259
R14 002 384
R13 443 972
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Mar


Prepaid Electricity Statistics
R20000 000
R18000 000
R16000 000
R14000 000
R12000 000
R10000 000
R8000 000
R6000 000
R4000 000
R2000 000
R 0
R15527 462
R2328 890
R17856 352
R6351 290
R1046 253
R14968 547
R2245 078
R17213 625
R6162 357
R1051 657
R13554 176
R2032 933
R15587 109
R5651 698
R1039 402
R14002 384
R2100 151
R16102 535
R5797 385
R1039 498
R13443 972
R2016 410
R15460 382
R5610 387
R1048 376
R14482 259
R2172 162
R16654 421
R5951 521
R1032 357
R14200 142
R2129 818
R16329 961
R5851 316
R1029 848
R13045 873
R1956 699
R15002 572
R5445 783
R1036 507
1
2
3
4
5
6
7
8
Cost of Units
Vat
Cash Tendered
Units Sold
FBE Value

4.2 Operating expenditure by type

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

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Expenditure By Type										
Employee related costs		452 951	449 410	524 882	36 228	347 878	367 249	(19 371)	-5%	524 882
Remuneration of councillors		22 444	29 484	28 381	2 468	17 448	21 672	(4 224)	-19%	28 381
Bulk purchases - electricity		486 867	428 185	325 349	830	62 233	278 880	(216 647)	-78%	325 349
Inventory consumed		17 948	26 574	41 196	5 363	25 853	25 883	(29)	0%	41 196
Debt impairment		78	61 096	38 496	–	–	36 782	(36 782)	-100%	38 496
Depreciation and amortisation		112 242	10 305	10 305	–	–	7 729	(7 729)	-100%	10 305
Interest		99 037	8 790	8 790	550	4 950	6 593	(1 643)	-25%	8 790
Contracted services		148 907	197 383	271 169	20 670	110 013	181 898	(71 884)	-40%	271 169
Transfers and subsidies		244	1 095	1 095	–	35	821	(786)	-96%	1 095
Irrecoverable debts written off		170 915	3 966	10 002	817	6 457	5 389	1 068	20%	10 002
Operational costs		179 769	170 482	192 857	8 168	96 859	136 705	(39 845)	-29%	192 857
Losses on Disposal of Assets		1 796	63	63	48	48	47	1	2%	63
Other Losses		4 869	–	6	–	(6)	2	(8)	-350%	6
Total Expenditure		**1 698 065**	**1 386 834**	**1 452 592**	**75 143**	**671 770**	**1 069 650**	**(397 879)**	**-37%**	**1 452 592**

Comparison against YTD Budget

As indicated in the Table above, as at 31 March 2026, expenditure shows an unsatisfactory variance of minus 37%. The YTD actual amounted to R671 770 000 against the YTD budget of R1 069 650 000.

- Employee related costs show a unsatisfactory variance of minus 5%. 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 19 %.
- Bulk purchases – Electricity is showing an unsatisfactory variance of minus 78%.
- The expenditure on Inventory consumed is showing an satisfactory variance 0%.

- 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 25%, 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 40%.
- Transfers and subsidies showing negative variance of minus 96%, due to non-expenditure & no commitment to show movement.
- Operational cost is showing an unsatisfactory variance of minus 29% 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.

OPERATING EXPENSES					
DESCRIPTION	**Annual Budget 2025/2026**	**Actual 31-Mar-26**	**YTD 31-Mar-26**	**Variance (Unspent Budget)**	**% Exp**
EMPLOYEE RELATED COSTS	524 882 394,00	36 228 448,93	347 878 296,67	177 004 097,33	**66,28**
REMUNERATION OF COUNCILLORS	28 380 690,00	2 468 210,77	17 448 384,86	10 932 305,14	**61,48**
BULK PURCHASES	325 349 213,00	830 261,20	62 232 709,64	263 116 503,36	**19,13**
INVENTORY	41 195 897,00	5 363 300,79	25 853 479,65	15 342 417,35	**62,76**
DEPRECIATION ON ASSETS	10 282 705,00	-	-	10 282 705,00	-
INTEREST	8 790 312,00	550 000,00	4 950 000,00	3 840 312,00	**56,31**
CONTRACTED SERVICES	271 168 989,00	20 670 263,15	110 013 436,12	161 155 552,88	**40,57**
TRANSFERS AND SUBSIDIES	1 095 158,00	-	35 350,00	1 059 808,00	**3,23**
CONTRIBUTIONS TO BAD DEBTS	10 001 998,00	817 011,07	6 457 039,25	3 544 958,75	**64,56**
OPERATIONAL EXPENDITURE	169 425 959,00	7 643 744,66	87 226 424,17	82 199 534,83	**51,48**
OPERATING LEASES	23 431 483,00	523 952,54	9 632 977,90	13 798 505,10	**41,11**
TOTAL EXPENDITURE (NETT)	**1 414 004 798,00**	**75 095 193,11**	**671 728 098,26**	**742 276 699,74**	**47,51**
DESCRIPTION	**Annual Budget 2025/2026**	**Actual 31-Mar-26**	**YTD 31-Mar-26**	**Variance**	
OUTSOURCE SERVICES					-
OS: BURIAL SERVICES	286 227,00	0,00	45 250,00	240 977,00	**15,81**
OS: B&A HUMAN RESOURCES	0,00	0,00	0,00	0,00	-
OS: B&A OCCUPATIONAL HEALTH & SAFETY	0,00	0,00	0,00	0,00	-
OS: B&A ORGANISATIONAL	0,00	0,00	0,00	0,00	-
OS: B&A PROJECT MANAGEMENT	2 314 127,00	205 236,28	873 250,47	1 440 876,53	**37,74**
OS: B&A RESEARCH & ADVISORY	815 478,00	0,00	21 120,00	794 358,00	**2,59**
OS: B&A QUALIFICATION VERIFICATION	0,00	0,00	0,00	0,00	-
OS: B&A VALUER	3 285 468,00	32 173,91	257 391,28	3 028 076,72	**7,83**
OS: CATERING SERVICES	1 339 529,00	90 850,00	318 910,72	1 020 618,28	**23,81**
OS: CLEANING SERVICES	216 757,00	0,00	107 684,49	109 072,51	**49,68**
OS: ELECTRICAL	18 869 252,00	873 052,27	5 212 394,25	13 656 857,75	**27,62**
OS:ILLEGAL DUMPING	820 642,00	0,00	291 053,52	529 588,48	**35,47**
OS: MEDICAL SERVICES [HEALTH SERV &	350 000,00	0,00	0,00	350 000,00	-
OS: PERSONNEL & LABOUR	11 700 120,00	1 035 514,59	4 237 451,03	7 462 668,97	**36,22**
OS: CONNECT/DIS-CONNECTION: ELECTICI	9 757,00	0,00	0,00	9 757,00	-
OS: TRAFFIC FINES MANAGEMENT	174 997,00	0,00	43 680,00	131 317,00	**24,96**
OS: TRANSPORT SERVICES	0,00	0,00	0,00	0,00	-
SUB TOTAL : OUTSOURCE SERVICES	**40 182 354,00**	**2 236 827,05**	**11 408 185,76**	**28 774 168,24**	**28,39**
CONSULTANTS AND PROFESSIONAL SERVICES					-
C&PS: B&A AIR POLLUTION	0,00	0,00	0,00	0,00	**#DIV/0!**
C&PS: B&A AUDIT COMMITTEE	225 133,00	0,00	112 782,73	112 350,27	**50,10**
C&PS: B&A BUSINESS & FIN MANAGEMENT	4 900 000,00	0,00	0,00	4 900 000,00	-
C&PS: B&A HUMAN RESOURCES	4 426 421,00	-109 707,50	586 561,62	3 839 859,38	**13,25**
C&PS: B&A MEDICAL EXAMINATIONS	1 000 000,00	0,00	404 201,40	595 798,60	**40,42**
C&PS: B&A OCCUPATIONAL HEALTH & SAFE	484 938,00	0,00	4 645,00	480 293,00	**0,96**
C&PS: B&A PROJECT MANAGEMENT	71 894 431,00	5 273 316,35	24 818 938,11	47 075 492,89	**34,52**
C&PS: B&A PROJ MAN(COMM CRISIS)	0,00	0,00	0,00	0,00	-
C&PS: B&A PROJ MAN(TRAI & AWARE)	0,00	0,00	0,00	0,00	-
C&PS: B&A PROJ MAN(COMM CRISIS)	500 000,00	0,00	0,00	500 000,00	-
C&PS: B&A PROJ MAN(EMERG RESPOND)	700 000,00	0,00	0,00	700 000,00	-
C&PS: B&A RESEARCH & ADVISORY	0,00	0,00	0,00	0,00	**#DIV/0!**
C&PS: B&A SYSTEM SUPPORT	20 880,00	0,00	0,00	20 880,00	-
C&PS: I&P ENGINEERING CIVIL	1 617 156,00	0,00	0,00	1 617 156,00	-
C&PS: I&P LAND & QUANTITY SURVEYORS	20 000,00	0,00	0,00	20 000,00	-
C&PS: I&P LAND SCAPE DESIGNER	374 796,00	0,00	0,00	374 796,00	-
C&PS: I&P TOWN PLANNER	130 000,00	0,00	0,00	130 000,00	-
C&PS: LAB SERV WATER	5 314 187,00	947 164,71	4 113 771,48	1 200 415,52	**77,41**
C&PS: LEGAL COST ADVICE & LITIGATION	7 500 000,00	3 756,59	650 931,03	6 849 068,97	**8,68**
C&PS: LEGAL COST ISSUE OF SUMMONS	150 000,00	0,00	0,00	150 000,00	-
C&PS: LEGAL COST COLLECTION	1 429 296,00	36 992,66	460 152,72	969 143,28	**32,19**

SUB TOTAL : CONSULTANT AND PROF SERV	**100 687 238,00**	**6 151 522,81**	**31 151 984,09**	**69 535 253,91**	**30,94**
CONTRACTORS					-
CONTR: ARTISTS & PERFORMERS	55 230,00	0,00	0,00	55 230,00	-
CONTR: BUILDING CONTRACTORS	688 062,00	76 300,36	214 540,36	473 521,64	**31,18**
CONTR: CATERING SERVICES	164 273,00	0,00	17 100,00	147 173,00	**10,41**
CONTR: EMPLOYEE WELLNESS	657 094,00	0,00	152 520,00	504 574,00	**23,21**
CONTR: EVENT PROMOTERS	200 000,00	0,00	0,00	200 000,00	-
CONTR: FIRE SERVICES	0,00	0,00	0,00	0,00	-
CONTR: GARDENING SERVICES	140 068,00	0,00	0,00	140 068,00	-
CONTR: INTERIOR DECORATOR	219 031,00	0,00	0,00	219 031,00	-
CONTR: INSPECTION FEES	1 879 353,00	137 003,30	1 239 284,91	640 068,09	**65,94**
CONTR: MAINT OF BUILDINGS & FACILIT	10 879 330,00	62 664,67	1 028 811,92	9 850 518,08	**9,46**
CONTR: MAINTENANCE OF EQUIPMENT	6 713 370,00	405 883,79	1 656 342,86	5 057 027,14	**24,67**
CONTR: MAINTENANCE OF EQUIPMENT (FLE	5 044 322,00	967 119,04	2 054 390,45	2 989 931,55	**40,73**
CONTR: MAINTENANCE FLEET	14 261 080,00	1 898 815,36	7 314 569,67	6 946 510,33	**51,29**
CONTR: PEST CONTROL & FUMIGATION	114 273,00	25 560,00	25 560,00	88 713,00	**22,37**
CONTR: PLANTS FLOWERS & OTH DECORATI	47 165,00	0,00	0,00	47 165,00	-
CONTR: PREPAID ELECTRICITY VENDORS	24 289 756,00	2 628 917,90	13 647 441,66	10 642 314,34	**56,19**
CONTR: SAFEGUARD & SECURITY	41 600 000,00	3 390 447,42	27 500 059,18	14 099 940,82	**66,11**
CONTR: TRAFFIC & STREET LIGHTS	23 346 990,00	2 689 201,45	12 602 645,27	10 744 344,73	**53,98**
SUB TOTAL : CONTRACTORS	**130 299 397,00**	**12 281 913,29**	**67 453 266,28**	**62 846 130,72**	**51,77**
CONTRACTED SERVICES	**271 168 989,00**	**20 670 263,15**	**110 013 436,13**	**161 155 552,87**	**40,57**
OPERATIONAL COST					
OC: ADV/PUB/MARK - CORP & MUN ACTIVI	2 163 944,00	0,00	427 607,25	1 736 336,75	**19,76**
OC: ADV/PUB/MARK - MUNICIPAL NEWSLET	800 000,00	0,00	281 732,60	518 267,40	**35,22**
OC: ADV/PUB/MARK - SIGNS	609 250,00	0,00	0,00	609 250,00	-
OC: ADV/PUB/MARK - STAFF RECRUITMENT	328 547,00	0,00	199 211,94	129 335,06	**60,63**
OC: ADV/PUB/MARK - TENDERS	230 640,00	14 840,00	45 114,45	185 525,55	**19,56**
OC: AUDIT COST: EXTERNAL	12 845 908,00	0,00	9 212 766,14	3 633 141,86	**71,72**
OC: BC/FAC/C FEES - BANK ACCOUNTS	1 329 408,00	188 117,32	1 206 098,51	123 309,49	**90,72**
OC: COMMISSION - THIRD PARTY VENDORS	18 440 000,00	49 021,47	6 485 094,80	11 954 905,20	**35,17**
OC: COMM - CELL CONTRACT (SUBS & CAL	0,00	0,00	0,00	0,00	-
OC: COMM - LICENCES (RADIO & TELEVIS	83 447,00	0,00	0,00	83 447,00	-
OC: COMM - POSTAGE/STAMPS/FRANKING M	2 100 000,00	37 506,50	634 071,69	1 465 928,31	**30,19**
OC: COMM - RADIO & TV TRANSMISSIONS	0,00	0,00	0,00	0,00	-
OC: COMM - SMS BULK MESSAGE SERVICE	0,00	0,00	0,00	0,00	-
OC: COMM - PHONE FAX TELEGRAPH & TEL	2 500 000,00	93 243,30	812 442,85	1 687 557,15	**32,50**
OC: CONTR TO PROV - REHAB LANDFILL S	93 255,00	0,00	0,00	93 255,00	-
OC: DEEDS	329 402,00	4 876,55	43 424,90	285 977,10	**13,18**
OC: DRIVERS LICENCES & PERMITS	14 771,00	0,00	0,00	14 771,00	-
OC: ENTERTAINMENT - EXEC MAYOR	32 855,00	0,00	6 828,49	26 026,51	**20,78**
OC: ENTERTAINMENT - COUNCILLORS	32 855,00	0,00	0,00	32 855,00	-
OC: ENTERTAINMENT - SENIOR MANAGEMENT	230 496,00	10 426,15	62 002,25	168 493,75	**26,90**
OC: ENTERTAINMENT - SPEAKER	10 440,00	3 726,30	9 793,90	646,10	**93,81**
OC: ENTERTAINMENT - CHIEF WHIP	36 540,00	3 136,06	3 136,06	33 403,94	**8,58**
OC: EXT COM SERV PROV - GPS LICENCE	8 604 229,00	9 870,00	18 532,67	8 585 696,33	**0,22**
OC: EXT COM SERV PROV - S/WARE LICEN	3 117 859,00	0,00	727 845,80	2 390 013,20	**23,34**
OC: EXT COM SERV PROV - SYSTEM ADVIS	0,00	0,00	0,00	0,00	-
OC: HIRE CHARGES	69 810 272,00	5 284 662,05	48 128 791,43	21 681 480,57	**68,94**
OC: INSUR UNDER - CLAIM PAID 3RD PAR	0,00	0,00	0,00	0,00	-
OC: INSUR UNDER - EXCESS PAYMENTS	500 000,00	6 521,74	342 547,25	157 452,75	**68,51**
OC: INSUR UNDER - PREMIUMS	4 500 000,00	-	4 132 256,79	367 743,21	**91,83**
OC: LEARNERSHIPS & INTERNSHIPS	100 000,00	0,00	0,00	100 000,00	-
OC: LIC - VEHICLE LIC & REGISTRATION	1 393 020,00	158 519,50	610 263,40	782 756,60	**43,81**
OC: LIC - VEHICLE LIC & REGISTR FLEE	11 394,00	0,00	1 416,00	9 978,00	**12,43**
OC: PERSONNEL AGENCY FEES (PERS RECR	0,00	0,00	0,00	0,00	-
OC: PRINTING & PUBLICATIONS	633 742,00	0,00	54 162,99	579 579,01	**8,55**
OC: PROFESSIONAL BODIES M/SHIP & SUB	384 810,00	18 169,87	135 326,30	249 483,70	**35,17**
OC: REMUNERATION TO WARD COMMITTEES	2 566 437,00	91 000,00	826 000,00	1 740 437,00	**32,18**

