MFMA SECTION 71 REPORT MONTH ENDING

30 APRIL 2026

- DISTRIBUTION:
- Executive Mayor: **Mr. Ramasimong Daniel Tau**
- Municipal Manager (Acting) **Mr Thembekile Maxwell Ngesi**
- Chief Financial Officer (Acting) **Dr Jimmy Maswanganyi**
- Sector Departments: **National and Provincial Departments**
- **Upload to the National Treasury GoMuni Portal**

Table of Contents

1. Purpose 8
2. Background ..... **Error! Bookmark not defined.**
3. Executive summary ..... **Error! Bookmark not defined.**
4. Budget performance overview 11
4.1 Operating Revenue by Source ..... **Error! Bookmark not defined.**
4.2 Operating Expenditure by Type ..... **Error! Bookmark not defined.**
4.3 Capital expenditure ..... **Error! Bookmark not defined.**
4.4 Cash flows ..... **Error! Bookmark not defined.**
5. In-year budget statement tables ..... **Error! Bookmark not defined.**
6. Debtors' Analysis 47
7. Creditors' Analysis 54
8. Investment portfolio analysis 56
9. Allocation and grant receipts and expenditure ..... **Error! Bookmark not defined.**
10. Councillor and board member allowances and employee benefits 65
11. Material variances to the service delivery and budget implementation plan **Error! Bookmark not defined.**
12. Capital programme performance 76
13. Other supporting documents . ..... **Error! Bookmark not defined.**
14. Conclusion ..... **Error! Bookmark not defined.**
15. Annexure A: C-schedules ..... **Error! Bookmark not defined.**
16. Annexure B: Compliance with the conditions for Municipal Debt Relief **Error! Bookmark not defined.**
16.1 MFMA Circular 124 – Municipality Compliance Self-Assessment . **Error! Bookmark not defined.**

Ftpor, Zastron StreeG, CBD, Bloemfontein

16.2 Municipal Debt Relief Performance across the period of debt relief participation**Error! Bookmark not defined.**

16.5 MFMA Circular 124 – Condition 6.8 (Completeness of the revenue base)..... 131

16.6 MFMA Circular 124 – Condition 6.3 and Condition 6.12.....**Error! Bookmark not defined.**

17. Municipal Manager's quality certification.....**Error! Bookmark not defined.**

18. Recommendations.....**Error! Bookmark not defined.**

List of Tables

Table 1: Consolidated summary: Statement of Financial Performance: YTD Budget 5
Table 2: Consolidated summary: Statement of Financial Performance: Adjusted Budget 5
Table 3: Table C4 Financial Performance (Revenue) 6
Table 4: Table C4 Financial Performance (Expenditure) 9
Table 4.1 R&M Expenditure per Directorate per inventory type 10
Table 4.2 R&M Expenditure per Service per inventory type 11
Table 5.1: Summary of YTD Bulk Electricity expenditure 13
Table 5.2: Summary of YTD Bulk Water expenditure 14
Table 6.1: Summary of outstanding ESKOM debt 14
Table 6.2: Summary of outstanding DWS debt 15
Table 6.3: Summary of payments per payment date 18
Table 7: High level summary: Capital Expenditure 20
Table 8: Supporting Table SC3: Aged Debtors 24
Table 9: Monthly collection rate 34
Table 10: Revised Average collection rate 34
Table 11: Supporting Table SC4: Aged Creditors 39
Table 12: Supporting Table SC5: Investment portfolio 40
Table 13: Supporting Table SC6: Transfers and grant receipts 42
Table 14: Supporting Table SC7(1): Transfers and grant expenditure 43
Table 15: Summary of expenditure per grant 43
Table 16: Supporting Table SC7(2) - Expenditure against approved rollovers 44
Table 17: Supporting Table SC8: Councillor and staff benefits 45
Table 18: Current YTD Overtime expenditure excl Night-shift allowance 46
Table 19: Detailed capital expenditure report 50

List of Charts

Chart 1: Revenue by Source: YTD Actual as a percentage of Total Revenue 8
Chart 2: Expenditure by Type: YTD Actual as a percentage of Total Expenditure 13
Chart 2.1: Monthly payments to DWS & ESKOM 17
Chart 2.2: Monthly & YTD comparison – Bulk Electricity & Water debt 19
Chart 3: Total Capital expenditure 20
Chart 4: Call investment deposits and Cash & cash equivalents at year-end 21
Chart 5: Cash & cash equivalents and Cost coverage ratio 22
Chart 6.1: Debtor's age analysis by Income Source 25
Chart 6.2: Debtor's age analysis by Customer Group 26
Chart 7: Debt over 90 days as a percentage of Total O/S Debt 31
Chart 8: Aged Consumer Debtor Analysis 328
Chart 9: Consumer Debtors (total by Debtor Customer Category) 32
Chart 10: Comparative trend: Monthly and Revised average collection rate 35
Chart 11.1: Month-to-month - Total Billing Receipts incl Prepaid Electricity 36
Chart 11.2: Monthly billing receipts per revenue source and % contribution 37
Chart 12: Billing receipts per Customer Group 38
Chart 13: Aged Creditors Analysis 39
Chart 14: Call investment deposits at month-end 41
Chart 14.1: Overtime Actual vs Budget 47
Chart 14.2: Monthly and Annual Overtime Comparison 47
Chart 15: Capital Expenditure Monthly Trend: actual v target 49
Chart 16: Capital Expenditure: YTD actual vs YTD target 49

List of Abbreviations and Acronyms used in the Monthly Budget Statement

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

PART 1: IN-YEAR REPORT FOR THE PERIOD ENDING 30 APRIL 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 30 APRIL 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 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 062 545 048, of which 91% of the debt is owed more than 90 days totalling R1 885 285 850. Included in the total debt, R129 438 224 is owed by Government or Organs of State, R227 593 744 by Business and R1 564 530 070 by Households. Included in the Households debt is R319 973 617 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 30 April 2026, the ten-working day reporting limit expires on Thursday the 15th of May 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 Apr 26	YTD Actual to Apr 26	Variance Favourable (Unfavourable)	% YTD Budget vs YTD Actual	% Variance vs Actual Favourable (Unfavourable)
Total Revenue (Excluding Capital Transfers and Contributions)	R1 213 858 088	R1 076 177 101	(R137 680 987)	89%	(11%)
Total Revenue including Capital Transfers and Contributions	R1 246 924 091	R1 109 243 104	(R137 680 987)	89%	(11%)
Total Operational Expenditure	R1 197 299 000	R741 839 000	(R455 460 000)	62%	(38%)

As indicated in Table 1 above, as of 30 April 2026, the actual billed revenue including operational transfers, but excluding capital grants amounted to R1 076 177 101, which resulted in an unsatisfactory variance of 11% when compared to YTD Budget of R1 213 858 088. 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 109 243 104 from the budget of R1 246 924 091. The Total Operational Expenditure amounted to R741 839 000 versus the YTD Budget of R1 197 299 000, resulting in a satisfactory 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 99% against monthly billing inclusive of arrears, and inclusive of zero operational grants recognized is still 99%, considering the notices 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 369 252 275. 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 April 2025, 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) - M10 April

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
Revenue										
Exchange Revenue										
Service charges - Electricity		435 252	548 139	548 139	41 303	422 177	456 783	(34 605)	-8%	548 139
Service charges - Water		164 103	204 038	204 038	13 920	134 877	170 031	(35 154)	-21%	204 038
Service charges - Waste Water Management		72 624	73 321	75 216	6 066	61 756	62 238	(482)	-1%	75 216
Service charges - Waste management		51 188	50 701	50 701	4 245	43 303	42 251	1 052	2%	50 701
Sale of Goods and Rendering of Services		5 678	8 764	8 675	349	4 272	7 250	(2 977)	-41%	8 675
Agency services								–		
Interest								–		
Interest earned from Receivables		86 303	78 687	83 128	8 149	81 000	68 237	12 763	19%	83 128
Interest from Current and Non Current Assets		39	63	63	–	–	53	(53)	-100%	63
Dividends		5 822	4 744	4 744	1 478	4 401	3 954	447	11%	4 744
Rent on Land								–		
Rental from Fixed Assets		5 339	9 256	9 883	183	5 610	8 090	(2 480)	-31%	9 883
Licence and permits		–	–	–	–	–	–	–		–
Special rating levies								–		
Operational Revenue		7 419	14 960	9 353	(377)	(2 929)	9 102	(12 031)	-132%	9 353
Non-Exchange Revenue								–		
Property rates		93 605	94 806	98 716	8 236	82 263	81 351	912	1%	98 716
Surcharges and Taxes								–		
Fines, penalties and forfeits		4 755	5 784	5 603	128	927	4 711	(3 784)	-80%	5 603
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		331 012	328 582	363 896	88	311 419	295 007	16 413	6%	363 896
Interest		10 024	8 373	9 755	869	8 434	7 807	628	8%	9 755
Fuel Levy								–		
Operational Revenue		888	(267)	(267)	78	776	(222)	999	-449%	(267)
Gains on disposal of Assets		(2 284)	–	–	–	–	–	–		–
Other Gains		7 254	–	–	–	–	–	–		–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**1 279 022**	**1 429 951**	**1 471 642**	**84 715**	**1 158 287**	**1 216 640**	**(58 353)**	**-5%**	**1 471 642**
Expenditure By Type										
Employee related costs		452 951	449 410	524 882	35 517	383 395	419 795	(36 399)	-9%	524 882
Remuneration of councillors		22 444	29 484	28 381	1 909	19 357	23 908	(4 551)	-19%	28 381
Bulk purchases - electricity		486 867	428 185	325 349	538	62 771	294 369	(231 598)	-79%	325 349
Inventory consumed		17 948	26 574	41 346	4 628	30 482	30 987	(506)	-2%	41 346
Debt impairment		78	61 096	38 496	–	–	37 353	(37 353)	-100%	38 496
Depreciation and amortisation		112 242	10 305	10 305	–	–	8 588	(8 588)	-100%	10 305
Interest		99 037	8 790	8 790	550	5 500	7 325	(1 825)	-25%	8 790
Contracted services		148 907	197 383	271 169	7 215	117 228	211 655	(94 427)	-45%	271 169
Transfers and subsidies		244	1 095	1 095	–	35	913	(877)	-96%	1 095
Irrecoverable debts written off		170 915	3 966	10 002	4 281	10 738	6 927	3 811	55%	10 002
Operational costs		179 769	170 482	192 707	15 430	112 290	155 423	(43 133)	-28%	192 707
Losses on Disposal of Assets		1 796	63	63	–	48	53	(4)	-8%	63
Other Losses		4 869	–	6	–	(6)	4	(9)	-267%	6
Total Expenditure		**1 698 065**	**1 386 834**	**1 452 592**	**70 068**	**741 839**	**1 197 299**	**(455 461)**	**-38%**	**1 452 592**
Surplus/(Deficit)		**(419 043)**	**43 117**	**19 051**	**14 647**	**416 448**	**19 341**	**397 108**	**0**	**19 051**
Transfers and subsidies - capital (monetary allocations)		48 042	66 532	66 532	30 997	39 277	55 443	(16 166)	**(0)**	66 532
Transfers and subsidies - capital (in-kind)		14	–	–	4 929	4 929	–	4 929	**#DIV/0!**	–
Surplus/(Deficit) after capital transfers & contributions		**(370 987)**	**109 649**	**85 583**	**50 573**	**460 655**	**74 784**	**385 871**	**0**	**85 583**
Income Tax								–		
Surplus/(Deficit) after income tax		**(370 987)**	**109 649**	**85 583**	**50 573**	**460 655**	**74 784**	**385 871**	**0**	**85 583**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**(370 987)**	**109 649**	**85 583**	**50 573**	**460 655**	**74 784**	385 871	0	**85 583**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		**(370 987)**	**109 649**	**85 583**	**50 573**	**460 655**	**74 784**	**385 871**	**0**	**85 583**

Exchange and Non-Exchange Revenue

Revenue analysis for the month ending 30 April 2026

Revenue Types		Section 71 of 30 April 2026					Ten Months Ending 30 April 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	8 236 048	100%	10 235 957	124%	82 263 197	82 262 583	100%	72 789 627	88%
Electricity - conventional	384 403 973	32 033 664	28 743 245	90%	32 126 194	112%	320 336 644	284 333 569	89%	295 186 577	104%
Water	203 998 096	16 999 841	13 920 004	82%	8 803 633	63%	169 998 413	134 848 299	79%	65 947 679	49%
Sanitation	74 766 665	6 230 555	6 070 265	97%	5 674 322	93%	62 305 554	61 683 767	99%	44 050 359	71%
Refuse	50 701 046	4 225 087	4 244 505	100%	3 506 762	83%	42 250 872	43 303 139	102%	28 913 877	67%
Total Direct Services	**812 585 616**	**67 715 468**	**61 214 067**	**90%**	**60 346 868**	**99%**	**677 154 680**	**606 431 357**	**90%**	**506 888 119**	**84%**
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**	**65 465 811**	**83%**	**64 610 344**	**99%**	**775 357 430**	**633 606 586**	**82%**	**530 498 932**	**84%**
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**	**79 478 390**	**86%**	**78 622 924**	**99%**	**898 524 968**	**760 843 981**	**85%**	**657 736 327**	**86%**
Operational grants and subsidies	6 877 000	2 157 154	2 157 154	**100%**	2 157 154	**100%**	6 131 120	6 131 120	**0%**	6 131 120	**100%**
Equitable share	353 516 000			-		-	309 202 000	309 202 000	**100%**	309 202 000	**100%**
Total Revenue	**1 468 139 000**	**94 469 321**	**81 635 545**	**86%**	**80 780 078**	**99%**	**1 213 858 088**	**1 076 177 101**	**89%**	**973 069 447**	**90%**

Comments on Section 71 Report.

Collection rate for waste water management is 93% for the month of April 2026 and 71% for the year to date.

Collection rate for waste management is 83% for the month of April 2026 and 67% for the year to date.

Collection rate for water is 63% for the month of April 2026 and 49% for the year to date.

The collection rate on Property Rates is 124% for the month of April 2026 and 88% 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 112% for the month of April 2026 and 104% for the year to date.

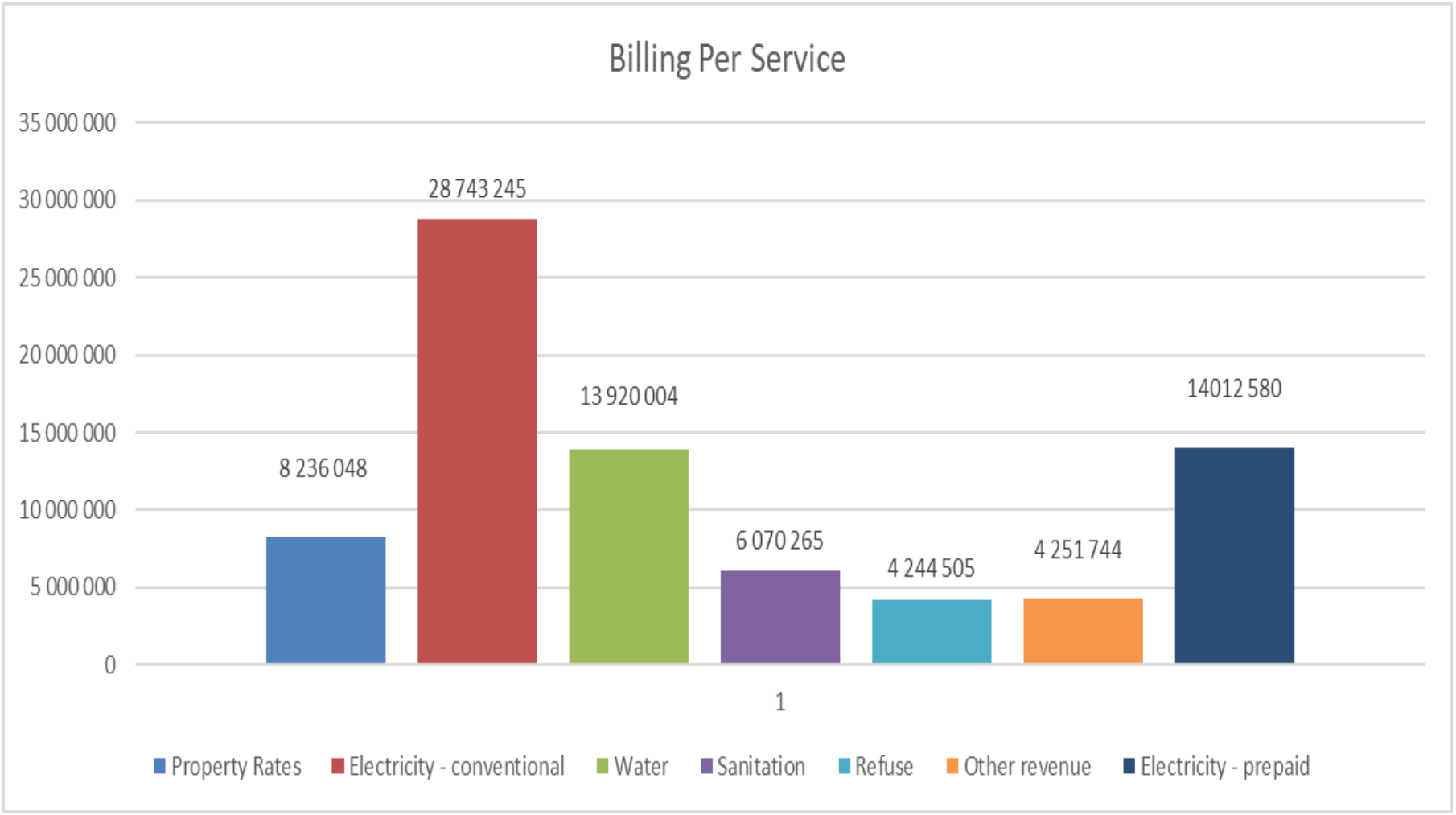
Revenue before operational grants versus billing is 99% for the month of April 2026 and 84% for the year to date.

