MOQHAKA MUNICIPALITY

"People's power in action"

MFMA SECTION 71 REPORT MONTH ENDING

30 JUNE 2026

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

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List of Abbreviations and Acronyms used in the Monthly Budget Statement

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

PART 1: IN-YEAR REPORT FOR THE PERIOD ENDING 30 JUNE 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 JUNE 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 145 751 136, of which 90% of the debt is owed more than 90 days totalling R1 930 737 304. Included in the total debt, R128 767 965 is owed by Government or Organs of State, R226 643 160 by Business and R1 641 913 528 by Households. Included in the Households debt is R231 330 281 by Indigent Households. The municipality continues to urge its debtors to meet their obligation to the municipality or make payment arrangements. The cash collection struggles to improve to a desired level, and this does not bode well for the municipality's financial position. There needs to be a major paradigm shift in the payment culture across all customer groups.

This 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 June 2026, the ten-working day reporting limit expires on Tuesday the 14th of July 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 June 26	YTD Actual to June 26	Variance Favourable (Unfavourable)	% YTD Budget vs YTD Actual	% Variance vs Actual Favourable (Unfavourable)
Total Revenue (Excluding Capital Transfers and Contributions)	R1 423 825 000	R1 279 399 971	(R144 425 029)	90%	(10%)
Total Revenue including Capital Transfers and Contributions	R1 430 133 041	R1 285 708 012	(R144 425 029)	90%	(10%)
Total Operational Expenditure	R1 452 331 000	R859 048 000	(R593 283 000)	69%	(41%)

As indicated in Table 1 above, as of 30 June 2026, the actual billed revenue including operational transfers, but excluding capital grants amounted to R1 279 399 971, which resulted in an unsatisfactory variance of 10% when compared to YTD Budget of R1 423 825 000. 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. Actual revenue inclusive of Capital Grants was R1 285 708 012 from the budget of R1 430 133 041. The Total Operational Expenditure amounted to R859 048 000 versus the YTD Budget of R1 452 331 000, resulting in a unsatisfactory variance of minus 41%.

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 moderate at 67% against monthly billing inclusive of arrears, considering the notices to restrict the electricity supply for consumers. The 67% collection rate is made up of 58% payments towards current account and 42% towards arrears. 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 447 685 000. 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 June 2025, a payment of **R10 000 000** was made towards the account. A cost containment policy has been implemented to control the administration of new orders, non-essential expenditure, pre-approve overtime and manage fuel consumption of municipal fleet.

National Treasury has made a presentation to train, assist and encourage the municipality to apply for 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. The municipality has no leverage relating to debt collection in the ESKOM electricity supplied areas. There is hope that RT27-2024 Debt Collection Transversal contract will assist in that regard.

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 of 60/40% collection strategy to collect 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) - M12 June

Description R thousands	2024/25 Audited Outcome	Budget Year 2025/26 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	53 524	518 942	548 139	(29 197)	-5%	548 139
Service charges - Water	164 103	204 038	204 038	23 248	171 465	204 038	(32 572)	-16%	204 038
Service charges - Waste Water Management	72 624	73 321	75 216	15 483	83 334	75 216	8 118	11%	75 216
Service charges - Waste management	51 188	50 701	50 701	11 706	59 285	50 701	8 584	17%	50 701
Sale of Goods and Rendering of Services	5 678	8 764	8 675	633	5 685	8 675	(2 990)	-34%	8 675
Interest earned from Receivables	86 303	78 687	83 128	9 376	98 755	83 128	15 627	19%	83 128
Interest from Current and Non Current Assets	39	63	63	–	–	63	(63)	-100%	63
Dividends	5 822	4 744	4 744	1 365	5 786	4 744	1 042	22%	4 744
Rental from Fixed Assets	5 339	9 256	9 883	239	6 102	9 883	(3 781)	-38%	9 883
Operational Revenue	7 419	14 960	9 353	(368)	(3 583)	9 353	(12 935)	-138%	9 353
Non-Exchange Revenue							–		
Property rates	93 605	94 806	98 716	7 920	98 419	98 716	(297)	0%	98 716
Fines, penalties and forfeits	4 755	5 784	5 603	1 374	2 139	5 603	(3 464)	-62%	5 603
Transfers and subsidies - Operational	331 012	328 582	363 896	217	312 365	363 896	(51 530)	-14%	363 896
Interest	10 024	8 373	9 755	902	10 213	9 755	458	5%	9 755
Operational Revenue	888	(267)	(267)	78	932	(267)	1 199	-450%	(267)
Gains on disposal of Assets	(2 284)	–	–	–	–	–	–		–
Other Gains	7 254	–	–	(17)	(17)	–	(17)	#DIV/0!	–
Total Revenue (excluding capital transfers and contributions)	**1 279 022**	**1 429 951**	**1 471 642**	**125 679**	**1 369 822**	**1 471 642**	**(101 820)**	**-7%**	**1 471 642**
Expenditure By Type									
Employee related costs	452 951	449 410	524 882	42 953	462 462	524 882	(62 421)	-12%	524 882
Remuneration of councillors	22 444	29 484	28 381	1 947	23 025	28 381	(5 355)	-19%	28 381
Bulk purchases - electricity	486 867	428 185	325 349	(54 113)	9 637	325 349	(315 712)	-97%	325 349
Inventory consumed	17 948	26 574	41 406	2 153	36 215	41 406	(5 191)	-13%	41 406
Debt impairment	78	61 096	38 496	–	–	38 496	(38 496)	-100%	38 496
Depreciation and amortisation	112 242	10 305	10 305	–	–	10 305	(10 305)	-100%	10 305
Interest	99 037	8 790	8 790	550	6 600	8 790	(2 190)	-25%	8 790
Contracted services	148 907	197 383	268 553	39 572	178 590	268 553	(89 963)	-33%	268 553
Transfers and subsidies	244	1 095	1 095	45	80	1 095	(1 015)	-93%	1 095
Irrecoverable debts written off	170 915	3 966	10 002	610	12 760	10 002	2 758	28%	10 002
Operational costs	179 769	170 482	195 002	8 634	130 465	195 002	(64 538)	-33%	195 002
Losses on Disposal of Assets	1 796	63	63	–	48	63	(15)	-24%	63
Other Losses	4 869	–	6	(827)	(833)	6	(839)	-14198%	6
Total Expenditure	**1 698 065**	**1 386 834**	**1 452 331**	**41 524**	**859 048**	**1 452 331**	**(593 282)**	**-41%**	**1 452 331**

Exchange and Non-Exchange Revenue

Revenue analysis for the month ending 30 June 2026

Revenue Types		Section 71 of 30 June 2026					Twelve Months Ending 30 June 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	7 920 123	96%	5 639 341	71%	98 715 836	98 418 670	100%	86 220 929	88%
Electricity - conventional	384 403 973	32 033 664	35 915 733	112%	29 580 070	82%	384 403 973	348 724 265	91%	332 205 697	95%
Water	203 998 096	16 999 841	23 248 231	137%	6 085 119	26%	203 998 096	171 436 741	84%	80 671 224	47%
Sanitation	74 766 665	6 230 555	15 480 436	248%	5 153 020	33%	74 766 665	83 259 196	111%	54 256 845	65%
Refuse	50 701 046	4 225 087	11 706 146	277%	3 203 227	27%	50 701 046	59 284 847	117%	35 323 279	60%
Total Direct Services	**812 585 616**	**67 715 468**	**94 270 669**	**139%**	**49 660 777**	**53%**	**812 585 616**	**761 123 719**	**94%**	**588 677 974**	**77%**
Other revenue	130 937 000	10 911 417	13 922 115	128%	4 895 996	35%	130 937 000	45 814 268	35%	32 232 160	70%
Revenue from Billed services	**943 522 616**	**78 626 885**	**108 192 784**	**138%**	**54 556 773**	**50%**	**943 522 616**	**806 937 987**	**86%**	**620 910 134**	**77%**
Electricity - prepaid	164 223 384	13 685 282	14 888 261	109%	14 888 261	100%	164 223 384	156 382 984	**95%**	156 382 984	100%
grants	**1 107 746 000**	**92 312 167**	**123 081 045**	**133%**	**69 445 033**	**56%**	**1 107 746 000**	**963 320 971**	**87%**	**777 293 118**	**81%**
Operational grants and subsidies	6 877 000	-	-	**-**	-	**0%**	6 877 000	6 877 000	**0%**	6 877 000	**100%**
Equitable share	353 516 000			**-**		**-**	309 202 000	309 202 000	**100%**	309 202 000	**100%**
Total Revenue	**1 468 139 000**	**92 312 167**	**123 081 045**	**133%**	**69 445 033**	**56%**	**1 423 825 000**	**1 279 399 971**	**90%**	**1 093 372 118**	**85%**

<u>Comments on Section 71 Report.</u>

Collection rate for waste water management is 33% for the month of June 2026 and 65% for the year to date. Indigents subsidy reversals contribute to a high billing (debited amounts resulting from cancellations)

Collection rate for waste management is 27% for the month of June 2026 and 60% for the year to date. Indigents subsidy reversals contribute to a high billing (debited amounts resulting from cancellations)

Collection rate for water is 26% for the month of June 2026 and 47% for the year to date. Indigents subsidy reversals contribute to a high billing (debited amounts resulting from cancellations)

The collection rate on Property Rates is 71% for the month of June 2026 and 88% for the year to date.

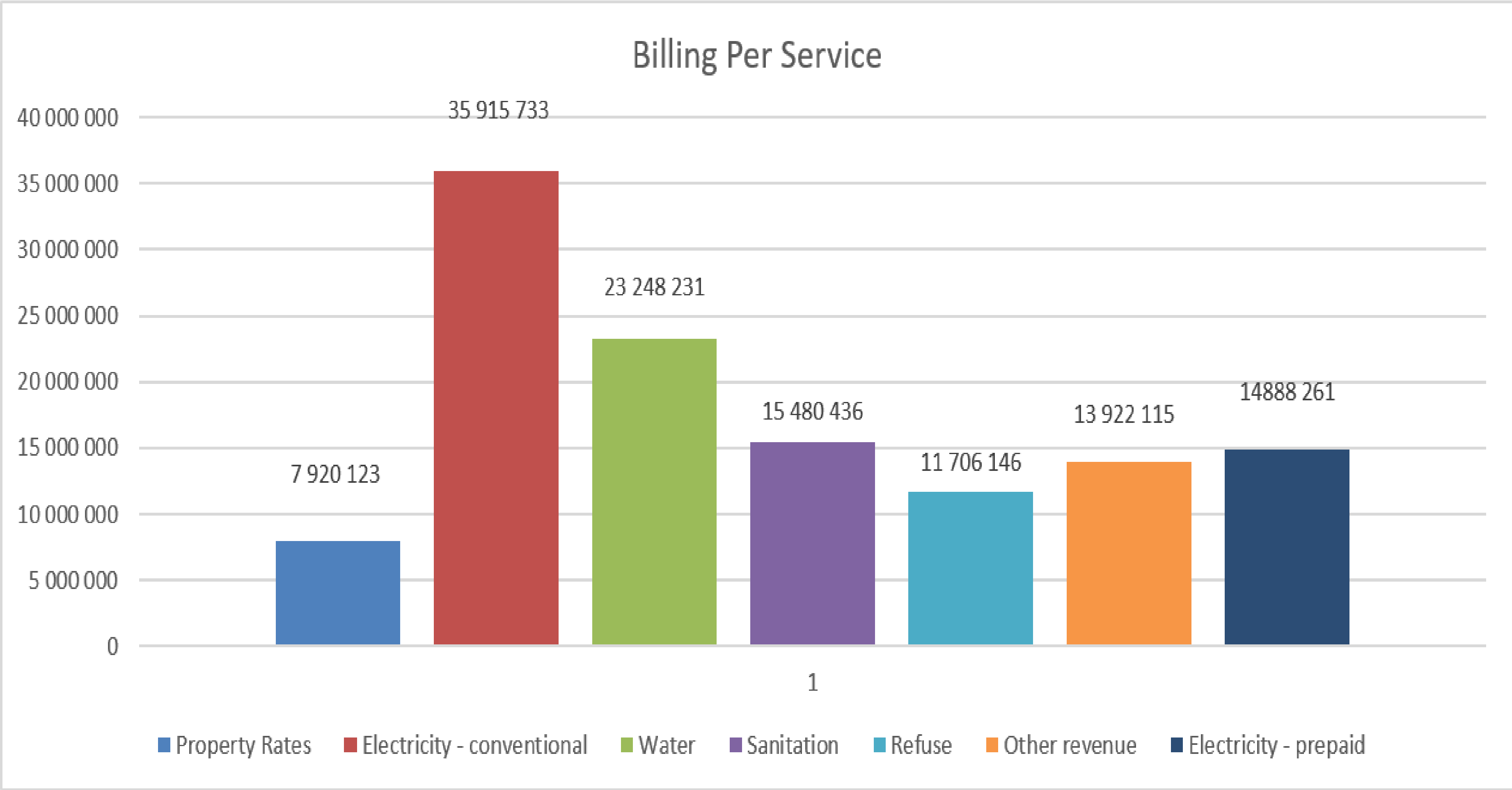
Vat is not considered as part of income in this report since it will be paid over to SARS.

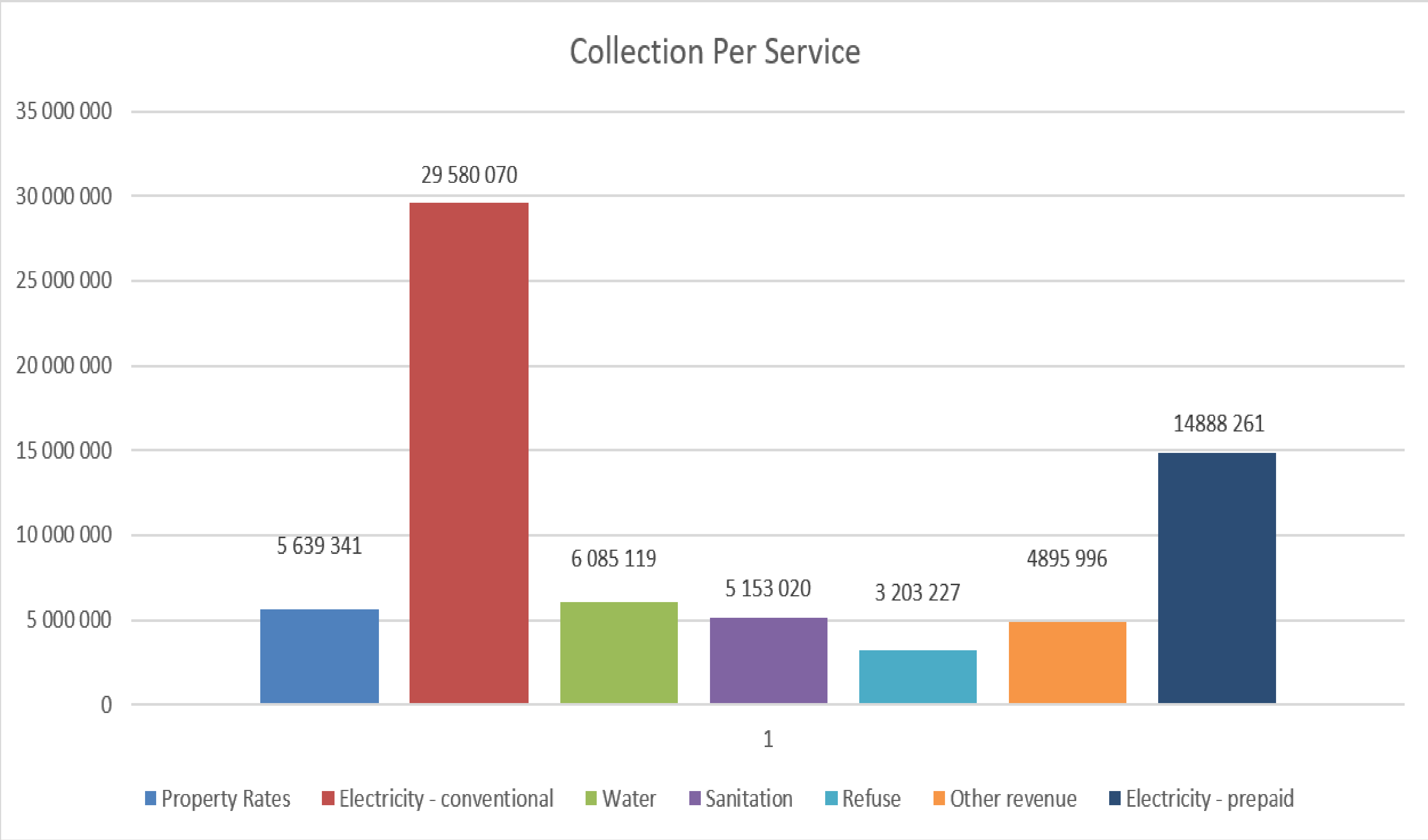
Conventional electricity revenue collection is 82% for the month of June 2026 and 95% for the year to date.

Revenue before operational grants versus billing is 56% for the month of June 2026 and 81% for the year to date.

Total Revenue Collection Percentage with Zero or No Grant Funding received for the month of June 2026 is 56% and 85% for the period under review.

Indigents Contribution for Prepaid Electricity in June 2026 is R1 053 587.00 + R189 348.21 (FBE in ESKOM Supplied Areas) = R1 242 935.21)


Billing Per Service
40 000 000
35 000 000
30 000 000
25 000 000
20 000 000
15 000 000
10 000 000
5 000 000
0
7 920 123
35 915 733
23 248 231
15 480 436
11 706 146
13 922 115
14888 261
1
Property Rates
Electricity - conventional
Water
Sanitation
Refuse
Other revenue
Electricity - prepaid



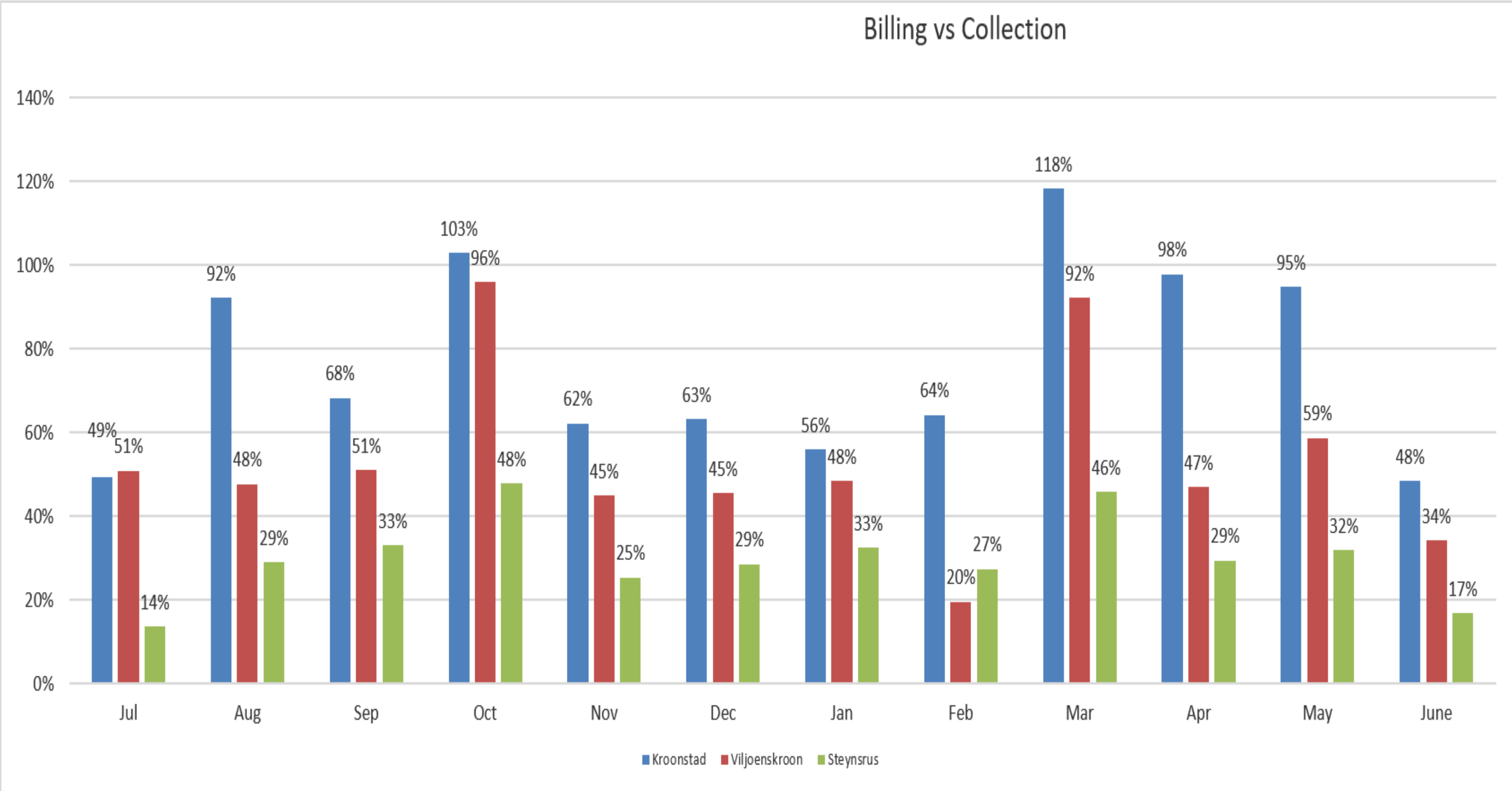
Collection Per Service
35 000 000
30 000 000
25 000 000
20 000 000
15 000 000
10 000 000
5 000 000
0
29 580 070
5 639 341
6 085 119
5 153 020
3 203 227
4895 996
14888 261
1
Property Rates
Electricity - conventional
Water
Sanitation
Refuse
Other revenue
Electricity - prepaid

The June 2026 billing amounted to R123 299 195.32 due to the indigent households' cancellations and reversals. Revenue collection of June will be in July 2026 to determine the collection rate of June. May collection rate was 67%.