OC: ROAD WORTHY TEST FLEET	15 711,00	0,00	0,00	15 711,00	-
OC: SKILLS DEVELOPMENT FUND LEVY	4 466 696,00	23 843,39	482 246,53	3 984 449,47	**10,80**
OC: SEARCH FEES	17 194,00	0,00	0,00	17 194,00	-
OC: SERVITUDES & LAND SURVEYS	54 758,00	0,00	0,00	54 758,00	-
OC: SIGNAGE	521 754,00	0,00	168 914,36	352 839,64	**32,37**
OC: SMALL DIFFERENCES TOLERANCES	0,00	0,00	0,00	0,00	-
OC: TOLL GATE FEES	0,00	0,00	0,00	0,00	-
OC: TOLL GATE FEES FLEET	2 200,00	0,00	0,00	2 200,00	-
OC: TRANSPORT - EVENTS	97 756,00	0,00	0,00	97 756,00	-
OC: TRANSPORT - FUNERALS	0,00	0,00	0,00	0,00	-
OC: T&S DOM - ACCOMMODATION	3 000 491,00	76 772,88	650 549,60	2 349 941,40	**21,68**
OC: T&S DOM - DAILY ALLOWANCE	1 948 745,00	49 550,00	391 066,13	1 557 678,87	**20,07**
OC: T&S DOM - FOOD & BEVERAGE (SERVE	312 860,00	0,00	2 300,52	310 559,48	**0,74**
OC: T&S DOM TRP - W/OUT OPR OWN TRAN	2 900 456,00	130 399,09	1 010 181,62	1 890 274,38	**34,83**
OC: T&S DOM PUB TRP - ROAD TRANSPORT	324 411,00	0,00	0,00	324 411,00	-
OC: T&S - NON-EMPLOYEES	309 516,00	9 355,04	72 070,27	237 445,73	**23,28**
OC: TRANSPORT - MUNICIPAL ACTIVITIES	57 660,00	0,00	0,00	57 660,00	-
OC: UNIFORM & PROTECTIVE CLOTHING	7 622 497,00	441 053,54	2 921 596,92	4 700 900,08	**38,33**
OC: VEHICLE TRACKING FLEET	526 892,00	0,00	0,00	526 892,00	-
OC: WET FUEL	11 581 850,00	939 136,61	6 651 528,39	4 930 321,61	**57,43**
OC: WORKMEN'S COMPENSATION FUND	1 830 991,00	0,00	469 501,37	1 361 489,63	**25,64**
SUB TOTAL : OPERATIONAL COST	**169 425 959,00**	**7 643 747,36**	**87 226 424,17**	**82 199 534,83**	**51,48**
INVENTORY					
INV - CONSUMABLE STORES - STANDARD RATED	27 376 858,00	4 191 353,47	16 020 704,38	11 356 153,62	**58,52**
INV - CONSUMABLE STORES - WATER METERS	0,00	0,00	0,00	0,00	
INV - CONSUMABLE STORES - CHEMICALS	0,00	0,00	0,00	0,00	
INV - CONSUMABLE STORES -STD RATED FLEET	1 885,00	0,00	0,00	1 885,00	-
INV - CONSUMABL STORES -ZERO RATED FLEET	0,00	0,00	0,00	0,00	
INVENTORY - MATERIALS & SUPPLIES	1 091 710,00	39 305,93	292 752,98	798 957,02	**26,82**
INVENTORY - MATERIALS & SUPPLIES FLEET	2 307,00	0,00	0,00	2 307,00	-
INVENTORY - WATER	12 723 137,00	1 132 641,39	9 540 022,29	3 183 114,71	**74,98**
SUB TOTAL - INVENTORY	**41 195 897,00**	**5 363 300,79**	**25 853 479,65**	**15 342 417,35**	**62,76**
BULK PURCHASES					
ESKOM	325 349 213,00	830 261,20	62 232 709,64	263 116 503,36	**19,13**
BULK WATER PURCHASES					
SUB TOTAL : BULK PURCHASES	**325 349 213,00**	**830 261,20**	**62 232 709,64**	**263 116 503,36**	**19,13**
INTEREST DIVIDENDS AND RENT ON LAND					-
INT PAID BOR: ANNUITY LOANS	6 600 000,00	550 000,00	4 950 000,00	1 650 000,00	**75,00**
INT PAID: OVERDUE ACCOUNTS	2 190 312,00	0,00	0,00	2 190 312,00	-
SUB TOTAL - INTEREST DIVID & RENT -	**8 790 312,00**	**550 000,00**	**4 950 000,00**	**3 840 312,00**	**56,31**
OPERATING LEASES					-
OPR LEASES: FURNITURE & OFFICE EQUIP	3 293 099,00	4 271,97	38 447,73	3 254 651,27	**1,17**
OPR LEASES: INFRA - TRANSPORTATION	0,00	0,00	0,00	0,00	-
OPR LEASES: MACHINERY & EQUIPMENT	23 064,00	0,00	0,00	23 064,00	-
OPR LEASES: TRANSPORT ASSETS	20 115 320,00	519 680,57	9 594 530,17	10 520 789,83	**47,70**
SUB TOTAL : OPERATING LEASES	**23 431 483,00**	**523 952,54**	**9 632 977,90**	**13 798 505,10**	**41,11**
BAD DEBTS WRITTEN OFF					
IRRECOVERABLE DEBTS WRITTEN OFF_EXCHANGE					
IRRECOV DEBTS W/OFF_EXCHG:ELECTRICITY	2 881 731,00	639 279,30	2 181 033,55	700 697,45	**75,68**
IRRECOV DEBTS W/OFF_EXCHG:NON-SPECIFIC	-	0,00	0,00	0,00	-
IRRECOV DEBTS W/OFF_EXCHG:WASTE	628 044,00	31 070,03	456 181,74	171 862,26	**72,64**
IRRECOV DEBTS W/OFF_EXCHG:WASTE WATER	1 032 730,00	49 563,02	739 379,56	293 350,44	**71,59**
IRRECOV DEBTS W/OFF_EXCHG:WATER	2 016 364,00	43 202,92	869 050,40	1 147 313,60	**43,10**
SUB TOTAL : IRRECOV BAD DEBT W/OFF _EXCH	**6 558 869,00**	**763 115,27**	**4 245 645,25**	**2 313 223,75**	**64,73**
IRRECOVERABLE DEBTS W/OFF_NON-EXCHANGE					
IRRECOV DEBTS W/OFF_NON-EXCH:PROP RATES	3 443 129,00	53 895,80	2 211 394,00	1 231 735,00	**64,23**
SUB TOTAL : IRREC BAD DEBT W/OFF _NON-EX	**3 443 129,00**	**53 895,80**	**2 211 394,00**	**1 231 735,00**	**64,23**
SUB TOTAL : BAD DEBTS WRITTEN OFF	**10 001 998,00**	**817 011,07**	**6 457 039,25**	**3 544 958,75**	**64,56**
TRANSFERS AND SUBSIDIES					-

HH SSP SOC ASS: SOCIAL RELIEF	1 095 158,00	0,00	35 350,00	1 059 808,00	**3,23**
SUB TOTAL : OPERATIONAL : ALLOC IN K	**1 095 158,00**	**0,00**	**35 350,00**	**1 059 808,00**	**3,23**
OPERATIONAL : MONETARY					-
SUB TOTAL : OPERATIONAL : MONETARY	**0,00**	**0,00**	**0,00**	**0,00**	-
SUB TOTAL : TRANSFERS & SUBSIDIES	**1 095 158,00**	**0,00**	**35 350,00**	**1 049 000,00**	**3,23**
DEPRECIATION & AMORTISATION					
DEPRECIATION COMPUTER EQUIPMENT	394 635,00	0,00	0,00	394 635,00	-
DEPRECIATION WATER SUPPLY DISTRIBUTION	876 125,00	0,00	0,00	876 125,00	-
DEPRECIATION FURNITURE & OFFICE EQUIPM	821 327,00	0,00	0,00	821 327,00	-
DEPRECIATION ELEC MV NETWORKS	4 380 624,00	0,00	0,00	4 380 624,00	-
DEPRECIATION ELEC LV NETWORKS	876 125,00	0,00	0,00	876 125,00	-
DEPRECIATION MACHINERY & EQUIPMENT	1 301 834,00	0,00	0,00	1 301 834,00	-
DEPRECIATION TRANSPORT ASSETS	1 528 800,00	0,00	0,00	1 528 800,00	-
DEPRECIATION COMMUNITY CAPITAL SPARES	103 235,00	0,00	0,00	103 235,00	-
SUB TOTAL : DEPRECIATION & AMORTISATION	**10 282 705,00**	**-**	**-**	**10 282 705,00**	**-**

4.3Capital Expenditure

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

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital Expenditure - Functional Classification										
Governance and administration		**2 581**	**2 981**	**3 560**	**168**	**1 539**	**2 509**	(969)	-39%	**3 560**
Executive and council		15	–	–	–	–	–	–		–
Finance and administration		2 532	2 981	3 560	168	1 539	2 509	(969)	-39%	3 560
Internal audit		34	–	–	–	–	–	–		–
Community and public safety		**383**	**29 350**	**29 077**	**25**	**15 740**	**21 635**	(5 896)	-27%	**29 077**
Community and social services		–	550	500	11	38	393	(355)	-90%	500
Sport and recreation		271	5 853	5 789	–	1 064	4 259	(3 195)	-75%	5 789
Public safety		84	22 947	22 537	15	14 638	16 884	(2 246)	-13%	22 537
Housing		27	–	250	–	–	100	(100)	-100%	250
Health								–		
Economic and environmental services		**263**	**42 144**	**16 270**	**725**	**4 031**	**13 865**	(9 834)	-71%	**16 270**
Planning and development		129	–	516	–	–	206	(206)	-100%	516
Road transport		119	42 064	15 674	699	4 005	13 599	(9 594)	-71%	15 674
Environmental protection		15	80	80	26	26	60	(34)	-57%	80
Trading services		**1 674**	**20 546**	**36 932**	**1 358**	**5 485**	**26 380**	(20 896)	-79%	**36 932**
Energy sources		98	250	250	–	–	188	(188)	-100%	250
Water management		143	18 524	20 617	85	156	15 308	(15 152)	-99%	20 617
Waste water management		1 434	1 773	15 947	1 273	5 329	10 805	(5 477)	-51%	15 947
Waste management		–	–	119	–	–	79	(79)	-100%	119
Other		–	–	40	–	–	16	(16)	-100%	40
Total Capital Expenditure - Functional Classification	3	**4 900**	**95 021**	**85 879**	**2 277**	**26 795**	**64 406**	**(37 611)**	**-58%**	**85 879**
Funded by:										
National Government		128	66 532	54 344	2 337	6 463	41 774	(35 310)	-85%	54 344
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)		9	–	–	–	–	–	–		–
Transfers recognised - capital		**136**	**66 532**	**54 344**	**2 337**	**6 463**	**41 774**	**(35 310)**	**-85%**	**54 344**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		4 763	28 489	31 535	(60)	20 332	22 632	(2 300)	-10%	31 535
Total Capital Funding		**4 900**	**95 021**	**85 879**	**2 277**	**26 795**	**64 406**	**(37 611)**	**-58%**	**85 879**

As indicated in the Table above, the YTD Actual on capital expenditure as at end of March 2026 amounted to R26 795 000. The total YTD capex is funded from Capital grants R6 463 000 and Internally generated funds R20 332 000. 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	**Mar-26**
Cash Receipts by Source	
Property rates	3 465 502
Service charges - electricity revenue	47 154 190
Service charges - water revenue	10 696 922
Service charges - sanitation revenue	9 111 138
Service charges - refuse revenue	5 650 602
Service charges - other	-
Interest earned - external investments	589 962
Interest earned - outstanding debtors	624 806
Fines	-
Transfer receipts - operational	78 625 000
Other revenue	32 707 738
Cash Receipts by Source	**188 625 860**
Other Cash Flows/Receipts by Source	
Transfer receipts - capital	26 451 585
Borrowing long term/refinancing	-
Total Cash Receipts by Source	**215 077 445**
Cash Payments by Type	
Employee related costs	36 228 449
Remuneration of councillors	2 468 211
Bulk purchases - Electricity	954 800
Contracted services	23 770 802
General expenses	25 229 843
Cash Payments by Type	**88 652 105**
Other Cash Flows/Payments by Type	
Capital assets	2 276 558
Repayment of borrowing	-
Total Cash Payments by Type	**90 928 663**
Net Increase/(Decrease) in Cash Held	**124 148 782**
Cash/cash equivalents at the month/year begin:	**54 558 964**
Cash/cash equivalents at the month/year end:	**178 707 746**

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

Moqhaka Local Municipality (FS201): Monthly Budget Statement: S71 Monthly Report: March 2026
5. In-year Budget Statement Tables

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

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

The municipality is now implementing full credit control processes to improve its cashflow and collection rate. This includes restricting power to payment defaulters, serving of disconnection notices through the SMSs, emails, and other social media platforms, communicating to Customers that are in arrears, that their electricity will be disconnected due to non-payment of accounts.

Highlights	31-Jan	28-Feb	% Change	31-Mar	% Change	Reference
Services						
Councillors' debt (>90 days)	R 1 622 848	R 1 628 901	0%	R 1 646 261	1%	BP136-r
Officials debt (>90 days)	R 3 325 005	R 3 254 288	-2%	R 3 468 043	7%	BP136-a
Sundry debtors						
Telephones (Officials & Councillors)	R710 200.90	R733 604.45	3%	R741 714.79	1%	BP136-rt
Indigents	R 293 315 857	R 302 627 196	**3%**	R 310 773 051	3%	BP136-ia
Total Debt 90 Days +	**R 298 973 911**	**R 308 243 990**	**3%**	**R 316 629 070**	**3%**	

The municipality regularly 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.

Government Debt as at 31 March 2026

Mar-26	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.	16 884.00	0.00	0.00	15 570.00	3 428.00	35 882.00	0.00	35 882.00
FREE STATE PROVINCIAL TREASURY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEPARTMENT OF HEALTH (PH)	12 215 417.00	8 511 568.00	0.00	12 184 573.00	26 462.00	32 938 020.00	0.00	32 938 020.00
DEPARTMENT OF EDUCATION (PE)	124690.00	1 802 277.00	260 901.00	18 014 427.00	0.00	20 202 295.00	0.00	20 202 295.00
DEPARTM OF SOCIAL DEV(PS)	0.00	0.00	0.00	296 472.00	0.00	296 472.00	0.00	296 472.00
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)	1 107 260.00	15 432 488.00	2 791.00	937 960.00	314.00	17 480 813.00	0.00	17 480 813.00
PUBLIC SAFETY, ETC.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AGRICULTURE (PA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SPORTS, ARTS & CULTURE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	**13 464 251.00**	**25 746 333.00**	**263 692.00**	**31 449 002.00**	**30 204.00**	**70 953 482.00**	**0.00**	**70 953 482.00**
				0.00				
SCHOOLS (SECTION 21)	11 890 134.00	23 656 200.00	7 281.00	9 541.00	32 895.00	**35 596 051.00**	0.00	**35 596 051.00**
NATIONAL DEPARTMENTS	**WATER**	**ELEC**	**RATES**	**SE & RF**	**OTHER**	**TOTAL**	**PAYMENT**	**OUTST**
CORRECTIONAL SERVICES (NC)	7 336 621.00	4 526 075.00	0.00	475 230.00	0.00	12 337 926.00	0.00	12 337 926.00
DEFENCE (ND)	2 609 100.00	6 949 909.00	28 136.00	624 150.00	14 402.00	10 225 697.00	0.00	10 225 697.00
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	28 253.00	148 957.00	253 566.00	61 054.00	107 390.00	599 220.00	0.00	599 220.00
PUBLIC WORKS (NW)	4 411.00	75 148.00	6 238 778.00	87 204.00	0.00	6 405 541.00	0.00	6 405 541.00
SA POLICE(NP)	1 336 491.00	1 011 276.00	25 375.00	1 185 597.00	2 143.00	3 560 882.00	0.00	3 560 882.00
WATER AFFAIRS (WA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JUSTICE (GJ)	26 351.00	144 835.00	0.00	11 435.00	4 599.00	187 220.00	0.00	187 220.00
TOTAL	**11 341 227.00**	**12 856 200.00**	**6 545 855.00**	**2 444 670.00**	**128 534.00**	**33 316 486.00**		**33 316 486.00**
TOTAL	**36 695 612.00**	**62 258 733.00**	**6 816 828.00**	**33 903 213.00**	**191 633.00**	**139 866 019.00**	**-**	**139 866 019.00**
						TOTAL		**139 866 019.00**
						LESS CREDIT		**0.00**
						GRAND TOTAL		**139 866 019.00**

v5

MUNICIPAL DEBT RETURN FORM - Provincial & National Departments

treasury
Department of Treasury
FREE STATE PROVINCE

Municipality: ***FS201 Moqhaka***

Financial Year: ***2023/24*** 2025/26
Reporting Month: ***M09 March***

R'000	Provincial Public Works & Infrastructure	Education		National Public Works	TOTAL
		Section 20 Schools *(Payable by Department of Education)*	Section 21 Schools *(Payable by Schools)*		
Property Rates	**262**			**6 546**	**6 808**
0-30 Days	26			734	760
31-60 Days	19			734	753
61-90 Days	19			734	753
Over 90 Days	199			4 344	4 543
Water	**13 464**	**–**	**11 892**	**11 341**	**36 698**
0-30 Days	701	–	364	1 984	3 049
31-60 Days	792	–	299	1 206	2 298
61-90 Days	597	–	282	1 953	2 831
Over 90 Days	11 374	–	10 948	6 199	28 521
Electricity	**25 746**	**–**	**23 656**	**12 856**	**62 259**
0-30 Days	778	–	1 019	1 630	3 427
31-60 Days	709	–	1 044	1 712	3 465
61-90 Days	646	–	530	1 447	2 623
Over 90 Days	23 614	–	21 063	8 067	52 744
Sanitation	**20 881**			**1 518**	**22 399**
0-30 Days	1 082			178	1 260
31-60 Days	1 088			169	1 257
61-90 Days	1 082			169	1 252
Over 90 Days	17 629			1 002	18 631
Refuse Removal	**10 568**			**926**	**11 494**
0-30 Days	547			93	640
31-60 Days	550			88	638
61-90 Days	547			89	636
Over 90 Days	8 923			657	9 580
Other	**30**	**–**	**50**	**129**	**208**
0-30 Days	0	–	2	4	6
31-60 Days	0	–	2	3	5
61-90 Days	0	–	2	3	5
Over 90 Days	29	–	44	119	192
TOTAL	**70 952**	**–**	**35 598**	**33 317**	**139 866**
0-30 Days	3 134	–	1 385	4 622	9 141
31-60 Days	3 158	–	1 345	3 913	8 416
61-90 Days	2 891	–	813	4 395	8 099
Over 90 Days	61 769	–	32 055	20 387	114 211
Payments received during reporting month *(whole amount)*	*9 071 377.26*			*552 280.36*	*9 623 657.62*

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

6. Debtors' Analysis – March 2026

4	Outstanding Debtor's by Customer Group	Current (0 to 30 days)	31 to 60 Days	61 to 90 Days	Over 90 days	Total
4.1	Organs of State (Provincial & National Departments)	R 17 565 321	R 8 100 889	R 8 106 372	R 106 142 677	**R 139 915 259**
4.2	Business / Commercial	R 29 083 588	R 11 055 589	R 13 124 897	R 176 179 359	**R 229 443 433**
4.3	Households	R 33 160 620	R 29 641 499	R 26 486 327	R 1 453 506 616	**R 1 542 795 062**
4.4	Other	-R 5 420 763	R 2 778 125	R 2 125 432	R 139 962 110	**R 139 444 904**
	Total	**R 74 388 766**	**R 51 576 102**	**R 49 843 028**	**R 1 875 790 762**	**R 2 051 598 658**

5	Outstanding Debtor's by Income Source	Current (0 to 30 days)	31 to 60 Days	61 to 90 Days	Over 90 days	Total
5.1	Water	R 22 938 550	R 21 368 981	R 19 574 342	R 971 013 447	**R 1 034 895 320**
5.2	Electricity	R 29 996 804	R 13 215 864	R 14 125 664	R 173 851 723	**R 231 190 055**
5.3	Property Rates	R 6 465 290	R 4 452 248	R 4 031 288	R 126 712 462	**R 141 661 288**
5.4	Sanitation	R 8 158 370	R 6 801 494	R 6 579 402	R 299 417 338	**R 320 956 604**
5.5	Refuse removal	R 5 721 106	R 4 787 524	R 4 645 513	R 218 065 082	**R 233 219 225**
5.6	Other	R 1 108 646	R 949 991	R 886 819	R 86 730 710	**R 89 676 166**
	Total	**R 74 388 766**	**R 51 576 102**	**R 49 843 028**	**R 1 875 790 762**	**R 2 051 598 658**

Comments:

Total outstanding debt has decreased from R2 059 943 163 in February 2026 to R2 051 598 658 in march 2026. A positive movement amounting to -R8 344 505 is a result of Public Works payment and electricity restrictions.