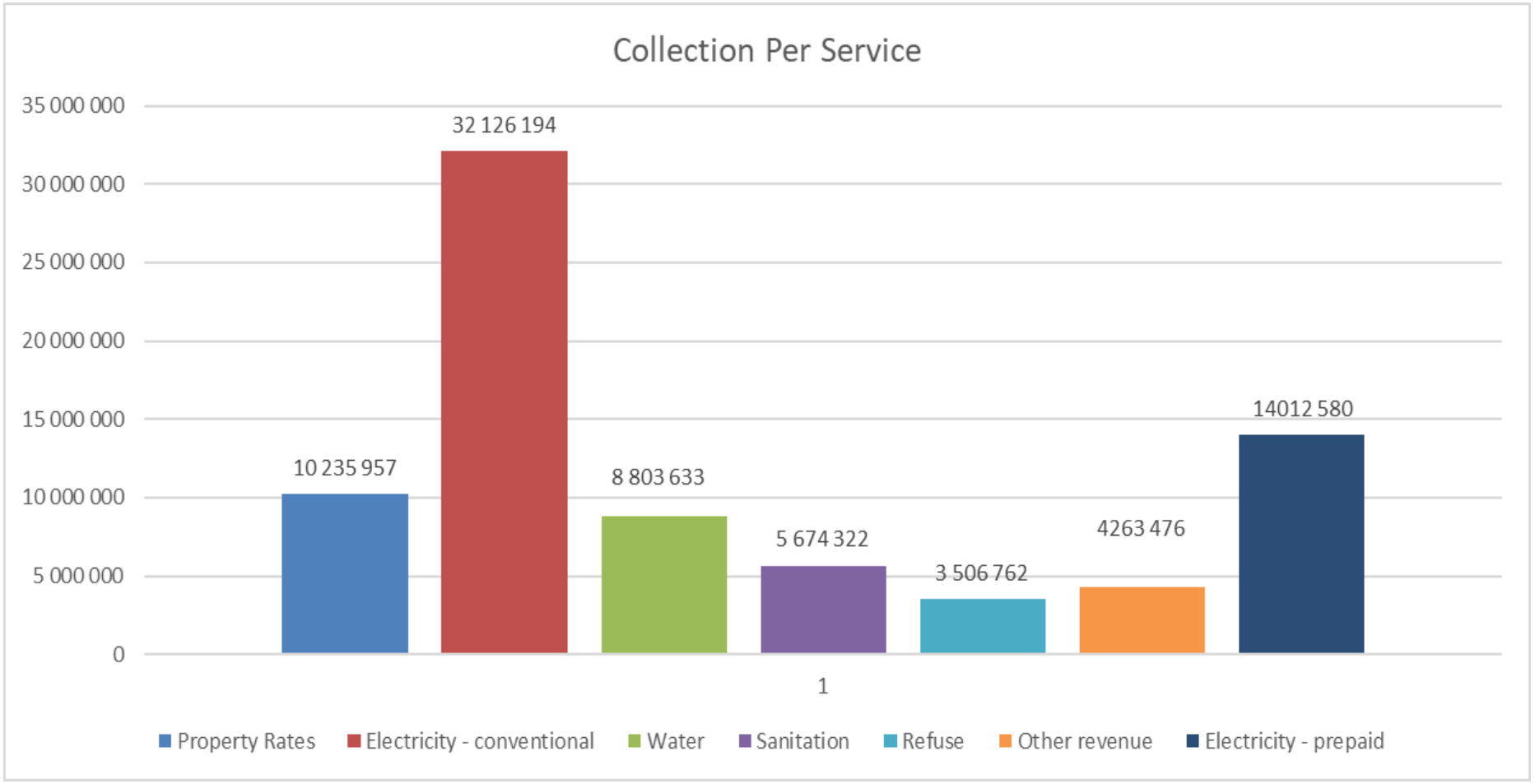
Total Revenue Collection Percentage with Zero or No Grant Funding received for the month of April 2026 is 99% and 90% for the period under review.

Indigents Contribution for Prepaid Electricity in April 2026 is R1 045 674.00 + R189 348.21 (FBE in ESKOM Supplied Areas) = R1 235 022.21

www.fs.gouza

Floor, and Streets, Oloem(ontein


Billing Per Service
35 000 000
30 000 000
25 000 000
20 000 000
15 000 000
10 000 000
5 000 000
0
8 236 048
28 743 245
13 920 004
6 070 265
4 244 505
4 251 744
14012 580
1
Property Rates
Electricity - conventional
Water
Sanitation
Refuse
Other revenue
Electricity - prepaid


Collection Per Service
35 000 000
30 000 000
25 000 000
20 000 000
15 000 000
10 000 000
5 000 000
0
10 235 957
32 126 194
8 803 633
5 674 322
3 506 762
4263 476
14012 580
1
Property Rates
Electricity - conventional
Water
Sanitation
Refuse
Other revenue
Electricity - prepaid

The April 2026 receipts amounted to R62 966 178.91 against billing of R73 912 568.18 That translates to 85% collection rate.

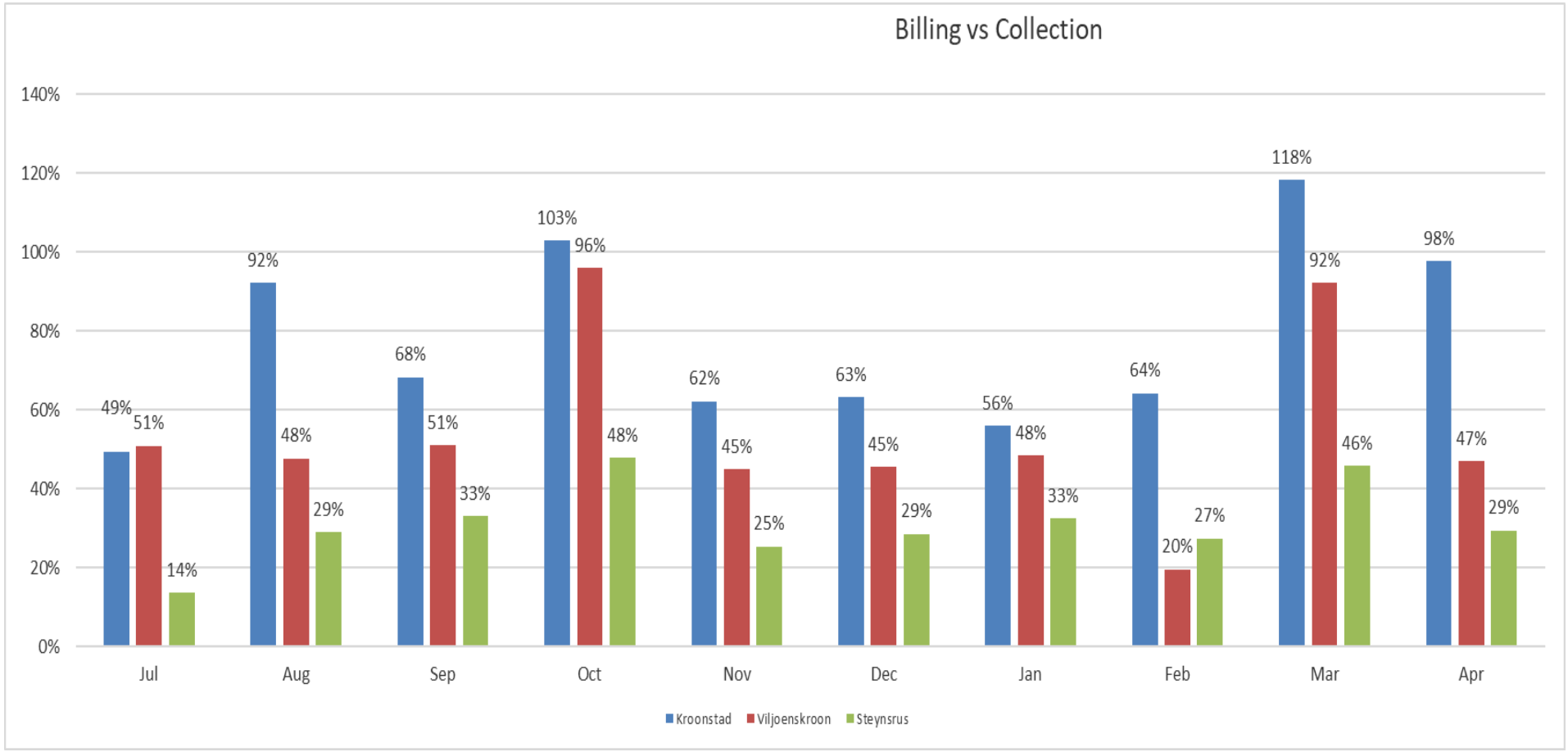
Cycle	Opening Balance	Charges Raised	Adjustments	Repayments	Deposits	Nett Movement	Receipts	Closing Balance	Collection	Billing vs Receipts
1	169 270 714.97	19 936 739.06	-4 868 553.87	403 881.07	24 394.00	15 496 460.26	-18 763 170.72	166 004 004.51	-121%	-3 266 710.46
2	741 348 831.47	20 365 278.04	-6 519 021.97	16 062.47	16 972.00	13 879 290.54	-4 186 092.59	751 042 029.42	-30%	9 693 197.95
3	3 062 235.90	4 654 722.98	0.00	0.00	0.00	4 654 722.98	-3 058 879.00	4 658 079.88	-66%	1 595 843.98
4	63 769 671.93	562 006.13	-52 142.00	0.00	0.00	509 864.13	-113 386.36	64 166 149.70	-22%	396 477.77
6	19 179 923.34	1 499 138.80	495.68	0.00	0.00	1 499 634.48	-1 289 701.74	19 389 856.08	-86%	209 932.74
7	30 793 121.05	966 207.20	-256 814.07	0.00	0.00	709 393.13	-289 675.25	31 212 838.93	-41%	419 717.88
8	11 437 429.86	416 096.49	-3 809.15	0.00	6 839.00	419 126.34	-278 860.92	11 577 695.28	-67%	140 265.42
9	2 434 735.40	11 791.31	-1 000.00	0.00	0.00	10 791.31	-400.00	2 445 126.71	-4%	10 391.31
10	75 487 061.62	11 533 128.58	-989 276.09	0.00	0.00	10 543 852.49	-9 288 718.01	76 742 196.10	-88%	1 255 134.48
11	104 992 102.14	2 624 476.18	-526 575.61	0.00	895.00	2 098 795.57	-618 476.39	106 472 421.32	-29%	1 480 319.18
13	687 602 165.08	12 375 814.27	-2 165 811.89	4 708.59	7 447.89	10 222 158.86	-2 364 204.31	695 460 119.63	-23%	7 857 954.55
14	7 742 929.61	5 340 146.25	0.00	0.00	0.00	5 340 146.25	-4 941 738.61	8 141 337.25	-93%	398 407.64
15	7 744.68	67.89	0.00	0.00	0.00	67.89	0.00	7 812.57	0%	67.89
16	134 469 991.40	8 592 911.71	-69 856.85	1 629.09	3 580.00	8 528 263.95	-17 772 875.01	125 225 380.34	-208%	-9 244 611.06
	2 051 598 658.45	88 878 524.89	-15 452 365.82	426 281.22	60 127.89	73 912 568.18	-62 966 178.91	2 062 545 047.72	-85%	10 946 389.27

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%
Apr	56 251 400	55 041 760	98%	15 562 373	7 305 943	47%	2 098 796	618 476	29%
Total	**592 501 193**	**448 403 467**	**76%**	**153 690 196**	**80 784 946**	**53%**	**21 237 019**	**6 622 266**	**31%**

www.fs.gouza

Ftpor, Zastron StreeG, CBD, Bloemfontein



Floor, and Streets, Oloem(ontein

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	6 351 290	R1 046 253	9%
Aug	R0	R14 968 547	R2 245 078	R17 213 625	6 162 357	R1 051 657	-4%
Sep	R0	R13 554 176	R2 032 933	R15 587 109	5 651 698	R1 039 402	-9%
Oct	R0	R14 002 384	R2 100 151	R16 102 535	5 797 385	R1 039 498	3%
Nov	R0	R13 443 972	R2 016 410	R15 460 382	5 610 387	R1 048 376	-4%
Dec	R0	R14 482 259	R2 172 162	R16 654 421	5 951 521	R1 032 357	8%
Jan	R0	R14 200 142	R2 129 818	R16 329 961	5 851 316	R1 029 848	-2%
Feb	R0	R13 045 873	R1 956 699	R15 002 572	5 445 783	R1 036 507	-8%
Mar	R0	R14 012 580	R2 101 697	R16 114 276	5 803 408	R1 044 709	7%
Apr	R0	R13 371 945	R2 005 605	R15 377 550	5 609 583	R1 045 674	-5%
Totals	**R0**	**R140 609 340**	**R21 089 443**	**R161 698 783**	**58 234 727**	**R10 414 280**	

Billing for Kroonstad/Maokeng, Brentpark in April 2026 was R56.3m, Viljoenskroon/Rammolutsi was R15.6m and Steynsrus/Matlwangtlwang was R2 098 796.

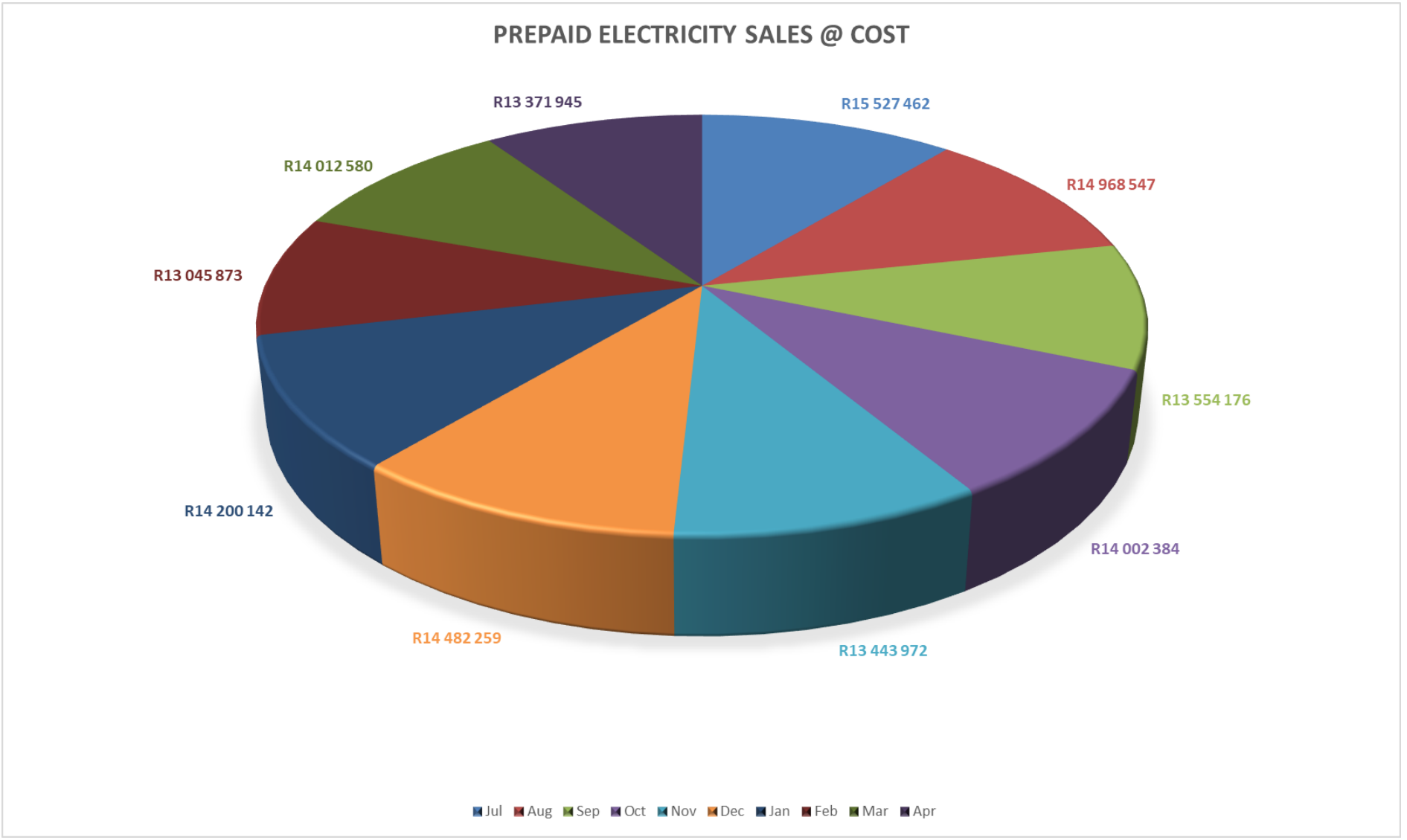
The average Collection Rate for Kroonstad/Maokeng/Brentpark for April 2026 is 98% , Viljoenskroon/Rammulutsi is 47% & Steynsrus/Matlwangtlwang is 29%.

Kroonstad/Maokeng/Brentpark generated a revenue of R55m for April 2026, Viljoenskroon/Rammolutsi generated R7.3m & Steynsrus/Matlwangtlwang generated R618 476.

The cost of revenue generated through prepaid electricity for the month of April 2026 is R13 371 945. The electricity vendors are contributing to these sales.

www.fs.gouza

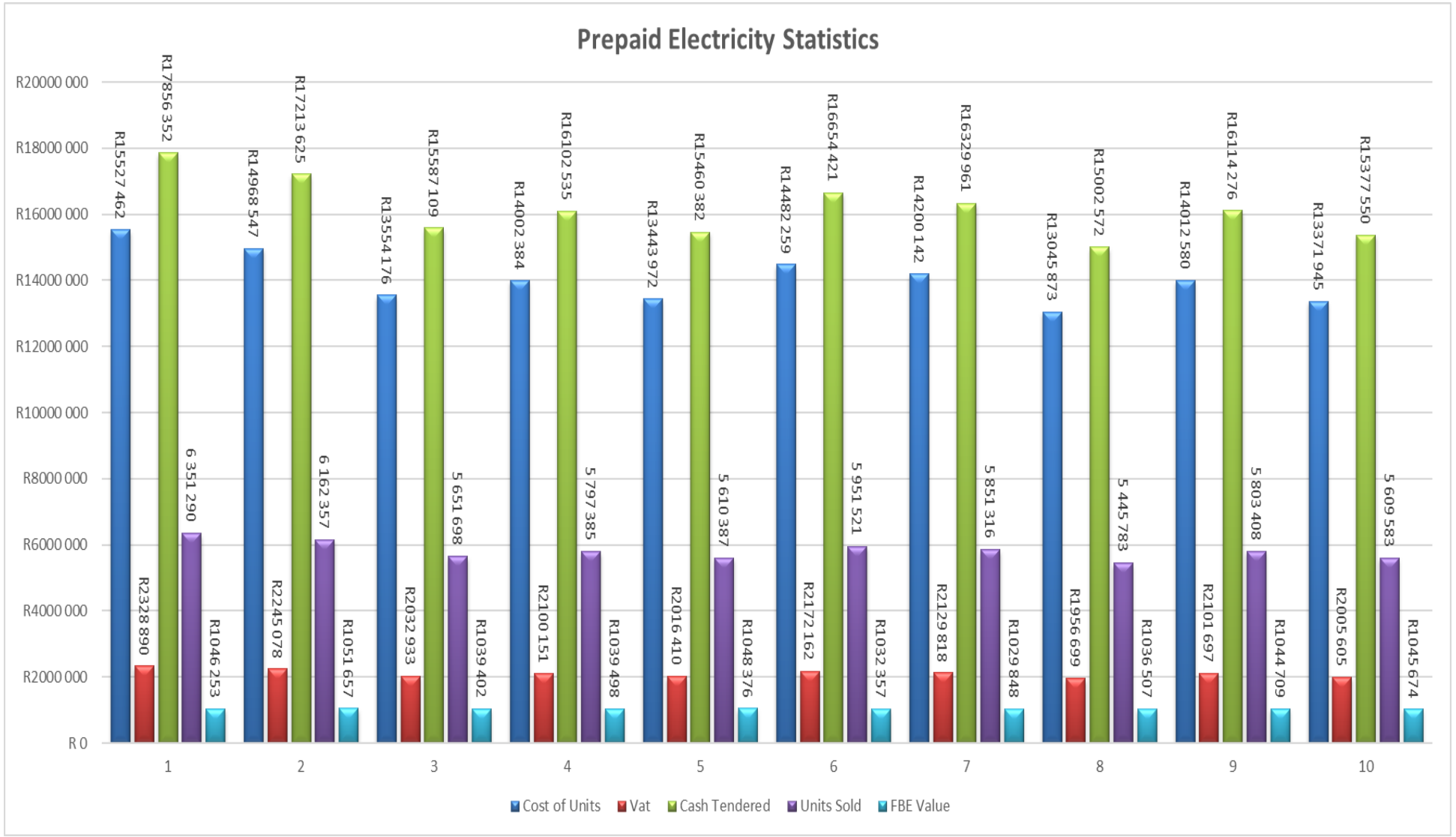
Floor, and Streets, Oloem(ontein



Ftpor, Zastron StreeG, CBD, Bloemfontein

www.fs.gouza

Floor, and Streets, Oloem(ontein



Ftpor, Zastron StreeG, CBD, Bloemfontein

4.2 Operating expenditure by type

FS201 Moqhaka - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

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
Expenditure By Type										
Employee related costs		452 951	449 410	524 882	35 517	383 395	419 795	(36 399)	-9%	524 882
Remuneration of councillors		22 444	29 484	28 381	1 909	19 357	23 908	(4 551)	-19%	28 381
Bulk purchases - electricity		486 867	428 185	325 349	538	62 771	294 369	(231 598)	-79%	325 349
Inventory consumed		17 948	26 574	41 346	4 628	30 482	30 987	(506)	-2%	41 346
Debt impairment		78	61 096	38 496	–	–	37 353	(37 353)	-100%	38 496
Depreciation and amortisation		112 242	10 305	10 305	–	–	8 588	(8 588)	-100%	10 305
Interest		99 037	8 790	8 790	550	5 500	7 325	(1 825)	-25%	8 790
Contracted services		148 907	197 383	271 169	7 215	117 228	211 655	(94 427)	-45%	271 169
Transfers and subsidies		244	1 095	1 095	–	35	913	(877)	-96%	1 095
Irrecoverable debts written off		170 915	3 966	10 002	4 281	10 738	6 927	3 811	55%	10 002
Operational costs		179 769	170 482	192 707	15 430	112 290	155 423	(43 133)	-28%	192 707
Losses on Disposal of Assets		1 796	63	63	–	48	53	(4)	-8%	63
Other Losses		4 869	–	6	–	(6)	4	(9)	-267%	6
Total Expenditure		**1 698 065**	**1 386 834**	**1 452 592**	**70 068**	**741 839**	**1 197 299**	**(455 461)**	**-38%**	**1 452 592**

