

MAGARENG



MUNICIPALITY

MONTHLY BUDGET & PERFORMANCE ASSESSMENT 2025/2026

DISTRIBUTION:

| | |
|----------------------------|--------------------------------------------------------|
| • Executive Mayor: | Mrs. Neo Mase |
| • Municipal Manager: | Mr. Tumelo Thage |
| • Chief Financial Officer: | Ms. Kedisaletse Khaziwa |
| • Sector Departments: | National and Provincial Departments |
| • | Uploaded to the National Treasury GoMuni portal |

Table of Contents

| | |
|------------------------------------------------------------------------------------------------------------------------------|----|
| Part 1: In-Year Report for the Period Ending 31 October 2025..... | 5 |
| 1. Purpose | 5 |
| 2. Background..... | 5 |
| 3. Executive summary | 6 |
| 3.1 Operating Revenue by Source..... | 6 |
| 3.2 Operating Expenditure by Type | 8 |
| 3.3 Capital Expenditure..... | 10 |
| 3.4 Debtors Ageing | 12 |
| 3.5 Creditors Ageing | 13 |
| 4. Budget Performance Overview | 14 |
| 4.1 Operating Revenue by Source..... | 14 |
| 4.2 Operating Expenditure by type..... | 14 |
| 4.3 Capital Expenditure | 14 |
| 4.4 Cash flow | 14 |
| 4.5 MFMA: Circular 124: Condition 6.9 | 14 |
| 4.6 Progress on Budget Funding Plan | 14 |
| 4.7 Progress on the Financial Recovery Plan | 16 |
| 5. In-Year Budget Statement Tables..... | 17 |
| 5.1 Table C1: Monthly Budget Statements Summary | 17 |
| 5.2 Table C2: Monthly Budget Statement – Financial Performance by Standard Classification..... | 18 |
| 5.3 Table C3: Monthly Budget Statement – Financial Performance (Revenue & Expenditure by Municipal vote) | 19 |
| 5.4 Table C4: Monthly Budget Statement - Financial Performance (revenue and expenditure) | 23 |
| 5.5 Table C5: Monthly Budget Statement – Capital Expenditure (Municipal vote, standard classification, and funding) | 28 |
| 5.6 Table C6: MBS – Monthly Budget Statement of Financial Position..... | 29 |
| 5.7 Table C7: Monthly Budget Statement – Cash Flow | 31 |
| Part 2: Supporting Documentation..... | 32 |
| 6. Debtors Analysis | 32 |
| 6.1 Top 100 Debtors: Commercial | 33 |
| 6.2 Top 100 Debtors: Households | 35 |
| 6.3 Top 100 Debtors: Organs of the State | 37 |
| 7. Creditors’ Analysis..... | 38 |
| 7.1 Top 10 Creditors..... | 38 |

| | | |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| 8. | Investment portfolio analysis | 39 |
| 9. | Allocation and grant receipts and expenditure | 40 |
| 10. | Councillor and board member allowances and employee benefits | 42 |
| 11. | Material Variances to the Service Delivery and Budget Implementation | 44 |
| 12. | Capital programme performance. | 45 |
| 13. | Conclusion..... | 46 |
| 14. | Annexure A: C-schedules..... | 46 |
| 15. | Annexure B: Compliance with the conditions for Municipal Debt Relief for electricity .. | 47 |
| 15.1 | MFMA Circular 124 – Municipality Compliance Self-Assessment..... | 47 |
| 15.2 | Municipal Debt Relief Performance across the period of debt relief participation for electricity. | 49 |
| 15.3 | The Provincial Treasury Debt Relief Compliance Assessment | 49 |
| 15.4 | 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)..... | 50 |
| 15.5 | Monthly –Restriction of Free Basics to Indigent Households | 51 |
| 15.6 | MFMA Circular 124-Condition 6.8 (Completeness of the revenue base) | 52 |
| 16 | MFMA Circular 124 – Condition 6.3 (Maintaining the Eskom bulk current account) and Condition 6.12 (Proper Management of Resources) | 53 |
| 17 | Municipal Manager’s Quality Certification | 54 |

List of Tables

- Table 1: Consolidated summary: Statement of Financial Performance: Revenue
Table 2: Consolidated summary: Statement of Financial Performance: Expenditure
Table 3: Capital Expenditure
Table 4:C1- Monthly Budget Statement Summary
Table 5: C2- Monthly Budget Statement -Financial Performance by Standard Classification
Table 6: C3: Monthly Budget Statement – Financial Performance by vote
Table 7:Monthly Budget Statement – Financial Performance (Revenue and Expenditure)
Table 8: Monthly Budget Statement – Financial Performance Capital Expenditure (Municipal vote, Standard Classification and findings)
Table 9: Monthly Budget Statement of Financial Position
Table 10: Monthly Budget Statement – Cash Flow Statement
Table 11: Supporting Table SC3: Aged Debtors
Table 12 ; supporting Table SC4 : Aged Creditors
Table 13: Supporting Table SC4: Aged Creditors
Table 14: Supporting Table SC5: Investment portfolio
Table 15: Supporting Table SC6: Transfers and grant receipts
Table 16: Supporting Table SC7(1): Transfers and grant expenditure
Table 17: Summary of expenditure per grant
Table 18: Supporting Table SC7(2) - Expenditure against approved rollovers
Table 19: Supporting Table SC8: Councillor and staff benefits
Table 20: Detailed capital expenditure report

List of Charts

- Chart 1: Revenue by Source: YTD Actual as a percentage of Total Revenue
Chart 2: Expenditure by Type: YTD Actual as a percentage of Total Expenditure
Chart 8: Aged Consumer Debtor Analysis
Chart 13: Aged Creditors Analysis

List of Abbreviations and Acronyms used in the Monthly Budget Statement

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

Part 1: In-Year Report for the Period Ending 31 October 2025

TO: THE EXECUTIVE MAYOR

FROM: THE CHIEF FINANCIAL OFFICER: BUDGET & TREASURY OFFICE

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): SECTION 71: IN-YEAR MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDING 31 OCTOBER 2025

1. Purpose

To present the 2025/26 monthly budget and performance assessment for the month of October 2025 in terms of Section 71 of the Municipal Finance Management Act (MFMA).

2. Background

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 provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month.

The statement also serves, additional to reporting on the implementation of the budget, to:

- Report on the progress on the implementation of the Budget Funding Plan which was approved by Council on 29 May 2025 (Item A4881); and
- Report on the progress on the implementation of the Debt Relief Conditions as required by MFMA Circular 124 and the National Treasury Letter of approval dated 19 December 2023; and
- Report on the implementation of the Financial Recovery Plan Northern Cape Provincial Executive has intervened at Magareng Local Municipality in terms of Section 139 (1) (b) and Section 139 (5) (a) of the Constitution read with Section 139 on the Municipal Finance Management Act (MFMA) (Act No. 56 of 2003).

3. Executive summary

INTRODUCTION

The Municipal Finance Management Act, No. 56 of 2003 states 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 provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month.

When necessary, an explanation of any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote; any material variances from the service delivery and budget implementation plan; and any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipalities approved budget.

The statement must include a projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).

Tables C1 and C4 highlights the financial performance of the municipality for the month October 2025

3.1 Operating Revenue by Source

Highlight of financial performance, Challenges and Risks for the month

As of 31st October 2025, the total operating revenue amounts to **R8.4 million**, and the actual year-to-date revenue amounts to **R62.7 million**, which is **10%** more than the projected budget of **R56.8 million**. **Operational transfers and subsidies** and **Service charges** are major attributes for variance between the projected revenue and actual year to date revenue.

The municipality received **R1.2 million** for operational transfers and subsidies (**R548 thousand** from provincial treasury (AFS support Grant) and **R625 thousand** from Sports Arts & Culture), the actual year-to-date amount is **R33.6 million**, which reflects a **31%** variance when compared to the year-to-date budget that amounts to **R25.6 million**. The municipality receives operational transfers and subsidies as per the DoRa payment schedule.

Below is a chart that depicts the income billed from 1st – 31st October 2025:

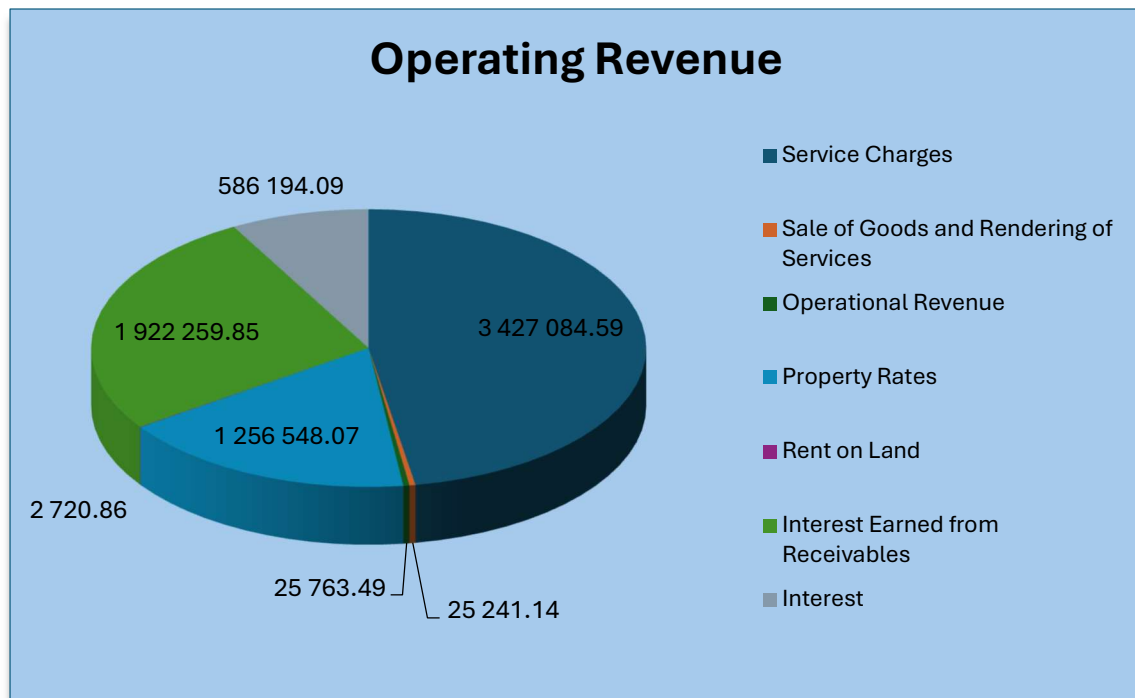


Table 1: Income for 1st to 31st October 2025

Operating Revenue Budget

The total revenue excluding capital transfers original budget amounts to **R170.5 million** for the 2025/26 financial year. For the period ending 31st October 2025 a total of **R8.4 million** has been billed, the year-to-date actual amounts to **R62.7 million** which is **10%** more than the projected budget that amounts to **R56.8 million**.

NC093 Magareng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

| 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 | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | |
| Service charges - Electricity | | 17,723 | 19,592 | 19,592 | 1,600 | 6,728 | 6,531 | 197 | 3% | 19,592 |
| Service charges - Water | | 4,786 | 5,424 | 5,424 | 422 | 1,453 | 1,808 | (355) | -20% | 5,424 |
| Service charges - Waste Water Management | | 9,085 | 9,775 | 9,775 | 805 | 3,224 | 3,258 | (35) | -1% | 9,775 |
| Service charges - Waste management | | 6,737 | 7,355 | 7,355 | 600 | 2,399 | 2,452 | (53) | -2% | 7,355 |
| Sale of Goods and Rendering of Services | | 943 | 1,232 | 1,232 | 25 | 423 | 411 | 13 | 3% | 1,232 |
| Interest earned from Receivables | | 21,670 | 25,462 | 25,462 | 1,922 | 7,421 | 8,487 | (1,066) | -13% | 25,462 |
| Interest from Current and Non Current Assets | | 385 | 46 | 46 | - | - | 15 | (15) | -100% | 46 |
| Rent on Land | | 23 | 38 | 38 | 3 | 10 | 13 | (3) | -24% | 38 |
| Rental from Fixed Assets | | 16 | 327 | 327 | - | - | 109 | (109) | -100% | 327 |
| Operational Revenue | | 3,520 | 732 | 732 | 26 | 129 | 244 | (116) | -47% | 732 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 13,247 | 15,251 | 15,251 | 1,257 | 5,017 | 5,084 | (67) | -1% | 15,251 |
| Fines, penalties and forfeits | | 225 | 612 | 612 | - | - | 204 | (204) | -100% | 612 |
| Transfers and subsidies - Operational | | 73,429 | 76,862 | 76,862 | 1,173 | 33,566 | 25,621 | 7,946 | 31% | 76,862 |
| Interest | | 6,681 | 7,781 | 7,781 | 586 | 2,326 | 2,594 | (268) | -10% | 7,781 |
| Operational Revenue | | 252 | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | (301) | - | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 158,421 | 170,489 | 170,489 | 8,419 | 62,695 | 56,830 | 5,865 | 10% | 170,489 |

See the below table for details on the operating revenue budget

| Description | JULY | AUG | SEPT | OCT | YearTD actual |
|----------------------------------------------------------------------|-------------------|-------------------|------------------|------------------|-------------------|
| Revenue | | | | | |
| Exchange Revenue | | | | | |
| Service charges - Electricity | 1,368,080 | 2,215,266 | 1,544,758 | 1,599,960 | 6,728,064 |
| Service charges - Water | 371,381 | 253,623 | 406,043 | 421,965 | 1,453,012 |
| Service charges - Waste Water Management | 804,868 | 806,636 | 806,833 | 805,457 | 3,223,795 |
| Service charges - Waste management | 600,517 | 599,798 | 598,500 | 599,703 | 2,398,517 |
| Sale of Goods and Rendering of Services | 39,800 | 27,499 | 330,703 | 25,241 | 423,243 |
| Agency services | - | - | - | - | - |
| Interest | | | | | |
| Interest earned from Receivables | 1,887,960 | 1,892,478 | 1,718,458 | 1,922,260 | 7,421,156 |
| Interest from Current and Non Current Assets | - | - | - | - | - |
| Dividends | - | - | - | - | - |
| Rent on Land | 1,823 | 1,360 | 3,655 | 2,721 | 9,559 |
| Rental from Fixed Assets | - | - | - | - | - |
| Licence and permits | - | - | - | - | - |
| Operational Revenue | 42,347 | 34,367 | 26,146 | 25,763 | 128,623 |
| Non-Exchange Revenue | | | | | |
| Property rates | 1,252,807 | 1,252,807 | 1,254,650 | 1,256,548 | 5,016,813 |
| Surcharges and Taxes | - | - | - | - | - |
| Fines, penalties and forfeits | - | - | - | - | - |
| Licence and permits | - | - | - | - | - |
| Transfers and subsidies - Operational | 28,060,993 | 4,332,000 | - | 1,173,264 | 33,566,257 |
| Interest | 581,571 | 574,960 | 583,362 | 586,194 | 2,326,086 |
| Fuel Levy | - | - | - | - | - |
| Operational Revenue | - | - | - | - | - |
| Gains on disposal of Assets | - | - | - | - | - |
| Other Gains | - | - | - | - | - |
| Discontinued Operations | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | 35,012,148 | 11,990,793 | 7,273,107 | 8,419,076 | 62,695,124 |

3.2 Operating Expenditure by Type

The current year expenditure original budget amounts to **R197 million**, for the reporting month, **R12.7 million** was spent; and the year-to-date actual amounts to **R51.5 million**, which is **22%** less than the projected expenditure amounting to **R65.7 million**.

NC093 Magareng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

| 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 | | | | | | | | | | |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 51,011 | 59,997 | 59,997 | 4,525 | 17,334 | 19,999 | (2,665) | -13% | 59,997 |
| Remuneration of councillors | | 5,278 | 5,270 | 5,270 | 437 | 1,749 | 1,757 | (7) | 0% | 5,270 |
| Bulk purchases - electricity | | 31,322 | 25,000 | 25,000 | - | - | 8,333 | (8,333) | -100% | 25,000 |
| Inventory consumed | | 16,587 | 14,050 | 14,050 | 804 | 4,533 | 4,683 | (151) | -3% | 14,050 |
| Debt impairment | | 50,156 | 31,883 | 31,883 | 2,657 | 10,628 | 10,628 | (0) | 0% | 31,883 |
| Depreciation and amortisation | | 76,675 | 23,541 | 23,541 | 1,962 | 7,847 | 7,847 | 0 | 0% | 23,541 |
| Interest | | 5,667 | 600 | 600 | - | - | 200 | (200) | -100% | 600 |
| Contracted services | | 14,322 | 16,283 | 16,308 | 1,096 | 3,597 | 5,430 | (1,834) | -34% | 16,308 |
| Transfers and subsidies | | - | - | - | - | - | - | - | - | - |
| Irrecoverable debts written off | | - | - | - | - | - | - | - | - | - |
| Operational costs | | 18,177 | 19,810 | 19,785 | 1,192 | 5,810 | 6,601 | (791) | -12% | 19,785 |
| Losses on Disposal of Assets | | - | - | - | - | - | - | - | - | - |
| Other Losses | | 3,928 | 604 | 604 | - | - | 201 | (201) | -100% | 604 |
| Total Expenditure | | 273,124 | 197,039 | 197,039 | 12,673 | 51,498 | 65,680 | (14,182) | -22% | 197,039 |

Table 2: Expenditure from 1st to 31st October 2025

See the below table for details on the operating Expenditure Breakdown

| Description | JULY | AUG | SEPT | OCT | YearTD actual |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Expenditure By Type | | | | | |
| Employee related costs | 4,422,308 | 4,263,044 | 4,123,989 | 4,525,069 | 17,334,410 |
| Remuneration of councillors | 437,531 | 437,531 | 437,531 | 436,752 | 1,749,344 |
| Bulk purchases - electricity | - | - | - | - | - |
| Inventory consumed | 1,843,542 | 856,338 | 1,028,991 | 803,881 | 4,532,752 |
| Debt impairment | 2,656,922 | 2,656,922 | 2,656,922 | 2,656,922 | 10,627,690 |
| Depreciation and amortisation | 1,961,724 | 1,961,724 | 1,961,724 | 1,961,724 | 7,846,897 |
| Interest | - | - | - | - | - |
| Contracted services | 633,425 | 649,981 | 1,217,173 | 1,096,409 | 3,596,987 |
| Transfers and subsidies | - | - | - | - | - |
| Irrecoverable debts written off | - | - | - | - | - |
| Operational costs | 1,322,955 | 1,516,945 | 1,777,877 | 1,192,092 | 5,809,870 |
| Losses on Disposal of Assets | - | - | - | - | - |
| Other Losses | - | - | - | - | - |
| Total Expenditure | 13,278,408 | 12,342,486 | 13,204,208 | 12,672,849 | 51,497,951 |

The main cost drivers for the municipality are salary costs, bulk purchases, contracted services, inventory consumed and general expenditure. Under employee related expenditure the main contributors are overtime, standby allowance, and 3rd party payments (Medical aid and pension). The main cost drivers under contracted services are professional staff and security services and repairs and maintenance these costs need to be monitored effectively to ensure aligned spending.