Water outstanding debt was R1 025 355 748 in February 2026 and has increased to R1 034 895 320 in March 2026. That accounts for 50% of the outstanding debt due to non-payment, burst pipes, leaking water meters.

Electricity outstanding debt was R248 583 977 in February 2026 and has decreased to R231 190 055 in March 2026. This translates to 11% of the total debtors' book to date.
There were also payments from different categories of debtors for service and availability/basic charges for infrastructure maintenance. However, theft and illegal electricity connections remain a serious concern.

Property Rates outstanding debt was R140 452 659 in February 2026 and has increased to R141 661 288 in March 2026. This account for 7% against total debtors' book.
Total outstanding debt for sanitation/Sewerage was R322 478 328 in February 2026 and has decreased to R320 956 604 in March 2026. This accounts for 16% of the total outstanding debtors' book.
Refuse Removal or Solid Waste outstanding debt was R233 410 243 in February 2026 and has increased to R233 219 225 in March 2026. This accounts for 11% of the total debt and emanates from non-payment of accounts.

Total outstanding debt for Other or Sundries was R89 662 208 in February 2026 and has increased to R89 676 166 in March 2026. Which accounts for 4% for total outstanding debtors book. It represents the debt

from indirect services on sundry accounts like rental, telephone, advertising & signs, and more.

Government debt was R152 988 739 in February 2026 and has decreased to R139 915 259 in march 2026. This represents 7% of the total outstanding debt that Public Works is in the process of addressing.

Business/Commercial debt was R242 584 912 in February 2026 and has decreased to R229 443 433 in March 2026. This represents 11% of the total outstanding debt and is impacted by small business establishments in the townships

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

Debt by Households was R1 525 999 786 in February 2026 and has increased to R1 542 795 062 in March 2026. That accounts for 75% of the total debtors' book. This is inclusive of R310 773 051 owed by indigent households in March 2026.

The remaining Other Income debt by many other various categories of debtors was R138 369 726 in February 2026 and increased to R139 444 904 in March 2026. That is 7% of the total outstanding debtors' book.

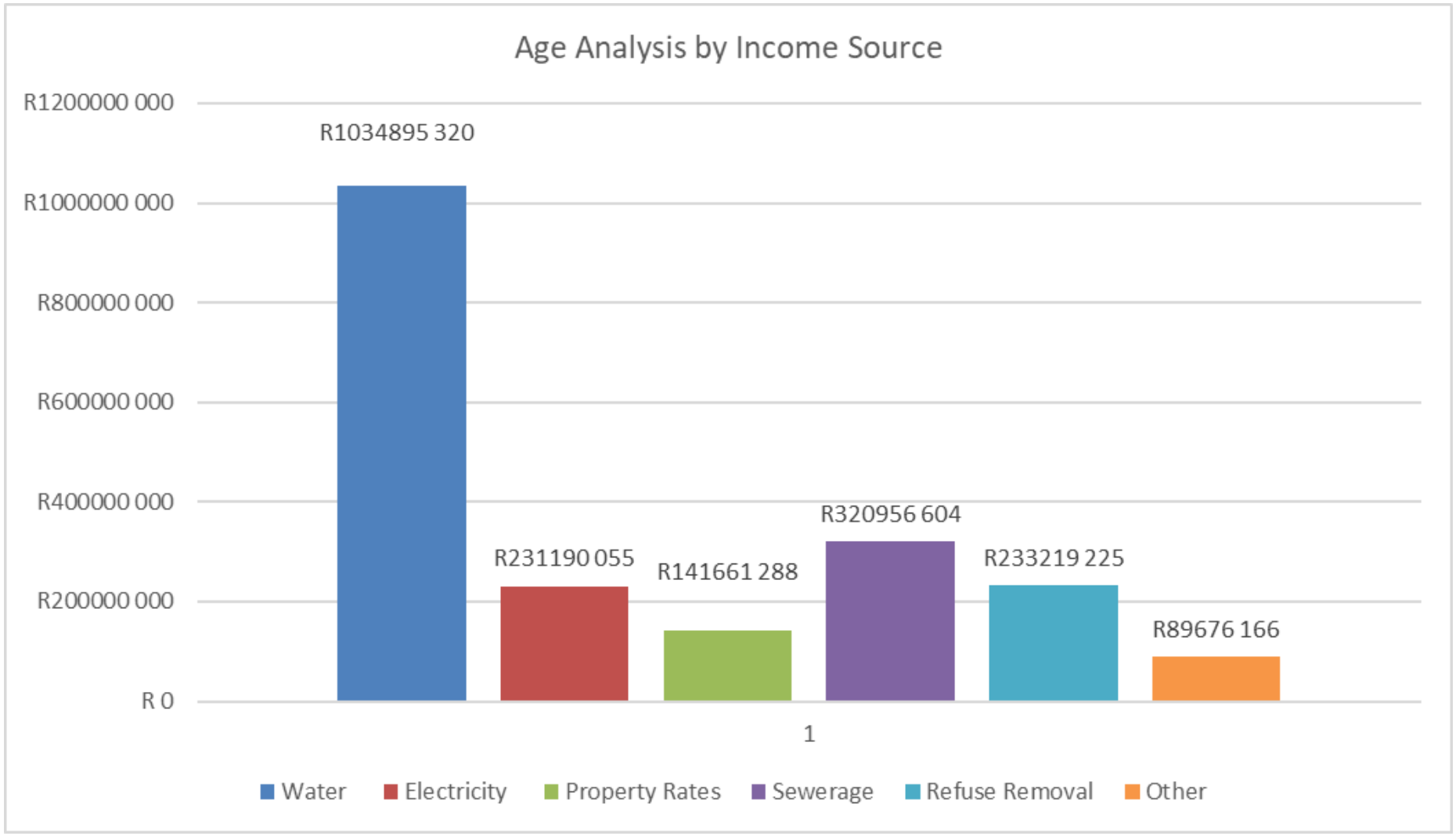
The total debt by Councillors was R1 628 901 in February 2026 and has increased to R1 646 261 in March 2026 (1% movement). Officials owed R3 254 288 in February 2026 and R3 468 043 in March 2026 (7% increase).

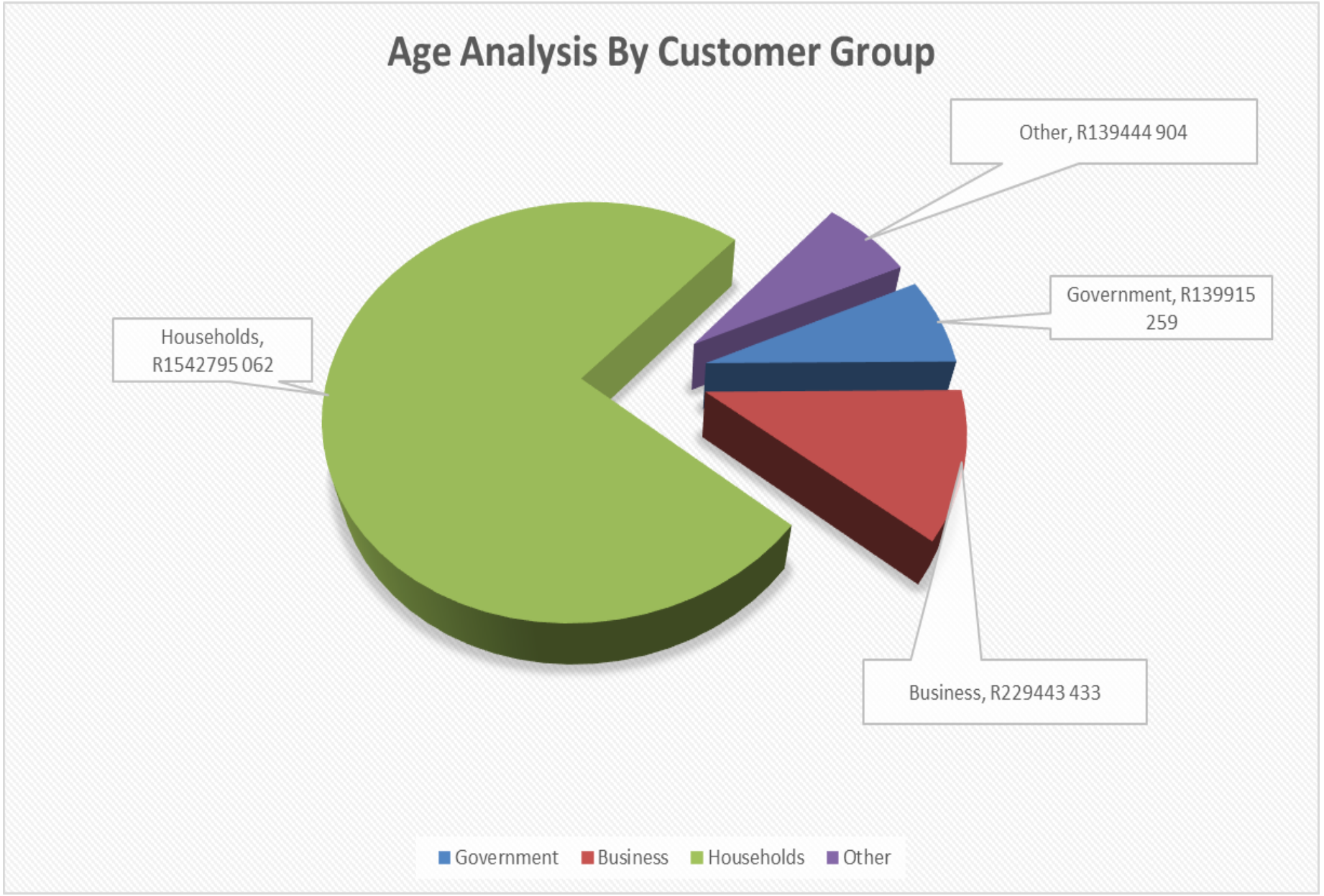
Telephone accounts had a balance of R733 604.45 in February 2026 and has increased to R741 714.79 in March 2026(1% increase).

The Municipality Council has approved the Revenue Enhancement Strategy for implementation in conjuction with the Debt Collection & Credit Control Policy consistently.
There were 4 debt collection companies appointed until June 2025. The Municipality made an application to join the National Treasury RT27-2024 debt collection transversal contract and awaits NT's response still..

Blockings of the prepaid electricity meters & disconnections for the conventional electricity meters for categories of payment defaulters is undertaken and plays a major role in improving the collection rate.
The Municipal Manager has been dismissed in January 2026. This negetavely impacts on operations, strategis decisions, administrative stability, as well as the Cost Containment policy.
Four years delay in appointing the Chief Financial Officer and other Directors plays a very critical role in the financial distress facing the municipality.

The Municipality operates with administrative leadership that mostly is in acting capacity. The municipality is politically unstable with uncertainty around the TROIKA.


Age Analysis by Income Source
R1200000 000
R1000000 000
R800000 000
R600000 000
R400000 000
R200000 000
R 0
R1034895 320
R231190 055
R141661 288
R320956 604
R233219 225
R89676 166
1
Water
Electricity
Property Rates
Sewerage
Refuse Removal
Other


Age Analysis By Customer Group
Other, R139444 904
Government, R139915 259
Households, R1542795 062
Business, R229443 433
Government
Business
Households
Other

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

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

There is a substantial portion of irrecoverable, stagnant debt that attracts interest every month. The municipality will process this debt and submit it to Council for approval for write off as and when verifications are concluded or after audit. 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 has approved revenue enhancement strategy 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.

7. Creditors' Analysis

Creditor Age Analysis March 2026						
Detail	**0 - 30 Days**	**31 - 60 Days**	**61 - 90 Days**	**91 - 120 Days**	**Over 1 Year**	**Total -**
Bulk Electricity	59 781 983	115 861 484	55 966 828	-	2 076 987 912	2 308 598 207
Loan repayments	-	-	-		-	-
Trade Creditors	7 861 409	2 478 615	765 022	2 742 533	-	13 847 579
Auditor General	10 855	95 063	259 815	630 270	-	996 003
DWS	898 718	898 715	975 253		23 589 322	26 362 008
WORKMENS COMPENSATION	-				-	-
GOVERNMENT GARAGE	-				-	-
Total	**68 552 965**	**119 333 877**	**57 966 918**	**3 372 803**	**2 100 577 234**	**2 349 803 797**

Bulk Electricity – As at the 31 March 2026, the outstanding debt owed to ESKOM amounted to R2 308 598 207. As per the Debt Relief approval, the municipality must honour the payment of the monthly current account. 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 R10 855. Other creditors – includes Sundry creditors which were unpaid as at 31 March 2026 amount to R8 760 127.

8. Investment portfolio analysis

Moqhaka Municipality				
Year End	30-Jul-26			
Section	Finance			
Compiled by	ID Mphosi			
Purpose	Investment Register			
The municipality holds the following investments with ABSA Bank.				

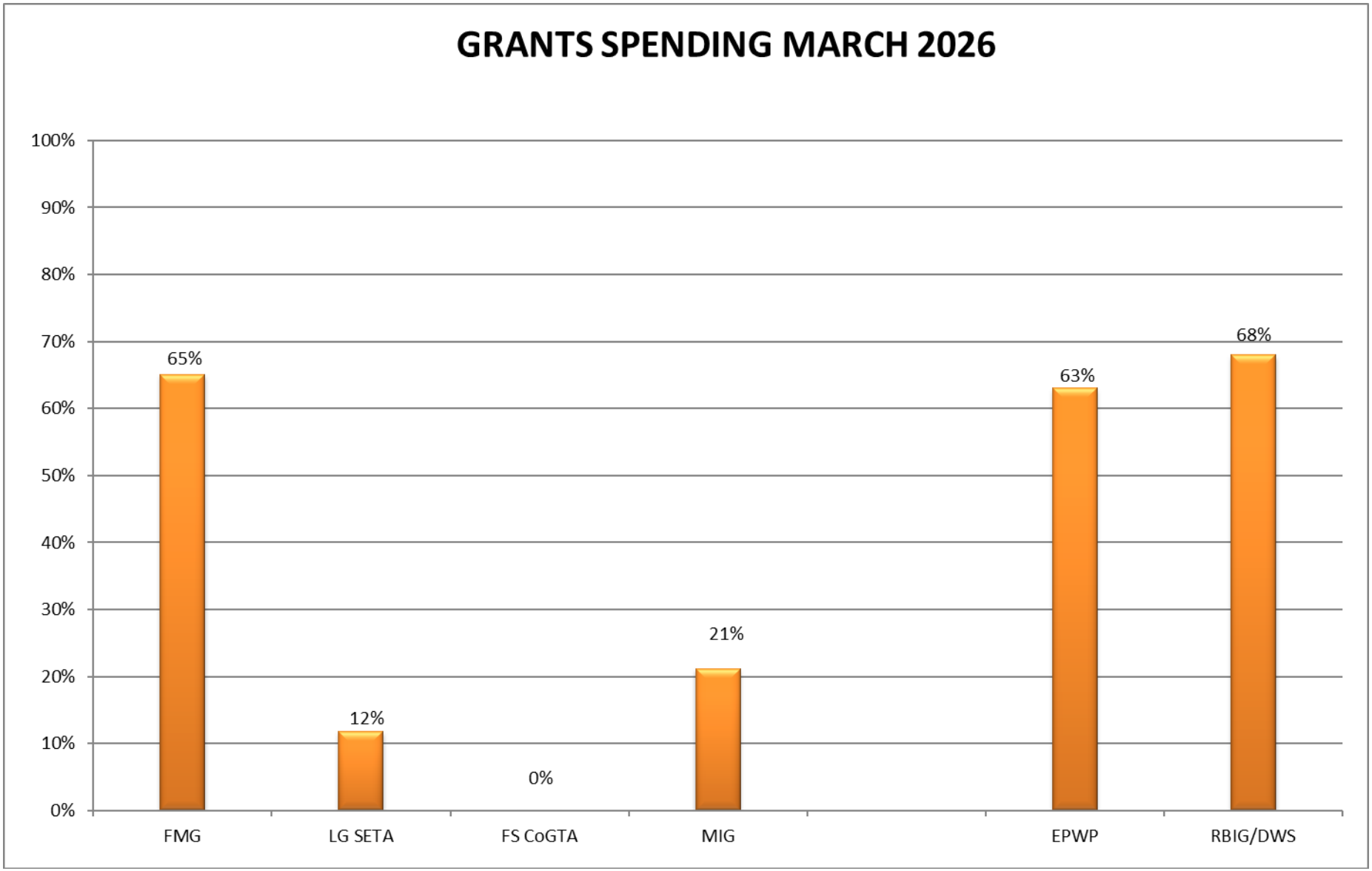
Detail	Bank Acc num	Type of investment	Vote num	
ABSA - 1	20-7531-4898	Fixed Deposit	34055053140ZZZZZZZWM	
ABSA - 2	20-5824-7882	Fixed Deposit	34055053040ZZZZZZZW	21 465 760,64
ABSA - 3	91-3190-1443	Call Account	34055053240ZZZZZZZWM	

	20-7531-4898	20-5824-7882	91-3190-1443	
	ABSA - 1	**ABSA - 2**	**ABSA - 3**	**Total**
Balance 01-Jul- 2025	**6 040,56**	**129 607,22**	**22 165 244,44**	**22 300 892,22**
Prior period error		-	-	-
Adjusted Balance	**6 040,56**	**129 607,22**	**16 165 244,44**	**16 300 892,22**
	-	-	**56 994 351,86**	**56 994 351,86**
Invested	-	-	120 595 000,00	**120 595 000,00**
Withdrawn	-	-	-64 000 000,00	**-64 000 000,00**
Interest earned	-	-	399 351,86	**399 351,86**
Balance at 31-Jul-2025	**6 040,56**	**129 607,22**	**73 159 596,30**	**73 295 244,08**
	109,47		8 205 548,02	8 205 657,49
Invested	-	-	35 336 519,94	35 336 519,94
Withdrawn	-	-	-27 500 000,00	**-27 500 000,00**
Interest earned	109,47	-	**369 028,08**	**369 137,55**
Balance at 31-Aug-2025	**6 150,03**	**129 607,22**	**81 365 144,32**	**81 500 901,57**
			-30 673 532,29	-30 673 532,29
Invested	-	-	10 500 000,00	10 500 000,00
Withdrawn	-	-	-41 500 000,00	-41 500 000,00
Interest earned	-	-	326 467,71	326 467,71
Balance at 30-Sep-2025	**6 150,03**	**129 607,22**	**50 691 612,03**	**50 827 369,28**
			-9 136 373,01	-9 136 373,01
Invested	-	-	30 600 000,00	30 600 000,00
Withdrawn	-	-	-40 000 000,00	-40 000 000,00
Interest earned	-	-	263 626,99	263 626,99
Balance at 31-Oct-2025	**6 150,03**	**129 607,22**	**41 555 239,02**	**41 690 996,27**