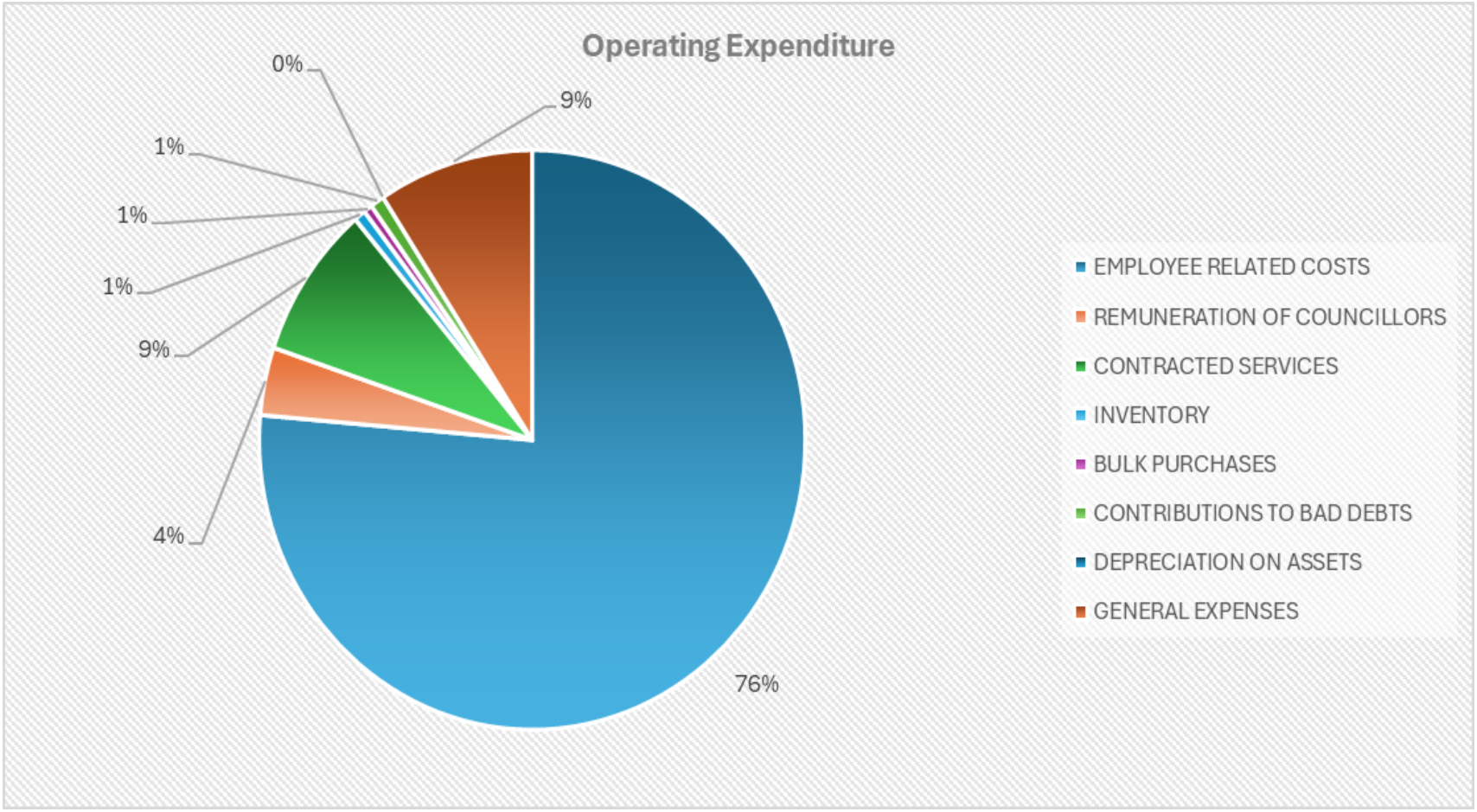
Comparison against YTD Budget

As indicated in the Table above, as at 30 April 2026, expenditure shows an unsatisfactory variance of minus 38%. The YTD actual amounted to R741 839 000 against the YTD budget of R1 197 299 000.

- Employee related costs show a satisfactory variance of 9%. 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 79%.
- The expenditure on Inventory consumed is showing an unsatisfactory variance minus 2%. Expenditure for the first month of the year is normally low, due later re-opening of the financial year after year-end closure.
- The major backlog and deterioration of infrastructure is negatively influencing the Repairs & Maintenance expenditure line items. Deviations and re-directing of funds to manage crisis's is severely and rapidly depleting the R&M budget, impeding on the funds required for day-to-day maintenance. Lack of maintenance plans and planned maintenance is impeding on the municipality's ability to maintain assets optimally.

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

- Depreciation was projected for on a straight-line basis, as part of year-end procedures. The municipality is currently engaging our service provider to make use of the available Asset module on the financial system for integration.
- Interest is showing an unsatisfactory variance of minus 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 45%.
- 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 28% 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 Expenditure
0%
9%
1%
1%
1%
9%
4%
76%
EMPLOYEE RELATED COSTS
REMUNERATION OF COUNCILLORS
CONTRACTED SERVICES
INVENTORY
BULK PURCHASES
CONTRIBUTIONS TO BAD DEBTS
DEPRECIATION ON ASSETS
GENERAL EXPENSES

www.fs.gouza

Ftpor, Zastron StreeG, CBD, Bloemfontein

OPERATING EXPENSES					
DESCRIPTION	**Annual Budget 2025/2026**	**Actual 30-Apr-26**	**YTD 30-Apr-26**	**Variance (Unspent Budget)**	**% Exp**
EMPLOYEE RELATED COSTS	524 882 394,00	35 516 945,31	383 395 241,98	141 487 152,02	**73,04**
REMUNERATION OF COUNCILLORS	28 380 690,00	1 909 092,54	19 357 477,40	9 023 212,60	**68,21**
BULK PURCHASES	325 349 213,00	538 327,02	62 771 036,66	262 578 176,34	**19,29**
INVENTORY	41 345 897,00	4 628 134,73	30 481 614,38	10 864 282,62	**73,72**
DEPRECIATION ON ASSETS	10 282 705,00	-	-	10 282 705,00	-
INTEREST	8 790 312,00	550 000,00	5 500 000,00	3 290 312,00	**62,57**
CONTRACTED SERVICES	271 168 989,00	7 214 909,18	117 228 345,30	153 940 643,70	**43,23**
TRANSFERS AND SUBSIDIES	1 095 158,00	-	35 350,00	1 059 808,00	**3,23**
CONTRIBUTIONS TO BAD DEBTS	10 001 998,00	4 280 883,58	10 737 922,83	-735 924,83	**107,36**
OPERATIONAL EXPENDITURE	169 275 959,00	13 133 914,39	100 360 338,56	68 915 620,44	**59,29**
OPERATING LEASES	23 431 483,00	2 296 280,73	11 929 258,63	11 502 224,37	**50,91**
TOTAL EXPENDITURE (NETT)	**1 414 004 798,00**	**70 068 487,48**	**741 796 585,74**	**672 208 212,26**	**52,46**

DESCRIPTION	**Annual Budget 2025/2026**	**Actual 30-Apr-26**	**YTD 30-Apr-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	240 498,78	1 113 749,25	1 200 377,75	**48,13**
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	289 565,19	2 995 902,81	**8,81**
OS: CATERING SERVICES	1 339 529,00	33 764,31	352 675,03	986 853,97	**26,33**
OS: CLEANING SERVICES	216 757,00	67 683,12	175 367,61	41 389,39	**80,91**
OS: ELECTRICAL	18 869 252,00	982 351,74	6 194 745,99	12 674 506,01	**32,83**
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	600 126,75	4 837 577,78	6 862 542,22	**41,35**
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**	**1 956 598,61**	**13 364 784,37**	**26 817 569,63**	**33,26**
CONSULTANTS AND PROFESSIONAL SERVICES					-
C&PS: B&A AIR POLLUTION	0,00	0,00	0,00	0,00	
C&PS: B&A AUDIT COMMITTEE	225 133,00	24 048,00	136 830,73	88 302,27	**60,78**
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	35 800,00	622 361,62	3 804 059,38	**14,06**
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	1 867 272,89	26 686 211,00	45 208 220,00	**37,12**
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	104 257,83	4 218 029,31	1 096 157,69	**79,37**
C&PS: LEGAL COST ADVICE & LITIGATION	7 500 000,00	192 150,74	843 081,76	6 656 918,24	**11,24**
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	37 952,66	498 105,38	931 190,62	**34,85**

www.fs.gouza

SUB TOTAL : CONSULTANT AND PROF SERV	**100 687 238,00**	**2 261 482,12**	**33 413 466,20**	**67 273 771,80**	**33,19**
CONTRACTORS					-
CONTR: ARTISTS & PERFORMERS	55 230,00	0,00	0,00	55 230,00	-
CONTR: BUILDING CONTRACTORS	688 062,00	0,00	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	0,00	1 239 284,91	640 068,09	**65,94**
CONTR: MAINT OF BUILDINGS & FACILIT	10 879 330,00	114 168,16	1 142 980,08	9 736 349,92	**10,51**
CONTR: MAINTENANCE OF EQUIPMENT	6 713 370,00	362 781,73	2 019 124,59	4 694 245,41	**30,08**
CONTR: MAINTENANCE OF EQUIPMENT (FLE	5 044 322,00	11 574,00	2 065 964,45	2 978 357,55	**40,96**
CONTR: MAINTENANCE FLEET	14 261 080,00	991 645,36	8 306 215,03	5 954 864,97	**58,24**
CONTR: PEST CONTROL & FUMIGATION	114 273,00	0,00	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	710 784,72	14 358 226,38	9 931 529,62	**59,11**
CONTR: SAFEGUARD & SECURITY	41 600 000,00	128 399,44	27 628 458,62	13 971 541,38	**66,41**
CONTR: TRAFFIC & STREET LIGHTS	23 346 990,00	677 475,04	13 280 120,31	10 066 869,69	**56,88**
SUB TOTAL : CONTRACTORS	**130 299 397,00**	**2 996 828,45**	**70 450 094,73**	**59 849 302,27**	**54,07**
CONTRACTED SERVICES	**271 168 989,00**	**7 214 909,18**	**117 228 345,30**	**153 940 643,70**	**43,23**
OPERATIONAL COST					
OC: ADV/PUB/MARK - CORP & MUN ACTIVI	2 163 944,00	328 894,00	756 501,25	1 407 442,75	**34,96**
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	80 640,00	0,00	45 114,45	35 525,55	**55,95**
OC: AUDIT COST: EXTERNAL	12 845 908,00	856 650,77	10 069 416,91	2 776 491,09	**78,39**
OC: BC/FAC/C FEES - BANK ACCOUNTS	1 329 408,00	197 865,60	1 403 964,11	-74 556,11	**105,61**
OC: COMMISSION - THIRD PARTY VENDORS	18 440 000,00	1 589 696,06	8 074 790,86	10 365 209,14	**43,79**
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	78 285,20	712 356,89	1 387 643,11	**33,92**
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	0,00	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	4 689,26	48 114,16	281 287,84	**14,61**
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	13 009,09	75 011,34	155 484,66	**32,54**
OC: ENTERTAINMENT - SPEAKER	10 440,00	0,00	9 793,90	646,10	**93,81**
OC: ENTERTAINMENT - CHIEF WHIP	36 540,00	0,00	3 136,06	33 403,94	**8,58**
OC: EXT COM SERV PROV - GPS LICENCE	8 604 229,00	2 043 800,25	2 043 800,25	6 560 428,75	**23,75**
OC: EXT COM SERV PROV - S/WARE LICEN	3 117 859,00	747 880,00	1 475 725,80	1 642 133,20	**47,33**
OC: EXT COM SERV PROV - SYSTEM ADVIS	0,00	0,00	0,00	0,00	-
OC: HIRE CHARGES	69 810 272,00	6 055 724,50	54 184 515,93	15 625 756,07	**77,62**
OC: INSUR UNDER - CLAIM PAID 3RD PAR	0,00	0,00	0,00	0,00	-
OC: INSUR UNDER - EXCESS PAYMENTS	500 000,00	39 709,58	382 256,83	117 743,17	**76,45**
OC: INSUR UNDER - PREMIUMS	4 500 000,00	159 833,04	4 292 089,83	207 910,17	**95,38**
OC: LEARNERSHIPS & INTERNSHIPS	100 000,00	0,00	0,00	100 000,00	-
OC: LIC - VEHICLE LIC & REGISTRATION	1 393 020,00	126 182,00	736 445,40	656 574,60	**52,87**
OC: LIC - VEHICLE LIC & REGISTR FLEE	11 394,00	1 272,00	2 628,00	8 766,00	**23,06**
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	8 759,89	144 086,19	240 723,81	**37,44**
OC: REMUNERATION TO WARD COMMITTEES	2 566 437,00	91 000,00	917 000,00	1 649 437,00	**35,73**

www.fs.gov.za

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**	**-**

4.3 Capital Expenditure

FS201 Moqhaka - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M10 April

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**	**25**	**1 565**	**2 859**	(1 295)	-45%	**3 560**
Executive and council		15	–	–	–	–	–	–		–
Finance and administration		2 532	2 981	3 560	25	1 565	2 859	(1 295)	-45%	3 560
Internal audit		34	–	–	–	–	–	–		–
Community and public safety		**383**	**29 350**	**29 077**	**4 544**	**20 284**	**24 116**	(3 832)	-16%	**29 077**
Community and social services		–	550	500	–	38	428	(391)	-91%	500
Sport and recreation		271	5 853	5 789	214	1 278	4 769	(3 491)	-73%	5 789
Public safety		84	22 947	22 537	4 300	18 938	18 768	170	1%	22 537
Housing		27	–	250	30	30	150	(120)	-80%	250
Health								–		
Economic and environmental services		**263**	**42 144**	**16 270**	**1 072**	**5 103**	**14 667**	(9 564)	-65%	**16 270**
Planning and development		129	–	516	–	–	310	(310)	-100%	516
Road transport		119	42 064	15 674	1 072	5 077	14 291	(9 214)	-64%	15 674
Environmental protection		15	80	80	–	26	67	(41)	-61%	80
Trading services		**1 674**	**20 546**	**36 932**	**4 940**	**10 425**	**29 898**	(19 473)	-65%	**36 932**
Energy sources		98	250	250	640	640	208	432	207%	250
Water management		143	18 524	20 617	1 413	1 569	17 077	(15 509)	-91%	20 617
Waste water management		1 434	1 773	15 947	2 887	8 216	12 519	(4 304)	-34%	15 947
Waste management		–	–	119	–	–	93	(93)	-100%	119
Other		–	–	40	–	–	24	(24)	-100%	40
Total Capital Expenditure - Functional Classification	3	**4 900**	**95 021**	**85 879**	**10 581**	**37 376**	**71 564**	**(34 187)**	**-48%**	**85 879**
Funded by:										
National Government		128	66 532	54 344	5 216	11 679	45 964	(34 285)	-75%	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	–	–	4 929	4 929	–	4 929	#DIV/0!	–
Transfers recognised - capital		**136**	**66 532**	**54 344**	**10 145**	**16 608**	**45 964**	**(29 355)**	**-64%**	**54 344**
Borrowing	6	–	–	–	25	25	–	25	#DIV/0!	–
Internally generated funds		4 763	28 489	31 535	411	20 743	25 600	(4 857)	-19%	31 535
Total Capital Funding		**4 900**	**95 021**	**85 879**	**10 581**	**37 376**	**71 564**	**(34 187)**	**-48%**	**85 879**