Below is a chart that depicts the Expenditure from 1st – 30th October 2025:

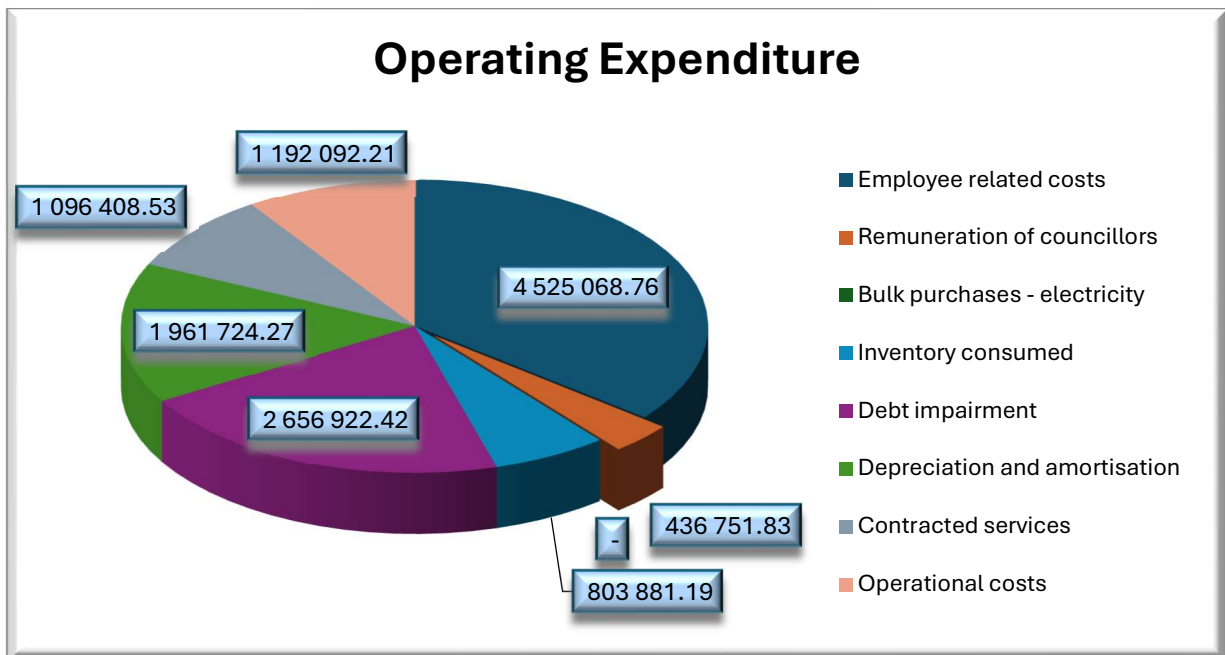


Table 3: Transfer and subsidies-capital and Surplus/(Deficit)

NC093 Magareng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

| 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 | | | | | | | | | | |
| Total Expenditure | | 273,124 | 197,039 | 197,039 | 12,673 | 51,498 | 65,680 | (14,182) | -22% | 197,039 |
| Surplus/(Deficit) | | (114,703) | (26,549) | (26,549) | (4,254) | 11,197 | (8,850) | 20,047 | (0) | (26,549) |

Table C4 of the attached C Schedule of the MBRR excludes the capital transfers (capital grants) revenue leg from the total operational revenue which calculates a deficit of **R4.3 million** before adding the capital transfers.

| Description | Budget Year 2025/26 | | | | | |
|-------------------------------------|----------------------|------------------------|---------------------|------------------------------------|-------------------------|-----------------|
| | Original Budget | Funds Received to date | Spents to date | Spent to date Vat Inc & Rentations | Unspent Balance Vat Inc | % Spent to date |
| Grants and Subsidies | | | | | | |
| Capital | | | | | | |
| Municipal Infrastructure Grant | 12,641,000.00 | 3,000,000.00 | - | - | 12,641,000.00 | 0% |
| Water Services Infrastructure Grant | 10,000,000.00 | 8,000,000.00 | 4,390,819.79 | 5,633,526.61 | 4,366,473.39 | 70% |
| Regional Bulk Infrastructure Grant | 9,960,000.00 | 7,157,407.27 | 4,281,529.46 | 4,923,758.88 | 5,036,241.12 | 69% |
| Sub-Total | 32,601,000.00 | 18,157,407.27 | 8,672,349.25 | 10,557,285.49 | 22,043,714.51 | 58% |

For this financial year, the municipality originally budgeted **R32.6 million** for capital transfers from the total budgeted amount; the municipality received **R18.2 million** in terms of Section 19 of the Division of Revenue Act 2023.

NC093 Magareng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

| 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 | | | | | | | | | | |
| Surplus/(Deficit) | | (114,703) | (26,549) | (26,549) | (4,254) | 11,197 | (8,850) | 20,047 | (0) | (26,549) |
| Transfers and subsidies - capital (monetary allocations) | | | | | | | | | | |
| | | 71,924 | 32,601 | 32,601 | 3,000 | 18,157 | 10,867 | 7,290 | 0 | 32,601 |
| Transfers and subsidies - capital (in-kind) | | 2,252 | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | (40,527) | 6,052 | 6,052 | (1,254) | 29,355 | 2,017 | 27,337 | 0 | 6,052 |
| Income Tax | | | | | | | | | | |
| Surplus/(Deficit) after income tax | | (40,527) | 6,052 | 6,052 | (1,254) | 29,355 | 2,017 | 27,337 | 0 | 6,052 |
| Share of Surplus/Deficit attributable to Joint Venture | | | | | | | | | | |
| Share of Surplus/Deficit attributable to Minorities | | | | | | | | | | |
| Surplus/(Deficit) attributable to municipality | | (40,527) | 6,052 | 6,052 | (1,254) | 29,355 | 2,017 | 27,337 | 0 | 6,052 |
| Share of Surplus/Deficit attributable to Associate | | | | | | | | | | |
| Intercompany/Parent subsidiary transactions | | | | | | | | | | |
| Surplus/ (Deficit) for the year | | (40,527) | 6,052 | 6,052 | (1,254) | 29,355 | 2,017 | 27,337 | 0 | 6,052 |

The deficit before inclusion of capital transfers amounted to **R4.3 million** and after inclusion of capital transfers deficit decreased to **R1.3 million**.

3.3 Capital Expenditure.

For the reporting month, the municipality has spent **R2.5 million** on capital grants for reporting month and the actual year to date amounts to **R8.7 million** which reflects underspending on capital grants of **R2.2 million** when compared to year-to-date budget that amounts to **R10.9 million**.

Please note that this information is what is captured on the municipal financial system (which reflects payment without VAT and retention). This information differs from the grant register and the technical reports as those reports include submitted invoices with the vat and retention considered.

NC093 Magareng - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October

| 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 | | | | | | | | | | |
| EXPENDITURE | | | | | | | | | | |
| Capital expenditure of Transfers and Grants | | | | | | | | | | |
| National Government: | | 61,941 | 32,601 | 32,601 | 2,467 | 8,672 | 10,867 | (2,195) | -20.2% | 32,601 |
| Integrated National Electrification Programme Grant | | - | - | - | - | - | - | - | - | - |
| Municipal Disaster Relief Grant | | - | - | - | - | - | - | - | - | - |
| Municipal Infrastructure Grant | | 22,322 | 12,641 | 12,641 | - | - | 4,214 | (4,214) | -100.0% | 12,641 |
| Regional Bulk Infrastructure Grant | | 22,076 | 9,960 | 9,960 | 601 | 4,282 | 3,320 | 962 | 29.0% | 9,960 |
| Water Services Infrastructure Grant | | 17,543 | 10,000 | 10,000 | 1,866 | 4,391 | 3,333 | 1,057 | 31.7% | 10,000 |
| Total capital expenditure of Transfers and Grants | | 61,941 | 32,601 | 32,601 | 2,467 | 8,672 | 10,867 | (2,195) | -20.2% | 32,601 |

The table above illustrate a summary on all the gazetted grants due to the municipality. It comprises of conditional capital grants excluding VAT and Retention.

It should be noted that a total of **R18.2 million** was received to date for capital grants, from the total amount received **R10.6 million (VAT Inc)** is committed or spent to date which translates **58%** when compared to the funds received to date.

| Description | Budget Year 2025/26 | | | | | |
|-------------------------------------|----------------------|------------------------|---------------------|------------------------------------|-------------------------|-----------------|
| | Original Budget | Funds Received to date | Spents to date | Spent to date Vat Inc & Retentions | Unspent Balance Vat Inc | % Spent to date |
| Grants and Subsidies | | | | | | |
| Operational | | | | | | |
| Capital | | | | | | |
| Municipal Infrastructure Grant | 12,641,000.00 | 3,000,000.00 | - | - | 12,641,000.00 | 0% |
| Water Services Infrastructure Grant | 10,000,000.00 | 8,000,000.00 | 4,390,819.79 | 5,633,526.61 | 4,366,473.39 | 70% |
| Regional Bulk Infrastructure Grant | 9,960,000.00 | 7,157,407.27 | 4,281,529.46 | 4,923,758.88 | 5,036,241.12 | 69% |
| Sub-Total | 32,601,000.00 | 18,157,407.27 | 8,672,349.25 | 10,557,285.49 | 22,043,714.51 | 58% |

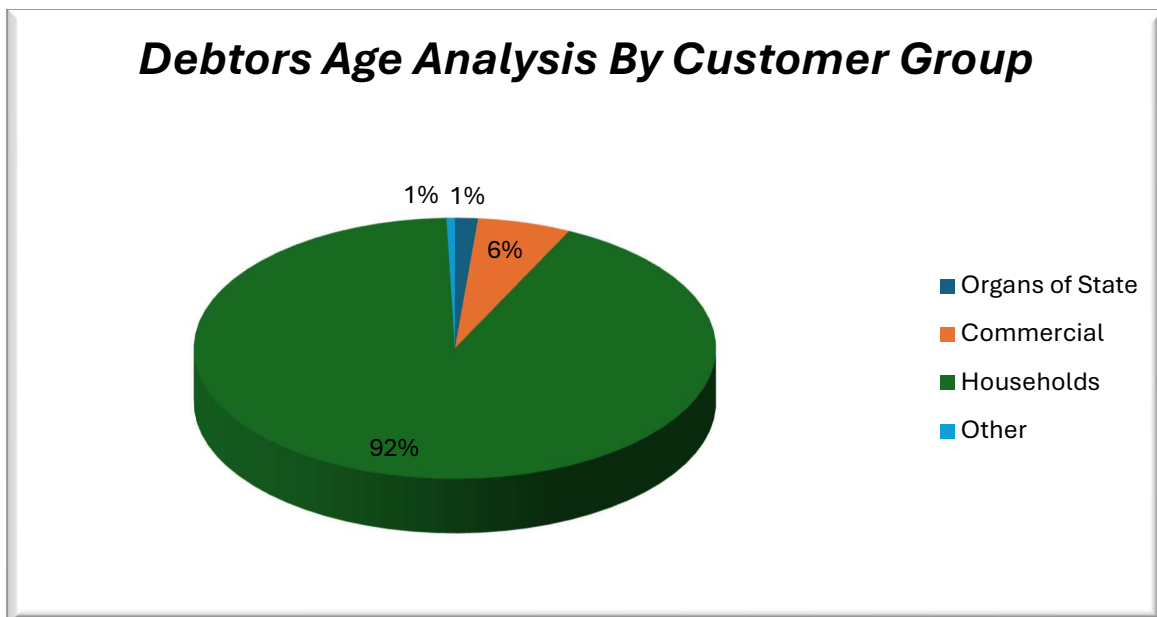
3.4 Debtors Ageing

The total debtors book as at end of October 2025 amounts to **R 497.4 million**, from the total debts **R459.5 million** is owned by Households, **R6.5 million** is owned by Organ of the States, **R28.8 million** is owned by Commercial and **R2.6 million** is owned by other.

NC093 Magareng - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

| Description | NT Code | Budget Year 2025/26 | | | | | | | | Total | Total over 90 days |
|-------------------------------------------------------------------------|-------------|---------------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|--------------------|
| | | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | | |
| R thousands | | | | | | | | | | | |
| Debtors Age Analysis By Income Source | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1200 | 502 | 408 | 378 | 381 | 364 | 343 | 2,572 | 71,202 | 76,151 | 74,863 |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | 642 | 304 | 277 | 269 | 140 | 141 | 742 | 27,338 | 29,853 | 28,630 |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 1,086 | 1,046 | 956 | 947 | 890 | 804 | 4,440 | 53,990 | 64,159 | 61,071 |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | 920 | 916 | 908 | 902 | 838 | 835 | 5,094 | 69,921 | 80,333 | 77,589 |
| Receivables from Exchange Transactions - Waste Management | 1600 | 680 | 662 | 651 | 644 | 601 | 606 | 3,576 | 48,069 | 55,489 | 53,496 |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | | | | | | | | | - | - |
| Interest on Arrear Debtor Accounts | 1810 | 2,506 | 2,503 | 2,456 | 2,467 | 2,655 | 2,481 | 14,370 | 157,463 | 186,901 | 179,436 |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | | | | | | | | | - | - |
| Other | 1900 | 88 | 105 | 42 | 35 | 43 | 43 | 231 | 3,922 | 4,509 | 4,274 |
| Total By Income Source | 2000 | 6,425 | 5,944 | 5,668 | 5,646 | 5,531 | 5,252 | 31,025 | 431,905 | 497,395 | 479,359 |
| September Totals | | 6,576 | 5,941 | 5,969 | 5,682 | 5,455 | 5,265 | 31,022 | 427,478 | 493,388 | 474,902 |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | |
| Organs of State | 2200 | 328 | 273 | 260 | 247 | 241 | 214 | 1,114 | 3,805 | 6,483 | 5,622 |
| Commercial | 2300 | 792 | 441 | 395 | 429 | 308 | 295 | 1,624 | 24,551 | 28,834 | 27,207 |
| Households | 2400 | 5,241 | 5,206 | 4,986 | 4,948 | 4,952 | 4,713 | 28,103 | 401,355 | 459,505 | 444,071 |
| Other | 2500 | 63 | 24 | 27 | 22 | 29 | 29 | 185 | 2,194 | 2,573 | 2,459 |
| Total By Customer Group | 2600 | 6,425 | 5,944 | 5,668 | 5,646 | 5,531 | 5,252 | 31,025 | 431,905 | 497,395 | 479,359 |

The graph below shows outstanding debtors per category as a percentage of the total debtors outstanding for the period ending October 2025.



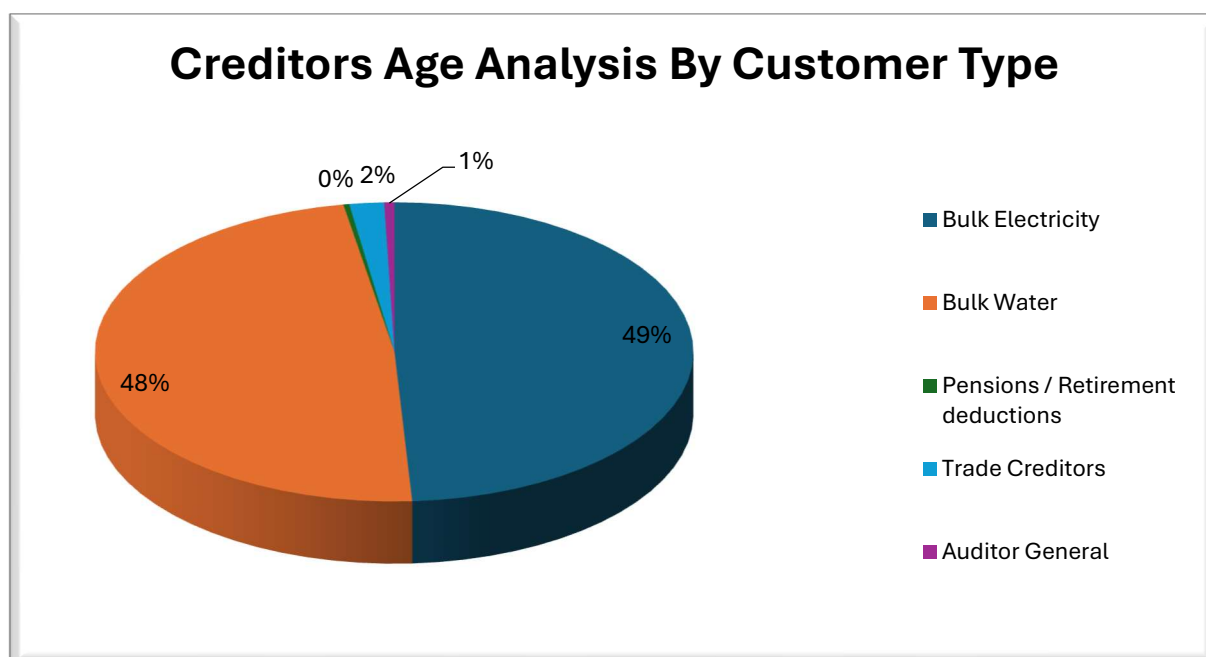
3.5 Creditors Ageing

Total money that the municipality owes to creditors / service providers amounts to **R289.8 million**. The major attribute to this creditors book is Eskom (Bulk Electricity) and Bulk Water as the municipality owes **R142.5 million** and **R137 million** represented respectively.

NC093 Magareng - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

| Description | NT Code | Budget Year 2025/26 | | | | | | | | Total |
|------------------------------------------------|-------------|---------------------|---------------|---------------|---------------|----------------|----------------|-------------------|---------------|----------------|
| | | 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 | |
| R thousands | | | | | | | | | | |
| Creditors Age Analysis By Customer Type | | | | | | | | | | |
| Bulk Electricity | 0100 | 11,670 | 12,186 | 12,192 | 12,485 | 10,133 | 43,199 | 40,646 | - | 142,512 |
| Bulk Water | 0200 | 1,703 | 4,470 | 4,204 | 3,091 | 4,465 | 12,406 | 14,231 | 92,398 | 136,967 |
| PAYE deductions | 0300 | - | - | - | - | - | - | - | - | - |
| VAT (output less input) | 0400 | - | - | - | - | - | - | - | - | - |
| Pensions / Retirement deductions | 0500 | - | - | - | 953 | - | - | - | - | 953 |
| Loan repayments | 0600 | - | - | - | - | - | - | - | - | - |
| Trade Creditors | 0700 | 351 | 504 | 634 | 635 | 1,286 | (220) | 868 | 1,609 | 5,665 |
| Auditor General | 0800 | 309 | 345 | 671 | 619 | 432 | 424 | 554 | 323 | 3,676 |
| Other | 0900 | - | - | - | - | - | - | - | - | - |
| Medical Aid deductions | 0950 | - | - | - | - | - | - | - | - | - |
| Total By Customer Type | 1000 | 14,033 | 17,505 | 17,700 | 17,783 | 16,315 | 55,809 | 56,299 | 94,329 | 289,773 |

The graph below shows creditors per category as a percentage of the total creditors outstanding for the period ending October 2025



4. Budget Performance Overview

4.1 Operating Revenue by Source

NC093 Magareng - Table C1 Monthly Budget Statement Summary - M04 October

| Description | 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 | | | | | | | | | |
| Financial Performance | | | | | | | | | |
| Property rates | 13,247 | 15,251 | 15,251 | 1,257 | 5,017 | 5,084 | (67) | -1% | 15,251 |
| Service charges | 38,331 | 42,146 | 42,146 | 3,427 | 13,803 | 14,049 | (245) | -2% | 42,146 |
| Investment revenue | 385 | 46 | 46 | - | - | 15 | (15) | -100% | 46 |
| Transfers and subsidies - Operational | 73,429 | 76,862 | 76,862 | 1,173 | 33,566 | 25,621 | 7,946 | 0 | 76,862 |
| Other own revenue | 33,029 | 36,184 | 36,184 | 2,562 | 10,309 | 12,061 | (1,753) | -15% | 36,184 |
| Total Revenue (excluding capital transfers and contributions) | 158,421 | 170,489 | 170,489 | 8,419 | 62,695 | 56,830 | 5,865 | 10% | 170,489 |

4.2 Operating Expenditure by type

NC093 Magareng - Table C1 Monthly Budget Statement Summary - M04 October

| Description | 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 | | | | | | | | | |
| Employee costs | 51,011 | 59,997 | 59,997 | 4,525 | 17,334 | 19,999 | (2,665) | -13% | 59,997 |
| Remuneration of Councillors | 5,278 | 5,270 | 5,270 | 437 | 1,749 | 1,757 | (7) | -0% | 5,270 |
| Depreciation and amortisation | 76,675 | 23,541 | 23,541 | 1,962 | 7,847 | 7,847 | 0 | 0% | 23,541 |
| Interest | 5,667 | 600 | 600 | - | - | 200 | (200) | -100% | 600 |
| Inventory consumed and bulk purchases | 47,909 | 39,050 | 39,050 | 804 | 4,533 | 13,017 | (8,484) | -65% | 39,050 |
| Transfers and subsidies | - | - | - | - | - | - | - | - | - |
| Other expenditure | 86,583 | 68,581 | 68,581 | 4,945 | 20,035 | 22,860 | (2,826) | -12% | 68,581 |
| Total Expenditure | 273,124 | 197,039 | 197,039 | 12,673 | 51,498 | 65,680 | (14,182) | -22% | 197,039 |

4.3 Capital Expenditure

NC093 Magareng - Table C1 Monthly Budget Statement Summary - M04 October

| Description | 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 | | | | | | | | | |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 62,335 | 36,361 | 36,361 | 3,165 | 9,575 | 12,120 | (2,545) | -21% | 36,361 |
| Capital transfers recognised | 61,941 | 32,601 | 32,601 | 2,467 | 8,672 | 10,867 | (2,195) | -20% | 32,601 |
| Borrowing | - | - | - | - | - | - | - | - | - |
| Internally generated funds | 394 | 3,760 | 3,760 | 698 | 903 | 1,253 | (351) | -28% | 3,760 |
| Total sources of capital funds | 62,335 | 36,361 | 36,361 | 3,165 | 9,575 | 12,120 | (2,545) | -21% | 36,361 |

4.4 Cash flow

NC093 Magareng - Table C1 Monthly Budget Statement Summary - M04 October

| Description | 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 | | | | | | | | | |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 94,931 | 23,452 | 26,087 | 2,414 | 39,280 | 8,696 | (30,584) | -352% | 23,452 |
| Net cash from (used) investing | (62,636) | (36,076) | (36,076) | (2,880) | (10,207) | (12,025) | (1,819) | 15% | (36,076) |
| Net cash from (used) financing | 38 | 25 | 25 | 2 | 18 | 8 | (10) | -118% | 25 |
| Cash/cash equivalents at the month/year end | 33,438 | (11,494) | (8,859) | 14,636 | 30,506 | (2,217) | (32,723) | 1476% | (11,185) |

4.5 MFMA: Circular 124: Condition 6.9

- The municipal council and senior management team has processes in place to monitor and enforce accountability for the implementation of the municipality's budget through tabling of reports in different council portfolio committees.
- The monthly section 71 reports are being tabled in the budget and treasury portfolio committee, EXCO and council.