	102,93	11 059,79	-9 997 966,57	-9 986 803,85
Invested	-	-	18 800 000,00	18 800 000,00
Withdrawn	-	-	-29 002 241,75	-29 002 241,75
Interest earned	102,93	11 059,79	204 275,18	215 437,90
Balance at 30-Nov-2025	**6 252,96**	**140 667,01**	**31 557 272,45**	**31 704 192,42**
			25 958 783,01	25 958 783,01
Invested	-		120 500 000	120 500 000,00
Withdrawn	-		-94 900 000	-94 900 000,00
Interest earned	-		358 783,01	358 783,01
Balance at 31-Dec-2025	**6 252,96**	**140 667,01**	**57 516 055,46**	**57 662 975,43**
			-1 223 883,51	-1 223 883,51
Invested			25 000 000,00	25 000 000,00
Withdrawn			-26 500 000,00	-26 500 000,00
Interest earned			276 116,49	276 116,49
Balance at 31-Jan-2026	**6 252,96**	**140 667,01**	**56 292 171,95**	**56 439 091,92**
	99,77		-6 739 812,98	-6 739 713,21
Invested			38 500 000,00	38 500 000,00
Withdrawn			-45 500 000,00	-45 500 000,00
Interest earned	99,77		260 187,02	260 286,79
Balance at 28-Feb-2026	**6 352,73**	**140 667,01**	**49 552 358,97**	**49 699 378,71**
			119 039 962,41	119 039 962,41
Invested	-	-	156 651 762,80	156 651 762,80
Withdrawn	-	-	-38 201 762,80	-38 201 762,80
Interest earned	-	-	589 962,41	589 962,41
Interest accrued	-	-		
Balance at 31-Mar-2026	**6 352,73**	**140 667,01**	**168 592 321,38**	**168 739 341,12**

9. Allocation and grant receipts and expenditure

Report on conditional grants at	March 2026						
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)	RBIG	Water Services Infrastructure Grant (WSIG)	Total Capital Grants
DORA Allocation for the 2025/26	**2 300 000**						**-**
Unspent grants at beginning of the financial year		**2 530 931**					**-**
Received Prior Months	2 300 000	2 530 931	4 697 864	1 047 000	21 435 626	10 595 000	**37 775 490**
Received This Month	-	-	18 731 000	449 000	-	-	**19 180 000**
Total Funds Received	**2 300 000**	**2 530 931**	**23 428 864**	**1 496 000**	**21 435 626**	**10 595 000**	**56 955 490**
Spent Prior Months	1 390 817	249 263	3 498 192	852 316	21 435 626	3 786 687	**29 572 821**
Spent This Month	106 131	50 600	1 461 628	91 000	-	3 419 442	**4 972 070**
Grants refunded							**-**
Total Funds Spent	1 496 948	299 863	4 959 820	943 316	21 435 626	7 206 129	34 544 891
Total funds Received and Not Spent	**803 052**	**2 231 068**	**18 469 044**	**552 684**	**-**	**3 388 871**	**22 410 599**
Percentage of Funds Spent	65%	12%	21%	63%	100%	68%	61%


GRANTS SPENDING MARCH 2026
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
65%
12%
0%
21%
63%
68%
FMG
LG SETA
FS CoGTA
MIG
EPWP
RBIG/DWS

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

Description R thousands	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		**329 232**	**325 501**	**360 501**	**78 152**	**310 558**	**258 126**	**52 433**	**20,3%**	**360 501**
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		298 568	312 705	312 705	78 176	309 202	234 529	74 673	31,8%	312 705
Expanded Public Works Programme Integrated Grant		–	1 496	1 496	(130)	(130)	1 122	(1 252)	-111,6%	1 496
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–		–
Local Government Financial Management Grant		2 300	2 300	2 300	106	1 487	1 725	(238)	-13,8%	2 300
Municipal Disaster Relief Grant	3	–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		–	–	–	–	–	–	–		–
Regional Bulk Infrastructure Grant		28 364	9 000	44 000	–	–	20 750	(20 750)	-100,0%	44 000
Other transfers and grants [insert description]								–		
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Infrastructure Grant		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]								–		
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]								–		
Other grant providers:		**1 780**	**3 081**	**3 395**	**91**	**773**	**2 436**	(1 663)	-68,3%	**3 395**
ESKOM		–	–	–	–	–	–	–		–
National Economical Development and Labour Council		1 104	–	–	91	773	–	773		–
National Skills Fund		676	3 081	3 395	–	–	2 436	(2 436)	-100,0%	3 395
Total Operating Transfers and Grants	5	**331 012**	**328 582**	**363 896**	**78 243**	**311 331**	**260 562**	**50 769**	**19,5%**	**363 896**

- R1 8731 000 for MIG was received as Capital Grant for the month under revie with expenditure of R1 461 628 .
- 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

31 March 2026

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 2025/2026	Actual 31-Mar-26	YTD 31-Mar-26	% Exp
EMPLOYEE RELATED COST				
SENIOR MANAGEMENT				
SM - SALARIES ALLOW AND SERV BENEFITS				
MM - SALARIES ALLOW AND SERV BENEFITS				
SM MM: SAL & ALL - BASIC SALARY	1 094 538,00	0,00	546 428,70	**49,92**
SM MM: SAL & ALL - PERFORM BASED BONUS	156 963,00	0,00	0,00	**0,00**
SM MM: ALLOW - CELLULAR & TELEPHONE	34 911,00	0,00	21 000,00	**60,15**
SM MM: ALLOW - HOUSING BENEFITS	0,00	0,00	0,00	
SM MM: ALLOW - TRAVEL OR MOTOR VEHICLE	279 499,00	0,00	145 833,31	**52,18**
SM MM: SRB - LONG SERVICE	95 301,00	0,00	47 650,28	**50,00**
SUB TOTAL: MM - SAL ALLOW & SERV BENEF	**1 661 212,00**	**0,00**	**760 912,29**	**45,80**
CFO - SALARIES ALLOW AND SERV BENEFITS				
SM CFO: SAL & ALL - BASIC SALARY	473 592,00	-	-	-
SM CFO: SAL & ALL - PERFORM BASED BONUS	28 868,00	-	-	-
SM CFO: ALLOW - CELLULAR & TELEPHONE	3 491,00	-	-	-
SM CFO: ALLOW - HOUSING BENEFITS	-	-	-	-
SM CFO: ALLOW - TRAVEL OR MOTOR VEHICLE	29 093,00	-	-	-
SM CFO: SRB - ENTERTAINMENT	8 273,00	-	-	-
SM CFO: SRB - ACTING & POST RELATE ALLOW				
SUB TOTAL: CFO - SAL ALLOW & SERV BENEF	**543 317,00**	**0,00**	**0,00**	**0,00**
D01 - SALARIES ALLOW AND SERV BENEFITS				
SM D01: SAL & ALL - BASIC SALARY	1 992 332,00	62 596,90	509 013,05	**25,55**
SM D01: SAL & ALL - PERFORM BASED BONUS	57 846,00	0,00	0,00	**0,00**
SM D01: ALLOW - CELLULAR & TELEPHONE	12 000,00	1 000,00	9 000,00	**75,00**
SM D01: ALLOW - HOUSING BENEFITS	0,00	0,00	0,00	
SM D01: ALLOW - TRAVEL OR MOTOR VEHICLE	296 521,00	25 070,30	228 243,72	**76,97**
SM D01: SRB - ENTERTAINMENT	0,00	-	-	-
SM D01: SRB - ACTING & POST RELATE ALLOW				
SUB TOTAL: DTS - SAL ALLOW & SERV BENEF	**2 358 699,00**	**88 667,20**	**746 256,77**	**31,64**

DO2 - SALARIES ALLOW AND SERV BENEFITS				
SM D02: SAL & ALL - BASIC SALARY	860 513,00	71 047,55	636 018,40	**73,91**
SM D02: SAL & ALL - PERFORM BASED BONUS	0,00	0,00	0,00	
SM D02: ALLOW - CELLULAR & TELEPHONE	19 482,00	1 000,00	9 000,00	**46,20**
SM D02: ALLOW - HOUSING BENEFITS	109 157,00	0,00	0,00	**0,00**
SM D02: ALLOW - TRAVEL OR MOTOR VEHICLE	584 512,00	47 187,91	415 638,60	**71,11**
SM D02: ALLOW - ACCOM TRAVEL & INCIDENT.	-	-	-	
SM D02: SRB - ENTERTAINMENT	11 030,00	-	0,00	**0,00**
SM D02: SRB - ACTING & POST RELATE ALLOW	0,00	0,00	0,00	
SUB TOTAL: DPS - SAL ALLOW & SERV BENEF	**1 584 694,00**	**119 235,46**	**1 060 657,00**	**66,93**
DO3 - SALARIES ALLOW AND SERV BENEFITS				
SM D03: SAL & ALL - BASIC SALARY	470 945,00	-	-	**0,00**
SM D03: SAL & ALL - PERFORM BASED BONUS	28 240,00	-	-	**0,00**
SM D03: ALLOW - CELLULAR & TELEPHONE	2 845,00	-	-	**0,00**
SM D03: ALLOW - HOUSING BENEFITS	92 131,00	-	-	**0,00**
SM D03: ALLOW - TRAVEL OR MOTOR VEHICLE	52 321,00	-	-	**0,00**
SM D03: SRB - ENTERTAINMENT	-	-	-	
SM D03: SRB - ACTING & POST RELATE ALLOW	-	-	-	
SUB TOTAL: DCH - SAL ALLOW & SERV BENEF	**646 482,00**	**0,00**	**0,00**	**0,00**
DO4 - SALARIES ALLOW AND SERV BENEFITS				
SM D04: SAL & ALL - BASIC SALARY	986 330,00	-	-	**0,00**
SM D04: SAL & ALL - PERFORM BASED BONUS	8 600,00	-	-	**0,00**
SM D04: ALLOW - CELLULAR & TELEPHONE	9 000,00	-	-	**0,00**
SM D04: ALLOW - HOUSING BENEFITS	86 068,00	-	-	**0,00**
SM D04: ALLOW - TRAVEL OR MOTOR VEHICLE	63 948,00	-	-	**0,00**
SM D04: SRB - ENTERTAINMENT	-	-	-	
SUB TOTAL: DCS - SAL ALLOW & SERV BENEF	**1 153 946,00**			**0,00**
SUB TOTAL: SM - SAL ALLOW & SERV BENEF	**7 948 350,00**	**207 902,66**	**2 567 826,06**	**32,31**
SM - SOCIAL CONTRIBUTIONS				
MM - SOCIAL CONTRIBUTIONS				
SM MM: SOC CONTR: MEDICAL	72 276,00	0,00	0,00	**0,00**
SM MM: SOC CONTR: PENSION FUNDS	157 436,00	0,00	96 526,58	**61,31**

SM MM: SOC CONTR: UIF	2 547,00	0,00	1 239,84	**48,68**
SUB TOTAL: MM - SOCIAL CONTRIBUTIONS	**232 259,00**	**0,00**	**97 766,42**	**42,09**
CFO - SOCIAL CONTRIBUTIONS				
SM CFO: SOC CONTR: GROUP LIFE INSURANCE	-	-	-	-
SM CFO: SOC CONTR: MEDICAL	3 497,00	-	-	-
SM CFO: SOC CONTR: PENSION FUNDS	69 824,00	-	-	-
SM CFO: SOC CONTR: UIF	1 288,00	-	-	-
SM CFO: SOC CONTR: BARGAINING COUNCIL	-	-	-	-
SUB TOTAL: CFO - SOCIAL CONTRIBUTIONS	**74 609,00**	**0,00**	**0,00**	**0,00**
D01 - SOCIAL CONTRIBUTIONS				
SM D01: SOC CONTR: GROUP LIFE INSURANCE	0,00	0,00	0,00	
SM D01: SOC CONTR: MEDICAL	10 000,00	177,12	1 416,96	**14,17**
SM D01: SOC CONTR: PENSION FUNDS	151 541,00	11 267,44	100 563,68	**66,36**
SM D01: SOC CONTR: UIF	2 588,00	0,00	177,12	**6,84**
SM D01: SOC CONTR: BARGAINING COUNCIL	0,00	0,00	0,00	
SUB TOTAL: DTS - SOCIAL CONTRIBUTIONS	**164 129,00**	**11 444,56**	**102 157,76**	**62,24**
D02 - SOCIAL CONTRIBUTIONS				
SM D02: SOC CONTR: GROUP LIFE INSURANCE	0,00	0,00	0,00	
SM D02: SOC CONTR: MEDICAL	38 965,00	0,00	0,00	**0,00**
SM D02: SOC CONTR: PENSION FUNDS	74 671,00	0,00	0,00	**0,00**
SM D02: SOC CONTR: UIF	2 586,00	177,12	1 594,08	**61,64**
SM D02: SOC CONTR: BARGAINING COUNCIL	0,00	0,00	0,00	
SUB TOTAL: DPS - SOCIAL CONTRIBUTIONS	**116 222,00**	**177,12**	**1 594,08**	**1,37**
D03 - SOCIAL CONTRIBUTIONS				
SM D03: SOC CONTR: GROUP LIFE INSURANCE				
SM D03: SOC CONTR: MEDICAL	11 046,00	-	-	**0,00**
SM D03: SOC CONTR: PENSION FUNDS	-	-	-	
SM D03: SOC CONTR: UIF	640,00	-	-	**0,00**
SM D03: SOC CONTR: BARGAINING COUNCIL	-	-	-	
SUB TOTAL: DCH - SOCIAL CONTRIBUTIONS	**11 686,00**	**0,00**	**0,00**	**0,00**
SUB TOTAL: SM - SOCIAL CONTRIBUTIONS	**598 905,00**	**11 621,68**	**201 518,26**	**33,65**
SM - POST RETIREMENT BENEFITS				
SM: PRB - MED: CURRENT SERVICE COST				

SM: PRB - MED: INTEREST COST	5 250 508,00	0,00	1 916 712,84	**36,51**
SM: PRB - PENS: INTEREST COST	781 263,00	-	-	-
SUB TOTAL : SM - POST RETIREMENT BENEFIT	**6 031 771,00**	**0,00**	**1 916 712,84**	**31,78**
SM: PST RET BEN OBL CST CAP PPE				
SUB TOTAL : SM - COST CAPITALISED TO PPE				
SUB TOTAL : SENIOR MANAGEMENT	**14 579 026,00**	**219 524,34**	**4 686 057,16**	**32,14**
MUNICIPAL STAFF				
MS - SALARIES ALLOW AND SERV BENEFITS				
MS: SAL & ALL: BASIC SALARY & WAGES	283 804 649,00	21 365 224,19	193 627 993,49	**68,23**
MS: SAL & ALL: PERFORMANCE BASED BONUSES	109 714,00	17 463,62	72 320,67	**65,92**
MS: ALL - CELLULAR & TELEPHONE	941 659,00	39 550,00	434 357,96	**46,13**
MS: HB & INC: HOUSING BENEFITS	2 227 217,00	125 518,58	1 209 674,70	**54,31**
MS: ALL - LEAVE PAY	9 533 785,00	321 367,39	5 821 852,52	**61,07**
MS: ALL - TRAVEL OR MOTOR VEHICLE	27 547 616,00	1 904 848,81	17 503 099,62	**63,54**
MS: OVERTIME - NON STRUCTURED	50 703 762,00	3 241 700,27	35 838 770,74	**70,68**
MS: OVERTIME - STRUCTURED	59 072,00	0,00	3 292,83	**5,57**
MS: PAYMENTS - SHIFT ADD REMUNERATIO	-	-	-	
MS: SRB - ANNUAL BONUS	28 073 353,00	641 540,20	16 059 729,01	**57,21**
MS: SRB - LONG SERVICE AWARD	0,00	0,00	0,00	
MS: SRB - STANDBY ALLOWANCE	14 500 058,00	584 733,01	6 748 316,64	**46,54**
MS: IN-KIND BENEFITS	3 545,00	-	-	**0,00**
MS: SRB - NON PENSIONABLE	1 840,00	-	-	**0,00**
MS: SRB - LSA CURR SERV	4 060 860,00	549 625,10	5 126 866,00	**126,25**
SUB TOTAL : MS - SAL ALLOW & SERV BENEF	**421 567 130,00**	**28 791 571,17**	**282 446 274,18**	**67,00**
MS - SOCIAL CONTRIBUTIONS				
MS: SOC CONTR - BARGAINING COUNCIL	174 369,00	11 684,05	105 294,60	**60,39**
MS: SOC CONTR - GROUP LIFE INSURANCE	1 371 149,00	83 963,93	772 995,41	**56,38**
MS: SOC CONTR - MEDICAL	30 475 355,00	2 578 553,90	22 203 765,73	**72,86**
MS: SOC CONTR - PENSION	48 991 970,00	3 895 490,97	35 214 156,53	**71,88**
MS: SOC CONTR - UNEMPLOYMENT INSUR FUND	2 571 920,00	165 192,56	1 497 854,16	**58,24**
SUB TOTAL : MS - SOCIAL CONTRIBUTIONS	**83 584 763,00**	**6 734 885,41**	**59 794 066,43**	**71,54**
MS: PRB - MED: CURRENT SERVICE COST				
MS: PRB - MED: INTEREST COST	4 689 734,00	481 270,51	923 764,77	19,70

MS: PRB - PENS: INTEREST COST				

MS: PRB - OTHER: LEAVE GRATUITY		0,00	0,00	
SUB TOTAL : MS - POST RETIREMENT BEN	**4 689 734,00**	**481 270,51**	**923 764,77**	**19,70**
MS - COST CAPITALISED TO PPE				
MS: IN-KIND BENEFITS CST CAP PPE	461 741,00	1 197,50	28 134,13	**6,09**
SUB TOTAL : MS - COST CAPITALISED TO PPE	**461 741,00**	**1 197,50**	**28 134,13**	**6,09**
SUB TOTAL : MUNICIPAL STAFF	**510 303 368,00**	**36 008 924,59**	**343 192 239,51**	**67,25**
SUB TOTAL : EMPLOYEE RELATED COST	**524 882 394,00**	**36 228 448,93**	**347 878 296,67**	**66,28**