As indicated in the Table above, the YTD Actual on capital expenditure as at end of September 2025 amounted to R12 212 000. The total YTD capex is funded from Capital grants R25 000 and Internally generated funds R12 186 000. 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	**Thursday, 30 April 2026**
Cash Receipts by Source	
Property rates	9 951 322
Service charges - electricity revenue	31 433 267
Service charges - water revenue	8 450 384
Service charges - sanitation revenue	4 979 294
Service charges - refuse revenue	3 457 391
Service charges - other	-
Interest earned - external investments	859 770
Interest earned - outstanding debtors	1 007 137
Fines	-
Transfer receipts - operational	-
Other revenue	22 126 969
Cash Receipts by Source	**82 265 534**
Other Cash Flows/Receipts by Source	
Transfer receipts - capital	-
Borrowing long term/refinancing	-
Total Cash Receipts by Source	**82 265 534**
Cash Payments by Type	
Employee related costs	35 516 945
Remuneration of councillors	1 909 092
Bulk purchases - Electricity	619 076
Contracted services	7 214 909
General expenses	19 445 346
Cash Payments by Type	**64 705 368**
Other Cash Flows/Payments by Type	
Capital assets	10 581 171
Repayment of borrowing	-
Total Cash Payments by Type	**75 286 539**
Net Increase/(Decrease) in Cash Held	**6 978 995**
Cash/cash equivalents at the month/year begin:	**178 707 746**
Cash/cash equivalents at the month/year end:	**185 686 741**

www.fs.gov.za

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

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
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		57 716	120 179	120 179	10 106	70 707	100 149	(29 442)	-29%	120 179
Service charges		581 142	864 329	864 329	63 023	579 960	720 274	(140 314)	-19%	864 329
Other revenue		8 465	(134 111)	(134 111)	29 175	(379 134)	(111 759)	(267 375)	239%	(134 111)
Transfers and Subsidies - Operational		330 336	334 714	334 714	2 069	351 634	278 928	72 706	26%	334 714
Transfers and Subsidies - Capital		52 270	68 228	68 228	–	32 825	56 857	(24 032)	-42%	68 228
Interest		9 900	–	–	2 551	11 643	–	11 643	#DIV/0!	–
Dividends		5 822	4 744	4 744	1 478	4 401	3 954	447	11%	4 744
Payments										
Suppliers and employees		(1 133 236)	(1 637 348)	(1 637 348)	(121 763)	(1 050 727)	(1 364 457)	(313 730)	23%	(1 637 348)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies								–		
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(87 585)**	**(379 265)**	**(379 265)**	**(13 361)**	**(378 691)**	**(316 054)**	**62 638**	**-20%**	**(379 265)**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		(2 284)	8 493	8 493	0	(153)	7 077	(7 230)	-102%	8 493
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(4 900)	(95 021)	(95 021)	(10 581)	(37 376)	(79 184)	(41 808)	53%	(95 021)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(7 184)**	**(86 529)**	**(86 529)**	**(10 581)**	**(37 529)**	**(72 107)**	**(34 578)**	**48%**	**(86 529)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		(1 178)	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	25	25	–	25	#DIV/0!	–
Increase (decrease) in consumer deposits		(499)	–	–	43	996	–	996	#DIV/0!	–
Payments										
Repayment of borrowing		–	(2 121)	(2 121)	(355)	(3 727)	(1 768)	1 959	-111%	(2 121)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(1 677)**	**(2 121)**	**(2 121)**	**(287)**	**(2 706)**	**(1 768)**	**938**	**-53%**	**(2 121)**
NET INCREASE/ (DECREASE) IN CASH HELD		**(96 446)**	**(467 915)**	**(467 915)**	**(24 229)**	**(418 926)**	**(389 929)**			**(467 915)**
Cash/cash equivalents at beginning:		(9 905)	(24 764)	(24 764)	(417 855)	(23 158)	(24 764)			(23 158)
Cash/cash equivalents at month/year end:		(106 351)	(492 678)	(492 678)	(442 084)	(442 084)	(414 692)			(491 072)

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: April 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	28-Feb	31-Mar	% Change	30-Apr	% Change	Reference
Services						
Councillors' debt (>90 days)	R 1 628 901	R 1 646 261	1%	R 1 661 295	1%	BP136-r
Officials debt (>90 days)	R 3 254 288	R 3 468 043	7%	R 3 512 125	1%	BP136-a
Sundry debtors						
Telephones (Officials & Councillors)	R733 604.45	R741 714.79	1%	R729 587.26	-2%	BP136-rt
Indigents	R 302 627 196	R 310 773 051	**3%**	R 319 973 617	3%	BP136-ia
Total Debt 90 Days +	**R 308 243 990**	**R 316 629 070**	**3%**	**R 325 876 623**	**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.

In early April 2026, the concerned group from the community served the municipality with a written dispute against the mass prepaid electricity blockings and conventional electricity meters restriction, citing or relying on section 102 of the Local Government: Municipal Systems Act. The resolution of the meeting with the community representatives was to halt the blockings until the municipal Senior Legal Advisor has consulted his legal colleagues on the issues raised. Only the conventional electricity meters were disconnected or had their electricity supply restricted.

As of 30 April 2026, the Government Debt was as follows:

Ftpor, Zastron StreeG, CBD, Bloemfontein

APRIL 2026	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.	28 557.00	149 518.00	96 032.00	61 625.00	109 932.00	445 664.00	0.00	445 664.00
FREE STATE PROVINCIAL TREASURY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEPARTMENT OF HEALTH (PH)	10 472 126.00	7 411 170.00	0.00	11 583 666.00	26 462.00	29 493 424.00	0.00	29 493 424.00
DEPARTMENT OF EDUCATION (PE)	127346.00	1 894 861.00	2 013 074.00	16 011 223.00	0.00	20 046 504.00	0.00	20 046 504.00
DEPARTM OF SOCIAL DEV(PS)	0.00	0.00	0.00	300 038.00	0.00	300 038.00	0.00	300 038.00
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)	1 105 044.00	15 009 832.00	2 920.00	921 850.00	314.00	17 039 960.00	0.00	17 039 960.00
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	**11 733 073.00**	**24 465 381.00**	**2 112 026.00**	**28 878 402.00**	**136 708.00**	**67 325 590.00**	**0.00**	**67 325 590.00**
				0.00				
SCHOOLS (SECTION 21)	12 361 244.00	24 550 604.00	7 311.00	9 549.00	44 879.00	**36 973 587.00**	0.00	**36 973 587.00**
NATIONAL DEPARTMENTS	**WATER**	**ELEC**	**RATES**	**SE & RF**	**OTHER**	**TOTAL**	**PAYMENT**	**OUTST**
CORRECTIONAL SERVICES (NC)	6 204 164.00	3 562 301.00	0.00	415 851.00	0.00	10 182 316.00	0.00	10 182 316.00
DEFENCE (ND)	2 740 886.00	7 533 237.00	0.00	774 729.00	14 402.00	11 063 254.00	0.00	11 063 254.00
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	17 260.00	0.00	0.00	15 912.00	3 700.00	36 872.00	0.00	36 872.00
PUBLIC WORKS (NW)	19 895.00	135 300.00	2 518.00	90 850.00	0.00	248 563.00	0.00	248 563.00
SA POLICE(NP)	1 242 693.00	891 390.00	435.00	1 185 972.00	2 143.00	3 322 633.00	0.00	3 322 633.00
WATER AFFAIRS (WA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JUSTICE (GJ)	29 462.00	156 071.00	0.00	11 435.00	5 559.00	202 527.00	0.00	202 527.00
TOTAL	**10 254 360.00**	**12 278 299.00**	**2 953.00**	**2 494 749.00**	**25 804.00**	**25 056 165.00**		**25 056 165.00**
TOTAL	**34 348 677.00**	**61 294 284.00**	**2 122 290.00**	**31 382 700.00**	**207 391.00**	**129 355 342.00**	**-**	**129 355 342.00**
						TOTAL		**129 355 342.00**
						LESS CREDIT		**0.00**
						GRAND TOTAL		**129 355 342.00**

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: ***M10 April***

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	**2 112**			**3**	**2 115**
0-30 Days	1 766			0	1 767
31-60 Days	40			0	40
61-90 Days	33			0	34
Over 90 Days	272			2	274
Water	**11 733**	**–**	**12 361**	**10 254**	**34 348**
0-30 Days	815	–	499	1 313	2 627
31-60 Days	700	–	356	1 978	3 035
61-90 Days	789	–	296	1 127	2 213
Over 90 Days	9 428	–	11 209	5 836	26 474
Electricity	**24 465**	**–**	**24 550**	**12 278**	**61 294**
0-30 Days	780	–	1 148	1 761	3 689
31-60 Days	778	–	924	1 563	3 265
61-90 Days	710	–	1 022	1 627	3 359
Over 90 Days	22 197	–	21 457	7 328	50 981
Sanitation	**19 203**			**1 566**	**20 769**
0-30 Days	1 082			179	1 261
31-60 Days	1 082			168	1 250
61-90 Days	1 088			166	1 254
Over 90 Days	15 951			1 053	17 004
Refuse Removal	**9 675**			**928**	**10 604**
0-30 Days	547			93	640
31-60 Days	547			87	635
61-90 Days	550			86	637
Over 90 Days	8 030			662	8 692
Other	**137**	**–**	**62**	**26**	**224**
0-30 Days	3	–	14	1	17
31-60 Days	3	–	2	1	6
61-90 Days	2	–	2	1	5
Over 90 Days	129	–	44	22	196
TOTAL	**67 326**	**–**	**36 973**	**25 056**	**129 354**
0-30 Days	4 994	–	1 660	3 348	10 002
31-60 Days	3 151	–	1 282	3 798	8 231
61-90 Days	3 174	–	1 320	3 007	7 501
Over 90 Days	56 007	–	32 711	14 904	103 621
Payments received during reporting month *(whole amount)*	-			*1 499 269.46*	*1 499 269.46*

Ftpor, Zastron StreeG, CBD, Bloemfontein

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/analytics 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 and billing analytics.
- 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 – April 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 18 273 382	R 7 501 989	R 6 988 335	R 96 674 518	**R 129 438 224**
4.2	Business / Commercial	R 33 218 026	R 11 492 812	R 7 852 077	R 175 030 829	**R 227 593 744**
4.3	Households	R 33 777 935	R 28 654 637	R 28 722 457	R 1 473 375 041	**R 1 564 530 070**
4.4	Other	-R 5 254 594	R 3 224 683	R 2 807 459	R 140 205 462	**R 140 983 010**
	Total	**R 80 014 749**	**R 50 874 121**	**R 46 370 328**	**R 1 885 285 850**	**R 2 062 545 048**

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 22 684 339	R 21 039 515	R 20 905 940	R 981 062 563	**R 1 045 692 357**
5.2	Electricity	R 33 594 351	R 13 281 202	R 9 995 409	R 171 034 778	**R 227 905 740**
5.3	Property Rates	R 8 249 746	R 3 833 136	R 3 358 866	R 124 108 036	**R 139 549 784**
5.4	Sanitation	R 8 487 460	R 6 895 273	R 6 545 760	R 301 575 286	**R 323 503 779**
5.5	Refuse removal	R 5 941 355	R 4 847 835	R 4 616 324	R 220 019 061	**R 235 424 575**
5.6	Other	`	R 977 160	R 948 029	R 87 486 126	**R 89 411 315**
	Total	**R 78 957 251**	**R 50 874 121**	**R 46 370 328**	**R 1 885 285 850**	**R 2 061 487 550**

Comments:

Total outstanding debt has increased from R2 051 598 658 in March 2026 to R2 062 545 048 in April 2026. A positive movement amounting to R10 946 390. This translates to 1% movement.

Water outstanding debt was R1 034 895 320 in March 2026 and has increased to R1 045 692 357 in April 2026. That accounts for 51% of the outstanding debt due to non-payment, burst pipes, leaking water meters.
Electricity outstanding debt was R231 190 055 in March 2026 and has decreased to R227 905 740 in April 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 R141 661 288 in March 2026 and has decreased to R139 549 784 in April 2026. This account for 7% against total debtors' book.

Total outstanding debt for sanitation/Sewerage was R320 956 604 in March 2026 and has increased to R323 503 779 in April 2026. This accounts for 16% of the total outstanding debtors' book.

Refuse Removal or Solid Waste outstanding debt was R233 219 225 in March 2026 and has increased to R235 424 575 in April 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 676 166 in March 2026 and has increased to R90 468 813 in April 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 R139 915 259 in March 2026 and has decreased to R129 438 224 in April 2026. This represents 6% of the total outstanding debt that Public Works is in the process of addressing.

Business/Commercial debt was R229 443 433 in March 2026 and has decreased to R227 593 744 in April 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 542 795 062 in March 2026 and has increased to R1 564 530 070 in April 2026. That accounts for 76% of the total debtors' book. This is inclusive of R319 973 617 owed by indigent households in April 2026.

The remaining Other Income debt by many other various categories of debtors was R139 444 904 in March 2026 and has increased to R140 983 010 in April 2026. That is 7% of the total outstanding debtors' book.

The total debt by Councillors was R1 646 261 in March 2026 and has increased to R1 661 295 in April 2026 (1% movement). Officials owed R3 468 043 in March 2026 and R3 512 125 in April 2026 (1% increase).

Telephone accounts had a balance of R741 714.79 in March 2026 and has decreased to R729 587.26 in April 2026 (2% decrease).

The Municipality Council has approved the Revenue Enhancement Strategy for implementation in conjunction 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.

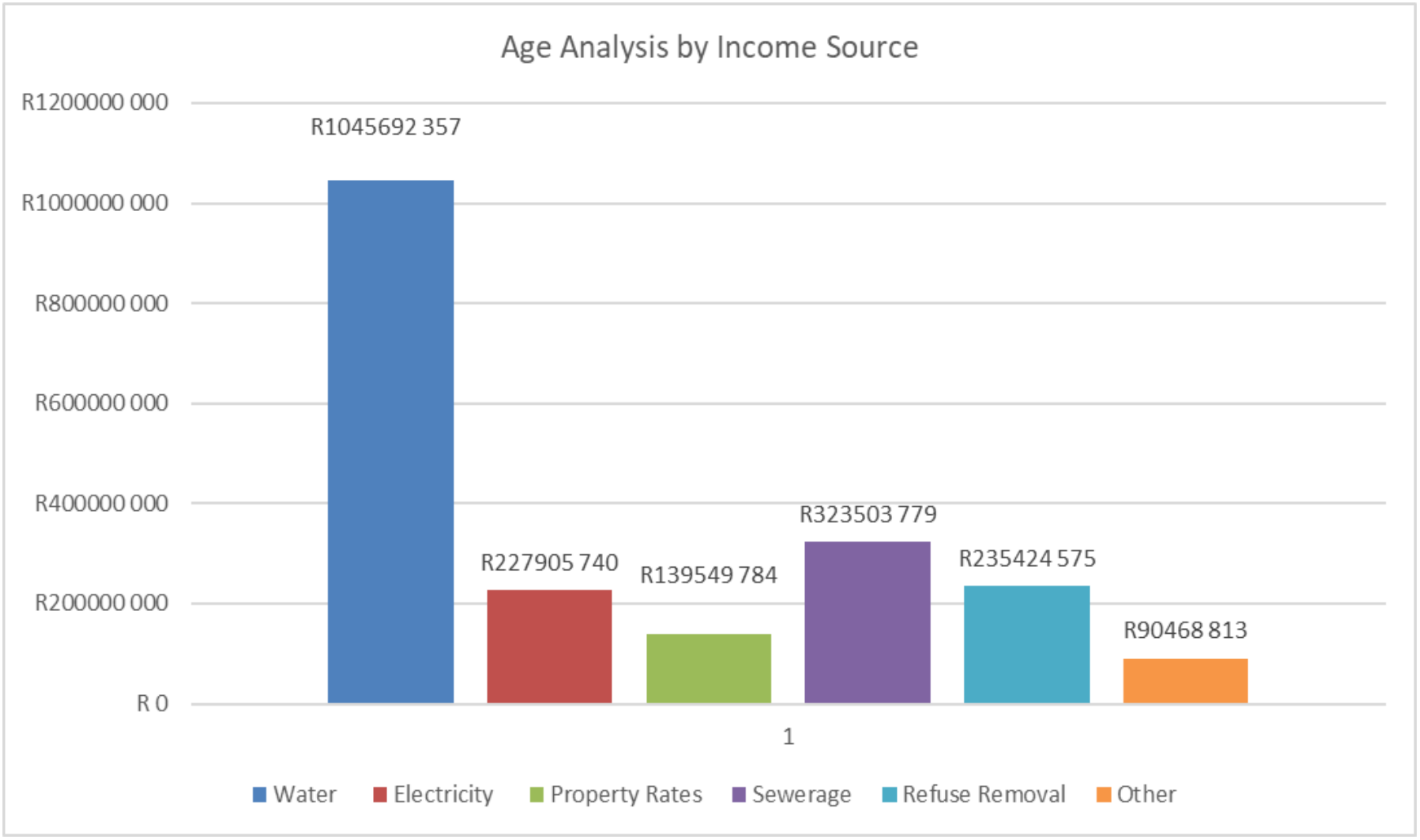
The Municipal Manager was dismissed in January 2026. This negatively impacts on operations, strategic decisions, administrative stability, as well as the Cost Containment policy.

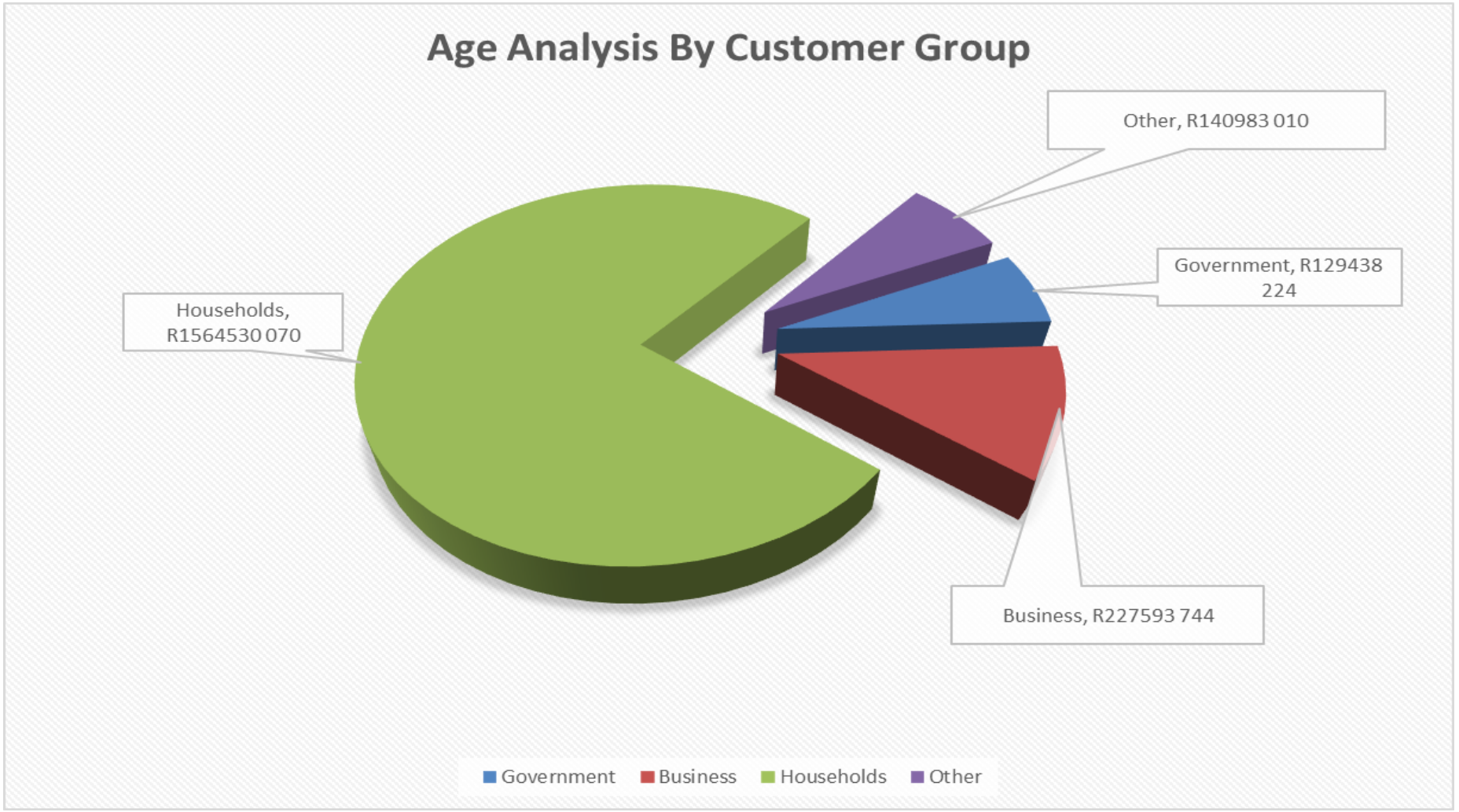
Four years delay in appointing the Chief Financial Officer and other Directors plays a very critical role in the financial distress facing the municipality.