4.6 Progress on Budget Funding Plan

The municipality is required to maintain positive cash balances.

Opening cash balance as per bank statement = **R4 404 071.46**

Closing cash balance as per bank statement = **R814 902.01**

Pillar 2 - Reduction in non-core expenditure

There are no unauthorised debit orders for the month of October the municipality reverses these debit orders monthly.

The municipality was not charged penalties and interest for PAYE by SARS for late payment made for October 2025.

Pillar 3 - Trade Payables

Trade creditors for the previous month amounted to **R287.8 million**, increasing to **R289.8 million** by **R2 million** in the reporting month. The municipality is trying to pay its creditors within 30 days of receiving an invoice.

Pillar 4 - Cash and Short-term liquidity

The municipality's short-term liabilities exceed short-term assets. The total current liabilities for the period ending October 2025 amounts to **R341.5 million** and the total current assets is **R60 million**, which shows that municipality cannot meet its obligations with its available cash resources.

Pillar 5 - Collection Rate

Municipality has incurred **13%** collection rate for the month of September which increased to **35%** for the reporting month of October 2025.

Pillar 6 - Distribution losses

Electricity

Total electricity losses as of 30 October 2025 are an average of **67% or – R1 178 937 million** which also puts a risk on the realization of the budget and debt relief program approved by the Nation Treasury. The norm in terms MFMA Circular 71 is 7% – 10%.

Water

Total water losses as of 30 October 2025 are an average of **75% or R1 262 881 million** which also puts a risk on the realization of the budget and the debt relief program approved by the National Treasury. The norm in terms of MFMA Circular 123 is 15% - 30%.

Pillar 7 - Ring fencing of conditional grants

| Description | Budget Year 2025/26 | | | | | |
|-------------------------------------|----------------------|------------------------|---------------------|------------------------------------|-------------------------|-----------------|
| | Original Budget | Funds Received to date | Spents to date | Spent to date Vat Inc & Rentations | Unspent Balance Vat Inc | % Spent to date |
| <u>Grants and Subsidies</u> | | | | | | |
| Operational | | | | | | |
| Capital | | | | | | |
| Municipal Infrastructure Grant | 12,641,000.00 | 3,000,000.00 | - | - | 12,641,000.00 | 0% |
| Water Services Infrastructure Grant | 10,000,000.00 | 8,000,000.00 | 4,390,819.79 | 5,633,526.61 | 4,366,473.39 | 70% |
| Regional Bulk Infrastructure Grant | 9,960,000.00 | 7,157,407.27 | 4,281,529.46 | 4,923,758.88 | 5,036,241.12 | 69% |
| Sub-Total | 32,601,000.00 | 18,157,407.27 | 8,672,349.25 | 10,557,285.49 | 22,043,714.51 | 58% |

The above table is the ring fencing of the conditional capital grants, as per the Dora allocation the municipality's allocation is **R32.6**, from the total allocation the municipality received **R18.2 million** and **R8.7 million** (VAT Excl) was spent to date.

4.7 Progress on the Financial Recovery Plan

Progress reports on the implementation of the Financial Recovery Plan will be submitted separately by the Office of the Municipal Manager to the Northern Cape Provincial Treasury and to the National Treasury.

5. In-Year Budget Statement Tables

5.1 Table C1: Monthly Budget Statements Summary

NC093 Magareng - Table C1 Monthly Budget Statement Summary - M04 October

| Description | 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 | | | | | | | | | |
| Financial Performance | | | | | | | | | |
| Property rates | 13,247 | 15,251 | 15,251 | 1,257 | 5,017 | 5,084 | (67) | -1% | 15,251 |
| Service charges | 38,331 | 42,146 | 42,146 | 3,427 | 13,803 | 14,049 | (245) | -2% | 42,146 |
| Investment revenue | 385 | 46 | 46 | - | - | 15 | (15) | -100% | 46 |
| Transfers and subsidies - Operational | 73,429 | 76,862 | 76,862 | 1,173 | 33,566 | 25,621 | 7,946 | 0 | 76,862 |
| Other own revenue | 33,029 | 36,184 | 36,184 | 2,562 | 10,309 | 12,061 | (1,753) | -15% | 36,184 |
| Total Revenue (excluding capital transfers and contributions) | 158,421 | 170,489 | 170,489 | 8,419 | 62,695 | 56,830 | 5,865 | 10% | 170,489 |
| Employee costs | 51,011 | 59,997 | 59,997 | 4,525 | 17,334 | 19,999 | (2,665) | -13% | 59,997 |
| Remuneration of Councillors | 5,278 | 5,270 | 5,270 | 437 | 1,749 | 1,757 | (7) | -0% | 5,270 |
| Depreciation and amortisation | 76,675 | 23,541 | 23,541 | 1,962 | 7,847 | 7,847 | 0 | 0% | 23,541 |
| Interest | 5,667 | 600 | 600 | - | - | 200 | (200) | -100% | 600 |
| Inventory consumed and bulk purchases | 47,909 | 39,050 | 39,050 | 804 | 4,533 | 13,017 | (8,484) | -65% | 39,050 |
| Transfers and subsidies | - | - | - | - | - | - | - | - | - |
| Other expenditure | 86,583 | 68,581 | 68,581 | 4,945 | 20,035 | 22,860 | (2,826) | -12% | 68,581 |
| Total Expenditure | 273,124 | 197,039 | 197,039 | 12,673 | 51,498 | 65,680 | (14,182) | -22% | 197,039 |
| Surplus/(Deficit) | (114,703) | (26,549) | (26,549) | (4,254) | 11,197 | (8,850) | 20,047 | -227% | (26,549) |
| Transfers and subsidies - capital (monetary) | 71,924 | 32,601 | 32,601 | 3,000 | 18,157 | 10,867 | 7,290 | 67% | 32,601 |
| Transfers and subsidies - capital (in-kind) | 2,252 | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | (40,527) | 6,052 | 6,052 | (1,254) | 29,355 | 2,017 | 27,337 | 1355% | 6,052 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | (40,527) | 6,052 | 6,052 | (1,254) | 29,355 | 2,017 | 27,337 | 1355% | 6,052 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 62,335 | 36,361 | 36,361 | 3,165 | 9,575 | 12,120 | (2,545) | -21% | 36,361 |
| Capital transfers recognised | 61,941 | 32,601 | 32,601 | 2,467 | 8,672 | 10,867 | (2,195) | -20% | 32,601 |
| Borrowing | - | - | - | - | - | - | - | - | - |
| Internally generated funds | 394 | 3,760 | 3,760 | 698 | 903 | 1,253 | (351) | -28% | 3,760 |
| Total sources of capital funds | 62,335 | 36,361 | 36,361 | 3,165 | 9,575 | 12,120 | (2,545) | -21% | 36,361 |
| Financial position | | | | | | | | | |
| Total current assets | 56,306 | 23,633 | 23,633 | - | 59,713 | - | - | - | 23,633 |
| Total non current assets | 459,823 | 515,142 | 515,142 | - | 463,455 | - | - | - | 515,142 |
| Total current liabilities | 341,313 | 306,432 | 306,432 | - | 341,517 | - | - | - | 306,432 |
| Total non current liabilities | 6,802 | 7,940 | 7,940 | - | 6,802 | - | - | - | 7,940 |
| Community wealth/Equity | 189,696 | 224,403 | 224,403 | - | 174,849 | - | - | - | 224,403 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 94,931 | 23,452 | 26,087 | 2,414 | 39,280 | 8,696 | (30,584) | -352% | 23,452 |
| Net cash from (used) investing | (62,636) | (36,076) | (36,076) | (2,880) | (10,207) | (12,025) | (1,819) | 15% | (36,076) |
| Net cash from (used) financing | 38 | 25 | 25 | 2 | 18 | 8 | (10) | -118% | 25 |
| Cash/cash equivalents at the month/year end | 33,438 | (11,494) | (8,859) | 14,636 | 30,506 | (2,217) | (32,723) | 1476% | (11,185) |
| 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 | 6,425 | 5,944 | 5,668 | 5,646 | 5,531 | 5,252 | 31,025 | 431,905 | 497,395 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | 14,033 | 17,505 | 17,700 | 17,783 | 16,315 | 55,809 | 56,299 | 94,329 | 289,773 |

The budget statement summary table provides a high-level overview of the financial performance & position, capital spending by source of funding, cash flow as well as debtors and creditors age analysis. Detailed information regarding the above can be found in the tables below.

5.2 Table C2: Monthly Budget Statement – Financial Performance by Standard Classification

NC093 Magareng - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 October

| Description | Ref | Budget Year 2025/26 | | | | | | | | |
|--------------------------------------------|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
| | | 2024/25 Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Revenue - Functional | | | | | | | | | | |
| Governance and administration | | 93,074 | 97,779 | 97,779 | 2,403 | 40,471 | 32,593 | 7,878 | 24% | 97,779 |
| Executive and council | | 66,243 | 67,612 | 67,612 | - | 27,950 | 22,537 | 5,413 | 24% | 67,612 |
| Finance and administration | | 26,831 | 30,167 | 30,167 | 2,403 | 12,521 | 10,056 | 2,465 | 25% | 30,167 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| Community and public safety | | 2,002 | 3,023 | 3,023 | 660 | 764 | 1,008 | (244) | -24% | 3,023 |
| Community and social services | | 1,195 | 1,354 | 1,354 | 634 | 635 | 451 | 184 | 41% | 1,354 |
| Sport and recreation | | 51 | 324 | 324 | - | - | 108 | (108) | -100% | 324 |
| Public safety | | 756 | 1,345 | 1,345 | 26 | 129 | 448 | (320) | -71% | 1,345 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | - | 450 | 450 | - | - | 150 | (150) | -100% | 450 |
| Planning and development | | - | - | - | - | - | - | - | - | - |
| Road transport | | - | 450 | 450 | - | - | 150 | (150) | -100% | 450 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| Trading services | | 137,520 | 101,838 | 101,838 | 8,356 | 39,617 | 33,946 | 5,671 | 17% | 101,838 |
| Energy sources | | 19,618 | 22,750 | 22,750 | 1,810 | 7,567 | 7,583 | (17) | 0% | 22,750 |
| Water management | | 64,584 | 38,293 | 38,293 | 1,033 | 14,072 | 12,764 | 1,308 | 10% | 38,293 |
| Waste water management | | 41,434 | 28,468 | 28,468 | 4,466 | 13,822 | 9,489 | 4,332 | 46% | 28,468 |
| Waste management | | 11,884 | 12,327 | 12,327 | 1,047 | 4,157 | 4,109 | 48 | 1% | 12,327 |
| Other | 4 | - | - | - | - | - | - | - | - | - |
| Total Revenue - Functional | 2 | 232,597 | 203,090 | 203,090 | 11,419 | 80,853 | 67,697 | 13,156 | 19% | 203,090 |
| Expenditure - Functional | | | | | | | | | | |
| Governance and administration | | 82,379 | 77,433 | 77,433 | 5,960 | 23,134 | 25,811 | (2,677) | -10% | 77,433 |
| Executive and council | | 13,469 | 15,074 | 15,074 | 1,152 | 5,049 | 5,025 | 24 | 0% | 15,074 |
| Finance and administration | | 68,909 | 62,359 | 62,359 | 4,808 | 18,085 | 20,786 | (2,701) | -13% | 62,359 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| Community and public safety | | 12,247 | 16,757 | 16,757 | 1,001 | 4,031 | 5,586 | (1,554) | -28% | 16,757 |
| Community and social services | | 2,301 | 2,467 | 2,467 | 182 | 766 | 822 | (56) | -7% | 2,467 |
| Sport and recreation | | 3,314 | 6,712 | 6,712 | 227 | 957 | 2,237 | (1,280) | -57% | 6,712 |
| Public safety | | 3,746 | 4,146 | 4,146 | 313 | 1,204 | 1,382 | (178) | -13% | 4,146 |
| Housing | | 2,885 | 3,432 | 3,432 | 280 | 1,104 | 1,144 | (40) | -3% | 3,432 |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 68,919 | 9,782 | 9,782 | 504 | 2,418 | 3,261 | (843) | -26% | 9,782 |
| Planning and development | | 5,950 | 6,883 | 6,883 | 354 | 1,804 | 2,294 | (491) | -21% | 6,883 |
| Road transport | | 62,969 | 2,899 | 2,899 | 150 | 614 | 966 | (352) | -36% | 2,899 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| Trading services | | 109,580 | 93,067 | 93,067 | 5,207 | 21,915 | 31,022 | (9,107) | -29% | 93,067 |
| Energy sources | | 38,947 | 42,018 | 42,018 | 1,117 | 5,504 | 14,006 | (8,502) | -61% | 42,018 |
| Water management | | 33,986 | 24,925 | 24,925 | 2,025 | 8,249 | 8,308 | (59) | -1% | 24,925 |
| Waste water management | | 25,178 | 19,993 | 19,993 | 1,601 | 6,313 | 6,664 | (352) | -5% | 19,993 |
| Waste management | | 11,468 | 6,130 | 6,130 | 464 | 1,850 | 2,043 | (194) | -9% | 6,130 |
| Other | | - | - | - | - | - | - | - | - | - |
| Total Expenditure - Functional | 3 | 273,124 | 197,039 | 197,039 | 12,673 | 51,498 | 65,680 | (14,182) | -22% | 197,039 |
| Surplus/ (Deficit) for the year | | (40,527) | 6,052 | 6,052 | (1,254) | 29,355 | 2,017 | 27,337 | 13.552084 | 6,052 |

Table C2 reflects the financial performance in the standard classifications required by Government Finance Statistics Function and Sub-Functions. The table shows that most of the municipality's funds are received under Governance and Administration function, and this is because the municipality budgets for most of its income under Finance and Administration of the Government Financial Statistics classification.

5.3 Table C3: Monthly Budget Statement – Financial Performance (Revenue & Expenditure by Municipal vote)

NC093 Magareng - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

| 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 | | 66,243 | 67,612 | 67,612 | - | 27,950 | 22,537 | 5,413 | 24.0% | 67,612 |
| Vote 02 - Office Of The Municipal Manager | | - | - | - | - | - | - | - | - | - |
| Vote 03 - Corporate Services | | (236) | - | - | - | - | - | - | - | - |
| Vote 04 - Financial Services | | 27,067 | 30,167 | 30,167 | 2,403 | 12,521 | 10,056 | 2,465 | 24.5% | 30,167 |
| Vote 05 - Municipal Infrastructure | | 130,670 | 89,961 | 89,961 | 8,356 | 39,617 | 29,987 | 9,630 | 32.1% | 89,961 |
| Vote 06 - Community Services | | 6,923 | 15,350 | 15,350 | 35 | 46 | 5,117 | (5,070) | -99.1% | 15,350 |
| Vote 07 - Public Safety & Transport | | 1,930 | - | - | 625 | 718 | - | 718 | #DIV/0! | - |
| Vote 08 - Sports, Arts, Parks, Culture | | - | - | - | - | - | - | - | - | - |
| Vote 09 - Planning & Development | | - | - | - | - | - | - | - | - | - |
| Vote 10 - Hunan Settlements | | - | - | - | - | - | - | - | - | - |
| Vote 11 - Idp, Pms Department | | - | - | - | - | - | - | - | - | - |
| Vote 12 - Spatial Development, Planning & Traditional Affairs | | - | - | - | - | - | - | - | - | - |
| Vote 13 - Electricity Department | | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | - | - |
| Total Revenue by Vote | 2 | 232,597 | 203,090 | 203,090 | 11,419 | 80,853 | 67,697 | 13,156 | 19.4% | 203,090 |
| Expenditure by Vote | 1 | | | | | | | | | |
| Vote 01 - Executive & Council | | 12,397 | 12,407 | 12,407 | 955 | 4,338 | 4,136 | 202 | 4.9% | 12,407 |
| Vote 02 - Office Of The Municipal Manager | | 849 | 2,478 | 2,478 | 198 | 405 | 826 | (421) | -50.9% | 2,478 |
| Vote 03 - Corporate Services | | 17,570 | 19,293 | 19,293 | 1,527 | 6,043 | 6,431 | (388) | -6.0% | 19,293 |
| Vote 04 - Financial Services | | 51,414 | 43,144 | 43,144 | 3,281 | 12,048 | 14,381 | (2,334) | -16.2% | 43,144 |
| Vote 05 - Municipal Infrastructure | | 175,162 | 93,982 | 93,982 | 5,017 | 21,891 | 31,327 | (9,437) | -30.1% | 93,982 |
| Vote 06 - Community Services | | 9,699 | 18,878 | 18,878 | 1,157 | 4,696 | 6,293 | (1,597) | -25.4% | 18,878 |
| Vote 07 - Public Safety & Transport | | 173 | - | - | - | - | - | - | - | - |
| Vote 08 - Sports, Arts, Parks, Culture | | - | - | - | - | - | - | - | - | - |
| Vote 09 - Planning & Development | | 5,860 | 6,857 | 6,857 | 538 | 2,078 | 2,286 | (208) | -9.1% | 6,857 |
| Vote 10 - Hunan Settlements | | - | - | - | - | - | - | - | - | - |
| Vote 11 - Idp, Pms Department | | - | - | - | - | - | - | - | - | - |
| Vote 12 - Spatial Development, Planning & Traditional Affairs | | - | - | - | - | - | - | - | - | - |
| Vote 13 - Electricity Department | | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | - | - |
| Total Expenditure by Vote | 2 | 273,124 | 197,039 | 197,039 | 12,673 | 51,498 | 65,680 | (14,182) | -21.6% | 197,039 |
| Surplus/ (Deficit) for the year | 2 | (40,527) | 6,052 | 6,052 | (1,254) | 29,355 | 2,017 | 27,337 | 1355.2% | 6,052 |

Reporting per municipal vote provides details on the spread of revenue and expenditure over the various functions of the municipality as required by Government Financial Statistics of the National Treasury.