31 March 2026

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

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

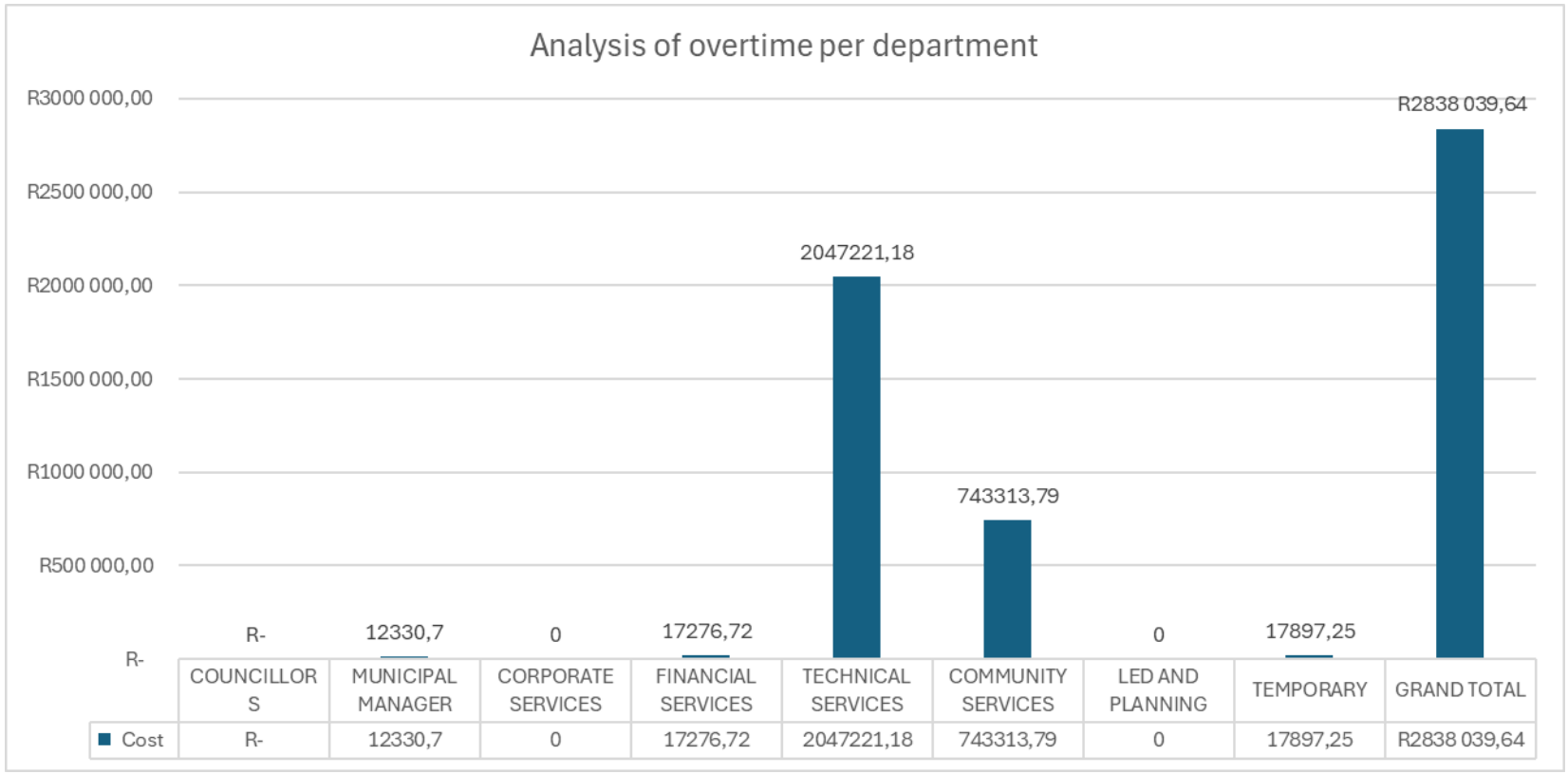
Analysis of overtime per department

	31-Mar-26	
Description	**Hours**	**Cost**
Municipal Manager	83	12330,7
Corporate Services	0,00	0
Financial Services	37,00	17276,72
Technical Services	13928,14	2047221,18
Community Services	3755,50	743313,79
LED & Planning	0,00	0
Temporary	115,00	17897,25
Total	**17 919**	**2 838 040**

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.


Analysis of overtime per department
R3000 000,00
R2500 000,00
R2000 000,00
R1500 000,00
R1000 000,00
R500 000,00
R-
R-
12330,7
0
17276,72
2047221,18
743313,79
0
17897,25
R2838 039,64
COUNCILLORS
MUNICIPAL MANAGER
CORPORATE SERVICES
FINANCIAL SERVICES
TECHNICAL SERVICES
COMMUNITY SERVICES
LED AND PLANNING
TEMPORARY
GRAND TOTAL
Cost
R-
12330,7
0
17276,72
2047221,18
743313,79
0
17897,25
R2838 039,64

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

Summary of Employee and Councillor remuneration R thousands	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4 043	7 774	16 914	1 579	9 865	9 487	379	4%	16 914
Pension and UIF Contributions		1 756	1 934	831	20	301	1 009	(708)	-70%	831
Medical Aid Contributions		752	1 255	899	63	562	799	(236)	-30%	899
Motor Vehicle Allowance		13 760	14 795	6 059	477	4 083	7 602	(3 519)	-46%	6 059
Cellphone Allowance		2 105	3 031	2 250	172	1 548	1 961	(413)	-21%	2 250
Housing Allowances								–		
Other benefits and allowances		28	695	1 429	157	1 089	815	274	34%	1 429
Sub Total - Councillors		**22 444**	**29 484**	**28 381**	**2 468**	**17 448**	**21 672**	**(4 224)**	**-19%**	**28 381**
% increase	4		**31,4%**	**26,5%**						**26,5%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		1 702	5 827	5 878	134	1 691	4 391	(2 699)	-61%	5 878
Pension and UIF Contributions		266	500	463	11	200	360	(160)	-44%	463
Medical Aid Contributions		–	214	136	0	1	129	(128)	-99%	136
Overtime								–		
Performance Bonus		127	338	281	–	–	230	(230)	-100%	281
Motor Vehicle Allowance		953	1 258	1 306	72	790	963	(173)	-18%	1 306
Cellphone Allowance		62	87	82	2	39	63	(24)	-38%	82
Housing Allowances		–	379	287	–	–	248	(248)	-100%	287
Other benefits and allowances		–	–	–	–	–	–	–		–
Payments in lieu of leave								–		
Long service awards		–	–	95	–	48	38	10	25%	95
Post-retirement benefit obligations	2	26 574	6 032	6 032	–	1 917	4 524	(2 607)	-58%	6 032
Entertainment		1	28	19	–	–	17	(17)	-100%	19
Scarcity								–		
Acting and post related allowance								–		
In kind benefits								–		
Sub Total - Senior Managers of Municipality		**29 685**	**14 661**	**14 579**	**220**	**4 686**	**10 963**	**(6 277)**	**-57%**	**14 579**
% increase	4		**-50,6%**	**-50,9%**						**-50,9%**
Other Municipal Staff										
Basic Salaries and Wages		249 693	258 252	283 805	21 365	193 628	203 910	(10 282)	-5%	283 805
Pension and UIF Contributions		47 250	49 648	52 935	4 145	37 485	38 551	(1 066)	-3%	52 935
Medical Aid Contributions		28 691	28 189	30 475	2 579	22 204	22 057	147	1%	30 475
Overtime		38 218	31 753	50 763	3 242	35 842	31 419	4 423	14%	50 763
Performance Bonus		20 335	22 739	28 183	659	16 132	19 232	(3 100)	-16%	28 183
Motor Vehicle Allowance		21 447	25 557	27 548	1 905	17 503	19 964	(2 461)	-12%	27 548
Cellphone Allowance		493	800	942	40	434	657	(223)	-34%	942
Housing Allowances		1 722	2 091	2 227	126	1 210	1 623	(413)	-25%	2 227
Other benefits and allowances		4 879	4 615	14 676	596	6 854	7 486	(633)	-8%	14 676
Payments in lieu of leave		8 351	4 316	9 534	321	5 822	5 324	498	9%	9 534
Long service awards		2 009	1 953	4 061	550	5 127	2 308	2 819	122%	4 061
Post-retirement benefit obligations	2	15	4 690	4 690	481	924	3 517	(2 594)	-74%	4 690
Entertainment								–		
Scarcity								–		
Acting and post related allowance								–		
In kind benefits		–	4	4	–	–	3	(3)	-100%	4
Sub Total - Other Municipal Staff		**423 103**	**434 606**	**509 842**	**36 008**	**343 164**	**356 051**	**(12 887)**	**-4%**	**509 842**
% increase	4		**2,7%**	**20,5%**						**20,5%**
Total Parent Municipality		**475 232**	**478 752**	**552 801**	**38 695**	**365 299**	**388 686**	**(23 388)**	**-6%**	**552 801**

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 2025/26 MTREF.

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

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

Material variances pertaining to financial performance are primarily addressed in the Executive summary under Sections 4.1 to 4.3 or emphasised elsewhere in this Monthly Budget Statement. Any other material variances to the SDBIP will be included in the quarterly Section 52 (d) report for the period ending 31 March 2026.

12. Capital programme performance.

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.moqhaka.gov.za

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

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

The following are the budget and other financial issues:

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

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

15. Annexure A: C-schedules

FS201 Moqhaka - Table C1 Monthly Budget Statement Summary - M09 March

Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	93 605	94 806	98 716	8 234	74 027	72 669	1 358	2%	98 716
Service charges	723 166	876 199	878 094	64 230	596 580	657 907	(61 327)	-9%	878 094
Investment revenue	39	63	63	–	–	47	(47)	-100%	63
Transfers and subsidies - Operational	331 012	328 582	363 896	78 243	311 331	260 562	50 769	0	363 896
Other own revenue	123 780	115 341	121 521	10 507	94 187	88 978	5 209	6%	121 521
Total Revenue (excluding capital transfers and contributions)	**1 271 602**	**1 414 991**	**1 462 290**	**161 213**	**1 076 124**	**1 080 162**	**(4 038)**	**-0%**	**1 462 290**
Employee costs	452 951	449 410	524 882	36 228	347 878	367 249	(19 371)	-5%	524 882
Remuneration of Councillors	22 444	29 484	28 381	2 468	17 448	21 672	(4 224)	-19%	28 381
Depreciation and amortisation	112 242	10 305	10 305	–	–	7 729	(7 729)	-100%	10 305
Interest	99 037	8 790	8 790	550	4 950	6 593	(1 643)	-25%	8 790
Inventory consumed and bulk purchases	504 814	454 759	366 545	6 194	88 086	304 762	(216 676)	-71%	366 545
Transfers and subsidies	244	1 095	1 095	–	35	821	(786)	-96%	1 095
Other expenditure	506 333	432 991	512 593	29 703	213 372	360 823	(147 451)	-41%	512 593
Total Expenditure	**1 698 065**	**1 386 834**	**1 452 592**	**75 143**	**671 770**	**1 069 650**	**(397 879)**	**-37%**	**1 452 592**
Surplus/(Deficit)	**(426 463)**	**28 157**	**9 698**	**86 070**	**404 354**	**10 513**	**393 841**	**3746%**	**9 698**
Transfers and subsidies - capital (monetary	48 042	66 532	66 532	4 881	8 280	49 899	###	-83%	66 532
Transfers and subsidies - capital (in-kind)	14	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(378 407)**	**94 689**	**76 230**	**90 951**	**412 634**	**60 412**	**352 222**	**583%**	**76 230**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(378 407)**	**94 689**	**76 230**	**90 951**	**412 634**	**60 412**	**352 222**	**583%**	**76 230**
Capital expenditure & funds sources									
Capital expenditure	**4 900**	**95 021**	**85 879**	**2 277**	**26 795**	**64 406**	**(37 611)**	**-58%**	**85 879**
Capital transfers recognised	136	66 532	54 344	2 337	6 463	41 774	(35 310)	-85%	54 344
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**4 763**	**28 489**	**31 535**	**(60)**	**20 332**	**22 632**	**(2 300)**	**-10%**	**31 535**
Total sources of capital funds	**4 900**	**95 021**	**85 879**	**2 277**	**26 795**	**64 406**	**(37 611)**	**-58%**	**85 879**
Financial position									
Total current assets	799 221	467 905	467 905		1 204 572				467 905
Total non current assets	1 940 457	3 107 101	3 097 959		1 920 573				3 097 959
Total current liabilities	1 974 643	538 944	538 944		2 017 231				538 944
Total non current liabilities	152 821	73 466	73 466		152 821				73 466
Community wealth/Equity	**1 453 965**	**2 967 331**	**2 982 255**		**956 720**				**2 982 255**
Cash flows									
Net cash from (used) operating	(87 585)	(379 265)	(379 265)	(70 385)	(365 330)	(284 448)	80 882	-28%	(379 265)
Net cash from (used) investing	(7 184)	(86 529)	(86 529)	(2 276)	(26 948)	(64 897)	(37 948)	58%	(86 529)
Net cash from (used) financing	(1 677)	(2 121)	(2 121)	(332)	(2 419)	(1 591)	828	-52%	(2 121)
Cash/cash equivalents at the month/year end	**(106 351)**	**(492 678)**	**(492 678)**	**(417 855)**	**(417 855)**	**(375 700)**	**42 155**	**-11%**	**(491 072)**
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**

FS201 Moqhaka - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 March

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		**429 619**	**335 761**	**338 124**	**61 855**	**296 078**	**252 766**	43 312	17%	**338 124**
Executive and council		313 681	215 840	215 840	52 484	209 034	161 880	47 153	29%	215 840
Finance and administration		115 938	119 921	122 284	9 371	87 044	90 886	(3 841)	-4%	122 284
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**12 176**	**26 179**	**26 571**	**884**	**7 752**	**19 791**	(12 039)	-61%	**26 571**
Community and social services		1 816	3 730	3 730	148	1 437	2 797	(1 360)	-49%	3 730
Sport and recreation		2 356	3 511	3 272	438	2 416	2 538	(122)	-5%	3 272
Public safety		3 211	5 123	5 170	129	576	3 861	(3 285)	-85%	5 170
Housing		4 792	13 815	14 399	169	3 324	10 595	(7 271)	-69%	14 399
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**48 520**	**51 052**	**50 845**	**1 694**	**5 310**	**38 206**	(32 897)	-86%	**50 845**
Planning and development		1 932	1 773	1 566	141	1 173	1 247	(74)	-6%	1 566
Road transport		46 589	49 164	49 164	1 553	4 137	36 873	(32 736)	-89%	49 164
Environmental protection		–	115	115	–	–	86	(86)	-100%	115
Trading services		**836 763**	**1 083 491**	**1 122 635**	**101 335**	**772 713**	**828 276**	**(55 563)**	-7%	**1 122 635**
Energy sources		440 915	575 441	575 512	44 640	406 812	431 609	(24 797)	-6%	575 512
Water management		241 620	306 472	341 472	30 850	196 903	243 854	(46 951)	-19%	341 472
Waste water management		90 301	116 972	121 046	14 854	97 878	89 359	8 520	10%	121 046
Waste management		63 926	84 606	84 606	10 992	71 119	63 454	7 665	12%	84 606
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Revenue - Functional	2	**1 327 078**	**1 496 483**	**1 538 174**	**165 769**	**1 081 852**	**1 139 038**	**(57 186)**	**-5%**	**1 538 174**

FS201 Moqhaka - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 March

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure - Functional										
Governance and administration		**430 219**	**369 217**	**401 250**	**21 440**	**223 016**	**289 695**	(66 679)	-23%	**401 250**
Executive and council		93 305	116 725	121 537	6 211	74 791	89 483	(14 691)	-16%	121 537
Finance and administration		332 818	247 021	274 207	14 854	144 784	196 095	(51 311)	-26%	274 207
Internal audit		4 096	5 471	5 506	376	3 441	4 117	(676)	-16%	5 506
Community and public safety		**112 790**	**131 037**	**136 461**	**8 778**	**80 108**	**100 424**	(20 316)	-20%	**136 461**
Community and social services		17 457	19 911	20 565	1 049	8 952	15 204	(6 253)	-41%	20 565
Sport and recreation		46 140	54 314	56 223	3 794	32 744	41 466	(8 722)	-21%	56 223
Public safety		40 581	46 363	49 178	3 184	31 366	35 899	(4 533)	-13%	49 178
Housing		8 612	10 448	10 494	751	7 046	7 854	(809)	-10%	10 494
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**98 769**	**73 339**	**93 368**	**5 401**	**51 698**	**66 278**	(14 580)	-22%	**93 368**
Planning and development		9 741	13 203	13 659	861	7 657	10 085	(2 428)	-24%	13 659
Road transport		86 206	55 796	74 959	4 288	41 867	52 763	(10 895)	-21%	74 959
Environmental protection		2 822	4 339	4 751	252	2 174	3 430	(1 256)	-37%	4 751
Trading services		**1 054 970**	**809 881**	**818 174**	**39 436**	**316 088**	**610 741**	**(294 654)**	-48%	**818 174**
Energy sources		584 377	522 453	475 502	9 735	119 431	373 060	(253 629)	-68%	475 502
Water management		224 254	125 979	163 692	16 070	86 734	109 570	(22 835)	-21%	163 692
Waste water management		139 159	78 647	85 734	8 218	59 408	61 820	(2 412)	-4%	85 734
Waste management		107 180	82 802	93 247	5 413	50 514	66 292	(15 777)	-24%	93 247
Other		**1 316**	**3 361**	**3 339**	**88**	**861**	**2 512**	**(1 651)**	**-66%**	**3 339**
Total Expenditure - Functional	**3**	**1 698 065**	**1 386 834**	**1 452 592**	**75 143**	**671 770**	**1 069 650**	**(397 880)**	**-37%**	**1 452 592**
Surplus/ (Deficit) for the year		**(370 987)**	**109 649**	**85 583**	**90 625**	**410 082**	**69 388**	**340 694**	**4,909967**	**85 583**

FS201 Moqhaka - Table C6 Monthly Budget Statement - Financial Position - M09 March