The Municipality operates with administrative leadership that is mostly in acting capacity. The municipality has just elected and inaugurated the new Council Speaker and the new Executive Mayor on Thursday the 07th of May 2026.

www.fs.gouza

Floor, and Streets, Oloem(ontein


Age Analysis by Income Source
R1200000 000
R1000000 000
R800000 000
R600000 000
R400000 000
R200000 000
R 0
R1045692 357
R227905 740
R139549 784
R323503 779
R235424 575
R90468 813
1
Water
Electricity
Property Rates
Sewerage
Refuse Removal
Other



Floor, and Streets, Oloem(ontein

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. Policies are continuously reviewed to make processes more effective. This will allow 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 April 2026									
Detail	**0 - 30 Days**	**31 - 60 Days**	**61 - 90 Days**	**91 - 120 Days**	**121 - 150 Days**	**151 - 180 Days**	**181 Days - 1 Year**	**Over 1 Year**	**Total -**
Bulk Electricity	60 654 068	59 781 983	115 861 484	-	-	-	-	2 132 954 740	2 369 252 275
Loan repayments	-	-	-					-	-
Trade Creditors	8 734 116	6 759 627	2 618 553	3 164 375	-	-	-	-	21 276 671
Auditor General	-	10 855	-	-	-	-	-	-	10 855
DWS	898 718	898 718	976 253					23 589 322	26 363 011
WORKMENS COMPENSATION	-							-	-
GOVERNMENT GARAGE	-							-	-
Total	**70 286 902**	**67 451 183**	**119 456 290**	**3 164 375**	**-**	**-**	**-**	**2 156 544 062**	**2 416 902 812**

Bulk Electricity – As at the 30 April 2026, the outstanding debt owed to ESKOM amounted to R2 369 252 275. As per the Debt Relief approval, the municipality must honour the payment of the monthly current account and only the outstanding balance of R365 000 000 after approval of the debt relief application. The municipality is yet to enter into a payment arrangement. Trade creditors are all suppliers registered on the municipality's database and it is a prerequisite for these suppliers to be registered on the Central Supplier Database (CSD). Auditor General – the current account due to the AGSA is R10 855. Other creditors – includes Sundry creditors which were unpaid as at 30 April 2026 amount to R47 639 682

www.fs.gouza

Ftpor, Zastron StreeG, CBD, Bloemfontein

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	34055053040ZZZZZZZWM
ABSA - 3	91-3190-1443	Call Account	34055053240ZZZZZZZWM

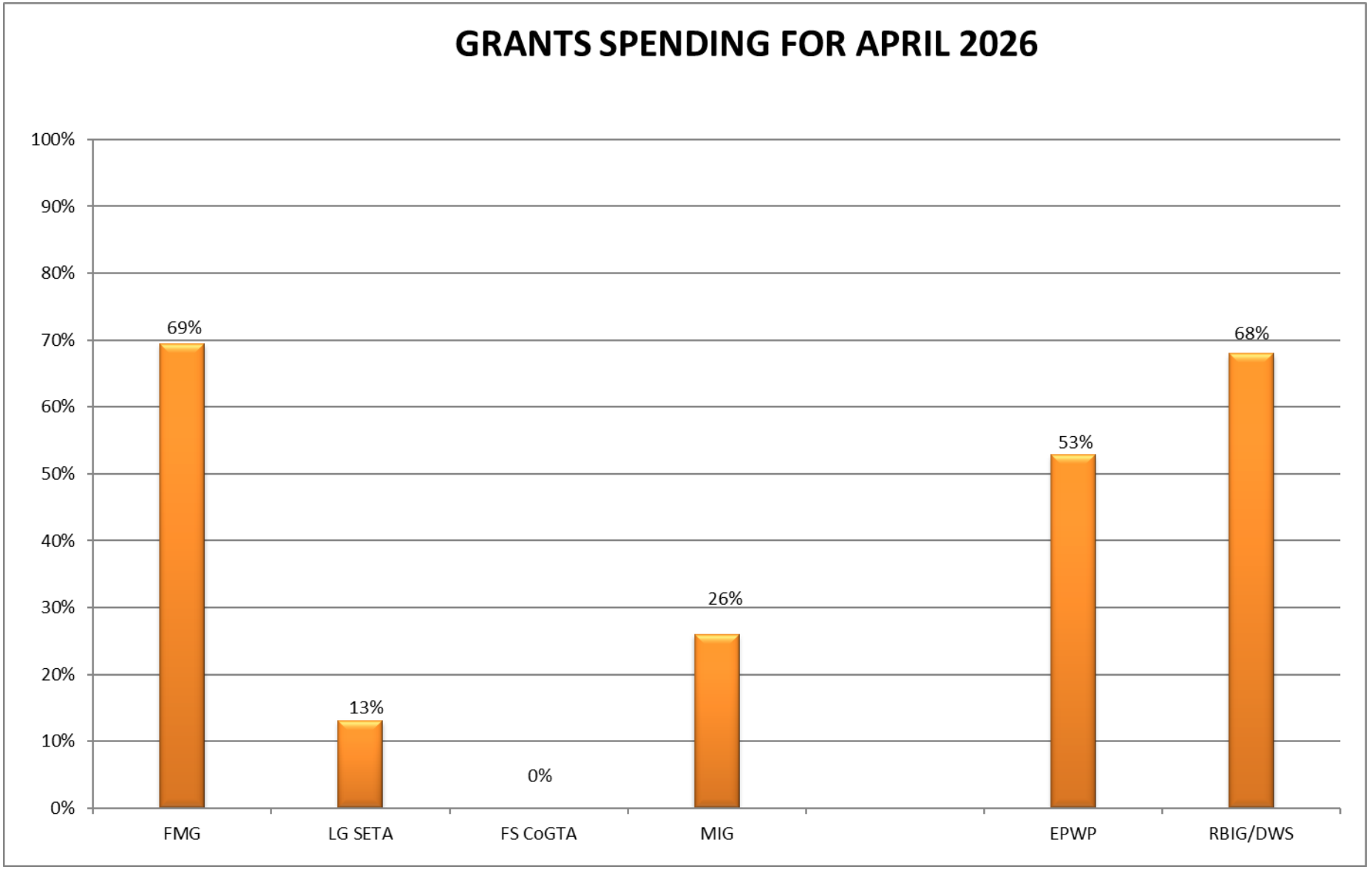
	20-7531-4898	20-5824-7882	91-3190-1443	
	ABSA - 1	**ABSA - 2**	**ABSA - 3**	**Total**
Balance 01-Jul- 2025	**6 040,56**	**129 607,22**	**22 165 244,44**	**22 300 892,22**
Prior period error		-	-	-
Adjusted Balance	**6 040,56**	**129 607,22**	**16 165 244,44**	**16 300 892,22**
	-	-	**56 994 351,86**	**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**
			122 039 962,41	122 039 962,41
Invested	-	-	156 651 762,80	156 651 762,80
Withdrawn	-	-	-35 201 762,80	-35 201 762,80
Interest earned	-	-	589 962,41	589 962,41
Interest accrued	-	-		
Balance at 31-Mar-2026	**6 352,73**	**140 667,01**	**171 592 321,38**	**171 739 341,12**
			5 359 770,35	5 359 770,35
Invested	-	-	33 500 000,00	33 500 000,00
Withdrawn	-	-	-29 000 000,00	-29 000 000,00
Interest earned	-	-	859 770,35	859 770,35
Balance at 30-April-2026	**6 352,73**	**140 667,01**	**176 952 091,73**	**177 099 111,47**

9. Allocation and grant receipts and expenditure

Ftpor, Zastron StreeG, CBD, Bloemfontein

Report on conditional grants at	April 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	23 428 864	1 945 000	21 435 626	10 595 000	**57 404 490**
Received This Month	-	-	1 534 000	-	-	-	**1 534 000**
Total Funds Received	**2 300 000**	**2 530 931**	**24 962 864**	**1 945 000**	**21 435 626**	**10 595 000**	**58 938 490**
Spent Prior Months	1 496 948	299 863	4 959 820	943 316	21 435 626	7 206 129	**34 544 891**
Spent This Month	101 331	33 000	1 533 736	84 461	-	-	**1 618 197**
Grants refunded							**-**
Total Funds Spent	1 598 279	332 863	6 493 556	1 027 777	21 435 626	7 206 129	36 163 088
Total funds Received and Not Spent	**701 721**	**2 198 068**	**18 469 308**	**917 223**	**-**	**3 388 871**	**22 775 402**
Percentage of Funds Spent	69%	13%	26%	53%	100%	68%	61%
Funds Currently Committed but Not Spent	-	-	-	-		-	**-**
Scheduled Transfers Withheld	-	-	-	-		-	**-**



www.fs.gouza

Ftpor, Zastron StreeG, CBD, Bloemfontein

www.fs.gouza

Floor, and Streets, Oloem(ontein

FS201 Moqhaka - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M10 April

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
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		**329 232**	**325 501**	**360 501**	**88**	**310 647**	**292 251**	**18 396**	**6,3%**	**360 501**
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		298 568	312 705	312 705	–	309 202	260 587	48 615	18,7%	312 705
Expanded Public Works Programme Integrated Grant		–	1 496	1 496	–	(130)	1 247	(1 377)	-110,4%	1 496
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–		–
Local Government Financial Management Grant		2 300	2 300	2 300	88	1 575	1 917	(342)	-17,8%	2 300
Municipal Disaster Relief Grant	3	–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		–	–	–	–	–	–	–		–
Regional Bulk Infrastructure Grant		28 364	9 000	44 000	–	–	28 500	(28 500)	-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**	**–**	**773**	**2 756**	(1 983)	-72,0%	**3 395**
ESKOM		–	–	–	–	–	–	–		–
National Economical Development and Labour Council		1 104	–	–	–	773	–	773		–
National Skills Fund		676	3 081	3 395	–	–	2 756	(2 756)	-100,0%	3 395
Total Operating Transfers and Grants	5	**331 012**	**328 582**	**363 896**	**88**	**311 419**	**295 007**	**16 413**	**5,6%**	**363 896**
Capital Transfers and Grants										
National Government:		–	67 471	66 065	–	–	55 382	(55 382)	**-100,0%**	66 065
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		–	48 709	48 937	–	–	40 728	(40 728)	-100,0%	48 937
Water Services Infrastructure Grant		–	18 762	17 128	–	–	14 654	(14 654)	-100,0%	17 128
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Infrastructure Grant		–	–	–	–	–	–	–		–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]								–		
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]								–		
Total Capital Transfers and Grants	5	**–**	**67 471**	**66 065**	**–**	**–**	**55 382**	**(55 382)**	**-100,0%**	**66 065**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	331 012	396 053	429 960	88	311 419	350 388	(38 969)	-11,1%	429 960

- R1 534 000 for MIG was received as Capital Grant for the month under review.
- Correcting journals are processed monthly to recognize capital grant receipts in the Statement of Financial Performance, once all conditions of the grant have been met.

10. Councillor and board member allowances and employee benefits

30 April 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 30-Apr-26	YTD 30-Apr-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	35 188,02	581 616,72	**53,14**
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**	**35 188,02**	**796 100,31**	**47,92**
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	571 609,95	**28,69**
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	10 000,00	**83,33**
SM D01: ALLOW - HOUSING BENEFITS	0,00	0,00	0,00	
SM D01: ALLOW - TRAVEL OR MOTOR VEHICLE	296 521,00	25 070,30	253 314,02	**85,43**
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**	**834 923,97**	**35,40**

www.fs.gouza

DO2 - SALARIES ALLOW AND SERV BENEFITS				
SM D02: SAL & ALL - BASIC SALARY	860 513,00	71 047,55	707 065,95	**82,17**
SM D02: SAL & ALL - PERFORM BASED BONUS	0,00	0,00	0,00	
SM D02: ALLOW - CELLULAR & TELEPHONE	19 482,00	1 000,00	10 000,00	**51,33**
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	462 826,51	**79,18**
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**	**1 179 892,46**	**74,46**
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**	**243 090,68**	**2 810 916,74**	**35,36**
SM - SOCIAL CONTRIBUTIONS				
MM - SOCIAL CONTRIBUTIONS		www.fs.gouza		
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**

Floor, Zastron Street, CBD, Bloemfontein

SM MM: SOC CONTR: UIF	2 547,00	177,12	1 416,96	**55,63**	
SUB TOTAL: MM - SOCIAL CONTRIBUTIONS	**232 259,00**	**177,12**	**97 943,54**	**42,17**	
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	1 594,08	**15,94**	
SM D01: SOC CONTR: PENSION FUNDS	151 541,00	11 267,44	111 831,12	**73,80**	
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**	**113 602,32**	**69,22**	
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	1 771,20	**68,49**	
SM D02: SOC CONTR: BARGAINING COUNCIL	0,00	0,00	0,00		
SUB TOTAL: DPS - SOCIAL CONTRIBUTIONS	**116 222,00**	**177,12**	**1 771,20**	**1,52**	
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**	**11 798,80**	**213 317,06**	**35,62**	
SM - POST RETIREMENT BENEFITS					
SM: PRB - MED: CURRENT SERVICE COST					

www.mfs.co.ug

SM: PRB - MED: INTEREST COST	5 250 508,00	4 595,40	1 921 308,24	**36,59**
SM: PRB - PENS: INTEREST COST	781 263,00	-	-	-
SUB TOTAL : SM - POST RETIREMENT BENEFIT	**6 031 771,00**	**4 595,40**	**1 921 308,24**	**31,85**
SM: PST RET BEN OBL CST CAP PPE				
SUB TOTAL : SM - COST CAPITALISED TO PPE				
SUB TOTAL : SENIOR MANAGEMENT	**14 579 026,00**	**259 484,88**	**4 945 542,04**	**33,92**
MUNICIPAL STAFF				
MS - SALARIES ALLOW AND SERV BENEFITS				
MS: SAL & ALL: BASIC SALARY & WAGES	283 804 649,00	21 071 514,36	214 699 507,85	**75,65**
MS: SAL & ALL: PERFORMANCE BASED BONUSES	109 714,00	0,00	72 320,67	**65,92**
MS: ALL - CELLULAR & TELEPHONE	941 659,00	41 750,00	476 107,96	**50,56**
MS: HB & INC: HOUSING BENEFITS	2 227 217,00	125 518,58	1 335 193,28	**59,95**
MS: ALL - LEAVE PAY	9 533 785,00	406 847,17	6 228 699,69	**65,33**
MS: ALL - TRAVEL OR MOTOR VEHICLE	27 547 616,00	1 882 111,56	19 385 211,18	**70,37**
MS: OVERTIME - NON STRUCTURED	50 703 762,00	3 370 831,92	39 209 602,66	**77,33**
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	669 978,83	16 729 707,84	**59,59**
MS: SRB - LONG SERVICE AWARD	0,00	0,00	0,00	
MS: SRB - STANDBY ALLOWANCE	14 500 058,00	602 571,34	7 350 887,98	**50,70**
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	357 135,92	5 484 001,92	**135,05**
SUB TOTAL : MS - SAL ALLOW & SERV BENEF	**421 567 130,00**	**28 528 259,68**	**310 974 533,86**	**73,77**
MS - SOCIAL CONTRIBUTIONS				
MS: SOC CONTR - BARGAINING COUNCIL	174 369,00	11 684,05	116 978,65	**67,09**
MS: SOC CONTR - GROUP LIFE INSURANCE	1 371 149,00	83 963,93	856 959,34	**62,50**
MS: SOC CONTR - MEDICAL	30 475 355,00	2 585 320,20	24 789 085,93	**81,34**
MS: SOC CONTR - PENSION	48 991 970,00	3 884 976,24	39 099 132,77	**79,81**
MS: SOC CONTR - UNEMPLOYMENT INSUR FUND	2 571 920,00	164 607,13	1 662 461,29	**64,64**
SUB TOTAL : MS - SOCIAL CONTRIBUTIONS	**83 584 763,00**	**6 730 551,55**	**66 524 617,98**	**79,59**
MS: PRB - MED: CURRENT SERVICE COST				
MS: PRB - MED: INTEREST COST	4 689 734,00	-2 540,80	921 223,97	19,64

MS: PRB - PENS: INTEREST COST					
MS: PRB - OTHER: LEAVE GRATUITY		0,00	0,00		
SUB TOTAL : MS - POST RETIREMENT BEN	**4 689 734,00**	**-2 540,80**	**921 223,97**	**19,64**	
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**	**35 257 467,93**	**378 448 509,94**	**74,16**	
SUB TOTAL : EMPLOYEE RELATED COST	**524 882 394,00**	**35 516 952,81**	**383 394 051,98**	**73,04**	

30 April 2026

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

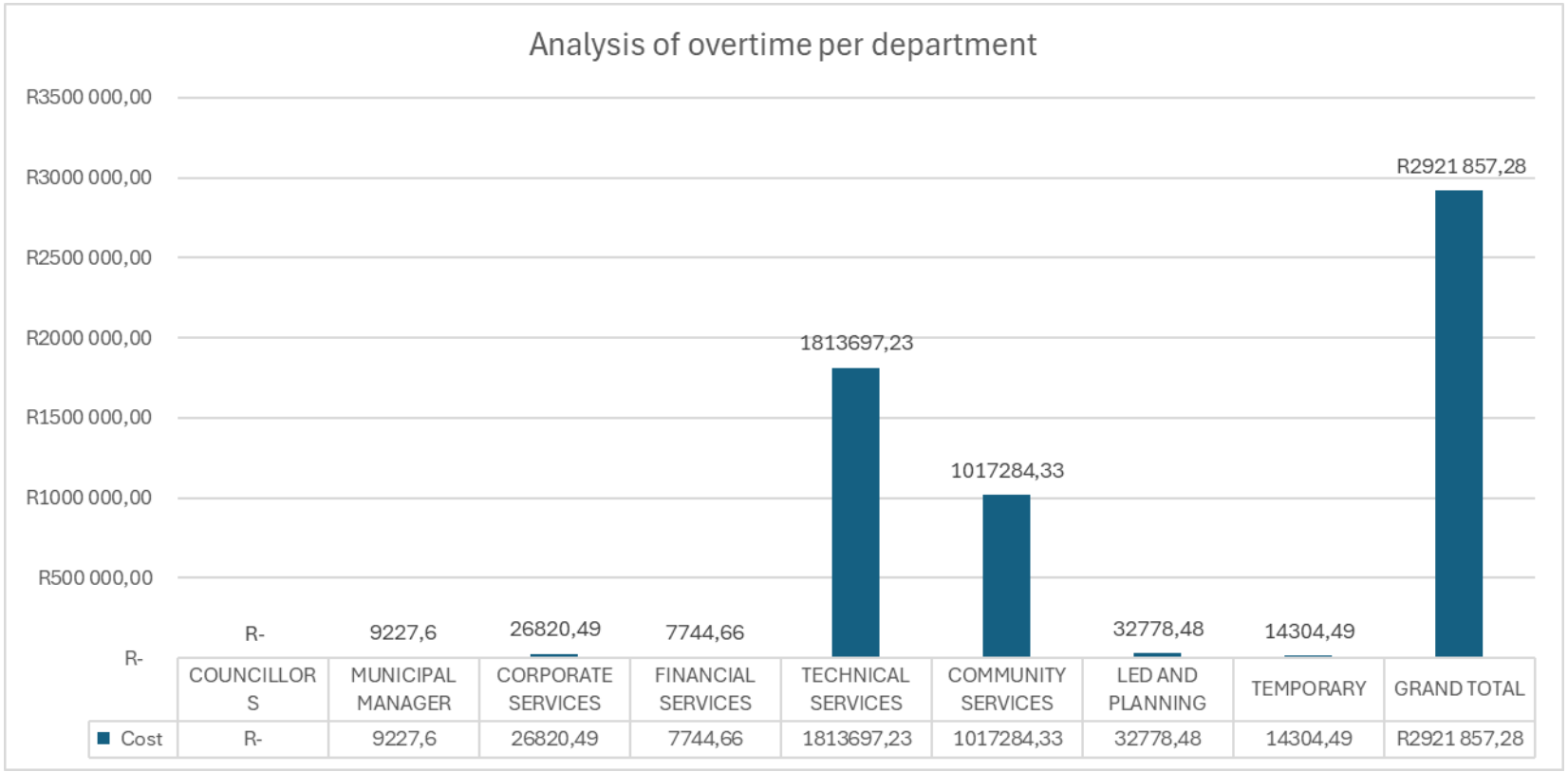
Summary of Section 66 of the MFMA - Salaries and Wages (Staff Benefits)

Analysis of overtime per department

	30-Apr-26	
Description	**Hours**	**Cost**
Municipal Manager	60	9227,6
Corporate Services	131,60	26820,49
Financial Services	21,60	7744,66
Technical Services	9199,03	1813697,23
Community Services	4790,00	1017284,33
LED & Planning	191,00	32778,48
Temporary	84,50	14304,49
Total	**14 477,73**	**2 921 857,28**

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.