Expenditure per municipal vote is distributed to ensure that the municipal expenditure reflects the functions where the expenditure is allocated. This is done to ensure implementation of the IDP through SDBIP.

Expenditure by Vote or Department

The narrations below indicate how individual departments have performed. when comparing actual year to date which amounts to **R51.5 million** and year to date budget which amounts to **R65.6 million** which resulted a negative variance of **21.6%** as at end of **October 2025**.

Vote 1 – Executive and Council Administration

Executive and Council Administration original budget amounts to **R12.4 million**; for the month of October 2025, **R955 thousand** was spent and the year-to-date actual amounts to **R4.3 million** which reflected positive variance of **4.9%** when compared to the projected budget that amounts to **R4.1 million**.

Vote 2 – Municipal Manager

Municipal Manager original budget amounts to **R2.5 million**; for the month of October 2025, **R198 thousands** was spent and the actual year to date amounts to **R405 thousand**. the municipality spent **50.9%** less than the projected budget that amounts to **R826 thousands** for the month ending October 2025.

The negative variance is due to the following items:

- Employee related cost the projected budget for the month amounts to **R189 130 thousand**, and the municipality spent **R157 thousand** for the month of October. the contributing factor is we have a budgeted for the following vacant posts for Communication Officer, and the municipality began to transact on the Municipal Manager's remuneration this month.
- Contracted Services the projected budget for the month amounts to **R1 700 thousand** and the municipality did not spend on this line item, due to financial constraints and the implementation of the cost containment policy.
- Operational Cost the projected budget for the month amount to **R15 thousand** and the municipality spend **R40 456 thousand** for the month of October. The municipality has overspent on this line item.

Vote 3 – Corporate Services.

Corporate Services original budget amounts to **R19.3**; for the reporting month of October 2025, **R1.5 million** was spent and the actual year to date amounts to **R6 million** which shows that Corporate Services has spent **6%** less than the projected budget that amounts to **R6.4 million**. The negative variance is immaterial.

Vote 4 – Finance Department.

Finance Department original budget amounts to **R43.1 million**; for the month of October 2025, **R3.3 million** was spent and the actual year to date amounts to **R12 million** which shows that Finance Department spent **16.2%** less than the projected budget that amounts to **R14.4 million**.

The negative variance is due to the following line items:

- Employee related cost the projected budget for the month amounts to **R1.1 million** and the municipality spent **R1 million** for the month of October, the variance is due to the vacant posts

which were not filled. The following posts are vacant credit control officer and accounting services: manager was filled in as from 1st of October 2025.

- Contracted services the projected budget for the month to **R533 thousand**, and the municipality spent **R660 thousand** for the month of October. The municipality overspent on this line item.
- Inventory Consumed the projected budget for the month amounts to **R915 thousand**, and the municipality spent **R736 thousand** for the month of October. The municipality overspent on this line item.
- Interest on overdue and on deposits account the projected budget for the month amounts to **R50 thousand**. There are no actuals on this line item for the month of October.

Vote 5 – Municipal Infrastructure

Municipal Infrastructure original budget amounts to **R93.9 million**, for the month of October 2025 **R5 million** was spent and the actual year to date amounts to **R21.9 million** which shows that the municipality has spent **30%** less than the projected budget that amounts to **R31.3 million**.

The negative variance is due to the following line items:

- Employee related cost the projected budget for the month amounts to **R1.4 million** and the municipality spent **R1.2 million** for the month of October, this variance is due to the budgeted post such Water and Sanitation manager, HOD Technical Services and others which are not filled.
- Contracted services the projected budget amounts to **R259 thousand** and the municipality there were no actuals on this line item; this is due to financial constraints and the implementation of the cost containment policy.
- Bulk Purchases the projected budget for the month amounts to **R2 million** and there was no payment was made towards Eskom this variance is due financial constraints and low collection rate.

Vote 6 - Community Services

Community Services original budget amount to **R18.9 million**; for the reporting month of October 2025, municipality spent **R1.2 million** and the year-to-date actual amounts to **R4.7 million** which shows that the municipality spent **25.4%** less than the projected budget that amounts to **R6.3 million**.

- Employee related cost the projected budget for the month amount to **R943 thousand**, and the municipality spent **R763 thousand** for the month of October, this is due to the following vacant posts which were not filled, HOD Community services, environment officer and general worker.

- Contracted services projected budget for the month amounts to **R56 thousands**, and the municipality there were no actuals on this line item for the month of October, this is due to financial constraints and the implementation of the cost containment policy.
- Operational cost the projected budget for the month amounts to **R21 thousand** and the municipality spent **R8 thousand** for the month of October, this is due to financial constraints and the implementation of the cost containment policy.
- Inventory consumed the projected budget for the month amounts to **R92 thousand**, and the municipality there were no actuals on this line item, this is due to financial constraints and the implementation of the cost containment policy.
- Operating Lease the projected budget for the month amounts to **R83 thousand** and there were no actuals for the month of October, this is due to financial constraints and the implementation of the cost containment policy.

Vote 9 – Planning & Development

Planning & Development original budget amounts to **R6.9 million**, for the month of October, **R538 thousand** was spent and the actual year to date amounts to **R20.1 million** which shows that municipality spent **9.1%** less than the projected budget that amounts to **R2.3 million**. **The variance is deemed immaterial as it is below 10**

5.4 Table C4: Monthly Budget Statement - Financial Performance (revenue and expenditure)

NC093 Magareng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

| Description | Ref | Budget Year 2025/26 | | | | | | | | |
|----------------------------------------------------------------------|-----|---------------------|-----------------|-----------------|----------------|---------------|----------------|-----------------|----------------|--------------------|
| | | 2024/25 | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| Revenue | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | |
| Service charges - Electricity | | 17,723 | 19,592 | 19,592 | 1,600 | 6,728 | 6,531 | 197 | 3% | 19,592 |
| Service charges - Water | | 4,786 | 5,424 | 5,424 | 422 | 1,453 | 1,808 | (355) | -20% | 5,424 |
| Service charges - Waste Water Management | | 9,085 | 9,775 | 9,775 | 805 | 3,224 | 3,258 | (35) | -1% | 9,775 |
| Service charges - Waste management | | 6,737 | 7,355 | 7,355 | 600 | 2,399 | 2,452 | (53) | -2% | 7,355 |
| Sale of Goods and Rendering of Services | | 943 | 1,232 | 1,232 | 25 | 423 | 411 | 13 | 3% | 1,232 |
| Agency services | | - | - | - | - | - | - | - | - | - |
| Interest | | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 21,670 | 25,462 | 25,462 | 1,922 | 7,421 | 8,487 | (1,066) | -13% | 25,462 |
| Interest from Current and Non Current Assets | | 385 | 46 | 46 | - | - | 15 | (15) | -100% | 46 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Rent on Land | | 23 | 38 | 38 | 3 | 10 | 13 | (3) | -24% | 38 |
| Rental from Fixed Assets | | 16 | 327 | 327 | - | - | 109 | (109) | -100% | 327 |
| Licence and permits | | - | - | - | - | - | - | - | - | - |
| Special rating levies | | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | 3,520 | 732 | 732 | 26 | 129 | 244 | (116) | -47% | 732 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 13,247 | 15,251 | 15,251 | 1,257 | 5,017 | 5,084 | (67) | -1% | 15,251 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 225 | 612 | 612 | - | - | 204 | (204) | -100% | 612 |
| Licence and permits | | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - Operational | | 73,429 | 76,862 | 76,862 | 1,173 | 33,566 | 25,621 | 7,946 | 31% | 76,862 |
| Interest | | 6,681 | 7,781 | 7,781 | 586 | 2,326 | 2,594 | (268) | -10% | 7,781 |
| Fuel Levy | | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | 252 | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | (301) | - | - | - | - | - | - | - | - |
| Other Gains | | - | - | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 158,421 | 170,489 | 170,489 | 8,419 | 62,695 | 56,830 | 5,865 | 10% | 170,489 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 51,011 | 59,997 | 59,997 | 4,525 | 17,334 | 19,999 | (2,665) | -13% | 59,997 |
| Remuneration of councillors | | 5,278 | 5,270 | 5,270 | 437 | 1,749 | 1,757 | (7) | 0% | 5,270 |
| Bulk purchases - electricity | | 31,322 | 25,000 | 25,000 | - | - | 8,333 | (8,333) | -100% | 25,000 |
| Inventory consumed | | 16,587 | 14,050 | 14,050 | 804 | 4,533 | 4,683 | (151) | -3% | 14,050 |
| Debt impairment | | 50,156 | 31,883 | 31,883 | 2,657 | 10,628 | 10,628 | (0) | 0% | 31,883 |
| Depreciation and amortisation | | 76,675 | 23,541 | 23,541 | 1,962 | 7,847 | 7,847 | 0 | 0% | 23,541 |
| Interest | | 5,667 | 600 | 600 | - | - | 200 | (200) | -100% | 600 |
| Contracted services | | 14,322 | 16,283 | 16,308 | 1,096 | 3,597 | 5,430 | (1,834) | -34% | 16,308 |
| Transfers and subsidies | | - | - | - | - | - | - | - | - | - |
| Irrecoverable debts written off | | - | - | - | - | - | - | - | - | - |
| Operational costs | | 18,177 | 19,810 | 19,785 | 1,192 | 5,810 | 6,601 | (791) | -12% | 19,785 |
| Losses on Disposal of Assets | | - | - | - | - | - | - | - | - | - |
| Other Losses | | 3,928 | 604 | 604 | - | - | 201 | (201) | -100% | 604 |
| Total Expenditure | | 273,124 | 197,039 | 197,039 | 12,673 | 51,498 | 65,680 | (14,182) | -22% | 197,039 |
| Surplus/(Deficit) | | (114,703) | (26,549) | (26,549) | (4,254) | 11,197 | (8,850) | 20,047 | (0) | (26,549) |
| Transfers and subsidies - capital (monetary allocations) | | - | - | - | - | - | - | - | - | - |
| | | 71,924 | 32,601 | 32,601 | 3,000 | 18,157 | 10,867 | 7,290 | 0 | 32,601 |
| Transfers and subsidies - capital (in-kind) | | 2,252 | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | (40,527) | 6,052 | 6,052 | (1,254) | 29,355 | 2,017 | 27,337 | 0 | 6,052 |
| Income Tax | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after income tax | | (40,527) | 6,052 | 6,052 | (1,254) | 29,355 | 2,017 | 27,337 | 0 | 6,052 |
| Share of Surplus/Deficit attributable to Joint Venture | | - | - | - | - | - | - | - | - | - |
| Share of Surplus/Deficit attributable to Minorities | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | (40,527) | 6,052 | 6,052 | (1,254) | 29,355 | 2,017 | 27,337 | 0 | 6,052 |
| Share of Surplus/Deficit attributable to Associate | | - | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | | (40,527) | 6,052 | 6,052 | (1,254) | 29,355 | 2,017 | 27,337 | 0 | 6,052 |

Operating Revenue

The summary of the Total operating revenue reflected in the above table C4 table of the C Schedule attached. During the month of October 2025, the municipality generated total operating revenue which amounts to **R8.4 million**. The year-to-date actual revenue excluding operational grants amounts to **R62.7 million** and the year-to-date budget amounts to **R56.8 million** which reflects a positive variance amounts to **R5.9 million** excluding operational grants, which shows that the municipality has over billed for the month of October 2025.

Detailed explanation on revenue by source items

Property Rates

The municipality billed revenue of **R1.3 million** in October 2025. However, the actual year-to-date revenue amounts to **R5 million** which is **1%** less than the budgeted revenue of **R5.1 million** for the period under review. The variance between year-to-date budget and year to date actual is immaterial.

Service charges – Electricity.

The municipality billed revenue of **R1.6 million** from Sales of Electricity. However, the year-to-date revenue amounts to **R6.7 million**, which reflected a positive variance of **3%** when compared to year-to-date budget that amounts to **R6.5 million** for the period under review. The variance for electricity service charges is immaterial.

Service charges – water.

The municipality billed revenue of **R422 thousands** from Water Services, meanwhile the year-to-date actual amounts to **R1.5 million** which is **20%** less than the year-to-date budget of **R1.8 million** for the period under review. This is due to the water meters that are not working, and, in some instances, there are no water meters at all which makes it impossible for the municipality to get full consumption for water as projected. The municipality appointed Equalizer for revenue enhancement, which have started the process of replacing tempered and damaged water meter's to the community.

Service charges – sanitation.

In the month under review, the municipality billed revenue of **R805 thousands**. The year-to-date actual amounts to **R3.2 million**, which is **1%** less than the year-to-date budget of **R3.3 million** for the month. The variance is immaterial.

Service charges – refuse.

The municipality billed revenue of **R600 thousands** and actual year to date amounts to **R2.4 million** which is **2%** less than year to date budget that amounts to **R2.5 million** during the period under review. The variance is immaterial.

Sales of Good and Rendering of Services

The municipality has generated **R25 thousands** from Sales of Good and Rendering of Services for the reporting month. The actual year to date amounts to **R423 thousands** which resulted the positive variance of **3%** when compared to year-to-date budget amounting to **R411 thousands**. This variance is immaterial.

The following line items are part of sales of goods and rendering of services:

- Cemetery & burial
- Cleaning & removal
- cleaning & removal/vaccum business
- Entrance fees

- photocopies & faxes
- Plan & dev: applicat fees for land usage
- Plan & dev: clearance certificates
- Sale of: agric prod - cattle crazing
- Sale of: publication - tender documents
- Valuation services

It is worth noting that cemetery & burial, cleaning & removal/vacuum business and Plan & dev: applicant fees for land usage the municipality spent less than the projected budget on these line items.

Rent from fixed assets.

For the reporting month, the municipality did not generate income from Rent on Fixed assets and the actual year to date actual amounts to **R0** which resulted the negative variance of **100%** when compared to year-to-date budget of **R109 thousands**. This variance is due to the municipal rental assets (community halls) are dilapidated.

Interest earned – from receivables.

The municipality generated revenue amounting to **R1.9 million**, with the actual year-to-date revenue amounting to **R7.4 million**, which is **13%** less than the year-to-date budget of **R8.5 million** for the current month. The major attribute to this variance is the interest accrued on outstanding debts owed to the municipality. This shortfall has negative implications for the municipal debtor's book, as the accounts remain unpaid for a more extended period and continue to accrue interest.

Fines, penalties, and forfeits

Municipality did not generate any revenue from Fines, penalties and forfeits for the month under review, there is no year-to-date actual which is **100%** less than the year-to-date budget that amounts to **R204 thousands** for October 2025. The municipality's traffic testing station is closed due to the condition is not according to the Department of Transportation regulations

Transfers recognised – operational.

As per DoRa payment schedule, Municipality received **R1.2 million** for the reporting month (**R548 thousand** from provincial treasury (AFS support Grant) and **R625 thousand** from Sports Arts & Culture).

Other revenue

The municipality received **R26 thousands** from other revenue for this month, the year-to-date actual amounts to **R129 thousand** which is **47%** less than the projected revenue that amounts to **R244 thousand** for the period under review.

The above assessment on revenue sources of the municipality indicates the need to effectively implement the Financial Recovery plan, Budget Funding plan, and implementation of credit control and debt recovery policies to ensure improved revenue collection and sustained service delivery.

The above table indicates expenditure items by type:

Operating Expenditure

Table C4 provides a comprehensive overview of the municipality's operating expenditure. These figures have been derived from C4 in the attached C-Schedule. During October 2025 the municipality incurred a total operating expenditure of **R12.7 million** and the current year-to-date actual shows that the municipality spent **R51.5** to date, which is **22%** less than the projected budget of **R65.7 million**.

Employee related costs.

The municipality incurred **R4.5 million** on employee related costs and actual year to date amounts to **R17.3 million** which reflects a negative variance of **13%** which indicates that the municipality has spent less than the year-to-date budget which amounts to **R20 million** in the current month. The variance between the projected budget & actual year is due to unfilled posts which are budgeted for.

Remuneration of councillors

Expenditure incurred in relation to councillor's remuneration amounts to **R437 thousand** and the year-to-date actual amounts to **R1.7 million** which reflects variance of **0%** when compared to year-to-date budget that amounts to **R1.8 million**. The variance in Remuneration of Councillors is immaterial.

Debt impairment

The municipality incurred **R2.7 million** which is regarded as non-cash item and actual year to date. The actual year to date amounts to **R10.6 million** which reflects **0%** variance when compared to actual year to date budget that amounts **R10.6 million**, it shows that both year to date actual and year to date budget are inline. This is because monthly journals are captured for the movement as per advice from Provincial Treasury and which is based on the current collection trends and the 2023/24 audited financial statements.

Depreciation

The municipality incurred **R2 million** which is a non-cash item and actual year to date amounts to **R7.8 million** which reflects **0%** variance when compared to actual year to date budget that amounts to **R7.8 million**. Journals are being processed based on budgeted depreciation amount as per 2023/24 audited annual financial statement.

Bulk purchases - Electricity

The municipality did not spend on bulk purchases for the reporting month and the actual year to date amounts to **R0** and reflected a negative variance amounting to **R8.3 million** which is **100%** less than projected budget that amounts to **R8.3 million**. This is because municipality cannot honour its payment

arrangement made with Eskom as per debt relief conditions, due to financial constraints that the municipality is currently facing. Take note that this amount only relates to Eskom expenditure as water is classified under inventory items.

Inventory consumed

The reclassification of MSCOA has resulted in water purchases being categorized under inventory consumed. For the reporting month the municipality paid Vaalharts, the municipality has incurred **R804 thousand** on inventory consumed and the year-to-date expenditure amounts to **R4.5 million**. This reflects a variance of **3%** more than the projected budget of **R4.7 million**. The reason for this variance is that the municipality is unable to honour monthly payments to Vaalharts due to financial constraints and low collection rate.

Contracted Services

Contracted services include Accountants and Auditors, Security service, professional consulting and other services related to maintenance of infrastructure when the need arises. The amount spent for Contracted Services amounts to **R1.1 million** and the year-to-date actual amounts to **R3.6 million** which reflects negative variance of **34%** when compared to the actual year to date budget that amounts to **R5.4 million**. This variance caused by the municipality's inability to service its creditors regularly due to cash constrains and low collection rate.

Operational cost

This item has incurred expenditure amounting to **R1.2 million** and the actual year to date amounts to **R5.8 million** which reflected negative **12%** variance when compared to the year-to-date budget that amounts to **R6.6 million**. It includes items such as remuneration of ward committees, Assets consultants, insurance costs, external audit fees and other municipal running cost.