Cycle	Opening Balance	Charges Raised	Adjustments	Repayments	Deposits	Nett Movement	Receipts	Closing Balance	Collection	Billing vs Receipts
1	162 900 194.73	20 409 678.51	994 510.26	101 516.56	49 867.00	21 555 572.33	-15 356 832.38	169 098 934.68	-71%	6 198 739.95
2	760 430 163.89	20 415 329.30	22 183 413.89	6 682.28	9 587.00	42 615 012.47	-4 542 636.21	798 502 540.15	-11%	38 072 376.26
3	4 095 871.15	3 301 102.37	0.00	0.00	0.00	3 301 102.37	-4 092 514.00	3 304 459.52	-124%	-791 411.63
4	64 876 861.38	562 236.42	465 788.94	0.00	0.00	1 028 025.36	-273 038.79	65 631 847.95	-27%	754 986.57
6	19 220 875.81	1 656 430.37	792 034.98	0.00	0.00	2 448 465.35	-1 875 681.22	19 793 659.94	-77%	572 784.13
7	31 573 636.37	994 949.89	493 435.65	504.67	0.00	1 488 890.21	-316 372.71	32 746 153.87	-21%	1 172 517.50
8	11 221 403.89	531 471.34	23 973.05	0.00	2 972.00	558 416.39	-219 679.77	11 560 140.51	-39%	338 736.62
9	2 457 085.65	11 788.85	4 965.84	0.00	0.00	16 754.69	0.00	2 473 840.34	0%	16 754.69
10	76 248 650.84	11 698 056.33	-586 034.52	0.00	0.00	11 112 021.81	-11 296 798.70	76 063 873.95	-102%	-184 776.89
11	108 067 760.61	3 186 205.34	1 320 498.88	0.00	2 685.00	4 509 389.22	-760 705.38	111 816 444.45	-17%	3 748 683.84
13	702 082 454.74	14 268 295.12	3 979 063.12	16 069.14	2 687.85	18 266 115.23	-2 999 424.91	717 349 145.06	-16%	15 266 690.32
14	7 831 151.94	4 983 274.83	59 053.12	0.00	0.00	5 042 327.95	-4 997 807.67	7 875 672.22	-99%	44 520.28
15	7 880.46	67.89	0.00	0.00	0.00	67.89	0.00	7 948.35	0%	67.89
16	122 444 665.02	9 309 212.83	2 038 620.22	0.00	9 201.00	11 357 034.05	-8 187 282.74	125 614 416.33	-72%	3 169 751.31
	2 073 458 656.48	91 328 099.39	31 769 323.43	124 772.65	76 999.85	123 299 195.32	-54 918 774.48	2 141 839 077.32	-45%	68 380 420.84

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%
May	59 023 525	56 017 473	95%	15 293 476	8 981 258	59%	2 345 669	750 330	32%
June	95 481 295	46 160 837	48%	23 308 511	7 997 233	34%	4 509 389	760 705	17%
Total	**747 006 013**	**550 581 776**	**74%**	**192 292 183**	**97 763 437**	**51%**	**28 092 078**	**8 133 301**	**29%**



Billing vs Collection
140%
120%
100%
80%
60%
40%
20%
0%
49% 51% 14%
92% 48% 29%
68% 51% 33%
103% 96% 48%
62% 45% 25%
63% 45% 29%
56% 48% 33%
64% 20% 27%
118% 92% 46%
98% 47% 29%
95% 59% 32%
48% 34% 17%
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Mar
Apr
May
June
Kroonstad
Viljoenskroon
Steynsrus

PRE-PAID ELECTRICITY SALES 2025-2026 FINANCIAL YEAR

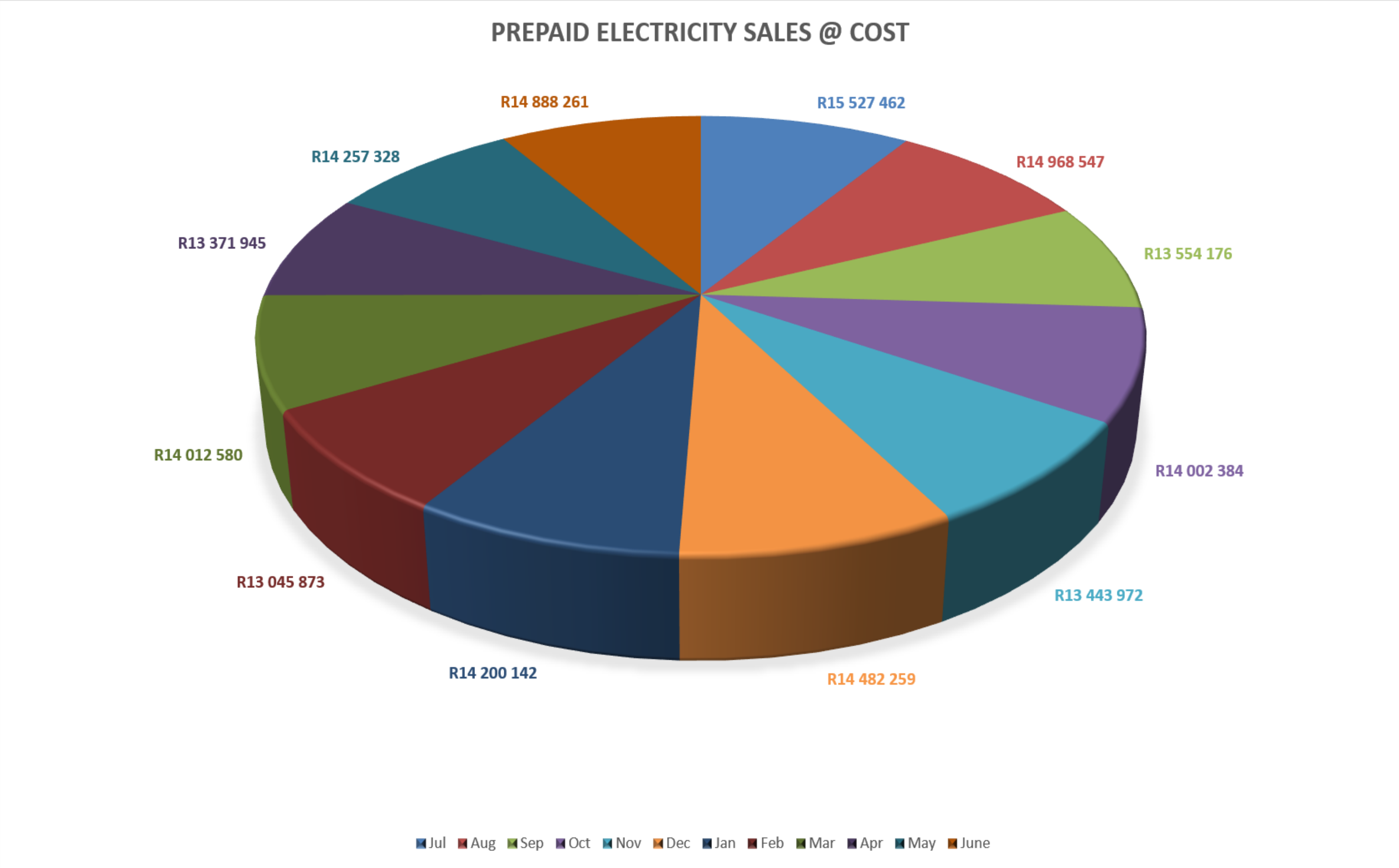
Month	Arrears	Cost of Units	Vat	Cash Tendered	Units Sold	FBE Value	% Movement
Jul	R0	R15 527 462	R2 328 890	R17 856 352	6 351 290	R1 046 253	9%
Aug	R0	R14 968 547	R2 245 078	R17 213 625	6 162 357	R1 051 657	-4%
Sep	R0	R13 554 176	R2 032 933	R15 587 109	5 651 698	R1 039 402	-9%
Oct	R0	R14 002 384	R2 100 151	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%
May	R0	R14 257 328	R2 138 397	R16 395 725	5 932 184	R1 055 421	7%
Jun	R0	R14 888 261	R2 233 031	R17 121 292	6 144 471	R1 053 587	4%
Totals	**R0**	**R169 754 929**	**R25 460 871**	**R195 215 801**	**R70 311 383**	**R12 523 288**	

Billing for Kroonstad/Maokeng, Brentpark in June 2026 was R95.5m, Viljoenskroon/Rammolutsi was R23.4m and Steynsrus/Matlwangtlwang was R4 509 389.

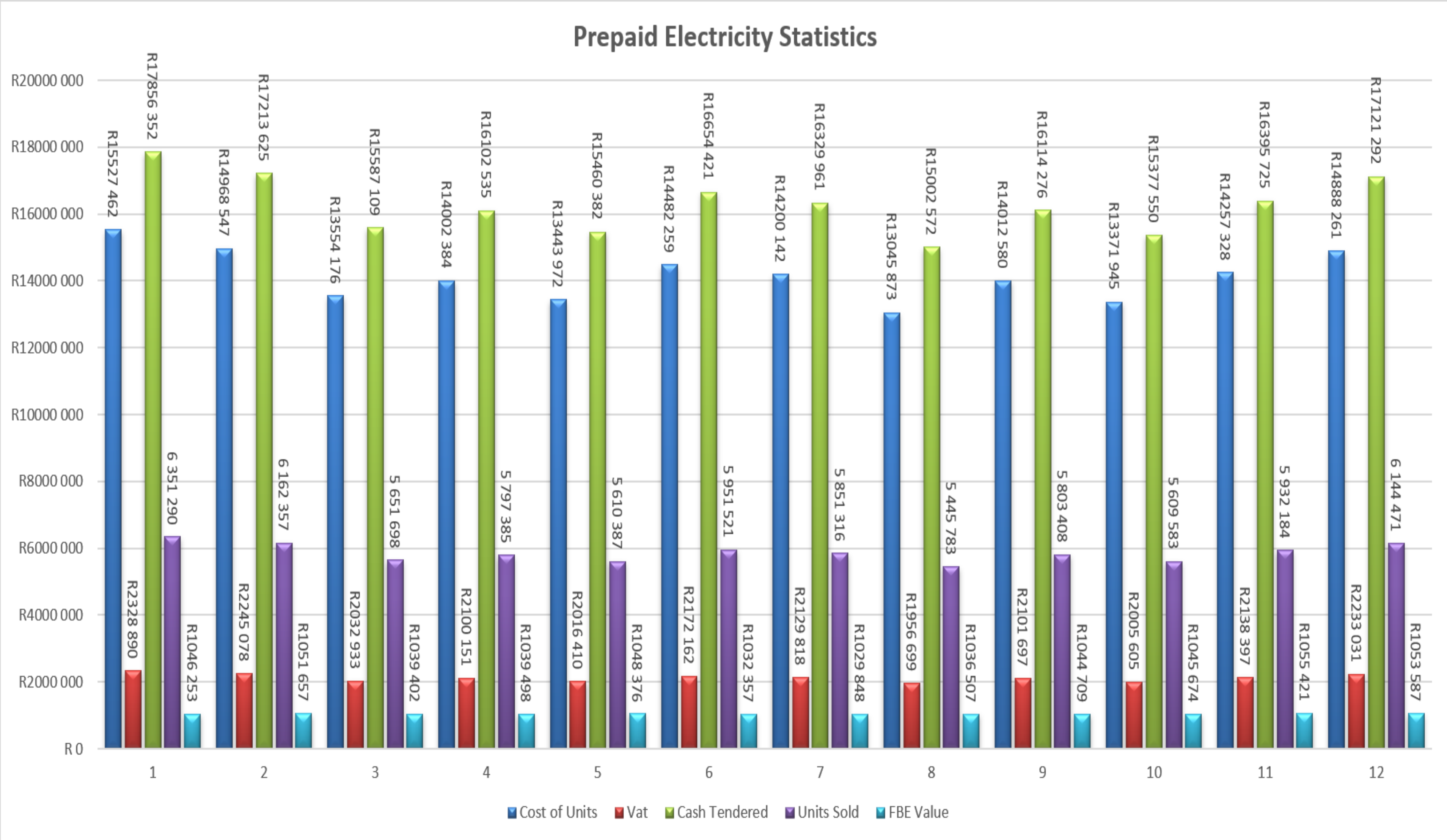
The average Collection Rate for Kroonstad/Maokeng/Brentpark for June 2026 is 48%, Viljoenskroon/Rammulutsi is 34% & Steynsrus/Matlwangtlwang is 17%.

Kroonstad/Maokeng/Brentpark generated a revenue of R46m for June 2026, Viljoenskroon/Rammolutsi generated R8m & Steynsrus/Matlwangtlwang generated R760 705.

The cost of revenue generated through prepaid electricity for the month of June 2026 is R14 888 261. The electricity vendors are contributing to these sales.



PREPAID ELECTRICITY SALES @ COST
R15 527 462
R14 968 547
R13 554 176
R14 002 384
R13 443 972
R14 482 259
R14 200 142
R13 045 873
R14 012 580
R13 371 945
R14 257 328
R14 888 261
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Mar
Apr
May
June


Prepaid Electricity Statistics
R20000 000
R18000 000
R16000 000
R14000 000
R12000 000
R10000 000
R8000 000
R6000 000
R4000 000
R2000 000
R 0
R15527 462
R2328 890
R17856 352
6 351 290
R1046 253
R14968 547
R2245 078
R17213 625
6 162 357
R1051 657
R13554 176
R2032 933
R15587 109
5 651 698
R1039 402
R14002 384
R2100 151
R16102 535
5 797 385
R1039 498
R13443 972
R2016 410
R15460 382
5 610 387
R1048 376
R14482 259
R2172 162
R16654 421
5 951 521
R1032 357
R14200 142
R2129 818
R16329 961
5 851 316
R1029 848
R13045 873
R1956 699
R15002 572
5 445 783
R1036 507
R14012 580
R2101 697
R16114 276
5 803 408
R1044 709
R13371 945
R2005 605
R15377 550
5 609 583
R1045 674
R14257 328
R2138 397
R16395 725
5 932 184
R1055 421
R14888 261
R2233 031
R17121 292
6 144 471
R1053 587
1
2
3
4
5
6
7
8
9
10
11
12
Cost of Units
Vat
Cash Tendered
Units Sold
FBE Value

4.2 Operating expenditure by type

FS201 Moqhaka - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

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
Expenditure By Type									
Employee related costs	452 951	449 410	524 882	42 953	462 462	524 882	(62 421)	-12%	524 882
Remuneration of councillors	22 444	29 484	28 381	1 947	23 025	28 381	(5 355)	-19%	28 381
Bulk purchases - electricity	486 867	428 185	325 349	(54 113)	9 637	325 349	(315 712)	-97%	325 349
Inventory consumed	17 948	26 574	41 406	2 153	36 215	41 406	(5 191)	-13%	41 406
Debt impairment	78	61 096	38 496	–	–	38 496	(38 496)	-100%	38 496
Depreciation and amortisation	112 242	10 305	10 305	–	–	10 305	(10 305)	-100%	10 305
Interest	99 037	8 790	8 790	550	6 600	8 790	(2 190)	-25%	8 790
Contracted services	148 907	197 383	268 553	39 572	178 590	268 553	(89 963)	-33%	268 553
Transfers and subsidies	244	1 095	1 095	45	80	1 095	(1 015)	-93%	1 095
Irrecoverable debts written off	170 915	3 966	10 002	610	12 760	10 002	2 758	28%	10 002
Operational costs	179 769	170 482	195 002	8 634	130 465	195 002	(64 538)	-33%	195 002
Losses on Disposal of Assets	1 796	63	63	–	48	63	(15)	-24%	63
Other Losses	4 869	–	6	(827)	(833)	6	(839)	-14198%	6
Total Expenditure	**1 698 065**	**1 386 834**	**1 452 331**	**41 524**	**859 048**	**1 452 331**	**(593 282)**	**-41%**	**1 452 331**

Comparison against YTD Budget

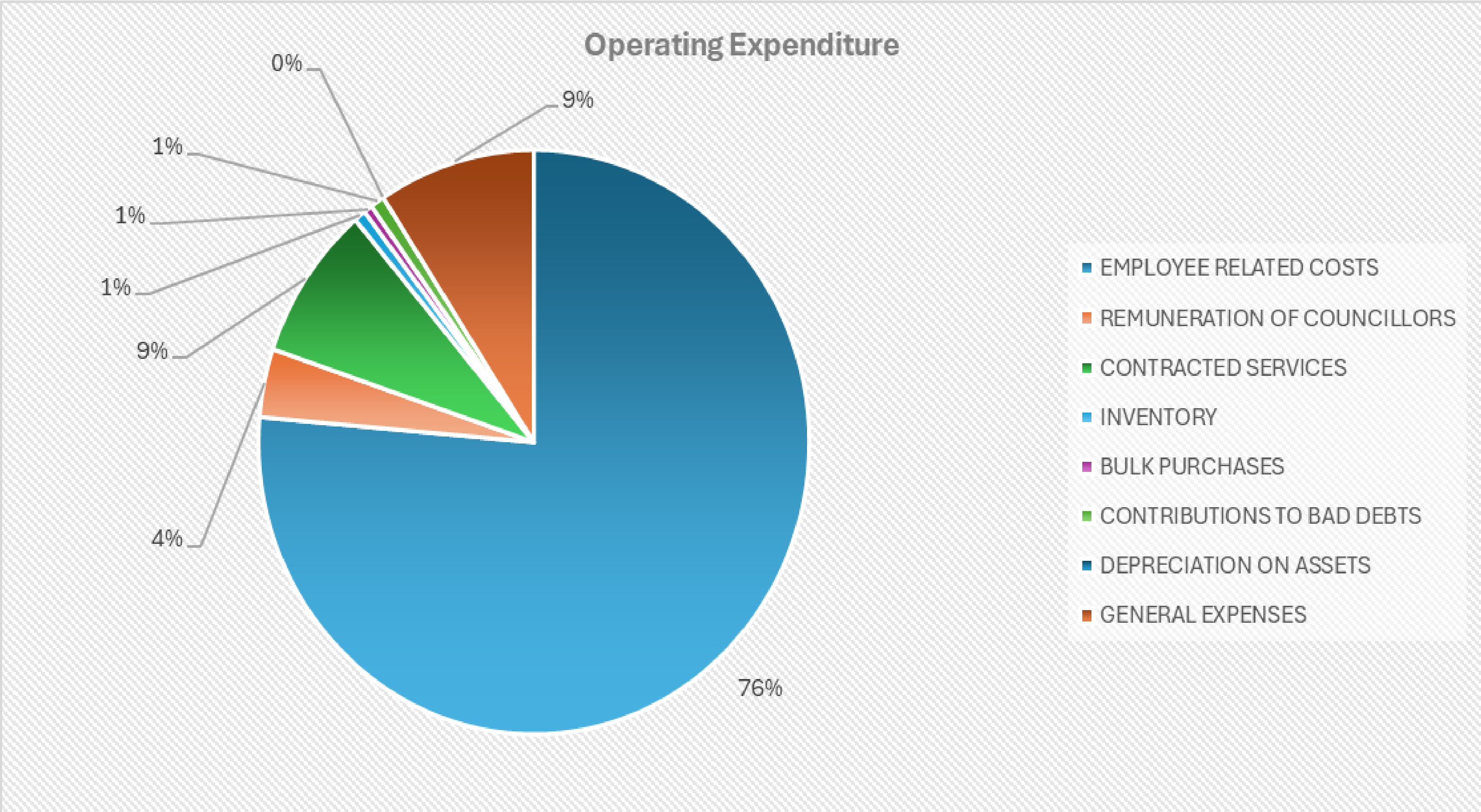
As indicated in the Table above, as at 30 June 2026, expenditure shows an unsatisfactory variance of minus 41%. The YTD actual amounted to R859 048 000 against the YTD budget of R1 452 331 000.