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		(23 158)	2 905	2 905	118 669	2 905
Trade and other receivables from exchange transactions		640 991	247 218	247 218	853 208	247 218
Receivables from non-exchange transactions		71 173	43 806	43 806	81 157	43 806
Current portion of non-current receivables						
Inventory		82 169	105 427	105 427	77 791	105 427
VAT		5 333	35 960	35 960	50 933	35 960
Other current assets		22 711	32 588	32 588	22 814	32 588
Total current assets		**799 221**	**467 905**	**467 905**	**1 204 572**	**467 905**
Non current assets						
Investments		390	289	289	390	289
Investment property		123 200	204 203	204 203	123 200	204 203
Property, plant and equipment		1 804 754	2 895 342	2 886 200	1 784 870	2 886 200
Biological assets						
Living and non-living resources						
Heritage assets		7 754	2 743	2 743	7 754	2 743
Intangible assets		4 359	4 525	4 525	4 359	4 525
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets						
Total non current assets		**1 940 457**	**3 107 101**	**3 097 959**	**1 920 573**	**3 097 959**
TOTAL ASSETS		**2 739 677**	**3 575 006**	**3 565 864**	**3 125 145**	**3 565 864**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	(2 121)	(2 121)	(3 372)	(2 121)
Consumer deposits		15 564	14 338	14 338	16 270	14 338
Trade and other payables from exchange transactions		1 761 044	507 185	507 185	1 676 840	507 185
Trade and other payables from non-exchange transactions		6 343	–	–	68 992	–
Provision		184 493	71 434	71 434	184 493	71 434
VAT		7 199	(51 892)	(51 892)	74 008	(51 892)
Other current liabilities		–	–	–	–	–
Total current liabilities		**1 974 643**	**538 944**	**538 944**	**2 017 231**	**538 944**
Non current liabilities						
Financial liabilities		9 582	29 047	29 047	9 582	29 047
Provision		143 239	44 419	44 419	143 239	44 419
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		**152 821**	**73 466**	**73 466**	**152 821**	**73 466**
TOTAL LIABILITIES		**2 127 465**	**612 409**	**612 409**	**2 170 053**	**612 409**
NET ASSETS	2	**612 213**	**2 962 597**	**2 953 455**	**955 092**	**2 953 455**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 453 965	2 965 980	2 980 904	956 720	2 980 904
Reserves and funds		–	1 351	1 351	–	1 351
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**1 453 965**	**2 967 331**	**2 982 255**	**956 720**	**2 982 255**

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	Mar'26
Period	2025/26
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*	Does not have function
2	6.12.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Does not have function
3	6.12.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	Does not have function
4	6.3.1	- Has the municipality paid its ***Eskom bulk current account*** within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? ***Note -*** *current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.*	No
5	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Yes

6	6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	Yes
	6.4	**Compliance with a funded MTREF –** ***(choose from drop down list the MTREF assessed)***	2025/26 Adopted MTREF
7	6.4.1	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx?	No
8	6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes
9	6.4.1	- Has the municipality made adequate provision for debt impairment *(considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget)* on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes
		***Note** - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also propert rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".*	
10	6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment *(considering its asset register and physical state of assets)* on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes
		***Note** - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".*	

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

15	6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	Yes
16	6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	Yes
17	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.	No
18	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? ***Note** – the municipality's monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.*	Yes
	6.6	***Supporting evidence**: The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.*	
	6.7	**Maintain a minimum average quarterly collection of property rates and services charges –**	
19	6.7.1	- Has the municipality achieved a minimum of *80 per cent average quarterly collection* of property rates and service charges **with effect from 01 April 2023** and *85 per cent average quarterly collection* **with effect from 01 April 2024** during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	No

		***Note** - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.*	
	6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, **has the municipality demonstrated to the satisfaction of National Treasury the following** :	
20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1; Yes	
21	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)? Yes	
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure? Yes	
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process? No	
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter? Yes	

25	6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	Yes
	6.8	**Municipality's Completeness of the revenue base –**	
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer?	Yes
27	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? ***Note*** *- monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement*	N/a
28	6.8.2	- **For the latest ending Quarte**r -Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://lguploadportal.treasury.gov.za?	Yes
	6.9	**Monitor and report on implementation –**	
29	6.9.1	**- MFMA section 71 reporting –** has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes
30	6.9.2	- If progress is slow in terms of paragraph 6.9.1, is the **active intervention evident** from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? ***Note*** *- condition 6.9.2 has a typing error and must refer to 6.9.1.*	Yes
31	6.9.3	- **Municipalities with financial recovery plans (FRP)** – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	

			Yes
32	6.9.4	- If the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Yes
		Note - a municipality with a FRP may only benefit from the Municipal Debt Support programme if the FRP progress report was submitted to both the Provincial Executive and MFRS.	
	6.10	*Provincial Treasury Note - Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless:*	
33	6.10.1	- has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	Yes
34	6.10.2	- has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the **conditions for provincial treasuries** (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za? ***Note -*** *in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.*	Yes
35	6.10.3	- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the **conditions for provincial treasuries** (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?	Yes

		Note *- if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.*	
36	**6.11**	**Limitation on municipality borrowing powers -** has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?	No
		Note *- there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. NT confirms that MFMA Circular No. 124: condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans (entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short term borrowing, including making use of an overdraft for in-year bridging purposes are not considered within the ambit of this condition.*	
	6.12	**For the duration of the Municipal Debt Relief (to ensure proper management of resources):**	
37	6.12.1	- has the municipality **apportioned and ring-fenced in a sub-account** to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) **the component of the** Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	No
38	6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	No
		Note: *Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.8(3).*	
39		***Supporting evidence***: Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	No

40	6.13	**Accounting Treatment -** has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? ***Note** - to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.*	No
41	6.14	'NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	No
		***Note:** By applying for Municipal Debt Relief as set-out in paragraph 3. of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 17 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 8 of the Municipal Systems Act, 2000, including the necessary service delivery agreement aligning with the Municipal Systems Act, 2000 and Electricity Regulation Act, 2006. In terms of the conditions of government's wider support to Eskom, Eskom will once again have to enforce its credit control and debt collection policies also in relation to the municipality's arrears that are the subject of municipal debt relief, etc.*	

PT: HOD/ NT / MM Name: _____

Signature of HOD/ NT/ MM: _____

Date: _____

*** Note** – *if the official is signing on behalf of the Head of the Provincial Treasury (HOD) / Municipal Manager, the written procuration of the HOD / MM must be attached as an Annexure to this Certificate of Compliance.*

***Note – The Signed Certificate to be uploaded on Gomuni must not include comments column - comments need to be incoporated into the related PT report*

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

There are 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 February 2026 is attached to this S71 report.

Enquiries: Mr. SD Mokhele
Email: Mokheles@treasury.fs.gov.za
Reference: Revenue & Debt Management

treasury
Department of Treasury
FREE STATE PROVINCE

Ms. Ogalaletseng Gaarekwe
Deputy Director-General
Intergovernmental Relations
National Treasury
40 Church Square
PRETORIA
0001

Mr Papiki Ngesi
Municipal Manager
Moqhaka Local Municipality
PO Box 302
KROONSTAD
9500

Dear Ms. Gaarekwe and Mrs. Tshabalala

MUNICIPAL DEBT RELIEF COMPLIANCE CERTIFICATE FOR THE PERIOD DECEMBER 2023 TO FEBRUARY 2026 - FS 201: MOQHAKA LOCAL MUNICIPALITY.

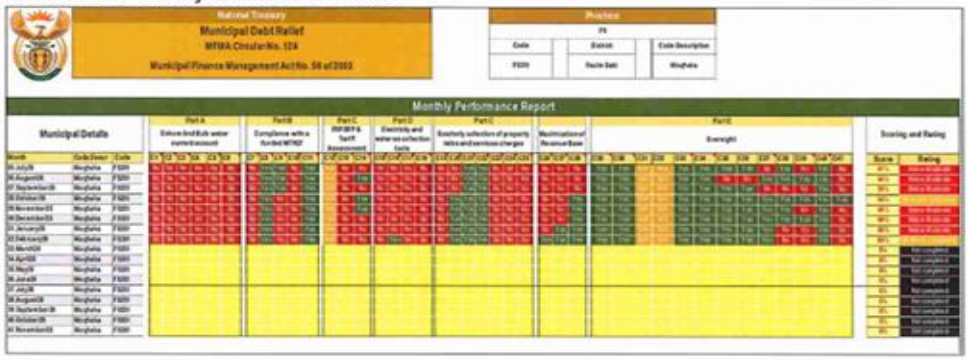
1. The above-mentioned subject matter has reference.

2. In accordance with Municipal Debt Relief Circular No. 124, the Provincial Treasury is required to confirm and certify, within 20 working days of the end of each month, the adherence of each delegated municipality with the condition 6.1 to 6.14 of Debt Relief as part of the Provincial Treasury's (PT) report to the National Treasury (NT).

3. If a delegated municipality did not meet any conditions during a specific month, the Provincial Treasury's certificate of compliance must include a report detailing the non-compliance and the progressive support measures instituted by both the Provincial Treasury and the municipality to enhance adherence to the conditions.

   Condition 6.1 - Municipality Non-Compliance: In the debt relief conditions compliance certificate, Moqhaka Municipality received an overall score of 54% for the period ending February 2026, which shows a slight increase when compared to the previous month's score of 49%. The main contributors are non-submission of restriction of water supply for defaulters, non-payment of Eskom current account and non-submission of cost reflective tools on the GoMuni portal. The performance sheet in the table below shows the municipality's overall debt relief compliance performance across the months of its debt relief cycle.

Table 1: February 2026 certificate


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

Province
FS
Code | District | Code Description
FS20 | Fezile Dabi | Moqhaka

Monthly Performance Report

Municipal Details | Part A: Eskom bulk water current account | Part B: Compliance with a funded MTREF | Part C: IDP/BTO & Tariff Assessment | Part D: Electricity and water service delivery | Part E: Quarterly collection of property rates and services charges | Part F: Maximisation of Revenue Base | Part G: Oversight | Scoring and Rating

Month | Code Direct | Code | Score | Rating

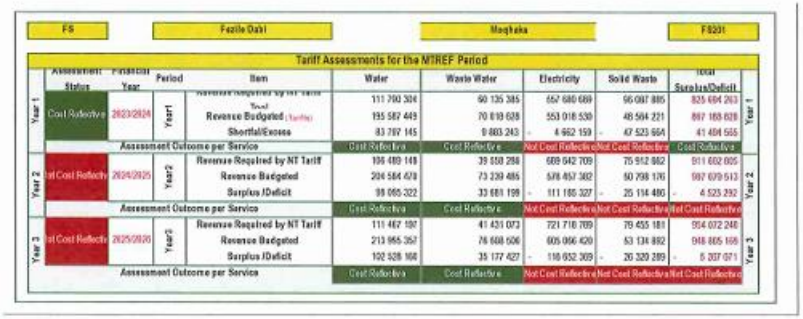
Month	Code Direct	Code	Score	Rating
01-July-25	Moqhaka	FS203	40%	Status at 30 June 2025
02-August-25	Moqhaka	FS203	40%	Status at 30 June 2025
03-September-25	Moqhaka	FS203	20%	Status at 30 June 2025
04-October-25	Moqhaka	FS203	90%	
05-November-25	Moqhaka	FS203	40%	Status at 30 June 2025
06-December-25	Moqhaka	FS203	40%	Status at 30 June 2025
07-January-26	Moqhaka	FS203	20%	Status at 30 June 2025
08-February-26	Moqhaka	FS203	80%	
09-March-26	Moqhaka	FS203	0%	Not compliant
10-April-26	Moqhaka	FS203	0%	Not compliant
11-May-26	Moqhaka	FS203	0%	Not compliant
12-June-26	Moqhaka	FS203	0%	Not compliant
13-July-26	Moqhaka	FS203	0%	Not compliant
14-August-26	Moqhaka	FS203	0%	Not compliant
15-September-26	Moqhaka	FS203	0%	Not compliant
16-October-26	Moqhaka	FS203	0%	Not compliant
17-November-26	Moqhaka	FS203	0%	Not compliant

Condition 6.3 - Maintaining the Eskom Bulk Current Account: In accordance with requirement 6.3.1 of the debt relief conditions, Moqhaka municipality did not fully comply with the requirement in maintaining its Eskom bulk current account in line with MFMA s65(2)(e) and Circular 124. As at 28 February 2026 the creditor analysis indicates that the outstanding debt owed by the municipality to Eskom amounts to R2 248 billion, reflecting an increase of R55 million from the previous period. The municipality reported a payment of R10 million in the Section 71 MFMA narrative report and uploaded proof of payment on the GoMuni portal. The Provincial Treasury recommends that the municipality urgently prioritise payment of current account, strengthen credit control and revenue collection measure and implement Eskom repayment plan to curb the continued growth of debt.

Condition 6.4 - A funded MTREF: The municipality's adjusted budget for 2025/2026 MTREF remains unfunded, despite reflecting surplus position in the A4 schedule. This surplus is not a true reflection of the municipality's financial position, as the funding plan indicates that the budget is still funded. Although a budget funding plan for 2025/2026 to 2027/2028 MTREF has been developed it is still in draft form and requires implementation to address the municipality's financial sustainability challenges.

Condition 6.5 - Cost reflective tariffs: The cost reflective tariff assessment indicates that the municipality has not yet achieved full cost reflectivity across all services, while water and wastewater show cost reflective outcomes, electricity and solid waste remain not fully cost reflective posing a risk to the municipality's financial sustainability. It is further noted that the final tariff tool for 2025/26 was not uploaded on GoMuni despite support provided by National Treasury and Provincial Treasury. The

municipality is advised to develop and include a clear strategy to phase in cost reflective tariffs in the upcoming 2026/27 tabled and adopted budget narratives.



FS	Fezile Dabi	Maqhaka	FS201

Tariff Assessments for the MTREF Period

	Assessment Status	Financial Year	Period	Item	Water	Waste Water	Electricity	Solid Waste	Total Surplus/Deficit	
Year 1	Cost Reflective	2023/2024	Year1	Revenue Budgeted (Tariffs)	111 700 304	90 135 385	557 680 669	95 097 885	825 694 263	Year 1
				Revenue Budgeted	195 582 449	70 619 628	553 018 539	48 584 221	867 188 628	
				Shortfall/Excess	83 797 145	9 883 243	- 4 662 159	- 47 523 664	41 494 565	
				Assessment Outcome per Service	Cost Reflective	Cost Reflective	Not Cost Reflective	Not Cost Reflective	Cost Reflective	
Year 2	Not Cost Reflecti	2024/2025	Year2	Revenue Required by NT Tariff	196 489 148	39 558 286	608 642 709	75 952 862	911 652 005	Year 2
				Revenue Budgeted	294 584 670	73 239 486	578 457 302	50 798 176	997 079 513	
				Surplus /Deficit	98 095 522	33 681 199	- 111 185 327	- 25 154 486	- 4 523 292	
				Assessment Outcome per Service	Cost Reflective	Cost Reflective	Not Cost Reflective	Not Cost Reflective	Not Cost Reflective	
Year 3	Not Cost Reflecti	2025/2026	Year3	Revenue Required by NT Tariff	111 467 197	41 431 073	721 718 709	79 455 181	954 072 248	Year 3
				Revenue Budgeted	213 965 357	76 608 606	605 066 420	53 134 892	948 805 166	
				Surplus /Deficit	102 528 160	35 177 427	- 116 652 309	- 26 320 289	- 5 267 071	
				Assessment Outcome per Service	Cost Reflective	Cost Reflective	Not Cost Reflective	Not Cost Reflective	Not Cost Reflective	

Condition 6.6 - Electricity and water as collection tools:

The municipality must physically restrict the monthly supply of electricity and water of defaulting consumer/property owner registered as an indigent to the monthly national basic free electricity- and water limits of 50 kW electricity and 6 Kl water. The municipality has implemented electricity disconnections and submitted a detailed disconnection list for the month under review, which includes the minimum required information such as account details, outstanding balances and arrears, demonstrating progress in enforcing credit control measures. However, the municipality did not submit evidence of water restriction measures for defaulting consumers. The municipality should ensure that both electricity disconnections and water restriction mechanisms are consistently implemented and reported to improve revenue collection and support its ability to meet Eskom bulk payment obligations.

Conditions 6.7 - Maintain a minimum average quarterly collection of property rates and services charges:

Comparison of Collection Performance (February vs January 2026)

Category	January 2026	February 2026	Movement
Overall	50%	45%	⬇ Declined
Electricity	67%	58%	⬇ Declined Significantly
Water	23%	26%	⬆ Slight improvement

The municipality's collection performance has declined compared to the previous month with overall collection of 45%, electricity 58%, while water collection showed a

slight improvement of 26% but remains low. This indicates that the municipality has not effectively implemented the recommended measures to improve revenue collection. The continued low performance in overall and electricity collections remains a concern for cash flow sustainability. The municipality should strengthen implementation of revenue management strategies, including improved billing, credit control and debt collection to enhance collection performance.

Condition 6.8 - Municipality's Completeness of the revenue base: For the quarter under review (Q2) the municipality did submit the reconciliation that the municipality's billing system aligns to its council approved General Valuation Roll. However, the Section 71 narrative report includes Q3 information, which shows a mixed movements in the variances, with some categories showing increase while other shows a decrease, this indicates that although some progress has been made, the municipality has not achieved consistent improvement in aligning the valuation roll with the billing system. The municipality should strengthen its reconciliation processes and data cleansing to address the remaining discrepancies and ensure full alignment.

Condition 6.9 - Monitor and Report on compliance: The table below shows the extent to which the municipality has complied with the guidelines for preparing a narrative report for section 71 reporting.