5.5 Table C5: Monthly Budget Statement – Capital Expenditure (Municipal vote, standard classification, and funding)

NC093 Magareng - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - M04 October

| 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 |
| Capital expenditure - Municipal Vote | | | | | | | | | | |
| Expenditure of multi-year capital appropriation | | | | | | | | | | |
| Vote 01 - Executive & Council | 1 | - | - | - | - | - | - | - | - | - |
| Vote 02 - Office Of The Municipal Manager | | - | - | - | - | - | - | - | - | - |
| Vote 03 - Corporate Services | | 394 | 1,210 | 1,210 | 413 | 413 | 403 | 10 | 2% | 1,210 |
| 03.2 - Corporate Admin | | 394 | 1,210 | 1,210 | 413 | 413 | 403 | 10 | 2% | 1,210 |
| Vote 04 - Financial Services | | - | - | - | - | - | - | - | - | - |
| Vote 05 - Municipal Infrastructure | | - | 100 | 100 | - | - | 33 | (33) | -100% | 100 |
| 05.6 - Electricity | | - | 100 | 100 | - | - | 33 | (33) | -100% | 100 |
| Vote 06 - Community Services | | - | 450 | 450 | - | - | 150 | (150) | -100% | 450 |
| 06.2 - Cemetary | | - | 300 | 300 | - | - | 100 | (100) | -100% | 300 |
| 06.5 - Parks And Recreation | | - | 150 | 150 | - | - | 50 | (50) | -100% | 150 |
| Vote 07 - Public Safety & Transport | | - | - | - | - | - | - | - | - | - |
| Vote 08 - Sports, Arts, Parks, Culture | | - | - | - | - | - | - | - | - | - |
| Vote 09 - Planning & Development | | - | - | - | - | - | - | - | - | - |
| Vote 10 - Hunan Settlements | | - | - | - | - | - | - | - | - | - |
| Vote 11 - Idp, Pms Department | | - | - | - | - | - | - | - | - | - |
| Vote 12 - Spatial Development, Planning & Traditional Affa | | - | - | - | - | - | - | - | - | - |
| Vote 13 - Electricity Department | | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | - | - |
| Total multi-year capital expenditure | | 394 | 1,760 | 1,760 | 413 | 413 | 587 | (174) | -30% | 1,760 |
| Capital expenditure - Municipal Vote | | | | | | | | | | |
| Expenditure of single-year capital appropriation | | | | | | | | | | |
| Vote 01 - Executive & Council | 1 | - | - | - | - | - | - | - | - | - |
| Vote 02 - Office Of The Municipal Manager | | - | - | - | - | - | - | - | - | - |
| Vote 03 - Corporate Services | | - | 600 | 600 | 285 | 316 | 200 | 116 | 58% | 600 |
| 03.2 - Corporate Admin | | - | 600 | 600 | 285 | 316 | 200 | 116 | 58% | 600 |
| Vote 04 - Financial Services | | - | - | - | - | - | - | - | - | - |
| Vote 05 - Municipal Infrastructure | | 61,941 | 33,001 | 33,001 | 2,467 | 8,672 | 11,000 | (2,328) | -21% | 33,001 |
| 05.4 - Sanitation | | 17,543 | 10,000 | 10,000 | 1,866 | 4,391 | 3,333 | 1,057 | 32% | 10,000 |
| 05.5 - Water | | 44,398 | 22,601 | 22,601 | 601 | 4,282 | 7,534 | (3,252) | -43% | 22,601 |
| 05.6 - Electricity | | - | 400 | 400 | - | - | 133 | (133) | -100% | 400 |
| Vote 06 - Community Services | | - | 1,000 | 1,000 | - | 174 | 333 | (160) | -48% | 1,000 |
| 06.5 - Parks And Recreation | | - | 1,000 | 1,000 | - | 174 | 333 | (160) | -48% | 1,000 |
| Vote 07 - Public Safety & Transport | | - | - | - | - | - | - | - | - | - |
| Vote 08 - Sports, Arts, Parks, Culture | | - | - | - | - | - | - | - | - | - |
| Vote 09 - Planning & Development | | - | - | - | - | - | - | - | - | - |
| Vote 10 - Hunan Settlements | | - | - | - | - | - | - | - | - | - |
| Vote 11 - Idp, Pms Department | | - | - | - | - | - | - | - | - | - |
| Vote 12 - Spatial Development, Planning & Traditional Affa | | - | - | - | - | - | - | - | - | - |
| Vote 13 - Electricity Department | | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | - | - |
| Total single-year capital expenditure | | 61,941 | 34,601 | 34,601 | 2,752 | 9,162 | 11,534 | (2,371) | (0) | 34,601 |
| Total Capital Expenditure | | 62,335 | 36,361 | 36,361 | 3,165 | 9,575 | 12,120 | (2,545) | (0) | 36,361 |

For the reporting month, the municipality has spent **R3.2 million** on capital expenditure with includes funding from both National Government and Internally generated income, and the year-to-date actual amounts to **R9.6 million** which is still **21%** less than the projected actual budget that amounts to **R12.1 million**.

5.6 Table C6: MBS – Monthly Budget Statement of Financial Position

NC093 Magareng - Table C6 Monthly Budget Statement - Financial Position - M04 October

| Description | Ref | 2024/25 | Budget Year 2025/26 | | | |
|---------------------------------------------------------|-----|-----------------|---------------------|-----------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| R thousands | 1 | | | | | |
| ASSETS | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | | 1,414 | (60,742) | (60,742) | 591 | (60,742) |
| Trade and other receivables from exchange transactions | | (30,730) | 20,262 | 20,262 | (26,352) | 20,262 |
| Receivables from non-exchange transactions | | 16,114 | 14,699 | 14,699 | 17,112 | 14,699 |
| Current portion of non-current receivables | | | | | | |
| Inventory | | 6 | 121 | 121 | (58) | 121 |
| VAT | | 71,297 | 50,562 | 50,562 | 70,216 | 50,562 |
| Other current assets | | (1,795) | (1,270) | (1,270) | (1,796) | (1,270) |
| Total current assets | | 56,306 | 23,633 | 23,633 | 59,713 | 23,633 |
| Non current assets | | | | | | |
| Investments | | | | | | |
| Investment property | | 21,079 | 24,868 | 24,868 | 21,079 | 24,868 |
| Property, plant and equipment | | 436,542 | 489,691 | 489,691 | 440,173 | 489,691 |
| Biological assets | | | | | | |
| Living and non-living resources | | | | | | |
| Heritage assets | | 371 | 371 | 371 | 371 | 371 |
| Intangible assets | | 1,831 | 213 | 213 | 1,831 | 213 |
| Trade and other receivables from exchange transactions | | | | | | |
| Non-current receivables from non-exchange transactions | | 0 | 0 | 0 | 0 | 0 |
| Other non-current assets | | | | | | |
| Total non current assets | | 459,823 | 515,142 | 515,142 | 463,455 | 515,142 |
| TOTAL ASSETS | | 516,129 | 538,775 | 538,775 | 523,167 | 538,775 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | - | - | - | - | - |
| Financial liabilities | | - | - | - | - | - |
| Consumer deposits | | 1,358 | 1,334 | 1,334 | 1,376 | 1,334 |
| Trade and other payables from exchange transactions | | 299,749 | 266,511 | 266,511 | 275,896 | 266,511 |
| Trade and other payables from non-exchange transactions | | 1,451 | 9,019 | 9,019 | 24,086 | 9,019 |
| Provision | | 10,167 | 8,837 | 8,837 | 10,076 | 8,837 |
| VAT | | 28,589 | 20,731 | 20,731 | 30,083 | 20,731 |
| Other current liabilities | | - | - | - | - | - |
| Total current liabilities | | 341,313 | 306,432 | 306,432 | 341,517 | 306,432 |
| Non current liabilities | | | | | | |
| Financial liabilities | | 669 | 1,085 | 1,085 | 669 | 1,085 |
| Provision | | 6,133 | 6,855 | 6,855 | 6,133 | 6,855 |
| Long term portion of trade payables | | - | - | - | - | - |
| Other non-current liabilities | | - | - | - | - | - |
| Total non current liabilities | | 6,802 | 7,940 | 7,940 | 6,802 | 7,940 |
| TOTAL LIABILITIES | | 348,114 | 314,372 | 314,372 | 348,318 | 314,372 |
| NET ASSETS | 2 | 168,015 | 224,403 | 224,403 | 174,849 | 224,403 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated surplus/(deficit) | | 189,696 | 224,403 | 224,403 | 174,849 | 224,403 |
| Reserves and funds | | - | - | - | - | - |
| Other | | - | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 189,696 | 224,403 | 224,403 | 174,849 | 224,403 |

Total Assets

Variations were noted between the budgeted values of assets and the actual recorded at the end of the review period. As at the end of October 2025, the municipality recorded total assets of **R523.2 million** which includes **R59.7 million** and **R463.5 million** for both current assets and non-current assets respectively. Current assets are those assets that are likely to be converted into cash within twelve months, while non-current assets are likely to be converted into cash over a longer-term.

Trade and other received from exchange transactions & non-exchange transactions.

As at the end of October 2025, the municipality recorded consumer debtors (Exchange and non-exchange transactions) of **–R9.2 million**, representing about **-2%** of the total assets. Looking at the annual budgeted trade and other receivables of **R34.9 million**, consumer debtors appear to be understated as compared to the debtor's age analysis. This is due to the failure of customers paying their debt as well as the impact of debt impairment which will be fully affected at the end of the financial year. This is also an indication of the rate at which consumer debtors are escalating. It is important that council fast-track implementation of its credit control and debt collection strategies (revenue enhancement) to collect the outstanding debtors. The municipality will need to estimate the projected annual debtors and the provision for debt impairment to accurately budget for the consumer debtors projected at the end of the financial year.

Property Plant and Equipment (PPE)

As of 30 October 2025, the municipality recorded **R440.2 million** for Property Plant and Equipment, which represents **84%** of the total assets. These assets comprise of roads and storm water, water and infrastructure, electricity infrastructure, community assets, and other plants and equipment which the municipality has acquired mainly for service delivery and for its own use. These assets determine the municipality's ability to deliver services to communities.

This shows that recorded PPE is **R440.2 million** which is less than the projected amount of **R489.7 million** for the financial year ending 2025/26.

Total Liabilities

Variances were noted between the budgeted values of liabilities and the actual recorded at the end of October 2025. As at the end October 2025, the municipality recorded total liabilities of **R348.3 million** which is **R341.5 million** and **R6.8 million** for both current liabilities and non-current liabilities respectively. Current liabilities are those liabilities that are payable by the municipality within the twelve months, while non-current liabilities are those liabilities that are payable over a period beyond twelve months.

The current ratio of the municipal's financial position equals to **0.17**, which is current assets divided by current liabilities (**59 713/341 517**). According to the acceptable norms, a current ratio which is less than 1 shows that the municipality is unable to pay its shorts term debts (current liabilities) using its cash on hand (Current assets). This also shows that institution is not liquid enough and it is financial unstable. The municipality needs to improve on its abilities to raise current assets so that it can be in a better position to pay off debts when they become due.

A detailed breakdown on the individual items is attached on the above table C6– monthly budget statement

5.7 Table C7: Monthly Budget Statement – Cash Flow

NC093 Magareng - Table C7 Monthly Budget Statement - Cash Flow - M04 October

| Description | Ref | Budget Year 2025/26 | | | | | | | | |
|--------------------------------------------------|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
| | | 2024/25 Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Property rates | | 5 068 | 9 150 | 9 150 | 1 035 | 5 333 | 3 050 | 2 283 | 75% | 9 150 |
| Service charges | | 20 156 | 25 207 | 25 207 | 2 102 | 7 307 | 8 402 | (1 095) | -13% | 25 207 |
| Other revenue | | 58 431 | 2 865 | 2 959 | 3 057 | 7 369 | 986 | 6 383 | 647% | 2 865 |
| Transfers and Subsidies - Operational | | 69 243 | 76 862 | 76 862 | 1 173 | 33 566 | 25 621 | 7 946 | 31% | 76 862 |
| Transfers and Subsidies - Capital | | 72 545 | 32 601 | 32 601 | 3 000 | 18 157 | 10 867 | 7 290 | 67% | 32 601 |
| Interest | | 790 | 20 319 | 20 319 | 101 | 570 | 6 773 | (6 203) | -92% | 20 319 |
| Dividends | | | | | | | | | | |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (131 302) | (142 952) | (140 411) | (8 054) | (33 023) | (46 804) | (13 780) | 29% | (142 952) |
| Interest | | - | (600) | (600) | - | - | (200) | (200) | 100% | (600) |
| Transfers and Subsidies | | | | | | | | | | |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 94 931 | 23 452 | 26 087 | 2 414 | 39 280 | 8 696 | (30 584) | -352% | 23 452 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Proceeds on disposal of PPE | | (301) | - | - | - | - | - | - | | - |
| Decrease (increase) in non-current receivables | | - | - | - | - | - | - | - | | - |
| Decrease (increase) in non-current investments | | | | | | | | | | |
| Payments | | | | | | | | | | |
| Capital assets | | (62 335) | (36 076) | (36 076) | (2 880) | (10 009) | (12 025) | (2 016) | 17% | (36 076) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (62 636) | (36 076) | (36 076) | (2 880) | (10 009) | (12 025) | (2 016) | 17% | (36 076) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Short term loans | | | | | | | | | | |
| Borrowing long term/refinancing | | | | | | | | | | |
| Increase (decrease) in consumer deposits | | 38 | 25 | 25 | 2 | 18 | 8 | 10 | 118% | 25 |
| Payments | | | | | | | | | | |
| Repayment of borrowing | | - | - | - | - | - | - | - | | - |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | 38 | 25 | 25 | 2 | 18 | 8 | (10) | -118% | 25 |
| NET INCREASE/ (DECREASE) IN CASH HELD | | | | | | | | | | |
| | | 32 334 | (12 598) | (9 964) | (463) | 29 289 | (3 321) | | | (12 598) |
| Cash/cash equivalents at beginning: | | 1 104 | 1 104 | 1 104 | 15 100 | 1 414 | 1 104 | | | 1 414 |
| Cash/cash equivalents at month/year end: | | 33 438 | (11 494) | (8 859) | 14 636 | 30 703 | (2 217) | | | (11 185) |

Table C7 presents details pertaining to cash flow performance. As at end of October 2025, the net cash inflow from operating activities amounts to **R2.4 million** which entails of; Property rate which municipality collected **R1 million**, Service Charges which includes Water, Electricity, Refuse and Sanitation and municipality collected **R2.1 million** for the month. It is worth noting that the municipality billed and collected the following for services charges for the month of October:

- Electricity serviced billed **R1.6 million** and collected **R1.9 million**.
- Water services billed **R422 thousand** and collected **R112 thousand**.
- Waste- Water billed **R805 thousand** and collected **R40 thousand**
- Waste billed **R600 thousand** and collected **R91 thousand**.

Whilst the net cash outflow from investing activities is **-R2 million** that is mainly comprised of capital projects and assets.

Movement and cash outflow from financing activities amounts **R2 thousand**, which result to the net decrease in cash held of **- R463 thousand**, cash and cash equivalent at the begging of **R15 million** and cash and cash equivalent /month end amounts to **R14.6 million**.

Part 2: Supporting Documentation

6. Debtors Analysis

The outstanding debtors as of 30 September 2025 amounts to **R493.4 million** which shows increase of **R4 million** in debtors' book when compared to 31st October 2025 outstanding debtors which amounted to **R497.4 million**. The largest outstanding amount owed to the municipality is coming from households; this category owes **R459.5 million**, which incurs interest each month. The long outstanding consumer debts may negatively affect the sustainability of the municipality. The average collection rate for previous month was **13%** which increased to **35%** in the reporting month. The effective implementation of the debt collection and credit control is critically essential to ensure the sustainability of the municipality; this figure is due to old debts. The Municipality needs to implement the credit control policy and revenue enhancement strategy to improve the collection rate.

NC093 Magareng - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

| Description | NT Code | Budget Year 2025/26 | | | | | | | | | Total | Total over 90 days |
|-------------------------------------------------------------------------|-------------|---------------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|--------------------|
| | | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | | | |
| R thousands | | | | | | | | | | | | |
| Debtors Age Analysis By Income Source | | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1200 | 502 | 408 | 378 | 381 | 364 | 343 | 2,572 | 71,202 | 76,151 | 74,863 | |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | 642 | 304 | 277 | 269 | 140 | 141 | 742 | 27,338 | 29,853 | 28,630 | |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 1,086 | 1,046 | 956 | 947 | 890 | 804 | 4,440 | 53,990 | 64,159 | 61,071 | |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | 920 | 916 | 908 | 902 | 838 | 835 | 5,094 | 69,921 | 80,333 | 77,589 | |
| Receivables from Exchange Transactions - Waste Management | 1600 | 680 | 662 | 651 | 644 | 601 | 606 | 3,576 | 48,069 | 55,489 | 53,496 | |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | | | | | | | | | - | - | |
| Interest on Arrear Debtor Accounts | 1810 | 2,506 | 2,503 | 2,456 | 2,467 | 2,655 | 2,481 | 14,370 | 157,463 | 186,901 | 179,436 | |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | | | | | | | | | - | - | |
| Other | 1900 | 88 | 105 | 42 | 35 | 43 | 43 | 231 | 3,922 | 4,509 | 4,274 | |
| Total By Income Source | 2000 | 6,425 | 5,944 | 5,668 | 5,646 | 5,531 | 5,252 | 31,025 | 431,905 | 497,395 | 479,359 | |
| September Totals | | 6,576 | 5,941 | 5,969 | 5,682 | 5,455 | 5,265 | 31,022 | 427,478 | 493,388 | 474,902 | |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | |
| Organs of State | 2200 | 328 | 273 | 260 | 247 | 241 | 214 | 1,114 | 3,805 | 6,483 | 5,622 | |
| Commercial | 2300 | 792 | 441 | 395 | 429 | 308 | 295 | 1,624 | 24,551 | 28,834 | 27,207 | |
| Households | 2400 | 5,241 | 5,206 | 4,986 | 4,948 | 4,952 | 4,713 | 28,103 | 401,355 | 459,505 | 444,071 | |
| Other | 2500 | 63 | 24 | 27 | 22 | 29 | 29 | 185 | 2,194 | 2,573 | 2,459 | |
| Total By Customer Group | 2600 | 6,425 | 5,944 | 5,668 | 5,646 | 5,531 | 5,252 | 31,025 | 431,905 | 497,395 | 479,359 | |