- Employee related costs show a unsatisfactory variance of minus 12%. 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 -97%.
- The expenditure on Inventory consumed is showing an unsatisfactory variance minus 13%. 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 33%.
- Transfers and subsidies showing negative variance of minus 93%, due to non-expenditure & no commitment to show movement.
- Operational cost is showing an unsatisfactory variance of minus 33% 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

OPERATING EXPENSES					
DESCRIPTION	**Annual Budget 2025/2026**	**Actual 30-Jun-26**	**YTD 30-Jun-26**	**Variance (Unspent Budget)**	**% Exp**
EMPLOYEE RELATED COSTS	524 882 394.00	42 953 051.18	462 461 766.16	62 420 627.84	**88.11**
REMUNERATION OF COUNCILLORS	28 380 690.00	1 946 627.03	23 025 387.15	5 355 302.85	**81.13**
BULK PURCHASES	325 349 213.00	-54 112 553.87	9 637 369.95	315 711 843.05	**2.96**
INVENTORY	41 405 897.00	2 152 880.09	36 214 662.95	5 191 234.05	**87.46**
DEPRECIATION ON ASSETS	10 282 705.00	-	-	10 282 705.00	**-**
INTEREST	8 790 312.00	550 000.00	6 600 000.00	2 190 312.00	**75.08**
CONTRACTED SERVICES	268 552 989.00	39 332 704.78	178 350 116.17	90 202 872.83	**66.41**
TRANSFERS AND SUBSIDIES	1 095 158.00	45 000.00	80 350.00	1 014 808.00	**7.34**
CONTRIBUTIONS TO BAD DEBTS	10 001 998.00	610 426.70	12 759 642.12	-2 757 644.12	**127.57**
OPERATIONAL EXPENDITURE	171 570 959.00	6 219 600.83	115 568 897.95	56 002 061.05	**67.36**
OPERATING LEASES	23 431 483.00	1 237 531.88	13 718 990.77	9 712 492.23	**58.55**
TOTAL EXPENDITURE (NETT)	**1 413 743 798.00**	**40 935 268.62**	**858 417 183.22**	**555 326 614.78**	**60.72**

DESCRIPTION	Annual Budget 2025/2026	Actual 30-Jun-26	YTD 30-Jun-26	Variance	
OUTSOURCE SERVICES					-
OS: BURIAL SERVICES	286 227.00	5 065.22	50 315.22	235 911.78	**17.58**
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	2 254 127.00	67 568.78	1 240 446.81	1 013 680.19	**55.03**
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	64 347.82	386 086.92	2 899 381.08	**11.75**
OS: CATERING SERVICES	1 334 529.00	85 934.00	444 069.03	890 459.97	**33.28**
OS: CLEANING SERVICES	216 757.00	6 571.82	181 939.43	34 817.57	**83.94**
OS: ELECTRICAL	18 869 252.00	5 821 147.58	15 734 274.62	3 134 977.38	**83.39**
OS:ILLEGAL DUMPING	820 642.00	0.00	397 936.08	422 705.92	**48.49**
OS: MEDICAL SERVICES [HEALTH SERV &	350 000.00	0.00	0.00	350 000.00	-
OS: PERSONNEL & LABOUR	11 210 120.00	808 858.04	6 163 345.79	5 046 774.21	**54.98**
OS: CONNECT/DIS-CONNECTION: ELECTICI	9 757.00	0.00	0.00	9 757.00	-
OS: TRAFFIC FINES MANAGEMENT	174 997.00	0.00	54 600.00	120 397.00	**31.20**
OS: TRANSPORT SERVICES	0.00	0.00	0.00	0.00	-
SUB TOTAL : OUTSOURCE SERVICES	**39 627 354.00**	**6 859 493.26**	**24 674 133.90**	**14 953 220.10**	**62.27**
CONSULTANTS AND PROFESSIONAL SERVICES					-
C&PS: B&A AIR POLLUTION	0.00	0.00	0.00	0.00	**#DIV/0!**
C&PS: B&A AUDIT COMMITTEE	225 133.00	0.00	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	27 024.27	836 205.02	3 590 215.98	**18.89**
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	71 873 431.00	20 330 309.99	47 016 520.99	24 856 910.01	**65.42**
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	617 156.00	0.00	0.00	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	54 460.00	54 460.00	75 540.00	**41.89**
C&PS: LAB SERV WATER	5 314 187.00	96 980.40	4 324 389.71	989 797.29	**81.37**
C&PS: LEGAL COST ADVICE & LITIGATION	7 500 000.00	1 103 785.96	2 784 779.16	4 715 220.84	**37.13**
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	33 562.31	571 951.26	857 344.74	**40.02**
SUB TOTAL : CONSULTANT AND PROF SERV	**99 666 238.00**	**21 646 122.93**	**56 133 983.27**	**43 532 254.73**	**56.32**
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	399 057.40	1 638 342.31	241 010.69	**87.18**
CONTR: MAINT OF BUILDINGS & FACILIT	9 839 330.00	271 535.27	1 495 182.82	8 344 147.18	**15.20**
CONTR: MAINTENANCE OF EQUIPMENT	6 713 370.00	2 731 281.01	4 960 317.88	1 753 052.12	**73.89**
CONTR: MAINTENANCE OF EQUIPMENT (FLE	5 044 322.00	884 099.92	3 369 788.56	1 674 533.44	**66.80**
CONTR: MAINTENANCE FLEET	14 261 080.00	2 971 838.77	11 987 381.46	2 273 698.54	**84.06**
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	-358 888.48	16 778 391.15	7 511 364.85	**69.08**
CONTR: SAFEGUARD & SECURITY	41 600 000.00	1 839 994.39	37 112 481.87	4 487 518.13	**89.21**
CONTR: TRAFFIC & STREET LIGHTS	23 346 990.00	2 088 170.31	19 790 392.59	3 556 597.41	**84.77**
SUB TOTAL : CONTRACTORS	**129 259 397.00**	**10 827 088.59**	**97 541 999.00**	**31 717 398.00**	**75.46**
CONTRACTED SERVICES	**268 552 989.00**	**39 332 704.78**	**178 350 116.17**	**90 202 872.83**	**66.41**

OPERATIONAL COST					
OC: ADV/PUB/MARK - CORP & MUN ACTIVI	2 163 944.00	59 542.00	1 208 784.25	955 159.75	**55.86**
OC: ADV/PUB/MARK - MUNICIPAL NEWSLET	800 000.00	182 217.40	463 950.00	336 050.00	**57.99**
OC: ADV/PUB/MARK - SIGNS	609 250.00	0.00	0.00	609 250.00	-
OC: ADV/PUB/MARK - STAFF RECRUITMENT	328 547.00	16 663.35	215 875.29	112 671.71	**65.71**
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	0.00	10 078 935.95	2 766 972.05	**78.46**
OC: BC/FAC/C FEES - BANK ACCOUNTS	1 329 408.00	73 086.11	1 775 808.22	-446 400.22	**133.58**
OC: COMMISSION - THIRD PARTY VENDORS	18 330 000.00	1 531 545.35	10 397 175.09	7 932 824.91	**56.72**
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	0.00	753 018.29	1 346 981.71	**35.86**
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	164 639.67	1 065 499.90	1 434 500.10	**42.62**
OC: CONTR TO PROV - REHAB LANDFILL S	93 255.00	0.00	0.00	93 255.00	-
OC: DEEDS	329 402.00	16 505.65	64 619.81	264 782.19	**19.62**
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	7 092.40	99 592.28	130 903.72	**43.21**
OC: ENTERTAINMENT - SPEAKER	25 440.00	3 556.77	17 343.35	8 096.65	**68.17**
OC: ENTERTAINMENT - CHIEF WHIP	36 540.00	2 386.50	5 522.56	31 017.44	**15.11**
OC: EXT COM SERV PROV - GPS LICENCE	8 604 229.00	108 199.80	2 152 000.00	6 452 229.00	**25.01**
OC: EXT COM SERV PROV - S/WARE LICEN	3 117 859.00	41 394.52	1 517 120.32	1 600 738.68	**48.66**
OC: EXT COM SERV PROV - SYSTEM ADVIS	0.00	0.00	0.00	0.00	-
OC: HIRE CHARGES	72 440 272.00	2 539 293.82	63 142 564.63	9 297 707.37	**87.17**
OC: INSUR UNDER - CLAIM PAID 3RD PAR	0.00	0.00	0.00	0.00	-
OC: INSUR UNDER - EXCESS PAYMENTS	500 000.00	2 173.91	405 430.74	94 569.26	**81.09**
OC: INSUR UNDER - PREMIUMS	4 500 000.00	2 128.03	4 294 217.86	205 782.14	**95.43**
OC: LEARNERSHIPS & INTERNSHIPS	100 000.00	0.00	0.00	100 000.00	-
OC: LIC - VEHICLE LIC & REGISTRATION	1 393 020.00	186.00	756 269.40	636 750.60	**54.29**
OC: LIC - VEHICLE LIC & REGISTR FLEE	11 394.00	0.00	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	95 197.21	149 360.20	484 381.80	**23.57**
OC: PROFESSIONAL BODIES M/SHIP & SUB	384 810.00	14 646.55	173 436.66	211 373.34	**45.07**
OC: REMUNERATION TO WARD COMMITTEES	2 566 437.00	181 000.00	1 098 000.00	1 468 437.00	**42.78**
OC: ROAD WORTHY TEST FLEET	15 711.00	0.00	0.00	15 711.00	-
OC: SKILLS DEVELOPMENT FUND LEVY	4 466 696.00	27 593.87	545 184.98	3 921 511.02	**12.21**
OC: SEARCH FEES	17 194.00	0.00	0.00	17 194.00	-
OC: SERVITUDES & LAND SURVEYS	54 758.00	0.00	0.00	54 758.00	-
OC: SIGNAGE	521 754.00	0.00	235 064.36	286 689.64	**45.05**
OC: SMALL DIFFERENCES TOLERANCES	0.00	0.00	0.00	0.00	-
OC: TOLL GATE FEES	0.00	0.00	0.00	0.00	-
OC: TOLL GATE FEES FLEET	2 200.00	0.00	0.00	2 200.00	-
OC: TRANSPORT - EVENTS	97 756.00	0.00	0.00	97 756.00	-
OC: TRANSPORT - FUNERALS	0.00	0.00	0.00	0.00	-
OC: T&S DOM - ACCOMMODATION	3 000 491.00	69 106.96	812 180.30	2 188 310.70	**27.07**
OC: T&S DOM - DAILY ALLOWANCE	1 948 745.00	54 507.50	500 118.25	1 448 626.75	**25.66**
OC: T&S DOM - FOOD & BEVERAGE (SERVE	312 860.00	0.00	30 800.52	282 059.48	**9.84**
OC: T&S DOM TRP - W/OUT OPR OWN TRAN	2 900 456.00	67 266.87	1 212 410.62	1 688 045.38	**41.80**
OC: T&S DOM PUB TRP - ROAD TRANSPORT	324 411.00	0.00	0.00	324 411.00	-
OC: T&S - NON-EMPLOYEES	309 516.00	7 813.60	88 009.23	221 506.77	**28.43**
OC: TRANSPORT - MUNICIPAL ACTIVITIES	57 660.00	0.00	0.00	57 660.00	-
OC: UNIFORM & PROTECTIVE CLOTHING	7 132 497.00	367 208.70	4 148 033.29	2 984 463.71	**58.16**
OC: VEHICLE TRACKING FLEET	526 892.00	0.00	0.00	526 892.00	-
OC: WET FUEL	11 831 850.00	584 648.29	7 638 499.29	4 193 350.71	**64.56**
OC: WORKMEN'S COMPENSATION FUND	1 830 991.00	0.00	469 501.37	1 361 489.63	**25.64**
SUB TOTAL : OPERATIONAL COST	**171 570 959.00**	**6 219 600.83**	**115 568 897.95**	**56 002 061.05**	**67.36**

INVENTORY					
INV - CONSUMABLE STORES - STANDARD RATED	27 586 858.00	909 147.55	22 948 015.59	4 638 842.41	
INV - CONSUMABLE STORES - WATER METERS	0.00	0.00	0.00	0.00	
INV - CONSUMABLE STORES - CHEMICALS	0.00	0.00	0.00	0.00	
INV - CONSUMABLE STORES -STD RATED FLEET	1 885.00	0.00	0.00	1 885.00	
INV - CONSUMABL STORES -ZERO RATED FLEET	0.00	0.00	0.00	0.00	
INVENTORY - MATERIALS & SUPPLIES	1 091 710.00	21 709.57	383 058.03	708 651.97	
INVENTORY - MATERIALS & SUPPLIES FLEET	2 307.00	0.00	0.00	2 307.00	
INVENTORY - WATER	12 723 137.00	1 222 022.97	12 883 589.33	-160 452.33	
SUB TOTAL - INVENTORY	**41 405 897.00**	**2 152 880.09**	**36 214 662.95**	**5 191 234.05**	
BULK PURCHASES					
ESKOM	325 349 213.00	-54 112 553.87	9 637 369.95	315 711 843.05	
BULK WATER PURCHASES					
SUB TOTAL : BULK PURCHASES	**325 349 213.00**	**-54 112 553.87**	**9 637 369.95**	**315 711 843.05**	
INTEREST DIVIDENDS AND RENT ON LAND					-
INT PAID BOR: ANNUITY LOANS	6 600 000.00	550 000.00	6 600 000.00	0.00	**100.00**
INT PAID: OVERDUE ACCOUNTS	2 190 312.00	0.00	0.00	2 190 312.00	-
SUB TOTAL - INTEREST DIVID & RENT -	**8 790 312.00**	**550 000.00**	**6 600 000.00**	**2 190 312.00**	**75.08**
OPERATING LEASES					-
OPR LEASES: FURNITURE & OFFICE EQUIP	3 293 099.00	4 271.97	51 263.64	3 241 835.36	**1.56**
OPR LEASES: INFRA - TRANSPORTATION	0.00	0.00	0.00	0.00	-
OPR LEASES: MACHINERY & EQUIPMENT	23 064.00	0.00	0.00	23 064.00	-
OPR LEASES: TRANSPORT ASSETS	20 115 320.00	1 233 259.91	13 667 727.13	6 447 592.87	**67.95**
SUB TOTAL : OPERATING LEASES	**23 431 483.00**	**1 237 531.88**	**13 718 990.77**	**9 712 492.23**	**58.55**
BAD DEBTS WRITTEN OFF					
IRRECOVERABLE DEBTS WRITTEN OFF_EXCHANGE					
IRRECOV DEBTS W/OFF_EXCHG:ELECTRICITY	2 881 731.00	340 617.30	7 747 131.25	-4 865 400.25	**268.84**
IRRECOV DEBTS W/OFF_EXCHG:NON-SPECIFIC	-	0.00	0.00	0.00	-
IRRECOV DEBTS W/OFF_EXCHG:WASTE	628 044.00	45 103.72	541 449.26	86 594.74	**86.21**
IRRECOV DEBTS W/OFF_EXCHG:WASTE WATER	1 032 730.00	75 366.66	866 591.33	166 138.67	**83.91**
IRRECOV DEBTS W/OFF_EXCHG:WATER	2 016 364.00	59 704.00	1 231 554.77	784 809.23	**61.08**
SUB TOTAL : IRRECOV BAD DEBT W/OFF _EXCH	**6 558 869.00**	**520 791.68**	**10 386 726.61**	**-3 827 857.61**	**158.36**
IRRECOVERABLE DEBTS W/OFF_NON-EXCHANGE					
IRRECOV DEBTS W/OFF_NON-EXCH:PROP RATES	3 443 129.00	89 635.02	2 372 915.51	1 070 213.49	**68.92**
SUB TOTAL : IRREC BAD DEBT W/OFF _NON-EX	**3 443 129.00**	**89 635.02**	**2 372 915.51**	**1 070 213.49**	**68.92**
SUB TOTAL : BAD DEBTS WRITTEN OFF	**10 001 998.00**	**610 426.70**	**12 759 642.12**	**-2 757 644.12**	**127.57**
TRANSFERS AND SUBSIDIES					-
HH SSP SOC ASS: SOCIAL RELIEF	1 095 158.00	45 000.00	80 350.00	1 014 808.00	**7.34**
SUB TOTAL : OPERATIONAL : ALLOC IN K	**1 095 158.00**	**45 000.00**	**80 350.00**	**1 014 808.00**	**7.34**
OPERATIONAL : MONETARY					-
SUB TOTAL : OPERATIONAL : MONETARY	**0.00**	**0.00**	**0.00**	**0.00**	-
SUB TOTAL : TRANSFERS & SUBSIDIES	**1 095 158.00**	**45 000.00**	**80 350.00**	**1 049 000.00**	**7.34**
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) - M12 June

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								%	
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		15	–	–	–	–	–	–		–
Vote 02 - Municipal Manager		97	150	165	–	–	165	(165)	-100%	165
Vote 03 - Corporate Services		2 258	2 500	2 675	(35)	350	2 675	(2 325)	-87%	2 675
Vote 04 - Finance		191	81	247	–	1 011	247	764	309%	247
Vote 05 - Technical Services		1 805	65 207	36 622	9 483	38 079	36 622	1 458	4%	36 622
Vote 06 - Community Services		160	25 983	22 448	(815)	12 302	22 448	(10 146)	-45%	22 448
Vote 07 - Local Economic Development		375	1 100	2 464	166	1 306	2 464	(1 158)	-47%	2 464
Total Capital single-year expenditure	4	4 900	95 021	64 621	8 800	53 048	64 621	**(11 574)**	**-18%**	64 621
Total Capital Expenditure		**4 900**	**95 021**	**64 621**	**8 800**	**53 048**	**64 621**	**(11 574)**	**-18%**	**64 621**
Capital Expenditure - Functional Classification										
Governance and administration		**2 581**	**2 981**	**3 575**	**(35)**	**1 564**	**3 575**	(2 011)	-56%	**3 575**
Executive and council		15	–	–	–	–	–	–		–
Finance and administration		2 532	2 981	3 575	(35)	1 564	3 575	(2 011)	-56%	3 575
Internal audit		34	–	–	–	–	–	–		–
Community and public safety		**383**	**29 350**	**25 244**	**(645)**	**13 638**	**25 244**	(11 605)	-46%	**25 244**
Community and social services		–	550	500	–	38	500	(462)	-92%	500
Sport and recreation		271	5 853	2 682	153	1 431	2 682	(1 252)	-47%	2 682
Public safety		84	22 947	21 812	(823)	12 115	21 812	(9 697)	-44%	21 812
Housing		27	–	250	26	56	250	(194)	-78%	250
Health								–		
Economic and environmental services		**263**	**42 144**	**10 542**	**3 238**	**10 961**	**10 542**	419	4%	**10 542**
Planning and development		129	–	516	(1)	8	516	(508)	-98%	516
Road transport		119	42 064	9 946	3 239	10 927	9 946	981	10%	9 946
Environmental protection		15	80	80	–	26	80	(54)	-68%	80
Trading services		**1 674**	**20 546**	**25 220**	**6 241**	**26 885**	**25 220**	1 664	7%	**25 220**
Energy sources		98	250	250	–	640	250	390	156%	250
Water management		143	18 524	10 816	5 244	8 095	10 816	(2 721)	-25%	10 816
Waste water management		1 434	1 773	14 148	997	18 144	14 148	3 996	28%	14 148
Waste management		–	–	6	–	6	6	(0)	-7%	6
Other		–	–	40	–	–	40	(40)	-100%	40
Total Capital Expenditure - Functional Classification	3	**4 900**	**95 021**	**64 621**	**8 800**	**53 048**	**64 621**	**(11 574)**	**-18%**	**64 621**
Funded by:										
National Government		128	66 532	32 825	7 333	25 789	32 825	(7 036)	-21%	32 825
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	#DIV/0!	–
Transfers recognised - capital		**136**	**66 532**	**32 825**	**7 333**	**30 718**	**32 825**	**(2 107)**	**-6%**	**32 825**
Borrowing	6	–	–	–	–	25	–	25	#DIV/0!	–
Internally generated funds		4 763	28 489	31 796	1 467	22 304	31 796	(9 492)	-30%	31 796
Total Capital Funding		**4 900**	**95 021**	**64 621**	**8 800**	**53 048**	**64 621**	**(11 574)**	**-18%**	**64 621**

As indicated in the Table above, the YTD Actual on capital expenditure as at end of May 2026 amounted to R53 048 000. The total YTD capex is funded from Capital grants R25 789 000 and internally generated funds R22 304 000 and also borrowings of R25 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 Receipts by Source	30 April 2026	31 May 2026	30 June 2026
Property rates	9 951 322	7 464 853	3 256 652
Service charges - electricity revenue	31 433 267	36 624 609	28 276 290
Service charges - water revenue	8 450 384	8 229 009	4 509 396
Service charges - sanitation revenue	4 979 294	4 260 936	4 419 204
Service charges - refuse revenue	3 457 391	2 940 167	2 851 454
Service charges - other	0	0	0
Interest earned - external investments	859 770	848 939	499 367
Interest earned - outstanding debtors	1 007 137	992 215	304 937
Fines	0	0	0
Transfer receipts - operational	0	0	0
Other revenue	22 126 969	29 372 251	0
Cash Receipts by Source	**82 265 534**	**90 732 979**	**44 117 300**
Other Cash Flows/Receipts by Source			
Transfer receipts - capital	0	0	0
Contributions recognised - capital & Contributed assets	0	0	0
Borrowing long term/refinancing	0	0	0
Total Cash Receipts by Source	**82 265 534**	**90 732 979**	**44 117 300**
Cash Payments by Type			
Employee related costs	35 516 945	36 113 473	42 953 051
Remuneration of councillors	1 909 092	1 721 282	1 946 627
Bulk purchases - Electricity	619 076	60 891 032	11 038 141
Contracted services	7 214 909	21 789 066	30 694 898
General expenses	19 445 346	33 206 978	0
Cash Payments by Type	**64 705 368**	**153 721 831**	**86 632 717**
Other Cash Flows/Payments by Type			
Capital assets	10 581 171	6 006 100	9 599 919
Repayment of borrowing	0	0	0
Total Cash Payments by Type	**75 286 539**	**159 727 931**	**96 232 636**
Net Increase/(Decrease) in Cash Held	**6 978 995**	**-68 994 952**	**-52 115 336**
Cash/cash equivalents at the month/year begin:	**178 707 746**	**185 686 741**	**116 691 789**
Cash/cash equivalents at the month/year end:	**185 686 741**	**116 691 789**	**64 576 453**

FS201 Moqhaka - Table C7 Monthly Budget Statement - Cash Flow - M12 June

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								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		57 716	120 179	120 179	5 537	83 651	120 179	(36 528)	-30%	120 179
Service charges		581 142	864 329	864 329	64 772	714 029	864 329	(150 300)	-17%	864 329
Other revenue		8 465	(134 111)	(134 111)	75 362	(205 922)	(134 111)	(71 811)	54%	(134 111)
Transfers and Subsidies - Operational		330 336	355 260	355 260	27 308	995 925	355 260	640 665	180%	355 260
Transfers and Subsidies - Capital		52 270	68 228	68 228	–	32 825	68 228	(35 403)	-52%	68 228
Interest		9 900	–	–	1 896	14 643	–	14 643	#DIV/0!	–
Dividends		5 822	4 744	4 744	1 365	5 786	4 744	1 042	22%	4 744
Payments										
Suppliers and employees		(1 133 236)	(1 637 348)	(1 637 348)	(137 185)	(1 320 573)	(1 637 348)	(316 775)	19%	(1 637 348)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies								–		
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(87 585)**	**(358 718)**	**(358 718)**	**39 055**	**320 365**	**(358 718)**	**(679 084)**	**189%**	**(358 718)**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		(2 284)	8 493	8 493	392	285	8 493	(8 208)	-97%	8 493
Capital assets		(4 900)	(95 021)	(95 021)	(8 800)	(53 048)	(95 021)	(41 974)	44%	(95 021)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(7 184)**	**(86 529)**	**(86 529)**	**(8 408)**	**(52 763)**	**(86 529)**	**(33 766)**	**39%**	**(86 529)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		(1 178)	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	25	–	25	#DIV/0!	–
Increase (decrease) in consumer deposits		(499)	–	–	(2 354)	(1 228)	–	(1 228)	#DIV/0!	–
Payments										
Repayment of borrowing		–	(2 121)	(2 121)	(446)	(4 469)	(2 121)	2 348	-111%	(2 121)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(1 677)**	**(2 121)**	**(2 121)**	**(2 800)**	**(5 672)**	**(2 121)**	**3 551**	**-167%**	**(2 121)**
NET INCREASE/ (DECREASE) IN CASH HELD		**(96 446)**	**(447 369)**	**(447 369)**	**27 847**	**261 930**	**(447 369)**			**(447 369)**
Cash/cash equivalents at beginning:		(9 905)	(24 764)	(24 764)	210 925	(23 158)	(24 764)			(23 158)
Cash/cash equivalents at month/year end:		(106 351)	(472 132)	(472 132)	238 772	238 772	(472 132)			(470 526)