Ftpor, Zastron StreeG, CBD, Bloemfontein


Analysis of overtime per department
R3500 000,00
R3000 000,00
R2500 000,00
R2000 000,00
R1500 000,00
R1000 000,00
R500 000,00
R-
R-
9227,6
26820,49
7744,66
1813697,23
1017284,33
32778,48
14304,49
R2921 857,28
COUNCILLORS
MUNICIPAL MANAGER
CORPORATE SERVICES
FINANCIAL SERVICES
TECHNICAL SERVICES
COMMUNITY SERVICES
LED AND PLANNING
TEMPORARY
GRAND TOTAL
Cost
R-
9227,6
26820,49
7744,66
1813697,23
1017284,33
32778,48
14304,49
R2921 857,28

www.fs.gouza

Ftpor, Zastron StreeG, CBD, Bloemfontein

Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4 043	7 774	16 914	1 040	10 906	11 962	(1 057)	-9%	16 914
Pension and UIF Contributions		1 756	1 934	831	20	321	950	(629)	-66%	831
Medical Aid Contributions		752	1 255	899	63	626	832	(206)	-25%	899
Motor Vehicle Allowance		13 760	14 795	6 059	477	4 560	7 088	(2 527)	-36%	6 059
Cellphone Allowance		2 105	3 031	2 250	172	1 720	2 057	(337)	-16%	2 250
Housing Allowances								–		
Other benefits and allowances		28	695	1 429	136	1 225	1 019	205	20%	1 429
Sub Total - Councillors		**22 444**	**29 484**	**28 381**	**1 909**	**19 357**	**23 908**	**(4 551)**	**-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	169	1 860	4 887	(3 026)	-62%	5 878
Pension and UIF Contributions		266	500	463	12	212	394	(183)	-46%	463
Medical Aid Contributions		–	214	136	0	2	131	(130)	-99%	136
Overtime								–		
Performance Bonus		127	338	281	–	–	247	(247)	-100%	281
Motor Vehicle Allowance		953	1 258	1 306	72	862	1 077	(215)	-20%	1 306
Cellphone Allowance		62	87	82	2	41	69	(28)	-41%	82
Housing Allowances		–	379	287	–	–	261	(261)	-100%	287
Other benefits and allowances		–	–	–	–	–	–	–		–
Payments in lieu of leave								–		
Long service awards		–	–	95	–	48	57	(10)	-17%	95
Post-retirement benefit obligations	2	26 574	6 032	6 032	5	1 921	5 027	(3 105)	-62%	6 032
Entertainment		1	28	19	–	–	18	(18)	-100%	19
Scarcity								–		
Acting and post related allowance								–		
In kind benefits								–		
Sub Total - Senior Managers of Municipality		**29 685**	**14 661**	**14 579**	**259**	**4 946**	**12 169**	**(7 223)**	**-59%**	**14 579**
% increase	4		**-50,6%**	**-50,9%**						**-50,9%**
Other Municipal Staff										
Basic Salaries and Wages		249 693	258 252	283 805	21 072	214 700	230 542	(15 842)	-7%	283 805
Pension and UIF Contributions		47 250	49 648	52 935	4 134	41 619	43 346	(1 728)	-4%	52 935
Medical Aid Contributions		28 691	28 189	30 475	2 585	24 789	24 863	(74)	0%	30 475
Overtime		38 218	31 753	50 763	3 371	39 213	37 867	1 346	4%	50 763
Performance Bonus		20 335	22 739	28 183	670	16 802	22 216	(5 414)	-24%	28 183
Motor Vehicle Allowance		21 447	25 557	27 548	1 882	19 385	22 492	(3 107)	-14%	27 548
Cellphone Allowance		493	800	942	42	476	752	(276)	-37%	942
Housing Allowances		1 722	2 091	2 227	126	1 335	1 825	(489)	-27%	2 227
Other benefits and allowances		4 879	4 615	14 676	614	7 468	9 883	(2 415)	-24%	14 676
Payments in lieu of leave		8 351	4 316	9 534	407	6 229	6 727	(499)	-7%	9 534
Long service awards		2 009	1 953	4 061	357	5 484	2 892	2 592	90%	4 061
Post-retirement benefit obligations	2	15	4 690	4 690	(3)	921	3 908	(2 987)	-76%	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**	**35 256**	**378 420**	**407 316**	**(28 895)**	**-7%**	**509 842**
% increase	4		**2,7%**	**20,5%**						**20,5%**
Total Parent Municipality		**475 232**	**478 752**	**552 801**	**37 425**	**402 723**	**443 392**	**(40 669)**	**-9%**	**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 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 are consistent and correlate 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 regarding 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 - M10 April

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	8 236	82 263	81 351	912	1%	98 716
Service charges	723 166	876 199	878 094	65 533	662 113	731 302	(69 189)	-9%	878 094
Investment revenue	39	63	63	–	–	53	(53)	-100%	63
Transfers and subsidies - Operational	331 012	328 582	363 896	88	311 419	295 007	16 413	0	363 896
Other own revenue	131 200	130 301	130 874	10 858	102 492	108 928	(6 435)	-6%	130 874
Total Revenue (excluding capital transfers and contributions)	**1 279 022**	**1 429 951**	**1 471 642**	**84 715**	**1 158 287**	**1 216 640**	**(58 353)**	**-5%**	**1 471 642**
Employee costs	452 951	449 410	524 882	35 517	383 395	419 795	(36 399)	-9%	524 882
Remuneration of Councillors	22 444	29 484	28 381	1 909	19 357	23 908	(4 551)	-19%	28 381
Depreciation and amortisation	112 242	10 305	10 305	–	–	8 588	(8 588)	-100%	10 305
Interest	99 037	8 790	8 790	550	5 500	7 325	(1 825)	-25%	8 790
Inventory consumed and bulk purchases	504 814	454 759	366 695	5 166	93 253	325 357	(232 104)	-71%	366 695
Transfers and subsidies	244	1 095	1 095	–	35	913	(877)	-96%	1 095
Other expenditure	506 333	432 991	512 443	26 926	240 298	411 414	(171 116)	-42%	512 443
Total Expenditure	**1 698 065**	**1 386 834**	**1 452 592**	**70 068**	**741 839**	**1 197 299**	**(455 461)**	**-38%**	**1 452 592**
Surplus/(Deficit)	**(419 043)**	**43 117**	**19 051**	**14 647**	**416 448**	**19 341**	**397 108**	**2053%**	**19 051**
Transfers and subsidies - capital (monetary	48 042	66 532	66 532	30 997	39 277	55 443	###	-29%	66 532
Transfers and subsidies - capital (in-kind)	14	–	–	4 929	4 929	–	4 929	#DIV/0!	–
Surplus/(Deficit) after capital transfers & contributions	**(370 987)**	**109 649**	**85 583**	**50 573**	**460 655**	**74 784**	**385 871**	**516%**	**85 583**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(370 987)**	**109 649**	**85 583**	**50 573**	**460 655**	**74 784**	**385 871**	**516%**	**85 583**
Capital expenditure & funds sources									
Capital expenditure	**4 900**	**95 021**	**85 879**	**10 581**	**37 376**	**71 564**	**(34 187)**	**-48%**	**85 879**
Capital transfers recognised	136	66 532	54 344	10 145	16 608	45 964	(29 355)	-64%	54 344
Borrowing	–	–	–	25	25	–	25	#DIV/0!	–
Internally generated funds	**4 763**	**28 489**	**31 535**	**411**	**20 743**	**25 600**	**(4 857)**	**-19%**	**31 535**
Total sources of capital funds	**4 900**	**95 021**	**85 879**	**10 581**	**37 376**	**71 564**	**(34 187)**	**-48%**	**85 879**
Financial position									
Total current assets	799 221	467 905	467 905		1 202 552				467 905
Total non current assets	1 940 457	3 107 101	3 097 959		1 931 154				3 097 959
Total current liabilities	1 974 643	538 944	538 944		1 975 194				538 944
Total non current liabilities	152 821	73 466	73 466		152 847				73 466
Community wealth/Equity	**1 453 965**	**2 967 331**	**2 982 255**		**1 007 574**				**2 982 255**
Cash flows									
Net cash from (used) operating	(87 585)	(379 265)	(379 265)	(13 361)	(378 691)	(316 054)	62 638	-20%	(379 265)
Net cash from (used) investing	(7 184)	(86 529)	(86 529)	(10 581)	(37 529)	(72 107)	(34 578)	48%	(86 529)
Net cash from (used) financing	(1 677)	(2 121)	(2 121)	(287)	(2 706)	(1 768)	938	-53%	(2 121)
Cash/cash equivalents at the month/year end	**(106 351)**	**(492 678)**	**(492 678)**	**(442 084)**	**(442 084)**	**(414 692)**	**27 391**	**-7%**	**(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**
Debtors Age Analysis									
Total By Income Source	80 015	50 874	46 370	1 885 286	–	–	–	–	2 062 545
Creditors Age Analysis									
Total Creditors	70 287	67 451	119 456	3 164	–	–	–	######	2 416 903

www.fs.gouza
Floor, Zastron Street, CBD, Bloemfontein

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

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**	**10 926**	**307 004**	**281 218**	25 785	9%	**338 124**
Executive and council		313 681	215 840	215 840	88	209 122	179 867	29 255	16%	215 840
Finance and administration		115 938	119 921	122 284	10 837	97 882	101 351	(3 470)	-3%	122 284
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**12 176**	**26 179**	**26 571**	**4 680**	**12 432**	**22 051**	(9 619)	-44%	**26 571**
Community and social services		1 816	3 730	3 730	142	1 579	3 108	(1 529)	-49%	3 730
Sport and recreation		2 356	3 511	3 272	21	2 437	2 782	(346)	-12%	3 272
Public safety		3 211	5 123	5 170	4 343	4 919	4 297	622	14%	5 170
Housing		4 792	13 815	14 399	173	3 497	11 863	(8 366)	-71%	14 399
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**48 520**	**51 052**	**50 845**	**31 120**	**36 429**	**42 419**	(5 990)	-14%	**50 845**
Planning and development		1 932	1 773	1 566	123	1 295	1 353	(58)	-4%	1 566
Road transport		46 589	49 164	49 164	30 997	35 134	40 970	(5 836)	-14%	49 164
Environmental protection		–	115	115	–	–	96	(96)	-100%	115
Trading services		**836 763**	**1 083 491**	**1 122 635**	**73 916**	**846 629**	**926 395**	**(79 766)**	-9%	**1 122 635**
Energy sources		440 915	575 441	575 512	42 759	449 571	479 577	(30 006)	-6%	575 512
Water management		241 620	306 472	341 472	17 995	214 897	276 393	(61 496)	-22%	341 472
Waste water management		90 301	116 972	121 046	7 719	105 597	99 921	5 676	6%	121 046
Waste management		63 926	84 606	84 606	5 444	76 564	70 505	6 059	9%	84 606
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1 327 078**	**1 496 483**	**1 538 174**	**120 642**	**1 202 494**	**1 272 083**	**(69 590)**	**-5%**	**1 538 174**
Expenditure - Functional										
Governance and administration		**430 219**	**369 217**	**401 250**	**22 440**	**245 456**	**326 881**	(81 425)	-25%	**401 250**
Executive and council		93 305	116 725	121 537	6 781	81 572	100 168	(18 595)	-19%	121 537
Finance and administration		332 818	247 021	274 207	15 296	160 080	222 133	(62 053)	-28%	274 207
Internal audit		4 096	5 471	5 506	363	3 804	4 580	(777)	-17%	5 506
Community and public safety		**112 790**	**131 037**	**136 461**	**8 828**	**88 936**	**112 437**	(23 501)	-21%	**136 461**
Community and social services		17 457	19 911	20 565	1 100	10 052	16 992	(6 939)	-41%	20 565
Sport and recreation		46 140	54 314	56 223	3 924	36 668	46 386	(9 718)	-21%	56 223
Public safety		40 581	46 363	49 178	3 064	34 430	40 325	(5 896)	-15%	49 178
Housing		8 612	10 448	10 494	740	7 786	8 734	(948)	-11%	10 494
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**98 769**	**73 339**	**93 368**	**6 180**	**57 878**	**75 308**	(17 430)	-23%	**93 368**
Planning and development		9 741	13 203	13 659	1 554	9 211	11 276	(2 065)	-18%	13 659
Road transport		86 206	55 796	74 959	4 441	46 308	60 161	(13 853)	-23%	74 959
Environmental protection		2 822	4 339	4 751	185	2 359	3 870	(1 511)	-39%	4 751
Trading services		**1 054 970**	**809 881**	**818 174**	**32 415**	**348 502**	**679 886**	**(331 384)**	-49%	**818 174**
Energy sources		584 377	522 453	475 502	9 092	128 522	407 207	(278 685)	-68%	475 502
Water management		224 254	125 979	163 692	10 912	97 647	127 611	(29 964)	-23%	163 692
Waste water management		139 159	78 647	85 734	6 192	65 600	69 792	(4 191)	-6%	85 734
Waste management		107 180	82 802	93 247	6 219	56 733	75 277	(18 544)	-25%	93 247
Other		**1 316**	**3 361**	**3 339**	**206**	**1 066**	**2 787**	**(1 721)**	**-62%**	**3 339**
Total Expenditure - Functional	3	**1 698 065**	**1 386 834**	**1 452 592**	**70 068**	**741 839**	**1 197 300**	**(455 461)**	**-38%**	**1 452 592**
Surplus/ (Deficit) for the year		**(370 987)**	**109 649**	**85 583**	**50 573**	**460 655**	**74 783**	**385 872**	**5,1598529**	**85 583**

www.fs.gouza
Floor, and Streets, Oloem(ontein

www.fs.gouza

Ftpor, Zastron StreeG, CBD, Bloemfontein

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

Vote 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 by Vote	1									
Vote 01 - Executive & Council		306 737	215 840	215 840	88	209 122	179 867	29 255	16,3%	215 840
Vote 02 - Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Corporate Services		(2 178)	4 725	(372)	(417)	(3 524)	880	(4 404)	-500,6%	(372)
Vote 04 - Finance		117 673	114 432	122 144	11 188	100 989	99 987	1 002	1,0%	122 144
Vote 05 - Technical Services		819 425	1 048 049	1 087 193	99 469	805 199	896 860	(91 661)	-10,2%	1 087 193
Vote 06 - Community Services		75 933	93 973	93 780	9 922	83 046	78 195	4 850	6,2%	93 780
Vote 07 - Local Economic Development		9 488	19 464	19 589	391	7 662	16 295	(8 633)	-53,0%	19 589
Vote 08 - .		–	–	–	–	–	–	–		–
Vote 09 - .		–	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**1 327 078**	**1 496 483**	**1 538 174**	**120 642**	**1 202 494**	**1 272 083**	**(69 590)**	**-5,5%**	**1 538 174**
Expenditure by Vote	1									
Vote 01 - Executive & Council		94 598	108 137	112 874	6 114	73 459	92 957	(19 498)	-21,0%	112 874
Vote 02 - Municipal Manager		24 596	31 004	31 551	2 118	19 488	26 165	(6 677)	-25,5%	31 551
Vote 03 - Corporate Services		68 360	79 395	93 179	5 514	39 119	74 434	(35 314)	-47,4%	93 179
Vote 04 - Finance		176 711	79 522	89 345	5 913	57 121	72 132	(15 010)	-20,8%	89 345
Vote 05 - Technical Services		1 043 646	794 247	812 261	31 812	351 278	674 849	(323 571)	-47,9%	812 261
Vote 06 - Community Services		253 785	247 195	265 143	14 521	170 681	216 774	(46 094)	-21,3%	265 143
Vote 07 - Local Economic Development		36 369	47 334	48 238	4 076	30 693	39 988	(9 296)	-23,2%	48 238
Vote 08 - .		–	–	–	–	–	–	–		–
Vote 09 - .		–	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1 698 065**	**1 386 834**	**1 452 592**	**70 068**	**741 839**	**1 197 299**	**(455 461)**	**-38,0%**	**1 452 592**
Surplus/ (Deficit) for the year	2	**(370 987)**	**109 649**	**85 583**	**50 573**	**460 655**	**74 784**	**385 871**	**516,0%**	**85 583**

www.fs.gouza

Floor, and Streets, Oloem(ontein

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

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	132 820	2 905
Trade and other receivables from exchange transactions		640 991	247 218	247 218	866 174	247 218
Receivables from non-exchange transactions		71 173	43 806	43 806	79 156	43 806
Current portion of non-current receivables						
Inventory		82 169	105 427	105 427	75 065	105 427
VAT		5 333	35 960	35 960	26 548	35 960
Other current assets		22 711	32 588	32 588	22 790	32 588
Total current assets		**799 221**	**467 905**	**467 905**	**1 202 552**	**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	1 795 451	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**	**1 931 154**	**3 097 959**
TOTAL ASSETS		**2 739 677**	**3 575 006**	**3 565 864**	**3 133 706**	**3 565 864**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	(2 121)	(2 121)	(3 727)	(2 121)
Consumer deposits		15 564	14 338	14 338	16 321	14 338
Trade and other payables from exchange transactions		1 761 044	507 185	507 185	1 690 890	507 185
Trade and other payables from non-exchange transactions		6 343	–	–	39 962	–
Provision		184 493	71 434	71 434	184 493	71 434
VAT		7 199	(51 892)	(51 892)	47 255	(51 892)
Other current liabilities		–	–	–	–	–
Total current liabilities		**1 974 643**	**538 944**	**538 944**	**1 975 194**	**538 944**
Non current liabilities						
Financial liabilities		9 582	29 047	29 047	9 608	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**	**152 847**	**73 466**
TOTAL LIABILITIES		**2 127 465**	**612 409**	**612 409**	**2 128 041**	**612 409**
NET ASSETS	2	**612 213**	**2 962 597**	**2 953 455**	**1 005 665**	**2 953 455**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 453 965	2 965 980	2 980 904	1 007 574	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**	**1 007 574**	**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

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

I, MR. THEMBEKILE NGESI (AMM)____, hereby certify that the provincial treasury monitored the compliance against the conditions o
Municipal Debt Relief as set-out in **MFMA Circular No. 124** and that the Provincial Treasury is satisfied and certifies that the said mun
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)***	Select
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?	Yes
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 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?	No
		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.	Yes
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?	Yes
		***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)?	No
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?	Yes
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Yes
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*	Yes
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?	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 6.1.1.*	
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?	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.	Yes
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?	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 October 2024 is attached to this S71 report.