| NAME | CURR BAL | 30DAYS BAL | 60DAYS BAL | 90 DAYS BAL | 120 DAYS BAL | 150 DAYS BAL | 180 DAYS BAL | 210 DAYS BAL | 240 DAYS BAL | 270 DAYS PLUS-BAL | CONSOLIDATED BALANCE |
|-----------------------------------------|----------|------------|------------|-------------|--------------|--------------|--------------|--------------|--------------|-------------------|----------------------|
| TRANSNET PROPERTY VAT 4720103177 | 989.87 | 985.46 | 981.06 | 977.02 | 977.78 | 973.38 | 968.99 | 964.61 | 960.23 | 85779.03 | 94557.43 |
| ARE SEMELELENG CO-OPERATIVE LTD | 1024.13 | 1020.16 | 1016.18 | 1012.37 | 1035.33 | 1031.2 | 1027.06 | 1022.92 | 1018.78 | 83518.5 | 92726.63 |
| T VERMEULEN | 1646.98 | 1637.17 | 1627.36 | 1618.41 | 1574.08 | 1564.36 | 1554.65 | 1544.93 | 1535.21 | 78254.83 | 92557.98 |
| VAN ZYL (TCT SPARES) HK | 1021.37 | 1017.39 | 1013.41 | 1009.59 | 1032.35 | 1028.21 | 1024.07 | 1019.92 | 1015.78 | 82855.05 | 92037.14 |
| JJ BURGER | 454.74 | 454.74 | 454.74 | 454.74 | 493.43 | 493.43 | 493.43 | 493.43 | 493.43 | 87305.91 | 91592.02 |
| HM ALI | 323.11 | 323.11 | 323.11 | 323.11 | 350.59 | 350.59 | 350.59 | 350.59 | 350.59 | 86609.81 | 89655.2 |
| H KATHRADA | 1788.66 | 1777.67 | 1775.22 | 1765.36 | 1669.02 | 1658.34 | 1647.64 | 1636.94 | 1630.88 | 72901.65 | 88251.38 |
| D RANDALL | 1861.25 | 1849.17 | 1837.09 | 1826.03 | 1752.86 | 1740.86 | 1728.86 | 1716.85 | 1704.84 | 71666.34 | 87684.15 |
| KOPANO BAKERY | 689.27 | 686.7 | 684.13 | 681.67 | 698.93 | 696.26 | 693.59 | 690.92 | 688.25 | 79507.33 | 85717.05 |
| PAV BURGER | 1368 | 1359.25 | 1382.92 | 1375.03 | 1320.35 | 1311.85 | 1303.29 | 1303.29 | 1311.85 | 71917.02 | 83952.85 |
| HUA HUA RON INV (PTY LTD)_CLOTHING SHOP | 915.26 | 911.28 | 907.31 | 903.49 | 917.21 | 913.07 | 908.93 | 904.8 | 900.65 | 75618.22 | 83800.22 |
| A STAR CAFE | 483.61 | 483.61 | 483.61 | 483.61 | 524.77 | 524.77 | 524.77 | 524.77 | 524.77 | 79024.95 | 83583.24 |
| V VAN DEN BERG | 345.33 | 345.33 | 345.33 | 345.33 | 374.7 | 374.7 | 374.7 | 374.7 | 374.7 | 80263.6 | 83518.42 |
| EJH DANIELS | 2166.7 | 2152.6 | 2138.49 | 2125.73 | 2005.85 | 1992.05 | 1999.44 | 1985.57 | 1971.73 | 64003.96 | 82542.12 |
| TRANSNET LTD | 952.34 | 947.88 | 943.44 | 939.39 | 925.93 | 921.51 | 917.09 | 912.7 | 908.29 | 71858.66 | 80227.23 |
| BONANE ENTERPRIZES (PROK) | 317.98 | 317.98 | 317.98 | 317.98 | 345.04 | 345.04 | 345.04 | 345.04 | 345.04 | 75626.66 | 78623.78 |
| VLEIS PALEIS | 293.25 | 293.25 | 293.25 | 293.25 | 318.21 | 318.21 | 318.21 | 318.21 | 318.21 | 75640.69 | 78404.74 |
| BONANE ENTERPRIZES (PROK) | 1253.27 | 1245.81 | 1238.35 | 1231.53 | 1198.74 | 1191.34 | 1183.94 | 1176.53 | 1169.13 | 66394.72 | 77283.36 |
| NR ROSSOUW/ CJ VENTER | 1218.19 | 1211.26 | 1204.33 | 1198.14 | 1136.91 | 1130.2 | 1123.48 | 1116.77 | 1110.05 | 65168.24 | 75617.57 |
| 4720103177 TRANSNET FREIGHT RAIL | 72931.47 | 2660.94 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 75592.41 |
| SEED OF LIFE INVESTMENTS (PTY LTD) | 1180.22 | 1173.9 | 1167.56 | 1161.62 | 1152.83 | 1146.38 | 1139.93 | 1133.47 | 1127.01 | 64946.86 | 75329.78 |
| BUZAPHI CONSTRUCTION PTY LTD | 1265.76 | 1258.83 | 1251.9 | 1245.71 | 1188.54 | 1181.83 | 1175.11 | 1168.4 | 1161.69 | 63494.31 | 74392.08 |
| CALVARY CHRISTIAN COMMUNITY CHURCH | 266.1 | 266.1 | 266.1 | 266.1 | 288.73 | 288.73 | 288.73 | 288.73 | 288.73 | 70364.96 | 72873.01 |
| TRANSNET LTD | 691.1 | 688.17 | 685.24 | 682.63 | 679.78 | 676.93 | 674.1 | 671.26 | 668.43 | 66414.1 | 72531.74 |
| D BOTHA | 2781.04 | 2760.11 | 2739.18 | 2720.01 | 2540.92 | 2520.19 | 2499.4 | 2478.58 | 2457.78 | 48894.03 | 72391.24 |
| D DITIRO TSAKA TRADING 6CC | 1133.58 | 1127.67 | 1121.77 | 1116.1 | 1117.34 | 1111.2 | 1105.06 | 1098.91 | 1092.77 | 61697.78 | 71722.18 |
| A TRANSNET PROPERTY VAT 4720103177 | 727.41 | 724.2 | 720.99 | 718.09 | 707.59 | 704.44 | 701.3 | 698.15 | 695.01 | 65016.43 | 71413.61 |
| EXTRA JABULA STORE (PROK)EG | 240.99 | 240.99 | 240.99 | 240.99 | 261.51 | 261.51 | 261.51 | 261.51 | 261.51 | 68459.01 | 70730.52 |
| TD SEBUZO | 823.15 | 819.16 | 815.19 | 811.38 | 817.25 | 813.11 | 808.96 | 804.82 | 800.69 | 61534.43 | 68848.14 |
| DO CINDI | 1095.66 | 1089.76 | 1083.85 | 1078.19 | 1076.19 | 1070.05 | 1063.92 | 1057.76 | 1051.62 | 58795.22 | 68462.22 |

6.2 Top 100 Debtors: Households

| ACCOUNT NO | NAME | CURR BAL | 30DAYS BAL | 60DAYS BAL | 90 DAYS BAL | 120 DAYS BAL | 150 DAYS BAL | 180 DAYS BAL | 210 DAYS BAL | 240 DAYS BAL | 270 DAYS PLUS-BAL | CONSOLIDATED BALANCE |
|------------|-------------------------------|----------|------------|------------|-------------|--------------|--------------|--------------|--------------|--------------|-------------------|----------------------|
| 1002654 | MAGELEVENDZE INV CC | 12018.11 | 11986.8 | 11968.31 | 11939.28 | 12371.47 | 6370.36 | 6332.3 | 6307.35 | 6269.27 | 1331472.41 | 1417035.66 |
| 1011969 | SS KOTE | 4381.43 | 4377.06 | 4372.68 | 4362.46 | 5374.36 | 5363.23 | 5352.14 | 5341.05 | 5329.95 | 826935.2 | 871189.56 |
| 1000719 | MM MOLOI | 4474.59 | 4469.15 | 4465.39 | 4462.89 | 4746.89 | 4743.26 | 4737.77 | 4732.28 | 4726.79 | 725494.13 | 767053.14 |
| 1012096 | IMC EASBY | 11580.2 | 11507.63 | 11435.06 | 11368.56 | 11013.77 | 10941.65 | 10869.48 | 10797.32 | 10725.16 | 499290.67 | 599529.5 |
| 1012160 | MATOPI GAME ENTERPRISES TRUST | 10927.13 | 10859.54 | 10791.95 | 10730.12 | 10400.84 | 10333.74 | 10266.65 | 10199.55 | 10132.46 | 471393.87 | 566035.85 |
| 1003573 | D.C DYKER | 3331.84 | 3327.48 | 3323.11 | 3319.1 | 3511.64 | 3507.28 | 3502.93 | 3498.58 | 3494.24 | 484102.21 | 514918.41 |
| 1001684 | MOTSHELE | 2777.79 | 2777.67 | 2773.31 | 2769.31 | 2915.03 | 486.88 | 479.63 | 478.19 | 2903.47 | 479706.76 | 498068.04 |
| 1003911 | MJ MALGAS | 3391.09 | 3326.74 | 3226.34 | 3562.78 | 3461.44 | 3820.12 | 3684.78 | 3336.78 | 3509.41 | 464946.2 | 496265.68 |
| 1014723 | HC CLOETE | 9435.08 | 9376.87 | 9318.66 | 9265.36 | 8989.3 | 8931.46 | 8873.62 | 8815.78 | 8757.94 | 410186.77 | 491950.84 |
| 1003773 | LI VAN DER WESTHUIZEN | 3121.79 | 3116.88 | 3111.96 | 3107.42 | 3279.86 | 3433.7 | 3445.73 | 3444.64 | 4843.08 | 453845.24 | 484750.3 |
| 1004132 | D GEORGE | 2606.19 | 2602.2 | 2598.23 | 2594.42 | 2752.04 | 2757.15 | 2753.01 | 2748.87 | 2744.73 | 449471.31 | 473628.15 |
| 1006176 | A TSWELOPELE COMMUNITY CR(VER | 2358.04 | 2354.46 | 2350.86 | 2347.42 | 2490.12 | 2486.38 | 2482.65 | 2478.9 | 2475.16 | 437386.75 | 459210.74 |
| 1004435 | OK THETHE | 3180.48 | 3174.18 | 3167.88 | 3162.16 | 3305.61 | 676.51 | 664.1 | 661.94 | 655.75 | 431516.08 | 450164.69 |
| 1015802 | AJ JORDAAN | 8333.95 | 8282.56 | 8231.18 | 8184.27 | 7926 | 7875.1 | 7824.2 | 7773.3 | 7722.4 | 363843.18 | 435996.14 |
| 1001698 | GR MARTIN | 2446.53 | 2449.59 | 2444.14 | 2439.07 | 2550.84 | 2545.37 | 2539.88 | 2534.38 | 2528.9 | 412479.24 | 434957.94 |
| 1004530 | KM MELATO | 2818.44 | 2813.51 | 2808.6 | 2804.07 | 2952.13 | 2956.47 | 2951.56 | 2946.64 | 2941.73 | 406170.85 | 432164 |
| 1015035 | G OLIPHANT | 1991.26 | 1991.26 | 1991.26 | 1991.26 | 2160.73 | 2160.73 | 2160.73 | 2160.73 | 2160.73 | 387767.72 | 406536.41 |
| 1015157 | A MMITSHANE | 3015.3 | 3013.64 | 3011.97 | 3010.37 | 3240.08 | 3238.33 | 3236.6 | 3234.86 | 3233.13 | 356603.23 | 384837.51 |
| 1001202 | E SWANEPOEL | 2619.09 | 2612.68 | 2606.28 | 2600.35 | 2714.9 | 2708.54 | 2702.12 | 2695.71 | 2689.28 | 336085.02 | 360033.97 |
| 1001551 | JM GRASS | 3150.95 | 2735.16 | 2657.99 | 2717.4 | 2749.02 | 3084.8 | 2327.65 | 2808.96 | 2964.07 | 319767.41 | 344963.41 |
| 1011931 | IVANCO INV PTY LTD | 5147.59 | 5119.42 | 5091.25 | 5065.45 | 4981.88 | 4953.93 | 4925.93 | 4897.93 | 4869.93 | 298936.26 | 343989.57 |
| 1008607 | JM KGOROYABOGO | 2264.75 | 2261.16 | 2257.56 | 2254.11 | 2388.89 | 2385.14 | 2381.4 | 2377.67 | 2373.93 | 322876.03 | 343820.64 |
| 1016194 | A TURNER | 1525.43 | 1525.43 | 1525.43 | 1525.43 | 1655.24 | 1655.24 | 1655.24 | 1655.24 | 1655.24 | 329231.1 | 343609.02 |
| 1004603 | I CARELSE | 2352.72 | 2920.43 | 3815.97 | 2336.02 | 2451.45 | 2447.75 | 2720.21 | 2796.28 | 3147.24 | 313112.73 | 338100.8 |
| 1015052 | JTF LEEUW | 4673.89 | 4861.71 | 5728.22 | 7138.67 | 5248.23 | 6413.25 | 5302.21 | 8640.76 | 5903.94 | 281416.22 | 335327.1 |
| 1012870 | S MAHLAOLA | 1907.09 | 1905.43 | 1903.76 | 1902.16 | 2037.55 | 2035.82 | 2034.08 | 2032.34 | 2030.6 | 313571.51 | 331360.34 |
| 1011958 | PE VAN ROOYEN | 6074.79 | 6037.04 | 5999.29 | 5964.71 | 5783.42 | 5745.94 | 5708.42 | 5670.89 | 5633.37 | 277146.91 | 329764.78 |
| 1003521 | BG MOKWA | 2188 | 2183.28 | 2178.58 | 2174.27 | 2268.14 | 859.54 | 849.03 | 851.78 | 841.27 | 306257.47 | 320651.36 |

7. Creditors' Analysis

Below is a table summarising the ageing of the outstanding creditors

NC093 Magareng - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

| Description | NT Code | Budget Year 2025/26 | | | | | | | | Total |
|------------------------------------------------|-------------|---------------------|---------------|---------------|---------------|----------------|----------------|-------------------|---------------|----------------|
| | | 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 | |
| R thousands | | | | | | | | | | |
| Creditors Age Analysis By Customer Type | | | | | | | | | | |
| Bulk Electricity | 0100 | 11,670 | 12,186 | 12,192 | 12,485 | 10,133 | 43,199 | 40,646 | - | 142,512 |
| Bulk Water | 0200 | 1,703 | 4,470 | 4,204 | 3,091 | 4,465 | 12,406 | 14,231 | 92,398 | 136,967 |
| PAYE deductions | 0300 | - | - | - | - | - | - | - | - | - |
| VAT (output less input) | 0400 | - | - | - | - | - | - | - | - | - |
| Pensions / Retirement deductions | 0500 | - | - | - | 953 | - | - | - | - | 953 |
| Loan repayments | 0600 | - | - | - | - | - | - | - | - | - |
| Trade Creditors | 0700 | 351 | 504 | 634 | 635 | 1,286 | (220) | 868 | 1,609 | 5,665 |
| Auditor General | 0800 | 309 | 345 | 671 | 619 | 432 | 424 | 554 | 323 | 3,676 |
| Other | 0900 | - | - | - | - | - | - | - | - | - |
| Medical Aid deductions | 0950 | - | - | - | - | - | - | - | - | - |
| Total By Customer Type | 1000 | 14,033 | 17,505 | 17,700 | 17,783 | 16,315 | 55,809 | 56,299 | 94,329 | 289,773 |

As of 31st October 2025, creditors ageing analysis had a balance of **R289.8 million**. This includes Eskom, VaalHarts water, Auditors General and others. This ageing balance might be understated as some of the creditor's invoices were not all captured on the financial system. One of the major reasons for a huge balance is non-payment of creditors because of cash constraints.

7.1 Top 10 Creditors

| Creditors | Balance |
|----------------------------------|--------------------------|
| BULK ELECTRICITY 8468618896 | -R 142,512,078.13 |
| VAALHARTS WATER | -R 136,966,986.63 |
| AUDITOR GENERAL | -R 3,675,906.41 |
| COMPENSATION COMM | -R 1,659,067.31 |
| BUSINESS CONNEXION | -R 1,113,149.99 |
| PENSION FUND | -R 952,896.42 |
| SARS | -R 819,430.66 |
| MEGA WATER CHEM | -R 480,872.50 |
| NEP CONSULTING ENGINEERS PTY LTD | -R 277,080.72 |
| SMEC | -R 262,538.79 |
| Total | -R 288,720,007.56 |

8. Investment portfolio analysis

Below is a table that details the investments as of 31st October 2025.

NC093 Magareng - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October

| Investments by maturity Name of institution & investment ID | Ref | Period of Investment | Type of Investment | Capital Guarantee (Yes/No) | Variable or Fixed interest rate | Interest Rate | Commission Paid (Rands) | Commission Recipient | Expiry date of investment | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
|----------------------------------------------------------------|-----|----------------------|--------------------|----------------------------|---------------------------------|---------------|-------------------------|----------------------|---------------------------|-----------------|-------------------------|------------------------------------|-------------------|-----------------|
| | | Yrs/Months | | | | | | | | | | | | |
| R thousands | | | | | | | | | | | | | | |
| Municipality | | | | | | | | | | | | | | - |
| Municipality sub-total | | | | | | | | | | - | - | - | - | - |
| Entities | | | | | | | | | | | | | | - |
| Entities sub-total | | | | | | | | | | - | - | - | - | - |

Investment portfolio Supporting Table SC5 displays the council's investments portfolio and the municipality does its investment quarterly.

9. Allocation and grant receipts and expenditure

NC093 Magareng - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October

| 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: | | 69,243 | 70,612 | 70,612 | - | 30,950 | 23,537 | 7,413 | 31.5% | 70,612 |
| Equitable Share | | 65,001 | 66,283 | 66,283 | - | 27,618 | 22,094 | 5,524 | 25.0% | 66,283 |
| Expanded Public Works Programme Integrated Grant | | 1,242 | 1,329 | 1,329 | - | 332 | 443 | (111) | -25.1% | 1,329 |
| Local Government Financial Management Grant | | 3,000 | 3,000 | 3,000 | - | 3,000 | 1,000 | 2,000 | 200.0% | 3,000 |
| Municipal Disaster Relief Grant | | - | - | - | - | - | - | - | - | - |
| Other transfers and grants [insert description] | | - | - | - | - | - | - | - | - | - |
| Provincial Government: | | - | 1,500 | 1,500 | 548 | 961 | 500 | 461 | 92.2% | 1,500 |
| Capacity Building and Other Grants | | - | 1,500 | 1,500 | 548 | 961 | 500 | 461 | 92.2% | 1,500 |
| Other transfers and grants [insert description] | | - | - | - | - | - | - | - | - | - |
| District Municipality: | | 2,948 | 3,500 | 3,500 | - | 1,030 | 1,167 | (136) | -11.7% | 3,500 |
| Specify (Add grant description) | | 2,948 | 3,500 | 3,500 | - | 1,030 | 1,167 | (136) | -11.7% | 3,500 |
| Other grant providers: | | 1,239 | 1,250 | 1,250 | 625 | 625 | 417 | 208 | 50.0% | 1,250 |
| Education Training and Development Practices SETA | | 65 | - | - | - | - | - | - | - | - |
| National Library South Africa | | 1,174 | - | - | 625 | 625 | - | 625 | - | - |
| Northern Cape Arts and Cultural | | - | 1,250 | 1,250 | - | - | 417 | (417) | -100.0% | 1,250 |
| Post Retirement Benefit | | - | - | - | - | - | - | - | - | - |
| Total Operating Transfers and Grants | 5 | 73,429 | 76,862 | 76,862 | 1,173 | 33,566 | 25,621 | 7,946 | 31.0% | 76,862 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 71,924 | 32,601 | 32,601 | 3,000 | 18,157 | 10,867 | 7,290 | 67.1% | 32,601 |
| Integrated National Electrification Programme Grant | | - | - | - | - | - | - | - | - | - |
| Municipal Disaster Relief Grant | | - | - | - | - | - | - | - | - | - |
| Municipal Infrastructure Grant | | 22,197 | 12,641 | 12,641 | - | 3,000 | 4,214 | (1,214) | -28.8% | 12,641 |
| Regional Bulk Infrastructure Grant | | 25,306 | 9,960 | 9,960 | - | 7,157 | 3,320 | 3,837 | 115.6% | 9,960 |
| Water Services Infrastructure Grant | | 24,421 | 10,000 | 10,000 | 3,000 | 8,000 | 3,333 | 4,667 | 140.0% | 10,000 |
| Provincial Government: | | - | - | - | - | - | - | - | - | - |
| [insert description] | | - | - | - | - | - | - | - | - | - |
| District Municipality: | | 2,252 | - | - | - | - | - | - | - | - |
| Specify (Add grant description) | | 2,252 | - | - | - | - | - | - | - | - |
| Other grant providers: | | - | - | - | - | - | - | - | - | - |
| [insert description] | | - | - | - | - | - | - | - | - | - |
| Total Capital Transfers and Grants | 5 | 74,176 | 32,601 | 32,601 | 3,000 | 18,157 | 10,867 | 7,290 | 67.1% | 32,601 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 5 | 147,605 | 109,463 | 109,463 | 4,173 | 51,724 | 36,488 | 15,236 | 41.8% | 109,463 |

The table above illustrate a summary on all the gazetted grants due to the municipality. It comprises of Conditional and unconditional grants

The below table illustrate a Summary on all gazetted grants due to the municipality (VAT Exc and Incl)

| Description | Budget Year 2025/26 | | | | | |
|--------------------------------------------------|-----------------------|------------------------|----------------------|------------------------------------|-------------------------|-----------------|
| | Original Budget | Funds Received to date | Spents to date | Spent to date Vat Inc & Rentations | Unspent Balance Vat Inc | % Spent to date |
| Grants and Subsidies | | | | | | |
| Operational | | | | | | |
| Equitable Share | 66,283,000.00 | 27,618,000.00 | 27,618,000.00 | 27,618,000.00 | 38,665,000.00 | 42% |
| Expanded Public Works Programme Integrated Grant | 1,329,000.00 | 332,000.00 | 731,016.01 | 731,016.01 | 597,983.99 | 55% |
| Local Government Financial Management Grant | 3,000,000.00 | 3,000,000.00 | 306,690.31 | 316,995.93 | 2,683,004.07 | 11% |
| Capacity Building and Other Grants | 1,500,000.00 | 960,776.84 | - | - | 1,500,000.00 | 0% |
| FBDM (Operational) | 3,500,000.00 | 1,030,480.00 | 1,836,300.00 | 1,961,745.00 | 1,538,255.00 | 56% |
| Northern Cape Arts and Cultural | 1,250,000.00 | 625,000.00 | 374,076.64 | 377,001.64 | 872,998.36 | 30% |
| Sub-Total | 76,862,000.00 | 33,566,256.84 | 30,866,082.96 | 31,004,758.58 | 45,857,241.42 | 40% |
| Capital | | | | | | |
| Municipal Infrastructure Grant | 12,641,000.00 | 3,000,000.00 | - | - | 12,641,000.00 | 0% |
| Water Services Infrastructure Grant | 10,000,000.00 | 8,000,000.00 | 4,390,819.79 | 5,633,526.61 | 4,366,473.39 | 70% |
| Regional Bulk Infrastructure Grant | 9,960,000.00 | 7,157,407.27 | 4,281,529.46 | 4,923,758.88 | 5,036,241.12 | 69% |
| Sub-Total | 32,601,000.00 | 18,157,407.27 | 8,672,349.25 | 10,557,285.49 | 22,043,714.51 | 58% |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 109,463,000.00 | 51,723,664.11 | 39,538,432.21 | 41,562,044.06 | 67,900,955.94 | 80% |

It can then be noted that a total of **R51.7 million** was received to date for both operational and capital grants, from the total received **R41.6** (VAT Inc) is committed or spent to date which translates into **80%** spent on grants and subsidies on both Conditional and Unconditional Grants when compared to the funds received to date.