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: June 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	30-Apr	31-May	% Change	30-Jun	% Change	Reference
Services						
Councillors' debt (>90 days)	R 1 661 295	R 1 676 610	1%	R 1 681 639	0%	BP136-r
Officials debt (>90 days)	R 3 512 125	R 3 406 833	-3%	R 3 388 203	-1%	BP136-a
Sundry debtors						
Telephones (Officials & Councillors)	R729 587.26	R723 905.69	-1%	R757 893.47	5%	BP136-rt
Indigents	R 319 973 617	R 324 658 893	1%	R 231 330 281	-29%	BP136-ia
Total Debt 90 Days +	**R 325 876 623**	**R 330 466 241**	**1%**	**R 237 158 016**	**-28%**	

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 31 June 2026, the Government Debt was as follows:

JUNE 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.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FREE STATE PROVINCIAL TREASURY	18 010.00	0.00	0.00	16 596.00	4 256.00	38 862.00	0.00	38 862.00
DEPARTMENT OF HEALTH (PH)	10 342 181.00	7 245 036.00	0.00	10 730 223.00	1 598 918.00	29 916 358.00	0.00	29 916 358.00
DEPARTMENT OF EDUCATION (PE)	136535.00	2 073 976.00	1 703 290.00	15 031 952.00	1 053 338.00	19 999 091.00	0.00	19 999 091.00
DEPARTM OF SOCIAL DEV(PS)	0.00	0.00	0.00	307 180.00	0.00	307 180.00	0.00	307 180.00
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)	1 087 170.00	15 067 738.00	3 176.00	931 598.00	260 737.00	17 350 419.00	0.00	17 350 419.00
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	**11 583 896.00**	**24 386 750.00**	**1 706 466.00**	**27 017 549.00**	**2 917 249.00**	**67 611 910.00**	**0.00**	**67 611 910.00**
				0.00				
SCHOOLS (SECTION 21)	12 659 096.00	25 940 655.00	8 042.00	10 591.00	41 459.00	**38 659 843.00**	0.00	**38 659 843.00**
NATIONAL DEPARTMENTS	**WATER**	**ELEC**	**RATES**	**SE & RF**	**OTHER**	**TOTAL**	**PAYMENT**	**OUTST**
CORRECTIONAL SERVICES (NC)	6 081 752.00	4 231 936.00	0.00	425 723.00	0.00	10 739 411.00	0.00	10 739 411.00
DEFENCE (ND)	2 252 830.00	6 599 415.00	0.00	317 185.00	15 834.00	9 185 264.00	0.00	9 185 264.00
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	29 229.00	150 683.00	123 442.00	62 769.00	114 841.00	480 964.00	0.00	480 964.00
PUBLIC WORKS (NW)	16 035.00	135 305.00	2 889.00	91 383.00	0.00	245 612.00	0.00	245 612.00
SA POLICE(NP)	1 140 828.00	778 502.00	435.00	1 222 079.00	5 976.00	3 147 820.00	0.00	3 147 820.00
WATER AFFAIRS (WA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JUSTICE (GJ)	36 105.00	187 878.00	0.00	11 435.00	7 836.00	243 254.00	0.00	243 254.00
TOTAL	**9 556 779.00**	**12 083 719.00**	**126 766.00**	**2 130 574.00**	**144 487.00**	**24 042 325.00**		**24 042 325.00**
TOTAL	**33 799 771.00**	**62 411 124.00**	**1 841 274.00**	**29 158 714.00**	**3 103 195.00**	**130 314 078.00**	**-**	**130 314 078.00**
						TOTAL		**130 314 078.00**
						LESS CREDIT		**0.00**
						GRAND TOTAL		**130 314 078.00**

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: ***M12 June***

R'000	Provincial Public Works & Infrastructure	Education: Section 20 Schools *(Payable by Department of Education)*	Education: Section 21 Schools *(Payable by Schools)*	National Public Works	TOTAL
Property Rates	**1 706**			**127**	**1 833**
0-30 Days	1 434			14	1 448
31-60 Days	20			14	35
61-90 Days	19			14	34
Over 90 Days	232			84	317
Water	**11 584**	**–**	**12 659**	**9 557**	**33 800**
0-30 Days	1 263	–	290	1 182	2 735
31-60 Days	1 159	–	365	1 347	2 872
61-90 Days	810	–	439	1 220	2 469
Over 90 Days	8 352	–	11 564	5 809	25 725
Electricity	**24 387**	**–**	**25 941**	**12 084**	**62 411**
0-30 Days	1 271	–	1 615	2 679	5 564
31-60 Days	972	–	1 136	1 980	4 088
61-90 Days	758	–	903	1 413	3 074
Over 90 Days	21 386	–	22 287	6 012	49 685
Sanitation	**17 962**			**1 311**	**19 273**
0-30 Days	755			186	942
31-60 Days	1 082			65	1 147
61-90 Days	1 082			57	1 139
Over 90 Days	15 042			1 003	16 045
Refuse Removal	**9 056**			**819**	**9 875**
0-30 Days	384			97	481
31-60 Days	547			35	582
61-90 Days	547			32	579
Over 90 Days	7 578			656	8 233
Other	**2 917**	**–**	**60**	**144**	**3 122**
0-30 Days	2 886	–	4	9	2 900
31-60 Days	0	–	2	4	6
61-90 Days	0	–	8	4	11
Over 90 Days	30	–	46	128	204
TOTAL	**67 612**	**–**	**38 660**	**24 042**	**130 314**
0-30 Days	7 994	–	1 909	4 168	14 070
31-60 Days	3 781	–	1 503	3 445	8 729
61-90 Days	3 217	–	1 349	2 739	7 305
Over 90 Days	52 621	–	33 898	13 691	100 209
Payments received during reporting month *(whole amount)*	*5 432 451.74*			*2 310 109.22*	*7 742 560.96*

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 - June 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 21 431 363	R 7 306 796	R 7 391 722	R 92 638 084	**R 128 767 965**
4.2	Business / Commercial	R 31 723 754	R 11 310 281	R 8 394 062	R 175 215 063	**R 226 643 160**
4.3	Households	R 70 983 370	R 27 612 666	R 26 813 284	R 1 516 504 208	**R 1 641 913 528**
4.4	Other	-R 4 229 950	R 3 963 370	R 2 313 114	R 146 379 949	**R 148 426 483**
	Total	**R 119 908 537**	**R 50 193 113**	**R 44 912 182**	**R 1 930 737 304**	**R 2 145 751 136**

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 33 662 090	R 20 006 430	R 19 710 096	R 1 008 271 232	**R 1 081 649 848**
5.2	Electricity	R 38 971 130	R 13 919 342	R 9 809 125	R 169 258 399	**R 231 957 996**
5.3	Property Rates	R 7 810 322	R 3 691 462	R 3 489 082	R 127 213 312	**R 142 204 178**
5.4	Sanitation	R 13 758 774	R 4 713 541	R 4 527 556	R 225 513 046	**R 248 512 917**
5.5	Refuse removal	R 18 931 863	R 6 674 805	R 6 386 959	R 308 460 051	**R 340 453 678**
5.6	Other	R 6 774 358	R 1 187 533	R 989 364	R 92 021 264	**R 100 972 519**
	Total	**R 119 908 537**	**R 50 193 113**	**R 44 912 182**	**R 1 930 737 304**	**R 2 145 751 136**

Less 01 - 02 July Receipts R3 912 058.68 = R2 141 839 077.32

Comments:

Total outstanding debt has increased from R2 073 458 656 in May 2026 to R2 141 839 077 in June 2026. An upward movement amounting to R68 380 421 due to indigent subsidy cancellations & reversals. This translates to 3% movement.

Water outstanding debt was R1 056 201 687 in May 2026 to R1 081 649 848 in June 2026. That accounts for 50% of the outstanding debt due to non-payment, burst pipes, leaking water meters.

Electricity outstanding debt was R222 303 546 in May 2026 to R231 957 996 in June 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 R138 705 676 in May 2026 to R142 204 178 in June 2026. This account for 7% against total debtors' book.

Total outstanding debt for sanitation/Sewerage was R238 017 061 in May 2026 to R248 512 917 in June 2026. This accounts for 12% of the total outstanding debtors' book.

Refuse Removal or Solid Waste outstanding debt was R326 760 442 in May 2026 to R340 453 678 in June 2026. This accounts for 16% of the total debt and emanates from non-payment of accounts.

Total outstanding debt for Other or Sundries was R91 470 244 in May 2026 to R100 972 519 in June 2026. Which accounts for 5% 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 R125 245 659 in May 2026 to R128 767 965 in June 2026. This represents 6% of the total outstanding debt that Public Works is in the process of addressing.

Business/Commercial debt was R222 619 164 in May 2026 to R226 643 160 in June 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 582 047 118 in May 2026 to R1 641 913 528 in June 2026. That accounts for 77% of the total debtors' book. This is inclusive of R231 330 281 owed by indigent households in June 2026.

The remaining Other Income debt by many other various categories of debtors was R143 546 715 in May 2026 to R148 426 483 in June 2026. That is 7% of the total outstanding debtors' book.

The total debt by Councillors was R1 676 610 in May 2026 to R1 681 639 in June 2026 (0% movement). Officials owed R3 406 833 in May 2026 to R3 388 203 in June 2026 (1% decrease).

Telephone accounts had a balance of R723 905.69 in May 2026 to R757 893.47 in June 2026 (5% increase).

The Municipality Council has an approved Revenue Enhancement Strategy for implementation in conjunction with the Debt Collection & Credit Control Policy consistently.

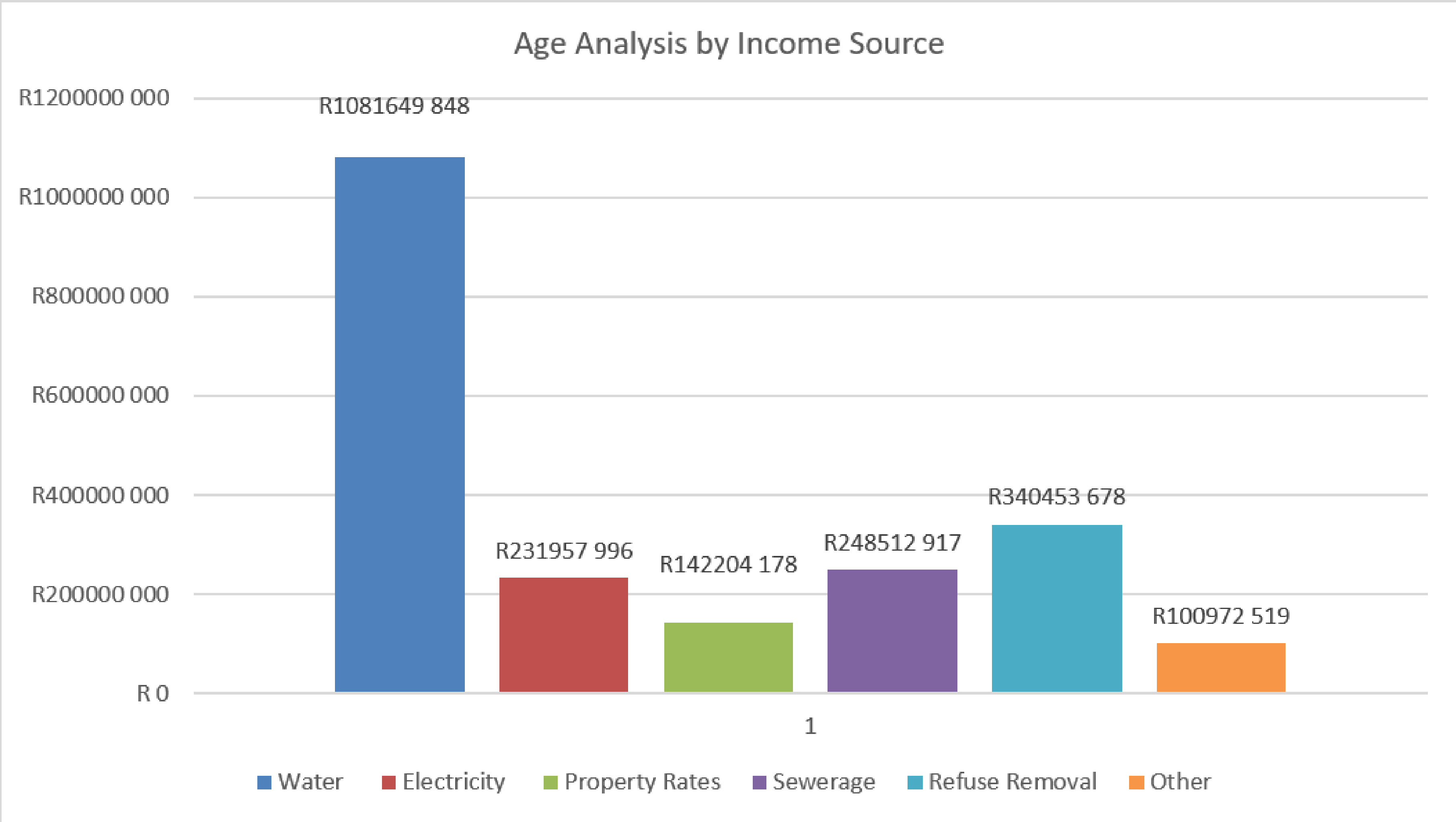
There will be 3 debt collection companies appointed from September 2026 through the National Treasury RT27-2024 debt collection transversal contract.

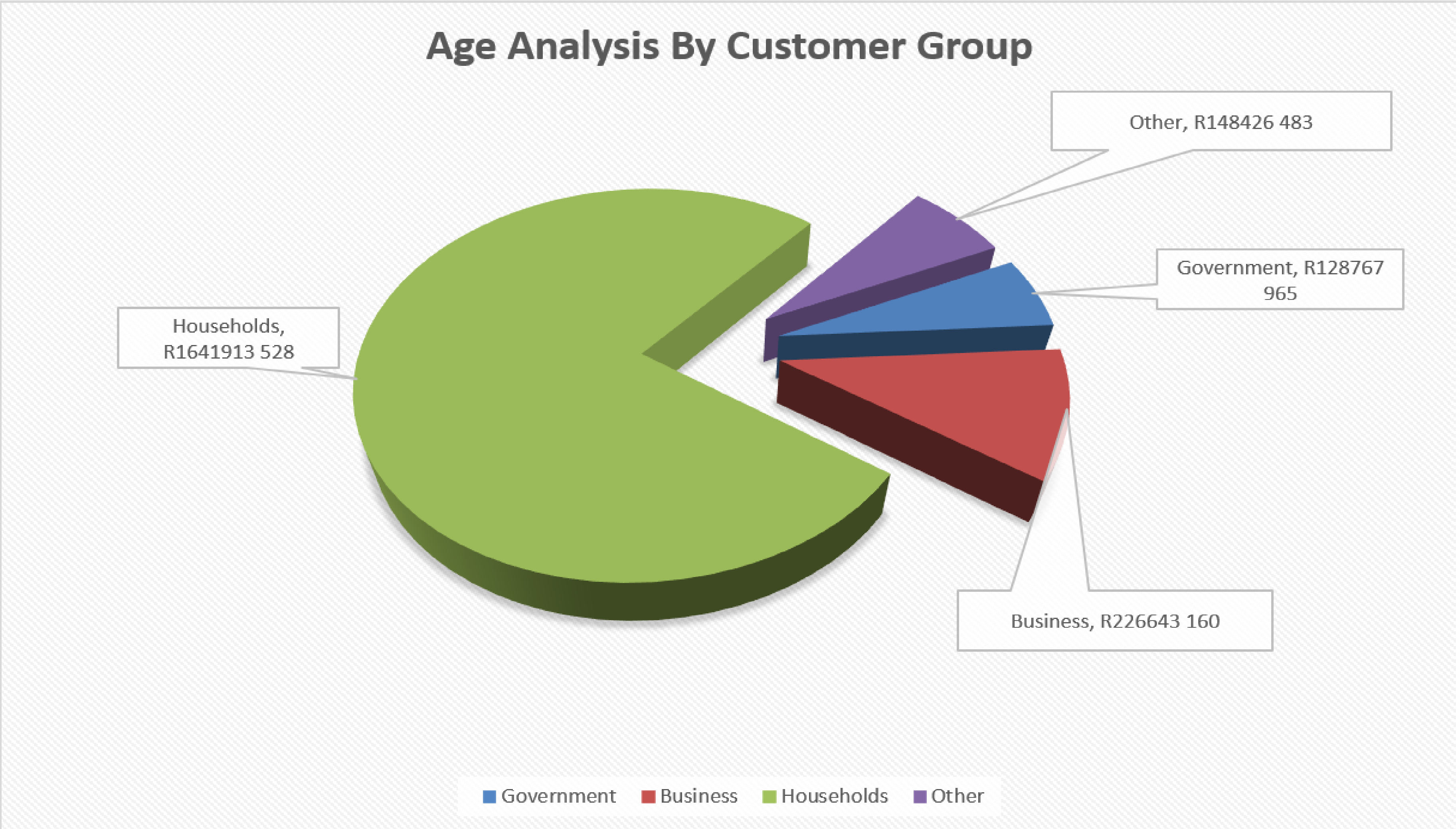
Blockings of the prepaid electricity meters & disconnections for the conventional electricity meters for categories of payment defaulters is undertaken and plays a major role in improving the collection rate.

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

More than 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 a new Council Speaker and the new Executive Mayor from Thursday the 07th of May 2026 until the Local Government elections.


Age Analysis by Income Source
R1200000 000
R1000000 000
R800000 000
R600000 000
R400000 000
R200000 000
R 0
R1081649 848
R231957 996
R142204 178
R248512 917
R340453 678
R100972 519
1
Water
Electricity
Property Rates
Sewerage
Refuse Removal
Other


Age Analysis By Customer Group
Other, R148426 483
Government, R128767 965
Households, R1641913 528
Business, R226643 160
Government
Business
Households
Other

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

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

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

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	80 317 260	68 115 466	60 654 068	-	-	-	-	2 238 598 206	2 447 685 000
Loan repayments	-	-	-					-	-
Trade Creditors	-	-	-	-	-	-	-	-	-
Auditor General	25 753	336 621	-	-	-	-	-	-	362 374
DWS	898 718	898 718	975 253					23 589 322	26 362 011
WORKMENS COMPENSATION	-							-	-
GOVERNMENT GARAGE	-							-	-
Total	**81 241 731**	**69 350 805**	**61 629 321**	**-**	**-**	**-**	**-**	**2 262 187 528**	**2 474 409 385**

Bulk Electricity – As at the 30 June 2026, the outstanding debt owed to ESKOM amounted to R2 447 685 000. 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 R362 374. Other creditors – includes Sundry creditors which were unpaid as at 30 June 2026 amount R26 362 011.