	MFMA S71 Statement component	Compliance (Yes / No)
1.	***The Budget Performance Overview (paragraph 4) of the MFMA S71 statement*** explicitly advised on the municipality's progress in implementing the municipality's budget and (where relevant also the budget funding plan) – where implementation is slow, the statement advised explicitly on progress, challenges and corrective actions.	Yes
2.	***The conclusion (paragraph 14) of the MFMA S71 statement*** explicitly advised as part of the MFMA Circular 124: Condition 6.9 reporting - i. Any risk associated; and i. The mitigating factors with the implementation of the municipality's Budget Funding Plan and / or Funded Budget.	Yes
3.	***Annexure B of the MFMA S71 statement included the following debt relief reporting components-***	
3.1.1	The municipality's MFMA Circular 124 self-assessment	No
3.1.2	The self-assessment (refer 3.1.1 above) was included in the format of **MFMA Budget Circular 128 (Annexure B)**	No

3.2	The municipality's overall relief compliance across the months of its debt relief participation since its National Treasury debt relief approval effective date	No
3.3	The latest Provincial Treasury debt relief compliance certificate and report issued to the municipality	Yes
3.4.1	The municipality's revenue collection performance the overall performance graph; Summary worksheet; and Collection per ward indicating who supplies electricity in the ward	Yes
3.4.2	The revenue collection performance information (refer 3.4.2) was included in the format of **MFMA Budget Circular 128 (Annexure D).**	Yes
3.5.1	The indigent management information	Yes
3.5.2	The indigent management information was included in the format of **MFMA Budget Circular 128 (Annexure C).**	Yes
3.6.1	The summary of the municipality's property rates reconciliation undertaken in the National Treasury format.	Yes
3.6.2	The municipality's progress during the month against its planned corrective action to address any variances evident from the property rates reconciliation.	No
3.7.1	Any Eskom and Water (if the municipality has the Water function) Bulk current account invoice(s) due and payable during the month of reporting	No
3.7.2	The municipality's proof of payment of any such Eskom and / or Water Bulk current account invoice(s) during the month of reporting.	No
3.7.3	The municipality's reconciliation statement for electricity and water (if it has the function) aligning to the MFMA S71 mSCOA data strings upload.	Yes
3.8	Recommendations noting explicitly the aforementioned debt relief reporting to the Mayor and / or Mayoral Committee meeting	Yes

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Free State Provincial Treasury

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period	Feb'26
National Financial Year	2025/26
Demarcation Code of Municipality being assessed	FS201
District	Fezile Dabi
Demarcation Description	Moqhaka

I, Mr Pakiso Lebone, 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)

Condition			Choose from drop down list
	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*	No
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://fsuploadportal.treasury.gov.za?	No
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?	No
4	6.3.1	- Has the municipality paid its ***Eskom bulk current account*** within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? ***Note*** *- current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.*	No
5	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://fsuploadportal.treasury.gov.za?	No
6	6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	No
	6.4	**Compliance with a funded MTREF –** *(choose from drop down list the MTREF assessed)*	2025/26 Mas Adjustment MTREF
7	6.4.1	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx?	No
8	6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes
9	6.4.1	- Has the municipality made adequate provision for debt impairment *(considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget)* on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	No
		Note *- For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (plus 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 (plus property rates). If the municipality merely used the debt impairment as "balance" the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".*	
10	6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment *(considering its asset register and physical state of assets)* on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	No
		Note *- If the municipality merely used the depreciation and asset impairment as "balance" the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".*	
11	6.4.2	- ***If the municipality's MTREF is not funded***, has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	Yes

Condition 6.10 - Provincial Treasury certification of municipal compliance

Annexure A2 - Monthly

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Free State Provincial Treasury

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period	Feb'26
National Financial Year	2025/26
Demarcation Code of Municipality being assessed	FS201
District	Fezile Dabi
Demarcation Description	Moqhaka

I, Mr Pakiso Lebone, 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*	No
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://iguploadportal.treasury.gov.za?	No
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?	No
4	6.3.1	- Has the municipality paid its ***Eskom bulk current account*** within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? ***Note** - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.*	No
5	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://iguploadportal.treasury.gov.za?	No
6	6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	No
	6.4	**Compliance with a funded MTREF –** ***(choose from drop down list the MTREF assessed)***	2025/26 Main Adjustment MTREF
7	6.4.1	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx?	No
8	6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes
9	6.4.1	- Has the municipality made adequate provision for debt impairment ***(considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget)*** on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	No
		***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*	

	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	Yes
27	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? *Note - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement*	Yes
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://iguploadportal.treasury.gov.za?	Yes
	6.9	Monitor and report on implementation –	
29	6.9.1	- **MFMA section 71 reporting** – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes
30	6.9.2	- If progress is slow in terms of paragraph 6.9.1, is the **active intervention evident** from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? *Note - condition 6.9.2 has a typing error and must refer to 6.9.1.*	Yes
31	6.9.3	- **Municipalities with financial recovery plans (FRP)** – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	No FRP
32	6.9.4	- If the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal https://iguploadportal.treasury.gov.za?	No FRP
		Note - a municipality with a FRP may only benefit from the Municipal Debt Support programme if the FRP progress report was submitted to both the Provincial Executive and MFRS	
	6.10	*Provincial Treasury Note - Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless:*	
33	6.10.1	- has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	Yes
34	6.10.2	- has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the **conditions for provincial treasuries** (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://iguploadportal.treasury.gov.za? *Note - in the case of a non-delegated municipality the National Treasury to issue the compliance certificate*	Yes
35	6.10.3	- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the **conditions for provincial treasuries** (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?	No
		Note - if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.3.	
36	6,11	**Limitation on municipality borrowing powers** - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?	No
		Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. NT confirms that MFMA Circular No. 124' condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans (entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short term borrowing, including making use of an overdraft for in-year bridging purposes are not considered within the ambit of this condition.	
	6,12	For the duration of the Municipal Debt Relief (to ensure proper management of resources):	
37	6.12.1	- has the municipality **apportioned and ring-fenced in a sub-account** to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) **the component of the** Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	Yes
38	6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	No
		Note: Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.8(3).	
39		***Supporting evidence***: Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	No
40	6,13	**Accounting Treatment** - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? *Note - to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.*	Yes
41	6,14	'NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	Yes
		Note: By applying for Municipal Debt Relief as set-out in paragraph 3 of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 37 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	

The Provincial Treasury's assessment and compliance certificate confirmed that Moqhaka Municipality during February 2026 did not fully comply with all the conditions of the debt relief. The municipality is urged to improve on all the conditions as required by MFMA Circular 124.

Condition 6.11 – Limitations on municipal borrowing powers:
Moqhaka Local Municipality has complied with this condition since its debt relief participation and the National Treasury debt relief approval effective date.

Conditions 6.12 – Proper management of resources: The municipality must ensure that it complies with Condition 6.12.2 to pay Eskom account first and secondly its bulk water account before it applied the revenue in the sub-account for any purpose.

Condition 6.14 Nersa license - The municipality must ensure that during the duration of the Municipal Debt Relief program, it complies with all the conditions of the Relief to avoid revoking the Electricity license in terms of section 18 of the Electricity Regulation Act, 2006.

MFMA Circular 124 conditions were elaborated on above. It is also noted that the municipality's February 2026 average compliance has shown an increase from 49 percent to 51 percent when compared to last month's overall compliance performance.

4. The municipality must ensure that all non-compliance matters are addressed and the outstanding documents are sent to the following e-mails:(National Treasury) at revenuemanagement@treasury.gov.za as well as (Provincial Treasury) to Mr. Mokhele at mokheles@treasury.fs.gov.za .

5. I trust that you will find this in order.

Regards,

Mr. P.E Lebone
Acting Head: Free State Provincial Treasury
Date: 24.03.2026

Cc: HOD: FSCOGTA
PDO: SALGA – Free State
MFMA Coordinator: Provincial Treasury
CFO: Moqhaka Local Municipality
TA: Mrs. M. Tshabangu

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

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

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

16.4.1 Monthly / Quarterly collection per ward

National Treasury	Municipal Details							
Municipal Debt Relief	Free State							
MFMA Circular No. 124	Code		District		Municipality		Period Monitored	
Municipal Finance Management Act No. 56 of 2003	FS201				Moqhaka		March	

Collection Rate Assessment

Aggregate Collection	ıary - Qua		Summary - Quarter 2					Summary - Quarter 3				
	% Collection	Q1	Billing	Collection	R - Billing not collected	% Collection	Q2	Billing	Collection	R - Billing not collected	% Collection	Q1
1.Collection for whole demarcation	61%	61%	222 812 285	145 097 768	77 714 517	65%	65%	240 497 320	158 774 630	81 722 690	66%	66%
2.Collection excl Eskom supplied areas	66%	66%	166 006 217	115 972 285	50 033 932	70%	70%	177 747 110	128 519 673	49 227 438	72%	72%
3.Collection: **Property Rates**	70%	70%	23 871 974	25 578 576	(1 706 602)	107%	107%	24 466 151	18 773 981	5 692 170	77%	77%
4.Total average collection: **Electricity** (Municipal supplied areas)	76%	76%	96 563 482	85 498 794	11 064 688	89%	89%	104 878 112	93 311 175	11 566 937	89%	89%
5.Total average collection: **Water**	50%	50%	42 576 792	15 813 607	26 763 185	37%	37%	49 141 431	19 101 266	30 040 166	39%	39%
6.Total average collection: **Wastewater**	60%	60%	20 963 994	9 757 886	11 206 108	47%	47%	21 428 970	15 256 019	6 172 951	71%	71%
7.Total average collection: **Refuse**	54%	54%	15 106 610	6 907 135	8 199 475	46%	46%	14 964 381	9 808 857	5 155 525	66%	66%
8.Total average collection: **Interest**	10%	0%	23 729 434	1 541 771	22 187 663	6%	6%	25 618 274	2 523 331	23 094 942	10%	10%

Collection Rate Assessment

Notes	Total Aggregate Collection	9.March - Reporting for Feberuary in March			Summary - Quarter 3				Q1	10.A
		Collection in March	R - Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection		Billing For March
1	1.Collection for whole demarcation	80 240 556	15 237 204	106%	240 497 320	158 774 630	81 722 690	66%	66%	77 895 999
2	2.Collection excl Eskom supplied areas	63 727 193	12 127 754	113%	177 747 110	128 519 673	49 227 438	72%	72%	57 127 111
3	3.Collection: **Property Rates**	5 455 798	2 625 945	68%	24 466 151	18 773 981	5 692 170	77%	77%	8 211 273
4	4.Total average collection: **Electricity** (Municipal supplied areas)	47 157 714	0	152%	104 878 112	93 311 175	11 566 937	89%	89%	31 684 104
5	5.Total average collection: **Water**	10 995 221	5 048 254	69%	49 141 431	19 101 266	30 040 166	39%	39%	17 058 731
6	6.Total average collection: **Wastewater**	9 728 113	0	137%	21 428 970	15 256 019	6 172 951	71%	71%	7 138 898
7	7.Total average collection: **Refuse**	5 942 346	0	120%	14 964 381	9 808 857	5 155 525	66%	66%	4 985 753
8	8. 7.Total average collection: **Interest**	961 363	7 563 005	11%	25 618 274	2 523 331	23 094 942	10%	10%	8 817 240

Summary

Complete This Section		Quarter 3 Performance Per Ward								
		9.March								
Services	Ward Name & Number	Collection for February in March	Rand Value of Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection	Q3	Billing For March
Property Rates Tax	1	13 857	38 349	27%	156 427	125 692	30 734	80%	80%	52 206
Electricity		95 702	0	138%	259 385	224 943	34 443	87%	87%	90 861
Water		26 378	222 761	11%	730 890	53 449	677 441	7%	7%	240 281
Refuse		61 998	117 383	35%	538 142	80 224	457 918	15%	15%	179 381
Waste Water		108 670	125 437	46%	702 319	127 232	575 087	18%	18%	234 106
Interest		1 345	369 317	0%	1 099 074	5 312	1 093 761	0%	0%	375 110
Property Rates Tax	2	191 637	247 939	44%	1 318 277	654 086	664 191	50%	50%	440 521
Electricity		588 866	0	268%	2 622 152	1 172 227	1 449 925	45%	45%	784 716
Water		72 709	0	-26%	379 761	210 265	169 496	55%	55%	314 898
Refuse		131 002	24 880	84%	472 192	235 877	236 315	50%	50%	167 509
Waste Water		173 251	48 011	78%	668 390	316 172	352 217	47%	47%	233 948
Interest		27 056	319 930	8%	1 025 514	90 544	934 971	9%	9%	356 153
Property Rates Tax	3	359 126	811 303	31%	3 523 161	1 878 360	1 644 801	53%	53%	1 171 978
Electricity		2 030 904	0	167%	5 366 712	4 651 707	715 005	87%	87%	1 976 343
Water		1 350 143	96 076	93%	4 864 392	2 594 635	2 269 756	53%	53%	2 319 926
Refuse		842 778	0	209%	1 231 892	1 307 246	(75 354)	106%	106%	406 973
Waste Water		1 357 182	0	244%	1 694 270	1 933 870	(239 600)	114%	114%	561 182
Interest		36 846	98 591	27%	450 263	101 031	349 232	22%	22%	155 359

Property Rates Tax	4	519	3 485	13%	12 013	1 918	10 095	16%	16%	4 004
Electricity		36 243	56 991	39%	278 280	85 265	193 015	31%	31%	93 026
Water		49 356	482 641	9%	1 505 898	102 332	1 403 566	7%	7%	539 054
Refuse		17 868	48 512	27%	198 138	38 048	160 090	19%	19%	65 951
Waste Water		12 918	74 245	15%	259 288	36 143	223 145	14%	14%	86 616
Interest		4 096	193 397	2%	589 198	9 305	579 892	2%	2%	200 685
Property Rates Tax	5	991	2 687	27%	11 071	5 119	5 953	46%	46%	3 678
Electricity		9 679	32 330	23%	129 658	23 949	105 709	18%	18%	41 911
Water		83 146	391 765	18%	1 340 120	144 059	1 196 061	11%	11%	516 575
Refuse		19 892	37 876	34%	178 113	42 562	135 552	24%	24%	57 481
Waste Water		19 846	54 102	27%	228 046	46 902	181 144	21%	21%	73 680
Interest		5 921	147 725	4%	463 397	12 652	450 746	3%	3%	151 606
Property Rates Tax	6	2 578	57 565	4%	180 428	163 417	17 011	91%	91%	60 143
Electricity		63 585	63 494	50%	364 313	183 613	180 700	50%	50%	125 308
Water		90 177	431 830	17%	1 790 763	226 029	1 564 734	13%	13%	514 498
Refuse		119 664	0	118%	306 183	147 097	159 086	48%	48%	100 629
Waste Water		184 357	0	134%	415 227	213 666	201 562	51%	51%	136 709
Interest		7 041	243 674	3%	736 499	12 745	723 754	2%	2%	253 768
Property Rates Tax	7	69 593	174 437	29%	756 811	583 214	173 596	77%	77%	255 166
Electricity		324 140	27 661	92%	955 678	891 415	64 263	93%	93%	297 282
Water		96 929	331 905	23%	1 496 291	204 054	1 292 237	14%	14%	455 198
Refuse		99 267	11 981	89%	333 559	146 233	187 326	44%	44%	110 818
Waste Water		137 098	8 328	94%	437 359	186 686	250 673	43%	43%	144 880
Interest		7 110	297 045	2%	874 373	223 704	650 669	26%	26%	328 076

Property Rates Tax	8	10 959	21 194	34%	96 460	50 422	46 038	52%	52%	32 175
Electricity		43 612	27 652	61%	238 075	171 461	66 614	72%	72%	81 743
Water		89 623	394 692	19%	1 503 230	195 473	1 307 757	13%	13%	517 323
Refuse		59 318	31 770	65%	269 563	106 012	163 551	39%	39%	90 175
Waste Water		77 601	40 107	66%	350 630	132 369	218 261	38%	38%	116 432
Interest		22 534	172 284	12%	564 433	39 396	525 037	7%	7%	200 414
Property Rates Tax	9	130 350	40 053	76%	511 208	414 194	97 014	81%	81%	170 403
Electricity		3 470 174	0	403%	2 745 940	3 792 231	(1 046 291)	138%	138%	863 945
Water		256 965	221 340	54%	1 697 525	414 706	1 282 818	24%	24%	561 908
Refuse		271 199	0	155%	520 441	341 681	178 760	66%	66%	175 097
Waste Water		442 164	0	172%	765 635	530 601	235 034	69%	69%	257 405
Interest		105 554	209 264	34%	901 839	124 249	777 590	14%	14%	291 504
Property Rates Tax	10	9 712	37 995	20%	142 584	64 665	77 919	45%	45%	47 598
Electricity		22 721	98 424	19%	377 882	63 458	314 424	17%	17%	119 668
Water		102 338	607 272	14%	1 759 923	266 656	1 493 266	15%	15%	594 080
Refuse		66 773	50 517	57%	350 455	135 941	214 514	39%	39%	116 860
Waste Water		75 133	78 424	49%	457 516	158 727	298 789	35%	35%	151 943
Interest		8 588	226 087	4%	669 092	30 605	638 487	5%	5%	235 791
Property Rates Tax	11	5 182	361 826	1%	1 101 022	1 029 741	71 280	94%	94%	370 995
Electricity		3 850 394	0	665%	1 825 406	3 914 195	(2 088 789)	214%	214%	713 758
Water		4 129 020	0	320%	3 902 332	4 215 654	(313 322)	108%	108%	1 304 061
Refuse		1 020 280	0	363%	853 716	1 056 786	(203 070)	124%	124%	284 121
Waste Water		2 076 968	0	423%	1 484 553	2 124 884	(640 331)	143%	143%	493 156
Interest		27 684	378 306	7%	1 214 415	39 584	1 174 831	3%	3%	400 574

Property Rates Tax	12	8 699	86 266	9%	284 896	254 626	30 270	89%	89%	94 965
Electricity		48 375	72 941	40%	411 722	150 666	261 056	37%	37%	129 429
Water		101 868	728 166	12%	2 278 804	255 421	2 023 383	11%	11%	589 311
Refuse		150 864	0	119%	388 360	205 149	183 211	53%	53%	125 407
Waste Water		253 646	0	143%	538 781	317 817	220 963	59%	59%	175 802
Interest		9 166	302 803	3%	929 600	26 983	902 617	3%	3%	312 942
Property Rates Tax	13	516 916	0	130%	1 309 995	1 253 626	56 369	96%	96%	454 077
Electricity		14 115 669	0	119%	43 220 940	35 103 365	8 117 575	81%	81%	10 463 299
Water		452 191	1 165 720	28%	4 117 204	1 042 240	3 074 964	25%	25%	1 021 437
Refuse		330 388	19 196	95%	1 097 011	640 619	456 392	58%	58%	368 772
Waste Water		552 378	0	103%	1 702 441	1 077 558	624 883	63%	63%	575 585
Interest		171 958	633 429	21%	2 211 473	203 212	2 008 261	9%	9%	821 381
Property Rates Tax	14	3 973	58 506	6%	187 452	166 404	21 049	89%	89%	62 479
Electricity		46 663	42 479	52%	304 874	117 962	186 912	39%	39%	95 440
Water		99 677	338 288	23%	1 155 420	250 070	905 350	22%	22%	471 099
Refuse		123 879	0	102%	365 279	183 593	181 686	50%	50%	120 900
Waste Water		191 832	0	116%	496 185	266 726	229 459	54%	54%	164 270
Interest		5 990	259 669	2%	785 626	24 528	761 097	3%	3%	265 075
Property Rates Tax	15	8 705	58 718	13%	206 273	165 199	41 074	80%	80%	69 599
Electricity		151 923	60 343	72%	679 746	278 063	401 682	41%	41%	221 547
Water		118 040	323 963	27%	1 362 027	287 958	1 074 069	21%	21%	404 259
Refuse		130 318	0	101%	400 940	183 620	217 320	46%	46%	131 101
Waste Water		202 332	0	118%	533 840	262 829	271 010	49%	49%	176 128
Interest		11 354	224 354	5%	705 032	22 501	682 531	3%	3%	238 296