The following conditional grants managed to spend **25%** and above as at the end of October:

- i. Expanded Public Work Programme Integrated Grant
- ii. Regional Bulk Infrastructure Grant
- iii. Water Services Infrastructure Grant
- iv. FBDM(Operational)
- v. Northern Cape Arts and Culture

Municipality needs to improve on spending on the following Grant

- i. Local Government Financial Management Grant
- ii. AFS Support Grant (Audit readiness)
- iii. Municipal Infrastructure Grant

This shows that the municipality will not be able spent or commit **100%** of the allocation in majority of grants before the end of the current financial year, if the municipality does not improve.

10. Councillor and board member allowances and employee benefits

NC093 Magareng - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October

| Summary of Employee and Councillor remuneration | 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 | | A | B | C | | | | | | D |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | |
| Basic Salaries and Wages | | 3,615 | 3,563 | 3,563 | 294 | 1,176 | 1,188 | (11) | -1% | 3,563 |
| Pension and UIF Contributions | | 517 | 535 | 535 | 44 | 176 | 178 | (2) | -1% | 535 |
| Medical Aid Contributions | | 82 | 78 | 78 | 8 | 33 | 26 | 7 | 28% | 78 |
| Motor Vehicle Allowance | | | | | | | | - | | |
| Cellphone Allowance | | 480 | 509 | 509 | 42 | 169 | 170 | (1) | 0% | 509 |
| Housing Allowances | | - | - | - | - | - | - | - | | - |
| Other benefits and allowances | | 584 | 585 | 585 | 49 | 194 | 195 | (1) | 0% | 585 |
| Sub Total - Councillors | | 5,278 | 5,270 | 5,270 | 437 | 1,749 | 1,757 | (7) | 0% | 5,270 |
| % increase | 4 | | -0.2% | -0.2% | | | | | | -0.2% |
| Senior Managers of the Municipality | | | | | | | | | | |
| Basic Salaries and Wages | | 1,959 | 3,467 | 3,467 | 267 | 789 | 1,156 | (367) | -32% | 3,467 |
| Pension and UIF Contributions | | 133 | 250 | 250 | 13 | 46 | 83 | (37) | -45% | 250 |
| Medical Aid Contributions | | 71 | 136 | 136 | 8 | 32 | 45 | (13) | -29% | 136 |
| Overtime | | | | | | | | - | | |
| Performance Bonus | | 112 | 264 | 264 | - | - | 88 | (88) | -100% | 264 |
| Motor Vehicle Allowance | | 755 | 1,026 | 1,026 | 52 | 210 | 342 | (132) | -39% | 1,026 |
| Cellphone Allowance | | 17 | 54 | 54 | 1 | 2 | 18 | (16) | -91% | 54 |
| Housing Allowances | | - | 154 | 154 | - | - | 51 | (51) | -100% | 154 |
| Other benefits and allowances | | 0 | 0 | 0 | 0 | 0 | 0 | (0) | -37% | 0 |
| Payments in lieu of leave | | | | | | | | - | | |
| Long service awards | | - | - | - | - | - | - | - | | - |
| Post-retirement benefit obligations | 2 | | | | | | | - | | |
| Entertainment | | | | | | | | - | | |
| Scarcity | | 83 | 165 | 165 | 7 | 27 | 55 | (28) | -51% | 165 |
| Acting and post related allowance | | 106 | 106 | 106 | - | 18 | 35 | (18) | -50% | 106 |
| In kind benefits | | - | - | - | - | - | - | - | | - |
| Sub Total - Senior Managers of Municipality | | 3,236 | 5,622 | 5,622 | 348 | 1,124 | 1,874 | (750) | -40% | 5,622 |
| % increase | 4 | | 73.7% | 73.7% | | | | | | 73.7% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 33,386 | 39,111 | 39,111 | 3,076 | 12,062 | 13,037 | (975) | -7% | 39,111 |
| Pension and UIF Contributions | | 6,580 | 7,352 | 7,352 | 607 | 2,379 | 2,451 | (72) | -3% | 7,352 |
| Medical Aid Contributions | | 2,547 | 2,815 | 2,815 | 224 | 877 | 938 | (61) | -6% | 2,815 |
| Overtime | | 792 | 612 | 612 | 168 | 573 | 204 | 369 | 181% | 612 |
| Performance Bonus | | 2,850 | 3,688 | 3,688 | 53 | 104 | 1,229 | (1,125) | -92% | 3,688 |
| Motor Vehicle Allowance | | - | - | - | - | - | - | - | | - |
| Cellphone Allowance | | 126 | 138 | 138 | 6 | 27 | 46 | (19) | -41% | 138 |
| Housing Allowances | | 79 | 81 | 81 | 8 | 32 | 27 | 5 | 19% | 81 |
| Other benefits and allowances | | 428 | 428 | 428 | 35 | 146 | 143 | 4 | 3% | 428 |
| Payments in lieu of leave | | | | | | | | - | | |
| Long service awards | | 257 | - | - | - | - | - | - | | - |
| Post-retirement benefit obligations | 2 | 695 | - | - | - | - | - | - | | - |
| Entertainment | | | | | | | | - | | |
| Scarcity | | | | | | | | - | | |
| Acting and post related allowance | | 36 | 50 | 50 | - | 10 | 17 | (7) | -43% | 50 |
| In kind benefits | | - | 100 | 100 | - | - | 33 | (33) | -100% | 100 |
| Sub Total - Other Municipal Staff | | 47,775 | 54,375 | 54,375 | 4,177 | 16,211 | 18,125 | (1,914) | -11% | 54,375 |
| % increase | 4 | | 13.8% | 13.8% | | | | | | 13.8% |
| Total Parent Municipality | | 56,289 | 65,267 | 65,267 | 4,962 | 19,084 | 21,756 | (2,672) | -12% | 65,267 |
| TOTAL SALARY, ALLOWANCES & BENEFITS | | 56,289 | 65,267 | 65,267 | 4,962 | 19,084 | 21,756 | (2,672) | -12% | 65,267 |
| % increase | 4 | | 16.0% | 16.0% | | | | | | 16.0% |
| TOTAL MANAGERS AND STAFF | | 51,011 | 59,997 | 59,997 | 4,525 | 17,334 | 19,999 | (2,665) | -13% | 59,997 |

The table above illustrate expenditure on councillor's remuneration and employees.

Section 66 of the MFMA requires that the accounting officer of a municipality must, in a format and for the periods as may be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits and in a manner that discloses such expenditure per type of expenditure, namely-

- i. Salaries and wages

- II. Contribution for pension and medical aid
- III. Travel, motor car, accommodation, subsistence and other allowances.
- IV. Housing benefits
- V. Overtime
- VI. any other benefit or allowance related to staff.

For the period under review the municipality has incurred an expenditure amounting to **R5 million** from a total original budget of **R65.3 million**. The expenditure seems to be slightly within the budget projection, the actual year to date amounts to **R19.1 million** which is **12%** below the projected budget for this current month when compared to our year-to-date budget which amounts to **R21.6 million**.

Cost containment measures still need to be exercised to ensure expenditure is kept at a minimum, especially on overtime and standby allowance.

11. Material Variances to the Service Delivery and Budget Implementation

NC093 Magareng - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M04 October

| Description | Ref | Budget Year 2025/26 | | | | | | | | | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------------------|----------------|----------------|-----------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|-----------------|-----------------------------------------------------|------------------------|------------------------|--|
| | | July Outcome | August Outcome | Sept Outcome | October Outcome | Nov Budget | Dec Budget | January Budget | Feb Budget | March Budget | April Budget | May Budget | June Budget | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 | |
| Cash Receipts By Source | 1 | | | | | | | | | | | | | | | | |
| Property rates | | 2 236 | 1 697 | 364 | 1 035 | 763 | 763 | 763 | 763 | 763 | 763 | 763 | (1 520) | 9 150 | 9 571 | 9 992 | |
| Service charges - Electricity revenue | | 1 151 | 2 135 | 1 185 | 1 859 | 973 | 973 | 973 | 973 | 973 | 973 | 973 | (1 466) | 11 675 | 12 212 | 12 749 | |
| Service charges - Water revenue | | 101 | 126 | 119 | 112 | 271 | 271 | 271 | 271 | 271 | 271 | 271 | 898 | 3 255 | 3 404 | 3 554 | |
| Service charges - Waste Water Management | | 20 | 33 | 39 | 40 | 489 | 489 | 489 | 489 | 489 | 489 | 489 | 2 312 | 5 865 | 6 135 | 6 405 | |
| Service charges - Waste Mangement | | 100 | 102 | 94 | 91 | 368 | 368 | 368 | 368 | 368 | 368 | 368 | 1 452 | 4 413 | 4 616 | 4 819 | |
| Rental of facilities and equipment | | - | - | - | - | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 134 | 321 | 336 | 351 | |
| Interest earned - external investments | | - | - | - | - | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 155 | 373 | 390 | 407 | |
| Interest earned - outstanding debtors | | 14 | 388 | 67 | 101 | 1 662 | 1 662 | 1 662 | 1 662 | 1 662 | 1 662 | 1 662 | 7 740 | 19 946 | 20 864 | 21 782 | |
| Transfers and Subsidies - Operational | | 28 061 | 4 332 | - | 1 173 | 6 405 | 6 405 | 6 405 | 6 405 | 6 405 | 6 405 | 6 405 | (1 540) | 76 862 | 70 668 | 73 820 | |
| Other revenue | | 94 | 71 | 376 | 78 | 212 | 212 | 212 | 212 | 212 | 212 | 212 | 440 | 2 544 | 12 081 | 11 784 | |
| Cash Receipts by Source | | 31 777 | 8 885 | 2 245 | 4 490 | 11 200 | 11 200 | 11 200 | 11 200 | 11 200 | 11 200 | 11 200 | 8 605 | 134 404 | 140 277 | 145 663 | |
| Other Cash Flows by Source | | | | | | | | | | | | | | | | | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | 7 328 | 4 239 | 3 590 | 3 000 | 2 717 | 2 717 | 2 717 | 2 717 | 2 717 | 2 717 | 2 717 | (4 574) | 32 601 | 33 434 | 35 691 | |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Proceeds on Disposal of Fixed and Intangible Assets | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Short term loans | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Borrowing long term/refinancing | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Increase (decrease) in consumer deposits | | 6 | 4 | 6 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | (8) | 25 | 26 | 27 | |
| VAT Control (receipts) | | - | - | - | - | 958 | 958 | 958 | 958 | 958 | 958 | 958 | 4 792 | 11 500 | 12 029 | 12 558 | |
| Decrease (increase) in non-current receivables | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Decrease (increase) in non-current investments | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total Cash Receipts by Source | | 39 111 | 13 128 | 5 841 | 7 492 | 14 878 | 14 878 | 14 878 | 14 878 | 14 878 | 14 878 | 14 878 | 8 816 | 178 530 | 185 766 | 193 940 | |
| Cash Payments by Type | | | | | | | | | | | | | | | | | |
| Employee related costs | | 4 422 | 4 263 | 4 124 | 4 525 | 5 000 | 5 000 | 5 000 | 5 000 | 5 000 | 5 000 | 5 000 | 7 664 | 59 997 | 62 757 | 65 518 | |
| Remuneration of councillors | | 438 | 438 | 438 | 437 | 439 | 439 | 439 | 439 | 439 | 439 | 439 | 447 | 5 270 | 5 513 | 5 755 | |
| Interest | | - | - | - | - | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 250 | 600 | 628 | 655 | |
| Bulk purchases - Electricity | | - | - | - | - | 2 083 | 2 083 | 2 083 | 2 083 | 2 083 | 2 083 | 2 083 | 10 417 | 25 000 | 26 150 | 27 301 | |
| Acquisitions - water & other inventory | | 1 844 | 856 | 1 029 | 804 | 292 | 292 | 292 | 292 | 292 | 292 | 292 | (3 074) | 3 500 | 3 661 | 3 822 | |
| Contracted services | | 633 | 650 | 1 217 | 1 096 | 1 357 | 1 357 | 1 357 | 1 357 | 1 357 | 1 357 | 1 357 | 3 188 | 16 283 | 14 115 | 14 736 | |
| Transfers and subsidies - other municipalities | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Transfers and subsidies - other | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Other expenditure | | 1 323 | 1 517 | 1 778 | 1 192 | 1 719 | 1 719 | 1 719 | 1 719 | 1 719 | 1 719 | 1 719 | 2 783 | 20 623 | 20 210 | 21 099 | |
| Cash Payments by Type | | 8 660 | 7 724 | 8 586 | 8 054 | 10 939 | 10 939 | 10 939 | 10 939 | 10 939 | 10 939 | 10 939 | 21 674 | 131 274 | 133 032 | 138 886 | |
| Other Cash Flows/Payments by Type | | | | | | | | | | | | | | | | | |
| Capital assets | | 4 113 | 2 119 | 1 094 | 2 880 | 3 006 | 3 006 | 3 006 | 3 006 | 3 006 | 3 006 | 3 006 | 4 825 | 36 076 | 36 931 | 39 269 | |
| Repayment of borrowing | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Other Cash Flows/Payments | | - | - | - | - | 1 023 | 1 023 | 1 023 | 1 023 | 1 023 | 1 023 | 1 023 | 5 116 | 12 279 | 12 844 | 13 409 | |
| Total Cash Payments by Type | | 12 773 | 9 843 | 9 680 | 10 934 | 14 969 | 14 969 | 14 969 | 14 969 | 14 969 | 14 969 | 14 969 | 31 615 | 179 628 | 182 807 | 191 563 | |
| NET INCREASE/(DECREASE) IN CASH HELD | | 26 338 | 3 285 | (3 839) | (3 442) | (92) | (92) | (92) | (92) | (92) | (92) | (92) | (22 800) | (1 098) | 2 959 | 2 376 | |
| Cash/cash equivalents at the monthly/year beginning: | | 1 414 | 27 751 | 31 037 | 27 198 | 23 756 | 23 664 | 23 573 | 23 481 | 23 390 | 23 298 | 23 207 | 23 115 | 1 414 | 316 | 3 275 | |
| Cash/cash equivalents at the monthly/year end: | | 27 751 | 31 037 | 27 198 | 23 756 | 23 664 | 23 573 | 23 481 | 23 390 | 23 298 | 23 207 | 23 115 | 316 | 316 | 3 275 | 5 651 | |

Supporting table SC9 provides detailed monthly cash flow statement that spells out the receipt by source and payments by type. The monthly cash receipts reflect an amount of **R7.5 million** and cash payment for the month amounts to **R8 million** and this resulted in net increase in cash held amounting to **- R3.4 million** with cash and cash equivalent of **R27.2** at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of **R23.8 million**. This is a supporting table for table C7 –Cash flow Statement.

12. Capital programme performance.

The tables below report on the capital expenditure on new assets, renewal of existing assets, expenditure on repairs and maintenance, depreciation by asset class and expenditure on upgrading of exiting assets.

The actual spent on new assets is **R1.9 million** for the month of October and the year to date actual amounts to **R4.4 million** of the budgeted **R10 million**

NC093 Magareng - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M04 October

| Description | Ref | 2024/25 | Budget Year 2025/26 | | | | | | | |
|-----------------------------------------------------------------------------------|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Capital expenditure on renewal of existing assets by Asset Class/Sub-class | | | | | | | | | | |
| Infrastructure | | 17,543 | 10,000 | 10,000 | 1,866 | 4,391 | 3,333 | (1,057) | -31.7% | 10,000 |
| Water Supply Infrastructure | | 17,543 | 10,000 | 10,000 | 1,866 | 4,391 | 3,333 | (1,057) | -31.7% | 10,000 |
| Dams and Weirs | | | | | | | | - | | |
| Boreholes | | | | | | | | - | | |
| Reservoirs | | | | | | | | - | | |
| Pump Stations | | | | | | | | - | | |
| Water Treatment Works | | 17,543 | 10,000 | 10,000 | 1,866 | 4,391 | 3,333 | (1,057) | -31.7% | 10,000 |
| Bulk Mains | | | | | | | | - | | |
| Distribution | | | | | | | | - | | |
| Distribution Points | | | | | | | | - | | |
| PRV Stations | | | | | | | | - | | |
| Capital Spares | | | | | | | | - | | |
| Sanitation Infrastructure | | - | - | - | - | - | - | - | | - |
| Total Capital Expenditure on renewal of existing assets | 1 | 17,543 | 10,000 | 10,000 | 1,866 | 4,391 | 3,333 | (1,057) | -31.7% | 10,000 |

13. Conclusion

The municipality's MFMA S71 statement content -

As part of the monthly conclusion paragraphs, must advise as part of the MFMA Circular 124: Condition 6.9 reporting –

The mitigating factors:

1. The Municipality is in the process of installing smart prepaid meters in Eskom supplied areas.
2. The Municipality to do road shows with the support of ward councillors and ward committees to educate communities on the importance of paying municipal services.