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**
	93.35		-64 148 818.30	-64 148 724.95
Invested			27 002 241.75	27 002 241.75
Withdrawn			-92 000 000.00	-92 000 000.00
Interest earned	93.35		848 939.95	849 033.30
Interest accrued				
Balance at 31-May-2026	**6 446.08**	**140 667.01**	**112 803 273.43**	**112 950 386.52**
			-50 500 632.63	-50 500 632.63
Invested			21 000 000.00	21 000 000.00
Withdrawn			-72 000 000.00	-72 000 000.00
Interest earned			499 367.37	499 367.37
Interest accrued				
Balance at 30 June-2026	**6 446.08**	**140 667.01**	**62 302 640.80**	**62 449 753.89**

9. Allocation and grant receipts and expenditure

Report on conditional grants at 30-Jun-26

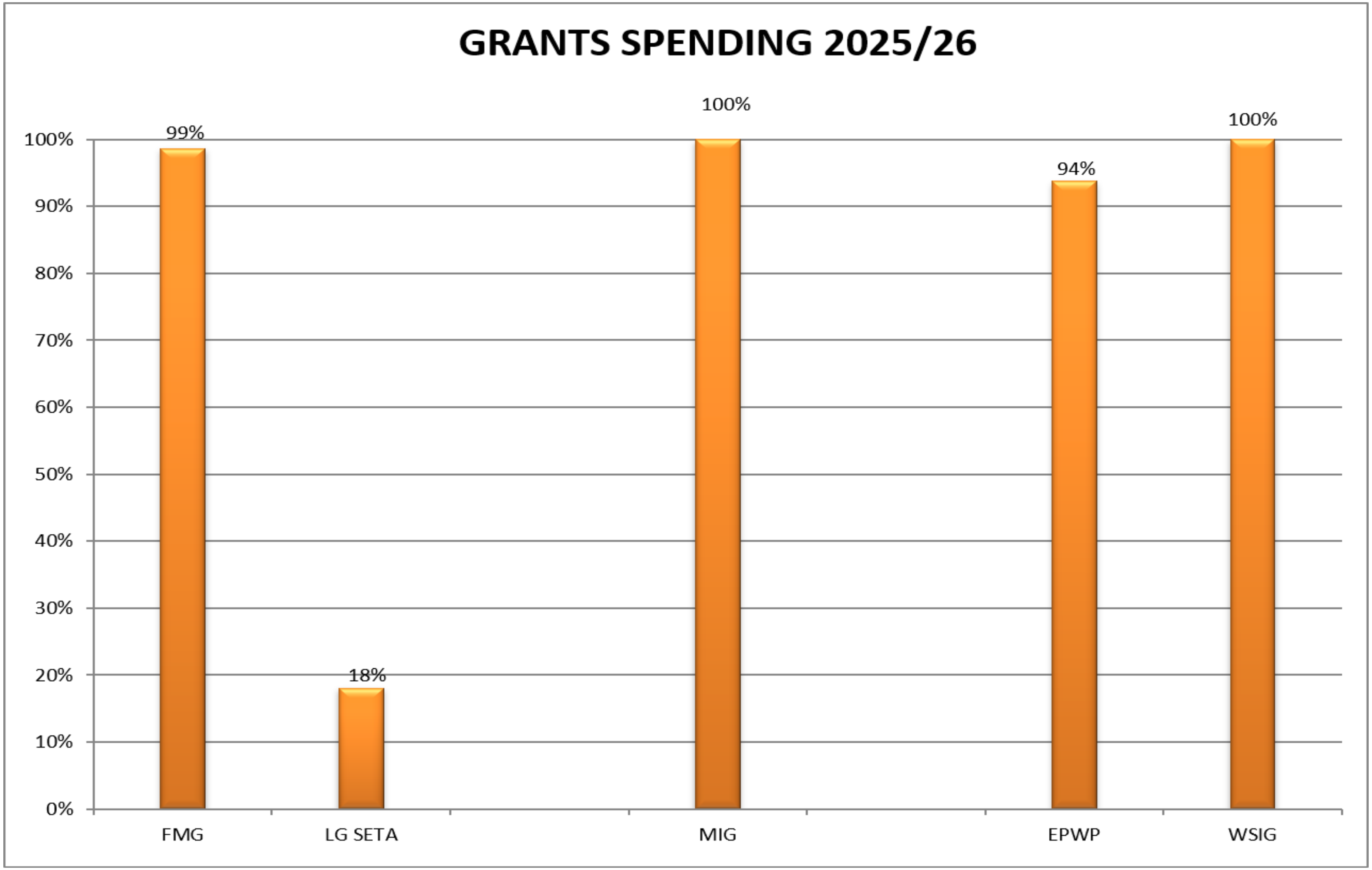
Municipality: FS201 Moqhaka

Financial Accounting for Grant Funds Received and Expended

	OPERATIONAL GRANTS		CAPITAL GRANTS			
	Finance Management Grant (FMG)	LG SETA (Mandatory)	Municipal Infrastructure Grant (MIG)	Extended Public Works Programme (EPWP)	Water Services Infrastructure Grant (WSIG)	Total Capital Grants
DORA Allocation for the 2025/26	**2 300 000**		**22 230 000**	**1 496 000**	**10 595 000**	**34 321 000**
Unspent grants at beginning of the financial year		**2 143 490**				**-**
Received Prior Months	2 300 000	2 530 931		1 496 000	10 595 000	**12 091 000**
Received This Month	-	-	22 230 000	-	-	**22 230 000**
Total Funds Received	**2 300 000**	**4 674 421**	**22 230 000**	**1 496 000**	**10 595 000**	**34 321 000**
Spent Prior Months	1 908 188	364 222	13 441 450	1 315 617	9 708 655	**24 465 722**
Spent This Month	361 022	23 218	8 788 550	86 484	886 339	**9 761 373**
Grants refunded					-	**-**
Total Funds Spent	2 269 210	387 440	22 230 000	1 402 101	10 594 994	**34 227 095**
Total funds Received and Not Spent	**30 790**	**4 286 981**	**-**	**93 899**	**6**	**93 905**
Percentage of Funds Spent	99%	18%	100%	94%	100%	100%
Funds Currently Committed but Not Spent	-	-	-	-	-	**-**
Scheduled Transfers Withheld	-	-	-	-	-	**-**

Capital Government grants and subsidies consist of the following:

Municipal Infrastructure Grant	22 230 000
Water Services Infrastructure Grant	10 595 000
EPWP (Incentive)	1 496 000
Total	**34 321 000**


GRANTS SPENDING 2025/26
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
99%
18%
100%
94%
100%
FMG
LG SETA
MIG
EPWP
WSIG

FS201 Moqhaka - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

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									%	
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		329 232	325 501	360 501	130	311 068	360 501	(49 433)	-13.7%	360 501
Equitable Share		298 568	312 705	312 705	–	309 202	312 705	(3 503)	-1.1%	312 705
Expanded Public Works Programme Integrated Grant		–	1 496	1 496	130	–	1 496	(1 496)	-100.0%	1 496
Local Government Financial Management Grant		2 300	2 300	2 300	–	1 866	2 300	(434)	-18.9%	2 300
Regional Bulk Infrastructure Grant		28 364	9 000	44 000	–	–	44 000	(44 000)	-100.0%	44 000
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		1 780	3 081	3 395	86	1 298	3 395	(2 097)	-61.8%	3 395
National Economical Development and Labour Council		1 104	–	–	86	1 298	–	1 298		–
National Skills Fund		676	3 081	3 395	–	–	3 395	(3 395)	-100.0%	3 395
Total Operating Transfers and Grants	5	331 012	328 582	363 896	217	312 365	363 896	(51 530)	-14.2%	363 896
Capital Transfers and Grants										
National Government:		48 043	66 532	45 013	11 863	59 423	45 013	14 410	32.0%	45 013
Municipal Infrastructure Grant		45 377	48 937	34 418	8 795	48 433	34 418	14 015	40.7%	34 418
Water Services Infrastructure Grant		2 666	17 595	10 595	3 068	10 991	10 595	396	3.7%	10 595
Provincial Government:		–	–	–	–	–	–	–		–
Other grant providers:		13	–	–	–	6 495	–	6 495		–
Office of the Pension Fund Adjudicator		(1)	–	–	–	–	–	–		–
Unspecified		14	–	–	–	6 495	–	6 495		–
Total Capital Transfers and Grants	5	48 056	66 532	45 013	11 863	65 918	45 013	20 905	46.4%	45 013
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	379 068	395 114	408 909	12 080	378 283	408 909	(30 626)	-7.5%	408 909

- No amount was received for MIG 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 June 2026

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

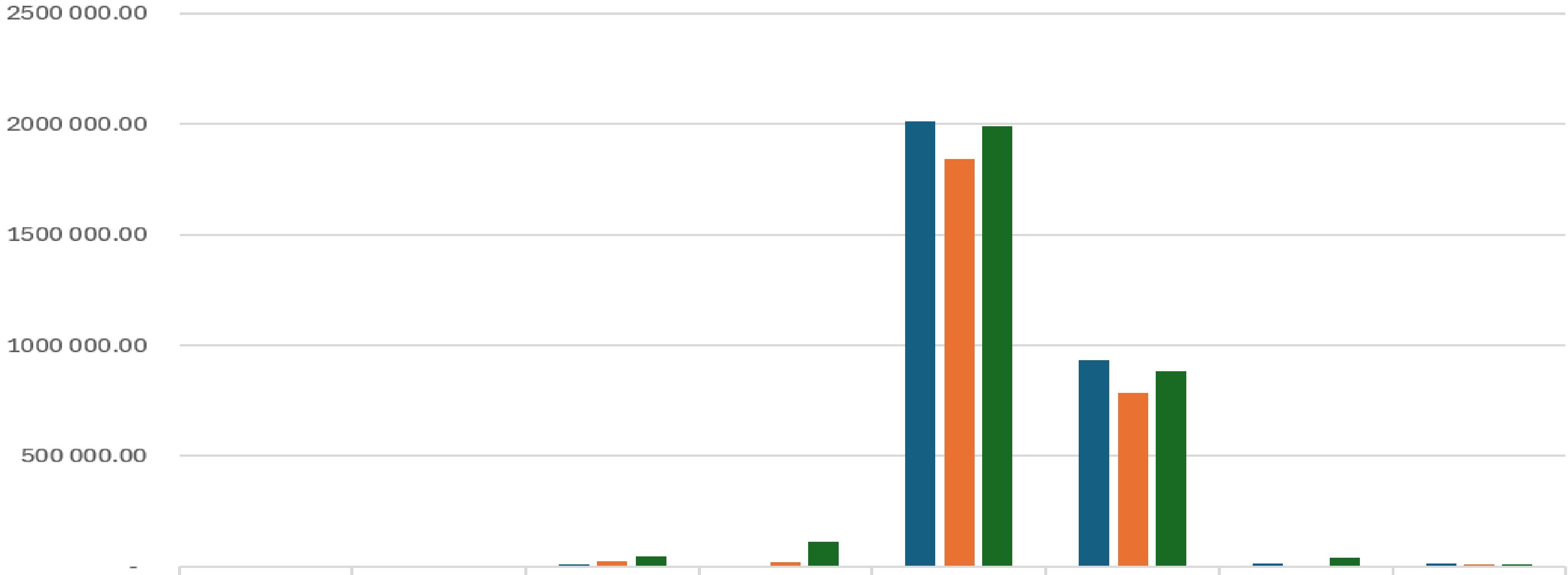
Summary of Section 66 of the MFMA - Salaries and Wages (Staff Benefits)

Analysis of overtime per department

	30-Apr-26		31-May-26		30-Jun-26	
Description	**Hours**	**Cost**	**Hours**	**Cost**	**Hours**	**Cost**
Municipal Manager	60	9 228	69	10 616	-	-
Corporate Services	132	26 820.49	-	-	95	23 676.46
Financial Services	22	7 744.66	180	78 623.00	689	118 638.02
Technical Services	9 199	1 813 697.23	16 303	2 082 191.64	18 247	2 331 307.29
Community Services	4 790	1 017 284.33	6 870	1 702 803.13	3 833	1 320 268.71
LED & Planning	191	32 778.48	-	-	58	8 836.15
Temporary	85	14 304.49	139	23 322.45	124	20 197.99
Total	**14 478**	**2 921 857.28**	**23 561**	**3 897 556.04**	**23 046**	**3 822 924.62**

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

Analysis of overtime per department



	COUNCILLO RS	MUNICIPAL MANAGER	CORPORATE SERVICES	FINANCIAL SERVICES	TECHNICAL SERVICES	COMMUNITY SERVICES	LED AND PLANNING	TEMPORARY
April	-	-	8 307.87	3 938.50	2013 458.01	932 950.36	14 707.18	14 116.42
May	-	4 573	25 548.92	18 453.11	1841 646.22	786 267.49	6 387.06	6 796.08
June	-	1 307	47 135.47	112 492.61	1989 010.70	881 949.50	39 660.57	10 156.63

April May June

30 June 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-Jun-26	YTD 30-Jun-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	138 565.44	723 905.73	**66.14**
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	**#DIV/0!**
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**	**138 565.44**	**938 389.32**	**56.49**
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	696 803.75	**34.97**
SM D01: SAL & ALL - PERFORM BASED BONUS	57 846.00	0.00	0.00	**0.00**
SM D01: ALLOW - CELLULAR & TELEPHONE	12 000.00	3 000.00	14 952.38	**124.60**
SM D01: ALLOW - HOUSING BENEFITS	0.00	0.00	0.00	**#DIV/0!**
SM D01: ALLOW - TRAVEL OR MOTOR VEHICLE	296 521.00	25 070.30	303 454.62	**102.34**
SM D01: SRB - ENTERTAINMENT	0.00	-	-	-
SM D01: SRB - ACTING & POST RELATE ALLOW				
SUB TOTAL: DTS - SAL ALLOW & SERV BENEF	**2 358 699.00**	**90 667.20**	**1 015 210.75**	**43.04**
DO2 - SALARIES ALLOW AND SERV BENEFITS				
SM D02: SAL & ALL - BASIC SALARY	860 513.00	71 047.55	849 161.05	**98.68**
SM D02: SAL & ALL - PERFORM BASED BONUS	0.00	0.00	0.00	**#DIV/0!**
SM D02: ALLOW - CELLULAR & TELEPHONE	19 482.00	1 000.00	12 000.00	**61.60**
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	557 202.33	**95.33**
SM D02: ALLOW - ACCOM TRAVEL & INCIDENT.	-	-	-	**#DIV/0!**
SM D02: SRB - ENTERTAINMENT	11 030.00	-	0.00	**0.00**
SM D02: SRB - ACTING & POST RELATE ALLOW	0.00	0.00	0.00	**#DIV/0!**
SUB TOTAL: DPS - SAL ALLOW & SERV BENEF	**1 584 694.00**	**119 235.46**	**1 418 363.38**	**89.50**
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	-	-	-	**#DIV/0!**
SM D03: SRB - ACTING & POST RELATE ALLOW	-	-	-	**#DIV/0!**
SUB TOTAL: DCH - SAL ALLOW & SERV BENEF	**646 482.00**	**0.00**	**0.00**	**0.00**

D04 - 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	-	-	-	**#DIV/0!**
SUB TOTAL: DCS - SAL ALLOW & SERV BENEF	**1 153 946.00**			**0.00**
SUB TOTAL: SM - SAL ALLOW & SERV BENEF	**7 948 350.00**	**348 468.10**	**3 371 963.45**	**42.42**
SM - SOCIAL CONTRIBUTIONS				
MM - SOCIAL CONTRIBUTIONS				
SM MM: SOC CONTR: MEDICAL	72 276.00	0.00	0.00	**0.00**
SM MM: SOC CONTR: PENSION FUNDS	157 436.00	0.00	96 526.58	**61.31**
SM MM: SOC CONTR: UIF	2 547.00	0.00	1 239.84	**48.68**
SUB TOTAL: MM - SOCIAL CONTRIBUTIONS	**232 259.00**	**0.00**	**97 766.42**	**42.09**
CFO - SOCIAL CONTRIBUTIONS				
SM CFO: SOC CONTR: GROUP LIFE INSURANCE	-	-	-	-
SM CFO: SOC CONTR: MEDICAL	3 497.00	-	-	-
SM CFO: SOC CONTR: PENSION FUNDS	69 824.00	-	-	-
SM CFO: SOC CONTR: UIF	1 288.00	-	-	-
SM CFO: SOC CONTR: BARGAINING COUNCIL	-	-	-	-
SUB TOTAL: CFO - SOCIAL CONTRIBUTIONS	**74 609.00**	**0.00**	**0.00**	**0.00**
D01 - SOCIAL CONTRIBUTIONS				
SM D01: SOC CONTR: GROUP LIFE INSURANCE	0.00	0.00	0.00	**#DIV/0!**
SM D01: SOC CONTR: MEDICAL	10 000.00	177.12	1 948.32	**19.48**
SM D01: SOC CONTR: PENSION FUNDS	151 541.00	11 267.44	134 366.00	**88.67**
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	**#DIV/0!**
SUB TOTAL: DTS - SOCIAL CONTRIBUTIONS	**164 129.00**	**11 444.56**	**136 491.44**	**83.16**
D02 - SOCIAL CONTRIBUTIONS				
SM D02: SOC CONTR: GROUP LIFE INSURANCE	0.00	0.00	0.00	**#DIV/0!**
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	1 416.96	**54.79**
SM D02: SOC CONTR: BARGAINING COUNCIL	0.00	0.00	0.00	**#DIV/0!**
SUB TOTAL: DPS - SOCIAL CONTRIBUTIONS	**116 222.00**	**177.12**	**1 416.96**	**1.22**
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	-	-	-	**#DIV/0!**
SM D03: SOC CONTR: UIF	640.00	-	-	**0.00**
SM D03: SOC CONTR: BARGAINING COUNCIL	-	-	-	**#DIV/0!**
SUB TOTAL: DCH - SOCIAL CONTRIBUTIONS	**11 686.00**	**0.00**	**0.00**	**0.00**
SUB TOTAL: SM - SOCIAL CONTRIBUTIONS	**598 905.00**	**11 621.68**	**235 674.82**	**39.35**

SM - POST RETIREMENT BENEFITS				
SM: PRB - MED: CURRENT SERVICE COST				
SM: PRB - MED: INTEREST COST	5 250 508.00	0.00	1 936 575.84	**36.88**
SM: PRB - PENS: INTEREST COST	781 263.00	-	-	-
SUB TOTAL : SM - POST RETIREMENT BENEFIT	**6 031 771.00**	**0.00**	**1 936 575.84**	**32.11**
SM: PST RET BEN OBL CST CAP PPE				
SUB TOTAL : SM - COST CAPITALISED TO PPE				
SUB TOTAL : SENIOR MANAGEMENT	**14 579 026.00**	**360 089.78**	**5 544 214.11**	**38.03**
MUNICIPAL STAFF				
MS - SALARIES ALLOW AND SERV BENEFITS				
MS: SAL & ALL: BASIC SALARY & WAGES	283 804 649.00	23 349 139.11	259 175 403.20	**91.32**
MS: SAL & ALL: PERFORMANCE BASED BONUSES	109 714.00	0.00	72 320.67	**65.92**
MS: ALL - CELLULAR & TELEPHONE	941 659.00	38 261.20	553 857.26	**58.82**
MS: HB & INC: HOUSING BENEFITS	2 227 217.00	122 307.89	1 581 549.52	**71.01**
MS: ALL - LEAVE PAY	9 533 785.00	4 063 115.40	10 353 897.52	**108.60**
MS: ALL - TRAVEL OR MOTOR VEHICLE	27 547 616.00	1 955 165.50	23 254 270.70	**84.41**
MS: OVERTIME - NON STRUCTURED	50 703 762.00	3 788 389.68	47 051 197.64	**92.80**
MS: OVERTIME - STRUCTURED	59 072.00	0.00	3 292.83	**5.57**
MS: PAYMENTS - SHIFT ADD REMUNERATIO	-	-	-	**#DIV/0!**
MS: SRB - ANNUAL BONUS	28 073 353.00	1 767 017.15	19 333 889.41	**68.87**
MS: SRB - LONG SERVICE AWARD	0.00	0.00	0.00	**#DIV/0!**
MS: SRB - STANDBY ALLOWANCE	14 500 058.00	635 725.78	8 665 394.51	**59.76**
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	430 324.97	6 231 932.21	**153.46**
SUB TOTAL : MS - SAL ALLOW & SERV BENEF	**421 567 130.00**	**36 149 446.68**	**376 277 005.47**	**89.26**
MS - SOCIAL CONTRIBUTIONS				**#DIV/0!**
MS: SOC CONTR - BARGAINING COUNCIL	174 369.00	11 244.80	139 844.75	**80.20**
MS: SOC CONTR - GROUP LIFE INSURANCE	1 371 149.00	83 963.93	1 024 887.20	**74.75**
MS: SOC CONTR - MEDICAL	30 475 355.00	2 492 991.80	29 869 760.28	**98.01**
MS: SOC CONTR - PENSION	48 991 970.00	3 695 800.74	46 669 807.61	**95.26**
MS: SOC CONTR - UNEMPLOYMENT INSUR FUND	2 571 920.00	160 966.78	1 987 627.28	**77.28**
SUB TOTAL : MS - SOCIAL CONTRIBUTIONS	**83 584 763.00**	**6 444 968.05**	**79 691 927.12**	**95.34**
MS: PRB - MED: CURRENT SERVICE COST				**#DIV/0!**
MS: PRB - MED: INTEREST COST	4 689 734.00	-2 540.00	916 142.37	**19.54**
MS: PRB - PENS: INTEREST COST				**#DIV/0!**
MS: PRB - OTHER: LEAVE GRATUITY		0.00	0.00	**#DIV/0!**
SUB TOTAL : MS - POST RETIREMENT BEN	**4 689 734.00**	**-2 540.00**	**916 142.37**	**19.54**
MS - COST CAPITALISED TO PPE				**#DIV/0!**
MS: IN-KIND BENEFITS CST CAP PPE	461 741.00	1 087.50	31 554.13	**6.83**
SUB TOTAL : MS - COST CAPITALISED TO PPE	**461 741.00**	**1 087.50**	**31 554.13**	**6.83**
SUB TOTAL : MUNICIPAL STAFF	**510 303 368.00**	**42 592 962.23**	**456 916 629.09**	**89.54**
SUB TOTAL : EMPLOYEE RELATED COST	**524 882 394.00**	**42 953 052.01**	**462 460 843.20**	**88.11**

FS201 Moqhaka - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June

Summary of Employee and Councillor remuneration R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4 043	7 774	16 914	1 064	12 898	16 914	(4 016)	-24%	16 914
Pension and UIF Contributions		1 756	1 934	831	18	354	831	(477)	-57%	831
Medical Aid Contributions		752	1 255	899	63	752	899	(146)	-16%	899
Motor Vehicle Allowance		13 760	14 795	6 059	488	5 467	6 059	(592)	-10%	6 059
Cellphone Allowance		2 105	3 031	2 250	172	2 064	2 250	(186)	-8%	2 250
Housing Allowances								–		
Other benefits and allowances		28	695	1 429	141	1 491	1 429	62	4%	1 429
Sub Total - Councillors		**22 444**	**29 484**	**28 381**	**1 947**	**23 025**	**28 381**	**(5 355)**	**-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	272	2 270	5 878	(3 608)	-61%	5 878
Pension and UIF Contributions		266	500	463	11	235	463	(228)	-49%	463
Medical Aid Contributions		–	214	136	0	2	136	(134)	-99%	136
Performance Bonus		127	338	281	–	–	281	(281)	-100%	281
Motor Vehicle Allowance		953	1 258	1 306	72	1 006	1 306	(299)	-23%	1 306
Cellphone Allowance		62	87	82	4	48	82	(34)	-41%	82
Housing Allowances		–	379	287	–	–	287	(287)	-100%	287
Long service awards		–	–	95	–	48	95	(48)	-50%	95
Post-retirement benefit obligations	2	26 574	6 032	6 032	–	1 937	6 032	(4 095)	-68%	6 032
Entertainment		1	28	19	–	–	19	(19)	-100%	19
Sub Total - Senior Managers of Municipality		**29 685**	**14 661**	**14 579**	**360**	**5 545**	**14 579**	**(9 034)**	**-62%**	**14 579**
% increase	4		**-50.6%**	**-50.9%**						**-50.9%**
Other Municipal Staff										
Basic Salaries and Wages		249 693	258 252	283 805	23 349	259 175	283 805	(24 629)	-9%	283 805
Pension and UIF Contributions		47 250	49 648	52 935	3 941	49 682	52 935	(3 253)	-6%	52 935
Medical Aid Contributions		28 691	28 189	30 475	2 493	29 870	30 475	(606)	-2%	30 475
Overtime		38 218	31 753	50 763	3 788	47 054	50 763	(3 708)	-7%	50 763
Performance Bonus		20 335	22 739	28 183	1 767	19 406	28 183	(8 777)	-31%	28 183
Motor Vehicle Allowance		21 447	25 557	27 548	1 955	23 254	27 548	(4 293)	-16%	27 548
Cellphone Allowance		493	800	942	38	554	942	(388)	-41%	942
Housing Allowances		1 722	2 091	2 227	122	1 582	2 227	(646)	-29%	2 227
Other benefits and allowances		4 879	4 615	14 676	647	8 805	14 676	(5 871)	-40%	14 676
Payments in lieu of leave		8 351	4 316	9 534	4 063	10 354	9 534	820	9%	9 534
Long service awards		2 009	1 953	4 061	430	6 232	4 061	2 171	53%	4 061
Post-retirement benefit obligations	2	15	4 690	4 690	(3)	916	4 690	(3 774)	-80%	4 690
In kind benefits		–	4	4	–	–	4	(4)	-100%	4
Sub Total - Other Municipal Staff		**423 103**	**434 606**	**509 842**	**42 592**	**456 885**	**509 842**	**(52 957)**	**-10%**	**509 842**
% increase	4		**2.7%**	**20.5%**						**20.5%**
Total Parent Municipality		**475 232**	**478 752**	**552 801**	**44 899**	**485 456**	**552 801**	**(67 346)**	**-12%**	**552 801**
			0.7%	**16.3%**						**16.3%**
TOTAL SALARY, ALLOWANCES & BENEFITS		**475 232**	**478 752**	**552 801**	**44 899**	**485 456**	**552 801**	**(67 346)**	**-12%**	**552 801**
% increase	4		**0.7%**	**16.3%**						**16.3%**
TOTAL MANAGERS AND STAFF		**452 788**	**449 267**	**524 421**	**42 952**	**462 430**	**524 421**	**(61 990)**	**-12%**	**524 421**

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 30 September 2024.