Property Rates Tax	16	1 489 160	192 562	89%	4 975 626	4 494 344	481 282	90%	90%	1 679 588
Electricity		7 965 190	0	125%	18 644 756	17 218 581	1 426 175	92%	92%	6 907 493
Water		1 656 477	0	110%	3 694 286	4 064 662	(370 376)	110%	110%	1 356 159
Refuse		975 326	0	124%	2 332 955	2 115 014	217 942	91%	91%	785 537
Waste Water		1 583 204	0	126%	3 706 138	3 445 224	260 914	93%	93%	1 250 109
Interest		193 101	274 748	41%	1 351 855	954 767	397 088	71%	71%	394 888
Property Rates Tax	17	1 487 581	20 990	99%	4 628 833	3 647 438	981 394	79%	79%	1 536 528
Electricity		3 554 049	0	121%	8 377 093	7 285 610	1 091 483	87%	87%	2 902 741
Water		1 239 897	0	108%	3 492 310	2 685 148	807 162	77%	77%	1 486 073
Refuse		765 136	0	117%	2 008 581	1 672 601	335 980	83%	83%	670 207
Waste Water		1 100 138	0	117%	2 872 682	2 357 214	515 469	82%	82%	948 635
Interest		97 291	87 761	53%	712 806	227 665	485 140	32%	32%	256 922
Property Rates Tax	18	488 387	135 036	78%	1 875 440	1 601 663	273 777	85%	85%	625 889
Electricity		10 684 259	0	192%	17 756 150	17 824 429	(68 279)	100%	100%	5 667 397
Water		911 197	199 752	82%	4 335 541	1 700 904	2 634 636	39%	39%	1 344 100
Refuse		549 118	0	136%	1 211 607	925 318	286 289	76%	76%	405 091
Waste Water		814 374	0	148%	1 654 320	1 319 867	334 453	80%	80%	552 111
Interest		102 072	667 431	13%	2 261 486	156 584	2 104 902	7%	7%	779 825
Property Rates Tax	19	98	27 841	0%	83 819	53 763	30 057	64%	64%	27 940
Electricity		-	98	0%	294	-	294	0%	0%	98
Water		6 028	1 078 748	1%	3 008 337	14 214	2 994 122	0%	0%	923 116
Refuse		29 833	104 951	22%	404 640	31 145	373 495	8%	8%	134 170
Waste Water		58 875	117 680	33%	530 029	59 897	470 132	11%	11%	175 764
Interest		218	638 235	0%	2 247 366	562	2 246 805	0%	0%	820 632

Property Rates Tax	20	2 726	56 700	5%	178 277	121 902	56 375	68%	68%	59 426
Electricity		1 073	13 310	7%	43 345	2 428	40 917	6%	6%	14 285
Water		26 705	383 821	7%	1 604 277	59 907	1 544 369	4%	4%	611 507
Refuse		72 053	97 729	42%	507 127	85 723	421 404	17%	17%	166 475
Waste Water		129 016	82 758	61%	634 228	140 499	493 729	22%	22%	207 867
Interest		1 457	628 978	0%	1 872 121	3 487	1 868 634	0%	0%	636 177
Property Rates Tax	21	117 719	133 765	47%	754 240	550 357	203 882	73%	73%	250 592
Electricity		-	1 290	0%	3 871	-	3 871	0%	0%	1 290
Water		22 490	1 076 676	2%	3 005 190	53 523	2 951 667	2%	2%	942 474
Refuse		100 179	223 771	31%	972 753	113 467	859 286	12%	12%	315 774
Waste Water		168 198	250 924	40%	1 258 599	176 544	1 082 055	14%	14%	410 023
Interest		16 835	1 157 916	1%	3 488 773	57 387	3 431 385	2%	2%	1 172 730
Property Rates Tax	22	537 329	178 667	75%	2 171 839	1 493 830	678 009	69%	69%	741 323
Electricity		54 491	39 431	58%	271 838	155 606	116 233	57%	57%	92 523
Water		13 869	18 850	42%	116 913	59 904	57 009	51%	51%	31 394
Refuse		5 213	2 113	71%	22 735	14 903	7 832	66%	66%	7 325
Waste Water		8 933	3 612	71%	38 492	24 591	13 901	64%	64%	12 545
Interest		98 146	32 062	75%	464 039	156 528	307 511	34%	34%	169 335

16.4.2 Monthly - Restriction of Free Basic Services to Indigent Household

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

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

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

Description	Ref	As Per Debt Relief Application	Current Year - 2025/2026			2025/2026 - Monthly Monitoring								
		Baseline	Adopted Budget	Adjusted Budget	Full Year Forecast	M01	M02	M03	M04	M05	M06	M07	M08	M09
Indigent Household service targets	1													
Water : (Include All Indigent households also in Eskom supplied areas)														
Indigent HH's with piped water inside dwelling		12 711	12 757	–	13 237	13 308	13 354	13 424	13 565	13 682	13 740	13 870	13 958	14 021
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	12 757	–	13 237	13 308	13 354	13 424	13 565	13 682	13 740	13 870	13 958	14 021
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	12 757	–	13 237	13 308	13 354	13 424	13 565	13 682	13 740	13 870	13 958	14 021

Status of Water meters :														
Number of Indigent HH's with prepaid Water		–	–	–	–	–	–	–	–	–	–	–	–	–
Number of Indigent HH's with conventional metered Water		10 204	10 231	–	10 483	10 468	10 519	10 586	10 679	10 730	10 794	10 792	10 784	10 832
Number of Indigent HH's NOT metered currently - Water		1 538	1 607	–	1 700	1 718	1 718	1 723	1 753	1 777	1 780	1 812	1 829	1 838
Number of Indigent HH's with NO Water supply - No metering		–	–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	10	**11 742**	**11 838**	–	**12 183**	**12 186**	**12 237**	**12 309**	**12 432**	**12 507**	**12 574**	**12 604**	**12 613**	**12 670**
Status of unlimited supply of Water :														
Number of Indigent HH's with conventional metered Water - where the municipality is *NOT physcally restricting Water to the national free basic limit of 6 kilolitres per \household per month*		12 711	12 757	–	13 237	13 308	13 354	13 424	13 565	13 682	13 740	13 870	13 958	14 021
Number of Indigent HH's NOT metered currently receiving unlimited supply - Water		1 538	1 607	–	1 700	1 718	1 718	1 723	1 753	1 777	1 780	1 812	1 829	1 838
Total number of registered indigent households receiving unlimited supply - Water		**14 249**	**14 364**	–	**14 937**	**15 026**	**15 072**	**15 147**	**15 318**	**15 459**	**15 520**	**15 682**	**15 787**	**15 859**
Of the Total Number of registered indigent households receiving unlimited supply - State the Number of HH's **billed for consumption above the 6 kilolitres**	11	12 711	12 757	–	13 237	13 308	13 354	13 424	13 565	13 682	13 740	13 870	13 958	14 021
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	12 757	–	13 237	13 308	13 354	13 424	13 565	13 682	13 740	13 870	13 958	14 021
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total		**12 711**	**12 757**	–	**13 237**	**13 308**	**13 354**	**13 424**	**13 565**	**13 682**	**13 740**	**13 870**	**13 958**	**14 021**
Indigent HH's with Electricity (< min.service level)		–	–	–	–	–	–	–	–	–	–	–	–	–
Indigent HH's with Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–	–	–	–	–
Indigent HH's with other energy sources		–	–	–	–	–	–	–	–	–	–	–	–	–
Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	5	**12 711**	**12 757**	–	**13 237**	**13 308**	**13 354**	**13 424**	**13 565**	**13 682**	**13 740**	**13 870**	**13 958**	**14 021**
Status of Electricity meters :														
Number of Indigent HH's with prepaid Electricity		12 711	12 757	–	13 237	13 308	13 354	13 424	13 565	13 682	13 740	13 870	13 958	14 021
Number of Indigent HH's with conventional metered Electricity		–	–	–	–	–	–	–	–	–	–	–	–	–
Number of Indigent HH's NOT metered currently - Electricity		–	–	–	–	–	–	–	–	–	–	–	–	–
Number of indigent HH's with other energy sources - No metering		–	–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	12	**12 711**	**12 757**	–	**13 237**	**13 308**	**13 354**	**13 424**	**13 565**	**13 682**	**13 740**	**13 870**	**13 958**	**14 021**

Status of unlimited supply of Electricity :														
Number of Indigent HH's with conventional metered Electricity - where the municipality is *NOT physcally restricting Electricity to the national free basic limit of 50kwh per \household per month*		–	–	–	–	–	–	–	–	–	–	–	–	–
Number of Indigent HH's NOT metered currently receiving unlimited supply - Electricity		–	–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households receiving unlimited supply - Electricity		–	–	–	–	–	–	–	–	–	–	–	–	–
Of the Total Number of registered indigent households receiving unlimited supply of Electricity - State the Number of HH's billed for consumption above the 50 kwh	13	–	–	–	–	–	–	–	–	–	–	–	–	–
Number of ALL Households receiving Free Basic Service *(including registered Indigent Households)*	7													
Water (6 kilolitres per household per month)		12 711	12 757	–	13 237	13 308	13 354	13 424	13 565	13 682	13 740	13 870	13 958	14 021
Electricity/other energy (50kwh per household per month)		12 711	12 757	–	13 237	13 308	13 354	13 424	13 565	13 682	13 740	13 870	113 958	14 021
Cost of Free Basic Services provided to ALLHousehols in - Formal Settlements (R'000)														
Water (6 kilolitres per household per month)		182	196	–	189	195	193	196	187	194	191	188	207	193
Electricity/other energy (50kwh per household per month)		114	124	–	194	196	196	196	196	196	196	195	195	195
Cost of Free Basic Services provided to ALL Households in - Informal Formal Settlements (R'000)														
Water (6 kilolitres per household per month)		–	–	–	–	–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–	–	–	–	–	–	–	–
Total cost of FBS Water and Electricity provided to ALL Households	8	**296**	**320**	–	**383**	**391**	**389**	**392**	**382**	**389**	**387**	**383**	**402**	**389**
Highest level of free service provided per household (ALL Households)														
Property rates (R value threshold)		–	–	–	–	–	–	–	–	–	–	–	–	–
Water (kilolitres per household per month)		10	10	–	10	10	10	10	10	10	10	10	10	10
Sanitation (kilolitres per household per month)		10	10	–	10	10	10	10	10	10	10	10	10	10
Sanitation (Rand per household per month)		145	170	–	154	160	160	160	160	160	160	159	159	159
Electricity (kwh per household per month)		50	50	–	50	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		30	30	–	30	30	30	30	30	30	30	30	30	30

Revenue cost of subsidised services provided for ALL Households (R'000)	9														
Residential Category : Property rates **(tariff adjustment) (impermissable values per section 17 of MPRA)**	14(a)	–	–	–	–	–	–	–	–	–	–	–	–	–	–
PSI Category : Property rates **(tariff adjustment) (impermissable values per section 17 of MPRA)**	14(b)	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Additional Subsidies: Property rates exemptions, reductions and rebates **in excess of section 17 of MPRA)**		–	–	–	–	–	–	–	–	–	–	–	–	–	–
Water **(in excess of 6 kilolitres per indigent household per month)**	15	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Sanitation **(in excess of free sanitation service to indigent households)**	16	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		–	–	–	–	–	–	–	–	–	–	–	–	–	–
Refuse **(in excess of one removal a week for indigent households)**		–	–	–	–	–	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–	–	–	–	–	–
Housing - top structure subsidies	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		8	8	8	8	8	8	8	8	8	8	8	8	8	8

References

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

2. Stand distance <= 200m from dwelling

3. Stand distance > 200m from dwelling

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Votenumber	Description	Curr Mth Exp	Curr Mth
		Jul	Aug
31251178950FBZZZZZHO	TS_O_M_NG_LOCAL GOV FIN MNG GRANT	-	
31252260380FBP83ZZHO	OS: B&A PROJECT MANAGEMENT	-	
31252260600FBP83ZZHO	OS: CATERING SERVICES	-	
31252270370FBP83ZZHO	C&PS: B&A HUMAN RESOURCES	21 454.68	
31252303300FBP83ZZHO	OC: LEARNERSHIPS & INTERNSHIPS	-	
34052110010FBP83ZZHO	MS: SAL & ALL: BASIC SALARY & WAGES	-	
34052303300FBQ83ZZHO	OC: LEARNERSHIPS & INTERNSHIPS	-	
34056470020FBD70ZZHO	COMPUTERS	-	
34056470020FBD70ZZWM	COMPUTERS	-	
34301025100F6FB5ZZHO	RESIDENTIAL PROPERTIES: DEVELOPED	-	
34301321170F6FB1ZZHO	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	-	
35321321170F1FB1ZZWM	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	-	
35321321170F2FB1ZZWM	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	-	
35321321190F1FB1ZZWM	ELEC SALES: DOMESTIC LOW: PREPAID	-	
35321321200F1FB1ZZWM	ELEC SALES: DOMESTIC HIGH HOME POWER 1	1 095.93	
35321321380F1FB1ZZWM	ELEC: AVAILABILITY CHARGES	754 018.97	
35411324020F1FB4ZZWM	WATER: SALE - CONVENTIONAL	895 724.37	
35411324070F1FB4ZZWM	WATER: AVAILABILITY CHARGES	1 602 948.85	
35441324020F5FB2ZZWM	WATER: SALE - CONVENTIONAL	-	
35511323020F1FB2ZZWM	WASTE WATER MANG: SANITATION CHARGES	1 070 961.51	
35511323060F1FB2ZZWM	WASTE WATER MANG: AVAILABILITY CHARGES	879 520.61	
36621322030F1FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	-	
36621322030F3FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	1 397 508.50	
36621322050F1FB3ZZWM	WASTE MANGEMENT: AVAILABILITY CHARGES	126 217.59	
		6 749 451.01	-
		7.14%	

BUDGET 2023-2024 FBS BUDGET	DESCRIPTION	BUDGET	YTD
31251178950FBZZZZZHO	TS_O_M_NG_LOCAL GOV FIN MNG GRANT	-R2 300 000.00	-
31252260380FBP83ZZHO	OS: B&A PROJECT MANAGEMENT	R1 400 000.00	-
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	-

34052303300FBQ83ZZHO	OC: LEARNERSHIPS & INTERNSHIPS	R0.00	-
34056470020FBD70ZZHO	COMPUTERS	R0.00	-
34056470020FBD70ZZWM	COMPUTERS	R0.00	-
34301025100F6FB5ZZHO	RESIDENTIAL PROPERTIES: DEVELOPED	R0.00	-
34301321170F6FB1ZZHO	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	R0.00	-
35321321170F1FB1ZZWM	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	-R359 928.00	-
35321321170F2FB1ZZWM	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	R0.00	-
35321321190F1FB1ZZWM	ELEC SALES: DOMESTIC LOW: PREPAID	R9 931 769.00	-
35321321200F1FB1ZZWM	ELEC SALES: DOMESTIC HIGH HOME POWER 1	R43 295.00	1 095.93
35321321380F1FB1ZZWM	ELEC: AVAILABILITY CHARGES	R9 299 258.00	754 018.97
35411324020F1FB4ZZWM	WATER: SALE - CONVENTIONAL	R11 155 234.00	895 724.37
35411324070F1FB4ZZWM	WATER: AVAILABILITY CHARGES	R19 319 248.00	1 602 948.85
35441324020F5FB2ZZWM	WATER: SALE - CONVENTIONAL	R0.00	-
35511323020F1FB2ZZWM	WASTE WATER MANG: SANITATION CHARGES	R14 318 301.00	1 070 961.51
35511323060F1FB2ZZWM	WASTE WATER MANG: AVAILABILITY CHARGES	R11 564 525.00	879 520.61
36621322030F1FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	R17 620 181.00	-
36621322030F3FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	R0.00	1 397 508.50
36621322050F1FB3ZZWM	WASTE MANGEMENT: AVAILABILITY CHARGES	R1 670 151.00	126 217.59
		R94 562 034.00	R6 749

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

Property Rates Reconciliation

Province	FS
District	Fezile Dabi District
Type	LM
Municipal Name	Moghaka
GV Period	01/07/2023 - 30/06/2028
Financial Year	2025/2026
Reconciliation Period	Quarter 3

Reconciliation Overview

High Level Reconciliation

Propety Categories	# of Properties			Market Values		
Propety Categories	GV	MFS	Variance	GV Market Values	MFS Market Values	Variance
Residential	34 181	45 008	- 10 827	5 891 431 147.00	7 538 256 049.00	- 1 646 824 902.00
Industrial	241	306	- 65	321 164 000.00	349 559 000.00	- 28 395 000.00
Business and Commercial	987	1 122	- 135	941 005 606.00	1 071 540 610.00	- 130 535 004.00
Agricultural	3 414	3 593	- 179	5 595 588 750.00	5 869 408 753.00	- 273 820 003.00
Mining	9	13	- 4	7 378 000.00	55 374 000.00	- 47 996 000.00
State Owned for Public Purpose	294	587	- 293	1 278 956 018.00	1 343 864 514.00	- 64 908 496.00
PSI	236	491	- 255	15 226 501.00	38 280 901.00	- 23 054 400.00
PBO	282	278	4	250 481 003.00	250 971 003.00	- 490 000.00
Multi Use	235	-	235	342 280 499.00	-	342 280 499.00
Vacant	968	598	370	92 243 107.00	76 676 608.00	15 566 499.00
POW	-	8	- 8	-	3 270 000.00	- 3 270 000.00
Municipal	11443	214	11 229	2 075 438 010.00	204 642 005.00	1 870 796 005.00
Other	-	-	-	-	-	-
	52 290	52 218	72	16 811 192 641.00	16 801 843 443.00	9 349 198.00

Detailed Reconciliation

Propety Categories	Monthly Billing			Quarterly		
Propety Categories	GV	MFS	Variance	GV	MFS	Variance
Residential	2 112 123	2 187 263	- 75 140	6 336 369.20	6 561 788.19	- 225 418.99
Industrial	513 862	499 998	13 864	1 541 587.20	1 499 995.20	41 592.00
Business and Commercial	1 529 134	1 697 835	- 168 701	4 587 402.33	5 093 504.97	- 506 102.64
Agricultural	979 228	1 009 770	- 30 542	2 937 684.09	3 029 310.03	- 91 625.94
Mining	24 962	187 349	- 162 386	74 886.70	562 046.04	- 487 159.34
State Owned for Public Purpose	2 717 782	2 477 815	239 966	8 153 344.61	7 433 445.96	719 898.65
PSI	-	1 148	- 1 148	-	3 444.00	- 3 444.00
PBO	-	-	-	-	-	-
Multi Use	-	-	-	-	-	-
Vacant	94 549	150 220	- 55 670	283 647.55	450 658.98	- 167 011.43
POW	-	-	-	-	-	-
Municipal	-	174	- 174	-	522.75	- 522.75
Other	-	-	-	-	-	-
Total	R7 971 640.56	R8 211 572.04	-R239 931.48	23 914 921.69	24 634 716.12	- 719 794.43

Prepared By	DINEO MOKOENA	Date	01/04/2026
	Contatct Details 056 216 9300/9604		
Signature			
Reviewed By	SAMMY THELETSANE	Date	/04/2026
	Contatct Details 056 216 9158		
Signature			