The risks associated:


1. The municipality does not collect enough revenue due to Eskom supplied areas, and resistance by consumers in the implementation of credit control and debt collection measures.
2. The municipality might not be able to provide basic services to the communities due to low indigent registration.
3. The going concern whereby the liabilities may be more than the assets

14. Annexure A: C-schedules

Please note that C Schedules have been attached.

15. Annexure B: Compliance with the conditions for Municipal Debt Relief for electricity

15.1 MFMA Circular 124 – Municipality Compliance Self-Assessment

| 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 | | Oct25 | |
| National Financial Year | | 2025/26 | |
| Demarcation Code of Municipality being assessed | | NC093 | |
| District | Frances Baard | | |
| Demarcation Description | Magareng | | |
| I, Carol Coetzee, 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 | | | |
| 6.3 Maintaining the Eskom and bulk water current account – | | | |
| <i>Condition 6.12 (current account for the purpose of this exercise means the account for a single month's consumption).</i> | | | |
| 6.12.1 | - Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - refer condition 6.12.2</i> | Yes | The municipality made payment to bulk water current account for the month of October 2025. |
| 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 | Yes | The municipality submitted the bulk water and electricity invoices on GoMuni |
| 6.12.3 | - 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? | Yes | |
| 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)? <i>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 accounts) up to the date of NT approval of the application.</i> | No | The municipality did not make any payment to bulk Electricity current account for the month of October 2025. |
| 6.3.2 | - 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://uploadportal.treasury.gov.za/ ? | Yes | The municipality submitted the bulk water and electricity invoices on GoMuni |
| 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 | No payment was made for October. |
| 6.4 Compliance with a funded MTREF – (choose from drop down list the MTREF assessed) | | | |
| 2025/26 Adopted MTREF | | | |
| 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 | The municipal's MTREF is unfunded, a funding plan was tabled to council. |
| 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 | |
| 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 | The municipality made provision for debt impairment as per the Annual Financial Statement of 30 June 2023/24 |
| <i>Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should slip to 40 per cent of the 2023/24 MTREF revenue projection (also property rates). If the municipality merely states the debt impairment to "balance" the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as "No"</i> | | | |
| 6.4.1 | - Has the municipality made adequate provision for depreciation and asset impairment (considering its asset register and physical state of assets) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations? | Yes | The municipality made provision for debt depreciation as per the Annual Financial Statement of 30 June 2023/24 |
| <i>Note - if the municipality merely used the depreciation and asset impairment to "balance" the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as "No"</i> | | | |
| 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 | The municipal's MTREF is unfunded, a funding plan was tabled to council and submitted on GoMuni |
| <i>Note - if the municipality has an FRP, a separate budget funding plan is not necessary. However, the PT / NT must assess whether the existing FRP incorporates / will give effect to a funded MTREF. If not, the FRP requires strengthening</i> | | | |
| 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 (with the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? <i>Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.</i> | No | The municipality has a FRP but is not submitted to Treasury on a monthly basis |
| 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 sewerage collection rates, etc)? | Yes | |
| 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 | The municipality submitted the cost reflective tariff on GoMuni |
| 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: | | | |
| 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 | We still have tenant accounts |
| 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 | In some instances you find that indigent households are blocked. |
| 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 | No | No restriction devices for water. Technical services can not restrict water meters. Faulty meters and straight connections are a lot for water. |
| 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? <i>Note - the municipality's monthly MFMA s.71 statement must include as part of the narratives the indigent information on the required A10 amounts</i> | No | No restriction devices for water. We can block prepaid meters. |
| 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 – | | | |
| 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 | The municipality collected 35% for the month of October |

Notes/Comments

| Section | Question | Response | Comments |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------------------------------------------------------------------------------------------------------------------------------------------|
| 6.7.1 | - 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: * the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1; | Yes | Not being in 70% revenue base |
| 6.7.2 | * 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 | Technical one not resolved water meter. Area with prepaid meter is installed on the prepaid system |
| 6.7.3 | * the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)? | Yes | |
| 6.7.4 | - The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process? | Yes | Applied for AT26 contractual contract and grant |
| 6.7.5 | - Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTRF with a smart pre-paid meter? | No | |
| 6.7.6 | - Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4? | Yes | |
| 6.8.1 | - 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? | No | There are misalignments and are waiting to enter with the new GVR |
| 6.8.1 | - If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? <i>Note - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting to the MFMA, 71 statements?</i> | Yes | Working on supplementary roll for objections and misalignments |
| 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://gvrportal.treasury.gov.za/ ? | Yes | |
| 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 budget and Budgetary Funding Plan where relevant? | Yes | |
| 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 well - condition 6.9.2 has a listing error and must refer to 6.9.1 | Yes | |
| 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 | The municipality has a FRP but is not submitted to Treasury on a monthly basis |
| 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) directly via the GoMuni Upload Portal https://gvrportal.treasury.gov.za/ ? | No | |
| 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 | |
| 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 timely uploaded the compliance certificate via the GoMuni Upload Portal https://gvrportal.treasury.gov.za/ <i>Note - in the case of non-compliance the National Treasury to issue the compliance certificate.</i> | Yes | |
| 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 4.1.5 of MFMA Circular no. 124) within one month of the non-compliance occurring? | No | |
| 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 | |
| 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 | The municipality budgeted for the free basic for all services for 1200 indigent. |
| 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 | |
| 6.13 | 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 6.71 statement collected revenue. Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom's premar debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? <i>Note - to include accounting for any related items (e.g. interest suspension, etc.) and alignment with mSODA.</i> | Yes | The municipality submitted the bank statement for October on GoMuni |
| 6.14 | MERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief? | No | There is no write off in 2025/26 for the month of October, due to financial constraints the municipality failed to make payments to Eskom |

PT: HOD/ NT / MM Name:
Signature of HOD/ NT/ MM:
Date:

Tumelo Thage
20/11/2025

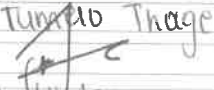
**Note - If the official is signing on behalf of the Head of the Provincial Treasury (HOD) / Municipal Manager, the written procurement of the HOD / MM must be attached as an Annexure to the Certificate of Compliance.
*Users - The Objected Certificate to be uploaded on Quarterly cover not include electronic annexes - comments need to be investigated into the related DT report

15.2 Municipal Debt Relief Performance across the period of debt relief participation for electricity.

The table below shows the municipality's overall relief compliance across the months of its debt relief participation since the National Treasury debt relief approval effective date of 01 December 2023:

| National Treasury Municipal Debt Relief MFMA Circular No. 121 Municipal Finance Management Act No. 56 of 2003 | | Province Northern Cape Code: NC99 District: Franchise Board Local Description: Maseru | | | | | | | | | | | | |
|------------------------------------------------------------------------------------------------------------------------|---------|---------------------------------------------------------------------------------------------------|-------|------------|------|-------------|-----------|--------------|---------|------------|--------|-------------------|----|-----|
| Municipal Details | Part A | | | Part B | | Part C | Part D | Part E | | Part F | | Month applicable* | | |
| | Balance | And | under | Compliance | with | Electricity | Quarterly | Maximization | Overall | Compliance | Status | | | |
| Month | Code | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | |
| 7 July | Maseru | NC99 | | | | | | | | | | 60% | | Yes |
| 8 August | Maseru | NC99 | | | | | | | | | | 60% | | Yes |
| 9 September | Maseru | NC99 | | | | | | | | | | 67% | | Yes |
| 10 October | Maseru | NC99 | | | | | | | | | | 6% | | Yes |
| 11 November | Maseru | NC99 | | | | | | | | | | 6% | | Yes |
| 12 December | Maseru | NC99 | | | | | | | | | | 6% | | Yes |
| 1 January | Maseru | NC99 | | | | | | | | | | 6% | | Yes |
| 2 February | Maseru | NC99 | | | | | | | | | | 6% | | Yes |
| 3 March | Maseru | NC99 | | | | | | | | | | 6% | | Yes |
| 4 April | Maseru | NC99 | | | | | | | | | | 6% | | Yes |
| 5 May | Maseru | NC99 | | | | | | | | | | 6% | | Yes |
| 6 June | Maseru | NC99 | | | | | | | | | | 6% | | Yes |
| 7 July | Maseru | NC99 | | | | | | | | | | 6% | | Yes |

HOD Name: Tungabo Thage

Signature of HOD: 

Date: 20/11/2025

Comments/Motivation:

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

15.3 The Provincial Treasury Debt Relief Compliance Assessment

The Provincial Treasury debt relief compliance certificate and report issued to the municipality.

NOTE: We haven't received the compliance certificate from the province yet

15.5 Monthly –Restriction of Free Basics to Indigent Households



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 | | 2025/2026 - Monthly Monitoring | | | | | | | | | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|--------------------------------|----------------|--------------------------------|-------|-------|-------|-------|-----|-----|-----|-----|-----|-----|-----|-----|
| | | Current Year - 2025/2026 | | Full Year Forecast | M01 | M02 | M03 | M04 | M05 | M06 | M07 | M08 | M09 | M10 | M11 | M12 |
| | | Baseline | Adopted Budget | | | | | | | | | | | | | |
| Indigent Household service targets | 1 | | | | | | | | | | | | | | | |
| Water: (Include All Indigent households also in Eskom supplied areas) | | | | | | | | | | | | | | | | |
| Indigent HH's with piped water inside dwelling | | | 2,673,945 | 2,673,945 | 1,133 | 3,020 | 3,624 | 4,006 | | | | | | | | |
| 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) | | | | | | | | | | | | | | | | |
| Total no. of indigent HH's receiving Minimum Service Level and Above sub-total | 4 | | 2,673,945 | 2,673,945 | 1,133 | 3,020 | 3,624 | 4,006 | | | | | | | | |
| 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 | 5 | | 2,673,945 | 2,673,945 | 1,133 | 3,020 | 3,624 | 4,006 | | | | | | | | |
| Total number of registered indigent households | | | | | | | | | | | | | | | | |
| Status of Water meters: | | | | | | | | | | | | | | | | |
| Number of indigent HH's with prepaid Water | | | 2,673,945 | 2,673,945 | 1,133 | 3,020 | 3,624 | 4,006 | | | | | | | | |
| Number of indigent HH's with conventional metered Water | | | | | | | | | | | | | | | | |
| Number of indigent HH's NOT metered currently - Water | | | | | | | | | | | | | | | | |
| Number of indigent HH's with NO water supply - no metering | | | | | | | | | | | | | | | | |
| Total number of registered indigent households | 10 | | 2,673,945 | 2,673,945 | 1,133 | 3,020 | 3,624 | 4,006 | | | | | | | | |
| Status of unlimited supply of Water: | | | | | | | | | | | | | | | | |
| Number of indigent HH's with conventional metered Water - where the municipality is NOT physically restricting Water to the national free basic limit of 6 kilolines per household per month | | | | | | | | | | | | | | | | |
| Number of indigent HH's NOT metered currently receiving unlimited supply - water | | | | | | | | | | | | | | | | |
| Total number of registered indigent households receiving unlimited supply - Water | | | | | | | | | | | | | | | | |
| 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 | | | | | | | | | | | | | | | |
| Energy: (Include All Indigent households also in Eskom supplied areas) | | | | | | | | | | | | | | | | |
| Indigent HH's with Electricity (at least min service level) | | | 4,270,943 | 4,270,943 | | | | | | | | | | | | |
| Indigent HH's with Electricity - prepaid (min service level) | | | | | | | | | | | | | | | | |
| Total no. of indigent HH's receiving Minimum Service Level and Above sub-total | | | 4,270,943 | 4,270,943 | | | | | | | | | | | | |
| 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 | 5 | | 4,270,943 | 4,270,943 | | | | | | | | | | | | |
| Total number of registered indigent households | | | | | | | | | | | | | | | | |
| Status of Electricity meters: | | | | | | | | | | | | | | | | |
| Number of indigent HH's with prepaid Electricity | | | | | | | | | | | | | | | | |
| 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 | | | | | | | | | | | | | | | |
| Status of unlimited supply of Electricity: | | | | | | | | | | | | | | | | |
| Number of indigent HH's with conventional metered Electricity - where the municipality is NOT physically restricting Electricity to the national free basic limit of 50kwh per household per month | | | | | | | | | | | | | | | | |
| Number of indigent HH's NOT metered currently receiving unlimited supply - Electricity | | | | | | | | | | | | | | | | |
| Total number of registered indigent households receiving unlimited supply - Electricity | | | | | | | | | | | | | | | | |
| Of the Total Number of registered indigent households receiving unlimited supply of Electricity - State the Number of HH's billed for consumption above the 50 kwh | 13 | | | | | | | | | | | | | | | |
| Number of ALL Households receiving Free Basic Service (including registered indigent Households) | 7 | | | | | | | | | | | | | | | |
| Water (6 kilolines per household per month) | | | 2,673,945 | 2,673,945 | 1,133 | 3,020 | 3,624 | 4,006 | | | | | | | | |
| Electricity/other energy (50kwh per household per month) | | | 4,270,943 | 4,270,943 | | | | | | | | | | | | |
| Cost of Free Basic Services provided to ALL Households in - Formal Settlements (R'000) | | | | | | | | | | | | | | | | |
| Water (6 kilolines per household per month) | | | 2,673,945 | 2,673,945 | 1,133 | 3,020 | 3,624 | 4,006 | | | | | | | | |
| Electricity/other energy (50kwh per household per month) | | | 4,270,943 | 4,270,943 | | | | | | | | | | | | |
| Cost of Free Basic Services provided to ALL Households in - Informal Formal Settlements (R'000) | | | | | | | | | | | | | | | | |
| Water (6 kilolines per household per month) | | | 2,673,945 | 2,673,945 | 1,133 | 3,020 | 3,624 | 4,006 | | | | | | | | |
| Electricity/other energy (50kwh per household per month) | | | 4,270,943 | 4,270,943 | | | | | | | | | | | | |
| Total cost of FBS Water and Electricity provided to ALL Households | 8 | | 13,889,776 | 13,889,776 | 2,265 | 6,041 | 7,247 | 8,013 | | | | | | | | |
| Highest level of free service provided per household (ALL Households) | | | | | | | | | | | | | | | | |
| Property rates (R value threshold) | | | | | | | | | | | | | | | | |
| Water (kilolines per household per month) | | | 2,673,945 | 2,673,945 | 1,133 | 3,020 | 3,624 | 4,006 | | | | | | | | |
| Sanitation (kilolines per household per month) | | | 3,542,918 | 3,542,918 | 197 | 6,096 | 7,276 | 7,866 | | | | | | | | |
| Electricity (kwh per household per month) | | | 4,270,943 | 4,270,943 | | | | | | | | | | | | |
| Refuse (average litres per week) | | | 2,125,754 | 2,125,754 | 354 | 5,427 | 7,197 | 7,689 | | | | | | | | |
| Revenue cost of subsidised services provided for ALL Households (R'000) | 9 | | | | | | | | | | | | | | | |
| Residential Category: Property rates (tariff adjustment) (impermissible values per section 17 of MPRA) | 14(a) | | | | | | | | | | | | | | | |
| PSI Category: Property rates (tariff adjustment) (impermissible 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 kilolines per indigent household per month) | 15 | | | | | | | | | | | | | | | |
| Sanitation (in excess of free sanitation service to indigent households) | 16 | | | | | | | | | | | | | | | |
| 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 | | | | | | | | | | | | | | | | |

15.6 MFMA Circular 124-Condition 6.8 (Completeness of the revenue base)

| Property Rates Reconciliation | | | | | | |
|-------------------------------|-------------------------|----------------------|--------------------|-------------------------|-------------------------|----------------------|
| Province | NC | | | | | |
| District | Frances Baard District | | | | | |
| Type | LM | | | | | |
| Municipal Name | Mogoteng | | | | | |
| GV Period | 01/07/2019 - 30/06/2024 | | | | | |
| Financial Year | Select from Drop Down | | | | | |
| Reconciliation Period | Quarter 4 | | | | | |
| Reconciliation Overview | | | | | | |
| High Level Reconciliation | | | | | | |
| Property Categories | No of Properties | | | Market Values | | |
| | GV | MFS | Variance | GV Market Values | MFS Market Values | Variance |
| | 6034 | 6397 | -363 | 580,068,000.00 | 570,298,000.00 | 9,770,000.00 |
| | 16 | 16 | 0 | 2,380,000.00 | 2,540,000.00 | -160,000.00 |
| | 127 | 105 | 22 | 121,786,000.00 | 67,150,000.00 | 54,636,000.00 |
| | 456 | 471 | -15 | 1,095,936,000.00 | 1,115,476,000.00 | -19,540,000.00 |
| | 0 | 0 | 0 | - | - | - |
| | 314 | 21 | 293 | 228,338,000.00 | 118,130,000.00 | 110,208,000.00 |
| | 80 | 42 | 38 | 22,822,000.00 | 12,470,000.00 | 10,352,000.00 |
| | 25 | 25 | 0 | 53,867,000.00 | 53,867,000.00 | - |
| | 1 | 0 | 1 | 430,000.00 | - | 430,000.00 |
| | 495 | 0 | 495 | 18,537,000.00 | - | 18,537,000.00 |
| | 0 | 0 | 0 | - | - | - |
| | 0 | 463 | -463 | - | 134,891,000.00 | -134,891,000.00 |
| | 0 | 3 | -3 | - | - | - |
| | 7548 | 7553 | 5 | 2,082,249,000.00 | 2,071,809,000.00 | 10,440,000.00 |
| Detailed Reconciliation | | | | | | |
| Property Categories | Monthly Billing | | | Quarterly | | |
| | GV | MFS | Variance | GV | MFS | Variance |
| | 516,451 | 509,428 | 7,023 | 1,548,363.11 | 1,528,284.36 | 21,088.75 |
| | 5,182 | 5,362 | -180 | 15,547.35 | 16,086.24 | -538.89 |
| | 285,176 | 148,402 | 136,774 | 795,527.85 | 445,206.78 | 350,321.07 |
| | 292,296 | 340,487 | -48,191 | 878,867.03 | 1,021,461.00 | -144,573.97 |
| | - | - | - | - | - | - |
| | 487,189 | 248,679 | 238,510 | 1,491,565.73 | 746,037.48 | 745,528.25 |
| | 4,359 | 2,371 | 1,988 | 13,077.00 | 7,113.98 | 5,963.02 |
| | 14,634 | - | 14,634 | 43,901.61 | - | 43,901.61 |
| | - | - | - | - | - | - |
| | 8,988 | - | 8,988 | 26,996.65 | - | 26,996.65 |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| Total | R1,604,265.27 | R1,254,729.95 | R349,535.32 | 4,812,886.72 | 3,794,189.85 | 1,048,696.87 |

Prepared By: K Modise Date: 11-Nov-25

Contact Details: kmodise@gmail.com

Signature: 

Reviewed By: Ms. K.V. Khasiwa Date:

Contact Details: kvkhasiwa@yahoo.com

Signature: 

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

The municipality need to include as part of the MFMA s.71 narrative statement in this part –

- i. Any Eskom Bulk current account invoice(s) due and payable during the month of reporting.
- ii. The municipality’s proof of payment of any such Eskom Bulk current account invoice(s) during the month of reporting.
- iii. The municipality’s reconciliation statement for electricity aligning to the MFMA S71 mSCOA data strings upload; and
- iv. If the municipality has the water function, the bulk water current account invoice(s) and municipality water reconciliation statement (aligning to the mSCOA data string upload for the period) should similarly be included in this part.

17 Municipal Manager's Quality Certification

Quality Certificate



I...**Tumelo Thage**, The Municipal Manager of **Magareng Local Municipality (NC093)**, hereby certify that—

- The monthly budget statements.
- Quarterly report on the implementation of the budget and financial state affairs of the municipality
- Mid-year budget and performance assessment

The report for **October 2025** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.



Mr T Thage
Municipal Manager

20/11/2025

Date