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

Audit Trail

Create Transfer

Fri, Jun 12, 2026 at 02:17:17 PM

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

Transaction Status

	Captured	First Approver	Second Approver	Third Approver	Final Approver
Operator Number	10	22			32
Operator Name	**PAULA DARINA DU PLESSIS**	**SAMUEL THELETSANE**			**INNOCENTIA THUNDEZWA**
Approval Level		**A**			**A**
Date	2026/06/12	2026/06/12			2026/06/12
Time	12:50:16	14:01:43			14:03:13
Roll-over Date					

Transaction Detail

From Account	334536 **MOQHAKA LOCAL MUNICIPALITY - 0000004053274876**		
Description	3 9345061750 90049468	Frequency	**Adhoc**
Beneficiary Code			
To Account	223626 **ESKOM 9345061750 - 0000055070067316**		
Description	**3 MOQHAKA MUNICIPALITY**		
Date	20260612	Amount	**10,000,000.00**
Roll-over date			
Transaction Number	283856	Immediate Interbank Payment	**No**

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 - M12 June

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	7 920	98 419	98 716	(297)	-0%	98 716
Service charges	723 166	876 199	878 094	103 962	833 026	878 094	(45 067)	-5%	878 094
Investment revenue	39	63	63	–	–	63	(63)	-100%	63
Transfers and subsidies - Operational	331 012	328 582	363 896	217	312 365	363 896	(51 530)	(0)	363 896
Other own revenue	131 200	130 301	130 874	13 580	126 012	130 874	(4 862)	-4%	130 874
Total Revenue (excluding capital transfers and contributions)	**1 279 022**	**1 429 951**	**1 471 642**	**125 679**	**1 369 822**	**1 471 642**	**(101 820)**	**-7%**	**1 471 642**
Employee costs	452 951	449 410	524 882	42 953	462 462	524 882	(62 421)	-12%	524 882
Remuneration of Councillors	22 444	29 484	28 381	1 947	23 025	28 381	(5 355)	-19%	28 381
Depreciation and amortisation	112 242	10 305	10 305	–	–	10 305	(10 305)	-100%	10 305
Interest	99 037	8 790	8 790	550	6 600	8 790	(2 190)	-25%	8 790
Inventory consumed and bulk purchases	504 814	454 759	366 755	(51 960)	45 852	366 755	(320 903)	-87%	366 755
Transfers and subsidies	244	1 095	1 095	45	80	1 095	(1 015)	-93%	1 095
Other expenditure	506 333	432 991	512 122	47 989	321 029	512 122	(191 093)	-37%	512 122
Total Expenditure	**1 698 065**	**1 386 834**	**1 452 331**	**41 524**	**859 048**	**1 452 331**	**(593 282)**	**-41%**	**1 452 331**
Surplus/(Deficit)	**(419 043)**	**43 117**	**19 312**	**84 155**	**510 774**	**19 312**	**491 462**	**2545%**	**19 312**
Transfers and subsidies - capital (monetary	48 042	66 532	45 013	11 863	59 423	45 013	14 410	32%	45 013
Transfers and subsidies - capital (in-kind)	14	–	–	–	6 495	–	6 495	#DIV/0!	–
Surplus/(Deficit) after capital transfers & contributions	**(370 987)**	**109 649**	**64 325**	**96 018**	**576 692**	**64 325**	**512 367**	**797%**	**64 325**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(370 987)**	**109 649**	**64 325**	**96 018**	**576 692**	**64 325**	**512 367**	**797%**	**64 325**
Capital expenditure & funds sources									
Capital expenditure	**4 900**	**95 021**	**64 621**	**8 800**	**53 048**	**64 621**	**(11 574)**	**-18%**	**64 621**
Capital transfers recognised	136	66 532	32 825	7 333	30 718	32 825	(2 107)	-6%	32 825
Borrowing	–	–	–	–	25	–	25	#DIV/0!	–
Internally generated funds	**4 763**	**28 489**	**31 796**	**1 467**	**22 304**	**31 796**	**(9 492)**	**-30%**	**31 796**
Total sources of capital funds	**4 900**	**95 021**	**64 621**	**8 800**	**53 048**	**64 621**	**(11 574)**	**-18%**	**64 621**
Financial position									
Total current assets	799 221	467 905	467 905		1 128 722				467 905
Total non current assets	1 940 457	3 107 101	3 076 701		1 948 867				3 076 701
Total current liabilities	1 974 643	538 944	538 944		1 804 666				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**		**1 124 045**				**2 982 255**
Cash flows									
Net cash from (used) operating	(87 585)	(358 718)	(358 718)	39 055	320 365	(358 718)	(679 084)	189%	(358 718)
Net cash from (used) investing	(7 184)	(86 529)	(86 529)	(8 408)	(52 763)	(86 529)	(33 766)	39%	(86 529)
Net cash from (used) financing	(1 677)	(2 121)	(2 121)	(2 800)	(5 672)	(2 121)	3 551	-167%	(2 121)
Cash/cash equivalents at the month/year end	**(106 351)**	**(472 132)**	**(472 132)**	**238 772**	**238 772**	**(472 132)**	**(710 905)**	**151%**	**(470 526)**
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	119 909	50 193	44 912	1 930 737	–	–	–	–	2 145 751
Creditors Age Analysis									
Total Creditors	81 242	69 351	61 629	–	–	–	–	######	2 474 409

FS201 Moqhaka - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 June

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									
Revenue - Functional										
Governance and administration		**429 619**	**335 761**	**338 124**	**11 405**	**328 035**	**338 124**	(10 089)	-3%	**338 124**
Executive and council		313 681	215 840	215 840	2	209 426	215 840	(6 414)	-3%	215 840
Finance and administration		115 938	119 921	122 284	11 403	118 608	122 284	(3 675)	-3%	122 284
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**12 176**	**26 179**	**26 571**	**964**	**14 151**	**26 571**	(12 420)	-47%	**26 571**
Community and social services		1 816	3 730	3 730	194	1 514	3 730	(2 216)	-59%	3 730
Sport and recreation		2 356	3 511	3 272	75	3 029	3 272	(243)	-7%	3 272
Public safety		3 211	5 123	5 170	134	5 336	5 170	167	3%	5 170
Housing		4 792	13 815	14 399	561	4 272	14 399	(10 127)	-70%	14 399
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**48 520**	**51 052**	**36 326**	**9 083**	**51 453**	**36 326**	15 127	42%	**36 326**
Planning and development		1 932	1 773	1 566	201	1 615	1 566	49	3%	1 566
Road transport		46 589	49 164	34 645	8 882	49 838	34 645	15 194	44%	34 645
Environmental protection		–	115	115	–	–	115	(115)	-100%	115
Trading services		**836 763**	**1 083 491**	**1 115 635**	**116 090**	**1 042 101**	**1 115 635**	**(73 534)**	-7%	**1 115 635**
Energy sources		440 915	575 441	575 512	54 438	549 585	575 512	(25 927)	-5%	575 512
Water management		241 620	306 472	334 472	31 489	266 934	334 472	(67 537)	-20%	334 472
Waste water management		90 301	116 972	121 046	17 204	130 568	121 046	9 523	8%	121 046
Waste management		63 926	84 606	84 606	12 959	95 013	84 606	10 408	12%	84 606
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1 327 078**	**1 496 483**	**1 516 655**	**137 542**	**1 435 740**	**1 516 655**	**(80 915)**	**-5%**	**1 516 655**
Expenditure - Functional										
Governance and administration		**430 219**	**369 217**	**401 229**	**36 437**	**308 309**	**401 229**	(92 919)	-23%	**401 229**
Executive and council		93 305	116 725	122 687	16 431	103 324	122 687	(19 363)	-16%	122 687
Finance and administration		332 818	247 021	273 036	19 662	200 432	273 036	(72 604)	-27%	273 036
Internal audit		4 096	5 471	5 506	344	4 554	5 506	(952)	-17%	5 506
Community and public safety		**112 790**	**131 037**	**136 221**	**11 182**	**108 628**	**136 221**	(27 593)	-20%	**136 221**
Community and social services		17 457	19 911	21 165	1 957	12 835	21 165	(8 330)	-39%	21 165
Sport and recreation		46 140	54 314	55 383	4 135	44 526	55 383	(10 858)	-20%	55 383
Public safety		40 581	46 363	49 178	4 219	41 890	49 178	(7 288)	-15%	49 178
Housing		8 612	10 448	10 494	871	9 377	10 494	(1 117)	-11%	10 494
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**98 769**	**73 339**	**93 368**	**6 540**	**69 380**	**93 368**	(23 988)	-26%	**93 368**
Planning and development		9 741	13 203	13 659	1 132	11 173	13 659	(2 486)	-18%	13 659
Road transport		86 206	55 796	74 959	5 004	55 239	74 959	(19 720)	-26%	74 959
Environmental protection		2 822	4 339	4 751	404	2 968	4 751	(1 782)	-38%	4 751
Trading services		**1 054 970**	**809 881**	**818 174**	**(12 738)**	**371 170**	**818 174**	**(447 004)**	-55%	**818 174**
Energy sources		584 377	522 453	475 502	(43 777)	100 067	475 502	(375 434)	-79%	475 502
Water management		224 254	125 979	162 692	21 125	127 636	162 692	(35 056)	-22%	162 692
Waste water management		139 159	78 647	86 734	5 200	77 236	86 734	(9 498)	-11%	86 734
Waste management		107 180	82 802	93 247	4 714	66 231	93 247	(27 016)	-29%	93 247
Other		**1 316**	**3 361**	**3 339**	**103**	**1 561**	**3 339**	**(1 777)**	**-53%**	**3 339**
Total Expenditure - Functional	3	**1 698 065**	**1 386 834**	**1 452 331**	**41 524**	**859 048**	**1 452 331**	**(593 282)**	**-41%**	**1 452 331**
Surplus/ (Deficit) for the year		**(370 987)**	**109 649**	**64 325**	**96 018**	**576 692**	**64 325**	**512 367**	**7.9653279**	**64 325**

FS201 Moqhaka - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

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									%	
Revenue by Vote	1									
Vote 01 - Executive & Council		306 737	215 840	215 840	2	209 426	215 840	(6 414)	-3.0%	215 840
Vote 02 - Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Corporate Services		(2 178)	4 725	(372)	(863)	(4 754)	(372)	(4 382)	1179.4%	(372)
Vote 04 - Finance		117 673	114 432	122 144	12 060	122 511	122 144	367	0.3%	122 144
Vote 05 - Technical Services		819 425	1 048 049	1 065 674	112 013	996 926	1 065 674	(68 748)	-6.5%	1 065 674
Vote 06 - Community Services		75 933	93 973	93 780	13 282	101 833	93 780	8 053	8.6%	93 780
Vote 07 - Local Economic Development		9 488	19 464	19 589	1 049	9 798	19 589	(9 791)	-50.0%	19 589
Total Revenue by Vote	2	**1 327 078**	**1 496 483**	**1 516 655**	**137 542**	**1 435 740**	**1 516 655**	**(80 915)**	**-5.3%**	**1 516 655**
Expenditure by Vote	1									
Vote 01 - Executive & Council		94 598	108 137	114 024	14 673	92 836	114 024	(21 188)	-18.6%	114 024
Vote 02 - Municipal Manager		24 596	31 004	31 551	3 098	24 296	31 551	(7 255)	-23.0%	31 551
Vote 03 - Corporate Services		68 360	79 395	93 179	8 394	51 880	93 179	(41 299)	-44.3%	93 179
Vote 04 - Finance		176 711	79 522	88 174	5 713	68 066	88 174	(20 108)	-22.8%	88 174
Vote 05 - Technical Services		1 043 646	794 247	812 261	(10 633)	376 335	812 261	(435 926)	-53.7%	812 261
Vote 06 - Community Services		253 785	247 195	265 143	16 760	208 001	265 143	(57 142)	-21.6%	265 143
Vote 07 - Local Economic Development		36 369	47 334	47 998	3 518	37 634	47 998	(10 364)	-21.6%	47 998
Total Expenditure by Vote	2	**1 698 065**	**1 386 834**	**1 452 331**	**41 524**	**859 048**	**1 452 331**	**(593 282)**	**-40.9%**	**1 452 331**
Surplus/ (Deficit) for the year	2	**(370 987)**	**109 649**	**64 325**	**96 018**	**576 692**	**64 325**	**512 367**	**796.5%**	**64 325**

FS201 Moqhaka - Table C6 Monthly Budget Statement - Financial Position - M12 June

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	20 739	2 905
Trade and other receivables from exchange transactions		640 991	247 218	247 218	941 492	247 218
Receivables from non-exchange transactions		71 173	43 806	43 806	80 455	43 806
Current portion of non-current receivables						
Inventory		82 169	105 427	105 427	57 449	105 427
VAT		5 333	35 960	35 960	5 899	35 960
Other current assets		22 711	32 588	32 588	22 687	32 588
Total current assets		**799 221**	**467 905**	**467 905**	**1 128 722**	**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	2 864 942	1 813 164	2 864 942
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**	**3 076 701**	**1 948 867**	**3 076 701**
TOTAL ASSETS		**2 739 677**	**3 575 006**	**3 544 606**	**3 077 589**	**3 544 606**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	(2 121)	(2 121)	(4 469)	(2 121)
Consumer deposits		15 564	14 338	14 338	14 109	14 338
Trade and other payables from exchange transactions		1 761 044	507 185	507 185	1 542 087	507 185
Trade and other payables from non-exchange transactions		6 343	–	–	25 289	–
Provision		184 493	71 434	71 434	184 493	71 434
VAT		7 199	(51 892)	(51 892)	43 155	(51 892)
Other current liabilities		–	–	–	–	–
Total current liabilities		**1 974 643**	**538 944**	**538 944**	**1 804 666**	**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**	**1 957 513**	**612 409**
NET ASSETS	2	**612 213**	**2 962 597**	**2 932 197**	**1 120 076**	**2 932 197**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 453 965	2 965 980	2 980 904	1 124 045	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**	**1 124 045**	**2 982 255**

Annexure A2 - Monthly

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Select Assessor

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period	Jun'26
National Financial Year	2024/25
Demarcation Code of Municipality being assessed	FS201
District	**Fezile Dabi**
Demarcation Description	**Moqhaka**

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

Municipal Debt Relief Conditions (Monthly reporting)

Choose from drop down list

Condition	6,3 + 6,12	**Maintaining the Eskom and bulk water current account –** (current account for the purpose of this exercise means the account for a single month's consumption):	
1	6.12.2	- Has the municipality paid its ***bulk water current account*** within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? ***Note*** *- refer condition 6.12 .2*	Does not have function
2	6.12.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Does not have function
3	6.12.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	Does not have function
4	6.3.1	- Has the municipality paid its ***Eskom bulk current account*** within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? ***Note*** *- current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.*	Yes
5	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Yes
6	6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	Yes
	6.4	**Compliance with a funded MTREF –** ***(choose from drop down list the MTREF assessed)***	2024/25 Adopted MTREF
7	6.4.1	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx?	No
8	6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes
9	6.4.1	- Has the municipality made adequate provision for debt impairment *(considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget)* on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes
		Note *- For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also propert rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".*	
10	6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment *(considering its asset register and physical state of assets)* on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	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.*	N/a
13	6.4.2	- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 – Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends *(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?	No
16	6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	Yes
17	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.	No
18	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? ***Note –*** *the municipality's monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.*	No
	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?	Not yet end of quarter
		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;	not yet the end of a quarter
21	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	not yet the end of a quarter
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	not yet the end of a quarter
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	No
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	No
25	6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	No
	6.8	**Municipality's Completeness of the revenue base –**	
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer?	Yes
27	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? ***Note*** *- monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement*	N/a
28	6.8.2	- **For the latest ending Quarter** -Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://lguploadportal.treasury.gov.za?	N/a
	6.9	**Monitor and report on implementation –**	
29	6.9.1	**- MFMA section 71 reporting –** has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes
30	6.9.2	- 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.*	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://lguploadportal.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://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?	No
38	6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	No
		Note: *Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.8(3).*	
39		***Supporting evidence*** : Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	No
40	**6.13**	**Accounting Treatment** - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? ***Note*** *- to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.*	No
41	**6.14**	'NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	Yes
		Note: *By applying for Municipal Debt Relief as set-out in paragraph 3. of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 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***

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

treasury
Department of Treasury
FREE STATE PROVINCE

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

Me. Lizzy Ntsepe
Municipal Manager
Moqhaka Local Municipality
PO Box 302
KROONSTAD
9500

Dear Ms. Gaarekwe and Me Ntsepe

MUNICIPAL DEBT RELIEF COMPLIANCE CERTIFICATE FOR THE PERIOD DECEMBER 2023 TO MAY 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: Moqhaka Municipality achieved an overall compliance score of 37% for the period ending May 2026, reflecting a decline from 49% in the previous month. The decline is mainly attributed to the non-submission of the Section 71 MFMA report, which limited the assessment of some debt relief conditions, as well as the continued non-submission of electricity disconnection lists, water restriction evidence and the Cost Reflective Tariff Assessment Tool. Provincial Treasury recommends that the municipality address the outstanding areas of non-compliance and ensure the timely submission of all required supporting documents to improve compliance with the debt relief conditions

Table 1: May 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
FS201	Fezile Dabi	Moqhaka

Monthly Performance Report

Municipal Details			Part A: Eskom And Bulk water current account						Part B: Compliance with a funded MTREF					Part C: FRP/BFP & Tariff Assessment			Part D: Electricity and water as collection tools			
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18
25.July25	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	Yes	No	Yes	N/A	No	No	No	No	No	No
26.August25	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	Yes	No	Yes	N/A	No	Yes	No	No	No	No
27.September25	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	Yes	No	Yes	N/A	No	No	No	No	No	No
28.October25	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	N/A	No	Yes	No	No	No	No
29.November25	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	N/A	No	Yes	No	No	No	No
30.December25	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	N/A	No	No	No	No	No	No
31.January26	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	N/A	No	No	No	No	No	No
32.February26	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	N/A	No	No	No	Yes	No	No
33.March26	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	N/A	No	No	No	No	No	No
34.April26	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	Yes	N/A	No	No	No	No	No	No
35.May26	Moqhaka	FS201	No	No	No	No	No	No	No	Yes	No	No	No	No	No	No	No	No	No	No
36.June26	Moqhaka	FS201																		
37.July26	Moqhaka	FS201																		
38.August26	Moqhaka	FS201																		
39.September26	Moqhaka	FS201																		
40.October26	Moqhaka	FS201																		
41.November26	Moqhaka	FS201																		

Municipal Details	Part C: Quarterly collection of property rates and services charges							Maximization of Revenue Base			Part E: Oversight													Scoring and Rating	
Month	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	No	No	Yes	Yes	No	No	No	No	No	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	Yes	No	Yes	No	41%	Below Moderate
26.August25	No	No	Yes	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	No	No	Yes	Yes	No	No	No	No	No	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	No	Yes	No	39%	Below Moderate
28.October25	No	Yes	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	No	Yes	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	49%	Below Moderate
30.December25	No	Yes	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	49%	Below Moderate
31.January26	No	Yes	Yes	Yes	No	No	No	No	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	49%	Below Moderate
32.February26	No	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	54%	Moderate Compliance
33.March26	No	Yes	Yes	Yes	No	No	No	No	No	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	41%	Below Moderate
34.April26	No	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	51%	Moderate Compliance
35.May26	No	Yes	Yes	Yes	No	No	No	No	Yes	Yes	No	No	N/A	N/A	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	37%	Below Moderate
36.June26																								0%	Not completed
37.July26																								0%	Not completed
38.August26																								0%	Not completed
39.September26																								0%	Not completed
40.October26																								0%	Not completed
41.November26																								0%	Not completed

Condition 6.3 - Maintaining the Eskom Bulk Current Account: In accordance with requirement 6.3.1 of the debt relief conditions, Moqhaka municipality did not fully comply with the requirement in maintaining its Eskom bulk current account in line with MFMA s65(2)(e) and Circular 124. The municipality made a payment of R60 million towards its Eskom account during the month under review and proof of payment has been uploaded on GoMuni. However, the municipality did not upload the Section 71 MFMA narrative report on the GoMuni portal. As a result, Provincial Treasury could not verify the outstanding Eskom debt or assess whether the municipality complied with the requirement to maintain its Eskom bulk current account. Provincial Treasury recommends that the municipality ensure the timely upload of the Section 71 MFMA narrative report and supporting documents to enable proper assessment of compliance.