Enquiries: Mr. SD Mokhe/eDepartment Of
Mokheles@treasury.fs.gov.za
Email:

Treasury Reference: Revenue

& Debt ManagementFREE STATE PROVINCE

treasury

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 Mr Ngesi

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

1 . The above-mentioned subject matter has reference.

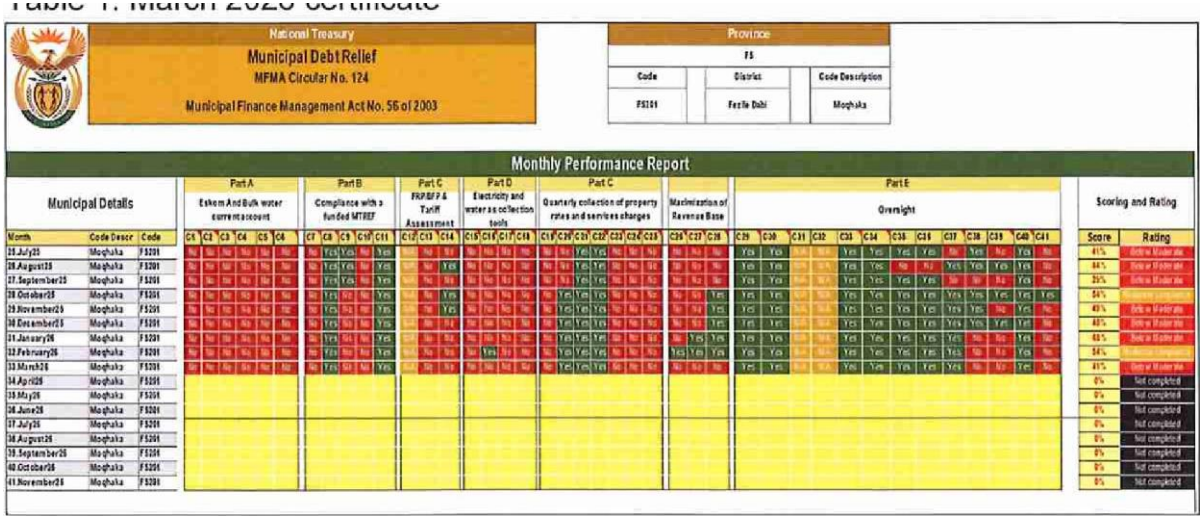
2. In accordance with Municipal Debt Relief Circular No. 124, the Provincial Treasury is required to confirm and certify, within 20 working days of the end of each month, the adherence of each delegated municipality with the condition 6.1 to 6.14 of Debt Relief as part of the Provincial Treasury's (PT) 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 41% for the period ending March 2026, which shows a decline when compared to the previous month's score of 54%. The main contributors are non-submission of restriction of water supply for defaulters, non-payment of Eskom current account, electricity disconnection list and general valuation roll reconciliation 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.

Office of the Head of the Department
Free State Provincial Treasury
ERF 29495, Bloemfontein, 9300
Tsebo Building, 1st Floor, Cnr Fichardt and Zastron Streets, CBD, Bloemfontein
www.fs.gov.za

Table 1: March 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
FS191	Fezile Dabi	Moqhaka

Monthly Performance Report

Municipal Details			Part A					Part B					Part C	Part D	Part C		Part C		Part E											Scoring and Rating	
			Eskom And Bulk water current account					Compliance with a funded MTREF					FRFDFF & Tariff Assessment	Electricity and water as collection tools	Quarterly collection of property rates and services charges		Maximization of Revenue Base		Oversight												
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41	Score	Rating
25.July25	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	Yes	No	Yes	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	No	41%	Below Moderate
26.August25	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	Yes	No	Yes	No	No	Yes	No	No	No	No	No	No	Yes	No	No	No	No	No	No	Yes	Yes	N/A	N/A	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	44%	Below Moderate
27.September25	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	Yes	No	Yes	No	No	No	No	No	No	No	No	No	Yes	No	No	No	No	No	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	No	Yes	No	25%	Below Moderate
28.October25	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	No	No	Yes	No	No	No	No	No	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	54%	Moderate compliance
29.November25	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	No	No	No	No	No	No	No	No	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	49%	Below Moderate
30.December25	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	No	No	No	No	No	No	No	No	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	46%	Below Moderate
31.January26	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	No	No	No	No	No	No	No	No	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	49%	Below Moderate
32.February26	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	No	No	Yes	No	No	No	No	No	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	54%	Moderate compliance
33.March26	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	No	No	No	No	No	No	No	No	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	41%	Below Moderate
34.April26	Moqhaka	FS201																																								0%	Not completed
35.May26	Moqhaka	FS201																																								0%	Not completed
36.June26	Moqhaka	FS201																																								0%	Not completed
37.July26	Moqhaka	FS201																																								0%	Not completed
38.August26	Moqhaka	FS201																																								0%	Not completed
39.September26	Moqhaka	FS201																																								0%	Not completed
40.October26	Moqhaka	FS201																																								0%	Not completed
41.November26	Moqhaka	FS201																																								0%	Not completed

Condition 6.3 Maintaining the Eskom Bulk Current Account: In accordance with requirement 6.3. I 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 March 2026, the creditor analysis indicates that the outstanding debt owed by the municipality to Eskom amount to R2 308 billion, reflecting an increase of R59 million form

the previous period. The municipality did not report any payment towards Eskom during the month under review, and no proof of payment was uploaded on GoMuni portal or included in the Section 71 MFMA narrative report This indicates that the municipality is not servicing its Eskom current account and the continued increase in debt reflects ongoing financial pressure and cash flow challenges. The Provincial Treasury recommends that the municipality urgently prioritise payment of current account, strengthen credit control and revenue collection measure and implement IEskom repayment plan to curb the continued growth of debt.

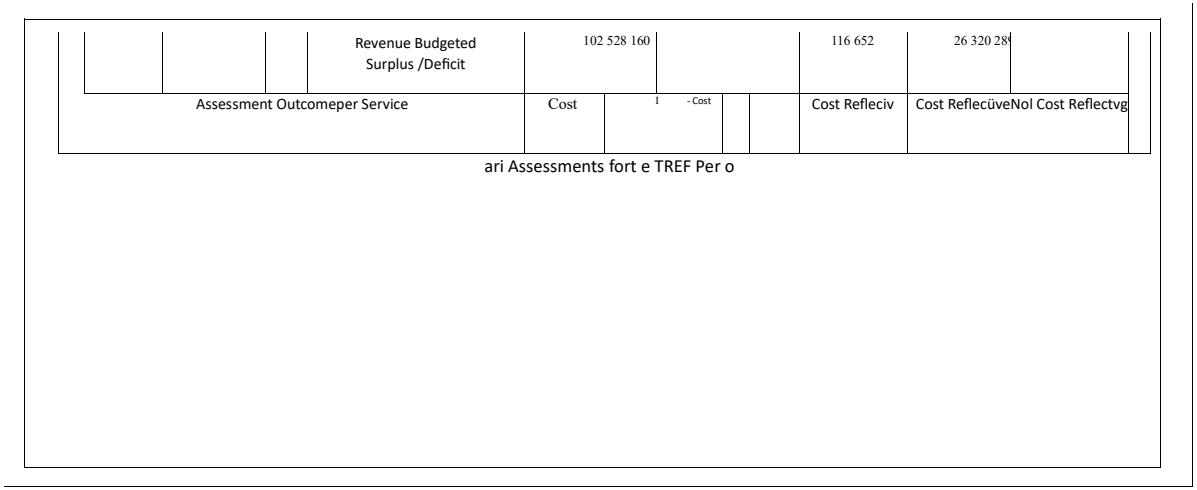
Condition 6.4 - A funded MTREF: The municipality's adjusted budget for 2025/2026 MTREF remains unfunded, despite reflecting surplus position in the A4 schedule. This surplus is not a true reflection of the municipality's financial position, as the funding plan indicates that the budget is still funded.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

Condition 6.5 - Cost reflective tariffs: The cost reflective tariff assessment tool for 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. The tariff assessment below was conducted in the

previous financial year shows that the tariffs for electricity and solid waste services are not cost effective.

FS | Fezile Dabi | Moqhaka | FS201

Assessment Status	Financial Year	Period	Item	Water	Waste Water	Elocfricity	Solid Waste	
Cost	2023/2024	ssessma u	Tm-a Revenue Budgeted us,jffs' ShortfallExcess erv ce	790304 587 649 83 797 145 Coal	50 70 01b 623 9 883 243	557680689 55301B 530 Not Cost Reflecti 62 159	96087 805 221 523664 ReÉicr.hv	825 694 263 867 188 828 41 494 565 Cost Reflective
ot Cos Redeciv		Assessme	come per Revenue Required by NT Tariff Revenue Budgated Surplus 'Deficit tcome per Service	106 489 148 204 584 470 095 322 Cost Rnlhcfvu	39 558286 73 33681 199 Cost	689642 709 457 111 185 327 Tol Cost	50798 25 114 486 Not Cost	911 602 6 got 079513 4 523 292 Cost Rgtbc:tve
		2025/2026	Revenue Required by NT Tariff	111 467 19/ 213 995 357	41 431 073 76 35 427	721 710 066 420	79455 181 53 134892	0/2 240 805 169



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 must implement electricity disconnections and submit 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 and electricity disconnection 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 March 2026)

Category	February 2026	March 2026	Movement
Overall		66%	Increased significantly
Electricity		89%	Increased significantly o
Water	58%	39%	Increased significantly
	26%		

The municipality achieved an overall collection rate of 66% in March 2026, reflecting a significant improvement from the previous month, however, it remains below the required minimum norm. Electricity collection increased to 89%, while water improved to 39% but remains critically low and continues to negatively impact overall performance. Despite these improvements, the municipality is not compliant with the requirement to maintain a minimum average quarterly collection rate indicating ongoing weaknesses in revenue collection and credit control. 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 (Q3) the municipality did not submit the reconciliation that the municipality's billing system which aligns to its council approved General Valuation Roll. However, the Section 71 narrative report include Q3 information. The comparison between Quarter 2 and Quarter 3 GVR shows some improvement, as the variances in monthly and quarterly billing have decreased. However, variances in properties and market values are still high and continue to affect the overall results. This shows that while billing is improving, the municipality is not fixing the main data issues in the valuation roll, There is also limited implementation of Provincial Treasury recommendations, and the municipality is not compliant. The municipality must focus on correcting property and valuation data while continuing to improve billing.

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 1 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 re ortin com onents-	
3.1.1	The municipality's MFMA Circular 124 self-assessment	Yes
3.12	The self-assessment (refer 3.1.1 above) was included in the format of MFMA Budget Circular 128 (Annexure B)	Yes
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 Treasu 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 strin s u load.	Yes
3.8	Recommendations noting explicitly the aforementioned debt relief reporting to the Mayor and / or Mayoral Committee meetin	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	Mar'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 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	No

6.4.2	If the municipality's MTREF is notfunded 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 F-8P may " be selectedfram the dropdown	N/a
	- Does the municipality's annual and monthly cashflow projections included on the Al 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 winterEskom tariffs, lowerJanuary collection rotes, etc.?)	
	Cost reflective tariffs— (excluding metros) has the municipality included its completed tariff tool (refer MFMA Ci rcular no, 98 and item of MFMA Budget Circular no, 122) as part of the municipality's annual tabled and adopted submissions with effect the tabling Of the 2023/24 MTREF?	No

Electricityand water 05 collection tools—has the municipality, with effect from the tabling of the 2023/24 iMTftEFi demonstrated, through its by-laws and budgetreloted policigs that:

6.61		No
6.6.2	- 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?	No
	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?	No
	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	
	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 restri cted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Ki Iolitres water, respectively? Note — the munlcipa'ity's monthly MFMA s.71 must include as part 0/ the narratives the Ind/gent In ormation in the required NT ormat.	No

Supporting evidence: The Ngtlonat Tregsupyond/orpro%jif'tiad treasury's re/atenudget gssessmgnrconfirms the related budgerpolk:ios ütjd paragrgph 6-6,

6.7 Maintain aminimumaverage uarterly collection of ro erty rates and services char es—

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 collectiön 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

•61.2	Note although notrn standard for Circufgr NO, is 0 99 OJ'det dvbt first	
6.7.2.1	-If the response in 67.1is ^{O} NO" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.711, has the municipality demonstrated to the satisfaction of National Treasury the following :	
	tn-e•-unoerpettormanee-mrecuv -rerares- to -Esxom-suppllea--areas where the municipality does not have electricity as a collection tool and	Yes
67.2.2	that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection	
6,702.3	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
	liltO'ä	
6.73	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 fai l ed	Yes
67.4	-The muniCipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection only then, on an individual case-by-case considered writi ng off the debt of its customers, within its normal credit control process?	No
6.7.5	-Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	No
	-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-outin 6.7.3 and 6,7.4?	No

	6,8	**Municipality's Completeness of the revenue base –**	
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered	No
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*	No
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?	No
	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 6.1.1.	
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?	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	No

The Provincial Treasury's assessment and compliance certificate confirmed that Moqhaka Municipality during March 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 6.122 to pay Eskom account first and secondly its bulk water account before it applied the revenue in the sub-account for any purpose.

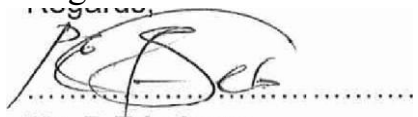
Condition 6.14 Nersa license - The municipality must ensure that during the duration of the Municipal Debt Relief program, it complies with all the conditions of the Relief to avoid revoking the Electricity license in terms of section 18 of the Electricity Regulation Act, 2006.

MFMA Circular 124 conditions were elaborated on above. It is also noted that the municipality's March 2026 average compliance has shown a decline from 54 percent to 41 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 revenuemanaqement@treasury.qov.za as well as (Provincial Treasury) to Mr. Mokhele at mokheles@treasury.fs.qov.za .

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

Regards



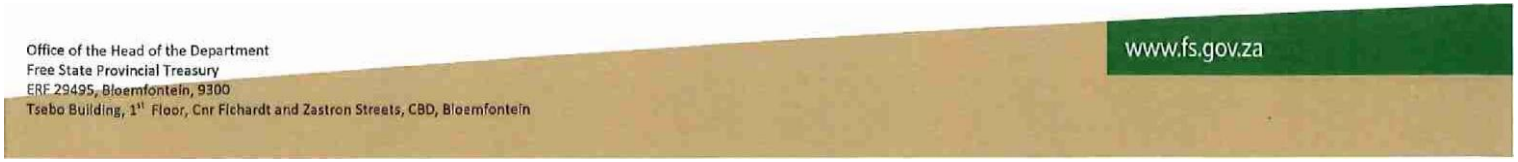
Mr. P.E Lebone

Acting Head: Free State Provincial Treasury

Date: 242:

cc: HOD: FSCOGTA
PDO: SALGA Free State

MFMA Coordinator: Provincial Treasury
CFO: Moqhaka Local Municipality
TA: Mrs. M. Tshabangu



PAGE20FY

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 – Electricity for Indigents gets blocked for non-compliance to subsidy conditions and ultimately cancelled and reversed where necessary.
Condition 23: No installation of smart prepaid meters.
Condition 24: Smart Meter Policy not yet adopted; and
Condition 26: National Treasury's rates reconciliation – Valuation is reconciled accordingly on monthly basis since September 2025.

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)

The municipality has established a ESKOM Crisis Task Committee to work on the financial turnaround strategy that will enable the municipality to continuously honour the ESKOM account as required.