Condition 6.4 - A funded MTREF: The municipality's 2026/27 tabled MTREF reflects an operating surplus in the A4 budget schedule. However, the surplus does not on its own confirm that the budget is fully funded and financially sustainable. The municipality did not submit Budget Funding Plan, to chart a way to a funded budget state in light of financial challenges, including cash flow constraints, increasing Eskom debt and low revenue collection the municipality is facing.

Condition 6.5 - Cost reflective tariffs: The municipality did not upload the 2025/26 Cost Reflective Tariff Assessment Tool on the GoMuni portal during the month under review. As a result, Provincial Treasury could not assess whether the municipality's tariffs are cost reflective. 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

Tariff Assessments for the MTREF Period

	Assessment Status	Financial Year	Period	Item	Water	Waste Water	Electricity	Solid Waste	Total Surplus/Deficit	
Year 1	Cost Reflective	2023/2024	Year1	Revenue Required by NT Tariff Tool	111 790 304	60 135 385	557 680 689	96 087 885	825 694 263	Year 1
				Revenue Budgeted (Tariffs)	195 587 449	70 018 628	553 018 530	48 564 221	867 188 828	
				Shortfal/Excess	83 797 145	9 883 243	- 4 662 159	- 47 523 664	41 494 565	
	Assessment Outcome per Service				Cost Reflective	Cost Reflective	Not Cost Reflective	Not Cost Reflective	Cost Reflective	
Year 2	lot Cost Reflectiv	2024/2025	Year2	Revenue Required by NT Tariff	106 489 148	39 558 286	689 642 709	75 912 662	911 602 805	Year 2
				Revenue Budgeted	204 584 470	73 239 485	578 457 382	50 798 176	907 079 513	
				Surplus /Deficit	98 095 322	33 681 199	- 111 185 327	- 25 114 486	- 4 523 292	
	Assessment Outcome per Service				Cost Reflective	Cost Reflective	Not Cost Reflective	Not Cost Reflective	Not Cost Reflective	
Year 3	lot Cost Reflectiv	2025/2026	Year3	Revenue Required by NT Tariff	111 467 197	41 431 073	721 718 789	79 455 181	954 072 240	Year 3
				Revenue Budgeted	213 995 357	76 608 500	605 066 420	53 134 892	948 805 169	
				Surplus /Deficit	102 528 160	35 177 427	- 116 652 369	- 26 320 289	- 5 267 071	
	Assessment Outcome per Service				Cost Reflective	Cost Reflective	Not Cost Reflective	Not Cost Reflective	Not Cost Reflective	

Condition 6.6 - Electricity and water as collection tools:

The municipality must physically restrict the monthly supply of electricity and water of defaulting consumer/property owner registered as an indigent to the monthly national basic free electricity- and water limits of 50 kW electricity and 6 Kl water. The municipality did not submit evidence of electricity disconnections or water restrictions for defaulting consumers for the month under review. The non-submission of these credit control measures indicates continued non-compliance with the debt relief conditions and weak implementation of revenue enhancement measures. The lack of evidence also limits the municipality's ability to demonstrate progress in enforcing payment and improving revenue collection. Provincial Treasury recommends that the municipality consistently implement and report on electricity disconnections and water restrictions to strengthen credit control and improve collection performance.

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

Comparison of Collection Performance (April vs May 2026)

Category	April 2026	May 2026	Movement
Overall	77%	83%	⬆ Improved
Electricity	99%	119%	⬆ Improved significantly
Water	51%	54%	⬆ Slight improvement

The municipality achieved an overall collection rate of 83% in May 2026, improving from 77% in the previous month. Electricity collection increased significantly to 119%, while water collection improved slightly to 54%. This reflects continued improvement in revenue collection and credit control measures. However, water collection remains below the desired level and requires further improvement. Provincial Treasury recommends that the municipality sustain the progress in overall and electricity collection while strengthening measures to improve water revenue collection and overall financial sustainability.

Condition 6.8 - Municipality's Completeness of the revenue base: For the quarter (Q3) under review, the municipality submitted the General Valuation Roll (GVR) reconciliation on the GoMuni portal. The municipality has completed the action plan to clear variances, and this is a positive step towards ensuring the completeness of 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 / 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.	No
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.	No
3.	***Annexure B of the MFMA S71 statement included the following debt relief reporting components-***	
3.1.1	The municipality's MFMA Circular 124 self-assessment	No
3.1.2	The self-assessment (refer 3.1.1 above) was included in the format of **MFMA Budget Circular 128 (Annexure B)**	No
3.2	The municipality's overall relief compliance across the months of its debt relief participation since its National Treasury debt relief approval effective date	No
3.3	The latest Provincial Treasury debt relief compliance certificate and report issued to the municipality	No
3.4.1	The municipality's revenue collection performance	No

	the overall performance graph; Summary worksheet; and Collection per ward indicating who supplies electricity in the ward	
3.4.2	The revenue collection performance information (refer 3.4.2) was included in the format of **MFMA Budget Circular 128 (Annexure D).**	No
3.5.1	The indigent management information	No
3.5.2	The indigent management information was included in the format of **MFMA Budget Circular 128 (Annexure C).**	No
3.6.1	The summary of the municipality's property rates reconciliation undertaken in the National Treasury format.	No
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.	Yes
3.7.3	The municipality's reconciliation statement for electricity and water (if it has the function) aligning to the MFMA S71 mSCOA data strings upload.	No
3.8	Recommendations noting explicitly the aforementioned debt relief reporting to the Mayor and / or Mayoral Committee meeting	No

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	May26
National Financial Year	2025/26
Demarcation Code of Municipality being assessed	FS201
District	Fezile Dabi
Demarcation Description	Moqhaka

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

Municipal Debt Relief Conditions (Monthly reporting)

Condition	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):	*Choose from drop down list*
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://lguploadportal.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://lguploadportal.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)*	2026/27 Tabled 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 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)?	No
		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.*	No
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.?)*	No
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?	No
	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?	No
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?	No
17	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.	No
18	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? ***Note** – the municipality's monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.*	No
	6.6	*Supporting evidence : The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.*	
	6,7	**Maintain a minimum average quarterly collection of property rates and services charges** –	
19	6.7.1	- Has the municipality achieved a minimum of *80 per cent average quarterly collection* of property rates and service charges **with effect from 01 April 2023** and *85 per cent average quarterly collection* **with effect from 01 April 2024** during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	No
		Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.	
	6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, **has the municipality demonstrated to the satisfaction of National Treasury the following** :	
20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool <u>and</u> that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set out in paragraph 6.7.1;	Yes
21	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	Yes
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed 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 <u>and</u> only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	No
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	No
25	6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	No

	6,8	**Municipality's Completeness of the revenue base –**	
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered	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*	Yes
28	6.8.2	- **For the latest ending Quarter** -Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://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?	No
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.*	No
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://lguploadportal.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://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.	No
40	6,13	**Accounting Treatment** - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? *Note - to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.*	Yes
41	6,14	'NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	Yes
		Note: By applying for Municipal Debt Relief as set-out in paragraph 3 of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 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.	

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

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

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

Condition 6.14 Nersa license - The municipality must ensure that during the duration of the Municipal Debt Relief program, it complies with all the conditions of the Relief to avoid revoking the Electricity license in terms of section 18 of the Electricity Regulation Act, 2006.
MFMA Circular 124 conditions were elaborated on above. It is also noted that the municipality's May 2026 average compliance has shown a decline from 49 percent to 37 percent when compared to last month's overall compliance performance.

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

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

Regards,

....

Mr. P.E Lebone
Acting Head: Free State Provincial Treasury
Date: 01.07.2026....

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

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.

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

Municipal Details				
Free State				
Code	District	Municipality	Period Monitored	No.Of Wards
FS201		Moqhaka	June	22

Collection Rate Assessment

Aggregate Collection	Summary - Quarter 1				Q1	Summary - Quarter 2				Q2
	Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation	234 480 971	144 039 544	90 441 427	61%	61%	222 812 285	145 097 768	77 714 517	65%	65%
2.Collection excl Eskom supplied areas	174 114 656	114 656 412	59 458 244	66%	66%	166 006 217	115 972 285	50 033 932	70%	70%
3.Collection: **Property Rates**	23 794 538	16 571 363	7 223 175	70%	70%	23 871 974	25 578 576	(1 706 602)	107%	107%
4.Total average collection: **Electricity** (Municipal supplied areas)	109 169 018	83 189 837	25 979 181	76%	76%	96 563 482	85 498 794	11 064 688	89%	89%
5.Total average collection: **Water**	42 127 838	21 006 213	21 121 625	50%	50%	42 576 792	15 813 607	26 763 185	37%	37%
6.Total average collection: **Wastewater**	21 375 932	12 837 564	8 538 368	60%	60%	20 963 994	9 757 886	11 206 108	47%	47%
7.Total average collection: **Refuse**	15 032 776	8 154 112	6 878 664	54%	54%	15 106 610	6 907 135	8 199 475	46%	46%
8.Total average collection: **Interest**	22 980 868	2 280 454	20 700 414	10%	0%	23 729 434	1 541 771	22 187 663	6%	6%

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%	231 991 699	168 447 890	63 543 809	73%	73%
2.Collection excl Eskom supplied areas	177 747 110	128 519 673	49 227 438	72%	72%	170 054 442	139 458 320	30 596 122	82%	82%
3.Collection: **Property Rates**	24 466 151	18 773 981	5 692 170	77%	77%	24 758 810	21 593 299	3 165 511	87%	87%
4.Total average collection: **Electricity** (Municipal supplied areas)	104 878 112	93 311 175	11 566 937	89%	89%	96 444 418	96 335 551	108 867	100%	100%
5.Total average collection: **Water**	49 141 431	19 101 266	30 040 166	39%	39%	48 160 771	22 686 896	25 473 874	47%	47%
6.Total average collection: **Wastewater**	21 428 970	15 256 019	6 172 951	71%	71%	21 362 025	15 464 719	5 897 306	72%	72%
7.Total average collection: **Refuse**	14 964 381	9 808 857	5 155 525	66%	66%	14 892 559	9 634 806	5 257 754	65%	65%
8.Total average collection: **Interest**	25 618 274	2 523 331	23 094 942	10%	10%	26 373 116	2 732 620	23 640 495	10%	10%

Q1	10.April - Reporting for March in April				11.May - Reporting for April in May				12.June - Reporting for May in June				Click to view/close months	Summary - Quarter 4				Q1
	Billing For March	Collection in April	R - Billing not collected	% Collection	Billing For April	Collection in May	R - Billing not collected	% Collection	Billing For May	Collection in June	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection	
66%	77 895 999	60 366 552	19 426 110	77%	74 708 563	61 766 761	18 840 182	83%	79 387 137	46 314 578	33 072 559	58%		231 991 699	168 447 890	63 543 809	73%	73%
72%	57 127 111	51 625 923	17 881 064	90%	54 445 261	50 479 963	14 194 518	93%	58 482 070	37 352 433	22 104 315	64%		170 054 442	139 458 320	30 596 122	82%	82%
77%	8 211 273	10 107 935	0	123%	8 331 695	7 510 396	821 299	90%	8 215 842	3 974 967	4 240 875	48%		24 758 810	21 593 299	3 165 511	87%	87%
89%	31 684 104	31 433 465	250 639	99%	30 726 818	36 625 199	0	119%	34 033 495	28 276 887	5 756 608	83%		96 444 418	96 335 551	108 867	100%	100%
39%	17 058 731	8 646 988	8 411 742	51%	15 513 815	8 420 282	7 093 532	54%	15 588 225	5 619 625	9 968 600	36%		48 160 771	22 686 896	25 473 874	47%	47%
71%	7 138 898	5 606 393	1 532 506	79%	7 100 547	4 947 706	2 152 841	70%	7 122 580	4 910 620	2 211 959	69%		21 362 025	15 464 719	5 897 306	72%	72%
66%	4 985 753	3 474 106	1 511 647	70%	4 939 950	3 131 547	1 808 403	63%	4 966 856	3 029 152	1 937 704	61%		14 892 559	9 634 806	5 257 754	65%	65%
10%	8 817 240	1 097 664	7 719 576	12%	8 095 737	1 131 631	6 964 106	14%	9 460 139	503 325	8 956 813	5%		26 373 116	2 732 620	23 640 495	10%	10%

Quarter 3 Performance Per Ward

7.January				8.February				9.March								
Billing ForDecember	Collection for December in January	Rand Value of Billing not collected	% Collection	Billing For January	Collection for January in February	Rand Value of Billing not collected	% Collection	Billing For February	Collection for February in March	Rand Value of Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection	Q3
52 110	106 725	0	205%	52 110	5 110	47 000	10%	52 206	13 857	38 349	27%	156 427	125 692	30 734	80%	80%
92 379	60 563	31 816	66%	97 818	68 677	29 141	70%	69 188	95 702	0	138%	259 385	224 943	34 443	87%	87%
238 276	8 001	230 275	3%	243 475	19 070	224 405	8%	249 139	26 378	222 761	11%	730 890	53 449	677 441	7%	7%
179 381	4 264	175 116	2%	179 381	13 962	165 418	8%	179 381	61 998	117 383	35%	538 142	80 224	457 918	15%	15%
234 106	3 631	230 475	2%	234 106	14 931	219 175	6%	234 106	108 670	125 437	46%	702 319	127 232	575 087	18%	18%
361 968	669	361 300	0%	366 443	3 299	363 144	1%	370 662	1 345	369 317	0%	1 099 074	5 312	1 093 761	0%	0%
438 521	322 118	116 402	73%	440 180	140 330	299 849	32%	439 577	191 637	247 939	44%	1 318 277	654 086	664 191	50%	50%
1 163 689	277 539	886 150	24%	1 238 598	305 822	932 775	25%	219 866	588 866	0	268%	2 622 152	1 172 227	1 449 925	45%	45%
331 780	76 841	254 938	23%	332 203	60 715	271 487	18%	(284 221)	72 709	0	-26%	379 761	210 265	169 496	55%	55%
157 776	69 793	87 983	44%	158 534	35 083	123 451	22%	155 882	131 002	24 880	84%	472 192	235 877	236 315	50%	50%
222 376	94 029	128 347	42%	224 752	48 893	175 859	22%	221 262	173 251	48 011	78%	668 390	316 172	352 217	47%	47%
336 623	52 710	283 913	16%	341 905	10 778	331 128	3%	346 986	27 056	319 930	8%	1 025 514	90 544	934 971	9%	9%
1 174 891	1 224 861	0	104%	1 177 840	294 373	883 468	25%	1 170 429	359 126	811 303	31%	3 523 161	1 878 360	1 644 801	53%	53%
2 902 294	1 914 031	988 263	66%	1 246 894	706 773	540 121	57%	1 217 524	2 030 904	0	167%	5 366 712	4 651 707	715 005	87%	87%
1 402 790	870 368	532 421	62%	2 015 383	374 124	1 641 259	19%	1 446 219	1 350 143	96 076	93%	4 864 392	2 594 635	2 269 756	53%	53%
415 432	247 770	167 662	60%	413 583	216 698	196 885	52%	402 877	842 778	0	209%	1 231 892	1 307 246	(75 354)	106%	106%
569 232	318 128	251 104	56%	568 093	258 560	309 533	46%	556 945	1 357 182	0	244%	1 694 270	1 933 870	(239 600)	114%	114%
156 473	26 935	129 537	17%	158 352	37 249	121 103	24%	135 437	36 846	98 591	27%	450 263	101 031	349 232	22%	22%
4 004	837	3 167	21%	4 004	562	3 442	14%	4 004	519	3 485	13%	12 013	1 918	10 095	16%	16%
91 773	12 117	79 655	13%	93 273	36 905	56 368	40%	93 234	36 243	56 991	39%	278 280	85 265	193 015	31%	31%
565 908	21 044	544 864	4%	407 993	31 932	376 061	8%	531 997	49 356	482 641	9%	1 505 898	102 332	1 403 566	7%	7%
64 375	10 146	54 228	16%	67 383	10 033	57 350	15%	66 380	17 868	48 512	27%	198 138	38 048	160 090	19%	19%
83 857	12 859	70 997	15%	88 269	10 366	77 903	12%	87 162	12 918	74 245	15%	259 288	36 143	223 145	14%	14%
194 597	2 249	192 349	1%	197 108	2 961	194 147	2%	197 493	4 096	193 397	2%	589 198	9 305	579 892	2%	2%

Quarter 4 Performance Per Ward

10.April				11.May				12.June								
Billing For March	Collection in April	Rand Value of Billing not collected	% Collection	Billing For April	Collection in May	Rand Value of Billing not collected	% Collection	Billing For May	Collection in June	Rand Value of Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection	Q4
52 206	1 072	51 134	2%	52 206	43 702	8 504	84%	52 206	5 135	47 071	10%	156 619	49 909	106 710	32%	32%
90 861	22 436	68 425	25%	92 971	98 473	0	106%	67 971	60 179	7 791	89%	251 802	181 088	70 715	72%	72%
240 281	5 848	234 433	2%	240 683	27 386	213 297	11%	315 384	22 875	292 509	7%	796 348	56 109	740 239	7%	7%
179 381	31 332	148 049	17%	179 381	14 804	164 576	8%	179 381	41 765	137 616	23%	538 142	87 901	450 241	16%	16%
234 106	56 851	177 255	24%	234 106	21 324	212 783	9%	234 106	48 965	185 142	21%	702 319	127 140	575 180	18%	18%
375 110	579	374 531	0%	379 241	1 105	378 136	0%	383 752	6 015	377 737	2%	1 138 103	7 699	1 130 404	1%	1%
440 521	307 990	132 531	70%	437 578	243 622	193 956	56%	436 024	121 735	314 289	28%	1 314 123	673 347	640 776	51%	51%
784 716	282 316	502 400	36%	871 157	811 544	59 613	93%	893 143	561 734	331 408	63%	2 549 016	1 655 595	893 421	65%	65%
314 898	59 423	255 475	19%	215 040	68 508	146 532	32%	332 219	48 849	283 369	15%	862 157	176 780	685 377	21%	21%
167 509	81 490	86 019	49%	159 485	63 049	96 435	40%	158 230	53 732	104 497	34%	485 223	198 271	286 952	41%	41%
233 948	121 014	112 934	52%	223 459	90 424	133 035	40%	223 454	80 706	142 748	36%	680 861	292 144	388 717	43%	43%
356 153	46 380	309 773	13%	347 953	90 668	257 285	26%	354 786	9 332	345 454	3%	1 058 892	146 380	912 512	14%	14%
1 171 978	4 392 279	0	375%	1 174 225	1 040 188	134 036	89%	1 188 434	267 438	920 996	23%	3 534 636	5 699 906	(2 165 270)	161%	161%
1 976 343	2 224 838	0	113%	2 009 968	2 828 177	0	141%	2 384 879	587 627	1 797 252	25%	6 371 191	5 640 642	730 548	89%	89%
2 319 926	2 534 941	0	109%	1 693 314	2 740 086	0	162%	1 786 742	327 777	1 458 965	18%	5 799 981	5 602 804	197 177	97%	97%
406 973	542 277	0	133%	406 309	363 496	42 813	89%	420 207	368 076	52 130	88%	1 233 488	1 273 849	(40 361)	103%	103%
561 182	845 703	0	151%	560 558	525 066	35 491	94%	576 224	590 732	0	103%	1 697 963	1 961 501	(263 538)	116%	116%
155 359	73 749	81 610	47%	153 354	27 908	125 446	18%	169 619	24 772	144 847	15%	478 332	126 428	351 904	26%	26%
4 004	625	3 379	16%	4 004	639	3 365	16%	4 004	364	3 641	9%	12 013	1 628	10 385	14%	14%
93 026	41 604	51 422	45%	92 203	33 858	58 345	37%	91 665	35 644	56 021	39%	276 894	111 106	165 788	40%	40%
539 054	44 439	494 615	8%	426 537	28 450	398 087	7%	527 940	34 120	493 820	6%	1 493 531	107 009	1 386 521	7%	7%
65 951	15 268	50 683	23%	64 799	8 797	56 002	14%	62 793	15 261	47 532	24%	193 543	39 326	154 217	20%	20%
86 616	16 176	70 440	19%	86 262	10 261	76 001	12%	83 796	19 517	64 279	23%	256 674	45 953	210 721	18%	18%
200 685	3 872	196 813	2%	202 238	3 435	198 803	2%	202 144	8 341	193 803	4%	605 066	15 648	589 418	3%	3%