16.4.1 Monthly / Quarterly collection per ward

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Province		
FS		
Code	District	ode Descripti
FS201	Fezile Dabi	Moqhaka

Monthly Performance Report

Municipal Details			Part A						Part B					Part C			Part D				Part C							Part E																	Part F		
			Eskom And Bulk water current account						Compliance with a funded MTREF					FRP/BFP & Tariff Assessment			Electricity and water as collection tools				Quarterly collection of property rates and services charges							Maximization of Revenue Base			Oversight															Compliance Status		Month applicable
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41	Score		
1.July	Moqhaka	FS201	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	No	Yes	N/A	Yes	Yes	No	Yes	No	No	N/A	N/A	N/A	N/A	No	No	No	Yes	N/A	N/A	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	No	No	No	No	No	68%	Non Compliance	Yes
2.August	Moqhaka	FS201																																										0%	Non Compliance	Yes
3.September	Moqhaka	FS201	N/A	N/A	N/A	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	No	No	No	Yes	76%	Non Compliance	Yes
4.October	Moqhaka	FS201																																										0%	Non Compliance	Yes
5.November	Moqhaka	FS201																																										0%	Non Compliance	Yes
6.December	Moqhaka	FS201																																										0%	Non Compliance	Yes
7.January	Moqhaka	FS201																																										0%	Non Compliance	Yes
8.February	Moqhaka	FS201																																										0%	Non Compliance	Yes
9.March	Moqhaka	FS201																																										0%	Non Compliance	Yes
10.April	Moqhaka	FS201	N/A	N/A	N/A	No	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	88%	Non Compliance	Yes
11.May	Moqhaka	FS201																																										0%	Non Compliance	Yes
12.June	Moqhaka	FS201																																										0%	Non Compliance	Yes

	Comments/Motivation
HOD Name:	
Signature of HOD:	
Date:	

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

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

Collection Rate Assessment

Aggregate Collection	Summary - Quarter 3				Q1	Summary - Quarter 4				Q1
	Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation	240 497 320	158 774 630	81 722 690	66%	66%	152 604 562	60 366 552	92 238 010	40%	40%
2.Collection excl Eskom supplied areas	177 747 110	128 519 673	49 227 438	72%	72%	111 572 372	51 625 923	59 946 448	46%	46%
3.Collection: **Property Rates**	24 466 151	18 773 981	5 692 170	77%	77%	16 542 968	10 107 935	6 435 033	61%	61%
4.Total average collection: **Electricity** (Municipal supplied areas)	104 878 112	93 311 175	11 566 937	89%	89%	62 410 923	31 433 465	30 977 457	50%	50%
5.Total average collection: **Water**	49 141 431	19 101 266	30 040 166	39%	39%	32 572 545	8 646 988	23 925 557	27%	27%
6.Total average collection: **Wastewater**	21 428 970	15 256 019	6 172 951	71%	71%	14 239 445	5 606 393	8 633 053	39%	39%
7.Total average collection: **Refuse**	14 964 381	9 808 857	5 155 525	66%	66%	9 925 703	3 474 106	6 451 597	35%	35%
8.Total average collection: **Interest**	25 618 274	2 523 331	23 094 942	10%	10%	16 912 977	1 097 664	15 815 313	6%	6%

Collection Rate Assessment

Total Aggregate Collection	Summary - Quarter 3				Q1	10.April - Reporting for March in April				11.M
	Billing	Collection	R - Billing not collected	% Collection		Billing For March	Collection in April	R - Billing not collected	% Collection	Billing For April
1.Collection for whole demarcation	240 497 320	158 774 630	81 722 690	66%	66%	77 895 999	60 366 552	19 426 110	77%	74 708 563
2.Collection excl Eskom supplied areas	177 747 110	128 519 673	49 227 438	72%	72%	57 127 111	51 625 923	17 881 064	90%	54 445 261
3.Collection: **Property Rates**	24 466 151	18 773 981	5 692 170	77%	77%	8 211 273	10 107 935	0	123%	8 331 695
4.Total average collection: **Electricity** (Municipal supplied areas)	104 878 112	93 311 175	11 566 937	89%	89%	31 684 104	31 433 465	250 639	99%	30 726 818
5.Total average collection: **Water**	49 141 431	19 101 266	30 040 166	39%	39%	17 058 731	8 646 988	8 411 742	51%	15 513 815
6.Total average collection: **Wastewater**	21 428 970	15 256 019	6 172 951	71%	71%	7 138 898	5 606 393	1 532 506	79%	7 100 547
7.Total average collection: **Refuse**	14 964 381	9 808 857	5 155 525	66%	66%	4 985 753	3 474 106	1 511 647	70%	4 939 950
8. 7.Total average collection: **Interest**	25 618 274	2 523 331	23 094 942	10%	10%	8 817 240	1 097 664	7 719 576	12%	8 095 737

Services	Ward Name & Number	Billing For March	Collection in April	Rand Value of Billing not collected	% Collection	Billing For April	Collection in May	Rand Value of Billing not collected	% Collection
Property Rates Tax	1	52 206	1 072	51 134	2%	52 206		52 206	0%
Electricity		90 861	22 436	68 425	25%	92 971		92 971	0%
Water		240 281	5 848	234 433	2%	240 683		240 683	0%
Refuse		179 381	31 332	148 049	17%	179 381		179 381	0%
Waste Water		234 106	56 851	177 255	24%	234 106		234 106	0%
Interest		375 110	579	374 531	0%	379 241		379 241	0%
Property Rates Tax	2	440 521	307 990	132 531	70%	437 578		437 578	0%
Electricity		784 716	282 316	502 400	36%	871 157		871 157	0%
Water		314 898	59 423	255 475	19%	215 040		215 040	0%
Refuse		167 509	81 490	86 019	49%	159 485		159 485	0%
Waste Water		233 948	121 014	112 934	52%	223 459		223 459	0%
Interest		356 153	46 380	309 773	13%	347 953		347 953	0%
Property Rates Tax	3	1 171 978	4 392 279	0	375%	1 174 225		1 174 225	0%
Electricity		1 976 343	2 224 838	0	113%	2 009 968		2 009 968	0%
Water		2 319 926	2 534 941	0	109%	1 693 314		1 693 314	0%
Refuse		406 973	542 277	0	133%	406 309		406 309	0%
Waste Water		561 182	845 703	0	151%	560 558		560 558	0%
Interest		155 359	73 749	81 610	47%	153 354		153 354	0%

Property Rates Tax	4	4 004	625	3 379	16%	4 004	4 004	0%
Electricity		93 026	41 604	51 422	45%	92 203	92 203	0%
Water		539 054	44 439	494 615	8%	426 537	426 537	0%
Refuse		65 951	15 268	50 683	23%	64 799	64 799	0%
Waste Water		86 616	16 176	70 440	19%	86 262	86 262	0%
Interest		200 685	3 872	196 813	2%	202 238	202 238	0%
Property Rates Tax	5	3 678	1 210	2 468	33%	3 678	3 678	0%
Electricity		41 911	7 036	34 876	17%	42 024	42 024	0%
Water		516 575	33 611	482 963	7%	483 358	483 358	0%
Refuse		57 481	10 953	46 529	19%	55 905	55 905	0%
Waste Water		73 680	13 402	60 278	18%	71 677	71 677	0%
Interest		151 606	2 541	149 065	2%	146 674	146 674	0%
Property Rates Tax	6	60 143	1 441	58 702	2%	60 143	60 143	0%
Electricity		125 308	53 490	71 818	43%	127 663	127 663	0%
Water		514 498	53 455	461 044	10%	761 346	761 346	0%
Refuse		100 629	63 863	36 766	63%	97 212	97 212	0%
Waste Water		136 709	108 664	28 045	79%	132 350	132 350	0%
Interest		253 768	4 616	249 152	2%	241 182	241 182	0%
Property Rates Tax	7	255 166	50 622	204 544	20%	258 408	258 408	0%
Electricity		297 282	190 929	106 353	64%	246 364	246 364	0%
Water		455 198	89 253	365 945	20%	442 621	442 621	0%
Refuse		110 818	69 200	41 618	62%	108 669	108 669	0%
Waste Water		144 880	102 720	42 160	71%	142 149	142 149	0%
Interest		328 076	10 748	317 329	3%	326 886	326 886	0%

Property Rates Tax	8	32 175	1 659	30 516	5%	32 153	32 153	0%
Electricity		81 743	22 008	59 735	27%	86 000	86 000	0%
Water		517 323	70 953	446 370	14%	444 375	444 375	0%
Refuse		90 175	39 302	50 873	44%	89 225	89 225	0%
Waste Water		116 432	57 934	58 498	50%	115 340	115 340	0%
Interest		200 414	8 848	191 566	4%	200 805	200 805	0%
Property Rates Tax	9	170 403	131 355	39 047	77%	170 403	170 403	0%
Electricity		863 945	579 554	284 390	67%	864 295	864 295	0%
Water		561 908	151 915	409 992	27%	487 611	487 611	0%
Refuse		175 097	168 803	6 294	96%	135 841	135 841	0%
Waste Water		257 405	285 881	0	111%	216 414	216 414	0%
Interest		291 504	237 534	53 970	81%	273 521	273 521	0%
Property Rates Tax	10	47 598	13 411	34 187	28%	47 988	47 988	0%
Electricity		119 668	24 242	95 426	20%	125 405	125 405	0%
Water		594 080	91 465	502 614	15%	351 455	351 455	0%
Refuse		116 860	49 668	67 193	43%	115 141	115 141	0%
Waste Water		151 943	66 337	85 606	44%	150 825	150 825	0%
Interest		235 791	8 639	227 151	4%	232 382	232 382	0%
Property Rates Tax	11	370 995	5 633	365 362	2%	367 007	367 007	0%
Electricity		713 758	1 719 350	0	241%	592 584	592 584	0%
Water		1 304 061	2 529 993	0	194%	1 494 126	1 494 126	0%
Refuse		284 121	452 816	0	159%	283 287	283 287	0%
Waste Water		493 156	826 982	0	168%	490 362	490 362	0%
Interest		400 574	11 172	389 402	3%	405 115	405 115	0%

Property Rates Tax	12	94 965	9 459	85 507	10%	94 965	94 965	0%
Electricity		129 429	51 087	78 342	39%	139 304	139 304	0%
Water		589 311	72 582	516 730	12%	529 678	529 678	0%
Refuse		125 407	91 628	33 779	73%	116 739	116 739	0%
Waste Water		175 802	160 950	14 852	92%	169 469	169 469	0%
Interest		312 942	11 603	301 338	4%	311 285	311 285	0%
Property Rates Tax	13	454 077	292 040	162 038	64%	451 469	451 469	0%
Electricity		10 463 299	14 845 691	0	142%	9 901 872	9 901 872	0%
Water		1 021 437	588 898	432 539	58%	579 764	579 764	0%
Refuse		368 772	205 660	163 112	56%	363 741	363 741	0%
Waste Water		575 585	344 951	230 634	60%	568 873	568 873	0%
Interest		821 381	463 697	357 683	56%	338 890	338 890	0%
Property Rates Tax	14	62 479	4 090	58 389	7%	62 479	62 479	0%
Electricity		95 440	23 590	71 851	25%	155 141	155 141	0%
Water		471 099	96 302	374 797	20%	453 064	453 064	0%
Refuse		120 900	79 657	41 243	66%	125 699	125 699	0%
Waste Water		164 270	131 930	32 340	80%	165 685	165 685	0%
Interest		265 075	11 149	253 925	4%	259 295	259 295	0%
Property Rates Tax	15	69 599	4 790	64 809	7%	69 378	69 378	0%
Electricity		221 547	123 699	97 847	56%	229 007	229 007	0%
Water		404 259	93 420	310 839	23%	448 554	448 554	0%
Refuse		131 101	74 951	56 150	57%	129 681	129 681	0%
Waste Water		176 128	125 835	50 293	71%	174 489	174 489	0%
Interest		238 296	6 012	232 284	3%	238 124	238 124	0%

Property Rates Tax	16	1 679 588	1 341 262	338 325	80%	1 693 536	1 693 536	0%
Electricity		6 907 493	4 015 454	2 892 039	58%	6 416 430	6 416 430	0%
Water		1 356 159	758 412	597 746	56%	1 889 008	1 889 008	0%
Refuse		785 537	633 069	152 467	81%	793 158	793 158	0%
Waste Water		1 250 109	1 051 205	198 905	84%	1 263 961	1 263 961	0%
Interest		394 888	82 630	312 258	21%	425 321	425 321	0%
Property Rates Tax	17	1 536 528	2 667 854	0	174%	1 553 125	1 553 125	0%
Electricity		2 902 741	2 038 583	864 159	70%	2 957 487	2 957 487	0%
Water		1 486 073	828 285	657 789	56%	1 062 076	1 062 076	0%
Refuse		670 207	442 890	227 317	66%	678 000	678 000	0%
Waste Water		948 635	634 085	314 550	67%	968 736	968 736	0%
Interest		256 922	59 541	197 380	23%	274 040	274 040	0%
Property Rates Tax	18	625 889	372 570	253 319	60%	615 643	615 643	0%
Electricity		5 667 397	5 143 107	524 290	91%	5 667 157	5 667 157	0%
Water		1 344 100	505 062	839 038	38%	1 044 046	1 044 046	0%
Refuse		405 091	310 197	94 895	77%	402 522	402 522	0%
Waste Water		552 111	475 535	76 576	86%	546 825	546 825	0%
Interest		779 825	29 403	750 422	4%	685 857	685 857	0%
Property Rates Tax	19	27 940	112	27 828	0%	27 940	27 940	0%
Electricity		98	-	98	0%	98	98	0%
Water		923 116	9 511	913 605	1%	991 152	991 152	0%
Refuse		134 170	21 136	113 034	16%	134 170	134 170	0%
Waste Water		175 764	32 715	143 049	19%	175 764	175 764	0%
Interest		820 632	54	820 578	0%	828 064	828 064	0%

Property Rates Tax	20	59 426	1 072	58 354	2%	59 426	59 426	0%
Electricity		14 285	579	13 706	4%	14 285	14 285	0%
Water		611 507	11 674	599 833	2%	631 744	631 744	0%
Refuse		166 475	39 400	127 074	24%	169 986	169 986	0%
Waste Water		207 867	63 463	144 404	31%	211 856	211 856	0%
Interest		636 177	1 046	635 131	0%	383 069	383 069	0%
Property Rates Tax	21	250 592	103 561	147 031	41%	251 390	251 390	0%
Electricity		1 290	-	1 290	0%	1 290	1 290	0%
Water		942 474	8 250	934 224	1%	812 115	812 115	0%
Refuse		315 774	45 646	270 128	14%	323 675	323 675	0%
Waste Water		410 023	75 612	334 411	18%	418 842	418 842	0%
Interest		1 172 730	13 818	1 158 912	1%	1 198 074	1 198 074	0%
Property Rates Tax	22	741 323	403 826	337 497	54%	844 551	844 551	0%
Electricity		92 523	23 872	68 650	26%	94 113	94 113	0%
Water		31 394	9 294	22 099	30%	32 149	32 149	0%
Refuse		7 325	4 902	2 424	67%	7 325	7 325	0%
Waste Water		12 545	8 447	4 098	67%	12 545	12 545	0%
Interest		169 335	10 032	159 303	6%	244 367	244 367	0%

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	M10
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	14 123
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	14 123
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	14 123

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	10 941
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	1 852
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**	**12 793**
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	14 123
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	1 852
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**	**15 975**
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	14 123
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	14 123
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**	**14 123**
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**	**14 123**

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	14 123
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**	**14 123**
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	14 123
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	14 123
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	198
Electricity/other energy (50kwh per household per month)		114	124	–	194	196	196	196	196	196	196	195	195	195	193
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**	**391**

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	10	10
Sanitation (kilolitres per household per month)		10	10	-	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	160	160
Electricity (kwh per household per month)		50	50	-	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	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	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	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	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 Exp	Curr Mth Exp
		Jul	Aug	Sep
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%	0.00%	0.00%

BUDGET 2023-2024 FBS BUDGET	DESCRIPTION	BUDGET	YTD	% USED
31251178950FBZZZZZHO	TS_O_M_NG_LOCAL GOV FIN MNG GRANT	-R2 300 000.00	-	0.00%
31252260380FBP83ZZHO	OS: B&A PROJECT MANAGEMENT	R1 400 000.00	-	0.00%
31252260600FBP83ZZHO	OS: CATERING SERVICES	R0.00	-	-
31252270370FBP83ZZHO	C&PS: B&A HUMAN RESOURCES	R400 000.00	21 454.68	-
31252303300FBP83ZZHO	OC: LEARNERSHIPS & INTERNSHIPS	R0.00	-	-
34052110010FBP83ZZHO	MS: SAL & ALL: BASIC SALARY & WAGES	R500 000.00	-	0.00%
34052303300FBQ83ZZHO	OC: LEARNERSHIPS & INTERNSHIPS	R0.00	-	-
34056470020FBD70ZZHO	COMPUTERS	R0.00	-	-
34056470020FBD70ZZWM	COMPUTERS	R0.00	-	-
34301025100F6FB5ZZHO	RESIDENTIAL PROPERTIES: DEVELOPED	R0.00	-	-
34301321170F6FB1ZZHO	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	R0.00	-	-
35321321170F1FB1ZZWM	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	-R359 928.00	-	-

35321321170F2FB1ZZWM	ELEC SALES: DOMESTI LOW HOME LIGHT 2 20A	R0.00	-	
35321321190F1FB1ZZWM	ELEC SALES: DOMESTIC LOW: PREPAID	R9 931 769.00	-	-
35321321200F1FB1ZZWM	ELEC SALES: DOMESTIC HIGH HOME POWER 1	R43 295.00	1 095.93	2.53%
35321321380F1FB1ZZWM	ELEC: AVAILABILITY CHARGES	R9 299 258.00	754 018.97	8.11%
35411324020F1FB4ZZWM	WATER: SALE - CONVENTIONAL	R11 155 234.00	895 724.37	8.03%
35411324070F1FB4ZZWM	WATER: AVAILABILITY CHARGES	R19 319 248.00	1 602 948.85	8.30%
35441324020F5FB2ZZWM	WATER: SALE - CONVENTIONAL	R0.00	-	-
35511323020F1FB2ZZWM	WASTE WATER MANG: SANITATION CHARGES	R14 318 301.00	1 070 961.51	7.48%
35511323060F1FB2ZZWM	WASTE WATER MANG: AVAILABILITY CHARGES	R11 564 525.00	879 520.61	7.61%
36621322030F1FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	R17 620 181.00	-	-
36621322030F3FB3ZZWM	WASTE MANGEMENT: REFUSE REMOVAL	R0.00	1 397 508.50	#DIV/0!
36621322050F1FB3ZZWM	WASTE MANGEMENT: AVAILABILITY CHARGES	R1 670 151.00	126 217.59	7.56%
		R94 562 034.00	R6 749 451.01	7.14%

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	Moqhaka
GV Period	01/07/2023 - 30/06/2028
Financial Year	2025/2026
Reconciliation Period	Quarter 4

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	- 1646 824 902.00
Industrial	241	305	- 64	321 164 000.00	349 559 000.00	- 28 395 000.00
Business and Commercial	987	1 124	- 137	941 005 606.00	1077 100 609.00	- 136 095 003.00
Agricultural	3 414	3 590	- 176	5 595 588 750.00	5 864 793 753.00	- 269 205 003.00
Mining	9	13	- 4	7 378 000.00	55 374 000.00	- 47 996 000.00
State Owned for Public Purpose	294	587	- 293	1278 956 018.00	1343 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 481003.00	250 971003.00	- 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	213	11230	2 075 438 010.00	204 642 005.00	1870 796 005.00
Other	-	-	-	-	-	-
	52 290	52 215	75	16 811 192 641.00	16 802 788 442.00	8 404 199.00

Detailed Reconciliation

Propety Categories	Monthly Billing			Quarterly		
Propety Categories	GV	MFS	Variance	GV	MFS	Variance
Residential	2 112 123	2 187 216	- 75 093	6 336 369.20	6 561648.18	- 225 278.98
Industrial	513 862	521998	- 8 136	1541587.20	1565 995.20	- 24 408.00
Business and Commercial	1529 134	1705 570	- 176 436	4 587 402.33	5 116 710.00	- 529 307.67
Agricultural	979 228	1004 620	- 25 392	2 937 684.09	3 013 858.89	- 76 174.80
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	-	1148	- 1148	-	3 444.00	- 3 444.00
PBO	-	-	-	-	-	-
Multi Use	-	-	-	-	-	-
Vacant	94 549	150 332	- 55 783	283 647.55	450 996.48	- 167 348.93
POW	-	-	-	-	-	-
Municipal	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total	R7 971640.56	R8 236 048.25	- R264 407.69	23 914 921.69	24 708 144.75	- 793 223.06

Prepared By DINEO MOKOENA — Date 04/05/2026

Contatct Details `056 216 9300/9604

Signature

Reviewed By SAMMY THELETSANE — Date 04/05/2026

Contatct Details `056 216 9158

Signature