46%	3 678	1 210	2 468	33%	3 678	187	3 491	5%	3 678	175	3 503	5%	11 034	1 571	9 463	14%	14%
18%	41 911	7 036	34 876	17%	42 024	5 972	36 053	14%	40 440	5 396	35 043	13%	124 375	18 404	105 972	15%	15%
11%	516 575	33 611	482 963	7%	483 358	25 416	457 942	5%	452 974	22 570	430 404	5%	1 452 907	81 598	1 371 309	6%	6%
24%	57 481	10 953	46 529	19%	55 905	8 613	47 292	15%	55 189	9 804	45 385	18%	168 575	29 370	139 206	17%	17%
21%	73 680	13 402	60 278	18%	71 677	11 365	60 311	16%	70 766	10 875	59 891	15%	216 123	35 642	180 481	16%	16%
3%	151 606	2 541	149 065	2%	146 674	1 366	145 308	1%	147 557	2 841	144 716	2%	445 837	6 748	439 089	2%	2%
91%	60 143	1 441	58 702	2%	60 143	55 351	4 792	92%	58 430	2 386	56 044	4%	178 716	59 179	119 537	33%	33%
50%	125 308	53 490	71 818	43%	127 663	9 044	118 619	7%	104 290	43 069	61 221	41%	357 261	105 603	251 658	30%	30%
13%	514 498	53 455	461 044	10%	761 346	40 055	721 291	5%	691 806	64 635	627 171	9%	1 967 650	158 145	1 809 506	8%	8%
48%	100 629	63 863	36 766	63%	97 212	30 308	66 904	31%	89 950	52 849	37 102	59%	287 791	147 020	140 772	51%	51%
51%	136 709	108 664	28 045	79%	132 350	44 516	87 834	34%	121 566	85 267	36 299	70%	390 625	238 448	152 177	61%	61%
2%	253 768	4 616	249 152	2%	241 182	5 226	235 955	2%	276 242	8 577	267 665	3%	771 192	18 420	752 772	2%	2%
77%	255 166	50 622	204 544	20%	258 408	84 925	173 483	33%	257 515	62 954	194 562	24%	771 089	198 500	572 589	26%	26%
93%	297 282	190 929	106 353	64%	246 364	239 359	7 006	97%	320 245	345 677	0	108%	863 892	775 965	87 927	90%	90%
14%	455 198	89 253	365 945	20%	442 621	79 607	363 013	18%	418 997	51 406	367 591	12%	1 316 815	220 266	1 096 549	17%	17%
44%	110 818	69 200	41 618	62%	108 669	39 370	69 299	36%	108 812	44 613	64 199	41%	328 298	153 183	175 116	47%	47%
43%	144 880	102 720	42 160	71%	142 149	54 461	87 688	38%	142 331	65 063	77 268	46%	429 360	222 244	207 116	52%	52%
26%	328 076	10 748	317 329	3%	326 886	10 738	316 148	3%	330 961	7 508	323 452	2%	985 923	28 993	956 929	3%	3%
52%	32 175	1 659	30 516	5%	32 153	14 380	17 773	45%	32 153	6 770	25 383	21%	96 481	22 809	73 672	24%	24%
72%	81 743	22 008	59 735	27%	86 000	15 950	70 050	19%	80 175	41 529	38 646	52%	247 918	79 488	168 430	32%	32%
13%	517 323	70 953	446 370	14%	444 375	65 127	379 249	15%	428 969	56 534	372 435	13%	1 390 667	192 614	1 198 054	14%	14%
39%	90 175	39 302	50 873	44%	89 225	31 617	57 608	35%	88 652	30 647	58 005	35%	268 052	101 567	166 486	38%	38%
38%	116 432	57 934	58 498	50%	115 340	38 778	76 562	34%	114 251	40 963	73 288	36%	346 023	137 676	208 347	40%	40%
7%	200 414	8 848	191 566	4%	200 805	8 158	192 647	4%	201 588	7 592	193 996	4%	602 807	24 598	578 208	4%	4%
81%	170 403	131 355	39 047	77%	170 403	227 093	0	133%	170 557	73 509	97 048	43%	511 362	431 957	79 405	84%	84%
138%	863 945	579 554	284 390	67%	864 295	1 555 605	0	180%	813 824	873 228	0	107%	2 542 063	3 008 387	(466 324)	118%	118%
24%	561 908	151 915	409 992	27%	487 611	205 753	281 858	42%	213 134	141 182	71 952	66%	1 262 653	498 851	763 802	40%	40%

66%	175 097	168 803	6 294	96%	135 841	107 136	28 705	79%	172 363	112 444	59 919	65%	483 300	388 382	94 918	80%	80%
69%	257 405	285 881	0	111%	216 414	181 927	34 487	84%	253 952	195 397	58 555	77%	727 772	663 205	64 567	91%	91%
14%	291 504	237 534	53 970	81%	273 521	96 502	177 019	35%	207 406	54 751	152 656	26%	772 431	388 786	383 645	50%	50%
45%	47 598	13 411	34 187	28%	47 988	29 733	18 255	62%	47 988	9 961	38 026	21%	143 573	53 105	90 468	37%	37%
17%	119 668	24 242	95 426	20%	125 405	21 187	104 218	17%	125 116	32 752	92 364	26%	370 189	78 181	292 008	21%	21%
15%	594 080	91 465	502 614	15%	351 455	74 260	277 194	21%	504 999	93 738	411 260	19%	1 450 533	259 464	1 191 069	18%	18%
39%	116 860	49 668	67 193	43%	115 141	32 818	82 323	29%	115 141	45 627	69 515	40%	347 142	128 113	219 030	37%	37%
35%	151 943	66 337	85 606	44%	150 825	43 887	106 939	29%	150 909	60 416	90 494	40%	453 678	170 639	283 038	38%	38%
5%	235 791	8 639	227 151	4%	232 382	8 910	223 472	4%	210 910	9 431	201 479	4%	679 083	26 981	652 102	4%	4%
94%	370 995	5 633	365 362	2%	367 007	353 488	13 520	96%	367 007	4 188	362 819	1%	1 105 009	363 309	741 700	33%	33%
214%	713 758	1 719 350	0	241%	592 584	478 000	114 584	81%	954 351	952 122	2 229	100%	2 260 693	3 149 471	(888 778)	139%	139%
108%	1 304 061	2 529 993	0	194%	1 494 126	755 545	738 581	51%	1 266 311	1 830 950	0	145%	4 064 498	5 116 488	(1 051 990)	126%	126%
124%	284 121	452 816	0	159%	283 287	192 080	91 206	68%	282 355	350 993	0	124%	849 763	995 890	(146 127)	117%	117%
143%	493 156	826 982	0	168%	490 362	373 656	116 706	76%	489 720	705 074	0	144%	1 473 238	1 905 712	(432 473)	129%	129%
3%	400 574	11 172	389 402	3%	405 115	13 713	391 402	3%	410 675	7 559	403 116	2%	1 216 364	32 444	1 183 920	3%	3%
89%	94 965	9 459	85 507	10%	94 965	87 567	7 399	92%	94 965	9 655	85 311	10%	284 896	106 680	178 216	37%	37%
37%	129 429	51 087	78 342	39%	139 304	74 847	64 457	54%	135 543	79 583	55 959	59%	404 276	205 518	198 758	51%	51%
11%	589 311	72 582	516 730	12%	529 678	72 983	456 695	14%	773 292	75 068	698 224	10%	1 892 281	220 632	1 671 649	12%	12%
53%	125 407	91 628	33 779	73%	116 739	44 228	72 511	38%	122 971	76 973	45 998	63%	365 117	212 829	152 288	58%	58%
59%	175 802	160 950	14 852	92%	169 469	69 472	99 997	41%	172 706	125 735	46 971	73%	517 977	356 157	161 820	69%	69%
3%	312 942	11 603	301 338	4%	311 285	7 051	304 233	2%	315 129	24 174	290 955	8%	939 356	42 829	896 527	5%	5%
96%	454 077	292 040	162 038	64%	451 469	457 849	0	101%	458 641	371 626	87 015	81%	1 364 187	1 121 515	242 672	82%	82%
81%	10 463 299	14 845 691	0	142%	9 901 872	15 238 237	0	154%	12 933 893	11 785 545	1 148 348	91%	33 299 063	41 869 473	(8 570 410)	126%	126%
25%	1 021 437	588 898	432 539	58%	579 764	270 552	309 212	47%	1 318 143	597 791	720 352	45%	2 919 344	1 457 241	1 462 103	50%	50%
58%	368 772	205 660	163 112	56%	363 741	213 294	150 447	59%	367 145	211 599	155 547	58%	1 099 658	630 552	469 106	57%	57%
63%	575 585	344 951	230 634	60%	568 873	378 020	190 853	66%	573 850	370 578	203 272	65%	1 718 308	1 093 549	624 759	64%	64%
9%	821 381	463 697	357 683	56%	338 890	151 015	187 875	45%	801 243	82 428	718 815	10%	1 961 514	697 140	1 264 374	36%	36%
89%	62 479	4 090	58 389	7%	62 479	56 951	5 527	91%	62 479	3 475	59 004	6%	187 437	64 516	122 920	34%	34%
39%	95 440	23 590	71 851	25%	155 141	22 323	132 817	14%	112 945	57 592	55 353	51%	363 526	103 505	260 021	28%	28%
22%	471 099	96 302	374 797	20%	453 064	69 686	383 379	15%	439 062	79 153	359 909	18%	1 363 225	245 140	1 118 085	18%	18%
50%	120 900	79 657	41 243	66%	125 699	46 148	79 551	37%	117 766	58 287	59 480	49%	364 366	184 092	180 274	51%	51%
54%	164 270	131 930	32 340	80%	165 685	70 131	95 554	42%	160 285	96 467	63 818	60%	490 240	298 528	191 712	61%	61%
3%	265 075	11 149	253 925	4%	259 295	11 316	247 979	4%	261 421	10 081	251 340	4%	785 791	32 546	753 244	4%	4%
80%	69 599	4 790	64 809	7%	69 378	56 738	12 640	82%	69 378	9 364	60 014	13%	208 355	70 892	137 463	34%	34%
41%	221 547	123 699	97 847	56%	229 007	76 661	152 346	33%	233 963	146 362	87 601	63%	684 517	346 722	337 794	51%	51%
21%	404 259	93 420	310 839	23%	448 554	96 206	352 348	21%	439 618	147 215	292 403	33%	1 292 431	336 841	955 590	26%	26%
46%	131 101	74 951	56 150	57%	129 681	52 280	77 401	40%	126 083	60 382	65 701	48%	386 866	187 613	199 252	48%	48%
49%	176 128	125 835	50 293	71%	174 489	72 909	101 580	42%	169 571	97 446	72 124	57%	520 188	296 191	223 997	57%	57%
3%	238 296	6 012	232 284	3%	238 124	20 815	217 310	9%	229 018	8 731	220 287	4%	705 438	35 557	669 881	5%	5%

90%	1 679 588	1 341 262	338 325	80%	1 693 536	1 588 534	105 002	94%	1 674 662	1 153 452	521 210	69%
92%	6 907 493	4 015 454	2 892 039	58%	6 416 430	4 867 568	1 548 863	76%	6 048 301	4 262 755	1 785 545	70%
110%	1 356 159	758 412	597 746	56%	1 889 008	1 535 413	353 595	81%	1 577 034	822 914	754 121	52%
91%	785 537	633 069	152 467	81%	793 158	684 399	108 760	86%	781 786	621 430	160 356	79%
93%	1 250 109	1 051 205	198 905	84%	1 263 961	1 113 985	149 977	88%	1 246 361	1 011 814	234 547	81%
71%	394 888	82 630	312 258	21%	425 321	143 687	281 634	34%	435 636	87 788	347 848	20%
79%	1 536 528	2 667 854	0	174%	1 553 125	1 639 188	0	106%	1 552 956	966 155	586 801	62%
87%	2 902 741	2 038 583	864 159	70%	2 957 487	4 185 768	0	142%	2 864 719	2 891 421	0	101%
77%	1 486 073	828 285	657 789	56%	1 062 076	1 563 638	0	147%	996 907	706 946	289 961	71%
83%	670 207	442 890	227 317	66%	678 000	820 961	0	121%	677 253	512 964	164 289	76%
82%	948 635	634 085	314 550	67%	968 736	1 283 362	0	132%	966 346	751 814	214 532	78%
32%	256 922	59 541	197 380	23%	274 040	54 637	219 404	20%	278 296	74 980	203 316	27%
85%	625 889	372 570	253 319	60%	615 643	692 119	0	112%	626 281	366 482	259 799	59%
100%	5 667 397	5 143 107	524 290	91%	5 667 157	5 985 565	0	106%	5 717 862	5 469 329	248 534	96%
39%	1 344 100	505 062	839 038	38%	1 044 046	635 128	408 918	61%	1 204 694	464 575	740 119	39%
76%	405 091	310 197	94 895	77%	402 522	320 196	82 326	80%	404 906	281 390	123 515	69%
80%	552 111	475 535	76 576	86%	546 825	478 388	68 437	87%	552 468	425 160	127 308	77%
7%	779 825	29 403	750 422	4%	685 857	184 652	501 205	27%	777 372	46 140	731 232	6%
64%	27 940	112	27 828	0%	27 940	18 575	9 365	66%	27 940	134	27 805	0%
0%	98	-	98	0%	98	-	98	0%	98	-	98	0%
0%	923 116	9 511	913 605	1%	991 152	3 272	987 880	0%	710 186	3 414	706 772	0%
8%	134 170	21 136	113 034	16%	134 170	6 862	127 308	5%	134 313	12 703	121 610	9%
11%	175 764	32 715	143 049	19%	175 764	11 004	164 760	6%	175 946	21 109	154 837	12%
0%	820 632	54	820 578	0%	828 064	242	827 821	0%	835 560	111	835 449	0%
68%	59 426	1 072	58 354	2%	59 426	41 656	17 770	70%	59 426	12 214	47 212	21%
6%	14 285	579	13 706	4%	14 285	945	13 340	7%	14 285	1 184	13 100	8%
4%	611 507	11 674	599 833	2%	631 744	18 282	613 462	3%	237 393	10 893	226 500	5%
17%	166 475	39 400	127 074	24%	169 986	17 781	152 205	10%	170 129	29 435	140 694	17%
22%	207 867	63 463	144 404	31%	211 856	26 989	184 867	13%	212 038	45 231	166 807	21%
0%	636 177	1 046	635 131	0%	383 069	1 969	381 100	1%	645 088	1 458	643 631	0%
73%	250 592	103 561	147 031	41%	251 390	168 797	82 594	67%	251 390	76 842	174 548	31%
0%	1 290	-	1 290	0%	1 290	-	1 290	0%	1 290	-	1 290	0%
2%	942 474	8 250	934 224	1%	812 115	29 333	782 783	4%	924 976	9 381	915 595	1%
12%	315 774	45 646	270 128	14%	323 675	26 254	297 421	8%	324 105	33 612	290 493	10%
14%	410 023	75 612	334 411	18%	418 842	36 591	382 251	9%	419 389	54 207	365 182	13%
2%	1 172 730	13 818	1 158 912	1%	1 198 074	36 952	1 161 122	3%	1 793 744	7 396	1 786 348	0%
69%	741 323	403 826	337 497	54%	844 551	609 115	235 436	72%	719 727	450 953	268 774	63%
57%	92 523	23 872	68 650	26%	94 113	76 114	17 998	81%	94 498	44 157	50 341	47%
51%	31 394	9 294	22 099	30%	32 149	15 598	16 551	49%	27 446	7 641	19 805	28%
66%	7 325	4 902	2 424	67%	7 325	7 054	272	96%	7 325	4 568	2 758	62%
64%	12 545	8 447	4 098	67%	12 545	11 191	1 355	89%	12 545	8 085	4 461	64%
34%	169 335	10 032	159 303	6%	244 367	251 567	0	103%	191 992	13 319	178 672	7%

5 047 786	4 083 248	964 537	81%	81%
19 372 224	13 145 777	6 226 447	68%	68%
4 822 200	3 116 739	1 705 462	65%	65%
2 360 481	1 938 898	421 583	82%	82%
3 760 432	3 177 003	583 428	84%	84%
1 255 845	314 105	941 740	25%	25%
4 642 609	5 273 197	(630 588)	114%	114%
8 724 947	9 115 772	(390 825)	104%	104%
3 545 057	3 098 869	446 188	87%	87%
2 025 461	1 776 815	248 646	88%	88%
2 883 717	2 669 261	214 456	93%	93%
809 258	189 158	620 100	23%	23%
1 867 813	1 431 171	436 642	77%	77%
17 052 416	16 598 001	454 415	97%	97%
3 592 840	1 604 765	1 988 075	45%	45%
1 212 519	911 784	300 736	75%	75%
1 651 404	1 379 083	272 321	84%	84%
2 243 054	260 195	1 982 860	12%	12%
83 819	18 821	64 998	22%	22%
294	-	294	0%	0%
2 624 454	16 197	2 608 257	1%	1%
402 653	40 701	361 953	10%	10%
527 474	64 827	462 646	12%	12%
2 484 256	408	2 483 848	0%	0%
178 277	54 942	123 335	31%	31%
42 855	2 708	40 146	6%	6%
1 480 644	40 849	1 439 795	3%	3%
506 589	86 616	419 973	17%	17%
631 760	135 683	496 078	21%	21%
1 664 335	4 472	1 659 862	0%	0%
753 373	349 200	404 173	46%	46%
3 871	-	3 871	0%	0%
2 679 565	46 964	2 632 601	2%	2%
963 554	105 512	858 042	11%	11%
1 248 254	166 411	1 081 843	13%	13%
4 164 547	58 166	4 106 381	1%	1%
2 305 601	1 463 894	841 707	63%	63%
281 134	144 144	136 990	51%	51%
90 989	32 533	58 456	36%	36%
21 976	16 523	5 453	75%	75%
37 636	27 723	9 914	74%	74%
605 693	274 918	330 776	45%	45%

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	M11	M12
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	14 134	9 082
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**	**14 134**	**9 082**
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**	**14 134**	**9 082**
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	10 972	7 001
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	1 847	1 210
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**	**12 819**	**8 211**
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	14 134	9 082
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	1 847	1 210
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**	**15 981**	**####**
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	14 134	9 082
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	14 134	9 082
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**	**14 134**	**9 082**
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**	**14 134**	**9 082**
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	14 134	9 082
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**	**14 134**	**9 082**
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	14 134	9 082
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	14 134	9 082
Cost of Free Basic Services provided to ALLHouseholds 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	192	192
Electricity/other energy (50kwh per household per month)		114	124	–	194	196	196	196	196	196	196	195	195	195	193	190	190
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**	**383**	**382**
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	10
Sanitation (kilolitres per household per month)		10	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	160
Electricity (kwh per household per month)		50	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	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	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	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**	**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

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

Property Rates Reconciliation

Province	FS
District	Fezile Dabi District
Type	LM
Municipal Name	Moghaka
GV Period	01/07/2023 - 30/06/2028
Financial Year	2025/2026
Reconciliation Period	Quarter 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	45 001	- 10 820	5 891 431 147.00	7 528 076 049.00	- 1636 644 902.00
Industrial	241	304	- 63	321 164 000.00	348 884 000.00	- 27 720 000.00
Business and Commercial	987	1 122	- 135	941 005 606.00	1076 050 609.00	- 135 045 003.00
Agricultural	3 414	3 591	- 177	5 595 588 750.00	5 893 193 752.00	- 297 605 002.00
Mining	9	13	- 4	7 378 000.00	55 374 000.00	- 47 996 000.00
State Owned for Public Purpose	294	585	- 291	1278 956 018.00	1 194 004 514.00	84 951 504.00
PSI	236	491	- 255	15 226 501.00	37 980 901.00	- 22 754 400.00
PBO	282	278	4	250 481 003.00	250 971 003.00	- 490 000.00
Multi Use	235	-	235	342 280 499.00	-	342 280 499.00
Vacant	968	599	369	92 243 107.00	77 636 608.00	14 606 499.00
POW	-	8	- 8	-	3 270 000.00	- 3 270 000.00
Municipal	11443	218	11225	2 075 438 010.00	217 032 003.00	1858 406 007.00
Other	-	-	-	-	-	-
	52 290	52 210	80	16 811 192 641.00	16 682 473 439.00	128 719 202.00

Detailed Reconciliation

Propety Categories	Monthly Billing			Quarterly		
Propety Categories	GV	MFS	Variance	GV	MFS	Variance
Residential	2 112 123	2 187 350	- 75 227	6 336 369.20	6 562 049.97	- 225 680.77
Industrial	513 862	520 918	- 7 056	1541 587.20	1562 755.20	- 21 168.00
Business and Commercial	1529 134	1705 155	- 176 021	4 587 402.33	5 115 465.48	- 528 063.15
Agricultural	979 228	1004 945	- 25 717	2 937 684.09	3 014 835.63	- 77 151.54
Mining	24 962	187 349	- 162 387	74 886.70	562 046.76	- 487 160.06
State Owned for Public Purpose	2 717 782	2 159 788	557 994	8 153 344.61	6 479 363.61	1673 981.00
PSI	-	1 148	- 1 148	-	3 444.00	- 3 444.00
PBO	-	-	-	-	-	-
Multi Use	-	-	-	-	-	-
Vacant	94 549	153 470	- 58 920	283 647.55	460 408.62	- 176 761.07
POW	-	-	-	-	-	-
Municipal	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total	R7 971 640.56	R7 920 123.09	R51 517.47	23 914 921.69	23 760 369.27	154 552.42

Prepared By	DINEO MOKOENA	Date	01/07/2026
	Contatct Details `056 216 9300/9604		
Signature			
Reviewed By	SAMMY THELETSANE	Date	02/07/2026
	Contatct Details `056 216 9158		
Signature			